SPACES

Interim Report on the 3rd Quarter 2021

PORR

Key Data

in EUR m	1–9/2021	1–9/2020	Change
Operating data			
Production output[1]	4,135	3,778	9.4%
Foreign share	53.0%	55.4%	-2.4 PP
Order backlog[2]	7,778	6,808	14.3%
Order intake[2]	4,833	4,250	13.7%
Staffing level (average)	20,135	20,068	0.3%

	1–9/2021	1–9/2020	Change
Earnings indicators			
Revenue	3,722.9	3,365.9	10.6%
EBITDA	197.8	74.3	> 100.0%
EBIT	55.8	-48.3	< -100.0%
EBT	42.5	-62.4	< -100.0%
Profit/loss for the period	26.3	-46.8	< -100.0%

	30.9.2021	31.12.2020	Change
Financial position indicators			
Total assets	3,786	3,509	7.9%
Equity (incl. non-controlling interests)	645	651	-0.8%
Equity ratio	17.1%	18.5%	-1.4 PP
Net debt	315	137	> 100.0%

	1–9/2021	1–9/2020	Change
Cash flow and investments			
Cash flow from operating activities	22.5	-76.1	< -100.0%
Cash flow from investing activities	-111.4	-79.4	40.3%
Cash flow from financing activities	-116.0	-2.3	> 100.0%
CAPEX[3]	178.3	125.1	42.5%
Depreciation/amortisation/impairment	141.9	122.6	15.8%

	1–9/2021	1–9/2020	Change
Key data regarding shares			
Number of shares (weighted average)	29,095,000	29,095,000	-
Market capitalisation as of 30 Sep (in EUR m)	448.1	339.2	32.1%

[1] The production output corresponds to the output of all companies and consortiums (fully consolidated, equity method, proportional or those of minor significance) in line with the interest held by PORR AG.
[2] The order backlog and the order intake have been adjusted for the projects A1 Leverkusen Bridge and H51 Pfons - Brenner. The comparative figures have been restated retrospectively.
[3] Investments in property, plant and equipment and intangible assets.

The figures have been rounded off using the compensated summation method. Absolute changes are calculated using the rounded values, relative changes (in percent) are derived from the non-rounded values.

Contents

2 Highlights
3 Foreword by the Chairman of the Executive Board
4 Strategy Update
8 PORR on the Stock Exchange
9 Management Report
21 Interim Consolidated Financial Statements as of 30 September 2021
28 Financial Calendar 2022
28 Contact
28 Acknowledgements

Highlights

Tallest tower on the square

With a height of 150 metres, the second tallest building in the German capital is rising up at Alexanderplatz in Berlin: the ABC Tower. This new project is currently PORR's largest single building construction project and is worth EUR 240m. And the specialised foundation engineering has already been realised by PORR subsidiary Stump-Franki.

Comprehensive tunnelling

With the contract to complete the Višnové Tunnel, PORR is proving its expertise in tunnelling once again. The 7.5-kilometre-long structure should be completed in the north of Slovakia as part of a consortium. The project also includes the construction of the D1 expressway between Lietavská Lúcka and Dubná Skala passing trough.

Lavish living

The largest new orders in Switzerland include the new build of the Bella Vista in Neuchâtel and Horizon Dorigny in Chavannes-près-Renens. In September the general renovation of the Auenfeld barracks was added to the list. Four residential buildings in Zurich's Kleeweidstrasse, the VISIONAPARTMENTS in Basel, and a construction site in Parc du Simplon in Renens have already been handed over successfully this year.

Spectacular bridge building

Linz has a new landmark: the 400-metre-long and up to 34-metre-wide railway bridge over the Danube. It can also be traversed by bus, car, bicycle or on foot. Soon the city railway will also cross this bridge. PORR worked on this connection for three years as part of a consortium; the opening took place in August.

Exceptional achievements in Poland

PORR recently hit milestones on two major Polish projects: The SKYSAWA Tower in the heart of Warsaw reached its target height of 155 metres at the end of July. And this at record speed – one floor was built every four days. And: It took seven months for the Wyspiarka tunnel-boring machine to complete its journey under the Świna strait. The breakthrough of the Swinoujscie tunnel to the other bank was achieved in mid-September.

Sustainable indoor climate

Boreholes of up to 200 metres deep with a total of 140 deep probes are powering the sustainable heating and cooling in the new quarter taking shape in the city – VIENNA TWENTYTWO. By drawing on a geothermal system that uses energy stored underground, PORR is providing a low-emission, climate-friendly alternative to conventional methods. Around 75% of the energy needed for heating comes from the ground and up to 100% for cooling.

Foreword by the Chairman of the Executive Board

Dear shareholders,

Nine months with a lot of challenges but also a lot of new opportunities taken have now come to an end. We have delivered – despite the ongoing COVID pandemic, material shortages and rising prices. Following an exceptionally strong third quarter 2021, we have secured a solid foundation for the future. The order backlog of EUR 7,778m provides a strong and important cushion for the coming years. We have initiated an economic turnaround and already reached the first milestones . This is confirmed by our results. We have generated strong production output of EUR 4,135m, an increase of 9.4%. With absolutely top EBT of EUR 42.5m, PORR is right on track.

With our new **Green and Lean** strategy and the EUR 122.2m capital increase successfully placed in November, we have built a solid basis for upcoming future opportunities. The transformation programme PORR 2025 is making tangible progress. We have confirmed our outlook once again and can look to the future with confidence. Because PORR is building change.

Find out for yourself and thank you again for your continued trust in us!

Vienna, November 2021

Sincerely,

Karl-Heinz Strauss
Chairman of the Executive Board and CEO

Green and Lean

With its clear focus on the sustainable corporate strategy “Green and Lean”, PORR is powerfully positioned for the current megatrends of sustainability, mobility, digitalisation, urbanisation and health. This new philosophy is based on three pillars.

Green – PORR wants to be a market leader for circular construction that conserves resources.

And – Engage in partnering models at every stage of the construction process.

Lean – Applied daily in the construction process with the help of LEAN Design and Construction.

Green and Lean is already more than a vision. It is the foundation for future success and the basis on which PORR is living up to its responsibility to society as a large construction company. After all, intelligent building doesn’t just connect people, it also shapes our future. PORR is building change.

Unique projects

In **Parc du Simplon in Renens (CH)** one can see a high-level example of circular economy in action with recycled material accounting for around 70% and the extensive reuse of soil and excavated material on site.

Almost all of the construction material for **“The Cradle” in Düsseldorf** can be used again at the end of its useful life. Here almost no waste is generated over the entire lifespan of the property, sustainability comes first.

Working together is the greatest good of a consortium. Shoulder to shoulder with its partners, PORR recently completed the spectacular floating-in of the **New Danube Bridge in Linz**.

