



BILFINGER

Bilfinger SE

Quarterly Statement Q2 2022

August 11, 2022

Turnaround Neste in Porvoo, Finland

Q2 2022

Bilfinger with solid performance

Market outlook

- Continued positive momentum in all segments

+4% org. Orders received

- Balanced mix of smaller and larger contracts

+9% org. Revenue

- Increases in E&M Europe and E&M International

3.0% EBITA margin

- Up +80bps from 2.2%

€19 million Free cash flow

- Increase from -€43 million

Outlook for 2022

- Significant increase in revenue and EBITA (unchanged)

Strategy process launched to improve positioning as solution provider for customers' efficiency and sustainability



- Growing market for efficiency improvement and sustainability in our industries



- Sustainability is becoming an essential part of our society, we make our contribution, realization through engineering and technology



- Already well positioned, with excellent know-how in our target markets



- Bilfinger expert group to further develop strategy, with solidification of business models, innovation and aligned customer approach. Project Time July 2022 to February 2023



- Aim to be No.1 solution provider in Efficiency and Sustainability for our relevant markets with sustainable profitable growth

> We make Efficiency and Sustainability work

Market outlook and contract example



Chemicals & Petrochem

30%¹⁾

Overall trend



- Large investments expected going forward especially associated with CO2 reduction and batteries
- Major Turnaround and OPEX activities restarted and spread across the next two to three years
- Increasing demand for sustainable industrial services
- Gas supply risk for large key accounts in Europe
- Trend for capacity expansion and modernization projects in Middle East intact, attractive maintenance contract pipeline in North America

1) % of revenue FY 2021

Maintenance framework agreement for Kemira in Sweden

- Contract volume: €40 million, renewal for 5 years
- Exclusive responsibility for maintenance and project-related services for Kemira's largest production site worldwide
- Contribution to increased efficiency and significant cost reductions at the production plant



Tailor-made maintenance program based on proprietary Bilfinger Maintenance Concept



Maintenance work at customer facility

Market outlook and contract example



Energy & Utilities

20%¹⁾

Overall trend 

- Increasing green energy (e.g. renewables, hydrogen, carbon capture etc.) investments due to ESG climate change drivers
- Nuclear power revival in several countries as part of their "net zero" strategy
- Initiatives to achieve independence from Russian energy resources also drives demand for alternative energy supply options

1) % of revenue FY 2021

Supporting Europe's largest district cooling project

- Planning and installation of plant equipment for new district cooling center in Munich
- Reduction of up to 70% in electricity consumption and thus CO2 emissions compared to conventional air conditioning systems
- District cooling as an innovative and energy-efficient climatization solution

Sustainable industrial services:

Trend topic:
District cooling
as the cooling
equivalent of
district heating



Market outlook and contract example



Oil & Gas

20%¹⁾

Overall trend

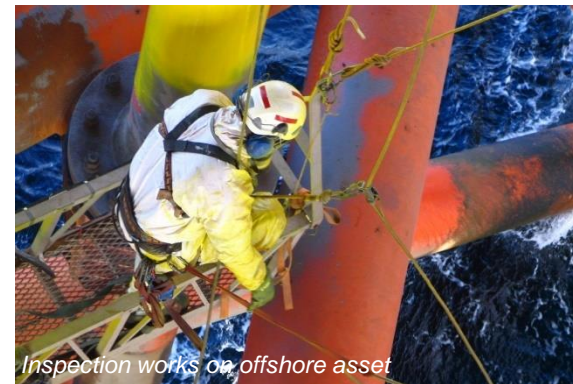


- Construction and expansion of LNG terminals and gas storage facilities. Related infrastructure (pipelines, compressor stations) projects increasing.
- Exploration of alternative oil and gas resources outside of Russia, fossil fuels still play a crucial role to the play to meet rising demand
- Increasing demand for natural gas driving investments towards gas-processing plant expansions in North America
- Large oil & gas and LNG investment plans in several Middle East countries for the upcoming years

1) % of revenue FY 2021

Major framework agreement with Shell in the Gulf of Mexico

- Multi-million dollar contract over 3+1+1 years
- Responsibility for all routine maintenance services at nine offshore oil and gas platforms across the Gulf of Mexico Deepwater basin
- Expansion of global relationship with Shell to North America



Continuation of growth path in North American offshore maintenance business

Market outlook and contract example



Pharma & Biopharma

10%¹⁾

Overall trend



- Mega trends de-globalization and demographic development remain unchanged, various CAPEX initiatives post COVID-19 kicked-off
- Positive outlook on Pharma OPEX; Trend to outsource services and production continues
- Increasing global health care spend, especially in developed countries

1) % of revenue FY 2021

Innovative solutions for state-of-the-art biopharma production facility in Europe

- Joined development for biopharma processing equipment with leading global pharmaceuticals company
- Complex masterskid solution: cost-effective and energy-efficient high-tech production equipment, combining multi- and single-use technology
- Full Design-Build-Run service package: engineering, process development, automation, equipment, installation, GMP documentation & qualification, maintenance support management

