

Media/ASX and NZX Release

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DOWNER COVID-19 UPDATE

Downer EDI Limited (Downer) announced today that given the uncertainty around the impact of the COVID-19 virus, it had decided to withdraw its earnings guidance for the 2020 financial year.

The Chief Executive Officer of Downer, Grant Fenn, said: "Downer has a strong balance sheet, significant available liquidity and comfortable headroom in its bank covenants. At 31 December 2019, we reported cash of \$515 million and committed undrawn facilities of \$1.14 billion. Fitch recently confirmed our Long-Term Issuer Default Rating and senior unsecured rating at 'BBB' Stable."

As reported at Downer's half year results on 12 February 2020, the Downer Group has only \$50 million of debt facilities maturing in the next 12 months and this can be funded using existing, committed facilities.

Mr Fenn said demand for the vast majority of Downer's services is expected to remain strong as Downer's business is predominantly government and critical infrastructure.

"Our teams across the Group are working very hard to ensure that our critical services are as resilient as possible in the current environment and we are working closely with our customers around planning and business continuity. We are also implementing a range of cost reduction initiatives across the Group.

"Downer has a very solid financial foundation and a strong pipeline of ongoing work, most of it with Government customers. We are making hard decisions due to the unprecedented impact of this virus, and these decisions have been taken to position Downer for the future when the COVID-19 situation eases."

Authorised for release by Grant Fenn, Chief Executive Officer of Downer Group.

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. Downer employs more than 53,000 people across more than 300 sites, primarily in Australia and New Zealand, but also in the Asia-Pacific region, South America and Southern Africa. It also owns 88 per cent of Spotless Group Holdings Limited. For more information visit downergroup.com.

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