

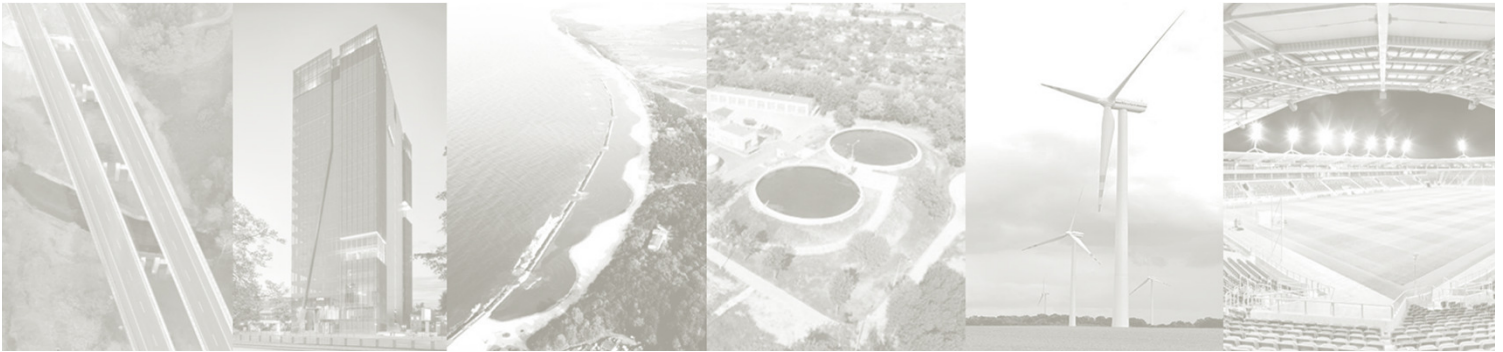
**budimex**

sense of creating



# Investor Presentation

1Q'16 financial results



# Budimex Group structure

1Q'16 results summary

**budimex**

**1Q'16 sales**  
(% Group sales)

**1Q'16 EBIT**  
(% Group EBIT)

**988 M PLN**

**63 M PLN**

**Internal eliminations**

**-72 M PLN**  
-7%

**0 M PLN**  
0%

**budimex**

**Construction segment**

**930 M PLN**

94%

**44 M PLN**

70%

**Developer segment**

**78 M PLN**

8%

**11 M PLN**

18%

**Other activities**

**52 M PLN**

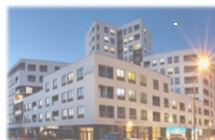
5%

**7 M PLN**

12%



**budimex**



**budimex**  
nieruchomości



**ELEKTROMONTAŻ**  
pracujemy z energią

Stake: 92%

Controlled since: Jan'13



**mostostal**  
kraków



**fbserwis**

Stake: 49%

Established: Mar'12



**budimex**  
Parking Wrocław

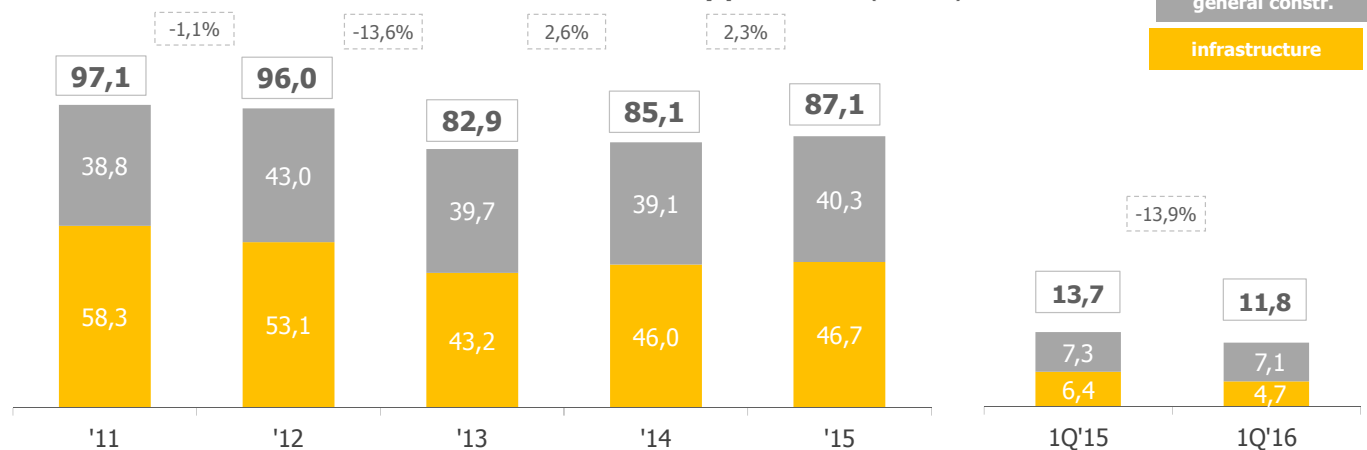
# 1Q'16 at a glance

1Q'16 results summary

**budimex**

- **208 M PLN** dividend to be paid in May'16 (+33% y-o-y)
- Historic order backlog of **9,1 bn PLN** (+42% y-o-y)
- Excellent **EBIT** profitability at **6,4%** (+0,9 pp. y-o-y)
- Contracts signed amounting to **1,5 bn PLN** (+43% y-o-y)
- **317 flats** presold by Budimex Nieruchomosci (-36% y-o-y)

