ERBUD

RESPONSIBLE,
INNOVATIVE
AND SAFE
PARTNER

FINANCIAL PERFORMANCE OF ERBUD GROUP

Q3 2019



Warsaw, 14 November 2019

ERBUD Group at the end of Q3 2019
Major highlights:

- Revenues: **PLN 1.8 BN**
- EBIT: **PLN 44 M**
- Net profit: **PLN 28 M**
- Robust cash position: **PLN 123 M** of cash assets
- Safe and diversified order portfolio: **PLN 2.3 BN**

Performance summary

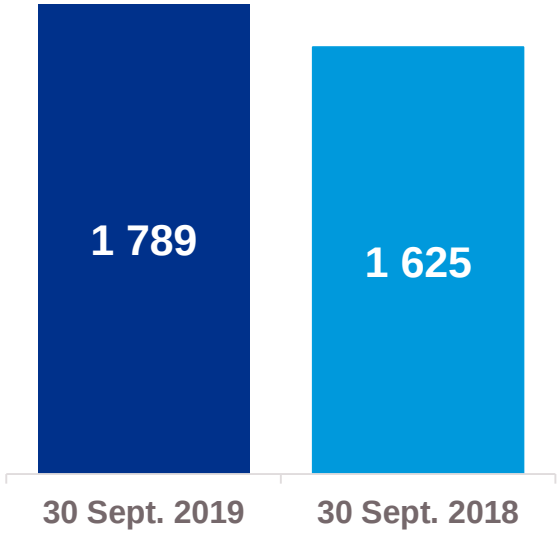


Attachments

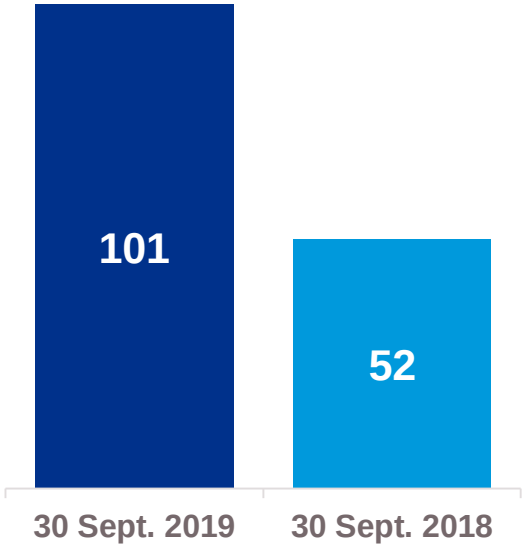


Major Highlights
(as of 30 Sept. 2019)

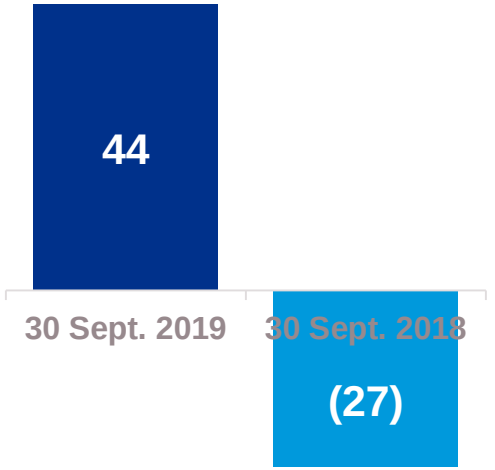
Sales revenues
[PLN M]



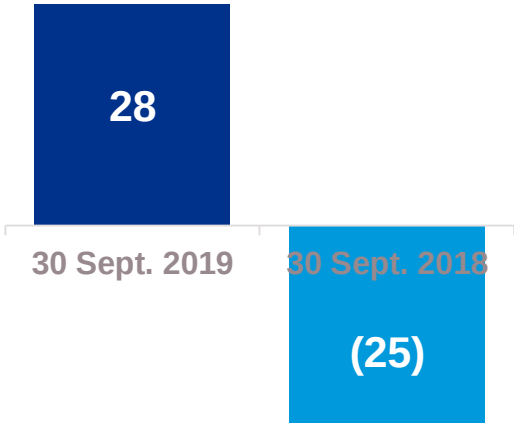
Gross profit/loss on sales
[PLN M]



EBIT
[PLN M]



Net profit/loss
[PLN M]

