Downer
Relationships creating success

Downer Group
Investor presentation

for the financial year ended 30 June 2022

17 August 2022

Summary of FY22 financial results

Profit after tax and EPS

$152.0m Statutory NPAT
▼ 17.3%
Statutory EBIT of $323.2m

$225.3m Underlying NPATA[1,2]
▼ 13.7%

32.0 cps Underlying EPSA[3,5]
▼ 12.6%
21.3 cps statutory Basic EPS

Operational performance

$508.1m Underlying Urban Services EBITA[1,3]
▼ 3.0%
Statutory EBITA $358.0m

88.9% Underlying cash conversion
83.9% statutory

$11.5bn Urban Services Revenue[2]
▲ 10.8%
Total revenue $12.0bn

Balance sheet and dividend

1.6x Net Debt to EBITDA[4]
1.5x at June 2021

17.7% Gearing[4]
19.0% at June 2021

12 cps Final ordinary dividend (unfranked)
24cps for FY22 (▲ 3cps)

[1] Downer calculates EBITA and NPATA by adjusting EBIT and NPAT to add back acquired intangible assets amortisation expense. Group FY22: $34.8m, $24.4m after-tax. (FY21: $66.2m, $46.3m after-tax)
[2] Total revenue is a non-statutory disclosure and includes revenue from joint ventures, other alliances and other income
[3] The underlying result is a non-IFRS measure that is used by Management to assess the performance of the business. Non-IFRS measures have not been subject to audit or review. Refer slide 21 for reconciliation to statutory results
[4] Net debt to EBITDA ratio includes lease liabilities in Net Debt and is on a post-AASB 16 basis. Gearing ratio does not include lease liabilities in Net Debt and is on a pre-AASB16 basis
[5] EPSA is calculated based on underlying NPATA adjusted by contributions from minority interests and ROADs dividends paid; divided by WANOS

FY22 Accomplishments

Sustainability

- Ranked in top 15% of industry globally in the S&P Global (DJSI) 2021 Sustainability Yearbook
- Achieved our Sustainability Linked Loan KPI targets
- Achieved a 97% landfill diversion rate

People

- Launched THRIVE, our women's empowerment and capability building program
- Launched Downer's Workplace Giving Program
- Board renewal process complete

Balance sheet

- Robust balance sheet with Net Debt to EBITDA[1] of 1.6x
- Increased FY22 dividends to 24cps (+3cps) (FY22 Final dividend of 12cps, unfranked)
- $142.6m buy-back in the period

Business

- Completion of FY20 announced non-core portfolio changes
- Continued implementation of The Downer Standard
- Completion of the Rosehill Sustainable Resource Centre

[1] Net debt to EBITDA ratio includes lease liabilities in Net Debt and is on a post-AASB 16 basis

Levered to a Net Zero Economy and New Technology

- A net zero emissions future will require significant adjustments to almost all urban infrastructure
- Downer's capabilities, scale and asset knowledge puts us in a unique position to help our customers decarbonise their asset base
- Downer's technical capabilities are critical to the economy's transition:
  - Coal / Gas / Hydrogen power generation
  - Carbon capture
  - Renewable generation and storage
  - Transmission and distribution line construction and maintenance
  - Facilities management / Building energy management
  - Public transport solutions and operations
  - Road network management / road pavements

Capabilities across our portfolio in areas required for the journey to net zero

Low emissions electricity

Electrification

Energy storage

Energy efficiency

Alternate fuels

Carbon capture and storage

Land based solutions

Other emerging technologies





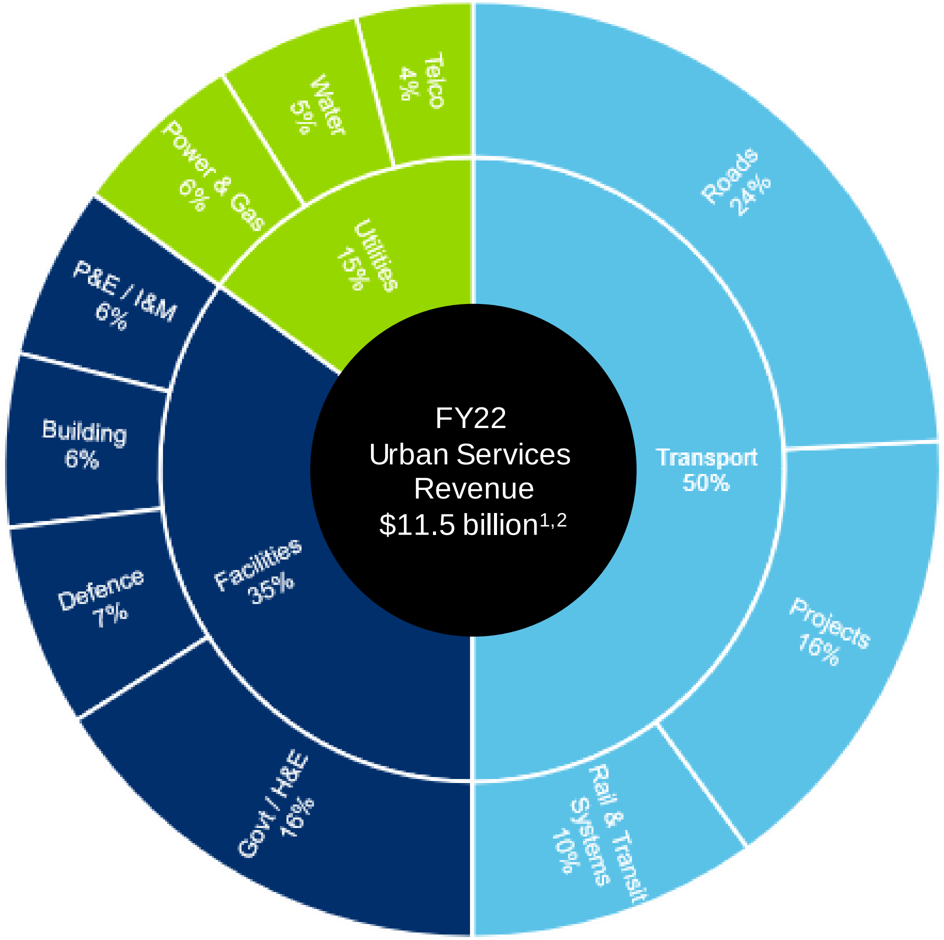
Diversified across the right end-markets

Market leader in most categories in both Australia and New Zealand

Resilience through diversity as sector specific factors are balanced out across the portfolio

Lower capital intensity through Urban Services portfolio rationalisation

Unprecedented levels of government investment in infrastructure

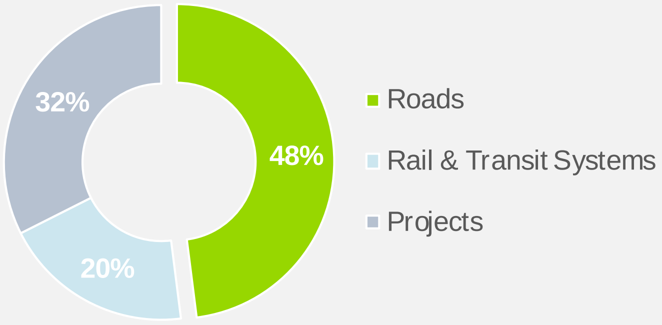


[2] Excludes non-core businesses Mining and Hospitality
[3] P&E / I&M is the abbreviation of Power & Energy and Industrial & Marine businesses and also includes Mineral Technologies. H&E is the abbreviation of Health & Education

Transport – Roads

- Opened the new Sustainable Road Resource Centre at Rosehill, Sydney
- Awarded Transurban's CityLink and West Gate Tunnel road network management contract
- Secured $800m of road maintenance contracts in Auckland with a 5-year initial term plus 5-year extension options
- Resurfaced Albert Park F1 track
- Business resilience through floods and COVID-19
- Acquired Fowlers Asphalting in Victoria, with integration running ahead of business case

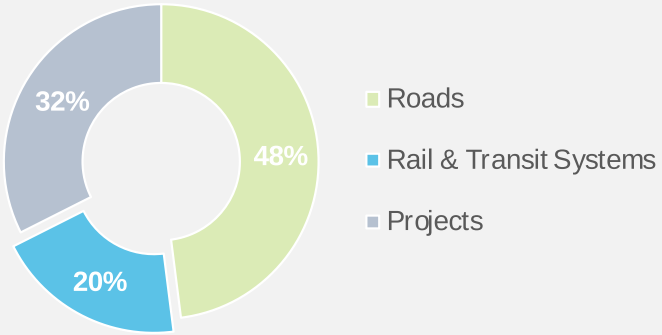
48% of FY22 Transport revenue



Transport – Rail & Transit Systems

- Queensland Train Manufacturing Program bid submitted – if won, Downer will manage the largest rollingstock fleets in each State on the Eastern Australian seaboard. Award expected in December 2022
- Final Acceptance of the Sydney Growth Trains Option Fleet
- Delivered more than half of the High Capacity Metro Trains fleet (35 sets / 245 cars) with Provisional Acceptance
- Successful completion of Waratah fleet's eight-year component change out through Downer's Cardiff facility, with the fleet now operating at a higher than contracted reliability
- Developed fleet enhancements that delivered upgrades and innovation to the Sydney Trains fleet
  - Fleet enhancement sustainability initiatives achieved 15% energy savings of the HVAC system alone