Construction & assembly production (bn PLN)



Source: Central Statistical Office

All figures in M PLN, unless stated otherwise

# 1Q'16: strong top-line and healthy 6,4% EBIT

1Q'16 results summary

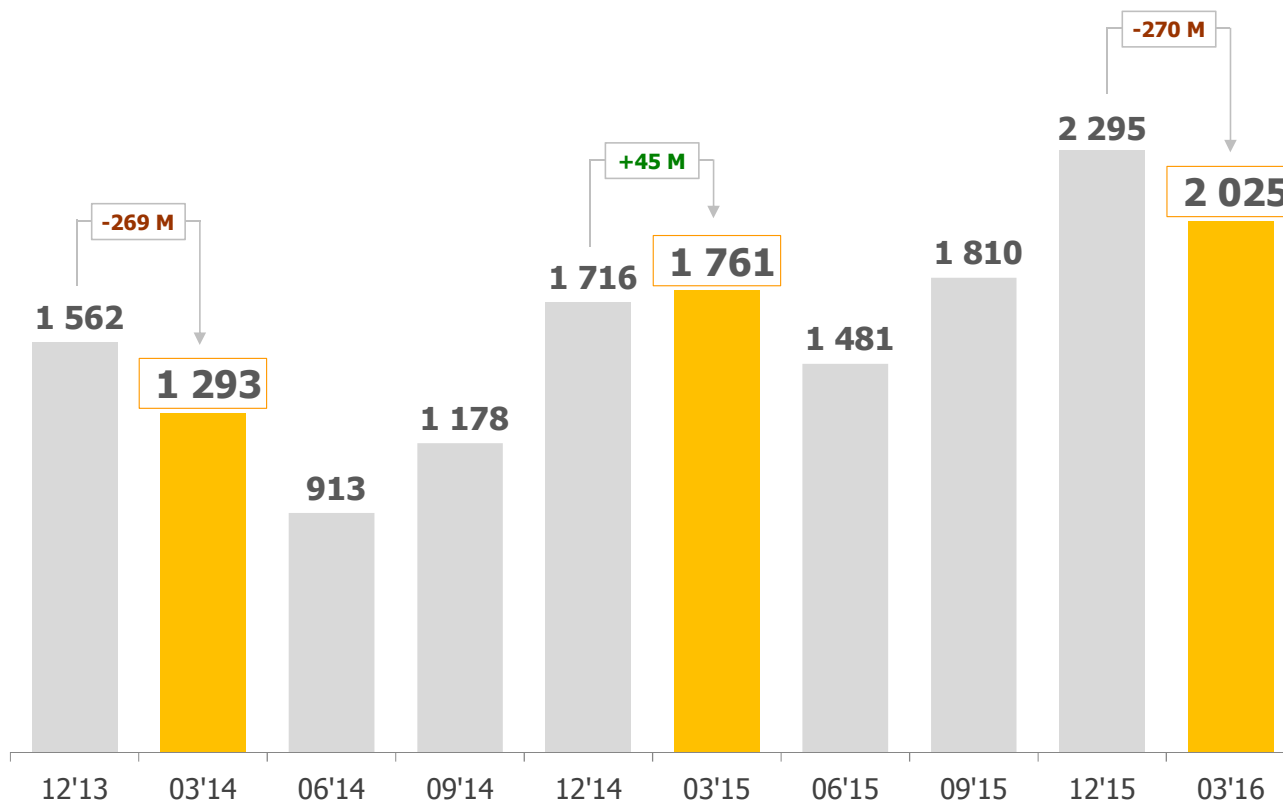
**budimex**

	1Q'16	1Q'15	Δ	FY'15	FY'14
<b>Sales</b>	<b>988</b>	<b>846</b>	<b>141</b>	5 134	4 950
<i>y-o-y dynamics</i>	16,7%	1,5%	15,2 pp.	3,7%	4,2%
<b>Gross margin</b>	<b>115</b>	<b>81</b>	<b>34</b>	493	433
<i>% sales</i>	11,6%	9,5%	2,1 pp.	9,6%	8,7%
<b>SG&amp;A</b>	<b>-57</b>	<b>-53</b>	<b>-4</b>	-220	-205
<i>% sales</i>	-5,7%	-6,2%	0,5 pp.	-4,3%	-4,1%
<b>Other operating</b>	<b>5</b>	<b>19</b>	<b>-14</b>	19	20
<b>EBIT</b>	<b>63</b>	<b>47</b>	<b>16</b>	292	247
<i>% sales</i>	6,4%	5,5%	0,9 pp.	5,7%	5,0%
<b>PBT</b>	<b>66</b>	<b>48</b>	<b>18</b>	297	243
<i>% sales</i>	6,7%	5,7%	1,0 pp.	5,8%	4,9%
<b>Net profit</b>	<b>52</b>	<b>37</b>	<b>14</b>	236	192
<i>% sales</i>	5,2%	4,4%	0,8 pp.	4,6%	3,9%
<hr/>					
<b>Net cash</b>	<b>2 025</b>	<b>1 761</b>	<b>264</b>	2 295	1 716
<i>end-period balance</i>					
<i>change in period</i>	-269	45	-314	578	154
