

**BILFINGER SE**

- LEADING IN INDUSTRIAL SERVICES -

# Capital Markets Day 2023

## Strategy & Execution

Dr. Thomas Schulz | CEO

February 14, 2023

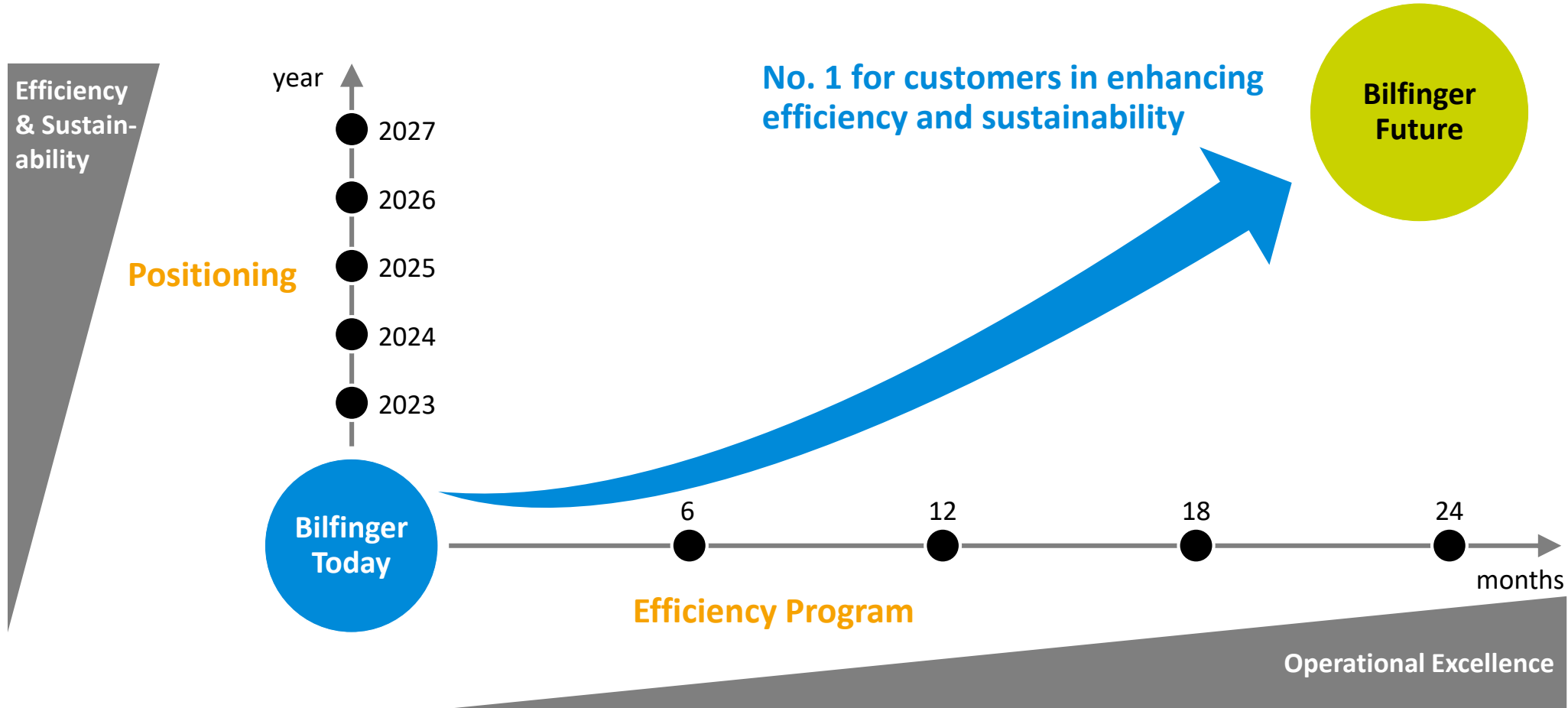


**BILFINGER**






# Strategy

Sustainable, profitable growth through Re-Positioning and driving Operational Excellence



# Financial targets

Execution of this strategy allows us to set new mid-term targets

		2024	2025-2027
Organic Growth		4-5% CAGR	
Increasing EBITA margin		≥5%	6-7%
Improving Cash Conversion <sup>1</sup>		>70%	>80%

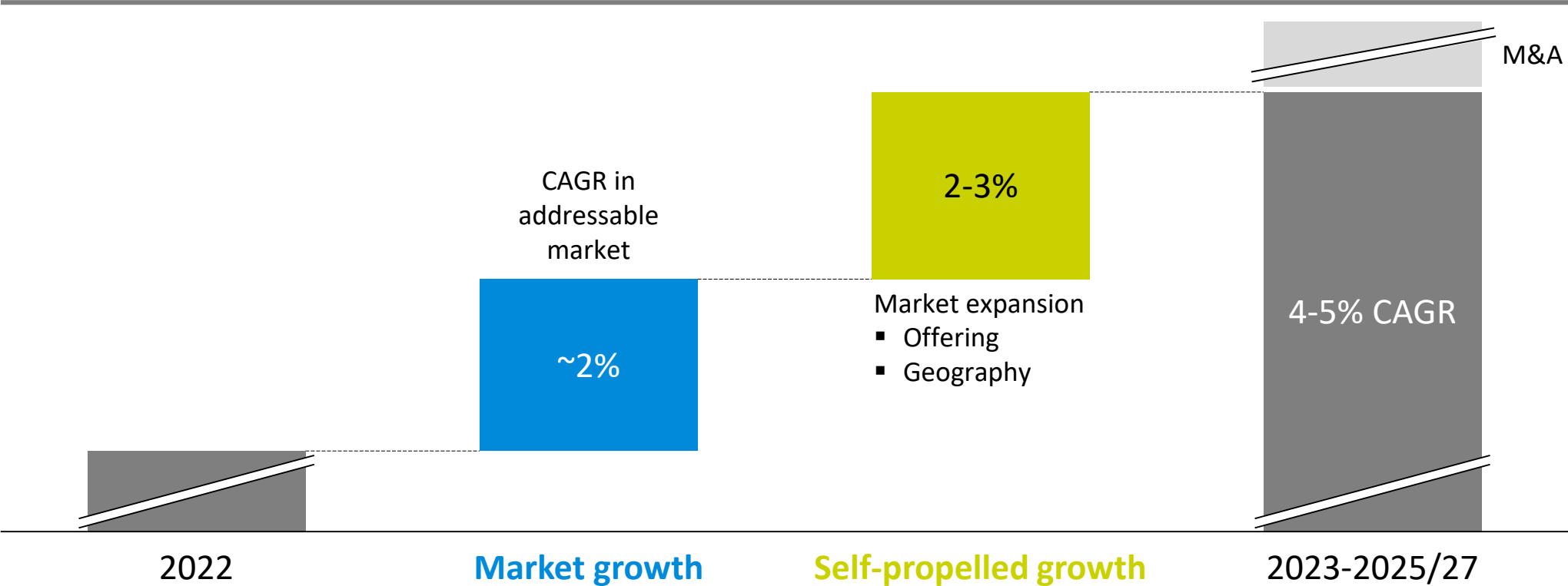
<sup>1</sup> Cash Conversion: FCF / EBITA

# Market and self-propelled organic growth: Europe, Middle East, North America



Our revenue growth will exceed market growth, M&A comes on top

## Overall growth projection





## Strategy & Execution

Thomas Schulz, Group Chief Executive Officer



## Strategy & Execution

Matti Jäkel, Group Chief Financial Officer



## Segment Engineering & Maintenance Europe

Jürgen Liedl, Executive President, E&M Europe



## Segment Engineering & Maintenance International

Christian Rugland, Executive President, E&M International



## Segment Technologies

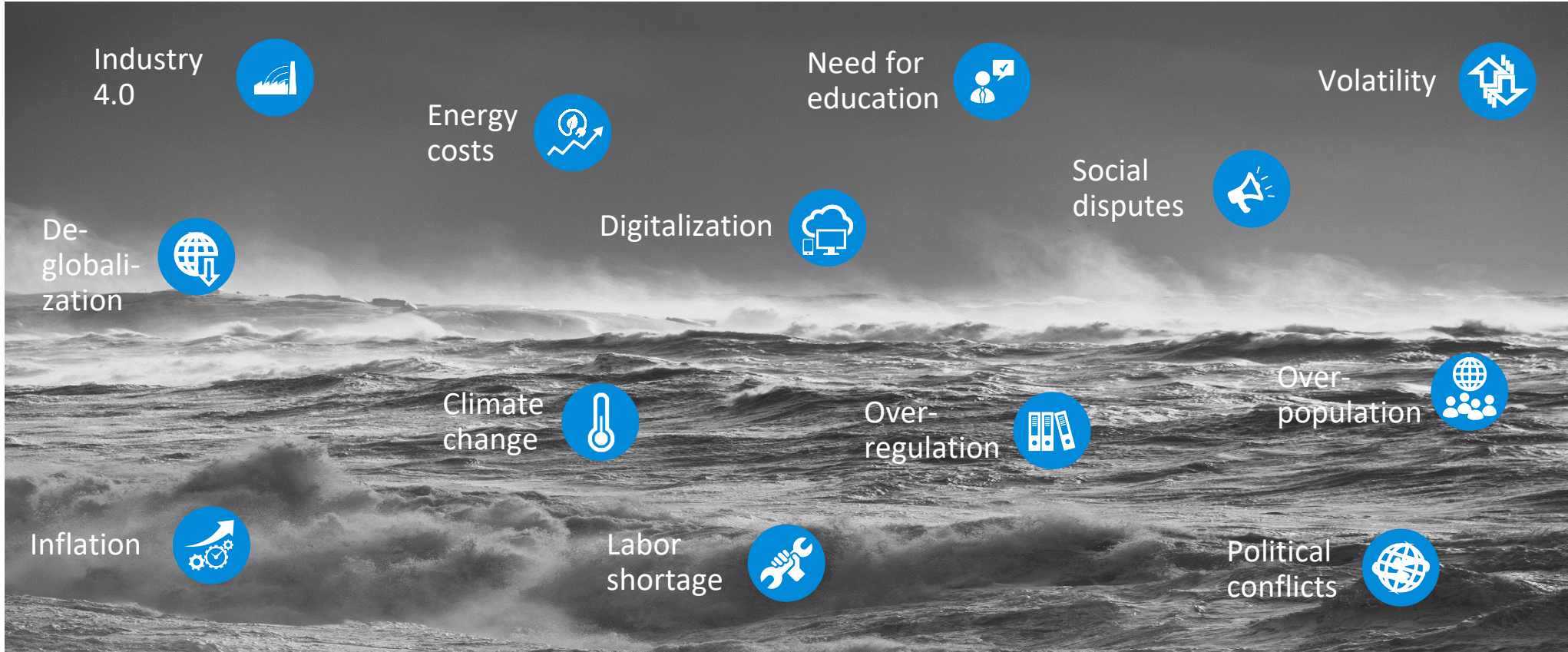
Thorsten Hoppe, Executive President, Technologies

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## Wrap Up

# The New Normal

Our customers face significant short- and long-term challenges in terms of efficiency and sustainability



In a changing world, our customers require expertise and resources to meet their targets

**U.S. Inflation Reduction Act:**  
\$ 369 bn for **clean energy**



**Reduce heating oil consumption:**  
30% less emission


**Energy efficiency:**  
€ 500 m invested until 2030



**RWE** Invests >€ 5 bn  
in green technologies

**SBTis<sup>1</sup> for oil & gas  
sector developed**



 Wage inflation **between 4 and 12%**  
but with expected peak end 2022

Double digit share of green  
**hydrogen sales**



 **State of Hessen:**  
Target to achieve **NetZero** by 2045

**UAE:** Announced ambition to become  
central trading **hub for green hydrogen**



 Develop **50 GW of renewable** energy  
generation capacity

Increase **diversity**  
to drive innovative power



**Saudi Arabia:** Plans 170 km long  
**CO<sub>2</sub> free city "The Line"**

<sup>1</sup> SBTi: Science Based Targets Initiative

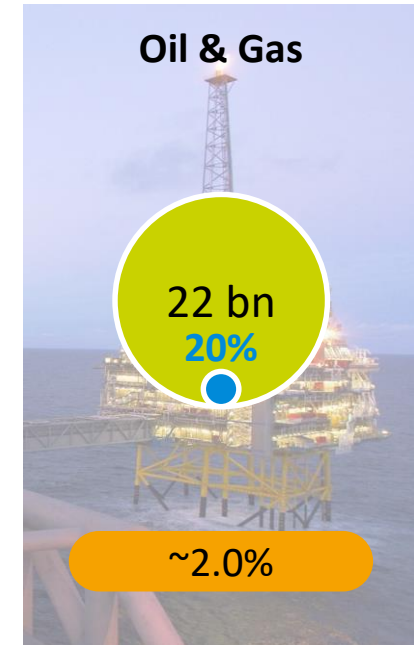
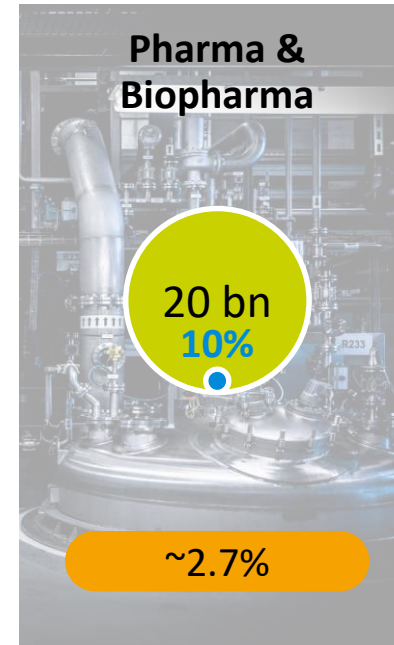
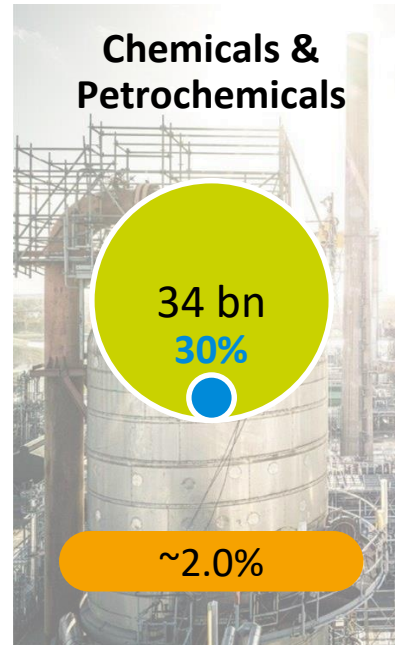
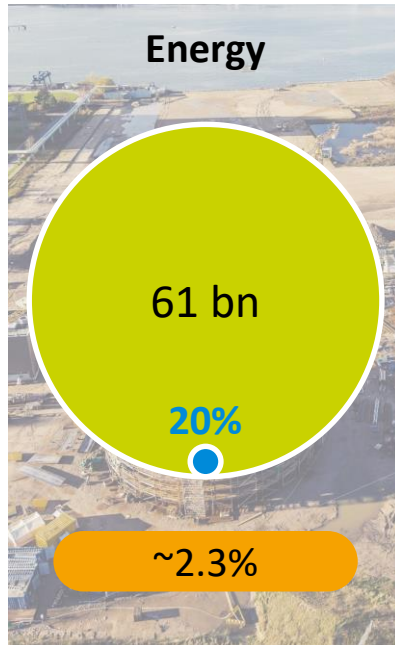
# Our market: Addressable market in Europe, Middle East, North America

Industry trends of efficiency and sustainability ensure continued positive demand in all markets

