



BILFINGER

Bilfinger SE

Quarterly Statement Q3 2022

November 9, 2022

Hydropower: ÖBB - Obervellach/Tauernmoos

Key Highlights Q3 2022



Significant increase in
Orders received
org. +19%



Significant increase in
Revenue
org. +11%



Key drivers:
**Efficiency increase
& sustainability**



Operational
Outlook 2022
confirmed



EBITA margin
on prior-year (like-for-like)
3.4%



Free cash flow
above prior year (like-for-like)
€69 million



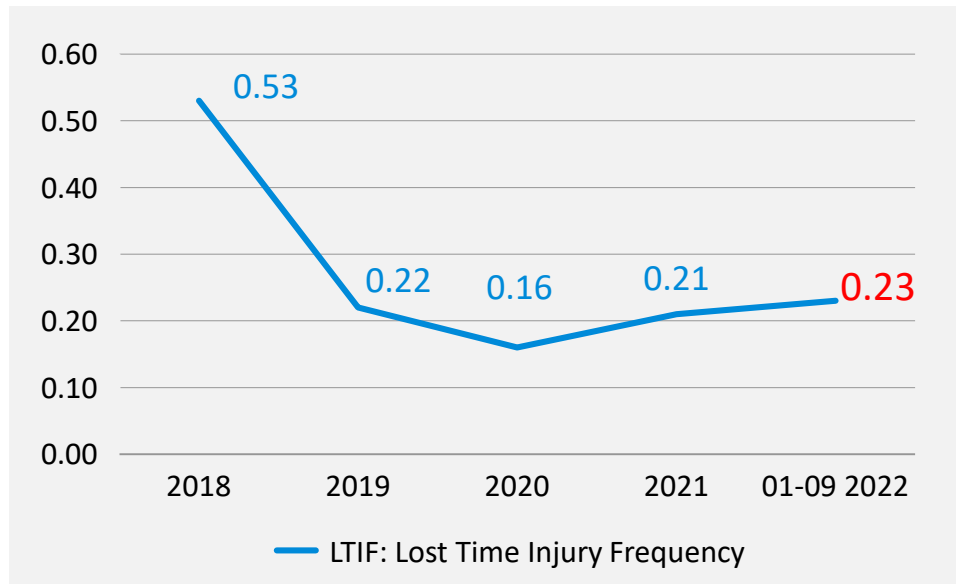
Bottom-line effect end of 2023
**Efficiency
program**



Strategy Update
CMD
Feb 14, 2023


HSEQ

Safety is good business



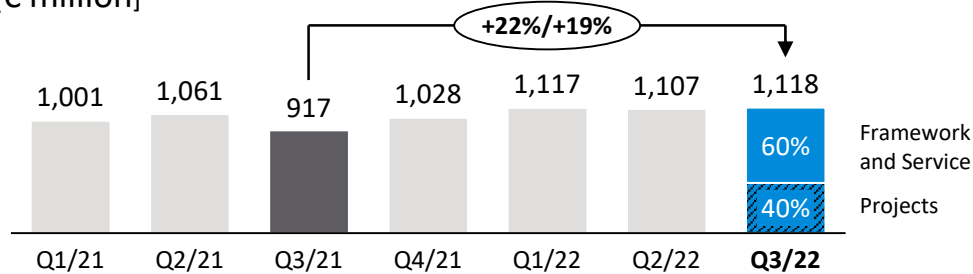
Safety KPI (based on 1 million working hours)

*LTIF: Lost Time Injury Frequency

„Zero“ 
is possible

Orders received and revenue significantly above prior year

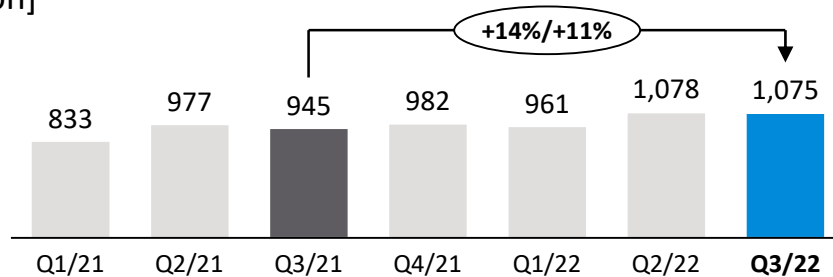
Orders received [€ million]



Framework and Service
Projects

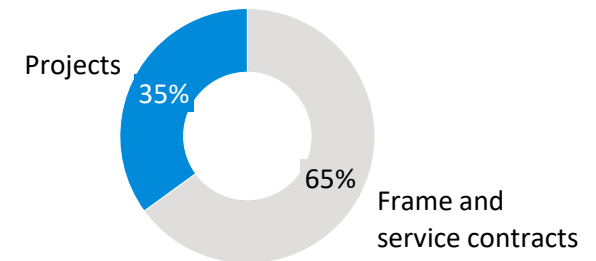
Order backlog [€ million]	2,796	2,845	2,821	2,946	3,130	3,158	3,211
Book-to-bill [ratio]	1.20	1.09	0.97	1.05	1.16	1.03	1.04

Revenue [€ million]



- Increase in **orders received**
- Slightly increased share in projects, including biopharma and energy transformation
- Increase in **revenue** in all segments

Revenue split [YTD, %]



Δ abs. / org.

