



BILFINGER

Bilfinger SE

3rd Quarter 2021 Results

November 11, 2021







Q3 2021

On track to reach full-year targets 2021

Markets	<ul style="list-style-type: none">• Overall positive environment, some headwinds due to inflation challenges and supply chain bottlenecks on customer side
+31% org. Orders received	<ul style="list-style-type: none">• Strong increase in all segments compared to weak prior-year quarter• Book-to-bill YTD 1.07
+12% org. Revenue	<ul style="list-style-type: none">• Solid development• Year-on-year growth in all segments
€51 million EBITA adjusted	<ul style="list-style-type: none">• Technologies and E&M Europe improving and delivering in accordance with expectations, progress in E&M International slower than anticipated• Gains from real estate disposals add on operational performance
€73 million Free cash flow reported	<ul style="list-style-type: none">• Good cash performance based on improved Net Trade Assets against Q2• Supports full-year expectation of positive free cash flow
Outlook 2021 Slightly raised	<ul style="list-style-type: none">• Revenue: Significant growth• EBITA margin to exceed 2019 pre-crisis level and to slightly surpass 3 percent









Markets: E&M Europe

	Industries	%*		Overall trend
	Chemicals & Petrochem	40%	<ul style="list-style-type: none"> • Maintenance market continues to recover and stabilize • Larger investments going forward but not on original programs/ scale due to supply-chain bottlenecks and cost inflation concerns • Deferred work/shutdowns raise activity levels in 2021/22 	
	Energy & Utilities	10%	<ul style="list-style-type: none"> • ESG climate change drivers still hold, e.g. CO₂ limits, emissions, decentralized power generation • Green energy investment projects emerging as anticipated (e.g. renewables, hydrogen, carbon capture etc.) 	
	Oil & Gas	20%	<ul style="list-style-type: none"> • OpEx stabilized and recovery underway from a low base following relief from COVID-19 restrictions • Recovery supported by asset integrity/shutdowns related backlog plus older asset life extensions 	





*% of segment revenues FY 2020

Markets: E&M International

	Industries	%*		Overall trend
	Chemicals & Petrochem	20%	<ul style="list-style-type: none"> • Trend for expansion and modernization projects in Middle East (ME) intact • Attractive project pipeline in North America (NA) (e.g. petrochemical companies and refineries put larger emphasis on maintenance projects) 	
	Energy & Utilities	10%	<ul style="list-style-type: none"> • Continued growth in ME population and industry drives further development of alternative and nuclear energy concepts as well as water solutions • In NA, more positive outlook for energy investment emerging on energy storage, wind, solar and CO₂ reduction 	
	Oil & Gas	25%	<ul style="list-style-type: none"> • Large oil & gas and LNG investment plans in several ME countries (e.g. UAE, Qatar, Kuwait) for the upcoming years • Consumption expected to top production capacity over coming years 	

*% of segment revenues FY 2020

Markets: Technologies

	Industries	%*		Overall trend
	Energy & Utilities	40%	<ul style="list-style-type: none"> • Energy transition focus in all our regions, esp. Europe and NA • Nuclear demand for new builds and maintenance increasing, esp. in France, UK, Finland and demand increasing for decommissioning in Germany 	
	Pharma & Biopharma	35%	<ul style="list-style-type: none"> • Mega trends remain unchanged, increased vaccine type CapEx projects due to COVID-19 • Positive outlook on Pharma OpEx; Trend to outsource services and production is increasing • Strong growth continuous process facilities and single use technology. Regionalization of production capabilities 	

*% of segment revenues FY 2020

E&M EUROPE: MAJOR MAINTENANCE ORDER

MAINTENANCE ORDER FROM OMV

- Comprehensive maintenance services for OMV Austrian sites, majority located in Lower Austria
- Covering all facilities, field piping systems and EI&C
- Single source: increased quality and efficiency
- Contract term: 8 years

➤ Key milestone for business in Austria



E&M INTERNATIONAL: MAJOR FRAMEWORK ORDER

MAINTENANCE OF SPECIALTY CHEMICALS PLANT, EVONIK, HOUSTON (TX)

- Providing Mechanical, ISP & Small Capital Construction Services
- **First framework contract for Bilfinger North America in Houston market**
- Contract term: 5 years
- **Contract volume: > €40 m**

**> Milestone for strategy shift towards
framework business in US**

GROWTH MARKET: HYDRO POWER

TWO MAJOR PENSTOCK PROJECTS WON IN AUSTRIA

- Scope of work includes supply of engineering, manufacturing and installation
- Pump Storage Power Plants Kühtai II (140 MW) and Limberg III (480 MW)
- Projects to be finalized by 2024/2025
- Total project volume: €32m

**> Trending topic:
Green Energy from Hydro Power**

NUCLEAR POWER:

PART OF NET ZERO STRATEGY IN FRANCE AND U.K.

U.K. plans to fund new nuclear power plant as part of its Net Zero strategy, “clean power” by 2035

- **Hinkley Point C: €62m call-off orders for NSSS project in Q3**
- Tier 1 contractor; in pole position for all further plants in U.K.

