FINANCIAL RESULTS OF ERBUD GROUP FOR 2019



RESPONSIBLE, INNOVATIVE AND SAFE PARTNER

Warsaw, 7.04.2020

ERBUD Group - the most important facts

- All construction and service projects in Poland and Germany **are carried out as planned**.
  - Due to the coronavirus pandemic, we **are temporarily suspending** the dividend policy.
    - Sales revenues in 2019 amounted to **PLN 2.3 billion** and were at a similar level as in 2018.
      - The EBIT result was **PLN 58 million** and the net profit **PLN 35 million**.
        - Revenues from road engineering construction increased by **49%** y/y.
          - At the end of December, the level of cash was **PLN 161.2 million**.

Summary of the results

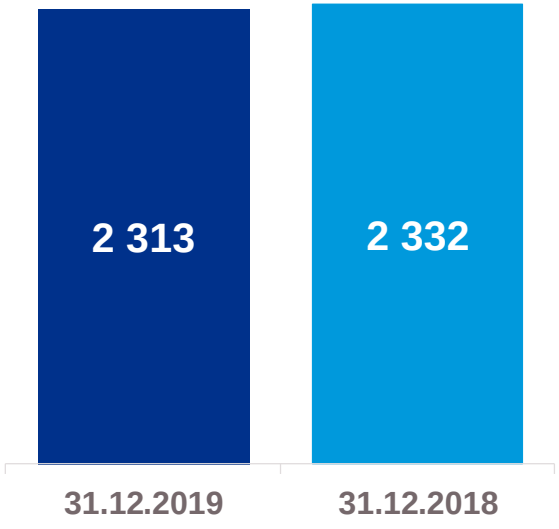


Annexes

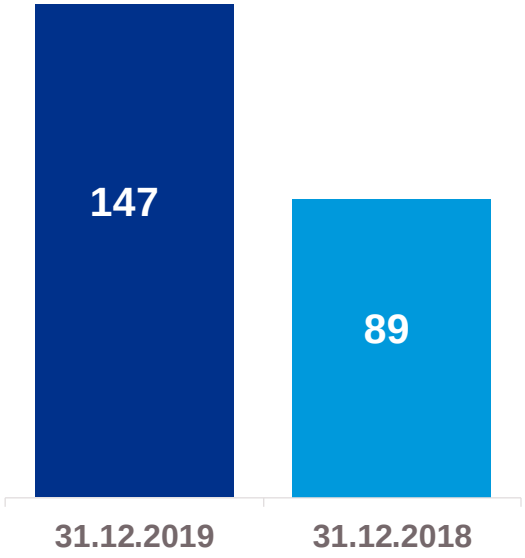


The most important results

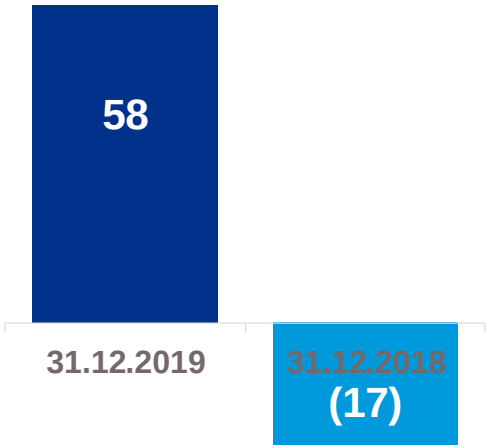
Sales Revenue
[mln PLN]



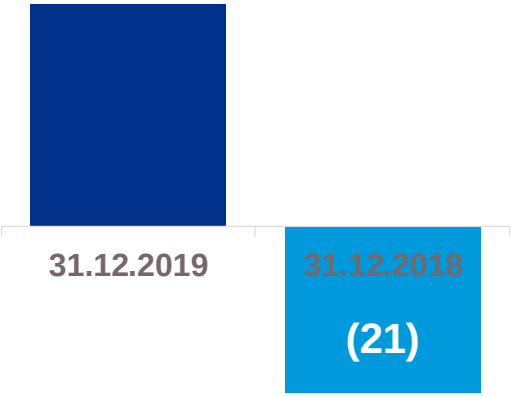
Gross result from sales
[mln PLN]



EBIT
[mln PLN]



Net results
[mln PLN]