Market development

Continued positive demand despite challenges for the industry



Chemicals & Petrochem

30% of revenue YTD

Bilfinger trend



Long-term development:

Sustainability, energy costs, availability of resources and skilled workers, capacity expansion and modernization in North America and Middle East

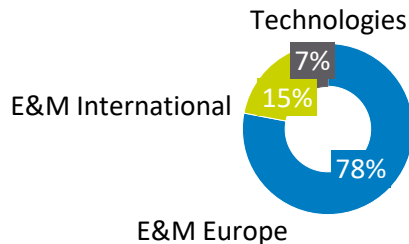
Current situation:

Increasing demand for combined industrial services
investments in resource and energy transition; certain weakness in Germany, more stable abroad

Our positioning:

- Asset Maintenance
- Industrial Projects
- Plant Turnaround

Revenue split [YTD, %]



Energy

15% of revenue YTD

Bilfinger trend



Long-term development:

Government subsidies, CO2 reduction, investment in renewables, goal of independence from Russia, ageing infrastructure

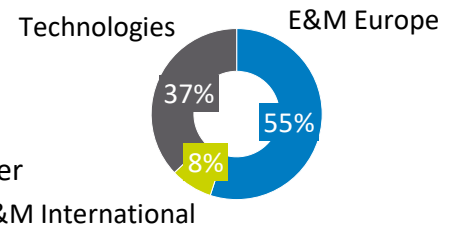
Current situation:

Increasing green energy investments and Electrification of industrial assets will continue to grow, Nuclear power revival as part of "net zero" strategy, Nuclear waste treatment market under development

Our positioning:

- Carbon Capture and Storage
- Hydrogen Production and Transport
- Commercial Heat
- Battery Production
- Energy production through hydropower

Revenue split [YTD, %]



Market development

Demand for services to increase efficiency and sustainability remain driving factors



Oil & Gas

20% of revenue YTD

Bilfinger trend



Long-term development:

High profits of large companies, investment in green energy, goal of independence from Russia, ageing infrastructure

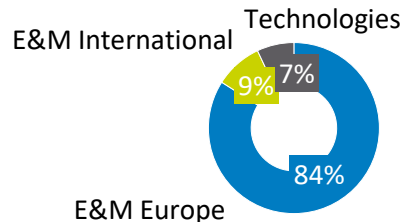
Current situation:

Investment levels have risen sharply again, including new LNG projects, some large companies are working intensively on hydrogen and carbon capture

Our positioning:

Asset-Integrity Management
Carbon Capture and Storage
Hydrogen Production and Transport

Revenue split [YTD, %]



Pharma & Biopharma

5% of revenue YTD

Bilfinger trend



Long-term development:

De-globalization, demographic development, outsourcing of maintenance and production, health care spend

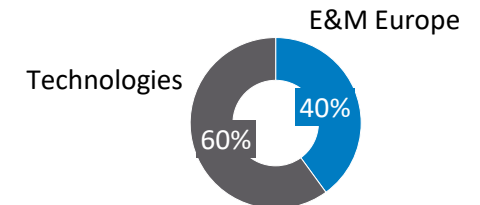
Current situation:

Increasing global health care spend, especially in developed countries, partial relocation of production to Europe

Our positioning:

Life Cycle Services
Engineering-Prefabrication-
Construction-Maintenance

Revenue split [YTD, %]



Combined digital inspection service

Digital twin



THE CHALLENGE

Make Internal Visual Inspection (IVI) safer, more efficient, repeatable, and less expensive, whilst improving the quality of the inspection results.



THE SOLUTION

Remote Internal Inspection (RII). Utilizing the latest inspection technologies, we can perform internal inspections using remotely operated vehicles.



- Reduced personnel costs
- Improved safety
- Up to 80% more efficient than conventional processes
- Improved visualization and reproducibility
- Increased percentage of non-intrusive inspections (NII)
- Improved plant utilization



Strategy Update

- Goal: No. 1 in efficiency and sustainability improvement
- Focus on industry segments and regions with profitable growth
- Standardization of business models and processes
- Strengthen innovation
- Results at CMD Feb 14, 2023



New Management Structure

- Group Executive Management formed with Executive Board, business segments and central functions
- Increase efficiency and collaboration
- Closer to operations and better customer focus



Efficiency Program



The goal is to be the No. 1 for efficiency and sustainability in our relevant markets with sustainable, profitable growth

Efficiency Program



- Standardization of processes, simplification of structures in administration, reduction of cost
- Investment in education and training



- Savings of approx. €55 million p.a. by the end of 2023
- Approx. one quarter of the savings will be invested in education and training



- Start Q4 2022 with recording of provisions of approx. €60 million
- Duration of program until end of 2023

➤ EBITA margin of at least 5% from 2024 on

Financial highlights Q3 2022



Significant increase in
Orders received
org. +19%



Significant increase in
Revenue
org. +11%



Gross profit
increased to
€114 million



EBITA margin
on prior-year (like-for-like)
3.4%



Free cash flow
above prior year (like-for-like)
€69 million



SG&A ratio
below prior year
7.3%

P&L development

	Q3/ 2022	Q3/ 2021	Δ in %	YTD/ 2022	YTD/ 2021	Δ in %
Orders received	1,118	917	+22%	3,343	2,980	+12%
Revenue	1,075	945	+14%	3,114	2,755	+13%
Gross profit	114	106	+7%	316	280	+13%
Selling and administrative expenses	-78	-71	-10%	-228	-214	-7%
EBITA	37	54	-32%	78	84	-8%
<i>thereof special items</i>	0	3	-	-10	-3	-208%
EBITA margin	3.4%	5.7%		2.5%	3.1%	
Financial result	-7	-8	+7%	-19	-13	-53%
Income taxes	-7	-5	-35%	-23	-11	-113%
Earnings after taxes (continuing operations)	23	42	-45%	36	61	-42%
Earnings after taxes (discontinued operations)	0	0	+14%	1	4	-79%
Net profit	22	41	-46%	35	64	-46%
Earnings per share ¹⁾ (in €)	0.56	1.00	-44%	0.86	1.57	-45%