Addressable market

BiFinger<sup>1</sup> ●

CAGR  
2023-2025/27



<sup>1</sup> Bilfinger revenue excluding OOP, in EUR



## Growth niches

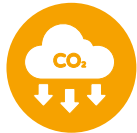
Hydrogen



Battery plants



Carbon capture



Bio fuels



## Market

**5x increase** in announced clean hydrogen production capacity for 2030 since 2019



**Double digit** share of clean hydrogen sales

**34% p.a.** expected growth in announced battery cell production capacity in Europe

**23% p.a.** expected growth in carbon capture capacity (2021-2030)

**16% p.a.** needed growth by 2030 in Net Zero scenario



BP expects to **invest in 5 major biofuels projects** – these include the **conversion of 1 or 2 oil refineries**

## Bilfinger examples

gasunie

Bilfinger supports Gasunie in the planning of the **HyStock-project** – an **underground hydrogen storage facility** in NL

REEtec

Bilfinger provides EPCM services for REEtec's **new rare earths** production plant

Lapwing Energy

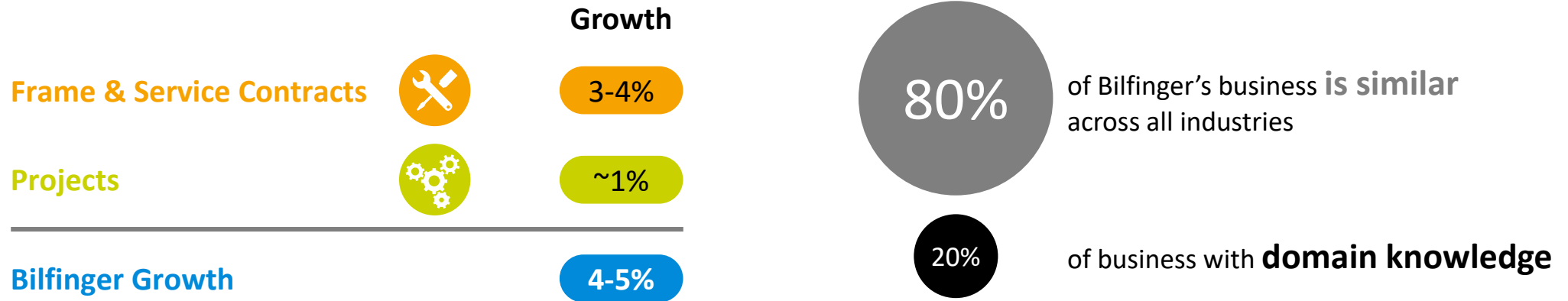
Bilfinger delivers the plant design, supply and installation for Lapwing Estate's **innovative "reverse coal"** project


Metsä


Bilfinger supports Metsä Fibre in **plant construction for sustainable bioproducts** and **green energy supply**


# Our market: Horizontal

With the extension of the our value chain towards a solution partner, we utilize our core competences over all process industries equally



Projects as entry point and complementary product 

Frame & service contracts as recurring business 

Business opportunities in growing and declining markets 

# Bilfinger offering

We are excellently positioned to establish ourselves as the No. 1 in our target markets

## Digitalization

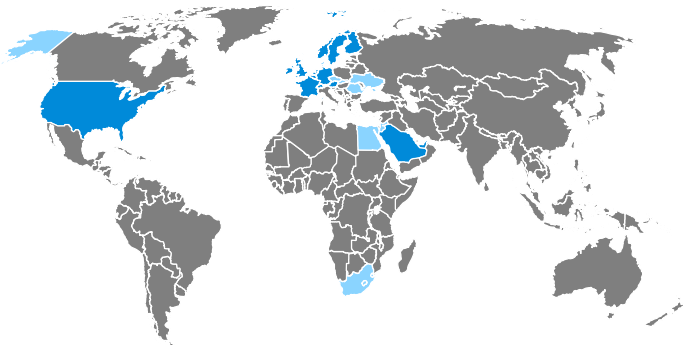
Consultancy

Engineering

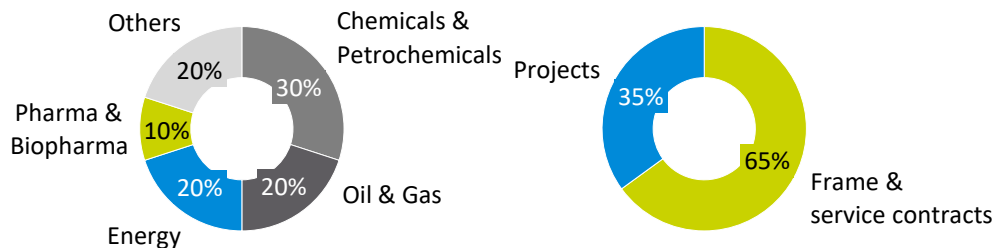
New builds & Modifications

Maintenance & Turnarounds

## Regional footprint



## Market / contract split



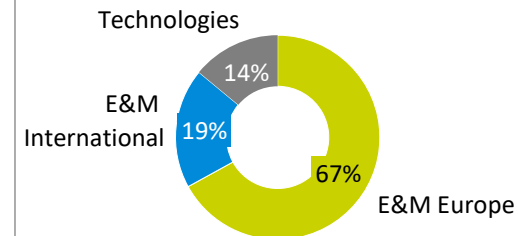
## Key characteristics

- About **30,000** employees
- in **27 countries**
- **>90% of our customers** purchase our services more than once
- **>140 years** of engineering expertise
- **Headquarter** in Mannheim and **listed** in Germany

## 3 Segments

Our business is organized through

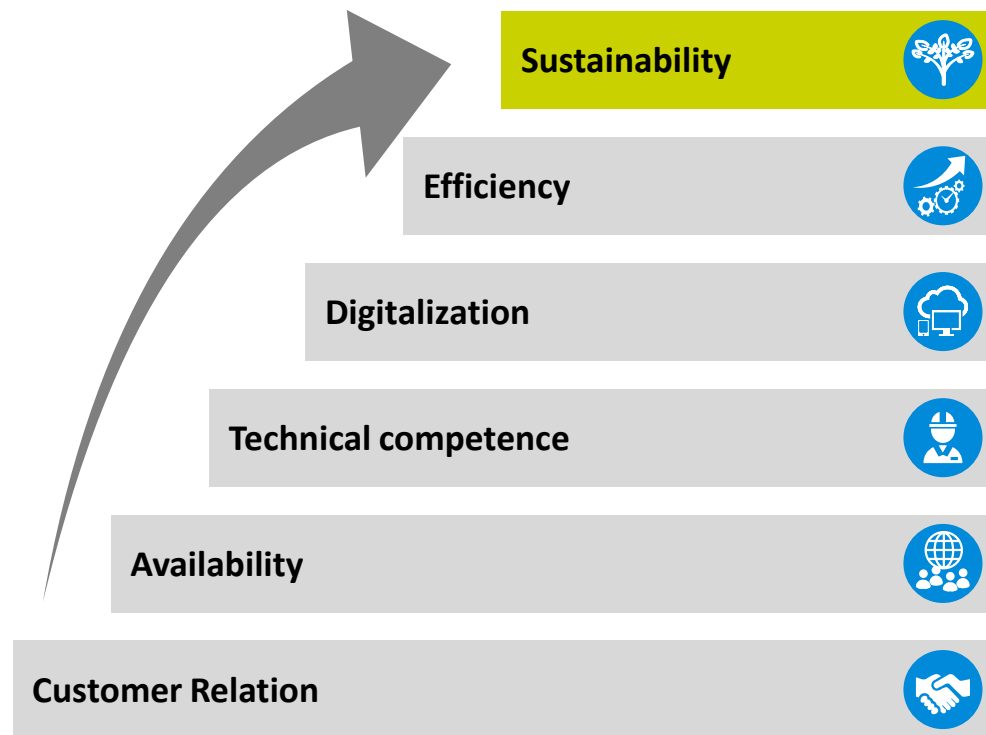
- Engineering & Maintenance Europe
- Engineering & Maintenance International
- Technologies



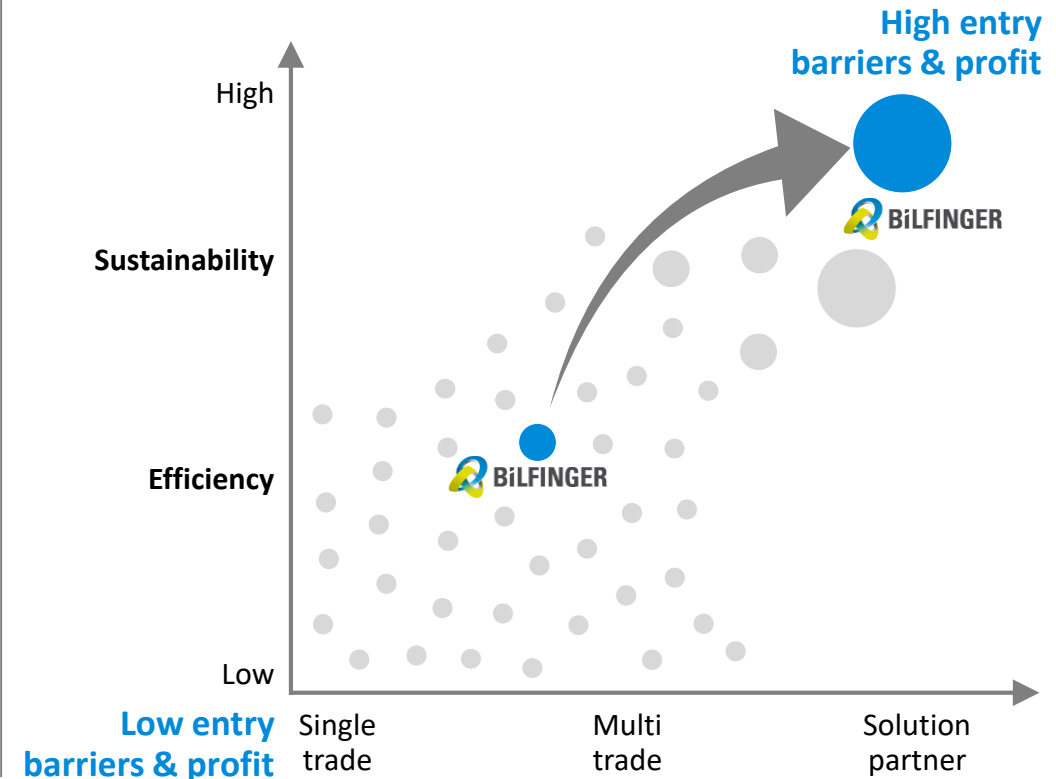
## Market conditions

Customers increasingly require sustainability solutions from their solution partner – this new positioning in the market will raise the entry barriers for the competition and increase our profitability

### Development of customer requirements

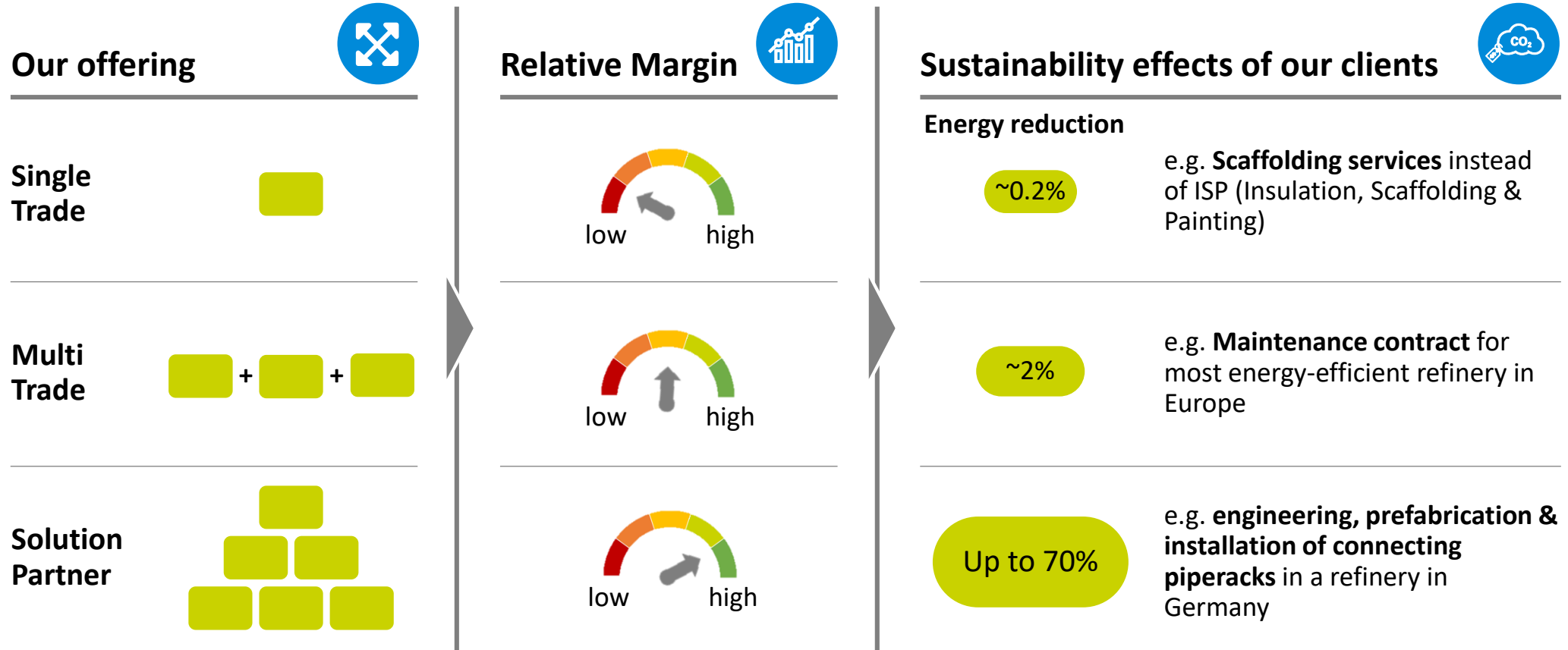


### Market segmentation



# Bilfinger towards solution partner

By moving from single trade offers to a solutions partner, we improve our profitability and increase the sustainability impact for our customers



## Business model

The business model is based on improving efficiency and sustainability both for customers and for ourselves, generating added value

### Business model

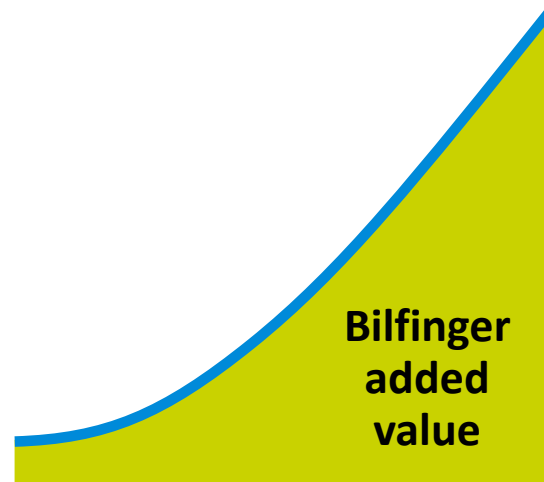
Our business model is based on **enhancing our customers' profitability by improving efficiency and sustainability**