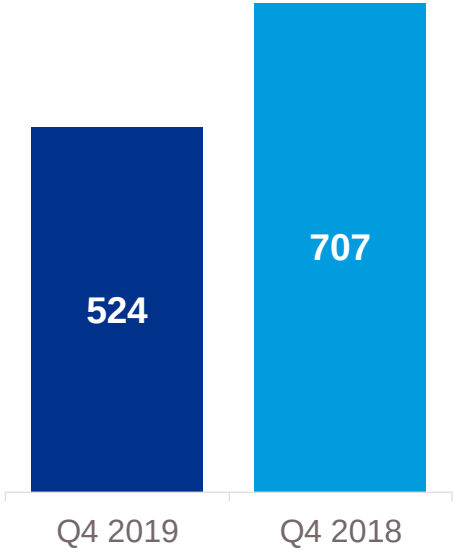


COMMENT

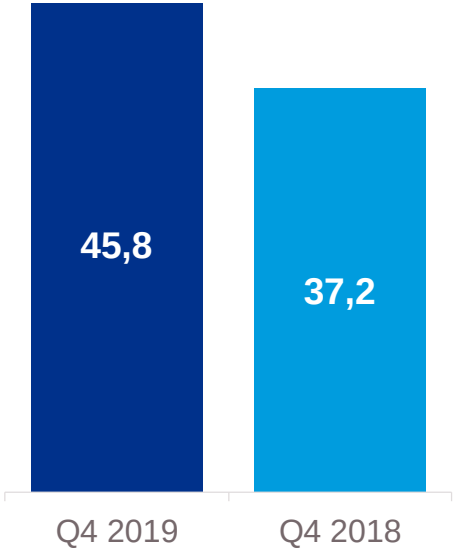
- Revenues from sales were maintained at a similar level y/y.
- Gross result from sales increased by 65% y/y.
- The EBIT margin was 2.52% and the net margin was 1.51%.

The most important results
(IV quarter of 2019)

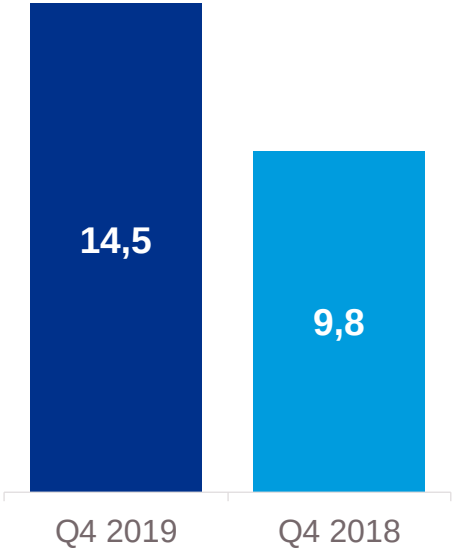
Sales Revenue [mln PLN]



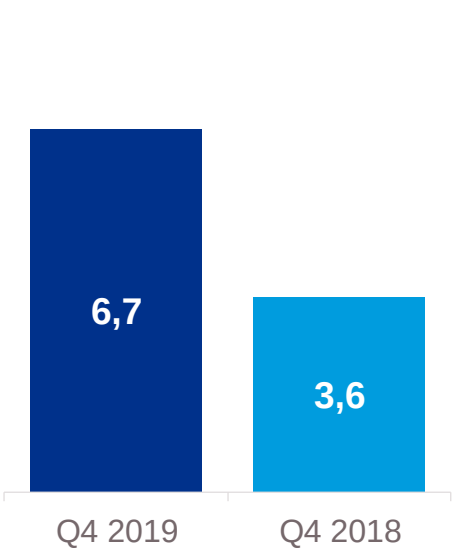
Gross result from sales [mln PLN]



EBIT [mln PLN]



Net results [mln PLN]



