



FY Results 2020

SPACES

Investor Presentation
April 2021

PORR

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Highlights 2020

Structurally strong and growing construction market

Tailwind for PORR in 2021

Largest order book ever at EUR 7.1 bn (+12.2% adj.)

Improved margin and risk profile

2020 performance impacted by COVID-19

Production output down 6.9% to EUR 5.2 bn at (1.0%) EBT margin

Strengthened balance sheet

Strong reduction of net debt fuelled by positive cash flow generation

PORR 2025 progressing

First impacts visible

Positive outlook 2021 confirmed

Sound growth drivers in construction

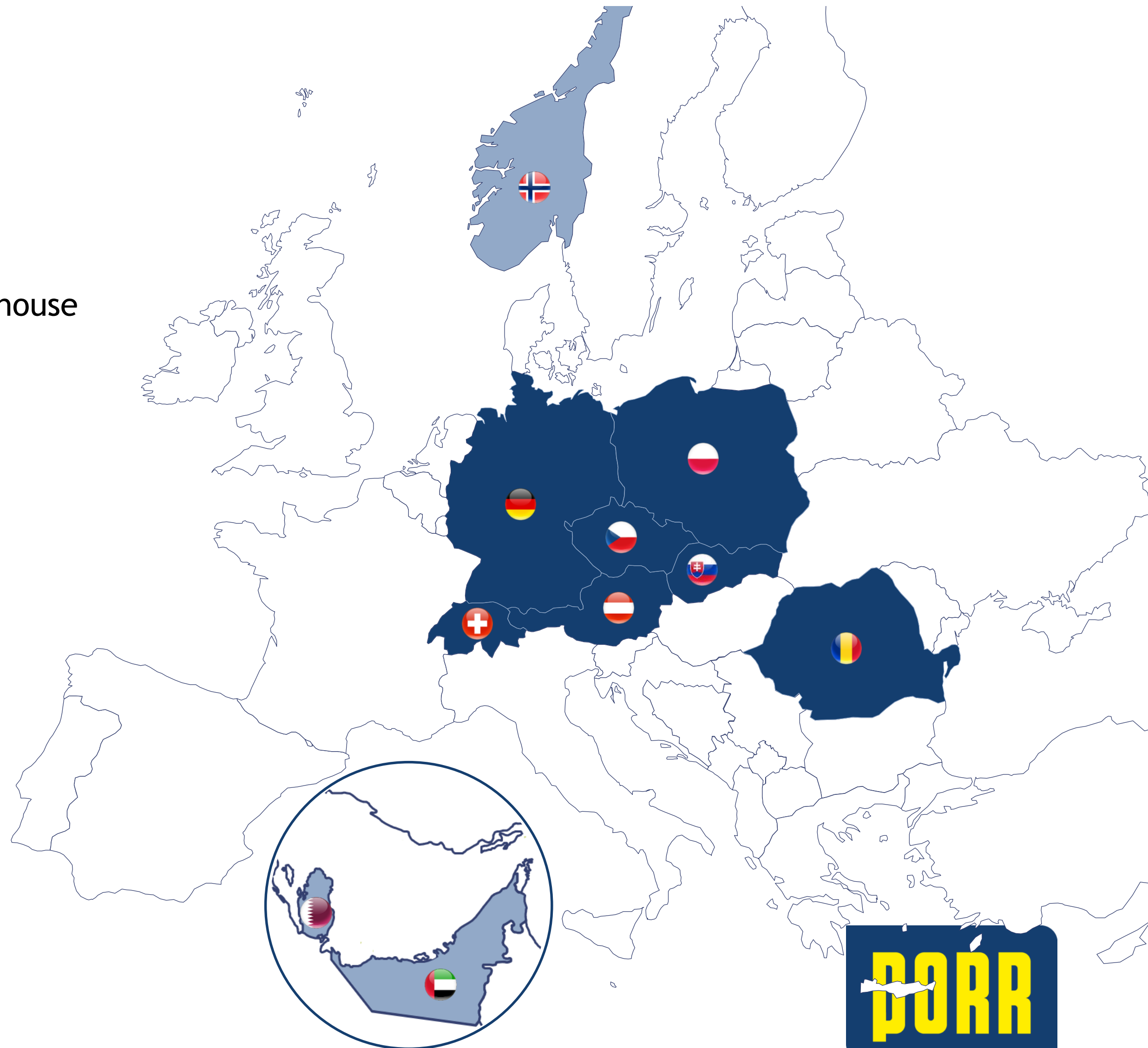
PORR Ideally Positioned to Benefit from Favourable Outlooks in Home Markets

Market leading positions
in all home markets

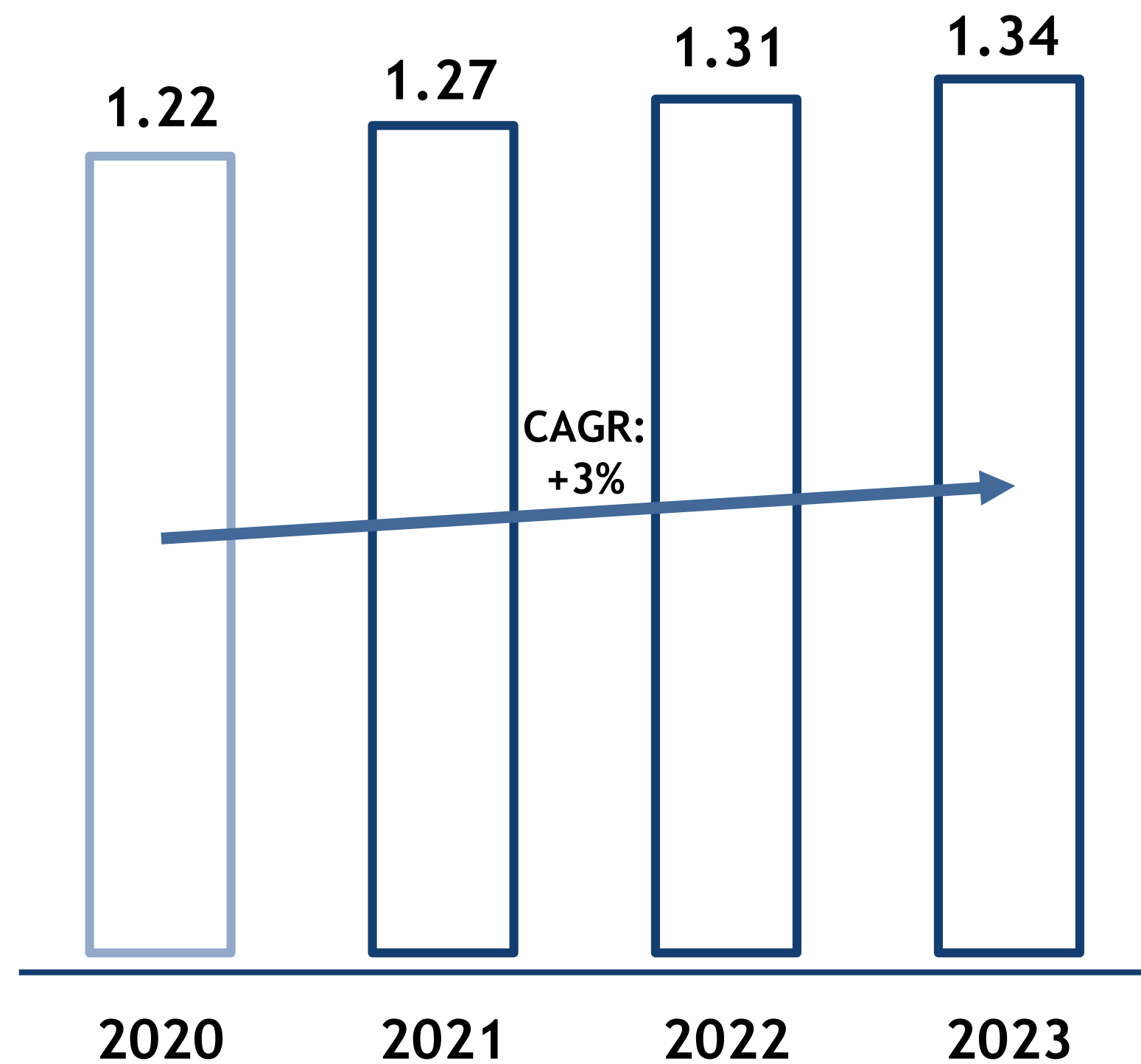
One-Stop-Shop
with entire value chain covered in-house

Growing markets
both in infrastructure and building
construction

■ Home markets
■ Project markets



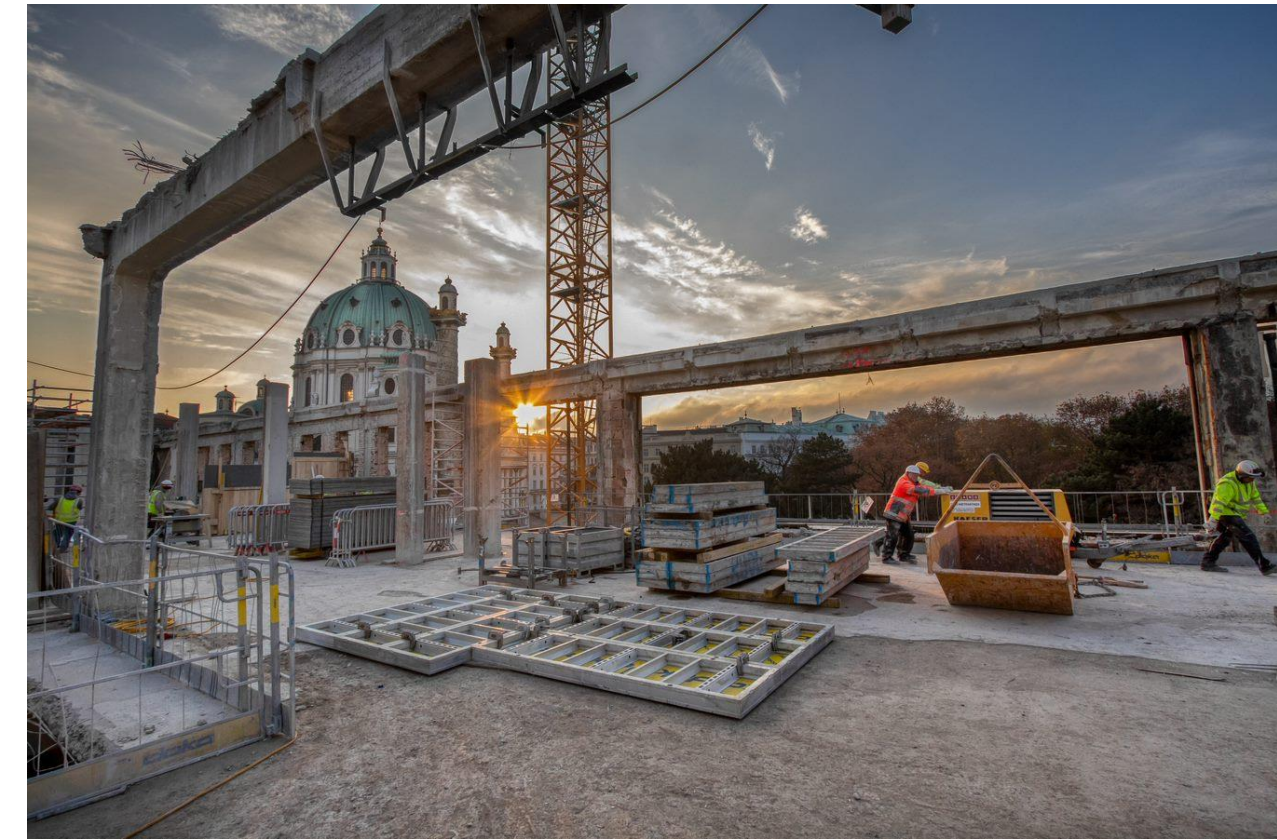
Continued Strong Demand in Building Construction



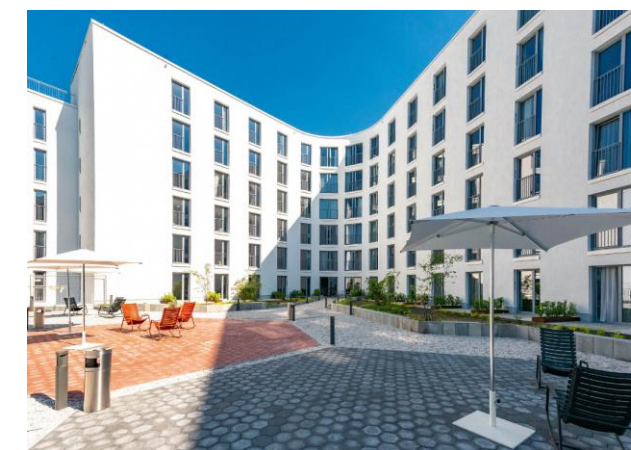
European building construction industry
in EURtn

Source: Euroconstruct
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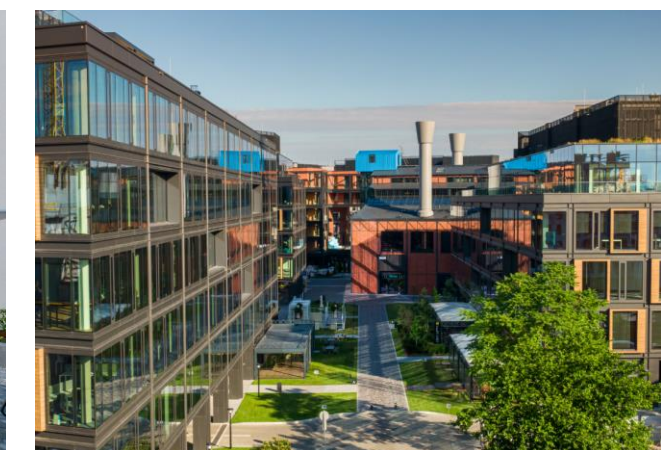
Recent project highlights



Wien Museum (AT)



