



BILFINGER



Bilfinger SE

4th Quarter Results and Preliminary Figures FY 2019

February 13, 2020

FY 2019: Delivered

	Outlook FY 2019	Actual FY 2019	
Revenue	Mid single-digit organic growth	+6%	✓
EBITA adjusted	Significant increase to more than €100 million	€104 million	✓
Net profit	Significant improvement, at least break-even	€24 million	✓
Free Cash Flow reported	Positive ¹⁾	€57 million	✓

¹⁾ Notwithstanding IFRS16 effect: break-even (Actual FY 2019: €4 million)

FY 2019: Revenue, earnings and cash targets met



Orders received

FY 2019: underlying markets stable, org. -4% from high 2018-level
Q4: org. -4%, award of major projects shifted to 2020



Revenue

FY 2019: strong organic growth of 6%
Q4: slight organic decrease



EBITA adjusted

FY 2019: significant increase to €104 million, margin at 2.4%
Q4: once again strongest quarter, but Technologies below expectations



Net profit

FY 2019: clearly positive with €24 million
Q4: €15 million with strong year-on-year improvement



FY 2019: Cyclical strong cash development in fourth quarter

Liquidity



Reported free cash flow positive at €57 million
DSO improvement by 10 days in Q4

Balance sheet / dividend



Solid balance sheet
Maintain baseline dividend proposal of €1.00 per share







Outlook 2020



Stable organic revenue development
Further substantial increase in adjusted EBITA margin to ~4%
Significantly positive development in Free Cash Flow reported









Markets: E&M Europe

	Industries	%*		Trend
	Oil & Gas	30%	<ul style="list-style-type: none"> • Overall positive outlook in E&M Oil & Gas driven by gas infrastructure buildout and input terminals / LNG projects • Strong demand for offshore maintenance, turnaround projects and decommissioning 	
	Chemicals & Petrochem	40%	<ul style="list-style-type: none"> • Stable market development with turnaround opportunities for the upcoming years • CO₂/emissions impacting future investment decisions 	
	Energy & Utilities	10%	<ul style="list-style-type: none"> • Hydrogen beginning to play more of a role in European energy transition • Maturing offshore wind parks leading to opportunities for inspection and maintenance • Nuclear remains in focus in France, UK, and Finland 	







*% of segment revenues FY 2019

Markets: E&M International

	Industries	%*		Trend
	Oil & Gas	45%	<ul style="list-style-type: none"> • Large oil & gas and LNG investment plans in several ME countries (e.g. UAE, Qatar, Kuwait) for the upcoming years combined with demand for digital transformation • Brownfield investment in NA offshore assets continues to grow at good pace 	
	Chemicals & Petrochem	30%	<ul style="list-style-type: none"> • Expansion programs and need for modernization projects in ME • Significant investments in Petro-Chemical announced for Texas, Louisiana and North Dakota 	
	Energy & Utilities	5%	<ul style="list-style-type: none"> • Continued increase in ME power demand drives further development of alternative and nuclear energy concepts • In NA, energy investment trends focused on energy storage, wind, solar and CO₂ reduction 	

*% of segment revenues FY 2019

Markets: Technologies

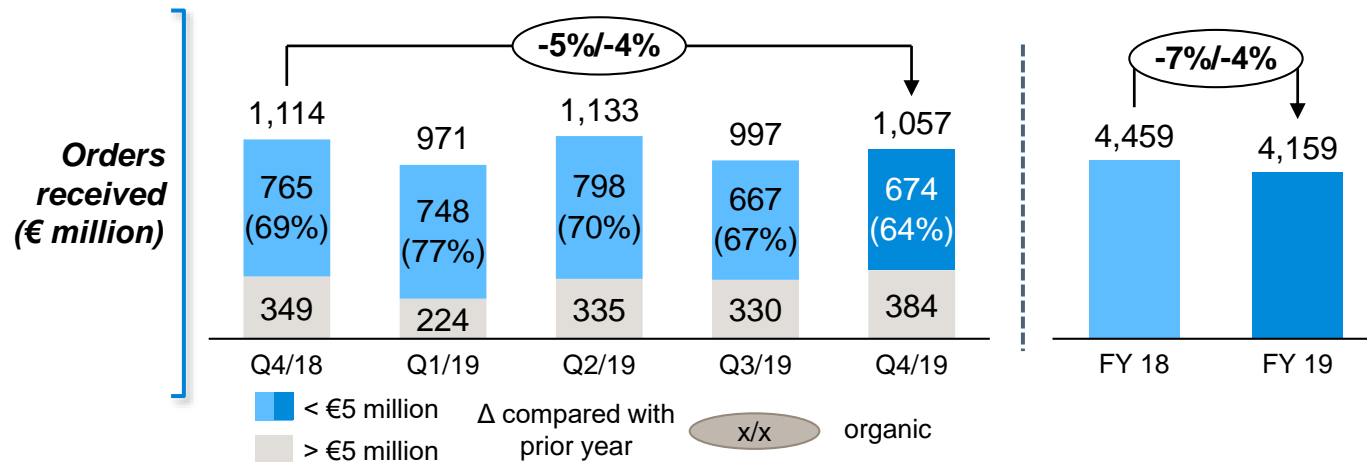
	Industries	%*		Trend
	Oil & Gas	10%	<ul style="list-style-type: none"> • Modification and modernization requirements of European gas distribution systems • Debottlenecking opportunities in refining 	
	Energy & Utilities	45%	<ul style="list-style-type: none"> • Energy transition focus in all our regions, esp. Europe and USA • Nuclear demand for new builds and maintenance increasing, esp. in France, UK and ME • Decommissioning a developing opportunity in Germany 	
	Pharma & Biopharma	35%	<ul style="list-style-type: none"> • Classic pharma continues to grow • Many small to medium-size biopharma projects nearing FID (final investment decision) 	

*% of segment revenues FY 2019

Quarterly Statement Q4 and Preliminary Figures FY 2019

Decrease in orders received due to shift of major project awards to 2020, especially in Technologies