COMMENT

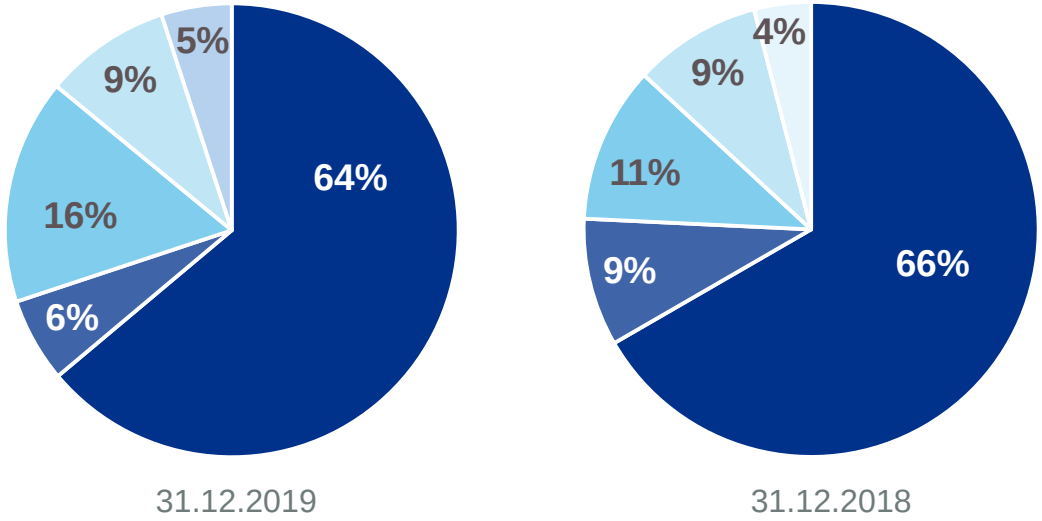
- Sales revenues in the fourth quarter of 2019 were 26% lower than in the same period of the previous year.
- Gross result from sales increased by 23% y/y.
- EBIT increased by 48% y/y.
- The net result increased by 84% y/y.

Revenue by segment

Sales Revenue
[mln PLN]



Share in revenues

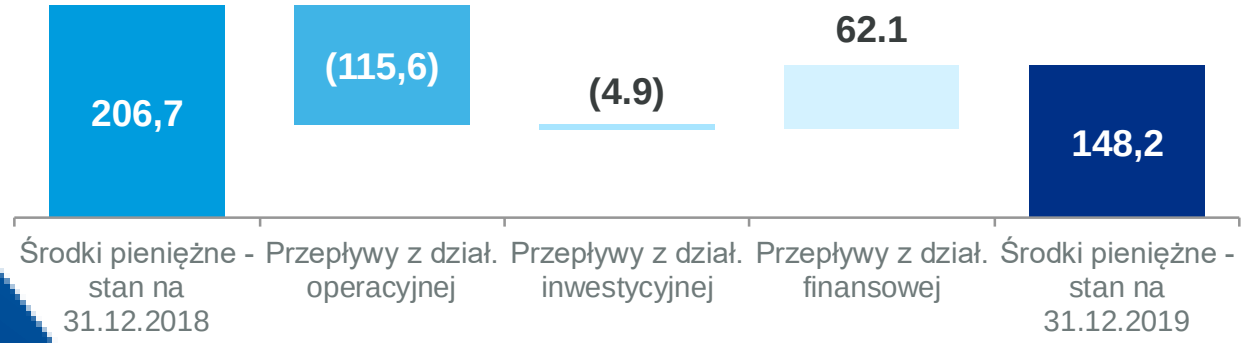


COMMENT

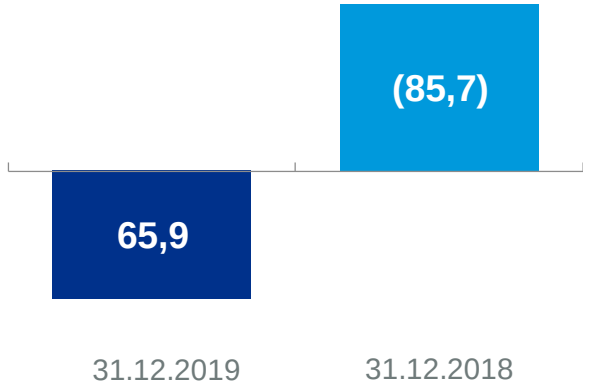
- Revenues from building construction in the country decreased by 5% y/y.
- Revenues from civil engineering and road construction (PBDI S.A.) increased by 49% y/y.
- Total revenues of the energy and service segment (ERBUD Industry Group and IVT Weiner+Reimann GmbH) amounted to 322 million PLN and increased by 2% y/y.
- Total revenues from foreign operations amounted to PLN 252 million and decreased by 20% y/y.

