

PORR AG H1 2017

Intelligent Building ...

Investor Presentation
August 2017



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PORR - At a Glance

PORR

PORR - At a Glance

Business Units

1

Permanent
market AT/CH/CZ

2

Permanent
market DE

3

International
project market

4

Environmental,
healthcare & serv.

Key Facts¹

Production
EUR 3.9bn

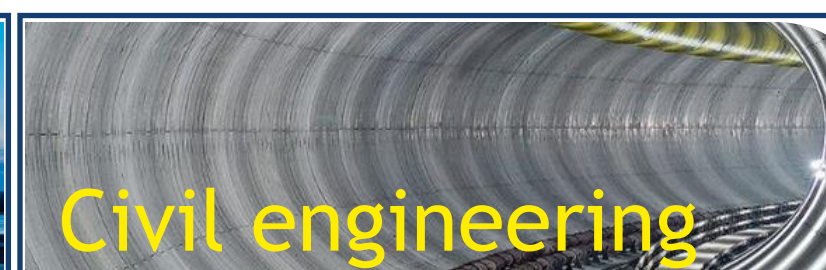
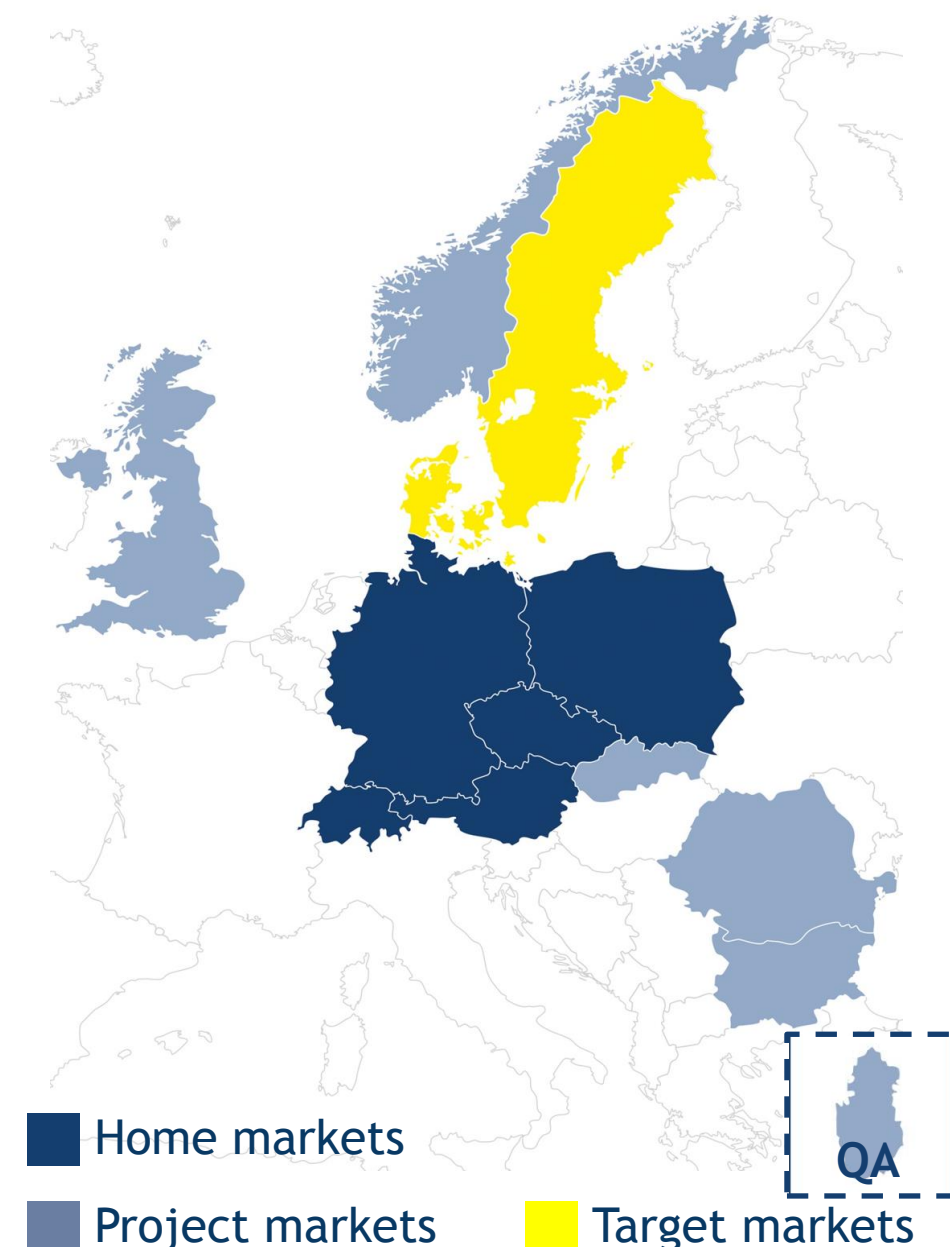
Employees
~15.300

Backlog
EUR 4.8bn

EBT
EUR 91.1m

PORR, a leading full service
provider in the construction
sector

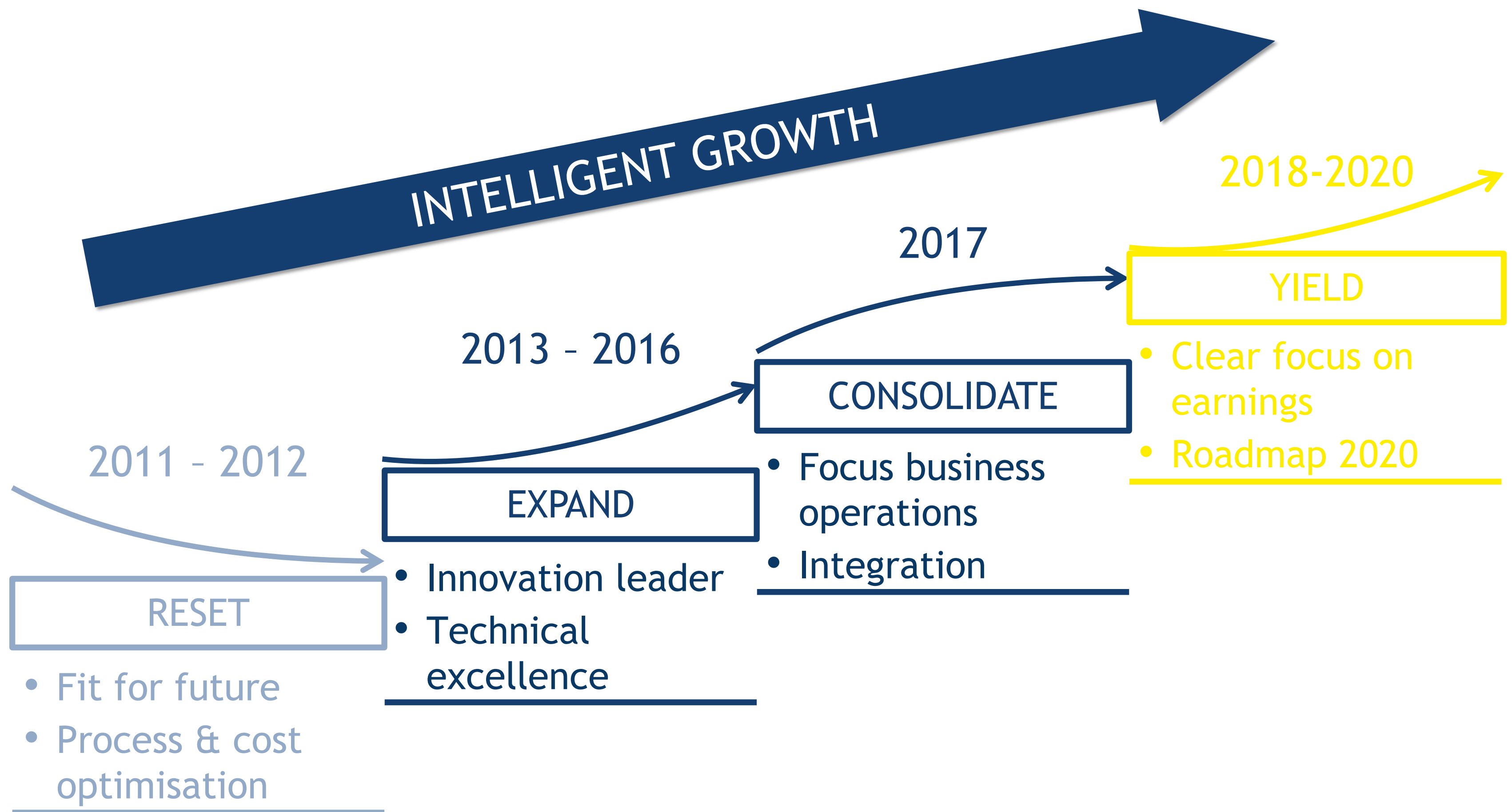
Markets



1 As of FY 2016

PORR

Successful Company Transformation



Reasons for Pursuing Our Recent Active Acquisition Strategy



Highlights H1 2017

INTELLIGENT GROWTH

Three major acquisitions

- Franki Grundbau
- Oevermann
- Hinteregger Group¹



PRODUCTION GROWTH

21% growth in production output



TECHNOLOGY

First Lean Construction (LC) project with BMW



ORDER BACKLOG


Strongest order backlog in history with EUR 5,700m in H1 2017



SELECTED PROJECT

Fifth major bridge construction project in Norway

¹ Closing expected in H2 2017



Why to Own Our
Shares?

