

# MinterEllison

19 January 2016

## BY ELECTRONIC LODGEMENT

Company Announcements  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

Dear Sirs

### **First Supplementary Bidder's Statement for off-market bid by CIMIC Group Investments Pty Limited for Sedgman Limited (ASX:SDM)**

We act for CIMIC Group Investments Pty Limited (ACN 126 876 953)(**CGI**), a wholly owned subsidiary of CIMIC Group Limited (ACN 004 482 982).

In accordance with section 647(3)(b) of the *Corporations Act 2001* (Cth), we enclose for lodgement a copy of CGI's first supplementary Bidder's Statement (**First Supplementary Bidder's Statement**) dated 19 January 2016 in relation to CGI's off-market takeover bid for all the ordinary shares in Sedgman Limited (ACN 088 471 667) (**Sedgman**). The First Supplementary Bidder's Statement supplements the Bidder's Statement lodged by CGI dated 13 January 2016.

A copy of the First Supplementary Bidder's Statement has been lodged with ASIC and was sent to Sedgman today.

Yours faithfully  
**MinterEllison**



Michael Gajic  
Partner

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OUR REF: 1110600

Enclosure



# **FIRST SUPPLEMENTARY BIDDER'S STATEMENT**

In relation to the Offer by

**CIMIC GROUP INVESTMENTS PTY LIMITED**

ACN 126 876 953

to acquire fully paid ordinary shares in

**SEDGMAN LIMITED**

ACN 088 471 667

## **ACCEPT**

### **THE UNCONDITIONAL OFFER FOR \$1.07 CASH FOR EACH SEDGMAN SHARE**

The Offer Price of \$1.07 for each Sedgman Share is final, and cannot be increased during the Offer Period, in the absence of a competing proposal

#### **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

You should read this document in its entirety. If you are in any doubt as to how to deal with it, you should consult your legal, financial or other professional adviser as soon as possible. If you have any queries about the Offer, you may also call the CIMIC Offer Information Line on 1300 362 398 (for calls made within Australia) or +612 8355 1004 (for calls made from outside Australia) between 9.00am and 5.00pm (AEDT) Monday to Friday.

## FIRST SUPPLEMENTARY BIDDER'S STATEMENT

### 1. INTRODUCTION

This document is a supplementary Bidder's Statement under section 643 of the *Corporations Act 2001* (Cth).

It is the first supplementary Bidder's Statement (**First Supplementary Bidder's Statement**) issued by CIMIC Group Investments Pty Limited ACN 126 876 953 (**CGI**) to the Bidder's Statement dated 13 January 2016 lodged with the ASX, Sedgman and ASIC on 13 January 2016 (**Original Bidder's Statement**) issued by CGI in relation to its unconditional off-market takeover bid for all of the ordinary shares in Sedgman Limited ACN 088 471 667 (**Sedgman**) that CGI does not already own.

This First Supplementary Bidder's Statement supplements, and should be read together with, the Original Bidder's Statement. This document will prevail in the event of any inconsistency with the Original Bidder's Statement. Unless the context requires otherwise, terms defined in the Original Bidder's Statement have the same meaning where used in this document.

A copy of this document was lodged with ASIC on and is dated 19 January 2016. Neither ASIC nor any of its officers takes any responsibility for the contents of this document.

### 2. CHANGES TO THE ORIGINAL BIDDER'S STATEMENTS

CGI has made a number of changes to the Original Bidder's Statement. These changes have been made to further assist Sedgman Shareholders' understanding of certain aspects of the Bidder's Statement.

These changes are shown in mark-up against the Original Bidder's Statement annexed to this document.

### 3. TREATMENT OF FRANKING CREDITS IF SEDGMAN DECLARES A DIVIDEND DURING BID PERIOD

CGI notes that, in accordance with Section 9.7(c) of the Offer terms contained in the Original Bidder's Statement, if any non-cash Rights<sup>1</sup> are issued or made or arise or accrue after 13 January 2016 in respect of the Accepted Shares<sup>2</sup> to the holders of the Accepted Shares, CGI is *entitled* to reduce the consideration payable by the value of those non-cash Rights as reasonably assessed by CGI. Such non-cash Rights include franking credits attached to any dividend declared by Sedgman after 13 January 2016.

As at the date of the Original Bidder's Statement, Sedgman had not announced the amount of and level of franking attached to any such dividend that it may pay during the Offer Period. Therefore, CGI did not have sufficient information to determine if or how it will exercise its entitlement under Section 9.7(c) of its Offer terms to deduct the reasonably assessed value of the franking credits from the consideration payable.

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<sup>1</sup> 'Rights' means all accretions, rights or benefits of whatever kind attaching to or arising from or in respect of the Sedgman Shares, whether directly or indirectly, including without limitation all rights to receive dividends (and any attaching franking credit), to receive or subscribe for shares, units, notes, options or other securities and to receive all other distributions, capital returns or entitlements declared, paid, made or issued by Sedgman or any subsidiary of Sedgman after 13 January 2016.

<sup>2</sup> 'Accepted Shares' means the Sedgman Shares in respect of which a Sedgman shareholder has accepted the Offer.

On 19 January 2016, Sedgman announced that it was Sedgman's present intention, notwithstanding CGI's Offer, to maintain its practice of announcing an interim fully franked dividend at the same time as the half yearly result, together with a fully franked special dividend. However, that announcement did not state that any decision has yet been made by Sedgman as to the amount, level of franking or timing of payment of those dividends. As such, there is no certainty that any such dividends will be declared, that they will be fully-franked or that the record date for such dividends will be within the Offer Period.

CGI considers that this announcement is consistent with a position that Sedgman will pay an interim fully franked dividend at the same time as the half yearly result of up to 3.5 cents per share, together with a fully franked special dividend of up to 2.2 cents per share, based on the following statements Sedgman has previously made to ASX which were not contradicted by anything in the announcement of 19 January 2016:

*"Sedgman's current policy is to pay an interim and final ordinary dividend each year equal to 100% of the reported Net profit after tax. The Board may also approve an additional special dividend taking into consideration any one-off factors and the cash requirements of the business."*<sup>3</sup>

*"As part of an enhanced capital management plan, the Company intends implementing a series of fully franked special dividends each of 2.2 cps paid together with each interim and final dividend subject to prevailing market conditions and opportunities."*<sup>4</sup>

Given this new information, CGI has considered how Section 9.7(c) of CGI's Offer terms may apply. As envisaged by Section 9.7(c) of CGI's Offer terms, CGI considers that if Sedgman was to declare a fully-franked interim dividend of up to 3.5 cents per share and a fully-franked special dividend of up to 2.2 cents per share at the same time as its half year results in February (and that are payable in March), and given that this is consistent with Sedgman's historic dividend practice and policy, it is likely that CGI would, based on the information currently available to CGI, assess the value to it of such franking credits as nil.

For the avoidance of doubt, CGI would intend to deduct the actual amount of each such dividend from its Offer Price as envisaged by Section 9.7 of its Offer terms.

If Sedgman makes a public announcement regarding the amount, level of franking or timing of payment of the dividends described in their announcement dated 19 January 2016, CGI will as soon as reasonably practicable after the date of such announcement provide disclosure by way of a further supplementary bidder's statement as to how it proposes to treat the attached franking credits in accordance with Section 9.7(c) of the Offer terms.

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<sup>3</sup> As announced by Sedgman to ASX on 16 October 2015 in its 2015 Annual Report

<sup>4</sup> As announced by Sedgman to ASX on 27 August 2015 in its announcement titled "Sedgman delivers sustained earnings improvement and increases dividend"

**4. APPROVAL OF FIRST SUPPLEMENTARY BIDDER'S STATEMENT**

This First Supplementary Bidder's Statement has been approved by a resolution of the directors of CGI.

**DATED** 19 January 2016

**SIGNED** for an on behalf of CIMIC Group Investments Pty Ltd by:

A handwritten signature in black ink, consisting of several overlapping loops and a horizontal line extending to the right.

Angel Muriel  
Director

**Annexure – Mark-up of Original Bidder's Statement**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

YOU SHOULD READ THIS DOCUMENT IN ITS ENTIRETY. IF YOU ARE IN ANY DOUBT AS TO HOW TO DEAL WITH IT, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL OR OTHER PROFESSIONAL ADVISER AS SOON AS POSSIBLE.



## Bidder's Statement

**ACCEPT** the unconditional Cash Offer by

CIMIC Group Investments Pty Limited ACN 126 876 953, a wholly owned subsidiary of CIMIC Group Limited ACN 004 482 982

TO ACQUIRE ALL OF YOUR ORDINARY SHARES IN

Sedgman Limited  
ACN 088 471 667

FOR \$1.07 CASH FOR EACH SEDGMAN SHARE

The Offer Price of \$1.07 for each Sedgman Share is final, and cannot be increased during the Offer Period, in the absence of a competing proposal

If you have any queries about the Offer, you may also call the CIMIC Offer Information Line on 1300 362 398 (for calls made within Australia) or +612 8355 1004 (for calls made from outside Australia) between 9.00am and 5.00pm (AEDT) Monday to Friday.

**CREDIT SUISSE** 

Financial Adviser

**MinterEllison**

Legal Adviser

[INSIDE COVER]

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to how to deal with this document, you should consult your Broker or your legal, financial or other professional adviser as soon as possible.

**IMPORTANT INFORMATION AND NOTICES**

**(a) Bidder's Statement**

This Bidder's Statement is dated and was lodged with ASIC on 13 January 2016 and is given by CIMIC Group Investments Pty Limited ACN 126 876 953 to Sedgman Limited ACN 088 471 667 under Part 6.5 of the Corporations Act and relates to the Offer. This Bidder's Statement shows in mark-up changes made by a first supplementary Bidder's Statement (First Supplementary Bidder's Statement) lodged with ASIC on 19 January 2016 which supplements, and should be read together with, this Bidder's Statement. This Bidder's Statement is dated 13 January 2016 ~~and~~ includes an Offer dated [\*] 2016 to acquire Your Sedgman Shares.]

**(b) CIMIC Group Investments Pty Limited**

CIMIC Group Investments Pty Limited ACN 126 876 953 is a wholly owned subsidiary of CIMIC Group Limited ACN 004 482 982. Unless otherwise specified, in this document CIMIC Group Investments Pty Limited is referred to as **CGI** and CIMIC Group Limited is referred to as **CIMIC**.

**(c) Australian Securities and Investments Commission**

A copy of this Bidder's Statement was lodged with ASIC and sent to ASX on 13 January 2016. Neither ASIC nor ASX nor any of their officers takes any responsibility for the contents of this Bidder's Statement.

**(d) Offers outside Australia**

The distribution of this Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Bidder's Statement should inform themselves of, and observe, those restrictions.

**(e) Important notice to US shareholders**

The Offer is made for the shares of an Australian registered company. It is important that US shareholders understand that the Offer is subject to disclosure requirements in Australia that are quite different from those in the US.

You should be aware that, subject to the Corporations Act, CGI or CIMIC may purchase Sedgman Shares otherwise than under the Offer, such as in open market or privately negotiated purchases after the end of the Offer Period.

**(f) Forward looking statements**

This Bidder's Statement includes certain forward looking statements and statements of current intention (which include those in Section 4 of this Bidder's Statement). As such statements relate to future matters, they are subject to various inherent risks and uncertainties. These risks and uncertainties include factors and risks specific to the industries in which CGI, CIMIC and Sedgman operate, as well as matters such as general economic conditions, many of which are outside of the control of CGI, CIMIC or Sedgman and their respective directors. These factors may cause the actual results, performance or achievements of CGI, CIMIC or Sedgman to differ, perhaps materially, from the results, performance or achievements expressed or implied by those forecasts or forward looking statements. The past performance of CGI, CIMIC and Sedgman is not a guarantee of future performance.

The forward looking statements do not constitute a representation that any such matter will be achieved in the amounts or by the dates indicated and are presented as a guide to assist you in assessing the Offer. The forward looking statements are based on information available to CGI at the date of this Bidder's Statement.

**(g) Investment decisions**

This Bidder's Statement does not take into account your individual investment objectives, financial or taxation situation or particular needs. You should therefore seek your own financial and taxation advice before deciding whether or not to accept the Offer.

**(h) Information on Sedgman**

All information in this Bidder's Statement relating to Sedgman has been prepared by CGI using information included in public documents filed by Sedgman or published by Sedgman on its website and non-public information made available to CGI by Sedgman. None of the information in this Bidder's Statement relating to Sedgman has been commented on or verified by Sedgman or independently verified by CGI for the purposes of this Bidder's Statement. Accordingly, subject to the Corporations Act, CGI does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information. The information on Sedgman in this Bidder's Statement should not be considered comprehensive. In addition, the Corporations Act requires the directors of Sedgman to provide a Target's Statement to Sedgman Shareholders in response to this Bidder's Statement, setting out certain material information concerning Sedgman.

**(i) Privacy**

CGI has collected your information from the Register for the purposes of making the Offer and, if accepted, administering your holding of Sedgman Shares. The Corporations Act requires the names and addresses of Sedgman Shareholders to be held in a public register. Your information may be disclosed on a confidential basis to CGI's related bodies corporate and external service providers, and may be required to be disclosed to regulators, such as ASIC. The registered office of CGI is 472 Pacific Highway, St Leonards, NSW 2065, Australia.

**(j) Defined terms and interpretation**

Unless otherwise noted, capitalised terms and certain abbreviations used in this Bidder's Statement are defined in the Glossary in Section 10. That Section also sets out certain rules of interpretation which apply to this Bidder's Statement.

## KEY DATES

Announcement Date	13 January 2016
Bidder's Statement lodged with ASIC and ASX	13 January 2016
Date of Offer	[*] 2016
Offer closes (unless extended or withdrawn in accordance with the Corporations Act)*	7.00pm (AEDT) on [*] 2016

\* This date is indicative only and may be changed as permitted by the Corporations Act.

## HOW DO I ACCEPT THE OFFER?

You may only accept the Offer for all of Your Sedgman Shares.

Acceptances must be received before the end of the Offer Period.

### **For Issuer Sponsored Holdings of Sedgman Shares (Securityholder Reference Number beginning with "I")**

To accept the Offer, complete the enclosed Issuer Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope or to an address on the Issuer Acceptance Form so that it is received before 7.00 pm (AEDT) on the last day of the Offer Period.

### **For CHESS Holdings of Sedgman Shares (Holder Identification Number beginning with "X")**

To accept the Offer, either contact your Controlling Participant (usually your Broker) and instruct them to accept the Offer on your behalf, or complete the enclosed CHESS Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope or to an address on the CHESS Acceptance Form.

