

BILFINGER SE

- LEADING IN INDUSTRIAL SERVICES -



BILFINGER

Quarterly Statement Q1 2023

May 11, 2023



Hydropower: ÖBB - Obervellach/Tauernmoos



Significant increase in
Orders received
org. +26%



Significant increase in
Revenue
org. +12%



Stable
EBITA margin
2.1%



Continued
positive market
development



Free cash flow
above prior year
- **€26 million**



CMD 2023
Strategy and goals
presented



Efficiency program
on track



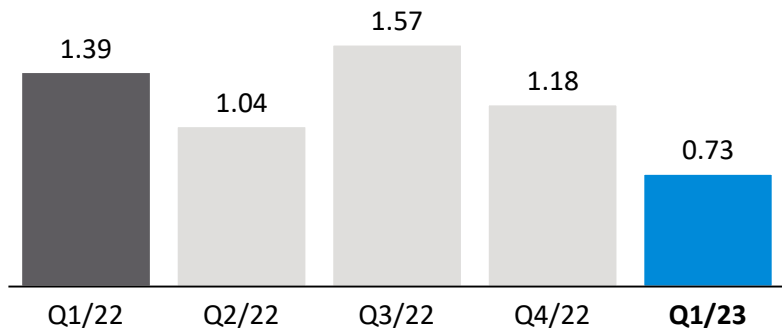
Outlook 2023
confirmed

ESG key figures Q1 2023

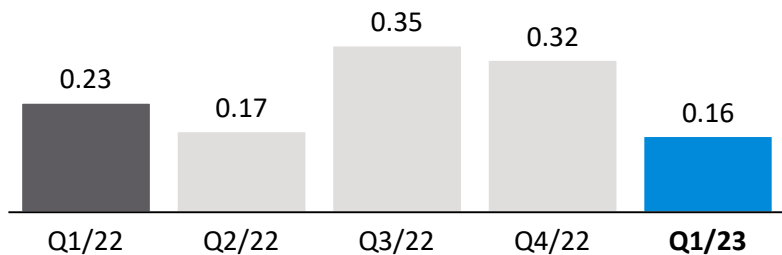
Occupational safety has high priority



TRIF: Total Recordable Incident Frequency [based on 1 million working hours]



LTIF: Lost Time Injury Frequency [based on 1 million working hours]

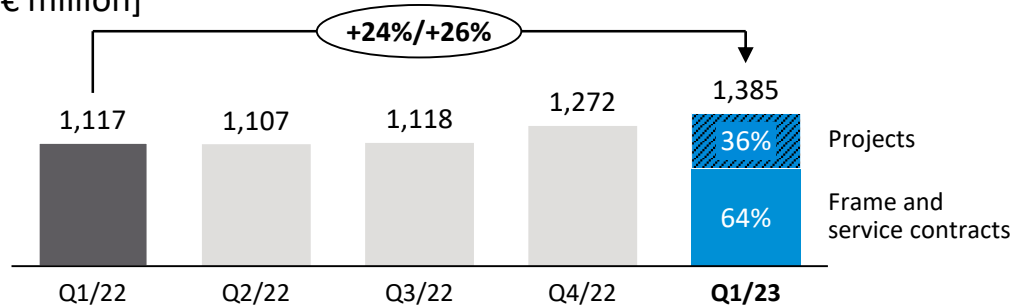


„Zero“
is possible



Orders received and revenue significantly above prior year

Orders received [€ million]

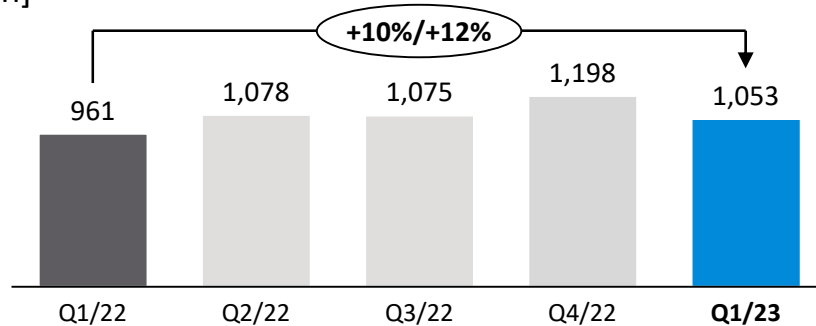


Order backlog [€ million]

Book-to-bill [ratio]

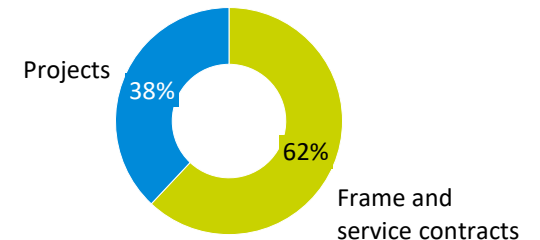
Order backlog [€ million]	3,130	3,158	3,211	3,226	3,491
Book-to-bill [ratio]	1.16	1.03	1.04	1.06	1.31

Revenue [€ million]



- Significantly double-digit increase in **orders received**, includes among others positive effects from new major orders, inflation-related price adjustments and higher sales expectations for framework agreements
- Increase in revenue** in all segments, partly benefiting from a mild winter

Revenue split [YTD, %]



Δ abs. / org.

