



# Investor presentation

1H'12 financial results



# Budimex Group

## budimex

### Construction segment



**budimex**



**mostostal**  
kraków



### Developer segment



**budimex**  
nieruchomości

### Other activities



**budimex**  
danwood



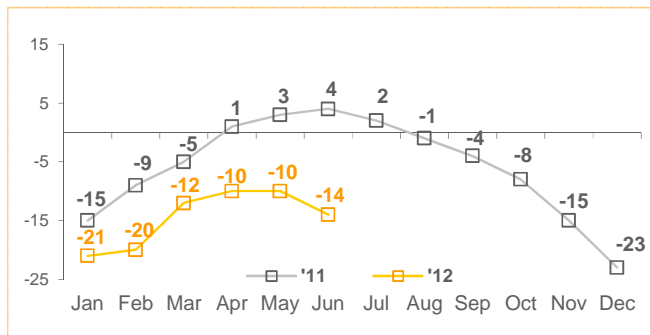
**ELEKTROMONTAŻ**  
pracujemy z energią



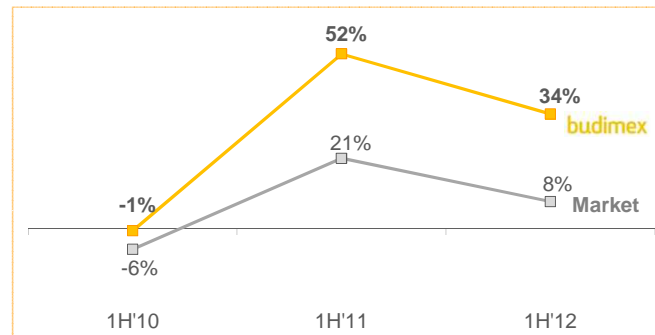
# Important events

- ✓ Budimex paid record high dividend of 280 M PLN (10,97 PLN per share)
- ✓ Construction segment delivered record high sales but market slowdown influenced value of contracts signed and backlog negatively
- ✓ Impairment related to arrangement bankruptcy motion filed by PNI (Budimex railway subsidiary) worsened 1H'12 financial results significantly
- ✓ Presales drop in developer segment in 1H'12 resulted from weakening residential market (-48% y-o-y)

Construction market climate index



Construction market (y-o-y dynamics\*)



\*Budimex construction segment, market dynamics based on constant prices  
Source: Central Statistical Office



# 1H'12 results (M PLN)

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## Sales

2 884 vs. 2 249

+28% y-o-y

## Operating profit

56 vs. 145

-61% y-o-y

## Net profit

22 vs. 120

-82% y-o-y

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## Backlog

(as of 30.06'12)

6 934 vs. 7 922

-12% y-o-y

## Contracts signed

921 vs. 2 919

-68% y-o-y

## Net cash

(as of 30.06'12)