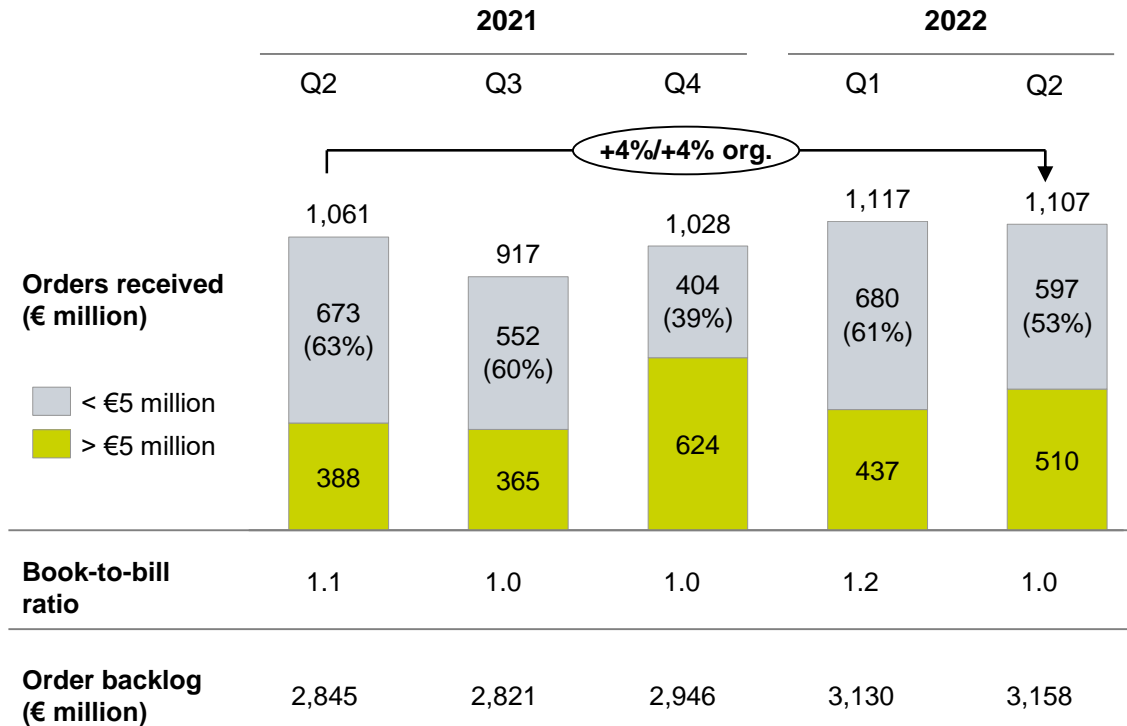


Enabler technology: single-use components for highly efficient and flexible biopharma production processes

Financials Q2 2022

Increased order backlog a good starting point for the second half of the year

Development of orders received



Orders received

- Year-on-year increase of +4% (org.: +4%), driven by balanced mix of smaller and larger contracts
- All segments contributing to solid level

Order backlog

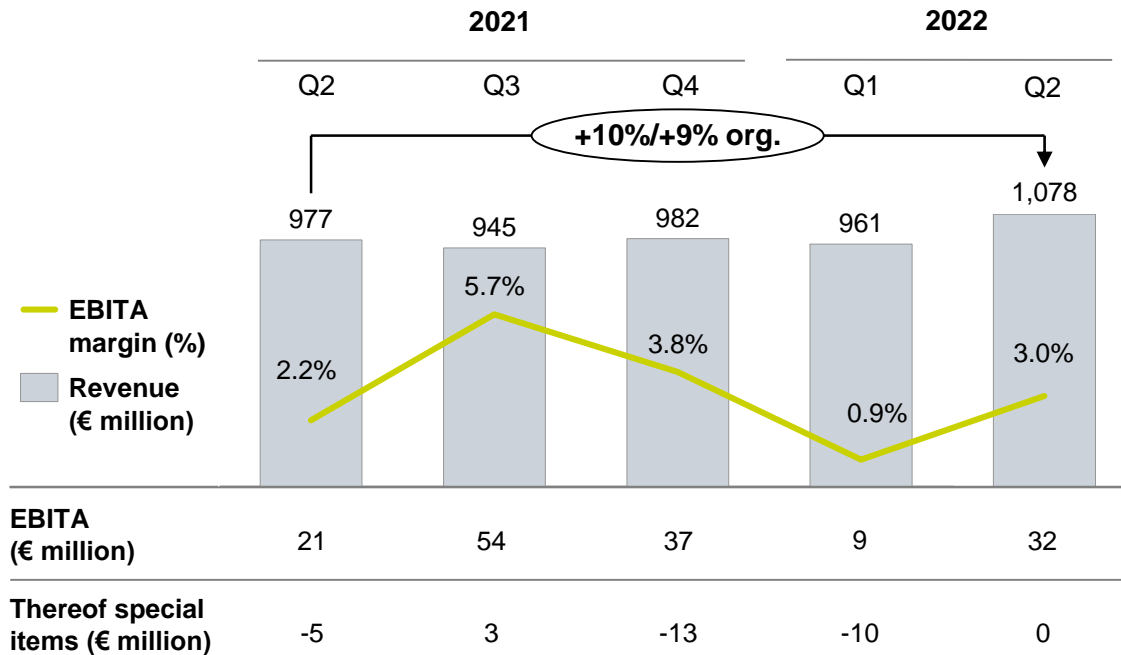
- +11% above prior-year (org.: +9%)