Water treatment

Ministry of Electricity and Water
Kuwait
E&M International



Frame contract for
delivery & installation
of spare parts for
filtration membranes

Energy transition

München, Germany
E&M Europe



© SWM/SCG Architekten

Design, delivery and
installation of high-
efficiency 2-zone heat
accumulators
incl. pipelines

Carbon Capture

Aker Carbon Capture / Heidelberg Materials
Norway
E&M Europe



© Heidelberg Materials

Installation of
piping and insulation for
full scale CO₂ capture
facility in the cement
industry

Innovations: mobile acoustic cameras

Fast and reliable detection of leakages

Customer requirements

- Identification of leakage among others from equipment, flange gasket or valves during operation and high noise levels
- Increasing efficiency

Bilfinger solution

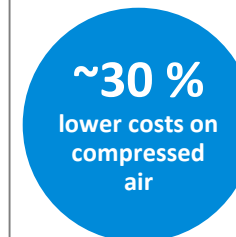
- Identification of leakages with the help of mobile acoustic cameras
- Subsequent evaluation, prioritization and remediation of leakages



Already in use with customers



Bilfinger contribution











- Efficient implementation during ongoing plant operation
- Improvement of occupational safety

Sustainability effects

- Reduction of uncontrolled gas emissions into the environment
- Increasing the energy efficiency of plants

Efficiency program

Fully effective as of January 2024

		Targeted [full-year] effect		Reported effect Year-to-date 2023	Reported effect in Q1 2023
	Headcount reductions	- 750 FTEs		- 26 FTEs	- 26 FTEs
	One-time costs	- € 62 million		- € 0.4 million	- € 0.4 million
	EBITA improvement gross p.a.	+ € 55 million	 Run-rate	+ € 2.4 million	+ € 2.4 million
	Re-invest in Education & Training	- € 13 million		- € 0 million	- € 0 million

- Ongoing (non-provisionable) costs for the realisation of the program: Q1 2023 € 1.9 million



Significant increase in
Orders received
org. +26%



Significant increase in
Revenue
org. +12%



Gross profit
slightly increased to
€100 million



Stable
EBITA margin
2.1%



Free cash flow
above prior year
- €26 million



SG&A ratio
below prior year
7.4%

	[€ million]	Q1/ 2023	Q1/ 2022	Δ in %
Orders received		1,385	1,117	+24%
Revenue		1,053	961	+10%
Gross profit		100	95	+6%
Selling and administrative expenses		-78	-74	+5%
EBITA		22	9	+148%
<i>thereof special items</i>		0	-10	-
EBITA margin		2.1 %	0.9%	
Financial result		-6	-7	-
Income taxes		-8	-7	-
Earnings after taxes (continuing operations)		7	-5	-
Earnings after taxes (discontinued operations)		0	0	-
Net profit		7	-6	-
Earnings per share ¹⁾ (in €)		0.18	-0.16	-

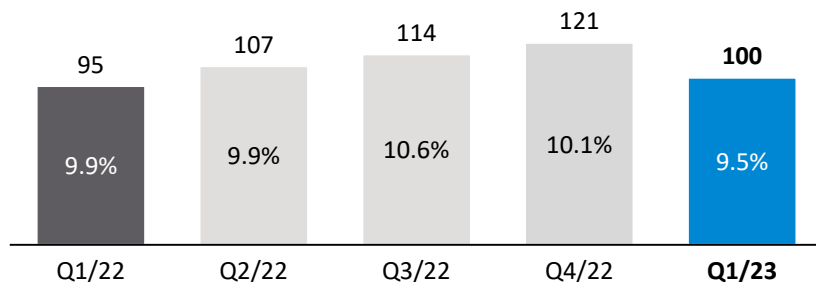
1) Non-diluted

- No **special items** in the current quarter, in the prior year restructuring expenses Russian business
- **EBITA margin** stable at 2.1% (prior year adjusted for special items: 2.0%)
- Higher **tax rate** due to non-capitalization of loss carryforwards
- **Net profit** positive and above prior year

