

# STRABAG SE Trading Statement Q1: Full-year outlook raised on output volume, medium-term target published

## Contact

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- **Double-digit output growth; order backlog and employee numbers rise further**
- **Medium-term target: EBIT margin of 4 % by the year 2022**
- **2019 targets: Output volume expected to exceed € 16.0 billion, but EBIT margin still at ≥ 3.3%**

STRABAG SE	3M/2019	3M/2018	% 3M/2018– 3M/2019
Output volume	3,080.87	2,599.77	19 %
Order backlog	17,935.41	17,669.37	2 %
Employees	74,065	71,325	4 %
NORTH + WEST	3M/2019	3M/2018	% 3M/2018– 3M/2019
Output volume	1,467.88	1,237.73	19 %
Order backlog	9,041.83	8,639.07	5 %
Employees	24,310	22,914	6 %
SOUTH + EAST	3M/2019	3M/2018	% 3M/2018– 3M/2019
Output volume	747.72	644.35	16 %
Order backlog	4,802.17	5,063.94	-5 %
Employees	17,592	16,454	7 %
INTERNATIONAL + SPECIAL DIVISIONS	3M/2019	3M/2018	% 3M/2018– 3M/2019
Output volume	836.41	694.59	20 %
Order backlog	4,088.01	3,960.92	3 %
Employees	25,726	25,792	0 %
OTHER	3M/2019	3M/2018	% 3M/2018– 3M/2019
Output volume	28.86	23.10	25 %
Order backlog	3.40	5.44	-38 %
Employees	6,437	6,165	4 %

Vienna, 29 May 2019      The publicly listed European-based technology partner for construction services STRABAG SE today announced its figures for the first quarter of 2019, the latest outlook on the 2019 full year and, for the first time, the medium-term target for 2022.

*“Following the significant increase in output in the first three months of the financial year, we now assume that the output in 2019 will exceed the previously expected € 16.0 billion. The forecast EBIT margin of at least 3.3 % remains unchanged. In the medium term, however, it should continue to grow – we aim to achieve a level of 4 % by 2022,”* says Thomas Birtel, CEO of STRABAG SE.

### **Output volume**

In the first quarter of 2019, the STRABAG SE Group increased its output by 19 % to € 3.1 billion on a high order backlog and an again very good construction weather. Double-digit growth was recorded in five of the six largest European markets, including the home market of Austria, where STRABAG is the market leader. In addition, the output in the Americas region nearly doubled due to the work performed on the currently largest project in the order books, the Alto Maipo tunnelling project in Chile.

### **Order backlog**

The order backlog increased by 2 % to € 17.9 billion compared to 31 March 2018. While gaining in Germany and the Czech Republic, it declined in Hungary and Slovakia, as work progressed on numerous major projects here. The projects acquired in the first quarter of 2019 include the construction of a section of the Czech motorway D35, the upgrading of bridges on the German A9 motorway near Allersberg, two mining contracts at 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.

### **Employees**

In line with the increased output and order backlog in Europe’s core markets and in the Americas region, personnel could be recruited in spite of the difficult labour market conditions: the number of employees was 4 % higher, which means that STRABAG employed an average of 74,065 persons or 2,740 more than in the first quarter of the previous year.

### **Outlook**

In view of the structural progress, STRABAG is publishing a medium-term target that foresees a significant increase in the EBIT margin compared to the current level. The expected at least good economic situation in most of the group’s core markets and the visible effects of the risk management measures that have been pushed in recent years reinforce the Management Board’s decision to issue the ambitious goal of raising the EBIT margin to 4 % by 2022. The principle of placing earnings before output still applies, which is why a sideways movement of the output is assumed.

For the current 2019 financial year STRABAG is raising its output expectations: The previous forecast of approx. € 16.0 billion should be exceeded. By segment, still slight declines are expected in

North + West as well as in International + Special Divisions and an increase in 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](http://www.strabag.com).