



# Presentation for investors

Financial results 9M 2010

**budimex**



# Agenda

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# Budimex historical outline

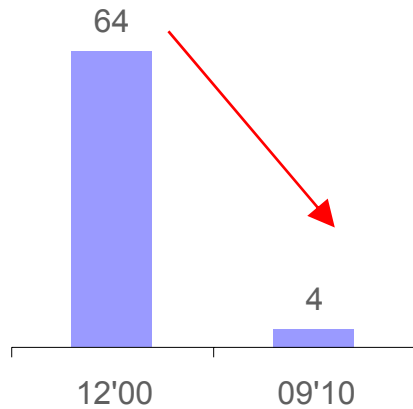
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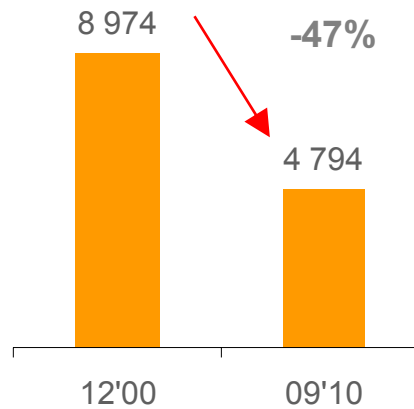
# Budimex over a decade

- ✓ 1968 - Budimex established
- ✓ 1995 - listed on Warsaw Stock Exchange (9,50 PLN/share)
- ✓ 2000 - acquired by Ferrovial (59,06% of shares)
- ✓ 2000 => 2009 - consolidation process

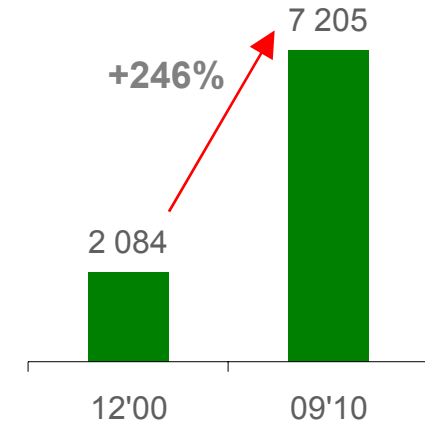
No of companies



Employees



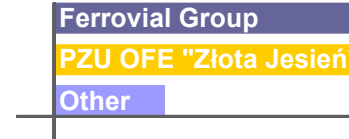
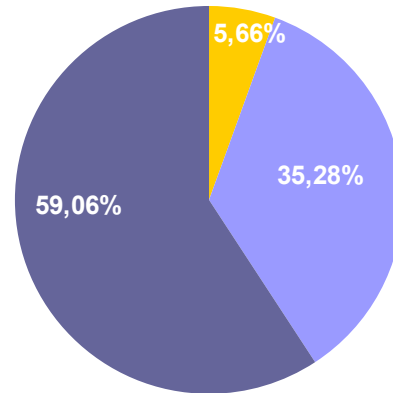
Backlog (M PLN)





# Shareholders and Group structure today

## ✓ Shareholders



## ✓ Budimex Group structure



turnover 2009  
as % of Group



Budimex SA (inc.)

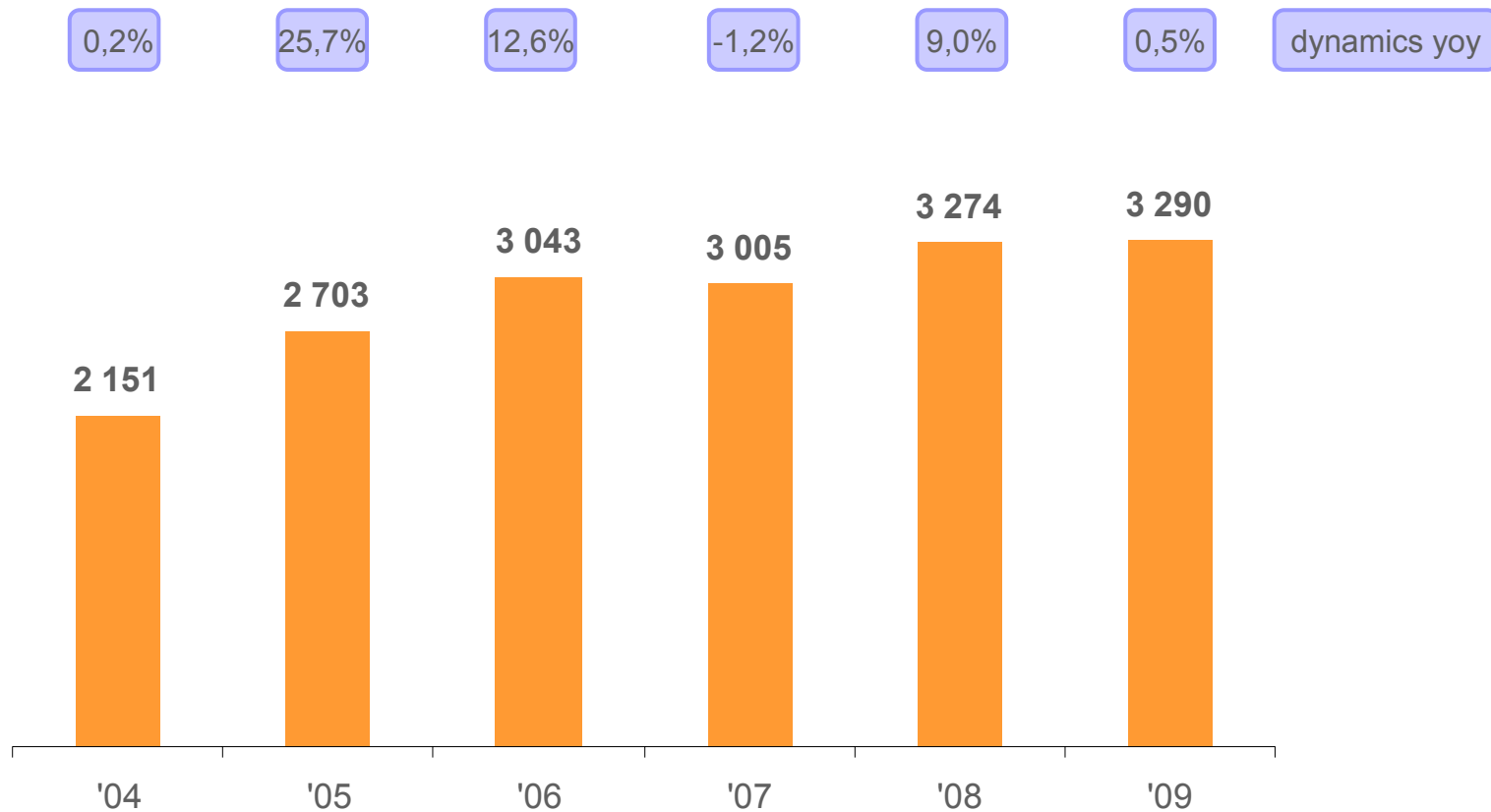
Mostostal Kraków SA (inc.)

Budimex Nieruchomości Ltd.

Budimex DanWood Ltd.