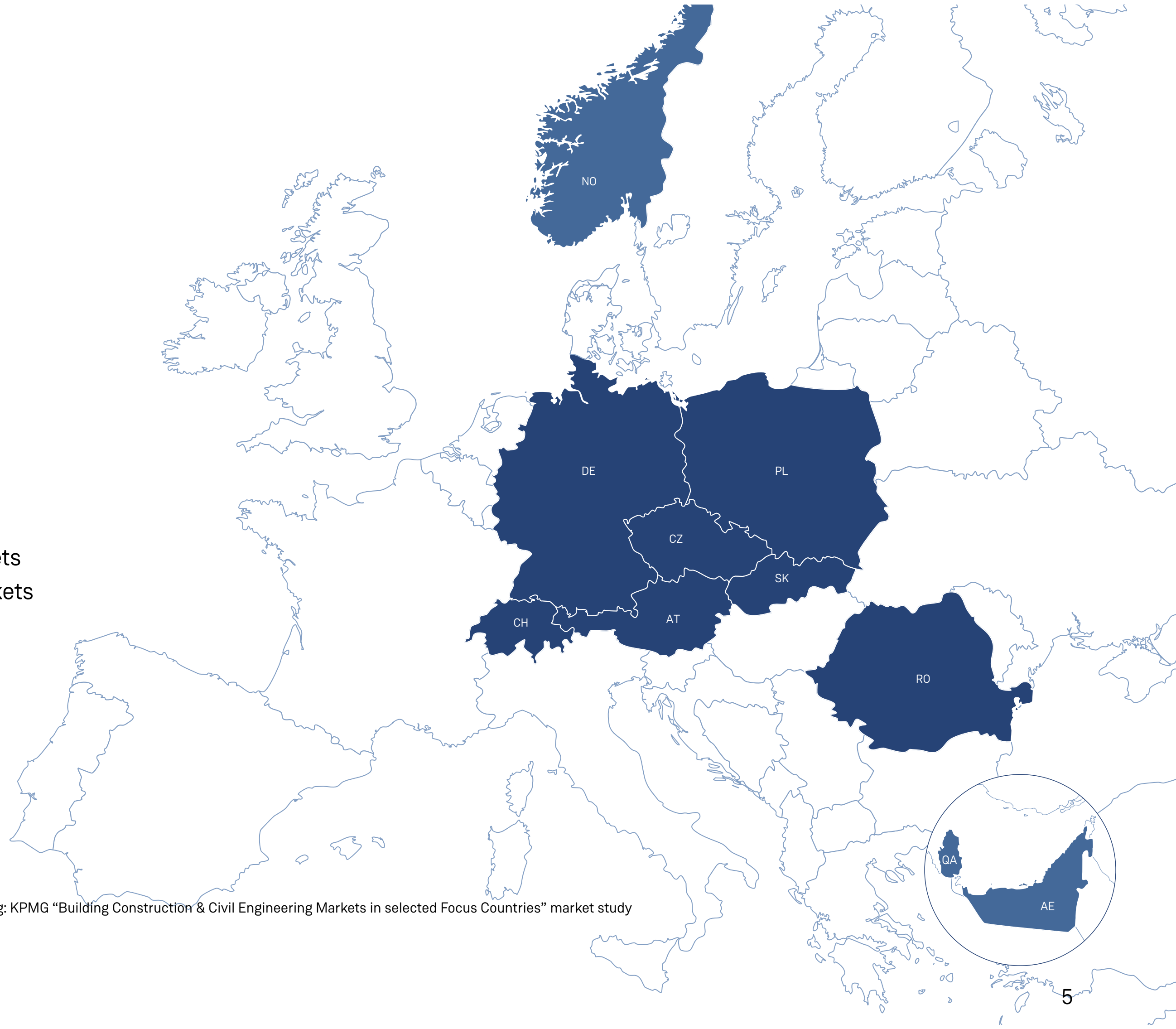
LEAN Construction was used on the expansion of the **Pottendorfer Line** by Ebreichsdorf railway station (AT). A sequence analysis helped determine the optimal work-flow and avoid any idle time.

Markets

MARKET POSITION		POTENTIAL		STATUS QUO
AT	#1	strong	●	Stable, high capacity utilisation, leading market position
DE	#3	strong	●	High demand, realignment in structural engineering
CH	#7	strong	●	Stable demand in building construction and civil engineering, pressure on margins
PL	#4	strong	●	High demand, building construction projects delayed
CZ	#6	strong	●	Stable demand, expansion of permanent business
SK	#2	strong	●	Stable demand, expansion of permanent business
RO	#7	strong	●	High demand in building construction and civil engineering, expansion of permanent business
NO		strong	●	Selective project acquisition in infrastructure sector
QA/UAE		neutral	●	Selective, project volumes reduced, stable demand

The table shows the assessment of demand on the PORR markets.

Home markets
Project markets



Source market positioning: KPMG "Building Construction & Civil Engineering Markets in selected Focus Countries" market study

PORR 2025

The future programme PORR 2025 brings a focus on PORR's strengths in addition to optimising the efficiency of the organisation. To secure a foundation for profitable growth and position itself for the future, PORR will implement, intensify and accelerate far-reaching measures to adjust cost structures along with the organisation and the portfolio. In parallel, growth topics and digital technologies will be promoted in order to ensure the future viability of PORR.

	STRATEGY	TARGETS
Markets	**Greater focus** PORR remains convinced of the long-term potential of its seven European home markets. The goal is to safeguard and further expand this powerful market position in Europe with a focus on selective, results-oriented and sustainable growth.	• **Portfolio streamlining with the Heat Map:** Optimal positioning of the business fields on the individual markets • **Growth that adds value as a design-build contractor:** Fully integrated value chain as USP • **Build more sustainably**
Organisation	**Greater efficiency** With the transformation currently underway, uniform standards should be secured across the entire Group along with connected processes. The rapidly changing market environment demands new flexibility and agile forms of organisation.	• **Streamlined and focused organisation:** Improve transparency and speed • **Standardised risk management across the Group**
Operational Analysis	**Enhancing value** The changing market backdrop and PORR's strong growth over the past few years have necessitated a review of cost structures at every level.	• **Improve the operating performance:** Optimise cost structures, digitalise purchasing and increase efficiency • **Improve capital employed** • **Maintain stable financial position:** Improved equity ratio, robust maturity structure, secure borrowings in the medium term, maintain adequate liquidity
Digital Opportunities	**Realising future potential** Digital, connected solutions across the entire construction value chain and new, data-based business models open up a new dimension in terms of potential.	• **Continue to expand position as technology leader** • **Harmonise IT across the entire Group** • **Digitalise work flows:** In the areas of technology and commerce

	INDICATORS	MEASURES
Markets	· Increase profitability by 0.5 to 0.8%	· **Heat Map:** Realign structural engineering, reorganise Stump-Franki, sell non-strategic equity interests, dissolve non-profitable areas · **Selective growth:** More projects as an all-in-one provider, selective acceptance of new projects, expand innovation
Organisation	· Permanent cost savings in the administrative areas of EUR 43m from 2022	· **Reduction of material costs and indirect costs**: Improve transparency, reduce hierarchies and interfaces, connect knowhow and capacities, expand digital processes · **Merge technical and commercial controlling with risk management and contract management**
Operational Analysis	· Increase profitability by 0.8 to 1.0% · CAPEX ~ 4% (3% excl. IFRS 16) · Working capital intensity of 6 to 8% · Reduce net debt by 2022 · Equity ratio of 20 to 25% · Payout ratio unchanged at 30 to 50%	· **Procurement:** Smart processes and promoting the use of purchasing platforms to optimise contracted volumes · **Non-core activities:** Evaluating non-core activities; focus remains on core competencies in construction
Digital Opportunities	· Current LEAN projects: 20 · Current BIM projects: 19	· **BIM-based solutions with LEAN Project Management:** Trailblazer on the path to a paperless construction site · **Machine-to-machine communication in real time:** Deep Soil with 360° digitalisation, management of construction phase · **Group-wide IT harmonisation:** Digitalisation, optimising and automating business processes

PORR on the Stock Exchange

Global stock markets remain positive

The international stock exchanges managed to build on their good performance yet again in the third quarter of 2021. Uncertainty related to the spread of the COVID-19 Delta variant partly dampened the positive momentum. Central banks suggested a possible reduction in bond-buying programmes in future, while inflation rose sharply as well. Both factors had hardly any impact on the international indices.

The leading US index Dow Jones Industrial Average ended the first three quarters of 2021 up by 10.6% against year-end closing. A similar performance was seen in Germany's leading DAX 40 with a plus of 11.2%. The heavier weighting towards industrial shares of these two indices led them to lag behind Europe's EURO STOXX 50, which grew by 13.9% in the period under review. The best performer was Austria's leading ATX index, which closed up by as much as 31.6% at the end of the third quarter versus year-end 2020. In addition to the numerous cyclical shares represented on the ATX and which are benefiting from the current recovery phase, this increase was mainly aided by the positive corporate results for the first half of 2021.