## **CIMIC Offer Information Line**

If you have any questions in relation to this document, the Offer or how to accept the Offer, please call the CIMIC Offer Information Line on 1300 362 398 (for calls made within Australia) or +612 8355 1004 (for calls made from outside Australia) from Monday to Friday between 9:00am and 5:00pm (AEDT). Please note that calls to these numbers may be recorded.

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## Letter from CIMIC Group



Dear Sedgman Shareholder

### Final<sup>1</sup> unconditional Off-Market Takeover Bid for Sedgman by CGI

I am pleased to provide you with this unconditional Offer to acquire all of Your Sedgman Shares for \$1.07 cash per Sedgman Share<sup>2</sup>. The Offer Price of \$1.07 for each Sedgman Share is final, and cannot be increased during the Offer Period, in the absence of a competing proposal.

CIMIC considers that the Offer is attractive to Sedgman Shareholders. The Offer Price of \$1.07 per Sedgman Share, in cash, represents a premium of:

- 35.4% to the Last Close Price, being the price of Sedgman Shares on ASX at the close of trading on 12 January 2016, the day prior to the Announcement Date, of \$0.79 per Sedgman Share;
- 21.3% to Sedgman one month volume weighted average closing price (**VWAP**) as at the day prior to Announcement Date, of \$0.88 per share;
- 26.2% to Sedgman three month VWAP as at the day prior to Announcement Date, of \$0.85 per share; and
- 30.4% to Sedgman six month VWAP as at the day prior to Announcement Date, of \$0.82 per share.

Furthermore, CIMIC considers these premia to be particularly attractive given Sedgman's significant net cash balance<sup>3</sup>.

In addition to the premium, the unconditional Offer enables you to exit an otherwise relatively illiquid position for all of your shareholding in Sedgman in an orderly manner and without the need to pay brokerage fees, and with the opportunity to receive certain and immediate value within seven Business Days from the date of your acceptance.

**The Offer is open for acceptance until 7.00pm (AEDT) on [\*] 2016, unless extended or withdrawn in accordance with the Corporations Act. To accept the Offer, please follow the instructions set out in Section ~~1.21-2~~ and on the enclosed Acceptance Form.**

I encourage you to consider the Offer. By making this Offer, CGI and CIMIC are seeking to increase our shareholding in Sedgman to a level where we can better support the future direction of Sedgman.

Following the conclusion of the Offer, CIMIC's intentions are to:

- reconstitute the Sedgman Board;
- review the dividend and capital management policies of Sedgman;
- continue the business of Sedgman including Sedgman's plans for increasing market and commodity diversification; and
- retain the services of Sedgman's current ~~operational~~ employees in the ordinary course. In cases where particular roles may no longer be required, CIMIC will attempt to identify opportunities for alternative employment within the CIMIC Group.

<sup>1</sup> The Offer Price is final, and cannot be increased during the Offer Period, in the absence of a competing proposal.

<sup>2</sup> The Offer Price of \$1.07 is subject to the Offer terms specified in this document including Section 9.7 in relation to dividends, [franking credits](#) and other entitlements.

<sup>3</sup> Sedgman last reported, as at 30 June 2015, net cash of \$108.8 million (cash and cash equivalents (\$111.0 million) less interest bearing liabilities (\$2.2 million)).

As the Offer is unconditional, CGI intends to exercise its rights under item 2 of section 611 of the Corporations Act and has appointed Credit Suisse Equities to stand in the market on the ASX from the date of this Bidder's Statement and purchase on CGI's behalf any Sedgman Shares offered to it at or below the Offer Price.

If you require additional assistance, please contact the CIMIC Offer Information Line on 1300 362 398 (for calls made within Australia) or +612 8355 1004 (for calls made from outside Australia) from Monday to Friday between 9:00am and 5:00pm (AEDT).

Yours sincerely

**Marcelino Fernández Verdes**

Executive Chairman and Chief Executive Officer

## Summary of the Offer

This summary provides an overview of the Offer and is qualified by the detailed information contained in this Bidder's Statement. You should read this Bidder's Statement in full before deciding whether or not to accept the Offer.

### The Bidder

CGI is a wholly owned subsidiary of CIMIC. CIMIC is one of the world's leading international contractors and the world's largest contract miner. CIMIC is listed on ASX with a market capitalisation of approximately \$7.6 billion as at the close of trading on the last Trading Day prior to the Announcement Date.

Through CGI, CIMIC is Sedgman's major shareholder, currently owning 36.99% of all Sedgman Shares.

Section [2.2](#) of this Bidder's Statement contains further information on CGI and CIMIC.

### Offer

The Offer consideration is \$1.07 cash for every Sedgman Share acquired by CGI pursuant to the Offer. CGI is offering to acquire all of Your Sedgman Shares by way of an unconditional off-market takeover bid under Chapter 6 of the Corporations Act.

The Offer relates to all Sedgman Shares on issue on the Register Date together with those which are issued prior to the close of the Offer Period.

### Offer Period

The Offer closes at 7.00pm (AEDT) on [\*] 2016, unless it is extended or withdrawn by CGI in accordance with the Corporations Act.

### How to Accept and Payment Date

To accept the Offer you should follow the instructions set out in Section [1.2.1-2](#) and on the Acceptance Form. Your acceptance must be received before the Offer Period ends.

If you accept the Offer, CGI will pay you the consideration under the Offer by the earlier of:

- (a) seven Business Days after this Offer is accepted; or
- (b) seven Business Days after the end of the Offer Period.

### Broker Fees

There are no brokerage costs in accepting the Offer.

## Why you should accept CGI's Offer

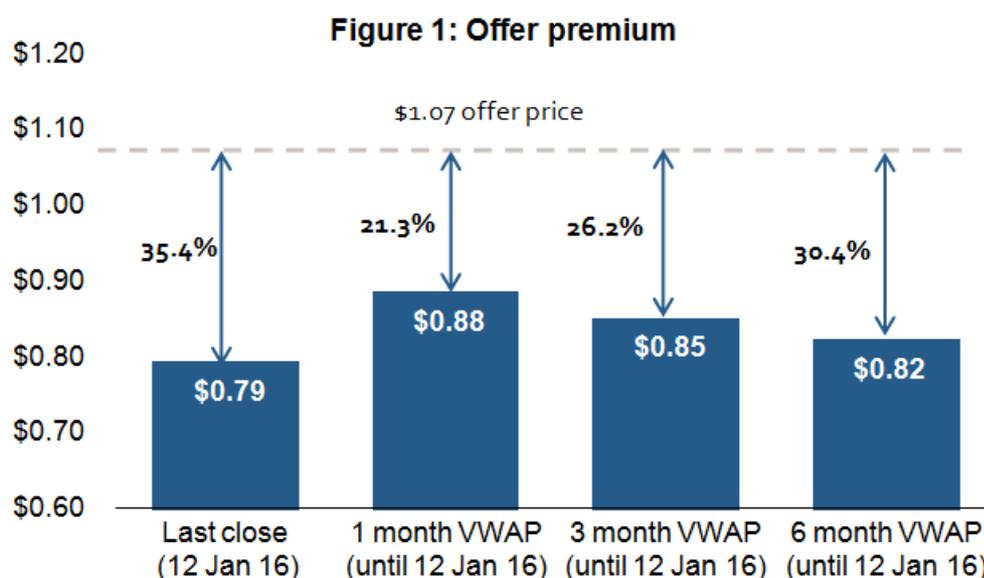
### 1. You will receive an attractive cash price for Your Sedgman Shares

CIMIC considers that the Offer is attractive to Sedgman's Shareholders. The Offer Price of \$1.07 per Sedgman Share, in cash, represents a premium of:

- 35.4% to the Last Close Price, being the price of Sedgman Shares on ASX at the close of trading on 12 January 2016, the day prior to the Announcement Date, of \$0.79 per Sedgman Share;
- 21.3% to Sedgman one month volume weighted average closing price (**VWAP**) as at the day prior to Announcement Date, of \$0.88 per share;
- 26.2% to Sedgman three month VWAP as at the day prior to Announcement Date, of \$0.85 per share; and
- 30.4% to Sedgman six month VWAP as at the day prior to Announcement Date, of \$0.82 per share.

Furthermore, CIMIC considers these premia to be particularly attractive given Sedgman's significant net cash balance<sup>4</sup>.

**Figure 1: Offer premium\***



\* Source: IRESS Limited. As permitted by ASIC Class Order 07/429, this chart contains ASX share price trading information sourced from IRESS Limited without its consent

### 2. Cash certainty

The Offer is to acquire all of Your Sedgman Shares for \$1.07 cash consideration per Sedgman Share.

This gives Sedgman Shareholders certainty about the value of consideration being offered. The certainty provided by receiving a cash price under the Offer should be compared with the risks and uncertainties associated with holding shares in a listed company.

<sup>4</sup> Sedgman last reported, as at 30 June 2015, net cash of \$108.8 million (cash and cash equivalents (\$111.0 million) less interest bearing liabilities (\$2.2 million)).

### **3. Unconditional Offer**

There are no conditions attached to the Offer and you can sell Your Sedgman Shares to CGI for \$1.07 cash per Sedgman Share by accepting the Offer now. Accordingly you can accept the Offer knowing that you will be paid in cash seven Business Days after your acceptance.

Section [1.2](#)~~1-2~~ of this Bidder's Statement provides instructions on how you can accept the Offer.

### **4. Potential reduction in liquidity**

CIMIC Group currently owns 36.99% of the Sedgman Shares on issue. Should CGI be successful in increasing its ownership stake, this may lead to reduced liquidity and make it difficult for you to sell Your Sedgman Shares outside the Offer at current price levels.

The Offer enables all Sedgman Shareholders to exit their shareholding in an orderly manner at the Offer Price.

### **5. Share price may fall if Sedgman Shareholders do not accept**

The closing Sedgman Share price on ASX on 12 January 2016, being the last Trading Day prior to the Announcement Date, was \$0.79. Given CIMIC already owns 36.99% of the Sedgman Shares on issue, therefore it is unlikely for there to be an alternative proposal for Sedgman.

The Sedgman Share price may trade at levels below the Offer Price once the Offer has lapsed (although this is difficult to predict with any degree of certainty) given the unlikelihood of an alternative offer and the premium currently being offered to Sedgman Shareholders under the Offer.

### **6. No brokerage charges in accepting CGI's Offer**

In addition to a premium, you will not incur any brokerage charges on the transfer of Your Sedgman Shares to CGI pursuant to the Offer.

## Frequently asked questions

The table below answers some key questions that you may have about the Offer and should be read in conjunction with the remainder of this Bidder's Statement. You are strongly encouraged to read the entire Bidder's Statement before deciding how to deal with Your Sedgman Shares.

Question	Answer
<b>What is the Offer?</b>	CGI is making an Offer to acquire all of Your Sedgman Shares. The Offer consideration is \$1.07 cash per Sedgman Share. Please note that you may only accept the Offer for all of Your Sedgman Shares.
<b>What is this Bidder's Statement?</b>	This Bidder's Statement was prepared by CGI for distribution to Sedgman Shareholders. This Bidder's Statement describes the terms of CGI's Offer for Your Sedgman Shares and information relevant to your decision whether or not to accept the Offer. This Bidder's Statement is an important document. Should you have any doubt as to how to deal with this document, you should consult your financial, legal or other professional adviser.
<b>Who is CGI?</b>	Through CGI, CIMIC is Sedgman's major shareholder, currently owning 36.99% of all Sedgman Shares. CGI is a wholly owned subsidiary of CIMIC. CIMIC, founded in Australia in 1949, is one of the world's leading international contractors and the world's largest contract miner. CIMIC, previously known as Leighton Holdings Limited, was listed on ASX in 1962 and has its head office in Sydney, Australia. CIMIC provides construction, mining, engineering, concessions, and operation and maintenance services to the infrastructure, resources and property markets. It operates in approximately 20 countries throughout the Asia Pacific, the Middle East, Sub-Saharan Africa and South America and employed approximately 23,000 people as at 30 September 2015. CIMIC is listed on ASX with a market capitalisation of approximately \$7.6 billion as at the close of trading on the last Trading Day prior to the Announcement Date. Section 22 of this Bidder's Statement contains further information on CGI and CIMIC.
<b>What interest does CGI currently have in Sedgman Shares?</b>	CGI is the registered holder of 83,999,174 Sedgman Shares, which represents 36.99% of the total number of Sedgman Shares.
<b>How do I accept the Offer?</b>	To accept the Offer, you should follow the instructions set out in Section 1.2 of this Bidder's Statement and on the Acceptance Form. Your acceptance must be received before the end of the Offer Period.
<b>Are there any conditions to the Offer?</b>	No. The Offer is an unconditional cash offer.
<b>How long is the Offer open for?</b>	The Offer opens on [*] 2016 and is scheduled to close at 7.00pm (AEDT) on [*] 2016 (unless extended or withdrawn in accordance with the Corporations Act).
<b>Can CGI increase the Offer Price?</b>	The Offer Price for each Sedgman Share is final, and cannot be increased above \$1.07 during the Offer Period, in the absence of a competing proposal.
<b>Do I have to pay any fees?</b>	No brokerage charges or stamp duty will be payable by you on the acceptance of the Offer.

<p><b>What should I do?</b></p>	<p>You should:</p> <ul style="list-style-type: none"> <li>(a) read this Bidder's Statement in full;</li> <li>(b) read Sedgman's Target Statement in full (when issued);</li> <li>(c) consult your Broker, legal, financial or other professional adviser if you are in any doubt as to what action to take or how to accept the Offer; and</li> <li>(d) to accept the Offer, follow the instructions set out in Section <del>1.21-2</del> and the Acceptance Form.</li> </ul> <p>If you have any queries about the Offer, you may also call the CIMIC Offer Information Line on 1300 362 398 (for calls made within Australia) or +612 8355 1004 (for calls made from outside Australia) between 9.00am and 5.00pm (AEDT) Monday to Friday.</p>
<p><b>Can I accept the Offer for less than all of my Sedgman Shares?</b></p>	<p>No, you can only accept the Offer for all of Your Sedgman Shares.</p>
<p><b>Will CGI purchase any Sedgman Shares outside of the Offer?</b></p>	<p>As the Offer is unconditional, CGI intends to exercise its rights under item 2 of section 611 of the Corporations Act and has appointed Credit Suisse Equities to stand in the market on the ASX from the date of this Bidder's Statement and purchase on CGI's behalf any Sedgman Shares offered to it at or below the Offer Price.</p>
<p><b>If I accept the Offer, when will I receive consideration for my Sedgman Shares?</b></p>	<p>If you accept the Offer, CGI will pay you the consideration under the Offer by the earlier of:</p> <ul style="list-style-type: none"> <li>(a) seven Business Days after this Offer is accepted; or</li> <li>(b) seven Business Days after the end of the Offer Period.</li> </ul>
<p><b>What if Sedgman pays a dividend?</b></p>	<p>Under the terms of the Offer, if you accept the Offer, then CGI will be entitled to all of the Rights attaching to Your Sedgman Shares, which includes the value of any dividends or capital distributions declared or paid by Sedgman after the Announcement Date.</p> <p>In accordance with the terms and conditions of the Offer set out in full in Section 9, if Sedgman pays any dividend or capital distribution to Sedgman Shareholders between the Announcement Date and the close of the Offer Period and you receive that dividend or capital distribution and you accept the Offer, CGI will deduct the value of such dividends or capital distributions from the \$1.07 per Sedgman Share to be paid to you under the Offer.</p>

**If Sedgman declares a dividend, how will CGI treat franking credits attached to the dividend?**

CGI notes that, in accordance with Section 9.7(c) of the Offer terms contained in this Bidder's Statement, if any non-cash Rights are issued or made or arise or accrue after 13 January 2016 in respect of the Accepted Shares to the holders of the Accepted Shares, CGI is entitled to reduce the consideration payable by the value of those non-cash Rights as reasonably assessed by CGI. Such non-cash Rights include franking credits attached to any dividend declared by Sedgman after 13 January 2016.