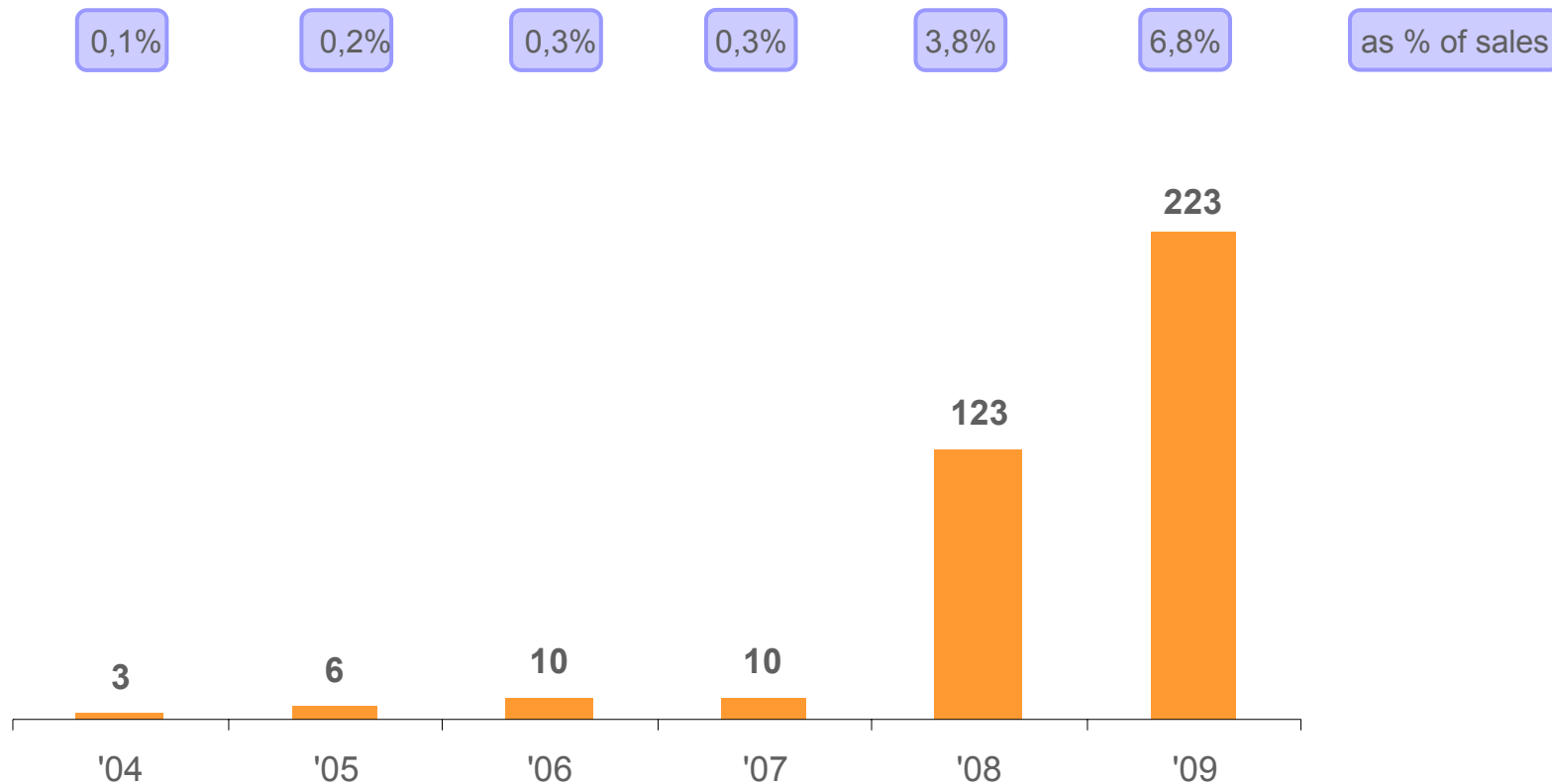


# Group sales evolution (M PLN)



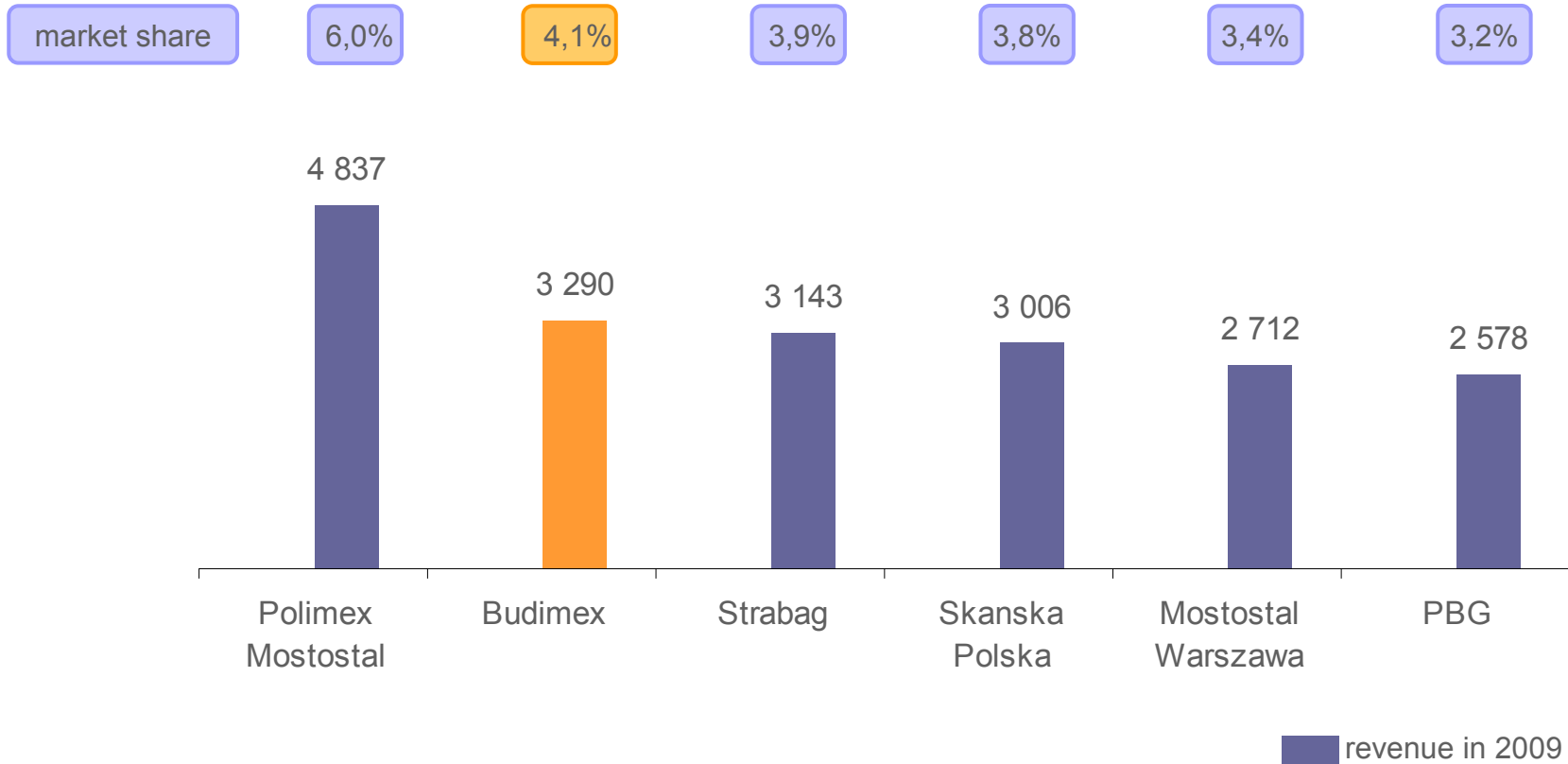


# Result before tax evolution (M PLN)





# Budimex versus competitors (M PLN)





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# Financial results

9M 2010

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**budimex**



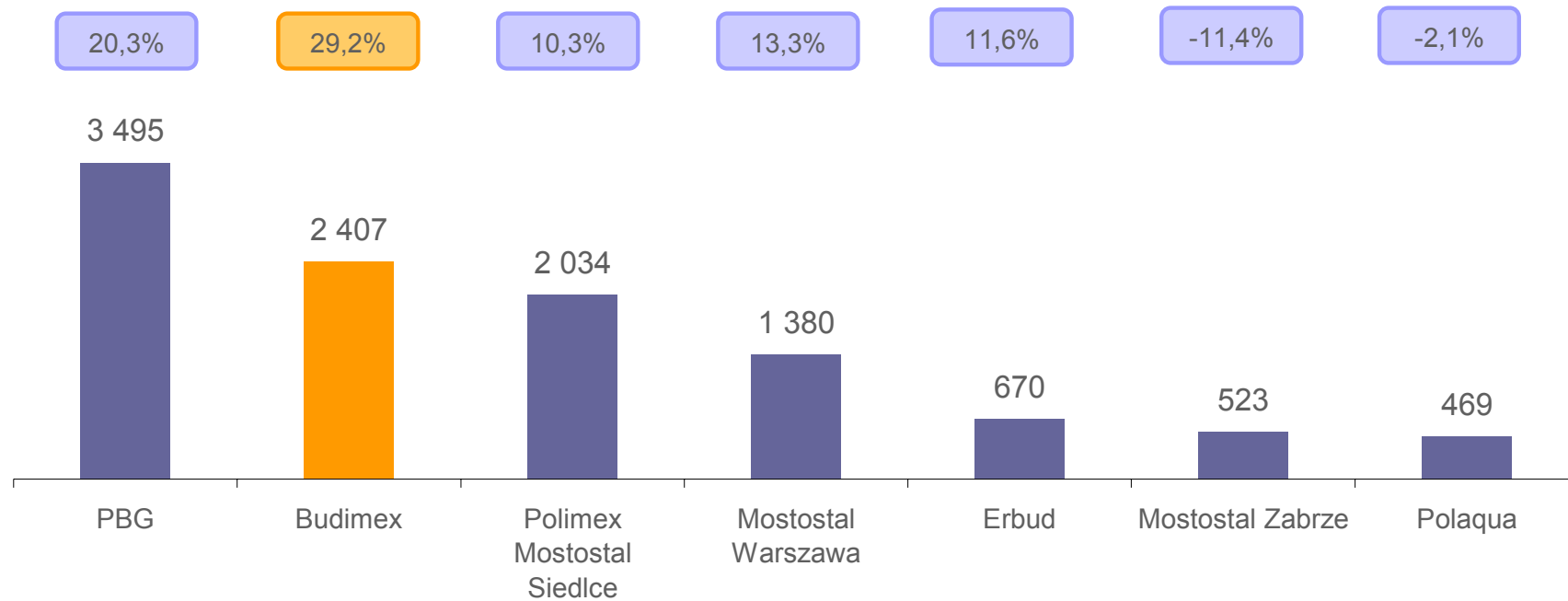
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# 1. Group information



