



# Investor Presentation

1-3Q'17 financial results



# Budimex Group structure

1-3Q'17 results summary

**budimex**

**1-3Q'17 sales**

(% Group sales)

**4 553 M PLN**

**1-3Q'17 EBIT**

(% Group EBIT)

**426 M PLN**

**Internal eliminations**

**-264 M PLN**

-6%

**5 M PLN**

1%

**budimex**

## Construction segment

**4 314 M PLN**

95%

**358 M PLN**

84%



**budimex**



**mostostal**  
kraków

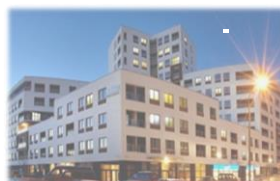
## Developer segment

**384 M PLN**

8%

**55 M PLN**

13%



**budimex**  
nieruchomości

## Other activities

**120 M PLN**

3%

**9 M PLN**

2%



**ELEKTROMONTAŻ**  
pracujemy z energią

Controlled since: Jan'13



**fb**serwis

Stake: 49%

Established: Mar'12



**budimex**  
Parking Wrocław

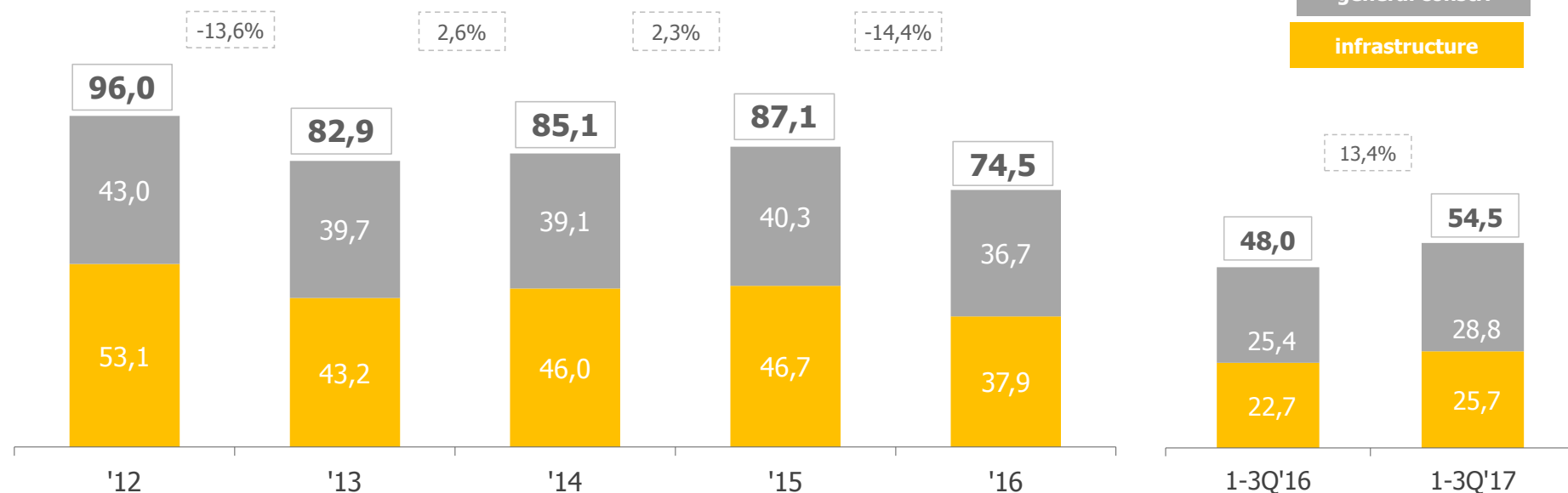
# 1-3Q'17 at a glance

1-3Q'17 results summary



- **383 M PLN** highest ever dividend paid in June (+84% y-o-y)
- Strong order backlog of **9,3 bn PLN** (+7% y-o-y)
- Excellent **EBIT** profitability at **9,4%** (+1,9 pp. y-o-y)
- **1 220 flats** presold by Budimex Nieruchomosci (+9% y-o-y)

Construction & assembly production (bn PLN)



Source: Central Statistical Office

All figures in M PLN, unless stated otherwise

# 3Q'17: strong bottom line driven by construction segment

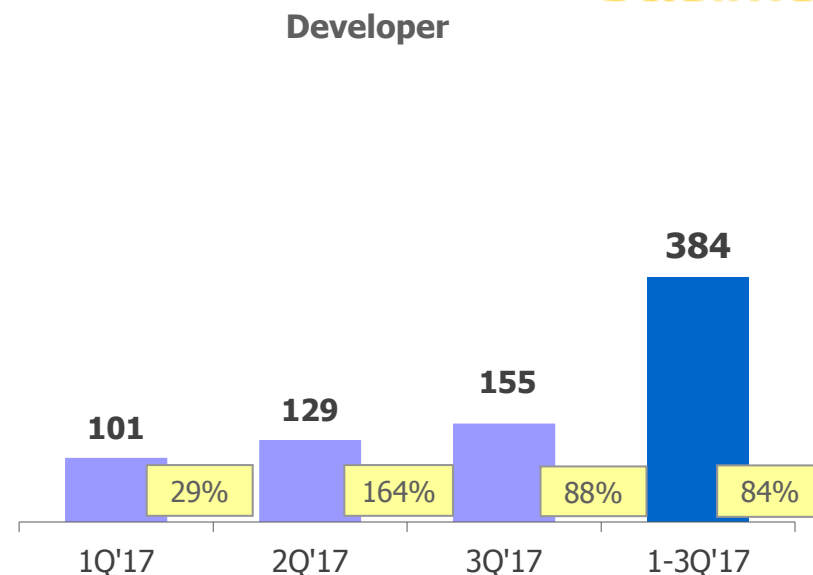
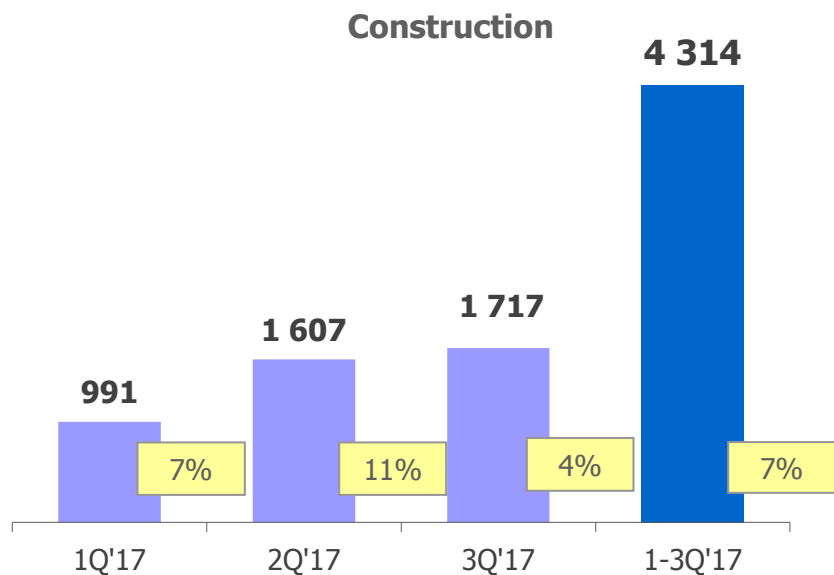
1-3Q'17 results summary