Book-to-bill

- At 1.03

Increase in revenue and EBITA margin

Development of revenue and profitability



Revenue

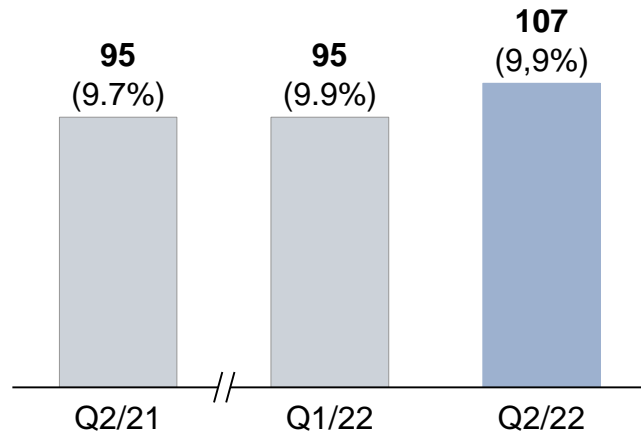
- Year-on-year increase of +10% (org.: +9%)
- Increase in E&M Europe and E&M International, Technologies below prior year quarter

EBITA

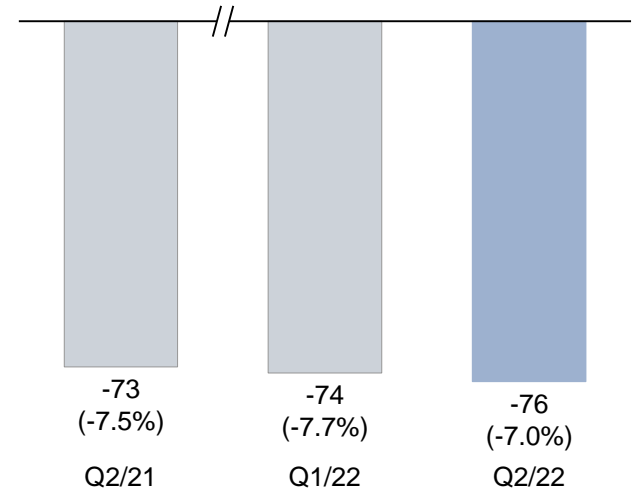
- Increase to €32 m (PY: €21 m)
- EBITA margin of 3.0% (PY: 2.2%)
- No special items

Gross profit and SG&A ratio further improved

Gross profit (€ million)



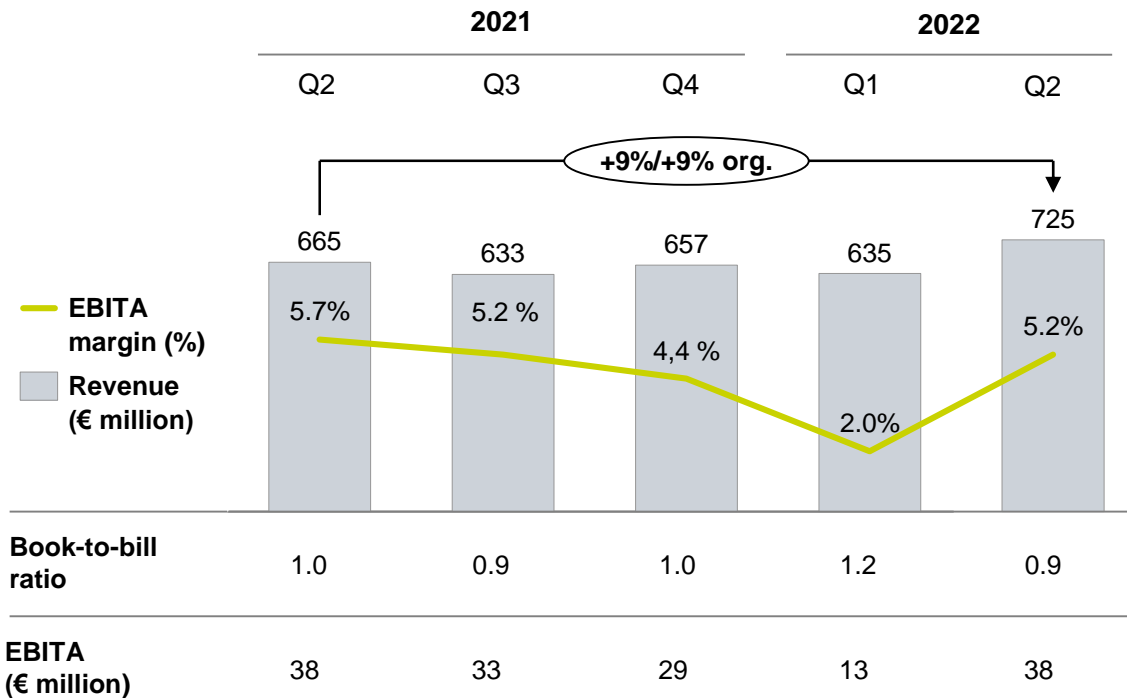
SG&A expenses (€ million)



E&M Europe:

Increase in revenue, EBITA stable at high prior-year level

Development of revenue and profitability



Orders received

- +3% (org.: +3%)
- Book-to-bill at 0.92

Revenue

- Increase of 9% (org.: +9%),
- Especially high in the Nordics based on a strong turnaround season as well as good dynamics in Energy Transition
- Also positive development in North Sea offshore Oil & Gas business

EBITA

- Stable at €38 million, Q2 2021 being a high comparable

Outlook 2022

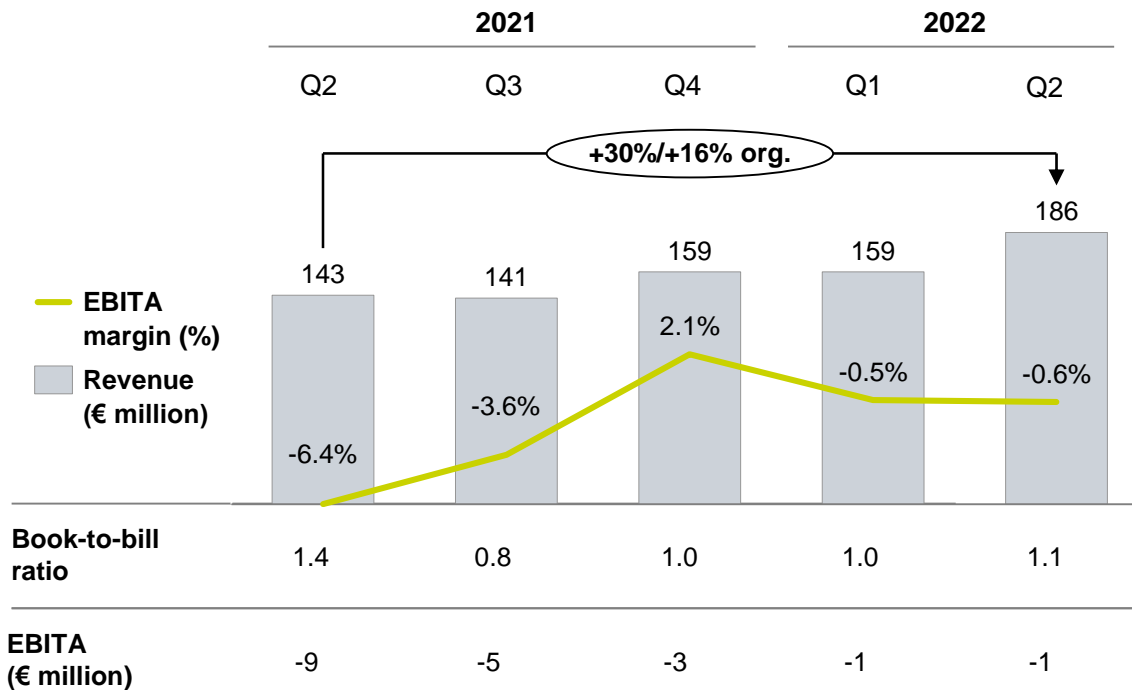
Revenue: Significant increase

EBITA: Significant increase, margin at the prior-year level

E&M International:

Revenue growth and improvement in EBITA

Development of revenue and profitability



Orders received

- -1% (org.: -11%), nominally stable on high comparable, supported by stronger US-Dollar
- Book-to-bill at 1.06

Revenue

- Strong growth of +30% (org.: +16%)
- Positive contribution from both regions, North America and Middle East

EBITA

- Significant improvement, strategic realignment is continuing to show its effects