# Market capitalization as of 30.09'10 (M PLN)

% change vs 31.12'09





# Financial highlights 9M 2010 (M PLN)

## Budimex Group

	REAL '10	1Q	2Q	3Q	REAL '09	1Q	2Q	3Q	9M variance
Sales	3 160,7	577,2	1 146,2	1 437,3	2 441,9	681,4	835,4	925,1	718,8
dynamics	29,4%	-15,3%	37,2%	55,4%					
Gross margin	367,5	85,5	124,1	157,9	326,1	148,1	144,4	33,6	41,4
as % of sales	11,6%	14,8%	10,8%	11,0%	13,4%	21,7%	17,3%	3,6%	
Overheads	-100,5	-32,6	-34,0	-33,8	-110,4	-37,0	-36,7	-36,6	9,9
as % of sales	-3,2%	-5,7%	-3,0%	-2,4%	-4,5%	-5,4%	-4,4%	-4,0%	
EBIT	259,4	67,6	95,3	96,5	143,3	38,2	49,0	56,0	116,1
as % of sales	8,2%	11,7%	8,3%	6,7%	5,9%	5,6%	5,9%	6,1%	
Gross result	255,9	65,7	90,5	99,7	165,9	51,0	50,2	64,7	90,0
as % of sales	8,1%	11,4%	7,9%	6,9%	6,8%	7,5%	6,0%	7,0%	
Net result	207,3	53,3	73,2	80,8	129,7	40,1	35,3	54,2	77,6
as % of sales	6,6%	9,2%	6,4%	5,6%	5,3%	5,9%	4,2%	5,9%	



# Results by segments 9M 2010 (M PLN)

	Budimex Group '10	Construction	Developer	Non core	Internal eliminations
Sales	3 160,7	2 634,1	451,8	94,8	-20,0
Gross margin	367,5	251,7	83,2	6,7	25,8
as % of sales	11,6%	9,6%	18,4%	7,0%	0,0%
Overheads	-100,5	-84,6	-19,2	-7,4	10,8
as % of sales	-3,2%	-3,2%	-4,3%	-7,9%	0,0%
EBIT	259,4	142,6	75,5	3,5	37,8
as % of sales	8,2%	5,4%	16,7%	3,7%	0,0%
Gross result	255,9	149,5	68,4	0,2	37,8
as % of sales	8,1%	5,7%	15,1%	0,0%	0,0%
Net result	207,3	122,2	55,2	-0,8	30,7
as % of sales	6,6%	4,6%	12,2%	-0,8%	-153,4%

details on slides:

15-20

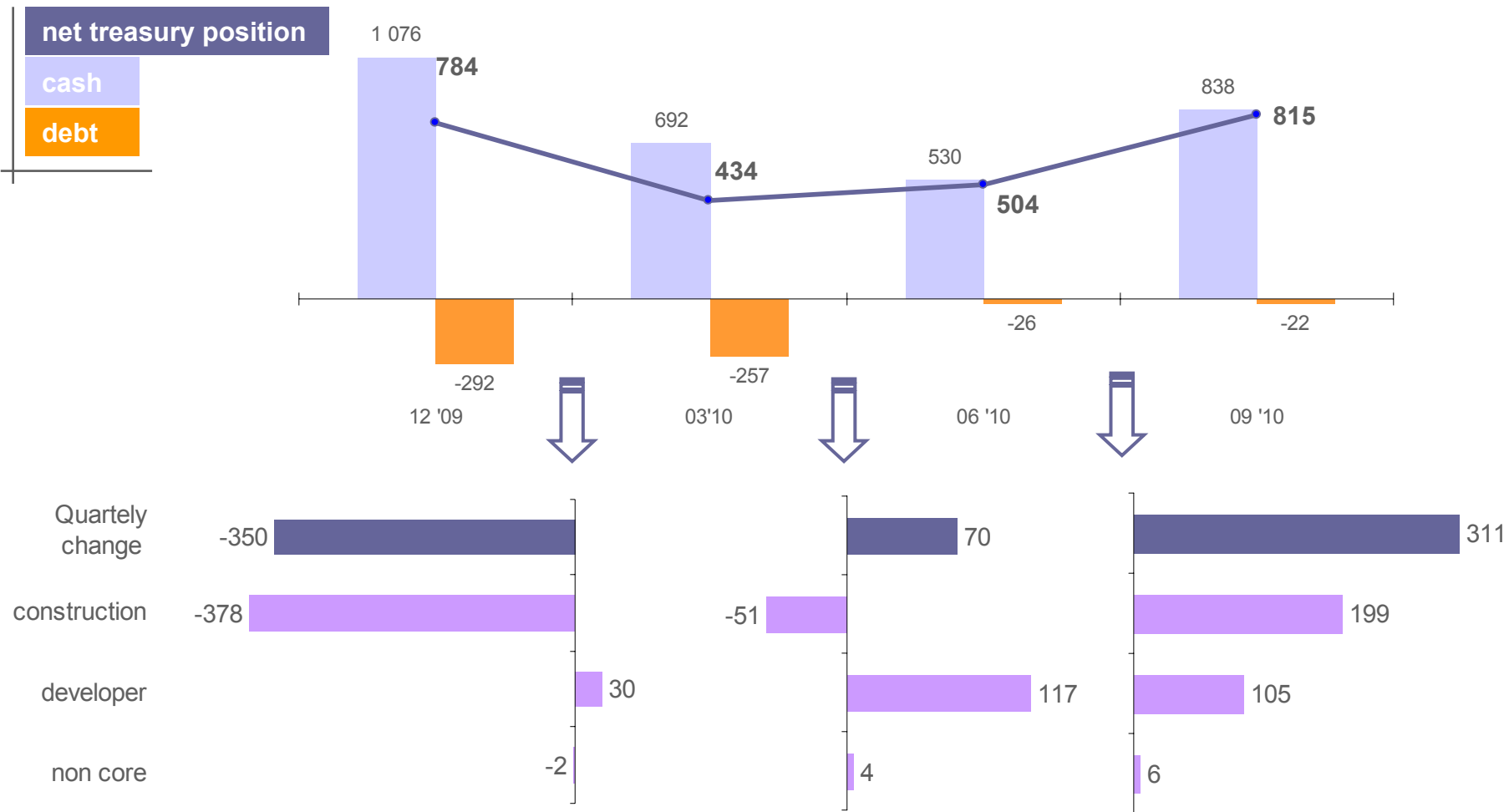
21-26

27-29

30-31



# Net treasury position\*: cash less debts (M PLN)



\* cash on company's hands (i.a. social funds accounts excluded)



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# 2.