**budimex**

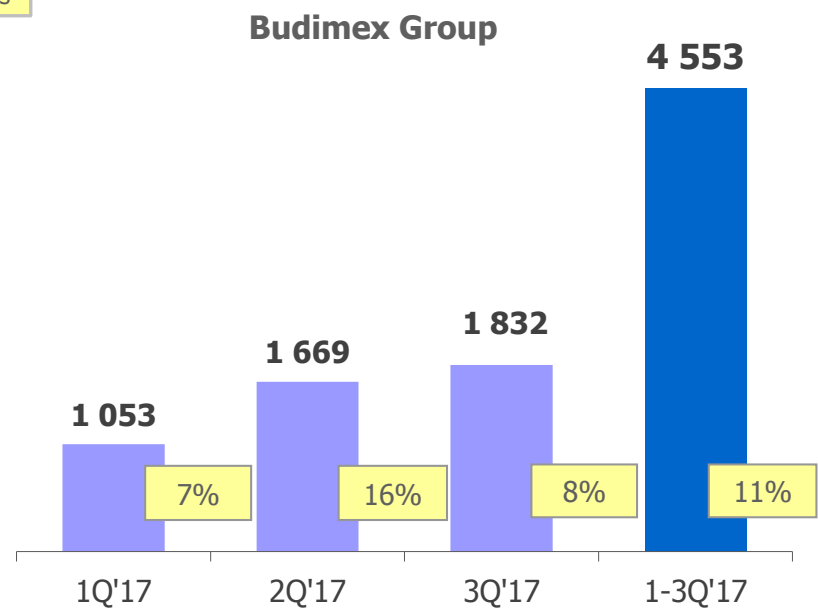
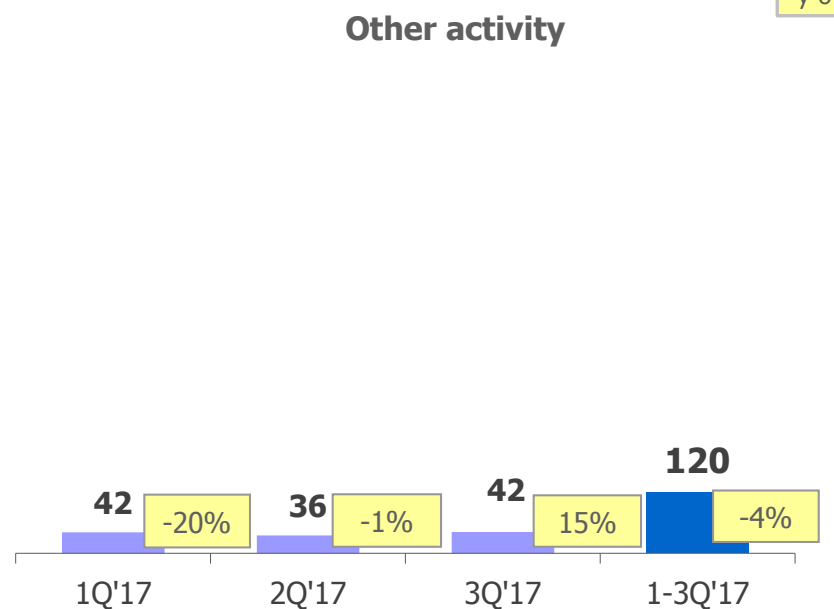
	3Q'17	3Q'16	Δ 3Q	3Q'17 ytd	3Q'16 ytd	Δ 3Q ytd
<b>Sales</b>	<b>1 832</b>	<b>1 689</b>	<b>142</b>	<b>4 553</b>	<b>4 119</b>	<b>434</b>
<i>y-o-y dynamics</i>			<i>8,4%</i>			<i>10,5%</i>
<b>Gross margin</b>	<b>230</b>	<b>195</b>	<b>35</b>	<b>582</b>	<b>495</b>	<b>86</b>
<i>% sales</i>	<i>12,5%</i>	<i>11,6%</i>	<i>1,0 pp.</i>	<i>12,8%</i>	<i>12,0%</i>	<i>0,8 pp.</i>
<b>EBIT</b>	<b>177</b>	<b>131</b>	<b>46</b>	<b>426</b>	<b>309</b>	<b>117</b>
<i>% sales</i>	<i>9,7%</i>	<i>7,7%</i>	<i>1,9 pp.</i>	<i>9,4%</i>	<i>7,5%</i>	<i>1,9 pp.</i>
<b>PBT</b>	<b>177</b>	<b>131</b>	<b>46</b>	<b>421</b>	<b>313</b>	<b>107</b>
<i>% sales</i>	<i>9,7%</i>	<i>7,7%</i>	<i>1,9 pp.</i>	<i>9,2%</i>	<i>7,6%</i>	<i>1,6 pp.</i>
<b>Net profit</b>	<b>142</b>	<b>105</b>	<b>37</b>	<b>337</b>	<b>251</b>	<b>86</b>
<i>% sales</i>	<i>7,8%</i>	<i>6,2%</i>	<i>1,6 pp.</i>	<i>7,4%</i>	<i>6,1%</i>	<i>1,3 pp.</i>
<hr/>						
<b>Net cash</b>	<b>1 471</b>	<b>2 127</b>	<b>-656</b>	<b>1 471</b>	<b>2 127</b>	<b>-656</b>
<i>end-period balance</i>						
<i>change in period</i>	<i>183</i>	<i>343</i>	<i>-160</i>	<i>-1 125</i>	<i>-168</i>	<i>-957</i>
<b>Backlog</b>	<b>9 281</b>	<b>8 701</b>	<b>580</b>	<b>9 281</b>	<b>8 701</b>	<b>580</b>
<i>end-period balance</i>						
<i>change in period</i>	<i>-334</i>	<i>-565</i>	<i>232</i>	<i>351</i>	<i>279</i>	<i>71</i>

