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# Investor presentation

2012 financial results

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# Budimex Group

**FY'12 sales\***  
(% Group sales)

**FY'12 EBIT\***  
(% Group EBIT)

## **budimex**

### Construction segment

**5 606 M PLN**  
92%

**111 M PLN**  
61%



**budimex**



**mostostal**  
kraków

### Developer segment

**322 M PLN**  
5%

**37 M PLN**  
20%



**budimex**  
nieruchomości

### Other activities

**315 M PLN**  
5%

**25 M PLN**  
14%



**budimex**  
danwood



**ELEKTROMONTAŻ**  
*pracujemy z energią*

Stake: **51%**  
Controlled since: **Jan'13**



**fb**serwis

Stake: **49%**  
Established: **Mar'12**

\*without internal eliminations



# FY'12 results (M PLN)\*

## Sales

6 078 vs. 5 516

+10% y-o-y

Based on reported  
'11 figures

+10% y-o-y

## Operating profit

182 vs. 135

+35% y-o-y

-43% y-o-y

## Net profit

186 vs. 76

146% y-o-y

-29% y-o-y

## Backlog

(as of 31.12'12)

4 877 vs. 8 567

-43% y-o-y

## Contracts signed

2 803 vs. 5 297

-47% y-o-y

## Net cash

(as of 31.12'12)

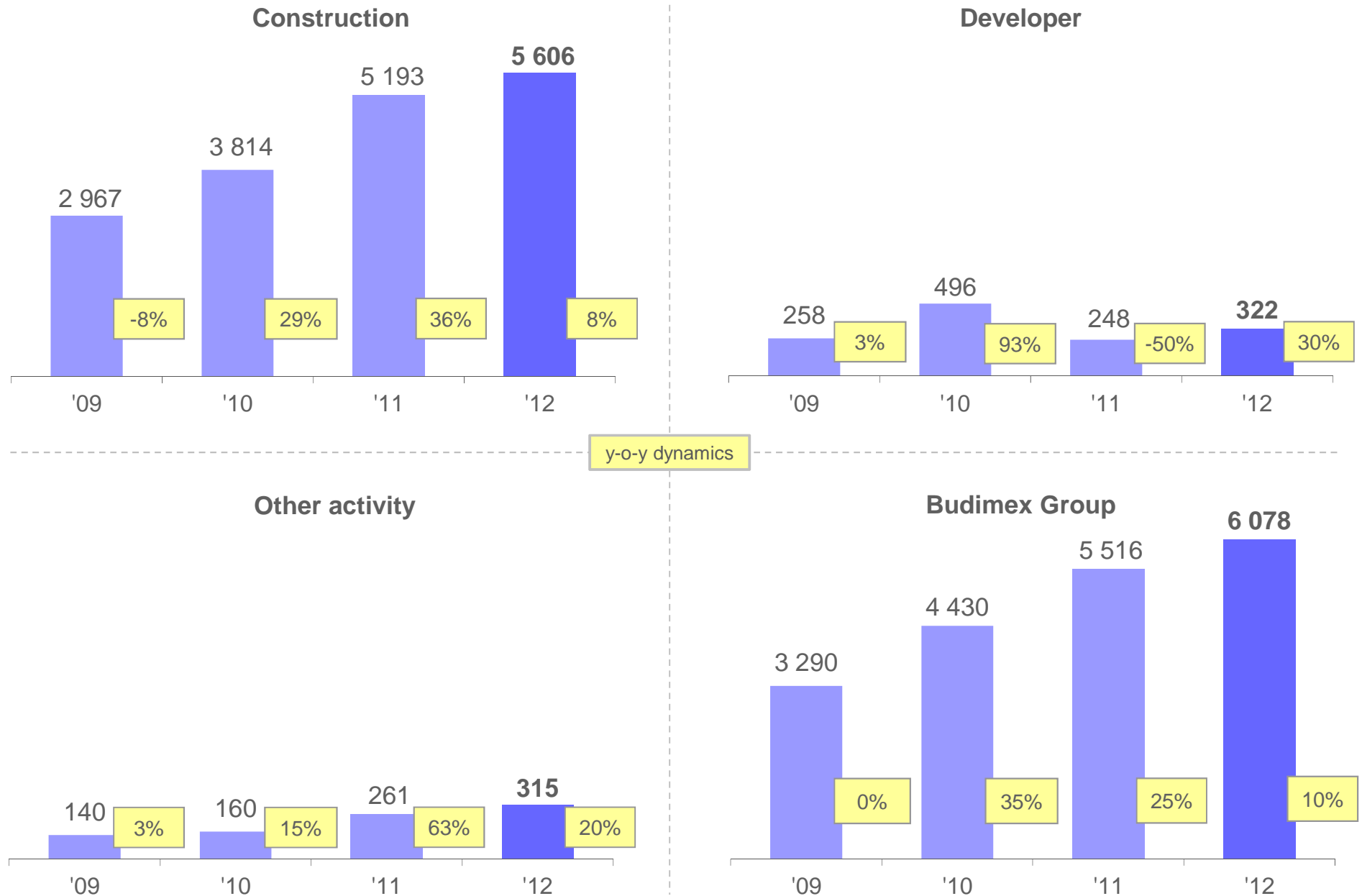
1 188 vs. 1 576

-25% y-o-y

\*dynamics based on restated FY'11 P&L figures



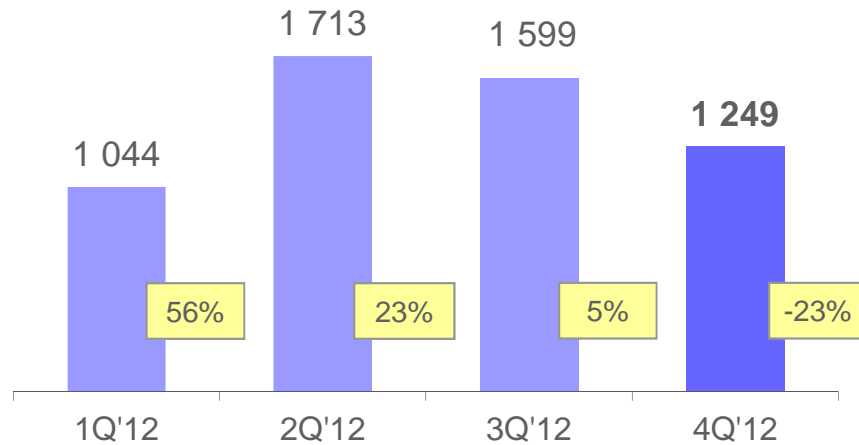
# Sales by segments, yearly (M PLN)