FRANCE world's largest net exporter of electricity; 70% of electricity in France is derived from nuclear power

- Involved in FA3 (Flamanville) construction
- Supplier in “Grand Carrénage program”, modernization of running EDF nuclear power plants
- Contribution in six new EPR2 reactors in France, early basic design
- Future Markets: SMR (Small Modular Reactor) & ITER (International Thermonuclear Experimental Reactor)

- **Contribution by exporting know how**

PARTNER FOR THE ENTIRE LIFE CYCLE OF NUCLEAR PLANTS

CLEARANCE OF ASSE MINE SHAFT, strategically important project won in Germany

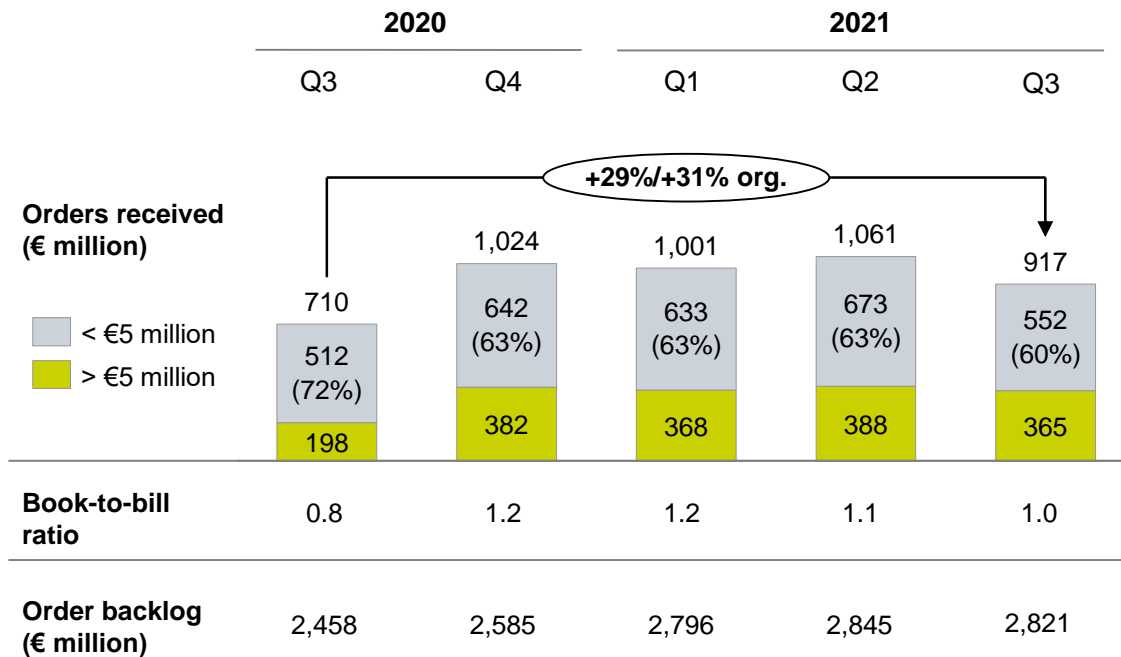
- Developing special equipment to safely retrieve thousands of casks containing low and intermediate-level radioactive waste
- Design and testing of special machines and tools that can be operated remotely

- **Contract term 4 years**

Quarterly Statement Q3 2021

Orders received significantly above prior-year quarter, Year-to-date book-to-bill at 1.07

Development of orders received



Orders received

- Strong increase by 29% (org.: +31%) compared to prior year quarter
- Positive year-on-year development in all segments, in absolute terms slightly lighter quarter, as expected