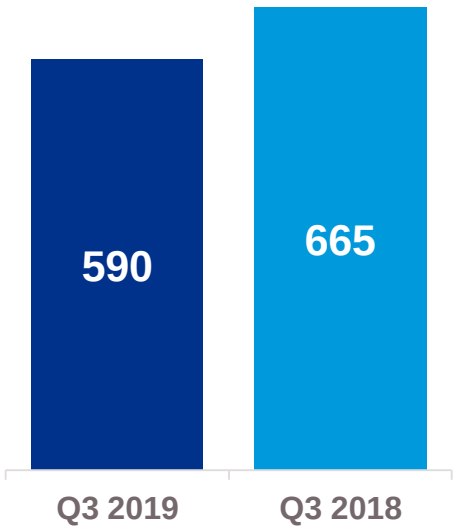


COMMENTS

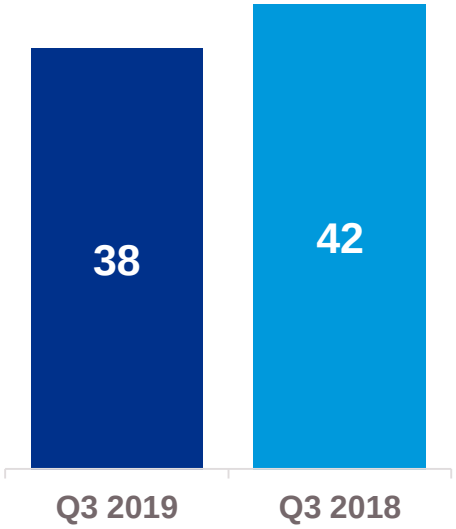
- Sales revenues up by 10% yoy
- Sales profit doubled
- EBIT margin: 2.45%, net margin: 1.58%

Major Highlights
(Q3 2019)

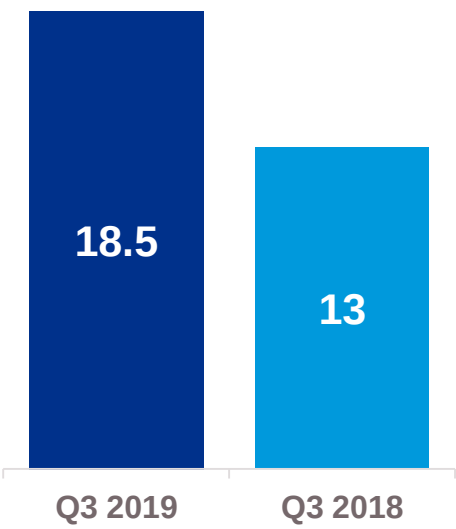
Sales revenues
[PLN M]



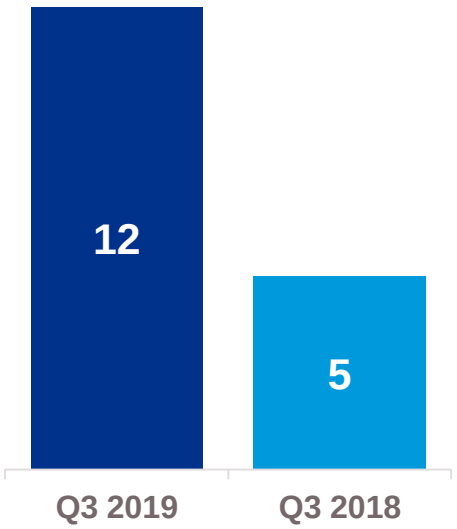
Gross profit/loss on sales
[PLN M]



EBIT
[PLN M]



Net profit/loss
[PLN M]