**Our earnings potential**

### Vision



**No. 1 for customers in enhancing efficiency and sustainability**



### Parameters to drive business model



Addressable market

Competence

Offering

Organization

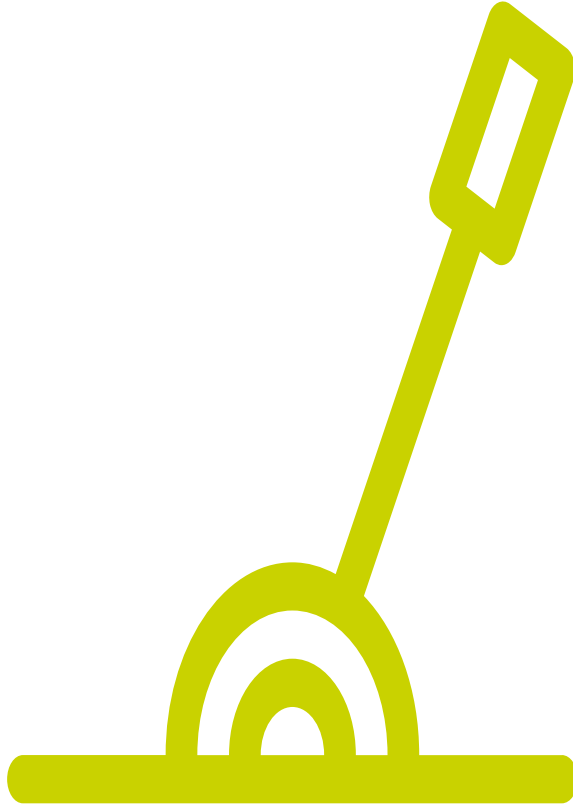
Digitalization

Innovation

Execution

# Strategy levers

Three strong levers to achieve our goals



## 1. Efficiency Program



- Functional Organization
- Competence Development
- Procurement

## 2. Operational Excellence



- Standardization & Bundling
- De-Risking
- Digitalization & Innovation

## 3. Positioning



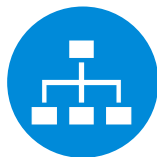
- Market Expansion
- Sustainability Partner
- Sustainable Bilfinger

## Strategic lever I

The Efficiency Program provides for savings of €55 million p.a., and is an immediate contribution to our strategic goals

# 1. Efficiency Program

### Functional Organization



- Built for organizational efficiency
- Lean management and administrative structures
- Transactional tasks in bundled shared services

**Profitability**

**12 months**

### Competence Development



- Build up training centers
- Standardized and certified trainings
- Value based selling
- Focus on efficiency & sustainability, digitalization and HSEQ

**> 0.5% of Revenue**

**12 months, ongoing**

 **Deep dive**

### Procurement



- High maturity level across regions and categories
- Savings linked to P/L
- Digitalized procurement: data driven sourcing

**Profitability**

**ongoing**



We will invest more than 0.5 percent p.a. of revenue into education and training



**Training on Efficiency & Sustainability, HSEQ and Digitalization & Innovation**

**Standardized and certified trainings in training centers**

**To offer best-in class services for our customers**

**To position Bilfinger as an attractive employer**

**To improve our innovative strength**

**Investment into training each year: more than 0.5% of revenue.**

## Strategic lever II

We will achieve our goal of operational excellence through product standardization and bundling, de-risking of our business as well as increased digitalization and innovation

# 2. Operational Excellence

### Standardization & Bundling



- Contract selection and execution
- Standardized execution and bundled services
- Mapping requirement vs. competence

### De-Risking



- Standard product selection in standard processes
- Cash generation through standardization

### Digitalization & Innovation



- Process digitalization
- Predictive Maintenance
- Combination of known technologies

**Profitability  
Cash**

**1-3  
years**





**Growth  
Profitability**

**ongoing**

## Strategic lever III

Expansion of the full line offering to all existing geographies and into adjacent markets as a solution partner for sustainability drives self-propelled growth

# 3. Positioning

<h3>Market Expansion</h3>		<ul style="list-style-type: none"> <li>▪ Full line offering in all existing geographies – core expansion</li> <li>▪ Expanding into other geographies – adjacent expansion</li> <li>▪ Exit non-core offerings and markets</li> <li>▪ M&amp;A</li> </ul>	<p><b>Growth Profitability</b></p>	<p><b>1-5 years</b></p>
<h3>Sustainability Partner</h3>		<ul style="list-style-type: none"> <li>▪ Business based on impact on efficiency &amp; sustainability</li> <li>▪ Implementation of digital tools to calculate</li> <li>▪ Innovation for new green technology offerings</li> </ul>	<p><b>CO<sub>2</sub></b></p>	<p><b>2-5 years</b></p>
<h3>Sustainable Bilfinger</h3> <p> Deep dive</p>		<ul style="list-style-type: none"> <li>▪ Bilfinger commits to SBTi<sup>1</sup> to become carbon-neutral for GHG scope 1 and 2 by 2030 and net zero including scope 3 by 2050</li> <li>▪ Bilfinger is a leading sustainable company in industrial service</li> </ul>	<p><b>SBTi</b></p>	<p><b>ongoing</b></p>

<sup>1</sup> SBTi: Science Based Targets Initiative

# Bilfinger commits to SBTi

We target for carbon neutrality by 2030 and Net Zero by 2050

Our business with direct and indirect environmental impact has grown by 50% year-on-year

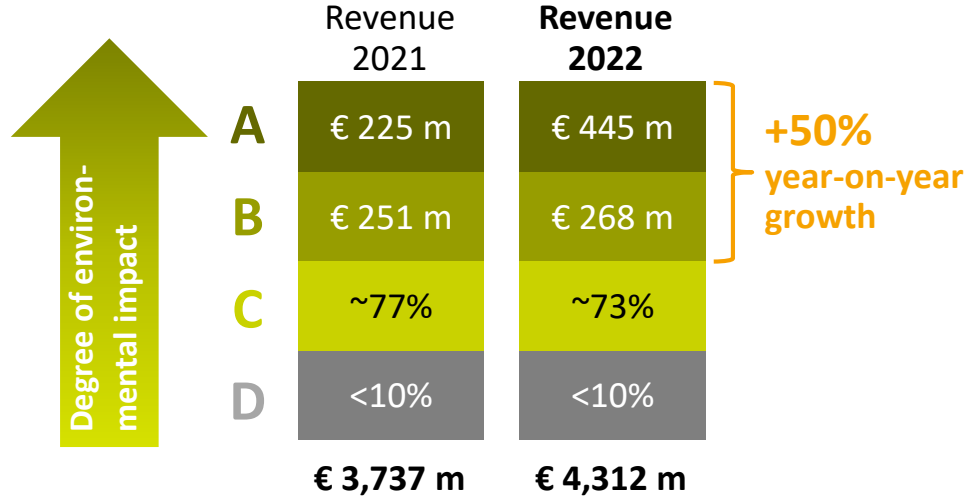


Deep dive

## Key milestones of the road to net zero aligned with the Science Based Targets initiative

- 2023**  
**Commitment to Science Based Targets initiative** aligned with a 1.5°C pathway
- 2025**  
 Full reporting of GHG scope 1 to 3:
  - Upstream categories starting in FY 2023
  - Downstream categories starting in FY 2024
- 2030**  
**Carbon neutral**  
 50% reduction of GHG scope 1 and 2 compared to 2021
- 2050**  
**Net Zero** across the whole value chain (scope 1, 2 and 3)

## Bilfinger business classified on environmental impact



- A**
  - Hydro Power
  - Battery Plants
  - Recycling & Recovery
  - Nuclear
  - Commercial Heat
  - Hydrogen
- B**
  - Energy Efficiency incl. Insulation
  - Etc.
- C**
  - Scaffolding
  - Etc.

**BILFINGER SE**

- LEADING IN INDUSTRIAL SERVICES -

# Capital Markets Day 2023

## Strategy & Execution

Matti Jäkel | CFO

February 14, 2023






**BILFINGER**



# Financial targets

Execution of this strategy allows us to set new mid-term targets

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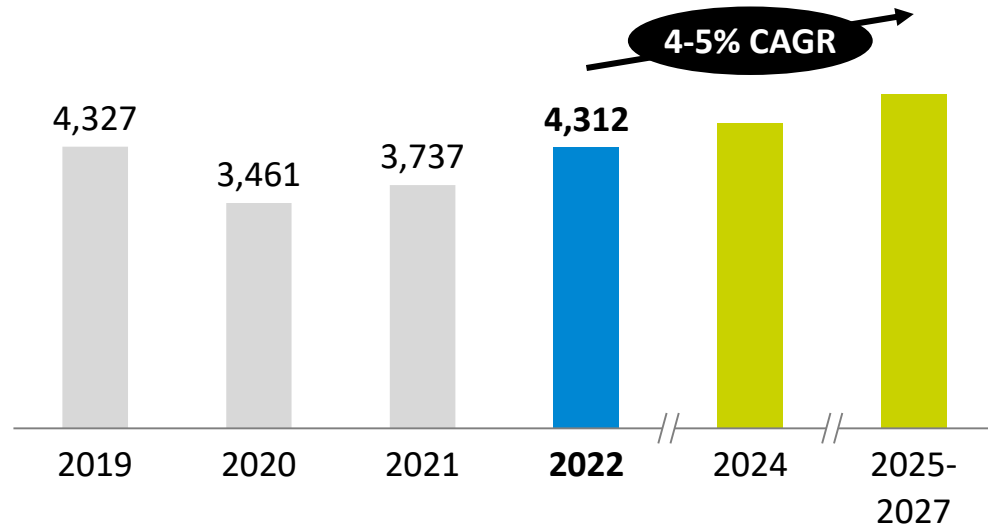
1. Cash Conversion: FCF / EBITA

# Sustainable profitable organic growth

Key Performance Indicators to measure our success



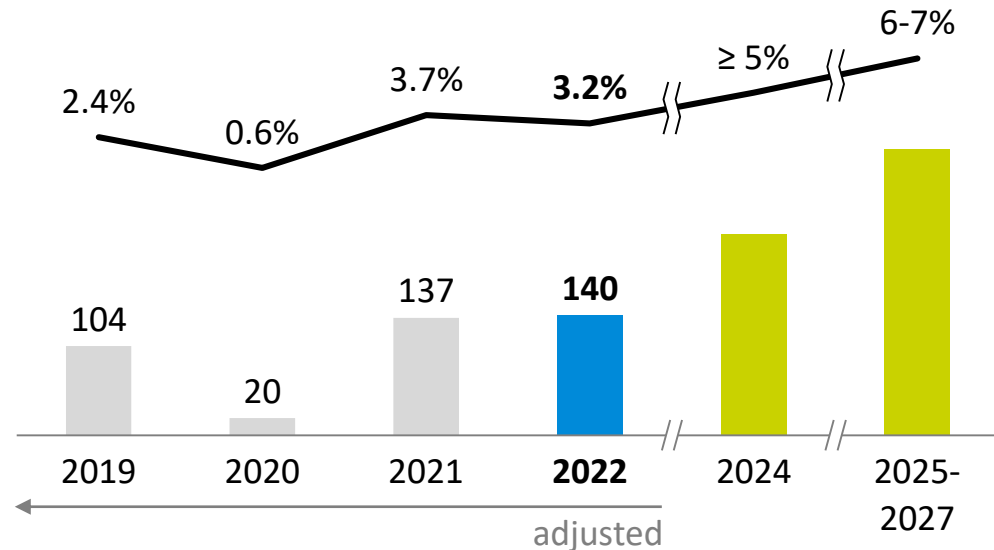
## Revenue [€ m]



### Organic growth

- Market growth ~2%
- Self-propelled growth ~2-3%

## EBITA [€ m] | Margin [%]



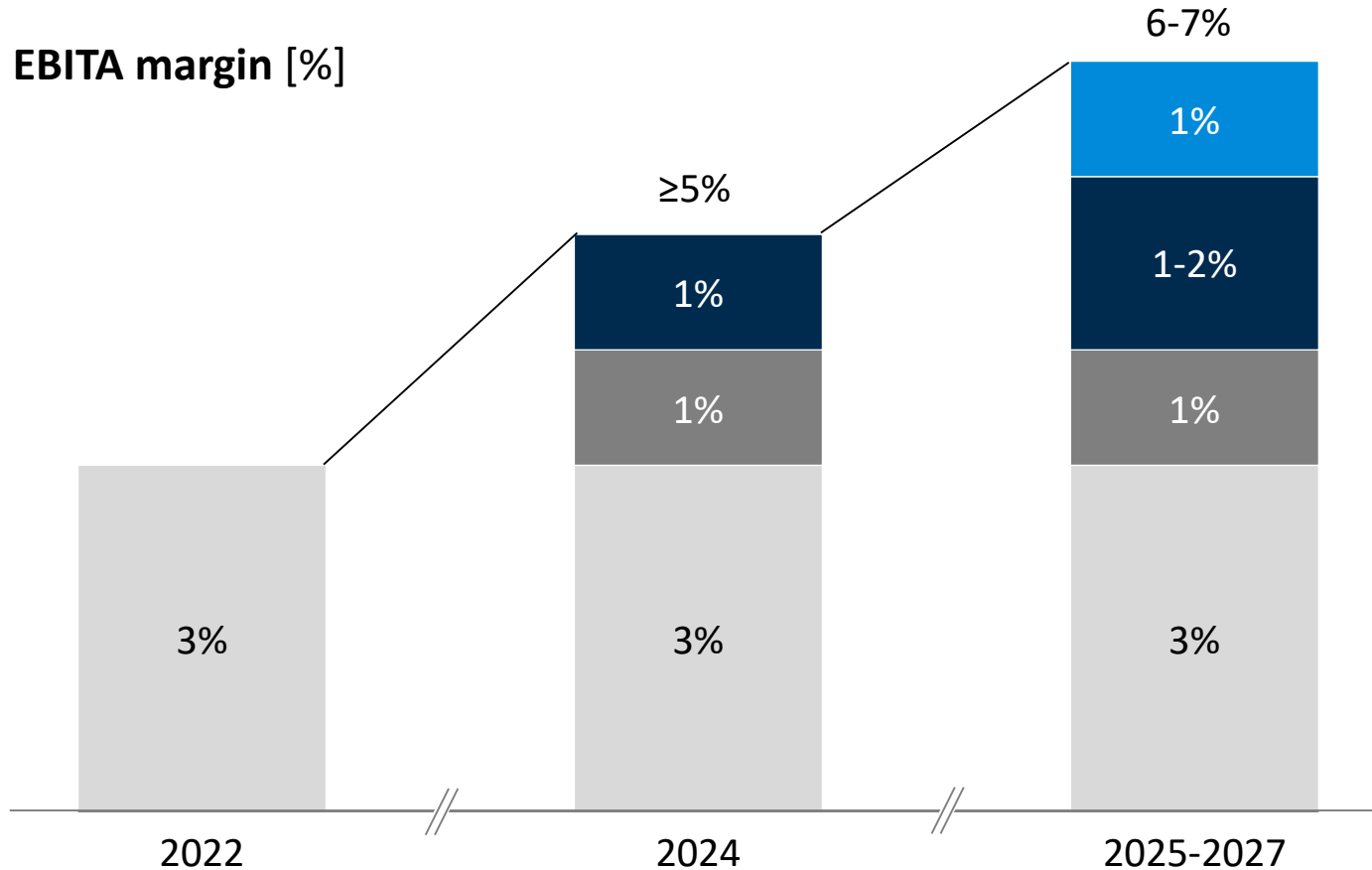
### Significant profitability potential

- Efficiency Program
- Operational Excellence
- Positioning

# Strategic levers for sustainable profitable organic growth

These three levers will deliver up to 4%points EBITA margin improvement in the next years

EBITA margin [%]



**3. Positioning**



**2. Operational Excellence**



**1. Efficiency Program**





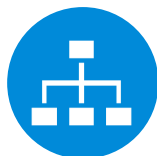
# Strategic lever: Efficiency Program

Net Savings will provide 1%point of SG&A ratio improvement from 2024 onwards

## 1. Efficiency Program



### Functional Organization



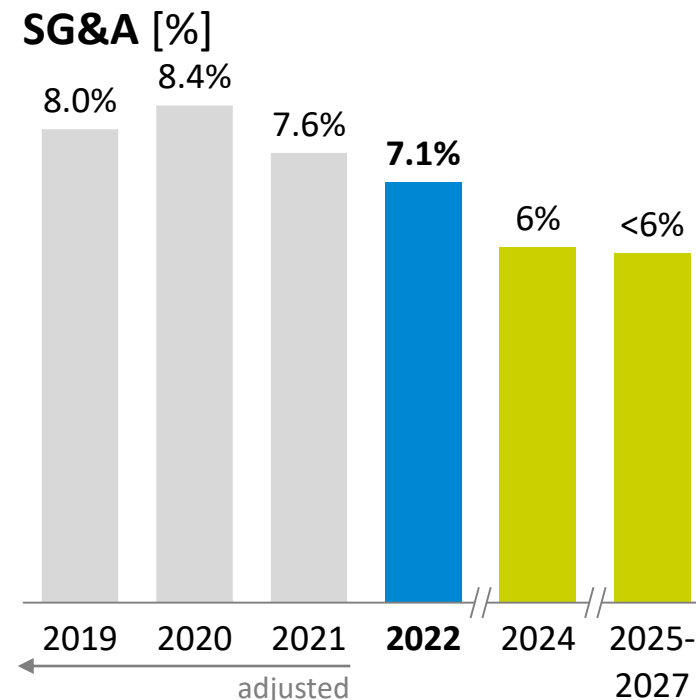
- Standardize core functions
- Shift transactional tasks to shared services
- Optimize IT