PORR

Overview on our Key Investment Highlights



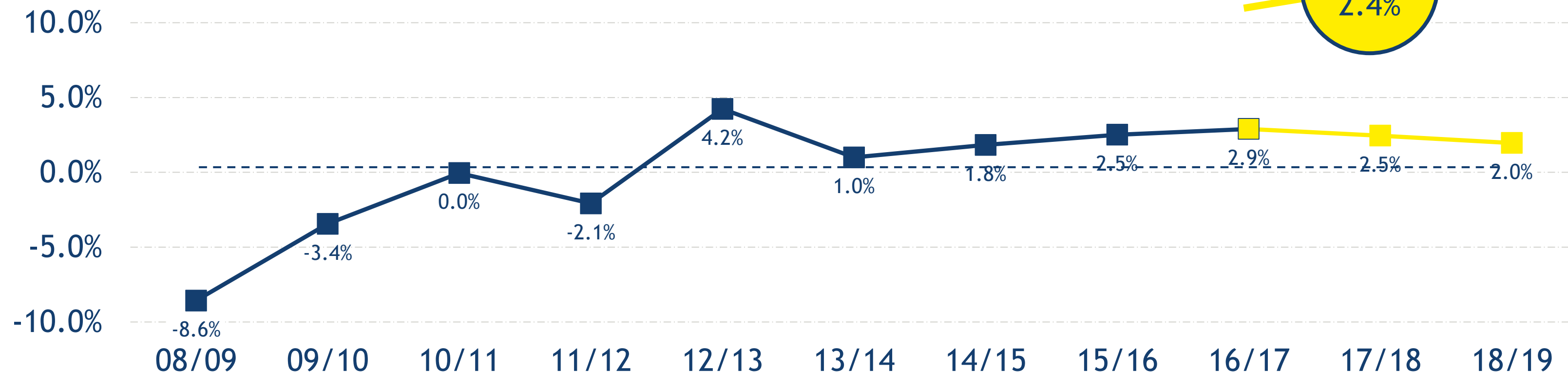
Details to be laid out on following pages

**Our Markets are
Driven by
Favourable Long-
Term Effects**

PORR

Continuously Growing Construction Market in Europe

Development of Total Construction Output Europe



General Trends & Drivers Supporting Growth in the Construction Market

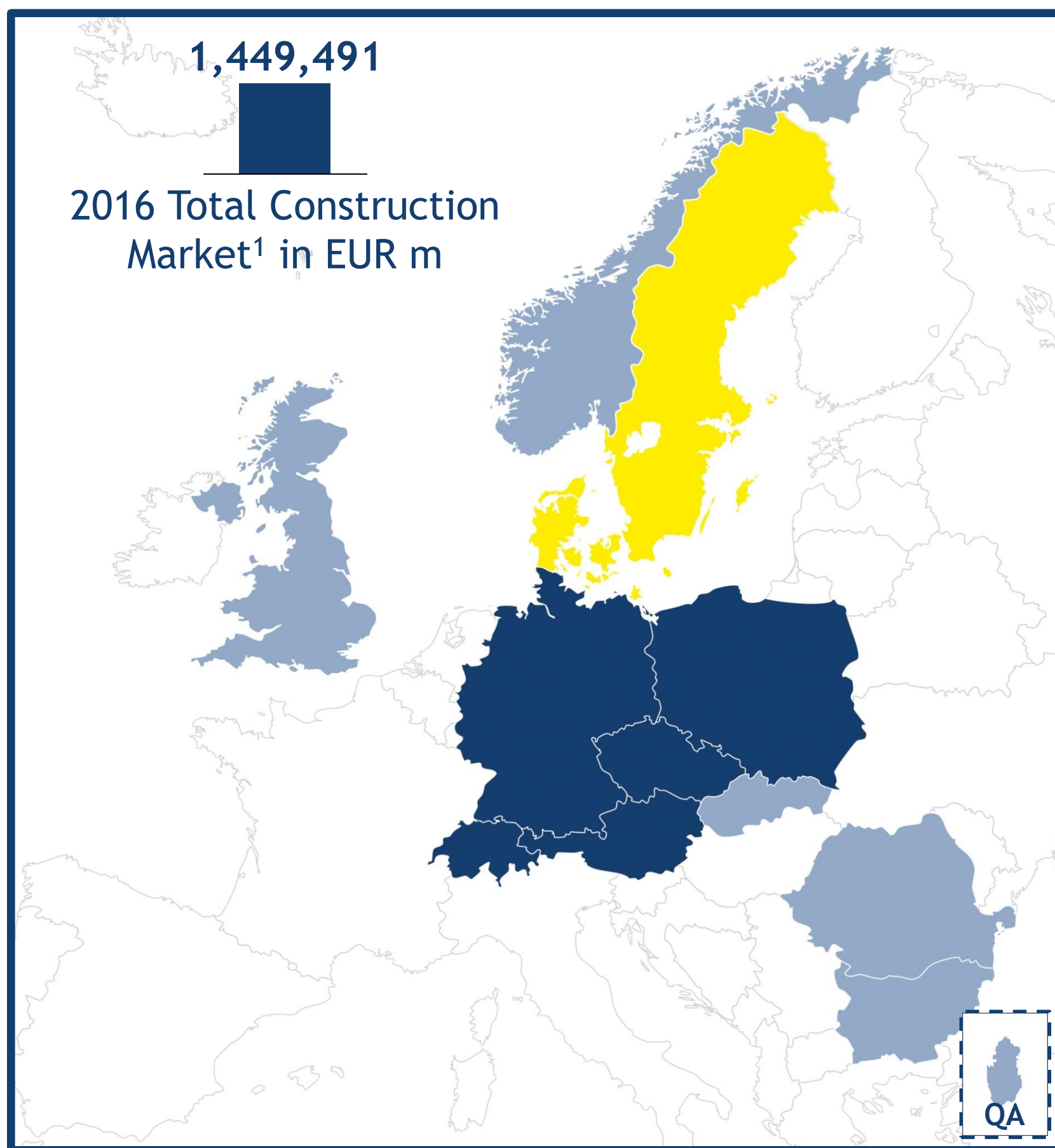
Ongoing
Urbanisation

Significant Infrastructure
investment programs (e.g. DE)

Migration

Changing Industrial
Business Models

PORR'S Construction Markets Show Growth Forecasts and High Volumes



Home Markets (86% Production Share)



Project Markets (14% Production Share)



