



STRABAG SE JANUARY–JUNE 2019 RESULTS



30 AUGUST 2019

STRABAG
SOCIETAS EUROPAEA

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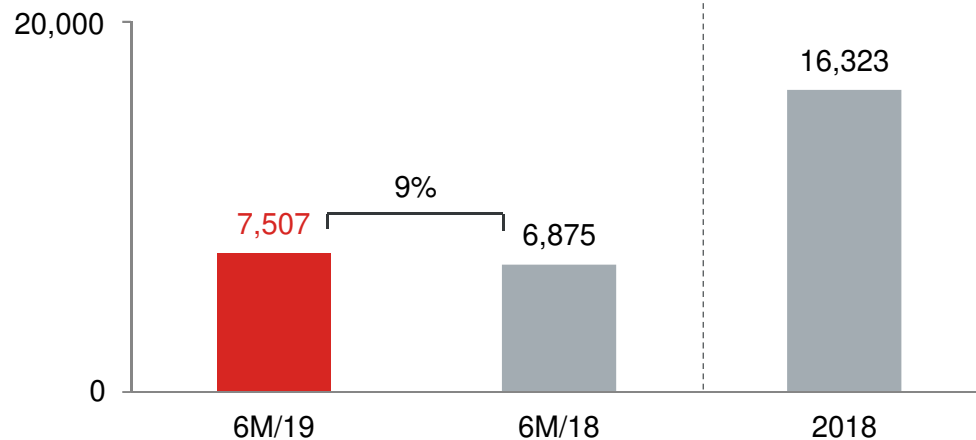
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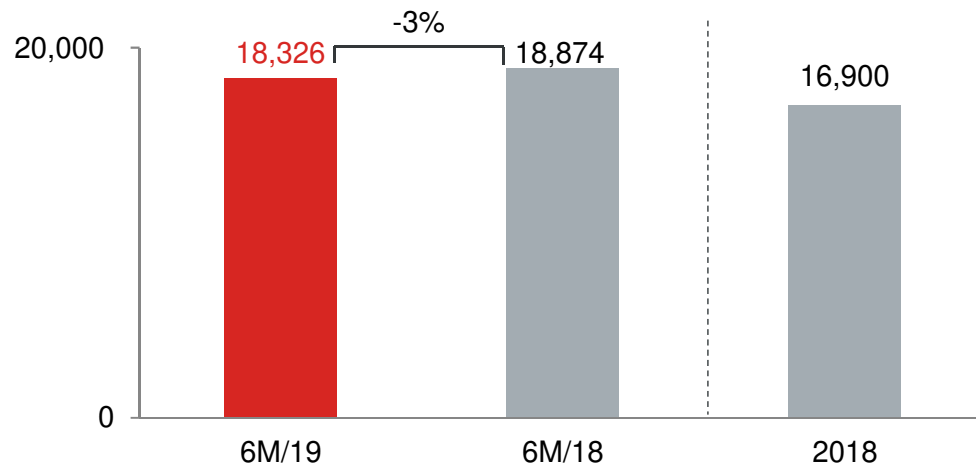
OUTPUT VOLUME ROSE BY 9%

OUTPUT VOLUME (€M)



- Driven in particular by
 - Germany
 - building construction in Austria
 - high order backlog in Hungary
 - large-scale project in UK

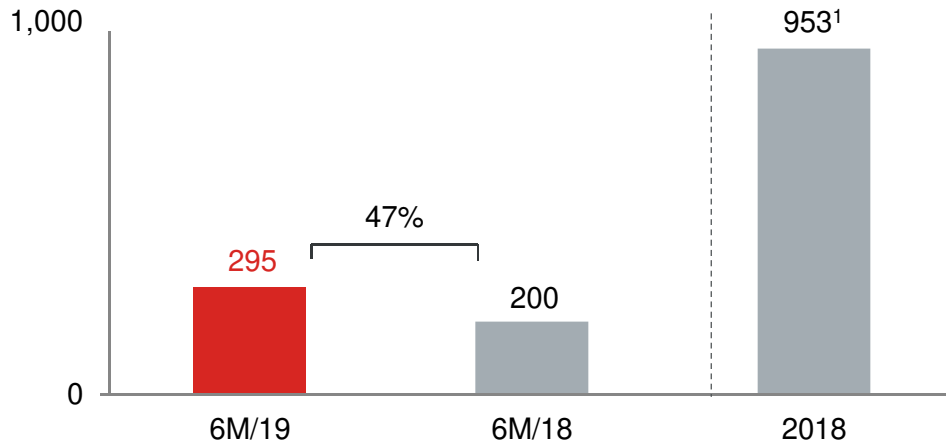
ORDER BACKLOG (€M)