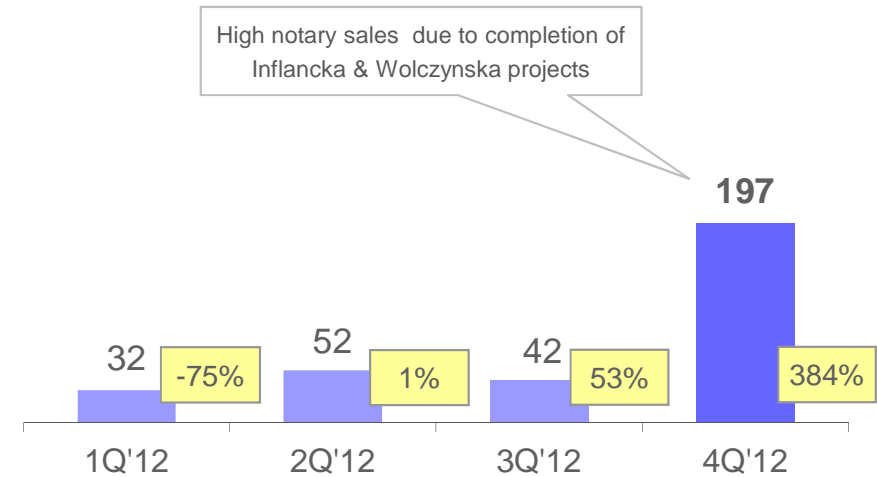


# Sales by segments, quarterly (M PLN)

## Construction

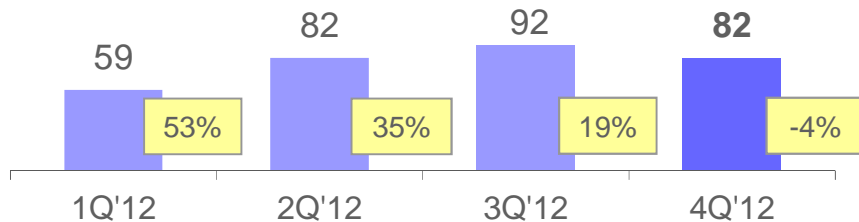


## Developer

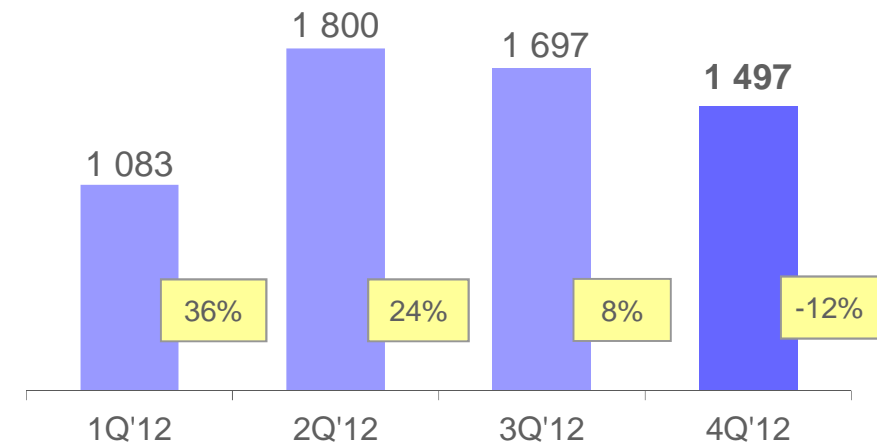


y-o-y dynamics

## Other activity

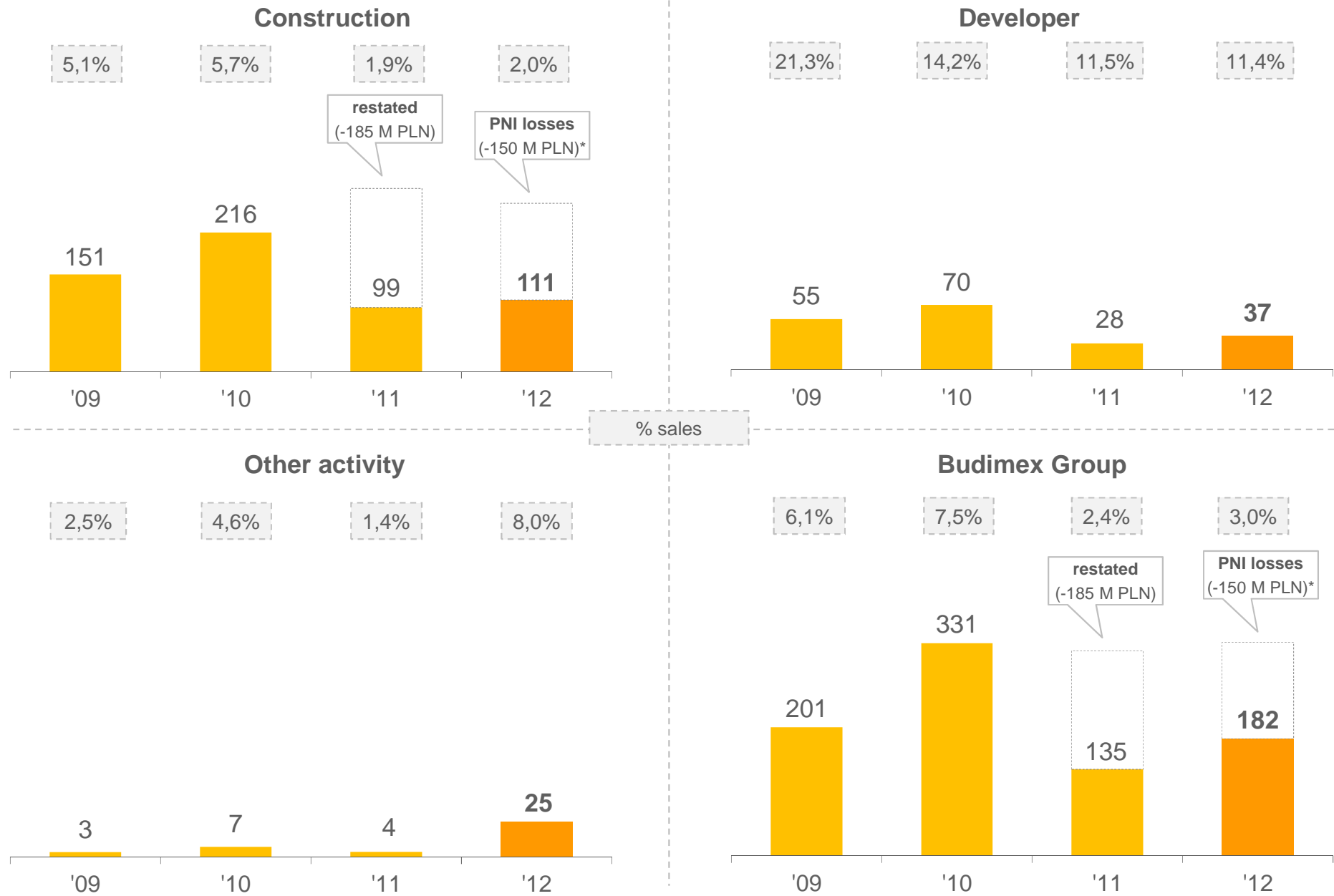


## Budimex Group





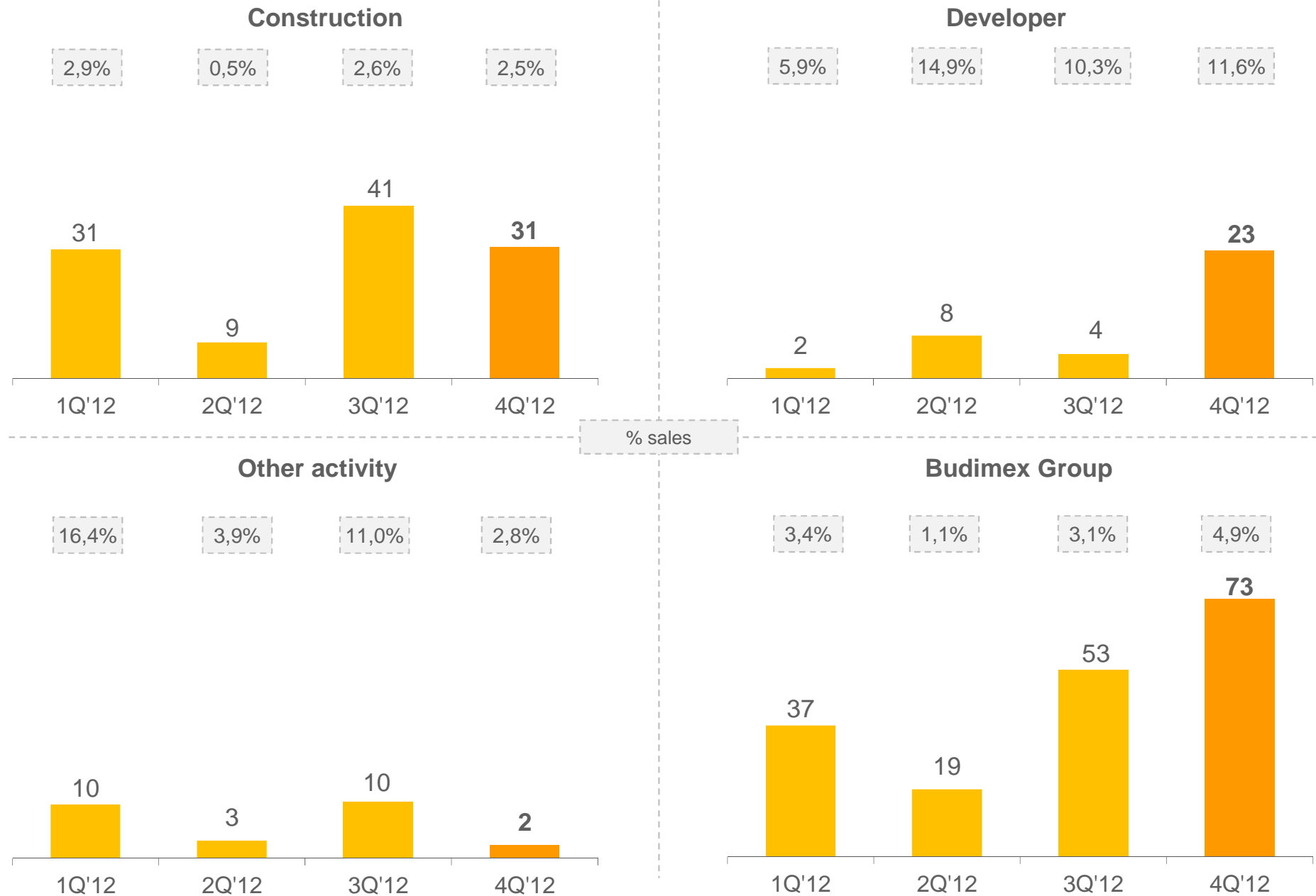
# EBIT by segments, yearly (M PLN)



\*exact impact of PNI on EBIT level amounted to 150,6 M PLN (151,2 M PLN on PBT level)

