

## Annual results 2022

**BAM delivers adjusted EBITDA of €350 million in 2022,  
and proposes dividend of €0.15 per share**

**Ruud Joosten**  
CEO

**Frans den Houter**  
CFO

Amsterdam, the Netherlands, 16 February 2023

# Disclaimer

- This presentation contains ‘forward-looking statements’, based on currently available plans and forecasts. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future, and BAM cannot guarantee the accuracy and completeness of forward-looking statements.
- These risks and uncertainties include, but are not limited to, factors affecting the realisation of ambitions and financial expectations, exceptional income and expense items, operational developments and trading conditions, economic, political and foreign exchange developments and changes to IFRS reporting rules.
- BAM’s outlook, in line with these forward-looking statements, merely reflects expectations of future results or financial performance and BAM does not make any representation or warranty in that respect. Statements of a forward-looking nature issued by the company must always be assessed in the context of the events, risks and uncertainties of the markets and environments in which BAM operates. These factors could lead to actual results being materially different from those expected, and BAM does not undertake to publicly update or revise any of these forward-looking statements.



# Key points 2022

Adjusted EBITDA improved to €350m, proposal to pay dividend of €0.15 per share

FY 2022 versus FY 2021

## Revenues

**€6,618m** €7,315m

## Net result

**€179.6m** €18.1m

## Net cash (before ROU)

**€788m** €1,219m

## Return on capital employed

**16.8%** 5.6%

## Earnings per share

**€0.66** €0.07

## Adjusted EBITDA

**€350.2m** €278.4m

## Adjusted EBITDA margin

**5.3%** 3.8%

## TWC efficiency

**-15.8%** -16.9%

## Capital ratio

**21.2%** 14.5%

## Order book

**€10.0bn** €13.2bn

- Revenue in Netherlands, UK and Ireland increased by 2%, total revenue declined by 10% due to divestments
- Adjusted EBITDA of €350m (margin of 5.3%), which includes €52m on Wayss & Freytag transaction
- Good contribution Dutch residential and further recovery in Dutch civil engineering; in second half-year increased impact of inflation, supply chain issues and project delays on Group result
- Net result of €180m, reflecting earnings per share of €0.66
- Liquidity position strong at €0.8bn, after full repayment of Covid-19 deferred VAT and salary tax payments and effect of divestments; revolving credit facility extended to 2026, now also linked to sustainability targets
- Capital ratio improved to 21.2% (2021: 14.5%)
- Solid order book of €10.0bn (2021: €13.2bn), reduced mainly due to divestments (€2.1bn), UK government review of regional roads development programme (€0.6bn) and negative FX impact (€0.3bn)
- Re-start dividend payment, proposal €0.15 per share

# Strategic development in 2022

## Reshaping portfolio and investments in sustainable solutions

### Portfolio: de-risking and business improvement initiatives

- Divestment BAM Galère and BAM Contractors, both in Belgium, and Wayss & Freytag Ingenieurbau in Germany
- Launch new operating model per 1 January 2022 and Group-wide programmes to further reduce risk profile, step-up efficiency and further de-risking of portfolio and introduction of Group-wide culture programme
- Investments to capture opportunities provided by digitalisation and sustainability, like modular wooden homes and electrification of equipment

### Financials: Renewal RCF and repayment all Covid-19 support

- Renewal revolving credit facility to 2026 (€330 million), now also linked to sustainability targets
- Early and full repayment of Covid-19 deferred VAT and salary tax payments (€120 million)
- Proposal to re-start dividend payment (last dividend paid over year 2018)

# Key performance indicators

Further progress in 2022, on track for 2023

	2022	2021	2020	Target 2023
Adjusted EBITDA margin *	<b>4.5%</b>	3.8%	2.9%	Approx. 5%
Revenue	<b>€6.6bn</b>	€7.3bn	€6.8bn	Approx. €5.5bn
Return on average capital employed	<b>16.8%</b>	5.6%	-4.2%	>10%
Trade working capital efficiency	<b>-15.8%</b>	-16.9%	-13.9%	< -10%
Capital ratio	<b>21.2%</b>	14.5%	13.4%	Towards 20%
Incident Frequency	<b>3.7</b>	4.5	5.3	<3.5
CDP A-list	<b>Yes</b>	Yes	Yes	Maintain rating
CO2 emission (tonnes/€m; scope 1 and 2)	<b>13.0</b>	14.5	16.7	
Construction and office waste (tonnes/€m)	<b>10.0</b>	11.6	14.6	

\* 2022, excluding positive result of the Wayss & Freytag Ingenieurbau transaction of €52 million, including this result the adjusted EBITDA margin is 5.3 per cent.