 Deep dive next slide

### Procurement



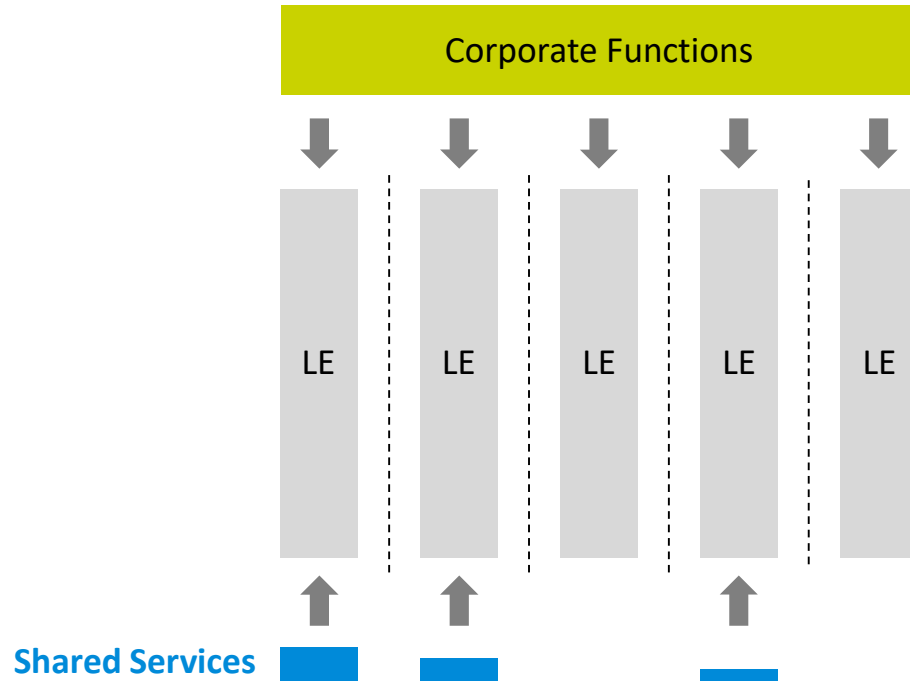
- **Category Management** – drive maturity level of supply chain management
- **Make or buy**



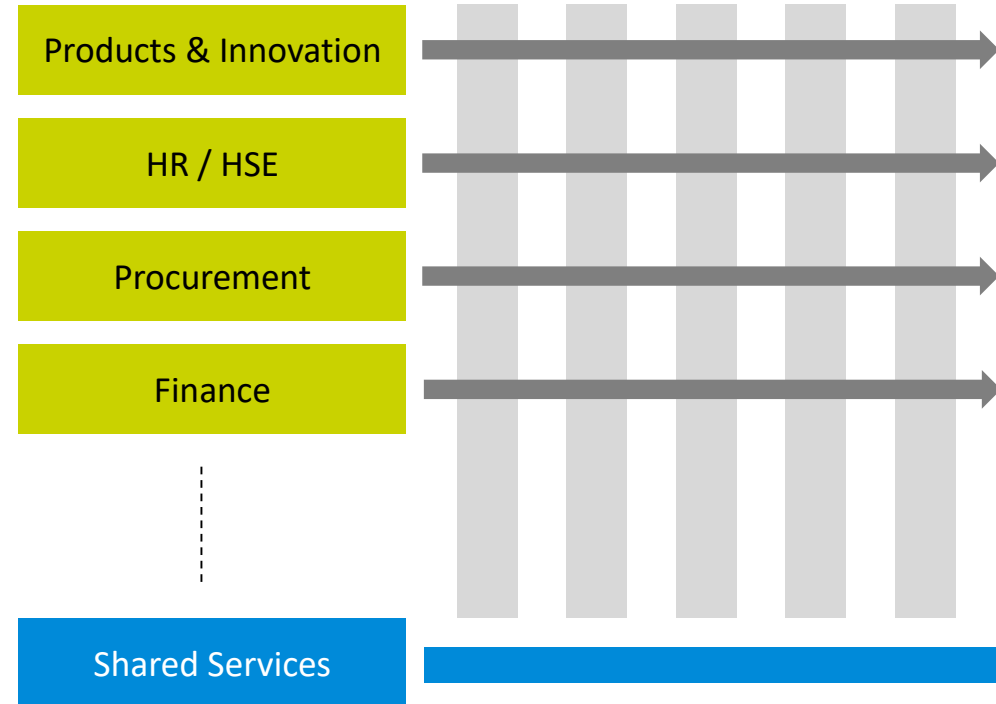
# Efficiency Program: Organizational transition Deep dive

Includes the adoption of a functional organizational structure and leaner administration

... 2023



2024 ...



# Strategic lever: Operational Excellence

As one result, frame and service contract business will account for 80% of total revenue in the future

## 2. Operational Excellence

### De-risking contract portfolio



- Rebalance from 65/35 to 80/20
- Frame contracts with average tenure of 3-10 years
- Repeat rate >90%
- Contract selection and execution

 [Deep dive next slide](#)

### Standardization & Bundling

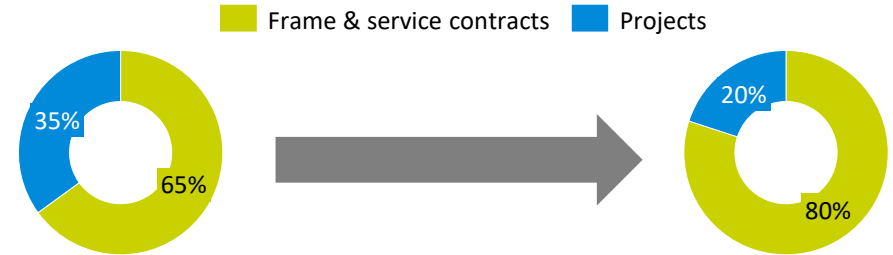


- Uniform product definition drives productivity
- Optimize site overheads, downtime, interfaces

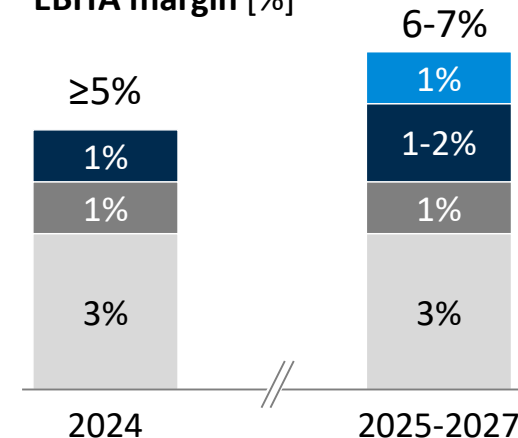
### Digitalization & Innovation



- Process digitalization drives internal performance



### EBITA margin [%]



# Contract Selection & Execution Deep dive

High discipline will lead to higher profitability

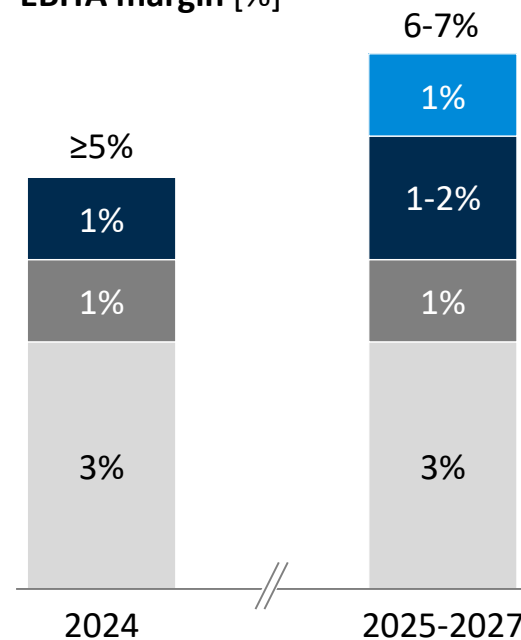
## Contract Selection and Execution



- 1 Opportunity selection**  
– along defined risk criteria
- 2 Tender and Negotiation**  
– remain steadfast within risk corridor
- 3 Delivery capabilities**  
– mapping
- 4 Performance on project margin**  
– KPI monitoring



EBITA margin [%]



# Strategic lever: Positioning

Economies of scale and sales mix will support EBITA margin improvement

## 3. Positioning

### Market Expansion



- **Scale effects:** additional profitable revenue supported by existing organization

### Sustainability Partner



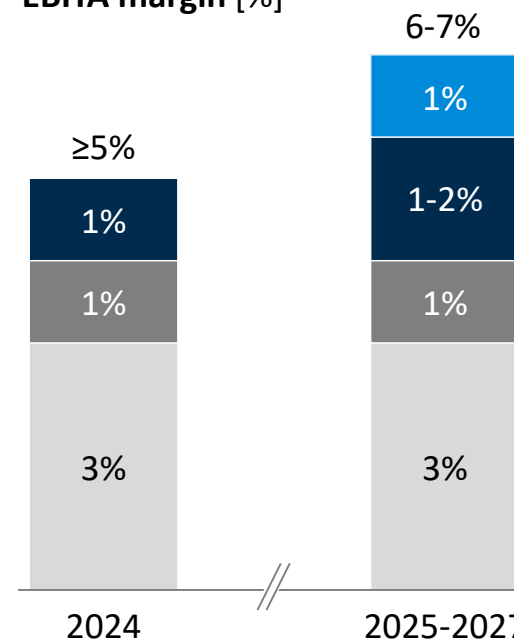
- **Change in product mix:** higher share of planning and project management services
- **Workforce management:** increased control over utilization

### Sustainable Bilfinger



- **Cost savings:** energy, consumables, fuel

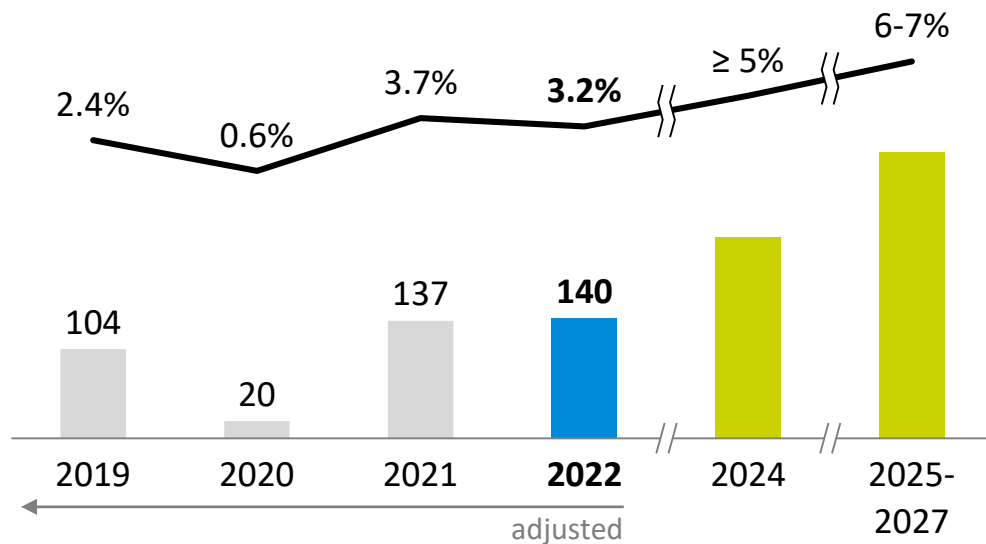
EBITA margin [%]



## Profitability to drive cash generation

Increasing cash conversion to consistently more than 80%

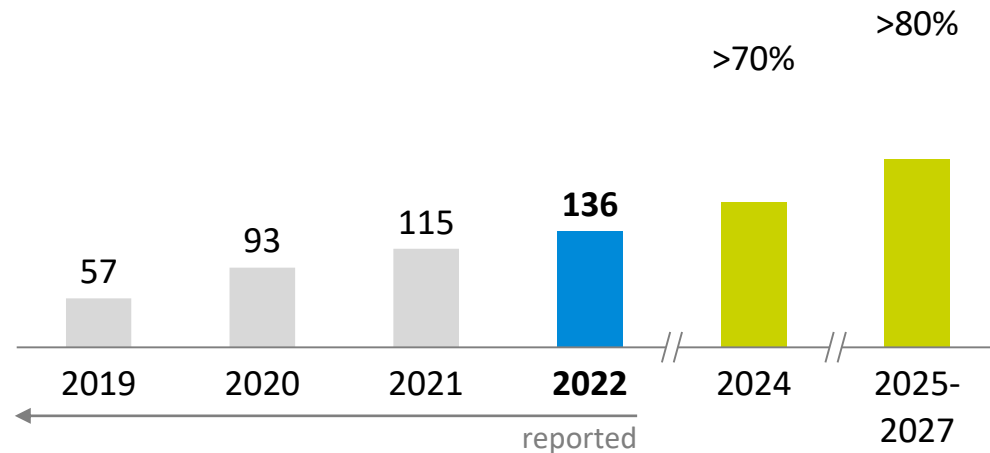
### EBITA [€ m] | Margin [%]