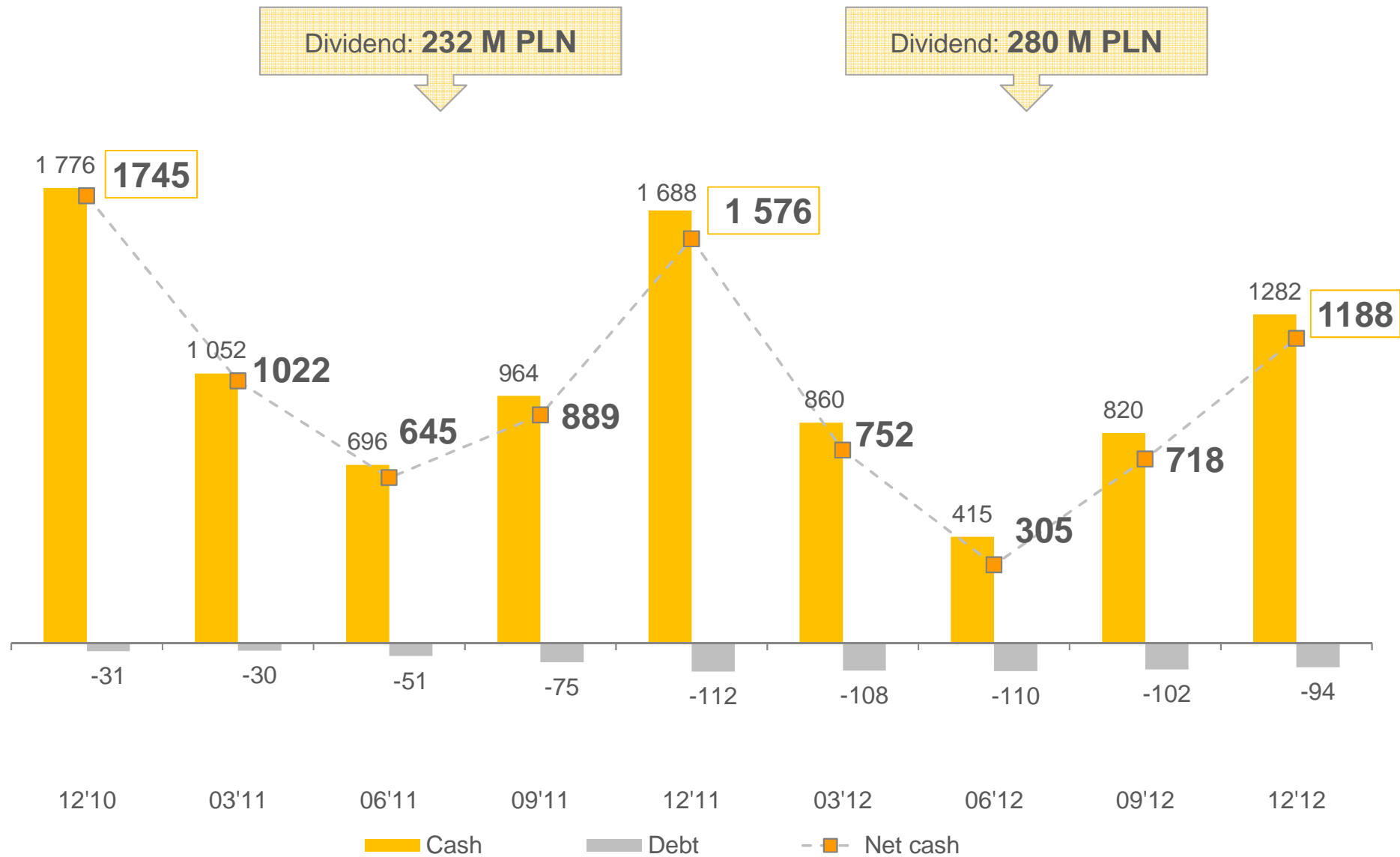


# EBIT by segments, quarterly (M PLN)





# Net cash (M PLN)







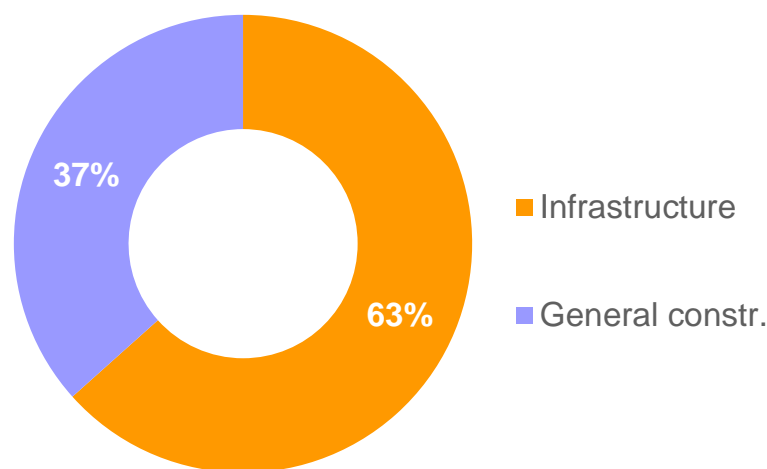
# Construction segment results\*

Construction segment results (M PLN)

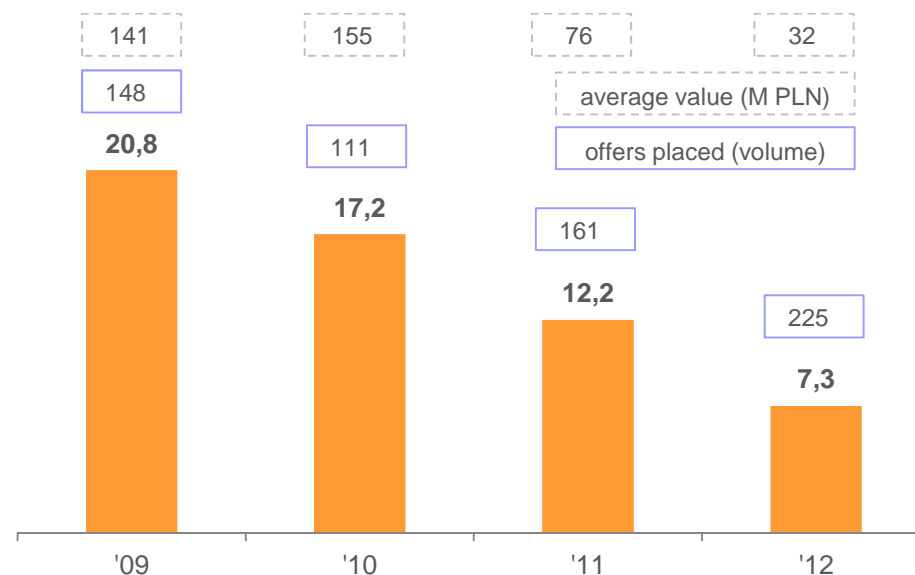
	FY'12	y-o-y dynamics
<b>Sales</b>	<b>5 606</b>	<b>8%</b>
<b>Gross margin</b>	<b>360</b>	<b>-9%</b>
% sales	6,4%	-1,2 pp.
<b>Operating profit</b>	<b>111</b>	<b>12%</b>
% sales	2,0%	0,1 pp.
<b>Net profit</b>	<b>129</b>	<b>159%</b>
% sales	2,3%	1,3 pp.

- ☑ Core segment noted record high sales although growth dynamics diminishes
- ☑ Significant drop of road infrastructure market impedes further growth of core segment
- ☑ Gross margin was under pressure in '12 mainly due to consolidation of PNI losses

Sales in construction segment



Offers placed in infrastructure segment (bn PLN)



\*dynamics based on restated FY'11 P&L figures

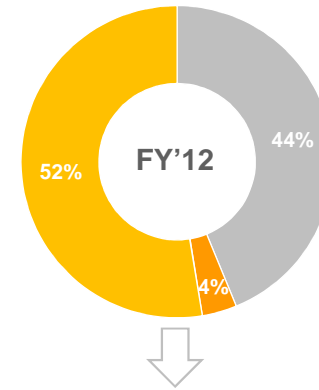
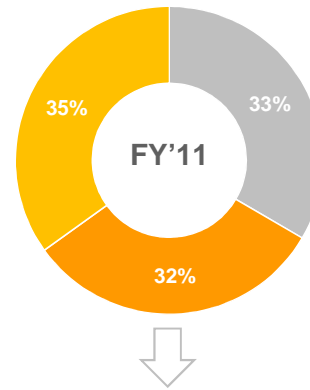