Cash flow and debt

Financial flows
[mln PLN]



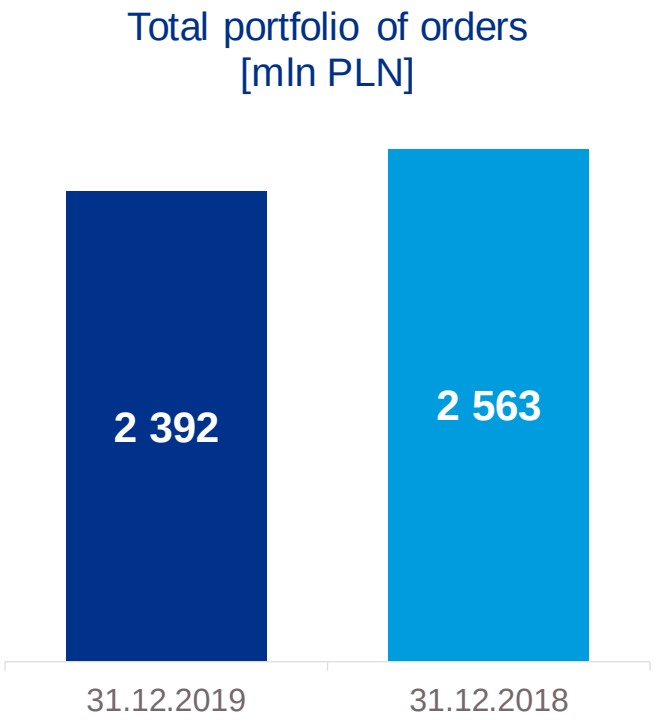
Net indebtedness
[mln PLN]

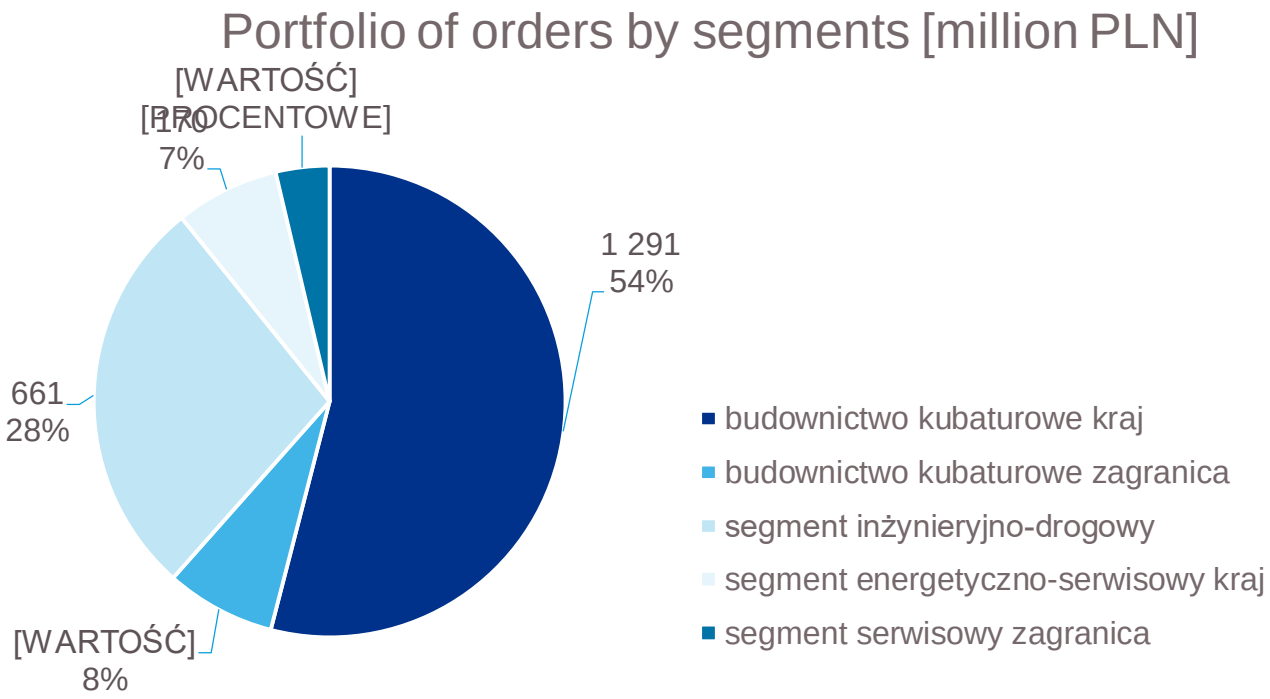


COMMENT

- Negative cash flows from operating activities result from the need to settle liabilities faster than inflows from receivables.
- Cash is lower by PLN 66 million in relation to interest payable.
- The Group has open guarantee and credit lines for a total amount of PLN 1.2 billion.