Outlook 2022

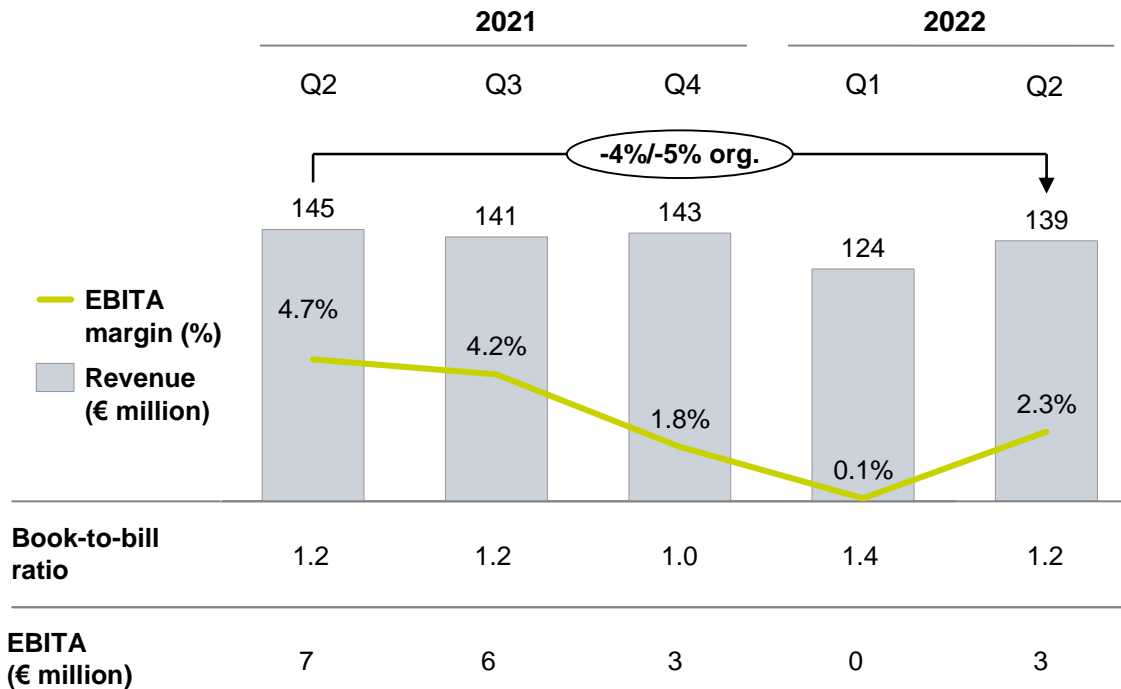
Revenue: Significant increase

EBITA: Significant increase to at least break-even

Technologies:

Revenue and EBITA below prior-year

Development of revenue and profitability



Orders received

- Increase of +3% (org.: +3%), mainly due to new Pharma & Biopharma projects

- Book-to-bill at 1.24

Revenue

- Decrease of -4% (org.: -5%), reflecting seasonal volatility typical for project business

EBITA

- Accordingly lower than the comparatively good prior-year quarter
- EBITA margin at 2.3%, is expected to pick up in second half of 2022

Outlook 2022

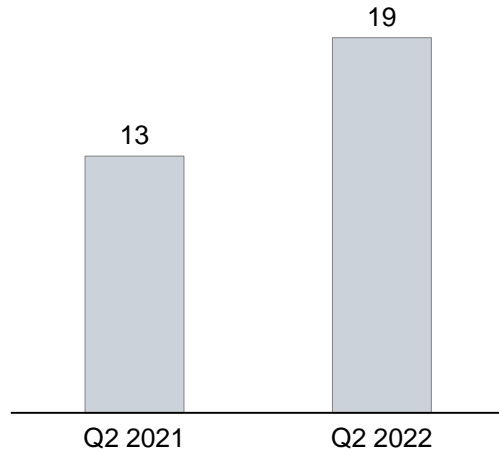
Revenue: At prior-year level

EBITA: At prior-year level

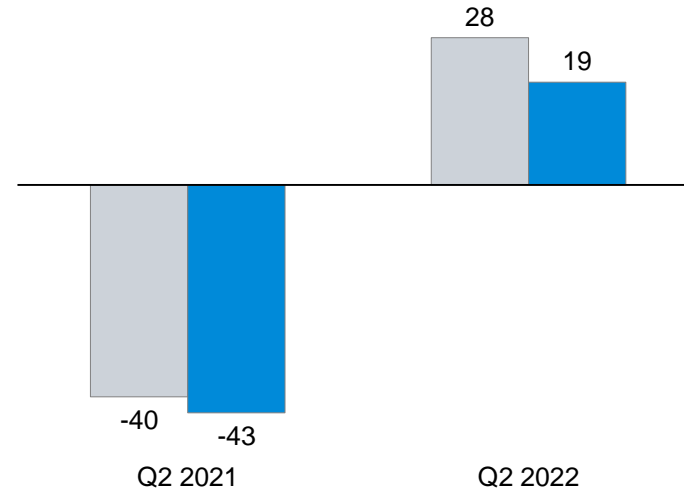
Increase in net profit mainly based on improved EBITA

Higher free cash flow with better cash conversion

Net profit (€ million)



Cash Flow (€ million)

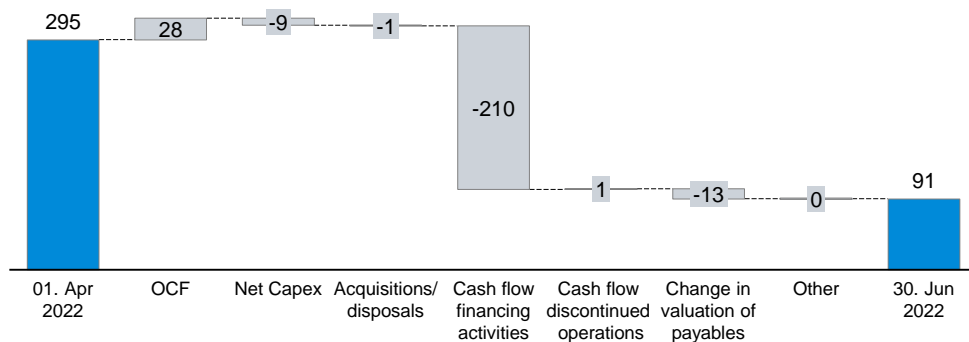


Operating Cash Flow
Free Cash Flow

Net Liquidity decreased due to dividend payment of €196 million

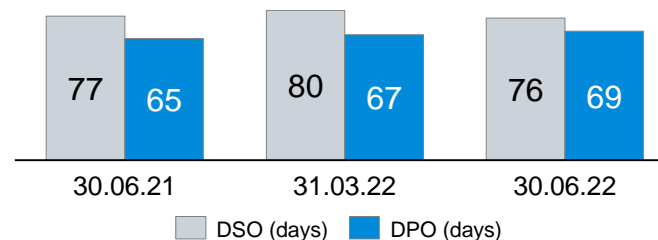
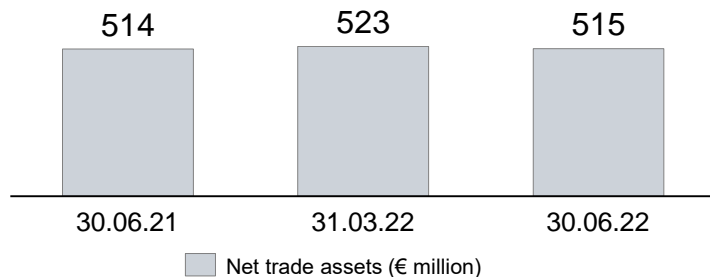
Development of net liquidity