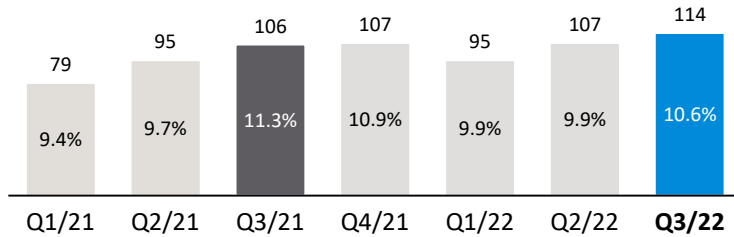
- **EBITA margin (3.4%)** in quarter on prior year excluding one-time effects (gains from real estate disposals € 19 million and special items € 3 million)
- **No special items** in quarter

1) Non-diluted

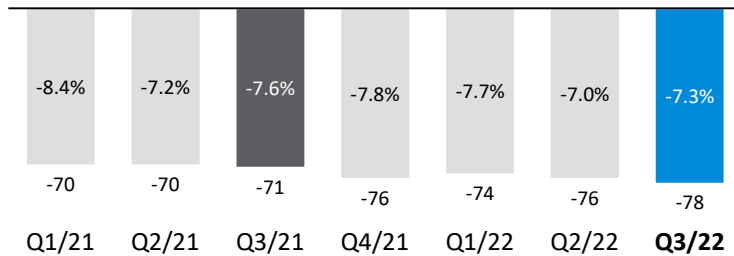
Gross profit increased
SG&A expenses significantly above prior-year
EBITA margin operationally stable



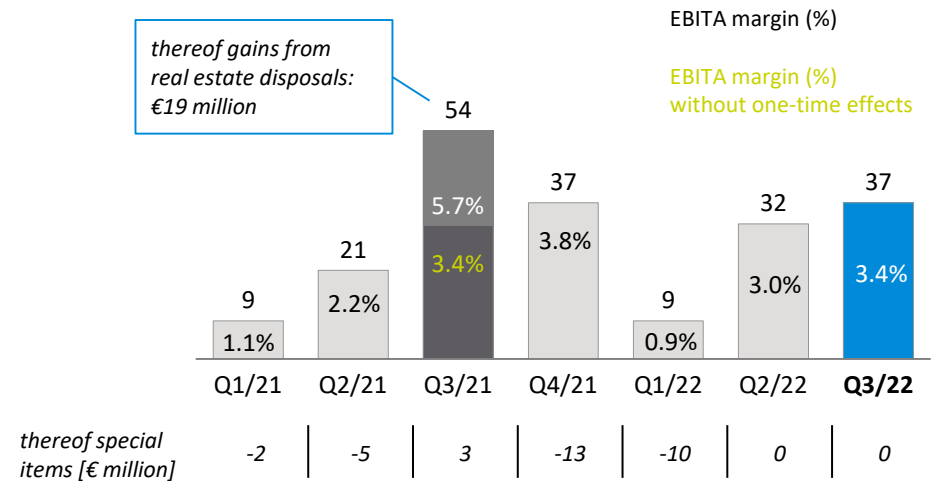
Gross profit [€ million, %]



SG&A expenses [€ million, %]

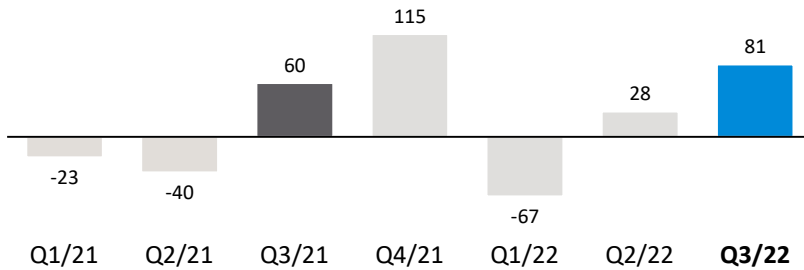


EBITA [€ million, %]

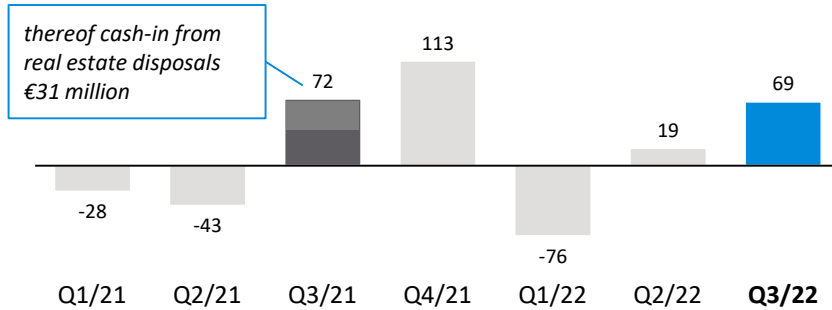


Improvement in working capital Cash flow operationally increased

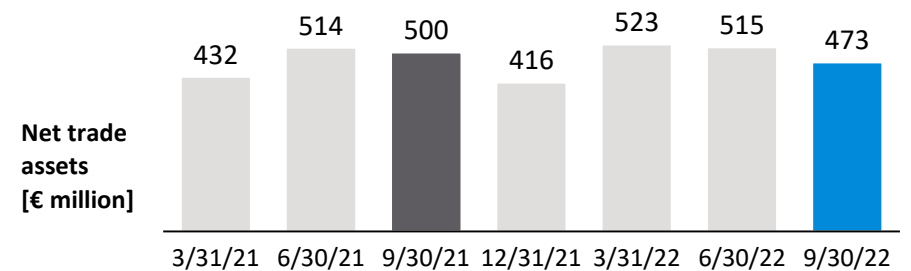
Operating cash flow [€ million]