# Contracts signed (M PLN)

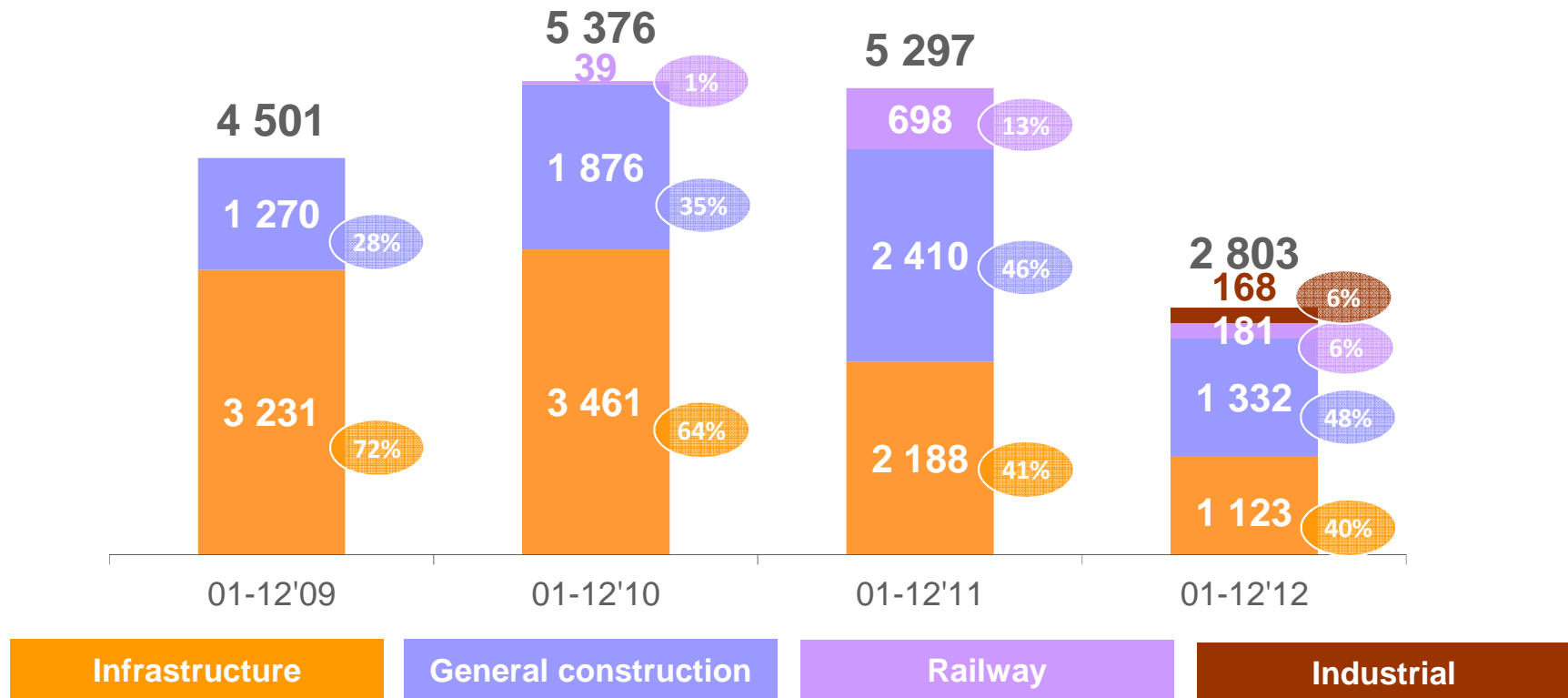
Significant drop of tenders decided by GDDKiA impacts new orders structure

Contracts signed by type of client (% total value)

- Private
- GDDKiA
- Public (excl. GDDKiA)

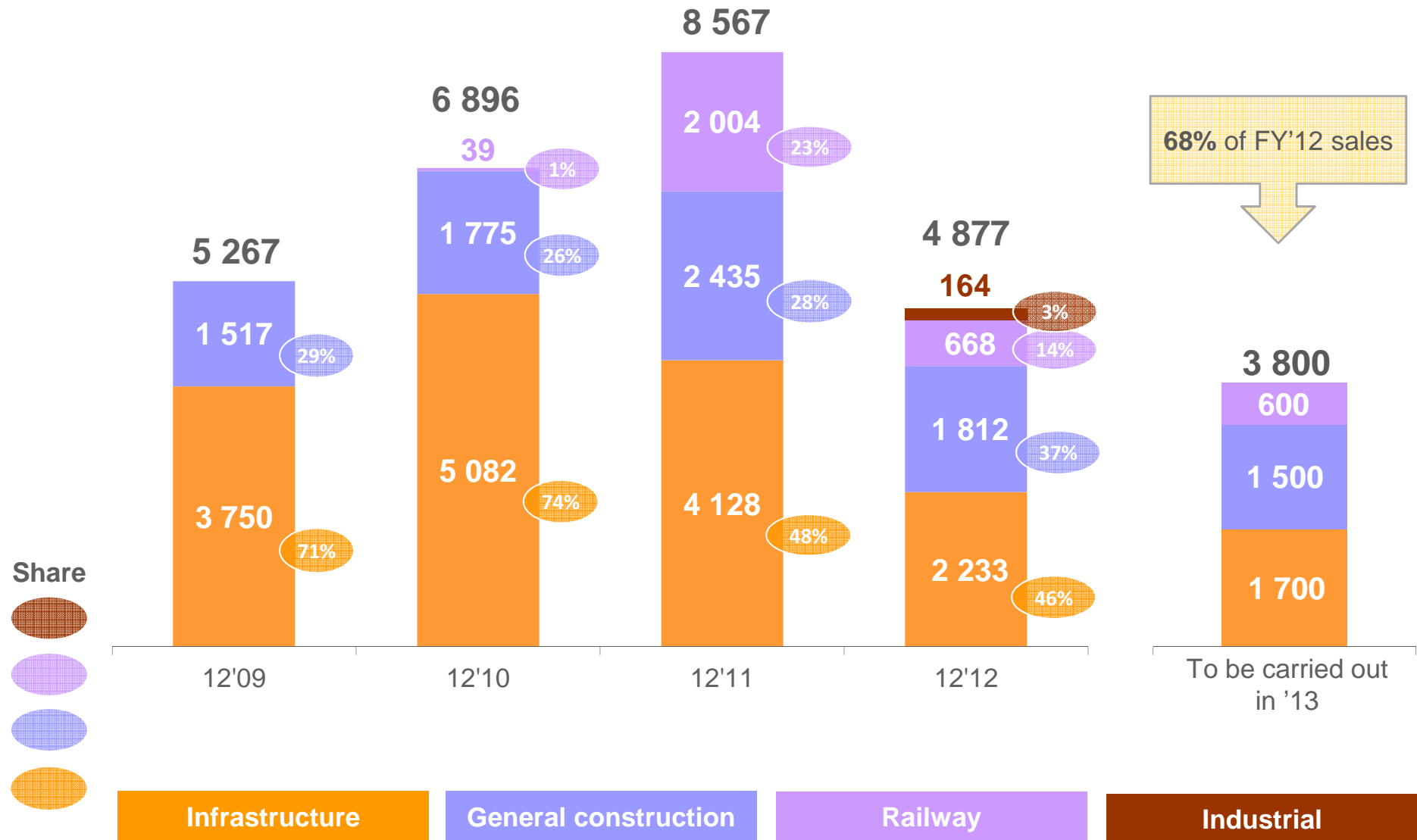


- Share
- Industrial
  - Railway
  - General construction
  - Infrastructure





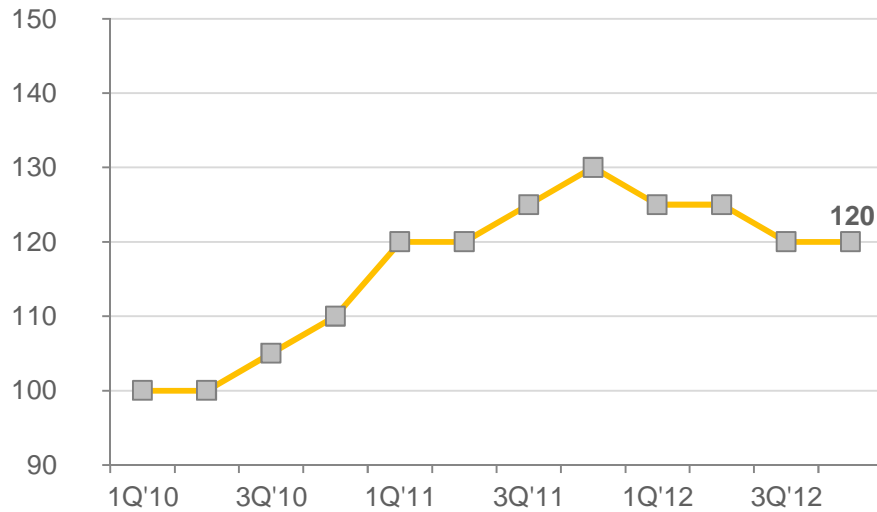
# Backlog (M PLN)