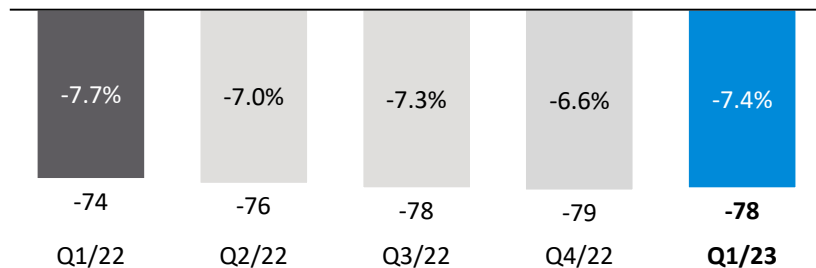
Gross profit slightly increased

Lower SG&A ratio due to increase in revenue

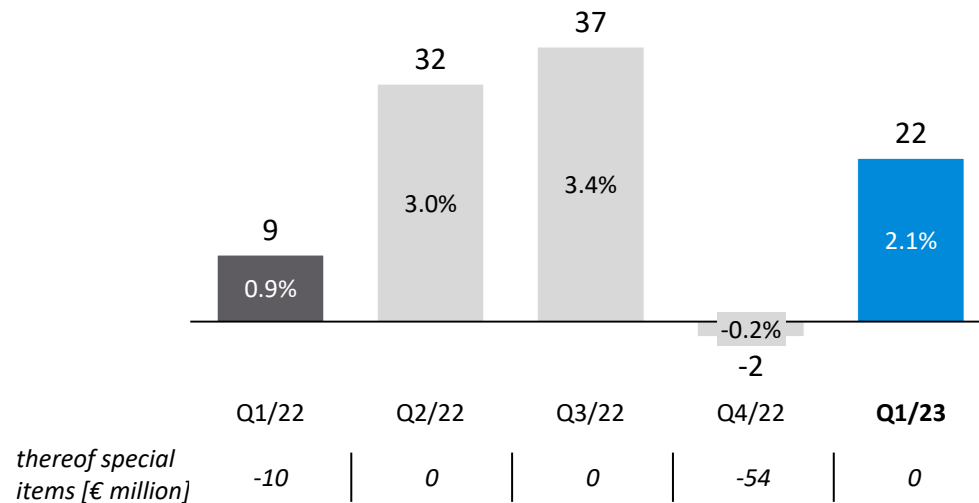
Gross profit [€ million, %]



SG&A expenses [€ million, %]



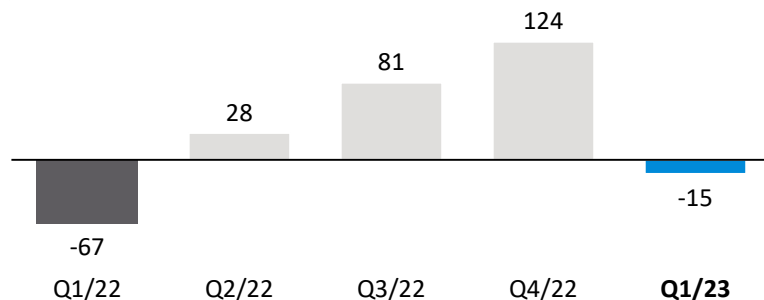
EBITA [€ million, %]



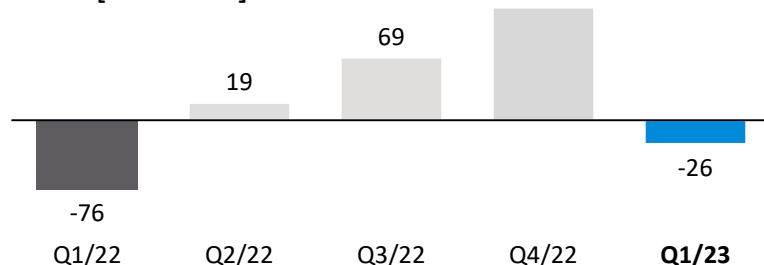
Cash flow improved year-on-year, but seasonally negative

Only small increase in net trade assets since the beginning of the year

Operating cash flow [€ million]



Free cash flow [€ million]

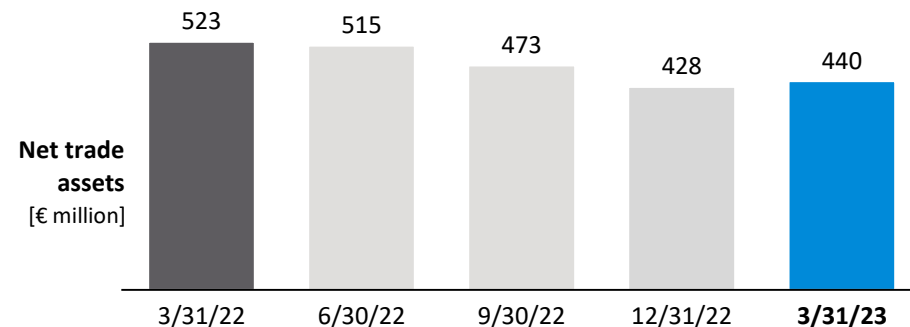


Cash

Conversion
[FCF/EBITA]

-870%	60%	188%	-5,384%	-122%
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Net Trade Assets / DSO/DPO