Free cash flow [€ million]



Net Trade Assets / DSO/DPO



DSO [days]	78	77	82	67	80	76	74
DPO [days]	71	65	74	62	67	69	74

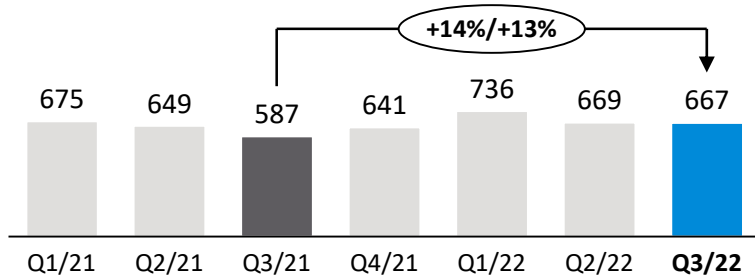
E&M Europe:

Increase in revenue supported by strong demand in North Sea Offshore

EBITA margin slightly improved

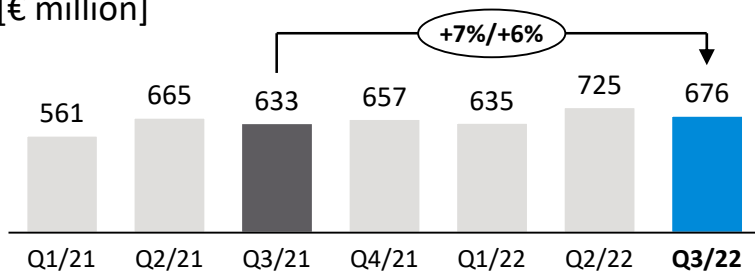


Orders received [€ million]



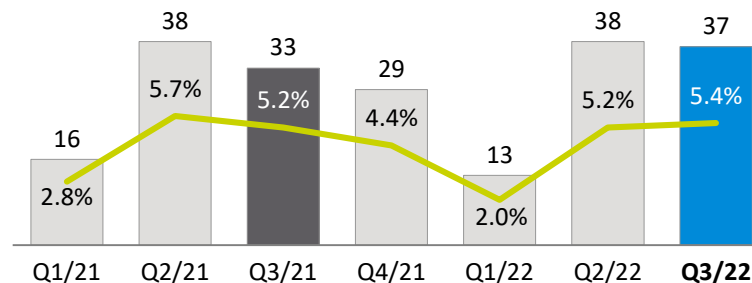
	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22
Order backlog [€ million]	1,840	1,821	1,773	1,769	1,874	1,796	1,772
Book-to-bill [ratio]	1.20	0.98	0.93	0.98	1.16	0.92	0.99

Revenue [€ million]

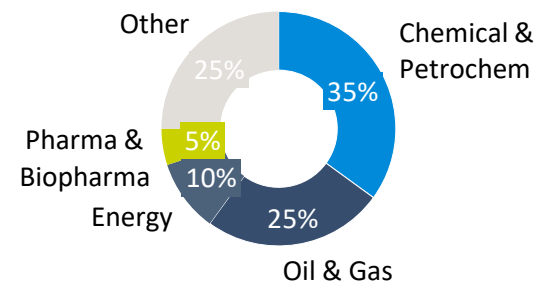
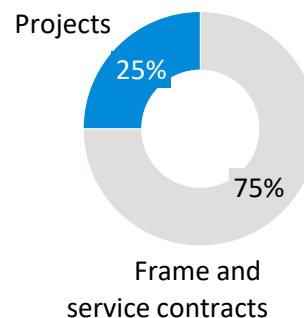


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EBITA [€ million, %]



Revenue split [YTD, %]



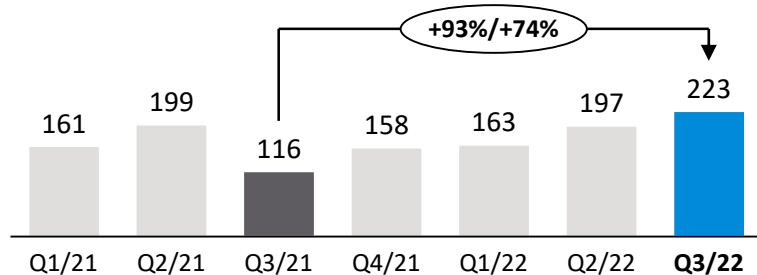
E&M International:

Increase in maintenance contracts in North America

EBITA margin improved but still negative

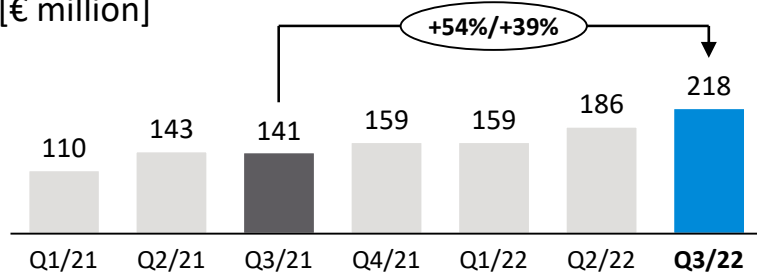


Orders received [€ million]