<b>Backlog</b>	<b>9 098</b>	<b>6 391</b>	<b>2 707</b>	8 421	6 107
<i>end-period balance</i>					
<i>change in period</i>	677	284	393	2 315	1 768

# Net cash evolution in Budimex Group

1Q'16 results summary

**budimex**



# Construction: historic backlog exceeding 9 bn PLN

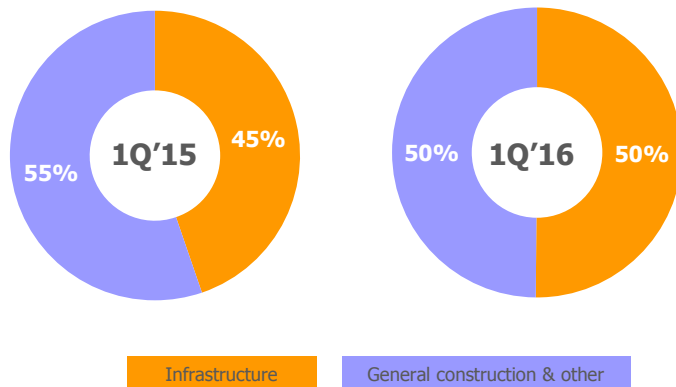
Construction segment

## Construction results (M PLN)

	1Q'16	y-o-y dynamics
<b>Sales</b>	<b>930</b>	<b>13%</b>
<b>Gross margin</b>	<b>90</b>	<b>24%</b>
% sales	9,7%	0,9 pp.
<b>Operating profit</b>	<b>44</b>	<b>35%</b>
% sales	4,8%	0,8 pp.
<b>Net profit</b>	<b>38</b>	<b>39%</b>
% sales	4,0%	0,8 pp.

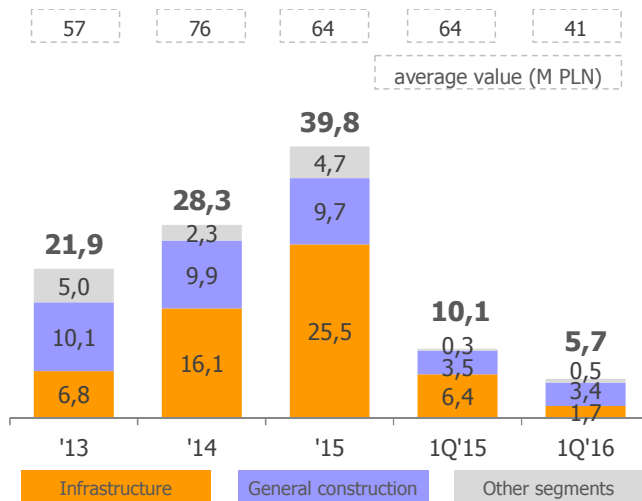
- ☑ 1Q'16 construction segment generated 930 M PLN sales (+13% y-o-y) improving gross margin profitability by 0,9 pp.
- ☑ Backlog grew to historic 9,1 bn PLN due to signing probable contracts pending with GDDKiA
- ☑ Significant slowdown in infrastructure tendering may be an obstacle to further backlog growth

## Construction sales by segment



## Offers placed by Budimex SA

(by segment, bn PLN)