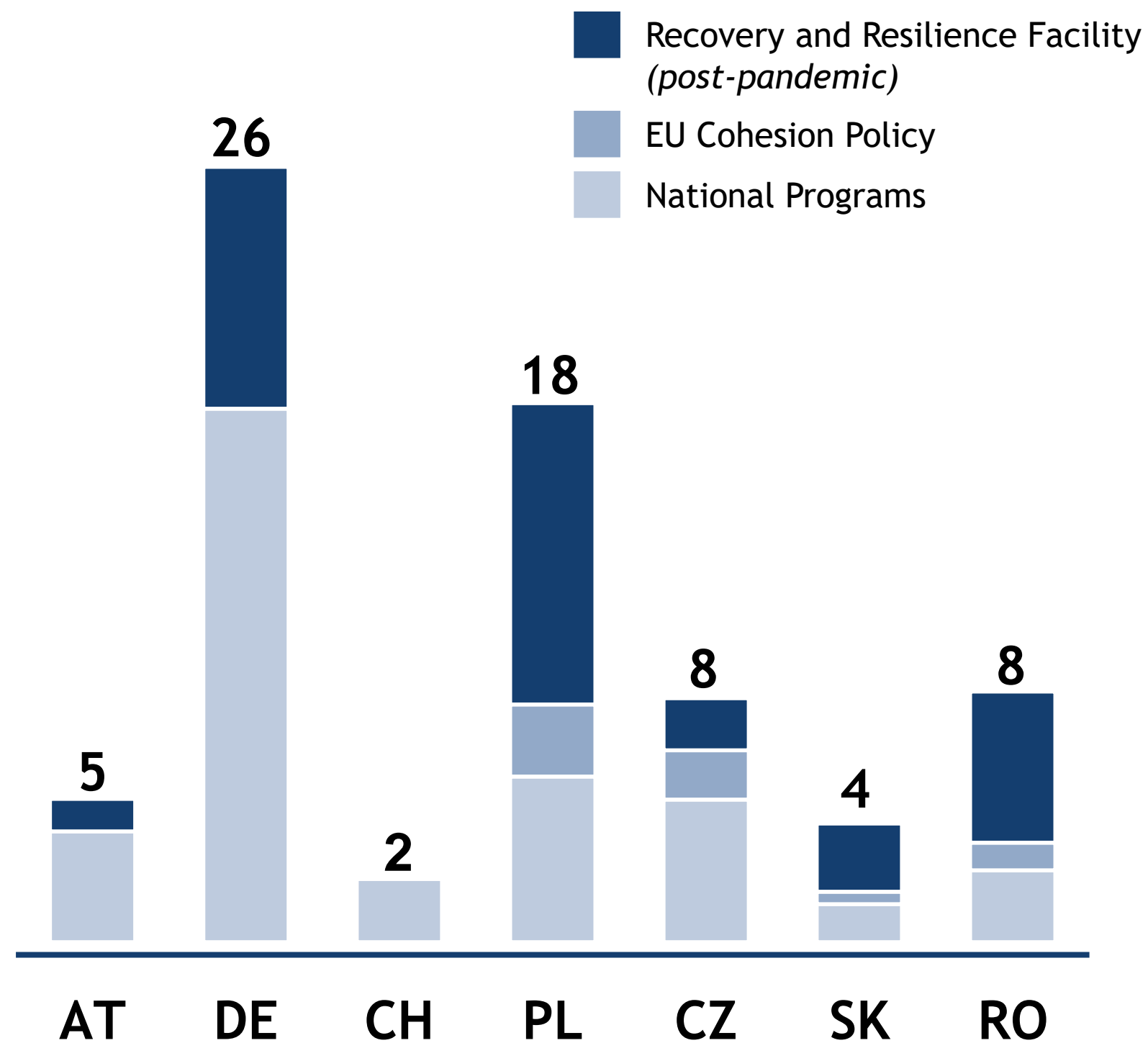
Stresemannquartier -
Hamburg (DE)



Warszawa Powiśle - Housing
complex in Warsaw (PL)



New Infrastructure Programs Underway in Core Markets



Planned 2021 infrastructure investments in Core Markets in EURbn

Source: Own research

Recent project highlights



Power plant Töging (DE)



Connection point Bludenz-Bürs (AT)

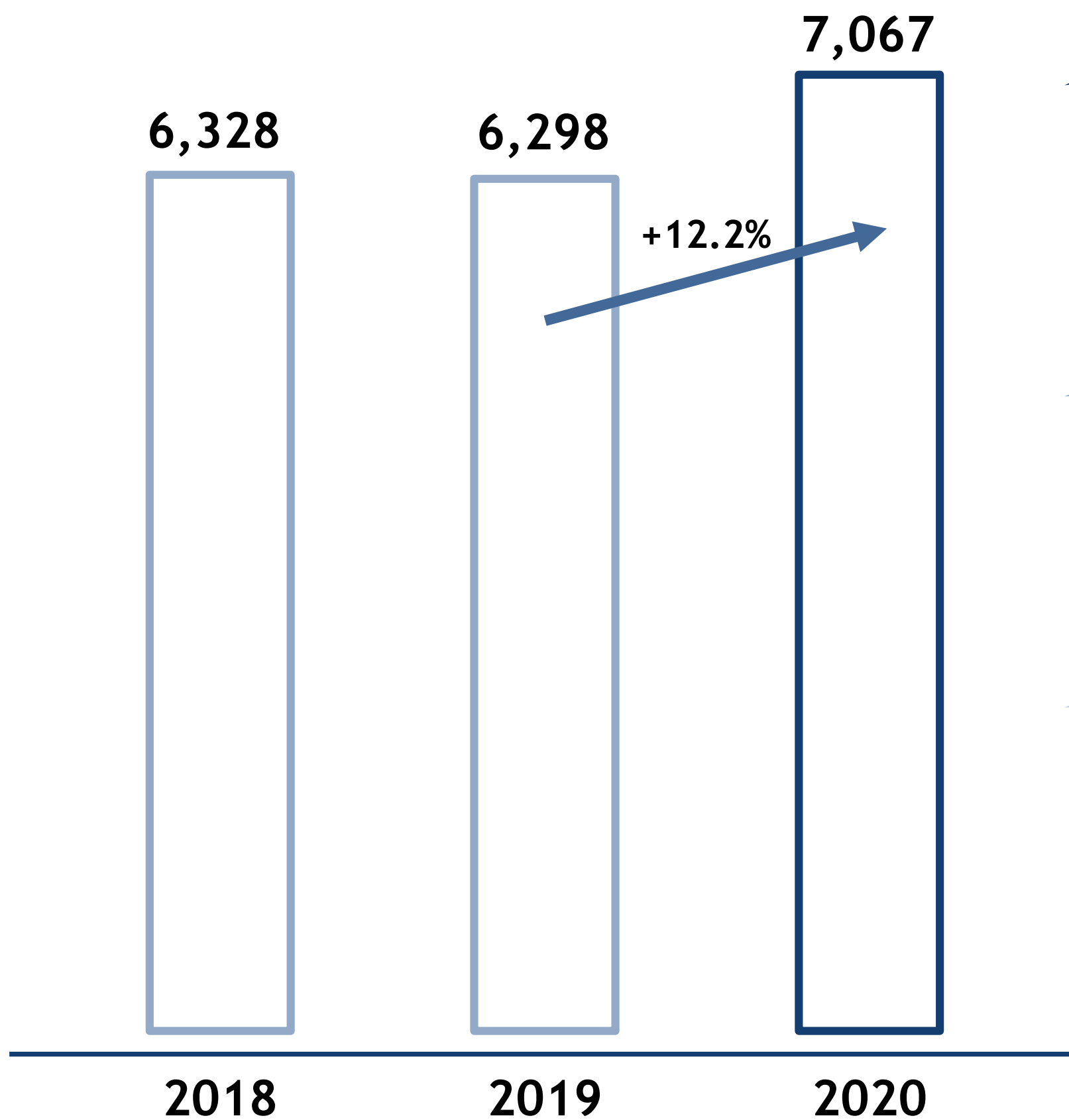


Tunnel S3 Bolków - Kamienna Góra (PL)



All-Time-High Order Book Despite Crisis

Order book¹
in EURm



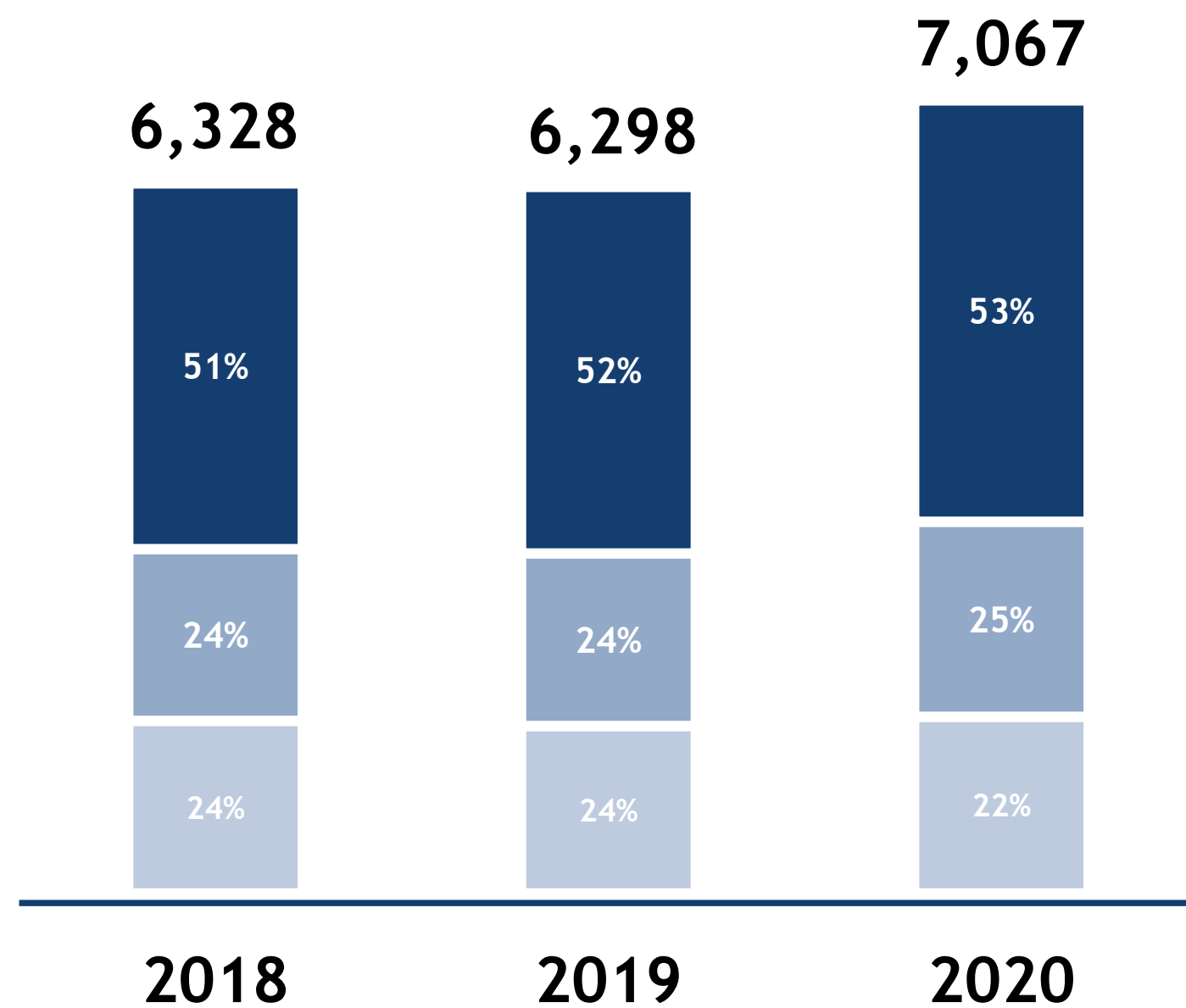
Solid basis for 2021 and beyond.
Increased order backlog after adjustment of Brenner & A1 bridge

Profitability-driven speed.
Risk-reduced portfolio delivering higher margins

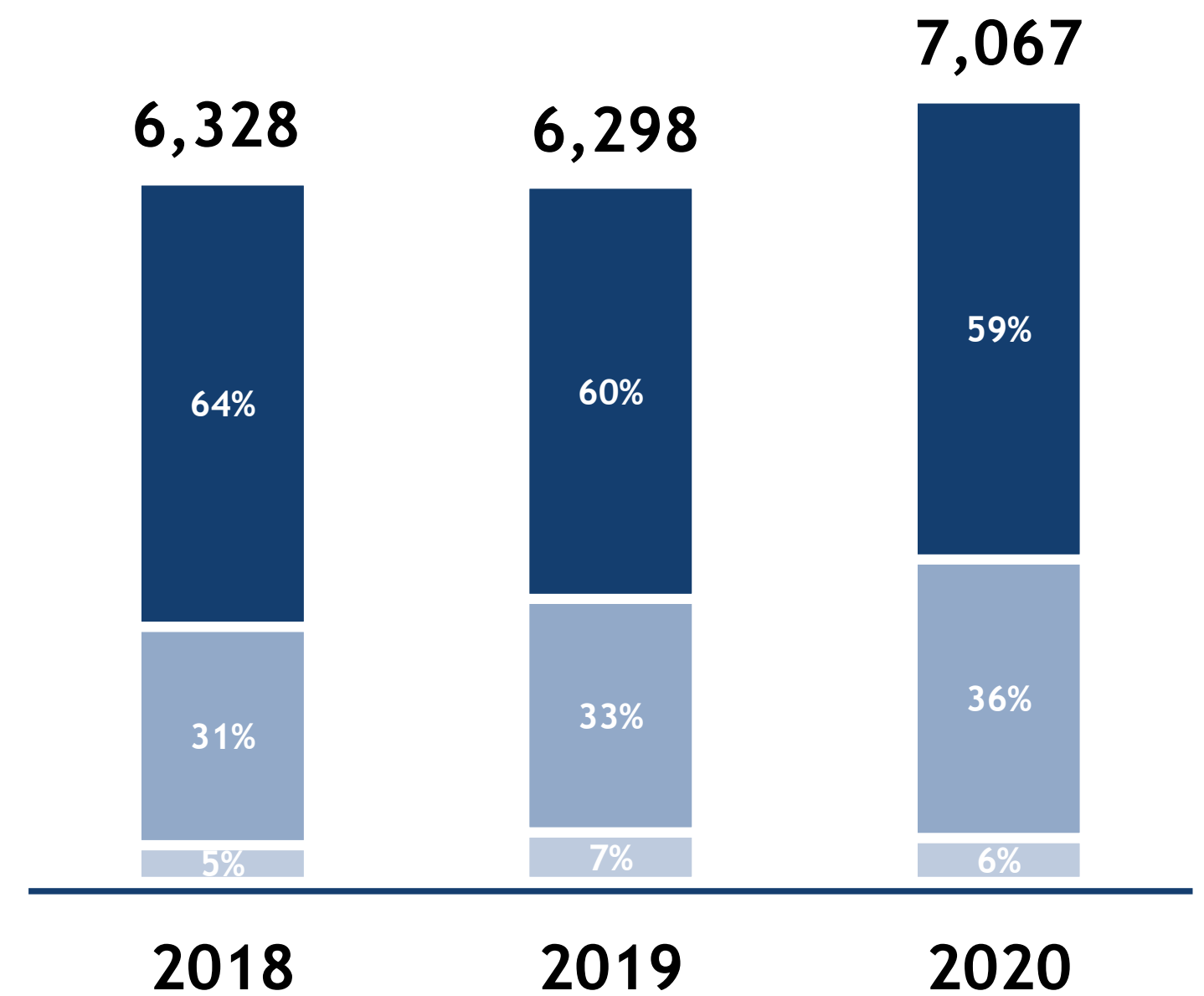
Diversified and focused.
Full drive for innovative and green client solutions