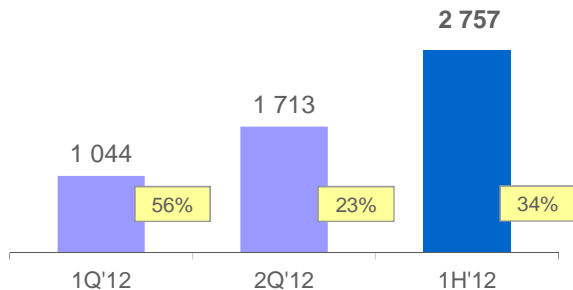
305 vs. 645

-53% y-o-y

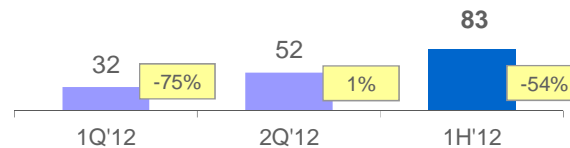


# 1H'12 sales by segments (M PLN)

## Construction

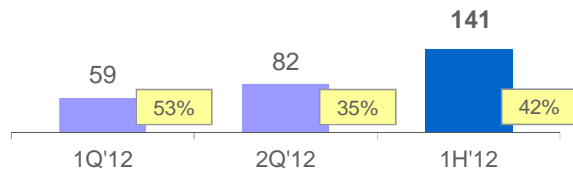


## Developer

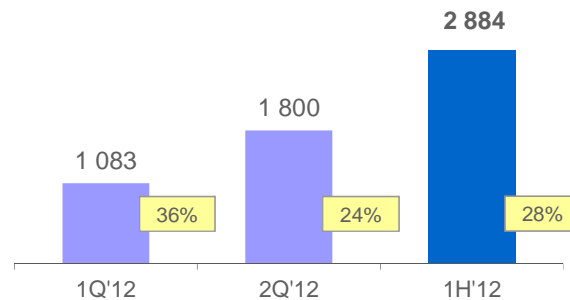


y-o-y dynamics

## Other activity



## Budimex Group





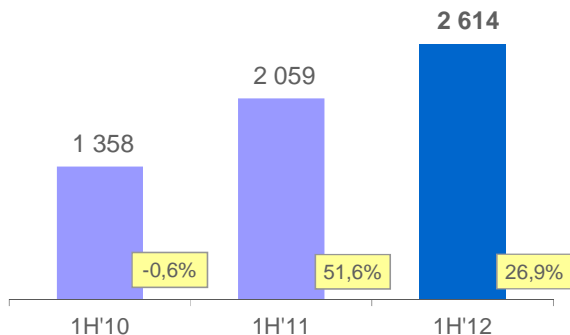
# 1H'12 EBIT by segments (M PLN)



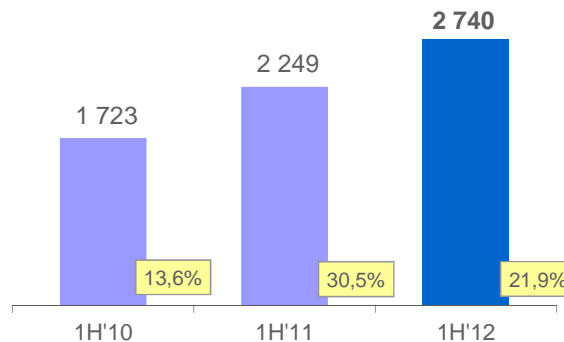


# Sales & EBIT evolution **excl. PNI** (M PLN)

### Construction segment sales (excl. PNI)



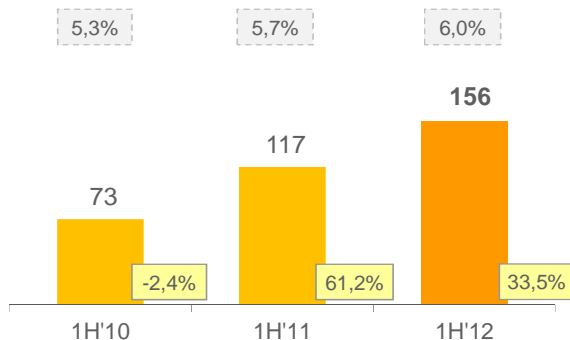
### Budimex Group sales (excl. PNI)