### Significant profitability potential

- Efficiency Program
- Operational Excellence
- Positioning

### Free Cash Flow [€ m] | Cash Conversion [%]



### Consistent Cash Conversion

- Working Capital Improvement

# Working Capital improvements

A strong cash focus throughout the organization

## De-risking contract portfolio



- Enforces faster cash generation

## Standardization of offering & Bundling of services



- Optimization of billing processes

## Positioning

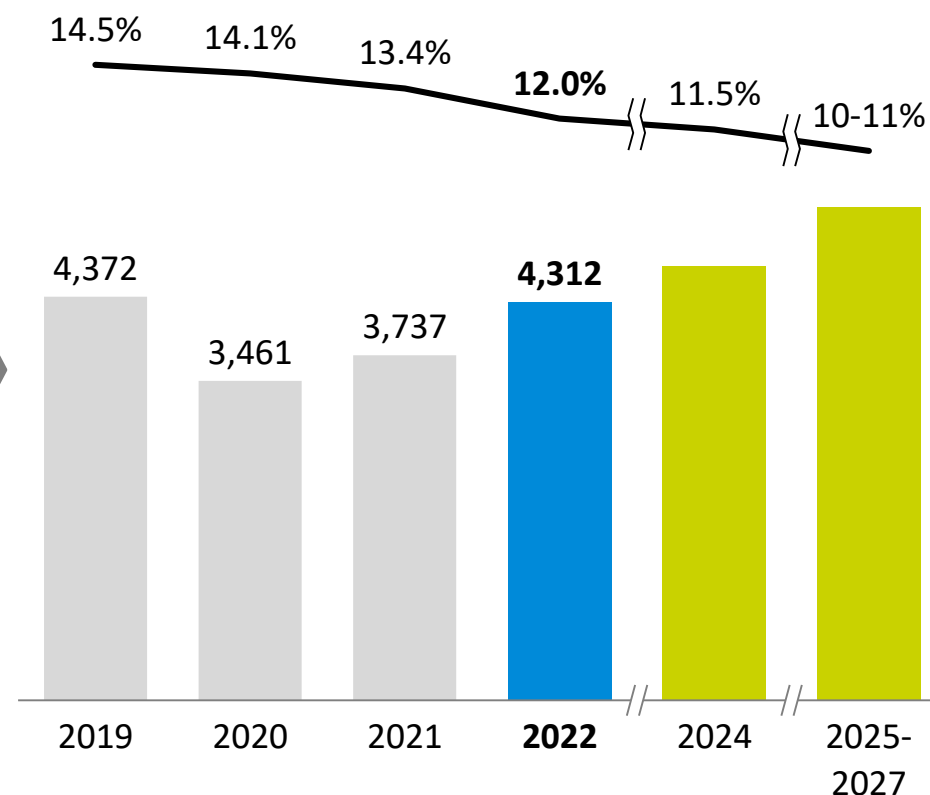


## Digitalization & Innovation



- Increases collaboration and efficiency

## Revenue [€ m] | Average NTA/Revenue [%]



# Capital Allocation to drive Total Shareholder Return

A dividend of € 1.30 will be proposed to next Annual General Meeting

**Revenue Growth**



**EBITA Improvements**



**Cash Conversion**



Dividend: 40-60% of adjusted net profit and continuous growth

Organic growth

M&A

Share buyback




**Adhere to financial policy and achieve investment grade rating**





# Financial targets

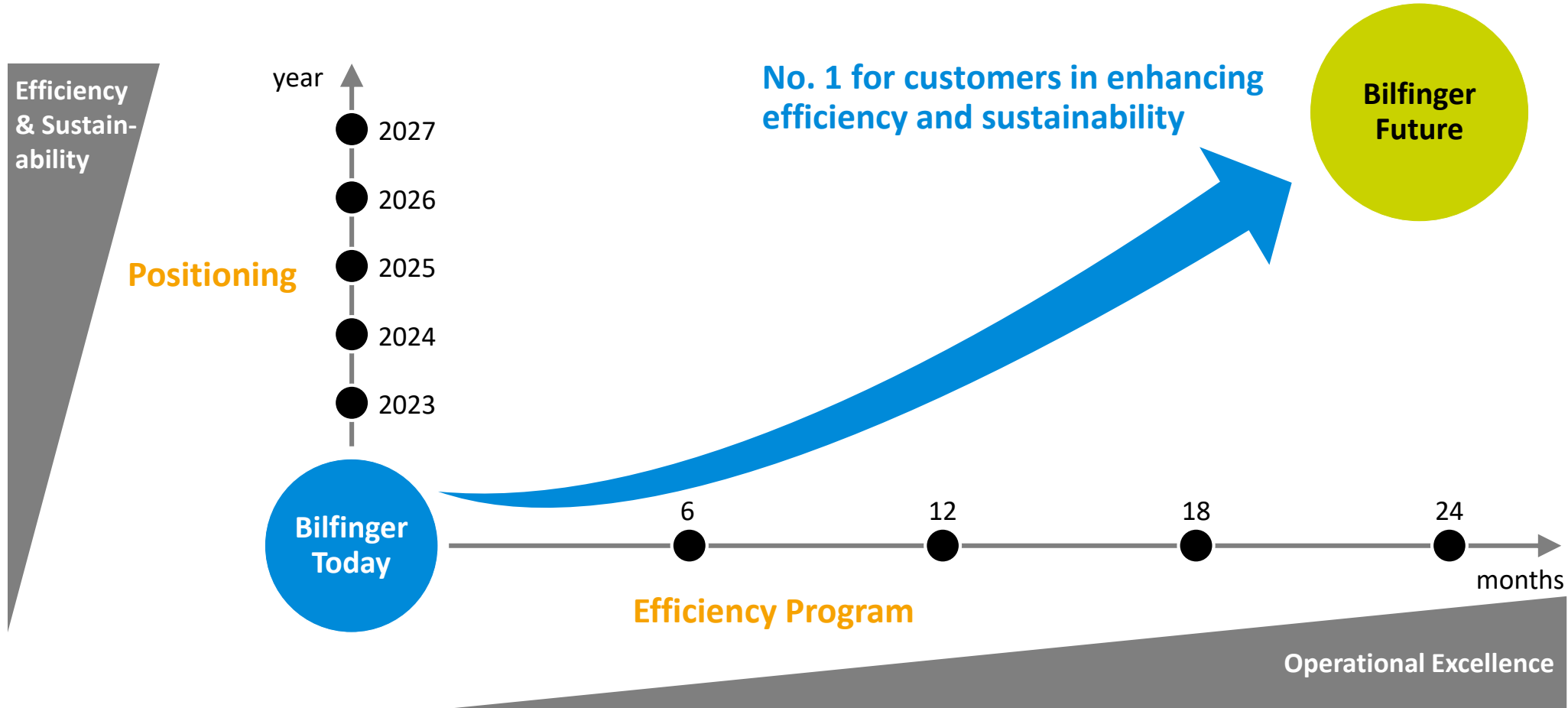
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Sustainable, profitable growth through Re-Positioning and driving Operational Excellence



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- LEADING IN INDUSTRIAL SERVICES -

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## Segment E&M Europe

Jürgen Liedl | Executive President

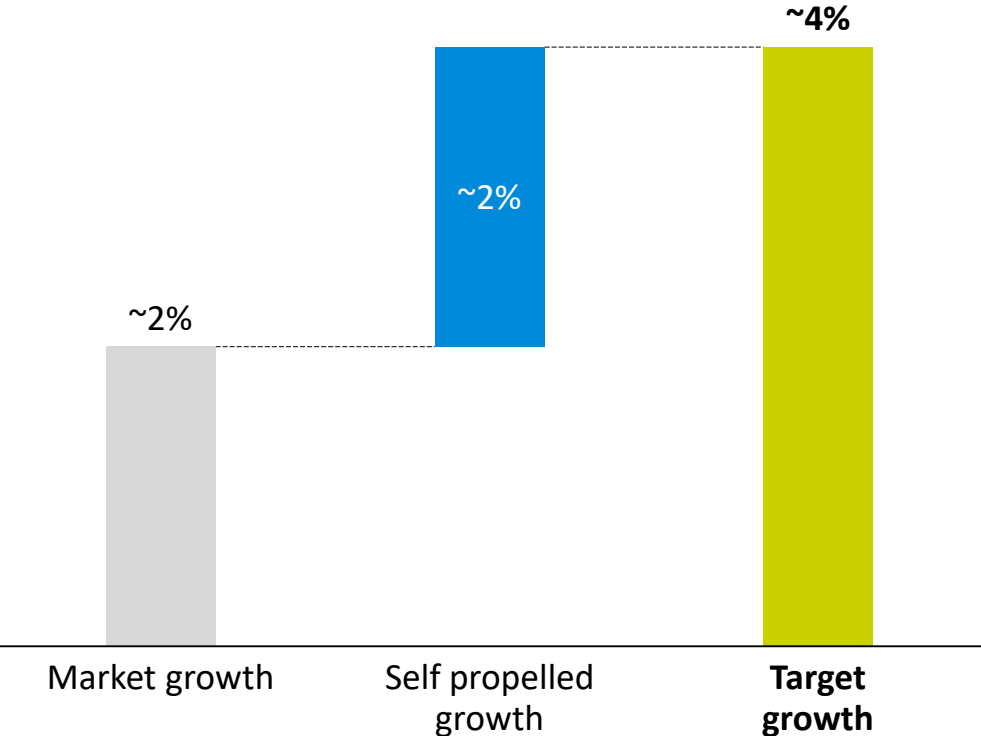
February 14, 2023



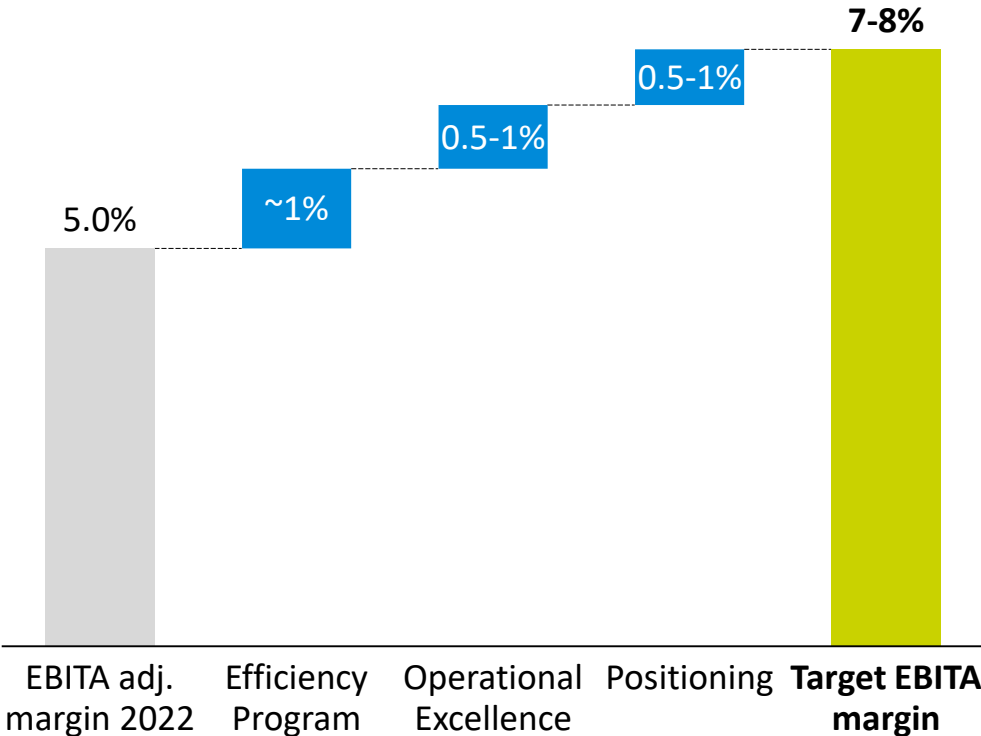
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## Mid-term CAGR



## Mid-term profitability target




## The New Normal



Inflation




De-globalization



Climate change




Labor shortage



Digitalization

## Our world



Wage inflation **between 4 and 12%** but with expected peak end 2022



All German refineries **fully independent from Russian Oil & Gas** since beginning of 2023



Port of Rotterdam to reduce **CO<sub>2</sub> emissions by 55%** until 2030



Energy efficiency: **€ 500 m** invested until 2030

## Growth

**CAGR 2023-2025/27**

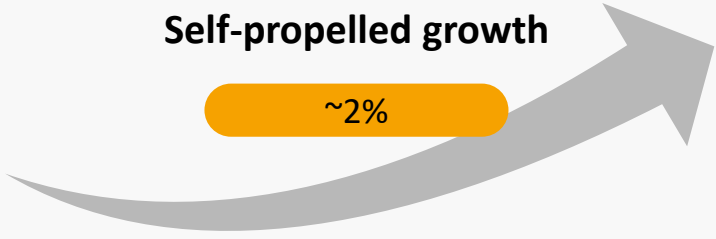
**Market growth**



~2%



**Self-propelled growth**



~2%

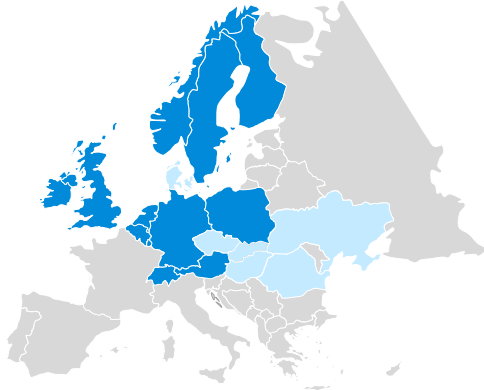


**Market and self-propelled organic growth**

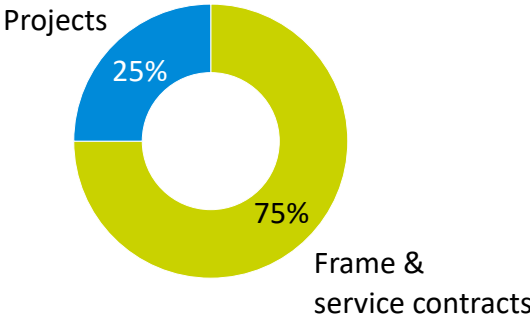
~4%

**Digitalization**

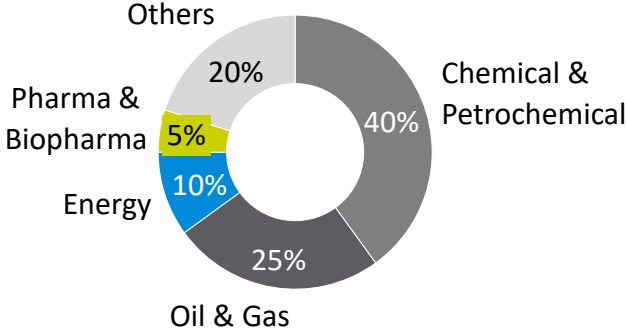
**Consultancy** **Engineering** **New builds & Modifications** **Maintenance & Turnarounds**



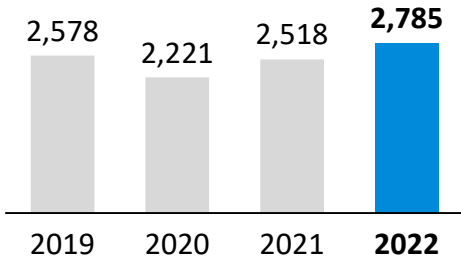
### Horizontals



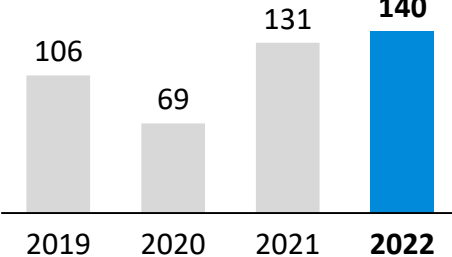
### Verticals



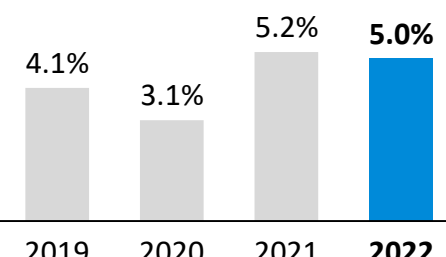
**Revenue [€ m]**

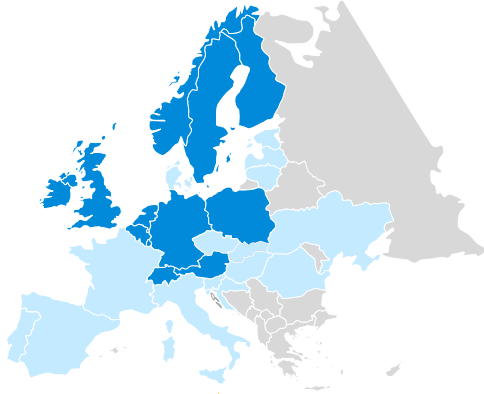


**EBITA adj. [€ m]**

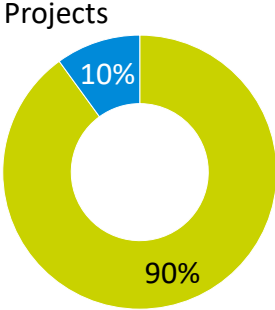


**EBITA adj. margin [%]**



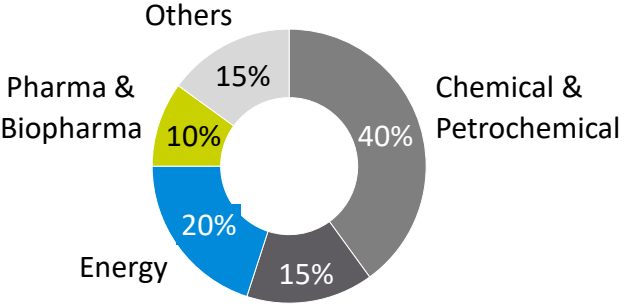


### Horizontals



Frame & service contracts

### Verticals







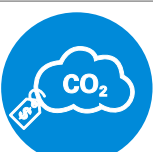
Oil & Gas

**Bundle services to solutions and expand existing know how into new countries**

# E&M Europe: Strategic levers

- 1. Efficiency Program 
- 2. Operational Excellence 
- 3. Positioning 



<h2>Competence Development</h2>	 <ul style="list-style-type: none"> <li>▪ Develop skills required for bundled services</li> <li>▪ Rollout lean management trainings to local leadership</li> </ul>	<b>Growth Profitability</b>	<b>ongoing</b>
<h2>Standardization &amp; Bundling</h2>	 <ul style="list-style-type: none"> <li>▪ Develop standardized execution from best-practices</li> <li>▪ Bundle individual service to increase efficiency</li> </ul>	<b>Profitability</b>	<b>1-3 years</b>
<h2>Digitalization &amp; Innovation</h2>	 <ul style="list-style-type: none"> <li>▪ Digitalize operational workflows and develop apps</li> <li>▪ Use robotics and drones for inspection, painting, etc.</li> </ul>	<b>Growth Profitability</b>	<b>ongoing</b>
<h2>Market Expansion</h2>	 <ul style="list-style-type: none"> <li>▪ Cover full chain in all existing markets</li> <li>▪ Focus growth on higher margin segments</li> <li>▪ Selectively expand into adjacent geographies</li> </ul>	<b>Growth Profitability</b>	<b>1-5 years</b>
<h2>Sustainability Partner</h2>	 <ul style="list-style-type: none"> <li>▪ Further develop solutions to assess and reduce CO<sub>2</sub> footprint of our clients</li> </ul>	<b>CO<sub>2</sub></b>	<b>ongoing</b>