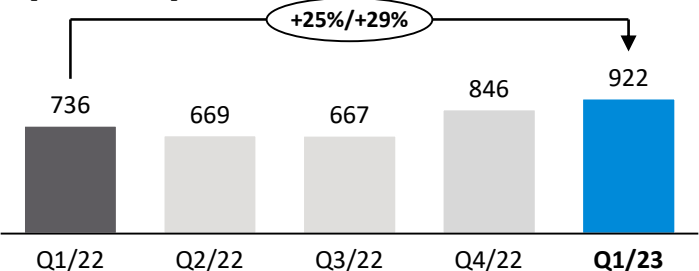
DSO [days]	80	76	74	62	72
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DPO [days]	67	69	74	61	69
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E&M Europe: Positive effect on orders received among others from inflation-related price increases and higher sales expectations for framework agreements

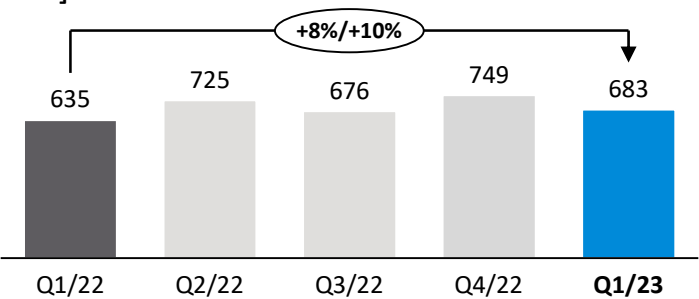


Orders received [€ million]

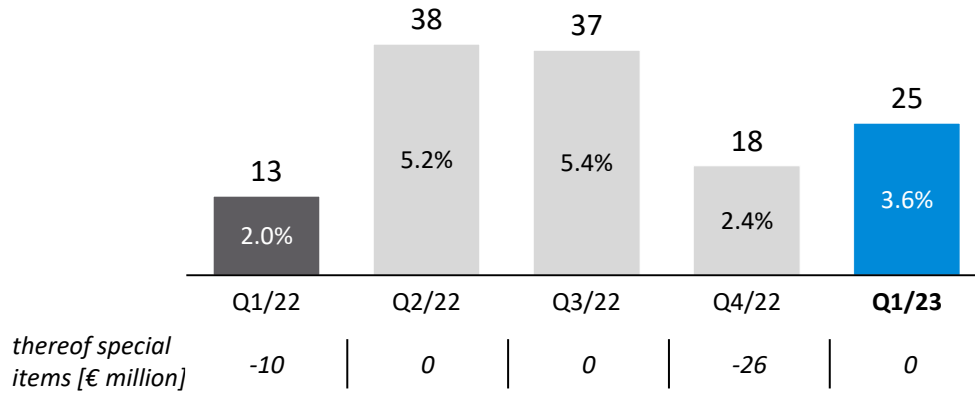


	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23
Order backlog [€ million]	1,874	1,796	1,772	1,876	2,098
Book-to-bill [ratio]	1.16	0.92	0.99	1.13	1.35

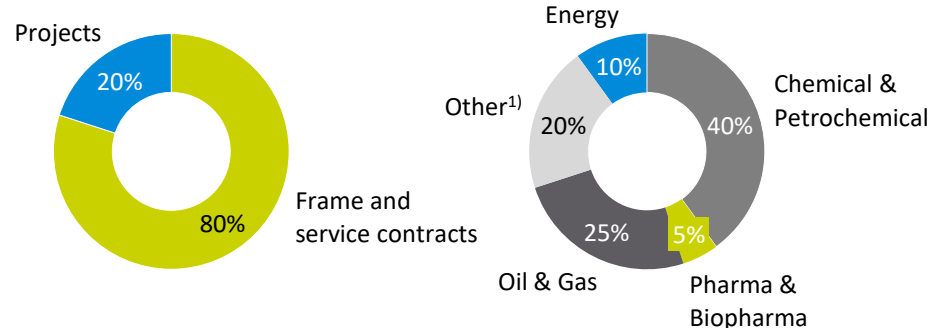
Revenue [€ million]



EBITA [€ million, %]



Revenue split [YTD, %]



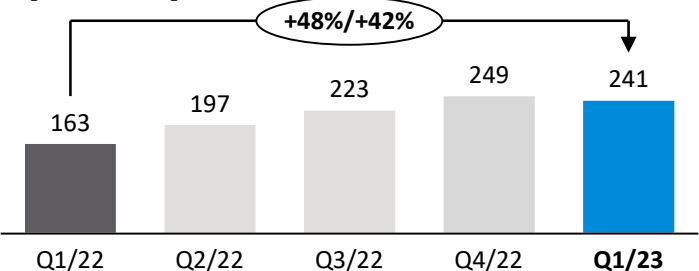
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¹⁾ Includes different industries outside the defined core industries.