# Construction segment



# Financial highlights 9M 2010 (M PLN)

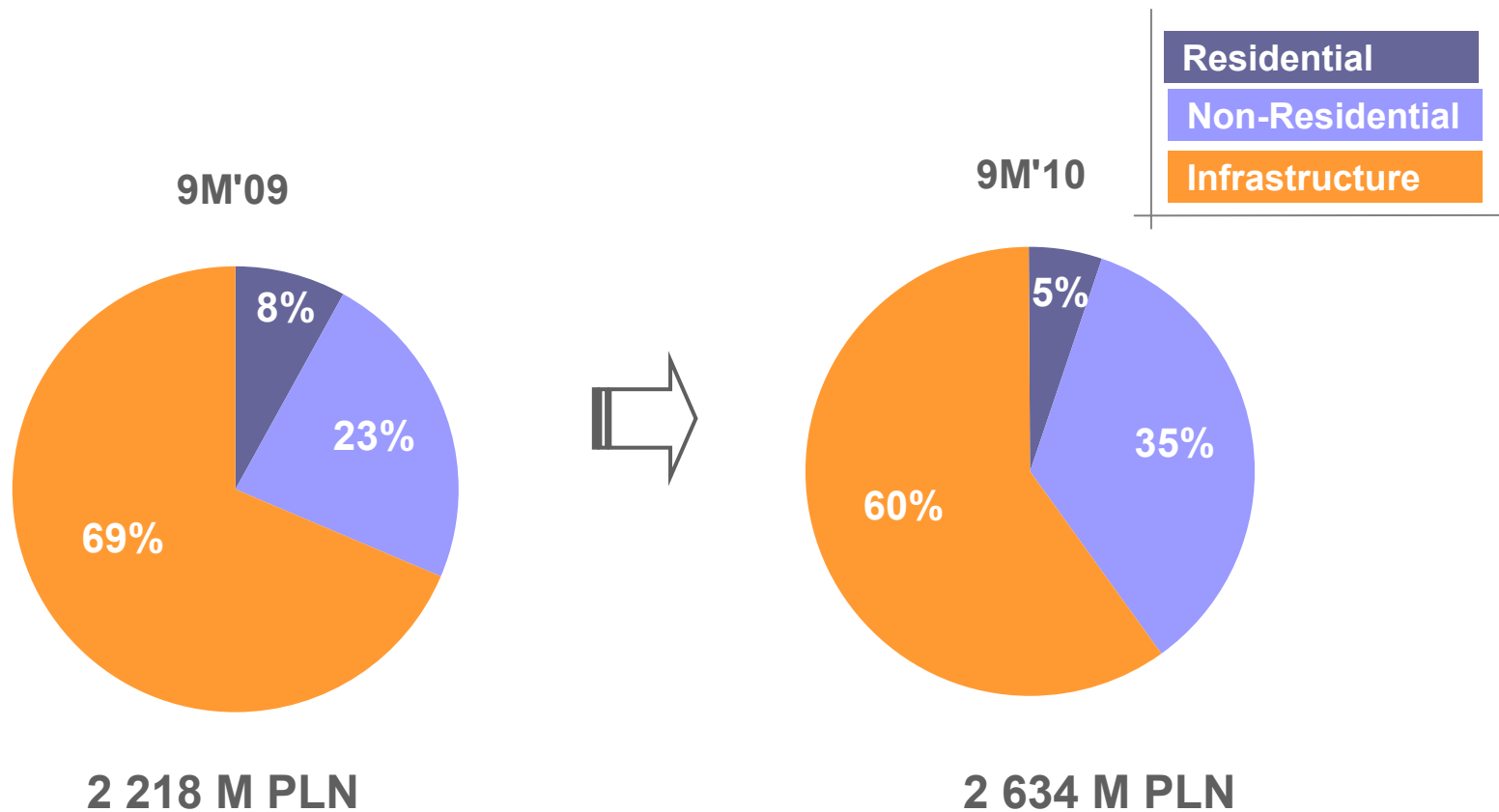
## Construction

	REAL '10	1Q	2Q	3Q	REAL '09	1Q	2Q	3Q	9M variance
Sales	2 634,1	365,0	993,4	1 275,8	2 217,6	580,6	786,0	851,0	416,5
dynamics	18,8%	-37,1%	26,4%	49,9%					
Gross margin	251,7	27,6	94,2	129,9	272,1	112,9	134,7	24,5	-20,3
as % of sales	9,6%	7,6%	9,5%	10,2%	12,3%	19,4%	17,1%	2,9%	
Overheads	-84,6	-27,6	-28,6	-28,5	-96,7	-31,5	-33,5	-31,7	12,1
as % of sales	-3,2%	-7,6%	-2,9%	-2,2%	-4,4%	-5,4%	-4,3%	-3,7%	
EBIT	142,6	14,5	58,0	70,1	113,0	22,0	52,3	38,8	29,6
as % of sales	5,4%	4,0%	5,8%	5,5%	5,1%	3,8%	6,6%	4,6%	
Gross result	149,5	17,6	57,7	74,2	147,6	36,9	59,4	51,3	1,9
as % of sales	5,7%	4,8%	5,8%	5,8%	6,7%	6,4%	7,6%	6,0%	
Net result	122,2	14,6	47,0	60,6	115,1	28,6	43,0	43,6	7,1
as % of sales	4,6%	4,0%	4,7%	4,8%	5,2%	4,9%	5,5%	5,1%	