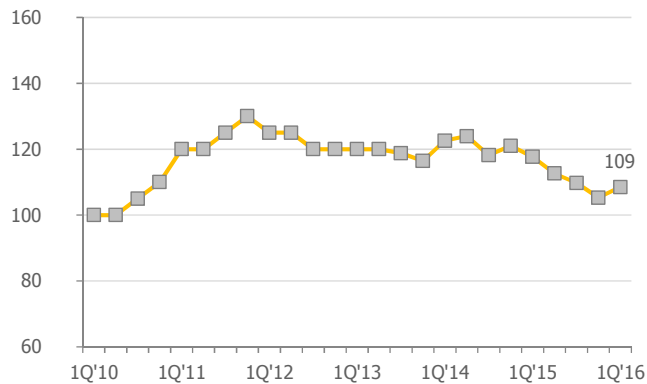


# Material prices evolution

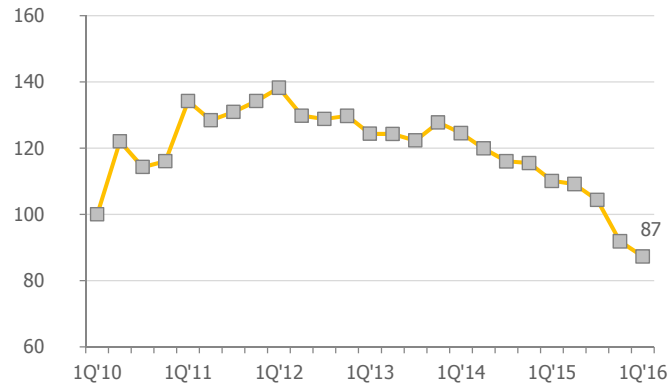
Construction segment

**budimex**

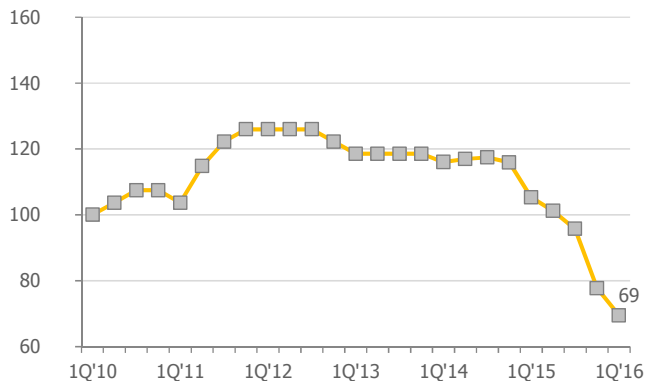
**Concrete** (1Q'10 = 100)



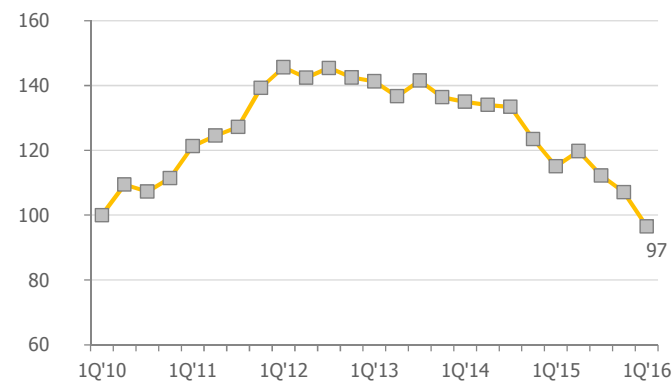
**Reinforcement steel** (1Q'10 = 100)



