



BILFINGER

Bilfinger SE

1st Quarter 2021 Results

May 11, 2021

Q1 2021

Encouraging performance: positive EBITA and improved free cash flow

Markets	<ul style="list-style-type: none">• Increase in activity level• Remaining COVID restrictions in single areas, esp. North Sea upstream
-1% org. Orders received	<ul style="list-style-type: none">• With €1bn on good level• E&M Europe robust, sizeable project in North America won
-5% org. Revenue	<ul style="list-style-type: none">• Below prior-year which was still largely unaffected by COVID-19• E&M Europe and Technologies on solid level• E&M International project business in line with expectations, however, still modest
€11 million EBITA adjusted	<ul style="list-style-type: none">• Clearly positive, structural improvements and reduced cost base show effect• Lower seasonality effects due to higher cost agility
-€28 million Free cash flow reported	<ul style="list-style-type: none">• Significant improvement against prior-year quarter• Limited capital consumption thanks to active working capital management
Outlook 2021 confirmed	<ul style="list-style-type: none">• Revenue: Significant growth• EBITA adjusted level of 2019 (2.4%), despite significantly lower revenue









Markets: E&M Europe

	Industries	%*		Overall trend
	Chemicals & Petrochem	40%	<ul style="list-style-type: none"> • Market starts to recover • Majority of large investments still planned to take place • Deferred work/shutdowns expected to raise activity levels in 2021/22 	
	Energy & Utilities	10%	<ul style="list-style-type: none"> • ESG climate change drivers still hold, e.g. CO₂ limits, emissions, decentralized power generation • Green energy investment projects emerging as anticipated (e.g. renewables, hydrogen, carbon capture etc.) 	
	Oil & Gas	20%	<ul style="list-style-type: none"> • Consolidation of supplier market • OpEx stabilized after initial shock and gradual recovery foreseen • Recovery supported by asset integrity/shutdowns related backlog plus older asset life extensions 	





*% of segment revenues FY 2020

Markets: E&M International

	Industries	%*		Overall trend
	Chemicals & Petrochem	20%	<ul style="list-style-type: none"> • Trend for expansion and modernization projects in ME intact • Attractive project pipeline in NA emerging 	
	Energy & Utilities	10%	<ul style="list-style-type: none"> • Continued growth in ME population and industry drives further development of alternative and nuclear energy concepts as well as water solutions • In NA, more positive outlook for energy investment focused on renewables and impetus from public spent (American Rescue Plan) 	
	Oil & Gas	25%	<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 • CAPEX and OPEX spend expected to increase from 2021 onwards in NA 	

*% of segment revenues FY 2020

Markets: Technologies

	Industries	%*		Overall trend
	Energy & Utilities	40%	<ul style="list-style-type: none"> • Energy transition focus in all our regions, esp. Europe and NA • Nuclear demand for new builds and maintenance increasing, esp. in France, UK, Finland and demand increasing for decommissioning in Germany 	
	Pharma & Biopharma	35%	<ul style="list-style-type: none"> • Mega trends remain unchanged despite COVID-19 • Positive outlook on Pharma OPEX; Trend to outsource services and production is increasing 	

*% of segment revenues FY 2020

ESG: OCCUPATIONAL SAFETY RECORD IN GERMANY

No LTI since May 2017

- More than 17 million man hours
- Strong safety culture

Daily safety training, e.g.:

- Safety Days
- Safety Awareness Trainings
- Safe tools and equipment

Digital tools for safety

- HSEQ App (mobile application)
- Capturing incident reports, risk assessments, suggestions for improvement etc.





MAJOR PROJECT: AWARDED IN NORTH AMERICA

INEOS, US (Texas)

- **Large-scale 100 kilotons polymer facility**
- **Duration: 17 month construction time**
- **Key account for Bilfinger**

Scope

- **Installation of pumps, compressors, towers, vessels and equipment as well as E&I services**
- **Self delivery model appealing for customer**
- **Similar to Linde Braskem Project**

