

**budimex**

# **Budimex Group**

**Presentation for investors  
for 1Q 2008**

*40 years on the market*

## „Building long term value”

backlog value significant growth and structure change



**solid platform for future growth**

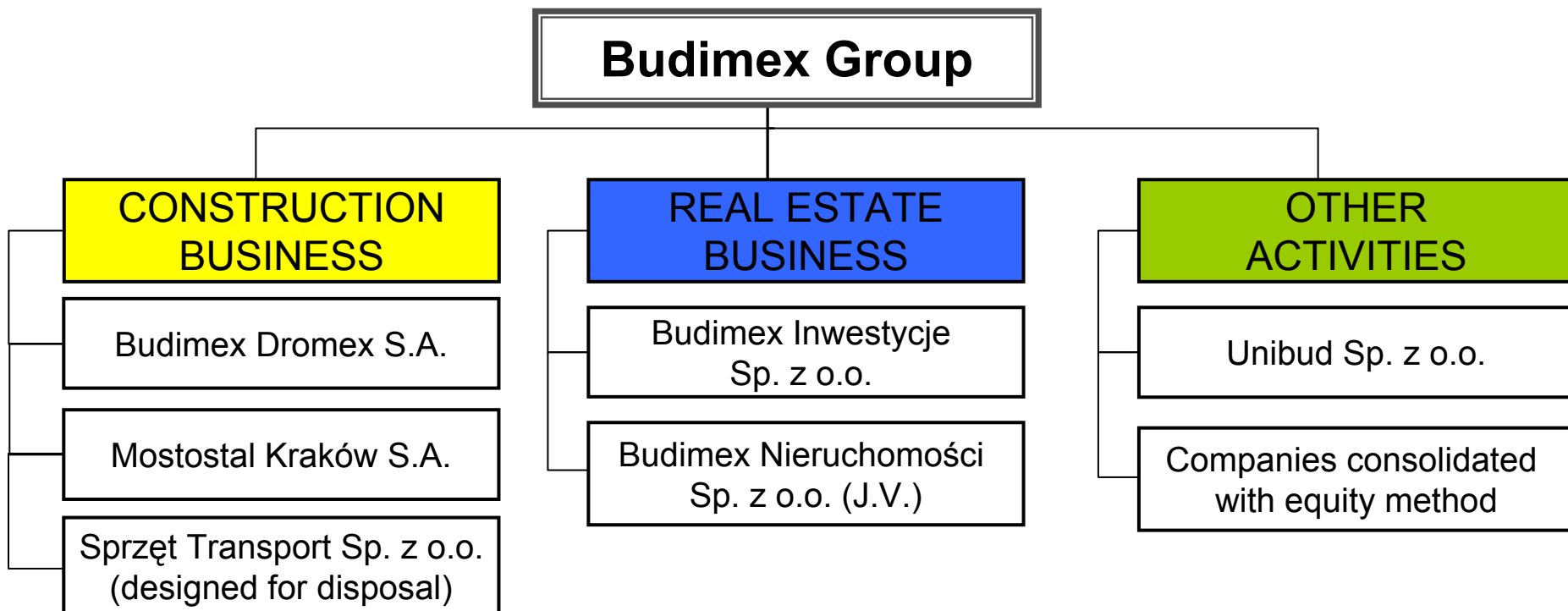


our goals:

- high quality service
- satisfaction of clients
- comfort of users
- profitability improvement
- backlog growth
- turnover growth



**shareholders  
value**



### Budimex Group

#### CONSTRUCTION BUSINESS

##### Infrastructure

- Construction of roads, highways,
- Renovations of existing roads,
- Construction of bridges.

##### General construction

- Residential construction,
- Non-residential general construction (office buildings, shopping malls, plants),
- Airports.

##### Ecological

- Construction of sewage treatment plants,
- Canalization systems.

#### REAL ESTATE BUSINESS

##### Residential development

- Development of residential property (flats).

##### Rental activity

- Rental of investment property to external clients.
- Operating one commercial parking lot.

##### Other services

- Operating one hotel in Poland.