Net liquidity ¹⁾ (€ million)



Cash flow development year-to-date (€ million) excl. IFRS 16

	6m 2022 excl. IFRS 16	IFRS 16 impacts	6m 2022 incl. IFRS 16	6m 2021 excl. IFRS 16	IFRS 16 impacts	6m 2021 incl. IFRS 16
EBITA	41		41	30		30
Depreciation	23	25	48	24	25	51
Change in NWC	-127		-127	-143		-143
Others	11		11	-42		-42
Special Items	-12		-12	41		41
Operating CF	-64		-39	-90		-63
Net CAPEX	-18		-18	-8		-8
Free CF	-82		-57	-98		-71
Proceeds/Investments financial assets	0		0	8		8
Changes in marketable securities	140		140	408		408
Dividends	-194		-194	-78		-78
Change in financial debt	-10	-24	-34	0	-24	-25
Interest paid	-15	-1	-16	-18	-1	-20
FX / other / DiscOp	-1		-1	-1		-1
Change in Cash	-162		-162	221		221



1) Including IFRS 16 leases

DSO: Trade receivables + WIP – advance payments received, DPO: Trade payables

Group outlook for 2022 confirmed

	Actual FY 2021	Outlook FY 2022
Revenue	€3,737 million	Significant increase
EBITA	€121 million	Significant increase
Free cash flow	€115 million	At prior-year level

Underlying assumption:

As the global consequences of the Russia-Ukraine war are still not fully foreseeable, the outlook is subject to increased uncertainty. Our business activities in Ukraine are also impacted by the war. The wider consequences of the war for the global economy, in particular as a result of rising energy prices and uncertainty in gas supplies, and therefore for Bilfinger's business cannot yet be forecast with sufficient certainty. The outlook assumes that there will be no significant disruptions in the activities of the vast majority of our customers, in particular due to interruptions in their gas and energy supply.

Quarterly Statement Q2 2022
Financial backup

Segment development Q2 2022

	E&M Europe			E&M International			Technologies			Reconciliation Group						Group		
	HQ / Consolidation / Other			OOP														
€ million	Q2 2022	Q2 2021	Δ in %	Q2 2022	Q2 2021	Δ in %	Q2 2022	Q2 2021	Δ in %	Q2 2022	Q2 2021	Δ in %	Q2 2022	Q2 2021	Δ in %	Q2 2022	Q2 2021	Δ in %
Orders received	669	649	+3%	197	199	-1%	173	169	+3%	-2	-3	+39%	70	47	+48%	1,107	1,061	+4%
Order backlog	1,796	1,821	-1%	550	443	+24%	697	575	+21%	-39	-61	+36%	155	67	+132%	3,158	2,845	+11%
Revenue	725	665	+9%	186	143	+30%	139	145	-4%	-18	-16	-11%	47	39	+21%	1,078	977	+10%
Investments in P,P&E	11	7	+59%	1	1	-54%	1	1	-36%	0	0	n/a	1	0	n/a	13	10	+35%
Increase in right-of-use assets	4	7	-50%	2	2	-3%	1	2	-64%	2	1	+29%	0	0	n/a	9	13	-36%
Depreciation	17	16	5%	2	4	-47%	2	2	-7%	3	3	-11%	1	1	-4%	25	26	-6%
Amortization	0	0	n/a	0	0	n/a	0	0	n/a	0	0	n/a	0	0	n/a	0	0	n/a
EBITDA	54	54	+0%	1	-5	121%	5	9	-42%	-8	-10	+15%	5	-1	n/a	57	48	20%
EBITA	38	38	-2%	-1	-9	+89%	3	7	-53%	-11	-13	+15%	4	-2	n/a	32	21	+53%
EBITA-margin	5.2%	5.7%		-0.5%	-6.3%		2.3%	4.7%		n/a	n/a		8.5%	-5.1%		3.0%	2.2%	
<i>thereof special items</i>	0	-1	n/a	0	-2	n/a	0	0	n/a	0	2	n/a	0	0	n/a	0	-5	n/a
Employees	21,030	20,563	+2%	6,004	5,509	+9%	2,061	2,121	-3%	462	496	-7%	1,009	1,003	+1%	30,566	29,692	+3%