E&M International: Orders received remains on a high level, EBITA still negative due to legacy contracts and lower utilization in the loss-making part of the US business

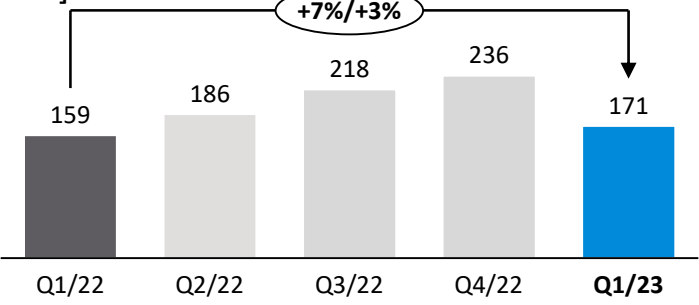


Orders received [€ million]

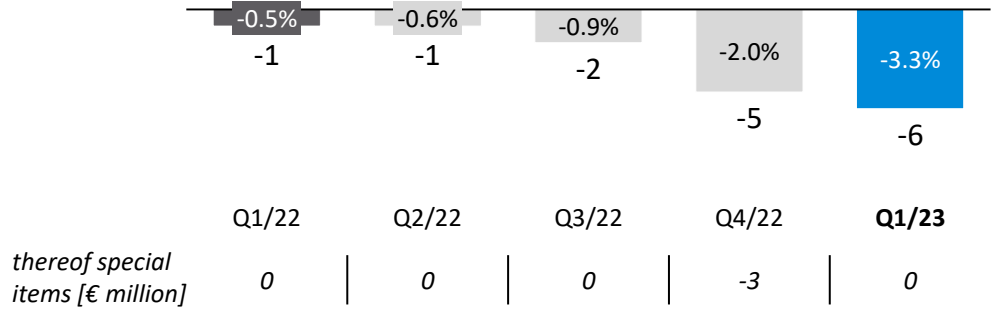


	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23
Order backlog [€ million]	503	550	591	550	607
Book-to-bill [ratio]	1.03	1.06	1.03	1.06	1.41

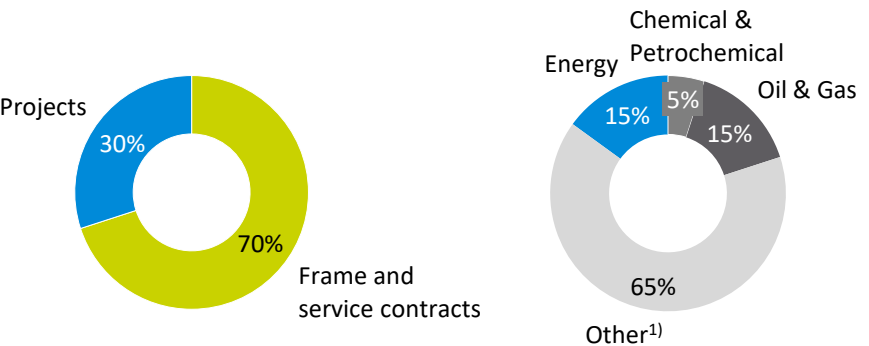
Revenue [€ million]



EBITA [€ million, %]



Revenue split [YTD, %]

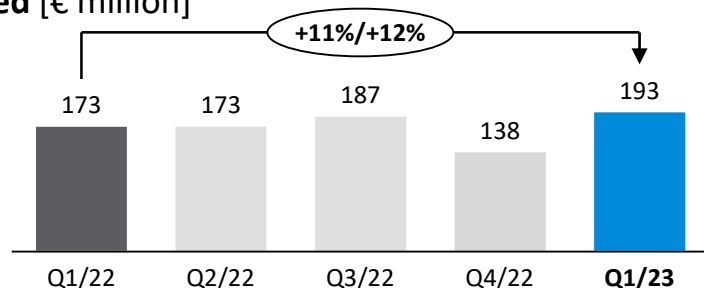


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¹⁾ Includes different industries outside the defined core industries, here especially consumer goods and public clients

Technologies: High increase in revenue mainly due to biopharma projects, EBITA margin also significantly improved

Orders received [€ million]

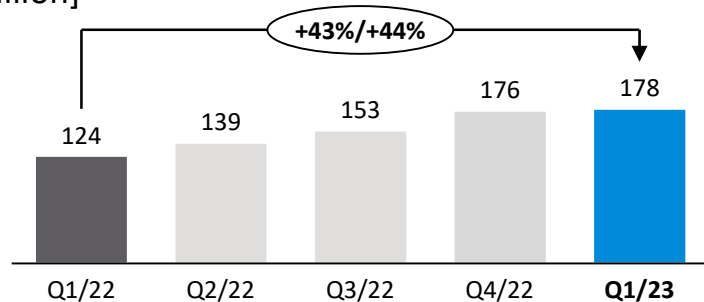


Order backlog [€ million]

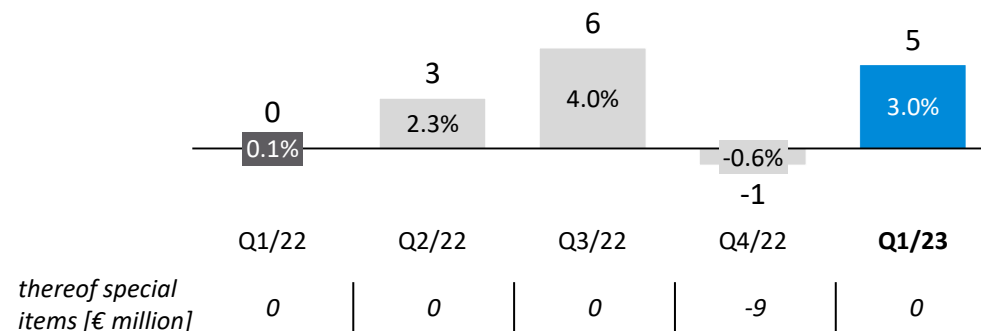
Book-to-bill [ratio]