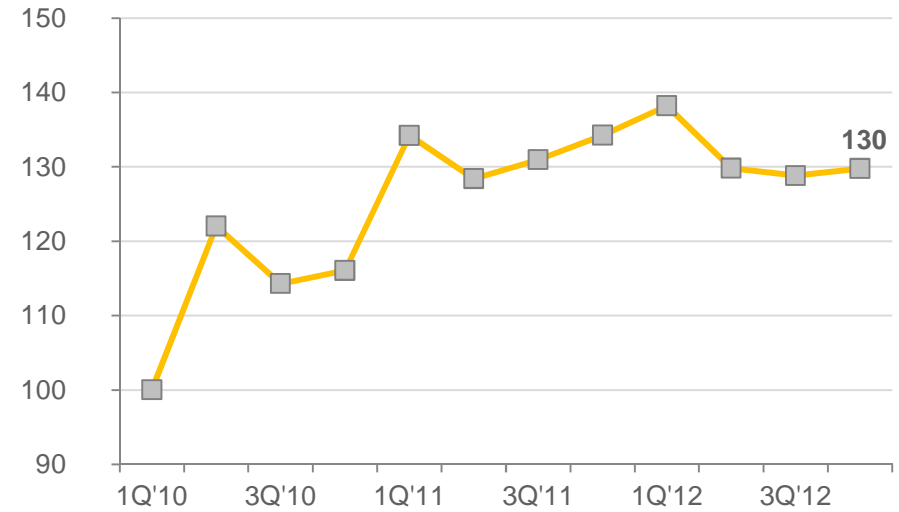


# Material prices evolution\*

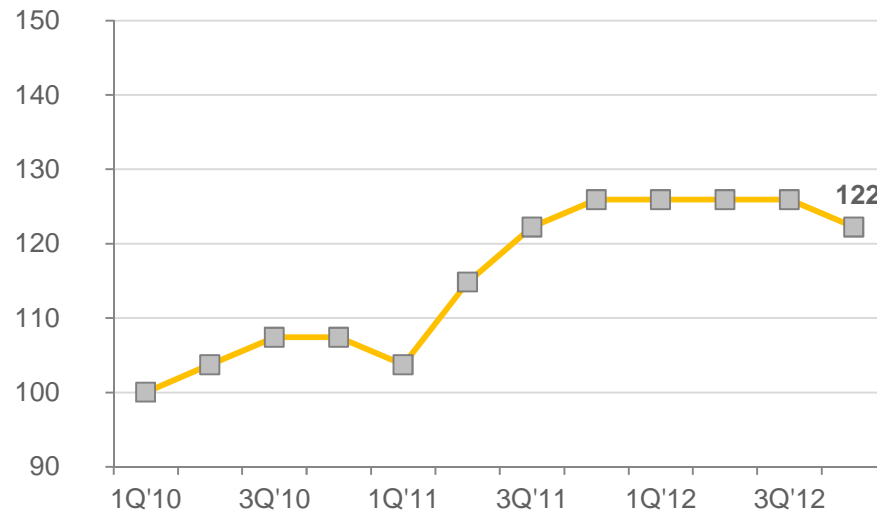
### Concrete (1Q'10 = 100)



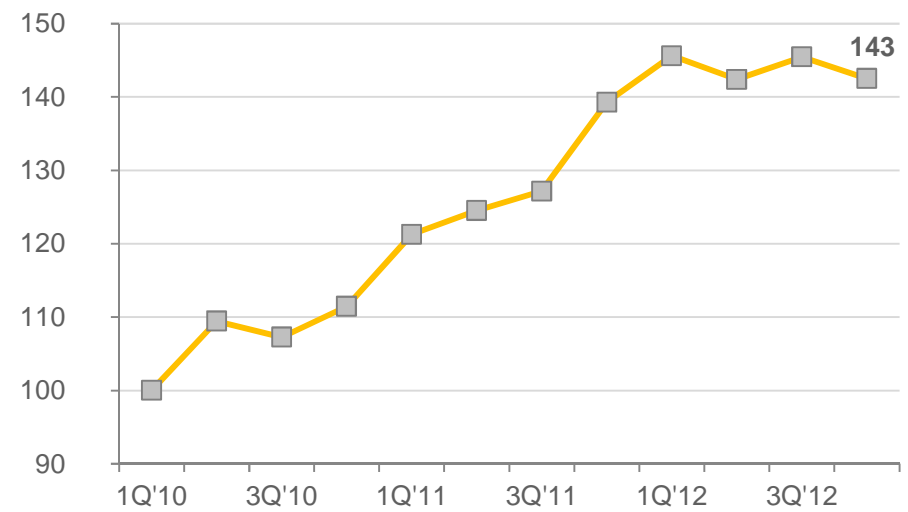
### Reinforcement steel (1Q'10 = 100)



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



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



\*based on Budimex internal data, diesel oil prices according to Lotos SA data

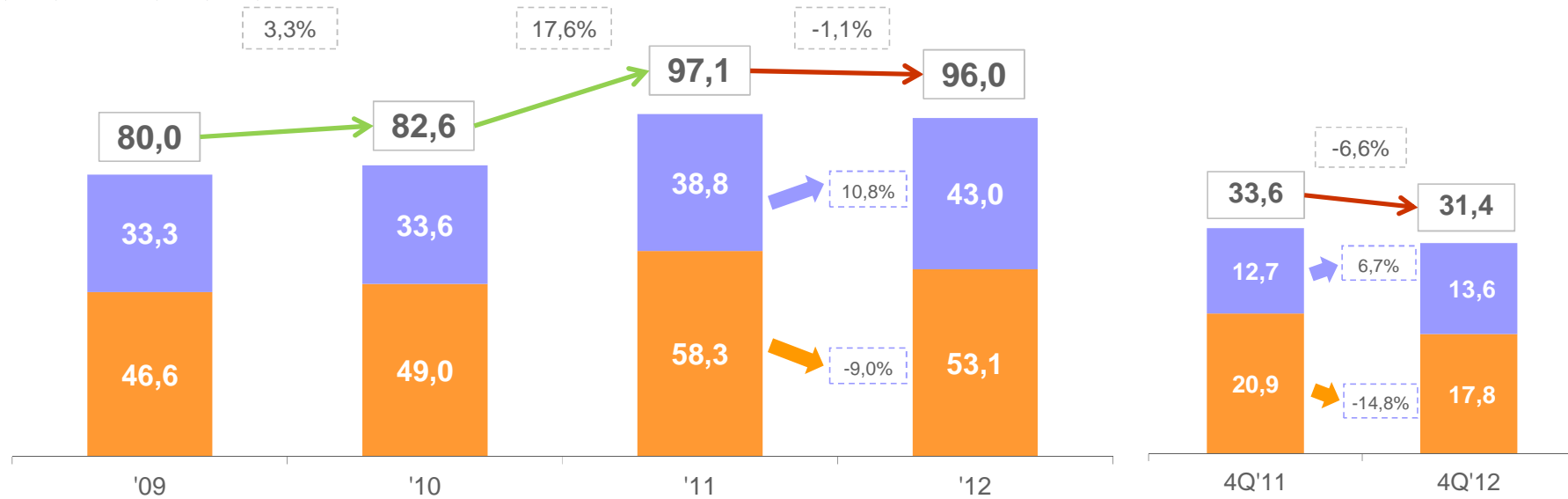


# Construction market in '12

general constr.

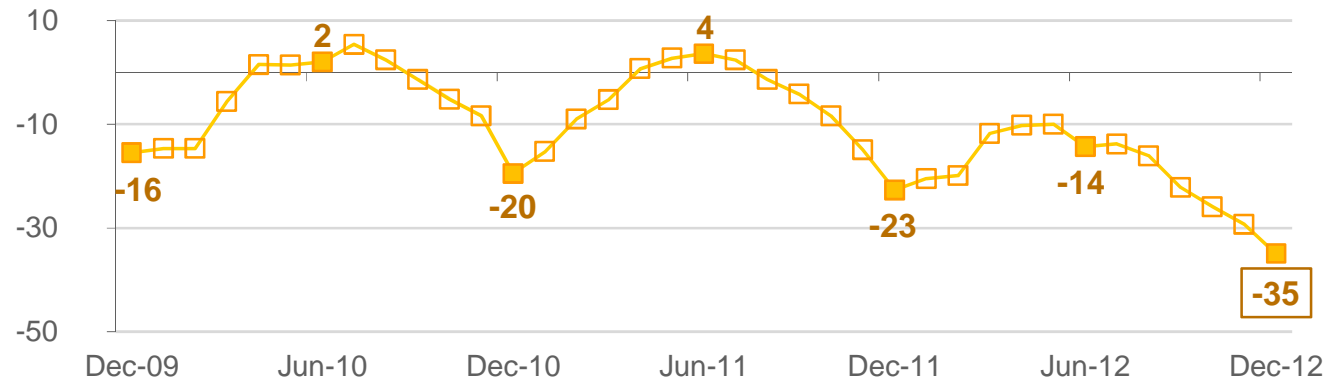
infrastructure

Construction & assembly production (bn PLN)



Climate index in construction sector (pts.)

Further deterioration of construction market climate (10-year min. in Dec'12)