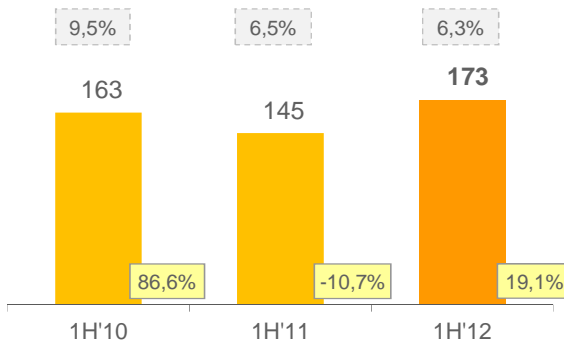
% sales

y-o-y dynamics

### Construction segment EBIT (excl. PNI)

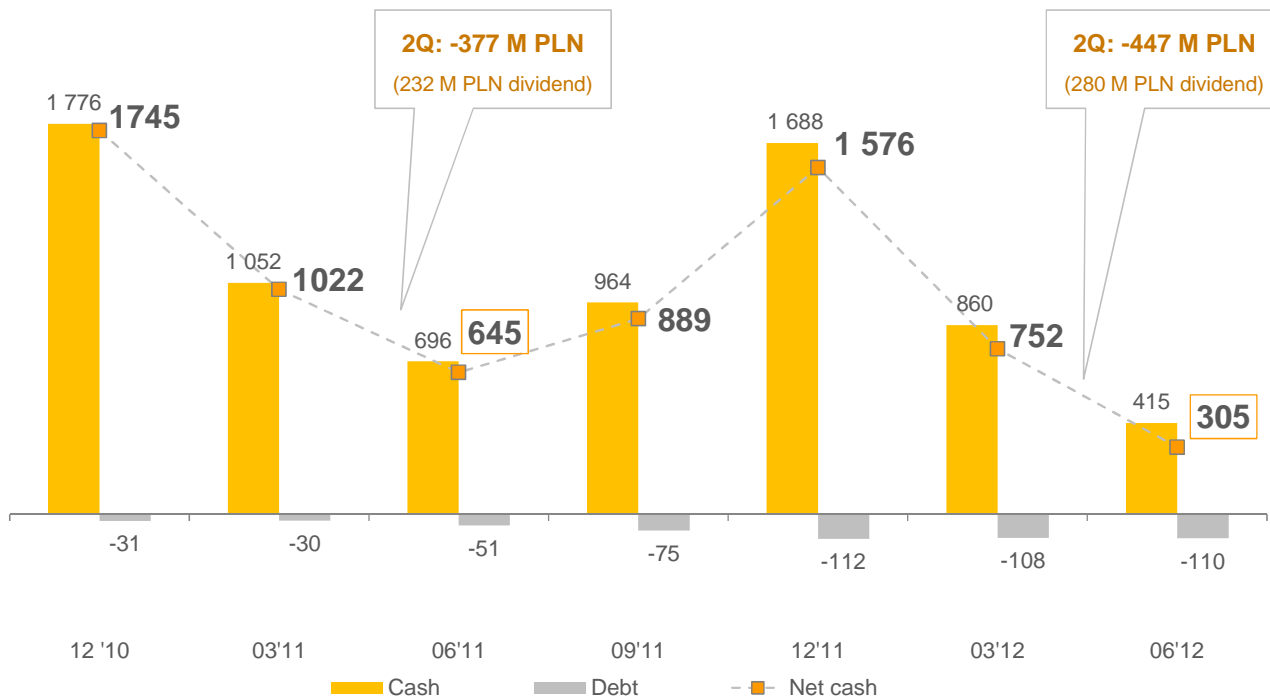


### Budimex Group EBIT (excl. PNI)





# Net cash (M PLN)





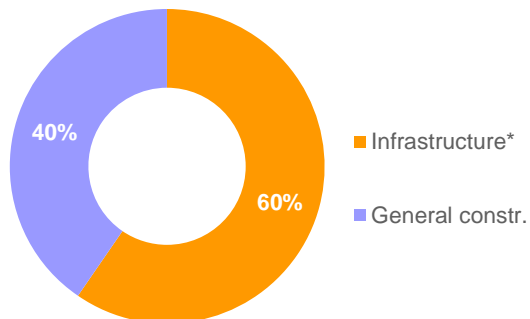


# Construction segment in 1H'12

## Construction segment results (M PLN)

	1H'12	y-o-y dynamics
<b>Sales</b>	<b>2 757</b>	<b>34%</b>
<b>Operating profit</b>	<b>39</b>	<b>-66%</b>
% sales	1,4%	-4,3 pp.
<b>Net profit</b>	<b>7</b>	<b>-93%</b>
% sales	0,2%	-4,5 pp.