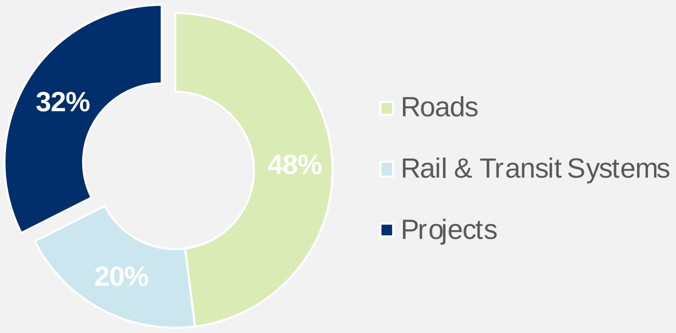
20% of FY22 Transport revenue



Transport – Projects

- Secured the Waurn Ponds rail alliance contract in Victoria
- Secured the Western Port Highway Upgrade in Victoria – a new generation road contract
- Achieved the highest pre-qualification status from all State road authorities
- Secured the Warringah Freeway Upgrade project, a key enabler to connect the new Western Harbour tunnel to the Northern Beaches Link
- Awarded an alliance contract with Waka Kotahi New Zealand Transport agency for the delivery of two harbour-side shared paths on the edges of Wellington Harbour
- Strategic review of the Australian Transport Projects business currently underway

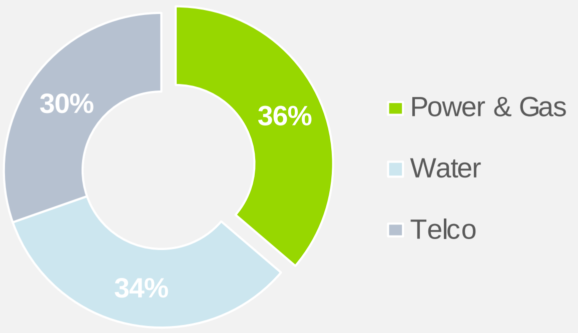
32% of FY22 Transport revenue



Utilities – Power & Gas

- Successful completion of the ACES program, deploying ~46MW of solar generation across ~550 Queensland schools, contributing to $26m in annual power savings for the entire program
- Secured a 5-year service contract for Transpower, delivering transmission services to New Zealand's national electricity grid for the first time
- Appointed to the Major Road Projects Victoria (MRPV) Utilities Panel and awarded 2 out of 3 of the first projects released
- APA selected Downer as their only service provider appointed to Strategic Relationship Status to work together to develop future opportunities
- Turitea North renewables project is online and will generate enough energy to power approximately 375,000 electric vehicles per year, and will contribute a further two per cent renewable energy to the national grid in New Zealand

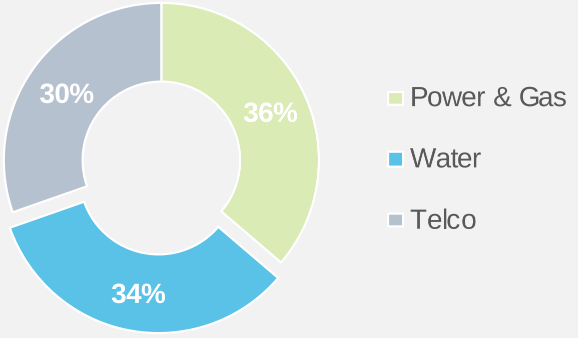
36% of FY22 Utilities revenue



Utilities – Water

- Loganholme Biosolids Gasification initiative won the Queensland Engineers Australia excellence award in August and also is a finalist in an International Water Association award in September
- AWA National Safety Innovation Award in October 2021
- South East Water Civil Maintenance contract (10 years, $200m)
- Hawthorn Main Sewer Project won a CCF safety award

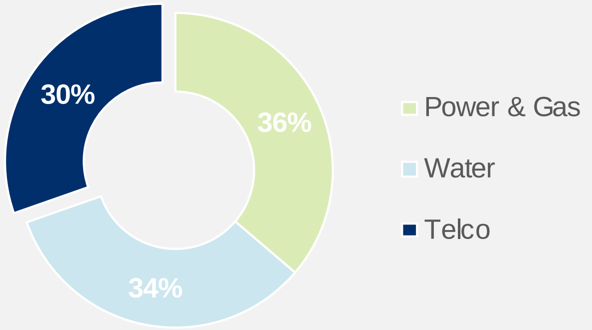
34% of FY22 Utilities revenue



Utilities – Telecommunications

- Expanded the Group's customer base in Wireless Network deployment to be an industry leader providing program management services nationally including rural and remote locations
- Secured a 3-year Field Services Agreement with Chorus in New Zealand
- Became the largest supplier to nbn for On-Demand, business grade and residential (new estates & development) services in all mainland states of Australia
- Maintained our leadership role on nbn's network maintenance program across WA/SA/NT
- Secured and expanded our delivery capability for electrical charging support infrastructure to enable Zero Emissions Buses across multiple bus depots in NSW and Queensland

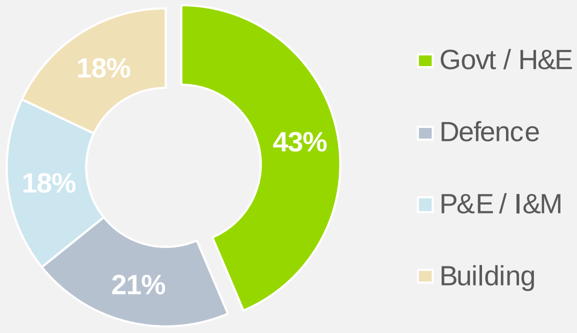
30% of FY22 Utilities revenue



Facilities – Government / Health & Education

- Successful negotiation and mobilisation of Reviewable Services for the Royal Adelaide Hospital and Bendigo Hospital PPPs – both for an additional 5-year term
- Achieved four key contract extensions, including Vic Schools, WA Housing, LAHC and NSW WhoG
- Devised a comprehensive 'best in class' environmental sustainability approach for our healthcare customers to support their ESG goals
- Secured new facilities management contracts in New Zealand including the new greenspace contract for South Taranaki Council
- Won the Metro Trains Melbourne and the Yarra Trams cleaning contracts, cementing Downer's position as the leading provider of cleaning services to the heavy and light rail industries
- Supported the Lismore and Casino communities in flood remediation work

43% of FY22 Facilities revenue[1,2]

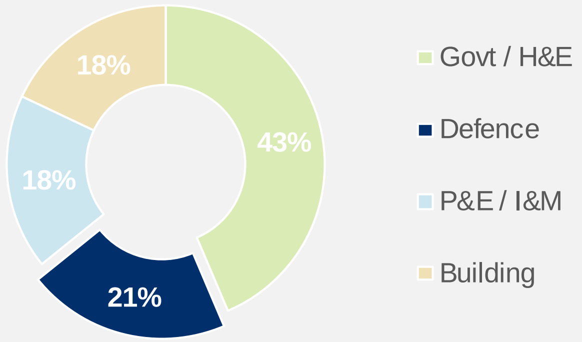


[1] Excludes Hospitality and Laundries
[2] P&E / I&M is the abbreviation of Power & Energy and Industrial & Marine businesses and also includes Mineral Technologies

Facilities – Defence

- Secured and delivered a program of more than 300 individual upgrade and refurbishment projects across the Defence Estate
- Awarded a major program of works for Defence Capability & Sustainment Group (CASG)
- Extension of a contract for the Defence Chief Information Officer Group through Downer Professional Services
- Major airfield upgrade project at RAAF Williamtown has mobilised with works well underway
- Downer Defence has secured the Managing Contractor role on Riverina Redevelopment Program
  - Seven-year program will develop options for five major base redevelopments including managing the design and construction of approximately 150 barracks, stores, training and administration buildings

21% of FY22 Facilities revenue[1,2]

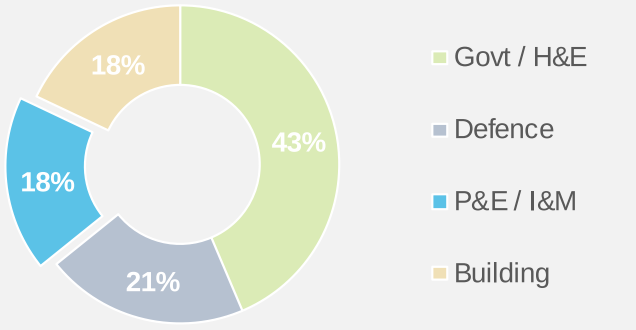


[1] Excludes Hospitality and Laundries
[2] P&E / I&M is the abbreviation of Power & Energy and Industrial & Marine businesses and also includes Mineral Technologies

Facilities – Power & Energy / Industrial & Marine

- Established the Downer Future Energy Team focussing on new technologies and alternative fuels
- Successful award and delivery of a large suite of decarbonisation projects for Santos
- Signed multi-year agreement with AGL for power station shutdowns, maintenance and projects
- Awarded a number of contract extensions for term contracts including Santos, Origin Energy Eraring Power Station, Origin Energy Integrated Gas, Delta Vales Point Power Station and NRG Gladstone Power Station
- Kalgoorlie Workshop modernisation and capability enhancement to meet future demands of nickel, lithium and base metal customers in WA
- Successful completion of BHP Olympic Dam SCM21 Non-Hot Metals shutdown project