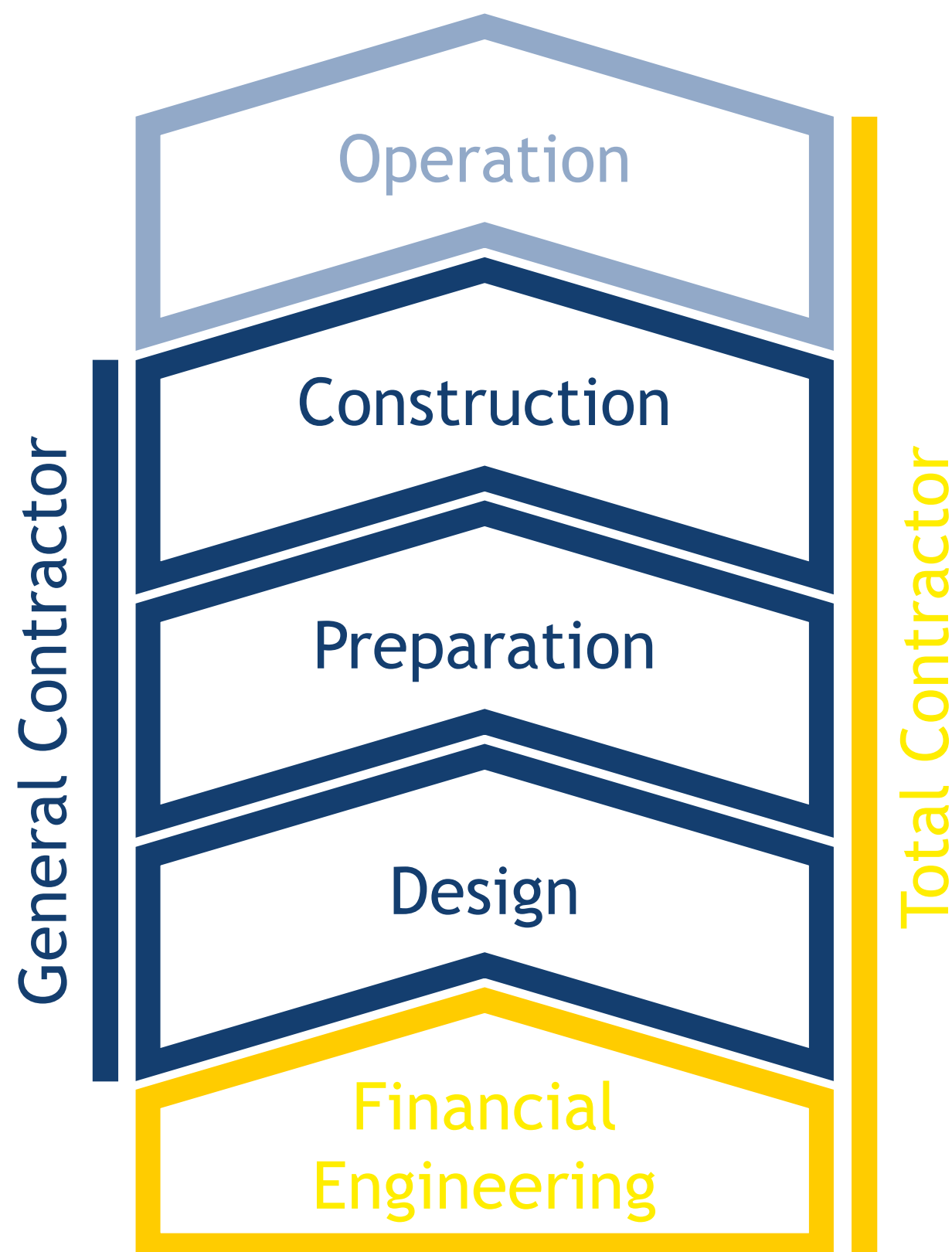
Target Markets



We Focus on Our Core Business: Construction from A-Z



We Selectively Develop to a General/Total Contractor with Expertise in Lean Construction



- PORR is and will remain a construction company that builds as much as possible itself
- We focus on our core competencies alongside the construction value chain (e.g. Lean Construction)
- Within single segments we develop unique expertise (e.g. civil engineering) to be „best in class“
- Where our specific knowledge gives us an edge, we selectively extend our service portfolio, e.g.:

Operation

PPP in two Austrian children's hospitals



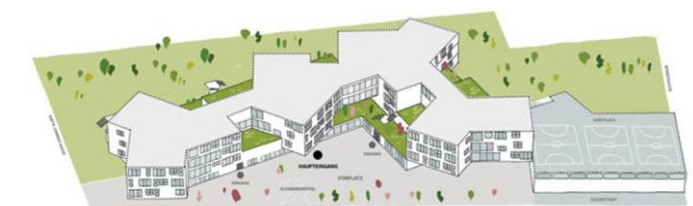
Bad Erlaa



Rohrbach

Financial Engineering

PPP-School "Berresgasse" Campus in Vienna...



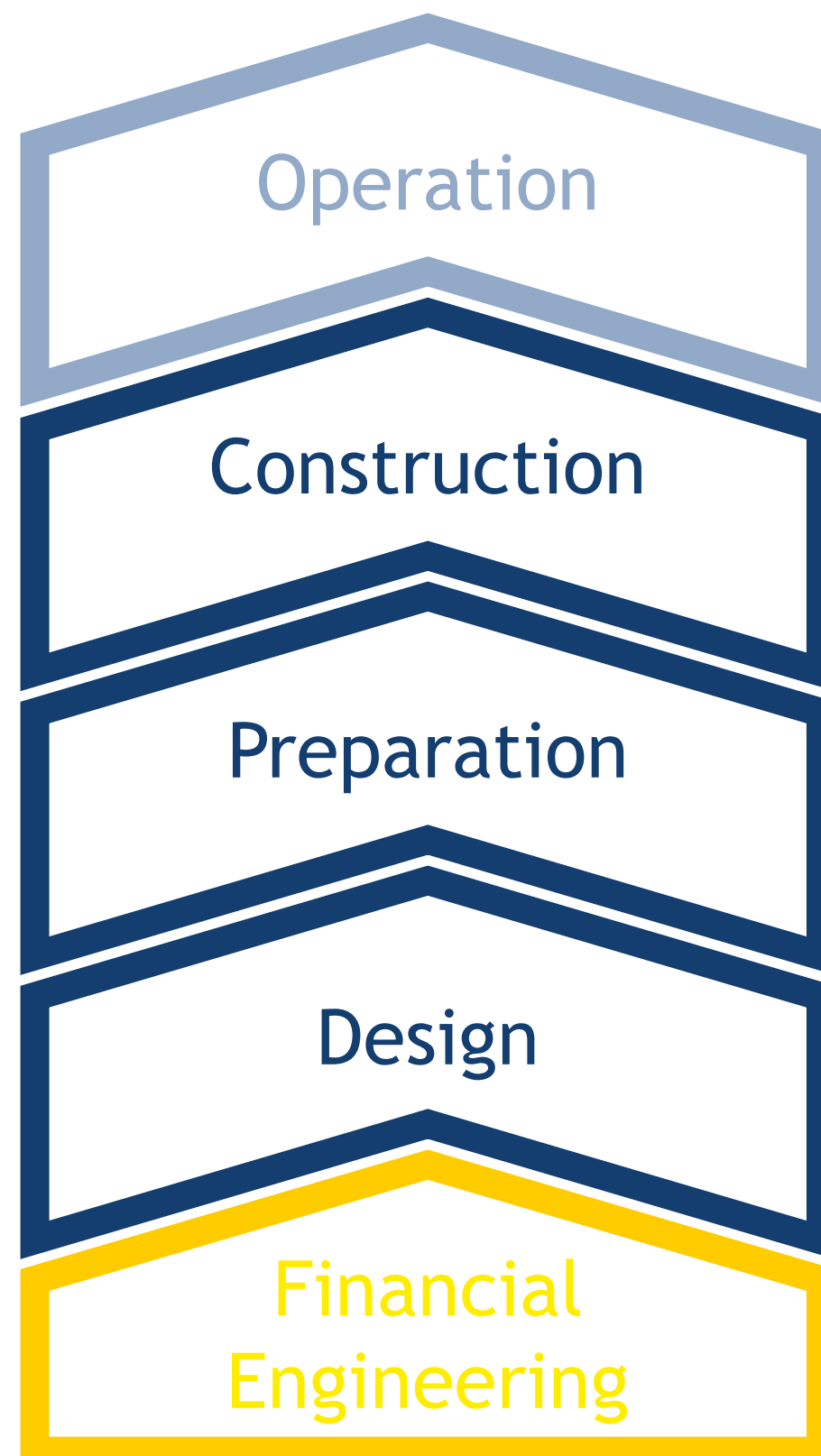
...and also in civil engineering

PORR

Our Recent M&A Activities are Fully Supporting the Strategy of Intelligent Growth