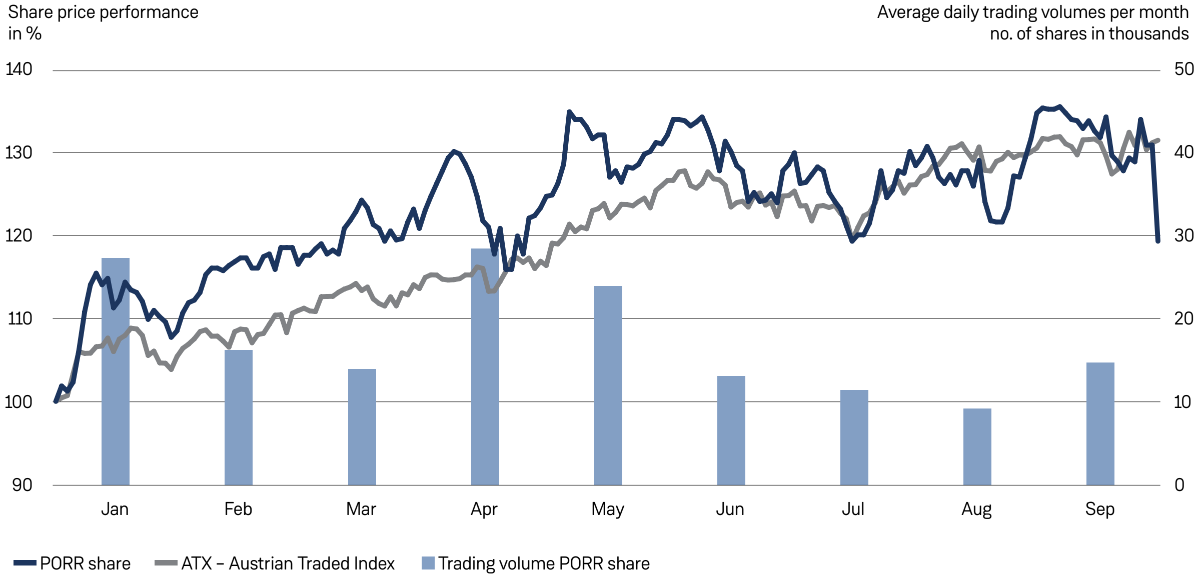
PORR share climbs

The PORR share reached its current year-low of EUR 13.06 right at the start of the year, on 5 January. Mirroring the overall market, there was then a sharp upward climb that later slowed down a little from mid-year while still clearly positive. The half-year figures led to the year-high of EUR 17.50, achieved on 7 September. As of the reporting date, 30 September, the price of the PORR share came under pressure due to the publication of the fine application by the Federal Competition Authority and the announcement of a possible capital increase. That said, the share closed the first three quarters of 2021 with a gain of 19.4% against the previous year and a price of EUR 15.40. The market capitalisation stood at EUR 448.1m.

Shareholder structure prior to capital increase

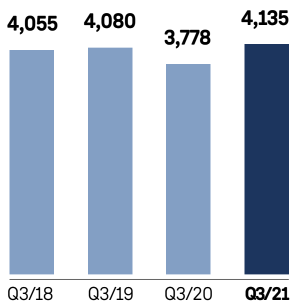
The syndicate (Strauss Group, IGO Industries Group) held the majority of shares outstanding, totalling 53.7%. The free float of 46.3% was primarily split among Austria (26.8%), Great Britain (10.8%) and the USA (9.3%). In addition, investors from Germany held 6.6%, while 7.0% of the shares were held in other countries in Europe.

Share price and trading volumes of the PORR share in the first three quarters of 2021 (index)

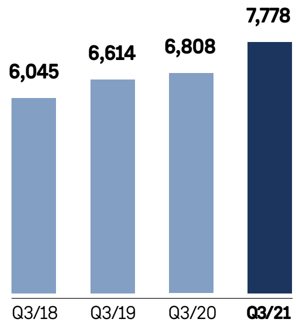


Management Report

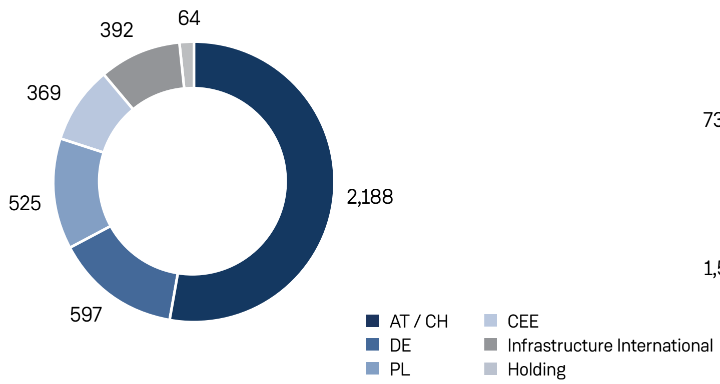
Production output[1]
(in EUR m)



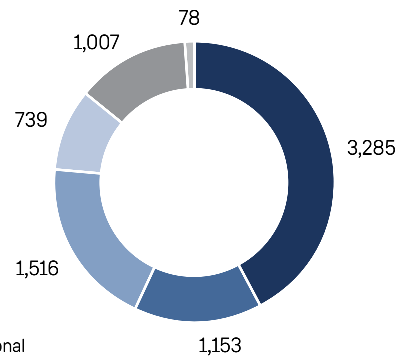
Order backlog[2]
(in EUR m)



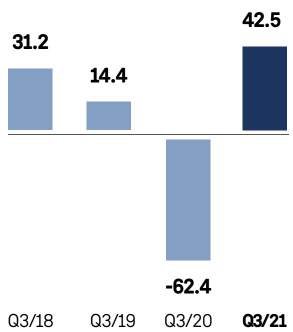
Production output[1] by segment
(in EUR m)



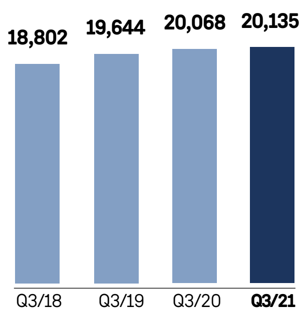
Order backlog[2] by segment
(in EUR m)



EBT (in EUR m)



Average staffing levels



[1] The production output corresponds to the output of all companies and consortiums (fully consolidated, equity method, proportional or those of minor significance) in line with the interest held by PORR AG.
[2] The order backlog and the order intake have been adjusted throughout the report for the projects A1 Leverkusen Bridge and H51 Pfons - Brenner. The comparative figures have been restated retrospectively.

The figures have been rounded off using the compensated summation method. Absolute changes are calculated using the rounded values, relative changes (in percent) are derived from the non-rounded values.

Markets and Performance

Economic Environment

The recovery of the global economy is still ongoing, although the spread of the COVID-19 Delta variant has led to a slight slowdown in the positive momentum. Nevertheless, growth is continuing at a high level. Viewed globally, the current upswing is being driven in particular by the service sector. Furthermore, the economic recovery of individual countries is, as before, closely related to their vaccination take-up rate. Pandemic-related differences between supply and demand were also a factor leading to the current sharp inflation of raw materials and other supplies. Nevertheless, the experts of the International Monetary Fund (IMF) expect inflation to normalise by 2022. Interruptions and delays in global supply chains are also giving rise to uncertainty. Against this backdrop, the IMF revised its forecast for the full year 2021 slightly downwards and predicts GDP growth of 5.9%. For 2022, the experts continue to anticipate growth of 4.9%.

The US central bank, the Fed, announced in autumn that it would slowly begin winding down its bond-buying programme. That said, a change in the prevailing low interest rate level is not expected. The IMF has forecast GDP growth of 6.0% for the USA in 2021. For the year 2022, policy-based stimulus measures mean that further growth of 5.2% is expected.

The European Central Bank (ECB) has also announced its first slowdown in its bond-buying programme. Nevertheless, the first interest rate changes are not likely to come in the short term. In contrast to the American market, the pressure of inflation is less pronounced here and so the ECB can maintain its looser monetary policy for longer. In the course of the third quarter of 2021, production for Europe as a whole returned to pre-crisis levels. In contrast, bottlenecks in the global supply chains dampen the further growth in the production level. On the demand side, the EU's Recovery and Resilience Facility and the longer-term European Green Deal continue to provide positive impetus. In its November forecast, the European Commission assumes growth of 5.0% in 2021 for the eurozone. For 2022, another significant growth trend is forecast with an increase in economic output of 4.3%.