# 1-3Q'17 sales by segment

1-3Q'17 results summary



y-o-y dynamics

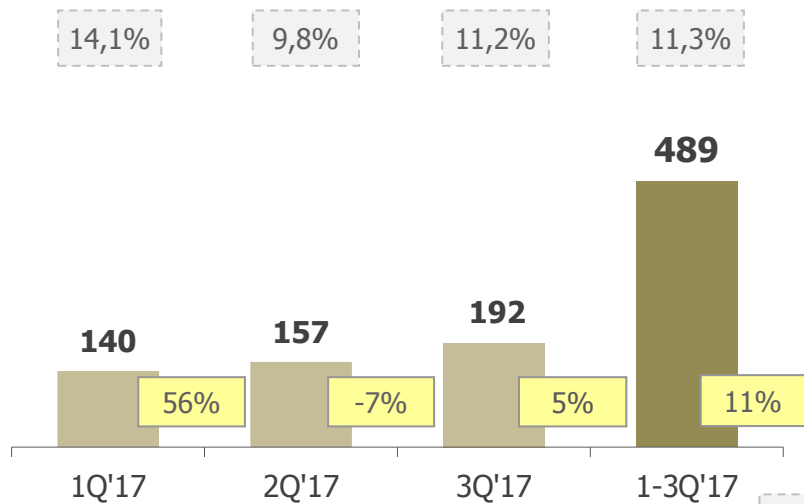


# 1-3Q'17 gross margin by segment

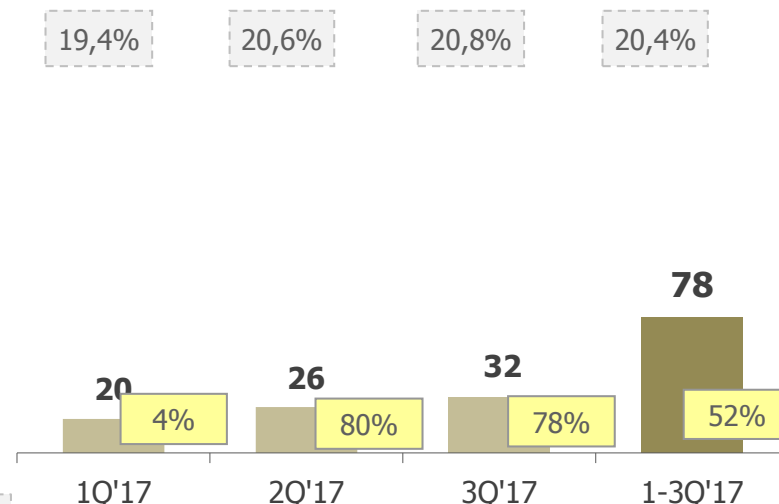
1-3Q'17 results summary



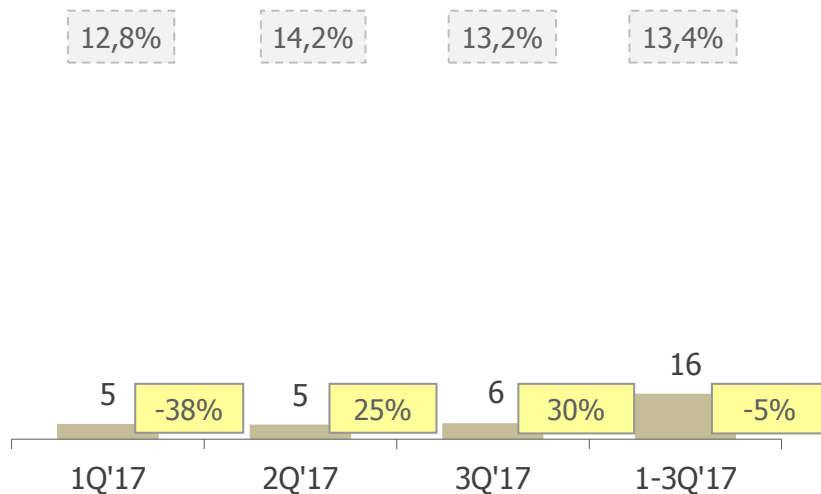
## Construction



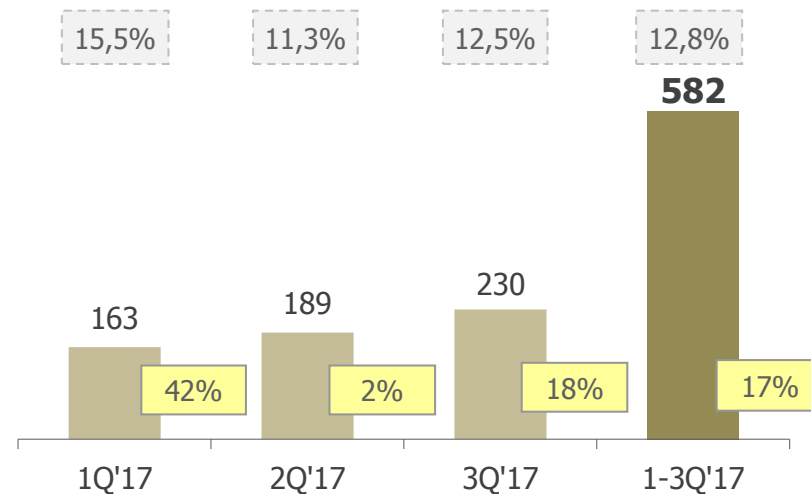
## Developer



## Other activity



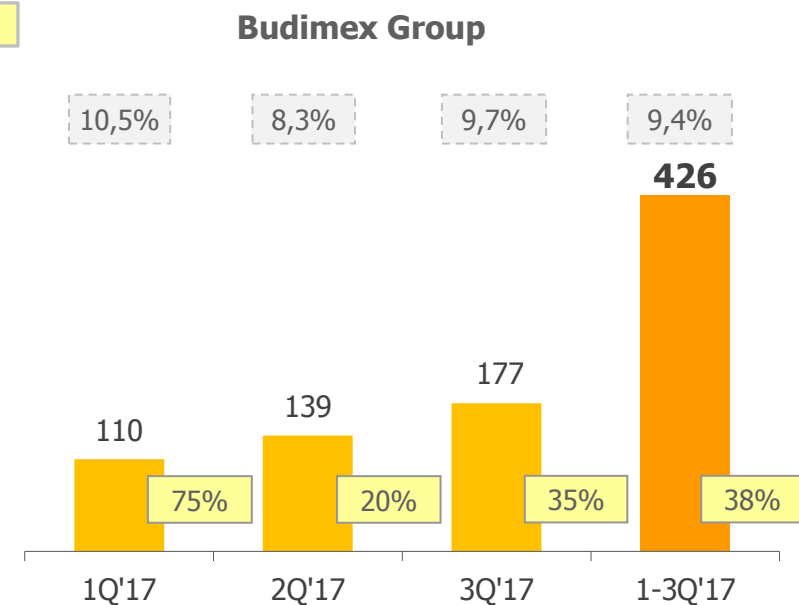
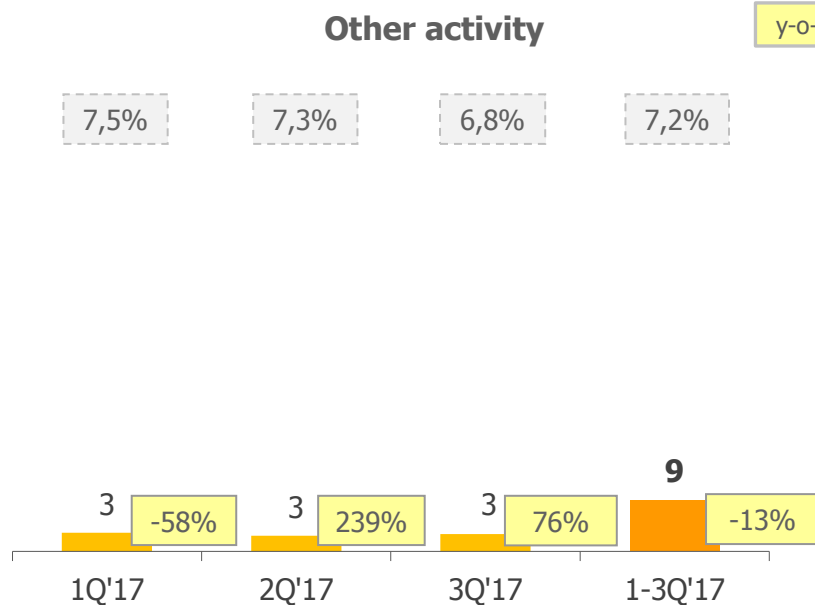
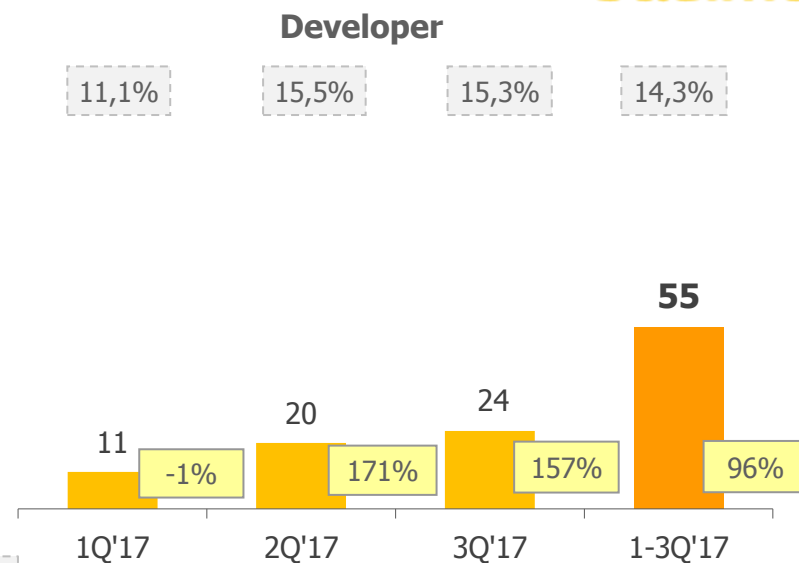
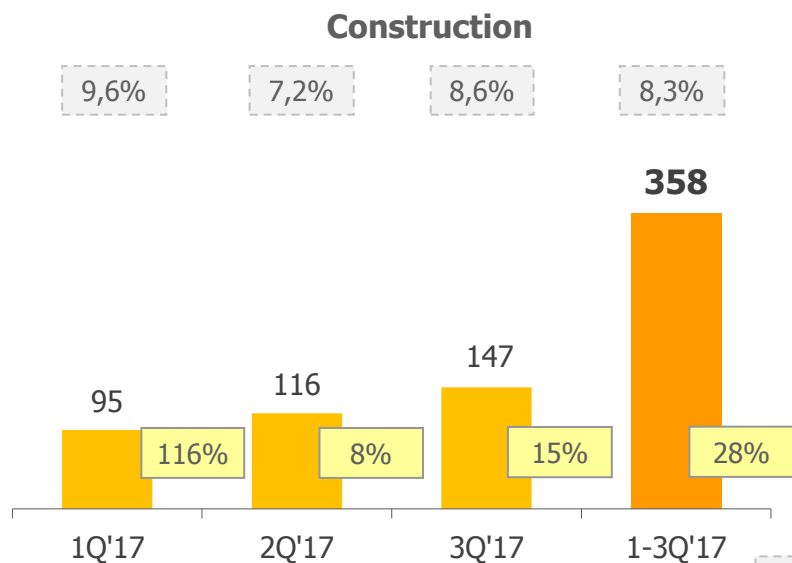
## Budimex Group