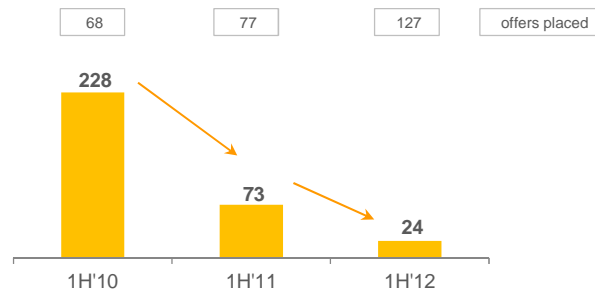
## Sales in construction segment



\*including railway infrastructure

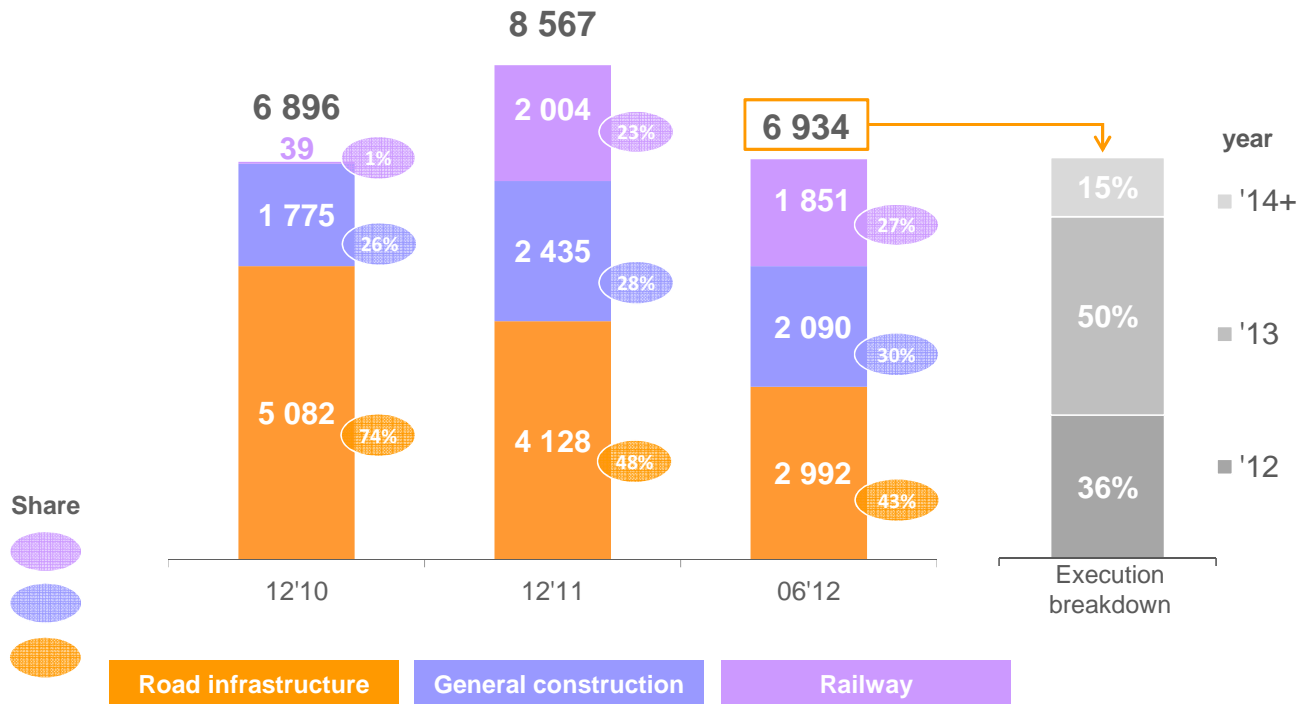
- ☑ Core segment delivered record high sales due to favorable weather and intensification of works related to Euro 2012
- ☑ Cost of restructuring actions in PNI and goodwill write-off affected margins negatively
- ☑ The share of infrastructure contracts in backlog and contracts signed dropped significantly

