

## Press release

# Strong first half of 2022 for PORR

- Order backlog at top value of EUR 8 bn
- Production output rises by 10.8%
- EBT increases to EUR 22.1m
- Outlook 2022:
  - Production output of EUR 5.7 bn to EUR 5.9 bn
  - Earnings higher than previous year

Vienna, 30.08.2022 - PORR put in a successful performance in the volatile first half of 2022: With production output of EUR 2,766m, PORR generated EBT of EUR 22.1m. The order backlog exceeded EUR 8 bn and so the stable basis for the future has been solidified once again.

“Our PORR has had an exciting and successful first half of 2022”, said PORR CEO Karl-Heinz Strauss. “Which shows yet again: We are tackling the challenges and delivering results”. The 10.8% growth in production output to EUR 2,766m was a particular factor in the rise in earnings. This led EBT to increase significantly against the previous year to EUR 22.1m.

Rising by 2.6% to more than EUR 8 bn, the order book achieved an all-time high. This has solidified the stable basis for economic activity in the coming years. The most important projects include the interior works of the VIO Plaza and the Podhagskygasse residential complex, both in Vienna, as well as the revitalisation of Barrandov Bridge in Prague. Other key new orders include the Drammen Bybrua city bridge in Norway and a thermal waste-to-energy treatment plant in Rzeszów, Poland. “We are currently pursuing a strategy of selective order acquisition. This has proven its value particularly in the first half of the year”, explained Strauss.

The timely introduction of a new pricing model for contract acquisition has allowed PORR to navigate the rises in costs of recent months successfully. Alongside centralising procurement, which has safeguarded the availability of (raw) materials at construction sites, most of the cost increases have been passed on to the clients. Nevertheless, costs for materials and other purchased services underwent a sharper rise than revenue of 18.3% in total (revenue increased by 13.4%).

### Improved capital structure

PORR was able to improve its capital structure with strategic measures: The equity ratio as of 30 June 2022 was 18.4% (30 June 2021: 18.1%). There was a reduction in hybrid capital to EUR 76.1m because of repaying the 2014 and 2017 hybrid bonds; its share of equity fell significantly to 33%.

PORR also enhanced its balance sheet structure in terms of net debt. This improved by EUR 111.7m compared to 30 June of the previous year. The liquidity reserve stands at more than EUR 750m. With this, we are well equipped for the second half of the year”, said Strauss.

### **Intelligent growth with Green and Lean**

“Our goal is sustainable profitability”, confirmed Strauss. “We are consistently pursuing our PORR 2025 future programme and focusing on selective, intelligent growth”. This includes risk management when acquiring contracts just as much as continuous optimisation of construction processes and advanced digitalisation through BIM and LEAN.

Particular emphasis is placed on projects such as the sustainable revitalisation of the Schader commercial building in Zurich: The deconstruction back to the primary structure was carried out in the most resource-conscious way possible. In keeping with the circular economy, the aim is also to reuse materials. In this way, PORR is showing how sustainable construction can positively shape the environment. “Our Green and Lean strategy lays out the approach here”, explained Strauss.

### **Outlook for 2022**

“We are now slowly seeing material prices stabilise at a high level and are cautiously optimistic about this situation”, said Strauss. Based on PORR’s current earnings performance, the Executive Board expects production output of EUR 5.7 bn to EUR 5.9 bn for the 2022 business year. Despite ongoing uncertainty regarding price and cost developments and the supply chain, the Executive Board expects earnings to be higher than the previous year. The medium-term goal remains a target EBT margin of 3.0% by 2025.

However, the future development of the Ukraine conflict and its consequences and intensification cannot be foreseen. This goes hand in hand with the increased uncertainty in connection with gas supplies from Russia and the energy provision that depends on them. In addition, further significant increases in energy and material prices cannot be ruled out. This means that any assessment of economic performance is subject to forecasting risks.

## Facts and figures at a glance

<i>Key performances indicators (EUR m)</i>	<b>1-6/2022</b>	<b>% Δ</b>	<b>1-6/2021</b>
Production output <sup>1</sup>	2,766	10.8%	2,496
Average staffing levels	20,181	1.9%	19,808
Order backlog	8,049	2.6%	7,848
Order intake	3,046	-6.9%	3,271
Revenue	2,595.9	13.4%	2,288.3
EBITDA	125.8	10.3%	114.0
EBT	22.1	92.8%	11.5
Profit for the period	15.6	81.2%	8.6
<i>Financial position indicators (EUR m)</i>	<b>30.6.2022</b>	<b>% Δ</b>	<b>30.6.2021</b>
Total assets	4,035	11.5%	3,620
Equity	742	13.5%	654
Equity ratio	18.4%	0.3 PP	18.1%
Net debt	198	-36.0%	310

<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.

You can find the press release [here](#) in the PORR Newsroom. The Half-Year Report 2022 can be downloaded [here](#). The unsecured files as well as all texts in Word format can be requested from the Investor Relations team at any time.



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