18% of FY22 Facilities revenue[1,2]



[1] Excludes Hospitality and Laundries
[2] P&E / I&M is the abbreviation of Power & Energy and Industrial & Marine businesses and also includes Mineral Technologies

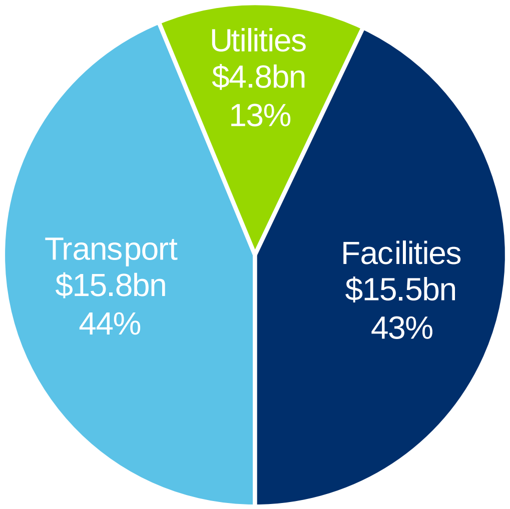
$36.1bn of work-in-hand

✓ Long-dated

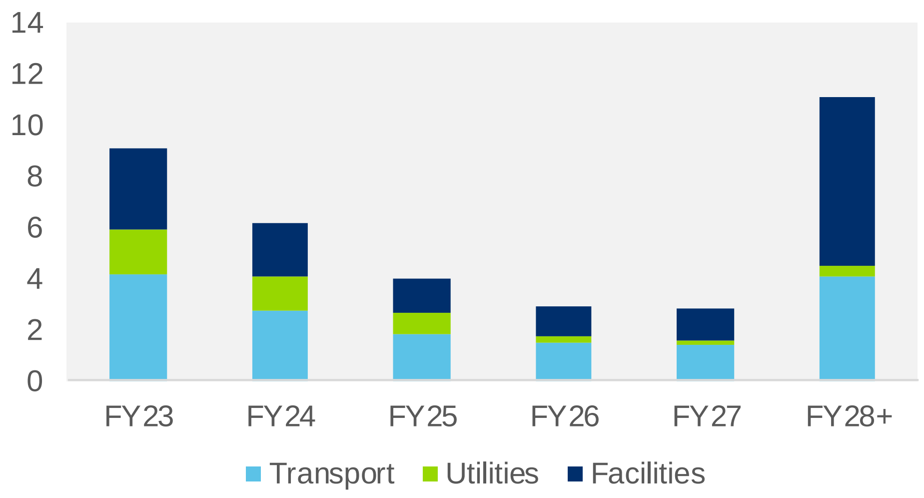
✓ Diversified by industry

✓ ~90% Government or Government related

Work-in-hand by segment ($36.1bn)



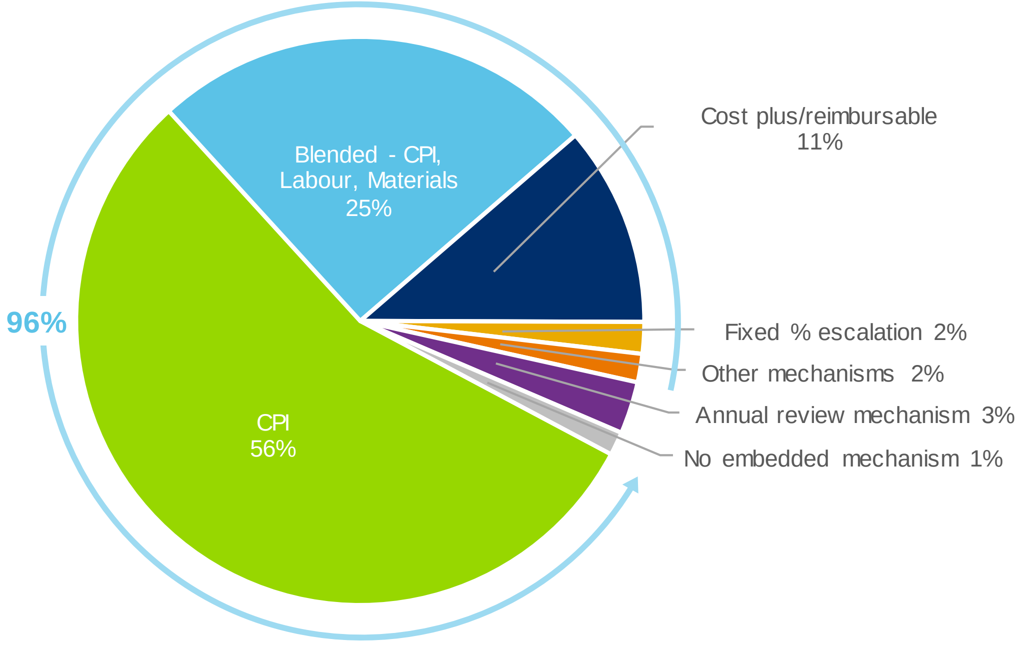
Work-in-hand profile ($bn)



Managing cost escalation

Services – 91% of work-in-hand

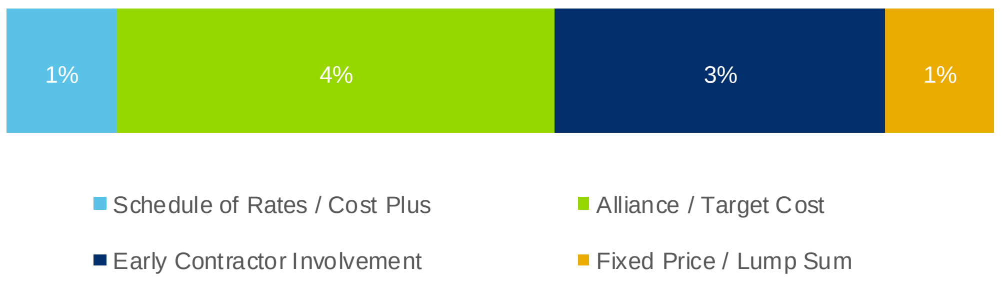
- 96% of Services work-in-hand[1] has some form of embedded price escalation mechanism
- Majority of contracts escalate at either CPI (quarterly or annually) or a blend of CPI, labour and relevant materials indices



Construction[2] – 9% of work-in-hand

- Relatively short-term, bid with assumptions for price escalation and contingencies
- Alliance / Target Cost provides downside protection and risk sharing
- Early Contractor Involvement (ECI) allows collaborative cost discovery and provides greater understanding of risk profile than fixed priced

Contract type of 9% construction work-in-hand

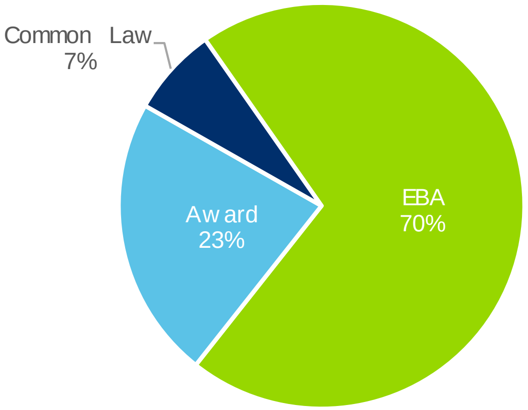


[1] WIH > $50 million, which represents 89% of total services work-in-hand
[2] Construction comprises of Projects businesses in Australia and New Zealand (Transport) and Hawkins Building in New Zealand (Facilities)

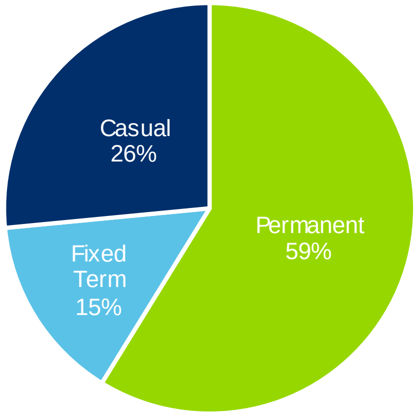
Labour Challenges

- Downer has a 33,000 strong workforce[1]
- Labour shortages have increased cost to serve in most businesses
  - Increased overtime rates
  - Sub-contract / Labour hire
- Downer is an employer of choice
  - Actively engaged in international recruitment
  - Internal referral programs
  - Accelerated 'on the job' training
- The nature of our workforce allows Downer to manage labour across projects
- Typically only one-third of union EBAs are up for renewal each year

Frontline workforce by contract type



Total workforce by employment type



[1] Excludes subcontractors

Group financials

Group underlying financial performance

- Total revenue 2.0% lower to $12.0bn, primarily due to divestment of non-core businesses
- Urban Services revenue[1] increased 10.8% to $11.5bn
- Group underlying[3] EBITA margin 3.3%, impacted by severe wet weather and COVID-19
- Corporate costs decreased by 2.6% to $100.5m (see supplementary information slide 32)
- Net interest expense decreased by $15.2m from reduction in debt and improved average cost of funds
- Underlying effective tax rate of 28.0%
- Final dividend of 12cps declared (unfranked). Full year FY22 dividends declared of 24cps (unfranked), an increase of 3cps

