

## Media/ASX and NZX Release

24 March 2017

### COMPLETION OF INSTITUTIONAL ENTITLEMENT OFFER

On Tuesday 21 March 2017 Downer EDI Limited ("**Downer**") announced its fully underwritten 2 for 5 accelerated renounceable entitlement offer ("**Entitlement Offer**") to raise approximately \$1,011 million.

Today Downer announced the completion of the institutional component of the Entitlement Offer, raising approximately \$757 million ("**Institutional Entitlement Offer**") with approximately 66 percent of entitlements being taken up by eligible institutional shareholders.

Approximately 44 million entitlements not taken up by eligible and ineligible institutional shareholders were offered for sale in the institutional bookbuild, which was conducted on 22 and 23 March 2017 ("**Institutional Bookbuild**").

As the Institutional Bookbuild did not clear the Entitlement Offer price of \$5.95 there will be no proceeds available for distribution.

The retail component of the Entitlement Offer (**Retail Entitlement Offer**) is expected to raise approximately \$254 million. Eligible retail shareholders will be invited to participate in the Retail Entitlement Offer at the same offer price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will open at 9.00am (Sydney time) on Thursday, 30 March 2017 and close at 5.00pm (Sydney time) on Tuesday, 11 April 2017.

Downer's Chief Executive Officer, Grant Fenn, said that arrangements are in place to fully fund the takeover offer.

"Downer has the team with the right experience and capabilities to manage Spotless," he said.

"We have generated significant value in Downer over the past few years and we intend do the same with Spotless."

Mr Fenn said Downer has a track record of executing acquisitions successfully.

"The purchase of Tenix in late 2014 for \$300 million has proven to be an excellent strategic acquisition for Downer and we achieved \$25 million in pre-tax cost savings," he said.

"We believe strongly in the value and strategic merit of a combined Downer and Spotless group."

Mr Fenn said Downer's existing business continues to perform strongly.

"We have provided guidance that Downer will deliver underlying net profit after tax of at least \$175 million for the 2017 financial year," he said.

Further information on Downer's equity raising and offer for Spotless, including the Retail Entitlement Offer, can be found in the Investor Presentation, Bidder's Statement and other documents released by Downer to ASX on Tuesday, 21 March 2017.

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**About Downer**

Downer EDI Limited (Downer) is a leading provider of services to customers in markets including: Transport Services; Rail; Mining; Utilities Services; Technology and Communications Services; and Engineering, Construction & Maintenance. We build strong relationships of trust with our customers, truly understanding and predicting their needs and bringing them world leading insights and solutions. Downer employs about 19,000 people across more than 200 sites and projects, mostly in Australia and New Zealand, but also in the Asia-Pacific region, South America and Southern Africa. For more on Downer, visit: [www.downergroup.com](http://www.downergroup.com).

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