As 13 January 2016, Sedgman had not announced the amount of and level of franking attached to any such dividend that it may pay during the Offer Period. Therefore, CGI did not have sufficient information to determine if or how it will exercise its entitlement under Section 9.7(c) of its Offer terms to deduct the reasonably assessed value of the franking credits from the consideration payable. On 19 January 2016, Sedgman announced that it was Sedgman's present intention, notwithstanding CGI's Offer, to maintain its practice of announcing an interim fully franked dividend at the same time as the half yearly result, together with a fully franked special dividend. However, that announcement did not state that any decision has yet been made by Sedgman as to the amount, level of franking or timing of payment of those dividends. As such, there is no certainty that any such dividends will be declared, that they will be fully-franked or that the record date for such dividends will be within the Offer Period.

CGI considers that this announcement is consistent with a position that Sedgman will pay an interim fully franked dividend at the same time as the half yearly result of up to 3.5 cents per share, together with a fully franked special dividend of up to 2.2 cents per share, based on the following statements Sedgman has previously made to ASX which were not contradicted by anything in the announcement of 19 January 2016:

*"Sedgman's current policy is to pay an interim and final ordinary dividend each year equal to 100% of the reported Net profit after tax. The Board may also approve an additional special dividend taking into consideration any one-off factors and the cash requirements of the business."*<sup>5</sup>

*"As part of an enhanced capital management plan, the Company intends implementing a series of fully franked special dividends each of 2.2 cps paid together with each interim and final dividend subject to prevailing market conditions and opportunities."*<sup>6</sup>

Given this new information, CGI has considered how Section 9.7(c) of CGI's Offer terms may apply. As envisaged by Section 9.7(c) of CGI's Offer terms, CGI considers that if Sedgman was to declare a fully-franked interim dividend of up to 3.5 cents per share and a fully-franked special dividend of up to 2.2 cents per share at the same time as its half year results in February (and that are payable in March), and given that this is consistent with Sedgman's historic dividend practice and policy, it is likely that CGI would, based on the information currently available to CGI, assess the value to it of such franking credits as nil.

For the avoidance of doubt, CGI would intend to deduct the actual amount of each such dividend from its Offer Price as envisaged by Section 9.7 of its Offer terms.

If Sedgman makes a public announcement regarding the amount, level of franking or timing of payment of the dividends described in their announcement dated 19 January 2016, CGI will as soon as reasonably practicable after the date of such announcement provide disclosure by way of a further supplementary bidder's statement as to how it proposes to treat the attached franking credits in accordance with Section 9.7(c) of the Offer terms.

**What happens if I accept the Offer?**

Once you accept the Offer in respect of all of Your Sedgman Shares, you will not be able to sell those Sedgman Shares or otherwise deal with the Rights attaching to those Sedgman Shares.

**What happens if I do not accept the Offer?**

If you do not accept the Offer and you do not sell Your Sedgman Shares on ASX, you will retain all of Your Sedgman Shares and will not receive any cash consideration.

<sup>5</sup> As announced by Sedgman to ASX on 16 October 2015 in its 2015 Annual Report

<sup>6</sup> As announced by Sedgman to ASX on 27 August 2015 in its announcement titled "Sedgman delivers sustained earnings improvement and increases dividend"

**What are the tax implications of accepting the Offer?**

A general description of the taxation treatment for certain Sedgman Shareholders accepting the Offer is set out in Section [7.7](#).

The description in Section [7.7](#) is a general description only and not advice. It does not take into account your particular circumstance or needs. You should not rely on that description as advice for your own affairs.

You should consult your taxation adviser for detailed taxation advice before making a decision as to whether or not to accept the Offer for Your Sedgman Shares.

## 1. OVERVIEW OF THE OFFER

### 1.1 Offer terms – off-market takeover bid

CGI offers under an unconditional off-market takeover bid to purchase Your Sedgman Shares for \$1.07 per Sedgman Share on the terms of the Offer set out in Section 9 of this Bidder's Statement. The Offer relates to Sedgman Shares that exist as at the Register Date.

Under the terms of the Offer, the amount of consideration you receive from CGI will be reduced by the amount or value of any Rights attaching to the Sedgman Shares in respect of which the Offer is accepted, which arise or are paid on or after the Announcement Date, which CGI does not receive. See Section 9.7 for further details regarding this.

#### Offer Period

The Offer is scheduled to close at 7.00pm (AEDT) on [\*] 2016 (but it may be extended or withdrawn in accordance with the Corporations Act).

#### Payment date

If you accept the Offer, CGI will pay you the consideration under the Offer by the earlier of:

- (a) seven Business Days after this Offer is accepted; or
- (b) seven Business Days after the end of the Offer Period.

#### No conditions

The Offer is not subject to any conditions.

### 1.2 How to accept the Offer

The Offer may only be accepted for all of Your Sedgman Shares.

How you accept the Offer depends on whether Your Sedgman Shares are in an Issuer Sponsored Holding or a CHES Holding. You will have been sent an Acceptance Form with this Bidder's Statement (an Issuer Acceptance Form or a CHES Acceptance Form), which will be the Acceptance Form to be used in relation to Your Sedgman Shares:

- (a) **If you hold Your Sedgman Shares in an Issuer Sponsored Holding (your SRN starts with an "I")**, to accept the Offer you must complete, sign and return the enclosed Issuer Acceptance Form in accordance with the instructions on it to the address indicated on the form (and set out below) before the end of the Offer Period.
- (b) **If you hold Your Sedgman Shares in a CHES Holding (your HIN starts with an "X")**, to accept the Offer you must either:
  - (i) instruct your Controlling Participant (for example, your Broker) to initiate acceptance of the Offer before the end of the Offer Period; or
  - (ii) complete the accompanying CHES Acceptance Form and send the completed CHES Acceptance Form (together with all other documents required by the instructions on the form) directly to your Broker or other Controlling Participant in sufficient time for the Offer to be accepted before the end of the Offer Period with instructions to initiate acceptance of the Offer on your behalf before the end of the Offer Period; or
  - (iii) complete, sign and return the CHES Acceptance Form in accordance with the instructions on it and lodge it by returning it to the address indicated on

the form (and set out below) so that your acceptance is received by CGI in time to give instructions to your Controlling Participant, and for your Controlling Participant to carry out those instructions, before the end of the Offer Period. This will authorise CGI to instruct your Broker or other Controlling Participant to initiate acceptance of the Offer on your behalf.

- (c) **If you are a Controlling Participant** (usually a Broker or a bank, custodian or other nominee), to accept the offer you must initiate acceptance in accordance with the requirements of ASX Settlement Operating Rules before the end of the Offer Period.

The postal address for completed Acceptance Forms is as follows:

CIMIC OFFER  
C/- Computershare Investor Services Pty Limited  
GPO Box 2115  
Melbourne Victoria 3001  
Australia

The transmission of the Acceptance Form and other documents is at your own risk.

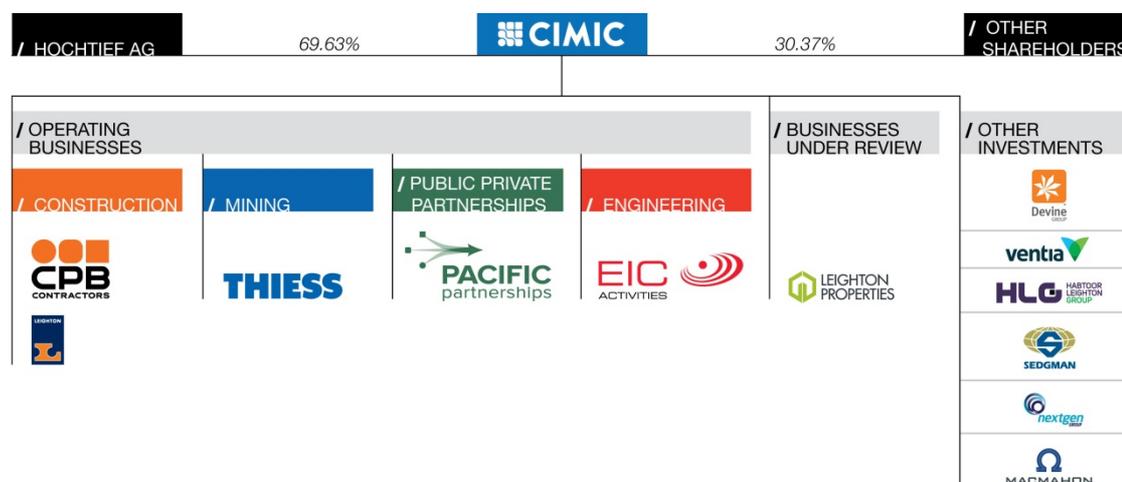
For full details see Section 9.4 of this Bidder's Statement.

## 2. INFORMATION ON CGI AND CIMIC

### 2.1 Overview of CGI and CIMIC

CGI is a wholly owned subsidiary of CIMIC. Through CGI, CIMIC is Sedgman's major shareholder, currently owning 36.99% of all Sedgman Shares.

CIMIC, founded in Australia in 1949, is one of the world's leading international contractors and the world's largest contract miner. CIMIC, previously known as Leighton Holdings Limited, was listed on ASX in 1962 and has its head office in Sydney, Australia. CIMIC provides construction, mining, engineering, concessions, and operation and maintenance services to the infrastructure, resources and property markets. It operates in approximately 20 countries throughout the Asia Pacific, the Middle East, Sub-Saharan Africa and South America and employed approximately 23,000 people as at 30 September 2015.



Segment	Construction	Mining	PPP	Engineering
Logo				
Description	A leading international construction contractor. Delivers projects across the construction industry, including roads, rail, tunnelling, defence and building.	A global contract miner. Flexible and scalable in approach, Thiess's broad capabilities encompass mine planning, operations and technical services, continuous mining systems, mobile plant management, product handling and processing and mine infrastructure.	The CIMIC Group's project finance arm. Develops and invests in infrastructure projects built by CIMIC's operating companies and is a long-term partner to clients through the provision of operation and maintenance services throughout the life of the asset	The CIMIC Group's engineering business. Provides specialist design, technical support, research and technology for Group projects and enhances the Group's ability to mitigate and manage risk.

Among these four businesses are entities that have been in existence since the 1930s.

For the nine months to 30 September 2015, CIMIC reported earnings before interest and tax from continuing operations of \$650 million up 13.7% on the prior comparable period and net profit after tax from continuing operations of \$393 million up 25.2% on the prior comparable period. CIMIC also confirmed 2015 guidance, of net profit after tax in the range of \$450 million to \$520 million, subject to market conditions.

CIMIC is listed on ASX with a market capitalisation of approximately \$7.6 billion as at the close of trading on the last Trading Day prior to the Announcement Date. The largest shareholder in CIMIC is HOCHTIEF Australia Holdings Limited, a wholly owned subsidiary of HOCHTIEF Aktiengesellschaft (**HOCHTIEF AG**), which owns 69.63% of CIMIC as at 12 January 2016. HOCHTIEF AG is listed on the Frankfurt Stock Exchange. The largest shareholder in HOCHTIEF AG, Actividades de Construccion y Servicios S.A. (**ACS**), held 66.54% of the shares in HOCHTIEF AG at 30 October 2015.

For more information please refer to [www.cimic.com.au](http://www.cimic.com.au).

## **2.2 Directors**

As at the date of this Bidder's Statement, the directors of CIMIC are:

- Mr Marcelino Fernández Verdes (Executive Chairman);
- Mr Russell Chenu;
- Mr José Luis del Valle Pérez;
- Dr Kirstin Ferguson;
- Mr Trevor Gerber;
- Mr Pedro López Jiménez;
- Mr David Robinson; and
- Mr Peter-Wilhelm Sassenfeld.

As at the date of this Bidder's Statement, the directors of CGI are:

- Adelle Howse; and
- Angel Muriel.

## **2.3 Directors' Interests in Sedgman**

No CIMIC director has an interest in Sedgman Shares.

No CGI director has an interest in Sedgman Shares.

### 3. INFORMATION ON SEDGMAN

#### 3.1 Profile of Sedgman

Sedgman is an Australian company providing projects and operational services to the resource industry. Sedgman is a provider of mineral processing and associated infrastructure solutions to the global resources industry. Sedgman also provides engineering, project delivery and operations services with capability across coal, iron ore, copper, gold, lead and other base metals.

The project division of Sedgman handles the design, construction and commissioning of coal handling and preparation plants, minerals processing plants and other related equipment. The division also provides engineering services globally, supporting the full project lifecycle from concept development to commissioning. Sedgman delivers large scale coal processing projects, in Queensland, New South Wales and Western Australia and a modular iron ore processing plant in Western Australia, through the Joint Ventures with Thiess (see Section 3.2).

The operations division of Sedgman provides a complete operations management service that optimises plant operations and maintenance services for clients. The services include operators, asset managers, operations support staff and consulting engineering services. The division also includes the operation and ownership of coal handling and preparation plants, and ore crushing and screening plants.

Sedgman was established in 1979 and since the mid 1980s its focus has been the coal industry. Today, Sedgman is a leading provider of engineering and operations services for coal handling and preparation plants in Australia. It is also recognised internationally for coal processing and materials handling technologies.

Sedgman is listed on ASX with a market capitalisation of \$179 million (as at the close of trade on the last Trading Day prior to the Announcement Date). Further information can be obtained from Sedgman's website ([www.sedgman.com.au](http://www.sedgman.com.au)).