**Asphalt** (1Q'10 = 100)



**Diesel oil** (1Q'10 = 100)



Source: Budimex internal data, diesel oil prices according to Lotos SA data

All figures in M PLN, unless stated otherwise

# Contracts signed in Budimex Group

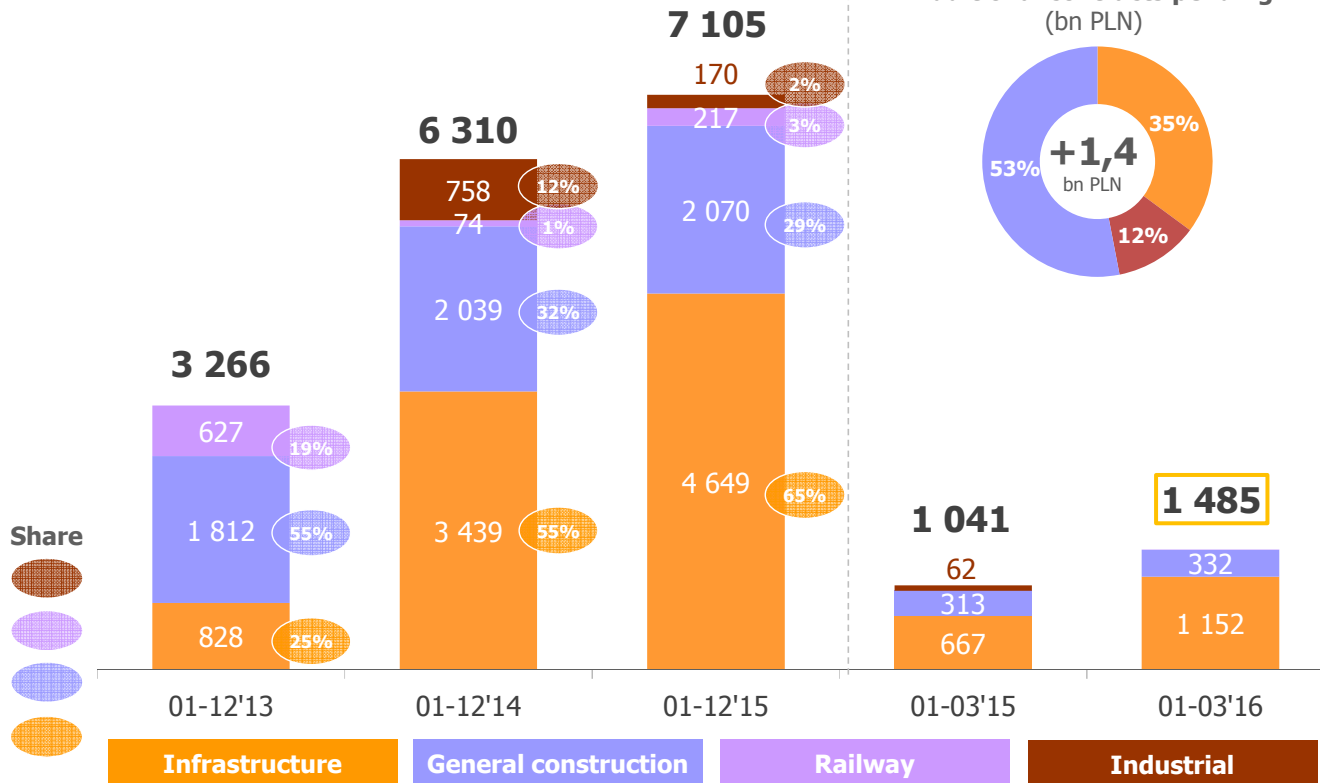
Construction segment



## Annual data

## Quarterly data

Additional contracts pending  
(bn PLN)

