



## Press Release

# PORR back on profitable path

- **EBT of EUR 85.4m confirmed**
- **Highest production output: +10.5% to EUR 5.7 bn**
- **Full order books to EUR 7.8 bn**
- **Kick-off of the Green and Lean strategy**
- **Outlook confirmed: target EBT margin of 3% in 2025**

Vienna, 28.04.2022 - Despite a challenging market environment in 2021, PORR has had a very good year of construction. The high order backlog of EUR 7.8 bn, production output of EUR 5.7 bn and EBT of EUR 85.4m have not only surpassed the levels of the previous year, but also the pre-crisis level of 2019. PORR is thereby ideally positioned - also thanks to its strategy Green and Lean.

“The market environment in 2021 was far from easy for the construction industry, characterised as it was by supply bottlenecks and cost hikes. In these challenging circumstances, PORR has been able to hold its own very well thanks to its strong market position”, said CEO Karl-Heinz Strauss. “We delivered - accepting orders selectively and increasing operational efficiency has allowed us to achieve excellent results”.

PORR has overcome the Covid-related low of 2020: Group revenue reached a new high of EUR 5,170m (+11.1%). EBT in 2021 totalled an impressive EUR 85.4m, a value that approaches pre-crisis levels. Already recognised in this figure are the provisions for the fine imposed by the Federal Competition Authority.

### **Production output at EUR 5,727m and full order books**

The increase in earnings and revenue was accompanied by a rise in production output: EUR 5,727m (+10.5%) is the highest value in PORR’s history. This included the completion of major projects such as the Stuttgart-Ulm railway project as part of Stuttgart 21 and the continuation of the KAT 3 section of the Koralm Tunnel. Production output rose especially sharply in the AT / CH (+12.4%) and PL (+17.2%) segments.

The order backlog also increased by 9.9% to EUR 7,764m, with the strongest growth in the AT / CH (+18.9%) and CEE (+18.8%) segments. The growth is due to the acquisition of several major projects: PORR has now also been awarded the contract for construction of lot 4 of the Sibiu - Pitești motorway in Romania, following construction of lot 1. As part of the U2 bidding consortium, PORR is also involved in the expansion of the Vienna metro. The order intake rose by 8.6% overall to reach a record EUR 6,414m.

### **Capital increase expands equity cushion**

PORR has also continued its growth on the capital market, ensuring a strong balance sheet. In November 2021 it successfully completed its capital increase of around EUR 122m, placing 10,183,250 new shares. This allowed PORR an equity ratio in excess of 20% at year-end 2021. The increase in free cash flow to EUR 262.8m made it possible to turn net debt to net cash.



Karl-Heinz Strauss: “With this, we have secured solid liquidity and a solid equity base that arms us against the current uncertainty on the international stage”. After all, there are a lot of challenges this year: the Ukraine conflict, material bottlenecks and the precarious situation in the energy sector will all have to be navigated by the construction industry.

The measures taken as part of the future programme PORR 2025 to adapt leaner and more efficient structures and operational efficiency have already proven successful. This enabled PORR to achieve sustainable cost savings of EUR 32m in the past business year.

### **Strategic focus on Green and Lean**

PORR has started 2022 with well-filled order books. “Our focus now is on the Green and Lean strategy: with this we are building on those success factors that are essential for a construction company of the future”, said Strauss. Green and Lean describes the technologies and strategies that offer an answer to the essential challenges of the future: sustainable construction projects, smart technologies and partnership models for holistic cooperation are just as essential here as LEAN approaches in management and on the construction site. For example, it includes the digitalisation of key construction processes and the expansion of collaborative industry platforms like the construction logistics platform Sequello. Expertise and skills in the areas of sustainable raw materials and recycling technologies are also being expanded.

“With these measures, we are laying the foundation for the following years while extending our lead over the competition”, said Strauss. This commitment to sustainability has been recognised by numerous independent rating agencies. In the reporting year, PORR achieved ISS ESG Prime status. EcoVadis awarded it Gold. PORR achieved an “A-” rating with CDP Climate, moving up into the Leadership segment.

### **EBT margin and dividend payout confirmed**

For 2025, the Executive Board continues to strive for a target EBT margin of around 3%. Assumptions about the further course of business are based on the current targets in the individual areas as well as the opportunities and risks arising in the respective markets at the beginning of 2022. The consequences of a possible intensification of the Ukraine conflict as well as its duration and a significant increase in energy and construction material prices cannot be assessed at present. The actual course of business may deviate from the estimates and expectations of the Executive Board depending on external political, legal and economic factors.

PORR is maintaining its continuous dividend policy this year and aiming for a payout ratio of 30% to 50% of the profit for the period. “Our PORR stands for secure investments and future-oriented, sustainable construction”, said Strauss.



## Facts and figures at a glance

<i>Key performance indicators (EUR m)</i>	<b>2021</b>	<b>% Δ</b>	<b>2020</b>
Production output <sup>1</sup>	5,727	10.5%	5,185
Average staffing levels	20,177	-0.1%	20,193
Order backlog <sup>2</sup>	7,764	9.9%	7,067
Order intake <sup>2</sup>	6,414	8.6%	5,905
Revenue	5,169.8	11.1%	4,651.8
EBITDA	287.5	> 100.0%	131.4
EBT	85.4	< -100.0%	-51.0
Profit/loss for the period	61.4	< -100.0%	-42.4
<i>Financial position indicators (EUR m)</i>	<b>31.12.2021</b>	<b>% Δ</b>	<b>31.12.2020</b>
Total assets	4,065	15.8%	3,509
Equity	824	26.7%	651
Equity ratio	20.3%	1.8 PP	18.5%
Free Cashflow	262.8	> 100.0%	80.3
Net debt <sup>3</sup>	-65	< -100.0%	135
<i>Key share data (EUR)</i>	<b>2021</b>	<b>% Δ</b>	<b>2020</b>
Earnings per share	1.18	< -100.0%	-2.28
Dividends per share	0.50 <sup>4</sup>	n.a.	0.00

<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> The definition of net debt and net cash was retrospectively adjusted as of 31 December 2021 to make it more transparent. Further details can be found in the notes to the consolidated financial statements, note 44.1.

<sup>4</sup> Proposal to the AGM



You can find the press release [here](#) in the PORR Newsroom. High-resolution images from this year's press conference on the annual results will be available [here](#) from around 11:00 am (please note the copyright © PORR). You can download the 2021 Annual Report [here](#).

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