Development of orders received



- Orders received**
 FY: Decrease (-7% / org.: -4%) due to timing of bigger project awards in Europe
 Q4: -5% (org.: -4%) below prior-year quarter
- Book-to-bill:** FY: 1.0
- Order backlog**
 -9% below high prior-year level (org.: -7%)

Book-to-bill ratio

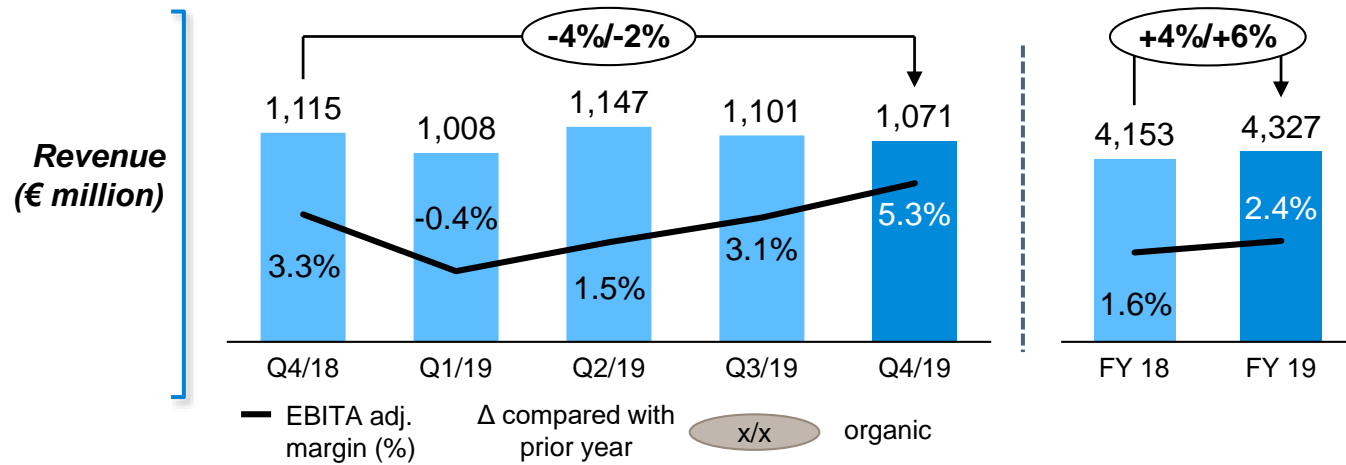


Order backlog (€ million)



Revenue growth and EBITA adjusted meet expectations for FY 2019

Development of revenue and profitability



- Revenue**
 FY: 4% increase (org.: 6%) based on good market demand
- EBITA adjusted**
 FY: EBITA adjusted as well as margin significantly improved
 Q4: Increase to €57 million (prior year: €37 million), once again strongest quarter
- Special items**
 FY: -€72 million (thereof -€40 million restructuring, -€36 million IT investments, +€3 million disposals)
 Q4: -€49 million (thereof -€35 million restructuring mainly related to new SG&A program, -€11 million IT investments, -€3 million disposals)

EBITA adj.
(€ million)

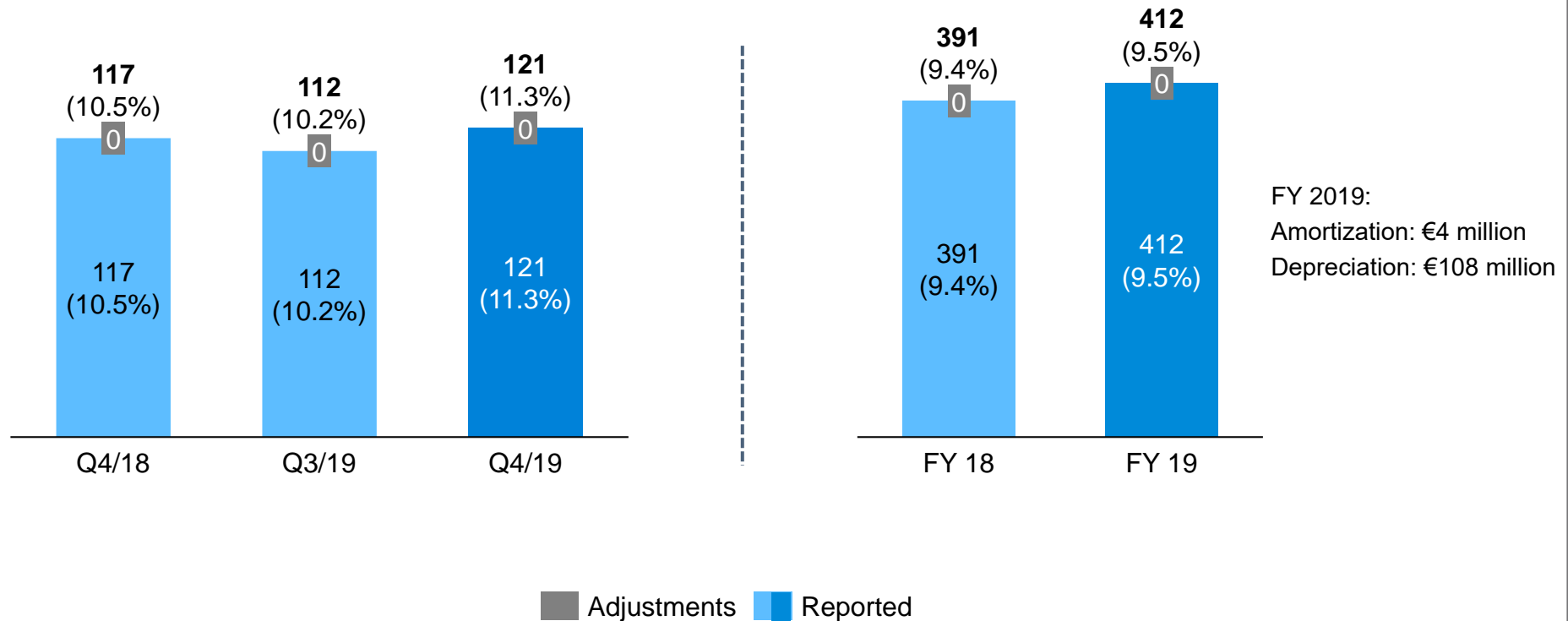


EBITA
(€ million)



