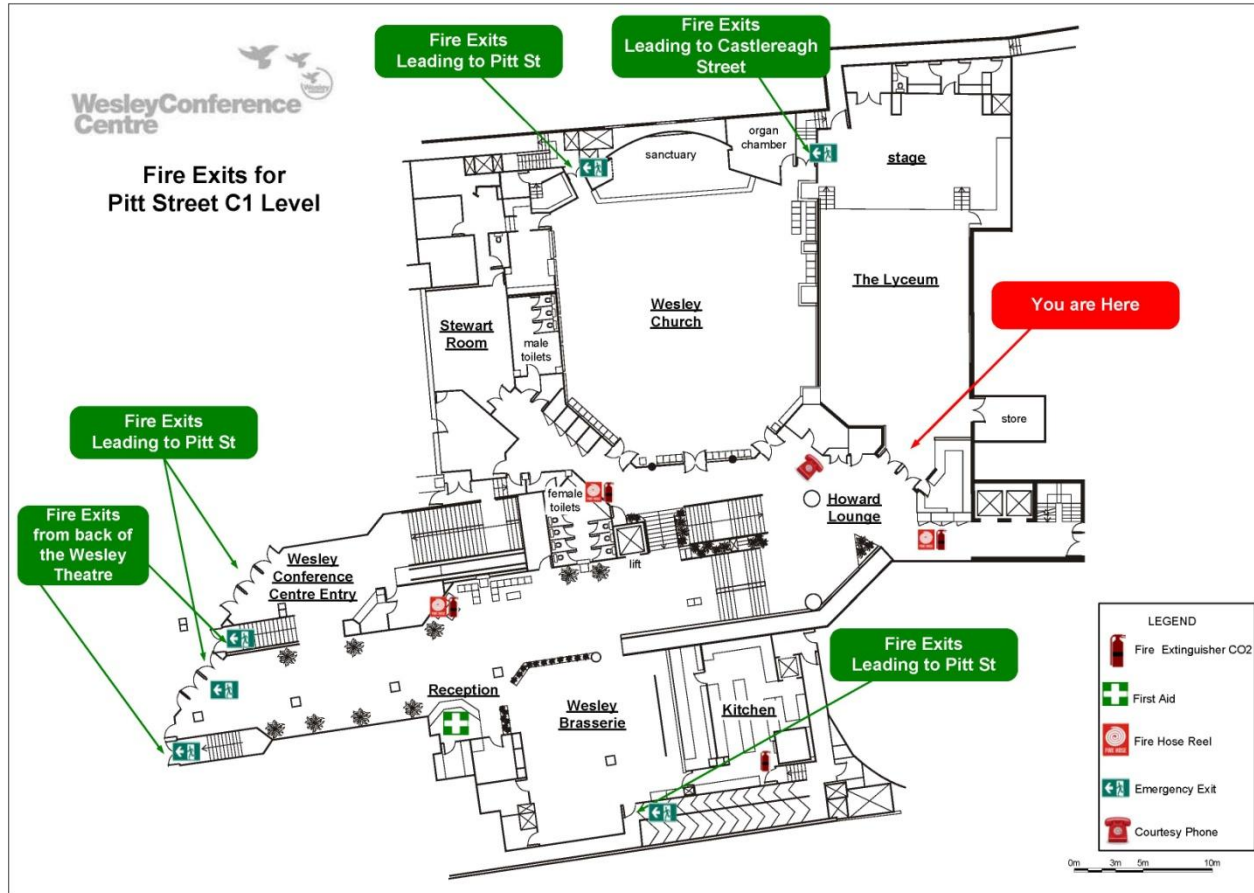


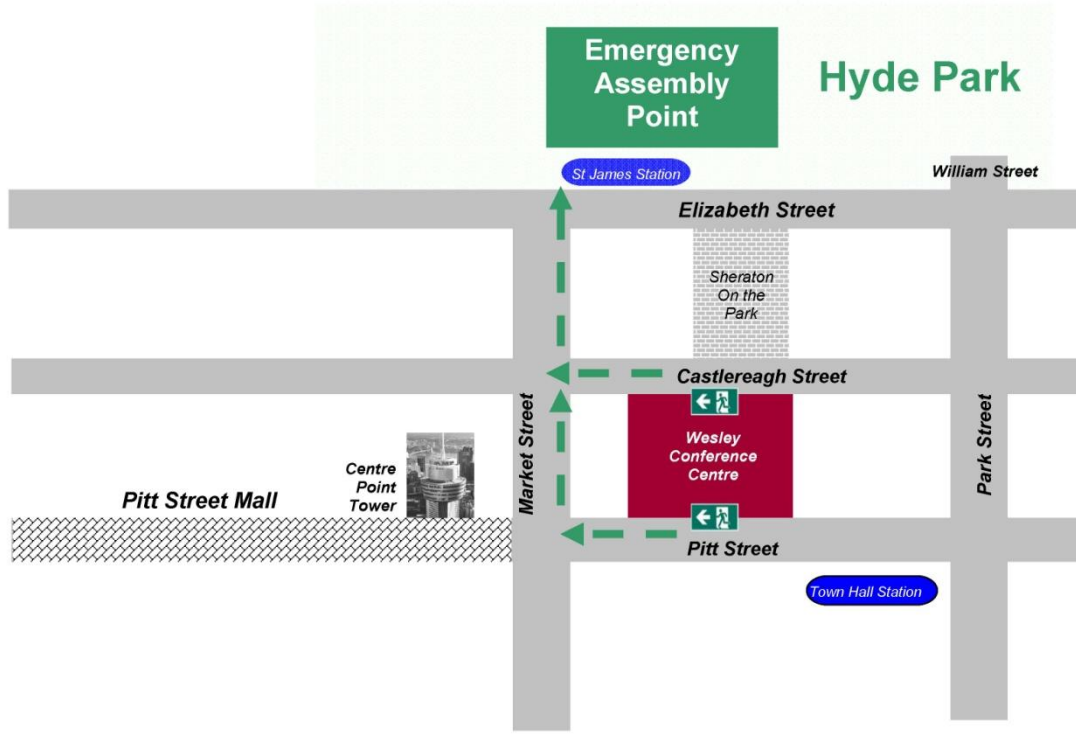
Downer Group Annual General Meeting

7 November 2012

Emergency exits



Emergency assembly point



Please Note That This Map is not To Scale.

Downer Group Annual General Meeting

Chairman's address

- Much improved financial performance
- Three workplace fatalities – profoundly disappointing
- Board renewal
- Strong performance and business culture
- Substantial progress on Waratah Train Project
- Continuing improvements to Risk Management