¹Order book adjusted for projects A1 Leverkusen Bridge and H51 Pfos - Brenner
Rounding differences may appear

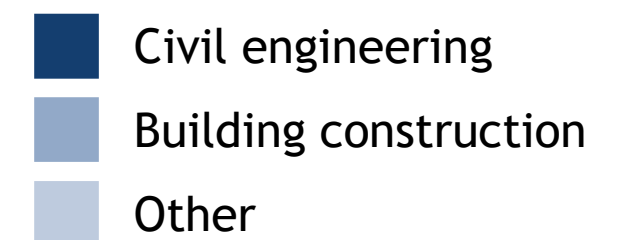
Order Book Diversified among Project Sizes and Segments



Order book¹ by order size in EURm



Order book¹ by business segments in EURm



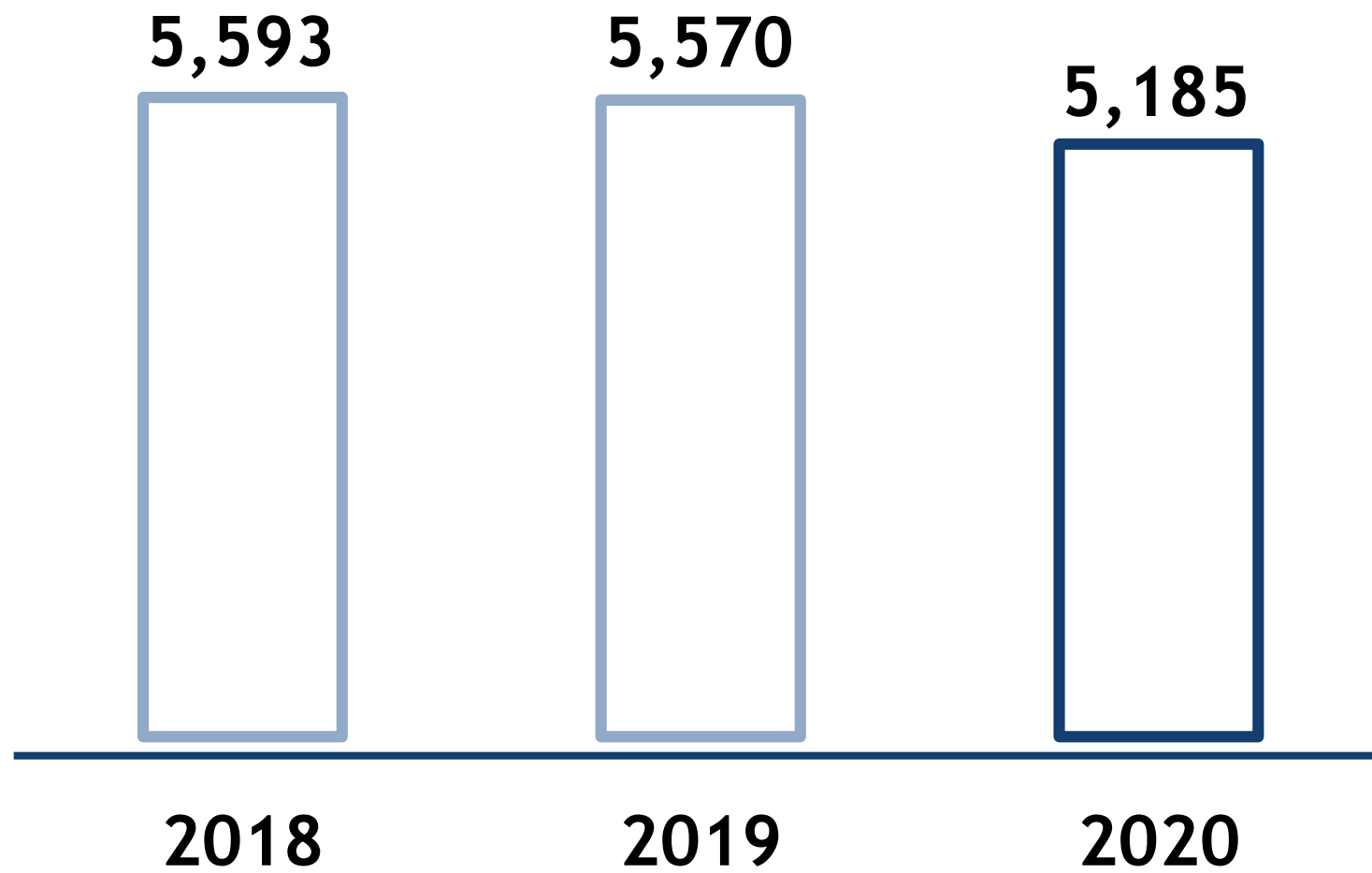
- Stable pipeline in **small to medium flow business**
- Increase in large projects driven by **strong demand for infrastructure and buildings**

- Order book **balanced and diversified** in business segments

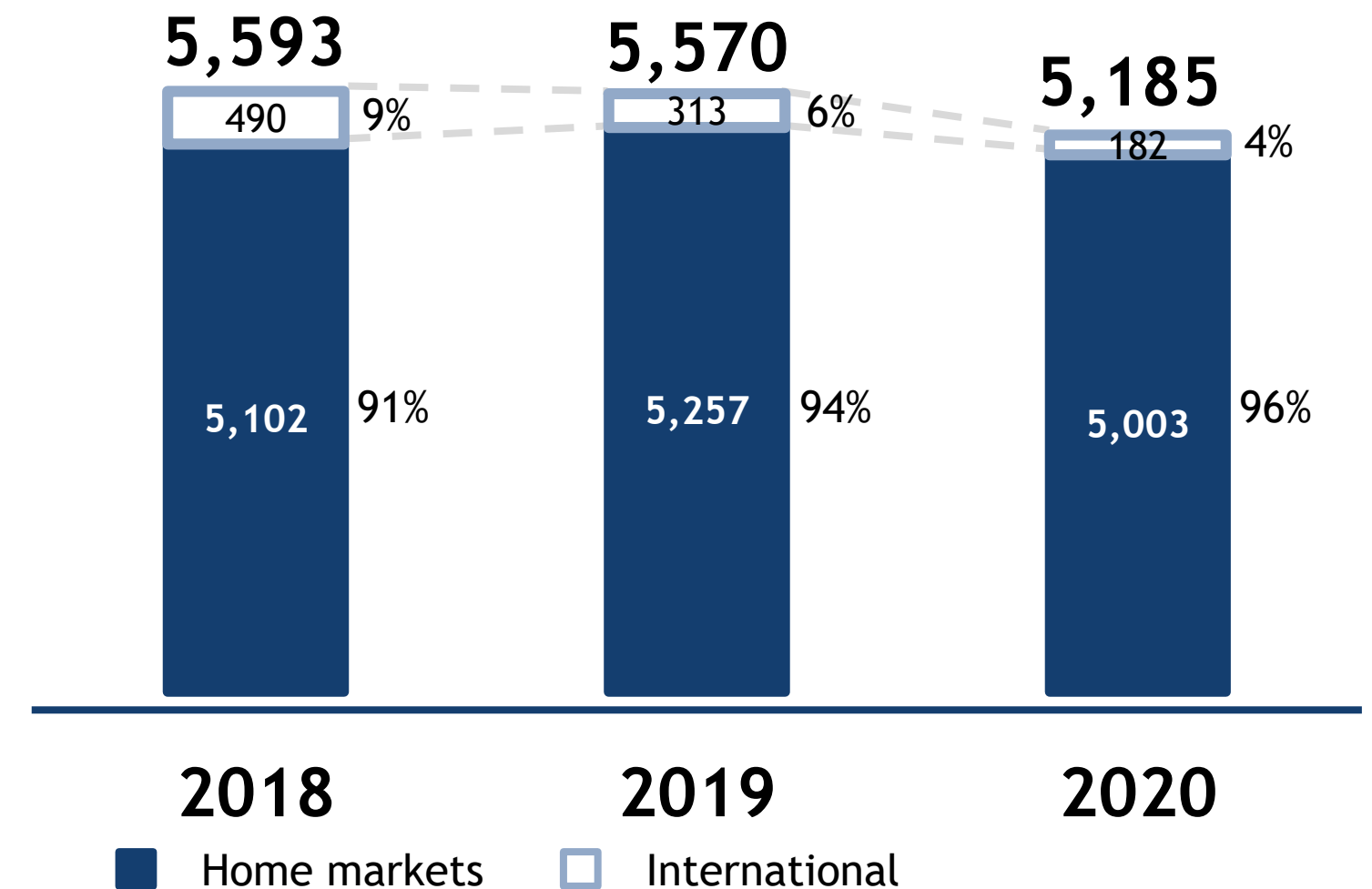
¹Order book adjusted for projects A1 Leverkusen Bridge and H51 Pfos - Brenner
Rounding differences may appear



Output Decline Driven by Pandemic



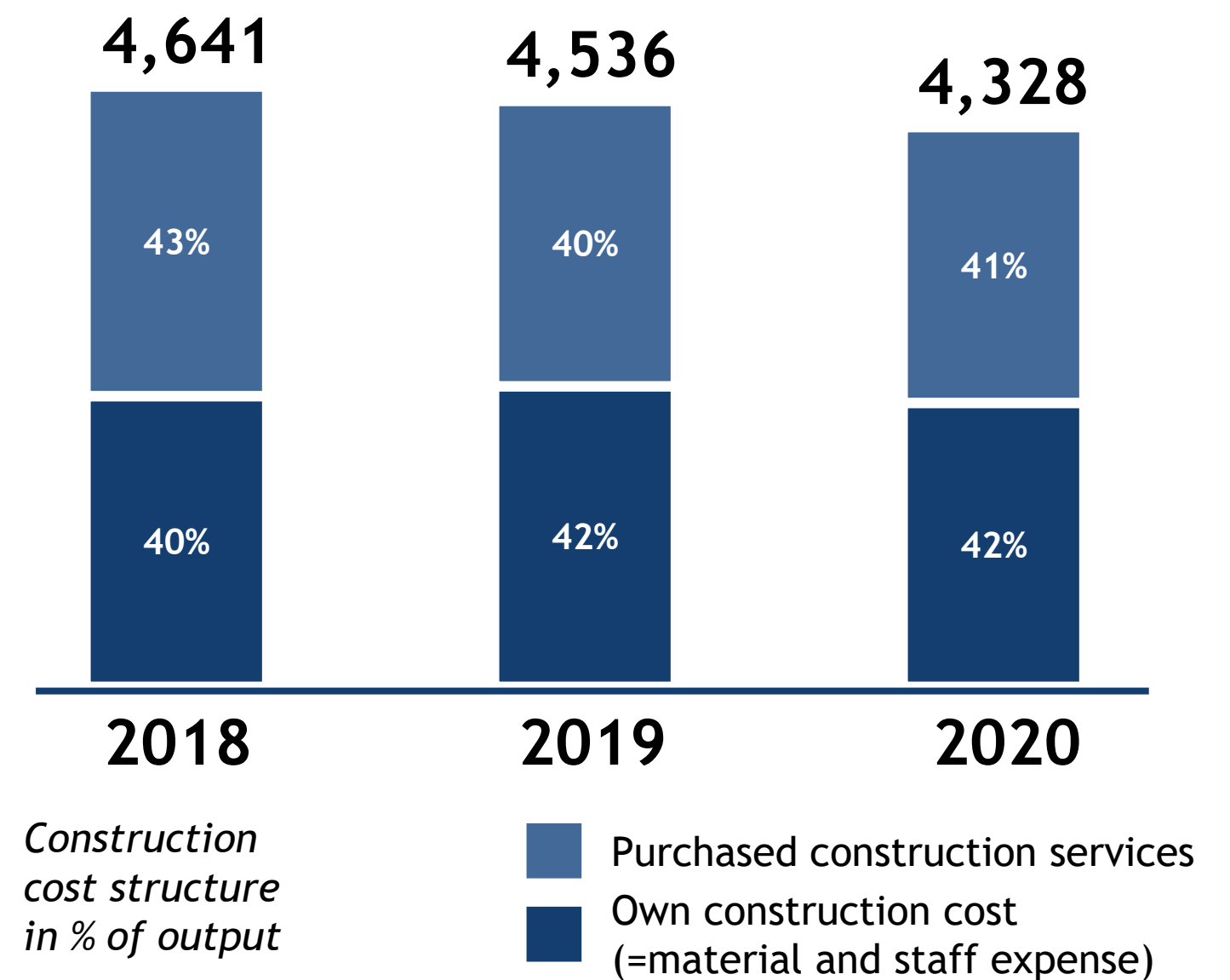
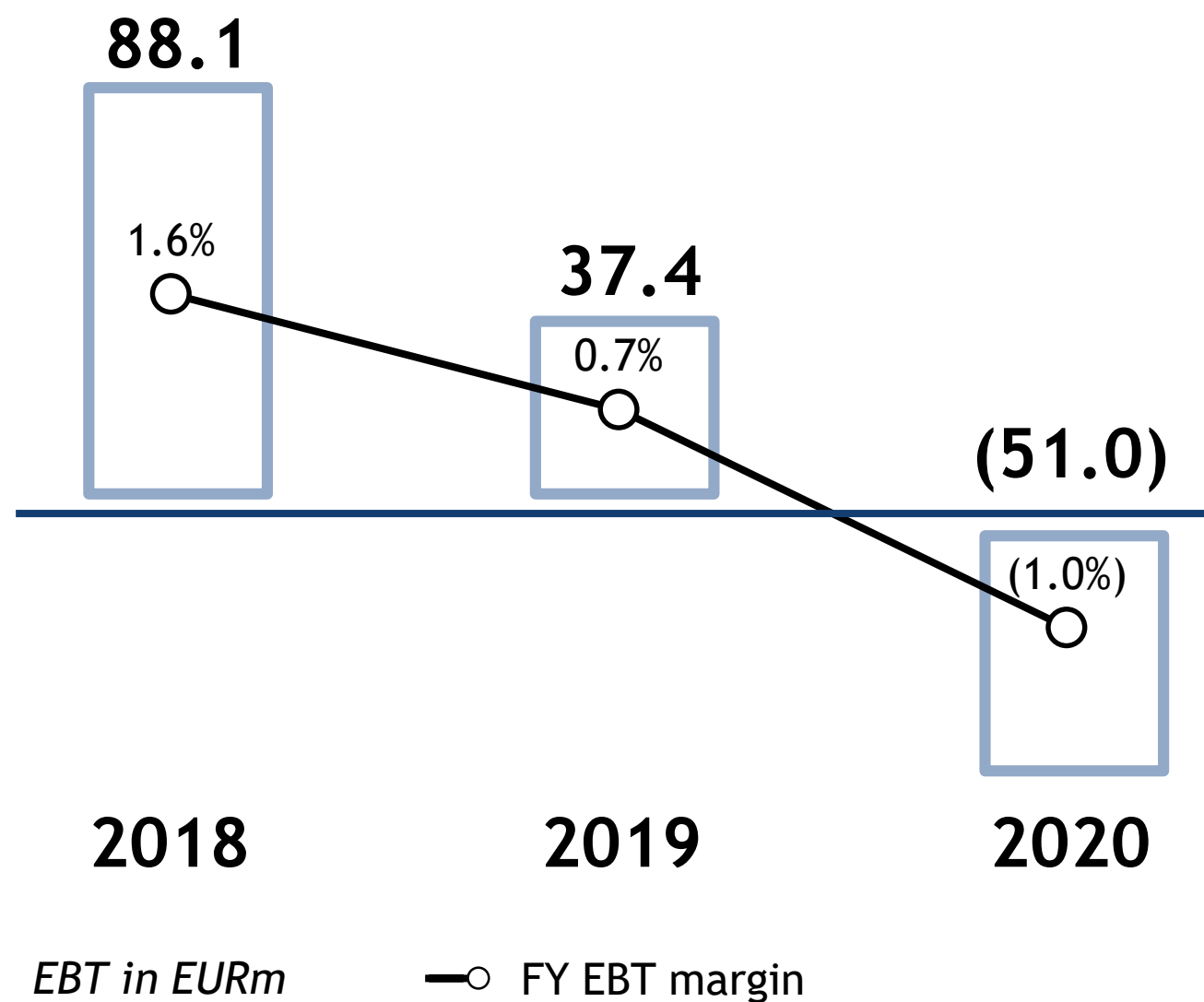
Production output
in EURm