Expertise Building

Regional Expansion



PORR
hospitals

PORR
ABW

PORR
G&P

BBGS

PRAJO & CO

PORR
bpp

PORR
PWW

FRANKI
GRUNDBAU

Stump

PORR
Geotechnik

TKDZ

PORR
Polska Infra-structure

G. HINTEREGGER
*& SÖHNE
Baugesellschaft m.b.H.*

PORR
Alpine

GOIDINGERBAU

nägele
hoch- und tiefbau

OEVERMANN

PORR

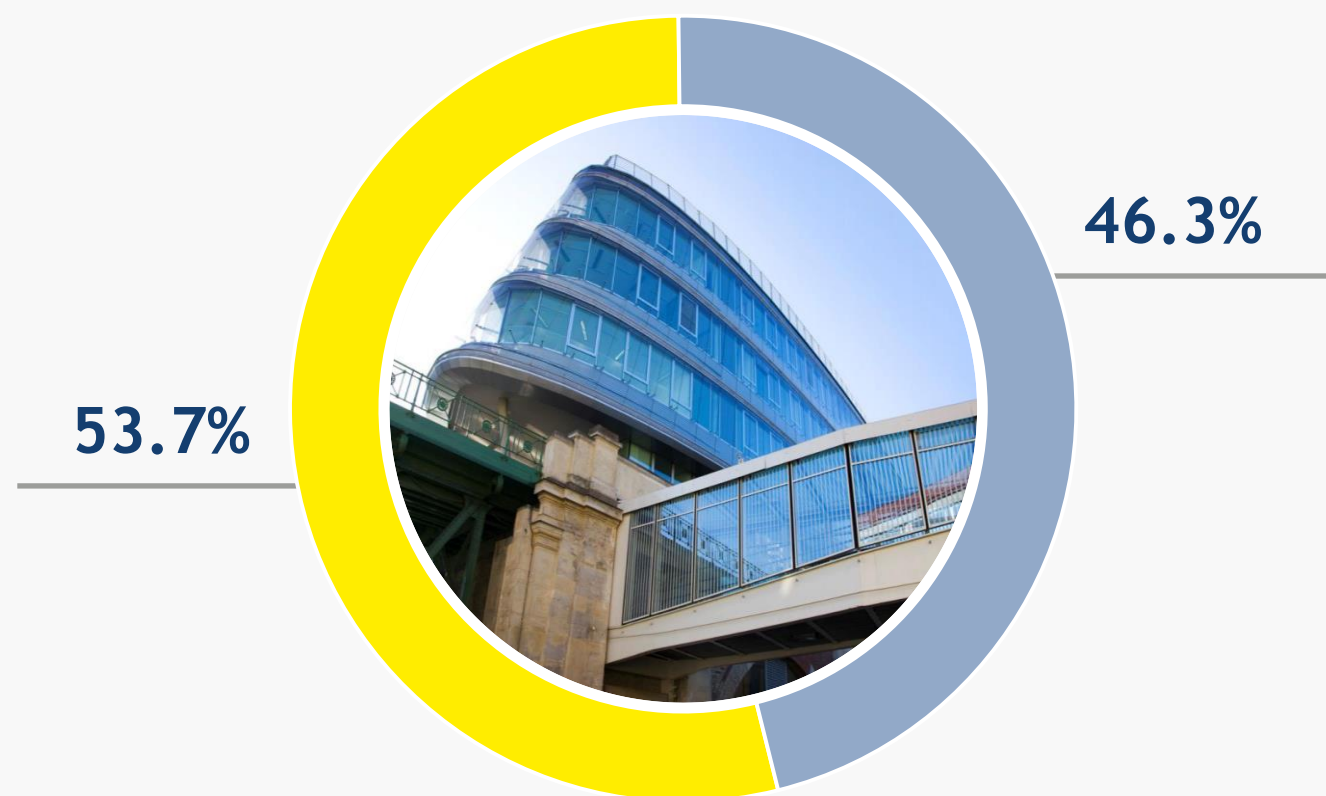
1 Closing expected in H2 2017

**We Incorporate
an
Entrepreneurial
Mindset**

PORR

Aligned Interests Resulting in Sustainable Growth and a Consistent Dividend Policy

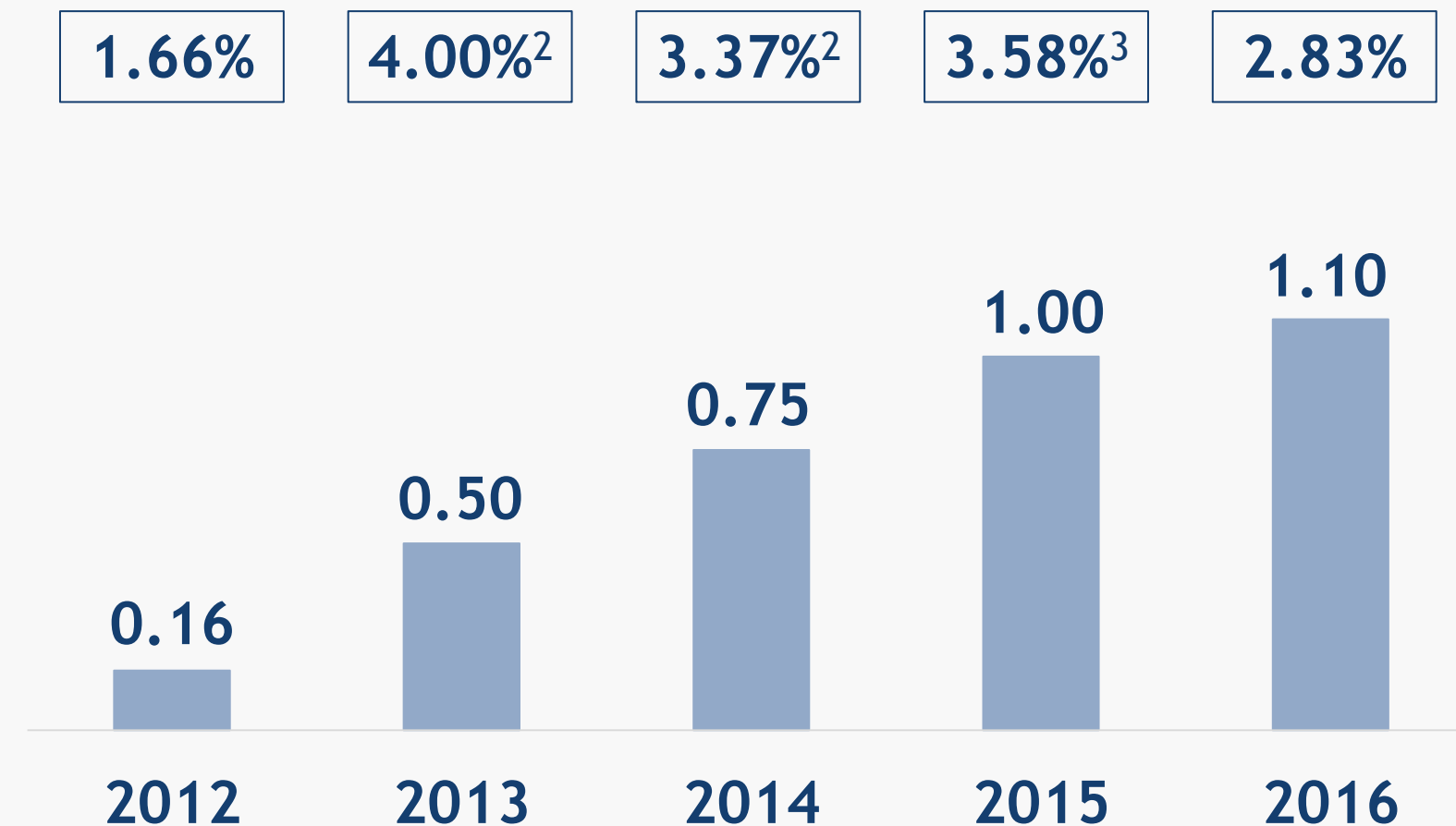
Ownership Structure



Syndicate (Strauss Group, IGO-Ortner Group)

Free float

Dividends



Dividends per share¹ in EUR

Dividend yield

As an owner-managed company, PORR is perfectly aligned with its remaining shareholder

Stable dividend policy (30-50% payout ratio⁴) ensuring attractive and reliable returns for shareholders

1 Adjusted for share split 2015 to allow for better comparison, 2 Restated excl. discontinued operations,
3 In 2015 excluding additional scrip dividend, 4 Depending on M&A Strategy
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PORR is often Partner of Choice due to its Handshake Mentality

Quality
Technology Responsibility Mindset
Eye level
Not the biggest but the best Innovation
Intelligent Building Owner-manged Performance
Entrepreneur Trustworthiness Focus Leader
Sustainability Mutual trust Operational excellence
Commitment Regions Handshake mentality
Mid-size sector

Handshake mentality approach transforming in successful projects

Selected
clients:



ASFINAG



OSRAM



SBB CFF FFS



HARIBO



voestalpine

EINEN SCHRITT VORAUSS.



