

PORR AG Q3 2016 NEW BUILDING

Investor Presentation
March 2017

PORR

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01

HIGHLIGHTS

Successful 1-9/2016: Solid Performance of Home Markets

+9.8% ↗

Continued growth of
production output

+10.9% ↗

Consistent increase
of revenues

88%

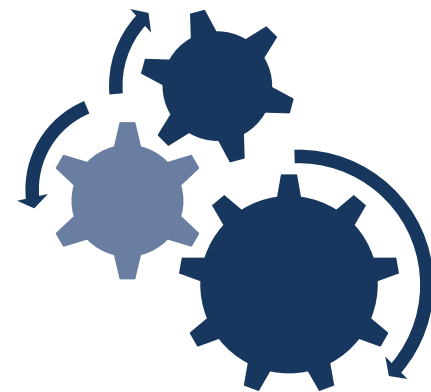
of production output
generated in strong
home markets



+11.5% ↗

Full order book of
EUR 5.2bn with a
high visibility

Good Profitability and Healthy Balance Sheet



Solid

balance sheet
enables operational and
investment flexibility

EBT +25%

increased operational
performance through
effective cost management



EUR 212_m

net debt - improved by
EUR 52m compared
to 30.09.2015

Key Figures 9M 2016

EUR m

	FY 15	9M 15	9M 16	Change (9M 15 - 9M 16) ²
Production output ¹	3,524	2,540	2,788	9.8%
Order intake	4,045	3,128	3,390	8.4%
Order backlog	4,579	4,647	5,181	11.5%
Revenues	3,140	2,239	2,484	10.9%
EBITDA	166	89	112	25.8%
EBITDA ³ %	4.7	3.5	4.0	
EBT	81	33	41	24.2%
EBT ³ %	2.3	1.3	1.5	
Periodic result	61	24	31	29.2%
Earnings per share	2.02	0.75	0.99	32.0%

1 Output of consortiums and all associates are included proportionally in production output which deviates from revenues according to IFRS

2 Rounding differences can appear

3 Margins calculated on production output



Consistent, Successful Strategy Focus

1

Stable and consistent growth in home markets

Strong geographical footprint supported by technical excellence

2

High focus on earnings

Strong focus on projects adding most value

3

Solid balance sheet

Improved efficiency and cash generation

4

Creating value through strategic acquisitions

PORR Polska Infrastructure as a specialist for complex civil engineering projects

5

Transforming the way we work

New world of work; Digitalisation of the construction process
(Roadmap 2020)

The logo for PORR, consisting of the letters 'PORR' in a bold, yellow, sans-serif font, set against a dark blue rectangular background.

A Consistent and Lean Organisational Structure



02

MARKETS & STRATEGY

PORR Strategy - Intelligent Growth

MARKETS

Leading role in home markets
Profitable project markets
Promising target markets

OPERATIONS

3% EBT margin
Target net cash at year-end
Focus on earnings, not revenues
Strict cost & risk management

TECHNOLOGY & INNOVATION

Leading role in innovation &
technology
Digitalisation offensive
(Roadmap 2020)

CULTURE

Best place to work
Focus on customer relationship
Operational excellence
Entrepreneurial spirit

The logo for PORR, consisting of the letters 'PORR' in a bold, yellow, sans-serif font, set against a dark blue rectangular background.

Strategic Achievements

MARKETS

- **Leading market position in Austria**
- Solid growth in **Germany**, strong presence in complex infrastructure projects
- **Strong order intake** driven by Poland, Germany, Austria and Switzerland
- **First tunnelling project in Norway** is also the largest new project in the third quarter (Liafjellet)

TECHNOLOGY & INNOVATION

- Development and strengthening of **key technologies such as BIM**
- Investments in IT infrastructure
- Digitalisation offensive

OPERATIONS

- Clear roadmap of **sustainable margin improvements** leading to an EBT margin of 1.5% in 9M 2016 vs. 1.3% in 9M 2015 (2.3% FY 2015; 1.9% FY 14)
- **Net Debt reduction** of EUR 52m 30.09.2015 vs. 30.09.2016 (Net Cash Position as per 31.12.2015), **working capital improvements**
- Focus on **high-margin projects**
- **Improved cost base & risk mgmt**