- Major COVID-19 impacts in Austria and in other markets as well
- Productivity slow-down and project delays by clients

- Strong position in European core
- Selective growth leads to better margins and reduced risk

EBT Impacted by Decreasing Output and Project Revaluations



- Direct and indirect COVID effects in combination with revaluations of projects

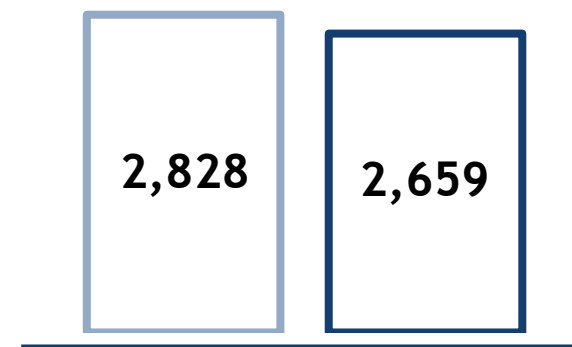
- Lower construction costs (primarily material expense) partly offset lower revenues
- High in-house share maintained

Pandemic Effects across all Business Units

Data as per 31.12.2020 and EURm

51%
BU 1
AT/CH

Production output

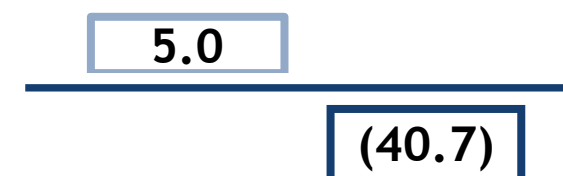


EBT



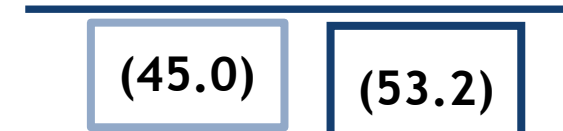
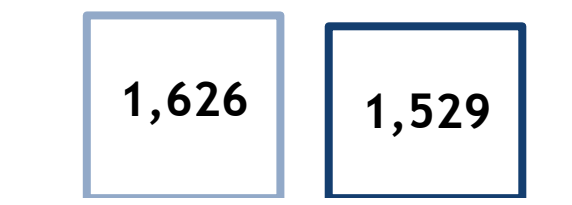
Temporary COVID-related shutdown of sites in AT
Disruptions to output with impact on productivity

17%
BU 2
GERMANY



Completion of major projects
Revaluation of projects in structural engineering

29%
BU 3
INTERNATIONAL



Strongly affected by COVID
Adjustments in tunnelling and individual projects

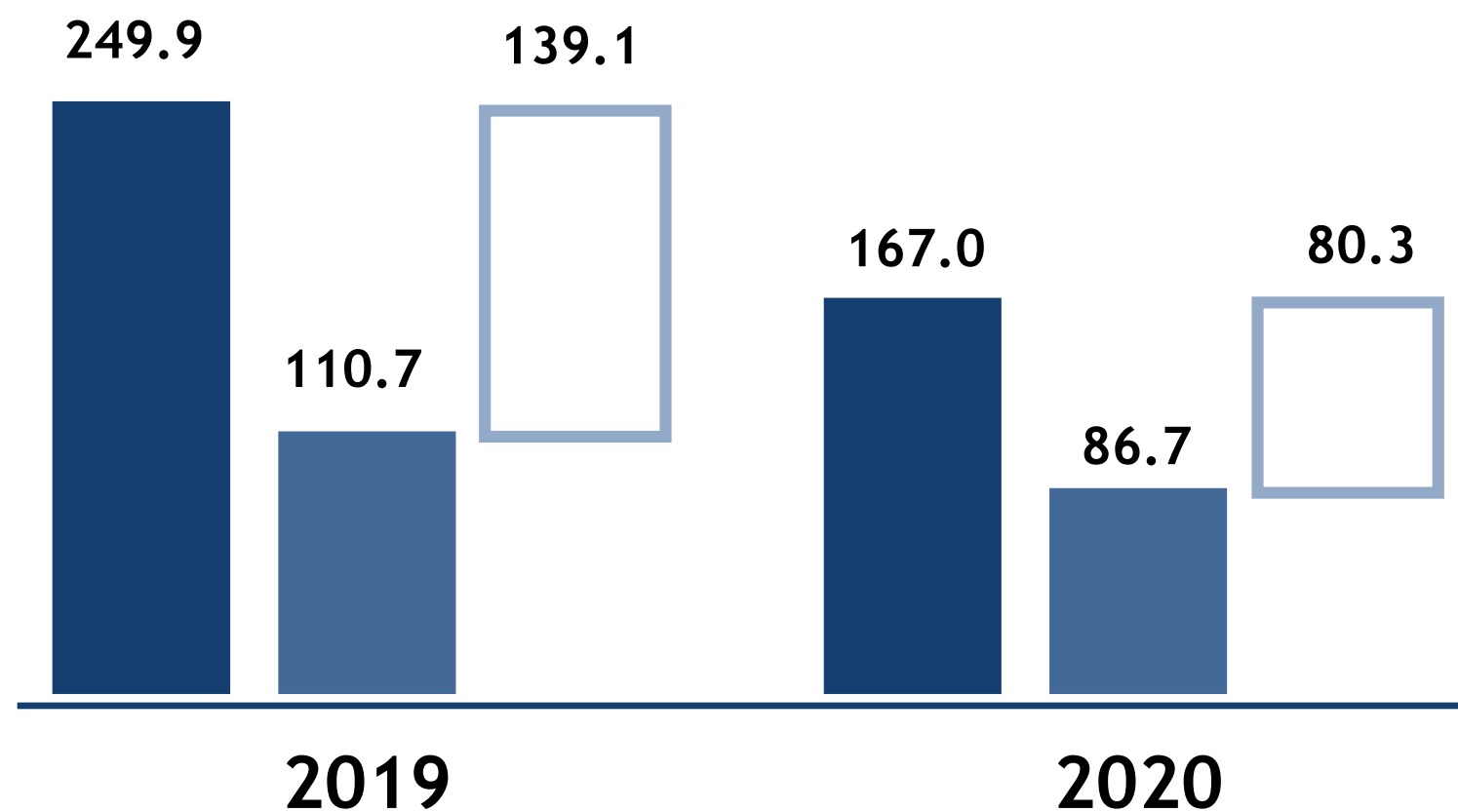
Holding: ~2% of output

□ 2019 □ 2020



Balance Sheet Goals Achieved; Positive Free Cash Flow Generation

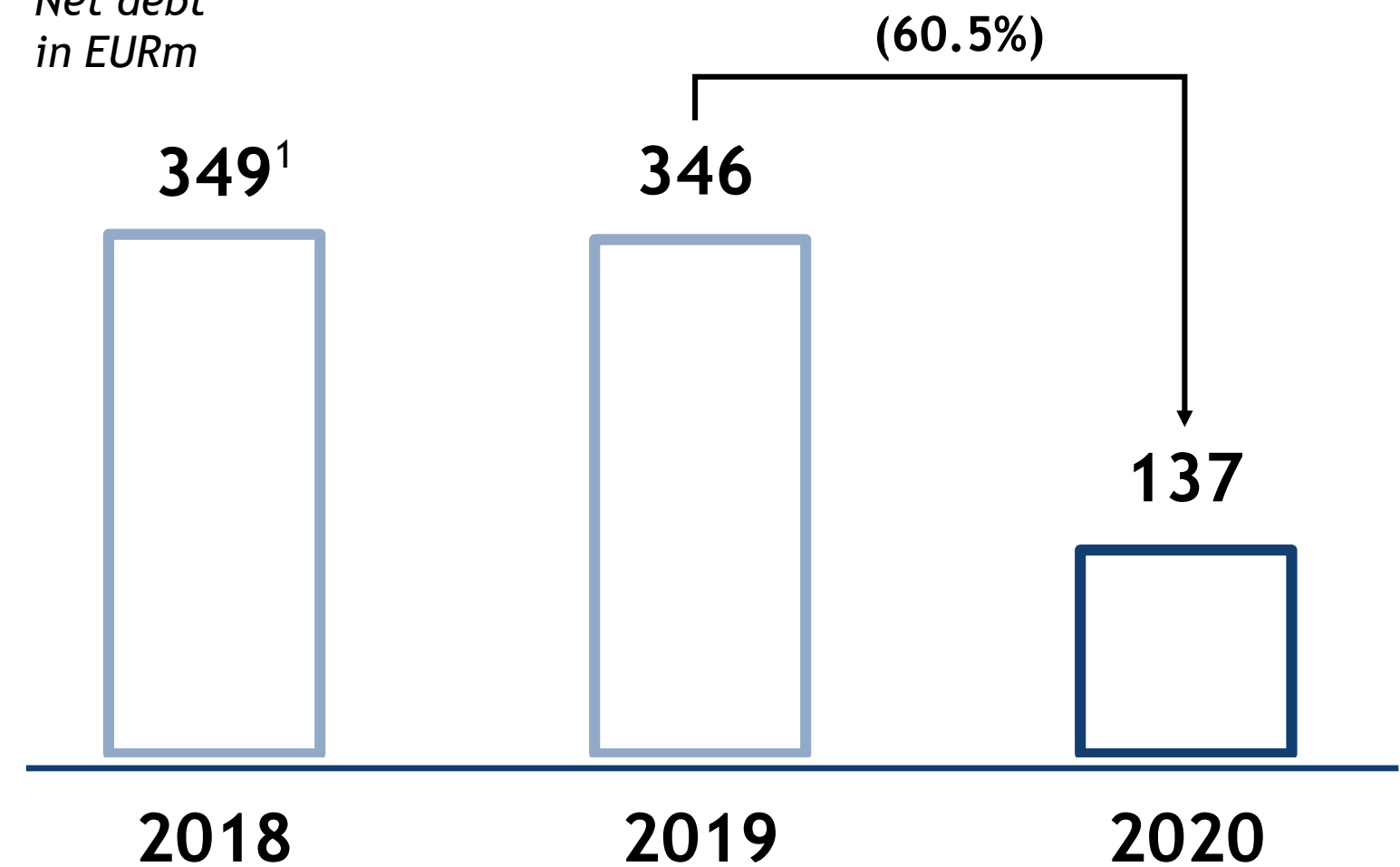
Free cash flow
in EURm



- Cashflow from operating activities
- Cashflow from investing activities
- Free cash flow

- **Positive free cash flow** even during pandemic
- **Rigid CAPEX policy**
- **Strong cash position of EUR 583m**