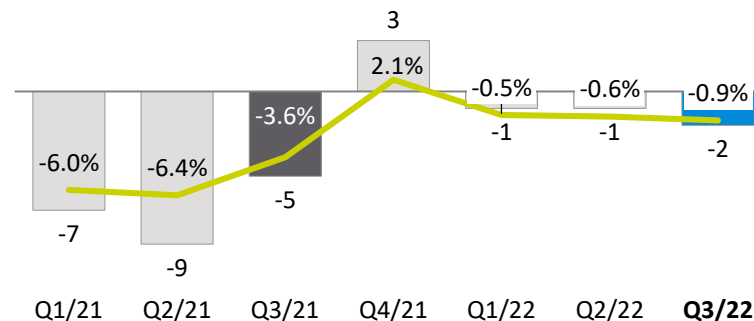
Order backlog [€ million]	391	443	422	490	503	550	591
Book-to-bill [ratio]	1.47	1.39	0.82	0.99	1.03	1.06	1.03

Revenue [€ million]

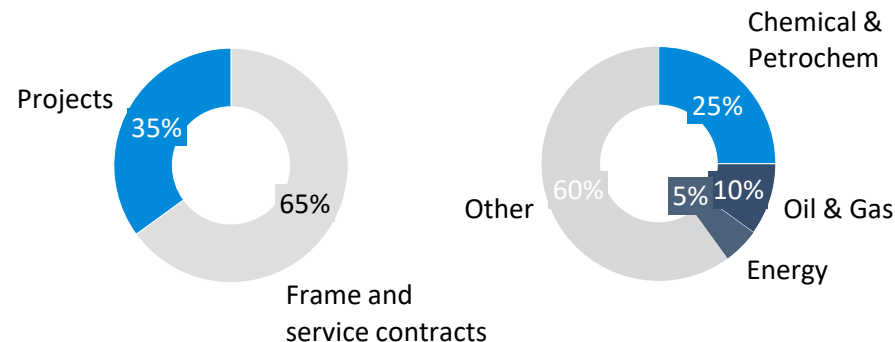


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EBITA [€ million, %]



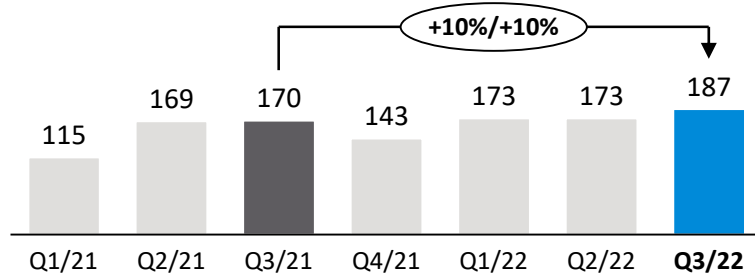
Revenue split [YTD, %]



Technologies:

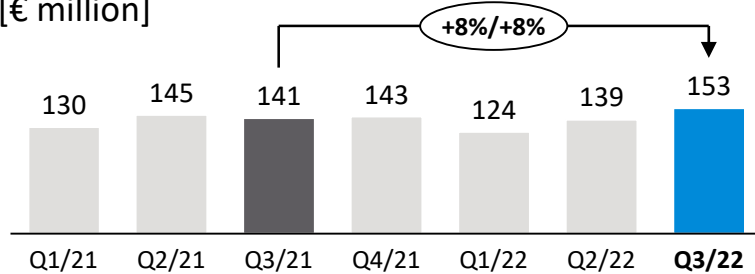
Orders from Pharma & Biopharma lead to revenue increase

Orders received [€ million]



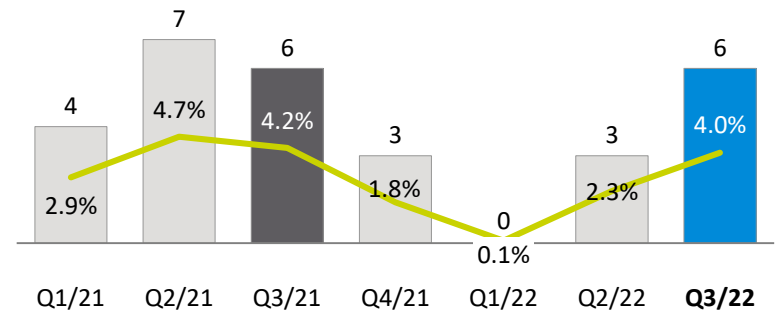
	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22
Order backlog [€ million]	550	575	615	617	665	697	726
Book-to-bill [ratio]	0.88	1.16	1.20	1.00	1.39	1.24	1.23

Revenue [€ million]



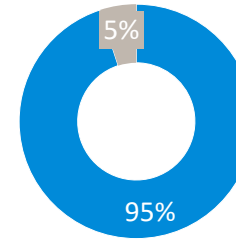
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EBITA [€ million, %]

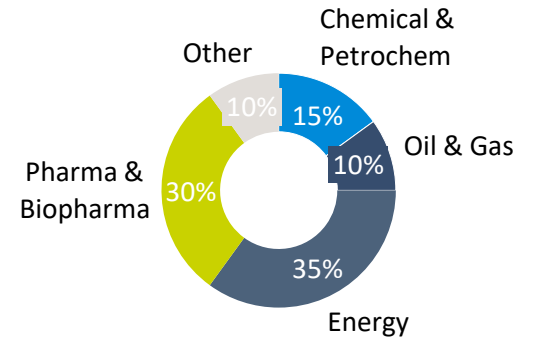


Revenue split [YTD, %]

Frame and service contracts



Projects



Outlook 2022 operationally confirmed

	Actual FY 2021	9M 2022	Outlook FY 2022
Revenue	€3,737 million	€3,114 million	Significant increase
EBITA	€121 million ¹	€78 million	Significant operating increase, but impacted by special items ³
Free cash flow	€115 million ²	€12 million	At prior-year level

¹ Including one-time effects in the amount of € 31 million gains from real estate disposals and € -16 million special items