#### OTHER ACTIVITIES

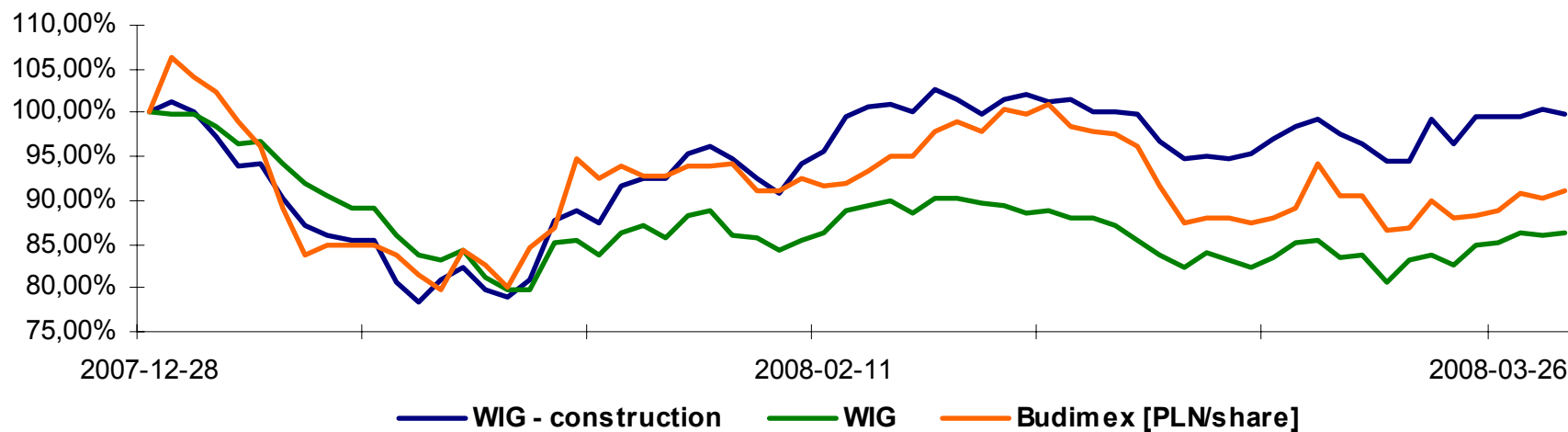
##### Timber – frame houses

- Production and development of timber – frame houses.

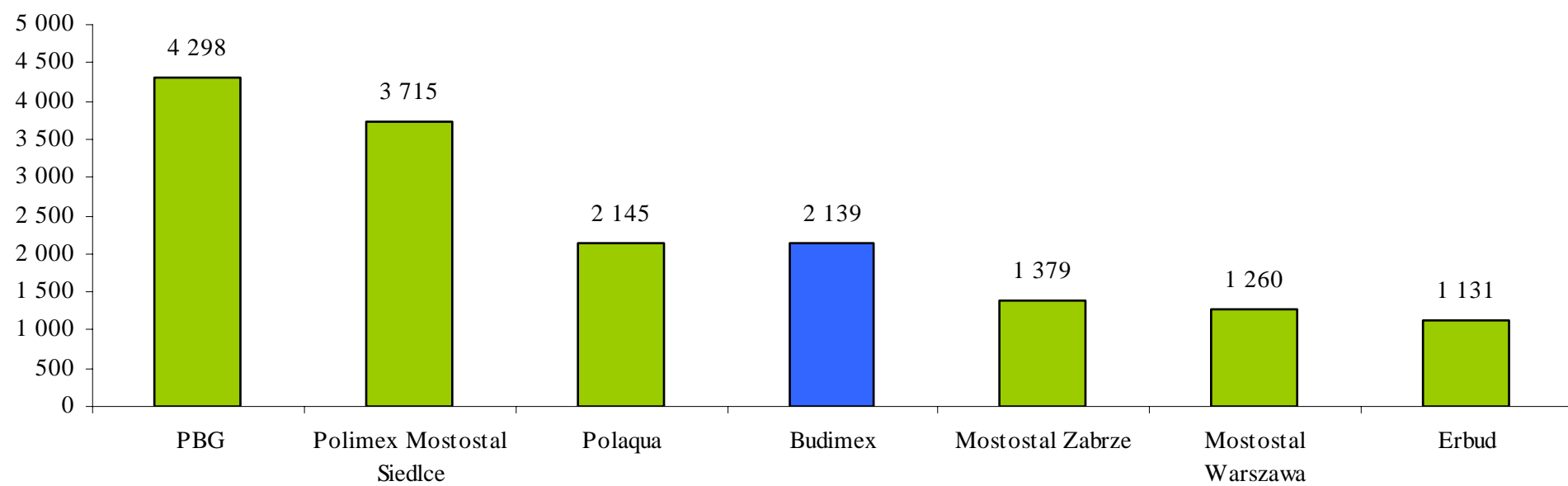
##### Other activity (equity pick-up)

- Electro – installation company (Elektromontaż Poznań S.A.),
- Production of switchboards (Elektromontaż Poznań S.A.),
- Highway licences (Autostrada Południe).