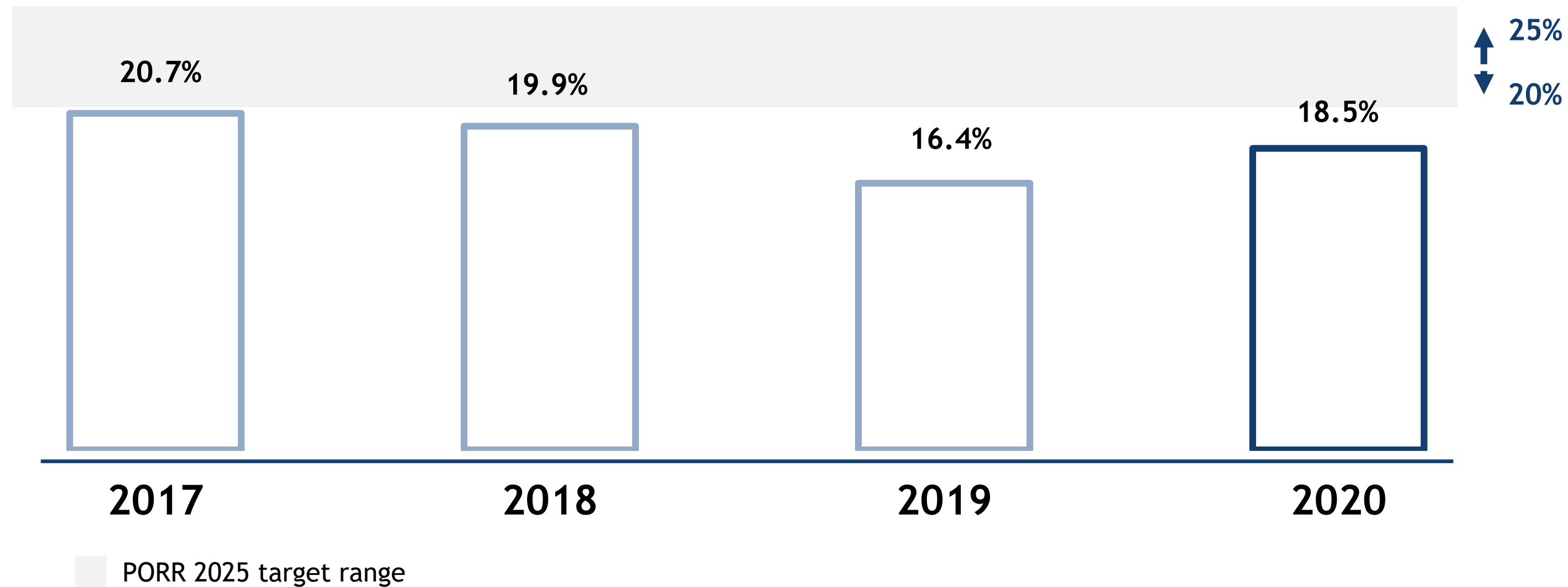
Net debt
in EURm



¹ Includes effects from IFRS 16 (Leasing) of ~ EUR 200m

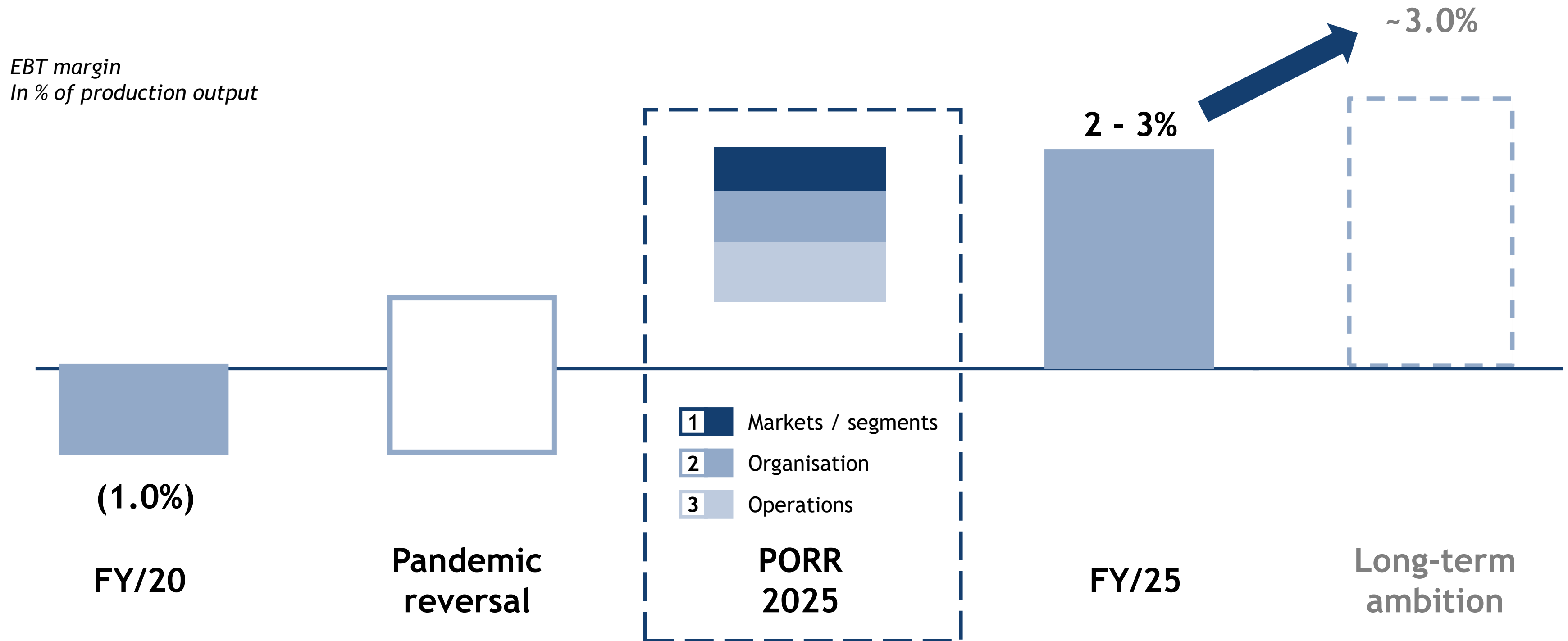
- **Lower net debt** due to strict working capital management and structural balance sheet measures
- **Increased prepayments** de-risking operations and proving trust in PORR

On Track Towards the Target Equity Range of 20 - 25%



- Equity ratio improved substantially but not yet within **PORR 2025 target equity ratio range**
- **No dividend proposal** to the AGM for the 2020 financial year
- **No change** within **PORR dividend policy** remaining at **30-50% payout ratio** in the case of **positive earnings**

PORR 2025: Road Map to Margin Improvement



- 1** Increase profitability by 0.5 - 0.8% (heat map)
- 2** Achieve sustainable cost savings of EUR 40m - 50m (administrative cost savings)
- 3** Upside in operations of 0.8% - 1.0% (optimise procurement)

PORR 2025 Well Progressed

Goals

Profitable Growth

New levels of Operational Excellence

Structural Improvement of Profitability

Targets

Implemented Initiatives

1 Markets / segments

- **Align Portfolio** structure via newly launched Heat Map
- Increase profitability by **0.5 - 0.8%**
- Focused and sustainable

- **Project acquisition optimised** by combining technical and commercial controlling
- **Restructuring and closure of non-profitable units** (e.g. merger of Stump and Franki)
- **Increased profitability** of order book

2 Organisation

- Achieve **sustainable cost savings** of EUR 40m - 50m
- **Streamlining** the organisation
- **Digitalisation** of technical and commercial processes

- **Administrative cost savings on track**; > EUR 20m P&L impact in 2021, full effect as of 2022
- **New organisational structure** - direct accountability of country heads to management board

3 Operations

- **Optimise procurement**: upside of 0.8% - 1.0%
- **CAPEX** ~ 4 % (excl. IFRS 16 ~ 3 %)
- **Working capital** intensity 6.0 - 8.0%
- Improve **equity ratio**: 20.0 - 25.0%
- Continuous **reduction of net debt**

- **CAPEX** at 3.6% due to rigid investment policy
- **Strong reduction of receivables and operating liabilities**; simultaneously higher prepayments
- Improved **equity ratio** to 18.5%
- **Reduction of net debt** by 61% in 2020

4 Digital opportunities

- **Harmonise IT processes** across the Group
- Continue to expand position as **technology leader**

- **~20 BIM / LEAN projects** acquired in 2020 vs. 15 in 2019
- Investments in **digital business models** (Pocket House, Quick Speech)

Positive Outlook 2021 Confirmed

2021

Output: EUR 5.3 - 5.5 bn

EBT margin: +1.3% - +1.5%

- COVID-19 effects expected to fade out
- Benefits from **government stimulus packages** as key driver for the economy, especially in infrastructure
- PORR 2025 with **first visible positive effects**

Securing long-term leadership in construction and improving cost base

An aerial photograph of a large-scale construction site. The image shows several large, circular concrete structures under development, arranged in a roughly circular pattern. The ground is a mix of dirt, gravel, and concrete. There are various construction materials, equipment, and structures scattered throughout the site. The overall scene is one of active construction.

About PORR

Why PORR

Top tier in European construction

- Market leader in Austria
- Seven stable and growing home markets in Europe
- High investment backlog as well as mega trends support ongoing demand in construction sector

150 years: core competency construction

- Strong order book
- Integrated approach - one-stop-shop
- One of the few full-service providers for complex infrastructure



PORR

Focus on operational excellence

- Enhancing value and focus on profitability
- Reinforcement through transformation programme PORR 2025
- Expand technological leadership

The capital market matters

- Stable, long-term oriented core shareholder
- Continuity in the payout ratio (30-50%) post-pandemic
- Strong focus on ESG and sustainability

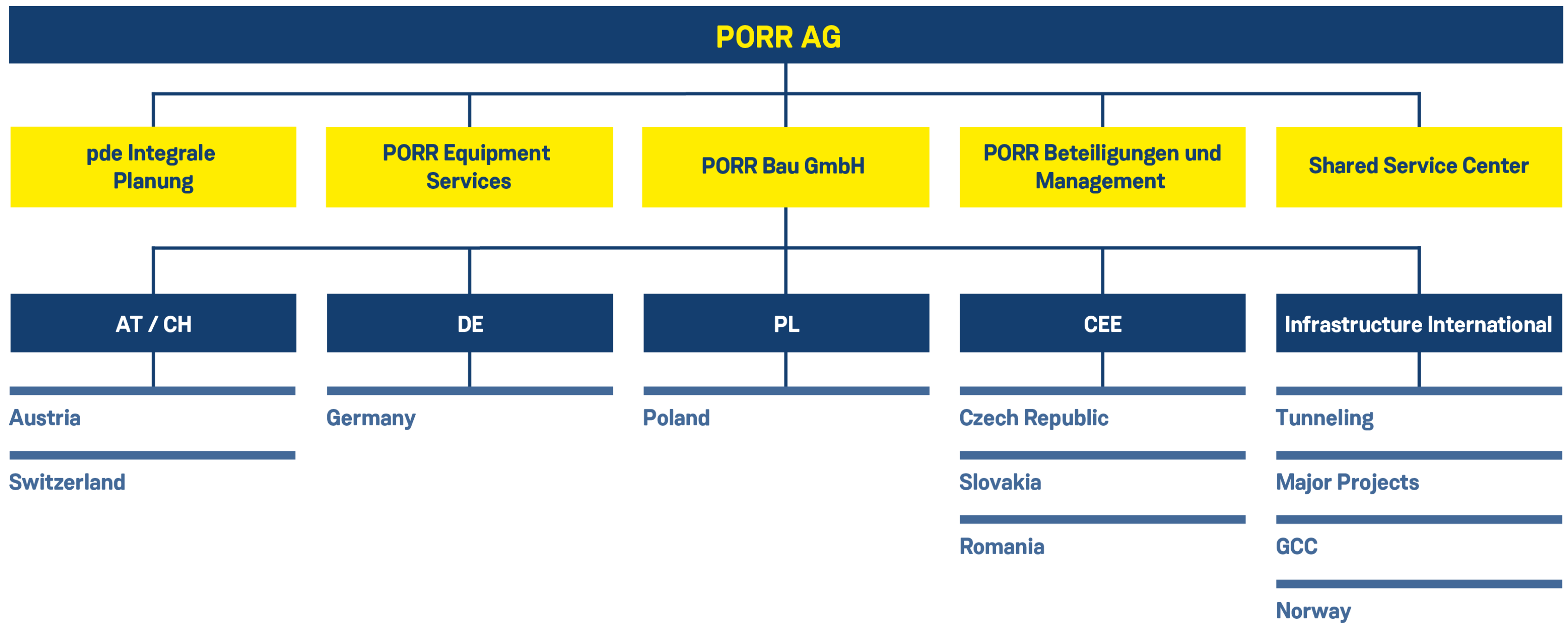
Focus on Seven High Potential Home Markets

Market	Potential	PORR-specific	COVID-19 impact
Austria	Strong	● Stable, high capacity utilisation, leading market position	Massive decrease in output
Germany	Strong	● High demand, realignment in structural engineering	Productivity affected, project postponements
Switzerland	Strong	● Stable demand in building construction and civil engineering, margin pressure	Productivity affected
Poland	Strong	● High demand, building construction projects delayed	Productivity affected, project postponements
Czech Republic/ Slovakia	Strong	● Stable demand, expansion of permanent business	Productivity affected, project postponements in building construction
Romania	Strong	● High demand in building construction and civil engineering, expansion of permanent business	Productivity affected
Norway	Strong	● Selective project acquisition in infrastructure sector	Productivity affected
Qatar/UAE	Neutral	● Selective, reduced project volumes, stable demand	Massive restrictions

This table shows the assessment of demand on the PORR markets.



Streamlined Organisation



LEAN - Focus on Customers and Value

LEAN Design

- Project management system
- Communication of planning teams
- Process mapping
- Reduction of delays in information flow
- “Big Room” streamlines planning and optimises interfaces

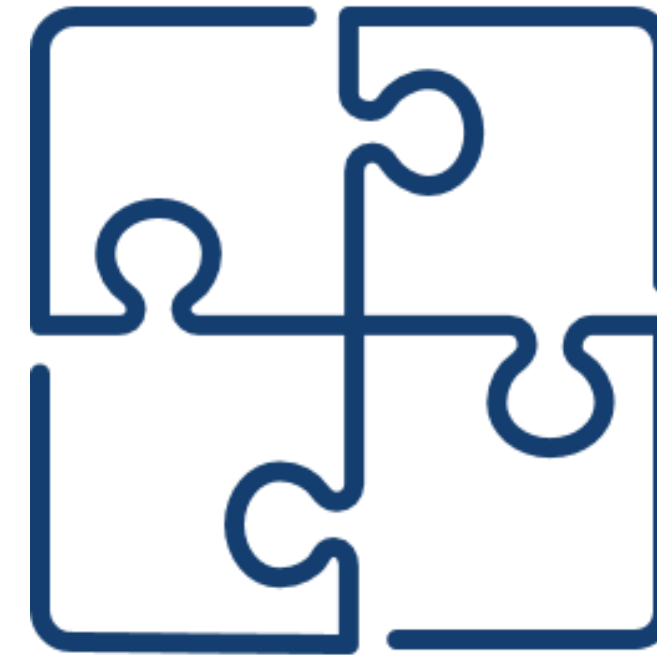
Planning phase

LEAN Construction

- Coordination
- Every team and every trade is integrated from the outset
- Construction schedules and work group synchronisations
- Workshops and coaching sessions
- Project support

Implementation phase

LEAN Project Delivery



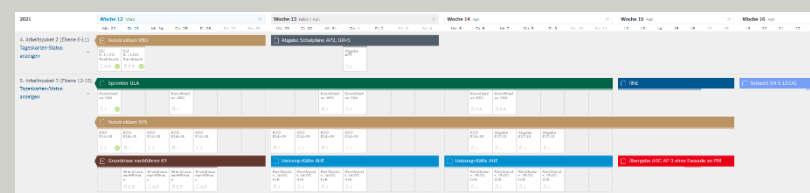
- Engaging all designers: clients, partners, professionals
- Continuous elimination of waste
- Time and resource optimisation
- “Last Planner® system”