# E&M Europe: Example of Sustainability Partner

Innovative product: CO<sub>2</sub> Masterplanning



## Client Case CO<sub>2</sub> Masterplanning



**The challenge** Reduce CO<sub>2</sub> emissions at existing sites with limited invest

**The solution** Bilfinger CO<sub>2</sub> Masterplanning to benchmark sustainability and propose modification, with strong insights in implementability



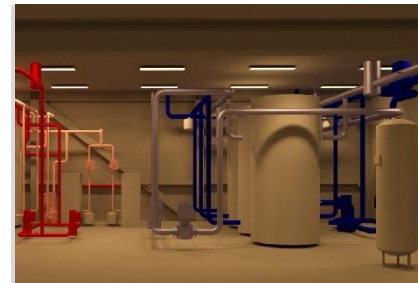
120,000 tons of CO<sub>2</sub> p.a. reduced

## Client Case Electrification of boilers



Transform power supply of boilers in process industries from conventional to electricity

Bilfinger has integrated the new E-Boiler system at one of the biggest Industrial Parks in the Netherlands



29,600 tons of CO<sub>2</sub> p.a. reduced

## Access Services: Level-one scaffold

### Example Access Services – Level-one scaffold

1. Measure performance across different sites
2. Compare ways of assembly
3. Define standardized way of assembly
4. Document and train workforce with step-by-step instructions and video tutorials

In 7 steps to high performance

**Step 1**  
1st worker: 2 U-brackets  
2nd worker: 2 U-brackets  
1st & 2nd worker: Place brackets, Connect  
• Don't start with the first – the brackets set the size of the scaffold

**Step 2**  
1st worker: 4 Boards  
2nd worker: 4 U-brackets  
1st & 2nd worker: Connect edges and diagonals  
2nd worker: Load board  
• 1st worker: Don't break by angles after connection of 1st worker, 2nd worker: Continue connecting longer  
• Connect the opposite to the biggest leg than the most boards (you only have 2 hands)

**Step 3**  
2nd worker: 4 Standards  
1st worker: Continue work below  
2nd worker: Put standards on levels

**Step 4**  
1st & 2nd worker: 4 Legs  
1st & 2nd worker: Place 4 legs

**Step 5**  
1st & 2nd worker: 2 Diagonals  
1st & 2nd worker: Place 2 diagonals

**Step 6**  
1st worker: Ladder  
2nd worker: Step into ladders  
2nd worker: Ladder for 2nd floor  
1st worker: Place for ladder  
1st worker: temporary fixation of ladder  
2nd worker: ONLY LOGGING

**Step 7**  
1st worker: Tag  
1st worker on 2nd floor: Installation of 2nd floor material  
• Don't touch the material  
1st worker on 1st floor: Remove temporary ladder fixation  
Proceed to final ladder fixation  
Tag, final fixation of ladder and last board



### Bilfinger Contribution

~70%  
Less time

- Reduced current average time from 45 min to 13 min per scaffold



# E&M Europe: Example of Standardization & Bundling

Combine single trade service into competitive offerings

## Customer Contract

Shell Moerdijk

1969: Insulation, scaffolding

2012: + Painting

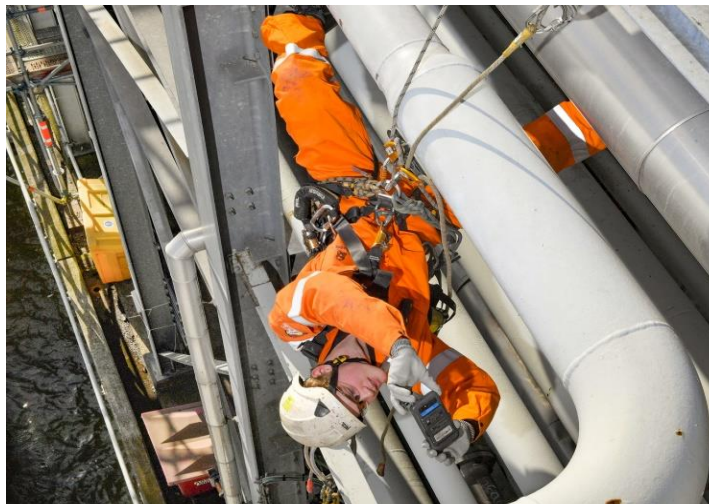
2020: + Engineering

2021: + Mechanical & Piping, Rope Access and Inspection

## Example for Bundling

Inspection with Rope Access at Loading Dock

- Visual inspection and documentation provided by Rope Access engineers
- NDT testing on selected areas
- Mechanical repair works where required



## Bilfinger Contribution

**-60%**  
cost  
reduction

- Compared to conventional approach with scaffolding

**4**  
months

- Shorter project time

**1**  
contact

- For the client instead of 4

**BILFINGER SE**

- LEADING IN INDUSTRIAL SERVICES -

# Capital Markets Day 2023

## Segment E&M International

Christian Rugland | Executive President

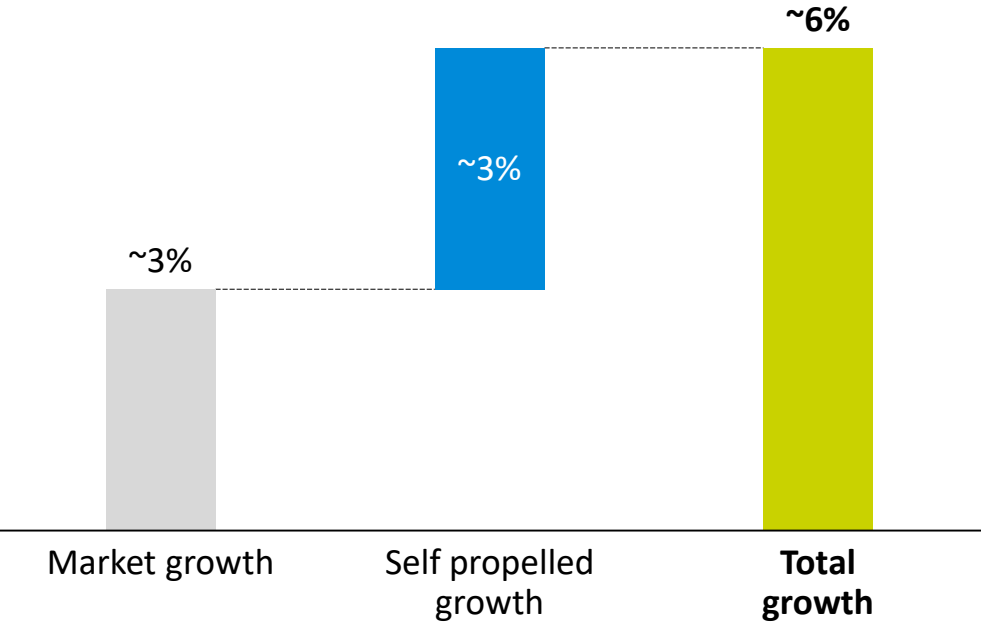
February 14, 2023



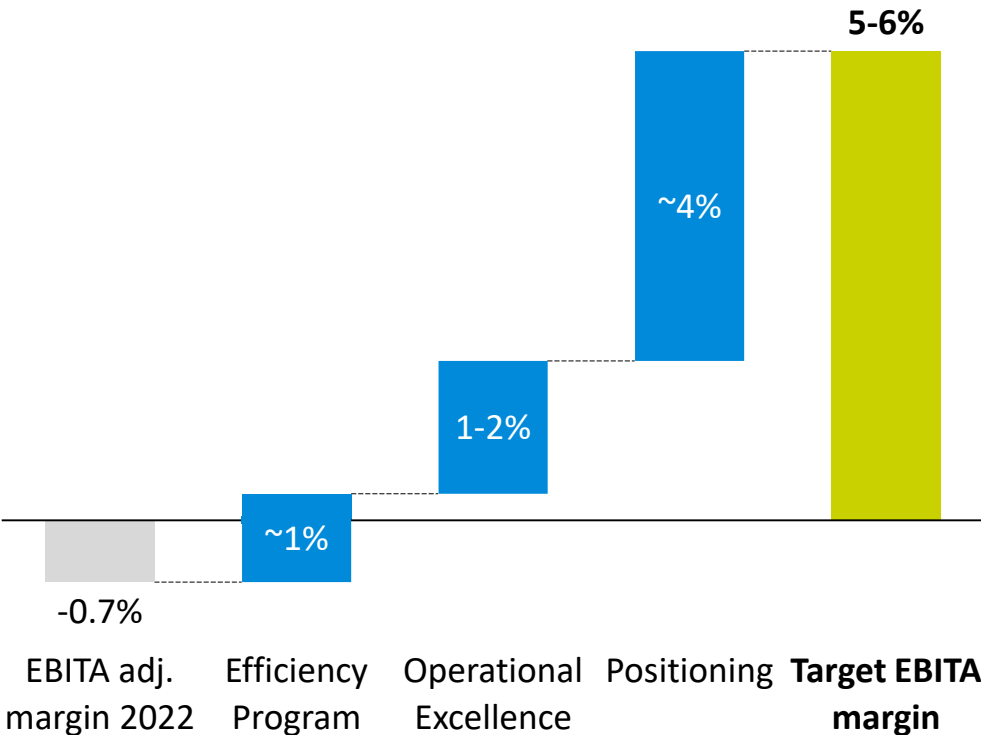
**BILFINGER**



## Mid-term CAGR



## Mid-term profitability target



## The New Normal



## Our world



## Growth

CAGR 2023-2025/27



## Digitalization

**Consultancy** 0000

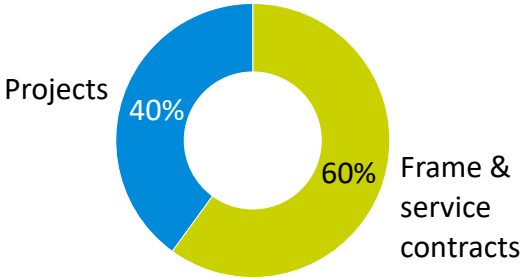
**Engineering** 0000

**New builds & Modifications** 0000

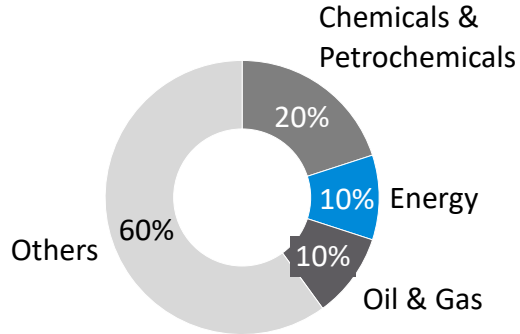
**Maintenance & Turnarounds** 0000



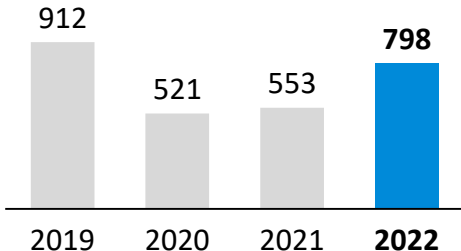
### Horizontals



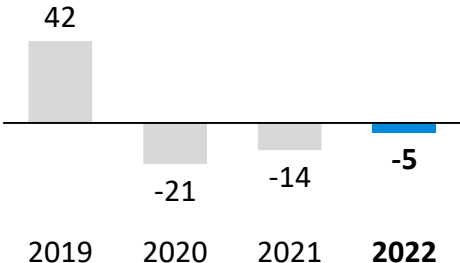
### Verticals



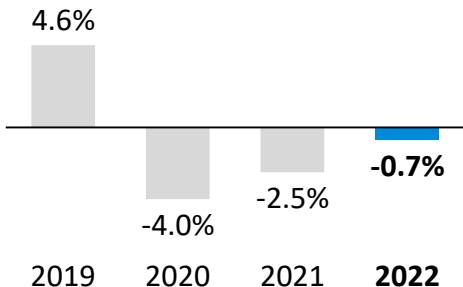
Revenue [€ m]

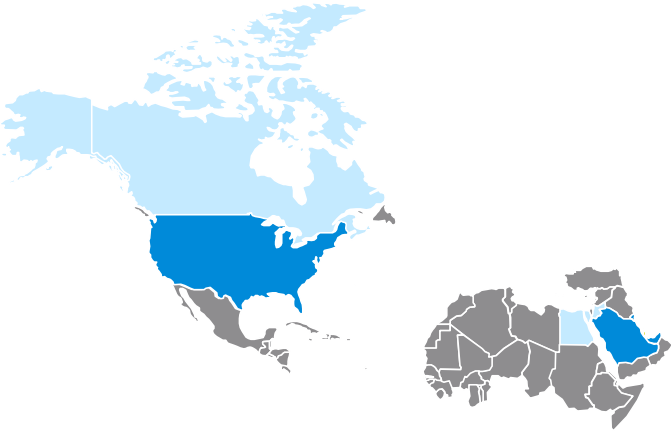


EBITA adj. [€ m]

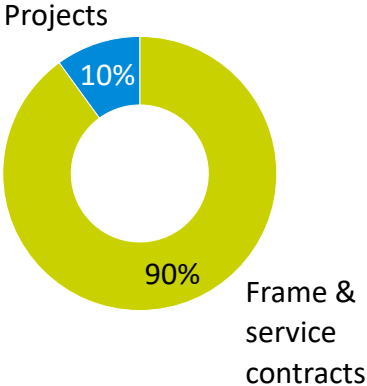


EBITA adj. margin [%]

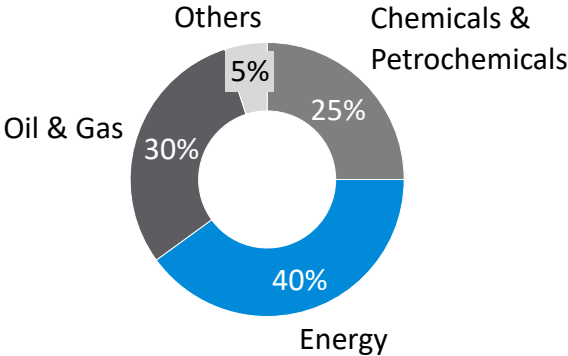




### Horizontals



### Verticals



▶ **Business transformation into frame & service contracts by utilizing Bilfinger's competence and good market development**



