



Press Release

PORR: Solid plus in the first half-year

- Order backlog of almost EUR 9 bn (+11.7%) at all-time high
- Production output up by 9.1% to over EUR 3 bn
- Order intake grows by 25%
- EBT rises to EUR 27.5m (+24.6%)
- 2023 outlook confirmed:
 - Production output of EUR 6.5 bn to EUR 6.7 bn
 - Further increase in earnings

Vienna, 29.08.2023 - With its broadly positioned construction portfolio, PORR managed to achieve significant output growth in the first half of 2023. Despite the challenging market environment worldwide, it increased its EBT to EUR 27.5m and also secured several lucrative new large-scale projects. PORR confirms its outlook for the 2023 business year.

“In the first half of the year, we received a number of large, exciting orders. Our order intake increased by a remarkable 25% compared to the previous year”, said PORR CEO Karl-Heinz Strauss. “At the same time, we were also able to keep the increased costs in check and achieve satisfactory earnings”. New orders included, for example, construction lot H53 of the Brenner Base Tunnel, the construction of a large hospital with 100,000m² of usable space in Wrocław, Poland, and the SuedLink Elbquerung infrastructure project, which involves tunnelling under the River Elbe to transport up to four gigawatts of wind power. In total, the order intake in the first half of the year amounted to EUR 3.8 bn.

The order backlog also increased (+11.7% compared to the first half of 2022) and approached the EUR 9 bn mark for the first time. PORR achieved production output of EUR 3,017m - an increase of 9.1% year on year. Growth was particularly strong in the permanent business in Poland and Romania: Here, production output for each market rose by over 40%. The railway construction segment in Austria also showed pleasing increases. PORR’s focus is on its seven European home markets, where it generated 96.9% of its production output. Austria remains the largest market, accounting for 44.8%.

Solid financial performance

The global rise in prices meant that PORR also saw some significant increases in both revenue and costs. In the first half of 2023, PORR generated revenue of EUR 2,891.1m, 11.4% more than in the same period of 2022. On the cost side, purchased services in particular recorded a significant increase.

Overall, however, the increase in expenses was lower than the increase in revenue. As a result, PORR increased its EBITDA by 8.7% to EUR 136.7m. EBT rose by 24.6% to EUR 27.5m, resulting in an EBT margin of 0.9% in relation to production output (HY/2022: 0.8%).



Stable capital structure

As of 30 June 2023, PORR's total assets stood at EUR 4,279.7m, 6.1% higher than on the previous year's reporting date (30 June 2022: EUR 4,034.7m). At the same time, equity increased by 6.5% to EUR 790.0m (30 June 2022: EUR 742.1m). The equity ratio remained almost unchanged at 18.5% (30 June 2022: 18.4%), despite the increase in total assets.

Seasonal factors caused net debt to increase to EUR 224.4m (31 December 2022: EUR -59.0m). It rose by 13.1% against the same date of the previous year (30 June 2022: EUR 198.4m), mainly due to an increase in leasing liabilities as a result of index adjustments. Cash and cash equivalents largely held steady at EUR 451.5m (30 June 2022: EUR 461.9m), while the liquidity reserve increased slightly compared to the previous year to around EUR 800m.

Outlook for 2023 confirmed

The world economy is at the start of a recovery phase but inflation remains high, both in terms of costs and revenue. Nevertheless, further growth is expected in the construction industry in most of PORR's home markets. The recovery of international supply chains and the easing of increases in energy costs are having a positive effect. The infrastructure and civil engineering sectors will continue to be growth drivers for the industry in the second half of the year. In building construction, industrial construction is ensuring stable growth.

With full order books and the current growth in production output, PORR is well equipped for the second half of 2023. Based on this, the Executive Board expects production output in the range of EUR 6.5 bn to EUR 6.7 bn for the 2023 business year, as well as a further increase in earnings.

The assessment of how the business will perform is based on the current goals in the individual segments as well as the opportunities and risks arising in the respective markets. The geopolitical situation may have stabilised recently but should the situation with the Ukraine conflict or with energy supply intensify again, this could have a negative impact on PORR and its business activities. Any assessment of economic development is therefore subject to forecasting risks.

Facts and figures at a glance

| <i>Key performance indicators (EUR m)</i> | 1-6/2023 | % Δ | 1-6/2022 |
|--|------------------|------------|------------------|
| Production output ¹ | 3,017 | 9.1% | 2,766 |
| Average staffing levels | 20,135 | -0.2% | 20,181 |
| Order backlog | 8,995 | 11.7% | 8,049 |
| Order intake | 3,808 | 25.0% | 3,046 |
| Revenue | 2,891.1 | 11.4% | 2,595.9 |
| EBITDA | 136.7 | 8.7% | 125.8 |
| EBT | 27.5 | 24.6% | 22.1 |
| Profit for the period | 18.6 | 19.1% | 15.6 |
| | | | |
| <i>Financial position indicators (EUR m)</i> | 30.6.2023 | % Δ | 30.6.2022 |
| Total assets | 4,280 | 6.1% | 4,035 |
| Equity | 790 | 6.5% | 742 |
| Equity ratio | 18.5% | 0.1PP | 18.4% |
| Net debt | 224 | 13.1% | 198 |

¹ 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 2023 can be downloaded [here](#).



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