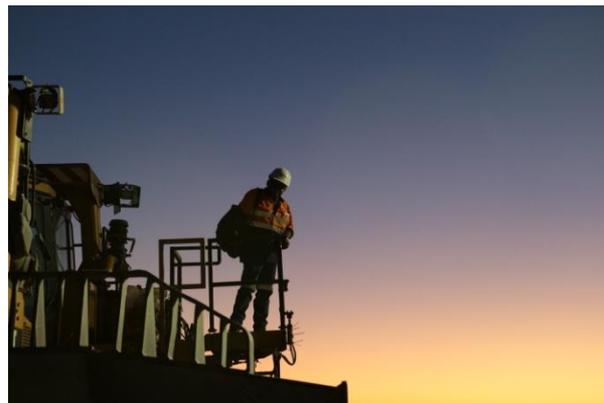


DELIVERING THROUGH THE VALUE CYCLE

Grant Fenn, Chief Executive Officer and Managing Director

Macquarie Australia Conference, Sydney
2 May 2013



Downer Group overview

Market Capitalisation
~\$2 billion

People
~20,000

Work-in-hand
~\$19 billion*

Divisions

Downer Infrastructure



- Electrical & instrumentation
- Structural, Mechanical & Piping
- Road maintenance & surfacing
- Rail infrastructure
- Telecommunications
- Asset management
- Power systems
- Water infrastructure
- Civil infrastructure

Downer Mining



- Open-cut mining
- Underground mining
- Blasting services
- Tyre management
- Exploration drilling
- Crushing
- Mobile plant maintenance
- Mine planning and design
- Rehabilitation
- Low emissions mining solutions

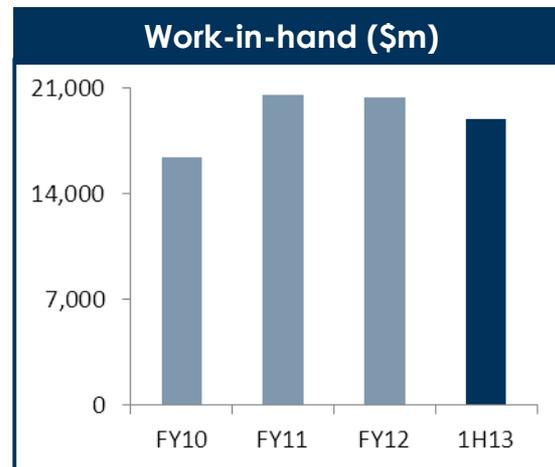
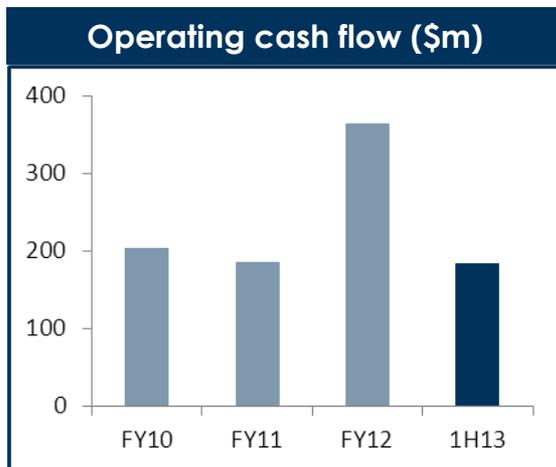
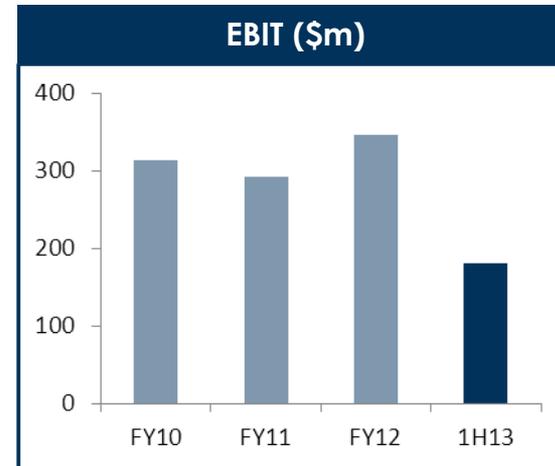
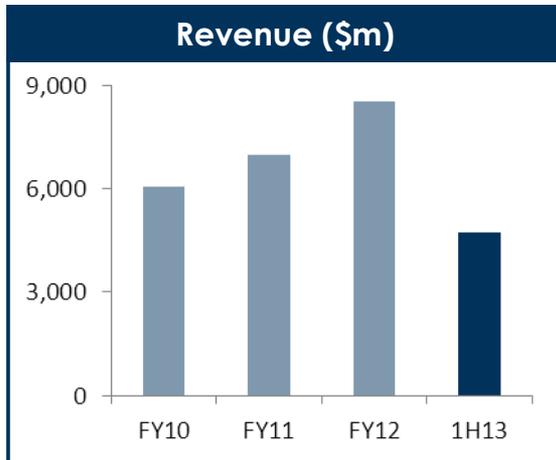
Downer Rail