PORR

We Have a Strong Financial Performance

Growth Track Record

Historical financial development (in EUR m)

Production output

Revenue

EBT/EBT margin¹

-83.1

22.0

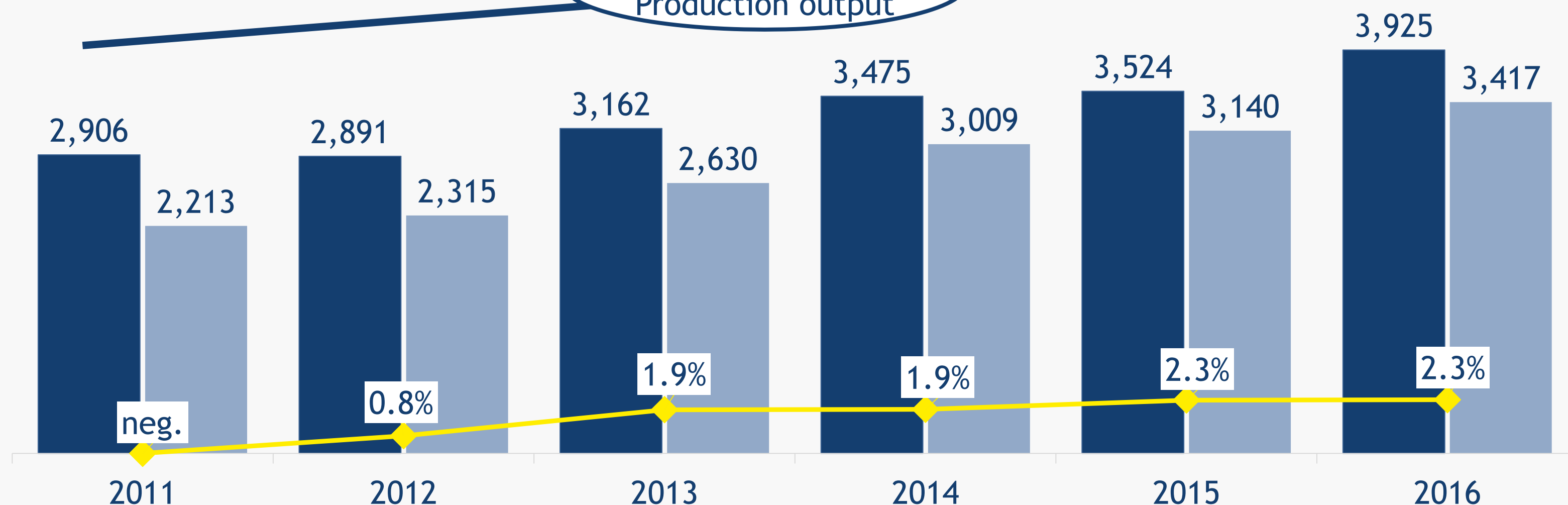
59.6

66.1

81.1

91.1

+6.2% CAGR
Production output



¹ EBT margin calculated as percentage of production output

Consolidated Income Statement

| FYE 31 Dec (EUR m ¹) | 2016 | H1 2016 | H1 2017 | Change |
|---|--------------|-------------|-------------|----------------|
| Production output ² | 3,925.3 | 1,662.8 | 2,014.8 | 21.2% |
| Revenue | 3,417.1 | 1,509.2 | 1,771.2 | 17.4% |
| Share of profit/loss of companies accounted for under the equity method | 46.3 | 19.1 | 18.6 | (2.7%) |
| Cost of materials and other related production services | (2,251.4) | (966.6) | (1,183.6) | 22.5% |
| Cost of Materials | (643.9) | (270.0) | (348.3) | 29.0% |
| Purchased services | (1,607.5) | (696.6) | (835.3) | 19.9% |
| Staff expense | (874.1) | (417.7) | (467.6) | 12.0% |
| Other operating result ³ | (150.5) | (76.1) | (81.7) | 7.1% |
| EBITDA | 187.3 | 67.9 | 56.9 | (16.1%) |
| - in % of Production output | 4.8% | 4.1% | 2.8% | |
| Depreciation, amortisation & impairment | (87.3) | (39.7) | (48.5) | 22.2% |
| EBIT | 100.1 | 28.2 | 8.4 | (70.1%) |
| - in % of Production output | 2.5% | 1.7% | 0.4% | |
| Financial result | (9.0) | (6.8) | (4.4) | (34.3%) |
| EBT | 91.1 | 21.4 | 4.0 | (81.5%) |
| - in % of Production output | 2.3% | 1.3% | 0.2% | |
| Taxes | (24.2) | (5.1) | (1.0) | (80.2%) |
| Profit for the period | 66.8 | 16.3 | 3.0 | (81.9%) |

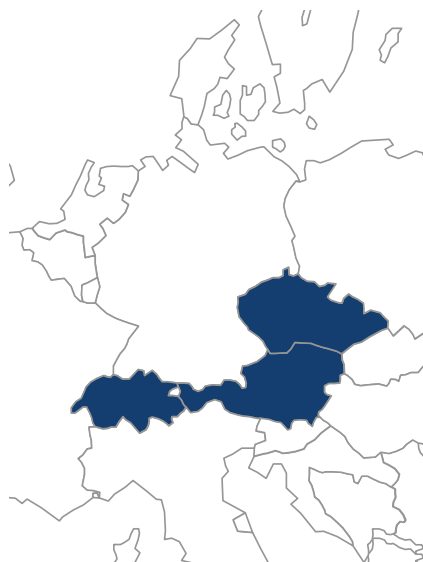

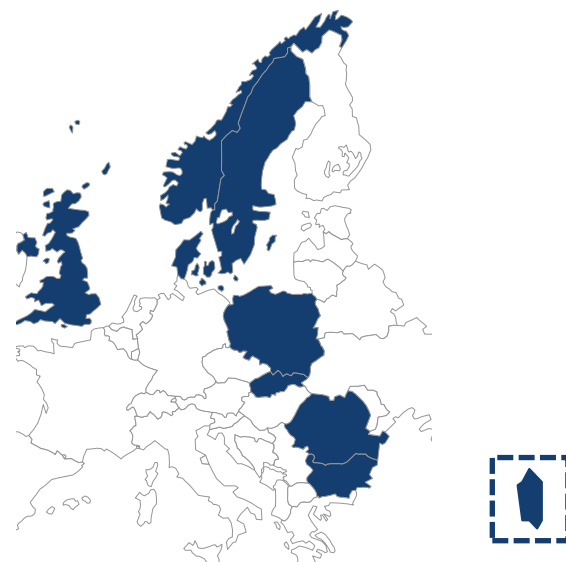

1 Rounding differences can appear, 2 Output of consortiums and all associates are included proportionally in production output which deviates from revenues pursuant to IFRS, 3 Own work capitalised in non-current assets included

Statement of Financial Position

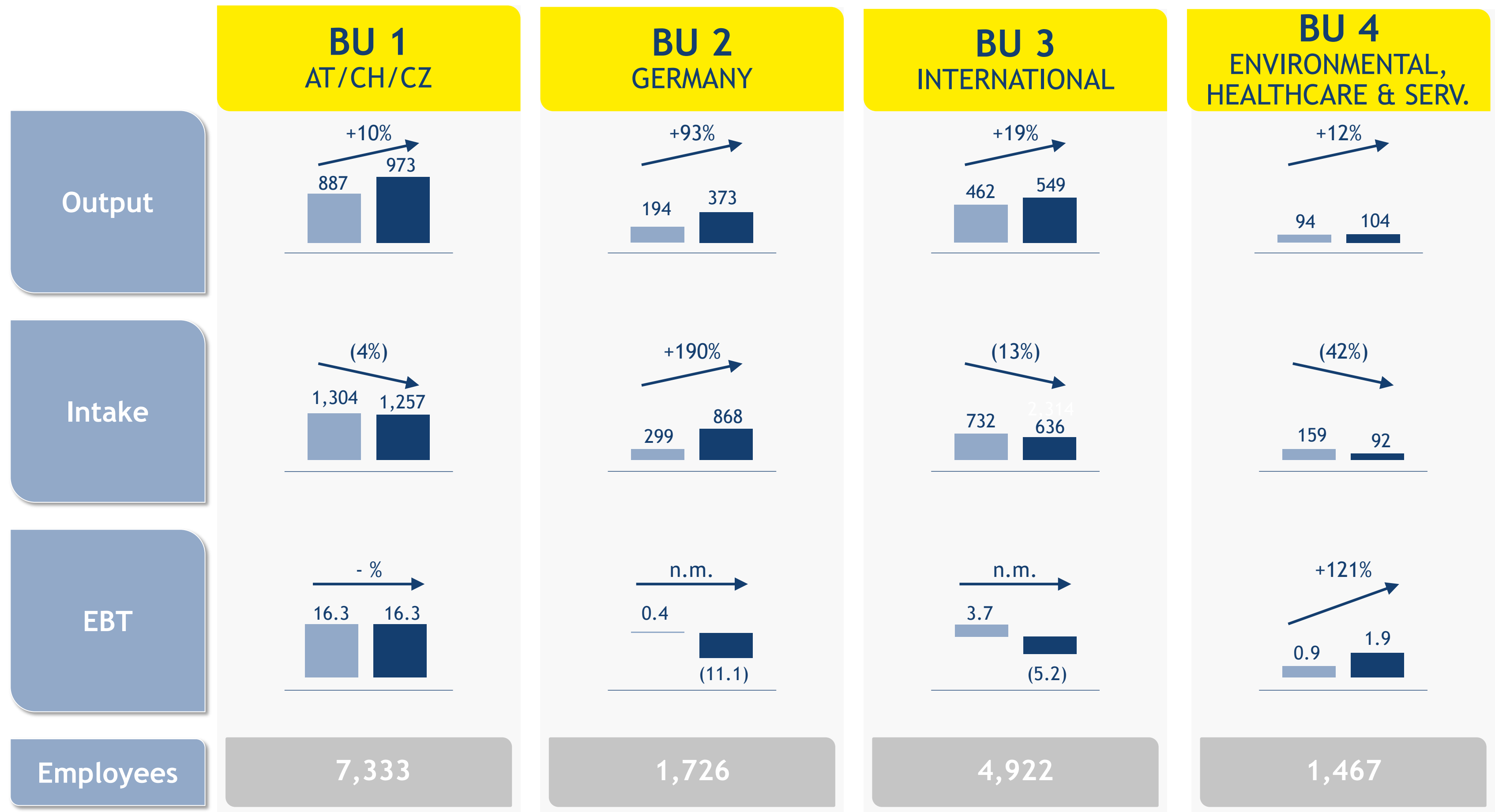
| FYE 31 Dec (EUR m) | | 2016 | H1 2016 | H1 2017 |
|----------------------|-------------------------------------|----------------|----------------|----------------|
| Assets | Non-current assets | 801.3 | 743.3 | 977.1 |
| | Current assets | 1,560.8 | 1,429.1 | 1,619.4 |
| | Total assets | 2,362.1 | 2,172.4 | 2,596.5 |
| Equity & liabilities | Equity ¹ | 440.9 | 382.5 | 537.1 |
| | Non-current liabilities | 562.7 | 542.4 | 558.7 |
| | Current liabilities | 1,358.5 | 1,247.5 | 1,500.7 |
| | Total equity and liabilities | 2,362.1 | 2,172.4 | 2,596.5 |
| Ratios: | Net debt/Net cash () | (53.3) | 124.0 | 374.7 |
| | Equity ratio | 18.7% | 17.6% | 20.7% |

