

## Press Release

# HOCHTIEF increases nominal net profit and sales by over 20 percent in first nine months // Guidance confirmed

- **Nominal net profit EUR 355 million, +21% year on year (yoy); operational net profit EUR 381 million, +18% yoy**
  - Solid performance with sales up 23% yoy at EUR 19.1 billion (+11% f/x-adj.), driven by Americas and Asia Pacific
  - Abertis earnings contribution EUR 10 million higher yoy at EUR 53 million
- **Underlying net cash from operating activities up EUR 43 million yoy at EUR 122 million, EUR 802 million last twelve months**
- **Net debt of EUR 226 million, after net EUR 534 million for CIMIC minority buy-out**
  - Long-term refinancing of CIMIC transaction completed in October 2022
- **Order backlog of EUR 52.8 billion up EUR 5.9 billion, or 13%, yoy like for like**
  - New orders of EUR 20.9 billion; 1.0x work done last twelve months
- **Guidance FY 2022 confirmed: operational net profit EUR 475–520 million (+5 to 15% yoy)**
  - Applying risk mitigation tools across the Group to manage inflationary and supply-chain pressures

“HOCHTIEF delivered a solid performance during the first nine months of 2022 with further profit growth and increasing operating cash flows accompanied by a firm order book, notwithstanding the challenges of the current environment,” said CEO Juan Santamaría.

**Sales** increased by 23% to EUR 19.1 billion and were 11% higher in f/x-adjusted terms. **Nominal net profit** rose by 21% year on year, or EUR 61 million, to EUR 355 million. **Operational net profit** was up EUR 58 million to EUR 381 million, showing an increase of 18% year on year.

**Operational PBT** rose by 11% to EUR 546 million with all divisions contributing to this positive development. The profit contribution from the 20% stake in toll

road operator Abertis increased by EUR 10 million year on year to EUR 53 million.

Underlying **net cash from operating activities** of EUR 122 million was up by EUR 43 million year on year driven by a solid Q3 performance. Looking at the last twelve months, to eliminate seasonality, a robust EUR 802 million was achieved.

At the end of September 2022, HOCHTIEF had a **net debt position** of EUR 226 million, after Group dividend payments of EUR 148 million over the last twelve months. Adjusting for the EUR 534 million investment in CIMIC shares (net of the HOCHTIEF capital increase) as well as other non-operational items, the balance sheet would show a significant net cash position.

The Group's **order book** stands at EUR 52.8 billion and is up by around EUR 4.4 billion since December 2021. Over half of our backlog (55%) is located in North America with a further 37% in the Asia-Pacific region and 8% in Europe. New orders of EUR 21 billion are stable on a year-on-year comparable basis and represent 1.0x work done in the period.

On June 10, HOCHTIEF achieved 100% ownership of CIMIC Group as a result of the takeover offer launched on February 23 for the 21.4% free-float minority shares of CIMIC at AUD 22 per share. The EUR 940 million investment in CIMIC shares was partly financed via a EUR 406 million capital increase (10%). The balance of the investment in CIMIC has now been fully refinanced, longterm, with debt and existing available cash.

In September our main shareholder, ACS, acquired the 14.5% stake in HOCHTIEF held by Atlantia, thus increasing its shareholding to 68.0%.

HOCHTIEF is pursuing the implementation of ESG principles with its **Sustainability Plan 2025**. The most recent examples are biodiversity and ecosystems. We have just published a commitment on protecting, conserving and contributing to the restoration of biodiversity and ecosystems. HOCHTIEF will proactively offer sustainable solutions to its clients and involve partners and suppliers. As of 2023, we will implement new biodiversity management action plans for all projects in environmentally sensitive areas.

## Group Outlook

The global economy is currently facing significant macroeconomic challenges. HOCHTIEF is actively managing these challenges and is well positioned for the future based on its solid, long-standing local positions in its key developed markets, its geographical and currency diversification, a significantly de-risked and growing order book and the identified tender pipeline of relevant projects worth over EUR 600 billion for 2022 and beyond.

The Group's guidance is confirmed: For 2022 HOCHTIEF expects to achieve an operational net profit in the range of EUR 475–520 million, an increase of between 5% and 15% year on year, subject to market conditions.