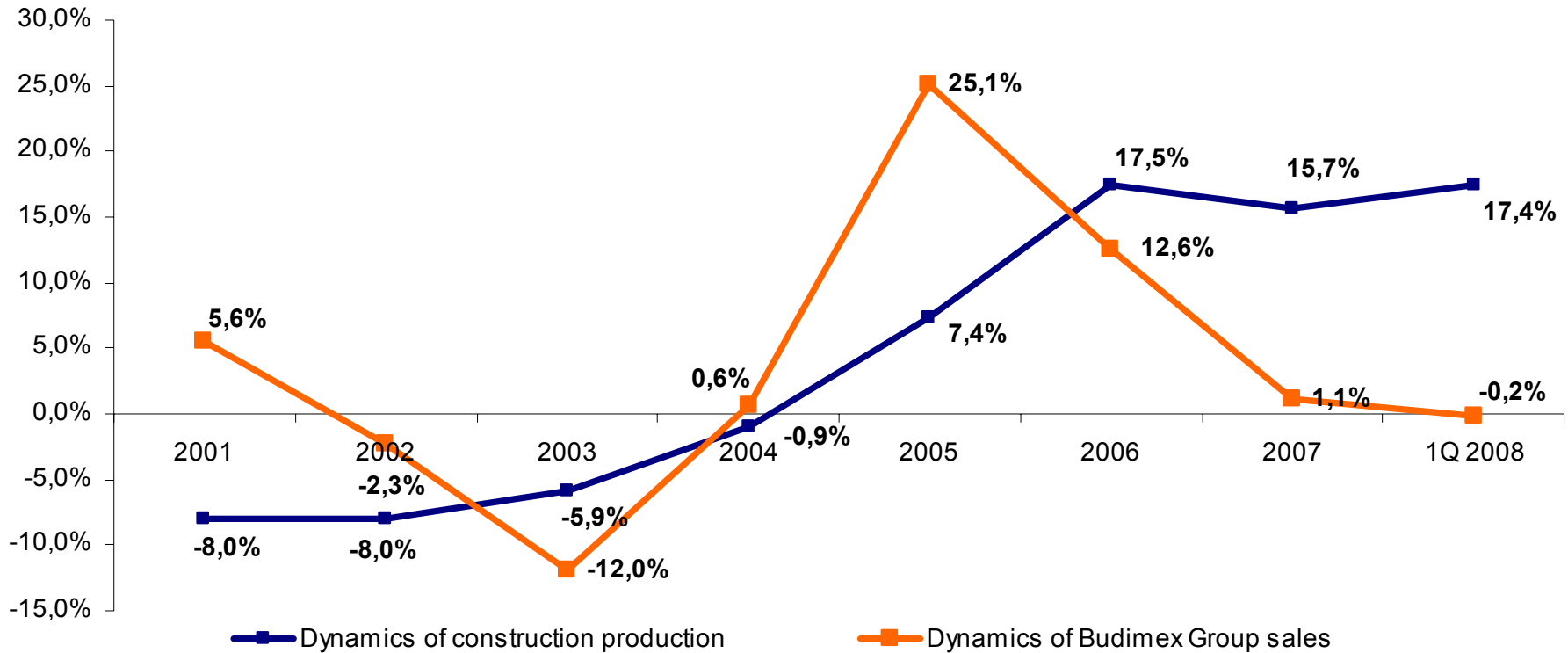
### Warsaw Stock Exchange performance 1Q 2008



Capitalization as at 31.03.2008 vs competitors



Dynamics of construction production 2001-2008



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# **Budimex Group**

**Results 1Q 2008**



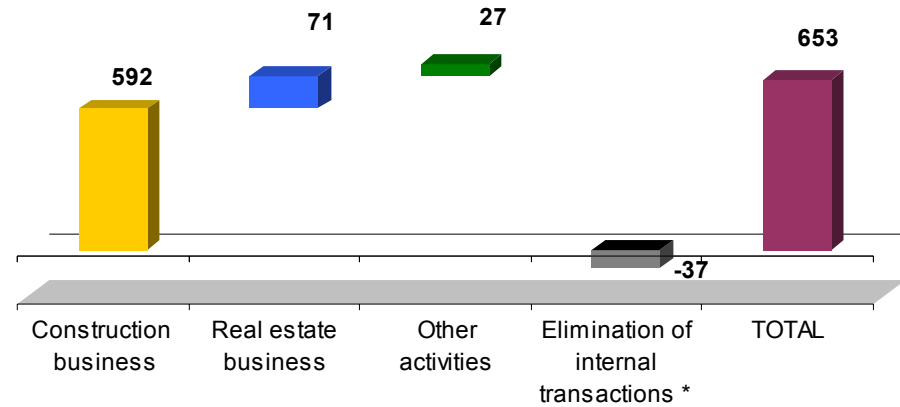
# Budimex Group

## Financial highlights

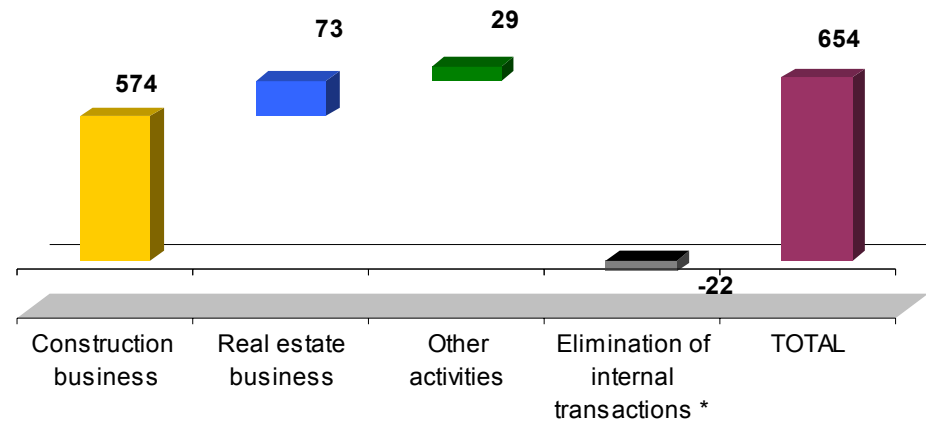
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<i>mln PLN</i>	<b>1Q 2008</b>	<b>1Q 2007</b>	<b>Δ</b>
Sales	653	654	-1
<i>% change 1Q 2008 vs. 1Q 2007</i>			-0,2%
Gross margin	37	34	3
<i>as % of sales</i>	5,7%	5,2%	
Cost of sales and overheads	-37	-34	-3
<i>as % of sales</i>	-6%	-5%	
Result on sales	1	0	1
Other operating activity	11	1	10
EBIT	12	0	12
Financial activity	7	1	6
Gross profit	20	1	19
Net profit	16	-1	17
Capital Expenditure	-9	-2	-7
Construction backlog (as at 31 March)	3 290	3 312	-22
Presales of flats value	42	19	23
Land Bank (k m2 of flats) (as at 31 March)	255		

