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Downer Achieves A$150 million Medium Term Note Issue

Downer EDI Limited (**Downer**) is pleased to announce the completion of an A$150 million Medium Term Note (MTN) issue. The proceeds of the MTN issue will be used to refinance maturing debt and for other general corporate purposes.

The MTNs are four-year, fixed rate, unsubordinated, unsecured debt securities maturing 29 October 2013 and are issued by Downer Group Finance Pty Limited, a wholly-owned subsidiary of Downer. The MTNs are priced at an equivalent margin of 375 basis points over swap.

Downer EDI Limited's Chief Executive Officer, Geoff Knox, said the Company was pleased with the capital market's support of the issue, particularly the number of new investors in the Company's debt securities.

"We were seeking a minimum MTN issue of A$100 million and pleasingly we received bids for over A$180 million. We have accepted A$150 million which is commensurate with our permitted oversubscription.

"The strong response to this issue combined with the recent upgrading of our credit rating to 'BBB' stable demonstrates the market's ongoing confidence in the company. The Notes are also expected to carry an investment grade credit rating from Fitch Ratings of 'BBB'.

"The successful issue of the MTNs continues Downer's capital management strategy of diversifying its funding sources and extending its debt maturity profile. It also places us well ahead of our debt refinancing schedule," Mr Knox said.

Mr Knox commended the support from the lead banks who arranged the transaction; NAB, UBS and Westpac.

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Downer EDI Limited (www.downeredi.com) is an ASX-100 company that provides comprehensive engineering and infrastructure design, construction, maintenance and management services to the public and private transport, energy, infrastructure, communications and resources sectors, across Australia, New Zealand, the Asia Pacific region and the United Kingdom.