## Average value of offer placed (M PLN)



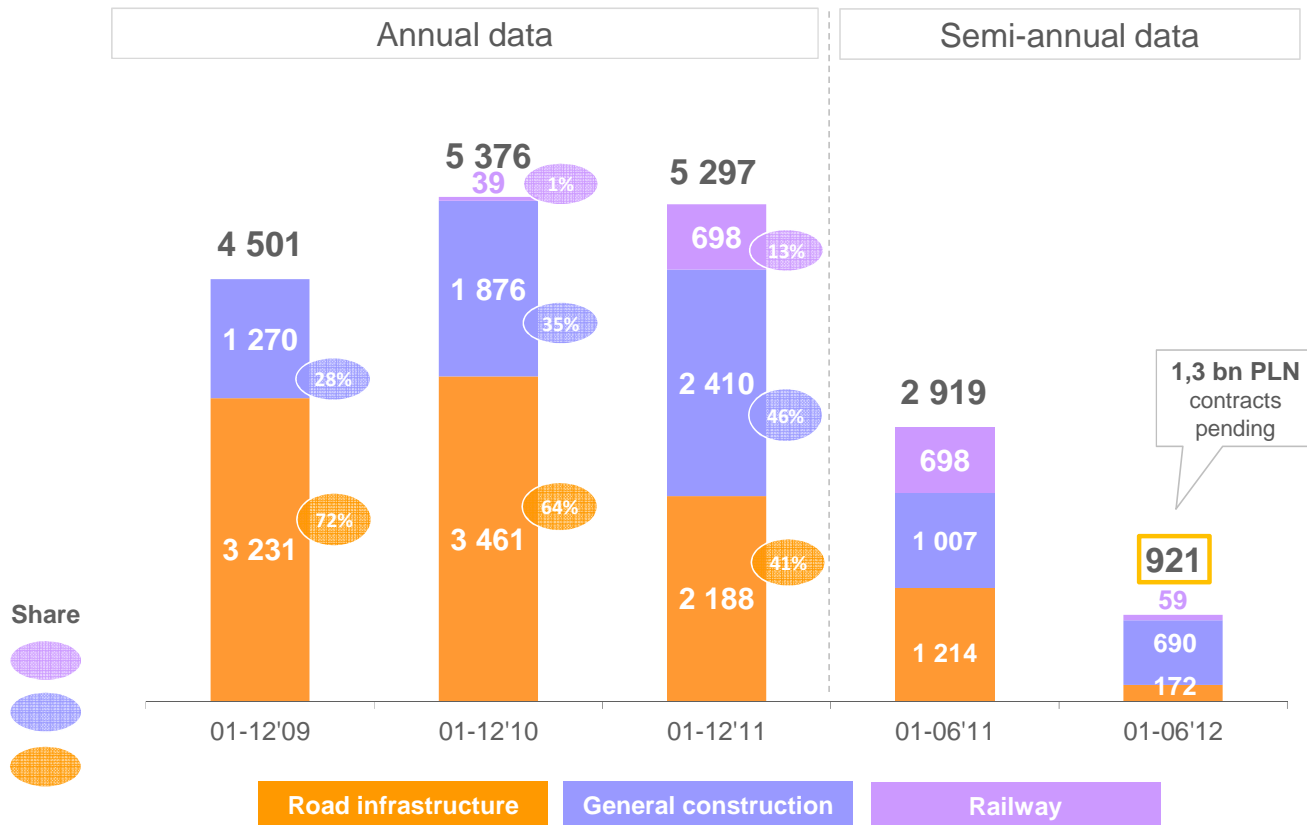


# Backlog (M PLN)





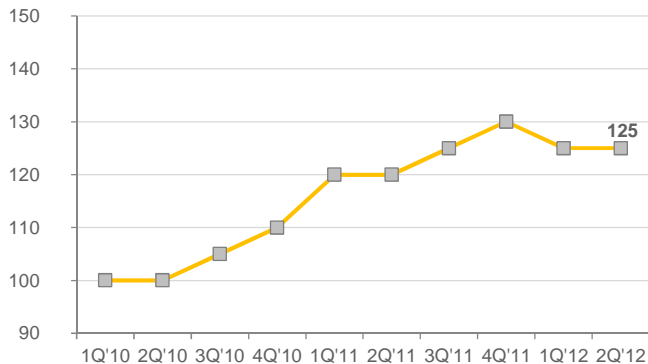
# Contracts signed (M PLN)



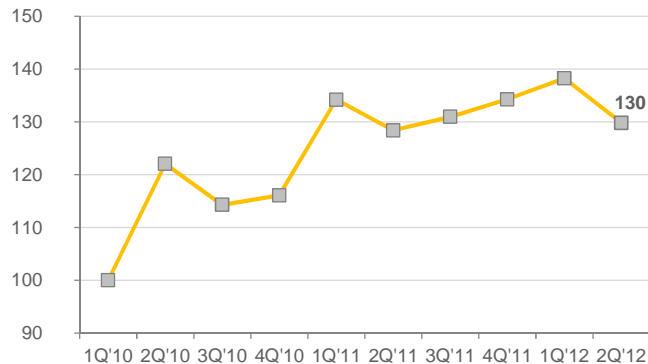


# Material prices evolution\*

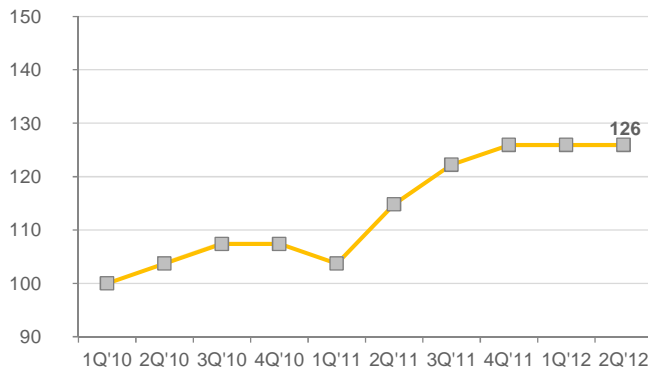
### Concrete (1Q'10 = 100)