Segment development H1 2022

€ million	E&M Europe			E&M International			Technologies			Reconciliation Group						Group		
	H1 2022	H1 2021	Δ in %	H1 2022	H1 2021	Δ in %	H1 2022	H1 2021	Δ in %	HQ / Consolidation / Other			OOP			H1 2022	H1 2021	Δ in %
										H1 2022	H1 2021	Δ in %	H1 2022	H1 2021	Δ in %			
Orders received	1,404	1,324	+6%	360	360	-0%	346	284	+22%	-8	-6	-32%	121	100	+21%	2,225	2,063	+8%
Order backlog	1,796	1,821	-1%	550	443	+24%	697	575	+21%	-39	-61	+36%	155	67	+132%	3,158	2,845	+11%
Revenue	1,360	1,227	+11%	344	253	+36%	264	276	-4%	-32	-29	-10%	103	84	+24%	2,039	1,810	+13%
Investments in P,P&E	19	15	+29%	1	1	-43%	2	2	-0%	0	0	n/a	1	0	n/a	23	18	+24%
Increase in right-of-use assets	8	14	-40%	2	3	-16%	2	2	-37%	3	1	+125%	0	0	n/a	15	20	-26%
Depreciation	33	32	2%	4	6	-33%	4	4	-6%	6	6	-12%	2	2	-8%	48	51	-5%
Amortization	0	0	n/a	0	0	n/a	0	0	n/a	0	0	n/a	0	0	n/a	0	0	n/a
EBITDA	83	86	-3%	2	-10	+125%	7	15	-52%	-11	-11	-6%	8	0	n/a	89	81	+11%
EBITA	50	54	-6%	-2	-16	+89%	3	11	-69%	-17	-17	+1%	6	-1	n/a	41	30	+37%
EBITA-margin	3.7%	4.4%		-0.6%	-6.3%		1.1%	4.0%		n/a	n/a		5.8%	-1.2%		2.0%	1.7%	
<i>thereof special items</i>	-10	-2	-366%	0	-3	n/a	0	1	n/a	0	-2	n/a	0	0	n/a	-10	-6	-59%
Employees	21,030	20,563	+2%	6,004	5,509	+9%	2,061	2,121	-3%	462	496	-7%	1,009	1,003	+1%	30,566	29,692	+3%

P&L (1/2)

€ million	H1			Q2			
	2022	2021	Δ in %	2022	2021	Δ in %	
Revenue	2,039	1,810	13%	1,078	977	10%	+10%, organically 9%
Gross profit	202	174	16%	107	95	12%	
Selling and administrative expense	-150	-143	-5%	-76	-73	-4%	
Impairment losses and reversal of impairment losses according to IFRS 9	-2	-1	-	1	1	-	
Other operating income and expense	-10	-1	-	0	-2	-	
Income from investments accounted for using the equity method	2	1	50%	1	0	-	
EBIT	41	30	37%	32	21	53%	After depreciation of property, plant and equipment and amortization of intangible assets of 12 (PY: 12) and amortization on right of use assets (IFRS 16) with 12 (PY: 14)
<i>Amortization of intangible assets from acquisitions and impairment of goodwill</i>	0	0	-	0	0	-	
EBITA (for information only)	41	30	37%	32	21	53%	
<i>Special items in EBITA</i>	-10	-6	-59%	0	-5	100%	Currency effects negligible

P&L (2/2)

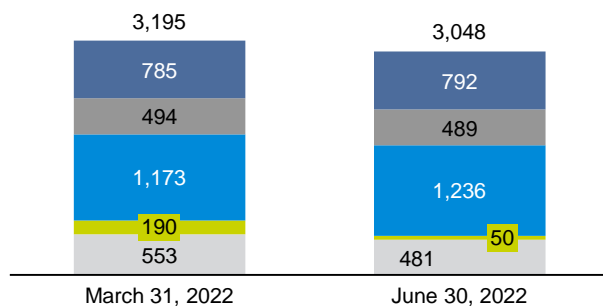
€ million	H1			Q2		
	2022	2021	Δ in %	2022	2021	Δ in %
EBIT	41	30	37%	32	21	53%
Financial result	-12	-5	-140%	-5	-7	-31%
EBT	29	25	16%	27	14	99%
Income taxes	-16	-6	-183%	-9	-6	-63%
Earnings after taxes from continuing operations	13	19	-33%	18	8	123%
Earnings after taxes from discontinued operations	1	4	-72%	1	5	-69%
Minority interest	1	0	-	0	0	-
Net profit	13	23	-43%	19	13	46%
Average number of shares (in thousands)	40,792	40,574	1%	40,867	40,717	0%
Earnings per share (in €)	0.31	0.57	-	0.46	0.31	-
thereof from continuing operations	0.28	0.47	-	0.43	0.20	-
thereof from discontinued operations	0.03	0.10	-70%	0.03	0.11	-73%

No capitalization of losses in German tax group of the SE

Positively influenced by subsequent purchase price adjustments.
Prior year: included positive effects from the reversal of provisions for tax risks

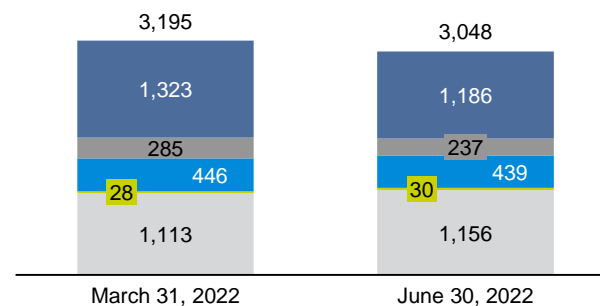
Balance Sheet – Overview of Assets and Liabilities