# Construction sales structure 9M 2010 (M PLN)

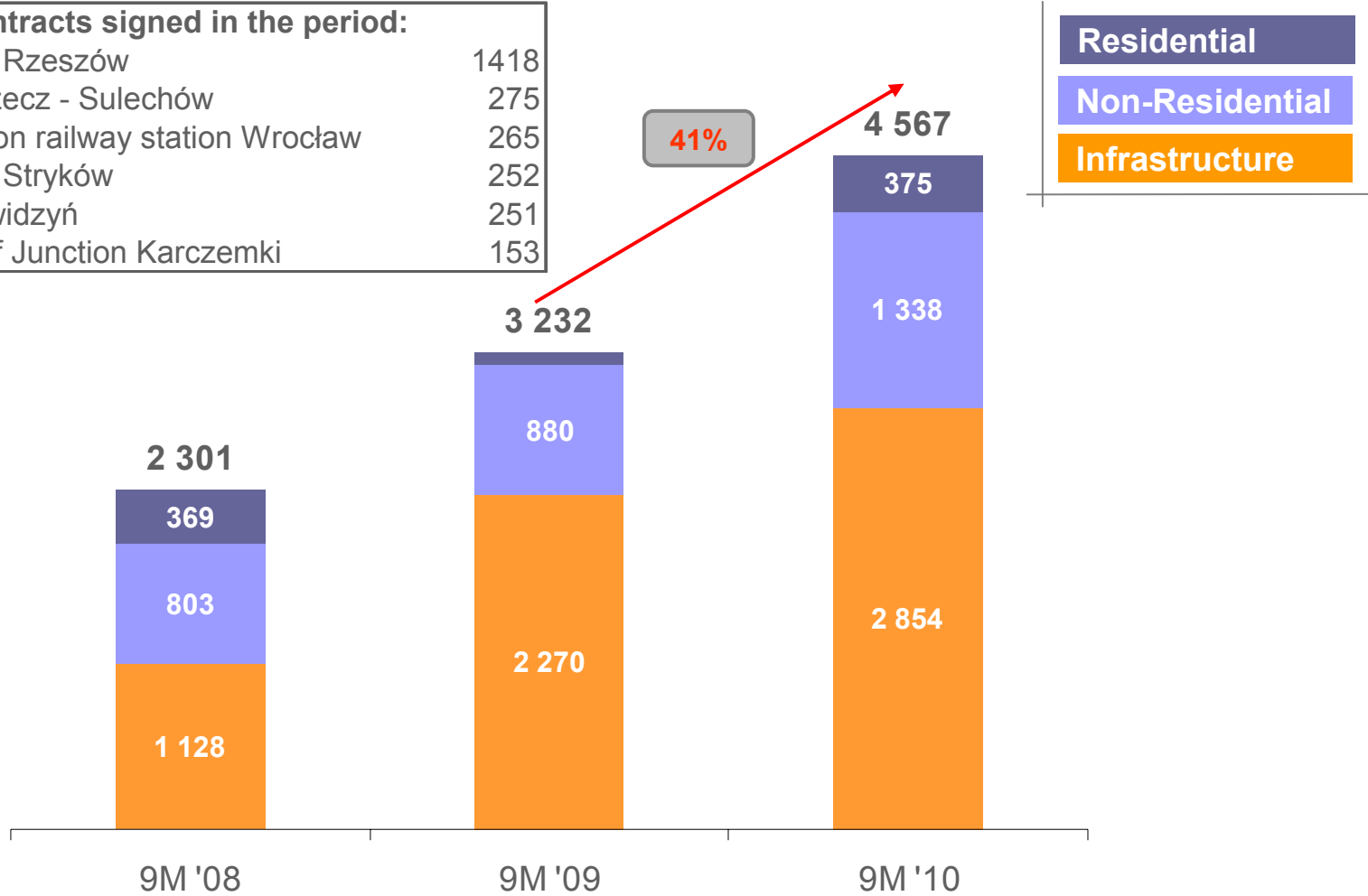




# Construction contracts signed 9M 2010 (M PLN)

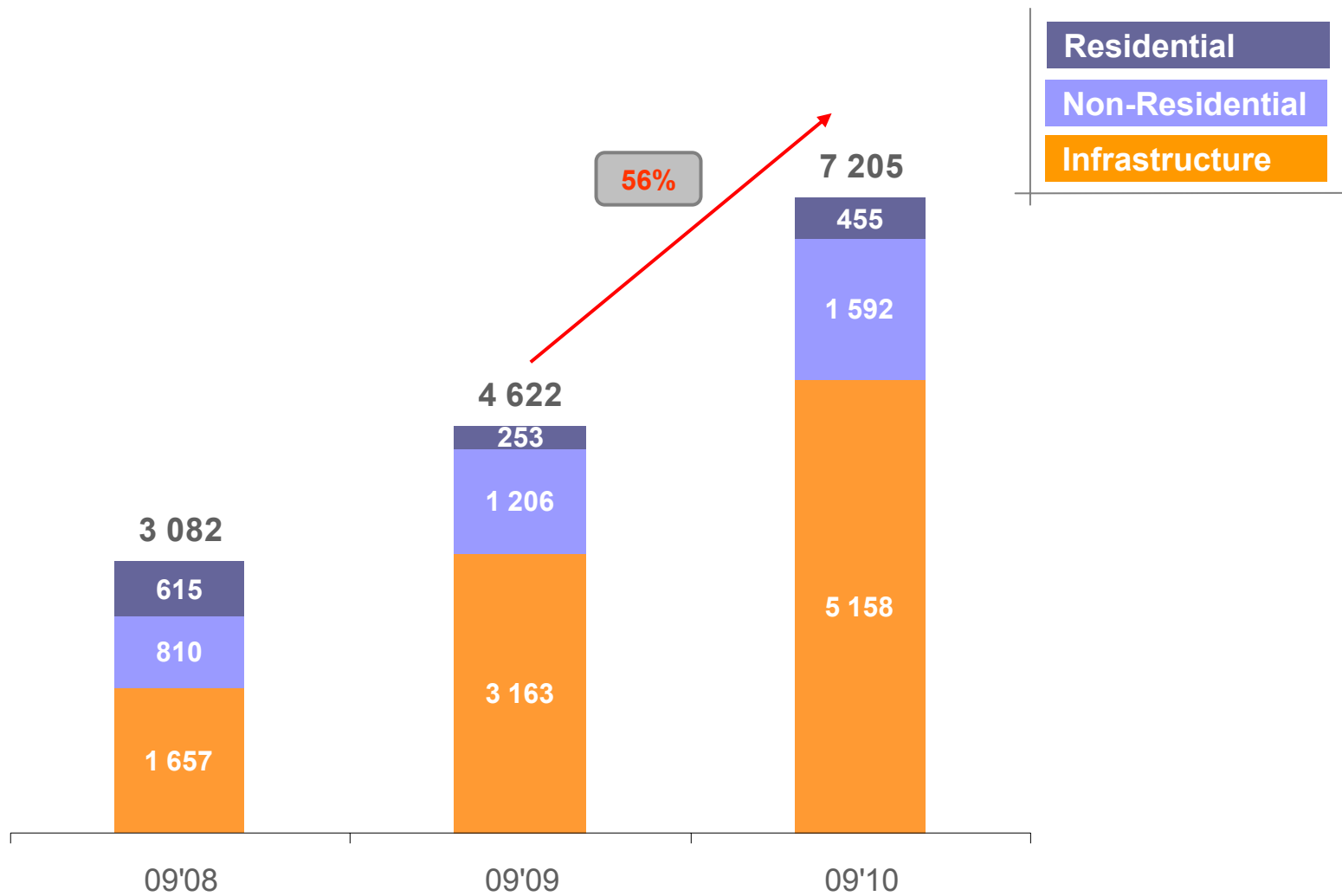
**Largest contracts signed in the period:**

A4 Dębica - Rzeszów	1418
S3 Międzyrzecz - Sulechów	275
Modernisation railway station Wrocław	265
A1 Junction Stryków	252
Bridge in Kwidzyń	251
Extension of Junction Karczemki	153





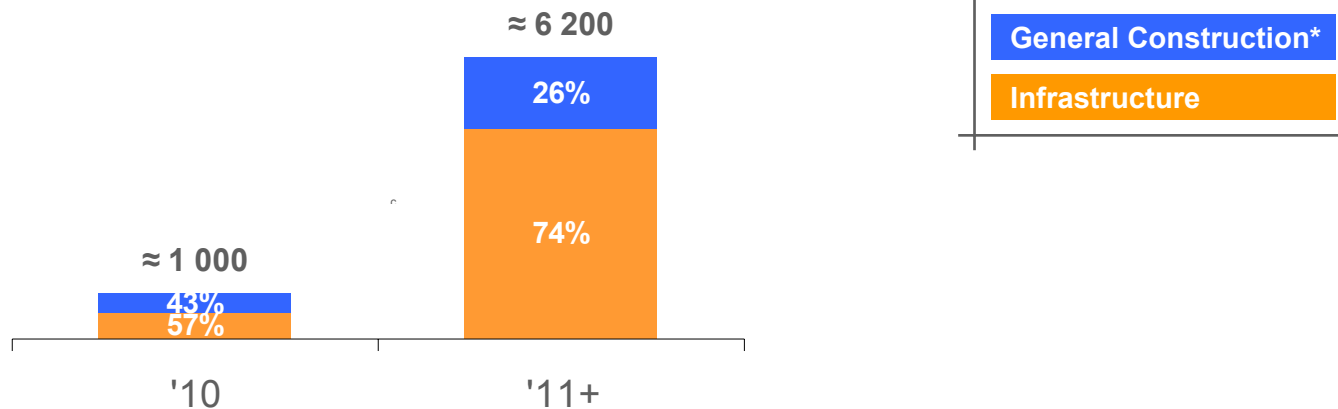
# Construction backlog (M PLN)





# Backlog highlights (M PLN)

- ✓ Expected time of backlog realization



- ✓ Average period of contract realization: 28 months
- ✓ Contracts realized with backlog value > 1 M PLN:

	09'08	09'09	09'10
Number of contracts	67	77	108
Average value	45	59	66

\* residential + non residential



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# 3. Developer segment



# Financial highlights 9M 2010 (M PLN)

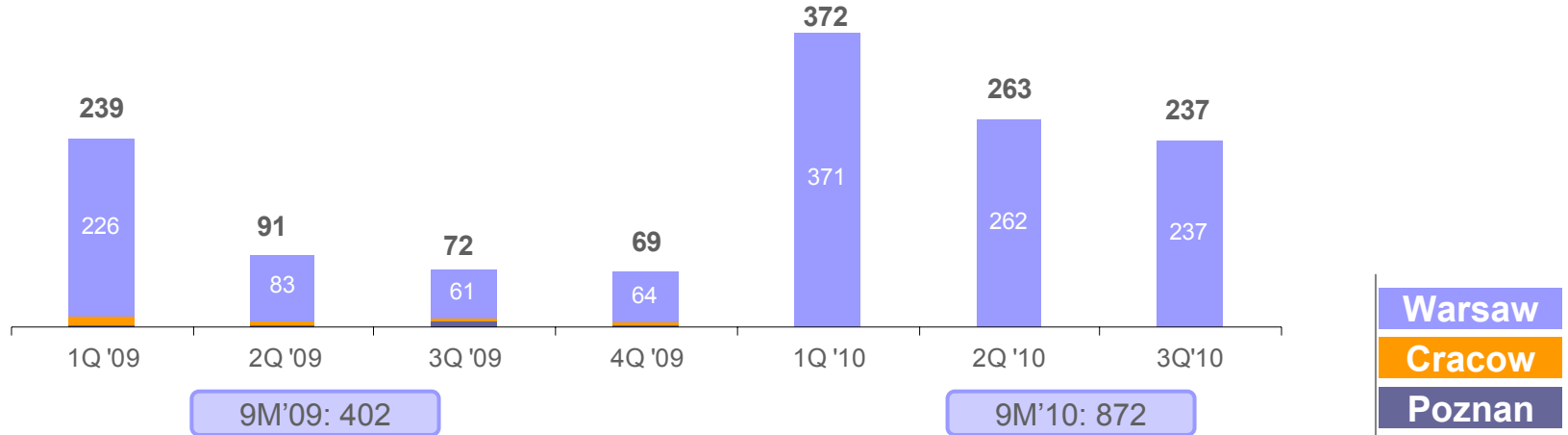
## Developer

	REAL '10	1Q	2Q	3Q	REAL '09	1Q	2Q	3Q	9M variance
Sales	451,8	199,0	129,2	123,7	198,9	108,3	52,7	37,9	253,0
dynamics	127,2%	83,8%	145,0%	226,5%					
Gross margin	83,2	47,7	21,3	14,3	56,6	29,7	14,6	12,3	26,7
as % of sales	18,4%	23,9%	16,5%	11,5%	28,4%	27,4%	27,6%	32,5%	
Overheads	-19,2	-6,6	-6,3	-6,3	-13,1	-6,1	-2,8	-4,2	-6,1
as % of sales	-4,3%	-3,3%	-4,9%	-5,1%	-6,6%	-5,6%	-5,4%	-11,1%	
EBIT	75,5	36,1	31,5	7,9	35,1	20,5	-1,4	16,0	40,4
as % of sales	16,7%	18,1%	24,4%	6,4%	17,6%	18,9%	-2,7%	42,3%	
Gross result	68,4	32,5	27,7	8,1	22,6	16,9	-6,6	12,2	45,8
as % of sales	15,1%	16,3%	21,5%	6,6%	11,3%	15,6%	-12,5%	32,3%	
Net result	55,2	26,2	22,4	6,6	18,6	13,8	-5,0	9,8	36,6
as % of sales	12,2%	13,2%	17,4%	5,3%	9,4%	12,8%	-9,5%	25,9%	