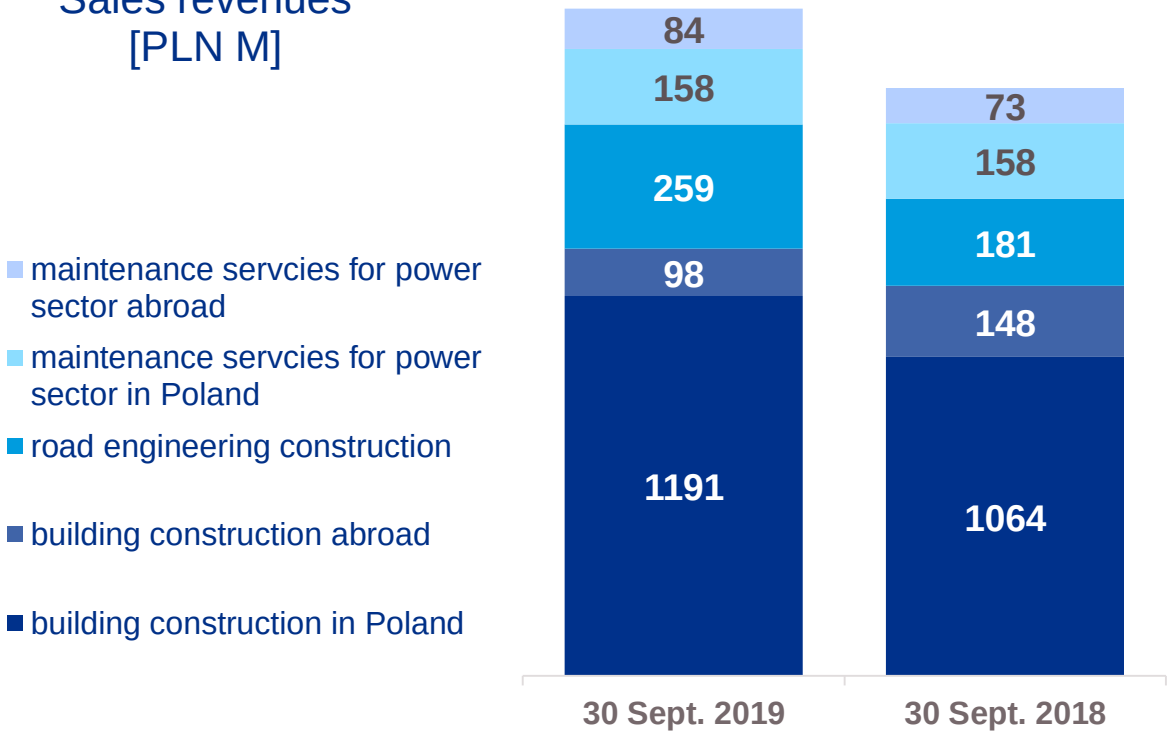


COMMENTS

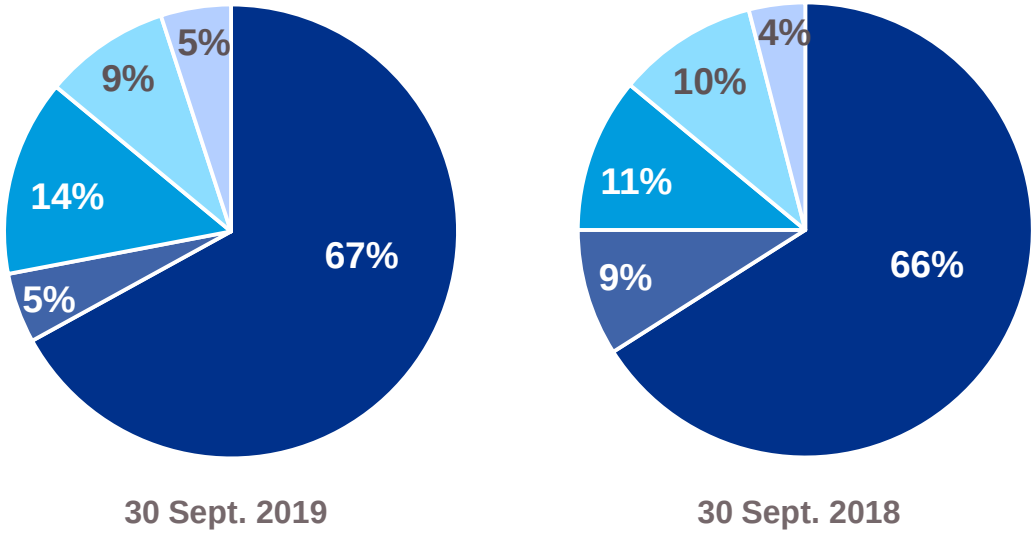
- EBIT up by 39% yoy
- Net profit up by 138% yoy
- EBIT margin: 3.14%, net margin: 2.06%

Revenues Breakdown By Segments

Sales revenues [PLN M]