Portfolio of orders

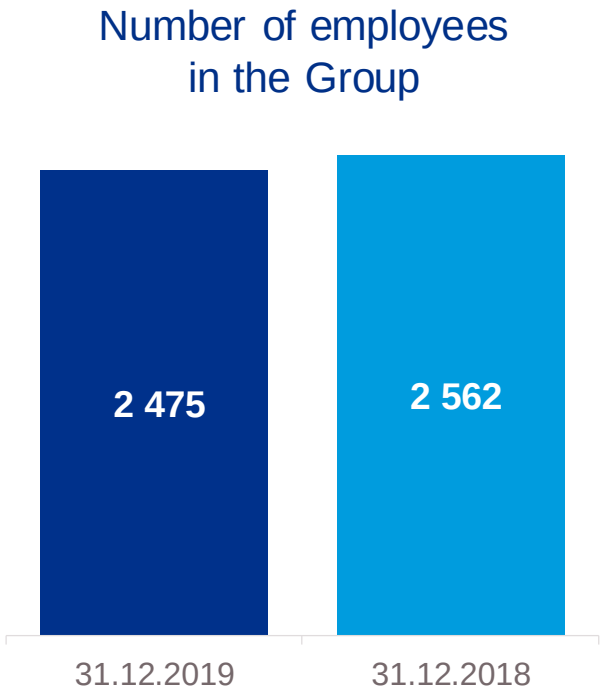


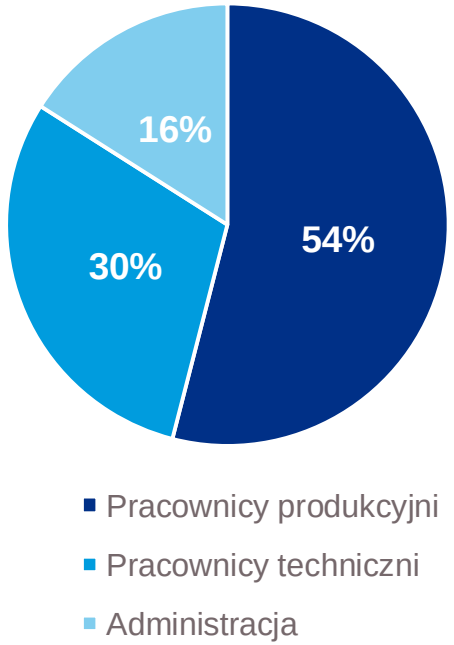


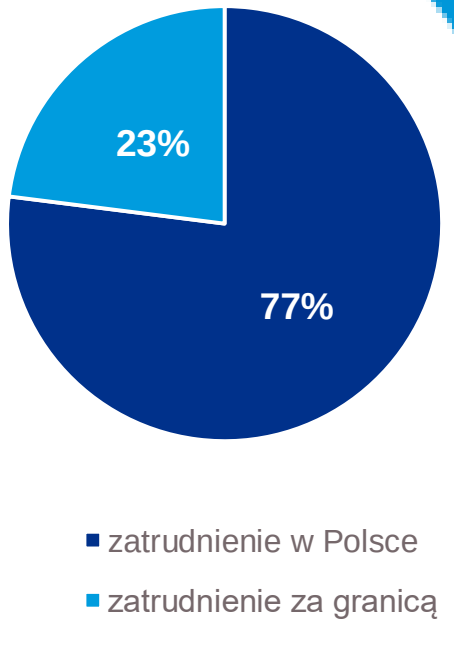
COMMENT

- At the end of 2019, ERBUD had a portfolio of orders worth PLN 2,392 billion.
- A portfolio of orders for 2020 was PLN 1,703 million, and the following years (2021-2022): PLN 689 million.
- At the end of 2019, the share of public procurement in the total portfolio of orders was 47%.
- From January 1, 2020, the ERBUD Group signed contracts with a total value of PLN 692 million.

Employment in the Group







status as at 31.12.2019

COMMENT

- From December 31, 2018 to December 31, 2019, employment in the Group decreased by 87 employees.