In Germany the strongest momentum driving the recovery in the third quarter of 2021 shifted from the industrial to the service sector. In the upcoming winter months, the situation with industry should ease somewhat in terms of the disruptions to international supply chains and supply bottlenecks. At the same time, the renewed introduction of stricter measures to stem the spread of the pandemic is causing uncertainty in the service sector. Despite this, the experts from the European Commission have forecast economic growth of 2.7% for 2021. In 2022 they expect an increase of 4.6%.

In the upswing, the Austrian economy is benefiting in particular from strong demand for exports. The ongoing high level of consumer spending and public investment is also stimulating the economy. That said, Austrian industry was also affected by the shortage of materials and by supply bottlenecks in the first half of 2021. Experts from the Österreichische Nationalbank (OeNB) continue to forecast a GDP increase of 3.9% in 2021. For 2022, they predict further growth of 4.2% as procurement issues are resolved.

In Eastern Europe, the main growth drivers remain consumer spending as well as public and private investment. While a recovery is on the cards as regards exports, future developments are tied to global supply chains. The European Recovery and Resilience Fund has provided positive impetus, especially since the third quarter of 2021.

Developments in the Construction Industry

Already since the second quarter of 2021, the production volumes of the European construction industry have returned to pre-crisis levels. The construction industry has thereby emerged from the crisis in a relatively stable way compared to other sectors. This powerful recovery has levelled off over the course of the year. In particular, raw materials and other supplies saw some significant price increases already in the first quarter. While labour costs have undergone comparatively constant growth, the prices for other input factors had risen by an average of 7.2% by the end of the second quarter. On the one hand, this is due to the overall rise in inflation resulting from base effects caused by the pandemic. On the other hand, it comes from the significant disparities between supply and demand. The ongoing positive momentum in the construction industry is also leading to an ongoing shortage of qualified, skilled labour.

In Austria, construction industry revenues hit a high in April. Since then, the construction industry has held steady at a high level, whereby experts from the Austrian Institute of Economic Research expect a 5.4% increase in construction investment for 2021. Construction costs climbed constantly until August. In contrast, a slight easing was observed in September in residential construction and bridge building. The sharpest cost rises were for timber, polystyrene, foam boards, diesel, fuels, bitumen mixes and steel. In addition to the ongoing strong demand in residential construction, civil engineering is being supported in particular by the investment programmes of ASFINAG and ÖBB.

The revenue level of the German construction industry stagnated in the period under review because of knock-on effects from the previous year, adverse weather conditions in the winter months and price increases and bottlenecks for materials. In the third quarter, the situation had already eased slightly with regard to materials shortages. The price increase was particularly noticeable for wood, metal and plastics. In terms of demand, residential construction is set to remain the most important growth driver, not least because of the favourable financing environment prevailing. Overall, the Hauptverband der Deutschen Bauindustrie expects a stable performance in 2021.

The performance of the Swiss construction industry was also partly dampened by shortages of key construction materials. Nevertheless, the Schweizerische Baumeisterverband revised its growth forecast for the year upwards to 4.5%.

PORR's Eastern European home markets are set to continue to benefit from funds from the European Recovery and Resilience Facility. This is used in particular to subsidise investments in public-sector civil engineering. Residential construction remains a sustainable growth driver.

Development of Output

The indicator production output covers all classic design and construction services, waste management, raw materials sales and facility management, i.e. all significant services rendered by PORR. For companies fully included in the consolidated group, this output broadly corresponds to the revenue defined and reported in accordance with IFRS. In contrast to revenue, production output also includes the output from consortiums and companies accounted for under the equity method, as well as those of minor significance, in line with the interest held by the Group and differences in definitions reconciled pursuant to commercial criteria.

In the first three quarters of 2021, PORR achieved production output of EUR 4,135m. In addition to the absence of one-off, COVID-related effects from the previous year, the increase of 9.4% is due in particular to significant growth in output in Austria and Poland. With the exception of the segment DE, every segment contributed to the growth in output.

The following reporting of output performance is based on the new organisational structure in place since 1 January 2021. More information can be found in the 2020 Annual Report on page 49. Earlier figures have been restated accordingly.

The segment AT / CH increased its output by 13.4% to EUR 2,188m. In addition to German industrial construction, the provinces of Styria, Vienna and Tyrol were particular contributors to this growth.

The segment DE recorded a decrease in output of 11.6% to EUR 597m. This was caused by the optimised project structure in structural engineering and the lower output by PORR Oevermann resulting from adverse weather conditions in winter and spring.

The segment PL generated production output of EUR 525m in the period under review. The 21.8% rise was mainly the result of the growth in output in infrastructure and industrial construction.

The segment CEE saw stable output with a slight increase of 2.7% to EUR 369m. While building construction in Romania recorded a decrease in production output, building construction output in Slovakia and the Czech Republic and civil engineering output in Romania rose.

The segment Infrastructure International generated production output of EUR 392m. The 21.5% increase resulted from the areas of tunnelling and Major Projects in particular.

In the period under review, 95.7% of total output was generated on the seven PORR home markets. Austria remained the most important home market with 47.0%, while Germany contributed 22.8% of total output. 13.4% of the Group's output was generated in Poland, while the Czech Republic and Slovakia together were responsible for 6.5%. Switzerland and Romania contributed 3.5% and 2.5% respectively to total output.

Order Balance

As of 30 September, the PORR order backlog reached a new record level of EUR 7,778m. The 14.3% rise was attributable in particular to the Major Projects unit in the segment Infrastructure International and to large-scale building construction projects in the segment AT / CH. The order intake climbed by 13.7% and totalled EUR 4,833m. The A1 Leverkusen Bridge and H51 Pfons - Brenner orders are not included in either the order backlog or order intake.

The largest new order in the period under review is the project of the city of Vienna to expand the underground railway network. Here PORR acquired a total of five lots as part of a consortium. In July the company also won the tender for the largest single building construction order in Germany – building the 150-metre ABC Tower at Alexanderplatz in Berlin. Exclusive apartments will be built on a total of 39 floors along with a swimming pool and retail areas.

Other major orders in building construction include the general renovation of the Auenfeld Barracks in Switzerland, the residential complexes Schützengarten in Dresden, Bella Vista in Neuchâtel, and the one in Gastgebgasse in Vienna.

In Polish civil engineering, successful new PORR orders include the contract to build the S19 between Kuźnica and Sokółka. In Austria PORR won the tender to expand the Limberg III pumped-storage power plant in Kaprun, which is now the third major project for PORR as part of the Kaprun power plant.

Financial Performance

In the first three quarters of 2021, PORR generated revenue of EUR 3,722.9m and thereby hit a new all-time high. The significant increase of 10.6% is predominantly due to the increase of revenue in Austria.

Earnings from companies accounted for under the equity method recovered following the pandemic-related slump in the previous year and stood at EUR 57.0m. While the earnings from Austrian and German consortiums more than doubled, earnings from projects realised by other joint ventures and other companies accounted for under the equity method went from red to black.

The increased price level for raw and other materials was reflected in the expenses for materials, which rose by 14.7% and thereby grew slightly more sharply than revenue. In contrast, purchased services rose more slowly than revenue by 6.0%. Overall, the increase in expenses for materials and other purchased services was up by 8.7%, which was less than the rise in revenue. This meant that the percentage of revenue accounted for by materials and other purchased services was successfully reduced from 67.0% to 65.9%. The increase in staff costs of 8.0% was also slower than the growth in revenue. The relationship between staff costs and revenue slipped back by 0.6 PP to 25.6%.

The clear rise in other operating income is due in particular to the higher charges passed on to joint ventures for material and staff costs. The increase in the provision formed in relation to the cartel fine application is reflected in the other operating expenses. Savings related to expenses resembling fixed costs were clearly achieved in other operating expenses in the current business year.

Starting out from the catch-up effects caused by the pandemic and the related project postponements, the earnings performance in the third quarter of 2021 was above average. EBITDA stood at EUR 197.8m and was thereby significantly higher than the previous year (1–9/2020: EUR 74.3m).