Share in revenues

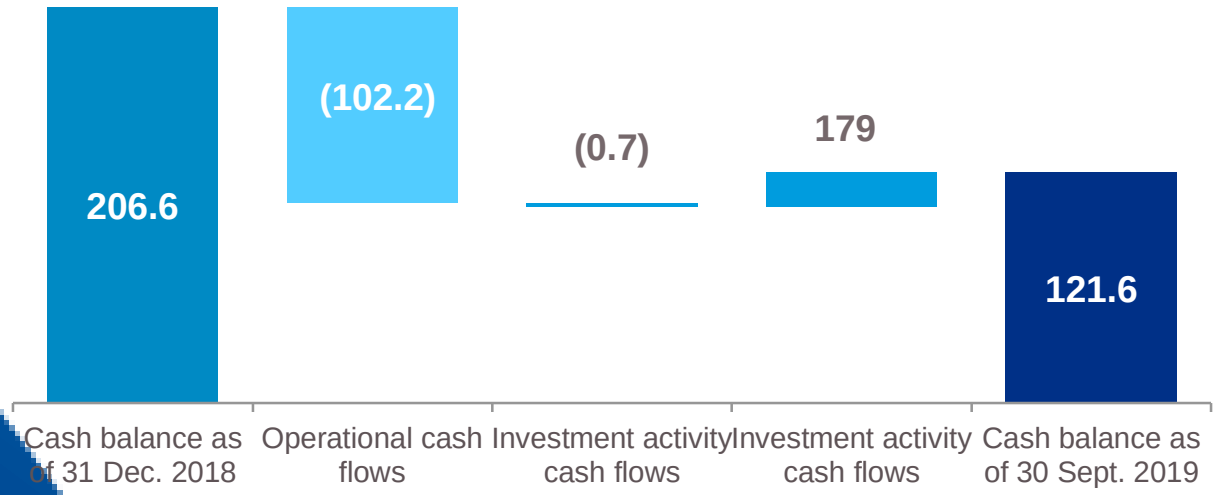


COMMENTS

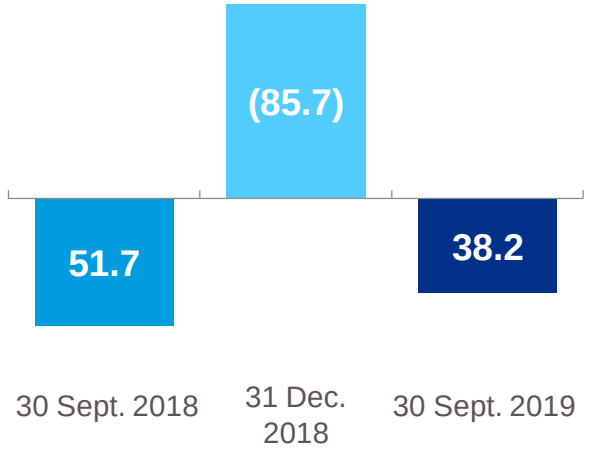
- The revenues from building construction in Poland were up by 12% yoy.
- Sales revenues from road engineering segment up by 43% yoy

Cash Flows From Financial Activities And Debt

Cash flows from financial activities
[PLN M]



Net debt
[PLN M]