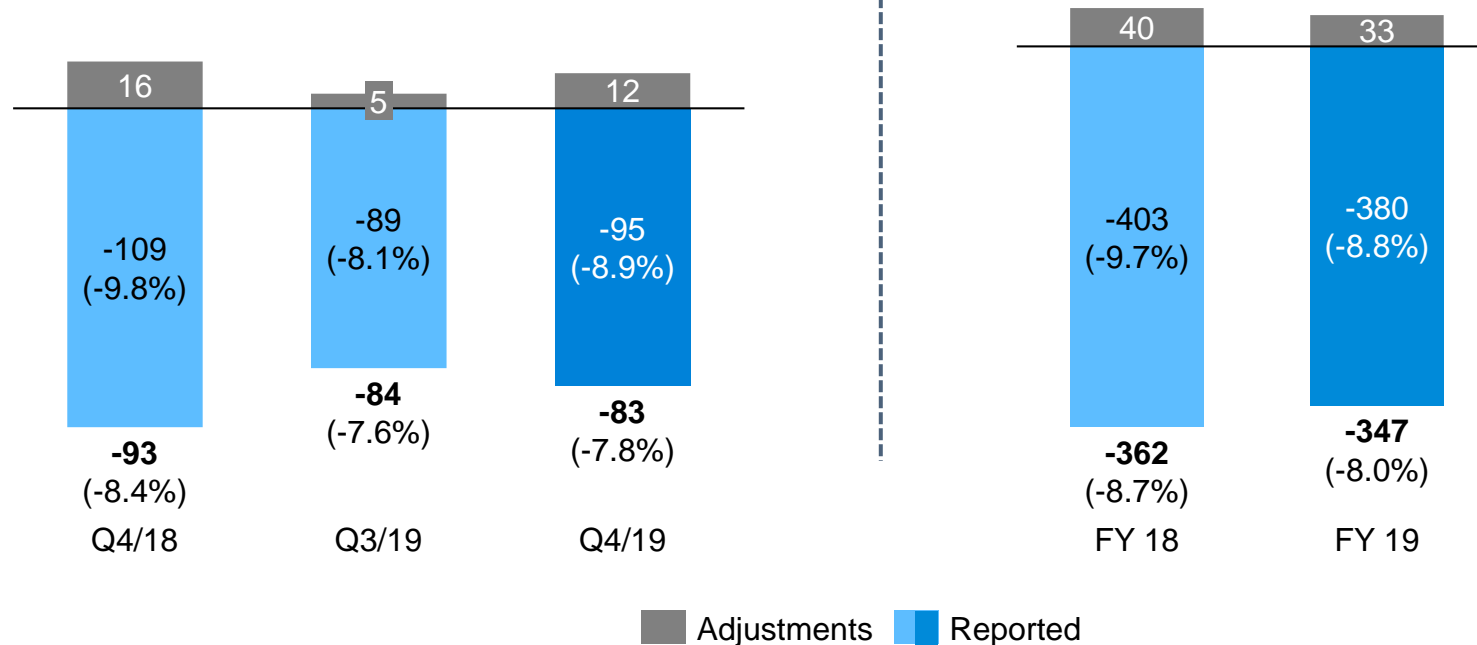
Gross margin increased to 11.3% in Q4, further improvement remains major focus for 2020 and 2021

Adjusted gross profit (€ million)



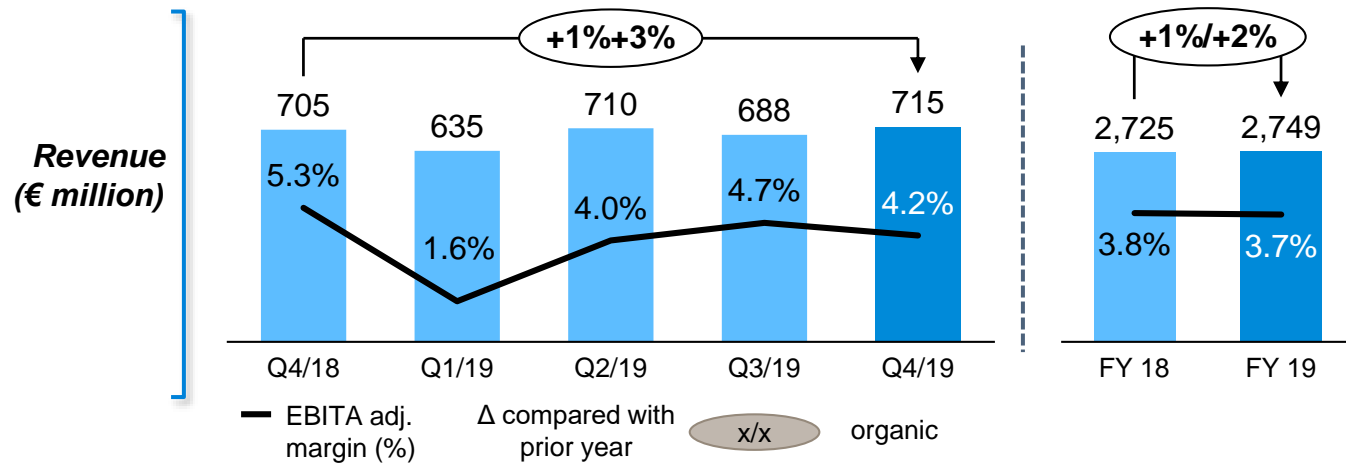
Adjusted SG&A ratio at 8.0% for FY 2019, a further step towards 2020 target of 7.5%

Adjusted selling and administrative expenses (€ million)