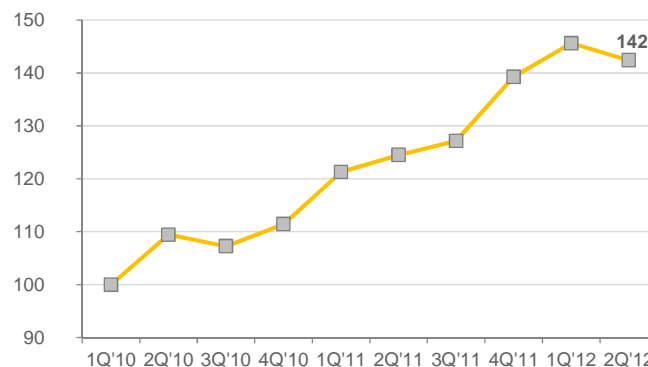
### Reinforcement steel (1Q'10 = 100)



### Asphalt (1Q'10 = 100)



### Diesel oil (1Q'10 = 100)



\*based on Budimex internal data, diesel oil prices according to Lotos SA data



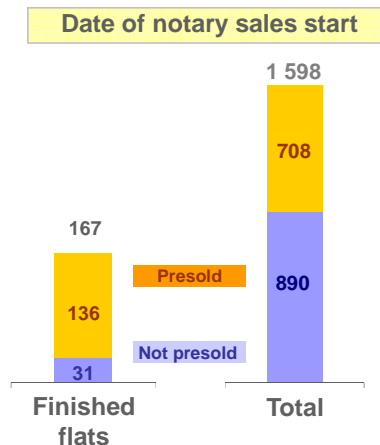
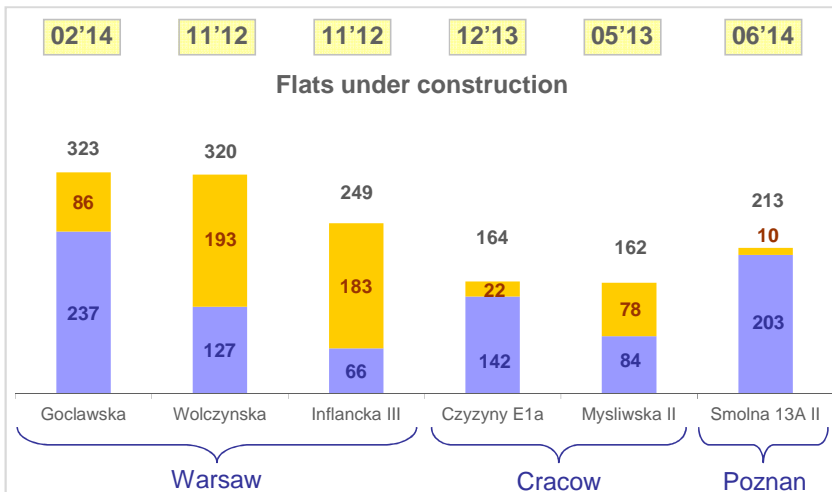
# Developer segment in 1H'12

## Developer segment results (M PLN)

	1H'12	y-o-y dynamics
<b>Sales</b>	<b>83</b>	<b>-54%</b>
<b>Operating profit</b>	<b>10</b>	<b>-59%</b>
% sales	11,5%	-1,6 pp.
<b>Net profit</b>	<b>10</b>	<b>-52%</b>
% sales	11,8%	+0,4 pp.
<b>Presales (flats)</b>	<b>210</b>	<b>-48%</b>

- ☑ Developer segment delivered decent margins
- ☑ Majority of '12 notary sales will take place in 4Q'12
- ☑ Market slowdown influenced presales volume negatively, value of mortgage loans granted in 1H'12 dropped 21% y-o-y\*

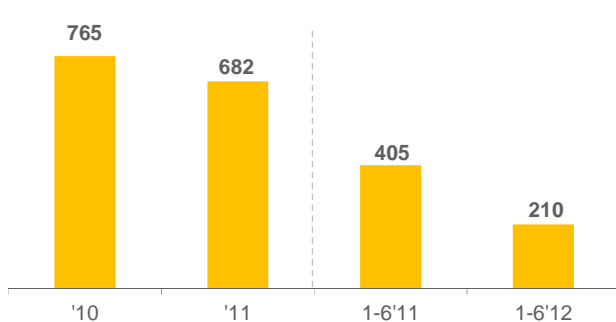
\*according to AMRON-SARFin report



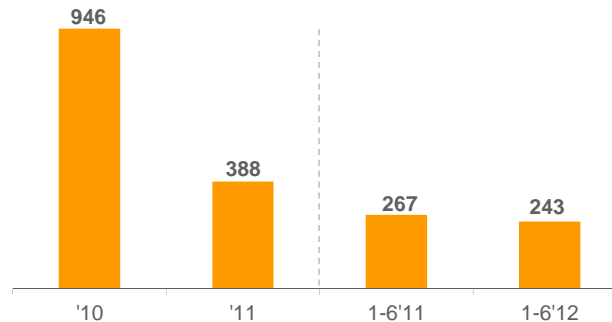


# Presales and notary sales

Net presales (number of flats)