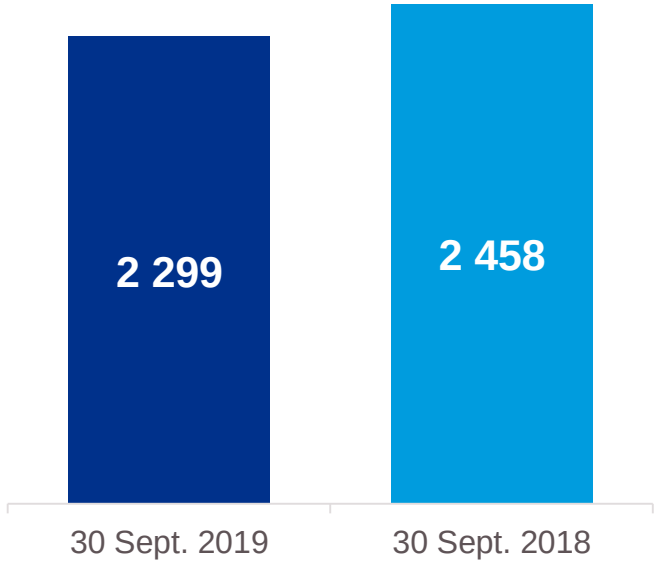


COMMENTS

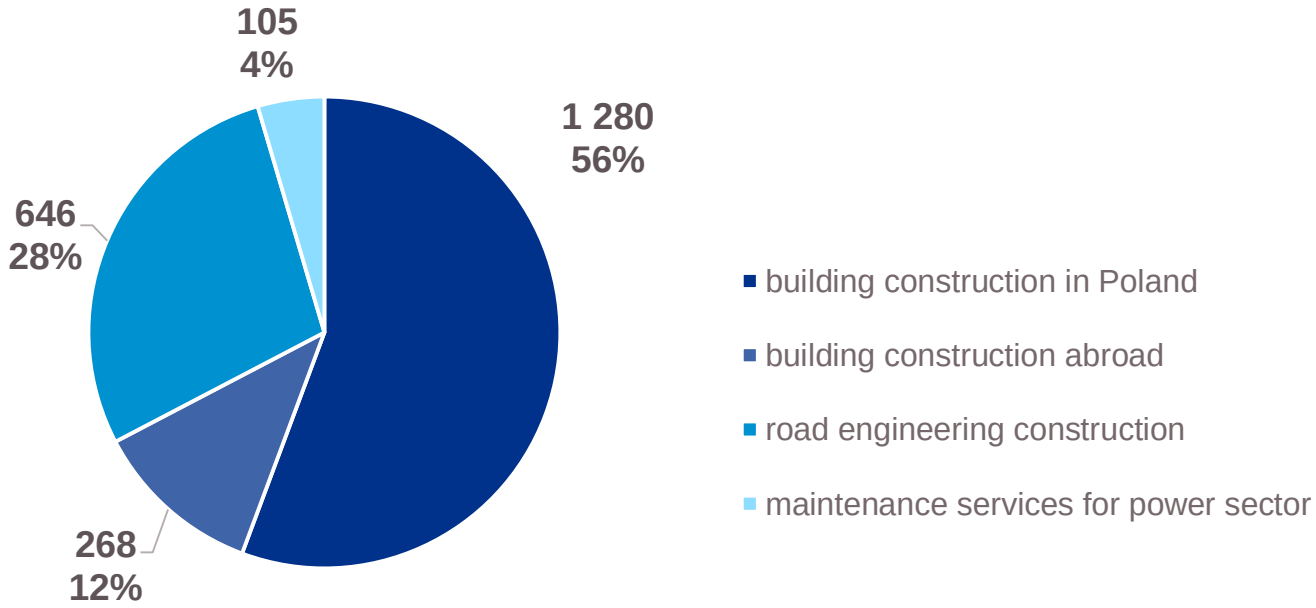
- At the end of September 2019 cash balance was up by PLN 31.7 M (i.e. 35%) compared to the end of the same period in 2018, when it totalled PLN 89.9 M.
- The Group recorded safe level of net interest expenses in the amount of PLN 38.2 M and has open credit and guarantee lines worth PLN 1,193 M.

Order Portfolio

Total order portfolio [PLN M]



Breakdown of order portfolio into segments [PLN M]