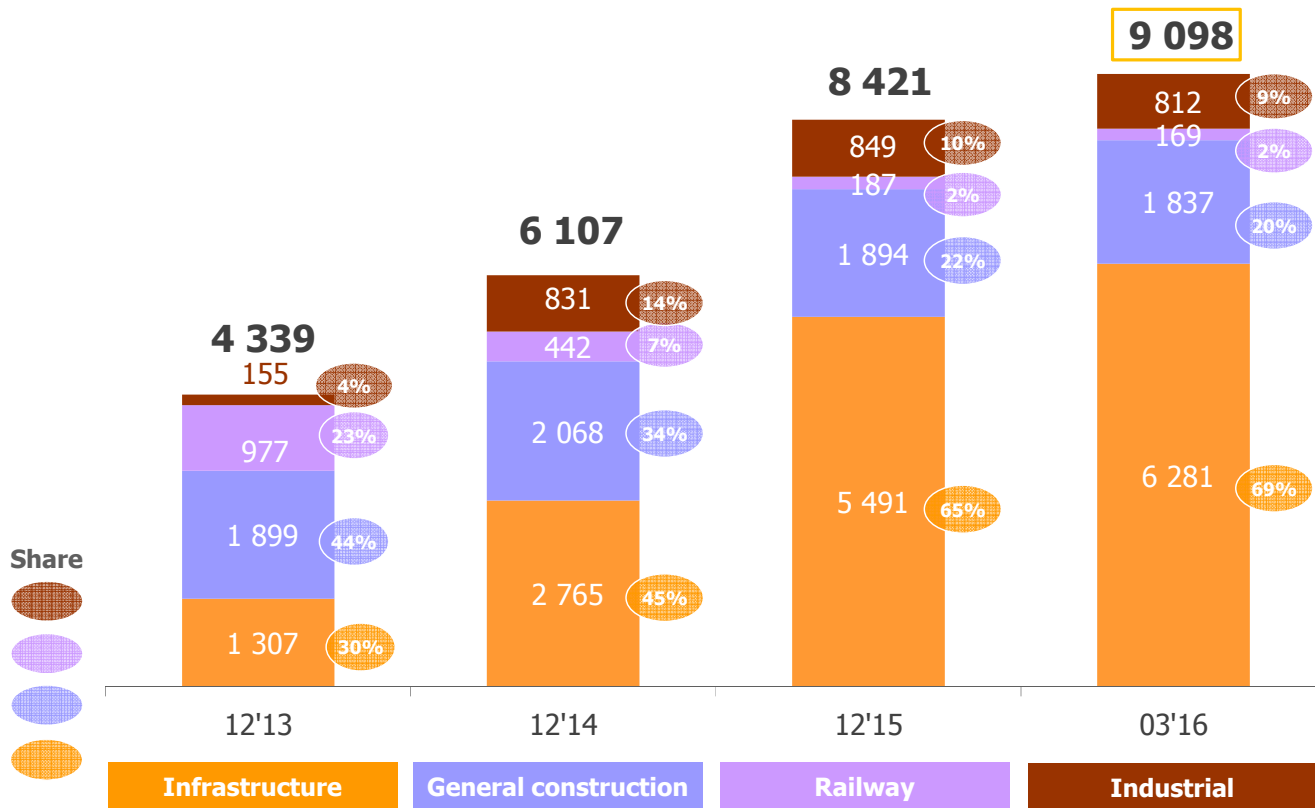




# Infrastructure drives backlog to record-high 9,1 bn PLN

Construction segment

**budimex**



# Strong 1Q'16 due to high notary sales

Developer segment

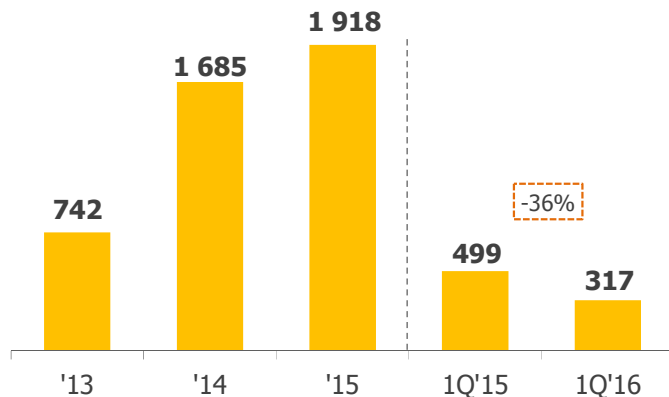
**budimex**

## Developer segment results (M PLN)

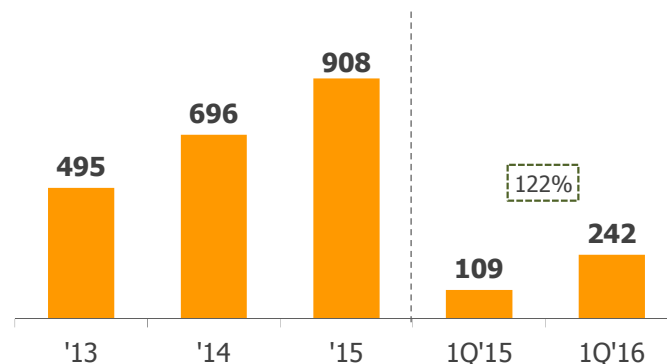
	1Q'16	y-o-y dynamics
<b>Sales</b>	<b>78</b>	<b>128%</b>
<b>Gross margin</b>	<b>19</b>	<b>114%</b>
	24,0%	-1,7 pp.
<b>Operating profit</b>	<b>11</b>	<b>-22%</b>
% sales	14,5%	-28,2 pp.
<b>Net profit</b>	<b>10</b>	<b>-23%</b>
% sales	12,9%	-25,5 pp.

- ☑ Developer segment noted strong quarter handing-over 242 flats to clients
- ☑ Presales volume dropped by 36% y-o-y mainly due to lower offer and therefore contribution of Cracow projects (AVIA & Orlinskiego)
- ☑ During 1Q'16 Budimex Nieruchomosci launched 3 new projects with total offer available for clients reaching 1 369 flats