Summary of the results



Annexes



Profit and loss account

Selected consolidated positions (thousand PLN)	31.12.2019	31.12.2018
Sales Revenue	2,313,363	2,331,896
Sale own cost	2,166,664	2,242,754
Gross profit from sales	**146,699**	**89,142**
Sale costs	6,003	5,354
General management board costs	92,235	92,258
Other operating revenue	20,827	9,082
Other operating costs	8,860	11,341
Impairment of financial assets and assets from contract valuation	(2,203)	(6,549)
Share in net profits/(losses) of subordinated entities valued with the equity method	175	(31)
Result of jointly controlled entities	**58,400**	**(17,309)**
Financial revenues	2,566	6,547
Financial costs	12,080	10,855
Gross profit from continuing activities	**48,886**	**(21,617)**
Income tax	13,842	(481)
Net profit from continuing activities	**35,044**	**(21,136)**

Balance sheet

Selected consolidated positions (thousand PLN)	31.12.2019	31.12.2018
Tangible fixed assets	105,107	72,498
Goodwill	39,303	39,462
Financial assets	2,720	5,750
Deferred tax assets	33,524	30,410
Receivables from construction contracts - deposits	9,080	9,535
Total fixed assets	**189,734**	**157,655**
Inventories	87,320	20,100
Receivables from construction contracts - deposits	53,082	53,362
Receivables from construction contracts - valuation	202,460	176,425
Receivables from deliveries and services and other receivables	469,704	463,660
Financial assets	3,461	7,493
Cash and cash equivalents	148,240	206,608
Cash gathered on the VAT account	12,918	7,249
Short-term accruals	6,576	5,848
Short-term accruals	**983,761**	**940,745**
Total assets	**1,173,495**	**1,098,400**
Equity	274,816	240,911
Long-term liabilities	139,874	112,939
Short-term liabilities	758,805	744,550
Total equities and liabilities	**1,173,495**	**1,098,400**

History of the ERBUD Group

17.08.1990
Establishment of the company by Eryk Jan Grzeszczak and Dariusz Grzeszczak

1993

1999
Józej Adam Zubelewicz joins the ERBUD shareholders group

2003

2004
Construction of regional branches

2007

2010

2014

2016
Sale of Budlex

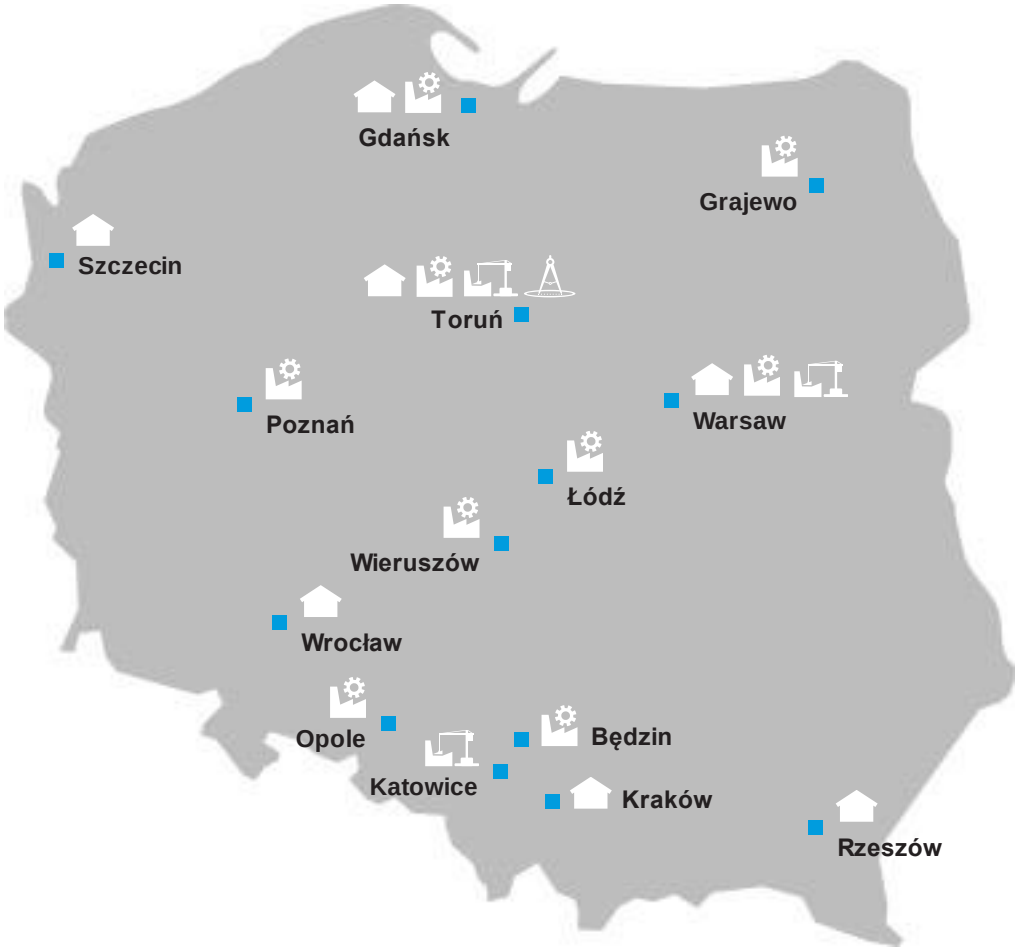
2017
Agnieszka Głowacka joins the Management Board of ERBUD S.A.