1 Incl. Non-controlling interests, 2 Bonds & SSD plus financial liabilities less cash and cash equivalents

Business Units (1/2)

| | BU 1 AT/CH/CZ | BU 2 GERMANY | BU 3 INTERNATIONAL | BU 4 ENVIRONMENTAL, HEALTHCARE & SERV. |
|---------------------------------------|--|--|---|---|
| Production ¹ (in EUR m) | 973 Share: 48% | 373 Share: 19% | 549 Share: 27% | 104 Share: 5% |
| Description | <ul style="list-style-type: none"> PORR's largest business unit Focus on permanent business Residential, office, industrial and road construction | <ul style="list-style-type: none"> PORR's 2nd biggest market Focus on permanent business Residential, office, industrial and road construction | <ul style="list-style-type: none"> PORR's unit for technical leadership Focus on project business Especially tunnelling and railway construction | <ul style="list-style-type: none"> PORR's unit for promising niches Focus on project business Demolition, waste treatment, PPP, recycling, health care, property & facility management |
| Regional Focus |  |  |  |  |

Business Units (2/2)



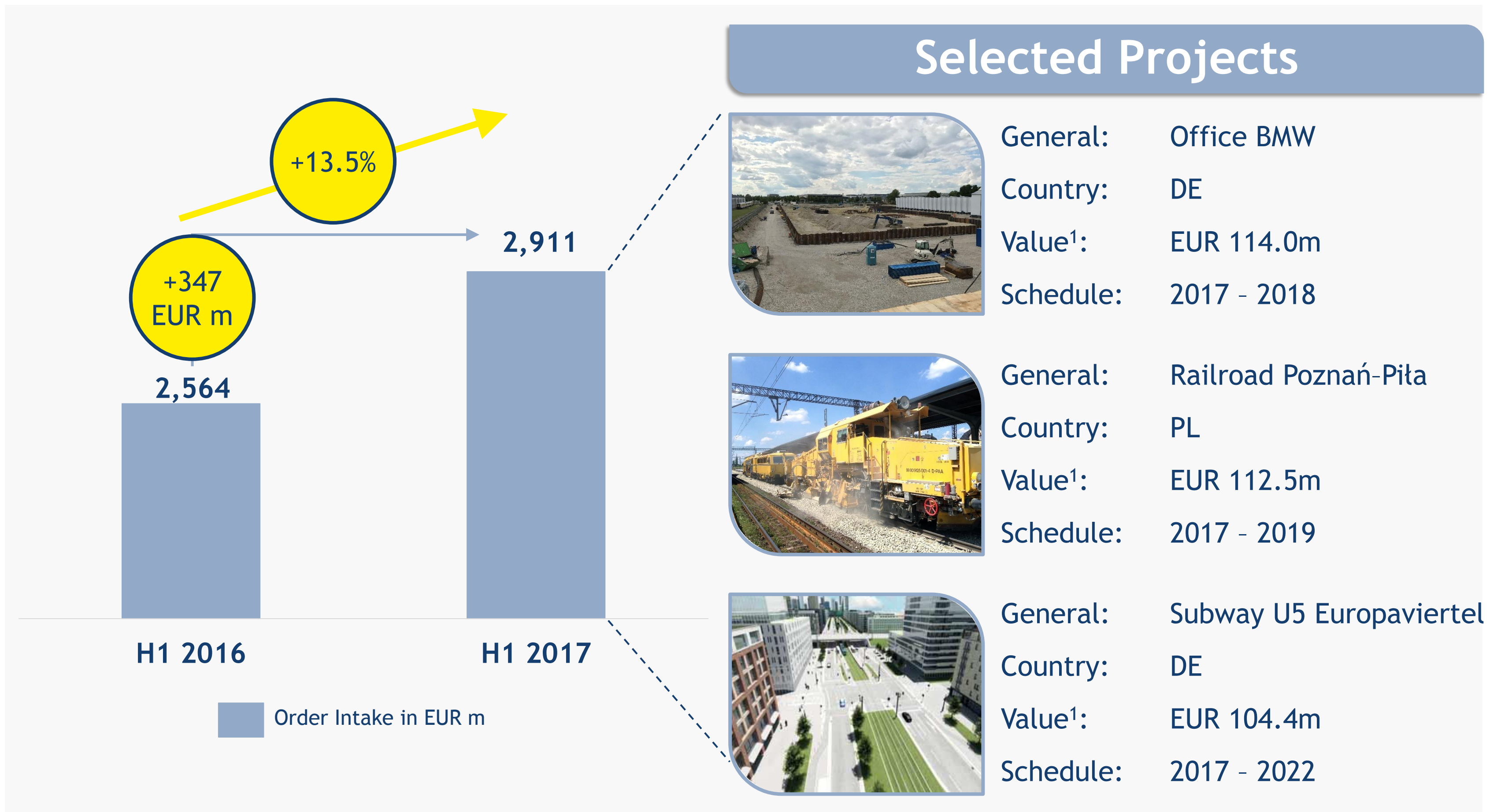
H1 2016 in EUR m
 H1 2017 in EUR m



**We Have a Clear
Vision for a Value
Adding Future
Development**

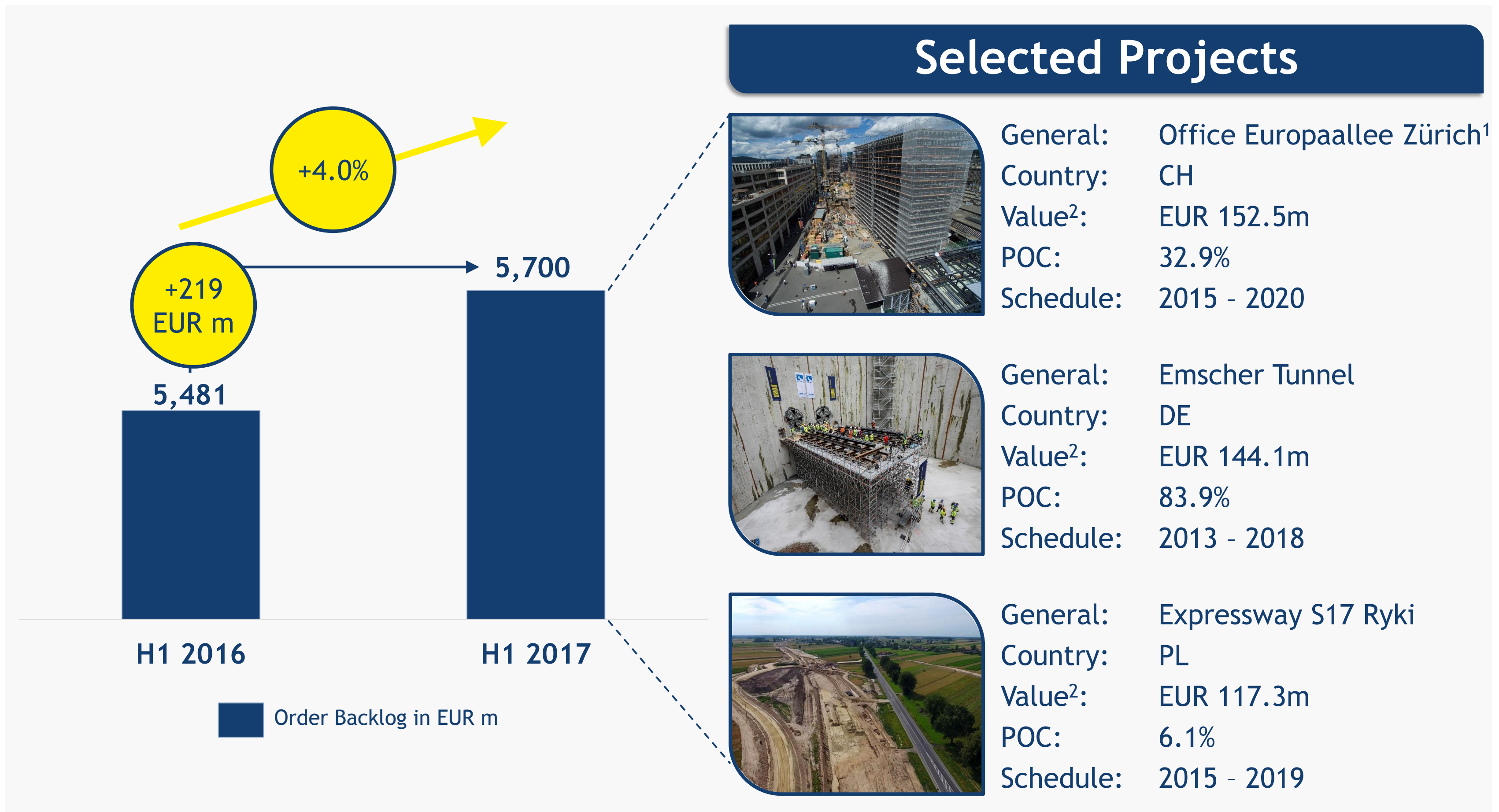
PORR

Clear Evidence of Future Production Growth due to High Order Intake



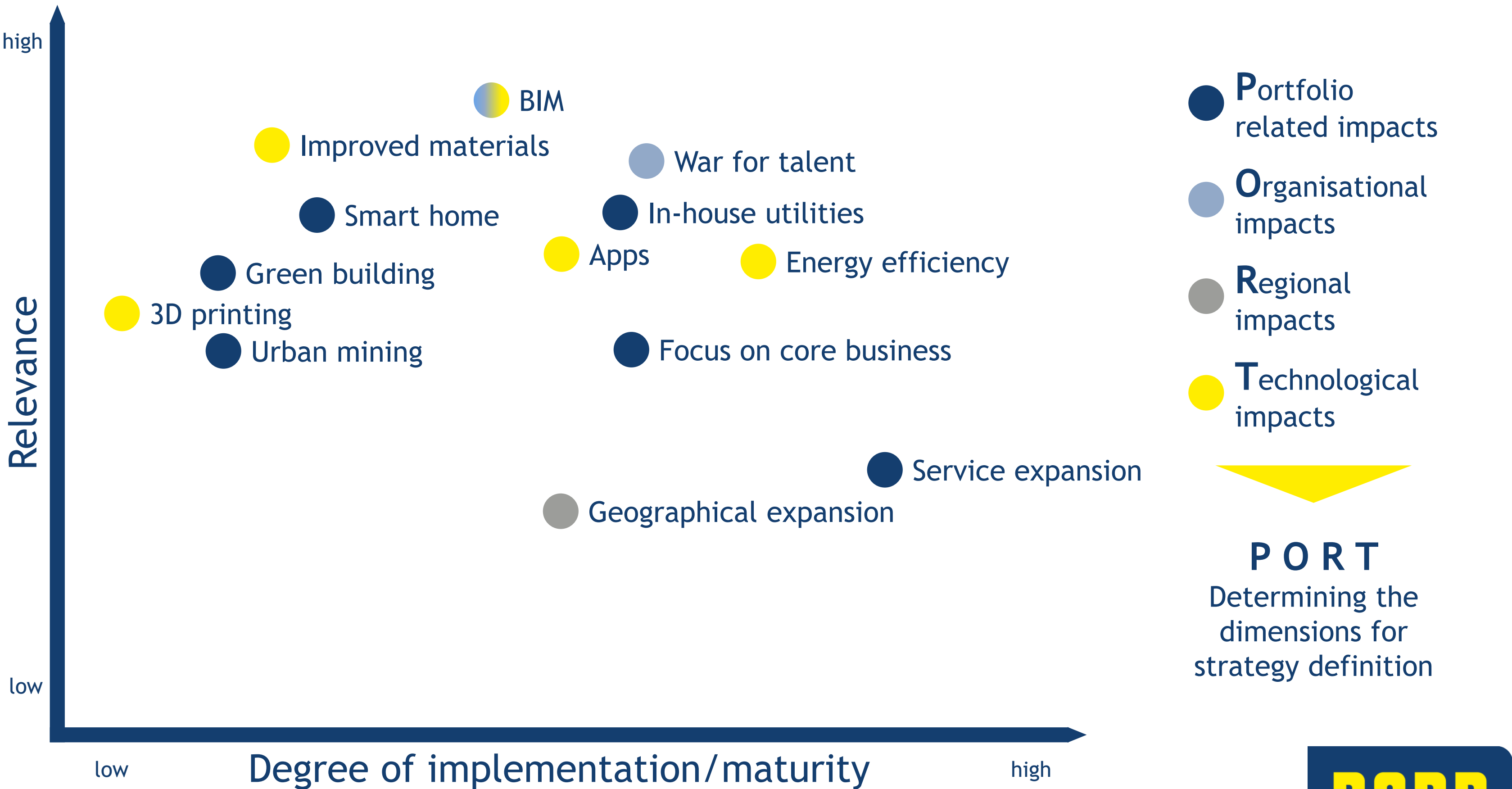
¹ Stated values are project values attributable to PORR at time of contract award

High Order Backlog Underpins Successful Strategy of Intelligent Growth



1 Lot 1-4, 2 Stated values are project values attributable to PORR at time of contract award

Selected Future Trends in Construction



Source: Roland Berger

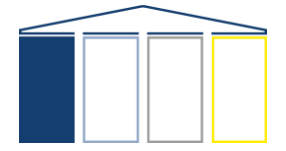


PORT Framework as Pillars for Our Strategy

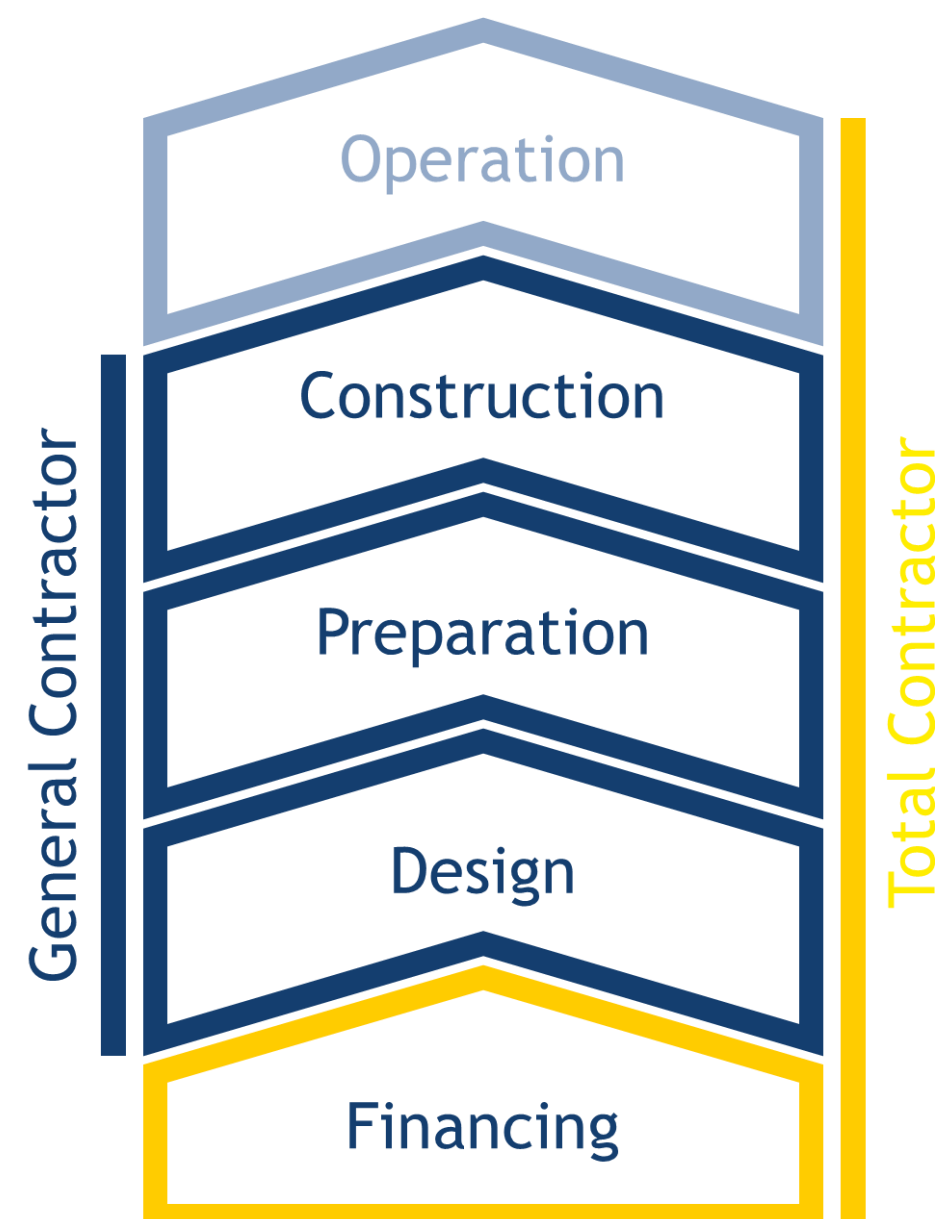


PORR

After a Strong External Growth Phase, we Look at Potential Targets even more Selectively