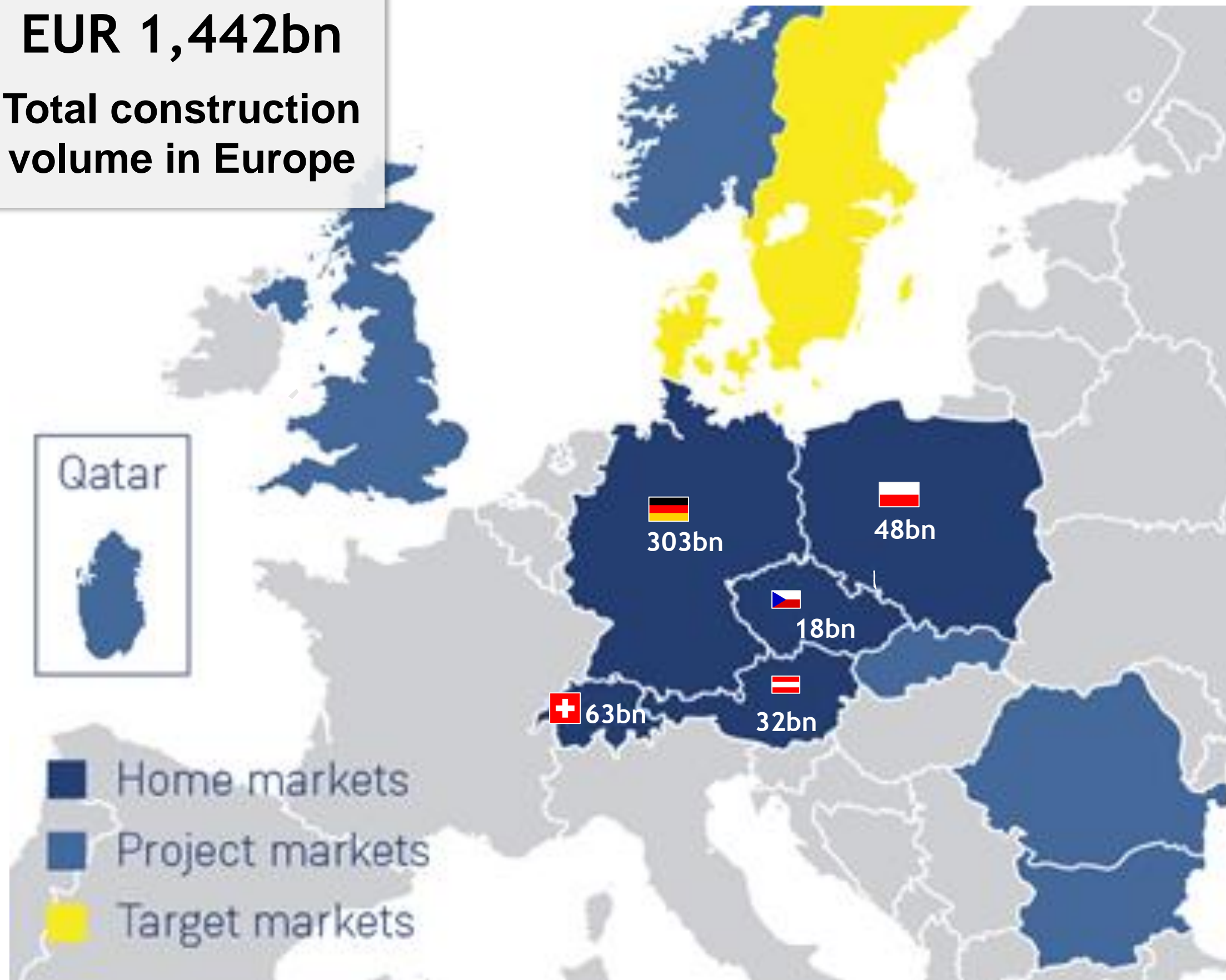
CULTURE

- Important milestone towards unified brand: Merger between TEERAG-ASDAG AG, a subsidiary of PORR AG since 2012, and PORR Bau GmbH was implemented in 09/2016
- Highly qualified and committed employees

PORR Construction Markets Show Stable Growth Prospects

Market Volume & Approach

EUR 1,442bn
Total construction volume in Europe



Home markets

- Well-established with a strong profile in its home markets
- Detailed market, competitors and clients knowledge
- Performing nearly 100% of all construction services, i.e. subcontracting on low scale

Project markets

- Established company in selected areas of expertise (focus on infrastructure)
- Good knowledge about the markets, competition and clients in these areas
- Strict selection of projects
- Strategic partnerships

Target markets

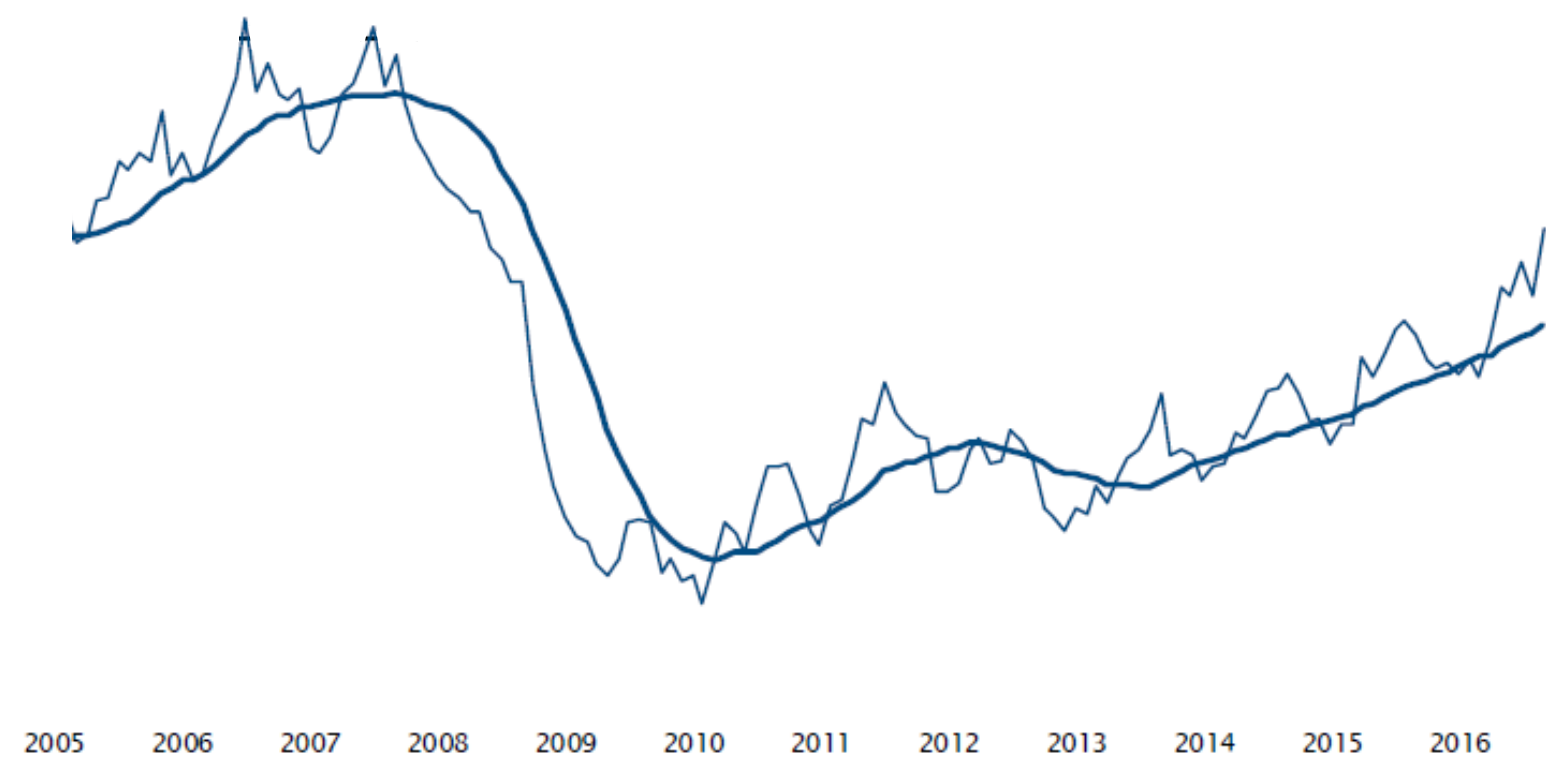
- Project approach / strict project selection in infrastructure sector
- Clear rules for market entry: Project - Partner - Team