The higher year-on-year depreciation, amortisation and impairment expense resulted from the high investment activity until 2019 and the investments exceeding this item in 2021. Depreciation, amortisation and impairment expense thereby climbed by 15.8%. Due to increased gross margins and the savings already achieved, EBIT turned positive and stood at EUR 55.8m (1–9/2020: EUR -48.3m).

The financial result broadly remained constant at EUR -13.3m (1–9/2020: EUR -14.0m). This led to EBT of EUR 42.5m, which was significantly higher than the previous year (1–9/2020: EUR -62.4m).

Taking into account the tax result of EUR -16.2m (1–9/2020: EUR 15.5m), PORR generated a profit for the period of EUR 26.3m (1–9/2020: EUR -46.8m).

Financial Position

As of 30 September 2021, PORR's total assets stood at EUR 3,785.7m and were thereby 7.9% above the end of the previous year. Compared to the same value at this time last year, total assets were up by 1.7%, which is below the growth in revenue.

While non-current assets remained broadly stable, with the exception of intangible assets because of increases under the item software, current assets rose by 12.1%. Against the comparable value for this date in the previous year it shows a disproportionately low rise of 6.7%. The increase was predominantly caused by the seasonal increase in trade receivables. Other items shown under current assets also underwent increases as of the reporting date that are attributable to the seasonal nature of the construction business.

Equity shows the positive total income for the period of EUR 33.6m. This contrasted with the reclassification of the hybrid capital paid back in October 2021 into borrowed capital as well as the payout of interest on hybrid capital. Overall, equity thereby totalled EUR 645.4m. This corresponds to an equity ratio of 17.1%. In autumn 2021, a capital increase of EUR 122.2m was placed on the capital market. When this capital measure is applied, the equity ratio stands at 19.5%. More information on the capital measures carried out in October and November 2021 can be found in the section "Events after the end of the reporting period" on page 14.

Under borrowed capital, the seasonal nature of the construction business had an impact on trade payables, which rose by 23.0%. Overall, liabilities increased by 9.8%.

Net debt totalled EUR 315.0m as of the reporting date, representing a seasonal rise (31 December 2020: EUR 136.7m). Against the comparable period of the previous year, however, this marks a 27.4% decline (30 September 2020: EUR 434.1m).

Cash Flows

The good profit for the period and the higher, non-cash depreciation led to significantly higher operating cash flow. In the period under review, this amounted to EUR 175.6m (1–9/2020: EUR 70.2m).

In working capital, the increase in receivables could broadly be offset by the rise in liabilities and provisions. The resulting cash flow from operating activities stood at EUR 22.5m and was thereby clearly above the previous year's value (1–9/2020: EUR -76.1m).

The catch-up effects in investment expenditure led to an increase of outflows in cash flow from investment activities. This shrank by 40.3% against the previous year and totalled EUR -111.4m (1–9/2020: EUR -79.4m).

Cash flow from financing activities mainly reflected the absence of the inflow from hybrid capital in the previous year. In the period under review it stood at EUR -116.0m (1–9/2020: EUR -2.3m).

As of 30 September 2021, cash and cash equivalents totalled EUR 379.1m and were thereby EUR 203.5m below the end of the previous year (31 December 2020: EUR 582.5m). Viewed as a whole, this was caused by the increase in investment activity and by settling loan financing. When the investment certificates of EUR 40.0m are included, cash-like assets (total of cash and cash equivalents and securities classified as current assets) stood at EUR 419.1m.

Investments

In the first nine months of 2021, a major investment was made in a tunnel boring machine in Poland in addition to the usual high investments to replace machinery and construction site equipment and to buy new equipment.

Investment activity is measured by applying the CAPEX indicator (capital expenditure). This includes investments in intangible assets, property, plant and equipment, and assets under construction including investments financed by leases. CAPEX increased in 2021 due to the catch-up effects because of the pandemic, rising against the comparable period of the previous year by EUR 53.2m to EUR 178.3m. This results in a CAPEX ratio of 4.3% in relation to production output (1–9/2020: 3.3%).

Opportunity and Risk Management

Risk management has long been one of PORR's most important principles when carrying out any economic activity and safeguards its competitive ability. If risks have an impact on one of PORR's business fields or markets, this can have a negative effect on the company's earnings. That is why the aim of risk management is to identify risks as soon as possible and then minimise them while still maintaining the company's earnings potential.

PORR has settled the ongoing cartel proceedings with the Federal Competition Authority (FCA) with the inclusion of the Federal Cartel Prosecutor in relation to cartel proceedings pending against Group companies. The settlement provides for an application by the FCA to the Cartel Court for a fine to be imposed on PORR of EUR 62.4m (excluding the procedural, legal defence and advisory costs). The cartel proceedings relate to incidents starting from 1992 up to and including 2017. The decision of the Cartel Court is necessary for the final settlement of the cartel proceedings, whereby the fine cannot be set by the Cartel Court at a higher amount than requested by the FCA. With this settlement, PORR has clarified the situation in order to focus on future topics.

One current risk topic is the shortage of some products on the one hand and the extraordinary price rise of raw materials and building materials on the other. Delays to various construction projects resulting from this cannot be entirely ruled out in the coming quarters although they are considered highly improbable. Linking up all of the purchasing organisations in the different countries has allowed substitutions to be found and has meant that any kind of interruption to work on construction sites has been prevented until now. In addition, this risk is mitigated by medium and long-term framework agreements with key suppliers.

There have been no significant changes to the Group's opportunity and risk profile since the 2020 Annual Report that would lead to a change in the assessment of the risk position for PORR. The description in the Risk Report of the 2020 Annual Report from page 98 onwards thereby remains valid.

Staff

In the first nine months of 2021, PORR employed 20,135 people on average. With an increase of 0.3%, the staffing level thereby remained similar to the level of the previous year.

Events after the End of the Reporting Period

On 3 November 2021, PORR successfully completed a capital increase. The transaction was conducted in Austria as part of a public offering with subscription rights subject to a prospectus and in other countries outside the USA as part of a private placement. The subsequent international private placement was heavily oversubscribed and demonstrated the interest shown in PORR. A total of 10,183,250 new shares were placed at a subscription price of EUR 12.0 and with gross proceeds of EUR 122.2m. The net proceeds from the issue and thereby the anticipated effect on equity as of 31 December 2021 is currently estimated at around EUR 116m. The authorised capital was fully exercised. Trading of the new shares in the prime market segment of the Vienna Stock Exchange started on 8 November 2021. The new shares are entitled to dividends already from the beginning of the 2021 financial year.

On 18 November 2021, the issue of a subordinated bond (hybrid bond) was completed including the partial early redemption of the hybrid bond issued in 2017. A total nominal amount of EUR 48.2m was repurchased from the hybrid bond issued in 2017. At the same time, a new hybrid bond with a nominal amount of EUR 50.0m was placed with national and international investors.

With these capital measures, PORR has strengthened its equity base and moved the equity ratio in the direction of the target range specified in the PORR 2025 strategy of 20.0% to 25.0%. Furthermore, this lowers the ratio of hybrid capital to total equity and thus improves the structure of equity.

Forecast Report

The global economy continues to find itself in a recovery phase following 2020, the year of COVID-19. Experts from the International Monetary Fund have forecast growth of 5.9% for 2021. For 2022 they again expect positive momentum, with an increase in economic output of 4.9%. The positive market environment is also continuing in the eurozone, whereby the European Commission has forecast economic growth of 5.0% for 2021.

The investment and stimulus programmes by governments are acting as powerful drivers to increase the demand for construction services. At EU-level, for example, support is available in the form of the Recovery and Resilience Facility and the European Green Deal to expand infrastructure and boost the shift towards climate neutrality. The construction industry is also benefiting from national investment programmes such as the Federal Transport Plan in Germany and investment programmes by road and rail agencies such as ASFINAG and ÖBB in Austria or GDDKiA and PKP PLK in Poland. The Austrian railways, ÖBB, recently increased their investment volume for 2022 once again.

Following significant price increases and shortages in raw materials and other supplies in the first half of 2021, the situation has begun to stabilise. The skilled labour shortage remains a pressing issue, however.