Order backlog [€ million]	665	697	726	688	705
Book-to-bill [ratio]	1.39	1.24	1.23	0.79	1.08

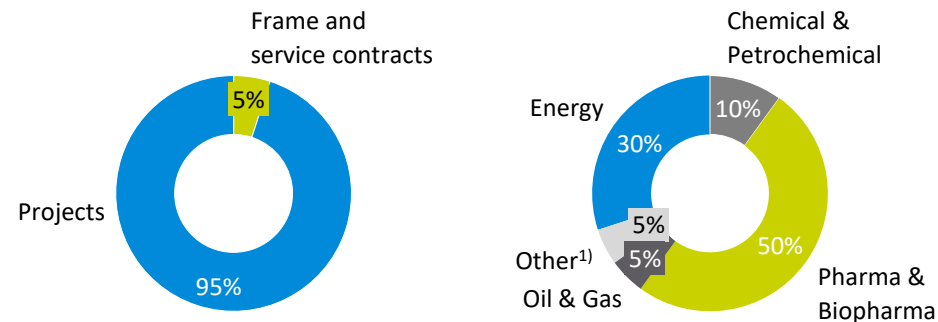
Revenue [€ million]



EBITA [€ million, %]



Revenue split [YTD, %]



Δ abs. / org.

Market development unchanged

Continued positive demand despite challenges for the industry

Energy



- Energy transition: new technology and improvement in energy efficiency
- Nuclear power revival

Chemicals & Petrochem



- Resource transition
- Energy transition
- Increased necessity for efficiency improvement in the production process



- Increasing health care demand
- Localization of supply chains

Pharma & Biopharma



- Investment in brown field infrastructure
- New investment e.g. LNG, hydrogen, carbon capture

Oil & Gas



Outlook FY 2023 confirmed

	<u>Actual FY 2022</u>	<u>Outlook FY 2023</u>	<u>YTD 2023</u>
Revenue	€4,312 million	€4,300 to €4,600 million	€1,053 million
EBITA margin	1.8% (3.2% ¹⁾)	3.8 to 4.1%	2.1 %
Free cash flow	€136 million	€50 to €80 million ²	- €26 million

1) adjusted by special items

2) incl. ~€60m cash-out for Efficiency Program





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BILFINGER

Quarterly Statement Q1 2023

Financial backup

Segment development Q1 2023



[€ million]	E&M Europe			E&M International			Technologies			Reconciliation Group						Group		
	Q1/23	Q1/22	Δ in %	Q1/23	Q1/22	Δ in %	Q1/23	Q1/22	Δ in %	HQ / Consolidation / Other			Other Operations			Q1/23	Q1/22	Δ in %
										Q1/23	Q1/22	Δ in %	Q1/23	Q1/22	Δ in %			
Orders received	922	736	+25%	241	163	+48%	193	173	+11%	-5	-6	-	34	52	-34%	1,385	1,117	+24%
Order backlog	2,098	1,874	+12%	607	503	+21%	705	665	+6%	-32	-50	-	113	138	-18%	3,491	3,130	+12%
Revenue	683	635	+8%	171	159	+7%	178	124	+43%	-14	-14	-	35	57	-39%	1,053	961	+10%
SG&A	-41	-39	+5%	-13	-13	+6%	-16	-13	+20%	-6	-7	-19%	-2	-2	-13%	-78	-74	+5%
EBITDA	41	29	+43%	-4	1	-	7	2	+308%	-3	-3	-	4	3	+9%	46	32	+41%
EBITA	25	13	+95%	-6	-1	-	5	0	-	-6	-6	-	3	2	+23%	22	9	+148%
Special items EBITA	0	-10	-	0	0	-	0	0	-	0	0	-	0	0	-	0	-10	-
Amortization	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-	0	0	-
Depreciation	-16	-16	-	-2	-2	-	-2	-2	-	-3	-3	-	0	-1	-	-24	-24	-
Investments in PPE	9	8	+15%	1	0	-	1	1	+23%	0	0	-	0	0	-	12	9	+23%
Increase in right-of-use assets	14	5	+181%	0	0	-	0	1	-	1	1	-14%	0	0	-	15	6	+132%
Employees	21,068	20,948	+1%	5,182	5,895	-12%	2,078	2,045	+2%	431	465	-7%	755	996	-24%	29,514	30,349	-3%