- Slight weakening by 3%
- Declines in Austria, Germany and CEE
- Offset in part by expansion of an existing contract in UK

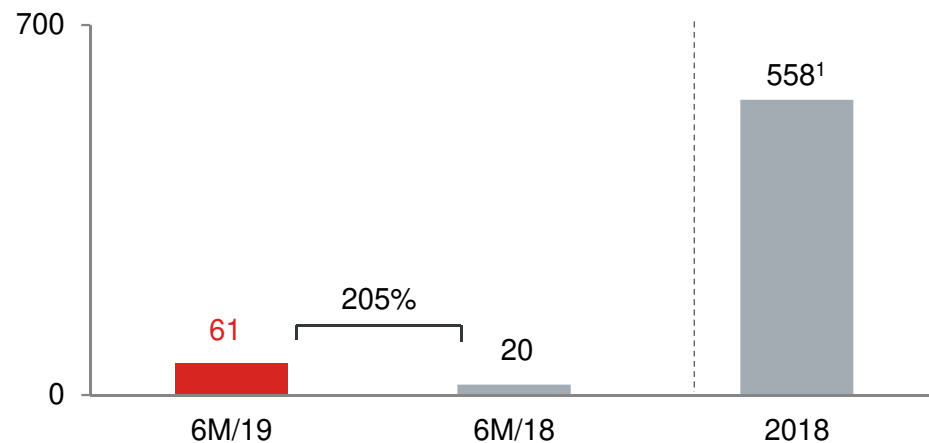
EARNINGS GROWTH FROM INTERNATIONAL + SPECIAL DIVISIONS SEGMENT

EBITDA (€M)



- Growth in EBITDA of 47 %

EBIT (€M)

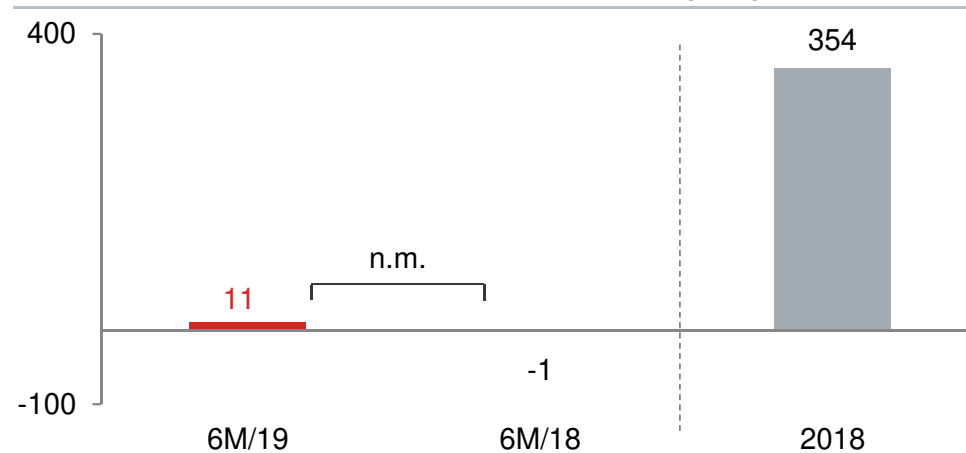


- Depreciation and amortisation higher by 30 % – includes opposing effect on EBITDA from IFRS 16 Leases
- Improvement in EBIT derives from segment International + Special Divisions

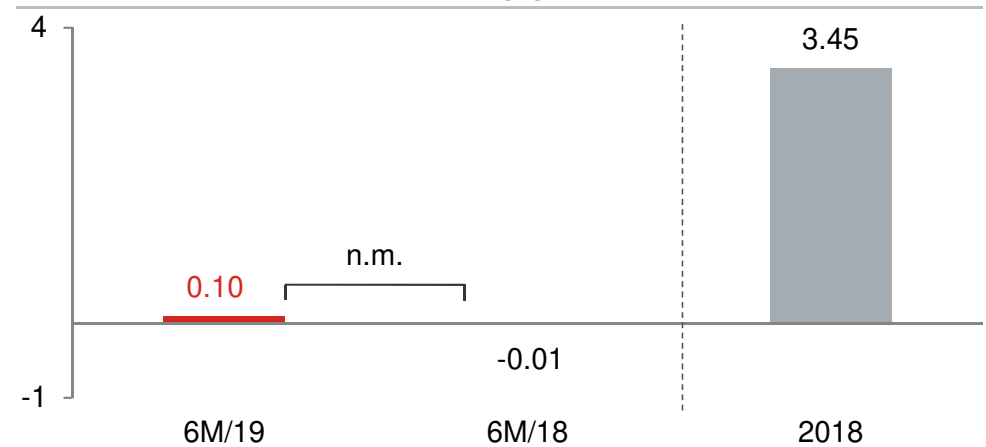
¹ Including a non-operating step-up profit in the amount of € 55.31 million