→ Focus on the essentials



BOSCH

RefinemySite
the Lean Collaboration Platform



LEAN software

22

Number of current LEAN projects



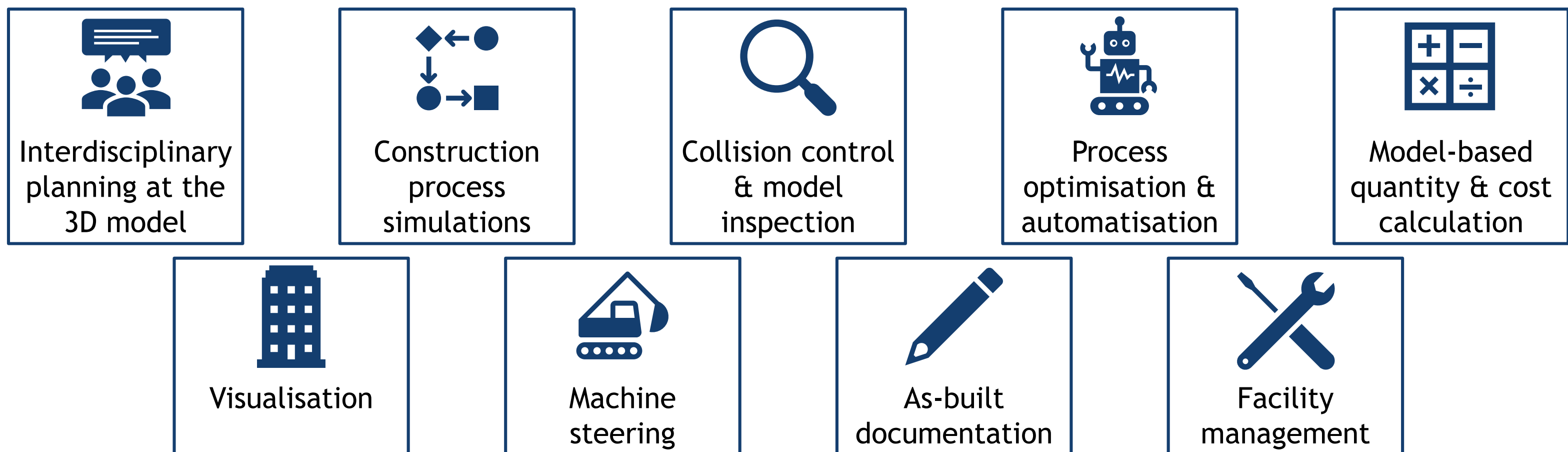
Example project:
Graz Reininghaus
Q6 Nord

The New Normal - Building Information Modeling

Basic ingredients

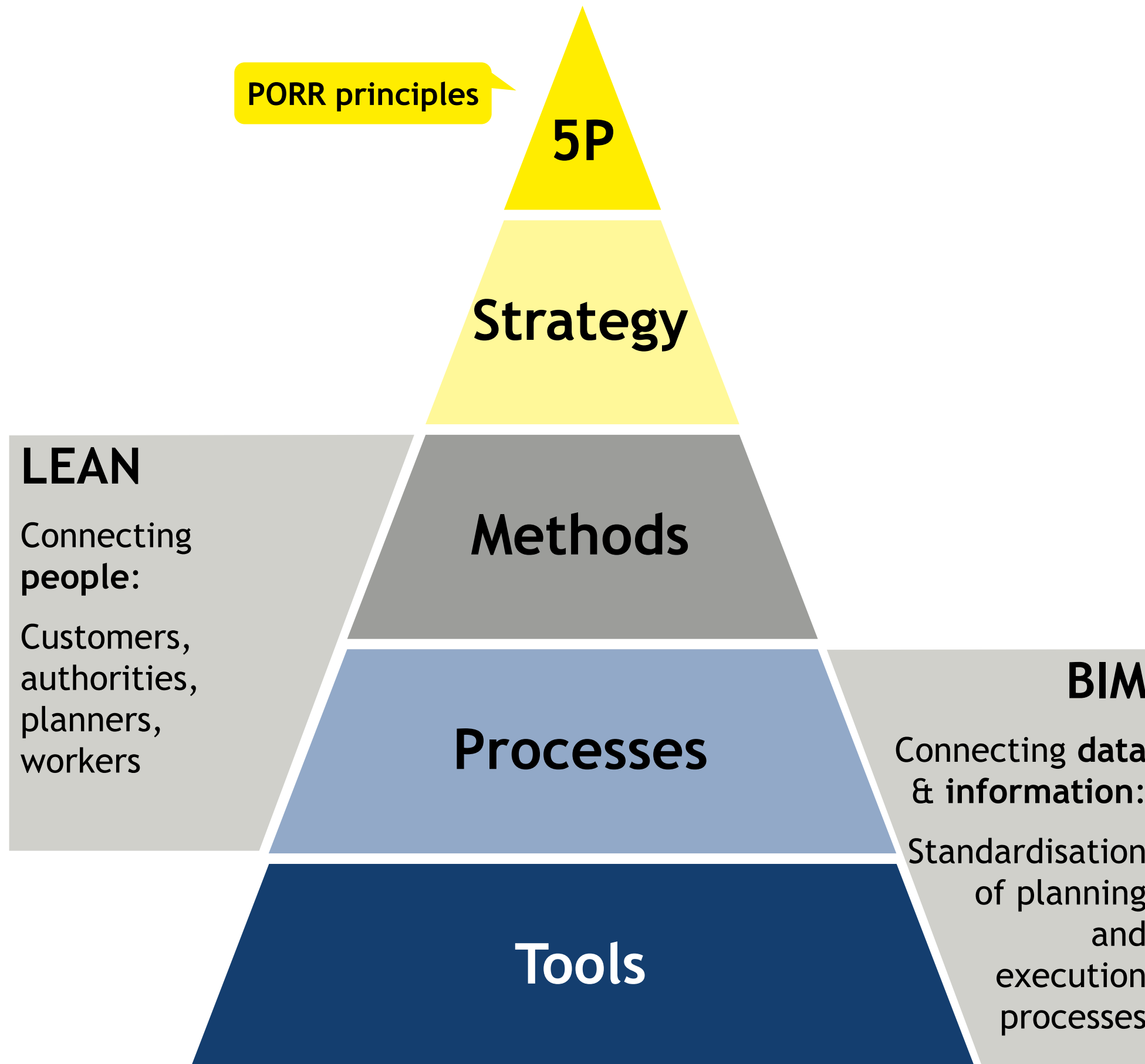
Team	<ul style="list-style-type: none"> Collaboration Communication Responsibilities Identification Training Culture 	Processes	<ul style="list-style-type: none"> Planning Calculation Construction scheduling Quantity calculation Site logistics Coordination & support
Technology	<ul style="list-style-type: none"> Data management Data formats Data sharing Software Hardware 	Standards	<ul style="list-style-type: none"> BIM standards Project guidelines Management policies

Efficient outcome



LEAN & BIM as Parts of PORR's Mindset

Project culture



What now?

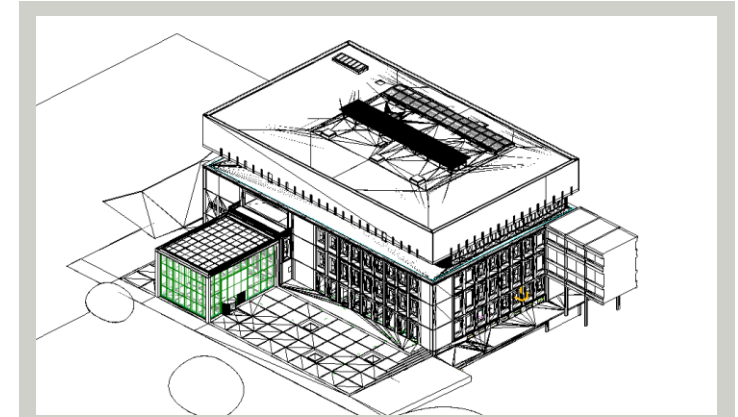
R AUTODESK®
REVIT®

B AUTODESK®
BIM 360™

Current BIM standards

17

Number of
current BIM projects

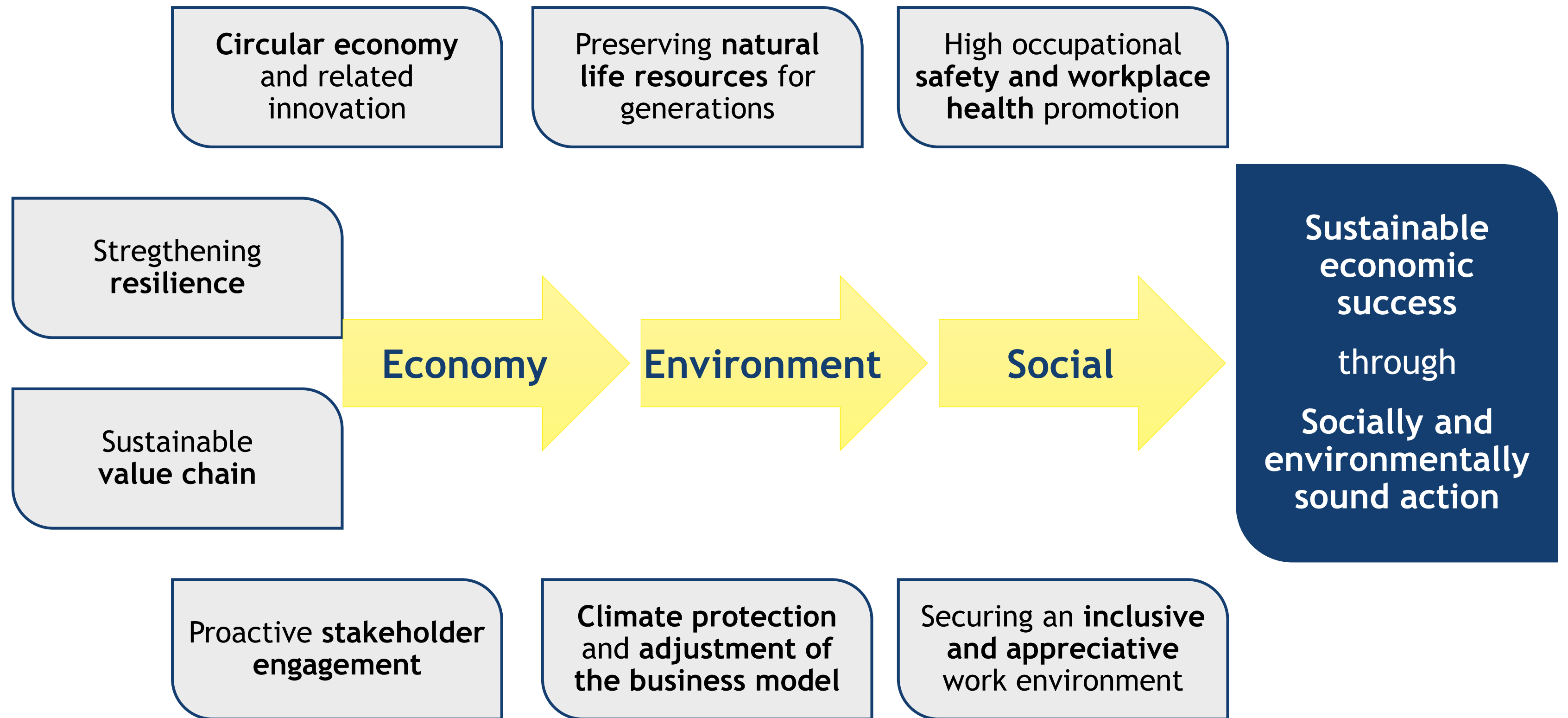


Example project:
Wien Museum

What's next?

- BIM Summit & BIM Journey
- Expansion of centralised development platform by BIM Excellence
- New BIM project segments:
 - Tunnelling
 - Special civil engineering

Corporate Responsibility - PORR's Vision



Top Awarded in Corporate Responsibility

Economy

MSCI ESG Rating

AA-Rating above industry average

MSCI
ESG RATINGS



EcoVadis

Gold among best 5% in construction



Environment

ISO 50001:2018

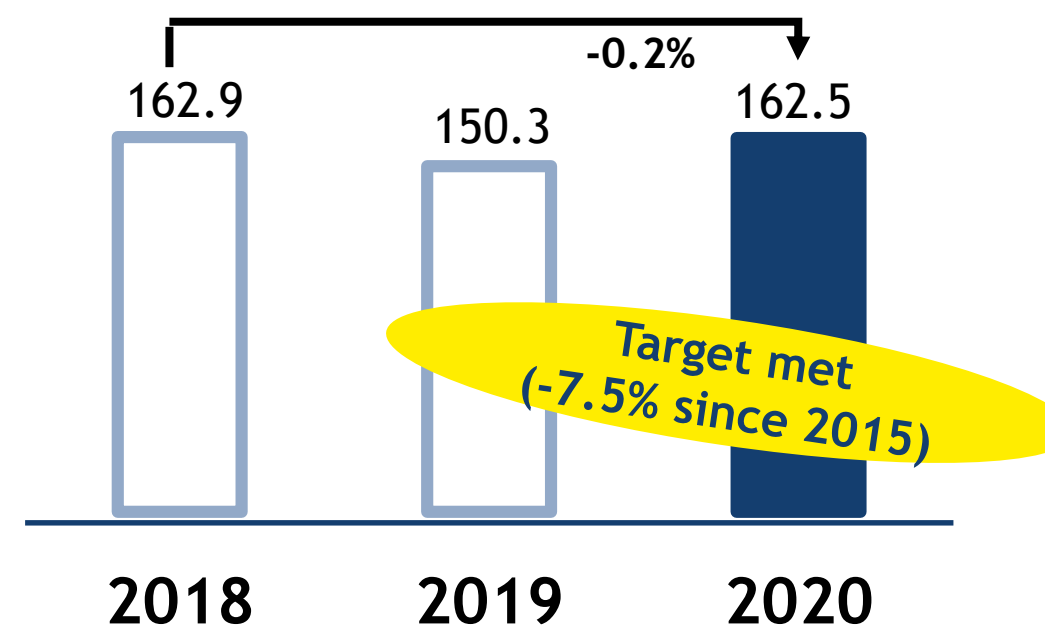
for Austrian PORR locations



Goal met

Specific GHG emissions

In thousand tons CO₂



Social

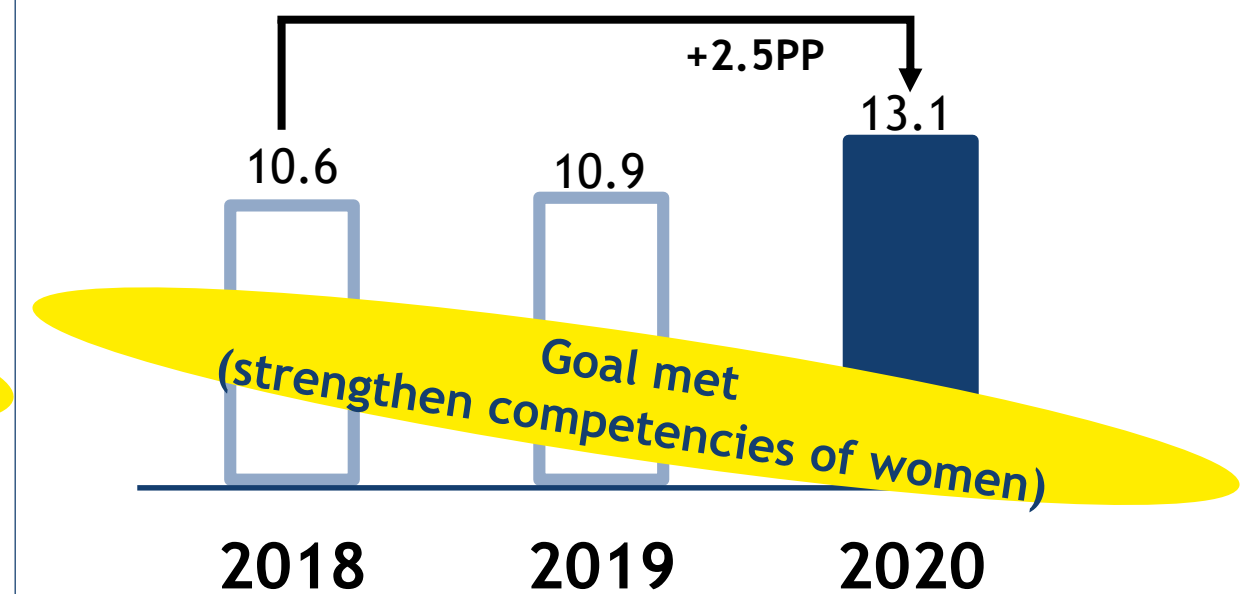
Workplace Health Promotion



Goal met

Women in management

In %



Sustainability Strategy, New Goals, New Targets

Economy

Environment

Social

2025

- SAP MM & ARIBA, ISHAP
- Energy database, supplier evaluation system, local purchasing
- Compliance, anti-bribery, antitrust, competition law
- Resource efficiency
- Sustainability ratings