Source: Central Statistical Office

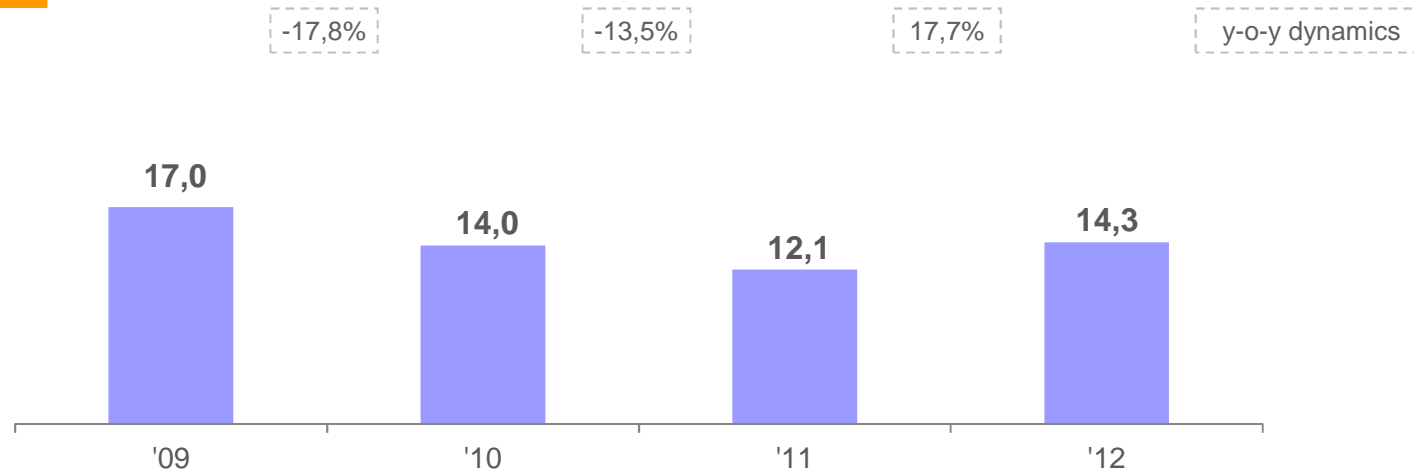


# Value of tenders decided\* (bn PLN)

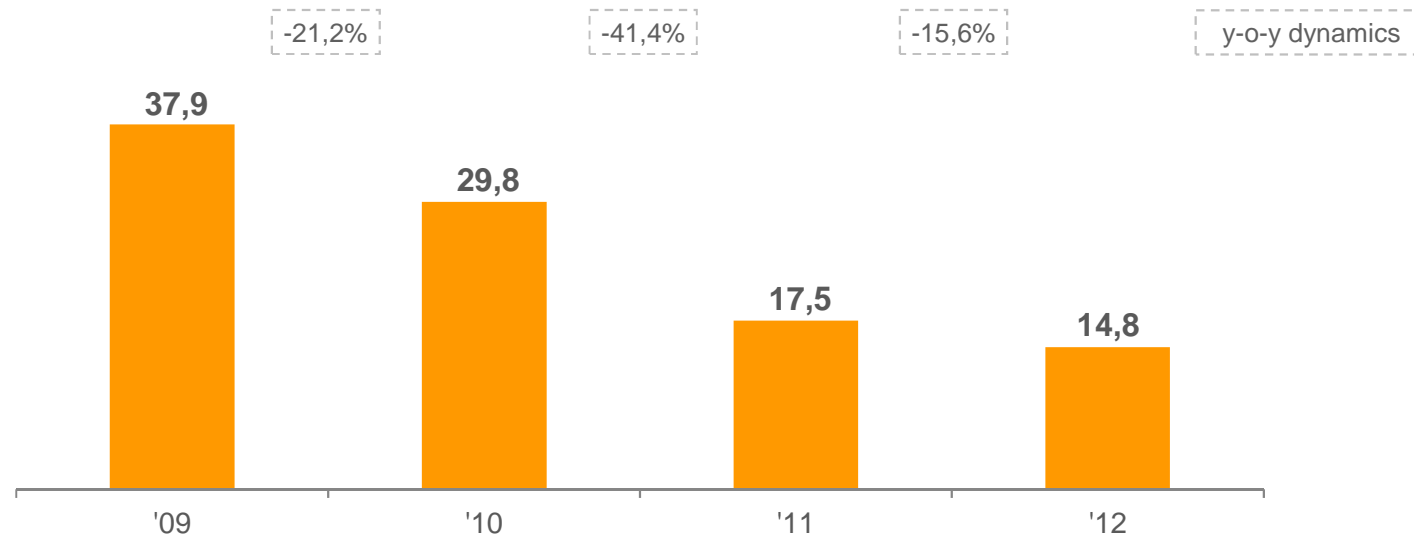
general constr.

infrastructure

## Tenders decided in general construction segment (bn PLN)



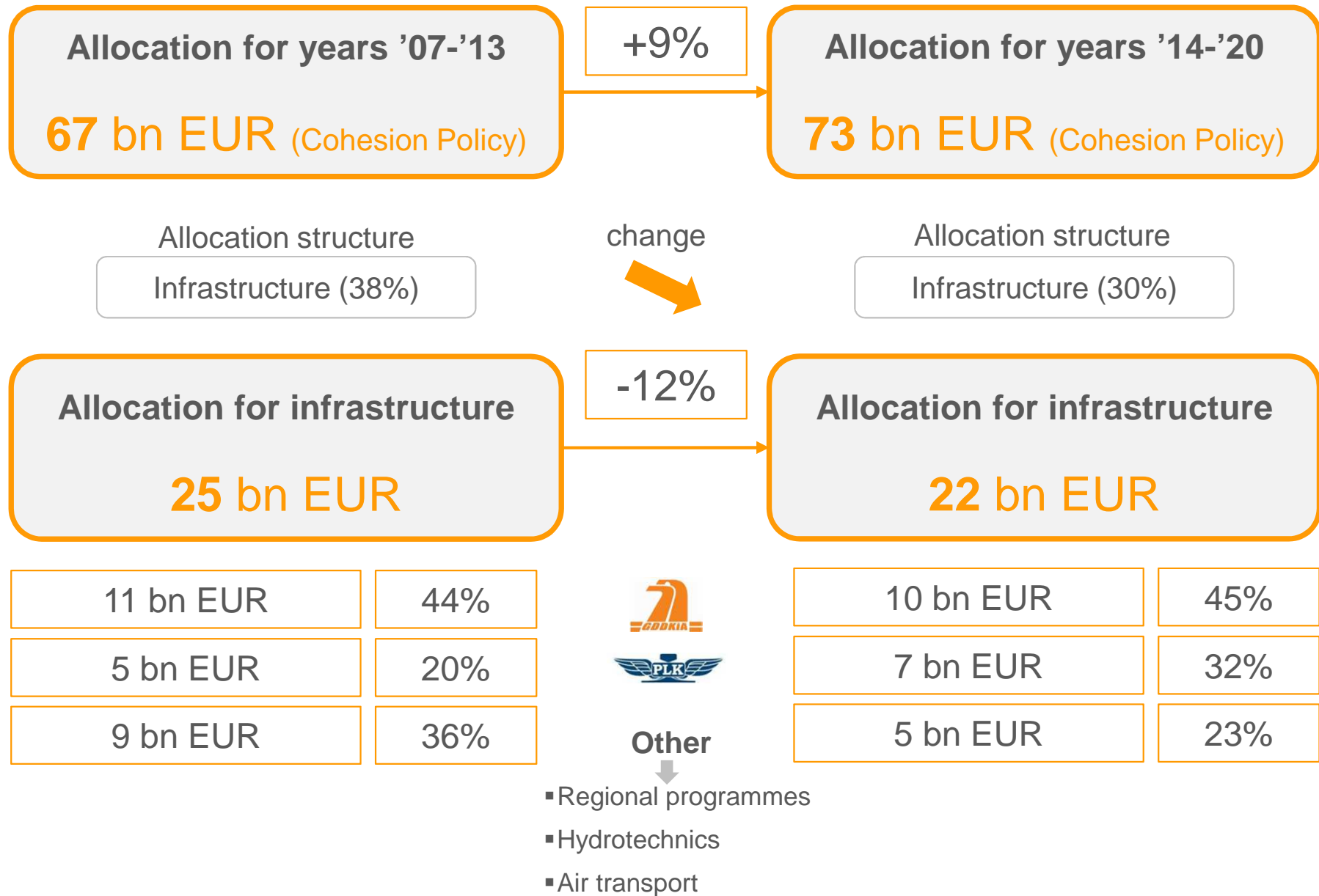
## Tenders decided in infrastructure segment (bn PLN)



\*based on Company internal data, tender decided = tender with submission date in period analyzed



# '14-'20 EU multiannual framework outlook\*



\*Company estimations based on press information, Ministry of Regional Development



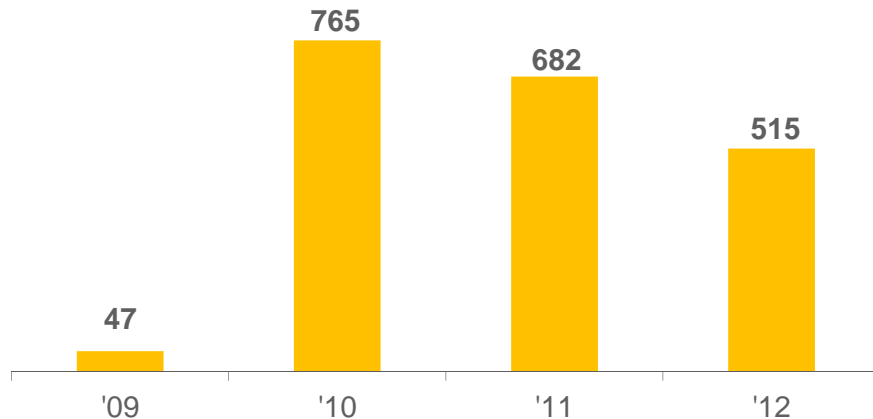
# Developer segment in '12

Developer segment results (M PLN)