Segment E&M Europe: sound performance throughout the year

Development of revenue and profitability



- Orders received**
 FY: -6% (org.: -5%), focus on margin-accretive contracts
 Q4: -13% (org.: -12%) below high prior-year level
- Book-to-bill:** FY: 1.0
- Revenue**
 Slight increase in Q4 (+1% / org.: +3%) and FY 2019 (+1% / org.: +2%)
- EBITA adjusted**
 FY: Adjusted EBITA and margin both on good prior-year level
- Outlook 2020**
 Revenue: stable development
 EBITA adjusted: significantly positive development

Book-to-bill ratio

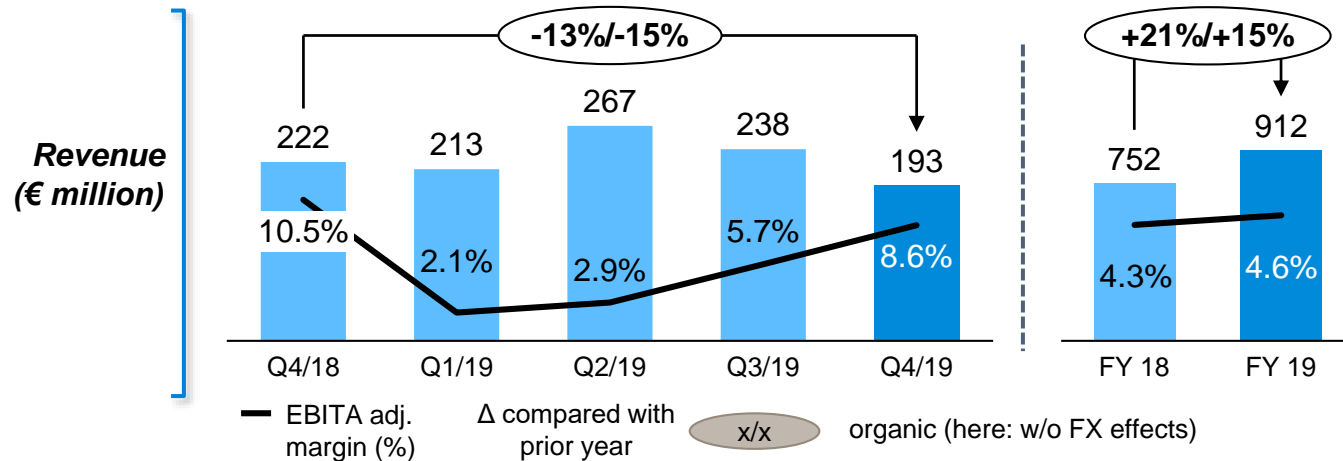


EBITA adj. (€ million)



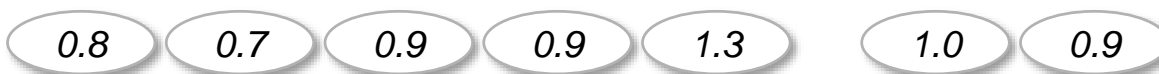
Segment E&M International: strong orders received development in Q4

Development of revenue and profitability



- Orders received**
 FY: +9% (org.: +4%)
 Q4: Significant increase (+44% / org.: +38%) with major maintenance order in ME
- Revenue**
 Q4: Decrease of -13% (org.: -15%) mainly in NA, major projects in completion phase
- EBITA adjusted**
 Q4: High margin of 8.6% below extraordinarily strong prior-year quarter (10.5%)
- Outlook 2020**
 Revenue: slight decrease
 EBITA adj. margin: slight improvement

Book-to-bill ratio

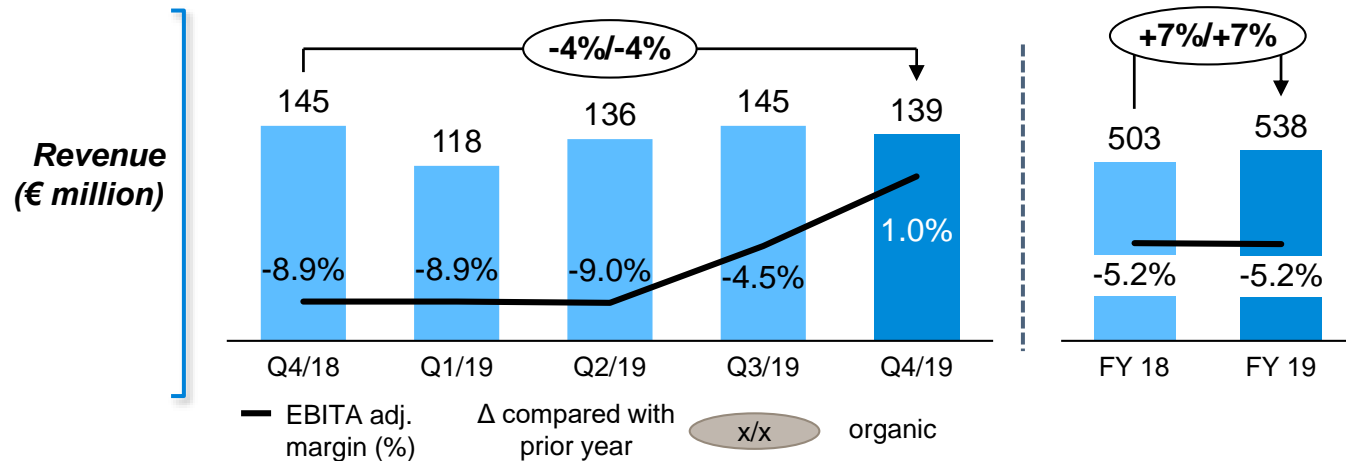


EBITA adj. (€ million)



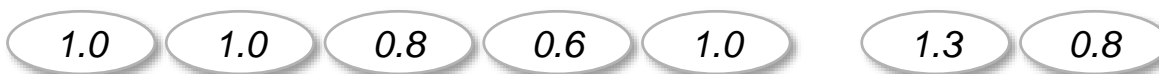
Segment Technologies: positive Q4, yet full year EBITA adjusted still negative and below expectations