- ISO 50001:2018 Energy management
- Climate strategy
- Contaminated fractions
- **Reuse and recycle**
- Risk analysis

- Workplace health promotion
- **'Vision Zero', accident frequency < 10**
- Further education offensive, Group-wide apprentice management
- Age & generation management, increasing the percentage of women

2030

- Automating construction processes, documentation and records
- Increasing public sustainability engagement

- Decarbonise construction processes by 21% versus 2014
- Intensifying cooperation with activists

Bold bullet points are ranked as priority 1.

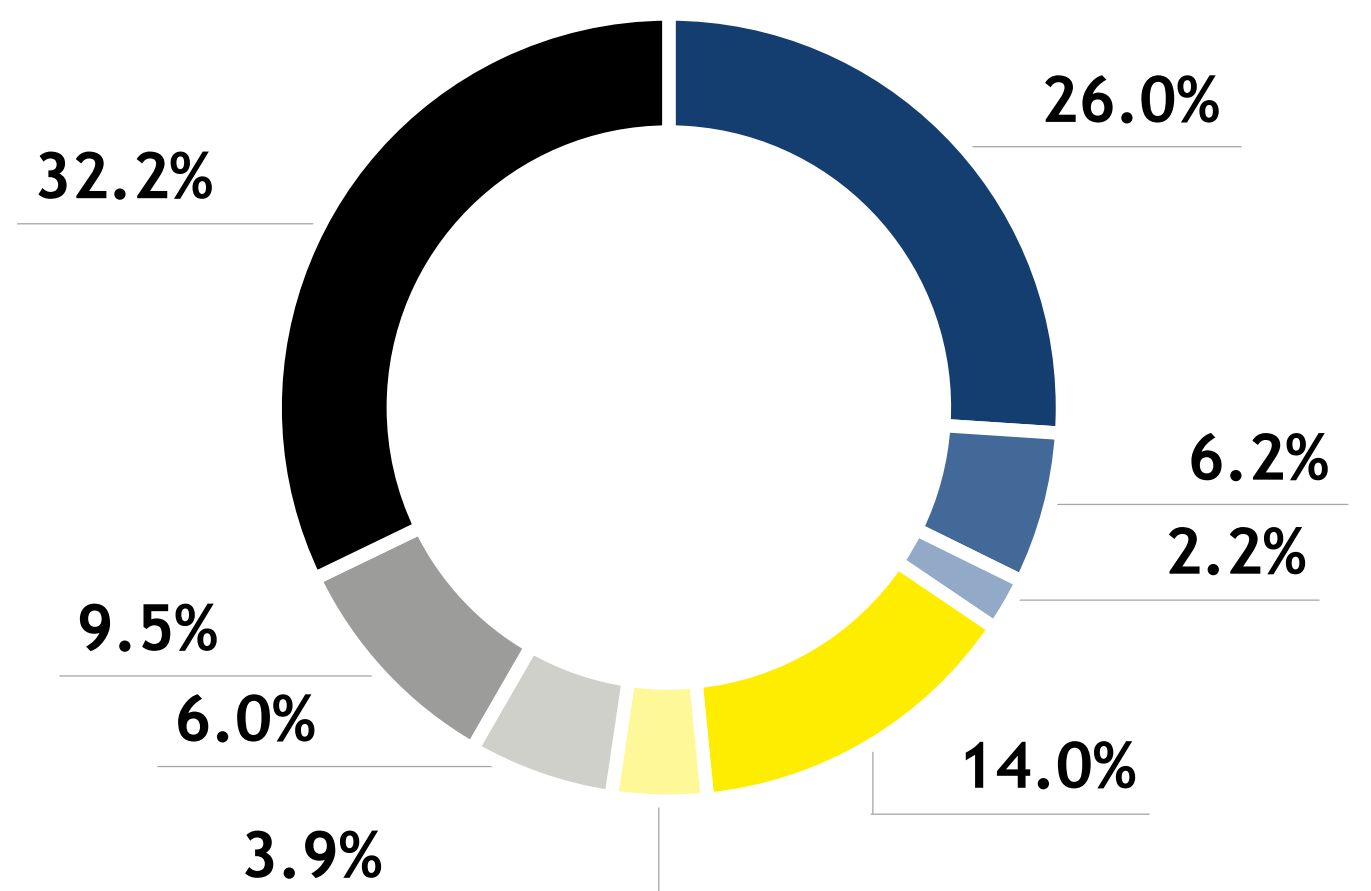
Stable Shareholder Structure

Ownership Structure



■ Syndicate (Strauss-Group, IGO-Ortner Group)
 ■ Free float

Free Float - Geographical Split



■ Austria
■ Germany
■ France
■ UK
■ Rest of Europe
■ US
■ Not directly assignable
■ Retail

¹ of which 5.85% Heitkamp Construction GmbH, 3.91% Wellington Management Group LLP and 3.31% PORR Management and PORR AG (treasury shares)

An aerial photograph of a large-scale construction site. The image shows several large, circular concrete structures under development, arranged in a roughly circular pattern. The ground is a mix of dirt, gravel, and concrete. There are various construction materials, equipment, and structures scattered throughout the site. The overall scene is one of active construction.

Financial Performance

Key Financials

Key Earnings Figures¹ (EURm)	2020	% Δ	2019
Production output	5,185.3	(6.9%)	5,570.3
Revenue	4,651.8	(4.7%)	4,880.4
EBT	(51.0)	< (100.0%)	37.4
Net profit for the period	(42.4)	< (100.0%)	27.8
Key Assets and Financial Figures¹ (EURm)	31.12.2020	Δ	31.12.2019
Total assets	3,509.5	(4.2%)	3,664.9
Equity	650.5	8.6%	599.0
Equity ratio	18.5%	2.1PP	16.4%
Net debt	136.7	(60.5%)	345.7
Key Share Data¹ (EURm)	31.12.2020	% Δ	31.12.2019
Number of shares (weighted average)	29,095,000	-	29,095,000
Market capitalisation	375.3	(16.5%)	449.2

¹ Rounding differences can appear



Consolidated Income Statement

EUR m ¹	2020	Δ	2019
Production output ²	5,185.3	(6.9%)	5,570.3
Revenue	4,651.8	(4.7%)	4,880.4
Share of profit/loss of companies accounted for under the equity method	34.0	(61.1%)	87.4
Cost of materials and other related production services ³	(3,117.5)	(5.3%)	(3,292.8)
Staff expense	(1,210.1)	(2.7%)	(1,243.2)
Other operating result ⁴	(226.8)	5.2%	(215.7)
EBITDA	131.4	(39.2%)	216.2⁵
- in % of Production output	2.5%	(1.3PP)	3.9%
Depreciation, amortisation & impairment	(168.6)	4.5%	(161.5) ⁵
EBIT	(37.2)	< (100.0%)	54.7
- in % of Production output	(0.7%)	(1.7PP)	1.0%
EBT	(51.0)	< (100.0%)	37.4
- in % of Production output	(1.0%)	(1.7PP)	0.7%
Profit for the period	(42.4)	< (100.0%)	27.8

¹ Rounding differences may appear

² Output of consortiums and all associates are included proportionally in production output which deviates from revenues pursuant to IFRS

³ Cost of materials = material expenses + purchased services

⁴ Own work capitalised in non-current assets included

⁵ To facilitate better comparability, the reporting of expense related to IFRS 16 (disposals) has been changed. The comparative figures for 2019 have been restated accordingly.



Key Ratios

EUR m ¹	2020	Δ	2019
Production output ²	5,185.3	(6.9%)	5,570.3
Revenue	4,651.8	(4.7%)	4,880.4
Ratio of profit/loss of companies (at equity)	0.7%	(0.9PP)	1.6%
Material cost ratio ³	(60.1%)	(1.0PP)	(59.0%)
Personnel cost ratio	(23.3%)	(1.0PP)	(22.3%)
Others ⁴	(4.4%)	(0.5PP)	(3.9%)
EBITDA	131.4	(39.2%)	216.2⁵
- in % of Production output	2.5%	(1.3PP)	3.9%
Depreciation, amortisation & impairment	(3.3%)	(0.4PP)	(2.9%) ⁵
EBIT	(37.2)	< (100.0%)	54.7
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Balance Sheet Key Figures

EUR m		31.12.2020	31.12.2019	31.12.2018
Assets	Non-current assets	1,283.8	1,392.4	1,104.1
	Current assets	2,225.6	2,272.5	2,010.6
	Total assets	3,509.5	3,664.9	3,114.7
Equity & liabilities	Equity ¹	650.5	599.0	618.2
	Non-current liabilities	819.3	1,006.7	573.6
	Current liabilities	2,039.6	2,059.2	1,922.9
	Total equity and liabilities	3,509.5	3,664.9	3,114.7
Ratios:	Net debt ²	136.7	345.7	349.1
	Equity ratio	18.5%	16.4%	19.9%

¹ Incl. Non-controlling interests

² Bonds & SSD plus financial liabilities less cash and cash equivalents and securities classified as current assets (investment certificates). The figure as of 31 December 2018 has been adjusted due to the first-time application of IFRS 16.

Balance Sheet Assets

EUR m ¹		31.12.2020	31.12.2019	% Δ
Non-current assets	Intangible assets	147.9	148.5	(0.4%)
	Property, plant and equipment	926.8	940.9	(1.5%)
	Investment property	31.4	54.1	(42.0%)
	Shareholdings in companies acc. for under the equity meth.	92.2	86.1	7.1%
	Loans	31.8	83.3	(61.8%)
	Other financial assets	36.1	37.0	(2.5%)
	Other non-current financial assets	9.1	27.0	(66.2%)
	Deferred tax assets	8.5	15.5	(45.0%)
Total non-current assets		1,283.8	1,392.4	(7.8%)
Current assets	Inventories	74.8	76.0	(1.7%)
	Trade receivables	1,333.3	1,480.9	(10.0%)
	Other financial assets	172.0	86.2	99.6%
	Other receivables and current assets	48.3	47.5	1.7%
	Cash and cash equivalents	582.5	581.9	0.1%
	Assets held for sale	14.6		N/A
	Total current assets	2,225.6	2,272.5	(2.1%)

¹ Rounding differences may appear

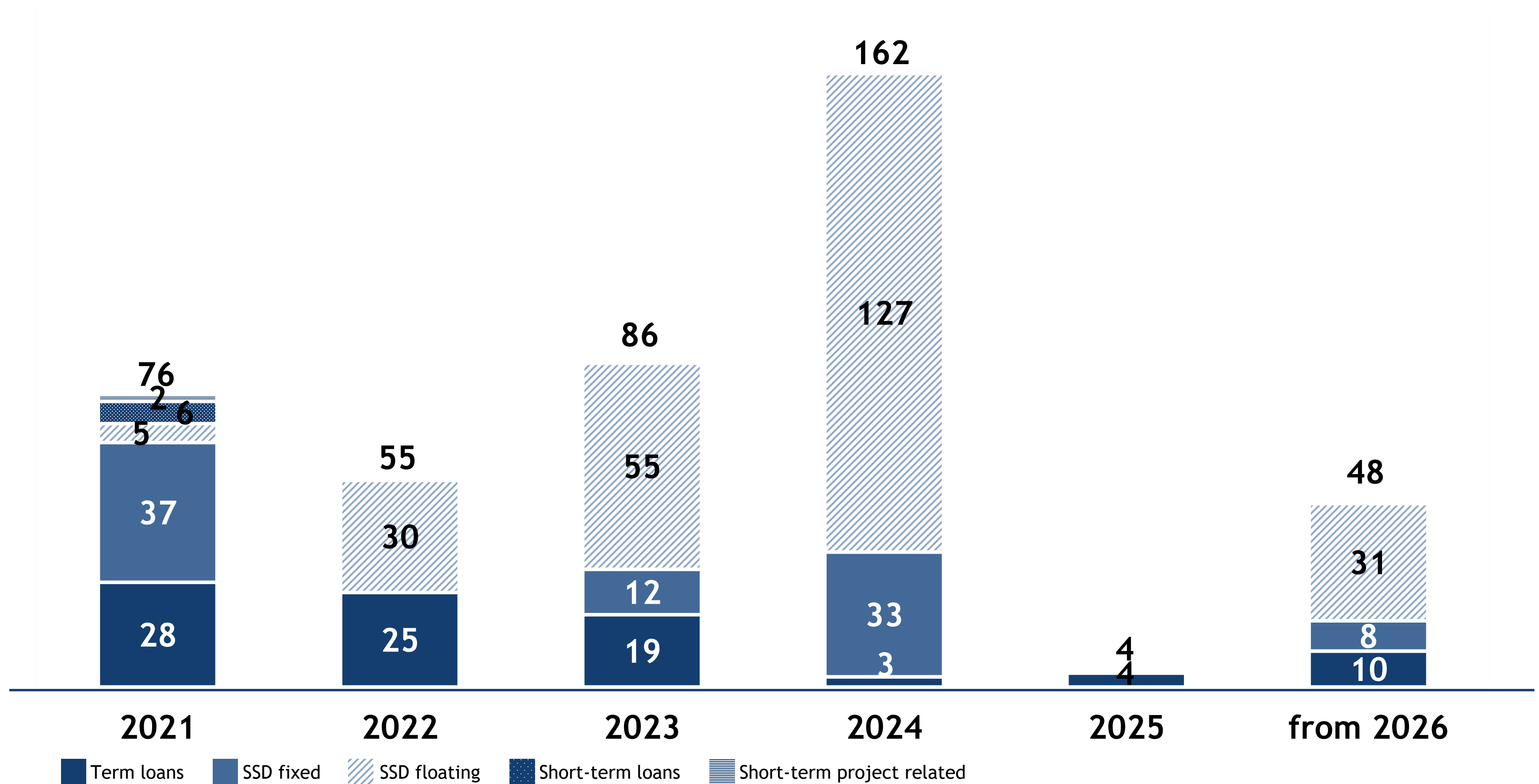
Equity and Liabilities

EUR m ¹		31.12.2020	31.12.2019	% Δ
Equity	Share capital	29.1	29.1	-
	Capital reserve	251.3	251.3	-
	Profit-participation rights/hybrid capital	325.9	195.3	66.9%
	Other reserves	29.7	111.4	(73.3%)
	Non-controlling interest	14.6	12.0	21.8%
	Total equity	650.5	599.0	8.6%
Liabilities	Bonds and bonded loans (Schuldscheindarlehen)	336.6	375.4	(10.3%)
	Provisions	366.8	339.3	8.1%
	Financial liabilities	422.7	552.2	(23.4%)
	Trade payables	973.1	1,138.8	(14.6%)
	Other financial liabilities	49.9	64.2	(22.4%)
	Other liabilities	655.9	520.5	26.0%
	Tax payables	53.9	75.4	(28.5%)
	Total liabilities	2,858.9	3,065.9	(6.8%)