ENERGY EFFICIENCY: INTEGRAL PART OF OUR CORE BUSINESS

Heat Efficiency Program at Shell Moerdijk

- 5-year program

Improvement of energy efficiency

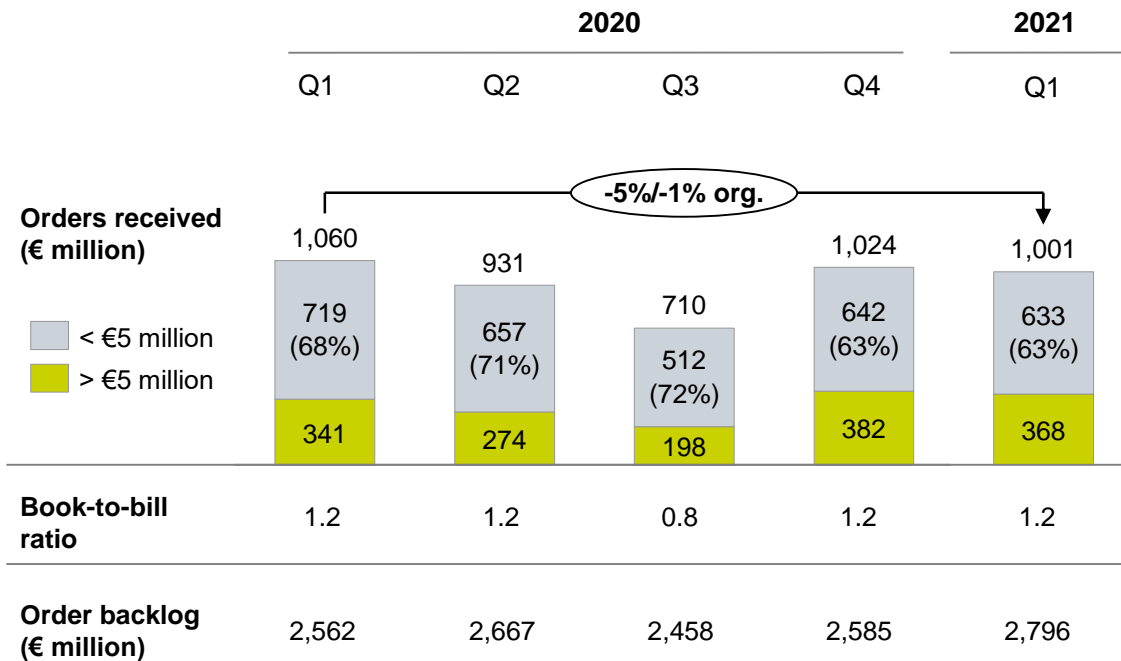
- Less waste heat through insulation
- Early identification of corrosion damage
- Concept of integrated services offers testing procedures, scaffolding, corrosion protection and insulation from a single source
- Builds on success of corrosion under insulation concept.

➤ Revenue €5m per year

Quarterly Statement Q1 2021

Orders received again at 1bn EUR level due to robust development in European markets and major project award in North America

Development of orders received



Orders received

- Decrease by -5% (org.: -1%), remaining on good level
- North American pipeline starts to convert into orders: Ineos project

Order backlog

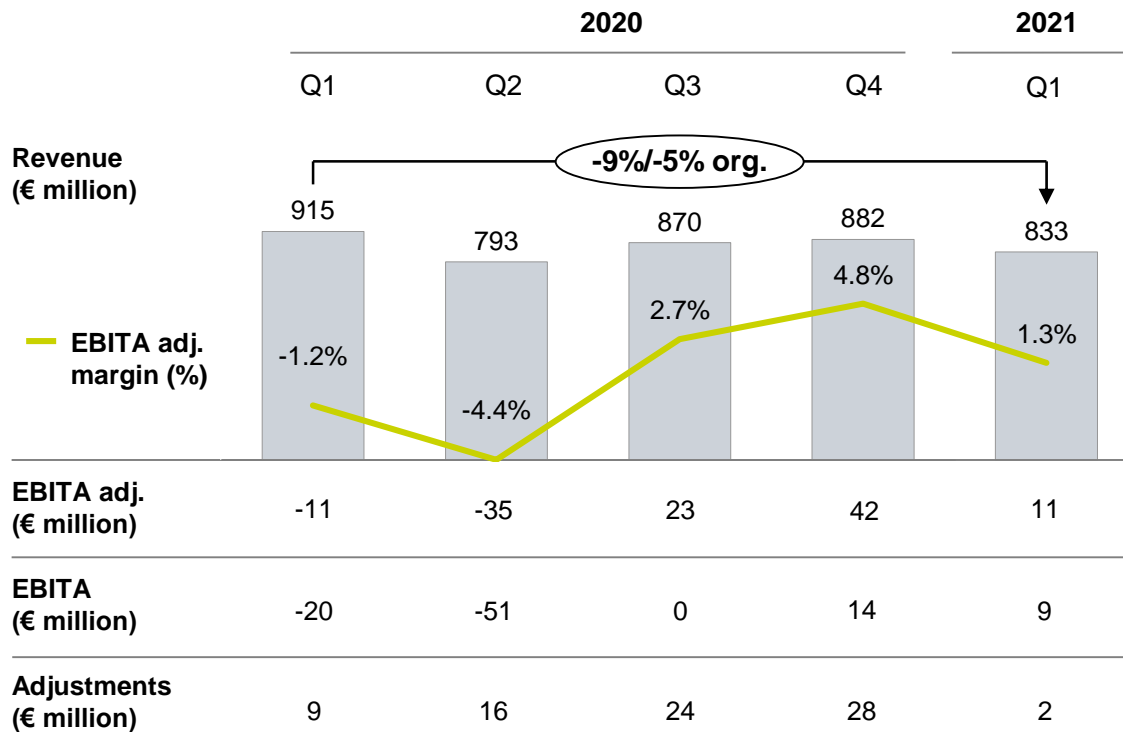
- 9% above prior-year level (org.: +11%), also above end of year 2020 level