Source: Euroconstruct (June 2016, 81st conference in Dublin)

Forecast of Construction Markets

Order Intake of construction markets

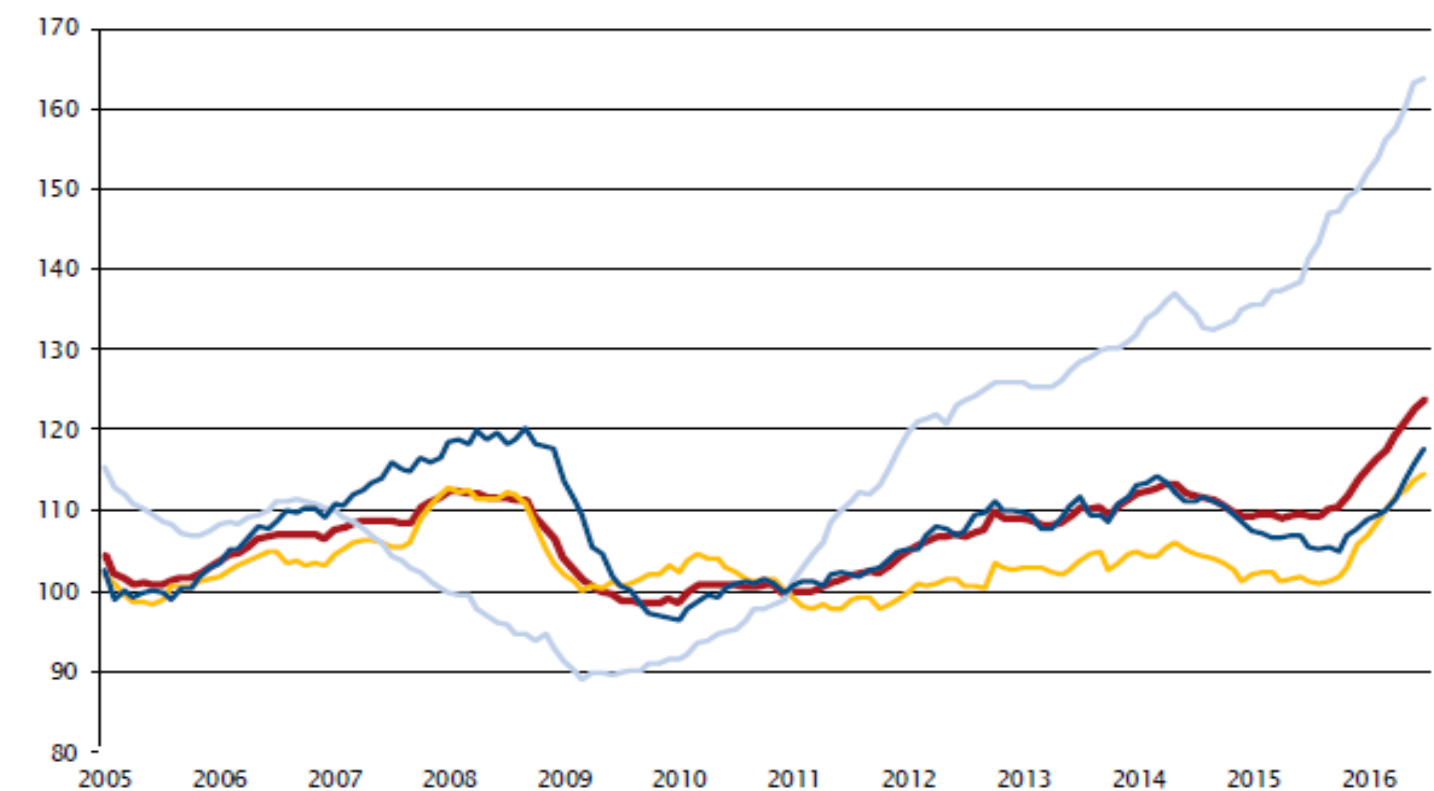
Order intake of construction sector (Europe)



— Europe: Order intake (EU survey) — Europe: 12 months moving weighted average

Sources: Thomson Reuters, LBBW Research

Order intake of main construction trades (Germany)



— Order intake main construction trades — Order intake civil engineering
— Order intake housing — Order intake building construction (housing excluded)

12 months moving weighted average (indexed)
Sources: Thomson Reuters, Stat. Bundesamt, LBBW Research

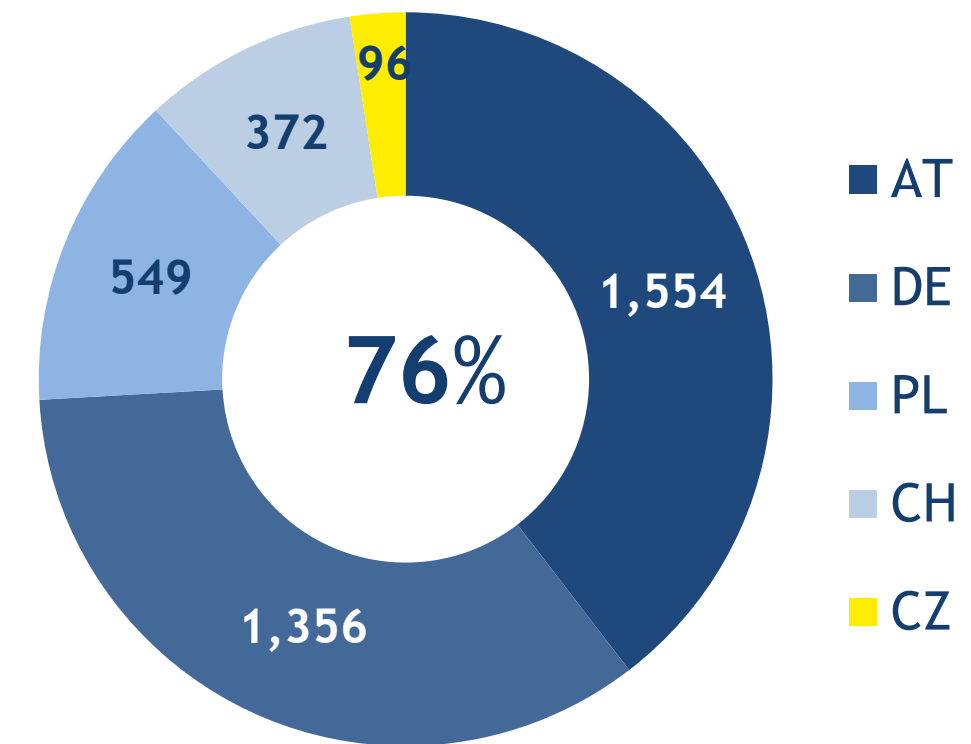
A Stable Business Supported by a Full Order Pipeline