¹ Rounding differences may appear



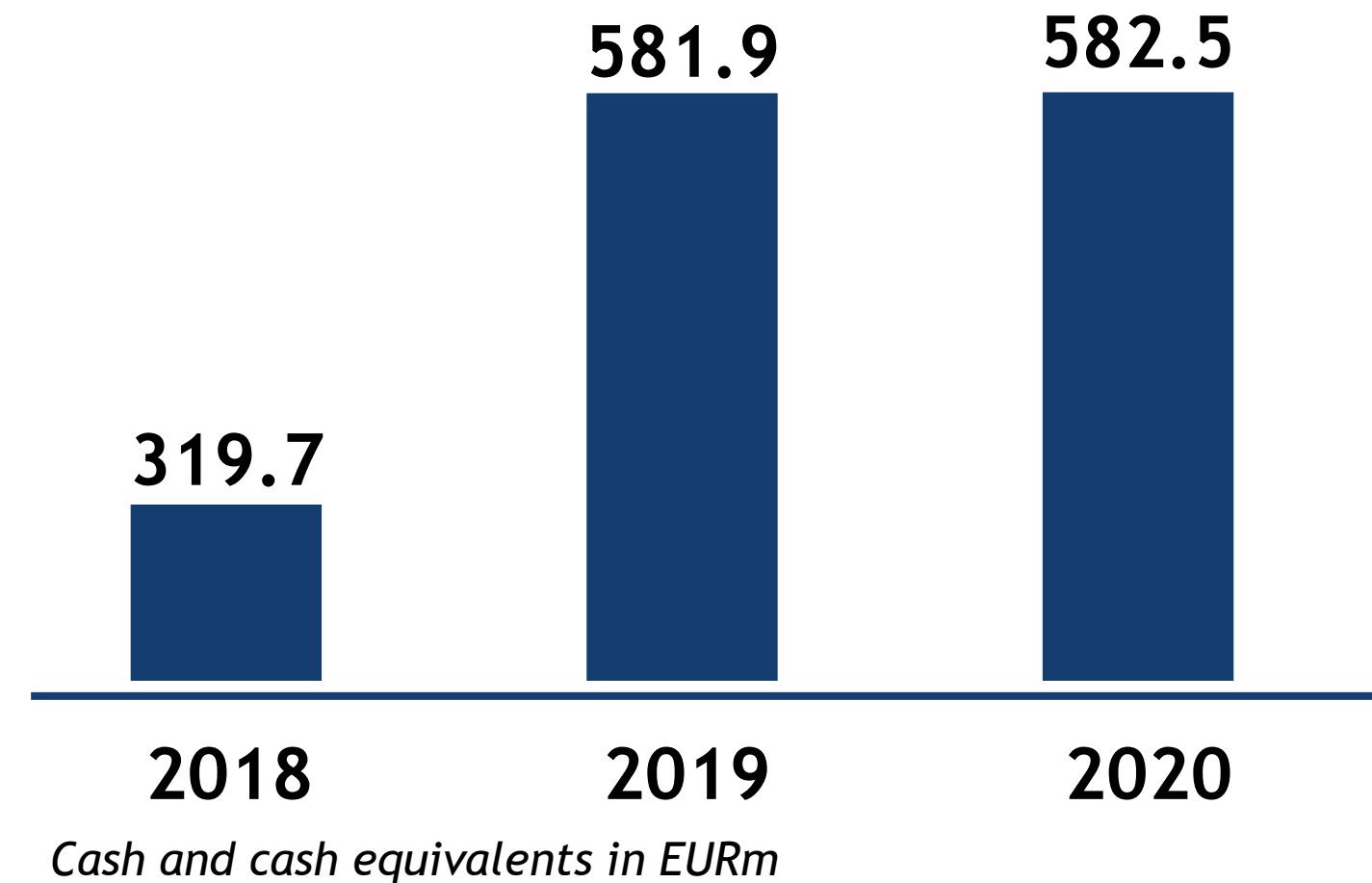
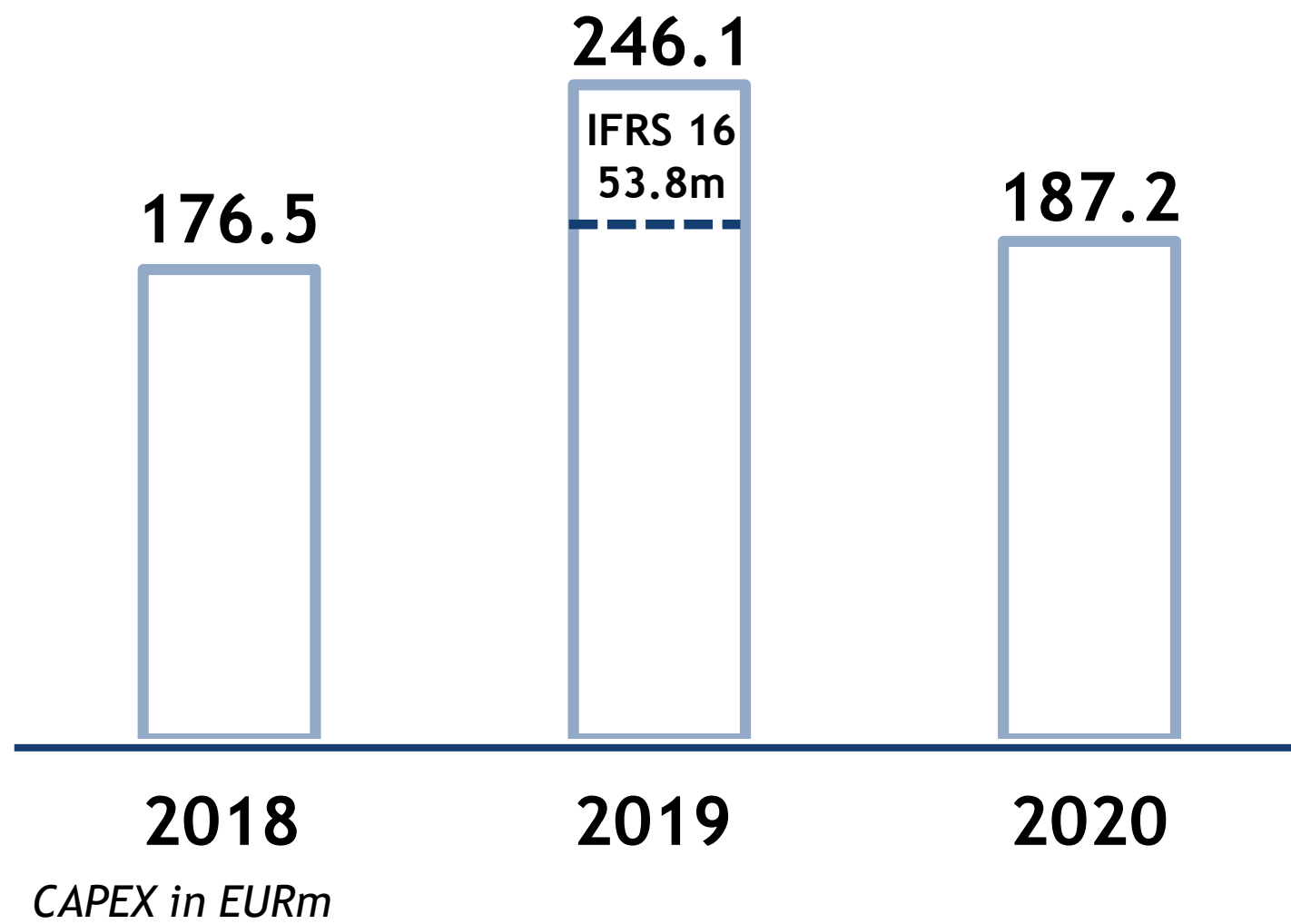
Maturity Profile of PORR's Financial Liabilities as of 31.12.2020



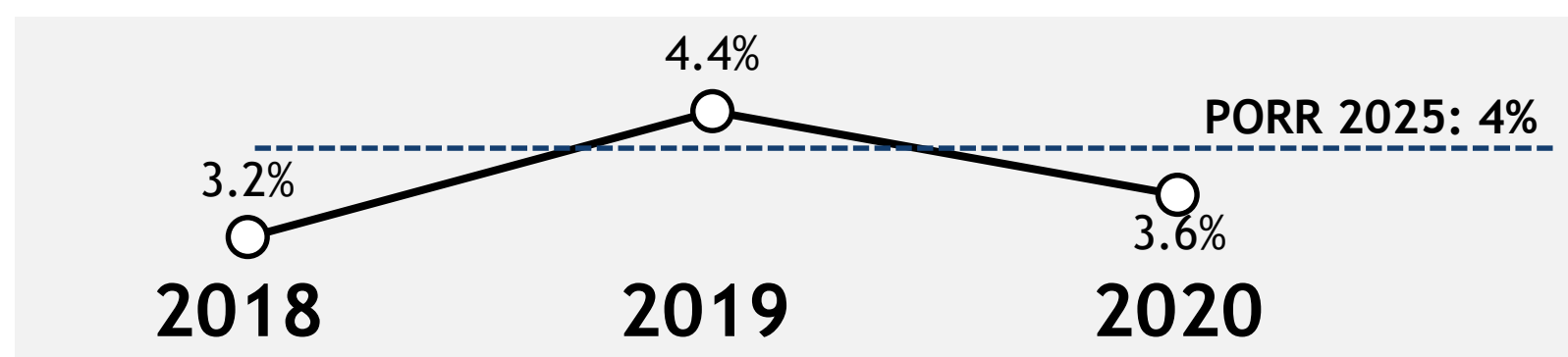
Comments: Chart excludes leasing liabilities and FX-hedge-liabilities. Figures are in EUR m. Rounding differences may appear.



CAPEX and Cash Balance Development in 2020



CAPEX ratio:



CAPEX 2020 in line with defined range of approx. 4%¹

¹ After IFRS 16

Cash to Total Assets ratio:

	EURt	% of Assets	
2019:	581,890	15.9%	} +72bps
2020:	582,545	16.6%	

Cash Balance 2020 increased



Top Order Intakes 2020

- LK351 Railroad Krzyz - Dobiegiew/PL/87.6m
- High-rise Bldg. Gangloff Areal, Bern/CH/42.6m
- Lyoner Gärten, Frankfurt/DE/34.6m
- ARGE Update Furka Tunnel Los 15, Realp/CH/33.7m
- Interchange 3, Ras Bufontas/QA/32.3m

Q1 20

- Siemens Zeleni High-Energy Photonics, Forchheim/ DE/165.5m
- Poland - Lithuania gas pipeline/PL/54.5m
- App. Bldg. Nordbahnhof BF 8b, Vienna/AT/48.5m
- DCO Duisburg Central Office/DE/27.1m
- App. Bldg. York - Quartier C, Los 3, Münster/DE/23.7m

Q3 20

Q2 20

- Terminal LNG Onshore, Swinoujscie/PL/117.8m
- S16 expressway Borki Wielkie - Mragowo/PL/112.4m
- LNG Offshore, Swinoujscie/PL/91.6m
- Slab Track PORR Stuttgart 21 PA1.7/DE/90.4m
- S1 expressway Oswiecim - Dankowice/PL/87.6m

Q4 20

- High Speed 2, London - Birmingham - Crewe/UK/287.6m
- LK131 Railroad Chorzów - Nakło/PL/248.9m
- Hybrid Bldg. BMW Portal West, Munich/DE/97.5m
- Railway Comana - Vidra/RO/96.9m
- BMW Industry Bldg. E, Munich/DE/77.5m

Coverage

Institution	Analysts	Price Target	Recommendation	Last Update
Hauck & Aufhäuser	Aliaksandr Halitsa	15.0	Hold	24.03.2020
ERSTE Group	Daniel Lion	14.1	Hold	14.08.2020
SRC Research	Stefan Scharff Christopher Mehl	16.0	Buy	18.11.2020
FMR Research	Felix Lutz Mariya Lazarova Robel Tesfeom	15.5	Hold	27.11.2020
Raiffeisen Bank International	Markus Remis	13.5	Hold	14.12.2020
Warburg Research	Jonas Blum	20.0	Buy	16.12.2020
Kepler Cheuvreux	Torsten Sauter	13.5	Hold	19.01.2021

IR Information for PORR AG

Share Information

Share price ¹	EUR 14.96
Market capitalisation	EUR 435.3m
Official market	Vienna Stock Exchange Prime Market
Number of shares outstanding	29,095,000
Ticker symbol	POS VI
ISIN	AT0000609607

IR Contact

For further information please contact
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Financial Calendar

17 May 2021:	Record date for the attendance of the 141th AGM
26 May 2021:	Publication Q1 Results 2021
27 May 2021:	141th AGM
26 August 2021:	Publication HY Results 2021
28 October 2021:	Interest payment PORR Corporate Bond 2014/2
29 November 2021:	Publication Q1-3 Results 2021

¹ Share and market cap data as of 23 April, 2021