Development of revenue and profitability



- Orders received**
 FY: -30% (org.: -30%) due to low order level in underperforming entities and shifts of major project awards to 2020
 Q4: stable at -1% (org.: -1%)
- Book-to-bill:** FY: 0.8
 Continued focus on profitability improvement and execution
- Revenue**
 FY: +7% (org.: +7%) based on good order backlog at beginning of the year
- EBITA adjusted**
 Q4: positive, but below expectations, problematic entities not yet fully turned around; FY on weak prior-year level
- Outlook 2020**
 Revenue: significant increase
 EBITA adjusted: positive result

Book-to-bill ratio



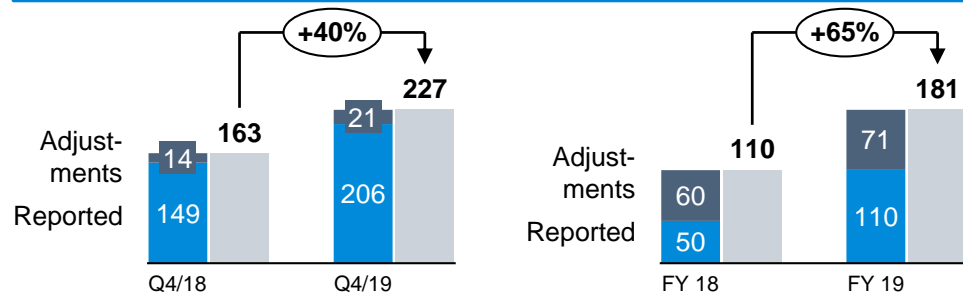
EBITA adj. (€ million)



Strong cash generation in Q4 with DSO reduction of 10 days

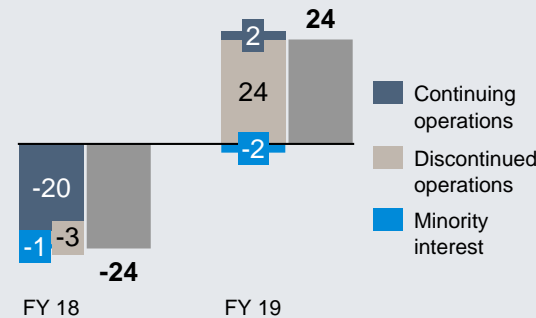
Positive net profit in quarter and full year

Adjusted operating cash flow ¹⁾ (€ million)

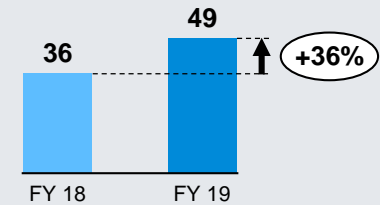


¹⁾ Adjustments correspond to EBITA adjustments, Q4 19 / FY 19 includes +€13m / +€40m from IFRS 16

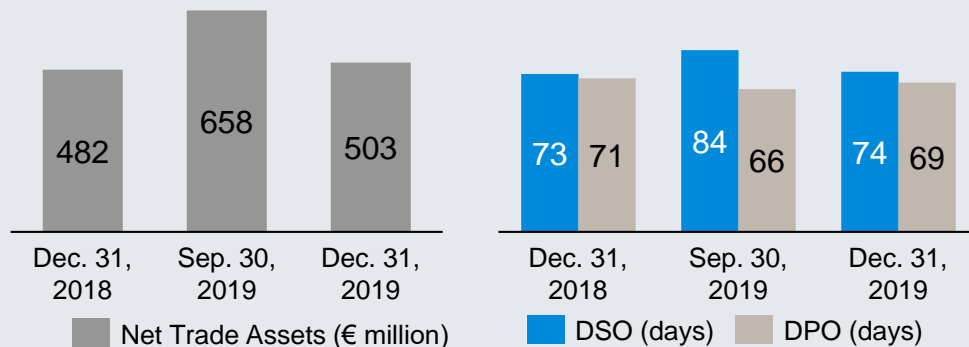
Net profit (€ million)



Adjusted net profit (€ million)

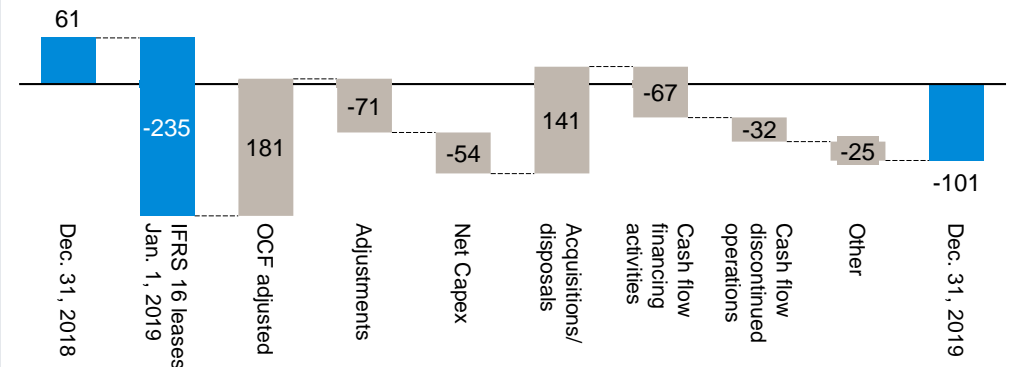


Net Trade Assets



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

Net liquidity ²⁾ (€ million)



²⁾ Including IFRS 16 leases

Outlook 2020

	Actual FY 2019	Outlook FY 2020
Revenue	€4,327 million	Organically stable
EBITA adjusted / margin	€104 million / 2.4%	Substantial increase to a margin of ~4%
Free Cash Flow reported	€57 million	Significantly positive development