Further information concerning Sedgman can be found in the publicly available information referred to in Section ~~3.53.5~~ below.

#### 3.2 Thiess Sedgman Joint Ventures

The CIMIC Group and the Sedgman Group have a Co-operation Agreement in place under which each have agreed to co-operate and where each party agrees to undertake [all projects within the scope of the Co-operation Agreement that have a total contract value over \\$50 million<sup>7</sup> as a separate project as a](#) 50:50 unincorporated joint venture [on the terms of the Co-operation Agreement](#) (collectively referred to as the **Thiess Sedgman Joint Venture**), ~~a separate joint venture is entered into by them on the terms of the Co-operation Agreement~~. The Thiess Sedgman Joint Venture delivers the design, construction and commissioning of coal handling and preparation plants, ~~minerals processing plants~~ and other related equipment [in Australia](#).

#### 3.3 Directors

As at the date of this Bidder's Statement, the Sedgman Directors are:

- Russell James Kempnich;
- Robert John McDonald;
- Antony Leslie Jacobs; and
- Peter Richard Watson (Managing Director).

<sup>7</sup> From 30/04/2014 the \$50 million threshold is adjusted based on quarterly changes in the Australian All Groups Consumer Price Index.

### 3.4 Substantial holder

Based on publicly available information, the following persons had the following substantial holdings in Sedgman Shares on the date of this Bidder's Statement.

Substantial holder	Sedgman Shares	%
CIMIC Group Investments Pty Limited	83,999,174	36.99
Commonwealth Bank of Australia	21,689,355	9.55
Russell Kempnich and Related Parties	17,341,442	7.64

### 3.5 Sedgman Information

The information in this Section 3.5 concerning Sedgman and the Sedgman Group has been prepared on a review of publicly available information. That information has not been independently verified by CGI. Accordingly, subject to the Corporations Act, CGI does not make any representation or warranty (express or implied) as to the accuracy or completeness of such information.

The information on Sedgman and the Sedgman Group in this Bidder's Statement should not be considered comprehensive. Further information relating to Sedgman's business or Sedgman's securities may be included in the Target's Statement in relation to the Offer, which will be sent to you directly by Sedgman.

Sedgman is a Company listed on ASX and is subject to the periodic and continuous disclosure requirements of the Corporations Act and the Listing Rules. For more information concerning the financial position and affairs of Sedgman, you should refer to the full range of information that has been disclosed by Sedgman pursuant to those obligations.

The ASX website ([www.asx.com.au](http://www.asx.com.au)) and Sedgman's website ([www.sedgman.com](http://www.sedgman.com)) list announcements issued by Sedgman, including their most recent Annual Report and financial statements.

## **4. CGI'S INTENTIONS**

### **4.1 Overview**

This Section [4.4](#) sets out CGI's intentions in relation to the following:

- the continuation of the businesses of Sedgman;
- any major changes to be made to the businesses of Sedgman, including any redeployment of the fixed assets of Sedgman;
- changes to the Sedgman Board; and
- the future employment of the present employees of Sedgman.

CGI is a wholly owned subsidiary of CIMIC. Accordingly, the intentions, views, understanding and beliefs of CIMIC as set out in this Bidder's Statement are the same as those of CGI and are both collectively referred to as the intentions of CGI in this Section [4.4](#).

These intentions are based on the information concerning Sedgman, its business and the general business environment which is known to CGI at the time of preparation of this Bidder's Statement, which includes publicly available information.

Although CIMIC is Sedgman's major shareholder and has nominated Antony Jacobs as one of the members of the Sedgman Board, the CIMIC Group has not had access to the Sedgman business, its records, management or other internal Sedgman resources due to commercial sensitivities and confidentiality protocols that operate between CIMIC and Mr Jacobs.

Further, although CIMIC Group has an interest in the Joint Ventures between Thiess and Sedgman, the CIMIC Group's knowledge is limited to the extent of CIMIC Group's interest and participation in those Joint Ventures and operational matters relating to projects undertaken by them. This arrangement does not entitle CIMIC Group to access any aspect of the Sedgman business outside of the Joint Ventures, including corporate matters.

The statements set out in this Section [4.4](#) are statements of current intention only and may vary as new information becomes available or circumstances change. Final decisions will only be reached in light of all material facts and circumstances. The statements in this Section [4.4](#) should be read in this context.

### **4.2 CGI 's intentions**

As at the date of this Bidder's Statement, CGI has a relevant interest in 36.99% of Sedgman Shares.

CGI's intention is to obtain control of Sedgman as a result of the Offer.

As the Offer is unconditional, CGI intends to exercise its rights under item 2 of section 611 of the Corporations Act and has appointed Credit Suisse Equities to stand in the market on the ASX from the date of this Bidder's Statement and purchase on CGI's behalf any Sedgman Shares offered to it at or below the Offer Price.

The statements set out in this Section [4.4](#) are CGI's current intentions and apply irrespective of the outcome of the Offer. [For the avoidance of doubt, this includes where the size of CGI's Shareholding after the outcome of the Offer is less than 90%.](#)

### **4.3 Limitations on intentions**

The extent to which CGI will be able to implement its intentions in relation to Sedgman will be subject to:

- the outcome of the Offer and the size of CGI's Shareholding at that time;
- the Corporations Act and the Listing Rules, in particular in relation to related party transactions and conflicts of interests; and
- the legal obligations of the directors and officers of Sedgman, including to act honestly, for proper purposes and in the best interests of Sedgman Shareholders.

#### 4.4 CGI's intentions following conclusion of the Offer

Following the conclusion of the Offer, CGI's intentions are to:

- reconstitute the Sedgman Board;
- review the dividend and capital management policies of Sedgman;
- continue the business of Sedgman including Sedgman's plans for increasing market and commodity diversification; and
- retain the services of Sedgman's current **operational** employees in the ordinary course. In cases where particular roles may no longer be required, CGI will attempt to identify opportunities for alternative employment within the CIMIC Group.

CGI may also seek to procure the removal of Sedgman from the Official List of ASX, which will depend on the spread and volume of Sedgman Shareholders remaining at the conclusion of the Offer. [If CGI applies to have Sedgman removed from the Official List of ASX, CGI expects that a final decision as to its removal will ultimately be made by ASX in accordance with published ASX guidance on this point.](#)

CGI intends to reconstitute the Sedgman Board so that it is appropriately sized and composed having regard to the size and scale of Sedgman's business. This aim was a key driver behind CGI's actions to vote down certain resolutions at the Sedgman 2015 Annual General Meeting and subsequent discussions with Sedgman about the size and composition of the Sedgman Board. [If Sedgman remains listed on the ASX after the conclusion of the Offer, CGI will have regard to the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council in determining the composition of the Sedgman Board. No determination has been made by CGI at this time regarding the identity of Sedgman directors, or the number of directors on the Sedgman Board, after the conclusion of the Offer.](#)

CGI considers that the proposed review of Sedgman's dividend and capital management policies will assist in identifying the most effective and efficient capital structure for Sedgman. In addition, CGI's view on payment of dividends by Sedgman may be different to those of the current Sedgman Board, which may result in their increase or decrease. [No determination has been made by CGI at this time regarding Sedgman's dividend and capital management policies after the conclusion of the Offer, nor is it practical to make any such determination until after the conclusion of the Offer. Such determination will take into account a number of factors. Those factors include medium and longer term investment opportunities, the expected operating cash flows and risks to those cash flows, management's anticipated medium and longer term earnings outlook and an assessment of the potential volatility of that outlook, management's expected medium and longer term capital expenditure outlook and an assessment of the range of potential outcomes under different scenarios, and the medium and longer term outlook for Sedgman's business in each commodity and geography in which it operates and the potential volatility of that outlook.](#)

CGI recognises the value of Sedgman's employees, brand and operations. As a consequence, CGI intends to support Sedgman's increasing market and commodity diversification and it intends to continue the business of Sedgman.

CGI expects there to be significant value and knowledge in the existing staff of Sedgman. Accordingly, CGI intends to retain the services of Sedgman's current ~~operational~~ employees in the ordinary course. In cases where particular roles may no longer be required, such as management or administrative functions being outsourced or provided by the CIMIC Group, CGI will attempt to identify opportunities for alternative employment within the CIMIC Group. In the transition, CGI will seek to minimise any changes to employees' terms and conditions. No determination has been made by CGI at this time regarding such matters, nor is it practical to make any such determination until after the conclusion of the Offer, however CGI has a deep trust of and respect for Sedgman's existing employees which has motivated CGI's intention to retain the services of Sedgman's current employees in the ordinary course.

#### **4.5 If CGI acquires 90% or more of Sedgman Shares**

The current intentions of CGI, if CGI acquires a relevant interest in 90% or more of Sedgman Shares are:

- to implement those intentions set out above to the fullest extent possible;
- to proceed with the compulsory acquisition of the outstanding Sedgman Shares in accordance with the provisions of Chapter 6A of the Corporations Act and to arrange for Sedgman to be removed from the official list of ASX; and
- if entitled to do so, to proceed with the compulsory acquisition of all convertible securities in accordance with the relevant provisions of the Corporations Act.

## **5. INFORMATION ON SEDGMAN SECURITIES**

### **5.1 Capital structure of Sedgman**

CGI understand that the total number of securities in Sedgman as at the date of this Bidder's Statement is as follows<sup>8</sup>:

- (a) 227,059,277 ordinary Sedgman Shares; and
- (b) 12,141,683 Sedgman Performance Rights issued under the Sedgman Long Term Incentive Share Plan at no cost and entitling the participants to receive one fully paid ordinary share in Sedgman per Sedgman Performance Right, subject to vesting conditions linked to performance.

### **5.2 Details of relevant interests in Sedgman securities and voting power**

As at the date of this Bidder's Statement, CGI holds (and has a relevant interest in) 83,999,174 Sedgman Shares and its voting power in Sedgman is 36.99%.

### **5.3 Consideration provided for Sedgman securities during previous four months**

Between 5 November 2015 and 8 December 2015, CGI acquired a total of 765,156 Sedgman Shares on ASX for a highest price of \$0.9386. [Full details of these transactions were announced to ASX in a form 604 Change in Substantial Holder Notice released on 13 January 2016, a full copy of which is set out in Annexure A.](#)

As CGI intends to exercise its rights under item 2 of section 611 of the Corporations Act and stand in the market on the ASX from the date of this Bidder's Statement and purchase any Sedgman Shares offered to it at or below the Offer Price, if any Sedgman Shares are acquired by CGI before the date of the Offer, the highest price paid by CGI will be the Offer Price of \$1.07.

Other than as described in this Section ~~5.35-3~~, CGI and its Associates have not acquired any Sedgman Shares or Sedgman Performance Rights during the period of four months ending on the day immediately before the date of this Bidder's Statement.

CGI and its Associates have not disposed of any Sedgman Shares or Sedgman Performance Rights during the period of four months ending on the day immediately before the date of this Bidder's Statement.

### **5.4 Inducing benefits given during the previous four months**

Other than as set out in Section ~~5.35-3~~ above, neither CGI nor any of its Associates has, during the period of four months ending on the day immediately before the date of the Offer, given, offered or agreed to give, a benefit to another person where the benefit was likely to induce the other person, or an Associate, to:

- (a) accept the Offer; or
- (b) dispose of Sedgman Shares,

which benefit was not offered to all Sedgman Shareholders under the Offer.

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<sup>8</sup> Based on the Appendix 3B released by Sedgman to ASX on 4 December 2015.

## **6. FUNDING**

### **6.1 Maximum Cash Consideration**

The maximum cash amount which may be required by CGI to settle acceptances under the Offer is \$166.1 million (**Maximum Cash Consideration**).

The Maximum Cash Consideration is calculated on the basis:

- (a) of acceptances in respect of 143,060,103 Sedgman Shares, that is all Sedgman Shares not owned by CIMIC Group; and
- (b) that all 12,141,683 Sedgman Performance Rights vest and the holders are issued one Sedgman Share for each Sedgman Performance Right and accept the Offer.

### **6.2 CGI's internal funding arrangements**

[Pursuant to an executed agreement](#), CIMIC has unconditionally agreed to provide CGI with all amounts CGI requires to pay the Maximum Cash Consideration, as well as any associated transaction costs incurred by CGI. These amounts will be provided under a loan agreement to be entered into between CIMIC and CGI.

Drawdown under the loan agreement (which will remain in place so long as CGI has an outstanding obligation to make payments under the Offer) will not be subject to any conditions precedent other than the presentation of a loan terms schedule to CIMIC which is signed by CGI.

### **6.3 CIMIC's funding arrangements**

CIMIC has existing money market and invested funds at call materially in excess of the Maximum Cash Consideration and associated transaction costs. CIMIC intends to utilise those available funds or CIMIC's existing debt facilities to allow CGI to fund the Offer (as described in Section 6.2).

To the extent that CIMIC elects to utilise third party funds rather than its existing money market and invested funds at call to fund any of the consideration payable by CGI pursuant to the Offer, such funds will be drawn by CIMIC pursuant to its existing debt facilities. Those debt facilities are made available by a number of banking institutions with whom CIMIC has ongoing banking relationships. Drawdown under CIMIC's existing debt facilities is subject only to conditions precedent which CIMIC considers customary for facilities of this nature. As at the date of this Bidder's Statement CIMIC is not aware of any reason why any conditions precedent to drawdown from the existing debt facilities will not be satisfied.

### **6.4 Payment of cash consideration**

Having regard to the matters set out above, CGI is of the opinion that it has a reasonable basis for forming, and it holds, the view that it will be able to pay the Maximum Cash Consideration required for the acquisition of Sedgman Shares pursuant to the Offer.

The Offer is not subject to any financing conditions.

## **7. AUSTRALIAN TAX CONSIDERATIONS**

### **7.1 Introduction**

The following is a general description of the principal Australian tax consequences for the registered holders of Sedgman Shares upon the disposal of their shareholding to CGI pursuant to this Offer.

The following description is intended as a general guide to the Australian tax considerations and is based upon the law in effect at the date of this Bidder's Statement. It is not intended to be an authoritative or complete statement of the law applicable to the particular circumstances of every registered holder of Sedgman Shares, and is not intended to be advice and should not be relied on as such. In particular, the registered holders of Sedgman Shares should be aware that the levels and bases of taxation can change and that where reference is made to tax concessions, this is to tax concessions as currently applying. It is recommended that registered holders seek independent professional advice in relation to their own particular circumstances and should not rely upon the comments contained in this general description.

Any persons who may be subject to tax in any jurisdiction outside Australia should obtain independent professional advice on their particular circumstances.