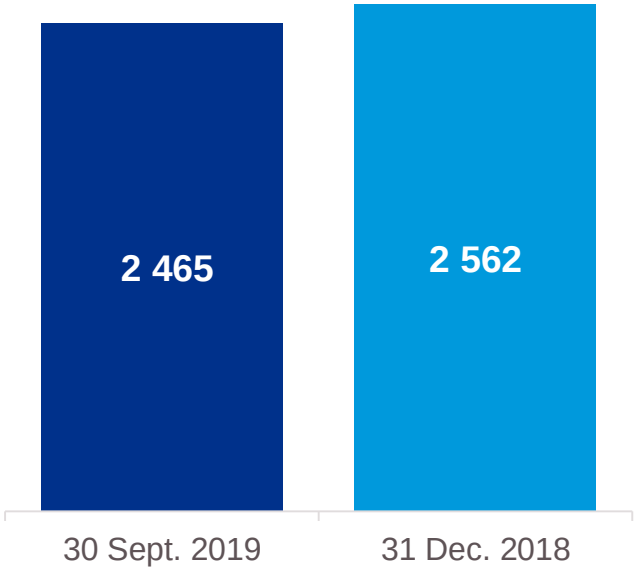


COMMENTS

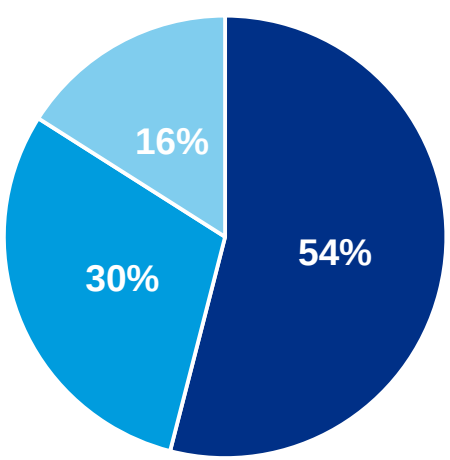
- At the end of Q3 2019 the order portfolio in value terms was down by 6% than at the end of the same period in the previous year.
- The 2019 order portfolio was worth PLN 622 M in value terms, and in longer term (2020-2022) the order portfolio was: PLN 1,678 million.
- The share of public procurement in total order portfolio at the end of September 2019 accounted for 49%, which was mainly driven by contract signed with PBDI S.A. for the construction of S3 thoroughfare. The civil works under the contract will start is 2020.
- Since 1 October 2019 the ERBUD Group has signed contracts with the total value of PLN 253 M.

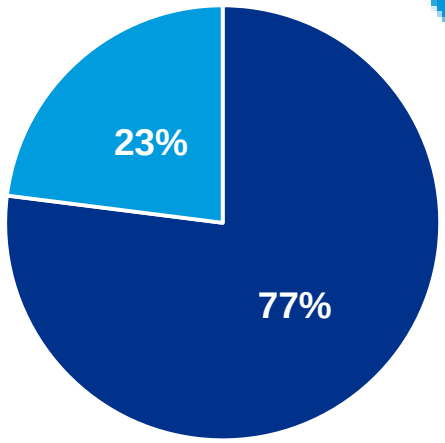
Headcount at the Group Level

Headcount at the Group level



Employment structure





As of 30 Sept. 2019

Performance summary



Attachments



Profit and Loss Account

Selected consolidated items ('000 PLN)	30 Sept. 2019	30 Sept. 2018
Sales revenues	1,789,044	1,624,564
Cost of goods sold (COGS)	1,688,125	1,572,595
Gross sales profit/(loss)	**100,919**	**51,969**
Cost of sales	4,075	4,048
General and administrative (G&A) costs	69,393	69,716
Other operating income	15,590	3,182
Other operating expenses	3,812	2,950
Impairment of financial assets and contract valuation assets	4,488	(5,550)
Share in net profits/losses of equity-accounted subsidiaries	175	(31)
Operating profit	**43,892**	**(27,144)**
Financial income	1,796	5,932
Financial expenses	8,042	7,859
Gross profit from continued operations	**37,646**	**(29,071)**
Income tax	9,313	(4,290)
Net profit/loss from continued operations	**28,333**	**(24,781)**

Balance Sheet

Selected consolidated items ('000 PLN)	30 Sept. 2019	30 Dec. 2018
Goodwill	39,744	39,462
Tangible fixed assets	99,950	72,498
Financial assets	2,605	5,750
Deferred tax assets	32,308	30,410
Receivables under building contracts - deposits	8,723	9,535
Total fixed assets	**183,330**	**157,655**
Inventory	81,377	20,100
Receivables under building contracts - deposits	53,520	53,362
Receivables under building contracts - pricing	203,398	176,425
Trade receivables and other short-term receivables	488,836	463,660
Financial assets	3,420	7,493
Cash and cash equivalents	121,627	206,608
Cash at VAT account	1,328	7,249
Short-term prepayments	6,376	5,848
Total current assets	**959,882**	**940,745**
Total assets	**1,143,212**	**1,098,400**
Equity	269,362	240,911
Long-term liabilities	141,147	112,939
Short-term liabilities	732,703	744,550
Total liabilities	**1,143,212**	**1,098,400**

Historical Outline of ERBUD Group

17 AUG. 1990

Setting up of a company by Eryk Jan Grzeszczak and Dariusz Grzeszczak

1993

1999

The ERBUD shareholders were joined by Józef Adam Zubelewicz

2003

2004

Building of regional branches

2007

2010

2014

2016

Disinvestment of Budlex

2017

The Management Board of ERBUD S.A. was joined by Agnieszka Głowacka

2018

2020

30th anniversary of company

Strong Position in Poland And in the Western Europe





Building construction

Maintenance services for the industry

Engineering and maintenance services for the industry and power sector

Road engineering

Shareholding and Organisational Structure of ERBUD Group

ERBUD

ERBUD S.A.