Book-to-bill

- Solid at 1.2

Revenues in E&M Europe and Technologies on solid level, EBITA adjusted and reported clearly positive

Development of revenue and profitability



Revenue

- -9% (org.: -5%) below prior-year quarter, which was still largely unaffected by COVID-19 at the time

EBITA

- Adjusted EBITA clearly positive at €11 million due to effects from efficiency enhancement programs and improved capacity management
- Adjusted EBITA margin of 1.3 percent (prior year: -1.2 percent)
- Reported EBITA also positive at €9 million (prior year: -€20 million)

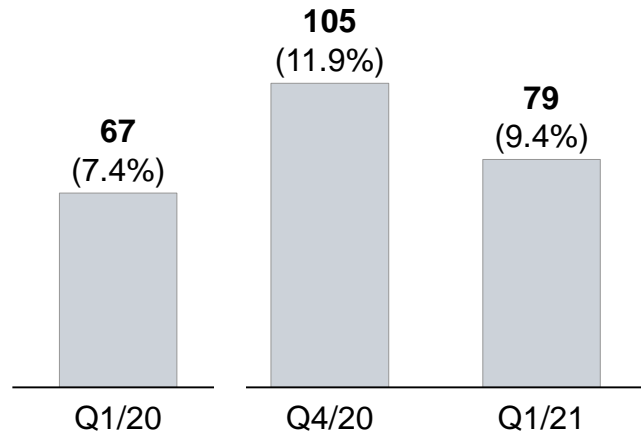
Special items

- Significant reduction to -€2 million (prior year: -€9 million)

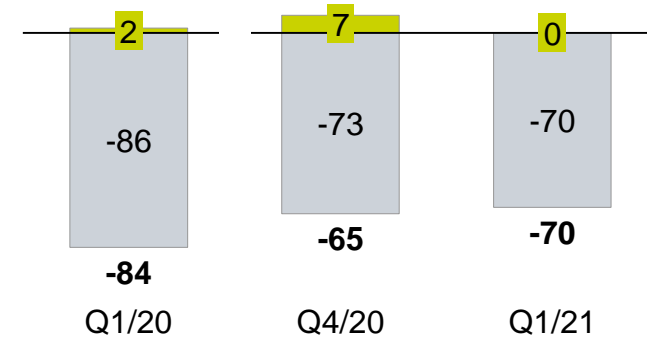
Gross margin and gross profit improved considerably

SG&A expenses further reduced, supported by COVID-19 related one-time effects

Gross profit (€ million)



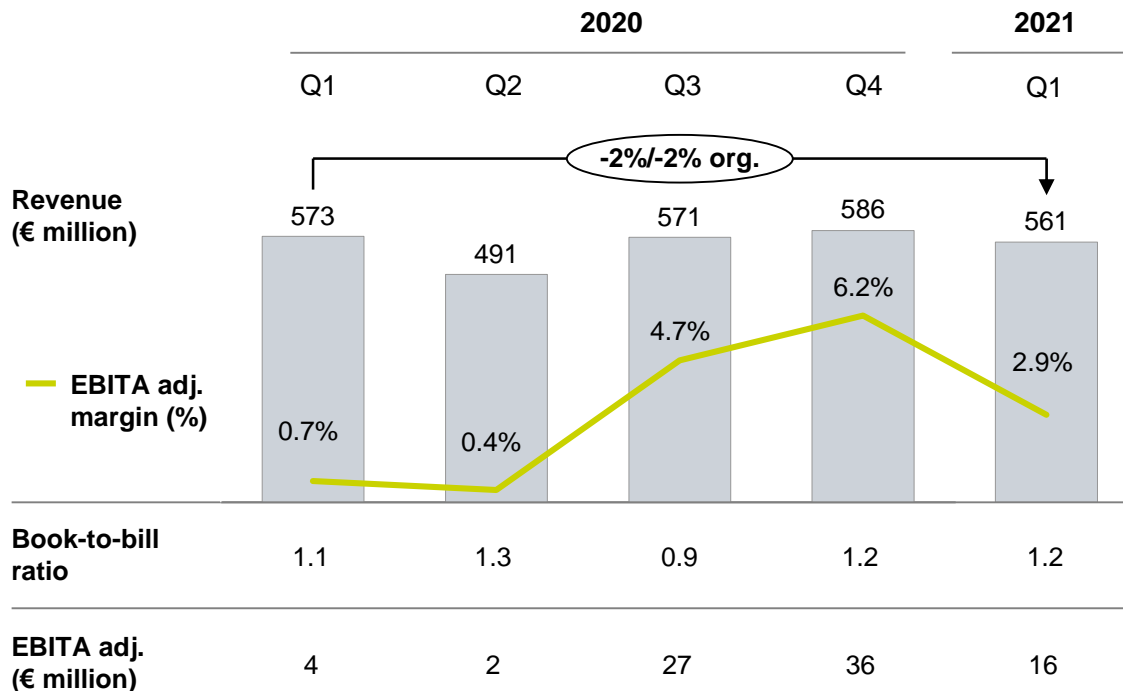
Adjusted selling and administrative expenses (€ million)