Order backlog

- 15% (org.: +14%) above prior-year level

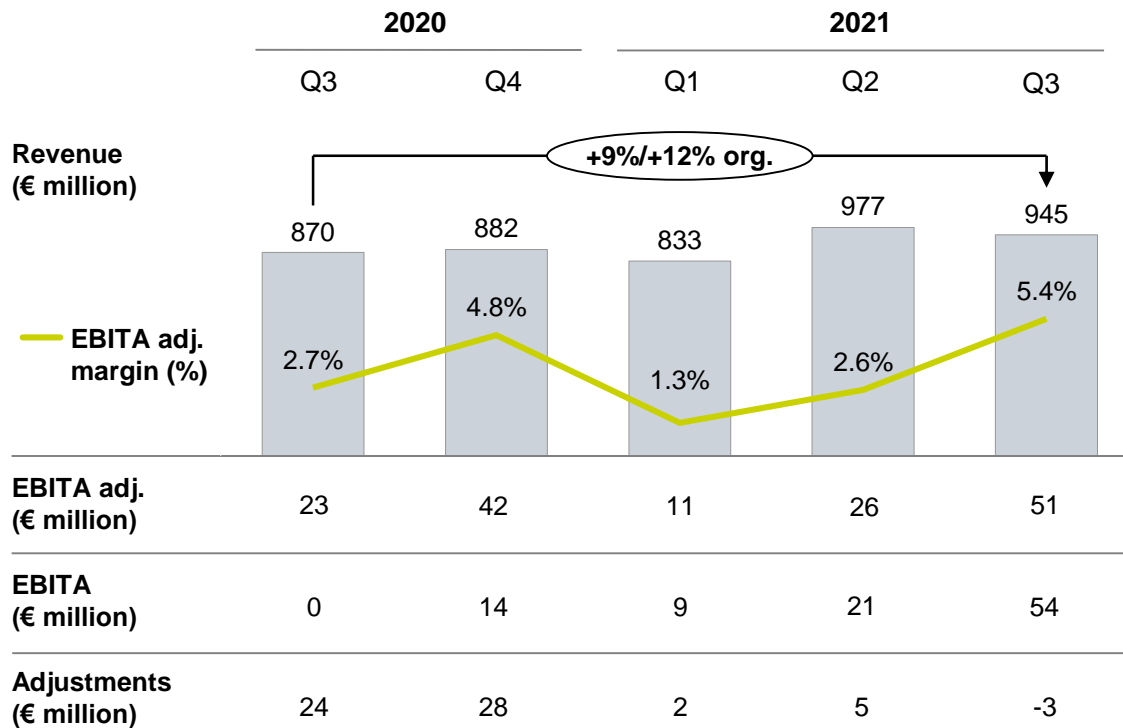
Book-to-bill

- Year-to-date clearly >1

Revenue at good level, significant year-on-year recovery

Very positive EBITA development, supported by real estate disposal gains

Development of revenue and profitability



Revenue

- Solid development, growth of 9% (org.: +12%)

EBITA

- Technologies and E&M Europe improving and delivering in accordance with expectations, progress in E&M International slower than anticipated
- Adjusted EBITA at €51 million supported by €18 million of real estate disposal gains, adjusted EBITA margin of 5.4% (prior year: 2.7%)
- Reported EBITA even stronger at €54 million (prior year: €0 million)

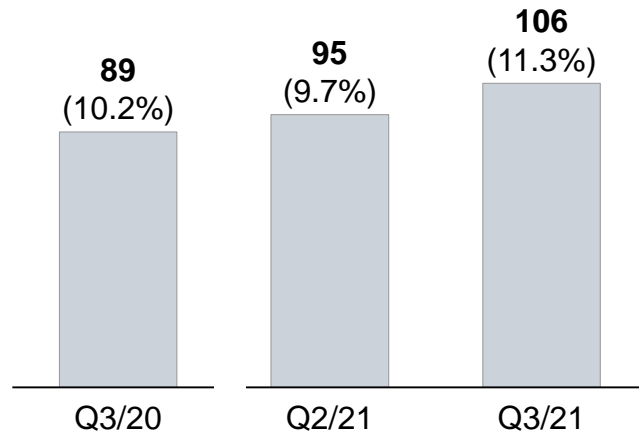
Special items

- Positive adjustments of €3 million due to €8 million disposal gain JV Oman

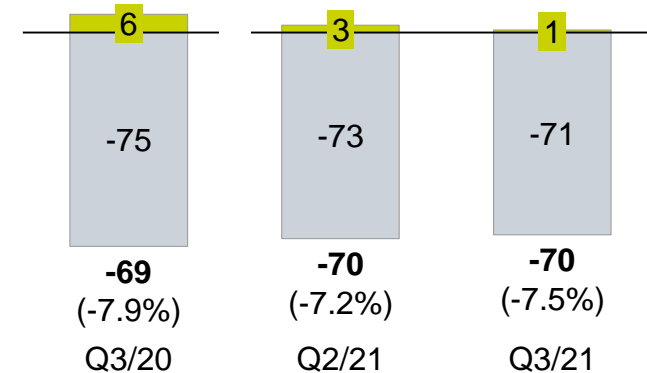
Gross margin further improved to 11.3%

SG&A expenses still below expected quarterly run-rate partly due to one-time effects

Gross profit (€ million)



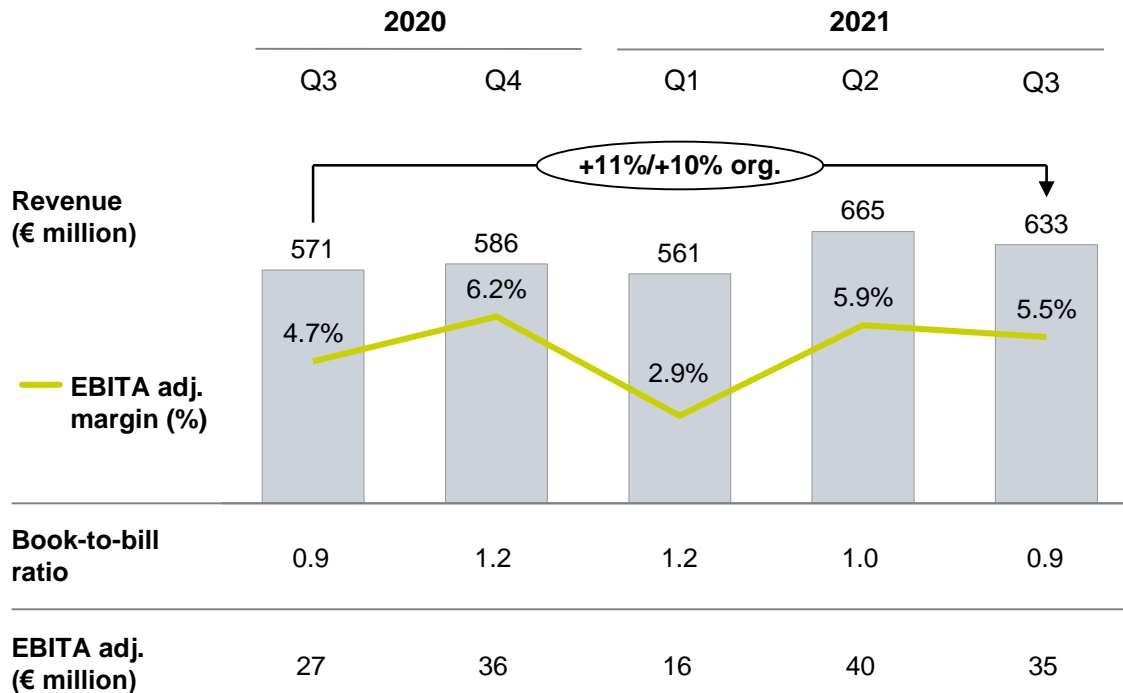
Adjusted selling and administrative expenses (€ million)