$m	FY22[3]	FY21[3]	Change
Total revenue[1]	11,987.1	12,234.2	(2.0%)
EBITDA	706.6	899.1	(21.4%)
Depreciation and amortisation	(307.4)	(431.8)	(28.8%)
EBITA[2]	**399.2**	**467.3**	**(14.6%)**
Amortisation of acquired intangibles	(34.8)	(66.2)	(47.4%)
EBIT	364.4	401.1	(9.1%)
Net interest expense	(85.4)	(100.6)	(15.1%)
Profit before tax	279.0	300.5	(7.2%)
Tax expense	(78.1)	(85.6)	(8.8%)
Net profit after tax	**200.9**	**214.9**	**(6.5%)**
NPATA[2]	**225.3**	**261.2**	**(13.7%)**
Underlying EBITA margin	3.3%	3.8%	(0.5pp)
Effective tax rate	28.0%	28.5%	(0.5pp)
ROFE[4]	11.2%	12.1%	(0.9pp)
Dividend declared (cps)	24.0	21.0	14.3%

[1] Urban Services revenue and total revenue are non-statutory disclosures and includes revenue from joint ventures, other alliances and other income
[2] Downer calculates EBITA and NPATA by adjusting EBIT and NPAT to add back acquired intangible assets amortisation expense. Group FY22: $34.8m, $24.4m after-tax. (FY21: $66.2m, $46.3m after-tax)
[3] The underlying result is a non-IFRS measure that is used by Management to assess the performance of the business. Non-IFRS measures have not been subject to audit or review. Refer slide 21 for reconciliation to statutory results
[4] ROFE = 12 month rolling underlying EBITA divided by average funds employed (AFE); AFE = Average Opening and Closing Net Debt (excludes lease liability) + Equity

Segment underlying performance overview

Transport

- Revenue of $5.7bn (+8.1%)
- EBITA of $254.6m (+1.8%)
- EBITA margin of 4.4% (-0.3pp)
- Improved revenue contribution from Projects and Keolis Downer JV, offset by severe wet weather on the East Coast impacting the Road Services business and completion of SGT construction phase in Rail & Transit Systems
- Decline in EBITA margin driven by business mix from growth in traditionally lower margin Projects business and impact of severe wet weather on Road Services earnings

Utilities

- Revenue of $1.8bn (-6.0%)
- EBITA of $73.7m (-22.3%)
- EBITA margin of 4.2% (-0.8pp)
- Revenue decrease due to decline in volumes relating to COVID-19 related disruptions, partially offset by increase in Telco in Australia
- EBITA decline driven by COVID-19 impacts on Australian Metering and Water Services and the New Zealand business
- Shift in business mix away from higher margin minor capital works

Facilities[1]

- Revenue of $4.0bn (+25.1%)
- EBITA of $179.8m (+0.7%)
- EBITA margin of 4.5% (-1.1pp)
- Revenue increase driven by strong growth in Building projects in New Zealand and higher activities in Health & Education business
- Continued deferral of industrial related maintenance work impacted EBITA
- Margin impacted by business mix with strong revenue growth from lower margin areas such as Building in New Zealand

[1] Excludes Hospitality and Laundries

Reconciliation of underlying to statutory results

$m	EBITA[1]	Net interest expense	Tax expense[2]	NPATA[1]	Amortisation of acquired intangibles (post-tax)	NPAT
Underlying[3] results	**399.2**	**(85.4)**	**(88.5)**	**225.3**	**(24.4)**	**200.9**
Fair value increase on Downer Contingent Share Options (DCSO)[4]	3.7	-	-	3.7	-	3.7
Divestments and exit costs[5]	(75.8)	-	5.0	(70.8)	-	(70.8)
Portfolio restructure costs	(7.6)	-	2.3	(5.3)	-	(5.3)
Bid costs[6]	(12.7)	-	3.8	(8.9)	-	(8.9)
Probuild credit loss	(34.6)	-	6.9	(27.7)	-	(27.7)
Gain on sale of PP&E	85.8	-	(25.7)	60.1	-	60.1
Total items outside underlying result	**(41.2)**	**-**	**(7.7)**	**(48.9)**	**-**	**(48.9)**
Statutory results	**358.0**	**(85.4)**	**(96.2)**	**176.4**	**(24.4)**	**152.0**

1 Downer calculates EBITA and NPATA by adjusting EBIT and NPAT to add back acquired intangible assets amortisation expense. Group FY22: $34.8m, $24.4m after-tax. (FY21: $66.2m, $46.3m after-tax)
2 Tax of $88.5m is calculated by adjusting underlying tax of $78.1m with $10.4m tax on amortisation of acquired intangible assets
3 The underlying result is a non-IFRS measure that is used by Management to assess the performance of the business. Non-IFRS measures have not been subject to audit or review
4 The fair value of the Downer Contingent Share Options (DCSO) have decreased primarily driven by the movement in Downer's share price from $5.59 at 30 June 2021 to $5.05 at 30 June 2022
5 The divestment program has been completed following the disposal of Otraco on 1 December 2021, the sale of Open Cut Mining East on 17 December 2021 and the exit from a number of Hospitality contracts. Additionally, assets previously utilised by those businesses will no longer be utilised by the Group and consequently were written-off (Refer to Note B3 to the Financial Report)
6 Downer is in the process of tendering for the Queensland Train Manufacturing Program, for which a net $12.7m in bid costs were expensed during the year

Cash flow

- Statutory conversion of 83.9%
- Underlying cash conversion of 88.9%[1] when adjusted for $22.3m of cash outflows related to items recognised in FY20 and funded from the July 2020 capital raising [4] and $12.7m of bid costs
- Cash balance of $738.5m and total liquidity of $1,943.5m
- Net Debt to EBITDA[5] of 1.6x well below Downer's capital allocation framework target range of 2-2.5x

$m	FY22	FY21	Change
Total operating cash flow	**495.4**	**708.7**	**(30.1%)**
Net Capex (Core)	(134.9)	(154.0)	(12.4%)
Net Capex (Non-Core)	(8.8)	(74.3)	(88.2%)
Payment of principal lease liabilities (Core)	(146.4)	(148.7)	(1.5%)
Payment of principal lease liabilities (Non-Core)	(17.2)	(45.8)	(62.4%)
IT	(36.5)	(28.4)	28.5%
Advances to JVs and Other	(2.7)	(6.4)	(57.8%)
Funds from operations	**148.9**	**251.1**	**(40.7%)**
Dividends paid	(171.4)	(153.6)	11.6%
Divestments[2]	245.4	447.8	(45.2%)
Acquisitions (Spotless and Other)[3]	(24.1)	(148.8)	(83.8%)
Share buyback / Issue of shares (net of costs)	(142.6)	365.6	<(100%)
Net repayment of borrowings	(122.6)	(540.7)	(77.3%)
Net (decrease) / increase in cash	**(66.4)**	**221.4**	**<(100%)**
Cash at the end of the year	**738.5**	**811.4**	**(9.0%)**
Total liquidity	**1,943.5**	**2,238.4**	**(13.2%)**

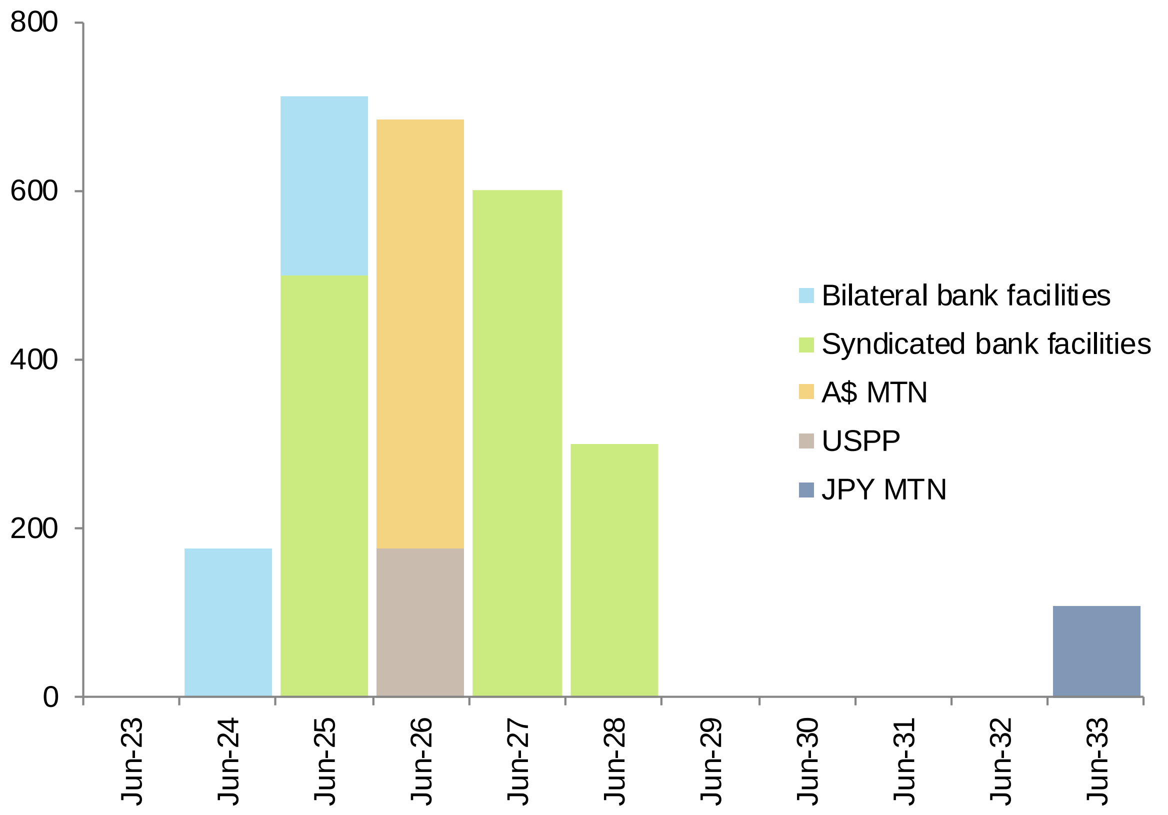
[1] Refer to Supplementary Information for reconciliation (Refer Slide 33)
[2] Proceeds from disposal activities include: $75.1m net proceeds from Otraco, $131.0m net proceeds from Open Cut Mining East and $39.3m deferred proceeds received in relation to Open Cut Mining West and Blasting (divestments completed in FY21)
[3] FY21 Spotless and Other. FY22 Fowlers and Other (Refer to Note F5 to the Financial Report)
[4] Downer undertook a Non-renounceable Pro-rata Entitlement Offer in July 2020, for which the Uses of funds included payroll remediation costs and legal settlements of New Zealand building works
[5] Net debt to EBITDA ratio includes lease liabilities in Net Debt and is on a post-AASB 16 basis