2018

2019
Jacek Leczkowski joins the Management Board of ERBUD S.A.

2020
The 30th anniversary of the

Strong in Poland and Western Europe





Commercial buildings

Service for industry

Engineering and construction for industry and energy

Engineering and road construction

Capital and organisational structure of the ERBUD Group

ERBUD

ERBUD S.A.

- Warsaw Branch
- Toruń Branch
- Wrocław Branch
- Szczecin Branch
- Kraków Branch
- 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 Board



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
Member of the Management Board



Marcin Nowicki
Member of the Management Board



Paweł Zaorski
Member of the Management Board

ERBUD INDUSTRY

IVT Weiner + Reimann GmbH

100%



Dipl.-Ing. Carsten Weiner
Member of the Management Board

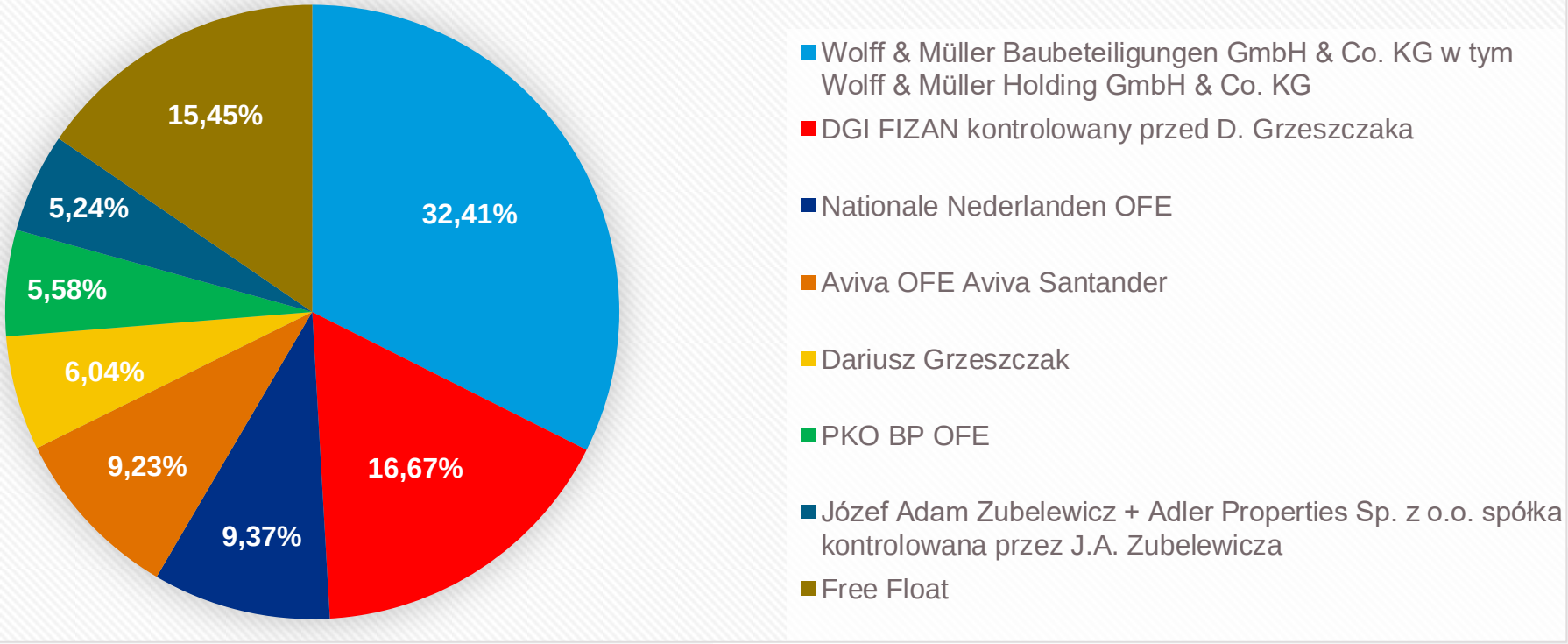


Andreas Schmitz
Member of the Management Board

IVT

The percentage data specify the capital involvement of the parent companies.

Authorities and shareholding



MANAGEMENT BOARD

Dariusz Grzeszczak	President of the Management Board
Agnieszka Głowacka	Vice-President of the Management Board
Jacek Leczkowski	Vice-President of the Management Board

THE SUPERVISORY BOARD

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



MŁOCINY GALLERY IN WARSAW

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

IMPLEMENTATION PERIOD: **05.2016 – 05.2019**

VOLUME: **1,432,674 m³.**



SILESIA OUTLET IN GLIWICE STAGE I

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

IMPLEMENTATION PERIOD: **12.2017 – 03.2019**

VOLUME: **105,476 m³.**



ROYAL WILANÓW IN WARSAW

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

IMPLEMENTATION PERIOD: **08.2013 – 09.2015**

VOLUME: **281,950 m³.**



NEUCA S.A. IN TORUŃ

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

IMPLEMENTATION PERIOD: **05.2018 – 02.2020**

VOLUME: **89,479 m³.**