Adjustments Reported

Segment E&M Europe: Significant revenue growth at a good margin level

Development of revenue and profitability



Orders received

- +17% (org.: +15%) against prior-year quarter
- Book-to-bill YTD >1

Revenue

- Increase of 11% (org.: +10%)

EBITA adjusted

- Successfully reduced seasonality
- Again, margin level above 5%

Outlook 2021

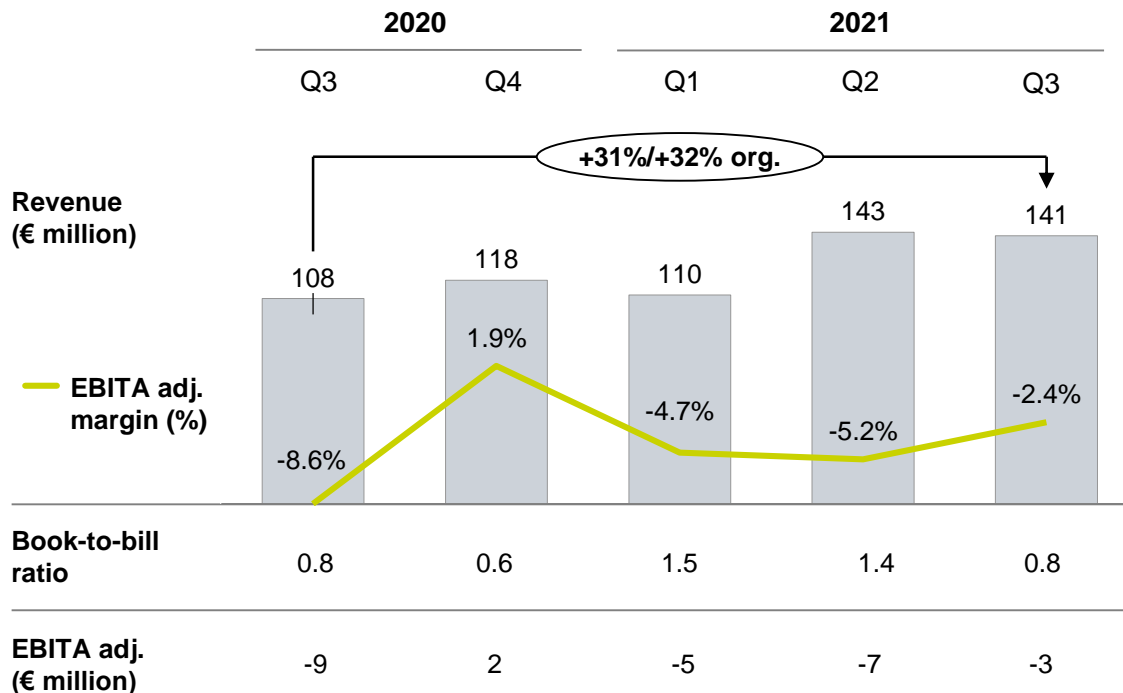


Revenue: significant growth
EBITA adjusted: significant improvement

Segment E&M International: Substantial increase in orders received

Revenue and EBITA improvement slower than anticipated

Development of revenue and profitability



Orders received

- Substantial increase of +41% (org.: +37%) compared to weak prior year quarter

Revenue

- Significant improvement of 31% (org.: +32%) compared to prior year quarter

EBITA adjusted

- Still negative at -€3m (prior year: -€9m)
- Improvement in North America slower than anticipated regarding volume and project execution performance

Outlook 2021

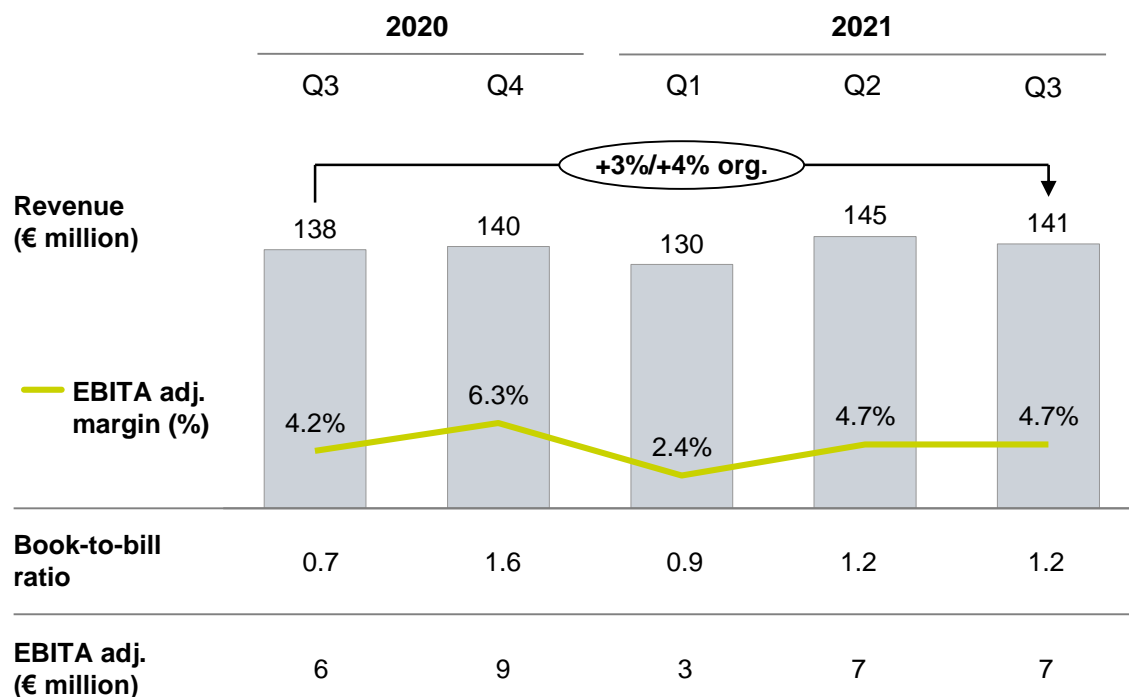
- Revenue: significant growth
- EBITA adjusted: year-on-year improvement, but remains negative