# 1-3Q'17 EBIT by segment

1-3Q'17 results summary

**budimex**

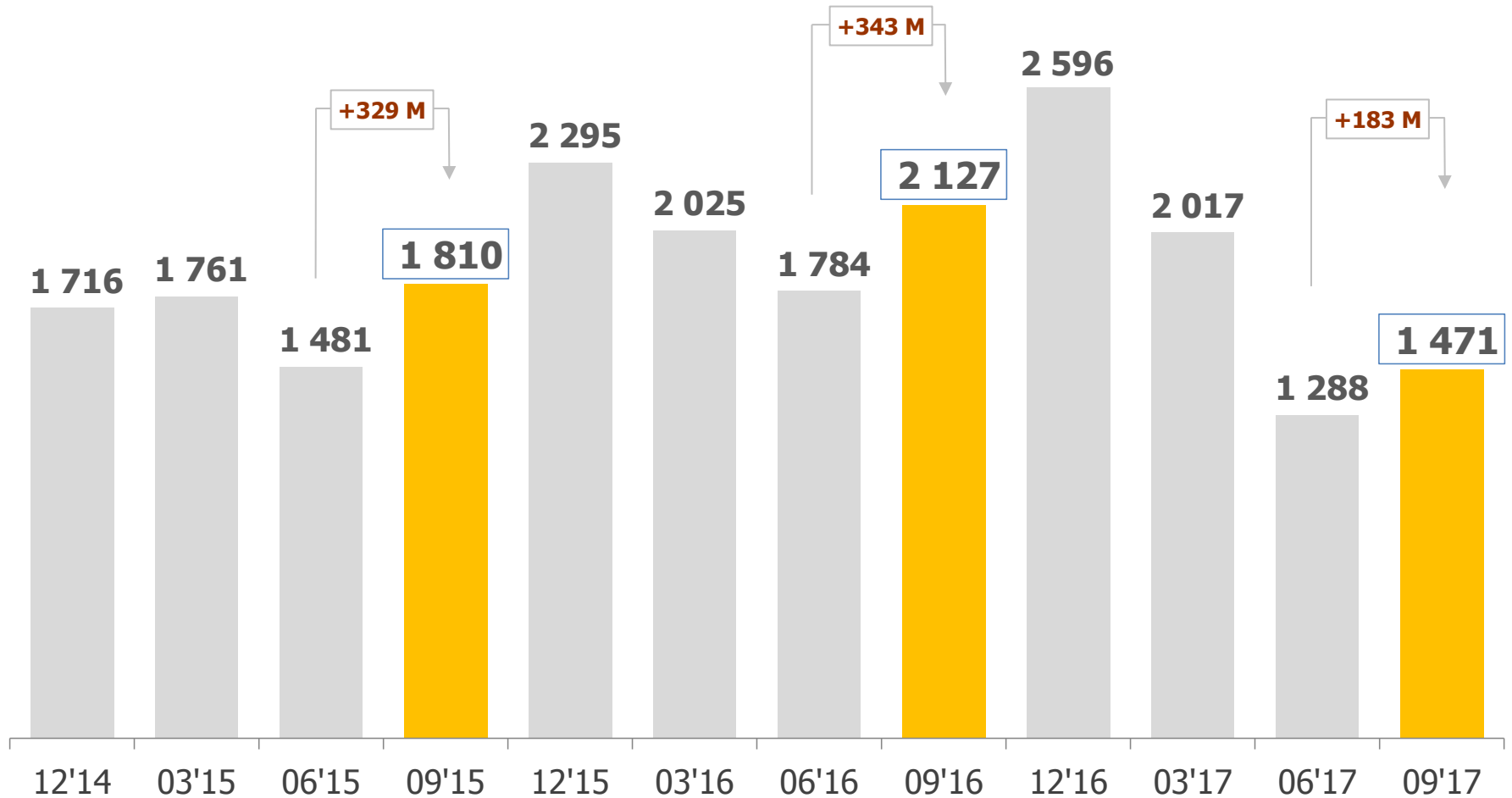


% sales

y-o-y dynamics

# Net cash evolution in Budimex Group

Group results





# Construction segment

Construction segment

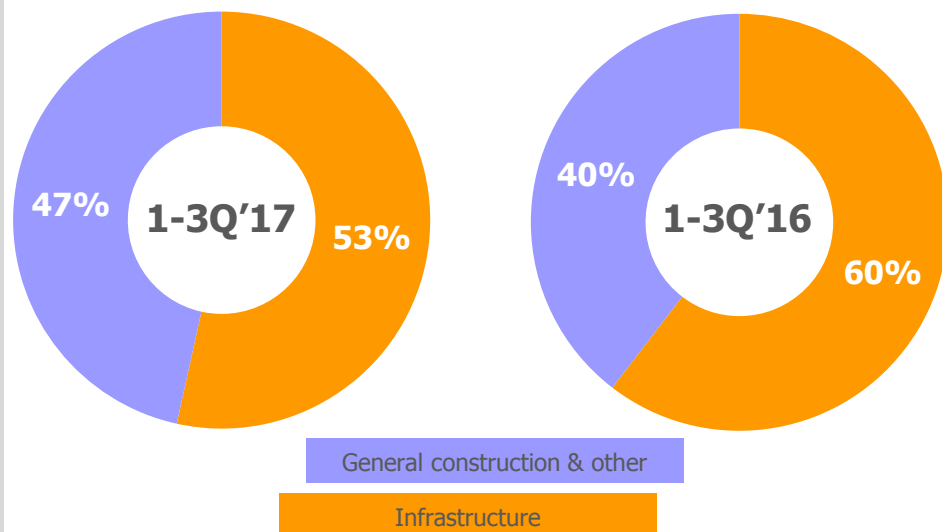


## Construction results (M PLN)

	1-3Q'17	y-o-y dynamics
<b>Sales</b>	<b>4 314</b>	<b>7%</b>
<b>Gross margin</b>	<b>489</b>	<b>11%</b>
% sales	11,3%	0,4 pp.
<b>Operating profit</b>	<b>358</b>	<b>28%</b>
% sales	8,3%	1,4 pp.
<b>Net profit</b>	<b>283</b>	<b>26%</b>
% sales	6,6%	1,0 pp.