- Adjusted EBITDA margin of 4.5% (2021: 3.8%)
- Revenue of activities in the Netherlands, UK and Ireland combined: €6.1 billion
- Improved profitability and reduced average capital employed supports sharp improvement of return on average capital employed
- Capital ratio improved, supported by transaction result Wayss & Freytag Ingenieurbau
- Safety remains a top priority, incident frequency further improved
- CDP A-list rating maintained
- Further progress regarding lowering CO2 emissions and construction and office waste

## Division Netherlands



# Performance division Netherlands

## Improved performance Civil engineering, solid contribution of residential

*(x € million, unless otherwise indicated)*

	Full-year 2022		Full-year 2021	
	Revenue	Result	Revenue	Result
Construction and Property	1,978	105.5	2,015	144.8
Civil engineering	967	68.1	950	-15.0
Other, eliminations and miscellaneous	-28	-1.1	-33	10.0
<b>Total division Netherlands</b>	<b>2,917</b>	<b>172.5</b>	<b>2,932</b>	<b>139.8</b>
Trade working capital efficiency	-14.5%		-16.0%	
Revenue growth	-1%		0%	
Adjusted EBITDA margin	5.9%		4.8%	
Order book	4,366		4,388	
Order book growth	-1%		-2%	

- Revenue stable at €2.9bn
- Adjusted EBITDA improved by 23% to €172.5m, reflecting margin of 5.9% (2020: 4.8%)
- Solid performance residential, number of homes sold: 2,028 (2021: 2,485)
- Non-residential disappointed, strong contribution energy, water and telecom
- Civil engineering shows a recovery, with good operational performance
- Order book stable, while deconsolidating €200m Brunsbüttel contract



# Division United Kingdom and Ireland



# Performance division United Kingdom and Ireland

Contribution Construction UK improved; Civil engineering UK impacted by supply chain issues

(x € million)	Full-year 2022		Full-year 2021	
	Revenue	Result	Revenue	Result
Construction UK	1,062	35.6	988	28.0
Civil engineering UK	1,243	22.0	1,234	29.9
Ventures UK (including property)	222	13.1	194	13.9
Ireland	669	20.9	633	17.7
Other, eliminations and miscellaneous	-62	-10.1	-56	-0.3
<b>Total division UK and Ireland</b>	<b>3,134</b>	<b>81.6</b>	<b>2,993</b>	<b>89.2</b>
Trade working capital efficiency	-17.8%		-18.3	
Revenue growth <sup>1</sup>	5%		28%	
Adjusted EBITDA margin	-	2.6%		3.0%
Order book <sup>1</sup>	5,402		6,586	
Order book growth	-18%		9%	

<sup>1</sup> The British pound exchange rate had a positive effect of €50 million on revenue and a negative effect of €300 million on order book.

- Revenue increased by 5% versus FY 2021, in Ireland revenues recovered after impact Covid-19
- Adjusted EBITDA €81m, reflecting margin of 2.6%
- Contribution Construction improved, while Civil engineering was impacted by supply chain issues on some projects
- Stable contribution of BAM Ventures (property UK, Ritchies (geotechnical), facility management, site solutions and EV charging solutions)
- Result BAM Ireland includes share of Museum of the Future settlement
- Order book lower, including -€600m impact for revision UK roads programme and -€300m exchange rate effect

# Financial review



# Income statement

Net result improved substantially to €180 million (2021: €18 million)

