



## Press Release

# PORR right on track: strong first half

- EUR 7.8 bn highest order backlog
- EBT increase to EUR 11.5m
- PORR strategy for future: Green and Lean
- 2021 guidance confirmed

Vienna, 26.08.2021 - PORR has delivered a strong half-year performance. The order backlog of EUR 7,848m is higher than ever before. Production output of EUR 2,496m marks an increase of 9.8%. EBT rose to EUR 11.5m. With “Green und Lean”, PORR has developed a new and sustainable strategy for the future.

“Top ESG rating, very remarkable earnings and full order books in the first half of the year - we are delivering”, said Karl-Heinz Strauss, CEO of PORR. “Combined with our new strategy Green and Lean, we are already in the future. We are building change”.

### Strong demand yields highest order books

The high order backlog has been expanded once again and was up by 10.9% to EUR 7,848m. From the viewpoint of margins and risk, it represents a good and full pipeline for the coming years. Significant growth in the order intake of 8.4% was also achieved in the first half of 2021. In addition to the acquisition of multiple construction lots as part of the Vienna metro expansion, PORR brought in an array of residential construction contracts. On all of the PORR home markets, demand for quality housing remains strong and continues to climb. In infrastructure construction, PORR recently received the contract to build an additional pumped-storage power plant, Limberg III in Kaprun. In Poland, PORR won the tender for two sections of the North-South expressway S19.

“The energy transition as well as the expansion of public transport and the enormous demand for affordable homes are all in the PORR domain. This development will continue to secure full order books in the coming years”, said Karl-Heinz Strauss, CEO of PORR.

### Re-alignment with Green and Lean

As a leading construction company, PORR wants to proactively shape the transition to climate neutrality. The new strategy “Green and Lean” has been developed over the past six months based on the extensive knowhow in the company and the challenges of the future. PORR will promote climate-neutral construction projects, smart technologies, and partnering models for holistic cooperation. And it will steer projects in a modern and efficient way by applying Lean management principles alongside LEAN Design and Construction. With the new strategic focus on “Green and Lean” combined with the industry’s best ESG Prime Rating on the PORR home markets issued by ratings agency ISS, the Group is ideally positioned in terms of both operations and financing to exploit future opportunities.

The order backlog and the order intake have been adjusted for the projects A1 Leverkusen Bridge and H51 Pfons - Brenner. The comparative figures have been restated retrospectively.



## Strong earnings

Production output of EUR 2,496m rose by 9.8% and reflects the increase in orders over the first six months. The home market Austria once again accounted for the largest share of 46.5%. Overall, PORR generated around 96% of production on its seven European home markets. EBT went from red to black and stood at EUR 11.5m, not only outperforming the level of the previous year, but also well above the first half of 2019.

As of 30 June 2021, PORR had total assets of EUR 3,620m. This increase of 3.1% against the previous year-end mainly reflects the seasonal nature of the construction business (31.12.2020: EUR 3,509m). In contrast, equity climbed by EUR 3.5m - as a result of the good earnings situation - to EUR 654m (31.12.2020: EUR 651m). This results in an equity ratio of 18.1%, which was slightly below year-end 2020 (31.12.2020: 18.5%).

As is typical for the season, net debt stood at EUR 310m as of 30 June 2021, marking a significant improvement of EUR 160m against the prior-year period (30.06.2021: EUR 470m). PORR has a comfortable and sufficient liquidity cushion of EUR 407.0m.

## 2021 outlook

On the basis of the good earnings development in the first half of 2021, the Executive Board continues to forecast production output for the full-year 2021 of EUR 5.3 bn to EUR 5.5 bn and a positive EBT margin of +1.3% to +1.5%. The Executive Board is optimistic that the measures implemented will continue to improve earning power and sustainably return it to the level it was at before the coronavirus pandemic. This guidance is based on the assumption that the negative impacts of the COVID-19 pandemic have been overcome in the first half of 2021.

In the medium term, PORR is striving for a target EBT margin of about 3.0% for the Group as a whole.

The positive outlook for 2021 is also linked to the outcome of the cartel case in Austria. The Federal Competition Authority has accused PORR and numerous other construction companies of anti-competitive arrangements. On 19 April 2021, the Federal Competition Authority filed an application with the Cartel Court to impose a fine on companies in the PORR Group. Provisions have been formed for this fine in the course of recent years based on the best possible estimates, although there is no guarantee that these provisions will prove sufficient. PORR is now looking to find a unanimous and timely solution with the Federal Competition Authority in the form of a settlement. The forecast for the full-year 2021 thereby also depends on the outcome of these efforts.

## Facts and figures at a glance

<i>Key performance indicators (EUR m)</i>	<b>1-6/2021</b>	<b>% Δ</b>	<b>1-6/2020</b>
Production output <sup>1</sup>	2,496	9.8%	2,273
Average staffing levels	19,808	0.8%	19,658
Order backlog <sup>2</sup>	7,848	10.9%	7,080
Order intake <sup>2</sup>	3,271	8.4%	3,016
Revenue	2,288.3	10.5%	2,071.2
EBITDA	114.0	73.3%	65.8
EBT	11.5	< -100.0%	-26.6
Profit/loss for the period	8.6	< -100.0%	-22.7
<i>Financial position indicators (EUR m)</i>	<b>30.06.2021</b>	<b>% Δ</b>	<b>31.12.2020</b>
Total assets	3,620	3.1%	3,509
Equity	654	0,5%	651
Equity ratio	18.1%	-0.4 PP	18.5%
Net debt <sup>3</sup>	310	> 100.0%	137

<sup>1</sup> Production output corresponds to the output of all companies and consortiums (fully consolidated, equity method, proportional or those of minor significance) based on the interest held by PORR AG.

<sup>2</sup> Both the order backlog and order intake have been adjusted for the projects A1 Leverkusen Bridge and H51 Pfons - Brenner. The comparative figures have been restated retrospectively.

<sup>3</sup> Compared to 30 June 2020, there was a significant improvement in net debt of EUR 160m

You can find the press release [here](#) in the PORR Newsroom. The 2021 half-year report can be downloaded [here](#).



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