Segment Technologies:

Substantial increase in orders received due to Hinkley Point C call-off order

Solid earnings development

Development of revenue and profitability



Orders received

- Substantial increase of +90% (org.: +92%) including call-off order at HPC (NSSS project, €62 million)
- Strong book-to-bill at 1.2

Revenue

- Solid growth of 3% (org.: +4%)

EBITA adjusted

- €7m (prior year: €6m), good development
- Margin close to 5%, again

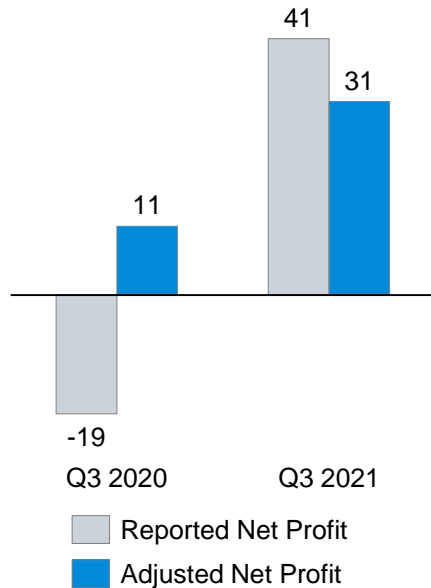
Outlook 2021

- Revenue: significant growth
- EBITA adjusted: significant improvement to a clearly positive result

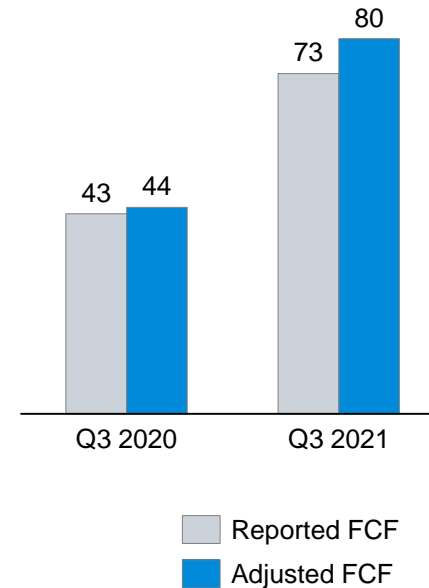
Net profit significantly above prior year, supported by low tax rate

Free Cash Flow with good performance, also due to real estate disposals

Net profit ¹⁾ (€ million)



Free cash flow ¹⁾ (€ million)

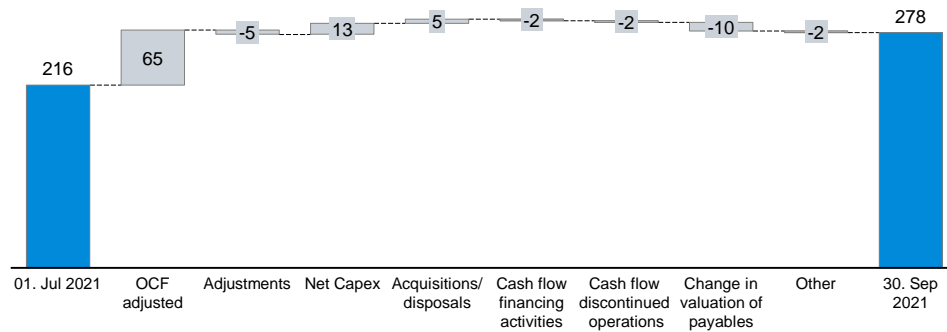


¹⁾ Adjustments correspond to EBITA adjustments, Net Profit: in addition elimination of special items in financial result and in taxes

All initiatives in place to improve DSOs by year-end, meanwhile balanced out with high DPOs, NTA slightly improved against June 30, 2021