Adjustments Reported

Segment E&M Europe: Almost at prior year level, highly resilient and agile maintenance business

Development of revenue and profitability



Orders received

- +7% (org.: +8%) due to significant growth rates in particular in Northern Europe and the United Kingdom
- Book-to-bill at 1.2

Revenue

- Almost stable at -2% (org.: -2%)
- Decrease as result of COVID-19-related logistical restrictions in upstream oil and gas activities in North Sea

EBITA adjusted

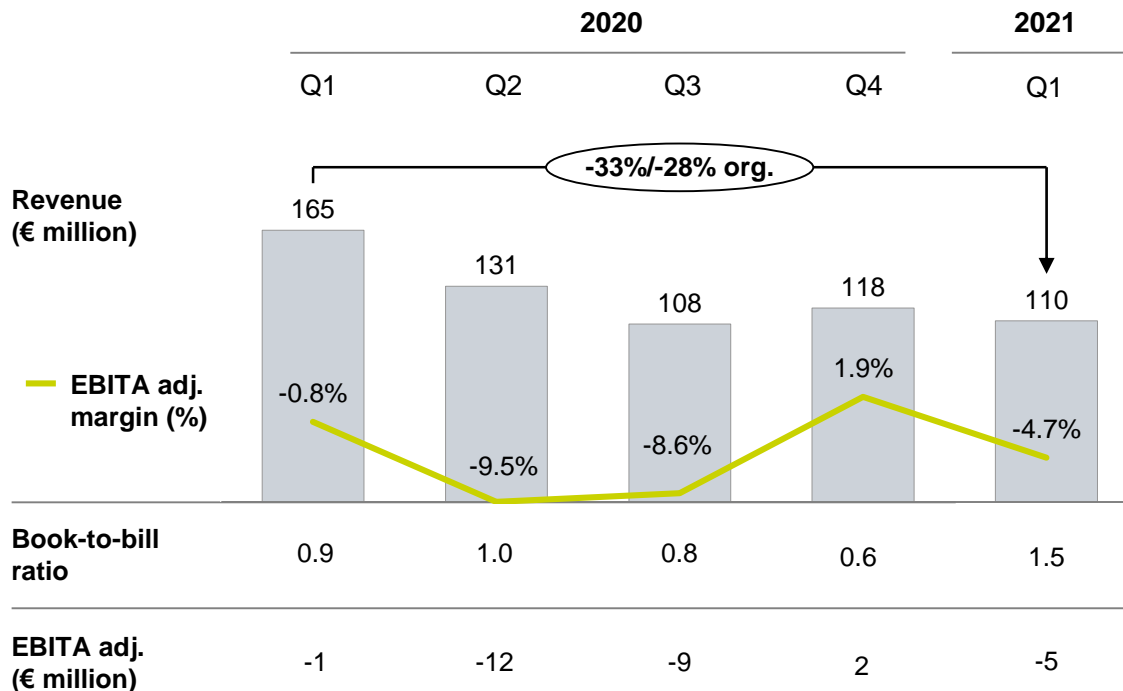
- €16m (prior year: €4m) significant increase due to agile cost management

Outlook 2021

- Revenue: significant growth
- EBITA adjusted: significant improvement

Segment E&M International: Still under pressure, strategic measures and sales initiatives introduced

Development of revenue and profitability



Orders received

- +4% (org.: +13%), supported by major contract award in North America
- Middle East at prior-year level

Revenue

- Decrease of -33% (org.: -28%), strategic measures and several sales initiatives introduced