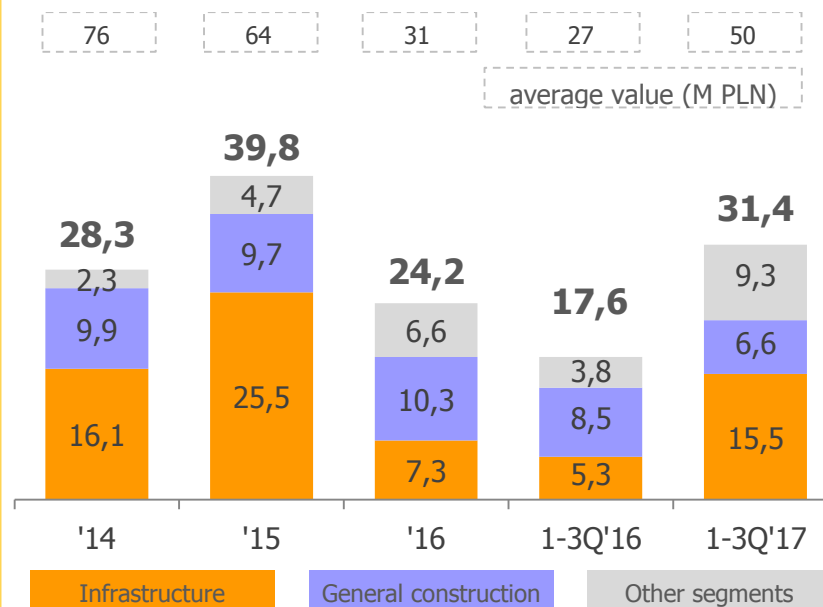
- ☑ Construction segment sales increased by 7% y-o-y fostered by growth in general construction
- ☑ Operating profitability reached 8,3% (improvement of 1,4 pp y-o-y) despite tough market conditions
- ☑ Strong order intake at 4,5 bn PLN with over 1 bn PLN secured in railway segment

## Construction sales by segment



## Offers placed by Budimex SA

(by segment, bn PLN)

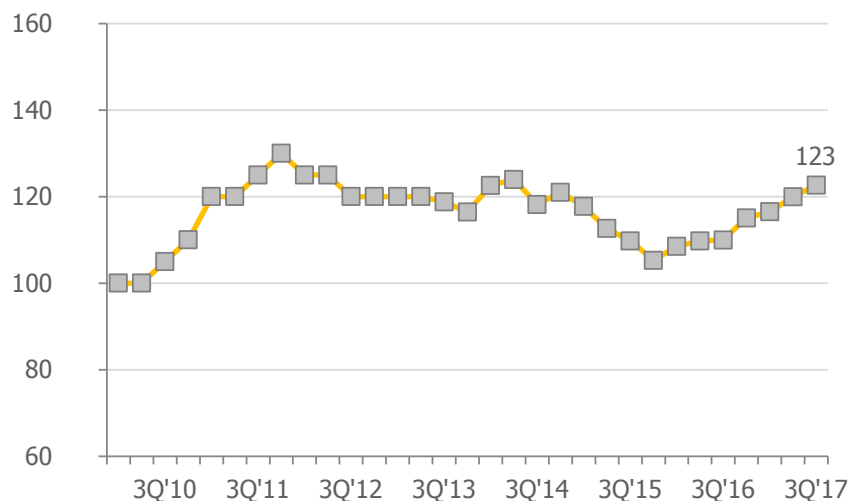


# Material prices evolution

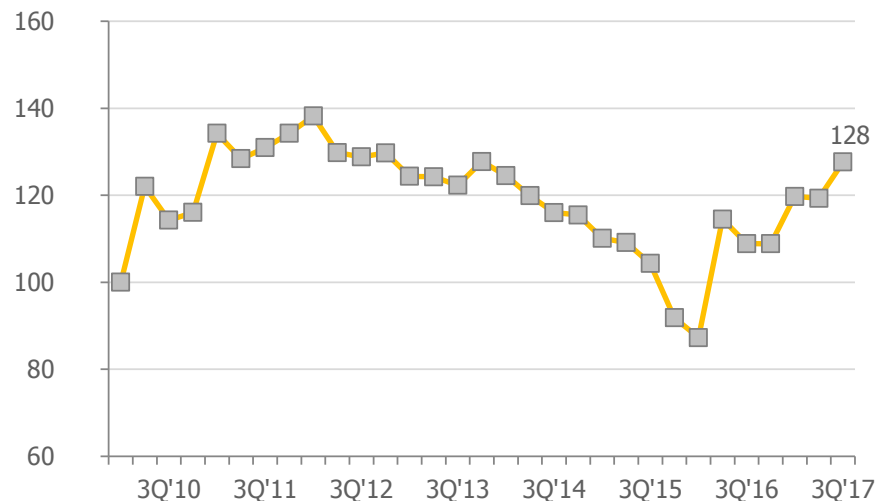
Construction segment



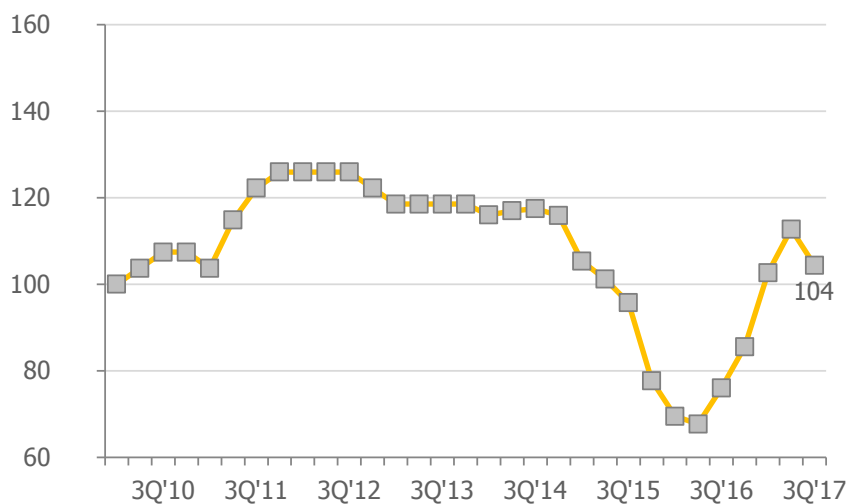
**Concrete** (1Q'10 = 100)



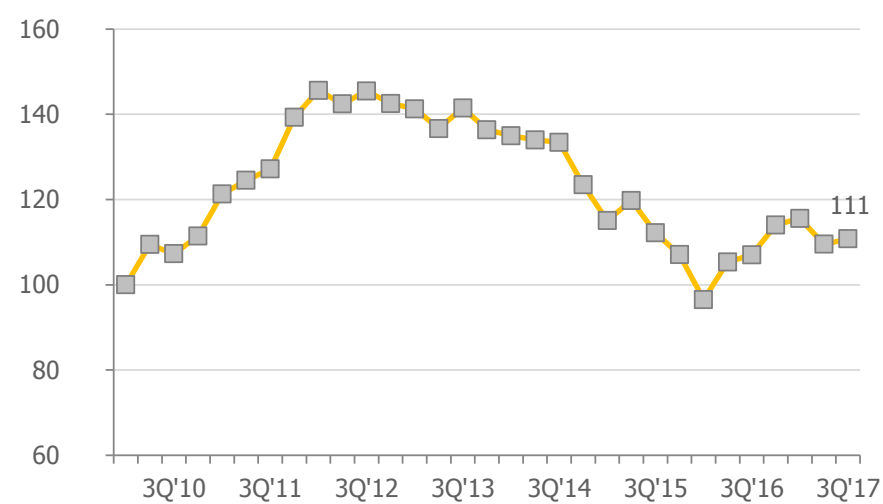
**Reinforcement steel** (1Q'10 = 100)