# E&M International: Strategic levers I

1. Efficiency Program 
2. Operational Excellence 
3. Positioning 



## Functional Organization



- Rightsize with service centers and offshore product centers
- Attract and retain talents
- Continuous improvement in efficiency and quality

**Profitability**

**12 months**

## Competence Development



- Technical skills and multiskilling
- Project management for improved project execution
- Management training to ensure consistent leadership

**Profitability**

**12 months, ongoing**

## Standardization & Bundling



- Superior project execution to drive value for Bilfinger and customers
- Portfolio expansion, cross selling, integrated contracts with KPIs
- Margin improvement through simplified internal processes

**Profitability Growth**

**ongoing**

# E&M International: Strategic levers II

1. Efficiency Program 
2. Operational Excellence 
3. Positioning 



## De-risking



- Discontinue large construction projects
- Ensure modification projects' execution through the Bilfinger Project Concept

Profitability

ongoing

## Market Expansion

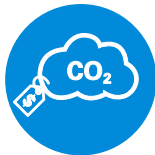


- Expand Bilfinger portfolio (other segments, strategic customers)
- Geographical expansion (e.g. Canada) into adjacent markets
- Exit non-core products (labor provision) and markets

Profitability  
Growth

2-5 years

## Sustainability Partner



- Business based on impact of Efficiency & Sustainability
- Value chain positioning
- Economic viable ECO protection and social responsibility

CO<sub>2</sub>

2-5 years

# E&M International: Example of Sustainability Partner

## Chimney Upgrade in Kuwait

### Customer Project

- Upgrading turbines and generators
- Reduce NOx & SOx emission
- Eliminate flue gas leak

### Bilfinger Solutions

- Standardization and bundling
- Installation of low NOx burners
- Maintenance and modification of chimneys, pipeline and umbilical
- Overhaul critical equipment
- Monitoring of burner performance



### Sustainability Effects

**-76%  
emission**

- NOx/SOx emission reduction

# E&M International: Example of Multitrade business



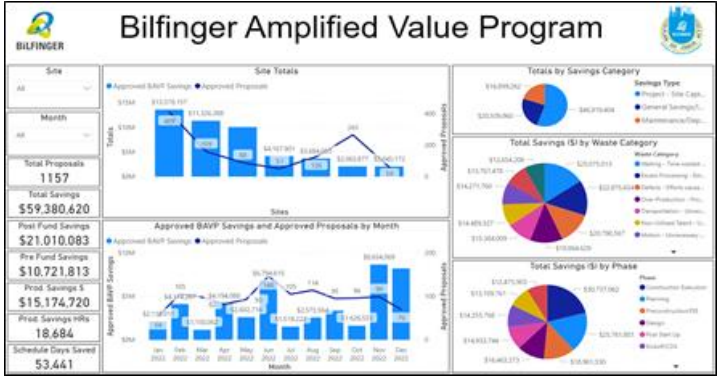
## Efficiency improvement program

### Customer Project

- Streamline plant and identify savings opportunities
- Lack of network platform and idea sharing
- Communication across locations insufficient

### Bilfinger Solutions

- Multitrade and services (project management, procurement, all craft trades, facility, lean principals)
- Expand to seven sites
- Increase areas of benefit
- Digital transformation and reviewing platform



### Bilfinger Contribution

100% on-time

- 80 years partnership
- Integrated team with customer
- Standard project approach

### Cost Impact

USD 60m 2022

- Proven savings in 2022 incl. USD 60m and 18m production hours

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# Capital Markets Day 2023

## Segment Technologies

Thorsten Hoppe | Executive President

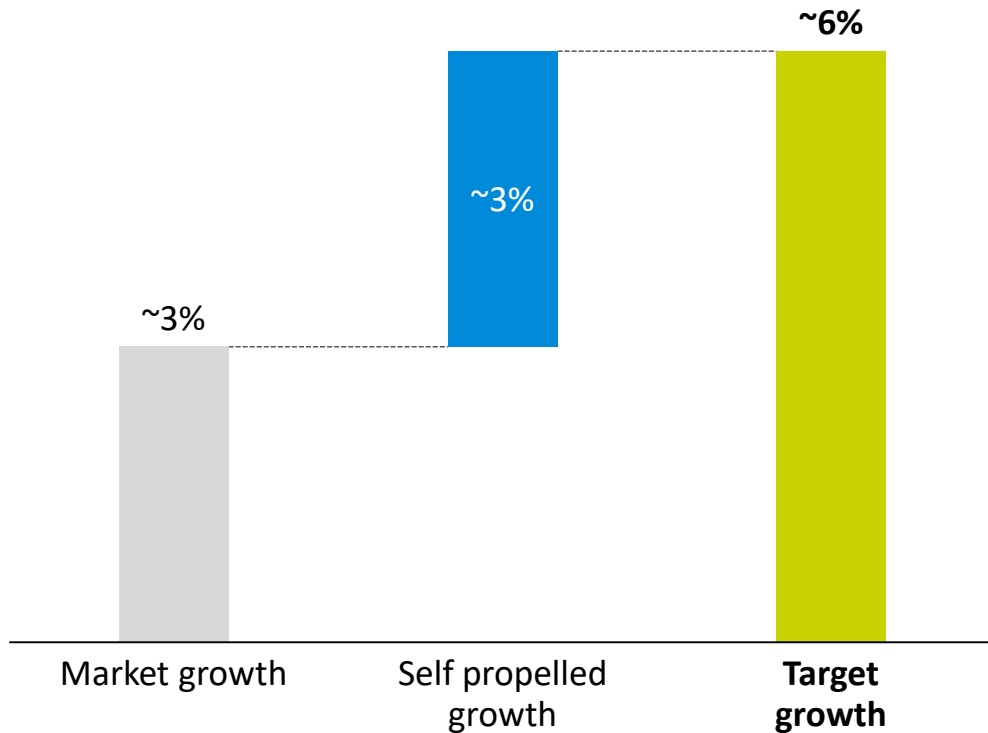
February 14, 2023



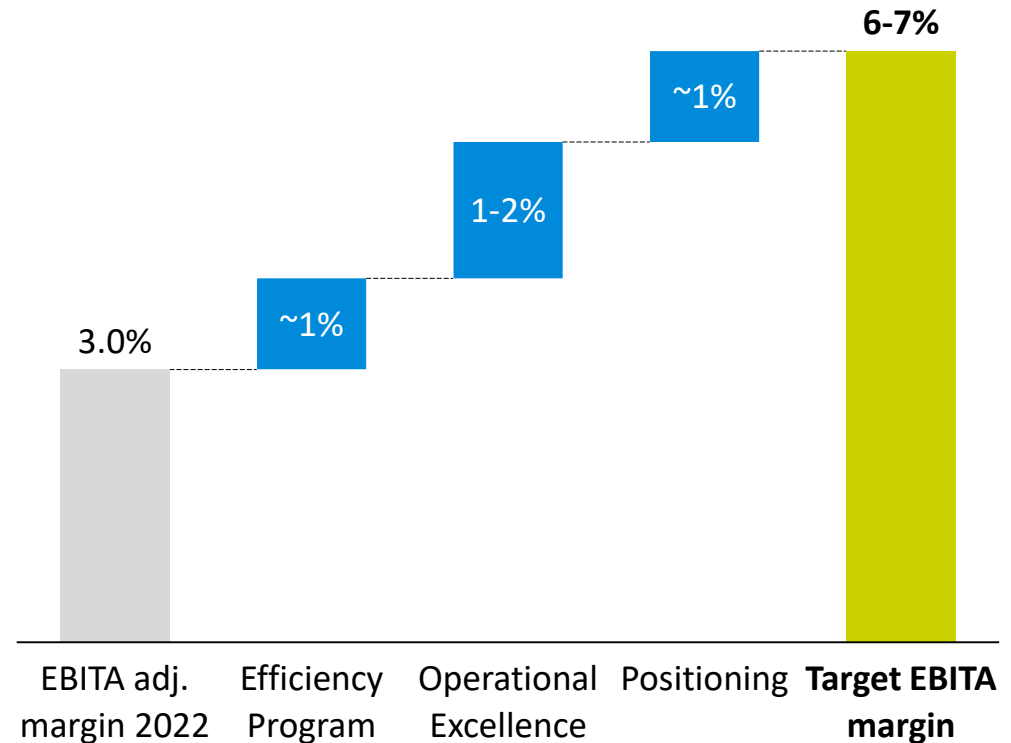
**BILFINGER**



## Mid-term growth per year



## Mid-term profitability target



## The New Normal

Energy costs

Climate change

De-globalization

Digitalization

## Our world

Enhancing human life

Powering the battery age

Invests >€ 5 bn in green technologies

We're working 24/7 to help us reach Net Zero carbon emissions

## Growth

CAGR  
2023-2025/27

Market growth

~3%



Self-propelled growth

~3%

Market and self-propelled organic growth

~6%

## Digitalization

Consultancy



0000

Engineering



0000

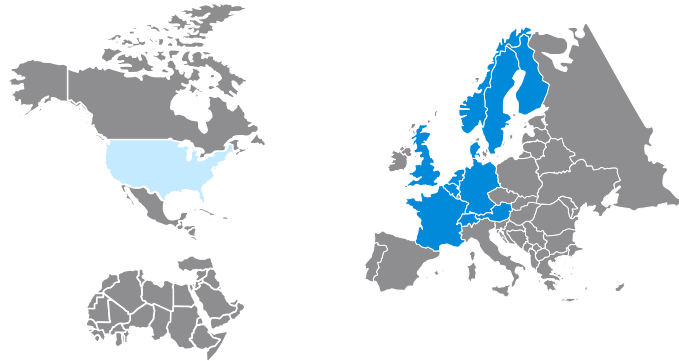
New builds & Modifications

0000

Maintenance & Turnarounds

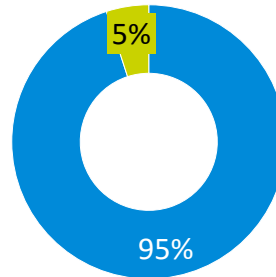


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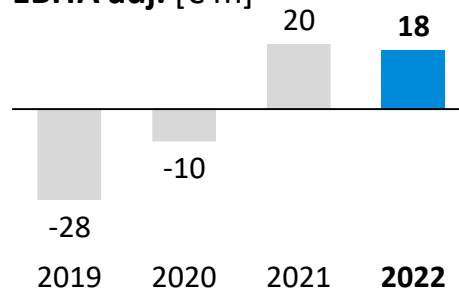
### Horizontals

Frame & service contracts

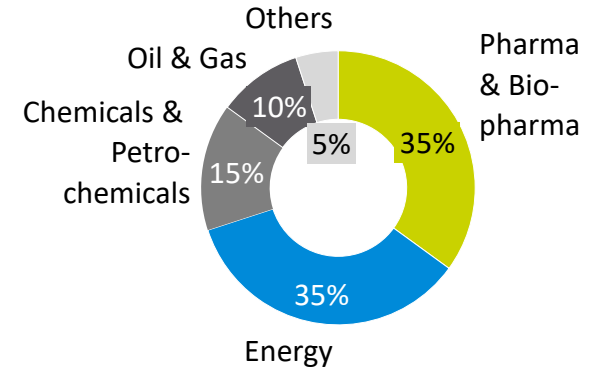


Projects

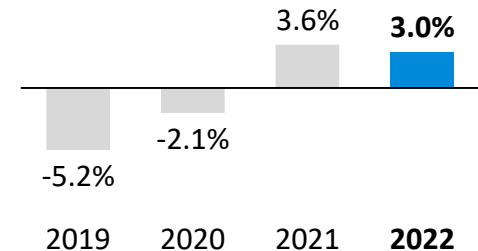
EBITA adj. [€ m]



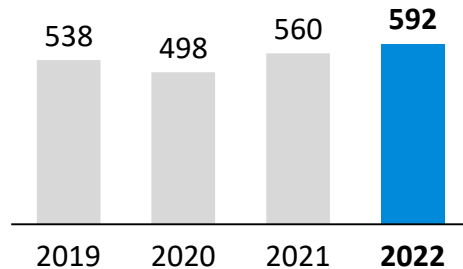
### Verticals



EBITA adj. margin [%]



Revenue [€ m]





## Digitalization

Consultancy

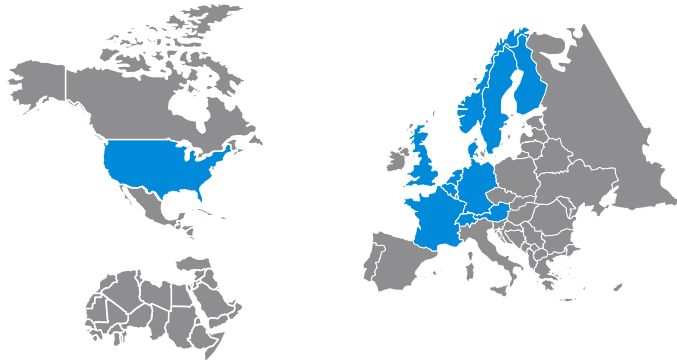


Engineering

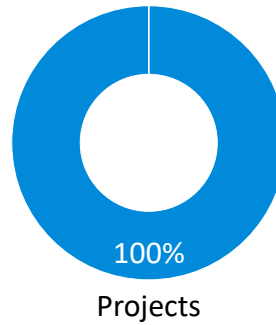


New builds & Modifications 

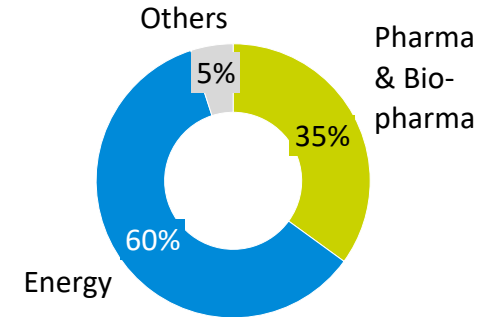
Maintenance & Turnarounds



### Horizontals



### Verticals



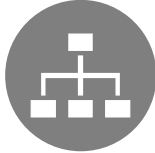
▶ Focus on green Energy, Pharma & Biopharma as well as supporting long-term clients with their investments

# Technologies: Strategic levers I

1. Efficiency Program 
2. Operational Excellence 
3. Positioning 



## Functional Organization



- Organization: focus on business development and project management
- Administration through shared services and regions

Profitability

1 year

## Competence Development



- Project Manager development
- Talent development in Engineering
- Leadership Base Camps

Growth  
Profitability

ongoing

## Standardization & Bundling



- Standardized engineering
- Full materialization of the Bilfinger project approach
- Bilfinger project approach summarizing all Bilfinger products

Growth  
Profitability

1-3 years

## De-Risking



- Project execution through the Bilfinger Project Concept
- Every Project evaluated via standardized risk criteria
- Repetitive projects with long-term clients

Profitability

ongoing

# Technologies: Strategic levers II

1. Efficiency Program 
2. Operational Excellence 
3. Positioning 



## Digitalization & Innovation



- Make piping smart through automation
- Partnering with expert groups
- Smart and sustainable fabrication

Growth  
Profitability

ongoing

## Market Expansion



- Supporting long-term clients with their investments
- Solution partner for clients in Pharma/ Biopharma and in Energy
- Grow into energy transition projects

Profitability  
Growth

1-5 years

## Sustainability Partner



- Partnering in technologies like H<sub>2</sub>, Carbon Capture, District Heating, Battery Plants and Bio Fuels
- Nuclear from new build to waste treatment

CO<sub>2</sub>

ongoing

## Technologies: Example for Sustainability Partner

Supporting the process industries to reduce CO<sub>2</sub> footprint

### Customer Project

- Move cheese production from animal based milk to vegan
- Be the first company worldwide producing all 4 Casein proteins

### Bilfinger Solutions

- Bilfinger supports fully automated production skids
- Four pilot plants and further demo plants



