

STRABAG SE: Second best half-year result after 2021 record year

Contact

STRABAG SE
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- Output volume for the first half of 2022 up by 9 %
- EBIT at € 63.63 million (6M/2021: € 140.19 million)
- Outlook for 2022 confirmed: output volume at € 16.6 billion, EBIT margin of 4 %

		6M/2022	6M/2021	%
Output volume	€m	7,587.72	6,943.37	9 %
Revenue	€m	7,246.35	6,535.48	11 %
Order backlog	€m	23,969.66	21,101.85	14 %
EBITDA	€m	324.67	406.29	-20 %
EBITDA margin	%	4.5 %	6.2 %	
EBIT	€m	63.63	140.19	-55 %
EBIT margin	%	0.9 %	2.1 %	
Net income after minorities	€m	40.41	88.27	n.m.
Net income after minorities margin	%	0.6 %	1.4 %	
Earnings per share	€	0.39	0.86	n.m.
Employees	FTE	72,709	72,942	0 %

Vienna, 31 August 2022 The publicly listed construction group STRABAG SE today, Wednesday, reported its figures for the first half of 2022.

“The forecasts may be fraught with uncertainty at the moment, but our half-year figures show that we are meeting our guidance. The output has increased as expected, and the order backlog is also showing an upward trend – despite its already high level. As predicted, we were not able to repeat the previous year’s exceptional earnings result. In a long-term comparison, however, we can speak of the second-best figure for a first half-year,” says Thomas Birtel, CEO of STRABAG SE.

Output volume and revenue

STRABAG SE generated a 9 % higher output volume of € 7,587.72 million in the first half of 2022. Besides the core markets of Germany, Austria and the Czech Republic, the increased output

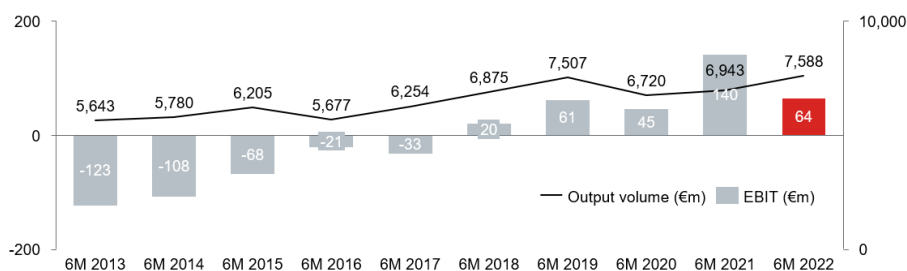
volume in the United Kingdom also is of particular note. The consolidated group revenue increased as well, growing by 11 %.

Order backlog

The order backlog reached a new record level of € 23,969.66 million as at 30 June 2022, an increase of 14 % over 30 June 2021. This figure grew by around € 2 billion in Germany alone, with significant increases also recorded in Austria and Poland.

Financial performance

Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to € 324.67 million, compared to € 406.29 million in the first half of 2021. Earnings before interest and taxes (EBIT) stood at € 63.63 million, which represents a decline compared to the exceptionally good figure in the previous year, though it still fits in well with the long-term comparison. The North + West segment showed a declining trend, South + East again posted slightly negative earnings for the first half of the year, as is usual in the construction industry, and International + Special recorded an increase, due mainly to the successful large-scale projects in the United Kingdom.



Net interest income was positive at € 6.24 million, primarily due to increased interest income and the positive exchange rate differences of € 5.74 million contained therein. Earnings before taxes (EBT) came to € 69.87 million (6M/2021: € 136.79 million). Income taxes amounted to € -26.11 million, which corresponds to a tax rate of 37 %. In the previous year, income taxes had amounted to € - 45.85 million. The net income this year reached € 43.76 million (6M/2021: € 90.94 million).

The earnings attributable to minority shareholders, at € 3.35 million, changed very little in absolute terms. Overall, a net income after minorities of € 40.41 million was achieved. In the same period of the previous year, this figure stood at € 88.27 million. With 102,600,000 outstanding shares, this corresponds to earnings per share of € 0.39 (6M/2021: € 0.86).

Financial position and cash flows

The balance sheet total remained stable compared to the end of 2021 with € 12.3 billion. An increase in property, plant and equipment – a property was purchased in Stuttgart to expand the local presence – and in inventories, as well as seasonal increases in contract assets, were offset by a decrease in cash and cash equivalents. Compared to 30 June 2021, the equity ratio increased from 30.1 % to 32.8 %. At

the end of 2021, the equity ratio had amounted 33.3 %. STRABAG continues to report a net cash position, although – as is usual for the season – this figure fell from € 1,937 million to € 1,147 million.

Cash flow from operating activities turned even more negative at € - 606 million, mainly due to the increase in inventories and contract assets – a result of the higher output volume. The purchases made for the expansion of the Stuttgart location are also reflected in the cash flow from investing activities, which amounted to € - 288.90 million compared to € -220.17 million in the same period of the previous year. The cash flow from financing activities reached € - 192 million as at 30 June 2022. This figure included the repayment of the bond in the amount of € 200 million.

Employees

The number of employees remained almost unchanged at 72,709. In the home markets of Germany and Austria, only very minor changes were recorded – in opposite directions.

Outlook

The Management Board remains committed to the targeted construction output of € 16.6 billion for 2022, a figure that is well-supported by the order backlog. The board also expects to generate an EBIT margin of at least 4 % on a long-term basis, as the business model is proving to be robust under the current conditions. Net capital expenditures (cash flow from investing activities) should not exceed € 550 million.

***STRABAG SE** is a European-based technology partner 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 approximately 74,000 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.*