## Presales (# flats)



## Notary sales (# flats)

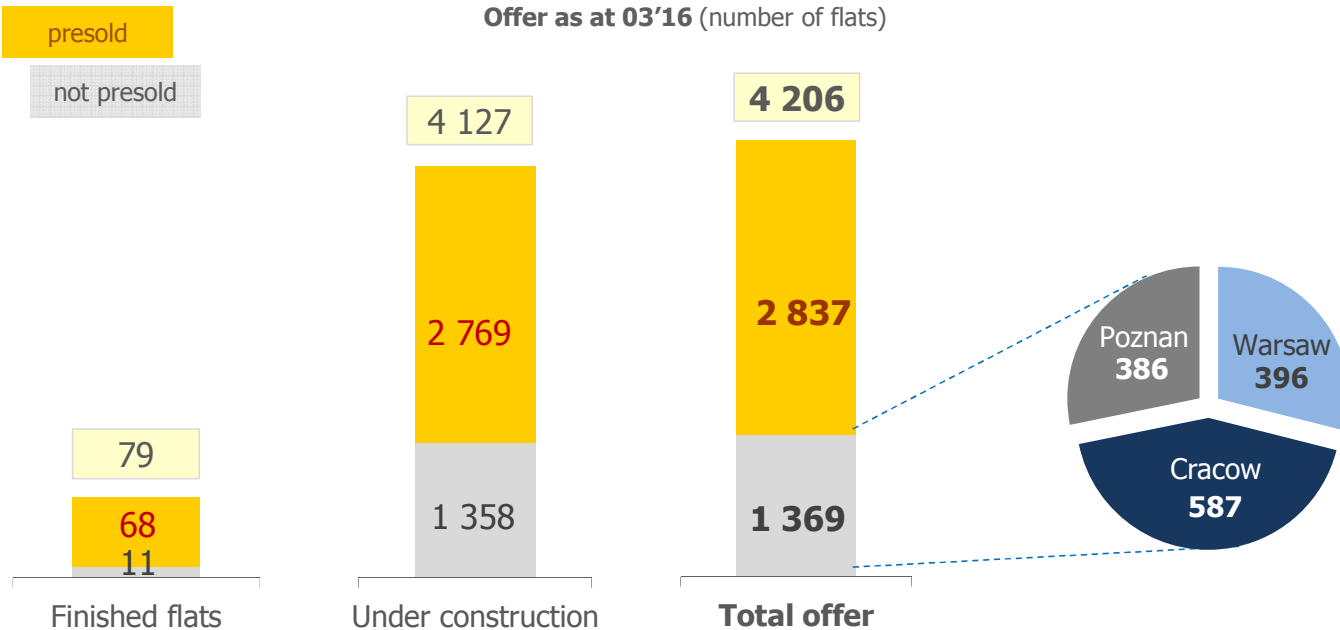


# Significant q-o-q growth in project portfolio...

Developer segment

**budimex**

Offer as at 03'16 (number of flats)



**Under construction: 4 127 flats**



**Land bank: 5 559 flats**

Details on the next slide



# ...with over 4k flats under construction

**budimex**

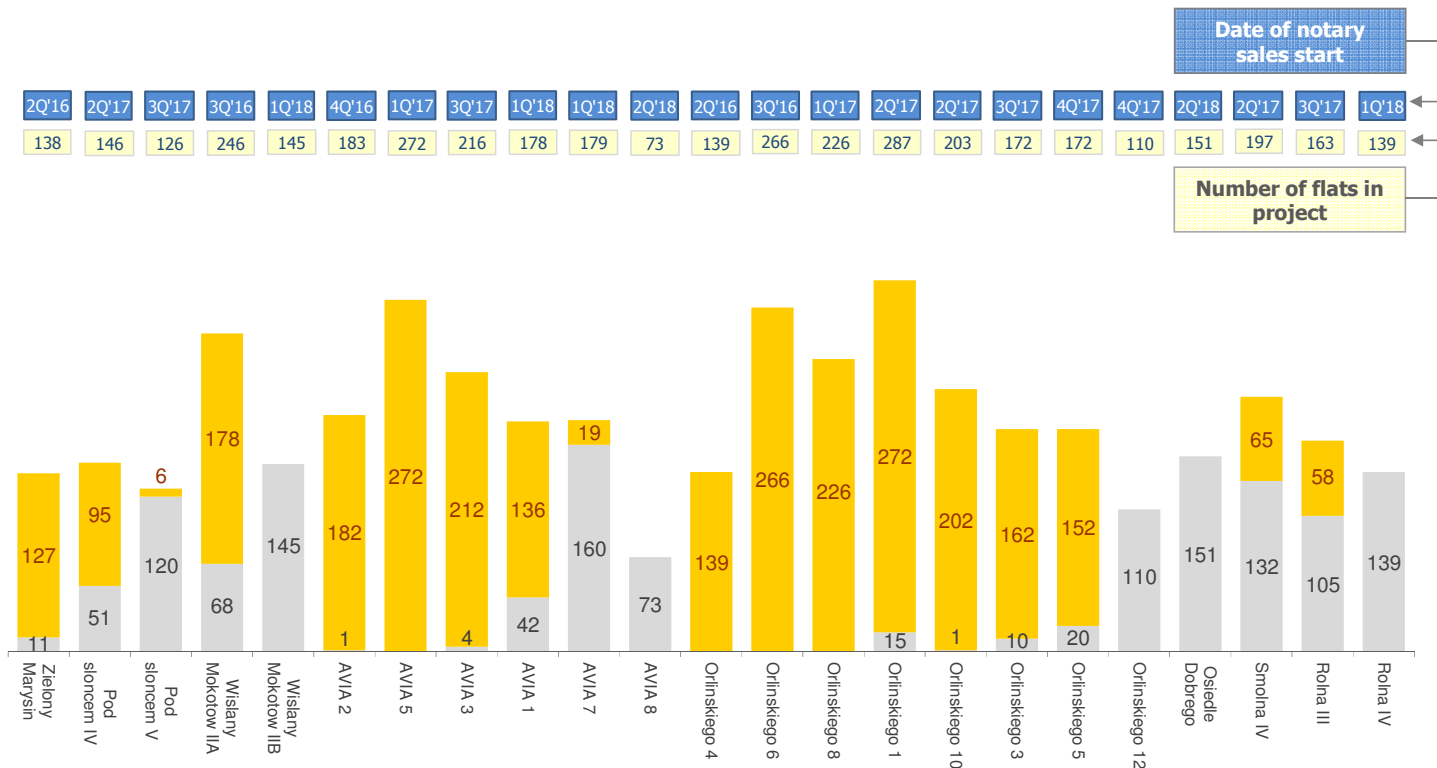
Developer segment

presold

not presold

Projects under construction as at 03'16 (number of flats)