NET INCOME AFTER MINORITIES FROM NEGATIVE INTO POSITIVE TERRITORY

NET INCOME AFTER MINORITIES (€M)



EARNINGS PER SHARE (€)



- Net interest income at € -20 million after € -7 million in 6M/18; absence of positive exchange rate differences and small impact from IFRS 16
- Earnings attributable to minority shareholders barely changed at € 3 million

STRONG BALANCE SHEET

ASSETS¹

| (€m) | 6M/2019 | 2018 |
|-------------------------------------|---------------|---------------|
| Intangible assets | 494 | 493 |
| Rights from concession arrangements | 592 | 601 |
| PP&E & investment property | 2,553 | 2,144 |
| Equity-accounted investments | 431 | 379 |
| Other investments | 177 | 185 |
| Concession receivables | 612 | 630 |
| Other receivables | 258 | 251 |
| Deferred taxes | 160 | 147 |
| Non-current assets | 5,277 | 4,830 |
| Inventories | 939 | 890 |
| Concession receivables | 38 | 36 |
| Contract assets | 1,902 | 1,283 |
| Trade and other receivables | 2,058 | 2,196 |
| Cash and cash equivalents | 1,590 | 2,386 |
| Current assets | 6,527 | 6,791 |
| Total Assets | 11,804 | 11,621 |

EQUITY AND LIABILITIES¹

| (€m) | 6M/2019 | 2018 |
|--------------------------------|---------------|---------------|
| Share capital | 110 | 110 |
| Capital reserves | 2,315 | 2,315 |
| Retained earnings | 1,075 | 1,195 |
| Non-controlling interests | 32 | 33 |
| Total equity | 3,532 | 3,653 |
| Provisions | 1,146 | 1,117 |
| Financial liabilities | 1,116 | 1,088 |
| Other liabilities | 93 | 79 |
| Deferred taxes | 110 | 97 |
| Non-current liabilities | 2,465 | 2,380 |
| Provisions | 750 | 734 |
| Financial liabilities | 408 | 276 |
| Contract liabilities | 831 | 975 |
| Trade payables | 2,810 | 2,615 |
| Other current liabilities | 1,008 | 988 |
| Current liabilities | 5,807 | 5,588 |
| Equity and liabilities | 11,804 | 11,621 |

¹ Rounding differences might occur.

HIGHER WORKING CAPITAL INCREASE

| (€m) | 6M/19 | Δ% | 6M/18 |
|-------------------------------------|--------------|------|-------|
| Cash – beginning of period | 2,384 | -15 | 2,790 |
| Cash flow from earnings | 229 | 55 | 148 |
| Δ Working Capital | -550 | -86 | -295 |
| Cash flow from operating activities | -321 | -118 | -147 |
| Cash flow from investing activities | -299 | -8 | -277 |
| Cash flow from financing activities | -183 | 49 | -363 |
| Net change in cash | -803 | -2 | -787 |
| FX changes | 7 | n.m. | -26 |
| Change restricted cash | 0 | 100 | -4 |
| Cash – end of period | 1,589 | -19 | 1,973 |

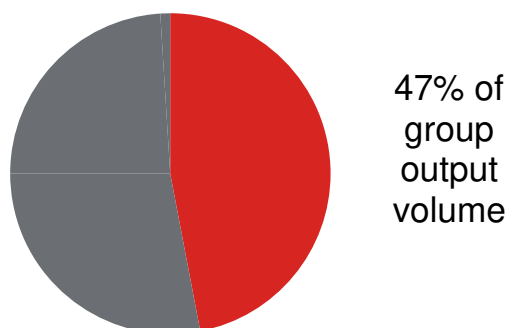
Rounding differences might occur.