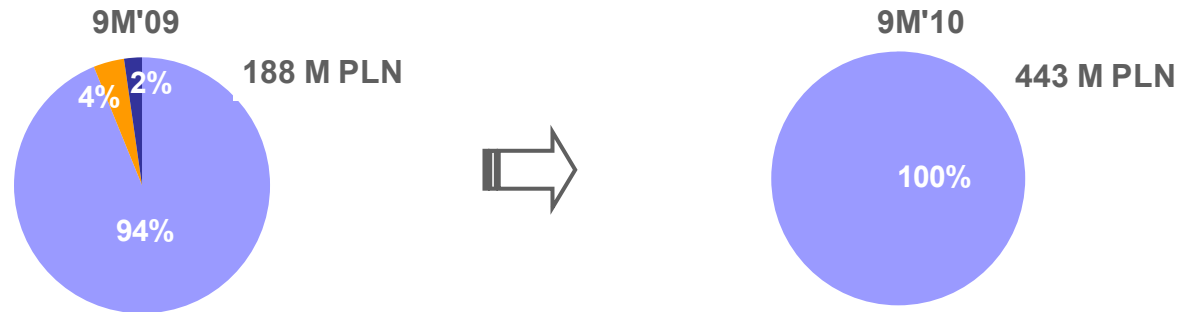


# Notary sales by location

## Number of flats



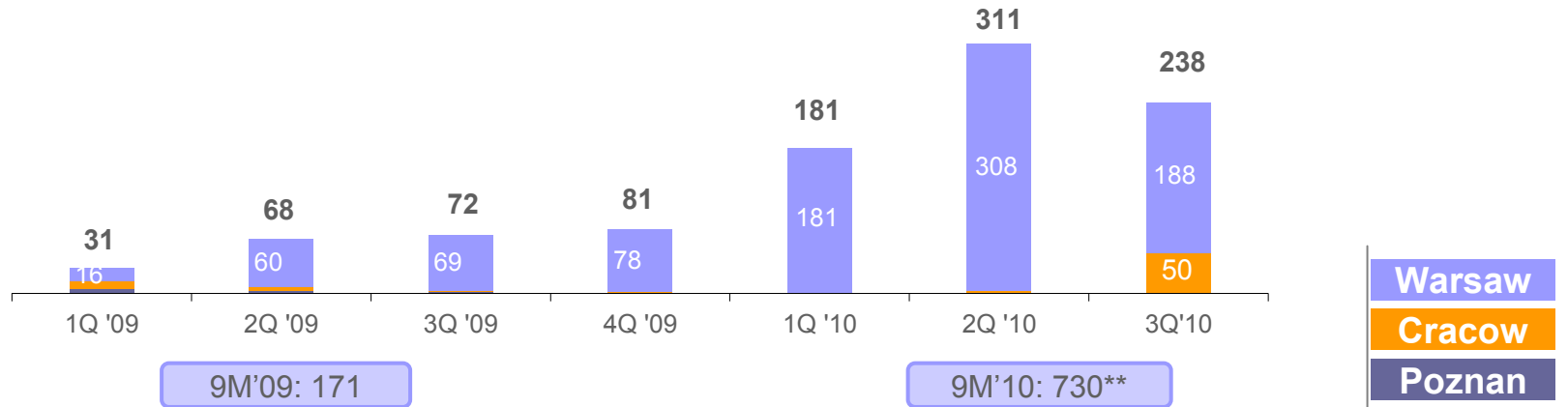
## Value (M PLN)



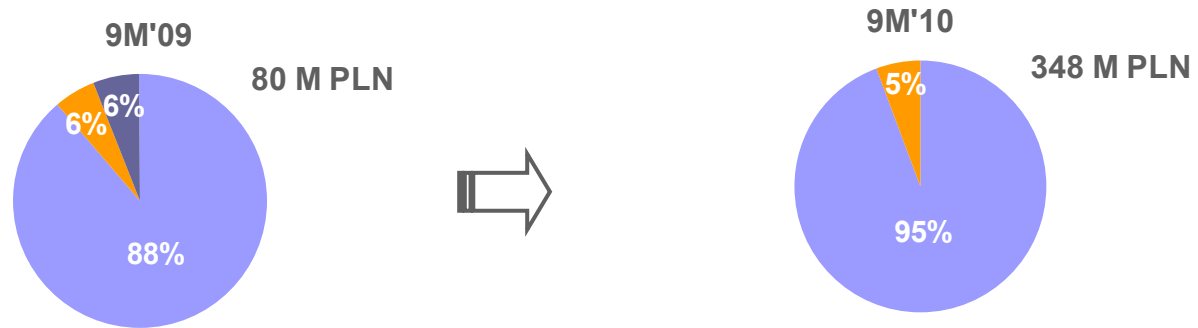


# Presales by location\*

## Number of flats



## Value (M PLN)



\* flats returned not included

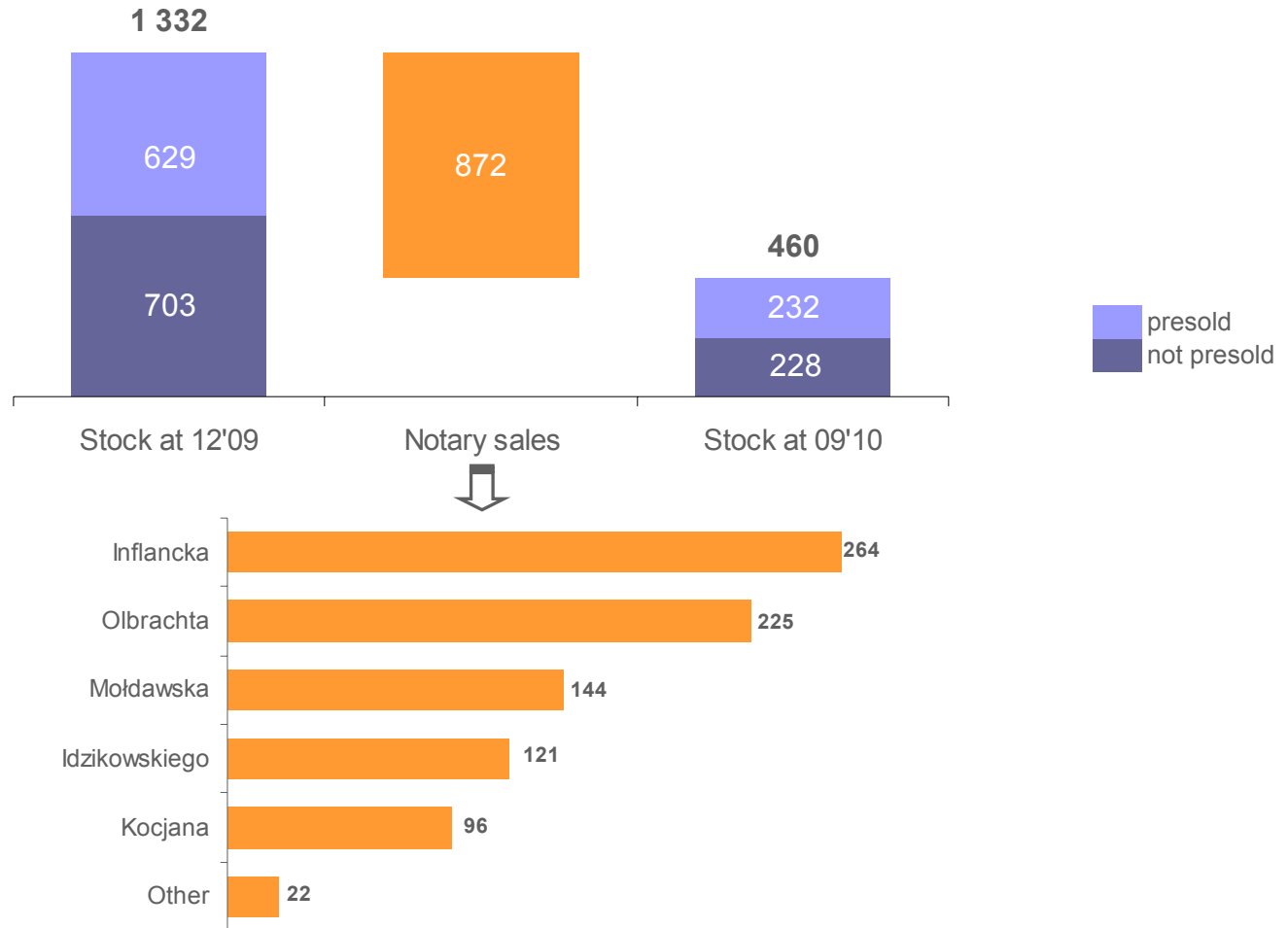
\*\* net presales: 529 flats





# Developer backlog (number of flats)

✓ As of 30.09'10 Budimex has 460 flats on stock, including 232 already presold





# New projects and land bank

## ✓ New projects already started in 2010

	projects area	planned flats	notary sales start
Cracow	Łagiewniki	72	1Q'12
Cracow	Myśliwska I	162	2Q'12
Poznan	Smolna	178	4Q'12
Warsaw	Bogusławskiego	320	4Q'12