$\Sigma = 4\ 127$



# Strong performance thanks to Elektromontaz-Poznan

Other activities segment

## Other activities segment results (M PLN)

	1Q'16	y-o-y dynamics
<b>Sales</b>	<b>52</b>	<b>41%</b>
<b>Gross margin</b>	<b>9</b>	<b>72%</b>
	16,5%	2,9 pp.
<b>Operating profit</b>	<b>7</b>	<b>83%</b>
% sales	14,4%	3,3 pp.
<b>Net profit</b>	<b>4</b>	<b>300%</b>
% sales	7,6%	4,9 pp.

- ☑ Other activities noted a 41% y-o-y top line growth fostered by Elektromontaz-Poznan
- ☑ Gross margin profitability stood at a healthy level of 16,5% (+2,9 pp. y-o-y)
- ☑ In 1Q'16 FBSerwis acquired 80% of Amest Kamiensk, a company which owns & operates an installation for municipal waste treatment

## Group's other activities segment composition



- market leader in electrical system services
- manufacturer of switchgears with own design office



- construction & administration of underground car park in Wroctaw (concession)



- environmental services
- infrastructure maintenance
- facility management
- energy efficiency services



# Budimex market value

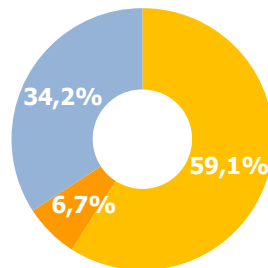
Budimex on Warsaw Stock Exchange

**budimex**

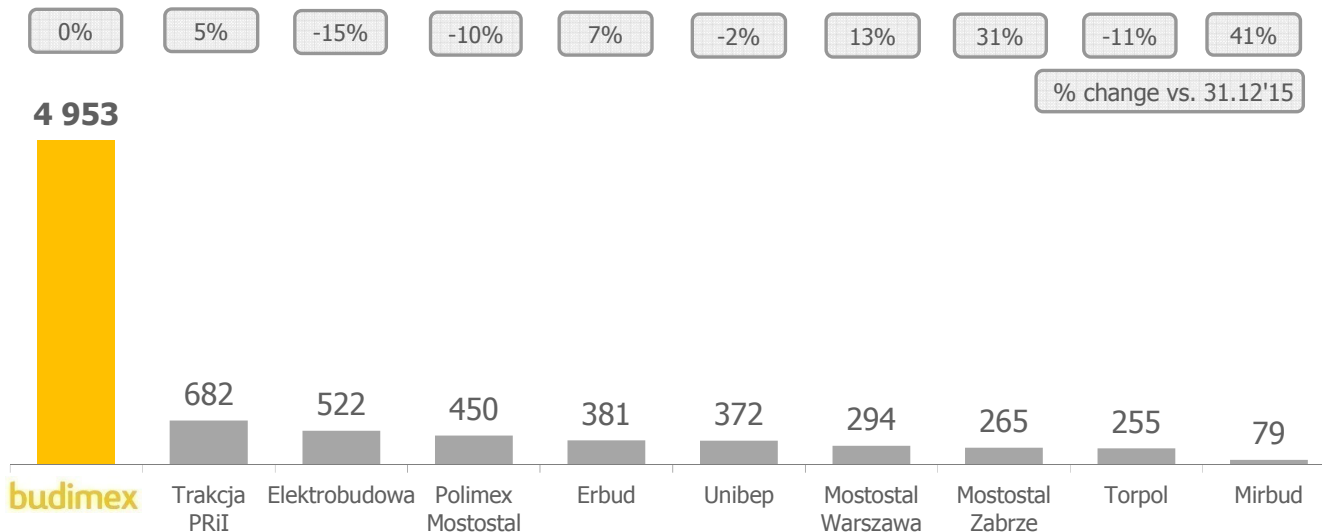
**budimex**

WSE symbol **BDX**  
 Number of shares **25 530 098**  
 52 week min/max **160 / 218 PLN**  
 52 week average volume **9,9 ths. shares**

## Shareholding structure



## Market value as of 31.03'16





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