The positive business performance in the past nine months has proven that PORR's strategic focus is right. New records were set once again in the third quarter of 2021. The new all-time high in the order backlog of EUR 7,778m confirms the solid foundation and shows a pipeline that has been optimised in terms of both risks and margins. With "Green and Lean", PORR considers its strategic position to be strong and anticipates high demand for construction services to remain intact on its home markets. This trend is set to continue unabated in the medium to long term due to topics such as urbanisation, mobility, sustainability, digitalisation, and healthcare. The future programme PORR 2025 is also ensuring that the company can successfully continue along its profitable path.

PORR has transformed its balance-sheet structure. The successful capital increase in November and the early partial refinancing of a hybrid bond whose first redemption option is due in February 2022 has put the capital structure on a solid footing. In addition to this, PORR enjoys a comfortable liquidity situation.

On the basis of the good earnings growth in the first nine months of 2021 and despite the settlement reached with the Federal Competition Authority in Q3, the Executive Board continues to forecast production output for the full-year 2021 of EUR 5.3 bn to EUR 5.5 bn and a positive EBT margin of +1.3% to +1.5%. In the medium term, PORR is striving for a target EBT margin of about 3.0% for the Group as a whole. The Executive Board is optimistic that the measures implemented will improve earning power and sustainably return it to the level it was at before the coronavirus pandemic.

The assessment of the future development of the business is based on the current targets in the individual areas as well as the opportunities and risks currently prevailing on the respective markets.

Segment Report

Segment AT / CH

Key Data

in EUR m	1-9/2021	1-9/2020	Change
Production output	2,188	1,930	13.4%
Order backlog	3,285	2,758	19.1%
Order intake	2,820	2,516	12.1%
Average staffing levels	10,260	10,230	0.3%

The segment AT / CH covers PORR's permanent business on the two home markets of Austria and Switzerland as well as Porr Industriebau. Here PORR is represented with its full range of services, whereby the primary focal points are residential construction, office construction, structural engineering, road construction and specialist civil engineering. This segment also includes the fields of environmental engineering and railway construction with Slab Track Austria for Europe. Equity interests such as IAT, ÖBA, Prajo, TKDZ, PWW and ALU-SOMMER are also integrated here. Furthermore, this segment includes German industrial construction, large-scale building construction projects on all international markets, and the raw materials business.

In the period under review, the segment AT / CH generated production output of EUR 2,188m. The growth of 13.4% was especially influenced by increases in output in German industrial construction and in the provinces of Styria and Vienna. Every Austrian province contributed to the significant growth in output.

As of the reporting date, the order backlog totalled EUR 3,285m and was thereby 19.1% higher than the previous year, with large-scale projects in building construction playing a major part here. The order intake rose by 12.1% to EUR 2,820m. In addition to the expansion of the Vienna underground railway, the largest new orders included multiple residential construction projects in Switzerland and Austria. Another major project in building construction came in the form of the ABC Tower at Alexanderplatz, Berlin. In civil engineering, projects acquired by PORR included the railway technology and fittings for the Koralm Tunnel as well as the construction of the free railway section between Zettling and Weitendorf.

Both the Austrian and Swiss construction industries were affected by the rise in materials shortages during the period under review. While construction prices in Switzerland were comparatively stagnant, there were significant price hikes in Austria. These amounted to 9% to 18% compared to the previous year, depending on the construction sector. PORR is successfully mitigating the resultant cost risk through long-term supplier contracts and price indexing for orders. On the other hand, the production index and the order intake index both rose in the reporting period, with average increases of 15% and 34% respectively.

Construction demand in Austria remains stable. The experts of the Austrian Institute of Economic Research predict a 5.4% increase in construction investment for 2021. Demand continues to be high for residential construction. Investment programmes by the Austrian highways agency, ASFINAG, and the Austrian railways, ÖBB, are supporting demand in civil engineering. Here, around EUR 1.1 bn is being invested in the maintenance, new construction and improvement of Austria's motorways and expressways. ÖBB plans total investment volumes of around EUR 3.1 bn in 2021. Furthermore, the investment total was increased to EUR 18.2 bn in the recently published financial framework for 2022–2027.

In Switzerland, the Schweizerische Baumeisterverband has also forecast a rise in revenue levels and growth of 4.5%. In transport construction, the railways infrastructure fund (BIF) and the national road and traffic agglomeration fund (NAF) in particular are creating sustained demand.

Segment DE

Key data

in EUR m	1-9/2021	1-9/2020	Change
Production output	597	675	-11.6%
Order backlog	1,153	1,091	5.7%
Order intake	629	569	10.6%
Average staffing levels	2,239	2,366	-5.4%

The majority of PORR's activities in Germany are bundled in the segment DE. On its second largest market, the company offers building construction, specialist civil engineering and infrastructure services provided by highly qualified experts employed by the company to facilitate high levels of in-depth value creation. By bundling resources and knowhow along regional lines, building construction activities are optimally organised to facilitate customer proximity: South (via Munich), East (via Berlin), West (coverage by PORR Oevermann) and North (via Hamburg). The entire value chain in specialist civil engineering is provided by Stump-Franki Spezialtiefbau GmbH with complete coverage across the country. The segment DE has a strong position on the German infrastructure market with its discrete areas of structural engineering, tunnelling, and traffic route construction.

The segment DE reported a decrease in production output of 11.6% to EUR 597m. While output in structural engineering was reduced in line with strategic measures, PORR Oevermann experienced output delays because of adverse weather. In contrast, the area of Government Services saw positive growth.

The order situation was pleasing. The order backlog rose by 5.7% to EUR 1,153m. With an increase of 10.6%, the order intake stood at EUR 629m and was thereby well above the level of the previous year. In the period under review, the largest new order in the DE segment was the Schützengarten residential complex in Dresden. Alongside this, PORR acquired multiple major contracts in residential construction in places including Lübeck, Berlin and Oldenburg. In industrial construction, PORR won the order to expand the plant of Daiichi Sankyo in Pfaffenhofen.

The performance of the German construction industry has been affected over the course of the year so far by catch-up effects from the previous year and adverse weather conditions in the winter months. Stabilisation has been observed since April, although this has been accompanied by increasing price levels. Part of the reason for this lies in the scarcity of materials, whereby the situation eased slightly in summer. In the second half of 2021, prices have been seen to stabilise at a high level.

Looking at the year as a whole, residential construction is set to remain the strongest growth driver. The prevailing favourable financing conditions are supporting the high demand. In public-sector construction, the experts of the Hauptverband der Deutschen Bauindustrie (HDB) expect a stable level of tenders awarded by the state and federal authorities. While the commitment to invest in commercial construction is developing at different paces in the service and industrial sector, the investment volume by the German railways, Deutsche Bahn, is set to remain stable – not least because of the Federal Transport Infrastructure Plan 2030. This is why HDB forecasts that revenue will remain at the same level in 2021.

Segment PL

Key data

in EUR m	1-9/2021	1-9/2020	Change
Production output	525	431	21.8%
Order backlog	1,516	1,535	-1.2%
Order intake	396	694	-42.9%
Average staffing levels	2,479	2,446	1.3%

The segment PL focuses on the third largest home market of Poland. Here PORR provides construction services in building construction and civil engineering. In civil engineering PORR is one of the leading providers in the fields of road, infrastructure and rail construction, as well as specialised civil engineering. In building construction, the focus is on office, industrial and hotel construction as well as on buildings and facilities for the public sector.

The production output of the segment PL totalled EUR 525m in the period under review, exceeding that of the previous year by 21.8%. Significant increases in output were achieved in both infrastructure construction and in industrial construction.

At EUR 1,516m, the order backlog broadly held steady, while order bookings shrank to EUR 396m. The 42.9% decrease was the result of focusing on selective acquisition and the subsequent reduction in the order intake in the areas of infrastructure and industrial construction. The largest new orders included two sections of the S19 expressway, which connects the east of Poland in a north-south direction. In building construction, PORR brought in several major orders in office and industrial construction.

In Polish building construction, the need for residential space and logistics halls is dominating the demand situation. Overall, residential construction is set to remain a key growth factor in the building industry. Civil engineering is profiting from ample investment in traffic route construction, which is being co-financed by the EU. The 2021-2027 EU budget and the European recovery fund involve investment volumes of around EUR 160 bn. Building on this, the roads agency GDDKiA and the national railways PKP PLK have announced investment programmes to 2030 with a volume of around EUR 55 bn each.