EBITA adjusted

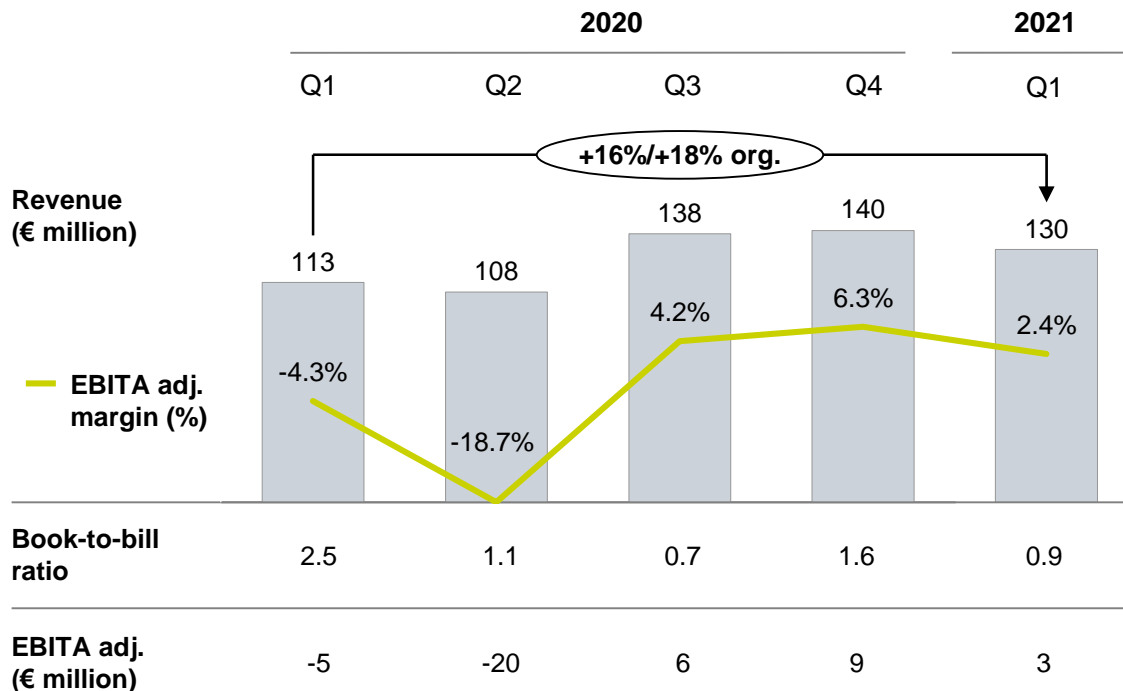
- -€5m (prior year: -€1m)

Outlook 2021

- Revenue: significant growth
- EBITA adjusted: significant improvement to a positive result

Segment Technologies: Increased revenue and positive EBITA adjusted, orders received below exceptionally high prior year quarter

Development of revenue and profitability



Orders received

- 60% (org.: -59%), exceptionally high order intake in prior-year quarter including Hinkley Point C

Revenue

- +16% (org.: +18%) underpins growth aspiration in this segment

EBITA adjusted

- €3m (prior year: -€5m), continuing the encouraging trend seen in second half of 2020

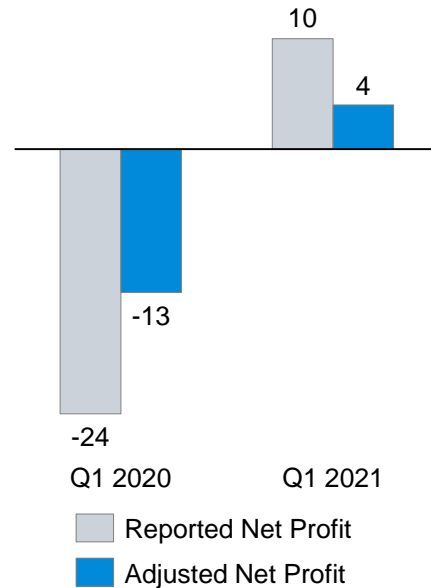
Outlook 2021

- Revenue: significant growth
- EBITA adjusted: significant improvement to a clearly positive result

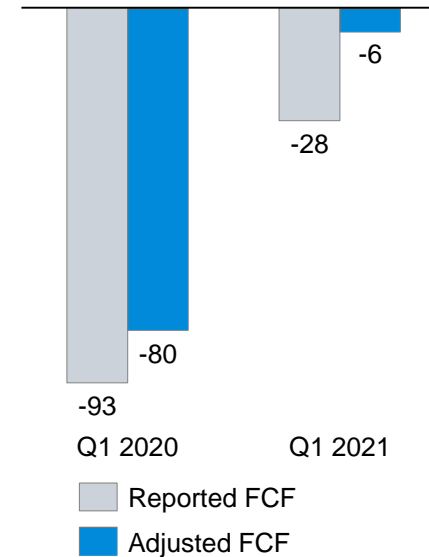
Net profit positive, due to improved EBITA and further write-up PPN Apleona

Free cash flow improved significantly

Net profit ¹⁾ (€ million)



Free cash flow ¹⁾ (€ million)



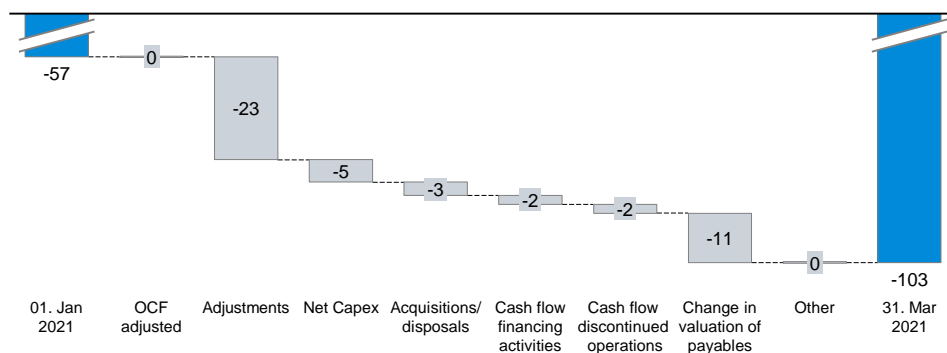
¹⁾ Adjustments correspond to EBITA adjustments, Net Profit: in addition elimination of special items in financial result and in taxes