Quarterly Statement Q4 and Preliminary Figures FY 2019
Financial backup

Segment development Q4 2019

	E&M Europe			E&M International			Technologies			Reconciliation Group						Group		
	HQ / Consolidation / Other			OOP														
<i>in € million</i>	Q4 2019	Q4 2018	Δ in %	Q4 2019	Q4 2018	Δ in %	Q4 2019	Q4 2018	Δ in %	Q4 2019	Q4 2018	Δ in %	Q4 2019	Q4 2018	Δ in %	Q4 2019	Q4 2018	Δ in %
Orders received	685	785	-13%	247	171	44%	143	144	-1%	-7	-13	45%	-11	26	-	1,057	1,114	-5%
Order backlog	1,679	1,721	-2%	455	501	-9%	374	499	-25%	-6	-21	73%	65	118	-45%	2,567	2,818	-9%
Revenue	715	705	1%	193	222	-13%	139	145	-4%	-5	-11	52%	28	54	-48%	1,071	1,115	-4%
Investments in P,P&E	17	12	43%	1	1	98%	1	1	-41%	1	1	29%	0	4	-100%	20	19	8%
Increase in right-of-use assets	5	-	-	2	-	-	0	-	-	6	-	-	0	-	-	13	-	-
Depreciation	-17	-10	-77%	-3	-1	-116%	-2	-1	-118%	-5	-1	-576%	-1	-3	72%	-28	-16	-81%
Amortization	0	0	17%	-1	-1	-3%	0	0	-0%	0	0	100%	0	0	-	-1	-1	1%
EBITDA adjusted	48	47	2%	20	25	-21%	3	-12	-	11	-13	-	3	6	-54%	85	52	62%
EBITA	16	34	-53%	12	23	-45%	-5	-21	78%	-18	-47	61%	2	5	-63%	7	-6	-
EBITA adjusted	30	37	-18%	17	23	-29%	1	-13	-	6	-14	-	2	3	-40%	57	37	54%
EBITA adjusted margin	4.2%	5.3%		8.6%	10.5%		1.0%	-8.9%		-120.9%	125.6%		7.2%	6.2%		5.3%	3.3%	

Segment development FY 2019

	E&M Europe			E&M International			Technologies			Reconciliation Group						Group		
										HQ / Consolidation / Other			OOP					
<i>in € million</i>	FY 2019	FY 2018	Δ in %	FY 2019	FY 2018	Δ in %	FY 2019	FY 2018	Δ in %	FY 2019	FY 2018	Δ in %	FY 2019	FY 2018	Δ in %	FY 2019	FY 2018	Δ in %
Orders received	2,711	2,890	-6%	857	784	9%	456	648	-30%	-11	-35	70%	145	171	-15%	4,159	4,459	-7%
Order backlog	1,679	1,721	-2%	455	501	-9%	374	499	-25%	-6	-21	73%	65	118	-45%	2,567	2,818	-9%
Revenue	2,749	2,725	1%	912	752	21%	538	503	7%	-11	-23	52%	139	195	-29%	4,327	4,153	4%
Investments in P,P&E	50	42	19%	7	5	30%	3	3	-17%	3	4	-25%	1	11	-92%	64	66	-3%
Increase in right-of-use assets	20	-	-	6	-	-	2	-	-	13	-	-	0	-	-	40	-	-
Depreciation	-69	-39	-76%	-12	-5	-121%	-8	-4	-107%	-17	-5	-214%	-3	-11	72%	-108	-64	-67%
Amortization	-1	-1	49%	-3	-3	3%	-1	-1	-0%	0	0	100%	0	0	100%	-4	-5	17%
EBITDA adjusted	170	142	20%	54	37	46%	-20	-22	10%	1	-34	-	7	7	-7%	212	129	64%
EBITA	81	99	-18%	37	31	18%	-35	-41	13%	-54	-95	43%	3	-2	-	32	-7	-
EBITA adjusted	101	103	-2%	42	32	34%	-28	-26	-7%	-15	-39	61%	3	-4	-	104	65	60%
EBITA adjusted margin	3.7%	3.8%		4.6%	4.2%		-5.2%	-5.2%		136.0%	168.5%		2.5%	-2.0%		2.4%	1.6%	

P&L (1/2)

<i>in € million</i>	Q4 2019	Q4 2018	Δ in %	FY 2019	FY 2018	Δ in %
Revenue	1,071	1,115	-4%	4,327	4,153	4%
Gross profit	121	117	3%	412	391	5%
Selling and administrative expense	-96	-109	13%	-380	-403	6%
Impairment losses and reversal of impairment losses according to IFRS 9	4	2	121%	1	0	-
Other operating income and expense	-33	-24	-35%	-25	-14	-77%
Income from investments accounted for using the equity method	10	7	38%	20	14	39%
EBIT	6	-7	-	28	-12	-
<i>Amortization (IFRS 3)</i>	<i>1</i>	<i>1</i>	<i>-1%</i>	<i>4</i>	<i>5</i>	<i>-17%</i>
EBITA (for information only)	7	-6	-	32	-7	-
<i>Special items in EBITA</i>	<i>49</i>	<i>43</i>	<i>14%</i>	<i>72</i>	<i>73</i>	<i>-1%</i>
EBITA adjusted (for information only)	57	37	54%	104	65	60%

+4%, organically +6%

Depreciation of property, plant and equipment and amortization of intangible assets of -56 (prior year -65), amortization on right-of-use assets (IFRS 16) of -51 (prior year 0)

Currency effects of -1

P&L (2/2)

<i>in € million</i>	Q4 2019	Q4 2018	Δ in %	FY 2019	FY 2018	Δ in %
EBIT	6	-7	-	28	-12	-
Interest result	-11	1	-	-22	15	-
EBT	-5	-7	21%	6	3	121%
Income taxes	12	-5	-	-4	-23	83%
Earnings after taxes from continuing operations	7	-11	-	2	-20	-
Earnings after taxes from discontinued operations	9	1	-	24	-3	-
Minority interest	-1	0	-	-2	-1	-70%
Net profit	15	-11	-	24	-24	-
Adjusted net profit¹⁾	32	23	39%	49	36	36%
Average number of shares (in thousands)	40,291	40,271		40,284	41,458	
Earnings per share (in €)	0.37	-0.26		0.60	-0.59	
thereof from continuing operations	0.15	-0.28		0.01	-0.51	
thereof from discontinued operations	0.23	0.02		0.59	-0.08	