PORR Markets - focused business model

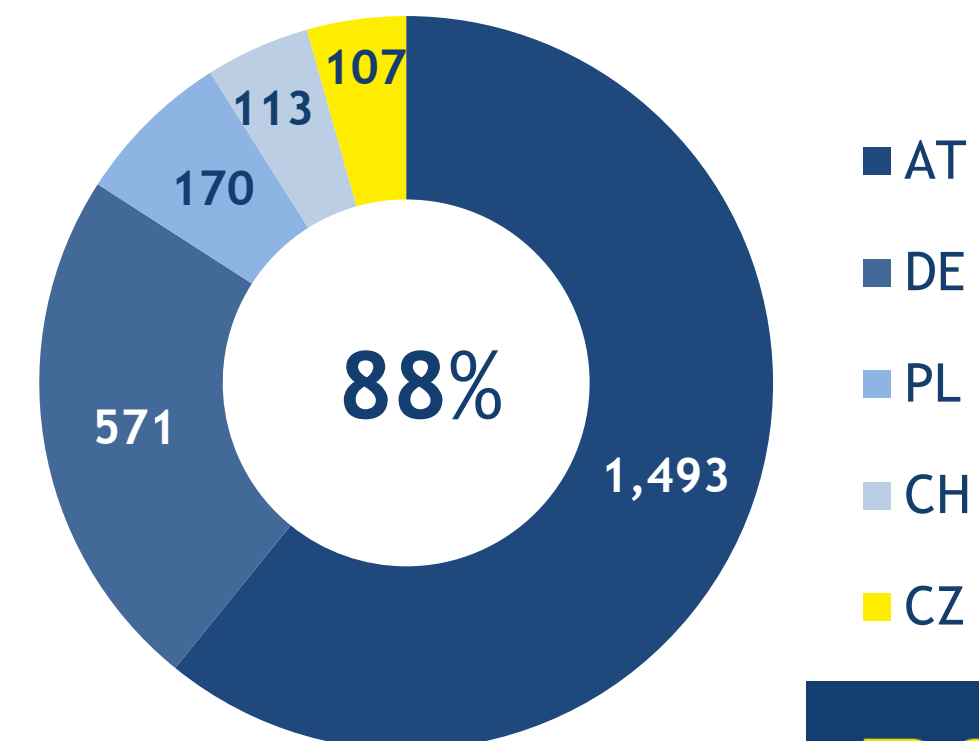


- Full-service markets
- Projects/ Large scale projects

Order backlog by region, EUR m



Production output by region, EUR m



Digitalisation and Construction - Achieving Long-Term Added Value

**Construction
site of the
future**

- **Digitalisation** of internal organizational workflows (e-billing, e-commerce, standardized workflows):
 - helps to manage and utilize all kinds of information
 - provides new opportunities to be leaner and faster
 - drives higher financial performance whilst increasing productivity and reducing failures
- **BIM (Building Information Modelling):**
 - is a **process** - from planning, calculation, construction workflow and logistics
 - 6D - linked to **time, cost and quality**
 - a precise **project management tool**
 - increasing **transparency and efficiency** of the planning and construction process

**PORR with a leading
role in the field of
digitalisation**

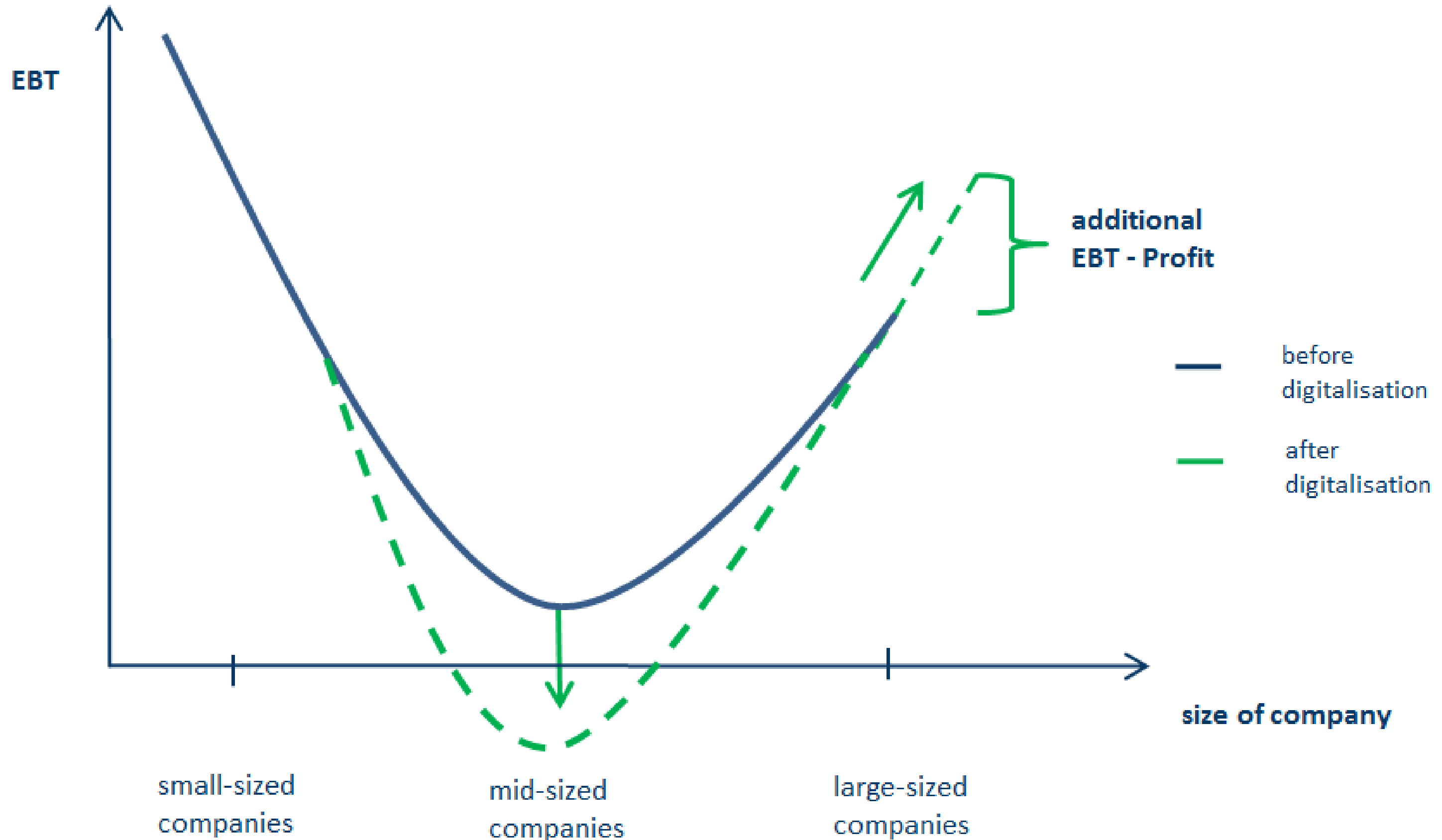
**Positioning itself for
the future (Roadmap
2020)**