€ million



Intangible assets	1%	} As compared to March 31, 2022
Non-current assets	-1%	
Current assets	5%	
Marketable assets	-74%	
Cash and cash equivalents	-13%	

- **Goodwill** increases to 790 (3/22: 782) due to F/X effects
- **Non-current assets** include property, plant and equipment 255, right-of-use assets from leases according to IFRS 16 175, deferred tax assets 39
- **Current assets:** Trade receivables increases to 580 (03/22: 543)
- **Marketable assets / Cash and cash equivalents:** Decrease mainly in connection with dividend payment



Equity	-10%	} As compared to March 31, 2022
Pension provisions	-17%	
Financial debt	-2%	
Other non-current liabilities	7%	
Current liabilities	4%	

- **Equity** decrease due to dividend payments, slight decrease in equity ratio
- **Pension provisions** decrease due to higher interest rate
- **Financial debt** primarily relates to bond 06/2024 with 248, promissory note with 6 and leases 183
- **Other non-current liabilities** include deferred tax liabilities of 8 and other provisions 21 mainly for long-term personnel obligations
- **Current liabilities** include a.o. trade payables 404 (03/22: 357), advance payments received 155 (03/22: 133) and other liabilities 228 (03/22: 213)

Consolidated Balance Sheet: Assets

€ million	June 30, 2022	December 31, 2021	June 30, 2021
Non-current assets			
Intangible assets	792.3	780.6	771.8
Property, plant and equipment	254.8	258.7	257.0
Right-of-use assets from leases	175.0	176.7	181.6
Investments accounted for using the equity method	11.9	11.4	11.5
Other financial assets	7.7	7.3	11.0
Deferred taxes	39.4	46.7	54.2
	1,281.1	1,281.4	1,287.1
Current assets			
Inventories	66.6	64.9	64.3
Receivables and other financial assets	1,105.6	909.1	1,023.8
Current tax assets	14.9	20.3	13.3
Other assets	49.5	40.2	40.0
Securities	0.0	0.0	0
Marketable securities	49.8	189.9	50.0
Cash and cash equivalents	480.6	642.9	731.8
Assets classified as held for sale	0.0	0.0	4.4
	1,767.0	1,867.3	1,927.7
Total	3,048.1	3,148.7	3,214.8

Consolidated Balance Sheet: Equity & liabilities

€ million	June 30, 2022	December 31, 2021	June 30, 2021
Equity			
Equity attributable to shareholders of Bilfinger SE	1,197.6	1,300.8	1,188.9
Attributable to minority interest	-11.7	-11.8	-12.6
	1,185.9	1,289.0	1,176.3
Non-current liabilities			
Provisions for pensions and similar obligations	236.9	306.5	316.8
Other provisions	20.6	20.7	20.6
Financial debt	391.3	395.1	520.2
Other liabilities	1.7	2.5	0.1
Deferred taxes	7.7	4.2	3.7
	658.2	729.0	861.4
Current liabilities			
Current tax liabilities	24.8	21.9	25.4
Other provisions	200.6	215.8	260.3
Financial debt	47.6	54.3	45.5
Trade and other payables	703.5	641.4	619.7
Other liabilities	227.5	197.3	226.2
Liabilities classified as held for sale	0.0	0.0	0.0
	1,204.0	1,130.7	1,177.1
Total	3,048.1	3,148.7	3,214.8

Consolidated Statement of Cash Flows

€ million	H1		Q2	
	2022	2021	2022	2021
Cash flow from operating activities of continuing operations	-39.4	-62.9	27.8	-40.0
- Thereof special items	-12.0	-35.4	-6.3	-12.9
Net cash outflow for P,P&E and intangible assets	-17.5	-7.8	-8.4	-2.5
Free cash flow from continuing operations	-56.9	-70.7	19.4	-42.5
- Thereof special items	-12.0	-35.4	-6.3	-12.9
Proceeds from the disposal of financial assets	0	10.4	-0.7	11.1
Investments in financial assets	-0.1	-1.9	0.0	0.0
Proceeds / investments in marketable securities	140.0	408.4	140.0	408.4
Cash flow from financing activities of continuing operations	-246.8	-124.9	-232.5	-109.6
- Share buyback (including Changes in ownership interest without change in control)	-0.1	0.0	-0.1	0.0
- Dividends	-195.7	-78.5	-195.7	-78.5
- Repayment of financial debt / borrowing	-34.3	-25.4	-22.1	-12.6
- Interest paid	-16.7	-21.0	-14.6	-18.5
Change in cash and cash equivalents of continuing operations	-163.8	221.3	-73.8	267.4
Change in cash and cash equivalents of discontinued operations	0.0	-1.0	1.2	0.9
Change in value of cash and cash equivalents due to changes in foreign exchange rates	1.5	0.9	0.4	0.4
Change in cash and cash equivalents	-162.3	221.2	-72.2	268.7
Cash and cash equivalents at January 1 / April 1	642.9	510.6	552.8	463.1
Change in cash and cash equivalents of assets classified as held for sale	0.0	0.0	0.0	0.0
Cash and cash equivalents at June 30	480.6	731.8	480.6	731.8

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