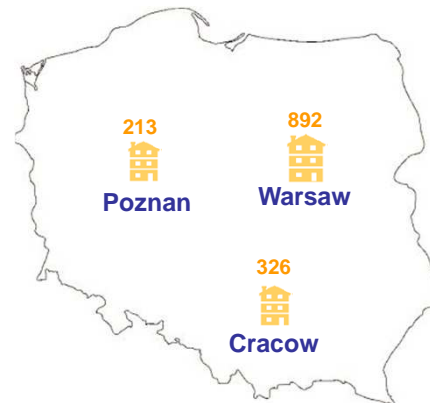
Notary sales (number of flats)



Land bank: 7 006 flats



Under construction: 1 431 flats



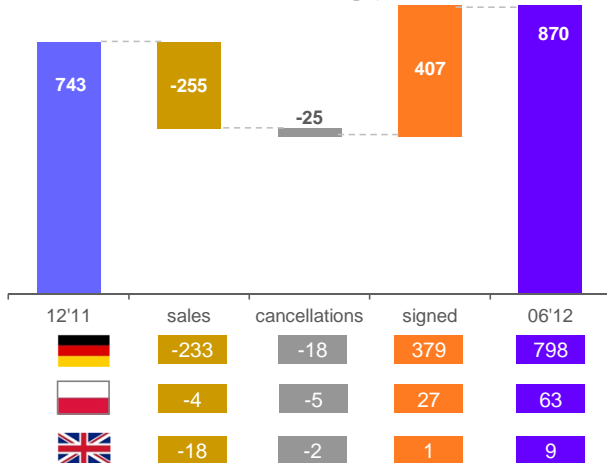


# Other activities in 1H'12

## Other activities (M PLN)

	1H'12	y-o-y dynamics
<b>Sales</b>	<b>141</b>	<b>42%</b>
<b>Operating profit</b>	<b>13</b>	<b>669%</b>
% sales	9,1%	7,4 pp.
<b>Net profit</b>	<b>10</b>	<b>n.a.</b>
% sales	6,8%	8,3 pp.
<b>Net cash (06'12)</b>	<b>47</b>	<b>128%</b>

## Budimex Danwood backlog (number of houses)



**budimex**  
danwood

- ☑ Budimex Danwood delivered healthy sales and high profit margins although 2Q'12 was not as good as 1Q'12

## Average house price (backlog)

	Local currency (net)	Polish Zloty* (net)
	124 k EUR	529 k PLN
	341 k PLN	341 k PLN
	176 k GBP	931 k PLN