Construction company as project manager in a digital world



Roadmap 2020: Digitalisation and Construction

Change of market situation after digitalisation of construction industry



03

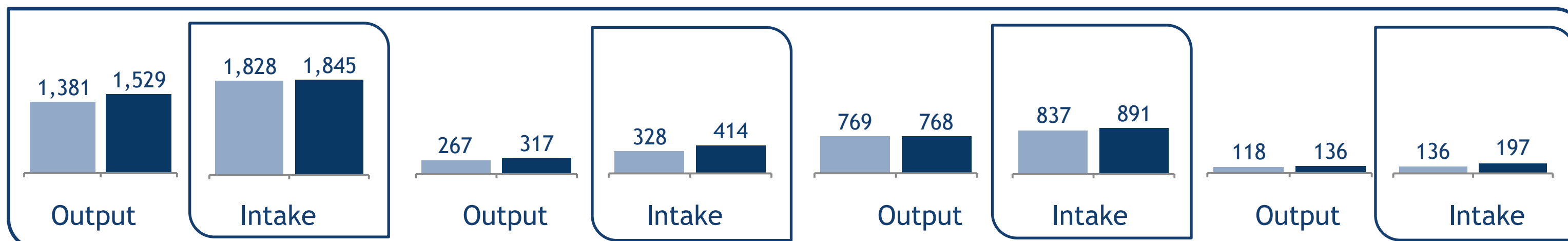
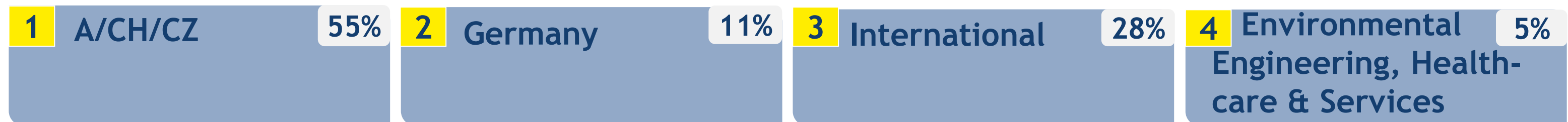
OPERATIONAL PERFORMANCE



Increased Production Output and Strong Order Intake

...% share of production output

Business Units*



■ 9M 2015 in EUR m ■ 9M 2016 in EUR m

<h3>Top market position in Austria</h3> <ul style="list-style-type: none"> • Biggest business unit • Focus on the fields of residential construction, office building, industrial and road construction • New orders in building engineering (apartments and offices) 	<h3>PORR's second largest market</h3> <ul style="list-style-type: none"> • Most important market outside of Austria • Growth strategy in the next years • New orders, e.g.: Infineon (factory for the production of semiconductors) 	<h3>Strong technical leadership</h3> <ul style="list-style-type: none"> • Export products: tunnelling and slab track • New orders, e.g.: <ul style="list-style-type: none"> – Slovakia - Motorway D3 – Norway - tunnel trough Liafjellet mountain 	<h3>Active in niches</h3> <ul style="list-style-type: none"> • Demolition, waste treatment, health care • New projects in Austria & Germany
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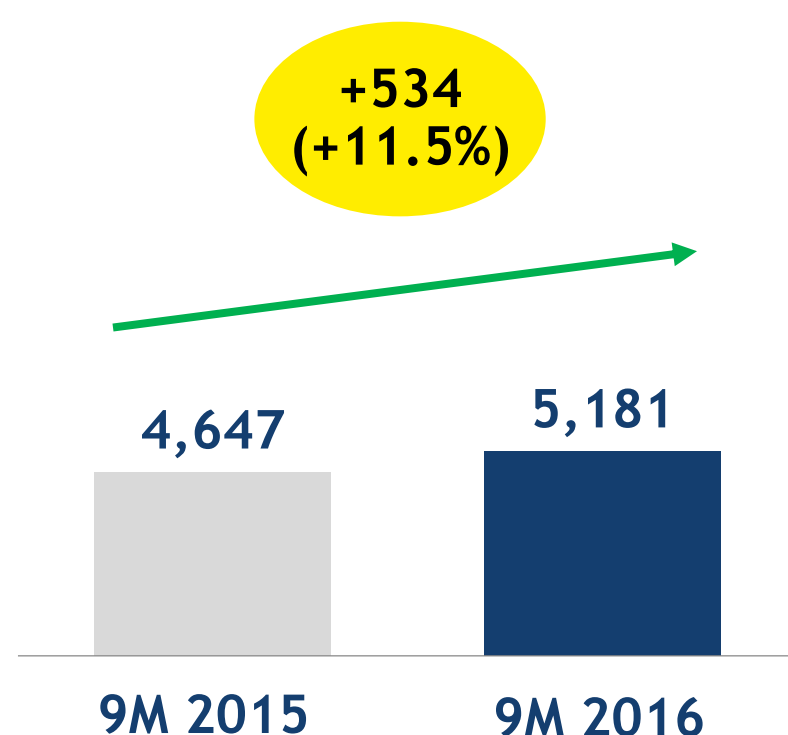
* Holding production output: EUR 37m (9M 2015 EUR 4.4m)