Segment CEE

Key data

in EUR m	1-9/2021	1-9/2020	Change
Production output	369	359	2.7%
Order backlog	739	601	22.9%
Order intake	468	249	88.2%
Average staffing levels	2,184	2,040	7.1%

The segment CEE comprises the home markets of the Czech Republic, Slovakia and Romania. Here PORR offers construction services in building construction and civil engineering, whereby the goal is to provide complete coverage of permanent business in the Czech Republic and Romania. Selected major projects in the infrastructure sector are also undertaken.

The segment CEE generated production output von EUR 369m and was thereby at a similar level to the same period of the previous year. While significant increases in output were achieved in building construction in the Czech Republic and Slovakia and in civil engineering in Romania, building construction in Romania recorded a decrease.

The order backlog of the CEE segment grew by 22.9% to EUR 739m. The order intake also rose sharply to EUR 468m. The increase of 88.2% was mainly generated by the areas of building construction in Romania and infrastructure in the Czech Republic and Slovakia. The largest new orders included the Višňové Tunnel on the Slovakian D1 and the Riverpark Modrany residential complex in Prague.

The positive performance of the construction industry continued in the Czech Republic, Slovakia and Romania. Construction volumes held steady at a high level. Most recently, a slight upwards trend was observed.

The construction industry in these three countries continues to benefit from the extensive financial funds from the EU budget and from the budget of the recovery fund. Investments in the infrastructure sector are thereby subsidised and so are set to remain at a high level longer term. In Slovakia and Romania, civil engineering thereby remains the most significant sector, while building construction offers the best growth prospects in the Czech Republic.

Segment Infrastructure International

Key data

in EUR m	1-9/2021	1-9/2020	Change
Production output	392	322	21.5%
Order backlog	1,007	703	43.2%
Order intake	470	230	> 100,0%
Average staffing levels	1,400	1,362	2.8%

The segment Infrastructure International is home to PORR's expertise in international tunnelling, railway construction and specialist civil engineering as well as the areas Major Projects and Slab Track International. It is also responsible for the project markets of Norway, Qatar and the United Arab Emirates (UAE), where PORR focuses on contracts in infrastructure construction and on cooperation with local partners.

The segment Infrastructure International reported production output of EUR 392m, representing a rise of 21.5%. Increases in output were achieved in particular in the areas of tunnelling and Major Projects.

The performance of the order situation was also positive. As of 30 September, the order backlog stood at EUR 1,007m and was thereby 43.2% higher than the previous year. The order intake more than doubled to total EUR 470m. Here, again the area of tunnelling was the main contributor. In addition to expanding Vienna's underground railway, this growth was predominantly generated by the contract for Limberg III – building a third pumped-storage power plant in Kaprun in Austria.

On its project markets of Norway, Qatar and UAE, PORR's focus is on infrastructure construction. Project volumes in Qatar and the UAE have recently been reduced considerably in order to optimise risk.

Despite price increases, high demand for transport infrastructure is set to continue on all three project markets. For public transport in particular, PORR expects further investment and is thereby consistently pursuing a risk-mitigation strategy.

On the international markets, the areas of Major Projects and Slab Track International selectively offer export products in tunnelling, railway construction, specialist civil engineering and large-scale projects. The focus here also continues to be on risk-optimised projects.

In tunnelling, the expansion of the railway network TEN-T, which crosses the whole of Europe, is ensuring stable ongoing demand. With this, the project pipeline on both the home markets and project markets is well filled.

Interim Consolidated Financial Statements as of 30 September 2021

These interim consolidated financial statements of the PORR Group have been prepared under application of the accounting and measurement methods used in the consolidated statements as of 31 December 2020 and the standards applicable for the first time since 1 January 2021. They consist respectively of a condensed statement of financial position, an income statement, a statement of comprehensive income, a cash flow statement and a condensed statement of changes in Group equity.

22 Consolidated Income Statement
23 Statement of Comprehensive Income
24 Consolidated Cash Flow Statement
25 Consolidated Statement of Financial Position
26 Statement of Changes in Group Equity

Consolidated Income Statement

in TEUR	1–9/2021	1–9/2020	7–9/2021	7–9/2020
Revenue	3,722,887	3,365,918	1,434,625	1,294,696
Own work capitalised in non-current assets	2,328	3,315	423	2,527
Income from companies accounted for under the equity method	57,027	19,952	29,384	9,352
Other operating income	117,439	86,245	37,239	22,865
Cost of materials and other related production services	-2,451,885	-2,254,823	-990,782	-914,731
Staff expenses	-954,714	-884,029	-333,305	-314,013
Other operating expenses	-295,318	-262,295	-93,826	-92,217
EBITDA	**197,764**	**74,283**	**83,758**	**8,479**
Depreciation, amortisation and impairment expense	-141,940	-122,584	-49,120	-39,831
EBIT	**55,824**	**-48,301**	**34,638**	**-31,352**
Income from financial investments and other current financial assets	6,221	5,973	4,266	2,186
Finance costs	-19,541	-20,022	-7,851	-6,604
EBT	**42,504**	**-62,350**	**31,053**	**-35,770**
Income tax expense	-16,231	15,531	-13,391	11,649
Profit/loss for the period	**26,273**	**-46,819**	**17,662**	**-24,121**
of which attributable to shareholders of parent	5,935	-62,988	8,908	-29,389
of which attributable to holders of profit-participation rights/hybrid capital	13,060	13,714	4,372	4,500
of which attributable to non-controlling interests	7,278	2,455	4,382	768
Basic earnings per share, total (in EUR)	0.21	-2.18	0.31	-1.02
Diluted earnings per share, total (in EUR)	0.21	-2.18	0.31	-1.02

Statement of Comprehensive Income

in TEUR	1–9/2021	1–9/2020	7–9/2021	7–9/2020
Profit/loss for the period	**26,273**	**-46,819**	**17,662**	**-24,121**
Other comprehensive income				
Remeasurement from defined benefit obligations	6,376	-1,369	670	696
Measurement of equity instruments	180	-496	132	-15
Income tax expense (income) on other comprehensive income	-1,644	501	-180	-164
Other comprehensive income which cannot be reclassified to profit or loss (non-recyclable)	**4,912**	**-1,364**	**622**	**517**
Exchange rate differences	2,223	-12,976	-1,628	-5,418
Gains/losses from cash flow hedges				
in the period under review	315	455	250	303
Income tax expense (income) on other comprehensive income	-79	-113	-63	-75
Other comprehensive income which can subsequently be reclassified to profit or loss (recyclable)	**2,459**	**-12,634**	**-1,441**	**-5,190**
Other comprehensive income	**7,371**	**-13,998**	**-819**	**-4,673**
Total income for the period	**33,644**	**-60,817**	**16,843**	**-28,794**
of which attributable to shareholders of parent	13,310	-76,917	8,200	-34,010
of which attributable to holders of profit-participation rights/hybrid capital	13,060	13,714	4,372	4,500
of which attributable to non-controlling interests	7,274	2,386	4,271	716