Group debt profile

- Weighted average debt duration of 3.9 years[1] (3.8 years at 30 June 21)
- Recent refinancing activity, hedging and fixed rate debt mix sees Downer well placed to absorb current rate increases in FY23
- FY23 net interest costs expected to be $85-90m

Debt facilities $m	Jun-22	Dec-21	Jun-21
Total limit [2]	2,563.4	2,686.2	2,946.6
Drawn [2]	1,358.4	1,259.2	1,519.6
Available	**1,205.0**	**1,427.0**	**1,427.0**
Cash	738.5	676.7	811.4
Total liquidity	**1,943.5**	**2,103.7**	**2,238.4**
Net debt [2]	619.9	582.5	708.2

Debt maturity profile (A$m)



[1] Based on the weighted average life of debt facilities (by A$m limit)
[2] Excludes lease liabilities

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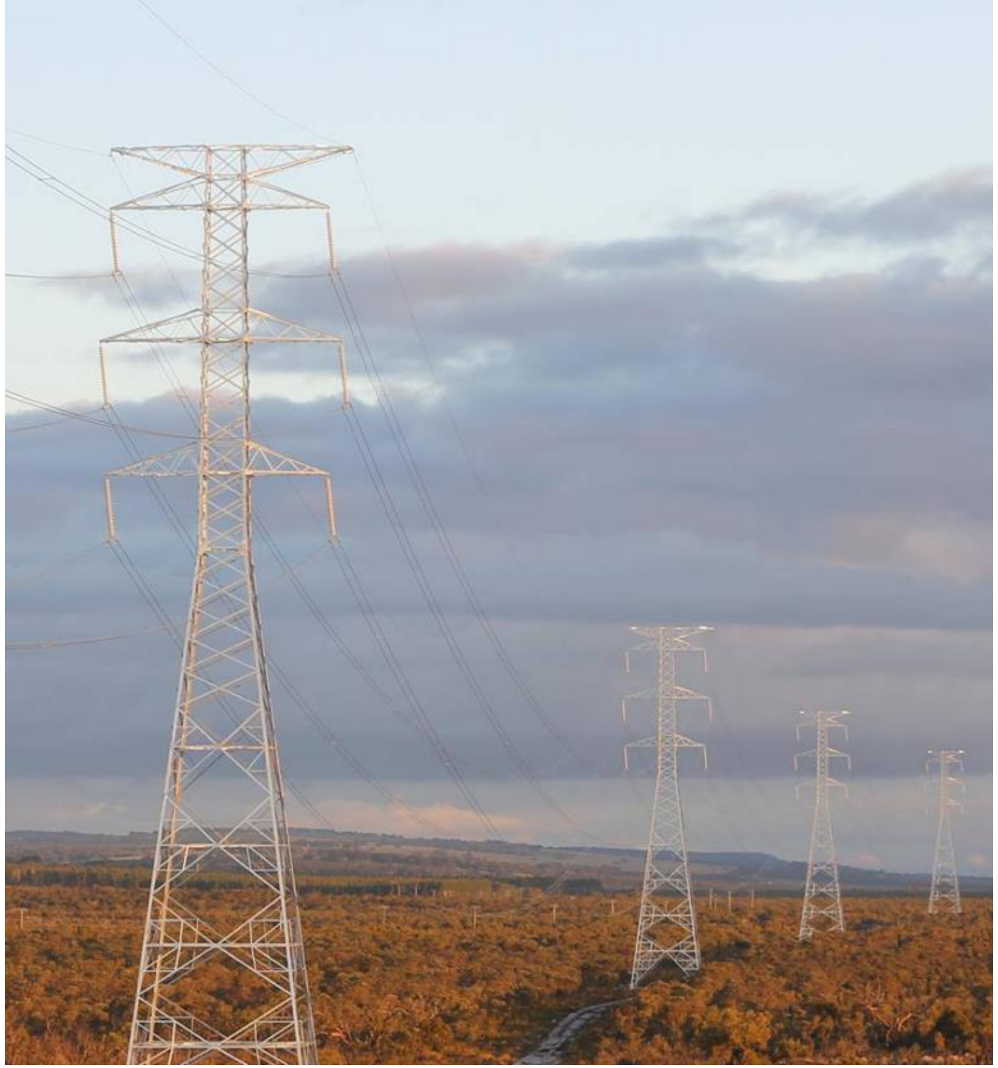
Outlook

Key messages and outlook

- Q4 beat expectations, generating a favourable run rate into FY23
- Demand remains robust in our markets, across existing contracts and pipeline
- Cost to serve still elevated but trending towards more normal levels
- Net Debt to EBITDA[1] of 1.6x well below target range of 2.0-2.5x which provides stability, supports the dividend and enables Downer to explore value accretive investment
- For FY23, Downer expects 10-20% underlying NPATA growth, assuming no material COVID-19, weather, labour or other disruptions



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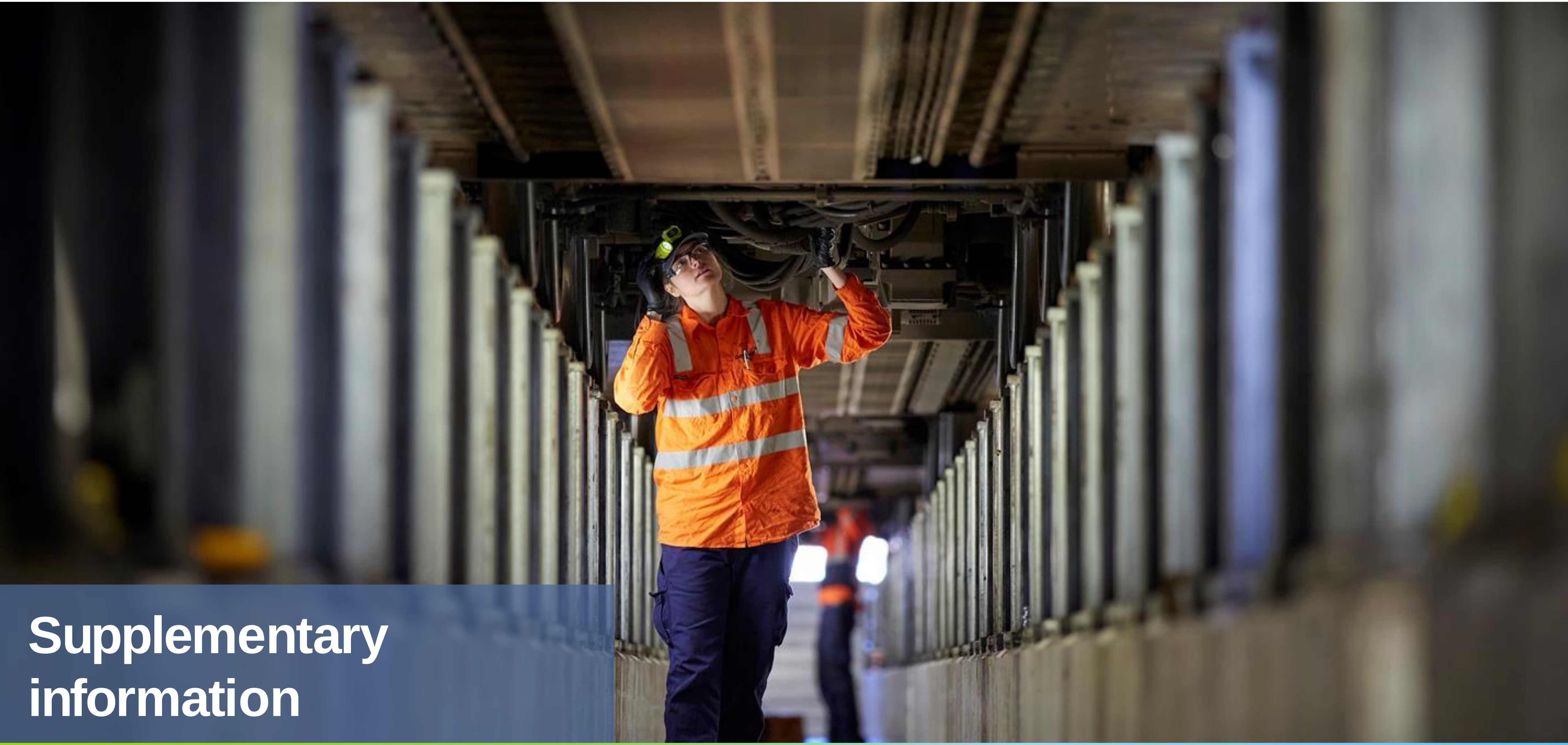