Portfolio



Targeted acquisitions alongside the core competencies

- to selectively become "total contractor"
- to acquire unique expertise in specific segments
- to maintain a leading position in future business fields/technologies
- to close potential regional gaps in home markets

Bridge Construction



Tunnelling

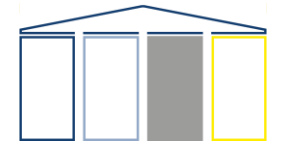


Railway Construction



PORR

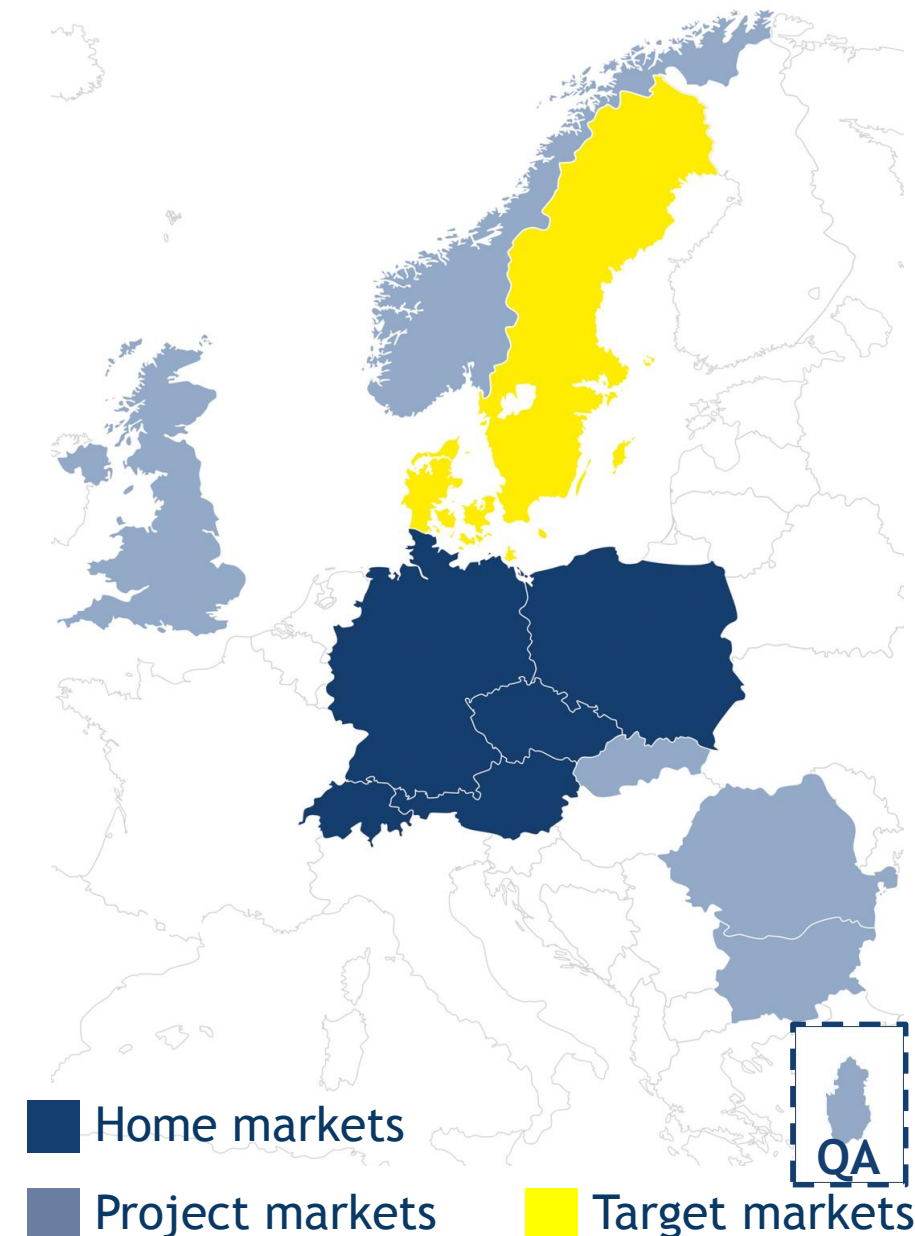
On the Basis of our Today's Footprint, we will Further Expand our Key Markets



Regions

Home Markets:

- Leverage excellent network, market knowledge and client relations
- Permanent market approach from buildings to tunnelling



Project Markets:

- Focus on infrastructure projects with export knowledge e.g. tunnelling, railway construction
- Cooperation with local partners

Target Markets:

- Continuous market sounding
- Market entry via promising infrastructure projects (“door openers”)

PORR

To Remain Successful in the War for Talent, we Developed our Best Place to Work - Concept

WAR FOR TALENT

- Employees and clients require highly flexible organisations
- Demographics lead to a shortage of skilled employees
- Urbanisation results in a local concentration of demand

OUR ANSWER: BEST PLACE TO WORK - Concept

Work&Life@PORR

- Flexible models of working hours and leave
- Nursing and health support programs

Diversity@PORR

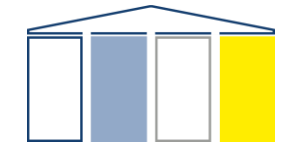
- **Women@PORR:** Promotion of women
- Openness for religious, ethnical and sexual diversity

PORR Academy

- Attractive trainings for blue-and white-collar workers
- In-house education for international deployments

PORR

Roadmap 2020 as a New Organisational Framework far Beyond BIM



ORGANISATION



INTERNAL DIGITALISATION (e-billing, e-commerce, standardised workflows)

- Utilize key information efficiently
- Reduce administrative workload to focus management on core business

LEAN CONSTRUCTION (approach based on automotive “lean production” system)

- Minimize waste of materials, time and effort
- Systematically organise collaboration between all stakeholders

TECHNOLOGY



BIM (Building Information Modelling)

- 5D = 3D + time and cost/quality
- Increase transparency and efficiency along the full construction process

MACHINE-2-MACHINE (communication between all of PORR's machinery)

- To ensure highest availability or theft protection

PORR APPS (selection)



PORR
Weather App



PORR Defect
Radar App

PORR

Key Messages and IR Information

Key Messages

Our mid to long term strategy will remain unchanged to ensure a **sustainable development** for our shareholders

We are facing **favourable long term market fundamentals** in our key markets

After a period of strong growth and a subsequent integration phase, we are currently **refocusing management resources** on **cost efficiency** and **yield**

We are **ideally positioned** to succeed in the **war for talent**

We have a **clear roadmap** to fulfil the organisational and technological requirements for the **construction company of the future**

The logo for PORR, consisting of the word "PORR" in a bold, yellow, sans-serif font, set against a dark blue rectangular background.

IR Information for PORR AG

Share Information

| | |
|---------------------------------|---------------------------------------|
| Share price ¹ | EUR 23.75 |
| Market capitalisation | EUR 691.0m |
| Official market | Vienna Stock Exchange Prime Market |
| Number of shares outstanding | 29,095,000 |
| Ticker symbol | POS VI |
| ISIN | AT0000609607 |

IR Contact

For further information please contact
the Investor Relations department

T +43 (0) 50 626-1006
IR@porr-group.com

Financial Calendar 2017

| | |
|------------|---------|
| 30.08.2017 | H1 2017 |
| 29.11.2017 | Q3 2017 |

Research Reports

Berenberg Bank - Hold
Erste Group - Reduce
Hauck & Aufhäuser - Buy
HELVEA Baader Bank - Buy
HSBC - Hold
Kepler Cheuvreux - Hold
Raiffeisen Centrobank - Hold
SRC Research - Buy