Solid Order Backlog: Increase of 11.5%

Order backlog and TOP 15 projects in 9M 2016

Order Backlog



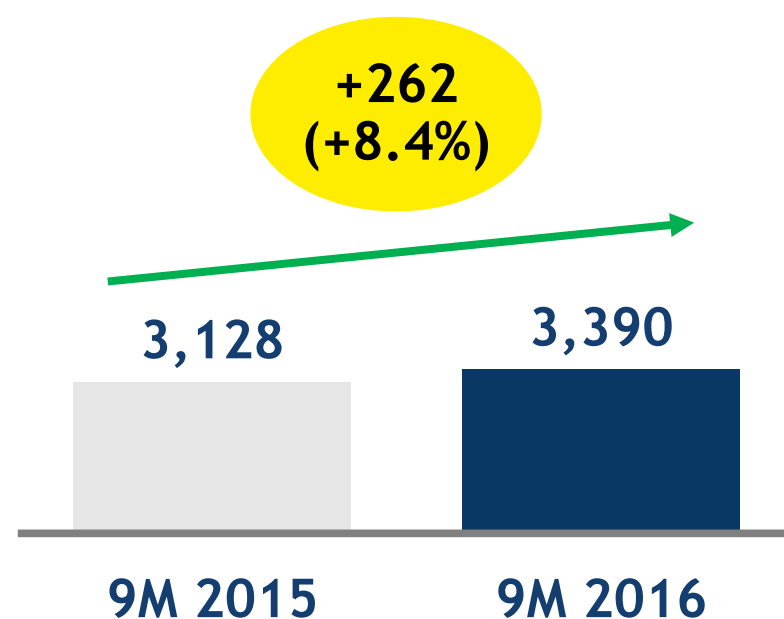
Selected projects	Country	EUR m ¹	Entry	POC
Metro Doha "Green Line"	QA	944	Jun-13	62.2%
Bratislava road D4-R7	SK	300	Jun-16	0.5%
KAT 3 Koralm tunnel	AT	297	Jun-13	37.2%
"Stuttgart 21" Filder tunnel	DE	266	Jul-11	36.7%
Tunnel Alaufstieg	DE	235	Oct-12	61.1%
Al Wakrah stadium	QA	202	Feb-16	3.0%
Slab track General	QA	162	Jun-15	23.7%
Europaallee ZH Lot 1 - 4	CH	153	Feb-15	18.3%
Emscher BA 40	DE	144	Dec-13	63.9%
Europaallee ZH Lot F	CH	130	Feb-16	9.5%
Expressway S 17 Ryki	PL	117	Nov-15	1.3%
Slab track Coburg Ilmenau	DE	103	Nov-12	98.1%
"Stuttgart 21" Lot 2a/3	DE	99	Jul-12	31.0%
Expressway S 6 Koszalin	PL	99	Mar-16	2.4%
Hospital Vienna North	AT	98	May-12	96.6%

¹ Stated values are project values attributable to PORR at time of contract awarding