The Australian tax implications outlined below are relevant to registered holders who hold their Sedgman Shares as capital assets for the purposes of investment and who do not hold their Sedgman Shares as trading stock, as part of a profit-making undertaking or scheme, under an arrangement which qualifies as an employee share or rights plan for Australian tax purposes (such as holders of Sedgman Performance Rights or participants in the Sedgman Long Term Incentive Share Plan), or otherwise on revenue account. This Section in particular does not address in detail the tax considerations applicable to persons holding options, or registered holders that may be subject to special rules, such as banks, insurance companies, tax exempt organisations, trusts, superannuation funds, dealers in securities or registered holders who change their tax residence while holding Sedgman Shares. It also does not consider the Australian tax considerations for registered shareholders who are non-residents for Australian tax purposes or who hold their Sedgman Shares as an asset of a permanent establishment in Australia.

### **7.2 Capital gains tax (CGT) implications**

#### **CGT event**

For CGT purposes, a 'CGT event' will occur when you dispose of Your Sedgman Shares to CGI. Generally, your disposal should be taken to occur on the date that the Offer contract to dispose of Your Sedgman Shares is formed. However, if you do not accept the Offer and Your Sedgman Shares are compulsorily acquired, your disposal should take place on the date that CGI becomes the owner of Your Sedgman Shares.

#### **Determining your capital gain or loss**

Broadly, any capital gain or loss from the CGT event will be determined by comparing the total consideration that you receive for Your Sedgman Shares with the CGT cost base (in the case of a capital gain) or reduced cost base (in the case of a capital loss) of Your Sedgman Shares.

The cost base or reduced cost base of Your Sedgman Shares should broadly equal the money you paid or were required to pay to acquire Your Sedgman Shares plus any non-deductible incidental costs incurred in acquiring and disposing of the Sedgman Shares (for example, brokerage).

You will make a capital gain from the disposal of Your Sedgman Shares to CGI to the extent that the consideration that you received for Your Sedgman Shares exceeds the cost base of Your Sedgman Shares.

Conversely, you will make a capital loss to the extent that the reduced cost base of Your Sedgman Shares exceeds the consideration that you received for Your Sedgman Shares.

The tax treatment of your capital gain or capital loss arising from the disposal of Your Sedgman Shares depends on whether or not you are an Australian resident for taxation purposes and whether you hold Your Sedgman Shares as an individual, trustee of a trust, complying superannuation fund or company.

**(a) Australian residents**

You may be entitled to the CGT discount if:

- (i) you are an Australian resident individual, trust or complying superannuation fund;
- (ii) you have held Your Sedgman Shares for at least 12 months (excluding the days of acquisition and disposal); and
- (iii) you make a capital gain from the disposal of Your Sedgman Shares.

The CGT discount may result in your capital gain being reduced by the 'discount percentage', being:

- (iv) 50%, if you are an individual or a trust; or
- (v) 33 $\frac{1}{3}$  %, if you are a complying superannuation fund.

No CGT discount is available for companies.

If you make a capital gain from the disposal of Your Sedgman Shares, that capital gain will be combined with any other capital gains that you have made for the income year. Any available capital losses will then be applied against the total of the capital gains (before applying any CGT discount) that you have made in the current income year. Any remaining discount capital gains are then reduced by your discount percentage. Any resulting net capital gain will be included in your assessable income for the income year.

If you make a capital loss from the disposal of Your Sedgman Shares, that capital loss may only be offset against your assessable capital gains (before taking into account the CGT discount, if applicable) for the current income year. Any excess capital losses will be carried forward and may be applied against your future assessable capital gains (before taking into account the CGT discount, if applicable) if any relevant loss carry forward requirements are met.

**(b) Non-Australian residents**

The disposal of Your Sedgman Shares may be subject to Australian CGT if:

- (i) you and your Associates held 10% or more of the shares in Sedgman:
  - (A) at the time of disposal; or
  - (B) throughout a 12 month period that began no earlier than 24 months before the date of disposal; and
- (ii) the market value of Sedgman's assets that are 'taxable Australian real property' (generally, real property in Australia, or mining, quarrying or prospecting rights, where the minerals, petroleum or quarry materials are in Australia) is greater than the market value of Sedgman's assets that are not taxable Australian real property.

If you are a non-Australian tax resident, it is recommended that you obtain your own independent professional advice as to the Australian tax consequences arising from the disposal of Your Sedgman Shares.

### **7.3 Australian stamp duty and the goods and services tax (GST)**

No Australian stamp duty or GST is payable by you on the sale of Your Sedgman Shares to CGI pursuant to the Offer.

You may be charged GST on incidental costs (for example, advisory fees) incurred in acquiring and disposing of Your Sedgman Shares. You may be entitled to input tax credits or reduced input tax credits for such costs, but should seek independent professional advice in relation to your own particular circumstances.

## **8. ADDITIONAL INFORMATION**

### **8.1 Offer conditions**

The Offer is not subject to any conditions.

### **8.2 ASIC modifications**

ASIC has published various "Class Order" instruments providing for modifications and exemptions that generally apply to all persons including CGI, in relation to the operation of Chapter 6 of the Corporations Act.

Amongst others, CGI has relied on the modification to section 636(3) of the Corporations Act set out in paragraph 5(d) of ASIC Class Order 13/521 "Takeover Bids" to include references to certain statements which are made or based on statements made in documents lodged with ASIC or ASX. Pursuant to Class Order 13/521, the consent of the relevant person is not required for the inclusion of such statements in this Bidder's Statement. As required by Class order 13/521, CGI will make available a copy of these documents (or of relevant extracts from these documents), free of charge, to you and other Sedgman Shareholders who request it during the Offer Period. To obtain a copy of these documents (or the relevant extracts), you may telephone the CIMIC Offer Information Line on 1300 362 398 (for calls made within Australia) or +612 8355 1004 (for calls made from outside Australia) from Monday to Friday between 9.00am and 5.00pm (AEDT).

### **8.3 Persons to whom Offer is sent**

For the purposes of Section 633(2) of the Corporations Act, the date for determining the persons to whom information is to be sent in items 6 and 12 of Section 633(1) of the Corporations Act is the Register Date (being 7.00pm on 14 January 2016).

The Offer also extends to persons who become registered, or entitled to be registered, as the holder of Sedgman Shares during the Offer Period due to the conversion of, or exercise of rights attached to, securities convertible into or which entitle participants to receive Sedgman Shares (being Sedgman Performance Rights) which are on issue on the Register Date.

### **8.4 Broker commissions**

CGI may offer to pay a commission to Brokers who solicit acceptances of the Offer from their clients, but it has made no final decision in relation to the matter at the date of this Bidder's Statement.

Any commission payments will be paid only in respect of parcels of Sedgman Shares held by retail shareholders who accept the Offer.

If a commission is offered, commission payments will not exceed 0.75% of the value of the consideration payable to a retail shareholder who accepts the Offer, and will be subject to minimum payments (not exceeding \$50) and maximum payments (not exceeding \$300) for each acceptance.

If a commission is offered, it will be payable only to Brokers and will be subject to the condition that no part of the fee will be able to be passed on or paid to Sedgman Shareholders.

It is CGI's intention that, if and when an offer of commission has been made to any Broker by CGI, the commission arrangement will remain in place for the balance of the Offer Period and the amount of the commission offered will not be increased during the Offer Period.

### **8.5 Regulatory and legal matters**

- (a) Foreign Investment Review Board approval

Foreign Investment Review Board approval has been received for the Offer.

(b) *Autonomous Sanctions Regulations 2011* (Cth)

The *Autonomous Sanctions Regulations 2011* (Cth) currently prohibit making an asset available to, or for the benefit of, a designated person or entity without authorisation from the Minister for Foreign Affairs or to use or deal with an asset owned or controlled by a designated person or entity without authorisation from the Minister for Foreign Affairs. Designated persons and entities include:

- (i) specified individuals and entities associated with the Democratic People's Republic of Korea (North Korea);
- (ii) specified individuals associated with the former government of the Federal Republic of Yugoslavia;
- (iii) specified entities and individuals who contribute to Iran's proliferation activities or assist Iran to violate United Nations Security Council Resolutions;
- (iv) specified individuals associated with the former Qadhafi regime;
- (v) specified individuals in Myanmar associated with the current or former military and government;
- (vi) specified individuals participating or providing support for the Syrian regime;
- (vii) specified individuals who have engaged or are engaging in activities that undermine democracy and respect for human rights and rule of law in Zimbabwe; and
- (viii) specified individuals responsible or complicit in the threat to the sovereignty and territorial integrity of Ukraine.

(c) Other Commonwealth legislation

The *Charter of the United Nations Act 1945* (Cth) prohibits:

- (i) assets from being provided to proscribed persons or entities; and
- (ii) the use or dealing and facilitation of such use or dealing, of certain assets owned or controlled by proscribed persons or entities,

in each case without the written consent of the Minister of Foreign Affairs.

Persons and entities from various countries have been proscribed under various regulations made pursuant to the Charter of the United Nations Act 1945 (Cth). A consolidated list of proscribed persons and entities can be found of the Department of Foreign Affairs and Trade website at <http://dfat.gov.au/international-relations/security/sanctions/pages/consolidated-list.aspx>.

## 8.6 No escalation agreements

Neither CGI nor any Associate of CGI has entered into any escalation agreement in respect of Sedgman Shares that is prohibited by section 622 of the Corporations Act.

## 8.7 Consents

This Bidder's Statement contains statements made by, or statements based on, statements made by CIMIC, Credit Suisse, Credit Suisse Equities, Minter Ellison and Computershare. Each of CIMIC, Credit Suisse, Credit Suisse Equities, Minter Ellison and Computershare has given and has not, before lodgement of this Bidder's Statement with ASIC, withdrawn their consent to the inclusion of:

- (a) references to its name;

- (b) each statement it has made; and
- (c) each statement which is based on a statement it has made,

in this Bidder's Statement in the form and context in which those statements appear and to the maximum extent permitted by law expressly disclaims and takes no responsibility for any part of this Bidder's Statement other than any statement which has been included in this Bidder's Statement with the consent of that party.

Each person who is named in this Bidder's Statement as acting in a professional capacity for CGI in relation to the Offer (including, without limitation, Credit Suisse, Credit Suisse Equities, Minter Ellison and Computershare):

- (a) does not make, or purport to make, any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based, other than a statement included in this Bidder's Statement with the consent of that person; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement, other than any statement which has been included in this Bidder's Statement with the consent of that party.

In addition, this Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or on the company announcement platform of ASX by Sedgman and others. Under the terms of ASIC Class Order 13/521, the parties making those statements are not required to consent to, and have not consented to, the inclusion of those statements in this Bidder's Statement. This information may also be obtained from Sedgman's website at [www.Sedgman.com](http://www.Sedgman.com).

## **8.8 No other material information**

There is no other information that:

- (a) is material to the making of the decision by a holder of Sedgman Shares whether or not to accept the Offer; and
- (b) which is known to CGI,

other than:

- (c) as set out or referred to elsewhere in this Bidder's Statement; or
- (d) information which it would be unreasonable to require CGI to disclose because the information has previously been disclosed to holders of Sedgman Shares.

## 9. THE OFFER

### 9.1 Offer

- (a) CGI offers to acquire from you on the terms and conditions of this Offer all of Your Sedgman Shares together with all Rights attaching to those Sedgman Shares.
- (b) This Offer extends to all of the Sedgman Shares in respect of which you become registered or in respect of which you become entitled to be registered as the holder prior to the end of the Offer Period as a result of the conversion of, or the exercise of rights attached to, other securities convertible into or which entitle participants to receive Sedgman Shares (being Sedgman Performance Rights) that are on issue at the Register Date.
- (c) Offers on terms and conditions identical to those contained in this Offer have been dispatched or will be dispatched to:
  - (i) all holders of Sedgman Shares registered as such in the Register on the Register Date; and
  - (ii) any person who becomes registered as the holder of Sedgman Shares during the period commencing on the Register Date and ending at the end of the Offer Period due to the conversion of, or exercise of rights attached to, other securities convertible into or which entitle participants to receive Sedgman Shares (being Sedgman Performance Rights) and which are on issue at the Register Date.
- (d) This Offer is dated [\*] 2016.

### 9.2 Consideration for the Offer

Subject to the terms of this Offer, the consideration offered by CGI for the acquisition of each of Your Sedgman Shares to which this Offer relates is \$1.07 cash for each Sedgman Share.

The Offer Price of \$1.07 for each Sedgman Share is final, and cannot be increased during the Offer Period, in the absence of a competing proposal.

### 9.3 Offer Period

- (a) Unless the Offer Period is extended or the Offer is withdrawn, in either case in accordance with the requirements of the Corporations Act, this Offer will remain open for acceptance by you during the period commencing on the date of this Offer and ending at 7:00pm AEDT on [\*] 2016 (**Offer Period**).
- (b) Subject to the Corporations Act as modified by ASIC Class Order 13/521, CGI may extend the Offer Period.
- (c) If, within the last seven days of the Offer Period:
  - (i) CGI's voting power in Sedgman increases to more than 50%; or
  - (ii) this Offer is varied to improve the consideration offered,then the Offer Period will be mandatorily extended in accordance with Section 624(2) of the Corporations Act so that it ends 14 days after the relevant event. However, note that the Offer Price of \$1.07 for each Sedgman Share is final, and cannot be increased during the Offer Period, in the absence of a competing proposal.

### 9.4 Acceptance

- (a) You may accept this Offer only in respect of all of Your Sedgman Shares.
- (b) To accept this Offer in respect of Sedgman Shares which, at the time of acceptance, are registered in your name in the issuer sponsored subregister operated by Sedgman (in which

case Your Sedgman Shares are not in a CHESS Holding and your Securityholder Reference Number will commence with "I"), you must complete and sign the Issuer Acceptance Form enclosed with this Offer (which forms part of this Offer) in accordance with the instructions on it and return it together with all other documents required by those instructions (if any) to:

CIMIC OFFER

C/- Computershare Investor Services Pty Limited

GPO Box 2115

Melbourne Victoria 3001

Australia

so that it is received at an address specified above by no later than the end of the Offer Period. A reply paid envelope, which is valid if sent from within Australia, is enclosed for your use.