Significant year-on-year DSO improvement

Cash-in of €458 m in Apleona proceeds on May 10

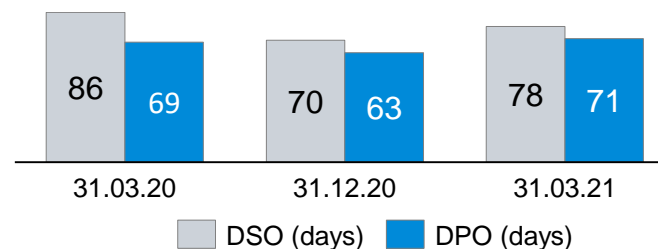
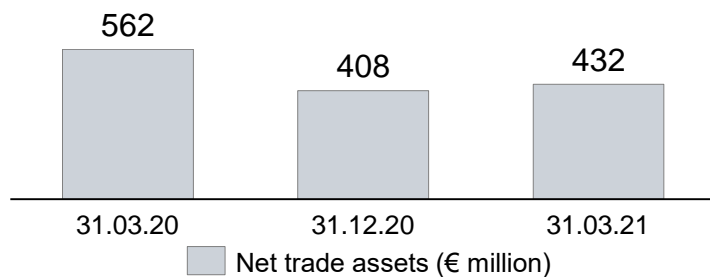
Development of net liquidity

Net liquidity ¹⁾ (€ million)



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

	3m 2021 excl. IFRS 16	IFRS 16 impacts	3m 2021 incl. IFRS 16	3m 2020 excl. IFRS 16
EBITA adj.	11		11	-11
Depreciation	11	13	24	13
Change in NWC (Reported)	-50		-50	-103
Others	-31		-31	-9
Adjustments	23		23	12
Operating CF Reported	-36		-23	-98
Net CAPEX	-5		-5	-9
Free CF Reported	-41		-28	-107
Proceeds/Investments financial assets	-3		-3	3
Changes in marketable securities	0		0	0
Dividends	0		0	0
Change in financial debt	0	-12	-12	0
Interest paid	-1	-1	-2	-1
FX / other / disco	-2		-2	-3
Change in Cash	-47		-47	-108



¹⁾ Including IFRS 16 leases

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

Outlook 2021 confirmed

	Actual FY 2020	Outlook FY 2021
Revenue	€3,461 million	Significant growth
EBITA adjusted	€20 million	Substantial improvement
Free cash flow reported	€93 million	Positive, but below prior-year

Underlying assumptions:

- COVID-19 pandemic to have no significant impact on our business activities in 2021
- Oil price range between 45 and 65 US \$ / barrel

Quarterly Statement Q1 2021
Financial backup

Segment development Q1 2021

	E&M Europe			E&M International			Technologies			Reconciliation Group						Group		
	HQ / Consolidation / Other			OOP														
€ million	Q1 2021	Q1 2020	Δ in %	Q1 2021	Q1 2020	Δ in %	Q1 2021	Q1 2020	Δ in %	Q1 2021	Q1 2020	Δ in %	Q1 2021	Q1 2020	Δ in %	Q1 2021	Q1 2020	Δ in %
Orders received	675	631	+7%	161	154	+4%	115	287	-60%	-3	-78	+96%	53	65	-18%	1,001	1,060	-5%
Order backlog	1,840	1,516	+21%	391	456	-14%	550	542	+2%	-75	-82	+10%	89	130	-31%	2,796	2,562	+9%
Revenue	561	573	-2%	110	165	-33%	130	113	+16%	-13	-2	-499%	45	67	-33%	833	915	-9%
Investments in P,P&E	8	6	+24%	0	1	-82%	0	1	-13%	0	1	-95%	0	1	-87%	8	9	-9%
Increase in right-of-use assets	7	7	-6%	0	1	-72%	0	1	-90%	0	0	n/a	0	0	n/a	7	10	-26%
Depreciation	-16	-16	-1%	-2	-3	+25%	-2	-2	+3%	-3	-4	+16%	-1	-2	+59%	-24	-27	+9%
Amortization	0	0	n/a	0	-1	+100%	0	0	n/a	0	0	n/a	0	0	n/a	0	-1	+100%
EBITDA adjusted	32	20	+65%	-3	2	-	5	-3	-	-1	-4	+78%	1	1	-7%	35	16	+117%
EBITA	16	1	+2649%	-7	-4	-58%	4	-5	-	-4	-10	+58%	0	-1	+134%	9	-20	-
EBITA adjusted	16	4	+336%	-5	-1	-290%	3	-5	-	-4	-7	+46%	0	-1	+134%	11	-11	-
EBITA-margin adjusted	2.9%	0.7%		-4.7%	-0.8%		2.4%	-4.3%		30.0%	331.6%		0.7%	-1.3%		1.3%	-1.2%	