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



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



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

All figures in M PLN, unless stated otherwise

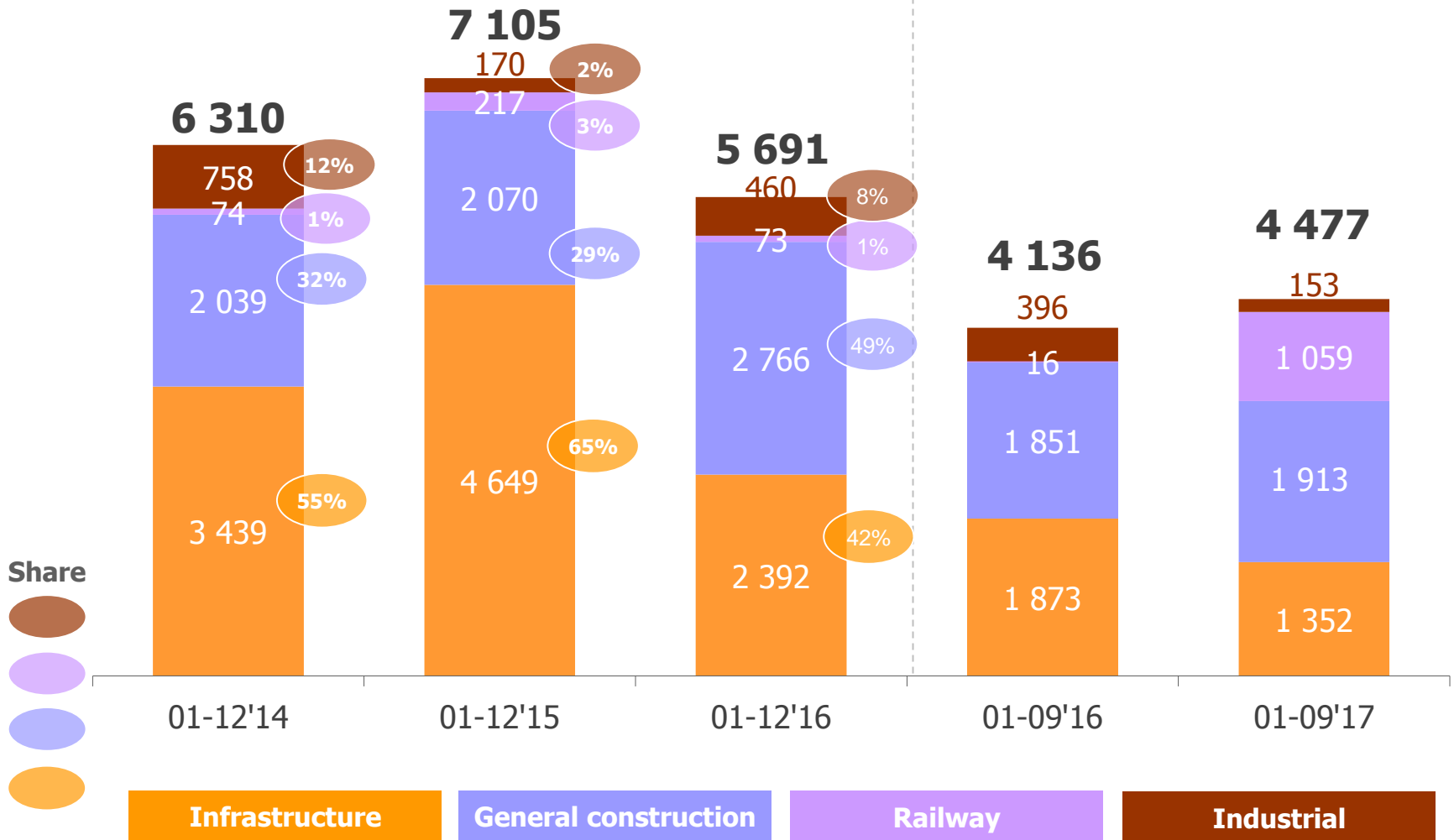
# Contracts signed in Budimex Group

Construction segment



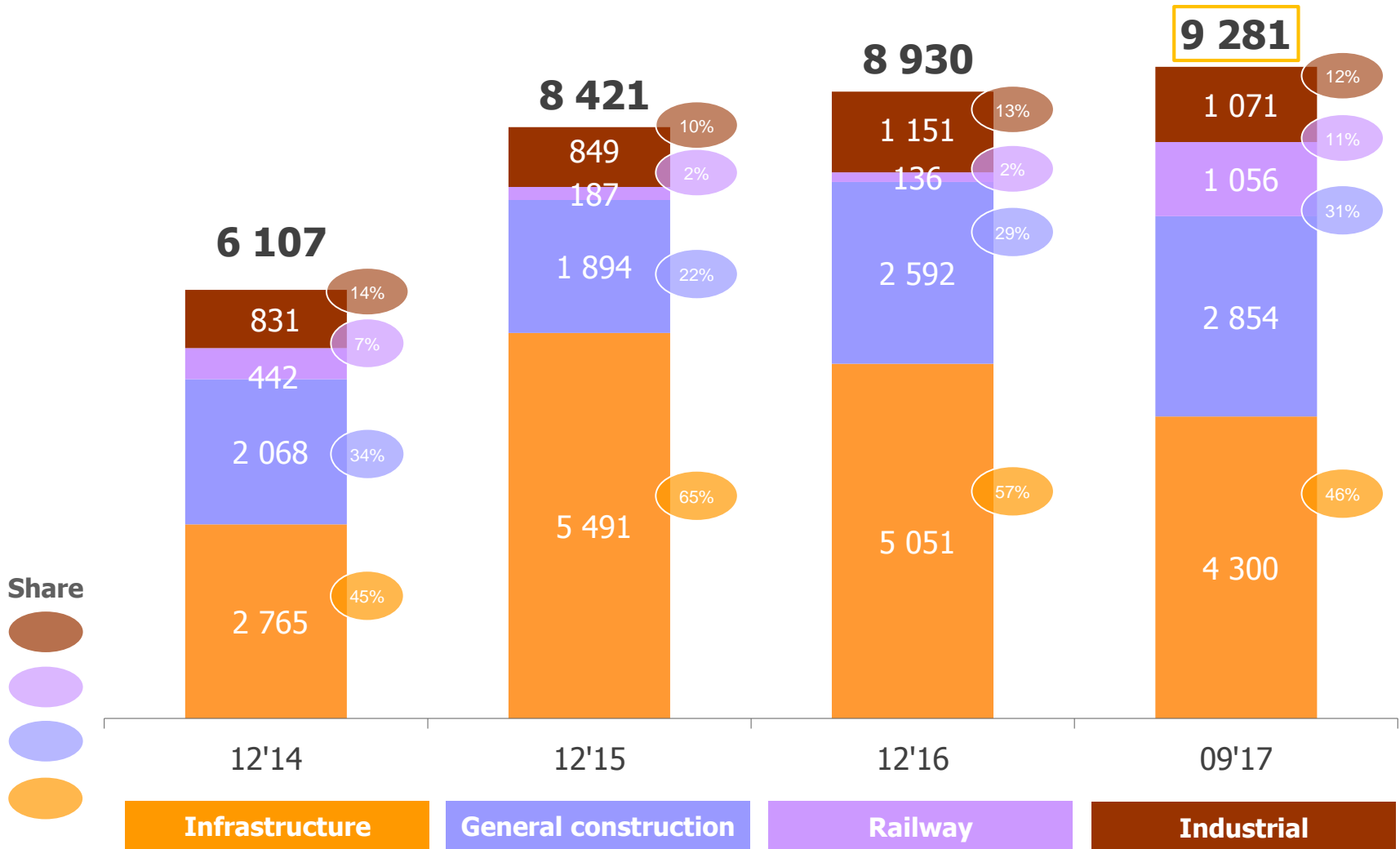
Annual data

1-3Q data



# Backlog in Budimex Group

Construction segment



# Developer segment in 1-3Q'17

Developer segment

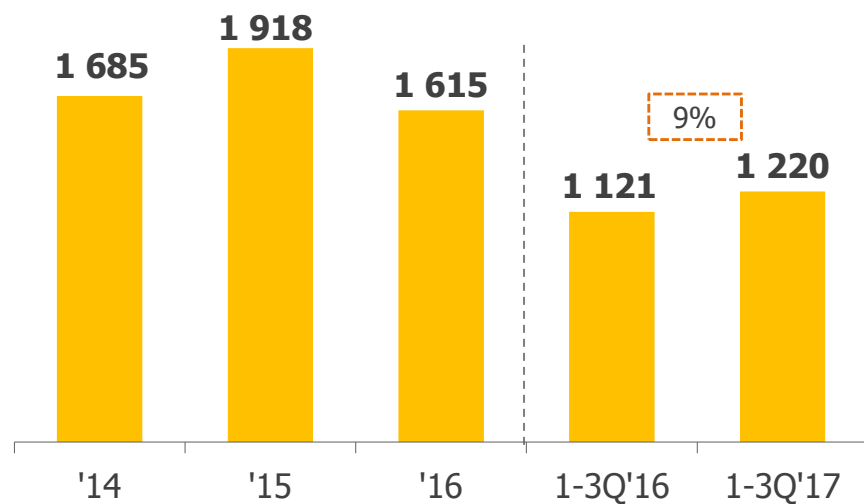
**budimex**

## Developer segment results (M PLN)

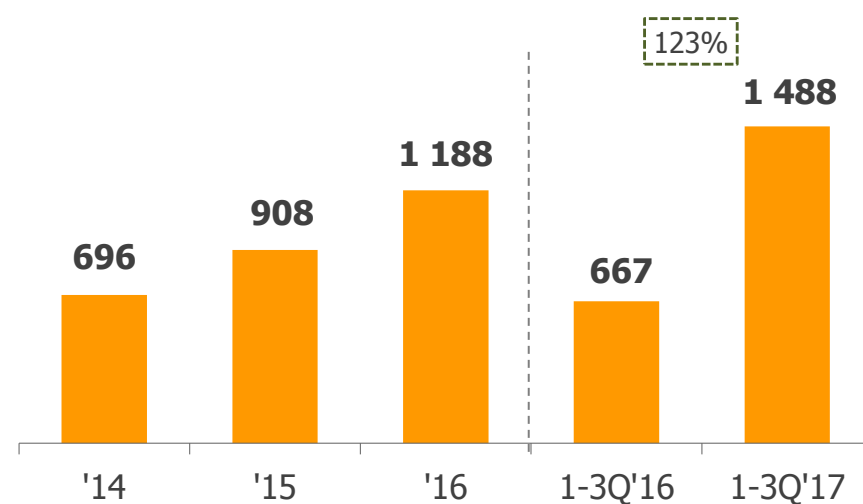