- (c) To accept this Offer in respect of Sedgman Shares which, at the time of acceptance, are held by you in a CHESS Holding (in which case your Holder Identification Number will commence with "X"), you must comply with the ASX Settlement Operating Rules. To accept this Offer in accordance with the ASX Settlement Operating Rules:
- (i) if you are the Controlling Participant, you must initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or
  - (ii) if you are not the Controlling Participant, you may either:
    - (A) **instruct** your Controlling Participant, in accordance with the sponsorship agreement between you and the Controlling Participant, to initiate acceptance of this Offer in accordance with Rule 14.14 of ASX Settlement Operating Rules, such initiation to occur before the end of the Offer Period. If you choose to accept this Offer in this way, your Controlling Participant will be obliged by Rule 14.14.1 of ASX Settlement Operating Rules to initiate the acceptance within the following timeframes:
      - (I) if you specify a time when or by which this Offer must be accepted, in accordance with those instructions; or
      - (II) otherwise, by End of Day (as defined in the ASX Settlement Operating Rules) on the date that you instruct the Controlling Participant to accept this Offer or, if the Offer Period ends on the day you provide those instructions, before the end of the Offer Period; or
    - (B) otherwise, **complete** and **sign** the enclosed CHESS Acceptance Form in accordance with the instructions on the CHESS Acceptance Form and **return** it (using the enclosed reply paid envelope, which is valid if sent from within Australia) together with all other documents required by those instructions to the address indicated on the CHESS Acceptance Form, and as such authorise CGI to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules. For return of the CHESS Acceptance Form to be an effective acceptance of the Offer under this Section 9.4(c)(ii)(B), it must be received by CGI in time for CGI to give instructions to your Controlling Participant, and your Controlling Participant to carry out those instructions, before the end of the Offer Period.
- (d) To accept this Offer in respect of Sedgman Shares in respect of which, at the time of acceptance, you are entitled to be registered but are not registered as a result of the conversion of, or exercise of rights attached to, securities convertible into or which entitle participants to receive Sedgman Shares (being Sedgman Performance Rights), you must **complete** and **sign** the Issuer Acceptance Form enclosed with this Offer in accordance with the instructions on it and return it together with all other documents required by those

instructions to one of the addresses referred to in paragraph (b) so that it is received by no later than the end of the Offer Period.

- (e) An acceptance of this Offer under Section ~~9.4(b)~~~~9.4(b)~~, ~~9.4(c)(ii)(B)~~~~9.4(c)(ii)(B)~~ or 9.4(d) shall not be complete until the Acceptance Form, completed and signed in accordance with the instructions on it and all other documents required by those instructions, have been received at the address set out in Section ~~9.4(b)~~~~9.4(b)~~. Notwithstanding the foregoing provisions of this Section ~~9.4~~~~9.4~~, CGI may, in its absolute discretion, waive at any time prior to the end of the Offer Period all or any of the requirements specified in the Acceptance Form but payment of the consideration in accordance with this Offer will not be made until any irregularity has been resolved and such other documents as may be necessary to procure registration of the Sedgman Shares have been lodged with CGI.
- (f) The transmission of the Acceptance Form and other documents is at your own risk.

## 9.5 Entitlement to Offer

- (a) A person who:
  - (i) is able during the Offer Period to give good title to a parcel of Sedgman Shares; and
  - (ii) has not already accepted an Offer for those Sedgman Shares,  
may, in accordance with Section 653B(1) of the Corporations Act, accept this Offer as if an offer on terms identical with the Offer had been made to that person in relation to those Sedgman Shares.
- (b) If at any time during the Offer Period and before you accept this Offer Your Sedgman Shares consist of one or more separate parcels within the meaning of Section 653B of the Corporations Act (for example, because you hold Sedgman Shares on trust for, as nominee for, or on account of, another person or persons), then you may accept as if a separate offer in the form of this Offer had been made to you in relation to each of those parcels (including any parcel you hold in your own right). An acceptance by you of the Offer in respect of any such distinct portion of Your Sedgman Shares will be ineffective unless:
  - (i) you have given CGI notice stating that Your Sedgman Shares consist of separate and distinct parcels, such notice being:
    - (A) in the case of Sedgman Shares not in a CHES Holding, in writing; or
    - (B) in the case of Sedgman Shares in a CHES Holding, in an electronic form approved by the ASX Settlement Operating Rules; and
  - (ii) your acceptance specifies the number of Sedgman Shares in the distinct portions to which the acceptance relates; and
  - (iii) in circumstances where the parcel of Sedgman Shares is held by you as trustee or nominee for, or otherwise on account of, another person, your acceptance specifies:
    - (A) the date that other person acquired an equitable interest in the parcel or, if that date is not known, the date that other person is reasonably believed to have acquired an equitable interest in the parcel; and
    - (B) where the date that other person acquired an equitable interest in the parcel is the Announcement Date – whether the equitable interest was acquired before the time the Offer was announced to ASX on the Announcement Date.
- (c) Beneficial owners whose Sedgman Shares are registered in the name of a Broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in having this Offer accepted in respect of the Sedgman Shares which they beneficially own.

## 9.6 Effect of acceptance

- (a) By:
- (i) completing, signing and returning an Acceptance Form in accordance with Section ~~9.4(b)~~~~9.4(b)~~, ~~9.4(c)(ii)(B)~~~~9.4(c)(ii)(B)~~ or 9.4(d); or
  - (ii) causing this Offer to be accepted in accordance with the ASX Settlement Operating Rules if Your Sedgman Shares are in a CHES Holding, you will, or will be deemed to, have:
    - (iii) subject to Section ~~9.5~~~~9.5~~, irrevocably accepted this Offer in respect of all Your Sedgman Shares (**Accepted Shares**);
    - (iv) agreed to transfer the Accepted Shares to CGI (even if the number of Sedgman Shares on the Acceptance Form differs from the number of Your Sedgman Shares);
    - (v) represented and warranted to CGI as a fundamental condition going to the root of the contract resulting from your acceptance of this Offer that, both at the time of acceptance of this Offer and at the time the transfer of the Accepted Shares (including any Rights) to CGI is registered, all of the Accepted Shares (including any Rights) are and will upon registration be fully paid up and free from all mortgages, charges, liens and other Encumbrances of any kind and restrictions on transfer of any kind, and that you have full power and capacity (whether legal or equitable) to sell and transfer the Accepted Shares (including any Rights) and that you have paid all amounts which at the time of acceptance have fallen due for payment in respect of the Accepted Shares (including any Rights);
    - (vi) irrevocably authorised CGI (by any of its directors, officers, servants or agents), if necessary, to alter the Acceptance Form on your behalf by completing on the Acceptance Form correct details of the Accepted Shares, filling in any blanks remaining on the Acceptance Form and rectifying any errors in or omissions from the Acceptance Form as may be necessary by CGI to make the Acceptance Form an effective acceptance of this Offer or to enable registration of Your Sedgman Shares in the name of CGI;
    - (vii) irrevocably appointed CGI and each of its directors, secretaries and officers from time to time jointly and each of them severally as your true and lawful attorney, with effect from the date of your Acceptance Form, with power to exercise all powers and rights which you could lawfully exercise as the registered holder of the Accepted Shares or in exercise of any right derived from the holding of the Accepted Shares, including, without limiting the generality of the foregoing, requesting Sedgman to register the Accepted Shares in the name of CGI, attending and voting at any meeting of Sedgman Shareholders (including any court convened meeting of Sedgman), demanding a poll for any vote taken at or proposing or seconding any resolutions to be considered at any meeting of Sedgman Shareholders, requisitioning any meeting of Sedgman Shareholders, signing any forms, notices or instruments relating to the Accepted Shares and doing all things incidental or ancillary to any of the foregoing. You will, or will be deemed to, have acknowledged and agreed that in exercising such powers the attorney may act in the interests of CGI as the intended registered holder of the Accepted Shares. This appointment, being given for valuable consideration to secure the interest acquired in the Accepted Shares, is irrevocable and terminates upon registration of a transfer to CGI of the Accepted Shares;
    - (viii) agreed, with effect from the date of your Acceptance Form, and in the absence of a prior waiver of this requirement by CGI, not to attend or vote in person at any meeting of Sedgman Shareholders (including any court convened meeting of Sedgman) or to exercise or purport to exercise any of the powers conferred on CGI or its nominee in Section 9.6(a)(vii);
    - (ix) irrevocably authorised and directed Sedgman to pay to CGI or to account to CGI for all Rights in respect of the Accepted Shares, subject, however, to any such Rights

received by CGI being accounted for by CGI to you in the event that this Offer is withdrawn or avoided;

- (x) except where Rights have been paid or accounted for under Section ~~9.6(a)(ix)~~~~9.6(a)(ix)~~, irrevocably authorised CGI to deduct from the consideration payable in respect of the Accepted Shares, the value of any Rights paid to you in respect of the Accepted Shares which, where the Rights take a non-cash form, will be the value of those Rights as reasonably assessed by CGI;
  - (xi) if, at the time of acceptance of this Offer, the Accepted Shares are in a CHES Holding, irrevocably authorised CGI to cause a message to be transmitted in accordance with ASX Settlement Operating Rule 14.17.1 (and at a time permitted by ASX Settlement Operating Rule 14.17.1(b)) so as to transfer the Accepted Shares to CGI's Takeover Transferee Holding. CGI shall be so authorised even though at the time of such transfer it has not paid the consideration due to you under this Offer;
  - (xii) agreed to indemnify CGI in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or in consequence of the transfer of the Accepted Shares being registered by Sedgman without production of your Holder Identification Number for the Accepted Shares;
  - (xiii) represented and warranted to CGI that, if you are the legal owner but not the beneficial owner of the Accepted Shares:
    - (A) the beneficial holder has not sent a separate acceptance of the Offer in respect of the Accepted Shares;
    - (B) the number of Sedgman Shares you have specified as being the entire holding of Sedgman Shares you hold on behalf of a particular beneficial holder is in fact the entire holding; and
    - (C) that you are irrevocably and unconditionally entitled to transfer the Accepted Shares, and to assign all of the beneficial interest therein to CGI; and
  - (xiv) agreed to execute all such documents, transfers and assurances that may be necessary or desirable to convey the Accepted Shares and any Rights in respect of the Accepted Shares to CGI.
- (b) If Your Sedgman Shares are in a CHES Holding and you complete, sign and return the Acceptance Form in accordance with Section 9.4(c)(ii)(B) (which you are not bound, but are requested, to do), you will be deemed to have irrevocably authorised CGI and any of its directors, secretaries or officers to:
- (i) instruct your Controlling Participant to initiate acceptance of this Offer in respect of the Accepted Shares which are in a CHES Holding, in accordance with Rule 14.14 of the ASX Settlement Operating Rules if you have not already done so; and
  - (ii) give any other instructions in relation to the Accepted Shares to your Controlling Participant on your behalf under the sponsorship agreement between you and that Controlling Participant.
- (c) Once you have accepted this Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you. In addition, you will be unable to withdraw your acceptance of this Offer or otherwise dispose of Your Sedgman Shares.

## **9.7 Dividends and other entitlements**

- (a) CGI will be entitled to all Rights declared, paid, made, or which arise or accrue after the Announcement Date in respect of Sedgman Shares that it acquires pursuant to this Offer.

- (b) If any Rights are declared, paid, made or arise or accrue in cash after the Announcement Date in respect of Sedgman Shares to the holders of the Sedgman Shares, CGI will (provided the same has not been paid to CGI) be entitled to reduce the consideration specified in Section 9.2 and payable by it to the holders of the Accepted Shares by an amount equal to the value of such Rights. If CGI does not, or cannot, make such a reduction and you receive the Rights then you must pay the amount of those Rights to CGI.
- (c) If any non-cash Rights, such as franking credits, are issued or made or arise or accrue after the Announcement Date in respect of the Accepted Shares to the holders of the Accepted Shares, CGI will (provided the same has not been issued to CGI) be entitled to reduce the consideration specified in Section 9.2 and payable by it to holders of the Accepted Shares by an amount equal to the value (as reasonably assessed by CGI) of such non-cash Rights.

## 9.8 No Defeating Conditions

This Offer and the contract resulting from the acceptance of the Offer (and each other Offer and each contract resulting from the acceptance therefore) are not conditional on any events happening (or not happening) at any time.

## 9.9 Obligations of CGI

- (a) Subject to this Section ~~9.99-9~~, the Corporations Act and ASIC Class Order 13/521, CGI will provide the consideration for the Accepted Shares by the end of whichever of the following periods ends earlier:
  - (i) seven Business Days after this Offer is accepted; or
  - (ii) seven Business Days after the end of the Offer Period.

Under no circumstances will interest be paid on the consideration for the Accepted Shares under this Offer, regardless of any delay in making payment or any extension of this Offer.
- (b) Where the Acceptance Form requires an additional document to be given with your acceptance (such as a power of attorney):
  - (i) if that document is given with your acceptance, CGI will provide the consideration in accordance with paragraph (a);
  - (ii) if the document is given after your acceptance and before the end of the Offer Period, CGI will provide the consideration by the end of whichever of the following periods ends earlier:
    - (A) seven Business Days after the document is received; or
    - (B) seven Business Days after the end of the Offer Period; or
  - (iii) if that document is received after the end of the Offer Period, CGI will provide the consideration within seven Business Days after that document is received.
- (c) If you accept this Offer, CGI is entitled to all Rights in respect of You Sedgman Shares. CGI may require you to provide all documents necessary to vest title to those Rights in CGI, or otherwise to give CGI the benefit or value of those Rights. If you do not give those documents to CGI, or if you have received the benefit of those Rights, CGI will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by CGI) of those Rights.
- (d) Payment of any cash amount to which you are entitled under the Offer will be made by cheque in Australian currency. Cheques will be posted to you at your risk by ordinary mail (or in the case of overseas Sedgman Shareholders, by airmail) to the address last provided to CGI by Sedgman.

- (e) If, at the time of acceptance of this Offer, or provision of any consideration under it, any authority or clearance of the Department of Foreign Affairs and Trade or of the ATO is required for you to receive any consideration under this Offer or you are a resident in or a resident of a place to which, or you are a person to whom:
- (i) *Autonomous Sanctions Regulations 2011 (Cth)*;
  - (ii) the *Charter of the United Nations (Sanctions- Al-Qaida) Regulations 2008 (Cth)*;
  - (iii) the *Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth)*; or
  - (iv) any law of Australia that would make it unlawful for CGI to provide the consideration payable under the Offers,

applies, then acceptance of this Offer will not create or transfer to you any right (contractual or contingent) to receive the consideration specified in this Offer unless and until all requisite authorities or clearances have been obtained by CGI. Please refer to Section [8.58-5](#) for information as to whether this restriction applies to you.

### **9.10 Withdrawal**

- (a) In accordance with Section 652B of the Corporations Act, CGI may withdraw unaccepted Offers at any time with the written consent of ASIC which consent may be given subject to such conditions (if any) as are specified in the consent. Notice of any withdrawal will be given to ASX and Sedgman and will comply with any other conditions imposed by ASIC.
- (b) If CGI withdraws this Offer, any contract resulting from its acceptance will automatically be void.