- The Warsaw Branch
- The Toruń Branch
- The Wrocław Branch
- The Szczecin Branch
- The Cracow Branch
- The Rzeszów Branch

ERBUD Operations Sp. z o.o.



100%

Mirosław Młynarski
President of the Management Board

ERBUD OPERATIONS

GWI GmbH

97.86%



Axel Andreas Wahl
President of the Management Board

GWI

Erbud International Sp. z o.o.

100%



Bogdan Dürr
President of the Management Board

ERBUD INTERNATIONAL

PBDI S.A.

90%



Paweł Średniawa
President of the Management Board



Piotr Gutowski
Vice-President of the Management



Marcin Szerszeń
Vice-President of the Management Board

PBDI

ERBUD Industry Sp. z o.o.

ERBUD Industry Centrum Sp. z o.o.	99.01%
ERBUD Industry Pomorze Sp. z o.o.	100%
ERBUD Industry Południe Sp. z o.o.	99.29%



Mirosław Białogłowski
A Management Board member



Marcin Nowicki
A Management Board member



Paweł Zaorski
A Management Board member

ERBUD INDUSTRY

IVT Weiner + Reimann GmbH

100%



Dipl.-Ing. Carsten Weiner
A Management Board member

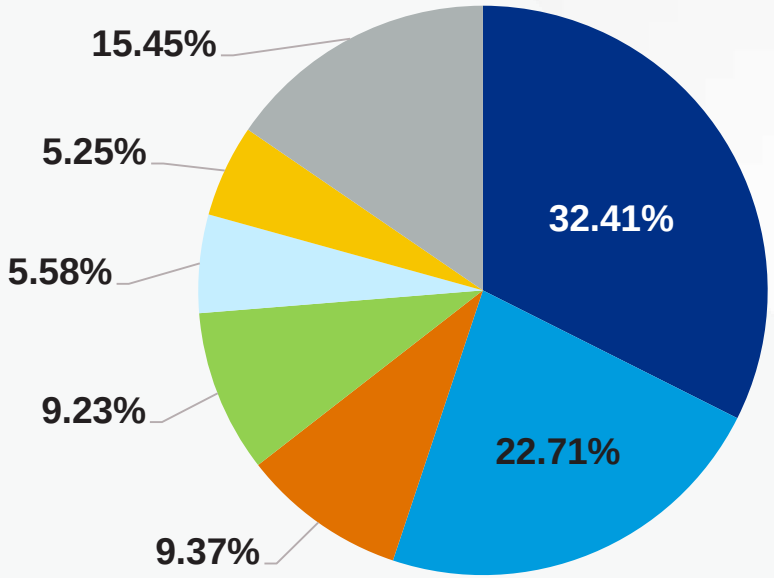


Andreas Schmitz
A Management Board member

IVT WEINER + REIMANN GMBH

The shares in percentage terms stand for equity interest of parent companies.

Governing Bodies and Shareholding



- Wolff & Müller Baubeteiligungen GmbH & Co. KG w tym Wolff & Müller Holding GmbH & Co. KG
- Dariusz Grzeszczak and DGI FIZAN controlled by D. Grzeszczak
- NN OFE
- Aviva OFE Aviva Santander
- PKO OFE
- Józef Adam Zubelewicz and Adler Properties Sp. z o.o. controlled by J.A. Zubelewicz
- Free Float

MANAGEMENT BOARD

Dariusz Grzeszczak	A Management Board member
Józef Adam Zubelewicz	A Management Board member
Agnieszka Głowacka	A Management Board member

SUPERVISORY BOARD

Udo Berner (Chairman)	Piotr Kaczmarek
Albert Dürr	Michał Otto
Gabriel Główka	Janusz Reiter