	[€ million]	Q1/23	Q1/22	Δ in %
Revenue		1,053.2	960.8	+10%
Gross profit		100.3	94.9	+6%
Selling and administrative expenses		-77.7	-74.2	+5%
Impairment losses and reversal of impairment losses (as per IFRS 9)		0.0	-3.0 ^①	-
Other operating income and expense		-2.1	-9.8 ^②	-
Income from investments accounted for using the equity method		1.2	0.8	+44%
Earnings before interest and taxes (EBIT)		21.7	8.8	+148%
Amortization of int. assets from acquisitions and goodwill impairments (IFRS 3)		0.0	0.0	-
Earnings before interest, taxes and amortization of intangible assets (EBITA)		21.7	8.8	+148%
Special items in EBITA		-0.3	-10.2	-
Depreciation PP&E ¹⁾		23.9	23.5	+1%
Earnings before interest, taxes, depreciation and amortization (EBITDA)		45.5	32.3	+41%
Financial result		-6.2	-7.0	-
Earnings before taxes (EBT)		15.5	1.7	+791%
Income taxes		-8.0 ^③	-6.9	-
Earnings after taxes EAT (continuing operations)		7.5	-5.2	-
Earnings after taxes EAT (discontinued operations)		0.0	-0.3	-
Minority interests		-0.8	-1.0	-
Net profit		6.7	-6.5	-

1 Prior year included impairment on receivables Russia -1

2 Prior year included restructuring expense for phase-out of Russian business -9

3 Increased tax rate due to non-capitalization of loss carryforwards

1) thereof depreciation of right-of-use assets from leases in the quarter €12.4 million (PY: €11.7 million)

Consolidated Balance Sheet: Assets

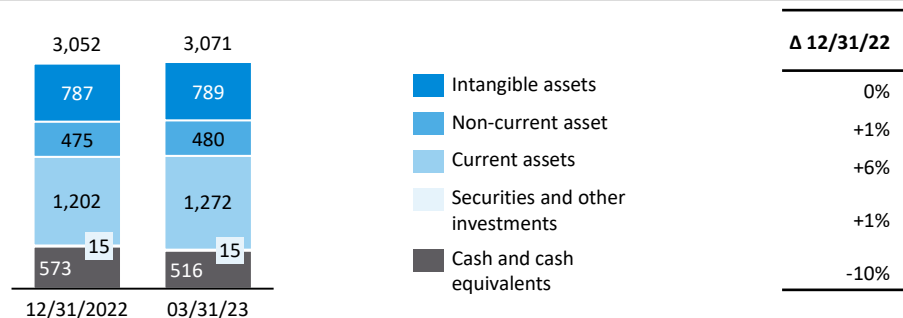
	[€ million]	03/31/2023	12/31/2022
Non-current assets			
Intangible assets		788.5	786.5
Property, plant and equipment		244.3	246.2
Right of use assets from leases		180.3	173.2
Investments accounted for using the equity method		13.7	12.7
Other financial assets		7.3	7.3
Deferred taxes		34.8	35.9
		1,269.0	1,261.9
Current assets			
Inventories		87.4	80.8
Receivables and other financial assets		1,116.0	1,078.5
Current tax assets		10.3	7.3
Other assets		57.9	35.2
Securities		0.0	0.0
Marketable securities		15.0	14.9
Cash and cash equivalents		515.9	573.4
Assets classified as held for sale		0.0	0.0
		1,802.5	1,790.1
Total		3,071.5	3,052.0

Consolidated Balance Sheet: Equity & liabilities

[€ million]	03/31/2023	12/31/2022
Equity		
Equity attributable to shareholders of Bilfinger SE	1,082.2	1,087.9
Attributable to minority interest	-8.3	-9.7
	1,073.8	1,078.2
Non-current liabilities		
Provisions for pensions and similar obligations	244.0	238.7
Other provisions	17.2	17.3
Financial debt	394.2	388.9
Other liabilities	0.0	0.0
Deferred taxes	12.4	10.8
	667.7	655.7
Current liabilities		
Current tax liabilities	29.3	29.7
Other provisions	228.6	238.8
Financial debt	57.5	54.7
Trade and other payables	809.1	787.0
Other liabilities	205.4	208.1
Liabilities classified as held for sale	0.0	0.0
	1,329.9	1,318.2
Total	3,071.5	3,052.0

Balance Sheet – Overview of Assets and Liabilities

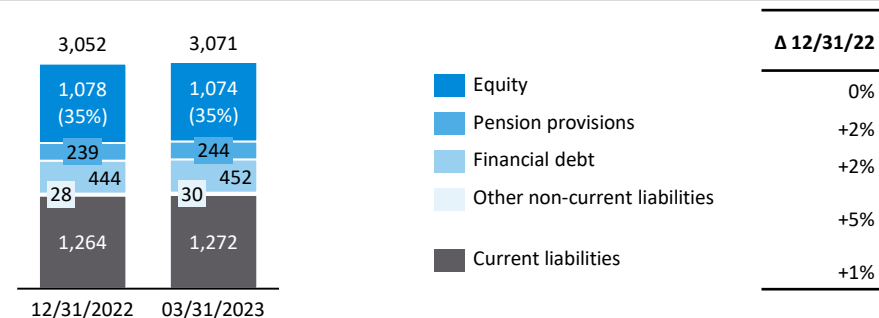
Balance sheet assets [€ million]