## ✓ To be started in 2010

	projects area	planned flats	works start
Warsaw	Inflancka III	249	4Q'10

## ✓ Land bank

Budimex owns 470 000 m<sup>2</sup> of land, for more than 6 700 flats. Transactions were made in years 2006-2007, before economic boom in this segment. Average purchase price per m<sup>2</sup>: 950 PLN

	projects area	planned flats	land '000 m <sup>2</sup>
Warsaw	Dolny Mokotów	1 949	236
	Praga Południe	317	11
Cracow	Czyżyny	3 095	143
	Myśliwska II, III	269	13
	Prądnik Czerwony	404	18
Poznan	Smolna	724	32
	Grunwald	to be sold	19
<b>TOTAL</b>		<b>6 758</b>	<b>472</b>



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# 4.

## Other activities



# Financial highlights 9M 2010 (M PLN)

Other activities compose of the following:

	Budimex share	consolidation method
Budimex DanWood Ltd.	100,00%	full
Elektromontaż Poznań Ltd.	30,78%	equity method
Promos Ltd.	25,53%	equity method

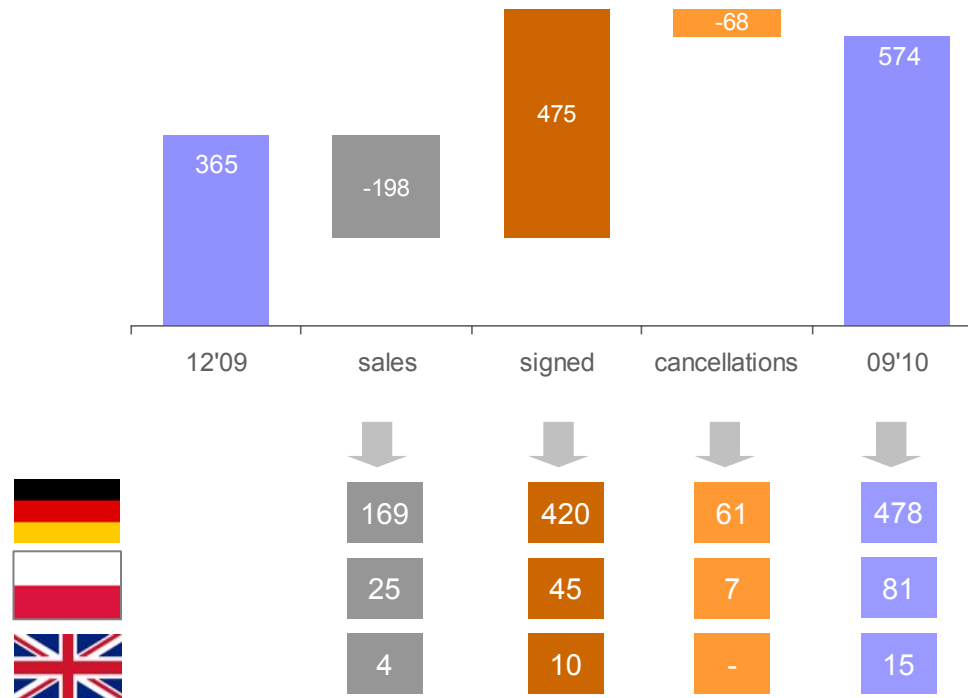
	REAL '10	1Q	2Q	3Q	REAL '09	1Q	2Q	3Q	9M variance
Sales	94,8	21,2	29,3	44,3	97,9	28,0	27,8	42,1	-3,1
dynamics	-3,2%	-24,2%	5,3%	5,2%					
Gross margin	6,7	-0,4	1,6	5,5	8,3	2,5	2,5	3,3	-1,6
as % of sales	7,0%	-2,0%	5,4%	12,5%	8,4%	8,9%	9,0%	7,8%	
Overheads	-7,4	-2,3	-2,4	-2,7	-7,1	-2,3	-2,5	-2,3	-0,3
as % of sales	-7,9%	-11,0%	-8,3%	-6,0%	-7,3%	-8,2%	-9,1%	-5,4%	
EBIT	3,5	1,6	-4,9	6,7	-1,3	-10,2	3,4	5,5	4,8
as % of sales	3,7%	7,6%	-16,6%	15,2%	-1,3%	-36,3%	12,2%	13,0%	
Companies consolidated with equity method	-3,0	-0,8	-1,4	-0,8	0,6	-0,5	0,1	1,0	-3,6
Gross result	0,2	0,2	-5,6	5,6	-0,3	-8,5	2,7	5,5	0,4
as % of sales	0,2%	0,9%	-19,1%	12,7%	-0,3%	-30,4%	9,9%	13,1%	
Net result	-0,8	0,0	-4,8	4,0	-0,7	-6,9	1,8	4,4	-0,1
as % of sales	-0,8%	0,0%	-16,4%	9,1%	-0,7%	-24,7%	6,5%	10,5%	



# Budimex DanWood activity

- ✓ Main activity: timber frame houses production
- ✓ Main market: Germany (87% of value sales), foreign currency exposure hedged
- ✓ New contracts signed during 9M 2010: 475 houses, backlog increased to 574 houses

Backlog, sales and contracts signed details (number of houses)





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# 5.

# Internal eliminations



# Financial highlights 9M 2010 (M PLN)

## Internal eliminations\*

	REAL '10	1Q	2Q	3Q	REAL '09	1Q	2Q	3Q	9M variance
Sales	-20,0	-8,0	-5,6	-6,4	-72,4	-35,5	-31,1	-5,8	52,5
Gross margin	25,8	10,6	7,0	8,2	-10,8	3,1	-7,4	-6,5	36,6
Overheads	10,8	3,9	3,3	3,6	6,6	-2,8	7,8	1,6	4,2
EBIT	37,8	15,4	10,6	11,8	-3,5	5,9	-5,2	-4,2	41,3
Gross result	37,8	15,4	10,6	11,8	-4,0	5,8	-5,4	-4,4	41,8
Net result	30,7	12,5	8,6	9,6	-3,3	4,6	-4,4	-3,5	34,0

\* mainly construction segment to developer segment

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# Construction market features

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# Construction production in Poland\* (bn PLN)