NON-INVASIVE MEDICINE CENTRE IN GDAŃSK

INVESTOR: **Medical University of Gdańsk**

IMPLEMENTATION PERIOD: **10.2018 – 10.2020**

VOLUME: **140,802 m³.**



SOUTH HOSPITAL IN WARSAW

INVESTOR: **Capital City of Warsaw – Management Board of the Capital City Expansion**

IMPLEMENTATION PERIOD: **from 10.2016**

VOLUME: **188,945 m³.**



RADISSON BLU RESSORT IN ŚWINOUJŚCIE

INVESTOR: Z**drojowa Invest Sp. z o.o.**

IMPLEMENTATION PERIOD: **10.2014 – 07.2016**

VOLUME: **184,995 m³.**



HAMPTON BY HILTON IN GDAŃSK

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

IMPLEMENTATION PERIOD: **05.2016 – 01.2018**

VOLUME: **38,680 m³.**

ERBUD INDUSTRY

INDUSTRIAL CONSTRUCTION AND THE ENERGY SECTOR



RECONSTRUCTION OF THE MICHELIN HEAT AND POWER PLANT IN OLSZTYN

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

IMPLEMENTATION PERIOD: **03.2018 – 10.2019**



MODERNIZATION OF POMORZNY POWER PLANT IN SZCZECIN

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

IMPLEMENTATION PERIOD: **10.2016 – 11.2018**

PBDI S.A.



PHOTOVOLTAIC POWER PLANT COMPLEX DOBRCZ / MIERKI

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

IMPLEMENTATION PERIOD: **07.2017 – 02.2018**

ERBUD INTERNATIONAL SP. Z O.O.



CADIX HIGHER SCHOOL IN ANTWERP (BELGIUM)

INVESTOR: **NV Strabag Belgium SA**

IMPLEMENTATION PERIOD: **03.2018 – 02.2019**



OFFICE AND COMMERCIAL BUILDING KÖ QUARTIER IN DÜSSELDORF (GERMANY)

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

IMPLEMENTATION PERIOD: **09.2017 – 09.2018**

VOLUME: **90,207 m³.**



UPPERNORD TOWER DÜSSELDORF (NIEMCY)

INVESTOR: **CG Gruppe AG**

IMPLEMENTATION PERIOD: **07.2019 – 09.2021**

VOLUME: **126,000 m³.**

Contact

CONTACT FOR INVESTORS

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Vice-president of the Management Board

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608 345 600

www.erbud.pl/relacje_inwestorskie

THANK YOU