² Including one-time effects of € 86 million, thereof € 57 million from real estate disposals and € 29 million from tax refunds

³ Q1 2022: Phase-out of Russian business (approx. -€10 million), Q4 2022: Provision for efficiency program (approx. -€ 60 million)

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Bottom-line effect end of 2023
Efficiency
program



Strategy Update
CMD
Feb 14, 2023

Quarterly Statement Q3 2022
Financial backup

Segment development Q3 2022



[in € million]	E&M Europe			E&M International			Technologies			Reconciliation Group						Group		
	Q3/22	Q3/21	Δ in %	Q3/22	Q3/21	Δ in %	Q3/22	Q3/21	Δ in %	HQ / Consolidation / Other			Other Operations			Q3/22	Q3/21	Δ in %
										Q3/22	Q3/21	Δ in %	Q3/22	Q3/21	Δ in %			
Orders received	667	587	+14%	223	116	+93%	187	170	+10%	-11	-2	-501%	51	46	+10%	1,118	917	+22%
Order backlog	1,772	1,773	-0%	591	422	+40%	726	615	+18%	-37	-52	+28%	160	64	+148%	3,211	2,821	+14%
Revenue	676	633	+7%	218	141	+54%	153	141	+8%	-13	-16	+19%	41	45	-8%	1,075	945	+14%
SG&A	-40	-40	+1%	-14	-12	-21%	-13	-11	-15%	-9	-6	-50%	-2	-2	-2%	-78	-71	-10%
EBITDA	53	49	+9%	0	-3	-	8	8	+7%	-3	22	-	2	2	-1%	61	78	-21%
EBITA	37	33	+11%	-2	-5	+64%	6	6	+2%	-6	19	-	1	1	-3%	37	54	-32%
Special items EBITA	0	-2	-	0	-2	-	0	-1	-	0	8	-	0	0	-	0	3	-
Amortisation	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-
Depreciation	-17	-16	-3%	-2	-2	-6%	-2	-2	-26%	-3	-3	+4%	-1	-1	-3%	-25	-24	-4%
Investments in PPE	11	20	-46%	1	0	+173%	1	1	+32%	1	0	+619%	0	0	+28%	14	21	-35%
Increase in right-of-use assets	12	4	+167%	1	2	-61%	2	0	-	1	1	+58%	0	1	-	16	8	+98%
Employees	21,361	20,323	+5%	6,350	5,978	+6%	2,089	2,121	-2%	454	482	-6%	1,025	1,012	+1%	31,279	29,916	+5%

Segment development YTD 2022



[in € million]	E&M Europe			E&M International			Technologies			Reconciliation Group						Group		
	YTD/22	YTD/21	Δ in %	YTD/22	YTD/21	Δ in %	YTD/22	YTD/21	Δ in %	HQ / Consolidation / Other			Other Operations			YTD/22	YTD/21	Δ in %
										YTD/22	YTD/21	Δ in %	YTD/22	YTD/21	Δ in %			
Orders received	2,072	1,911	+8%	584	476	+23%	534	454	+18%	-19	-8	-144%	172	147	+17%	3,343	2,980	+12%
Order backlog	1,772	1,773	-0%	591	422	+40%	726	615	+18%	-37	-52	+28%	160	64	+148%	3,211	2,821	+14%
Revenue	2,036	1,860	+9%	562	394	+43%	416	417	-0%	-45	-45	-0%	145	129	+13%	3,114	2,755	+13%
SG&A	-118	-114	-3%	-41	-37	-10%	-38	-36	-8%	-24	-20	-25%	-7	-8	+16%	-228	-214	-7%
EBITDA	137	135	+1%	3	-13	-	15	22	-31%	-14	11	-	10	3	+300%	151	159	-5%
EBITA	87	87	+0%	-4	-21	+83%	9	17	-43%	-23	2	-	8	0	-	78	84	-8%
Special items EBITA	-10	-4	-125%	0	-5	-	0	0	-	0	6	-	0	0	-	-10	-3	-208%
Amortisation	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-
Depreciation	-50	-49	-2%	-6	-8	+23%	-6	-6	-4%	-9	-10	+9%	-2	-3	+4%	-73	-75	+2%
Investments in PPE	30	34	-13%	2	2	+5%	3	2	+11%	1	0	+240%	1	1	+119%	37	39	-7%
Increase in right-of-use assets	20	18	+11%	3	5	-35%	4	3	+41%	4	2	+96%	0	1	-62%	31	29	+9%
Employees	21,361	20,323	+5%	6,350	5,978	+6%	2,089	2,121	-2%	454	482	-6%	1,025	1,012	+1%	31,279	29,916	+5%

Income Statement [€ million]