## HOCHTIEF Group: Key Figures

(EUR million)	9M 2022	9M 2021	9M change	Q3 2022	Q3 2021	Q3 change	FY 2021
<b>Sales</b>	<b>19,123.6</b>	15,588.6	22.7%	<b>7,179.2</b>	5,318.7	35.0%	21,377.9
<b>Operational profit before tax/PBT</b>	<b>546.1</b>	492.3	10.9%	<b>178.4</b>	168.6	5.8%	709.6
<b>Operational PBT margin (%)</b>	<b>2.9</b>	3.2	-0.3	<b>2.5</b>	3.2	0.7	3.3
<b>Operational net profit</b>	<b>380.7</b>	322.2	18.2%	<b>131.3</b>	116.8	12.4%	453.7
<b>Operational earnings per share (EUR)</b>	<b>5.36</b>	4.73	13.3%	<b>1.75</b>	1.71	2.3%	6.65
<b>EBITDA</b>	<b>863.3</b>	784.4	10.1%	<b>308.0</b>	269.9	14.1%	1,070.7
<b>EBITDA margin (%)</b>	<b>4.5</b>	5.0	-0.5	<b>4.3</b>	5.1	-0.8	5.0
<b>EBIT</b>	<b>617.7</b>	545.9	13.2%	<b>213.1</b>	193.6	10.1%	756.5
<b>EBIT margin in %</b>	<b>3.2</b>	3.5	-0.3	<b>3.0</b>	3.6	-0.6	3.5
<b>Nominal profit before tax/PBT</b>	<b>502.2</b>	448.6	11.9%	<b>161.7</b>	154.6	4.6%	435.0
<b>Nominal net profit</b>	<b>355.4</b>	294.3	20.8%	<b>115.0</b>	99.8	15.2%	207.9
<b>Nominal earnings per share (EUR)</b>	<b>5.00</b>	4.32	15.7%	<b>1.53</b>	1.46	4.8%	3.05
<b>Net cash from operating activities*</b>	<b>149.5</b>	(221.0)	370.5	<b>(5.5)</b>	(134.3)	128.8	405.6
<b>Net cash from op. activities pre-factorings*</b>	<b>121.9</b>	78.9	43.0	<b>57.9</b>	(2.0)	59.9	759.5
<b>Net operating capital expenditure</b>	<b>108.1</b>	39.9	68.2	<b>45.3</b>	4.1	41.2	55.6
<b>Free cash flow from operations*</b>	<b>41.4</b>	(260.9)	302.3	<b>(50.8)</b>	(138.4)	87.6	350.0
<b>Net cash/net debt</b>	<b>(225.9)</b>	28.3	(254.2)	<b>(225.9)</b>	28.3	(254.2)	555.8
<b>New orders like for like</b>	<b>20,874.6</b>	20,953.8	-0.4%	<b>6,476.3</b>	7,473.4	-13.3%	27,673.3
<b>Order backlog like for like</b>	<b>52,791.0</b>	46,860.0	12.7%	<b>52,791.0</b>	46,860.0	12.7%	48,387.5
<b>Employees (end of period)</b>	<b>36,800</b>	33,555	9.7%	<b>36,800</b>	33,555	9.7%	33,835

Note: Operational profits are adjusted for non-operational effects.

\* Cash flow figures are underlying, i.e. excluding extraordinary payments

**HOCHTIEF** is an engineering-led global infrastructure group with leading positions across its core activities of construction, services and concessions/public-private partnerships (PPP) focused on Australia, North America and Europe. With around 34,000 employees and a sales volume of about EUR 21 billion in 2021, HOCHTIEF's global presence is focused on developed markets. Via CIMIC, the Group is market leader in Australia. In the USA, HOCHTIEF is the No. 1 general builder via Turner. Flatiron ranks among the most important players in the field of civil works, mainly in transportation infrastructure. HOCHTIEF owns a 20% stake in Abertis, the leading international toll road operator. Thanks to its commitment to sustainability, HOCHTIEF has been listed in the Dow Jones Sustainability Indexes since 2006. Further information is available at <https://www.hochtief.com/news-media>