P&L (1/2)

in € million	Q1		
	2021	2020	Δ in %
Revenue	833	915	-9%
Gross profit	79	67	18%
Selling and administrative expense	-70	-86	19%
Impairment losses and reversal of impairment losses according to IFRS 9	-2	-1	-100%
Other operating income and expense	1	-7	-
Income from investments accounted for using the equity method	1	6	-83%
EBIT	9	-21	-
<i>Amortization of intangible assets from acquisitions and impairment of goodwill</i>	0	1	100%
EBITA (for information only)	9	-20	-
<i>Special items in EBITA</i>	2	9	-78%
EBITA adjusted (for information only)	11	-11	-

Decrease by -9%, organically -5%

Significant effects: restructuring expenses -0 (prior year: -6); IT transformation -1 (prior year: -1)

Depreciation of property, plant and equipment and amortization of intangible assets of -12 (prior year: -13), amortization on right-of-use assets (IFRS 16) of -12 (prior year: -13)

Currency effects negligible

P&L (2/2)

in € million	Q1		
	2021	2020	Δ in %
EBIT	9	-21	-
Financial result	2	-7	-
EBT	11	-27	-
Income taxes	0	4	-100%
Earnings after taxes from continuing operations	11	-23	-
Earnings after taxes from discontinued operations	-1	-1	0%
Minority interest	0	0	0%
Net profit	10	-24	-
Adjusted net profit¹⁾	4	-13	-
Average number of shares (in thousands)	40,430	40,291	
Earnings per share (in €)	0.26	-0.60	
thereof from continuing operations	0.27	-0.58	
thereof from discontinued operations	-0.01	-0.02	

Difference to prior year mainly due to revaluation of PPN (7)

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

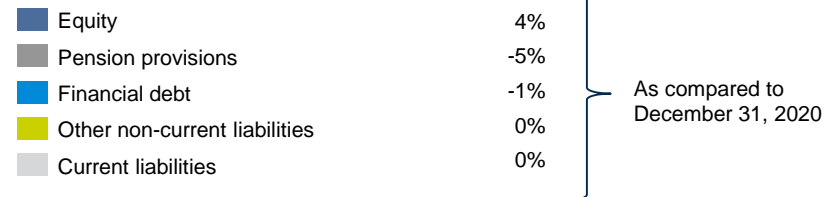
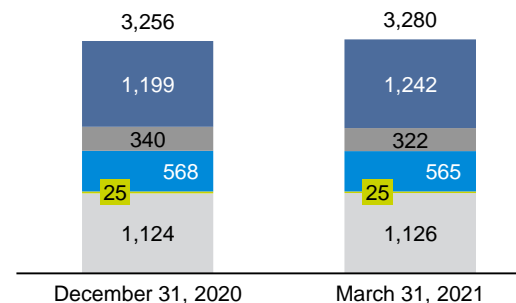
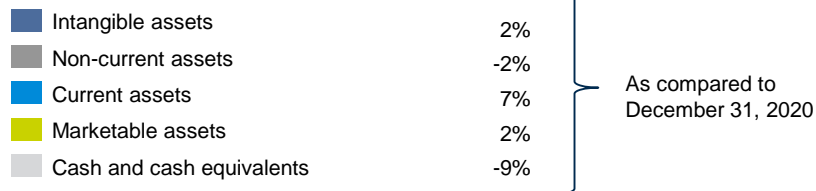
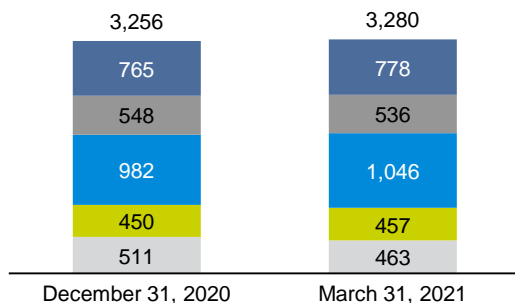
¹⁾ from continuing operations

Special items: full-year expectation of ~€20 million

<i>in € million</i>	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2021
EBITA	-20	-51	0	14	-57	9
Disposal losses/gains, write-downs, selling-related expenses	0	2	3	-1	4	0
Compliance	0	-17	0	0	-17	0
Restructuring, extraordinary depreciations	6	28	18	25	77	1
IT investments	3	3	3	4	13	1
Total adjustments	9	16	24	28	77	2
<i>EBITA adjusted</i>	-11	-35	23	42	20	11

Balance Sheet – Overview of Assets and Liabilities

in € million



Goodwill increases to 774 (12/20: 761) due to currency effects.