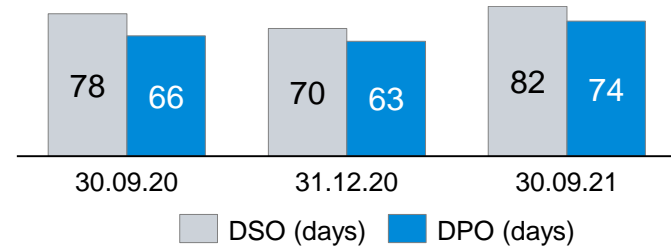
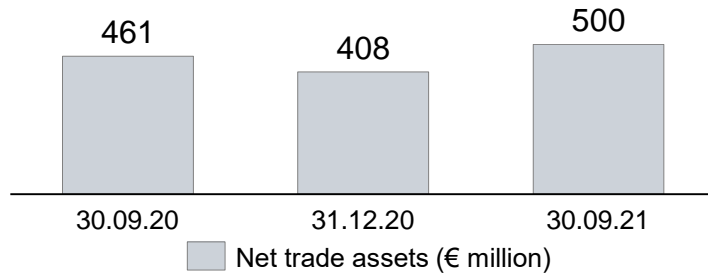
Development of net liquidity

Net liquidity ¹⁾ (€ million)



Cash flow development year-to-date (€ million) excl. IFRS 16

	9m 2021 excl. IFRS 16	IFRS 16 impacts	9m 2021 incl. IFRS 16	9m 2020 excl. IFRS 16
EBITA adj.	87		87	-22
Depreciation	36	40	76	42
Change in NWC (Reported)	-125		-125	80
Others	2		2	-22
Adjustments	-43		-43	-24
Operating CF Reported	-43		-3	54
Net CAPEX	5		5	-19
Free CF Reported	-38		2	35
Proceeds/Investments financial assets	13		13	5
Changes in marketable securities	408		408	0
Dividends	-78		-78	-7
Change in financial debt	0	-37	-37	0
Interest paid	-20	-3	-23	-15
FX / other / DiscOp	-5		-5	-8
Change in Cash	280		280	10



¹⁾ Including IFRS 16 leases

DSO: Trade receivables + WIP – advance payments received, DPO: Trade payables

Outlook 2021 slightly raised, again

	Actual FY 2020	Outlook FY 2021
Revenue	€3,461 million	Significant growth
EBITA adjusted / margin	€20 million / 0.6%	EBITA adjusted margin to exceed 2019 pre-crisis level and to slightly surpass 3 percent
Free cash flow reported	€93 million	Positive, but below prior year

Quarterly Statement Q3 2021
Financial backup

Segment development Q3 2021

	E&M Europe			E&M International			Technologies			Reconciliation Group						Group		
	HQ / Consolidation / Other			OOP														
€ million	Q3 2021	Q3 2020	Δ in %	Q3 2021	Q3 2020	Δ in %	Q3 2021	Q3 2020	Δ in %	Q3 2021	Q3 2020	Δ in %	Q3 2021	Q3 2020	Δ in %	Q3 2021	Q3 2020	Δ in %
Orders received	587	501	+17%	116	82	+41%	170	90	+90%	-2	-9	+79%	46	45	+2%	917	710	+29%
Order backlog	1,773	1,577	+12%	422	387	+9%	615	493	+25%	-52	-79	+34%	64	81	-20%	2,821	2,458	+15%
Revenue	633	571	+11%	141	108	+31%	141	138	+3%	-16	-16	+4%	45	69	-35%	945	870	+9%
Investments in P,P&E	20	3	+582%	0	0	n/a	1	1	+46%	0	0	n/a	0	2	-89%	21	6	+234%
Increase in right-of-use assets	4	4	+3%	2	0	n/a	0	0	n/a	1	1	-34%	1	0	n/a	8	6	+40%
Depreciation w/o special items	-16	-16	-0%	-2	-3	+27%	-2	-2	+12%	-3	-4	+16%	-1	-2	+60%	-24	-27	+10%
Amortization	0	0	n/a	0	0	n/a	0	0	n/a	0	0	n/a	0	0	n/a	0	0	n/a
EBITDA adjusted	51	43	+20%	-1	-7	+82%	8	8	+7%	14	0	n/a	2	5	-58%	75	49	+52%
EBITA	33	22	+51%	-5	-11	+51%	6	-6	-	19	-7	-	1	2	-15%	54	0	n/a
EBITA adjusted	35	27	+30%	-3	-9	+63%	7	6	+14%	11	-4	-	1	3	-56%	51	23	+119%
EBITA adjusted margin	5.5%	4.7%		-2.4%	-8.6%		4.7%	4.2%		-73.2%	22.5%		3.2%	4.7%		5.4%	2.7%	

Segment development YTD 2021

	E&M Europe			E&M International			Technologies			Reconciliation Group						Group		
	YTD 2021	YTD 2020	Δ in %	YTD 2021	YTD 2020	Δ in %	YTD 2021	YTD 2020	Δ in %	HQ / Consolidation / Other			OOP					
€ million	YTD 2021	YTD 2020	Δ in %	YTD 2021	YTD 2020	Δ in %	YTD 2021	YTD 2020	Δ in %	YTD 2021	YTD 2020	Δ in %	YTD 2021	YTD 2020	Δ in %	YTD 2021	YTD 2020	Δ in %
Orders received	1,911	1,751	+9%	476	371	+28%	454	491	-8%	-8	-98	+92%	147	185	-21%	2,980	2,700	+10%
Order backlog	1,773	1,577	+12%	422	387	+9%	615	493	+25%	-52	-79	+34%	64	81	-20%	2,821	2,458	+15%
Revenue	1,860	1,635	+14%	394	403	-2%	417	358	+16%	-45	-27	-66%	129	209	-38%	2,755	2,579	+7%
Investments in P,P&E	34	14	+151%	2	2	-26%	2	1	+73%	0	1	-81%	1	3	-79%	39	22	+81%
Increase in right-of-use assets	18	20	-10%	5	4	+13%	3	1	+187%	2	3	-33%	1	0	n/a	29	29	-1%
Depreciation w/o special items	-49	-49	+0%	-8	-9	+11%	-6	-6	+3%	-10	-14	+33%	-3	-7	+63%	-75	-85	+12%
Amortization	0	0	n/a	0	-1	+100%	0	0	n/a	0	0	n/a	0	-7	+100%	0	-8	+100%
EBITDA adjusted	140	80	+74%	-9	-14	+33%	22	-13	-	5	-5	-	3	10	-75%	160	57	+180%
EBITA	87	1	-	-21	-29	+28%	17	-32	-	2	-13	-	0	3	-101%	84	-71	-
EBITA adjusted	91	33	+179%	-16	-23	+30%	17	-19	-	-4	-17	+76%	0	4	-100%	87	-22	-
EBITA adjusted margin	4.9%	2.0%		-4.1%	-5.7%		4.0%	-5.4%		9.0%	62.3%		0.0%	2.0%		3.2%	-0.9%	

