

Media/ASX and NZX Release

27 April 2021

DOWNER ANNOUNCES ON-MARKET BUY-BACK

Downer EDI Limited (Downer) announced today it intends to undertake an on-market buy-back of up to 70.1 million shares (being approximately 10% of its shares on issue).

The Chief Executive Officer of Downer, Grant Fenn, said: "Downer believes the buy-back is the most effective way to return the proceeds from its recent divestment program to shareholders.

"As part of our Urban Services strategy, we have announced the sale of Mining and Laundry assets that will deliver total proceeds of \$605 million," Mr Fenn said. "We have received \$476 million so far and we expect to receive the balance by the end of the 2021 calendar year.

"After considering Downer's operating outlook, our capital structure and the proceeds from our divestment program, we have decided to initiate an on-market buy-back of up to 10% of shares on issue.

"Downer's balance sheet is strong and our businesses are delivering high operating cash conversion. We will continue to invest in these businesses and target a dividend payout ratio of between 60% and 70% over time."

Downer will only buy-back shares at such times and in such circumstances as it considers beneficial to the efficient capital management of Downer and the buy-back is therefore dependent upon the prevailing share price, market conditions, volumes and other relevant factors.

The buy-back will be within the "10/12 limit" permitted by the Corporations Act 2001 (Cth) and therefore does not require shareholder approval. An Appendix 3C for the buy-back is attached to this announcement.

Authorised for release by Downer's Chief Executive Officer, Grant Fenn.

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.

For further information please contact:

Michael Sharp, Group Head of Corporate Affairs and Investor Relations

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Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity

ABN/ARSN

Downer EDI Limited

97 003 872 848

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On-Market
2	⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the ⁺ class on issue	701,292,354
6	Whether shareholder/unitholder approval is required for buy-back	No
7	Reason for buy-back	Ongoing capital management

⁺ See chapter 19 for defined terms.

- 8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (eg, details of any proposed takeover bid)
- As noted in its 2020 Notice of Annual General Meeting, Downer is in the process of renewing the membership of its Board, including the transition to a new Chairman. This process is ongoing.

On-market buy-back

- 9 Name of broker who will act on the company's behalf
- Macquarie Bank; and
UBS
- 10 Deleted 30/9/2001.
- 11 If the company/trust intends to buy back a maximum number of shares - that number
- Note: This requires a figure to be included, not a percentage.
- Up to a maximum of 70,100,000 shares.
- The Company reserves the rights to suspend or terminate the buyback at any time.
- 12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention
- Commencing no earlier than Wednesday 12 May 2021 and ending on 11 May 2022.
- The Company reserves the rights to suspend or terminate the buyback at any time.
- 13 If the company/trust intends to buy back shares/units if conditions are met - those conditions
- The Company will only buy-back shares at such times and in such circumstances as are considered beneficial to the efficient capital management of the Company.

Employee share scheme buy-back

- 14 Number of shares proposed to be bought back
- N/a
- 15 Price to be offered for shares
- N/a

Selective buy-back

- 16 Name of person or description of class of person whose shares are proposed to be bought back N/a
- 17 Number of shares proposed to be bought back N/a
- 18 Price to be offered for shares N/a

Equal access scheme

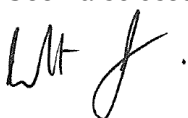
- 19 Percentage of shares proposed to be bought back N/a
- 20 Total number of shares proposed to be bought back if all offers are accepted N/a
- 21 Price to be offered for shares N/a
- 22 ⁺Record date for participation in offer N/a
Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.



Sign here: Date: 27 April 2021
Company secretary

Print name: Robert Regan

⁺ See chapter 19 for defined terms.