CEO and Managing Director's Report

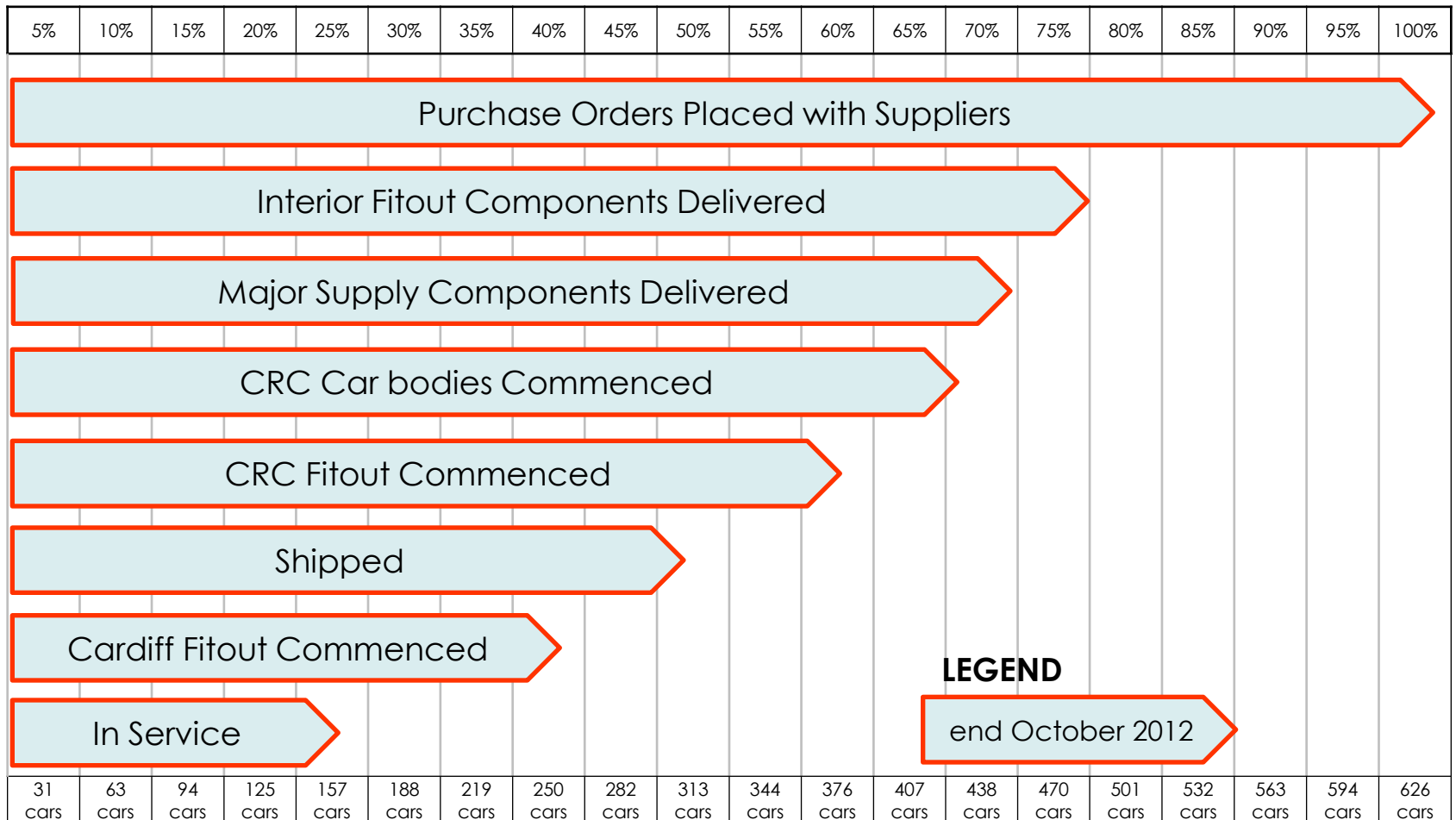
Financial overview

- Total revenue up 22.5% to \$8.5 billion
- Underlying EBIT up 18.6% to \$346.5 million
- Underlying NPAT up 17.4% to \$195.3 million
- Operating cash flow up 96.3% to \$364.5 million
- Work-in-hand \$20 billion
- Net debt reduced by 25.1%
- Gearing reduced by 6.9 percentage points

Waratah Train Project

- Substantial progress:
 - three trains per month being produced in China
 - 18 trains now available for passenger service, 19th presented to RailCorp for Practical Completion
 - on track for 23 trains by Christmas, 78 trains by mid-2014
 - trains performing very well

Status Outline – end October 2012



Waratah Train Project continued

- Funding:
 - \$260 million Waratah bonding facility refinanced
 - Reliance Rail restructured with no equity contribution from Downer
 - Reliance Rail has now drawn down \$228 million of its \$357 million committed bank debt
- The Waratah Train Project now represents a substantially lower risk to the business

Reshaped portfolio

- Three Divisions that are leaders in their markets:
 - Downer Mining
 - Downer Infrastructure
 - Downer Rail

Downer Mining



- Very strong result
- Delivering on the capital allocated to it
- ROFE over 20%
- A good business that will continue to deliver in FY2013

Downer Infrastructure



- Improved EBIT in Australia despite legacy contracts
- Eastern region the stand out performer in Australia
- Rebound in New Zealand performance
- High proportion of NZ's FY2013 revenue secured

Downer Rail



- Locomotive demand down significantly but new contracts with BHPIO, FMG, TasRail
- New agreement with EMD will provide sustainable business model for future
- Passenger – QR, WAPTA, Waratah

CEO and Managing Director's Report

Outlook

- Increasing level of uncertainty
- Competition for available work will increase, presenting challenges but also opportunities
- Downer's work-in-hand remains at solid levels
- Our industry-leading businesses are well placed to capitalise on the pipeline of opportunities
- FY13 guidance maintained

Resolutions

Item 1

To consider and receive the Financial Report, the Directors' Report and the Independent Auditor's Report of Downer for the year ended 30 June 2012.