	1-3Q'17	y-o-y dynamics
<b>Sales</b>	<b>384</b>	<b>84%</b>
<b>Gross margin</b>	<b>78</b>	<b>52%</b>
	20,4%	-4,3 pp.
<b>Operating profit</b>	<b>55</b>	<b>96%</b>
% sales	14,3%	0,9 pp.
<b>Net profit</b>	<b>46</b>	<b>81%</b>
% sales	11,9%	-0,2 pp.

- ☑ Developer segment sales soared by 84% driven by 123% growth in notary sales
- ☑ Presales volume increased by 9% y-o-y
- ☑ Land bank expansion to 8,1 ths flats (vs. 6,4 ths flats as at Dec'16)
- ☑ Budimex Nieruchomosci offer covers 4 locations and amounts to 0,7 ths flats

## Presales (# flats)



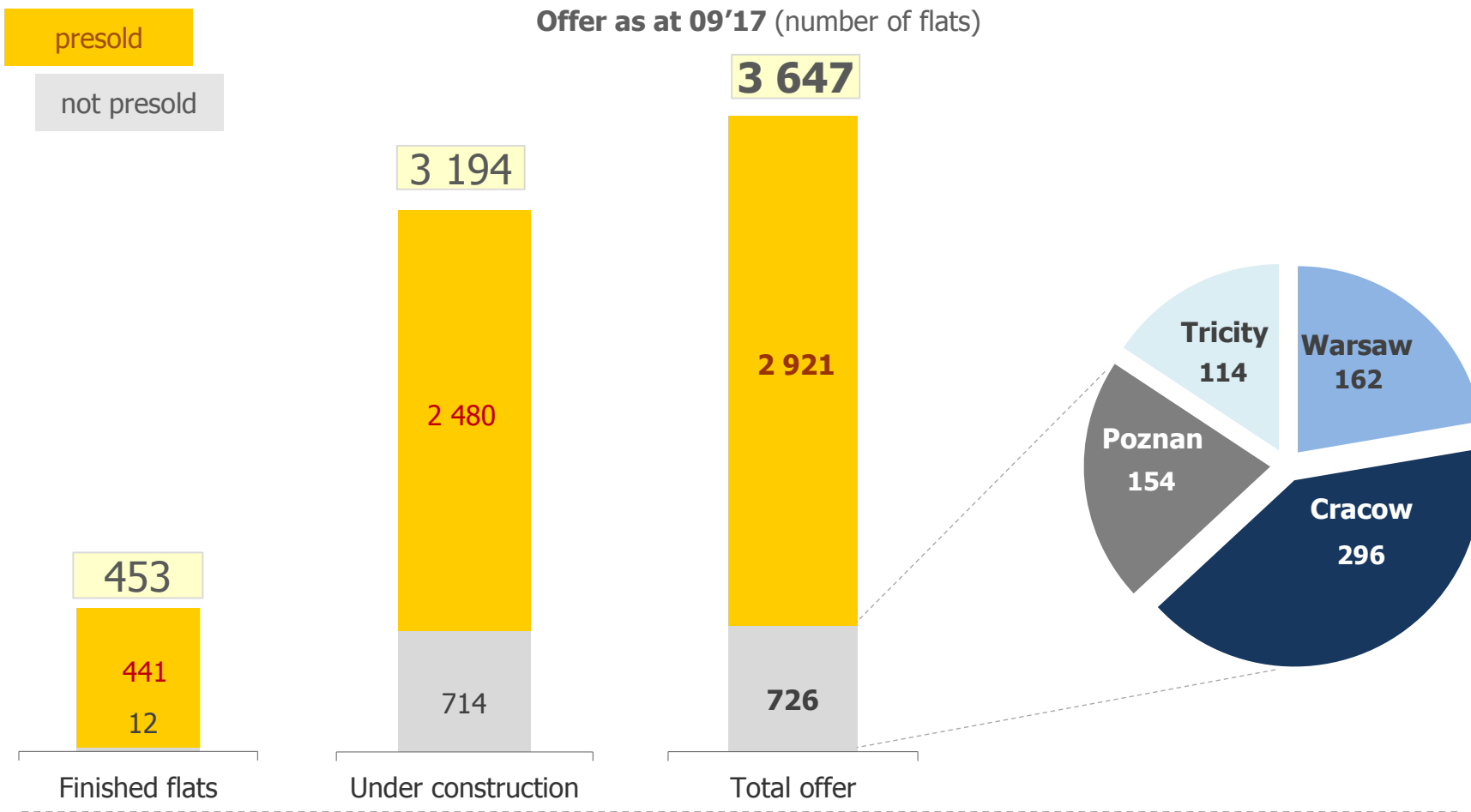
## Notary sales (# flats)