### **9.11 Variation**

CGI may at any time, and from time to time, vary this Offer in accordance with the Corporations Act.

### **9.12 Costs, taxes and GST**

All costs and expenses of the preparation of this Bidder's Statement and of the preparation and circulation of this Offer will be paid by CGI. No GST is payable by you as a consequence of acceptance of the Offer.

### **9.13 Notices**

- (a) Any notices to be given by CGI to Sedgman under the Offer may be given to Sedgman by leaving them at, or sending them by pre-paid ordinary post to, the registered office of Sedgman or by sending them by facsimile transmission to Sedgman at its registered office.
- (b) Any notices to be given to CGI by you or by Sedgman under the Offer may be given to CGI by leaving them at or sending them by pre-paid ordinary post to CGI at the address referred to in Section 9.4(b).
- (c) Any notices to be given by CGI to you under the Offer may be given to you by sending them by pre-paid ordinary post or courier, or if your address is outside Australia, by pre-paid airmail or courier, to your address as shown in the Register.

### **9.14 Governing law**

This Offer and any contract that results from your acceptance of this Offer is governed by the laws in force in NSW.

## 10. GLOSSARY AND INTERPRETATION

### 10.1 Glossary

The following terms have the meanings set out below unless the context requires otherwise:

**Acceptance Form** means the form of acceptance of the Offer enclosed with this Offer and this Bidder's Statement or, as the context requires, any replacement or substitute acceptance form provided by or on behalf of CGI (and includes, to avoid doubt, both the Issuer Acceptance Form and the CHESS Acceptance Form).

**Accepted Shares** has the meaning given in Section 9.6(a)(iii).

**AEDT** means Australian Eastern Daylight Saving Time and, for the avoidance of doubt, means the time in Sydney, Australia.

**Announcement** means the announcement of CGI's intention to make the Offer ~~in the form of Annexure A~~ made on the Announcement Date to ASX.

**Announcement Date** means 13 January 2016.

**ASIC** means the Australian Securities and Investments Commission.

**Associate** has the meaning given to that term in Section 12 of the Corporations Act.

**ASX** means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

**ASX Settlement** means ASX Settlement Pty Limited (ABN 49 008 504 532), the body which administers the CHESS system in Australia.

**ASX Settlement Operating Rules** means the settlement and operating rules of ASX Settlement.

**Bidder's Statement** means this document, being the bidder's statement of CGI under Part 6.5 of the Corporations Act relating to the Offer.

**Broker** means a person who is a share broker and participant in CHESS.

**CGI** means CIMIC Group Investments Pty Limited (ACN 126 876 953).

**CGT** means Australian capital gains tax.

**CHESS** means the Clearing House Electronic Subregister System established and operated by ASX Settlement, which provides for the electronic transfer, settlement and registration of securities in Australia.

**CHESS Acceptance Form** means the Acceptance Form enclosed with this Offer and Bidder's Statement for Sedgman shareholders with a CHESS Holding.

**CHESS Holding** means a holding of Sedgman Shares on the CHESS subregister of Sedgman.

**CIMIC** means CIMIC Group Limited (ACN 004 482 982).

**CIMIC Group** means CIMIC and its Related Bodies Corporate (including CGI).

**Controlling Participant** has the meaning given in the ASX Settlement Operating Rules.

**Co-operation Agreement** means the Co-operation Agreement entered into between Thiess Pty Limited and Sedgman on 12 April 2006.

**Corporations Act** means the *Corporations Act 2001* (Cth) and any regulation made under that Act.

**Credit Suisse** means Credit Suisse (Australia) Limited (ABN 94 007 016 300).

**Credit Suisse Equities** means Credit Suisse Equities (Australia) Limited (ABN 35 068 232 708).

**Encumbrance means:**

- (a) a security interest;
- (b) an easement, restrictive covenant, caveat or similar restriction over property;
- (c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property (including a right to set off or withhold payment of a deposit or other money);
- (d) a right of any person to purchase, occupy or use an asset (including under an option, agreement to purchase, licence, lease or hire purchase);
- (e) any other thing that prevents, restricts or delays the exercise of a right over property, the use of property or the registration of an interest in or dealing with property; or
- (f) an agreement to create anything referred to above or to allow any of them to exist.

**GST** means the goods and services tax imposed under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**Holder Identification Number** or **HIN** means the number used to identify a Sedgman Shareholder on the CHESS subregister of Sedgman.

**Issuer Acceptance Form** means the Acceptance Form enclosed with this Offer and Bidder's Statement for Sedgman Shareholders with an Issuer Sponsored Holding.

**Issuer Sponsored Holding** means a holding of Sedgman Shares on Sedgman's issuer-sponsored sub register.

**Joint Ventures** mean the 'Thiess Sedgman Joint Venture' as described in Section [3.23-2](#).

**Last Close Price** means the price of Sedgman Shares on ASX at the close of trading on 12 January 2016, the day prior to the Announcement Date, of \$0.79 per Sedgman Share.

**Listing Rules** means the listing rules of ASX as amended or varied from time to time.

**Maximum Cash Consideration** has the meaning given in Section [6.16-1](#).

**NSW** means New South Wales, Australia.

**Offer, CGI Offer** or **CGI's offer** means, as the context requires, the offer for Sedgman Shares contained in Section 9, or the off-market takeover bid constituted by that offer, and Offers means the several like offers which together constitute the Offer, as varied in accordance with the Corporations Act.

**Offer Period** means the period during which the Offer will remain open for acceptance in accordance with the terms of the Offer.

**Offer Price** means \$1.07 cash per Sedgman Share.

**Participant** has the meaning given to that term in the ASX Settlement Operating Rules.

**Register** means the Register of Sedgman Shareholders maintained by Sedgman in accordance with the Corporations Act.

**Register Date** means 7.00pm AEDT on 14 January 2016.

**Related Body Corporate** has the meaning given in the Corporations Act.

**Rights** means all accretions, rights or benefits of whatever kind attaching to or arising from or in respect of the Sedgman Shares, whether directly or indirectly, including without limitation all rights to receive dividends (and any attaching franking credit), to receive or subscribe for shares, units, notes, options or other securities and to receive all other distributions, capital returns or entitlements declared, paid, made or issued by Sedgman or any subsidiary of Sedgman after the Announcement Date.

**Sedgman** means Sedgman Limited (ACN 088 471 667).

**Sedgman Board** means the board of directors of Sedgman.

**Sedgman Director** means a director of Sedgman.

**Sedgman Group** means Sedgman and each of its Related Bodies Corporate.

**Sedgman Performance Right** means the Sedgman Performance Rights set out in Section 5.1.

**Sedgman Long Term Incentive Share Plan** means the Sedgman long term incentive share plan approved by Sedgman Shareholders on 28 November 2012.

**Sedgman Shareholders** means a person who is registered as the holder of Sedgman Shares in the Register.

**Sedgman Shares** means fully paid ordinary shares in Sedgman on issue.

**subsidiary** has the meaning given in the Corporations Act.

**Takeover Transferee Holding** means the CHESS Holding to which Sedgman Shares are to be transferred pursuant to acceptances of the Offer.

**Target's Statement** means the target's statement issued by Sedgman in response to this Bidder's Statement in accordance with Part 6.5 of Chapter 6 of the Corporations Act.

**Trading Day** has the meaning given to it in the Listing Rules.

**VWAP** means volume weighted average closing price.

**Your Sedgman Shares** means the Sedgman Shares in respect of which you are registered or entitled to be registered as holder in the Register on the Register Date and any new Sedgman Shares in respect of which you become registered or entitled to be registered as the holder in the Register prior to the end of the Offer Period as a result of the conversion of or exercise of rights attached to Sedgman Performance Rights and to which you are able to give good title at the time you accept the Offer during the Offer Period.

## 10.2 Interpretation

- (a) Annexures to this Bidder's Statement form part of this Bidder's Statement.
- (b) Words and phrases to which a meaning is given by the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules have that meaning in this Bidder's Statement unless that meaning is inconsistent with the context in which the word or phrase is used.

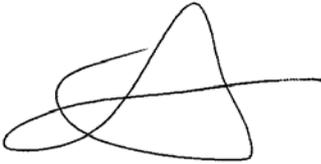
- (c) Headings are for convenience only and do not affect the interpretation of this Bidder's Statement.
- (d) The singular includes the plural and vice versa and words importing any gender include the other gender, and references to persons include corporations.
- (e) References to Sections are to sections of this Bidder's Statement.
- (f) References to paragraphs are references to paragraphs within the Section in which the reference to the paragraph is made.
- (g) References to time are references to the time in Sydney, Australia on the relevant date, unless stated otherwise.
- (h) References to "dollars" or "\$" are to Australian currency, unless stated otherwise.

**11. APPROVAL OF BIDDER'S STATEMENT**

This Bidder's Statement has been approved by a resolution of the directors of CIMIC Group Investments Pty Ltd.

Dated 13 January 2016

Signed for an on behalf of CIMIC Group Investments Pty Ltd by:

A handwritten signature in black ink, consisting of several overlapping loops and a horizontal line extending to the right.

Angel Muriel  
Director

|

**Annexure A – CGI Form 604 – Change in Substantial Holder Notice**

**Form 604**  
Corporations Act 2001  
Section 671B

**Notice of change of interests of substantial holder**

To Company Name/Scheme Sedgman Limited (SDM)

ACN/ARSN 088 471 667

**1. Details of substantial holder (1)**

Name

i) CIMIC Group Investments Pty Ltd (**CGI**) (formerly *Leighton Holdings Investments Pty Ltd*)

ii) CIMIC Group Limited (**CIMIC**) (formerly *Leighton Holdings Limited*)

iii) Each of CIMIC's controlled entities as set out in Annexure "A" excluding CGI (**CIMIC Controlled Entities**)

iv) HOCHTIEF AG (**HOCHTIEF**) and its subsidiaries

v) Actividades de Construcción y Servicios, SA and its Group subsidiaries (**ACS**)

ACN/ARSN (if applicable) CGI:126 876 953  
CIM: 004 482 982

There was a change in the interests of the substantial holder on On 13 January 2016, CGI lodged a bidder's statement in relation to an off-market takeover bid to acquire all of the ordinary shares in SDM that CGI does not already own. As a result, this notice is required to be given under section 671B(1)(c) of the Corporations Act 2001 (Cth) (Corporations Act). The following form sets out the changes in the number of shares held by CGI in SDM since CGI's previous "Notice of change of interests of substantial holder" dated 1 April 2014.

The previous disclosure was given to the company on 01/04/2014

The previous disclosure was dated 01/04/2014

**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous disclosure		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary shares	83,234,018	36.6574%	83,999,174	36.9944%

**3. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
5/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$53,445.29	67,507 Ordinary Shares	67,507

9/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$10,037.15	12,559 Ordinary Shares	12,559
10/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$127,635.42	160,346 Ordinary Shares	160,346
13/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$9,590.40	12,000 Ordinary Shares	12,000
16/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$3,339.23	4,221 Ordinary Shares	4,221
18/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$4,031.44	5,008 Ordinary Shares	5,008
19/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$34,125.02	42,302 Ordinary Shares	42,302
24/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$39,962.03	48,310 Ordinary Shares	48,310

25/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$56,130.79	67,799 Ordinary Shares	67,799
26/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$13,903.87	16,784 Ordinary Shares	16,784
27/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$16,668.00	20,000 Ordinary Shares	20,000
30/11/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$31,553.12	37,266 Ordinary Shares	37,266
1/12/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$54,582.94	63,661 Ordinary Shares	63,661
2/12/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$95,354.24	107,393 Ordinary Shares	107,393

8/12/2015	CGI CIMIC and CIMIC Controlled Entities (see Annexure A) HOCHTIEF and its subsidiaries ACS	On-market purchase	\$93,860.00	100,000 Ordinary Shares	100,000
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#### 4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
CGI	CGI	CGI	Registered holder	83,999,174 Ordinary shares	83,999,174
CIMIC and CIMIC Controlled Entities (see Annexure A)	CGI	CGI	Relevant interest under section 608(3) of the Corporations Act.	83,999,174 Ordinary shares	83,999,174
HOCHTIEF and its subsidiaries	CGI	CGI	Relevant interest under section 608(3) of the Corporations Act.	83,999,174 Ordinary shares	83,999,174
ACS	CGI	CGI	Relevant interest under section 608(3) of the Corporations Act.	83,999,174 Ordinary shares	83,999,174

#### 5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	Not applicable

#### 6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
CGI	472 Pacific Highway, St Leonards, NSW 2065
CIMIC and CIMIC Controlled Entities	472 Pacific Highway, St Leonards, NSW 2065
HOCHTIEF AG and its subsidiaries	Opernplatz 2, 45128 Essen, Germany
ACS	Avda. Pio n°102, 28036 Madrid, Spain

## Signature

print name LOUISE GRIFFITHS

capacity COMPANY SECRETARY, CGI

sign here



date 13/01/2016

### DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

# Annexure A

This is annexure A of 5 pages referred to in Form 604 Notice of change of interest of substantial holder in connection with CIMIC.