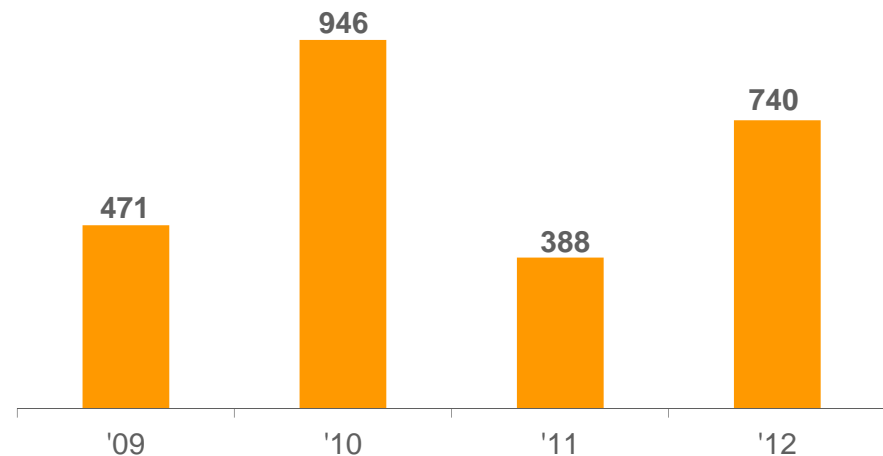
	FY'12	y-o-y dynamics
<b>Sales</b>	<b>322</b>	<b>30%</b>
<b>Gross margin</b>	<b>74</b>	<b>74%</b>
	22,8%	5,8 pp.
<b>Operating profit</b>	<b>37</b>	<b>29%</b>
% sales	11,4%	-0,1 pp.
<b>Net profit</b>	<b>35</b>	<b>30%</b>
% sales	10,7%	0,0 pp.
<b>Presales (volume)</b>	<b>515</b>	<b>-24%</b>

- ☑ Developer segment noted a very good year despite tough market conditions
- ☑ 4Q'12 brought high volume of notary sales boosting the FY'12 results
- ☑ In 4Q'12 Budimex Nieruchomosci managed to presale 193 flats (+46% y-o-y)

Net presales (number of flats)



Notary sales (number of flats)







# Developer market perspectives

Significant growth in number of flats completed (also in developer's offer)

Diminishing market peace, expected downturn due to:

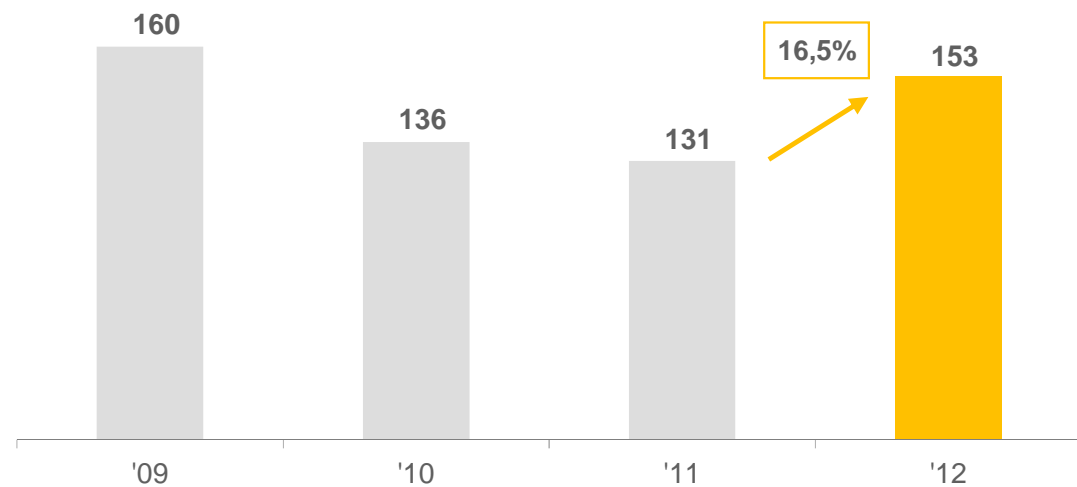
- economy slowdown (dropping demand)
- expiry of „Rodzina na Swoim” program
- relatively high supply level

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nieruchomości

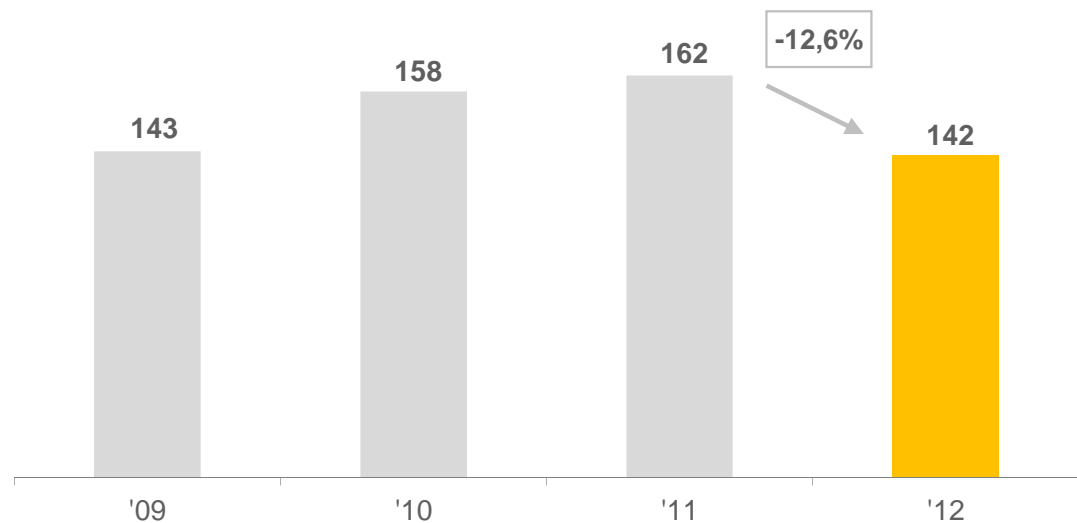
Outlook for '13:

- ☑ Decrease of projects portfolio
- ☑ Launching at least 2 new projects (250 flats+)
- ☑ Medium-term goal: diversification of land bank

Flats completed (ths.)



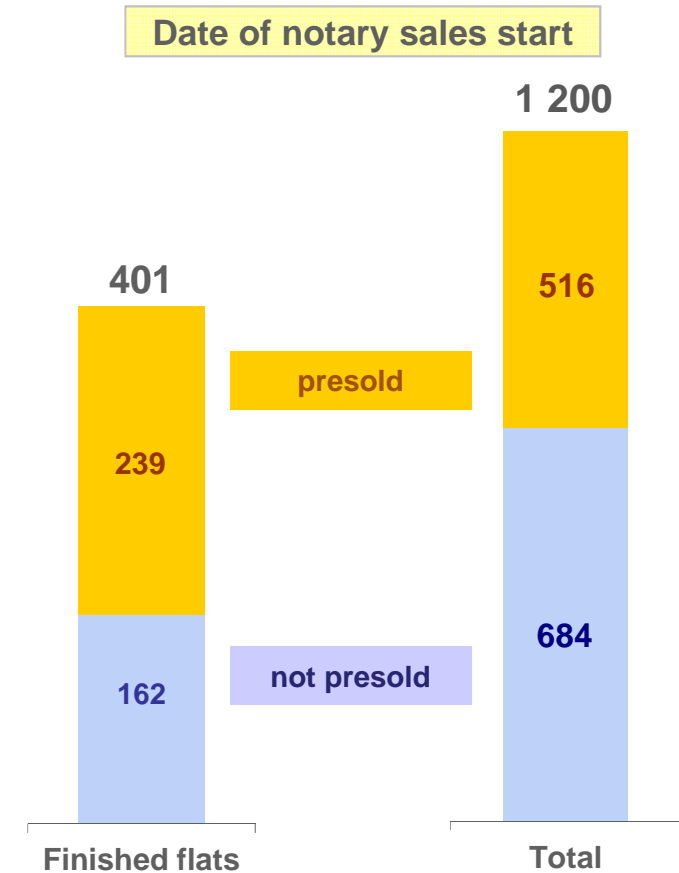
Flats started (ths.)



Source: Central Statistical Office



# Budimex Nieruchomosci projects



Land bank: **7 137 flats**



Under construction: **799 flats**

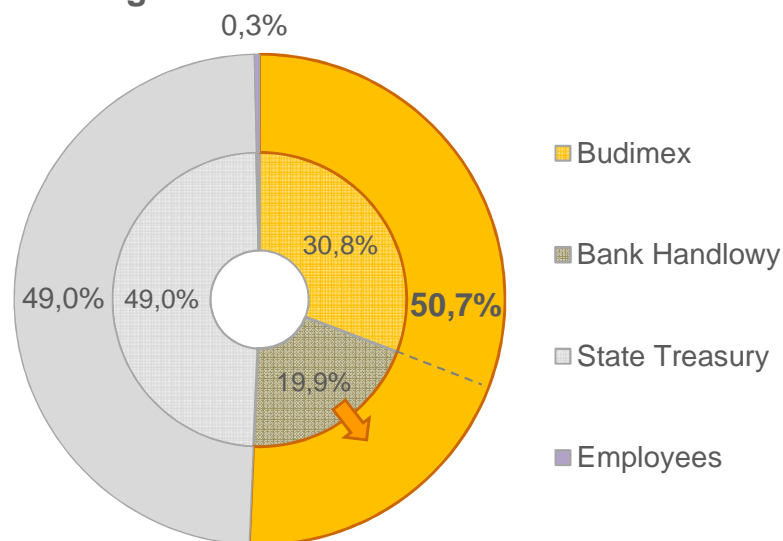


# Other activities in '12

## Other activities segment results (M PLN)

	FY'12	y-o-y dynamics
<b>Sales</b>	<b>315</b>	<b>20%</b>
<b>Gross margin</b>	<b>31</b>	<b>20%</b>
	9,8%	0,0 pp.
<b>Operating profit</b>	<b>25</b>	<b>584%</b>
% sales	8,0%	6,6 pp.
<b>Net profit</b>	<b>15</b>	<b>n/a</b>
% sales	4,8%	6,0 pp.
<b>Net cash (12'12)</b>	<b>57</b>	<b>60%</b>