Supplementary information

Board composition

New Board members in FY22

Mark Chellew (Non-executive Chairman)

Over 40 years' experience in building materials and related industries including roles as Chief Executive Officer and Managing Director in Australia and the United Kingdom.

Adelle Howse (Non-executive Director)

Extensive senior executive and non-executive director experience in the infrastructure, energy, resources, construction, data centres, telco and property sectors.

Mark Binns (Non-executive Director)

Experienced senior executive and non-executive director with extensive experience in New Zealand in the energy, construction and building materials sectors.

Mark Menhinnitt (Non-executive Director)

Experienced senior executive with extensive domestic and international experience in large infrastructure development, construction, asset services, operations and maintenance.

Continuing Board members

Teresa Handicott (Non-executive Director)

Former corporate lawyer and Chairman of national law firm Corrs Chambers Westgarth with over 30 years' experience in mergers and acquisitions, capital markets and corporate governance.

Nicole Hollows (Non-executive Director)

Over 20 years' experience in the resources sector in a number of senior managerial roles across both the public and private sectors including in mining, utilities and rail.

Peter Watson (Non-executive Director)

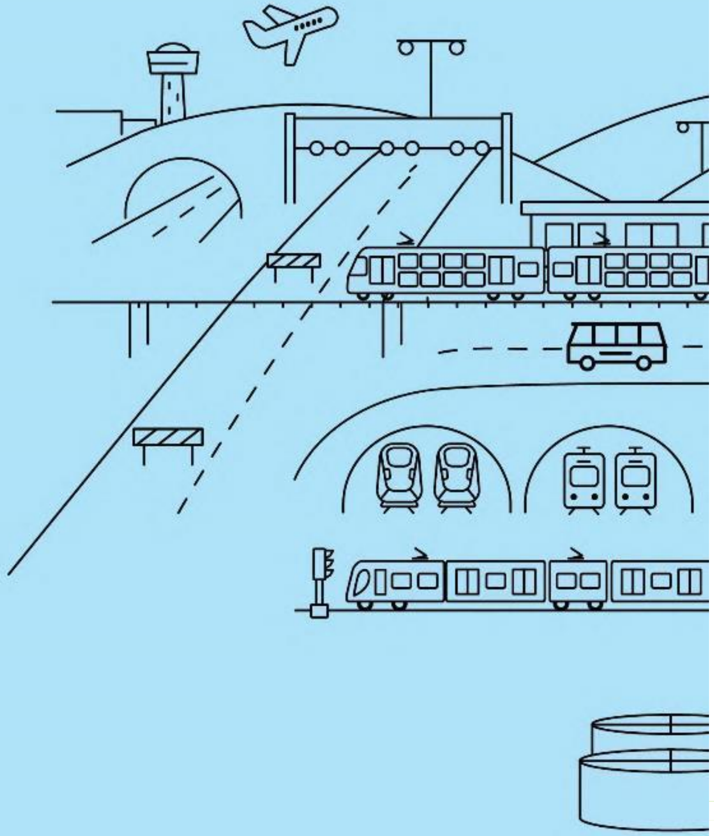
Extensive experience in the construction and engineering sectors in executive and governance roles, including in the industrial, transport, defence, health, utilities and justice sectors.

Grant Fenn (Managing Director & CEO)

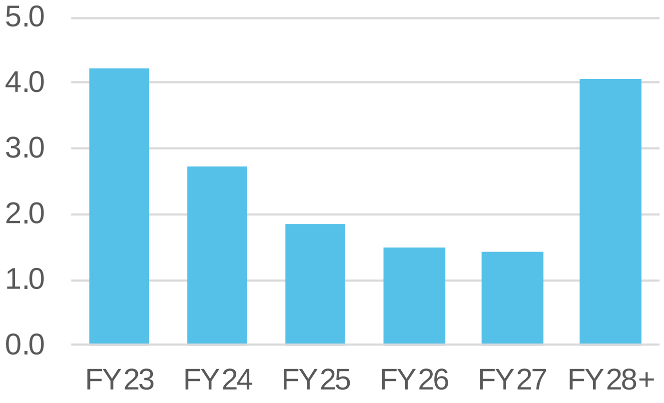
Over 30 years' experience in operational management, strategic development and financial management. Appointed Downer CEO in July 2010.

Transport

Road Services
Rail & Transit Systems
Projects



WIH profile ($bn)

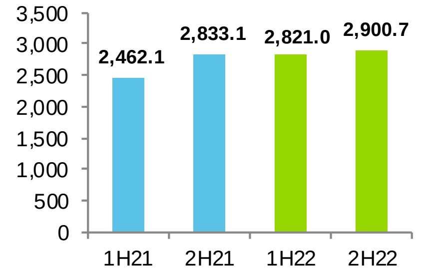


- Total WIH of $15.8bn
- 95% government WIH[1]

Top 5 Contracts Remaining

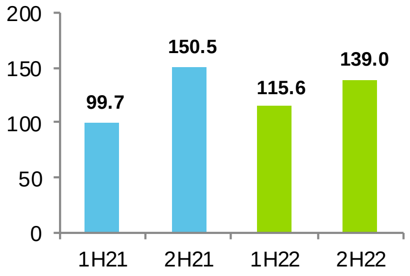
1. Maintaining Waratah trains until 2044
2. Maintaining HCMTs until 2053
3. Maintaining Sydney Growth Trains until 2044
4. Operating Yarra Trams until 2024 (Keolis Downer)
5. Operating Adelaide Passenger Rail Network until 2033 (Keolis Downer)

Revenue $m



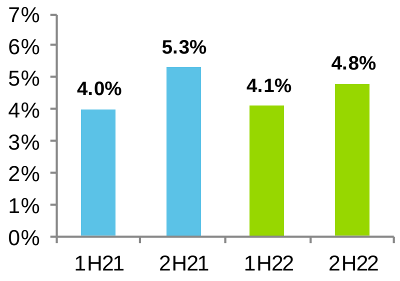
+8.1% v FY21

EBITA $m



+1.8% v FY21

EBITA margin



(0.3)pp v FY21

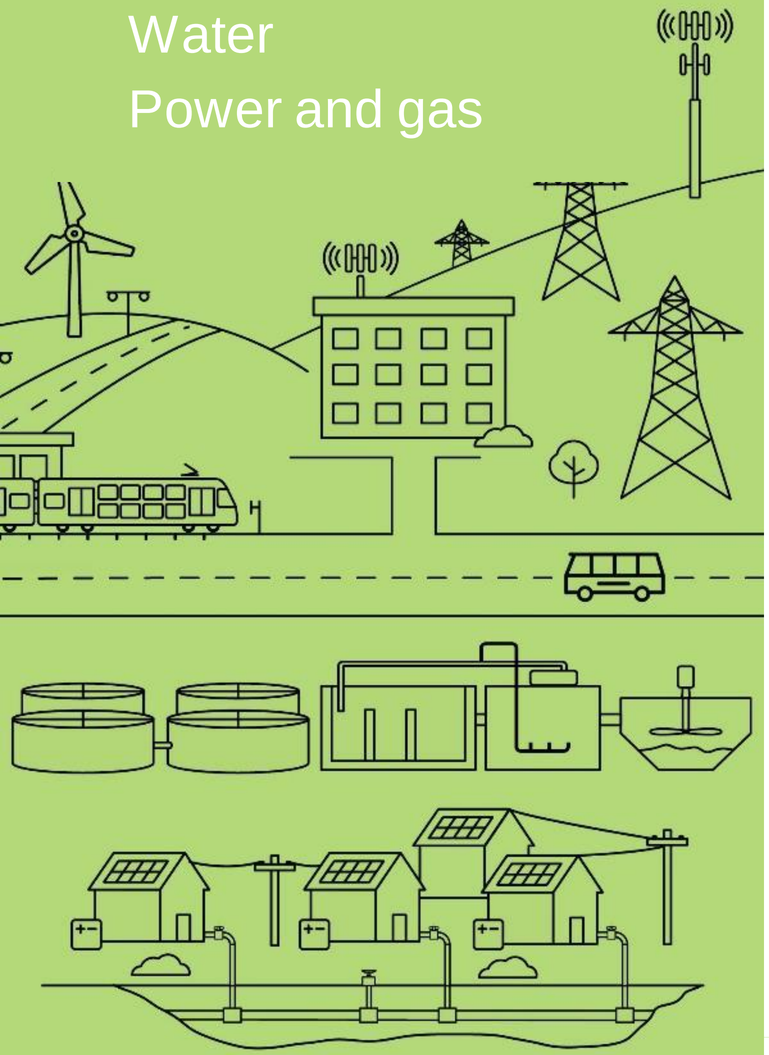
[1] WIH Government includes direct Government and Government related projects