Non-current assets include property, plant and equipment 265, according to IFRS 16 right-of-use assets from leases 184, deferred tax assets 56.

Current assets: receivables 465 (12/20: 505).

Marketable assets include PPN Apleona.

In Q1 2021, slight increase in **equity** due to positive earnings after taxes, equity ratio at level of prior quarter.

Pension provisions: decrease due to increase in Euro interest rate from 0.7% to 1.0%.

Financial debt relates to Bond 06/2024 with 250, SSD with 123 and leases with 191.

Current liabilities relates mainly to liabilities of 833 (12/20: 800), including 306 (12/20: 293) from payables and 135 from advance payments received, and other accruals of 267 (12/20: 300).

Consolidated Balance Sheet: Assets

€ million	March 31, 2021	December 31, 2020	March 31, 2020
Non-current assets			
Intangible assets	777.9	765.2	791.0
Property, plant and equipment	265.2	269.7	302.9
Right-of-use assets from leases	183.7	189.3	216.3
Investments accounted for using the equity method	20.1	19.4	22.1
Other financial assets	11.5	14.0	255.0
Deferred taxes	55.6	55.8	63.9
	1,314.0	1,313.4	1,651.2
Current assets			
Inventories	65.1	59.8	61.2
Receivables and other financial assets	908.1	865.6	1,069.4
Current tax assets	18.4	10.9	15.6
Other assets	54.0	46.0	58.4
Marketable securities	457.1	450.0	0.0
Cash and cash equivalents	463.1	510.6	391.8
Assets classified as held for sale	0.0	0.0	0.0
	1,965.8	1,942.9	1,596.4
Total	3,279.8	3,256.3	3,247.6

Consolidated Balance Sheet: Equity & liabilities

€ million	March 31, 2021	December 31, 2020	March 31, 2020
Equity			
Equity attributable to shareholders of Bilfinger SE	1,253.0	1,209.3	1,124.5
Attributable to minority interest	-11.1	-10.7	-9.4
	1,241.9	1,198.6	1,115.1
Non-current liabilities			
Provisions for pensions and similar obligations	322.2	340.0	325.9
Other provisions	21.2	22.2	23.4
Financial debt	519.5	521.3	541.5
Other liabilities	0.0	0.0	0.0
Deferred taxes	3.8	2.9	5.3
	866.7	886.4	896.1
Current liabilities			
Current tax liabilities	24.3	23.9	24.5
Other provisions	267.3	300.3	291.9
Financial debt	46.4	46.9	49.2
Trade and other payables	604.0	579.2	661.3
Other liabilities	229.2	221.0	209.5
Liabilities classified as held for sale	0.0	0.0	0.0
	1,717.2	1,171.3	1,236.4
Total	3,279.8	3,256.3	3,247.6

Consolidated Statement of Cash Flows

in € million	Q1	
	2021	2020
Cash flow from operating activities of continuing operations	-22.9	-84.0
- Thereof special items	-22.5	-12.4
- Adjusted cash flow from operating activities of continuing operations	-0.4	-71.6
Net cash outflow for P,P&E and intangible assets	-5.3	-8.6
Free cash flow from continuing operations	-28.2	-92.6
- Thereof special items	-22.5	-12.4
- Adjusted free cash flow from continuing operations	-5.7	-80.2
Payments made / proceeds from the disposal of financial assets	-0.7	2.8
Investments in financial assets	-1.9	0.0
Changes in marketable securities	0.0	0.0
Cash flow from financing activities of continuing operations	-15.3	-15.1
- Share buyback	0.0	0.0
- Dividends	0.0	0.0
- Repayment of financial debt / borrowing	-12.8	-13.4
- Interest paid	-2.5	-1.7
Change in cash and cash equivalents of continuing operations	-46.1	-104.9
Change in cash and cash equivalents of discontinued operations	-1.9	-2.1
Change in value of cash and cash equivalents due to changes in foreign exchange rates	0.5	-1.0
Change in cash and cash equivalents	-47.5	-108.0
Cash and cash equivalents at January 1	510.6	499.8
Change in cash and cash equivalents of assets classified as held for sale	0.0	0.0
Cash and cash equivalents at March 31	463.1	391.8

Balance Sheet items relevant for valuation

<i>in € million</i>	December 31, 2020	March 31, 2021
Cash, cash equivalents and marketable securities	511	463
Financial debt	-373	-373
Net cash (+) / net debt (-) ¹⁾	138	90
Pension provisions	-340	-322
Financial assets (Apleona PPN / book value)	450	457
Future cash-out special items	approx. -70	approx. -50

¹⁾ Without leasing liabilities of -190 (Mar. 31, 2021), -193 (Dec. 31,2020)

Disclaimer

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