**Press Release**
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STRABAG
SOCIETAS EUROPAEA

# STRABAG SE with good start into financial year 2018 – new record order backlog


## Contact

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- **Output volume up by 7 % in Q1/18**
- **Order backlog (+10 %) again at record high, clearly surpassed € 17 billion mark**
- **EBITDA (+2 %) and EBIT (+3 %) improved; as always, still seasonally negative in Q1**
- **2018 outlook confirmed: output volume expected to reach € 15 billion, EBIT margin again targeted at ≥ 3 %**

| | | 3M/18 | 3M/17 | % |
|---|---|---|---|---|
| **Output volume** | €m | **2,599.77** | **2,426.79** | *7%* |
| **Revenue** | €m | **2,355.55** | **2,211.49** | *7%* |
| **Order backlog** | €m | **17,669.37** | **16,113.13** | *10%* |
| **EBITDA** | €m | **-49.85** | **-50.71** | *2%* |
| *EBITDA margin* | % | *-2.1%* | *-2.3%* | |
| **EBIT** | €m | **-138.90** | **-143.09** | *3%* |
| *EBIT margin* | % | *-5.9%* | *-6.5%* | |
| **Net income** | €m | **-115.25** | **-120.79** | *5%* |
| *Net income margin* | % | *-4.9%* | *-5.5%* | |
| **Net income after minorities** | €m | **-116.68** | **-117.40** | *1%* |
| *Net income after minorities margin* | % | *-5.0%* | *-5.3%* | |
| **Earnings per share** | € | **-1.14** | **-1.14** | *1%* |
| **Employees** | number | **71,325** | **69,679** | *2%* |

Vienna, 30 May 2018 Publicly listed construction company STRABAG SE closed the first quarter of 2018 with a new record order backlog and a reduced winter loss, which is typical in the construction industry.

*"STRABAG is off to a similarly good start to the financial year in 2018 as it had been the year before. The first quarter does not allow any reliable conclusions for the full year, but the figures – above all the new record order backlog of € 17.7 billion – reinforce our decision to confirm our existing outlook. So far, then, the 2018 financial year is going according to plan,"* says **Thomas Birtel**, CEO of STRABAG SE.

## Output volume and revenue

STRABAG SE generated an output volume of € 2,599.77 million in the first quarter of the 2018 financial year – an increase of 7 %. This upwards trend is being driven especially by the German transportation infrastructures business. The consolidated group revenue also grew by 7 %.

## Order backlog

The order backlog reached another record high of € 17,669.37 million (+10 %) on 31 March 2018, surpassing the € 17 billion mark for the first time in company history. Contributing to this development once more were numerous new large orders in the group's largest markets, above all Hungary, Poland and Germany.

## Financial performance

The limited capacity for construction in winter results in significant seasonal effects on the development of earnings and other financial figures of STRABAG SE. The first half of the year typically has a negative effect on results, which is then overcompensated by results in the second half of the year. As a result of the seasonal effects, a quarterly comparison makes little sense.

The earnings before interest, taxes, depreciation and amortisation (EBITDA) improved slightly in the first quarter of 2018 to € -49.85 million (2 %). Depreciation and amortisation was down by 4 %, so that the earnings before interest and taxes (EBIT), at € -138.90 million, ended up 3 % less deep in negative territory. The net interest income stood at € -3.31 million, compared to € -14.32 million in the first three months of the previous year when higher negative exchange rate differences had pushed the net interest income down. In total, this made it possible to stem the seasonally usual negative earnings before taxes (EBT) by 10 % to € -142.21 million. The income tax was in positive territory with € 26.96 million and thus provided relief. This left a net income of € -115.25 million (+5 %). Earnings attributable to third-party shareholders amounted to € 1.43 million. Last year, they still had to bear a loss € -3.39 million. Overall, the net income after minorities remained stable at € -116.68 million. With 102,600,000 outstanding shares, this corresponds to earnings per share of € -1.14, the same as in the first quarter of the previous year.

## Financial position and cash flows

The balance sheet total fell back below € 11 billion from 31 December 2017 to € 10,640.88 million. The picture was coined by the higher trade receivables, which increased especially as a result of the reclassification of real estate project developments as required by the first-time adoption of IFRS 15. The cash and cash equivalents decreased as is seasonally usual. Despite the typical winter losses, the equity ratio remained unchanged versus the end of 2017 at about 31 %. The net cash position decreased, as is seasonally usual, from € 1,335.04 million at the end of 2017 to € 1,025.16 million. The cash flow from operating activities, at € -144.07 million, was nearly unchanged. The cash flow from investing activities, through higher investments in property, plant and equipment, decreased by 12 % to € -90.06 million. The acquisition of the minority shares of the now delisted German subsidiary STRABAG AG, Germany, influenced the cash flow from financing activities, which reached a value of € -83.87 million after € -25.05 million in the first quarter last year.

**Outlook**

The record order backlog leads us to expect another positive development of the output volume for the 2018 financial year. The Management Board of STRABAG SE continues to expect an increase to around € 15.0 billion (+3 %). Growth should be seen in all three operating segments – North + West, South + East and International + Special Divisions. Moreover, STRABAG is working towards again achieving an EBIT margin of at least 3 %.

***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 nearly 73,000 employees allow us to generate an annual output volume of more than € 14 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.*