Utilities

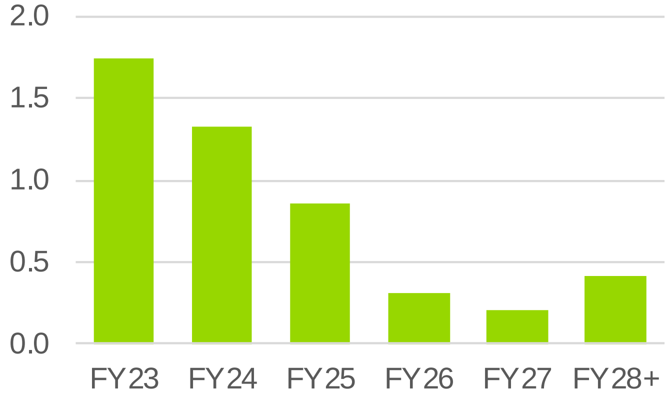
Telecommunications

Water

Power and gas



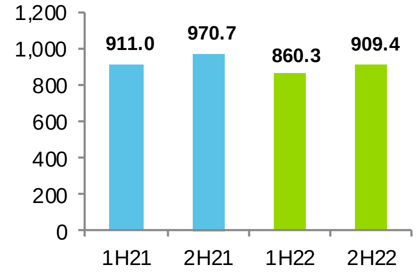
WIH profile ($bn)



- Total WIH of $4.8bn
- 78% government WIH[1]

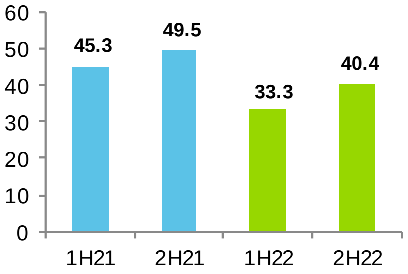
Top 5 Contracts Remaining
1. Sydney Water until 2030 (Confluence Water JV)
2. AusNet (power) until 2024 (plus 6-year extension)
3. Transpower Grid Services (New Zealand) until 2027 (plus 5-year extension)
4. Logan City Council until 2025 (plus 2x2yrs extensions)
5. AusNet (gas) until 2026

Revenue $m



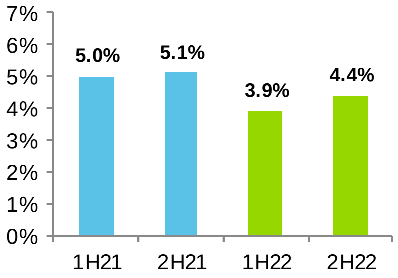
(6.0)% v FY21

EBITA $m



(22.3)% v FY21

EBITA margin

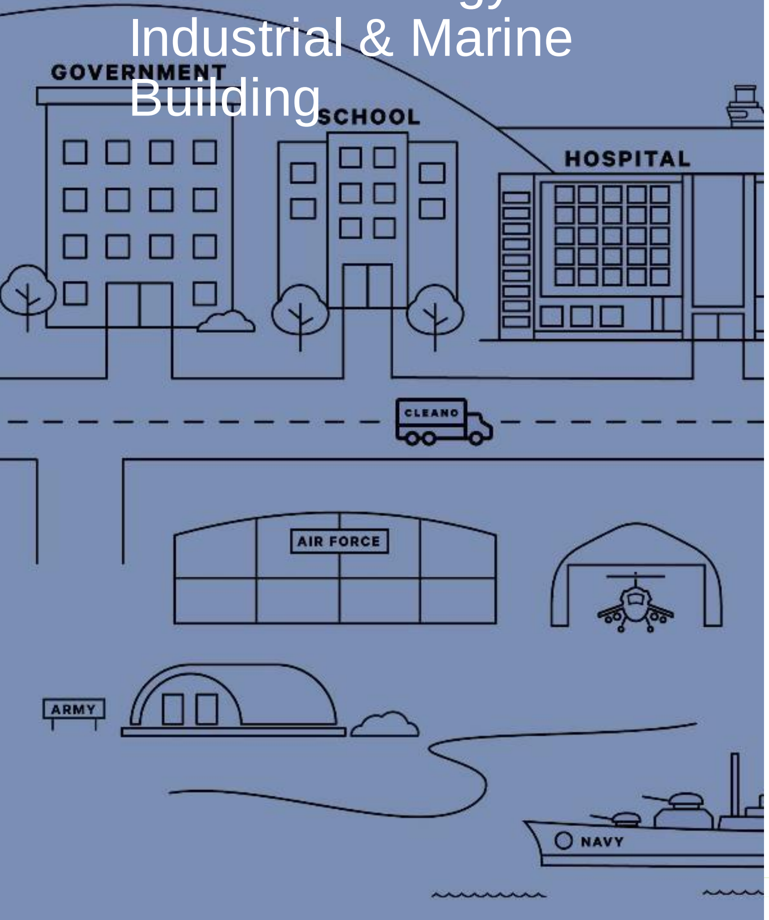


(0.8)pp v FY21

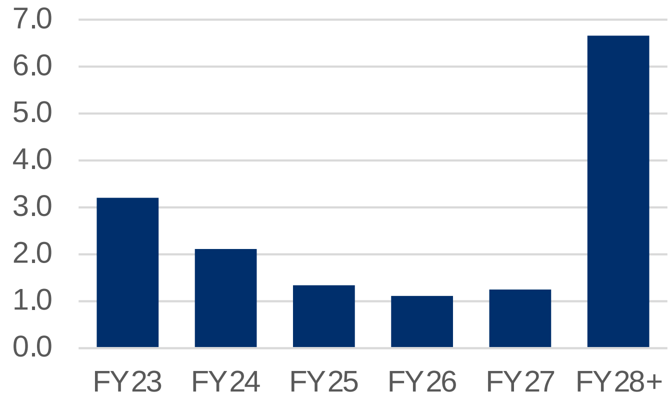
[1] WIH Government includes direct Government and Government related projects

Facilities

Government
Health & Education
Defence
Power & Energy
Industrial & Marine
Building



WIH profile ($bn)

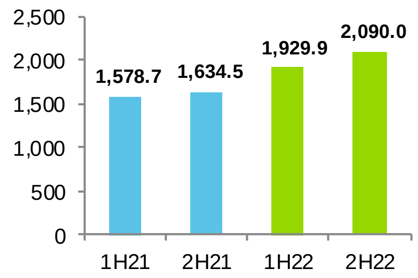


- Total WIH of $15.5bn
- 85% government WIH[1]

Top 5 Contracts Remaining

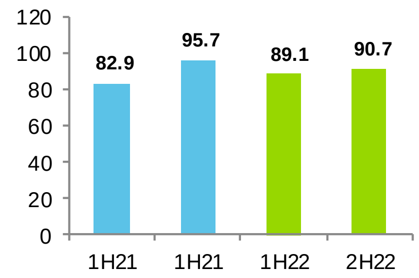
1. New Royal Adelaide Hospital PPP until 2046 (contract reset 30 June 2022)
2. Bendigo Hospital PPP until 2042 (contract reset 30 June 2022)
3. Sunshine Coast University Hospital PPP until 2042
4. Dept of Defence Estate Maintenance and Operations until August 2024
5. Orange Hospital PPP until 2036

Revenue $m[2]



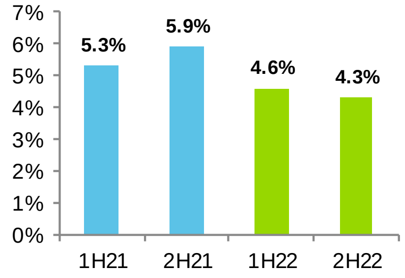
+25.1% v FY21

EBITA $m[2]



+0.7% v FY21

EBITA margin[2]