### sales 1Q 2008

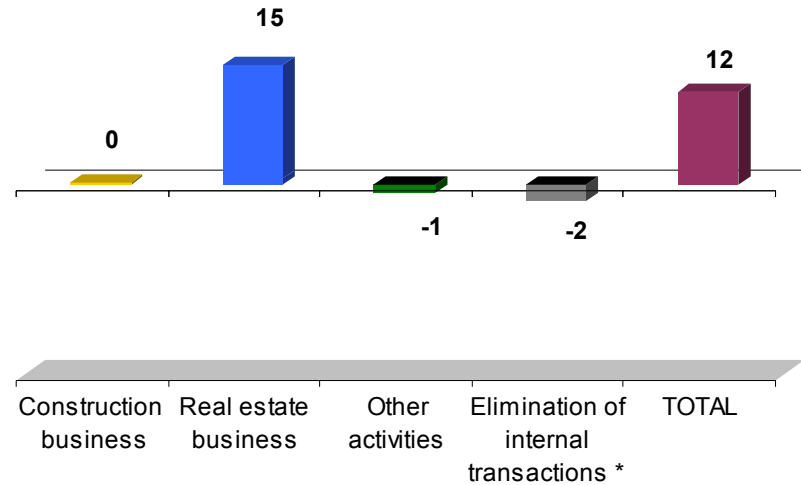


### sales 1Q 2007

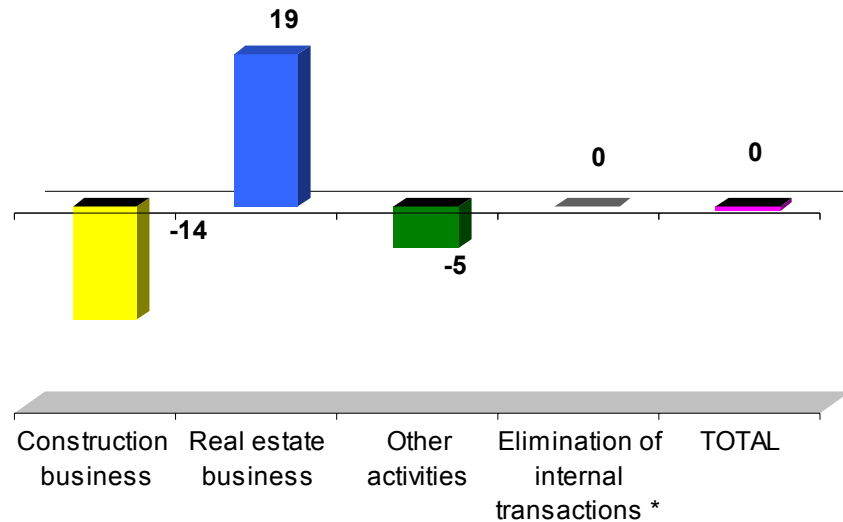


\* mainly Budimex Dromex (Construction segment) sales to Real Estate segment

### EBIT 1Q 2008



### EBIT 1Q 2007



\* mainly Budimex Dromex (Construction segment) margin on sales to Real Estate segment

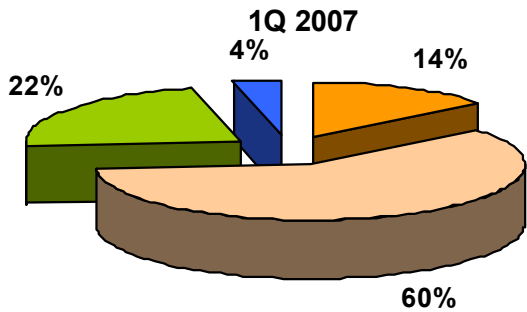
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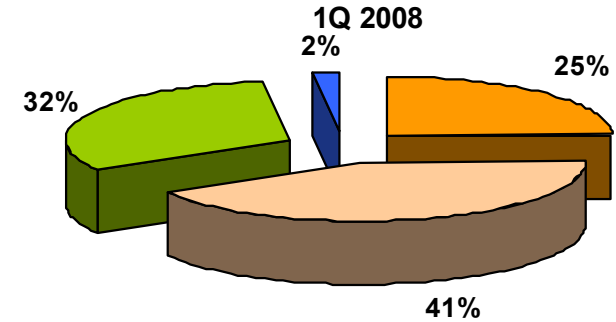
**Construction segment**

<i>mln PLN</i>	1Q 2008	1Q 2007	Δ
Sales	592	574	18
<i>% change 1Q 2008 vs. 1Q 2007</i>			3%
EBITDA	4	-10	14
<i>as % of sales</i>	0,7%	-1,7%	
EBIT	0	-14	14
<i>as % of sales</i>	0,1%	-2,5%	
Gross Profit	10	-12	22
Net profit	8	-12	20
Capital Expenditure	-8	-1	-7
Construction backlog (as at 31 March)	3 290	3 312	-22