P&L (1/2)

€ million	YTD			Q3		
	2021	2020	Δ in %	2021	2020	Δ in %
Revenue	2,755	2,579	7%	945	870	9%
Gross profit	280	191	47%	106	89	20%
Selling and administrative expense	-214	-237	-10%	-71	-75	-5%
Impairment losses and reversal of impairment losses according to IFRS 9	-3	-2	47%	-2	0	-
Other operating income and expense	19	-41	-	20	-16	-
Income from investments accounted for using the equity method	2	9	-80%	1	2	-60%
EBIT	84	-80	-	54	0	-
<i>Amortization of intangible assets from acquisitions and impairment of goodwill</i>	0	8		0	0	
EBITA (for information only)	84	-71	-	54	0	-
<i>Special items in EBITA</i>	3	49		-3	24	
EBITA adjusted (for information only)	87	-22	-	51	23	119%

Increase by 9%, organically 12%

Significant effects:
Gains on disposal of real-estate 18,
Disposal gains 9,
Restructuring expenses -3,
IT -1

Depreciation of property, plant and equipment and amortization of intangible assets of -12 (prior year: -14), amortization on right-of-use assets (IFRS 16) of -12 (prior year: -13)

Currency effects negligible

P&L (2/2)

€ million	YTD			Q3		
	2021	2020	Δ in %	2021	2020	Δ in %
EBIT	84	-80	-	54	0	-
Financial result	-13	-21	-41%	-8	-8	-
EBT	72	-101	-	47	-8	-
Income taxes	-11	0	-	-5	-9	56%
Earnings after taxes from continuing operations	61	-101	-	42	-17	-
Earnings after taxes from discontinued operations	4	-2	-	-1	-2	50%
Minority interest	0	1	-	0	0	0%
Net profit	64	-103	-	41	-19	-
Adjusted net profit from continuing operations	48	-32	-	31	11	182%
Average number of shares (in thousands)	40,622	40,295		40,717	40,301	
Earnings per share (in €)	1.57	-2.56		1.00	-0.47	
thereof from continuing operations	1.48	-2.52		1.01	-0.43	
thereof from discontinued operations	0.09	-0.04		-0.01	-0.04	

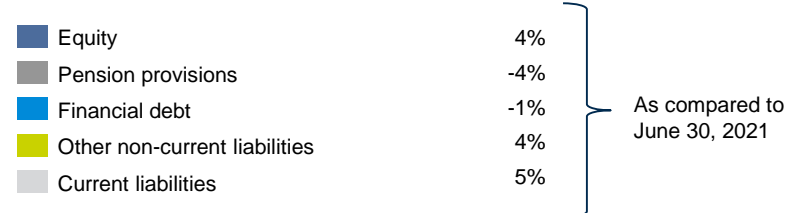
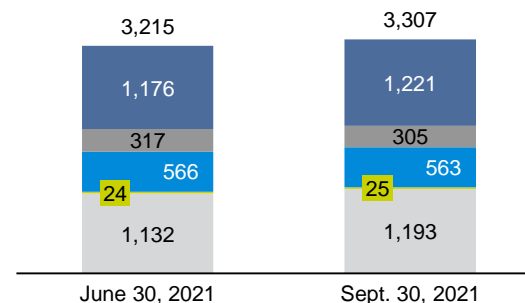
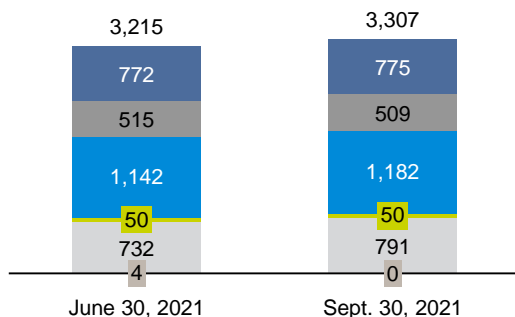
In addition to the special items in EBITA, the financial result and taxes are also adjusted

Special items: full-year expectation of max. €20 million

€ million	Q3 2020	Q4 2020	FY 2020	Q1 2021	Q2 2021	Q3 2021
EBITA	0	14	-57	9	21	54
Disposal losses/gains, write-downs, selling-related expenses	3	-1	4	0	0	-8
Compliance	0	0	-17	0	0	0
Restructuring, extraordinary depreciations	18	25	77	1	3	3
IT investments	3	4	13	1	2	2
Total adjustments	24	28	77	2	5	-3
EBITA adjusted	23	42	20	11	26	51

Balance Sheet – Overview of Assets and Liabilities

€ million



Goodwill increases to 772 (6/21: 768) due to currency effects.