NORTH + WEST: UNBROKEN BOOM IN ALL MARKETS

KEY INDICATORS

| (€m) | 6M/19 | Δ% | 6M/18 |
|--------------------------------|-------------|-----|-------------|
| Output volume | 3,552 | 9 | 3,259 |
| Revenue | 3,265 | 10 | 2,970 |
| Order backlog | 9,215 | -2 | 9,403 |
| EBIT | -29 | -29 | -23 |
| <i>EBIT margin (% of rev.)</i> | <i>-0.9</i> | | <i>-0.8</i> |
| Employees (FTE) | 24,824 | 6 | 23,497 |

SHARE OF GROUP OUTPUT VOLUME



BC&CE: Building Construction & Civil Engineering
 TI: Transportation Infrastructures

COMMENTS

- Output volume increased by 9%
- Seasonally usual negative EBIT somewhat weakened
- Order backlog fell slightly (-2%):
 - Execution of large orders in Benelux
 - Increases in Denmark and Germany
 - Modernisation Bielefeld University, Germany
 - “Airsite West” at airport Munich, Germany
- Outlook:
 - Output volume 2019 expected to surpass slightly last year’s record
 - Upward trend in Germany, Benelux and Scandinavia unbroken
 - Prices in German building construction relaxing but still at a high level
 - Record levels in German transportation infrastructures
 - Poland: high order backlog and rising costs

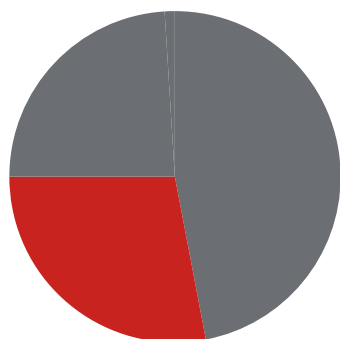
SOUTH + EAST: MARGINS APPROACH GROUP LEVEL

KEY INDICATORS

| (€m) | 6M/19 | Δ% | 6M/18 |
|--------------------------------|-------------|------|-------------|
| Output volume | 2,068 | 8 | 1,916 |
| Revenue | 1,957 | 7 | 1,824 |
| Order backlog | 4,693 | -5 | 4,917 |
| EBIT | -21 | -403 | -4 |
| <i>EBIT margin (% of rev.)</i> | <i>-1.1</i> | | <i>-0.2</i> |
| Employees (FTE) | 18,940 | 6 | 17,791 |

SHARE OF GROUP OUTPUT VOLUME

28% of
group
output
volume



TI: Transportation Infrastructures

COMMENTS

- Output volume climbs by 8% thanks to Austria, Hungary, Czech Republic and Serbia
- EBIT slid further into negative territory – provisions as well as margins approaching the group level
- Order backlog fell by 5% despite several orders:
 - Renovation of M3 underground line Budapest, Hungary
 - Numerous smaller and mid-sized orders in Czech Republic, Switzerland and Romania
- Outlook:
 - Output volume expected to grow in 2019
 - Situation in Austria remains positive
 - Construction growth in Hungary far outpaced overall economic growth
 - Strong competition with cost increases in Czech Republic and Slovakia continues

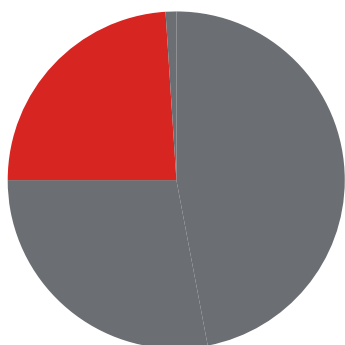
INTERNATIONAL + SPECIAL DIVISIONS: JUMP IN EBIT

KEY INDICATORS

| (€m) | 6M/19 | Δ% | 6M/18 |
|--------------------------------|--------|-----|--------|
| Output volume | 1,832 | 11 | 1,653 |
| Revenue | 1,749 | 16 | 1,503 |
| Order backlog | 4,413 | -3 | 4,552 |
| EBIT | 123 | 137 | 52 |
| <i>EBIT margin (% of rev.)</i> | 7.1 | | 3.5 |
| Employees (FTE) | 26,452 | 2 | 25,949 |

SHARE OF GROUP OUTPUT VOLUME

24% of
group
output
volume



COMMENTS

- Output volume up by 11% due to large-scale projects in tunnelling in the UK, Germany and Chile
- Favourable environment in real estate development, positive development in international area and gain from the sale of a facility management investment in Hungary
- Order backlog slipped by 3% due to reductions in Germany and Austria
 - New contracts in mining in Chile
 - Wastewater pumping station plant in Qatar
 - EFKON expanding its presence in Norway and India
- Outlook:
 - Output volume 2019 should be slightly lower
 - Real estate development continues to contribute positively to earnings
 - Property & facility services: successful transfer of large account to competitor on 30 June 2019 and several acquisitions
 - Milestones in infrastructure development reached

OUTLOOK 2019 CONFIRMED

- Output volume 2019 should exceed € 16 billion
- Targeted EBIT margin (EBIT/revenue) 2019 of $\geq 3,3\%$

FASTER TOGETHER 2022 – THE STRABAG ACTION PLAN

People First

teamconcept

BIM 5D®

SMART.
Construction

LEAN.
Construction

Strategic
Procurement
Solution (SPS)

Project Risk
Management



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