Material asset positions

- **Goodwill** increases to 785 (12/22: 783)
- **Non-current assets** include property, plant and equipment 244, right-of-use assets from leases according to IFRS 16 180, deferred tax assets 35
- **Current assets** includes trade receivables 573 (12/22: 605)

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



Material liability positions

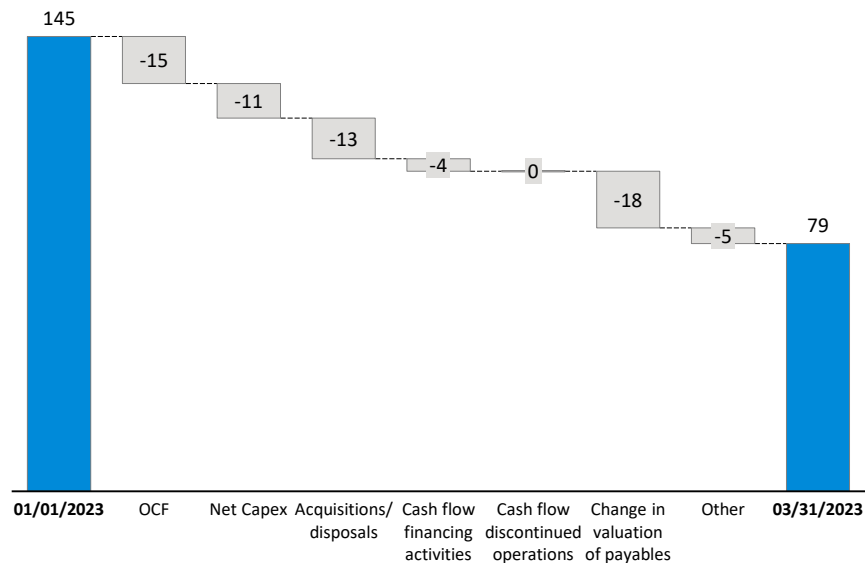
- **Equity:** Slight increase in total liabilities with unchanged equity ratio
- **Pension provisions:** unchanged interest rate in the Euro zone
- **Financial debt** mainly relates to the bond 06/2024 with 258, promissory note with 6 and leasing liabilities in the amount of 186
- **Other non-current liabilities** include deferred tax liabilities (12) and other accruals (17) mainly for long-term personnel obligations
- **Current liabilities** mainly relate to liabilities of 1,014 (12/22: 995), including 434 (12/22: 428) from trade payables and payments received 224 (12/22: 215)

Net liquidity

Cash flow development excluding IFRS 16

Net liquidity¹ [€ million]

¹Including IFRS 16 leases



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

	3m 2023 excl. IFRS 16	IFRS 16 impacts	3m 2023 incl. IFRS 16	3m 2022 excl. IFRS 16
EBITA	22		22	9
Depreciation	10	14	24	11
Change in NWC	-56		-56	-104
Others	-1	0	-1	10
Special Items	-4		-4	-6
Operating CF	-29		-15	-80
Net CAPEX	-11		-11	-9
Free CF	-40		-26	-89
Proceeds/Investments financial assets	-13		-13	0
Share buyback program	0		0	0
Changes in marketable securities	0		0	0
Dividends	0		0	0
Change in financial debt	0	-13	-13	0
Interest paid	-3	-1	-4	0
FX / other / DiscOp	-2		-2	-1
Change in Cash	-58		-58	-90

Consolidated Statement of Cash Flows

	[€ million]	Q1/23	Q1/22	Δ in %
EBITDA		45.5	32.3	+41%
Change in advance payments received		-0.8	-4.0	-
Change in trade receivables		-16.7	-111.7	-
Change in trade payables and advance payments made		3.7	14.0	-74%
Change in net trade assets		-13.8	-101.7	-
Change in current provisions		-7.9	-3.5	-
Change in other current assets (including other inventories) and liabilities		-33.9	0.8	-
Change in working capital		-55.6	-104.4	-
Change in non-current assets and liabilities		2.9	6.7	-58%
Gains / losses from disposal of non-current assets		-0.5	0.1	-
Income from investments accounted for using the equity method		-1.2	-0.8	-
Dividends received		0.0	0.8	-100%
Interest received		2.7	0.0	-
Income tax payments		-9.1	-1.8	-
Operating cash flow (OCF)		-15.3	-67.1	-
Investments in property, plant and equipment and intangible assets		-11.6	-9.4	-
Payments received from the disposal of P, P & E and intangible assets		0.5	0.4	+29%
Net cash outflow for P, P & E and intangible assets (net capex)		-11.1	-9.1	-
Free cash flow (FCF)		-26.4	-76.2	-
thereof special items in free cash flow		-3.8	-5.7	-

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