



This document is a supplementary target's statement under section 644 of the *Corporations Act 2001* (Cth). It is the third supplementary target's statement (**Third Supplementary Target's Statement**) issued by Broadspectrum Limited ABN 69 000 484 417 (**Broadspectrum**) in relation to the off market takeover bid for all the ordinary shares in Broadspectrum by Ferrovial Services Australia Pty Ltd ACN 609 542 556 (**Ferrovial**). This Third Supplementary Target's Statement supplements, and should be read together with, Broadspectrum's supplementary target's statement dated 8 April 2016 (**Second Supplementary Target's Statement**), Broadspectrum's supplementary target's statement dated 8 February 2016 (**Supplementary Target's Statement**) and Broadspectrum's target's statement dated 21 January 2016 (**Target's Statement**).

This Third Supplementary Target's Statement prevails to the extent of any inconsistency with the Second Supplementary Target's Statement, Supplementary Target's Statement or the Target's Statement.

A copy of this Third Supplementary Target's Statement has been lodged with ASIC. Neither ASIC nor any of its officers take any responsibility for its contents.

Unless the context otherwise requires, terms defined in the Target's Statement have the same meaning as in this Third Supplementary Target's Statement.

Third Supplementary Target's Statement

This Third Supplementary Target's Statement provides an update on certain material information relevant to Broadspectrum Shareholders in their consideration of the Offer.

Broadspectrum secures \$100 million in energy sector work and reaffirms guidance for FY2016 and outlook for FY2017

- **Broadspectrum secures \$100 million in energy sector work for Woodside and Shell**
- **Reaffirms guidance of Underlying FY2016 EBITDA of between \$280 million and \$300 million**
- **Strong performance based on significant contribution from Defence, Social and Property sector and ongoing improvement in the Americas; turnaround in Infrastructure sector has been delayed**
- **FY2017 Outlook remains positive with Underlying EBITDA¹ expected to be in excess of \$300 million**
- **Board confirms Company's ability and intention to commence share buy-back of up to 10 per cent of the Company's shares on-market over the next 12 months in the event that Ferrovial's Takeover Offer unsuccessfully lapses on 2 May 2016**

¹ Underlying EBITDA means EBITDA adjusted for one-off and non-recurring items (including, for example, costs associated with Broadspectrum's response to Ferrovial's Takeover Offer).

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Broadspectrum (ASX: BRS) has secured approximately \$100 million of energy sector work with long term energy sector clients, including Woodside and Shell Philippines Exploration.

Contract wins

The Company has signed a 12-month extension of the maintenance and brownfield services contract with Woodside across various offshore oil and gas assets. This builds on Broadspectrum's 20-year relationship with Woodside, providing ongoing support at the Goodwyn Alpha, North Rankin Complex, Okha, Nganhurra and Ngujima-Yin Floating Production Storage and Offloading (FPSO) vessels.

In addition to this, Broadspectrum has received a letter of award from Shell Philippines Exploration through a Broadspectrum WorleyParsons Joint Venture for offshore and onshore maintenance and engineering services at the Malampaya gas facility in the Philippines over a two-year period.

Broadspectrum's Managing Director and CEO, Graeme Hunt, said: "We are pleased to be extending relationships with both Woodside and Shell. Our experience with offshore and onshore oil and gas assets globally enables us to deliver improved asset reliability and productivity.

"These new contract awards highlight Broadspectrum's strong operational performance and technical expertise in supporting and maintaining critical client assets," added Mr Hunt.

Across the global oil and gas sector, Broadspectrum has the capability to provide end-to-end service delivery from engineering and design, to well-drilling, maintenance and brownfield construction services.

Broadspectrum also currently holds contracts with Beach Energy, Caltex, Chevron, ConocoPhillips, ExxonMobil, Hess, Origin Energy, Phillips 66, QGC, Santos and Viva Energy.

Outlook

FY2016

The Company reaffirms its guidance for FY2016, with Underlying EBITDA expected to fall in the range of \$280 million to \$300 million.

Mr Hunt said the strong performance was based on a significant contribution from the Defence, Social and Property (DSP) sector.

"Our Defence, Social and Property sector continues to outperform and be a strong contributor to earnings through our work for the Departments of Defence and Immigration and Border Protection. The solid earnings in the current financial year have also been supported by the ongoing turnaround of our Americas business," he said.

"Our DSP sector has benefitted from the recent major contract win with NSW Land and Housing and the continued improvement of our Whole of Government Facilities Management Services contract with the NSW Government, which was recently extended. Both contracts will be major contributors going forward.

"Despite challenging conditions in the commodities and energy sectors, we are starting to win more work in these areas. We continue to face headwinds in the Infrastructure sector and, while our performance has improved from the first half of FY2016, the expected turnaround in this important area of operations has been delayed.

"The headwinds experienced in the Infrastructure sector may result in a shortfall against expectations for the sector relative to previous announcements. However, the shortfall in the

Infrastructure sector in the second half of FY2016 is expected to be offset by other parts of the portfolio. Recent new contract signings in the utilities, transport and water sub-sectors should see an improved performance from the sector in the next financial year.

“As a result, we remain comfortable with our FY2016 guidance of \$280 million to \$300 million,” he added.

FY2017

“Pleasingly, the outlook for the Company remains positive, and we expect to deliver Underlying EBITDA in excess of \$300 million in FY2017².

“We expect our forward earnings composition to be in line with the range provided in the First Supplementary Target’s Statement.

“While the DSP sector continues to be the major contributor to the Company’s current earnings, we remain very well positioned to capitalise on the expected upswing in other sectors.

“We expect increased contributions from the Infrastructure and Resources & Industrial sectors, and continued improvement in our Americas business,” he said.

Balance sheet

The Company confirms net debt is expected to further reduce to between \$370 million and \$390 million³ by 30 June 2016.

As a result of the Company’s improving balance sheet, Broadspectrum’s Board also confirmed its intention and ability to commence a share buy-back of up to 10 per cent of the Company’s shares on-market over the next 12 months, first announced on 15 February, in the event that Ferrovial’s Takeover Offer unsuccessfully lapses on 2 May 2016.

PNG Supreme Court Decision

Broadspectrum notes the ruling of Papua New Guinea’s Supreme Court relating to the Regional Processing Centre at Manus Province.

The Company is awaiting further guidance from the centre operator, PNG Immigration and Citizenship Service and Broadspectrum’s client, the Department of Immigration and Border Protection.

Broadspectrum will update the market on any impact the decision might have on the Company as soon as this becomes known.

ENDS

A Shareholder Information Line has been established to address any specific queries in relation to the Offer. The phone number for the Shareholder Information Line is 1300 361 735 (for calls from within Australia) and +61 1300 361 735 (for calls made from outside Australia). Updates in relation to the Offer will also be posted on Broadspectrum’s website (www.broadspectrum.com).

² The FY2017 outlook for Underlying EBITDA is not a forecast and is subject to changes in macro-economic conditions. It is important to note that the actual FY2017 Underlying EBITDA will not be known for more than 14 months and there is the possibility for it to be materially higher or lower than \$300 million.

³ All forward debt and leverage metrics do not include dividends or capital management initiatives such as a share buy-back

Broadspectrum has been advised in this transaction by Macquarie Capital and Herbert Smith Freehills.

Authorisation

Signed for and on behalf of Broadspectrum following a resolution of the Directors of Broadspectrum:



Diane Smith-Gander
Chairman, Broadspectrum Limited

Date: 27 April 2016

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