Item 2 Election of Directors

- Item 2a – Phil Garling
- Item 2b – Eve Howell
- Item 2c – Kerry Sanderson

Item 2a

To consider and, if thought fit, pass the following ordinary resolution:

“That Mr PS Garling, who was appointed as a Non-executive Director of the Company on 24 November 2011 and, in accordance with Rule 3.3 of the Company’s Constitution and being eligible, offers himself for election, is elected as Non-executive Director of Downer.”

Item 2a

Phil Garling offers himself for election as a Non-executive Director in accordance with the Company's Constitution



Item 2a – Proxies

	Voted	%
FOR	329,276,013	99.2
AGAINST	1,730,103	0.5
ABSTAIN	412,493	n/a
OPEN – USABLE	994,850	0.3

Item 2b

To consider, and if thought fit, pass the following ordinary resolution:

“That Ms E A Howell, who was appointed as a Non-executive Director of the Company on 16 January 2012 and, in accordance with Rule 3.3 of the Company’s Constitution and being eligible, offers herself for election, is elected as Non-executive Director of Downer.”

Item 2b

Eve Howell offers herself for election as a Non-executive Director in accordance with the Company's Constitution



Item 2b – Proxies

	Voted	%
FOR	328,899,162	99.1
AGAINST	2,123,275	0.6
ABSTAIN	385,568	n/a
OPEN – USABLE	997,152	0.3

Item 2c

To consider and, if thought fit, pass the following ordinary resolution:

“That Ms KG Sanderson AO, who was appointed as a Non-executive Director of the Company on 16 January 2012 and, in accordance with Rule 3.3 of the Company’s Constitution and being eligible, offers herself for election, is elected as Non-executive Director of Downer.”

Item 2c

Kerry Sanderson AO offers himself for election as a Non-executive Director in accordance with the Company's Constitution



Item 2c – Proxies

	Voted	%
FOR	328,870,310	99.1
AGAINST	2,153,132	0.6
ABSTAIN	384,350	n/a
OPEN – USABLE	997,366	0.3

Item 3

To consider and, if thought fit, pass the following ordinary resolution:

“That the Remuneration Report for the year ended 30 June 2012 be adopted.”

Item 3 – Proxies

	Voted	%
FOR	308,567,441	92.9
AGAINST	22,518,836	6.8
ABSTAIN	391,010	n/a
OPEN – USABLE	932,130	0.3
OPEN – CONDITIONAL	584	0.0

Notes:

- This resolution is advisory only and does not bind Downer or the Directors.
- The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing Downer's remuneration policies.
- If 25% or more of votes that are cast are voted against this resolution and at the 2013 Annual General Meeting 25% or more of the votes cast are also against the adoption of the Remuneration Report, shareholders will be required to vote at the 2013 Annual General Meeting on a resolution that another meeting be held within 90 days at which all of Downer's directors (other than the Managing Director and Chief Executive Officer) must stand for re-election.
- A vote on this resolution must not be cast by or on behalf of a member of the key management personnel of the company, details of whose remuneration are included in the Remuneration Report (KMP), or by any of their closely related parties (such as certain of their family members, dependents and companies they control). However, this does not prevent KMPs or any of their closely related parties from voting as a proxy for a person who is not a member of the KMP in accordance with a direction as to how the proxy is to vote on this resolution.

Item 4

To consider and, if thought fit, pass the following ordinary resolution:

“That approval is given to the grant of restricted shares as the Managing Director’s long-term incentive for 2013 on the basis described in the Explanatory Memorandum to the Notice of Meeting.”

Item 4 – Proxies

	Voted	%
FOR	308,578,099	92.9
AGAINST	22,600,191	6.8
ABSTAIN	313,062	n/a
OPEN – USABLE	921,527	0.3
OPEN – CONDITIONAL	584	0.0

Notes:

•A member of the KMP for the Downer Group and their closely related parties must not vote as proxy on this resolution unless the proxy appointment specifies the way the proxy is to vote on the resolution. However, the Chairman of the meeting may vote an undirected proxy if the proxy appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of KMP for the Downer Group.

Poll

**Please join us in the
foyer for refreshments**

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Downer Group Annual General Meeting

7 November 2012