- Whole-of-life asset management for passenger and freight rolling stock
- Importation and commissioning of complete locomotive units
- Waratah Train Project

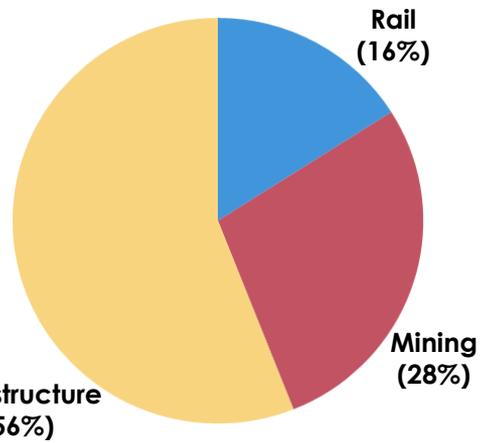
* as at 31 December 2012

Downer Group overview

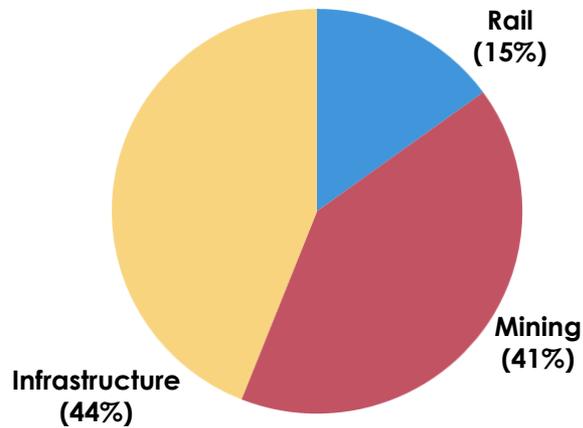


Divisional overview

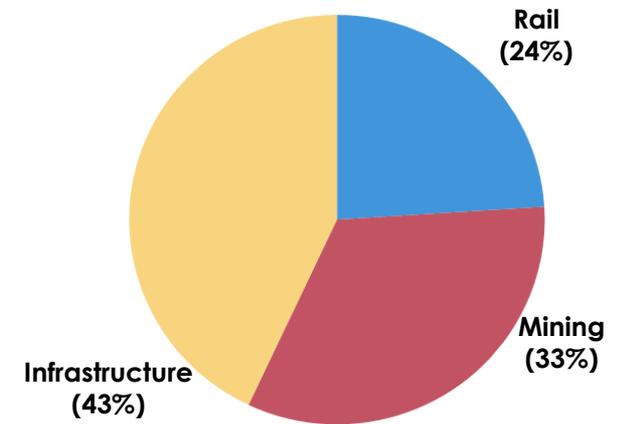
FY12 REVENUE



FY12 EBIT



WORK-IN-HAND



Business transformation (past three years)

Fix Waratah Train Project

- WTP now out of recovery and “normalised”
- Production quality and rate improved substantially
- 36 trains available for passenger service and performing well, TLS ramping up
- 78th train planned for delivery in mid-2014

Strengthen foundations

- Management capability
- Risk and Project Management
 - Chief Risk Officer, enhanced processes, integrated business and risk planning
 - Project Management Offices
 - Centralised legal/contract sign-off
- Balance sheet and capital management

Business transformation continued

Simplify/consolidate/ enable

- Fit 4 Business
- Establish Downer Infrastructure
- Exit non-core and underperforming businesses

Drive growth in core markets with key customers

- Better engagement with customers
- Leverage “cross-selling” opportunities
- Greater focus on forward revenue opportunities (CRM)

Maintain focus on Zero Harm

- Significant improvement in LTIFR and TRIFR
- Intensified focus on “critical risks”
- Cardinal Rules

The Value Cycle

- All businesses are questioning and challenging every aspect of their operations to optimise value:
 - overheads
 - direct costs
 - supply chain
 - business shape and size
- Downer has been proactive
- The transformation of the business over the past three years means Downer is in good shape to deliver through The Value Cycle

Downer initiatives

- Investing in operational productivity
 - state-of-the-art asphalt plants that significantly reduce energy consumption and GHG emissions
 - HRMS (time capture)
- Continuously seeking efficiency improvements (F4B)
 - labour hire
 - Procurement – travel, accommodation, fleet management, PPE, fuel, cabling, office supplies etc
- Working constructively with our customers to reduce costs and improve productivity
 - e.g. optimising plant and equipment utilisation and allocation

Building on strengthened foundations

- Substantial transformation over the past three years
- Downer will continue to focus on driving value for our customers
- Downer will build on its strengthened foundations to develop existing relationships and pursue new opportunities:
 - Mining and LNG projects
 - State Government outsourcing of road maintenance
 - other government outsourcing
 - public transport franchising
 - telecommunications
- Downer will emerge stronger competitively than when we entered The Value Cycle

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