Consolidated Cash Flow Statement

in TEUR	1–9/2021	1–9/2020
Profit/loss for the period	26,273	-46,819
Depreciation, impairment and reversals of impairment on fixed assets and financial assets	141,799	126,940
Interest income/expense	11,492	14,564
Income from companies accounted for under the equity method	-6,709	1,707
Dividends from companies accounted for under the equity method	10,840	3,056
Profits from the disposal of fixed assets	-8,851	-6,809
Decrease in long-term provisions	-4,046	-3,679
Deferred income tax	4,798	-18,798
Operating cash flow	**175,596**	**70,162**
Increase/decrease in short-term provisions	42,075	-13,838
Increase in tax liabilities	9,968	2,354
Increase in inventories	-13,677	-10,387
Increase in receivables	-472,135	-208,177
Increase/decrease in payables (excluding banks)	295,047	98,260
Interest received	4,415	3,530
Interest paid	-16,847	-19,945
Other non-cash transactions	-1,938	1,907
Cash flow from operating activities	**22,504**	**-76,134**
Proceeds from sale of property, plant and equipment and disposal of investment property	23,243	14,794
Proceeds from the sale of financial assets	-	1,053
Proceeds from repayment of loans	922	3,192
Investments in intangible assets	-9,856	-4,957
Investments in property, plant and equipment and investment property	-120,775	-88,548
Investment in financial assets	-1,794	-570
Investment in loans	-1,812	-2,880
Payouts for the purchase of subsidiaries less cash and cash equivalents	-1,332	-1,495
Cash flow from investing activities	**-111,404**	**-79,411**
Dividends	-16,188	-10,503
Payouts to non-controlling interests	-1,548	-1,382
Proceeds from profit-participation rights/hybrid capital	-	150,000
Repayment of profit-participation rights/hybrid capital	-	-28,628
Repayment of bonds and bonded loans (Schuldscheindarlehen)	-42,000	-39,000
Obtaining loans and other financing	105,962	85,360
Redeeming loans and other financing	-162,211	-158,161
Cash flow from financing activities	**-115,985**	**-2,314**
Cash flow from operating activities	**22,504**	**-76,134**
Cash flow from investing activities	**-111,404**	**-79,411**
Cash flow from financing activities	**-115,985**	**-2,314**
Change to cash and cash equivalents	**-204,885**	**-157,859**
Cash and cash equivalents as of 1 Jan	582,545	581,890
Currency differences	1,431	-7,334
Cash and cash equivalents as of 30 Jun	**379,091**	**416,697**
Tax paid	8,794	913

Consolidated Statement of Financial Position

in TEUR	30.9.2021	31.12.2020
Assets		
Non-current assets		
Intangible assets	154,120	147,919
Property, plant and equipment	927,734	926,815
Investment property	29,403	31,357
Shareholdings in companies accounted for under the equity method	91,072	92,233
Loans	33,289	31,806
Other financial assets	36,474	36,076
Other non-current financial assets	9,752	9,107
Deferred tax assets	9,569	8,535
	1,291,413	**1,283,848**
Current assets		
Inventories	88,064	74,756
Trade receivables	1,714,631	1,333,327
Other financial assets	195,361	172,039
Other receivables and current assets	74,143	48,329
Cash and cash equivalents	379,091	582,545
Assets held for sale	42,980	14,619
	2,494,270	**2,225,615**
Total assets	**3,785,683**	**3,509,463**

Equity and liabilities		
Equity		
Share capital	29,095	29,095
Capital reserve	251,287	251,287
Profit-participation rights/hybrid capital	297,267	325,854
Other reserves	47,488	29,749
Equity attributable to shareholders of parent	**625,137**	**635,985**
Non-controlling interests	20,290	14,564
	645,427	**650,549**
Non-current liabilities		
Bonds and bonded loans (Schuldscheindarlehen)	264,717	294,604
Provisions	159,745	171,629
Non-current financial liabilities	327,136	327,200
Other non-current financial liabilities	3,129	3,237
Deferred tax liabilities	25,640	22,631
	780,367	**819,301**
Current liabilities		
Bonds and bonded loans (Schuldscheindarlehen)	55,491	41,977
Provisions	237,070	195,203
Current financial liabilities	86,788	95,534
Trade payables	1,197,145	973,100
Other current financial liabilities	47,560	46,617
Other current liabilities	686,906	655,881
Tax payables	40,374	31,301
Liabilities held for sale	8,555	-
	2,359,889	**2,039,613**
Total equity and liabilities	**3,785,683**	**3,509,463**

Statement of Changes in Group Equity

in TEUR	Share capital	Capital reserve	Revaluation reserve	Remeasurement from defined benefit obligations	Measurement of equity instruments	Foreign currency translation reserves
Balance as of 31 Dec 2019	**29,095**	**251,287**	**7,341**	**-46,125**	**508**	**7,131**
Total profit/loss for the year	-	-	-	-	-	-
Other comprehensive income	-	-	-	-1,002	-372	-12,817
Total income for the period	**-**	**-**	**-**	**-1,002**	**-372**	**-12,817**
Dividend payout	-	-	-	-	-	-
Profit-participation rights/hybrid capital	-	-	-	-	-	-
Income tax on interest for holders of profit-participation rights/hybrid capital	-	-	-	-	-	-
Changes to the consolidated group/ acquisition of non-controlling interests	-	-	-	-	-	-
Balance as of 30 Sep 2020	**29,095**	**251,287**	**7,341**	**-47,127**	**136**	**-5,686**
Balance as of 31 Dec 2020	**29,095**	**251,287**	**7,622**	**-47,918**	**114**	**-7,778**
Total profit/loss of the year	-	-	-	-	-	-105
Other comprehensive income	-	-	92	4,763	135	2,238
Profit/loss for the period	**-**	**-**	**92**	**4,763**	**135**	**2,133**
Dividend payout	-	-	-	-	-	-
Income tax on interest of holders of profit-participation rights/hybrid capital	-	-	-	-	-	-
Reclassification of hybrid capital due to termination	-	-	-	-	-	-
Balance as of 30 Sep 2021	**29,095**	**251,287**	**7,714**	**-43,155**	**249**	**-5,645**

Reserve for cash flow hedges	Profit-participation rights/ hybrid capital	Retained earnings and non-retained profit	Equity attributable to shareholders of parent	Non-controlling interests	Total
-1,117	**197,914**	**141,047**	**587,081**	**11,957**	**599,038**
-	13,714	-62,988	-49,274	2,455	-46,819
342	-	-80	-13,929	-69	-13,998
342	**13,714**	**-63,068**	**-63,203**	**2,386**	**-60,817**
-	-10,503	-	-10,503	-1,382	-11,885
-	121,826	-	121,826	-	121,826
-	-	1,966	1,966	-	1,966
-	-	70	70	-70	-
-775	**322,951**	**80,015**	**637,237**	**12,891**	**650,128**
-688	**325,854**	**78,397**	**635,985**	**14,564**	**650,549**
-	13,060	6,040	18,995	7,278	26,273
236	-	-89	7,375	-4	7,371
236	**13,060**	**5,951**	**26,370**	**7,274**	**33,644**
-	-16,188	-	-16,188	-1,548	-17,736
-	-	4,426	4,426	-	4,426
-	-25,459	3	-25,456	-	-25,456
-452	**297,267**	**88,777**	**625,137**	**20,290**	**645,427**

Financial Calendar 2022

7.2.2021	**Interest payment** hybrid bond 2017
7.2.2021	**Interest payment** hybrid bond 2020
28.4.2021	**Publication** Annual Report and Financial Report 2021
28.4.2021	**Press conference** on the 2021 Annual Report
30.5.2021	**Publication** report on the 1st quarter 2022
7.6.2021	**Record Date** for attending the 142nd Annual General Meeting
17.6.2021	**142nd Annual General Meeting**
23.6.2021	**Trade ex-dividend** on the Vienna Stock Exchange
24.6.2021	**Record date dividend**
27.6.2021	**Date of dividend payout** for the 2021 business year
30.8.2021	**Publication** half-year report 2022
28.11.2021	**Publication** report on the 3rd quarter 2022

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The report on the 3rd quarter of 2021 is available free of charge from the company at 1100 Vienna, Absberggasse 47, and can also be downloaded from **https://porr-group.com/en/investor-relations/reporting/interim-reports/**.

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Disclaimer

This quarterly report also contains statements relating to the future which are based on estimates and assumptions which are made by managerial staff to the best of their current knowledge. Future-related statements may be identified as such by expressions such as “expected”, “target” or similar constructions. Forecasts related to the future development of the Group take the form of estimates based on information available at the time of the interim report going to press. Actual results may differ from the forecast if they are shown to be based on inaccurate assumptions or are subject to unforeseen risks.

Every care has been taken to ensure that all information contained in every part of this interim report is accurate and complete. The figures have been rounded off using the compensated summation method. We regret that we cannot rule out possible round-off, typesetting and printing errors.

This report is a translation into English of the quarterly report issued in the German language and is provided solely for the convenience of English-speaking users. In the event of a discrepancy or translation error, the German-language version prevails.

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