# Budimex Nieruchomosci offer

Developer segment

**budimex**



**Under construction: 3 194 flats**



**Land bank: 8 130 flats**

# Other activities segment

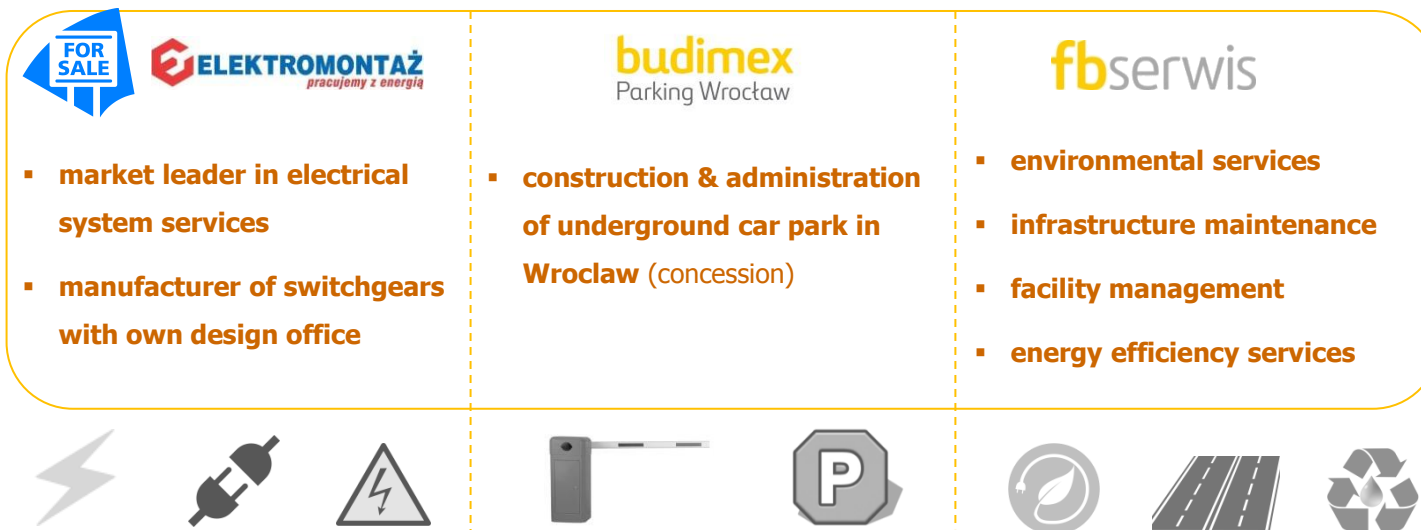
## Other activities segment

### Other activities segment results (M PLN)

	1-3Q'17	y-o-y dynamics
<b>Sales</b>	<b>120</b>	<b>-4%</b>
<b>Gross margin</b>	<b>16</b>	<b>-5%</b>
	13,4%	-0,2 pp.
<b>Operating profit</b>	<b>9</b>	<b>-13%</b>
% sales	7,2%	-0,8 pp.
<b>Net profit</b>	<b>5</b>	<b>-35%</b>
% sales	3,9%	-1,8 pp.

- ☑ Other activities noted a slight 4% y-o-y drop in sales due to lower volumes in Elektromontaż Poznań
- ☑ Segment generated strong 7,2% operating profitability
- ☑ In 3Q'17 standalone FBSerwis Group contributed positively (+0,9 M PLN) to Budimex Group bottom line

### Group's other activities segment composition



# Budimex market value

Budimex on Warsaw Stock Exchange



**budimex**

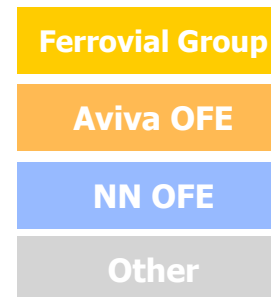
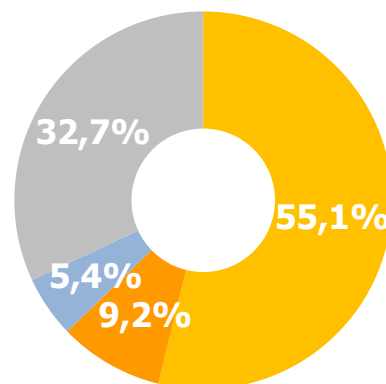
WSE symbol **BDX**

Number of shares **25 530 098**

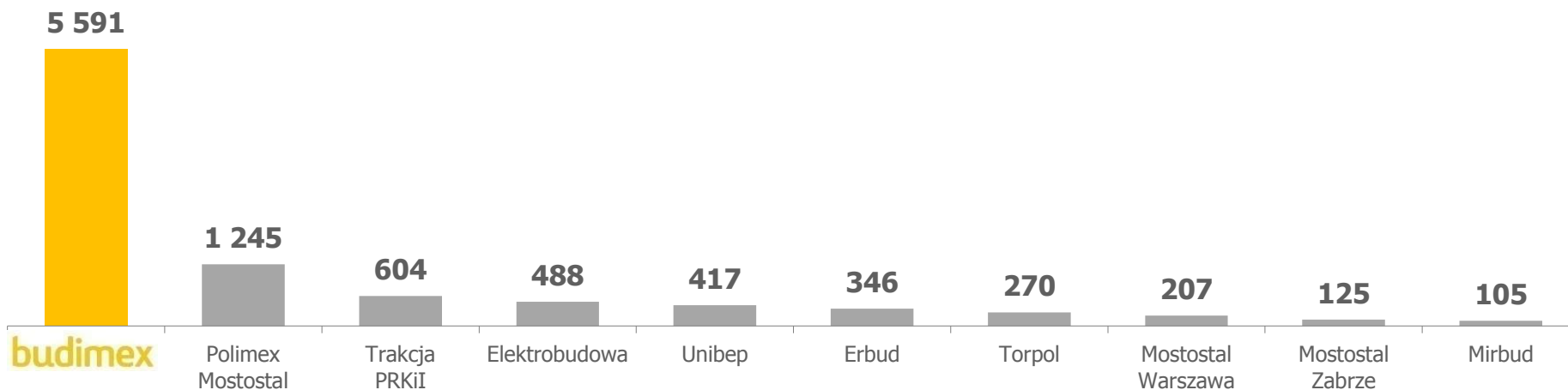
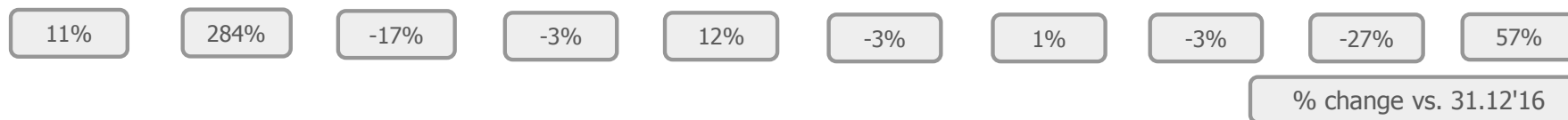
52 week min/max **192 / 284 PLN**

52 week average volume **10,3 ths. shares**

## Shareholding structure



## Market value as of 30.09'17







**budimex**

**sense of creating**