THE MŁOCINY SHOPPING MALL IN THE CITY OF WARSAW

INVESTOR: **ECHO Investment S.A.**

EXECUTION PERIOD: **May 2016 – May 2019**

CUBIC CAPACITY: **1 432 674 m³**



SILESIA OUTLET IN THE CITY OF GLIWICE, PHASE 1

INVESTOR: **SILESIA OUTLET Sp. z o.o.**

EXECUTION PERIOD: **Dec. 2017 – Mar. 2019**

CUBIC CAPACITY: **105 476 m³**



ROYAL WILANÓW IN THE CITY OF WARSAW

INVESTOR: **Capital Park S.A.**

EXECUTION PERIOD: **Aug. 2013 – Sept. 2015**

CUBIC CAPACITY: **281 950 m³**



NEUCA S.A. IN THE CITY OF TORUŃ

INVESTOR: **Martinigue Investment Sp. z o.o.**

EXECUTION PERIOD: **May 2018 – Feb. 2020**

CUBIC CAPACITY: **89 479 m³**



NON-INVASIVE MEDICINE CENTER IN THE CITY OF GDAŃSK

INVESTOR: **Gdańsk Medical University**

EXECUTION PERIOD: **Oct. 2018 – Oct. 2020**

CUBIC CAPACITY: **140 802 m³**



THE SOUTHERN HOSPITAL IN THE CITY OF WARSAW

INVESTOR: **The Capital City of Warsaw – The Capital City Management Board for City Development**

EXECUTION PERIOD: **from Oct. 2016 onwards**

CUBIC CAPACITY: **188 945 m³**



RADISSON BLU RESSORT IN THE CITY OF ŚWINOUJŚCIE

INVESTOR: **Zdrojowa Invest Sp. z o.o.**

EXECUTION PERIOD: **Oct. 2014 – Jul. 2016**

CUBIC CAPACITY: **184 995 m³**



HAMPTON BY HILTON IN THE CITY OF GDAŃSK

INVESTOR: **Capital Park S.A.**

EXECUTION PERIOD: **May 2016 – Jan. 2018**

CUBIC CAPACITY: **38 680 m³**

ERBUD INDUSTRY

INDUSTRIAL CONSTRUCTION AND POWER SECTOR



ALTERATION OF MICHELIN CHP PLANT IN THE CITY OF OLSZTYN

INVESTOR: **Michelin Polska S.A.**

EXECUTION PERIOD: **Mar. 2018 – Oct. 2019**



RETROFITING OF POMORZANY POWER PLANT IN THE CITY OF SZCZECIN

INVESTOR: **Pomorzany Power Plant (PGE Górnictwo i Energetyka Konwencjonalna S.A.)**

EXECUTION PERIOD: **Oct. 2016 – Nov. 2018**

PBDI S.A.



DOBRCZ / MIERKI PHOTOVOLTAIC POWER PLANT COMPLEX

INVESTOR: **Chatteris Investments Sp. z o.o.**

EXECUTION PERIOD: **Jul. 2017 – Feb. 2018**

ERBUD INTERNATIONAL SP. Z O.O.



CADIX UNIVERSITY AT ANTWERP/ BELGIUM

INVESTOR: **NV Strabag Belgium SA**

EXECUTION PERIOD: **Mar. 2018 – Feb. 2019**



KÖ QUARTIER OFFICE AND COMMERCIAL BUILDING IN THE CITY OF DÜSSELDORF (GERMANY)

INVESTOR: **KQ Development S.C.S, Luxembourg**

EXECUTION PERIOD: **Sept. 2017 – Sept. 2018**

CUBIC CAPACITY: **90 207 m³**



UPPERNORD TOWER DÜSSELDORF (GERMANY)

INVESTOR: **CG Gruppe AG**

EXECUTION PERIOD: **Jul. 2019 – Sept. 2021**

CUBIC CAPACITY: **126 000 m³**

Contact Persons

INVESTORS RELATIONS

Agnieszka Głowacka

A Management Board member

mob. 604 776 410

MEDIA RELATIONS

Kazimierz Roztocki

k.roztocki@bridge.pl

mob. 507 931 448

www.erbud.pl/relacje_inwestorskie

ERBUD

THANK YOU