#### Sales structure by type of works



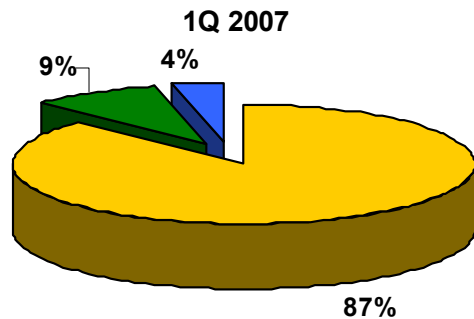
- General construction - residential
- General construction - non residential
- Infrastructure construction
- Other sales



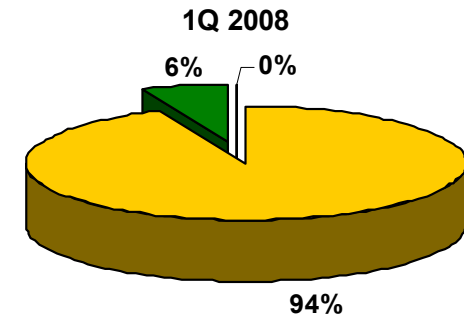
- General construction - residential
- General construction - non residential
- Infrastructure construction
- Other sales

residential:	1Q2007	1Q2008
• internal:	34%	45%
• external:	66%	55%

#### Sales structure by markets

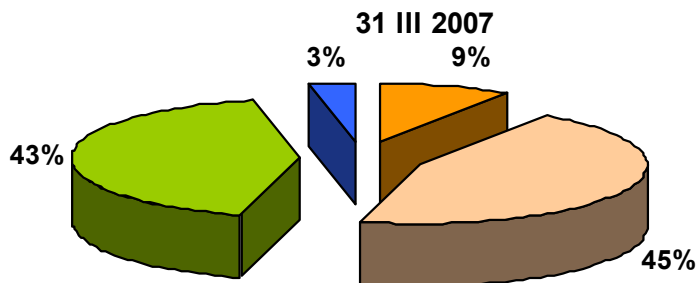


- Polish Market
- German Market
- Eastern Markets

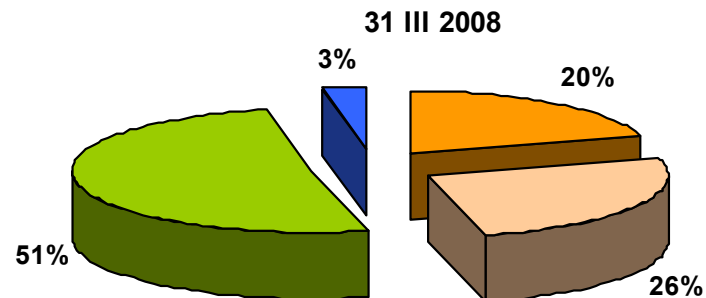


- Polish Market
- German Market
- Eastern Markets

### Backlog structure by type of works

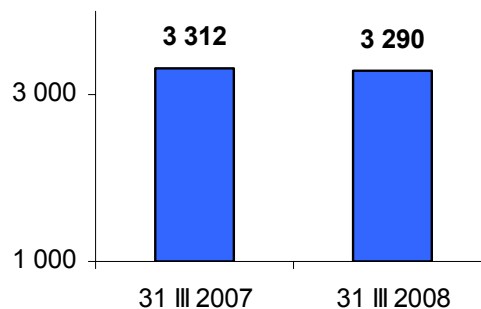


- General construction - residential
- General construction - non residential
- Infrastructure construction
- Others (German market)



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### Budimex Group backlog



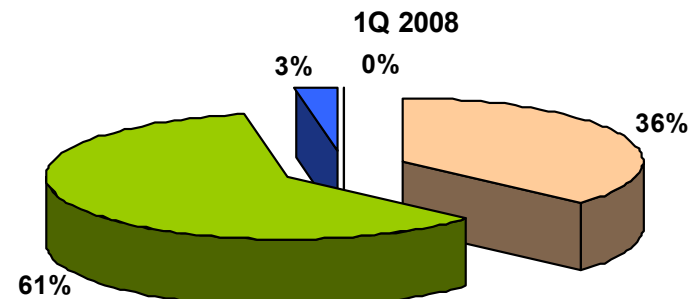
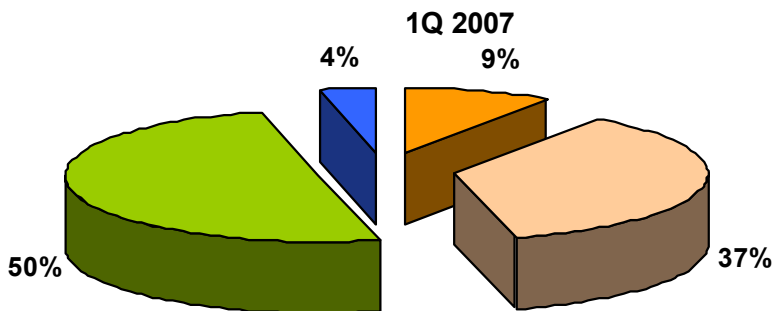
*residential including:*  
*internal backlog: 21%*  
*external backlog: 79%*

*residential including:*  
*internal backlog: 44%*  
*external backlog: 56%*

Contracts with value > 1mln PLN	III 2007	III 2008
number of contracts	86	59
average value (mln PLN)	34	51

