

STRABAG SE Trading Statement Q3: Full-year outlook raised on output volume

Contact

STRABAG SE
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- Output volume 9M/2019 increased by 4 %
- Order backlog at €17.7 billion (-2 %), remains at very high level
- 2019 targets: Output volume expected to reach at least the previous year's record of €16.3 billion, while EBIT margin should remain at $\geq 3.3\%$

STRABAG SE	9M/2019	9M/2018	% 9M/2018– 9M/2019
Output volume	12,150.23	11,645.81	4 %
Order backlog	17,733.68	18,161.02	-2 %
Employees	76,875	74,775	3 %
NORTH + WEST	9M/2019	9M/2018	% 9M/2018– 9M/2019
Output volume	5,848.53	5,556.41	5 %
Order backlog	8,843.12	9,162.32	-3 %
Employees	25,161	23,969	5 %
SOUTH + EAST	9M/2019	9M/2018	% 9M/2018– 9M/2019
Output volume	3,528.95	3,324.22	6 %
Order backlog	4,642.64	4,902.59	-5 %
Employees	19,547	18,434	6 %
INTERNATIONAL + SPECIAL DIVISIONS	9M/2019	9M/2018	% 9M/2018– 9M/2019
Output volume	2,677.03	2,683.61	0 %
Order backlog	4,243.94	4,093.22	4 %
Employees	25,728	26,181	-2 %
OTHER	9M/2019	9M/2018	% 9M/2018– 9M/2019
Output volume	95.72	81.57	17 %
Order backlog	3.98	2.89	38 %
Employees	6,439	6,191	4 %

Vienna, 13 November 2019 The publicly listed European-based technology partner for construction services STRABAG SE today announced its figures for the first nine months of 2019 along with an outlook on the 2019 full year with an updated output volume.

“After nine months, we see ourselves confirmed in our assessment for business development in 2019. Given the high demand in almost all of our core markets, we are now even more optimistic about the

output volume and expect to at least reach the record level of the previous year," says Thomas Birtel, CEO of STRABAG SE.

Output volume

STRABAG SE generated revenue of € 12,150.23 million in the first nine months of the 2019 financial year. This upward movement of 4 % reflects the high demand in all of the group's core markets with the exception of Slovakia. The development was shaped particularly by growth in Germany and Austria as well as in transportation infrastructures in Poland and Hungary, but also by the already expected decline resulting from the loss of a key account in the German property and facility services segment.

Order backlog

The order backlog as at 30 September 2019 weakened slightly on the year, falling by 2 % to € 17,733.68 million, but clearly exceeded the value of one year's output volume and so remained at a very high level. Declines were seen in Hungary, Austria and Slovakia, for example, as work progressed on numerous major projects in these countries. This development was contrasted by the substantial expansion of an existing order in the United Kingdom and a significant increase in the order backlog in the Czech Republic. The projects acquired in 2019 include the construction of a section of the D35 motorway and the modernisation of several railway lines in the Czech Republic, the upgrading of bridges on Germany's A9 motorway near Allersberg, two mining contracts for the El Teniente mine in Chile, the transportation infrastructure and civil engineering works for the Boll-Sinneringen bypass in Switzerland, the rehabilitation of the southern section of Budapest's M3 metro line in Hungary, and the construction of a wastewater pumping station in Qatar and a pumped storage power plant in Dubai.

Employees

In line with the increased output volume in the group's core markets, STRABAG increased the number of employees by 3 %, or 2,100 persons, to 76,875. Staff was added especially in Poland and Austria, while the other markets exhibited inconsistent trends.

Outlook

For the current 2019 financial year, STRABAG now expects to generate an output volume at least as high as the record of the previous year of € 16.3 billion. The previous assessment only expected to exceed the € 16.0 billion mark. By segments, the group continues to expect a decline in International + Special Divisions and growth in North + West and South + East. The forecast for an EBIT margin of at least 3.3 % remains in place, as does the outlook for net investments (cash flow from investing activities), which should reach a maximum of € 550 million in 2019.

STRABAG SE is a European-based technology group for construction services, a leader in innovation and financial strength. Our services span all areas of the construction industry and cover the entire construction value chain. We create added value for our clients by our specialised entities integrating the most diverse services and assuming responsibility for them. We bring together people, materials and machinery at the right place and at the right time in order to realise even complex construction projects – on schedule, of the highest quality and at the best price. The hard work and dedication of our more than 75,000 employees allow us to generate an annual output volume of around € 16 billion. At the same time, a dense network of numerous subsidiaries in many European countries and on other continents is helping to expand our area of operation far beyond the borders of Austria and Germany. More information is available at www.strabag.com.