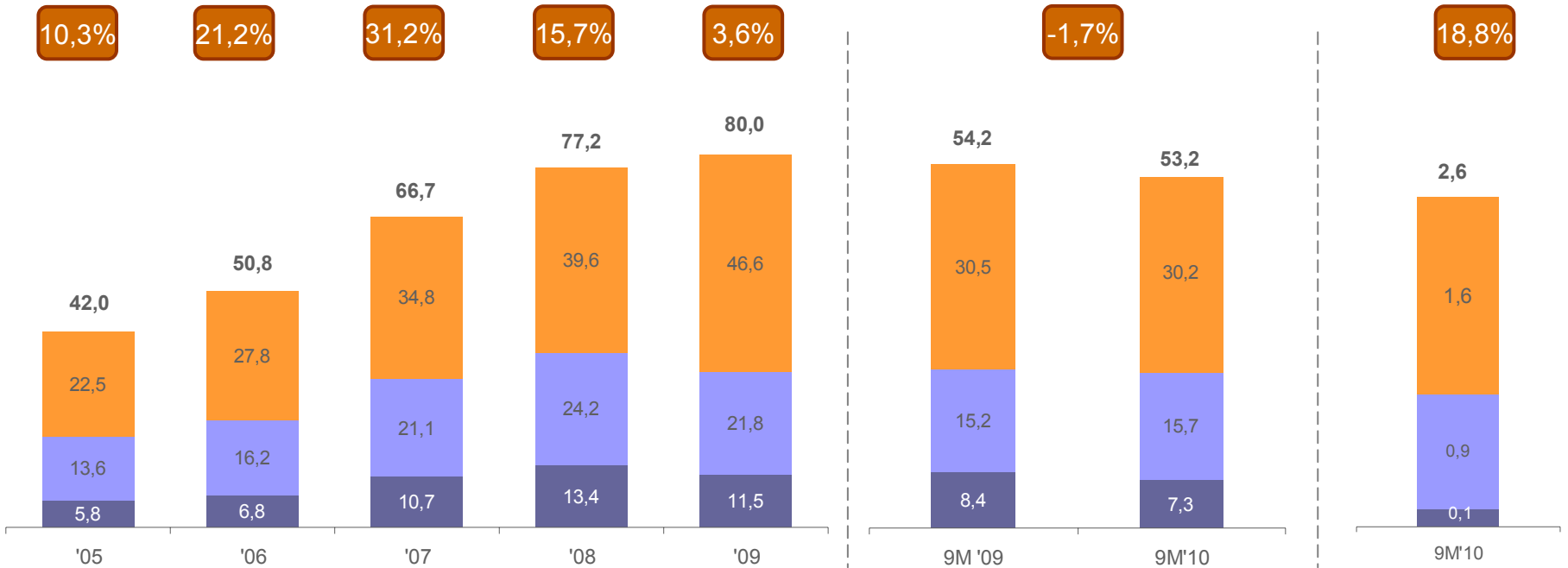
dynamics yoy

infrastructure

non residential

residential

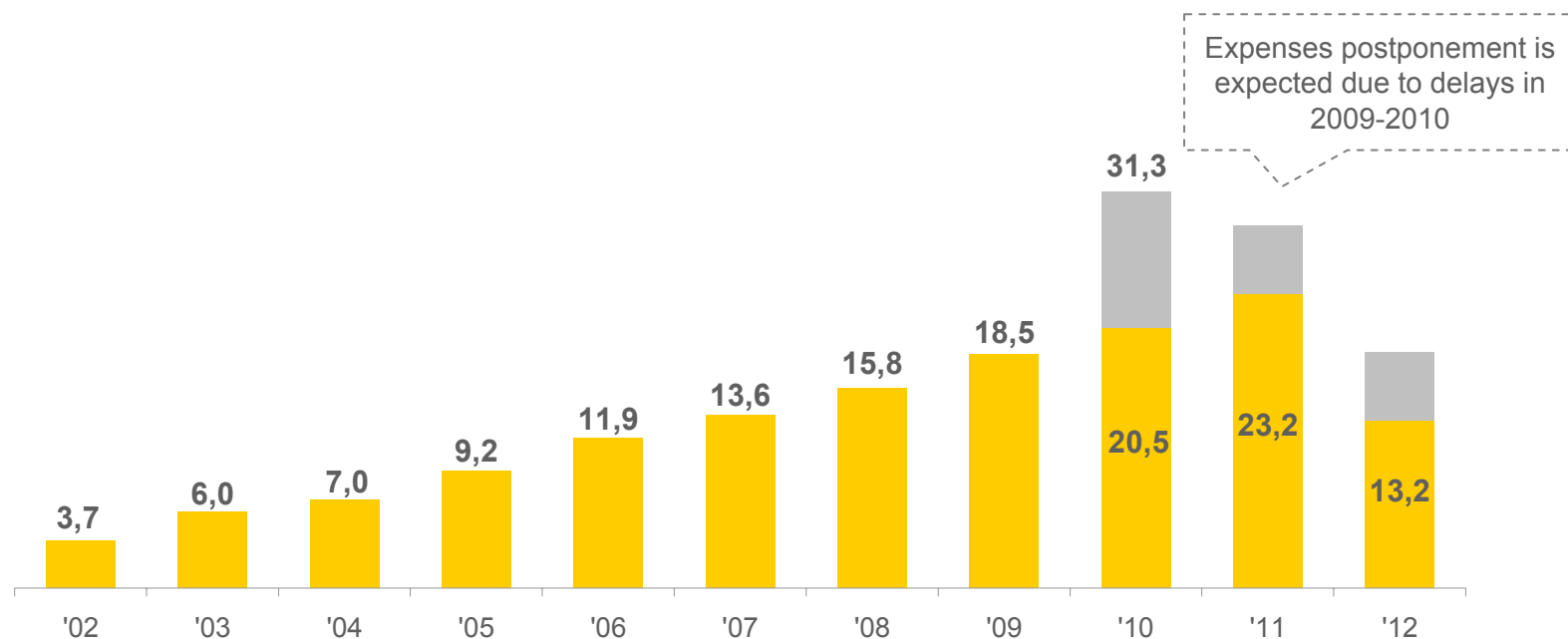
Budimex Group  
construction segment



\* construction production in Poland as the production of the companies with more than 9 employees registered in Central Statistic Office as construction ones



# GDDKiA (main road investor) expenses (bn. PLN)



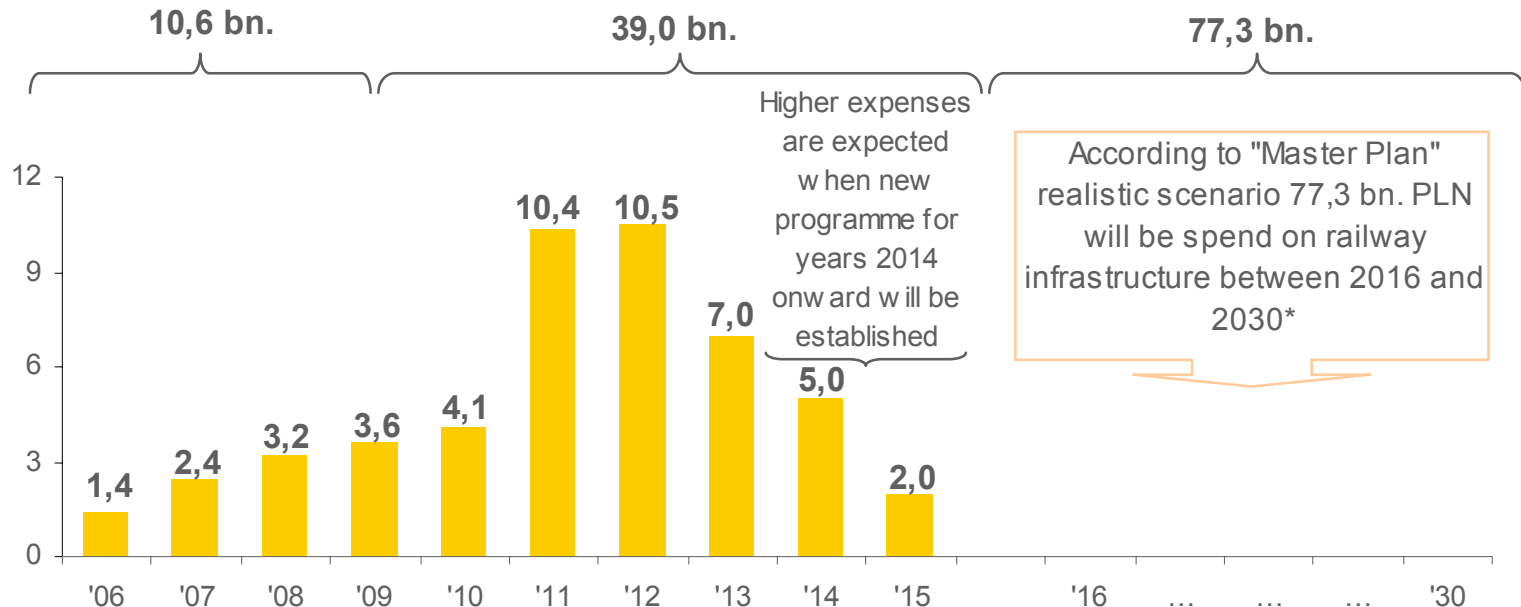
	Original	1-3Q expenses	Revised	Final expenses
2009	32,4	10,6*	22,7	18,5
2010	31,3	7,4	20,5	?

\*1-8'09



# PKP PLK (main railway investor) budget (bn. PLN)

- ✓ In **July 2010** Ministry of Infrastructure released „Railway Development Plan for years 2010-2015” with PKP PLK expenses according to „Programme for years 2010-2013”



\*"Master Plan for Railway Transport Development in Poland till the year 2030" is a governmental document prepared by the Ministry of Infrastructure. Calculations are based on second investment scenario (realistic).



# Power energy market capex (bn PLN)\*

- ✓ Energy is produced by four, main Groups from public sector  
=> PGE, Tauron, Enea, Energa

YEAR	'09	'10	'11	'12	'13	'14	'15 - '20	Total
PGE		39						39
Tauron		14			20			34
Enea							20	20
Energa			22					22
RWE				6				6
Vatenfall		4						4
Total								125

\* investments plans of main energy Groups in Poland stated in their reports or Financial Statements



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**budimex**