**Budimex Dromex backlog value to be realized in 2008: 1.913 mln PLN (including backlog with gross margin „0”: 113 mln PLN)**

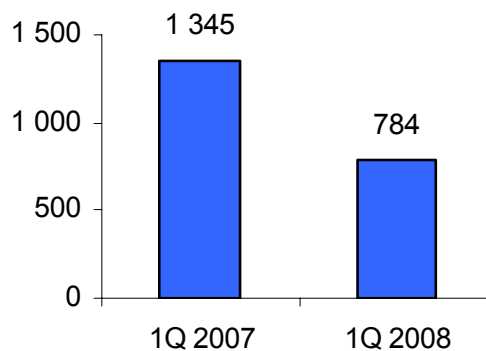
#### Contracts signed structure by type of works



- General construction - residential
- General construction - non residential
- Infrastructure construction
- Others (German market)

- General construction - residential
- General construction - non residential
- Infrastructure construction
- Others (German market)

#### Contracts signed by Budimex Group



*residential including:  
internal contracts signed: 0%*

***Budimex Dromex S.A.  
number of contracts signed  
average value (mln PLN)***

	<b><i>1Q 2007</i></b>	<b><i>1Q 2008</i></b>
Number of contracts signed	<b><i>11</i></b>	<b><i>4</i></b>
Average value (mln PLN)	<b><i>118</i></b>	<b><i>164</i></b>



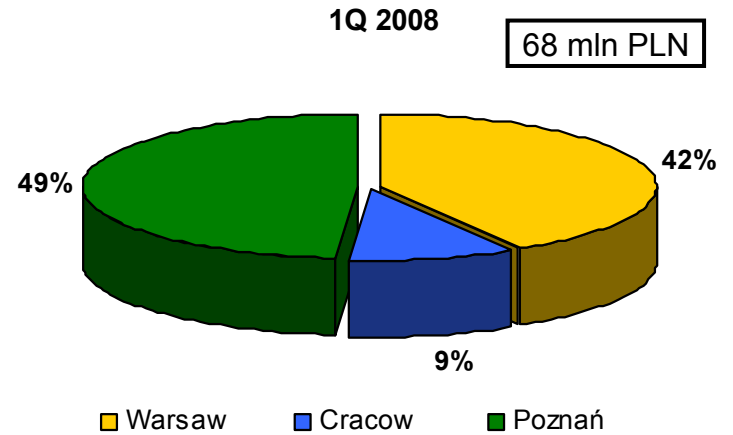
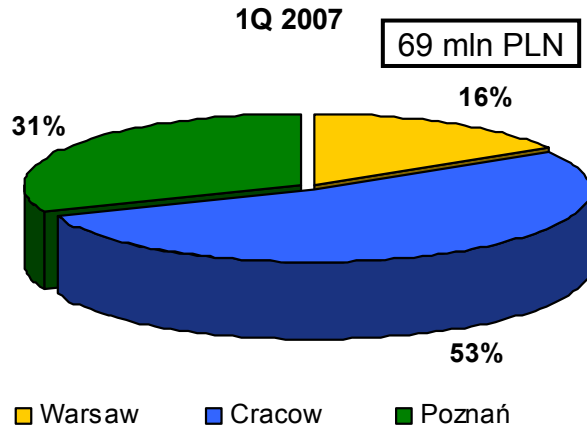
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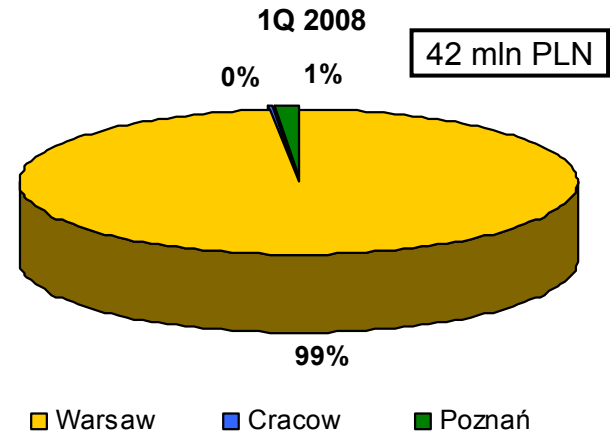
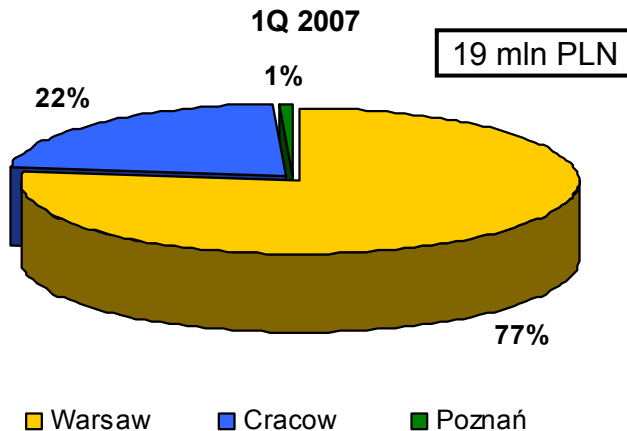
**Real Estate segment**