Interest result below prior year due to revaluation of VCN Apleona after early repayment, negative carry from refinancing (-7), interest on leases IFRS 16 (-4)
Prior year: write-up PPN Apleona +26

No capitalization of losses in German tax group of the SE

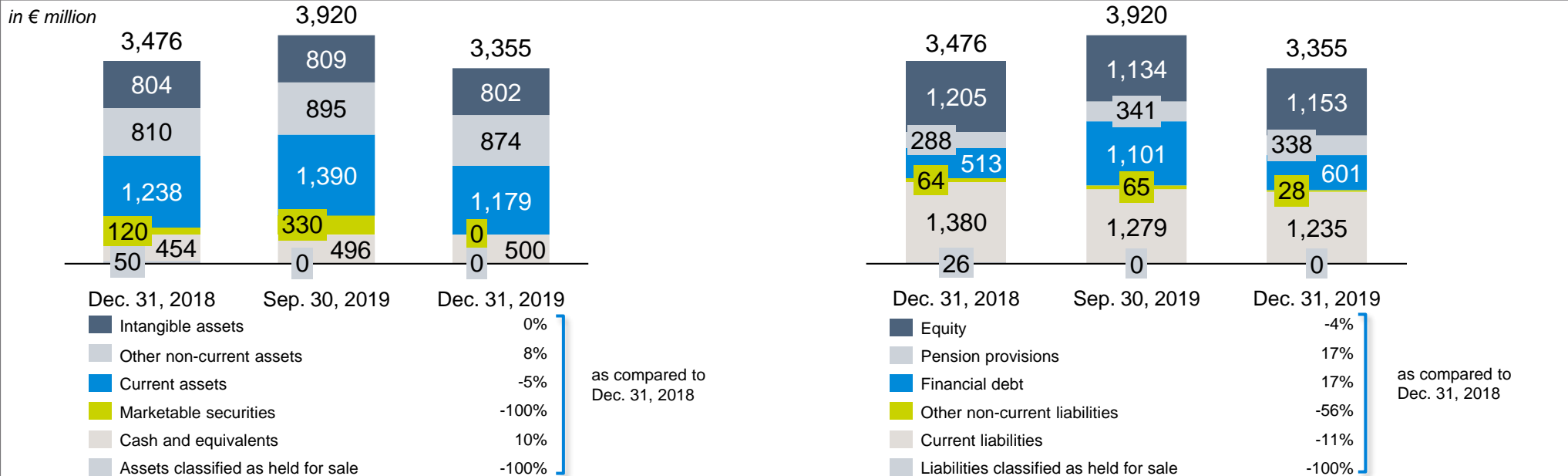
In addition to the special items in EBITA, the financial result and taxes are also adjusted

¹⁾ from continuing operations

Special items

<i>in € million</i>	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
EBITA	-6	-7	-3	3	25	7	32
Disposal losses/gains, write-downs, selling-related expenses	21	17	-7	1	1	3	-3
Compliance	2	9	0	0	-1	0	-1
Restructuring, extraordinary depreciations	11	23	0	2	1	35	40
IT investments	9	24	6	11	8	11	36
Total adjustments	43	73	-2	15	9	49	72
<i>EBITA adjusted</i>	37	65	-4	17	34	57	104

Balance Sheet – Overview of Assets and Liabilities



Goodwill decreases slightly to 796 (09/19: 801) mainly due to currency effects.

Non-current assets include PPN Apleona 240, property, plant and equipment 312, according to IFRS 16 right-of-use assets from leases 227, deferred tax assets 61, thereof from losses carried forward 44.

Current assets: decrease of WIP and trade receivables

In Q4, slight increase in **equity** due to positive earnings after taxes.

Pension provisions: decrease due to increasing euro interest rate (0.6% to 0.9%).

Financial debt relates to bond 06/2024 with 250, SSD with 123 and leases with 226.

Current liabilities contains primarily liabilities with 908 (09/19: 935), thereof trade payables 386 and payments received 136.

Consolidated Balance Sheet: Assets

<i>in € million</i>	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018
Non-current assets			
Intangible assets	802.5	808.7	803.9
Property, plant and equipment	311.9	307.3	324.0
Right-of-use assets from leases	227.4	229.5	0.0
Investments accounted for using the equity method	18.5	19.7	34.9
Other financial assets	255.5	257.5	376.7
Deferred taxes	60.6	81.2	74.9
	1,676.4	1,703.9	1,614.4
Current assets			
Inventories	57.1	57.3	61.7
Receivables and other financial assets	1,057.3	1,242.2	1,102.3
Current tax assets	20.4	29.8	22.8
Other assets	43.8	60.6	50.6
Marketable securities	0.0	330.1	120.0
Cash and cash equivalents	499.8	495.7	453.8
Assets classified as held for sale	0.0	0.0	50.4
	1,678.4	2,215.7	1,861.6
Total	3,354.8	3,919.6	3,476.0

