

Media/ASX and NZX Release

DOWNER SUCCESSFULLY COMPLETES INSTITUTIONAL ENTITLEMENT OFFER

22 July 2020

Downer EDI Limited (ASX:DOW) ("**Downer**") has successfully completed the institutional component ("**Institutional Entitlement Offer**") of its 1 for 5.58 accelerated pro rata non-renounceable entitlement offer ("**Entitlement Offer**") that was announced on Tuesday, 21 July 2020.

INSTITUTIONAL ENTITLEMENT OFFER

The Institutional Entitlement Offer raised approximately \$339 million at the offer price of \$3.75 per share ("**Offer Price**") and was strongly supported by institutional shareholders with take-up of approximately 97% by eligible institutional shareholders.

There was also strong demand from both Downer's existing institutional shareholders and new institutional investors for the institutional shortfall, comprising entitlements that were not taken up by institutional shareholders under the Institutional Entitlement Offer, or that would have been offered to ineligible shareholders had they been entitled to participate.

The Chief Executive Officer of Downer, Grant Fenn, said:

"We are very pleased with the strong support for the Entitlement Offer shown by both our existing shareholders and new institutional investors. Proceeds of the Entitlement Offer will be used to strengthen Downer's balance sheet, support the acquisition of the remaining shares in Spotless and provide flexibility for continued investment in Downer's core Urban Services business. We believe the strong support for the Institutional Entitlement Offer is an endorsement of the actions we are taking to make our business more competitive and allow us to drive improved returns going forward."

The approximately 90.4 million new shares subscribed for under the Institutional Entitlement Offer ("**New Shares**") are expected to be allotted on Friday, 31 July 2020 and will commence trading on a normal settlement basis on the ASX on the same day.

New Shares issued under the Institutional Entitlement Offer will rank equally with existing shares and will not be eligible for the 2020 interim dividend of 14 cents per share to be paid on 25 September 2020 as this dividend had an ex-dividend date of 25 February 2020 and a record date of 26 February 2020.



RETAIL ENTITLEMENT OFFER

The retail component of the Entitlement Offer (“**Retail Entitlement Offer**”), which is fully underwritten, is expected to raise approximately \$61 million.

The Retail Entitlement Offer will open on Tuesday, 28 July 2020 and close at 5.00pm on Friday, 14 August 2020.

Eligible retail shareholders on the Record Date of 7.00pm, Sydney time, on Thursday, 23 July, 2020 will have the opportunity to invest in New Shares at the Offer Price. Eligible retail shareholders in Australia and New Zealand will be invited to participate in the Retail Entitlement Offer at the same AUD offer price² and offer ratio as the Institutional Entitlement Offer.

The terms and conditions under which eligible retail shareholders may apply are outlined in the Retail Information Booklet which is expected to be despatched on or around Tuesday, 28 July 2020 and which will be made available on the ASX website on that date.

Shareholders with a registered address outside Australia and New Zealand will be ineligible to participate in the Retail Entitlement Offer.

For further information regarding the Retail Entitlement Offer, please contact the Downer Entitlement Offer Information Line on 1300 556 161 or +61 3 9415 4000 (outside Australia), any time between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Retail Entitlement Offer period.

Offer Timetable

A timetable of key dates in relation to the Entitlement Offer is set out below. The timetable is indicative only and dates and times are subject to change without notice. All dates refer to 2020 and times are Sydney time.

Event	Date
Announcement of results of Institutional Entitlement Offer Trading Halt lifted Trading in ordinary shares resumes on an ex-entitlement basis	Wednesday, 22 July 2020
Record Date for Entitlement Offer (7.00pm Sydney time)	Thursday, 23 July 2020
Retail Entitlement Offer opens and Retail Information Booklet despatched	Tuesday, 28 July 2020

² Eligible retail shareholders may also subscribe in NZD. The NZD equivalent of the AUD offer price will be specified in the retail information booklet.

For personal use only



For personal use only

Settlement of Institutional Entitlement Offer	Thursday, 30 July 2020
Issue and trading of new shares under the Institutional Entitlement Offer	Friday, 31 July 2020
Retail Entitlement Offer closes (5.00pm Sydney time)	Friday, 14 August 2020
Announce results of Retail Entitlement Offer	Wednesday, 19 August 2020
Settlement of Retail Entitlement Offer	Thursday, 20 August 2020
Allotment of new shares under the Retail Entitlement Offer	Friday, 21 August 2020
New shares issued under the Retail Entitlement Offer commence trading on a normal settlement basis	Monday, 24 August 2020
Despatch of holding statements for new shares under Retail Entitlement Offer	Tuesday, 25 August 2020

Further Information

Authorised for release by Downer's Chief Executive Officer.

For further information please contact:

Michael Sharp, Group Head of Corporate Affairs and Investor Relations

+61 439 470 145



IMPORTANT INFORMATION

Forward looking statements disclaimer

This announcement contains certain forward looking statements and comments about current intention, statements of opinion and predictions as to possible future events, including Downer's expectations about the future performance of its business, the effect of the funds raised under the Entitlement Offer on those businesses, the outcome of the Spotless Offer and the future performance (including potential or further expected synergies) of Downer and Spotless post acquisition. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements and include statements in this announcement regarding the conduct and outcome of the Entitlement Offer, the use of proceeds, the outcome of the Spotless Offer, the future performance (including potential or further expected synergies) of Downer and Spotless post acquisition and Downer's outstanding debt. You are cautioned not to place undue reliance on any forward looking statement. While due care and attention has been used in the preparation of forward looking statements, forward looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends which are based on interpretations of current market conditions. Forward looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Downer, its directors and management. Actual results, performance or achievements may vary materially from any forward looking statements and the assumptions on which statements are based. Downer disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise.

Not for distribution or release in the United States

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which, or to any person to whom, such an offer would be illegal. Neither the entitlements nor the new shares of Downer issued under the Entitlement Offer have been, nor will be, registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements and such securities may not be taken up by, or offered or sold to, directly or indirectly, any person in the United States, or to any person acting for the account or benefit of any person in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

About Downer

Downer is the leading provider of integrated services in Australia and New Zealand and customers are at the heart of everything it does. It exists to create and sustain the modern environment and its promise is to work closely with its customers to help them succeed, using world-leading insights and solutions to design, build and sustain assets, infrastructure and facilities. For more information visit downergroup.com.