	[€ million]	Q3/22	Q3/21	Δ in %	YTD/22	YTD/21	Δ in %
Revenue		1,075.0	944.9	+14%	3,114.3	2,755.0	+13%
Gross profit		114.1	106.5	+7%	315.8	280.2	+13%
Selling and administrative expenses		-78.1	-71.4	-10%	-228.3	-214.3	-7%
Impairment losses and reversal of impairment losses (as per IFRS 9)		-0.8	-1.6	+51%	-2.8	-2.5	-13%
Other operating income and expense		0.7	20.0	① -97%	-9.5	18.9	-
Income from investments accounted for using the equity method		0.8	0.6	+25%	2.6	1.8	+41%
Earnings before interest and taxes (EBIT)		36.6	54.2	-32%	77.8	84.2	-8%
Amortization of int. assets from acquisitions and goodwill impairments (IFRS 3)		0.0	0.0	-	0.0	0.0	-
Earnings before interest, taxes and amortization of intangible assets (EBITA)		36.6	54.2	-32%	77.8	84.2	-8%
Special items in EBITA		-0.1	3.0	② -	-10.1	-3.3	-208%
Depreciation PP&E ¹		24.8	23.9	+4%	73.0	74.6	-2%
Earnings before interest, taxes, depreciation and amortization (EBITDA)		61.4	78.1	-21%	150.7	158.8	-5%
Financial result		-7.0	-7.5	+7%	-19.3	-12.6	-53%
Earnings before taxes (EBT)		29.6	46,7	-37%	58.5	71.5	③ -18%
Income taxes		-6.8	-5.1	-35%	-22.9	-10.8	-113%
Earnings after taxes EAT (continuing operations)		22.8	41.6	-45%	35.5	60.8	-42%
Earnings after taxes EAT (discontinued operations)		-0.4	-0.5	+14%	0.7	3.6	-79%
Minority interest		-0.3	-0.4	+16%	-1.8	-0.5	-268%
Net profit		22.0	40.8	-46%	34.5	63.9	-46%

① PY includes real estate disposal 19, sale of Tebodin Oman 9 and restructuring expenses / IT -4

② Gain on disposal, especially Oman (9), restructuring expenses (-3), IT (-2)

③ Includes write-up PPN Apleona 8

¹ thereof depreciation of right-of-use assets from leases in the quarter €12.9 million (PY: €11.8 million), YTD €36.9 million (PY: €38.2 million)

Consolidated Balance Sheet: Assets

Consolidated Balance Sheet: Assets [€ million]

	09/30/2022	12/31/2021	09/30/2021
Non-current assets			
Intangible assets	801.9	780.6	775.3
Property, plant and equipment	254.0	258.7	257.2
Right of use assets from leases	179.0	176.7	179.1
Investments accounted for using the equity method	11.7	11.4	10.2
Other financial assets	7.6	7.3	9.1
Deferred taxes	36.4	46.7	53.4
	1,290.6	1,281.4	1,284.3
Current assets			
Inventories	72.4	64.9	58.7
Receivables and other financial assets	1,110.3	909.1	1,072.3
Current tax assets	11.4	20.3	12.6
Other assets	50.8	40.2	38.5
Securities	0.0	0.0	0.0
Marketable securities	49.8	189.9	49.9
Cash and cash equivalents	461.7	642.9	790.9
Assets classified as held for sale	0.0	0.0	0.0
	1,756.4	1,867.3	2,022.9
Total	3,047.0	3,148.7	3,307.2

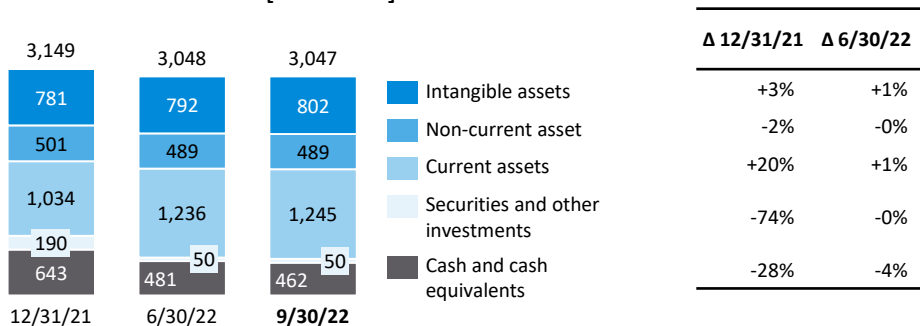
Consolidated Balance Sheet: Equity & liabilities

Consolidated Balance Sheet: Equity & liabilities [€ million]

	09/30/2022	12/31/2021	09/30/2021
Equity			
Equity attributable to shareholders of Bilfinger SE	1,167.8	1,300.8	1,233.4
Attributable to minority interest	-11.2	-11.8	-12.4
	1,156.6	1,289.0	1,221.0
Non-current liabilities			
Provisions for pensions and similar obligations	218.6	306.5	304.5
Other provisions	20.9	20.7	20.4
Financial debt	394.9	395.1	415.3
Other liabilities	0.7	2.5	0.6
Deferred taxes	9.4	4.2	4.5
	644.5	729.0	745.3
Current liabilities			
Current tax liabilities	26.7	21.9	24.2
Other provisions	196.4	215.8	256.9
Financial debt	51.5	54.3	147.5
Trade and other payables	764.5	641.4	697.7
Other liabilities	206.8	197.3	214.6
Liabilities classified as held for sale	0.0	0.0	0.0
	1,245.9	1,130.7	1,340.9
Total	3,047.0	3,148.7	3,307.2

Balance Sheet – Overview of Assets and Liabilities

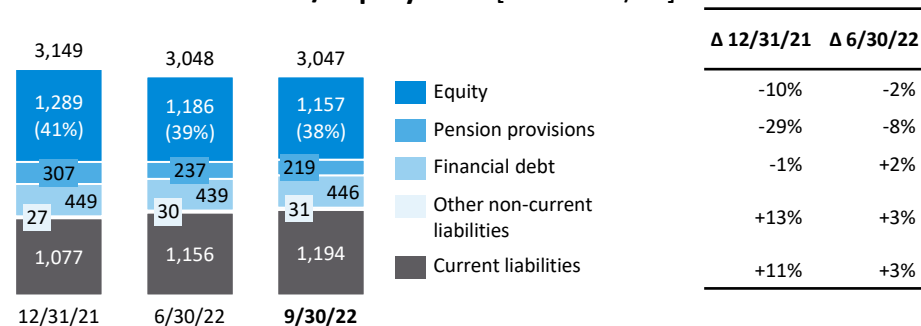
Balance sheet assets [€ million]