Order Intake With a Balanced Project Size

Order intake and TOP 12 projects in 9M 2016

Order Intake

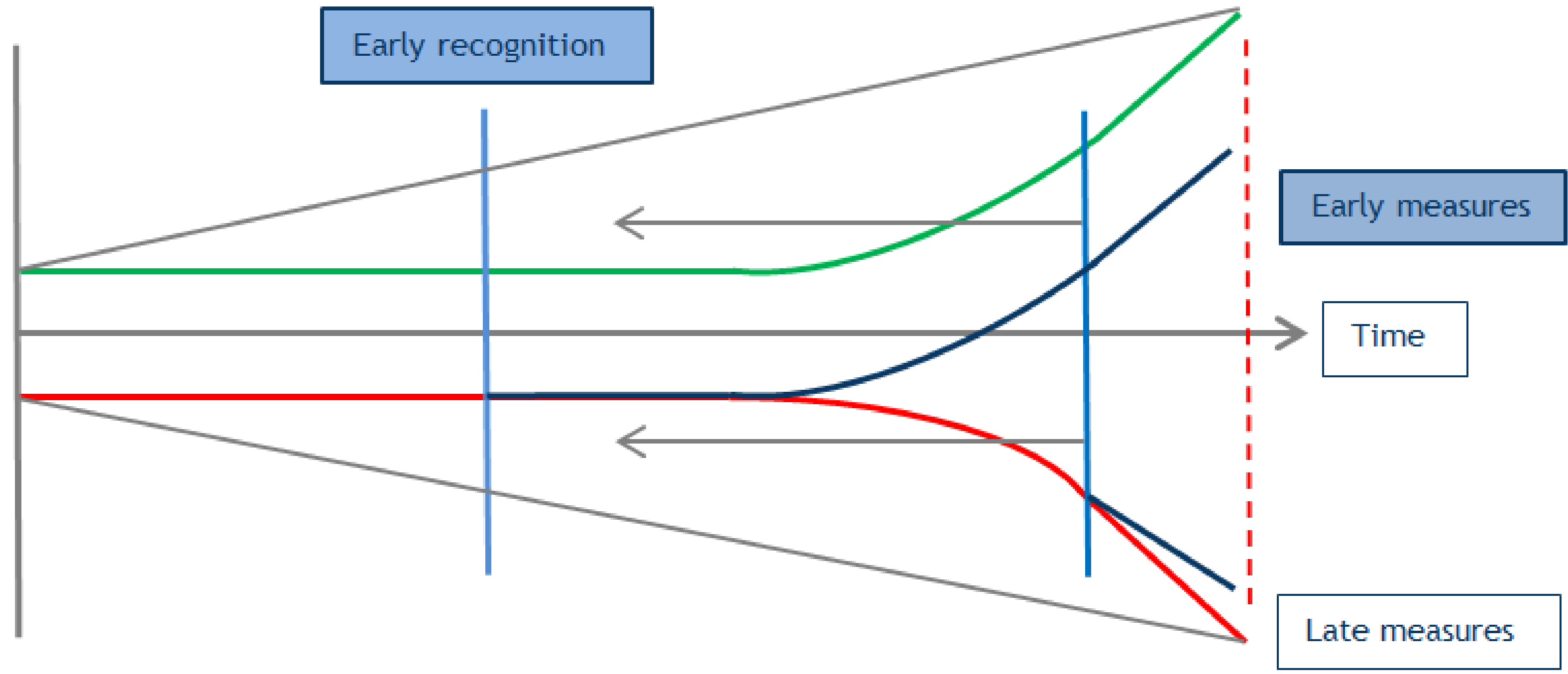


Selected projects	Country	EUR m ¹	Entry
Bratislava road D4-R7	SK	300	Jun-16
Al Wakrah Stadium	QA	202	Feb-16
Europaallee ZH Lot F	CH	130	Feb-16
Expressway S 6 Koszalin	PL	99	Mar-16
Zalando Campus	DE	86	Jun-16
Expressway S 8 Poręba-Ostrów	PL	54	Feb-16
Business Garden Bucharest	RO	53	Jun-16
Hotel Mucon, München	DE	53	Feb-16
WHA TRI - Triester Straße 40	AT	47	May-16
Humber Crossing Feeder 9 Re	UK	46	Jun-16
La Tête, Düsseldorf	DE	44	Mar-16
Schlossquartier, Kiel	DE	39	Feb-16

¹ Stated values are project values attributable to PORR at time of contract awarding

Comprehensive Control and Steering Mechanisms Established

Control and steering mechanisms



Comprehensive Control and Steering Mechanisms Established

Control and steering mechanisms

Tender

- Established detailed directives and checklists for risk recognition (contract, client, etc.)
- Implemented consistent company-wide risk pricing methodology
- Decision control - project approval at different executive levels depending on order volume

Project risk management

- Regular risk review committee meetings to discuss exposure
- Implementation of specialized risk managers per business unit
- Stress testing of aggregate project risks on group level



Offer calculation

- Introduced minimum profitability targets at project level - adjusted margin risk control
- Risk evaluation via risk matrix and detailed analysis

04

FINANCIAL SECTION



Consolidated Income Statement

EUR thd

	2014	2015	9M 2015	9M 2016	Δ %
Production output¹	3,474,885	3,523,752	2,539,759	2,787,796	+9.8%
Revenues	3,009,118	3,139,687	2,238,624	2,483,719	+10.9%
Material costs + Purchased s.	-2,026,001	-2,060,827	-1,480,242	-1,632,036	+10.3%
- Material costs	-680,195	-651,443	-475,337	-454,698	-4.3%
- Purchased services	-1,345,806	-1,409,384	-1,004,905	-1,177,338	+17.2%
Staff costs	-752,960	-807,638	-597,997	-663,529	+11.0%
Other operating result	-73,733	-105,280	-71,128	-75,759	+6.5%
EBITDA	156,424	165,942	89,257	112,395	+25.9%
EBITDA² %	4.5	4.7	3.5	4.0	
Depreciation	-74,716	-78,172	-51,188	-63,174	+23.4%
EBIT	81,708	87,770	38,069	49,221	+29.3%
EBIT² %	2.4	2.5	1.5	1.8	
Financial result	-15,608	-6,657	-5,481	-8,471	+54.6%
EBT	66,100	81,113	32,588	40,750	+25.0%
EBT² %	1.9	2.3	1.3	1.5	
Taxes	-17,542	-20,069	-8,616	-10,084	+17.0%
Periodic result	48,558	61,044	23,972	30,666	+27.9%

¹ Output of consortiums and all associates are included proportionally in production output which deviates from revenues according to IFRS

² Margins calculated on production output

Consolidated Balance Sheet

EUR thd

		<u>31.12.2014</u>	<u>30.09.2015</u>	<u>31.12.2015</u>	<u>30.09.2016</u>
Assets	Long-term assets	728,013	812,211	715,871	770,656
	Short-term assets	1,418,017	1,513,366	1,588,126	1,508,274
	Total assets	2,146,030	2,325,577	2,303,997	2,278,930
Liabilities & equity	Equity (incl. non-controlling interests)	385,171	376,925	412,118	399,016
	Long-term liabilities	408,830	605,862	551,655	557,650
	Short-term liabilities	1,352,029	1,342,790	1,340,224	1,322,264
	Total assets	2,146,030	2,325,577	2,303,997	2,278,930
Ratios	Net debt (+) ¹ / net cash (-)(EUR m)	-65	264	-187	212
	Equity ratio (%)	18.0	16.2	17.9	17.5

¹ Bonds plus financial liabilities less cash and cash equivalents

05

KEY TAKEAWAYS



A Step Ahead: Key Strategic Priorities

1

Continued focus on home markets

Growth potential especially in Germany, Poland, Czech Republic and Switzerland

2

Exploiting new growth opportunities via export products

New project markets like UK and Norway as well as new target markets like Sweden in the fields of tunnelling, bridge construction, slab track and foundation engineering

3

Drive revenue growth and underlying operational excellence

Small- and mid-sized acquisitions, improving working capital, continued performance management



A Step Ahead: Key Strategic Priorities

4

Maintain healthy balance sheet and strong liquidity base
Further improving cash management & maintaining net cash position for year-end

5

The construction site of the future “Roadmap 2020”
Digitalisation of the construction process from the start of design to the end of the project with the help of BIM (6D) and further IT streamlining

6

Continuing consolidation of construction market
M&A strategy with efficient integration management

IR Information for PORR AG

Share Information

Share price ¹	EUR 38.80
Market capitalisation	EUR 1,138.1m
Official market	Vienna Stock Exchange Prime Market
Number of shares outstanding	29,095,000
Ticker symbol	POS VI
ISIN	AT0000609607