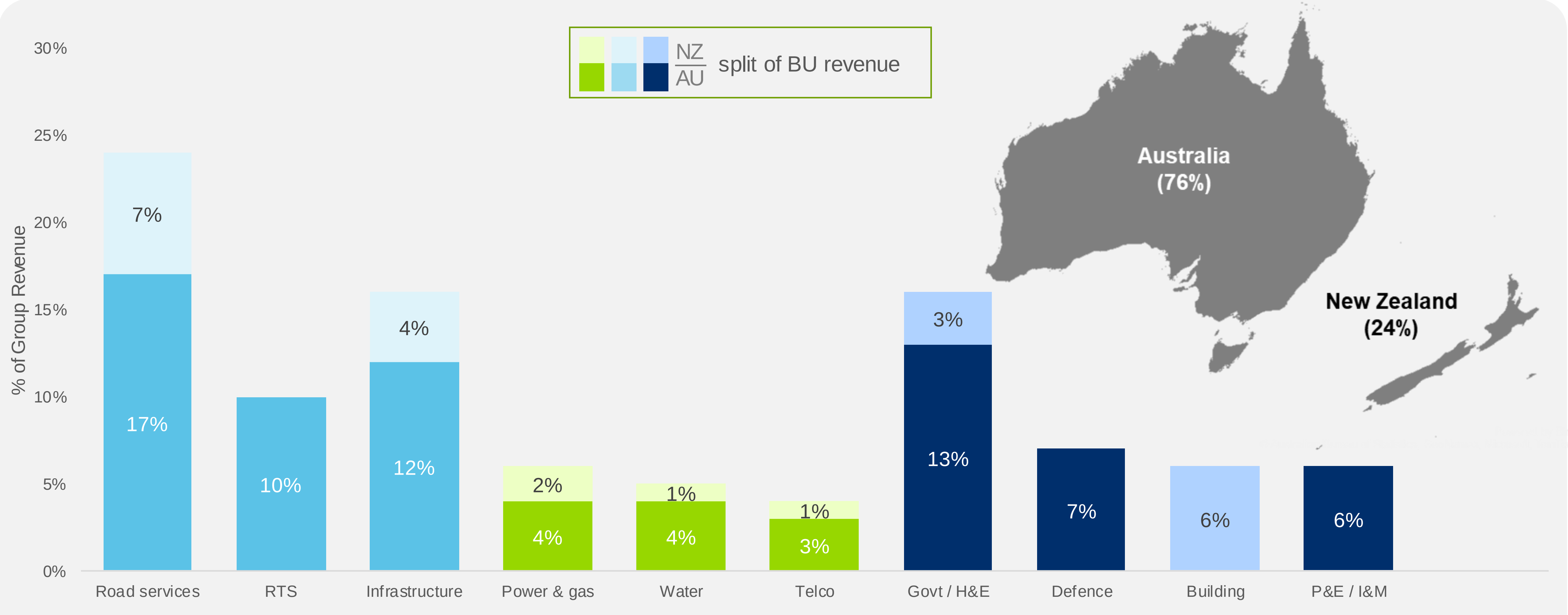


(1.1)pp v FY21

[1] WIH Government includes direct Government and Government related projects

[2] Excludes Hospitality and Laundries

Scale and capacity in both Australia and New Zealand



Transport
80% AU / 20% NZ

Utilities
70% AU / 30% NZ

Facilities
75% AU / 25% NZ

Note: Based on FY22 revenue mix of Downer's segments. P&E / I&M is the abbreviation of Power & Energy and Industrial & Marine businesses and also includes Mineral Technologies

Business unit performance

- Underlying Urban Services EBITA of $508.1m, down 3.0%
- Refer to slide 20 for commentary on Urban Services business performance

$m	FY22	FY21	Change
Transport	254.6	250.2	1.8%
Utilities[3]	73.7	94.8	(22.3%)
Facilities[3]	179.8	178.6	0.7%
Urban Services Businesses	**508.1**	**523.6**	**(3.0%)**
Engineering & Construction	-	(5.1)	(100%)
Mining	8.1	46.6	(82.6%)
Laundries	-	5.0	(100%)
Hospitality	(16.5)	0.4	<(100%)
Non-core businesses	**(8.4)**	**46.9**	**<(100%)**
Corporate	(100.5)	(103.2)	(2.6%)
Underlying EBITA[1,2]	**399.2**	**467.3**	**(14.6%)**
Items outside of underlying EBITA	(41.2)	(66.3)	(37.9%)
Statutory EBITA[1]	**358.0**	**401.0**	**(10.7%)**
Underlying NPATA[1,2]	225.3	261.2	(13.7%)
Statutory NPAT	**152.0**	**183.7**	**(17.3%)**

[1] Downer calculates EBITA and NPATA by adjusting EBIT and NPAT to add back acquired intangible assets amortisation expense. Group FY22: $34.8m, $24.4m after-tax. (FY21: $66.2m, $46.3m after-tax)
[2] The underlying result is a non-IFRS measure that is used by Management to assess the performance of the business. Non-IFRS measures have not been subject to audit or review
[3] Downer has finalised its restructure which resulted in some business units being reclassified. Refer to slide 36

Operating cash flow

- Core Urban Services business delivering strong cash flows across the portfolio
- Underlying[1] EBITDA conversion of 88.9% (statutory 83.9%) after adjusting for $22.3m of cash outflows related to items recognised in FY20 and funded from the July 2020 capital raising[2] and $12.7m of bid costs
- Receivables factoring at 30 June 2022 was $16.3m ($63.4m at 30 June 2021)

$m	FY22	FY21	Change
Underlying[1] EBIT	364.4	401.1	(9.1%)
Add: Amortisation of acquired intangibles	34.8	66.2	(47.4%)
Add: Depreciation and amortisation	307.4	431.8	(28.8%)
Underlying[1] EBITDA	**706.6**	**899.1**	**(21.4%)**
Operating cash flow	**495.4**	**708.7**	**(30.1%)**
Add: Net interest paid	81.7	98.6	(17.1%)
Add: Tax paid	15.9	19.9	(20.1%)
Adjusted operating cash flow	**593.0**	**827.2**	**(28.3%)**
EBITDA conversion	**83.9%**	**92.0%**	**(8.1pp)**
Adjust for items booked in FY20	22.3	79.0	(71.8%)
Bid costs	12.7	-	100%
Underlying[1] adjusted operating cash flow	**628.0**	**906.2**	**(30.7%)**
Underlying[1] EBITDA conversion	**88.9%**	**100.8%**	**(11.9pp)**

[1] The underlying result is a non-IFRS measure that is used by Management to assess the performance of the business. Non-IFRS measures have not been subject to audit or review
[2] Downer undertook a Non-renounceable Pro-rata Entitlement Offer in July 2020, for which the Uses of funds included payroll remediation costs and legal settlements of New Zealand building works

Capital expenditure and D&A

- Core net capex decreased by 12.4%
- Maintenance capex broadly in-line with PP&E depreciation and IT amortisation expense
- Core D&A (excluding amortisation of acquired intangibles) of $284.0m

$m	FY22	FY21	Change
Net Capital expenditure – core	134.9	154.0	(12.4%)
Net Capital expenditure – non-core	8.8	74.3	(88.2%)
IT	36.5	28.4	28.5%
Capital expenditure / IT	**180.2**	**256.7**	**(29.8%)**

$m	FY22	FY21	Change
Depreciation of PP&E – core	110.5	106.8	3.5%
Depreciation of PP&E – non-core	14.2	117.8	(87.9%)
IT amortisation	22.4	26.6	(15.8%)
Depreciation of RouA – core	151.1	144.2	4.8%
Depreciation of RouA – non-core	9.2	36.4	(74.7%)
Total depreciation & amortisation	**307.4**	**431.8**	**(28.8%)**

Balance sheet

- Net assets reduced by $123.4m or 4.2% since June 2021 to $2.8bn
- Reduction in net assets primarily driven by the divestment of Mining

$m	Jun-22	Jun-21
Current assets	**3,028.0**	**3,403.2**
Non-current assets	**4,433.0**	**4,668.9**
- Goodwill	2,285.0	2,280.8
- Acquired intangible assets	232.7	267.8
- PP&E, Software and other	1,479.1	1,573.8
- Right-of-use assets	436.2	546.5
Total liabilities	**(4,627.0)**	**(5,114.7)**
- Lease liabilities	(543.9)	(662.8)
- Other liabilities	(4,083.1)	(4,451.9)
Net assets	**2,834.0**	**2,957.4**
Net debt[1]	**(619.9)**	**(708.2)**
Gearing: Net debt / Net debt plus equity[2]	17.7%	19.0%
Net debt / EBITDA[3]	1.6x	1.5x

[1] Adjusted for the marked-to-market derivatives and deferred finance charges and excludes the lease liabilities of $543.9m at 30 June 2022 ($662.8m at 30 June 2021)
[2] Equity adjusted to exclude the impact on adoption of AASB 16. Gearing ratio does not include lease liabilities in Net Debt and is on a pre-AASB 16 basis
[3] Net debt to EBITDA ratio includes lease liabilities in Net Debt and is on a post-AASB 16 basis

Reconciliation to prior period financials

- As disclosed at the HY22 result, Downer has finalised the structure of Transport, Utilities and Facilities which resulted in some business units being reclassified
- To provide comparable information and a reconciliation, the below table has been provided (consistent with HY22 result)

FY21	FY21 Reported		Reclassifications[1]		FY21 Restated	
$m	Revenue	EBITA	Revenue	EBITA	Revenue	EBITA
Transport	5,295.2	250.2	-	-	5,295.2	250.2
Utilities	2,106.3	115.1	(224.6)	(20.3)	1,881.7	94.8
Facilities (Core)	2,490.6	140.0	722.6	38.6	3,213.2	178.6
Asset Services	498.0	18.3	(498.0)	(18.3)	-	-

[1] Asset Services, previously reported as part of the EC&M segment has been reclassified to Facilities. Downer Defence Systems, previously reported under Utilities has been reclassified to Facilities