Consolidated Balance Sheet: Equity & liabilities

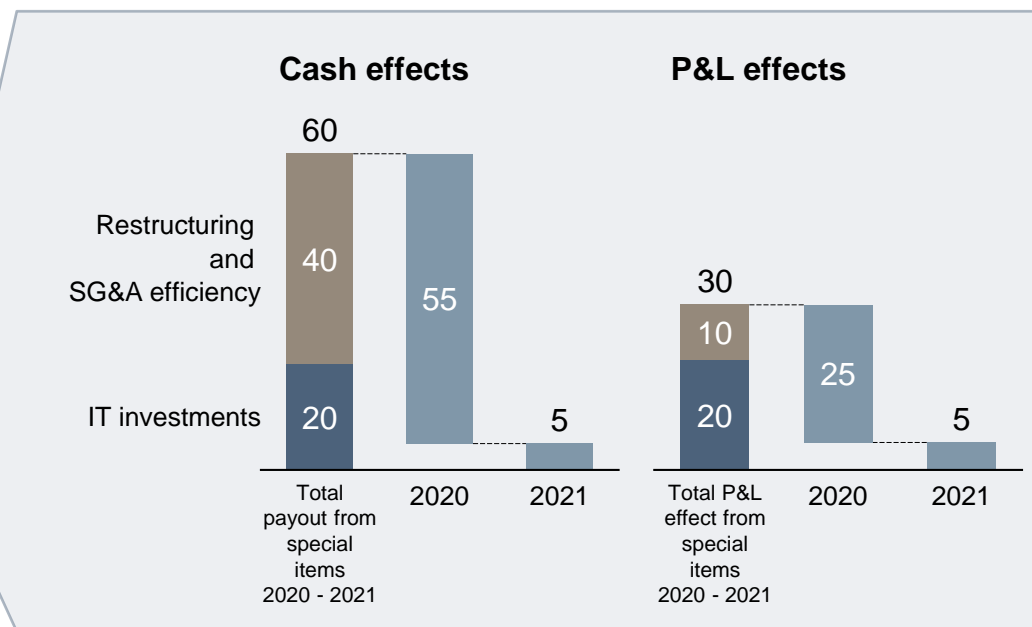
<i>in € million</i>	Dec. 31, 2019	Sep. 30, 2019	Dec. 31, 2018
Equity			
Equity attributable to shareholders of Bilfinger SE	1,165.3	1,146.5	1,217.6
Attributable to minority interest	-12.4	-12.5	-12.9
	1,152.9	1,134.0	1,204.7
Non-current liabilities			
Provisions for pensions and similar obligations	338.0	341.0	288.2
Other provisions	23.6	24.2	24.6
Financial debt	551.3	551.7	10.8
Other liabilities	0.0	0.2	0.1
Deferred taxes	4.3	40.7	39.4
	917.2	957.8	363.1
Current liabilities			
Current tax liabilities	25.4	45.6	33.8
Other provisions	301.9	298.1	383.6
Financial debt	49.7	548.8	501.6
Trade and other payables	679.7	722.0	750.5
Other liabilities	228.0	213.3	212.7
Liabilities classified as held for sale	0.0	0.0	26.0
	1,284.7	1,827.8	1,908.2
Total	3,354.8	3,919.6	3,476.0

Consolidated Statement of Cash Flows

in € million	Q4		FY	
	2019	2018	2019	2018
Cash flow from operating activities of continuing operations	206.1	149.0	110.3	49.9
- Thereof special items	-21.3	-13.9	-71.0	-60.0
- Adjusted cash flow from operating activities of continuing operations	227.4	162.9	181.3	109.9
Net cash outflow for P,P&E and intangible assets	-16.5	-11.3	-53.4	-53.5
Free cash flow from continuing operations	189.6	137.7	56.9	-3.6
- Thereof special items	-21.3	-13.9	-71.0	-60.0
- Adjusted free cash flow from continuing operations	210.9	151.6	127.9	56.4
Payments made / proceeds from the disposal of financial assets	-2.0	1.3	141.2	0.3
Investments in financial assets	0.0	0.0	0.0	-0.7
Changes in marketable securities	329.6	0.0	119.9	27.4
Cash flow from financing activities of continuing operations	-529.6	-36.3	-243.8	-167.5
- Share buyback	0.0	-26.3	0.0	-111.3
- Dividends	0.0	-0.3	-42.9	-44.1
- Repayment of financial debt / borrowing	-513.1	3.7	-174.1	3.0
- Interest paid	-16.5	-13.4	-26.8	-15.1
Change in cash and cash equivalents of continuing operations	-12.4	102.7	74.2	-144.1
Change in cash and cash equivalents of discontinued operations	16.2	0.1	-32.3	-15.4
Change in value of cash and cash equivalents due to changes in foreign exchange rates	0.3	0.4	0.8	-0.8
Change in cash and cash equivalents	4.1	103.2	42.7	-160.3
Cash and cash equivalents at January 1 / October 1	495.7	353.9	453.8	617.1
Change in cash and cash equivalents of assets classified as held for sale	0.0	-3.3	3.3	-3.0
Cash and cash equivalents at December 31	499.8	453.8	499.8	453.8

Valuation net cash / net debt

<i>in € million</i>	Dec. 31, 2019
Cash, cash equivalents and marketable securities	500
Financial debt	-375
Net cash (+) / net debt (-)	125¹⁾
Pension provisions	-338
Financial assets (Apleona PPN)	240
Future cash-out special items	-60
Further intra-year working capital swing	-100
Valuation net cash (+) / net debt (-)	-100 to -150



¹⁾ Without leasing liabilities (IFRS 16) of -226

Restated figures for FY 2019 per January 1, 2020

Moving 4 legal entities from E&M Europe to OOP

<i>in € million</i>	E&M Europe	E&M International	Technologies	Reconciliation Group		Group
				HQ / Consolidation / Other	OOP	
Revenue	2,555	912	538	23	299	4,327
EBITA adjusted	106	42	-28	-15	-1	104
EBITA adjusted margin	4.1%	4.6%	-5.2%		-0.4%	2.4%

Disclaimer

This presentation has been produced for support of oral information purposes only and contains forward-looking statements which involve risks and uncertainties. Forward-looking statements are statements that are not historical facts, including statements about our beliefs and expectations. Such statements made within this document are based on plans, estimates and projections as they are currently available to Bilfinger SE. Forward-looking statements are therefore valid only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. Apart from this, a number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in worldwide financial markets as well as the factors that derive from any change in worldwide economic development.

This document does not constitute any form of offer or invitation to subscribe for or purchase any securities. In addition, the shares of Bilfinger SE have not been registered under United States Securities Law and may not be offered, sold or delivered within the United States or to US persons absent registration under or an applicable exemption from the registration requirements of the United States Securities Law.