.....  
Louise Griffiths, Company Secretary, CGI

13/01/2016

## CIMIC Group Entities

Each of the following entities is an associate of CIMIC because CIMIC controls it (s 12(2)(a)):

<b>CIMIC GROUP LIMITED AND CONTROLLED ENTITIES</b>	<b>Interest held</b>	<b>Place of Incorporation</b>
CIMIC GROUP LIMITED		VIC
111 MARGARET STREET PTY LTD	51%	QLD
145 ANN STREET PTY LTD	100%	QLD
145 ANN STREET TRUST	100%	QLD
512 WICKHAM STREET PTY LTD	100%	NSW
512 WICKHAM STREET TRUST	100%	NSW
A.C.N. 126 130 738 PTY LTD	100%	VIC
A.C.N. 151 868 601 PTY. LTD.	100%	VIC
ASHMORE DEVELOPMENTS PTY LIMITED	100%	NSW
AUSINDO HOLDINGS PTE LTD	100%	Singapore
BCJHG NOMINEES PTY LTD	100%	VIC
BCJHG TRUST	100%	
BOGGO ROAD LOTS 6 AND 7 PTY LIMITED	100%	VIC
BOGGO ROAD PROJECT PTY LIMITED	100%	QLD
BOGGO ROAD PROJECT TRUST	100%	QLD
BOS AUSTRALIA PTY. LTD.	100%	WA
BROAD CONSTRUCTION SERVICES (NSW/VIC) PTY LTD	100%	WA
BROAD CONSTRUCTION SERVICES (QLD) PTY LTD	100%	QLD
BROAD CONSTRUCTION SERVICES (WA) PTY LTD	100%	WA
BROAD GROUP HOLDINGS PTY LTD	100%	WA
CANBERRA METRO FINANCE PTY LIMITED	100%	VIC
CIMIC ADMIN SERVICES PTY LIMITED	100%	NSW
CIMIC FINANCE (USA) PTY LTD	100%	NSW
CIMIC FINANCE LIMITED	100%	NSW
CIMIC RESIDENTIAL INVESTMENTS PTY LIMITED	100%	VIC
D.M.B. PTY. LTD.	51%	QLD
DEVINE BACCHUS MARSH PTY LTD	51%	QLD
DEVINE BUILDING MANAGEMENT SERVICES PTY LTD	51%	QLD
DEVINE COLTON AVENUE PTY LTD	51%	
DEVINE CONSTRUCTIONS PTY LTD	51%	QLD
DEVINE FUNDS PTY LTD	51%	VIC
DEVINE FUNDS UNIT TRUST	51%	
DEVINE HOMES PTY LTD	51%	QLD
DEVINE LAND PTY LTD	51%	QLD
DEVINE LIMITED	51%	QLD
DEVINE MANAGEMENT SERVICES PTY LTD	51%	QLD
DEVINE PROJECTS (VIC) PTY LTD	51%	QLD
DEVINE QUEENSLAND NO.10 PTY LTD	51%	QLD

DEVINE SA LAND PTY LTD	51%	QLD
DEVINE SPRINGWOOD NO 1 PTY LTD	51%	NSW
DEVINE SPRINGWOOD NO. 2 PTY LTD	51%	QLD
DEVINE SPRINGWOOD NO. 3 PTY LTD	51%	QLD
DEVINE WOODFORDE PTY LTD	51%	QLD
DOUBLEONE 3 BUILDING MANAGEMENT SERVICES PTY LTD	51%	QLD
DOUBLEONE 3 PTY LTD	51%	QLD
EIC ACTIVITIES PTY LTD	100%	VIC
FLEETCO FINANCE PTY LIMITED	100%	VIC
FLEETCO HOLDINGS PTY LIMITED	100%	VIC
FLEETCO MANAGEMENT PTY LIMITED	100%	VIC
FLEETCO RENTALS CT PTY. LIMITED	100%	VIC
FLEETCO RENTALS GE PTY. LIMITED	100%	VIC
FLEETCO RENTALS HD PTY. LIMITED	100%	VIC
FLEETCO RENTALS LB PTY. LIMITED	100%	VIC
FLEETCO RENTALS NO. 1 PTY LIMITED	100%	VIC
FLEETCO RENTALS OO PTY. LIMITED	100%	VIC
FLEETCO RENTALS PTY LIMITED	100%	VIC
FLEETCO RENTALS RR PTY. LIMITED	100%	VIC
FLEETCO SERVICES PTY LIMITED	100%	VIC
GIDDENS INVESTMENT LIMITED	100%	Hong Kong
GREEN CONSTRUCTION COMPANY	100%	United States
HAMILTON HARBOUR DEVELOPMENTS PTY LTD	75%	QLD
HAMILTON HARBOUR UNIT TRUST (DEVINE HAMILTON UNIT TRUST)	75%	
HUNTER VALLEY EARTHMOVING CO PTY LTD	100%	NSW
HWE COCKATOO PTY LTD	100%	NT
HWE MINING PTY LIMITED	100%	VIC
HWE NEWMAN ASSETS PTY LIMITED	100%	VIC
JARRAH WOOD PTY LTD	100%	WA
JH AD HOLDINGS PTY LTD	100%	VIC
JH AD INVESTMENTS PTY LTD	100%	VIC
JH AD OPERATIONS PTY LTD	100%	VIC
JH RAIL HOLDINGS PTY LTD	59%	VIC
JH RAIL INVESTMENTS PTY LTD	59%	VIC
JH RAIL OPERATIONS PTY LTD	59%	VIC
JH SERVICESCO PTY LTD	100%	VIC
JHAS PTY LTD	100%	VIC
JHI INVESTMENT PTY LTD	100%	VIC
JOETEL PTY. LIMITED	59%	ACT
KINGS SQUARE DEVELOPMENTS PTY LTD	100%	QLD
KINGS SQUARE DEVELOPMENTS UNIT TRUST	100%	QLD
LCPL (PNG) LIMITED	100%	Papua New Guinea
LEGACY JHI PTY LTD	100%	VIC
LEI SHUN EMPLOYMENT LIMITED	100%	Macao
LEIGHTON (PNG) LIMITED	100%	Papua New Guinea
LEIGHTON AFRICA (MAURITIUS) LIMITED	100%	Mauritius
LEIGHTON AFRICA MOZAMBIQUE, LIMITADA	100%	Mozambique
LEIGHTON ASIA (CHINA) LIMITED	100%	Hong Kong
LEIGHTON ASIA (HONG KONG) HOLDINGS (NO. 2) LIMITED	100%	Hong Kong
LEIGHTON ASIA LIMITED	100%	Hong Kong

LEIGHTON ASIA SOUTHERN PTE. LTD.	100%	Singapore
LEIGHTON COMMERCIAL PROPERTIES PTY LIMITED	100%	VIC
LEIGHTON COMPANIES MANAGEMENT GROUP LLC	49%	United Arab Emirates
LEIGHTON CONTRACTORS (ASIA) LIMITED	100%	Hong Kong
LEIGHTON CONTRACTORS (CHINA) LIMITED	100%	Hong Kong
LEIGHTON CONTRACTORS (INDO-CHINA) LIMITED	100%	Hong Kong
LEIGHTON CONTRACTORS (LAOS) SOLE CO., LIMITED	100%	Lao People's Democratic Republic
LEIGHTON CONTRACTORS (MALAYSIA) SDN BHD	100%	Malaysia
LEIGHTON CONTRACTORS (MAURITIUS) LIMITED	100%	Mauritius
LEIGHTON CONTRACTORS (PHILIPPINES), INC.	100%	Philippines
LEIGHTON CONTRACTORS ASIA (CAMBODIA) CO., LTD	100%	Cambodia
LEIGHTON CONTRACTORS ASIA (VIETNAM) LIMITED	100%	Vietnam
LEIGHTON CONTRACTORS INC.	100%	United States
LEIGHTON CONTRACTORS INFRASTRUCTURE NOMINEES PTY LTD	100%	VIC
LEIGHTON CONTRACTORS INFRASTRUCTURE PTY LTD	100%	VIC
LEIGHTON CONTRACTORS INFRASTRUCTURE TRUST	100%	
LEIGHTON CONTRACTORS LANKA (PRIVATE) LIMITED	100%	Sri Lanka
LEIGHTON CONTRACTORS PTY LIMITED	100%	NSW
LEIGHTON ENGINEERING & CONSTRUCTION (SINGAPORE) PTE LTD	100%	Singapore
LEIGHTON ENGINEERING JOINT VENTURE	70%	Malaysia
LEIGHTON ENGINEERING SDN BHD	100%	Malaysia
LEIGHTON EQUITY INCENTIVE PLAN TRUST	100%	NSW
LEIGHTON FOUNDATION ENGINEERING (ASIA) LIMITED	100%	Hong Kong
LEIGHTON FUNDS MANAGEMENT PTY LIMITED	100%	QLD
LEIGHTON GBS SDN. BHD.	100%	Malaysia
LEIGHTON GEOTECH LIMITED	100%	Thailand
LEIGHTON GROUP PROPERTY SERVICES NO.1 PTY LTD	100%	QLD
LEIGHTON GROUP PROPERTY SERVICES PTY LTD	100%	VIC
LEIGHTON HARBOUR TRUST	100%	
LEIGHTON HOLDINGS INFRASTRUCTURE NOMINEES PTY LTD	100%	VIC
LEIGHTON HOLDINGS INFRASTRUCTURE PTY LTD	100%	VIC
LEIGHTON HOLDINGS INFRASTRUCTURE TRUST	100%	
LEIGHTON INDIA CONTRACTORS PRIVATE LIMITED	100%	India
LEIGHTON INFRASTRUCTURE INVESTMENTS PTY LIMITED	100%	NSW
LEIGHTON INTERNATIONAL HOLDINGS LIMITED	100%	Cayman Islands
LEIGHTON INTERNATIONAL LIMITED	100%	Cayman Islands
LEIGHTON INTERNATIONAL MAURITIUS HOLDINGS LIMITED NO. 4	100%	Mauritius
LEIGHTON INTERNATIONAL PROJECTS (INDIA) PRIVATE LIMITED	100%	India
LEIGHTON INVESTMENTS MAURITIUS LIMITED	100%	Mauritius
LEIGHTON INVESTMENTS MAURITIUS LIMITED NO. 2	100%	Mauritius
LEIGHTON INVESTMENTS MAURITIUS LIMITED NO. 4	100%	Mauritius
LEIGHTON JOINT VENTURE	100%	Hong Kong
LEIGHTON M&E LIMITED	100%	Hong Kong
LEIGHTON MIDDLE EAST AND AFRICA (HOLDING) LIMITED	100%	Cayman Islands
LEIGHTON OFFSHORE / LEIGHTON ENGINEERING & CONSTRUCTION JV	100%	Singapore
LEIGHTON OFFSHORE ECLIPSE PTE. LTD.	100%	Singapore
LEIGHTON OFFSHORE FAULKNER PTE. LTD.	100%	Singapore

LEIGHTON OFFSHORE MYNX PTE. LTD.	100%	Singapore
LEIGHTON OFFSHORE PTE. LTD.	100%	Singapore
LEIGHTON OFFSHORE SDN BHD	100%	Malaysia
LEIGHTON OFFSHORE STEALTH PTE. LTD.	100%	Singapore
LEIGHTON PACIFIC ST LEONARDS PTY LIMITED	100%	VIC
LEIGHTON PACIFIC ST LEONARDS UNIT TRUST	100%	
LEIGHTON PORTFOLIO SERVICES PTY LIMITED	100%	ACT
LEIGHTON PPP SERVICES NZ LIMITED	100%	New Zealand
LEIGHTON PROJECTS CONSULTING (SHANGHAI) LIMITED	100%	China
LEIGHTON PROPERTIES (BRISBANE) PTY LIMITED	100%	QLD
LEIGHTON PROPERTIES (NSW) PTY LTD	100%	NSW
LEIGHTON PROPERTIES (VIC) PTY LTD	100%	VIC
LEIGHTON PROPERTIES (WA) PTY LIMITED	100%	NSW
LEIGHTON PROPERTIES PTY LIMITED	100%	QLD
LEIGHTON PROPERTY FUNDS MANAGEMENT LIMITED	100%	ACT
LEIGHTON PROPERTY MANAGEMENT PTY LIMITED	100%	NSW
LEIGHTON SERVICES AUSTRALIA PTY LIMITED	100%	NSW
LEIGHTON U.S.A. INC.	100%	United States
LEIGHTON-LNS JOINT VENTURE	80%	Hong Kong
LH HOLDINGS CO PTY LTD	100%	VIC
LMENA NO. 1 PTY. LIMITED	100%	VIC
LMENA PTY. LIMITED	100%	VIC
LNWR PTY LIMITED	100%	VIC
LNWR TRUST	100%	NSW
LPWRAP PTY LTD	100%	VIC
MARTOX PTY. LIMITED	59%	NSW
MOONAMANG JOINT VENTURE PTY LTD	100%	WA
MOOROOKYLE DEVINE PTY LTD	51%	VIC
NEXUS POINT SOLUTIONS PTY. LTD.	100%	NSW
OPAL INSURANCE (SINGAPORE) PTE LTD	100%	Singapore
PACIFIC PARTNERSHIPS HOLDINGS PTY LTD	100%	VIC
PACIFIC PARTNERSHIPS INVESTMENTS PTY LTD	100%	VIC
PACIFIC PARTNERSHIPS INVESTMENTS TRUST	100%	
PACIFIC PARTNERSHIPS PTY LTD	100%	VIC
PIONEER HOMES AUSTRALIA PTY LTD	51%	QLD
PT LEIGHTON CONTRACTORS INDONESIA	100%	Indonesia
PT THIESS CONTRACTORS INDONESIA	99%	Indonesia
QUEENS SQUARE PTY LTD	100%	VIC
RIVERSTONE RISE GLADSTONE PTY LTD	51%	QLD
RIVERSTONE RISE GLADSTONE UNIT TRUST	51%	
SILCAR PTY LTD	50%	VIC
SILVERTON GROUP PTY LTD	100%	WA
SUSTAINING WORKS PTY LIMITED	100%	QLD
TALCLIFF PTY. LTD.	51%	QLD
TELECOMMUNICATION INFRASTRUCTURE PTY LTD	100%	VIC
THAI LEIGHTON LIMITED	100%	Thailand
THIESS (MAURITIUS) PTY LTD	100%	Mauritius
THIESS AFRICA INVESTMENTS PTY LTD	100%	South Africa
THIESS BOTSWANA (PROPRIETARY) LIMITED	100%	Botswana
THIESS CHILE SPA	100%	Chile

THIESS CONTRACTORS (MALAYSIA) SDN. BHD.	100%	Malaysia
THIESS CONTRACTORS (PNG) LIMITED	100%	Papua New Guinea
THIESS CONTRACTORS CANADA LTD	100%	Canada
THIESS INDIA PVT LTD	100%	India
THIESS INFRACO PTY LTD	100%	QLD
THIESS INFRASTRUCTURE NOMINEES PTY LTD	100%	VIC
THIESS INFRASTRUCTURE PTY LTD	100%	VIC
THIESS INFRASTRUCTURE TRUST	100%	VIC
THIESS MINECS INDIA PVT LTD	90%	India
THIESS MINING MAINTENANCE PTY LTD	100%	QLD
THIESS MONGOLIA LLC	100%	Mongolia
THIESS NC	100%	New Caledonia
THIESS NZ LIMITED	100%	New Zealand
THIESS PTY LTD	100%	QLD
THIESS SOUTH AFRICA (PTY ) LTD	100%	South Africa
THIESS SOUTHLAND PTY LTD	100%	NSW
THINK CONSULTING GROUP PTY LTD	100%	VIC
TOWNSVILLE CITY PROJECT PTY LTD	75%	NSW
TOWNSVILLE CITY PROJECT TRUST	75%	QLD
TRAFALGAR EB PTY LTD	51%	QLD
TRIBUNE SB PTY LTD	51%	QLD
VICTORIA POINT DOCKLANDS PTY LTD	51%	VIC
WESTERN PORT HIGHWAY TRUST	100%	
WOODFORDE JV PTY LTD	51%	QLD
YOLTAX PTY. LIMITED	59%	NSW
ZELMEX PTY. LIMITED	59%	ACT