Estimated net value of backlog: **452 M PLN**

\*NBP exchange as of 29.06.2012

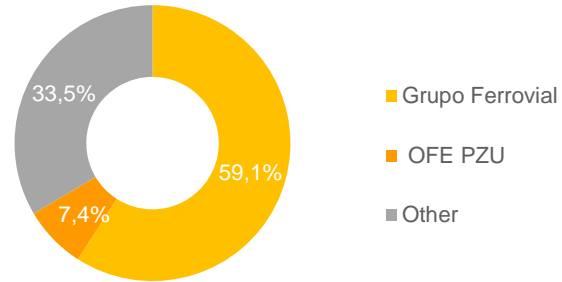


# Construction companies capitalization

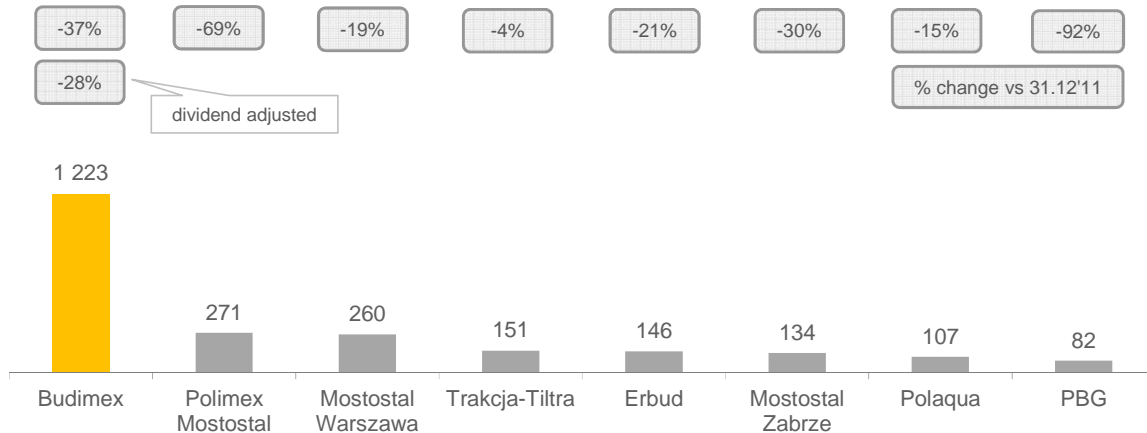
## budimex

WSE symbol **BDX**  
 Number of shares **25 530 098**  
 52 week min/max **46 / 88 PLN**  
 52 week average volume **13,8 ths. shares**

## Shareholder structure (as of 26.04'12)



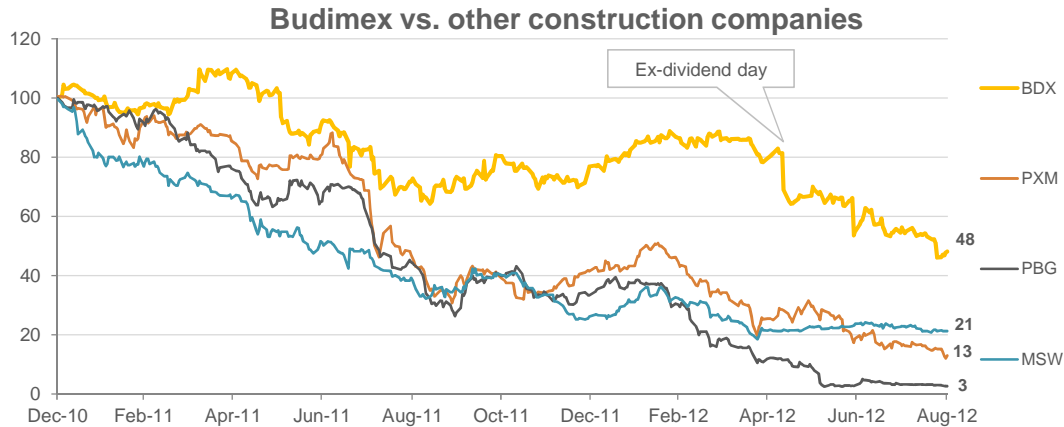
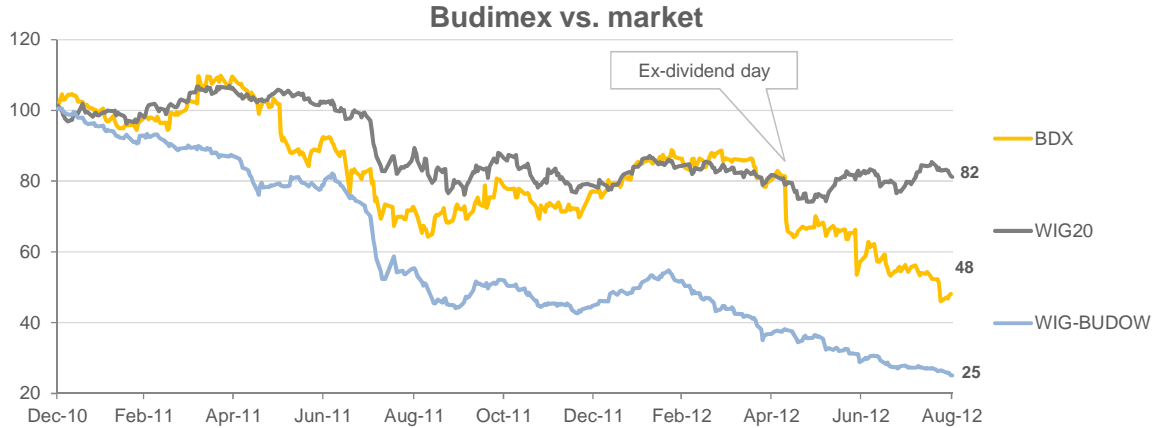
## Capitalization as of 31.08'12 (M PLN)







# WSE performance



31.12'10 = 100



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**budimex**