Non-current assets include property, plant and equipment 257, right-of-use assets from leases according to IFRS 16 179, deferred tax assets 53

Current assets increase in working capital

Securities and other cash equivalents no change compared to 6/21. Contains highly liquid marketable securities (50)

Increase in **equity** mainly due to a higher net profit, equity ratio on previous quarter's level due to a higher balance sheet total

Pension provisions: decrease because of a higher interest rate.

Financial debt relates to bond 06/2024 with 250, SSD with 123 and leases 188.

Current liabilities relates mainly to payables of 912 (6/21: 846), thereof trade payables 376 (6/21: 336) and payments received 154 (06/21: 135)

Consolidated Balance Sheet: Assets

€ million	September 30, 2021	December 31, 2020	September 30, 2020
Non-current assets			
Intangible assets	775.3	765.2	771.8
Property, plant and equipment	257.2	269.7	277.0
Right-of-use assets from leases	179.1	189.3	193.5
Investments accounted for using the equity method	10.2	19.4	17.6
Other financial assets	9.1	14.0	254.7
Deferred taxes	53.4	55.8	60.7
	1,284.3	1,313.4	1,575.3
Current assets			
Inventories	58.7	59.8	61.9
Receivables and other financial assets	1,072.3	865.6	941.5
Current tax assets	12.6	10.9	19.0
Other assets	38.5	46.0	43.7
Securities	0.0	450.0	0.0
Marketable securities	49.9	0.0	0.0
Cash and cash equivalents	790.9	510.6	509.8
Assets classified as held for sale	0.0	0.0	0.0
	2,022.9	1,942.9	1,575.9
Total	3,307.2	3,256.3	3,151.2

Consolidated Balance Sheet: Equity & liabilities

€ million	September 30, 2021	December 31, 2020	September 30, 2020
Equity			
Equity attributable to shareholders of Bilfinger SE	1,233.4	1,209.3	1,005.1
Attributable to minority interest	-12.4	-10.7	-10.0
	1,221.0	1,198.6	995.1
Non-current liabilities			
Provisions for pensions and similar obligations	304.5	340.0	344.2
Other provisions	20.4	22.2	23.0
Financial debt	415.3	521.3	525.6
Other liabilities	0.6	0.0	0.1
Deferred taxes	4.5	2.9	4.2
	745.3	886.4	897.1
Current liabilities			
Current tax liabilities	24.2	23.9	21.8
Other provisions	256.9	300.3	303.1
Financial debt	147.5	46.9	46.2
Trade and other payables	697.7	579.2	605.2
Other liabilities	214.6	221.0	282.7
Liabilities classified as held for sale	0.0	0.0	0.0
	1,340.9	1,171.3	1,259.0
Total	3,307.2	3,256.3	3,151.2

Consolidated Statement of Cash Flows

€ million	YTD		Q3	
	2021	2020	2021	2020
Cash flow from operating activities of continuing operations	-2.7	97.2	60.2	48.6
- Thereof special items	-42.8	-23.9	-7.4	-1.4
- Adjusted cash flow from operating activities of continuing operations	40.1	121.1	67.6	50.0
Net cash outflow for P,P&E and intangible assets	4.5	-18.7	12.3	-6.0
Free cash flow from continuing operations	1.8	78.5	72.5	42.6
- Thereof special items	-42.8	-23.9	-7.4	-1.4
- Adjusted free cash flow from continuing operations	44.6	102.4	79.9	44.0
Proceeds from the disposal of financial assets	15.1	5.2	4.7	1.8
Investments in financial assets	-1.9	0.0	0.0	0.0
Proceeds / investments in marketable securities	408.4	0.0	0.0	0.0
Cash flow from financing activities of continuing operations	-141.0	-65.2	-16.1	-15.7
- Share buyback (including Changes in ownership interest without change in control)	-1.9	0.0	-1.9	0.0
- Dividends	-78.5	-7.3	0.0	-0.8
- Repayment of financial debt / borrowing	-37.2	-39.7	-11.8	-12.8
- Interest paid	-23.4	-18.2	-2.4	-2.1
Change in cash and cash equivalents of continuing operations	282.4	18.5	61.1	28.7
Change in cash and cash equivalents of discontinued operations	-2.8	-5.8	-1.8	-0.7
Change in value of cash and cash equivalents due to changes in foreign exchange rates	0.7	-2.7	-0.2	-0.9
Change in cash and cash equivalents	280.3	10.0	59.1	27.1
Cash and cash equivalents at January 1 / July 1	510.6	499.8	731.8	482.7
Change in cash and cash equivalents of assets classified as held for sale	0.0	0.0	0.0	0.0
Cash and cash equivalents at September 30	790.9	509.8	790.9	509.8

Balance Sheet items relevant for valuation

€ million	June 30, 2021	September 30, 2021
Cash, cash equivalents and marketable securities	782	841
Financial debt	-373	-375
Net cash (+) / net debt (-) ¹⁾	409	466
Pension provisions	-317	-305
Future cash-out special items	approx. -35	approx. -25

¹⁾ Without leasing liabilities of -193 (Jun. 30, 2021), -188 (Sept. 30, 2021)

Disclaimer

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