### Bilfinger Contribution

**25%**  
reduced  
engineering  
time

- Using standardized skid engineering

### Sustainability Effects

**tCO<sub>2</sub>**  
**4m**  
reduced

- Per 4,000 l production, replacing more than 600 cows per skid

## Technologies: Example for Energy Transition

Bio-Diesel from wood feed stock instead of crude oil based Diesel production

### Customer Project

- Demo Plant: production of 30 barrels of Bio-Diesel per day from wood feed stock to substitute crude oil Diesel
- Capacity of approx. 287.000 liters per day per plant

### Bilfinger Solutions

- Bilfinger project approach to standardize from project engineering to fabrication and installation



### Bilfinger Contribution

**18%**  
Efficiency  
Improvement

- By applying Bilfinger standardized Project Concept

### Sustainability Effects

**tCO<sub>2</sub>**  
**766m**  
reduced

- Per day of combustion compared to fossil based Diesel

# Technologies: Example for Energy Transition

## H<sub>2</sub> Production for RWE in Eemshaven

### Customer Project

- 50 MW hydrogen plant from green power
- H<sub>2</sub> to be injected into the hydrogen pipeline

### Bilfinger Solutions

- Bilfinger as system integrator together with electrolyser OEM partner Cummins
- Balance of plant incl. gas treatment



### Bilfinger Contribution

**30%**  
fabrication  
lead time  
reduction

- With > 5 % saving in heating energy

### Sustainability Effects

tCO<sub>2</sub>  
**250k**  
savings

- Over the project's lifetime by green hydrogen production

**BILFINGER SE**

- LEADING IN INDUSTRIAL SERVICES -

# Capital Markets Day 2023 Wrap Up

Dr. Thomas Schulz | CEO

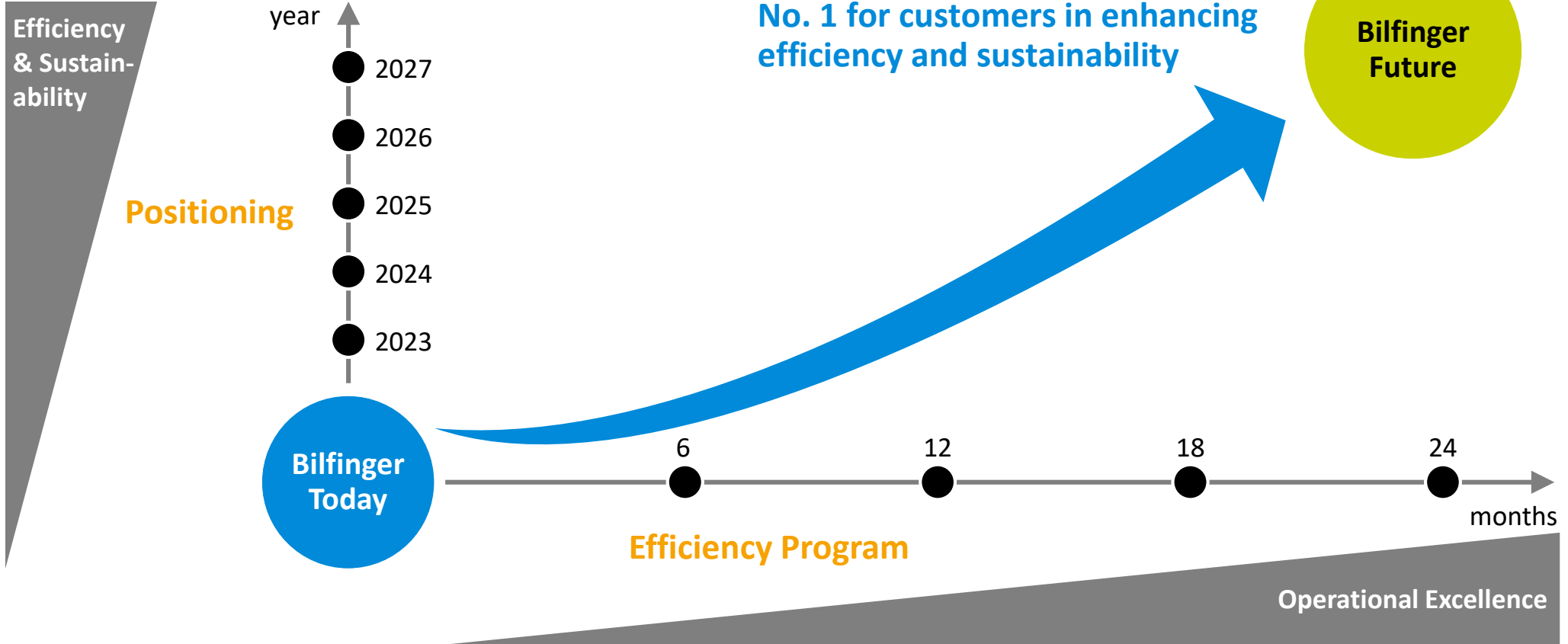
Matti Jäkel | CFO

February 14, 2023






**BILFINGER**



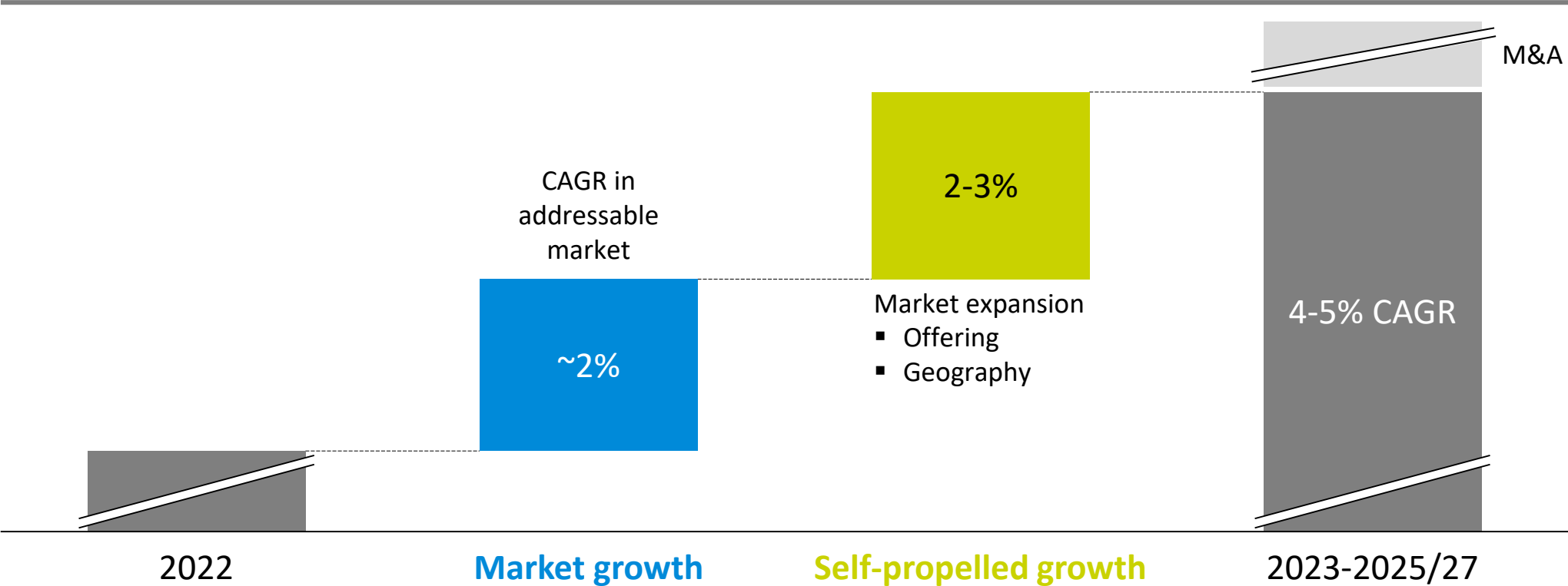




		2024	2025-2027
Organic Growth		4-5% CAGR	
Increasing EBITA margin		≥5%	6-7%
Improving Cash Conversion <sup>1</sup>		>70%	>80%

1. Cash Conversion: FCF / EBITA

## Overall growth projection



## Business model

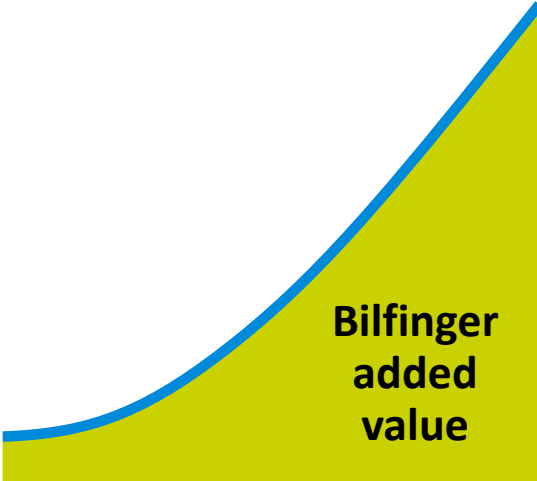
Our business model is based on **enhancing our customers' profitability by improving efficiency and sustainability**

**Our earnings potential**

## Vision



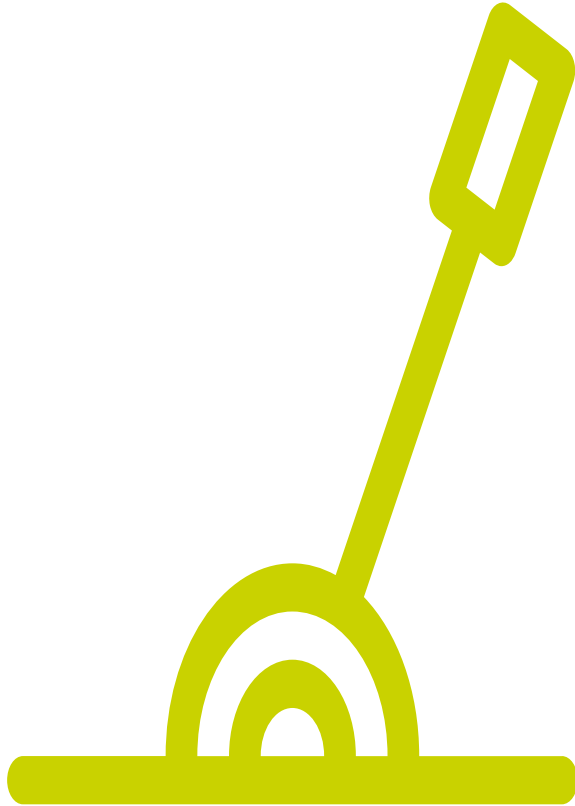
**No. 1 for customers in enhancing efficiency and sustainability**



## Parameters to drive business model



- Addressable market
- Competence
- Offering
- Organization
- Digitalization
- Innovation
- Execution



## 1. Efficiency Program



- Functional Organization
- Competence Development
- Procurement

## 2. Operational Excellence



- Standardization & Bundling
- De-Risking
- Digitalization & Innovation

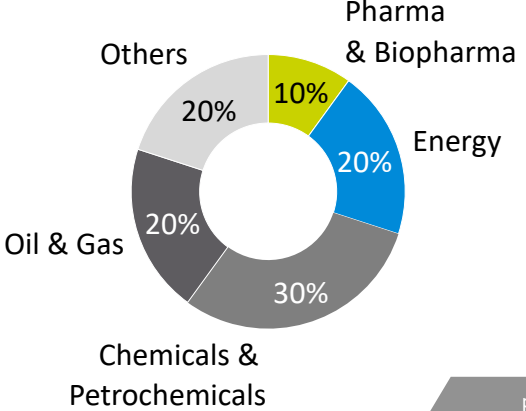
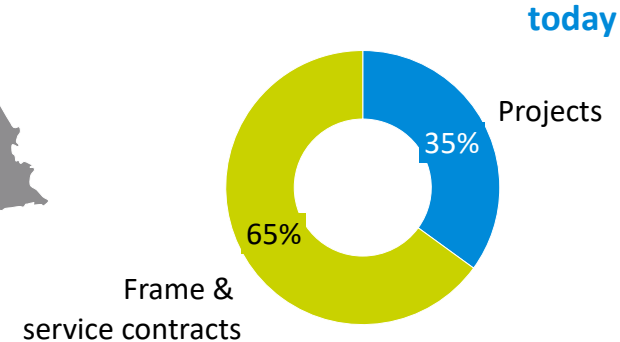
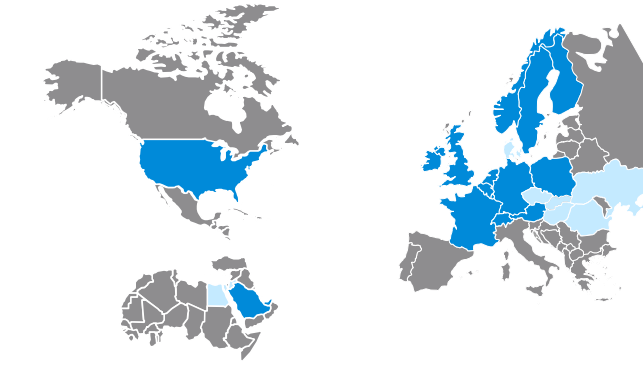
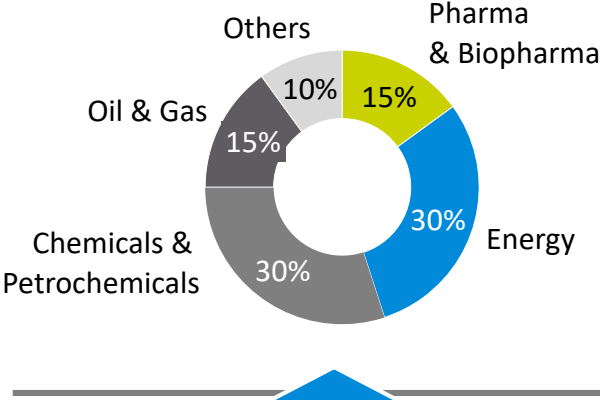
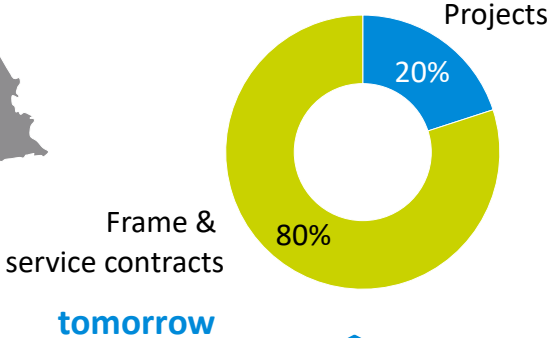
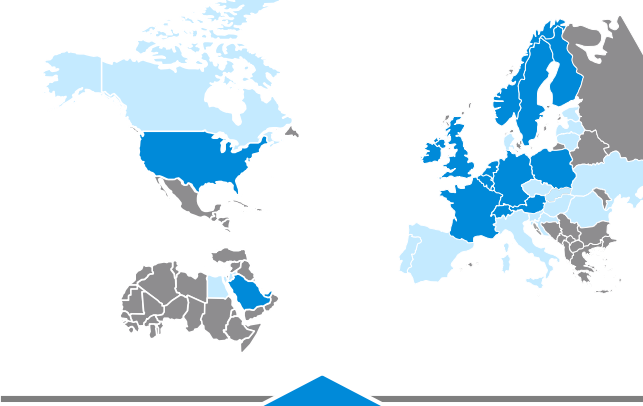
## 3. Positioning



- Market Expansion
- Sustainability Partner
- Sustainable Bilfinger

Digitalization

Consultancy 0000
Engineering 0000
New builds & Modifications 0000
Maintenance & Turnarounds 0000



Revenue Growth



EBITA Improvements



Cash Conversion



Dividend: 40-60% of adjusted net profit and continuous growth

Organic growth

M&A

Share buyback

Adhere to financial policy and achieve investment grade rating



**Bilfinger**  
**Leading in Industrial Services**

**No. 1 for customers in  
enhancing efficiency  
and sustainability**



**BILFINGER**