<i>mln PLN</i>	1Q 2008	1Q 2007	Δ
Sales	71	73	-2
<i>% change 1Q 2008 vs. 1Q 2007</i>			-2%
EBITDA	16	19	-3
<i>as % of sales</i>	22%	26%	
EBIT	15	19	-4
<i>as % of sales</i>	21%	26%	
Gross Profit	13	18	-5
Net profit	10	14	-4
Presales	42	19	23
Land Bank (k m2 of flats) (as at 31 March)	255		
<b>100% of J.V</b>	<b>1Q 2008</b>	<b>1Q 2007</b>	<b>Δ</b>
Sales	103	64	39
<i>% change 1Q 2008 vs. 1Q 2007</i>			61%
Presales	76	37	39
Presales (volume of flats)	103	85	18
Land Bank (k m2 of flats) (as at 31 March)	497		

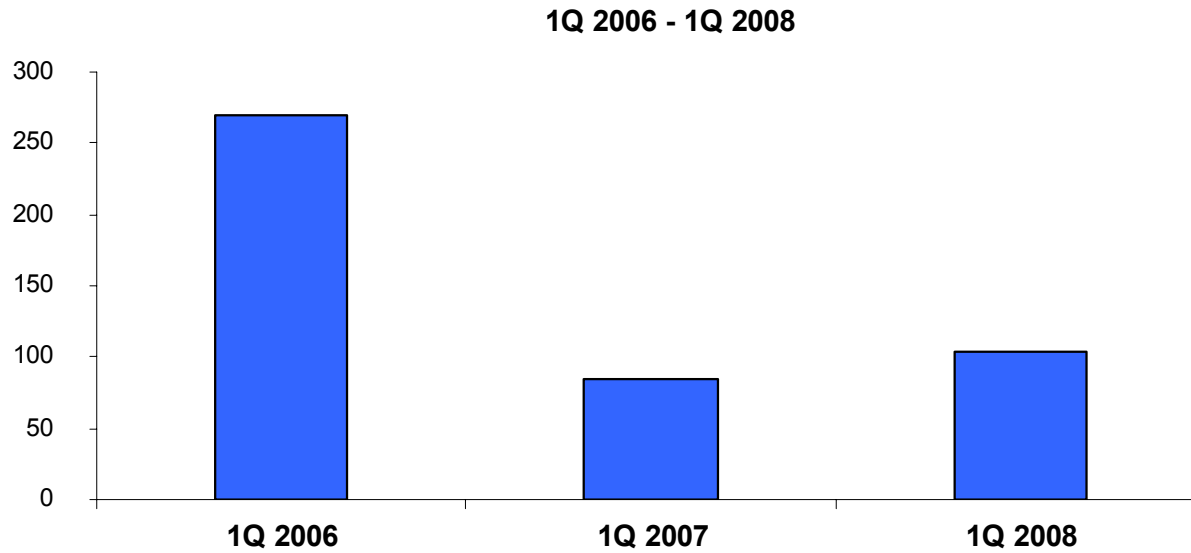
#### Notary sales of flats structure



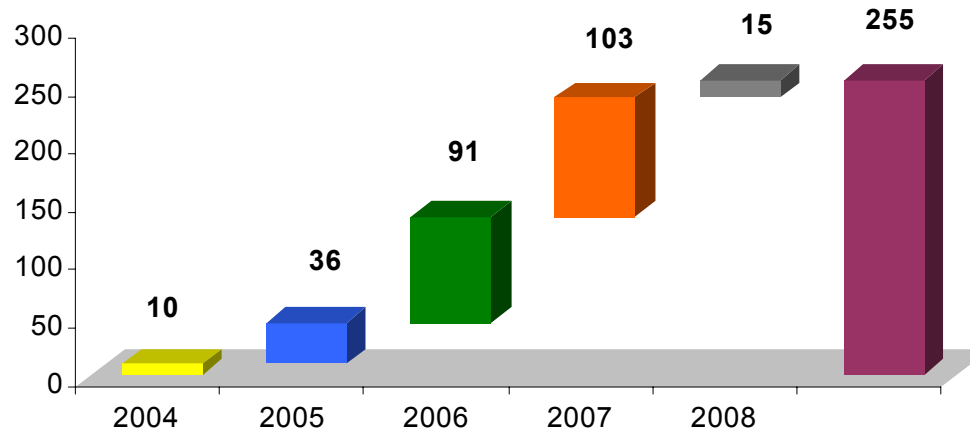
#### Presales of flats structure



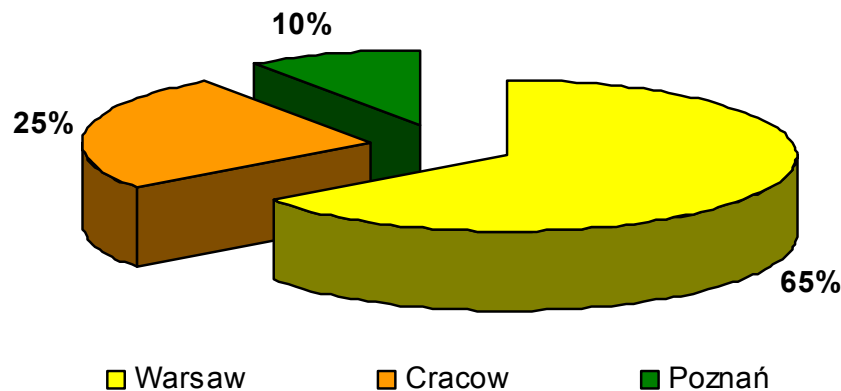
**Presales volume of flats (incl. 100% of J.V.)**