## Change in shareholder structure of EMP



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danwood

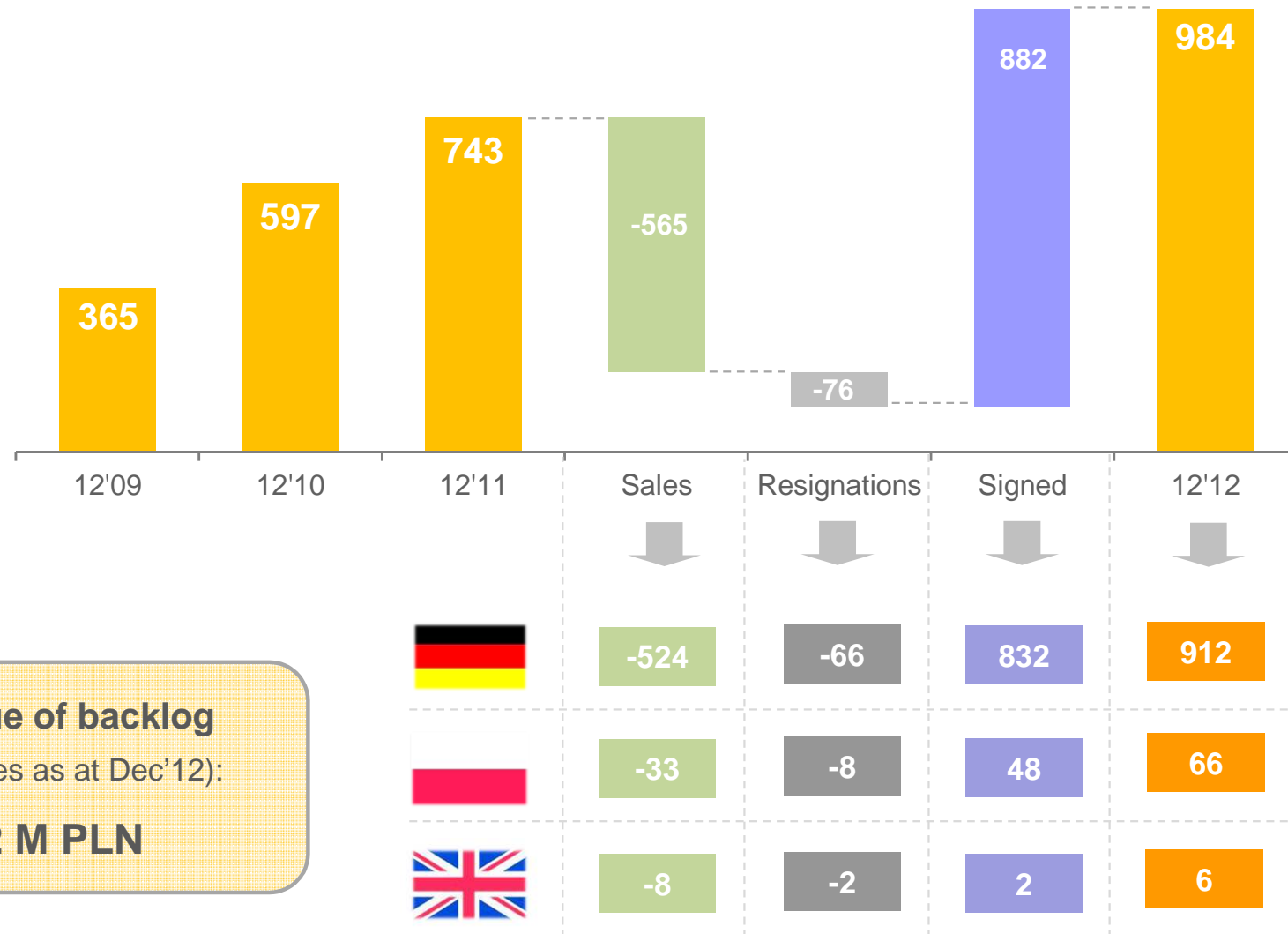
- ✓ Record year in terms of sales revenues and profits margins
- ✓ Historical backlog level (*details on next slide*)

**ELEKTROMONTAŻ**  
pracujemy z energią

- ✓ In the end of '12 Budimex signed an agreement to acquire 19,9% of Elektromontaz-Poznan shares from Bank Handlowy
- ✓ In January '13 Budimex finalized the transaction and obtained control over EMP
- ✓ Company will be fully consolidated as a part of other activity segment (until '13 EMP was consolidated with equity method)



# Backlog evolution (houses)



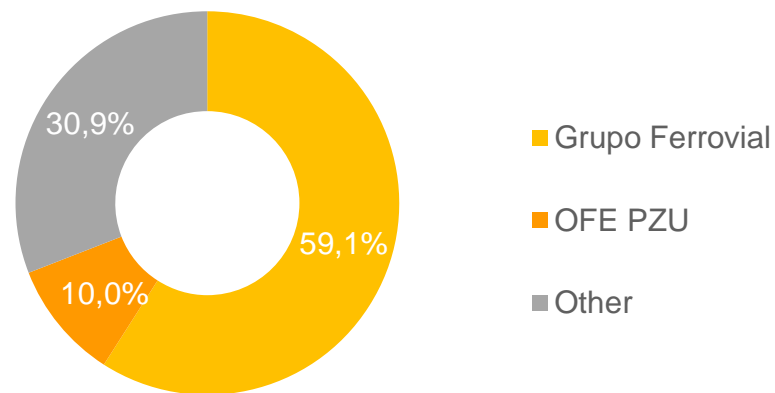
**Net value of backlog**  
(984 houses as at Dec'12):  
**502 M PLN**



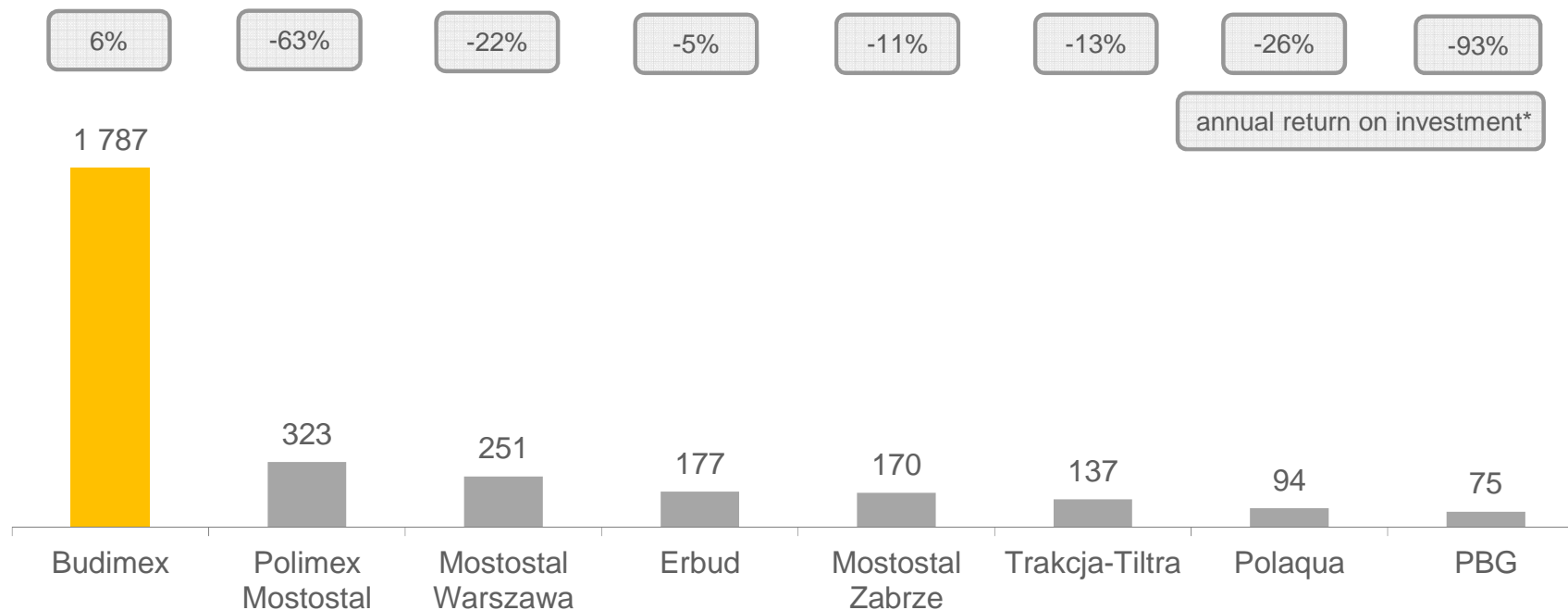
# Budimex on Warsaw Stock Exchange

<b>budimex</b>	
WSE symbol	<b>BDX</b>
Number of shares	<b>25 530 098</b>
52 week min/max	<b>46 / 88 PLN</b>
Average volume	<b>12,9 ths. shares</b>

### Shareholder structure (as of 31.12'12)



### Capitalization as of 31.12'12 (M PLN)



\*ROI = capital gain + dividends



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**budimex**