Material asset positions

- **Goodwill** increases to 799 due to currency effects (6/22: 790)
- **Non-current assets** include property, plant and equipment 254, right-of-use assets from leases according to IFRS 16 179, deferred tax assets 36
- **Current assets** includes trade receivables 556 (6/22: 580)
- **Securities and other investments** no change

Balance sheet liabilities / equity ratio [€ million / %]

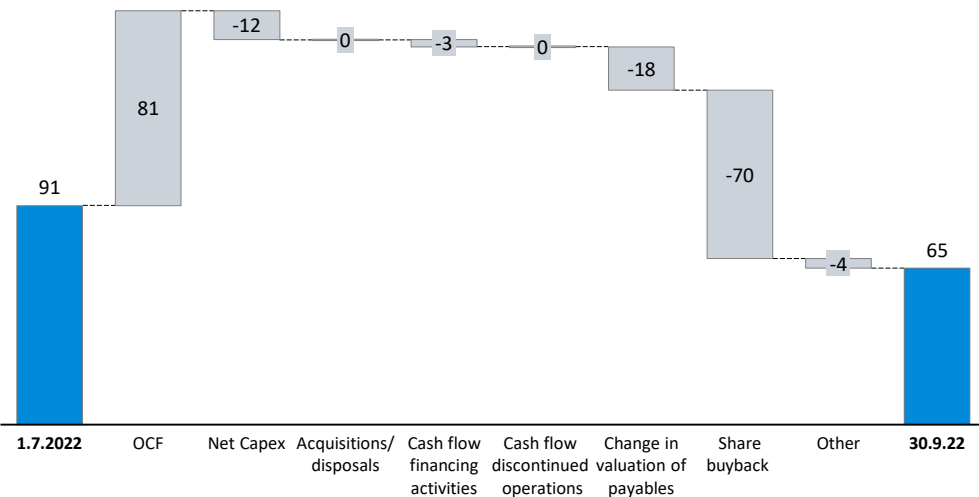


Material liability positions

- **Equity:** Slight decrease in balance sheet total and equity ratio despite positive net profit due to share buyback
- **Pension provisions** decrease due to higher interest rate
- **Financial debt** primarily relates to bond 06/2024 with 248, promissory note with 6 and leases 187
- **Other non-current liabilities** include deferred tax liabilities of 9 and other provisions 21 mainly for long-term personnel obligations
- **Current liabilities** relate for the most part to payables of 971 (6/22: 931), thereof trade payables 427 (6/22: 404) and payments received 171 (6/22: 155)

Net liquidity decreased despite positive free cash flow due to share buyback

Net liquidity¹⁾ [€ million]



1) Including IFRS 16 leases

Cash flow development year-to-date excl. IFRS 16 [€ million]

	9m 2022 excl. IFRS 16	IFRS 16 impacts	9m 2022 incl. IFRS 16	9m 2021 excl. IFRS 16
EBITA	78		78	84
Depreciation	35	38	73	36
Change in NWC	-101		-101	-125
Others	7	1	8	5
Special Items	-16		-16	-43
Operating CF	3		42	-43
Net CAPEX	-30		-30	5
Free CF	-27		12	-38
Proceeds/Investments financial assets	0		0	13
Share buyback program	-70		-70	0
Changes in marketable securities	140		140	408
Dividends	-194		-194	-78
Change in financial debt	-11	-36	-47	0
Interest paid	-17	-3	-20	-20
FX / other / DiscOp	-2		-2	-5
Change in Cash	-181		-181	280

Consolidated Statement of Cash Flows

Cash Flow Statement

	[€ million]	Q3/22	Q3/21	Δ in %	YTD/22	YTD/21	Δ in %
EBITDA		61.4	78.1	-21%	150.7	158.8	-5%
Change in advance payments received		29.0	21.5	+35%	19.3	1.9	+908%
Change in trade receivables		3.5	-44.6	-	-150.5	-174.9	+14%
Change in trade payables and advance payments made		15.2	38.7	-61%	85.9	82.4	+4%
Change in net trade assets		47.8	15.6	+206%	-45.3	-90.6	+50%
Change in current provisions		-3.6	-2.9	-26%	-18.9	-39.1	+52%
Change in other current assets (including other inventories) and liabilities		-17.8	5.1	-	-36.5	4.7	-
Change in working capital		26.4	17.8	+48%	-100.7	-125.1	+19%
Change in non-current assets and liabilities		-5.3	-5.6	+6%	-4.0	-9.3	+57%
Gains / losses from disposal of non-current assets		-4.3	-26.5	+84%	-5.5	-30.3	+82%
Income from investments accounted for using the equity method		-0.9	-0.6	-32%	-2.7	-2.0	-34%
Dividends received		1.4	1.9	-27%	3.0	10.5	-71%
Interest received		1.0	-0.1	-	2.3	3.4	-33%
Income tax payments		1.6	-4.7	-	-1.2	-8.7	+86%
Operating cash flow (OCF)		81.3	60.2	+35%	41.9	-2.8	-
Investments in property, plant and equipment and intangible assets		-13.8	-21.1	+35%	-36.5	-39.4	+7%
Payments received from the disposal of P, P & E and intangible assets		1.3	33.4	-96%	6.5	43.9	-85%
Net cash outflow for P, P & E and intangible assets (net capex)		-12.5	12.3	① -	-30.1	4.5	① -
Free cash flow (FCF)		68.8	72.5	-5%	11.8	1.7	+583%
thereof special items in free cash flow		-3.5	-7.4	+53%	-15.4	-42.8	+64%

① Net Capex includes prior year real estate disposals of +31 in the quarter or +38 YTD

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