IR Contact

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the Investor Relations department

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¹ as of March 07, 2017

Financial Calendar 2017

25.04.2017	Annual Financial Report 2016
25.04.2017	Press conference
23.05.2017	137 th Annual General Meeting
30.05.2017	Q1 2017
30.05.2017	Trade ex-dividend 2016
01.06.2017	Dividend payment for 2016
30.08.2017	H1 2017
29.11.2017	Q3 2017

Research Reports

Berenberg Bank
Kepler Cheuvreux
BaaderHelvea
HSBC
RCB
ERSTE Group
SRC
Hauck&Aufhäuser

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06 BACK UP

PORR Increased Ordinary Dividend and Offered an Additional Extraordinary Scrip Dividend (FY 2015)

Dividend

- PORR proposed an ordinary dividend of EUR 1.00 as a cash payment to the AGM on 24th May - an increase of 33%
- In addition, PORR offered its shareholders a unique extraordinary dividend of EUR 0.50 in the form of a scrip dividend



The way a scrip dividend works

- Shareholders had the option of reinvesting the EUR 0.50 dividend in shares or getting EUR 0.50 in cash
- PORR only used treasury shares for the scrip dividend
- No new shares were issued
- Reinvestment price was set after the subscription period and close to market price
- Shareholders without sufficient number of shares received dividends in cash in any case



Result

- A subscription period of two weeks commenced in June after the positive resolution at AGM on 24th May
- The settlement of the dividend shares took place on 21st June 2016
- Result of scrip dividend: Acceptance rate of approx. 71.8% of all entitled shares

Scrip Dividend¹: What Happened From an Investor's Point of View?

Options for the Investor

Option 1

EUR 1.00 in cash

+

EUR 0.50 in cash

=

EUR 1.50 in cash

or

Option 2

EUR 1.00 in cash

+

EUR 0.50 in shares

=

EUR 1.50 in cash & shares

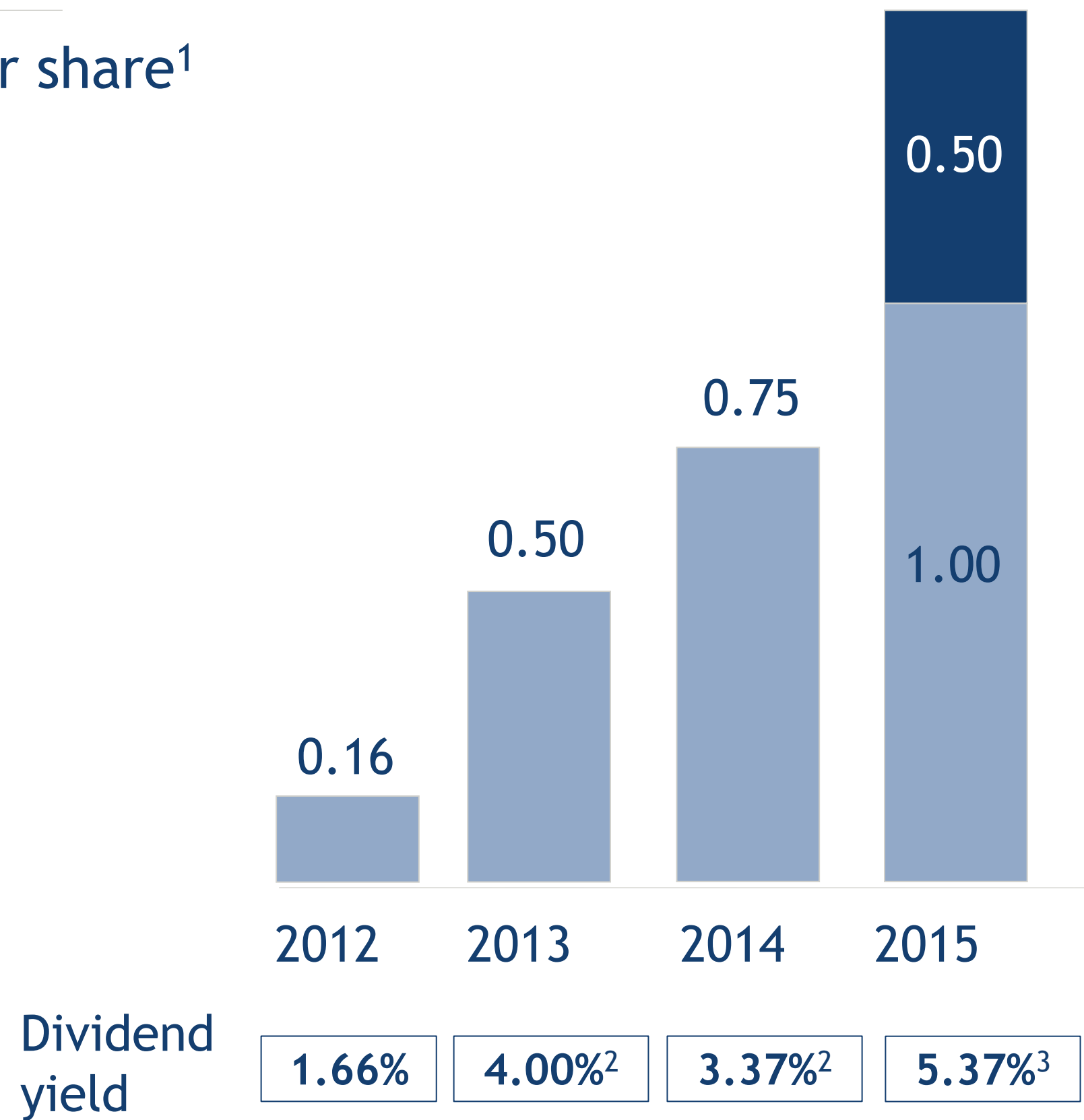
¹ Taxation of the total dividend of EUR 1.50 can be settled from the cash dividend per share

**Final result of scrip dividend:
Acceptance rate of approx. 71.8% of all entitled shares (Option 2)**

Sustainable Dividend Policy

Dividends

Dividend per share¹
(in EUR)



¹ Adjusted to share split 2015 to allow better comparison

² Restated excl. discontinued operations

³ Dividend yield including scrip dividend