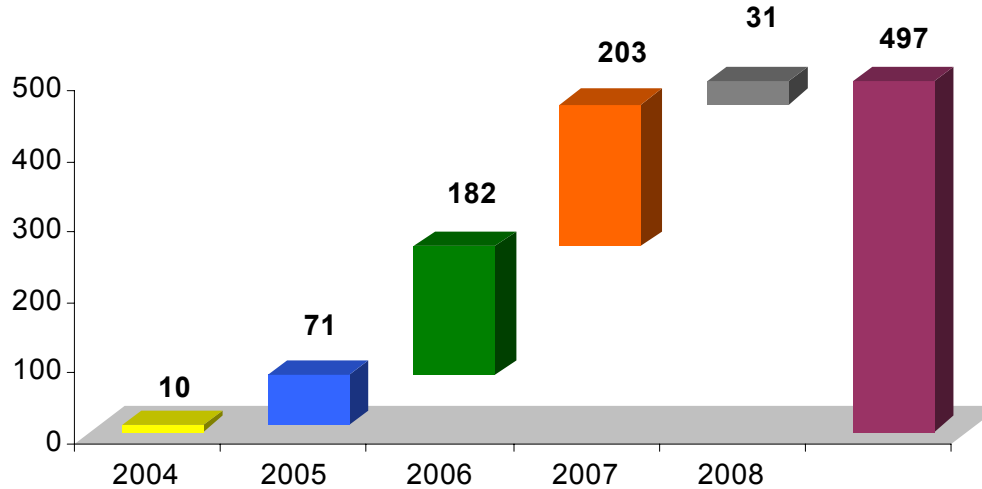
Land bank ageing (*k m<sup>2</sup> of flats*), average flat is 59 m<sup>2</sup> (incl. 50% of J.V.)



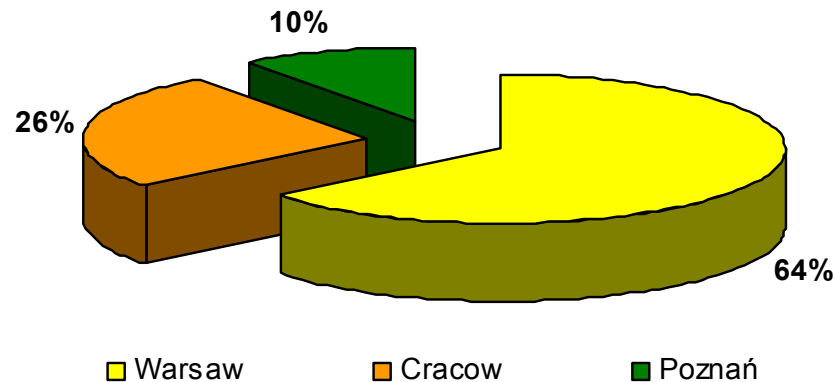
Land bank geographical structure (*k m<sup>2</sup> of flats*) (incl. 50% of J.V.)



Land bank ageing (*k m<sup>2</sup> of flats*), average flat is 59 m<sup>2</sup> (incl. 100% of J.V.)



Land bank geographical structure (*k m<sup>2</sup> of flats*) (incl. 100% of J.V.)



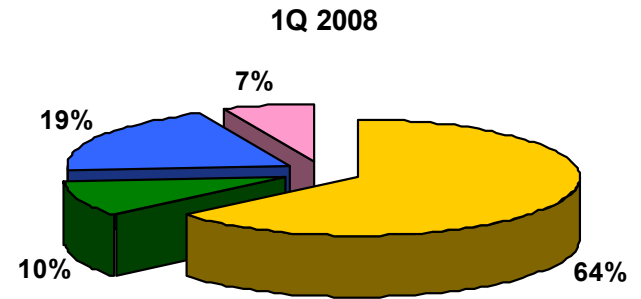
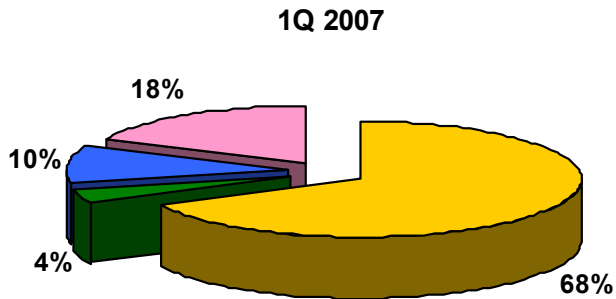
# **Budimex Group**

**Other Activity**

<i>mln PLN</i>	1Q 2008	1Q 2007	Δ
Sales	27	29	-2
<i>% change 1Q 2008 vs. 1Q 2007</i>			-5%
EBITDA	-1	-4	3
<i>as % of sales</i>	-3%	-15%	
EBIT	-1	-5	4
<i>as % of sales</i>	-2%	-18%	
Gross Profit	-1	-5	4
Net Profit	-1	-4	3



Sales structure by country



■ Germany ■ Poland ■ U.K. ■ Other countries

■ Germany ■ Poland ■ U.K. ■ Other countries

Timber-frame houses backlog as at 31 March 2008