(x € million)	FY 2022	FY 2021
Division Netherlands	172.5	139.8
Division United Kingdom and Ireland	81.6	89.2
Germany, Belgium and International <sup>1</sup>	77.8	33.1
Invesis <sup>2</sup>	23.5	13.7
Eliminations and miscellaneous	-5.2	2.6
<b>Total adjusted EBITDA</b>	<b>350.2</b>	<b>278.4</b>
Adjustment items <sup>3</sup>	-5.2	-6.5
Depreciation and amortisation	-116.6	-145.4
Impairments	-15.0	-48.5
Finance result	2.3	-12.2
<b>Result before tax</b>	<b>215.7</b>	<b>65.8</b>
Income tax	-37.9	-48.8
Non-controlling interest	1.9	1.1
<b>Net result attributable to shareholders</b>	<b>179.6</b>	<b>18.1</b>

- Adjusted EBITDA of €350m, +26% versus FY 2021
- Germany, Belgium and International includes €52m result on the Wayss & Freytag transaction
- Invesis contributed €24m to net result, including €16m positive changes in fair values of hedge instruments
- Impairments of €15m, including write-down equipment, goodwill, revaluation of property positions and divestments
- Positive finance result, primarily reflecting repayment RCF and convertible bond in 2021
- Net result of €180m, reflecting earnings per share of €0.66 per share (excluding one-off result Wayss & Freytag transaction earnings per share of €0.47)

<sup>1</sup> Adjusted EBITDA 2022 includes €52 million positive result of the Wayss & Freytag Ingenieurbau transaction.

<sup>2</sup> Invesis is the net result from BAM's 50 percent equity stake in the PPP joint venture with PGGM; the result includes €16 million of changes in fair value of hedge instruments.

<sup>3</sup> Restructurings and pensions.

# Invesis – Global investor developer in sustainable infrastructure

## Solid operational performance and healthy bidding pipeline

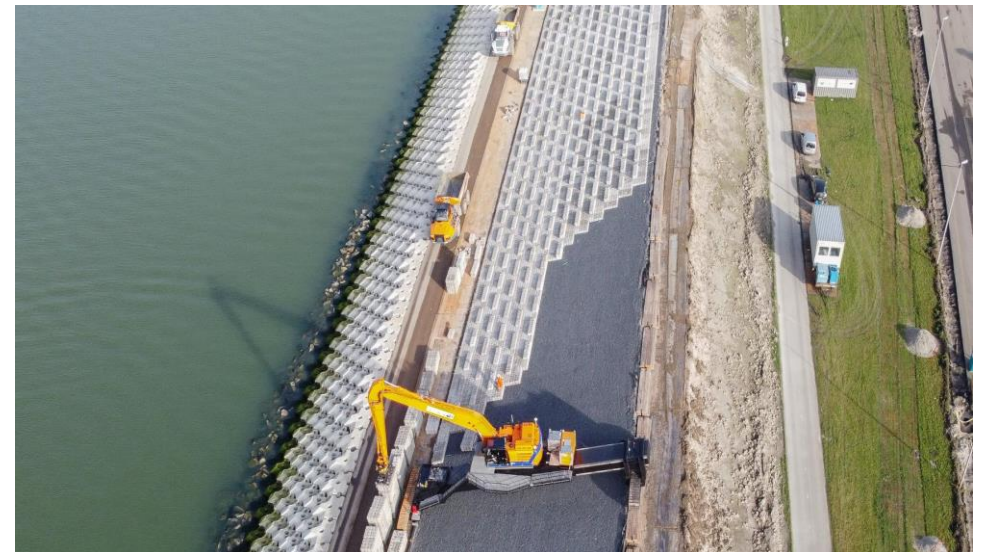
### Solid portfolio performance

- 48 PPP projects / platform investments (FY 2021: 47), of which 5 under construction
- Financial close on Egied van Broeckhoven School (Belgium)
- Acquisition Asanti (UK), provides access to digital infrastructure market
- Contribution to BAM's net result 2022 of €24m, of which €16m due to positive changes in fair value of hedge instruments

### Global Investor developer of sustainable infrastructure

- Rebranded from BAM PPP to Invesis (50/50 partnership with PGGM)
- Focus on Core (Transport and social PPP projects in home markets), Core+ (Digital infrastructure and energy transition) and New Geographical Markets
- Several bidder decisions expected in 2023 and healthy pipeline of PPP project prospects

Invesis portfolio			
<b>48</b>	<b>38</b>	<b>5</b>	<b>5</b>
Total projects	Operational	Management Services only	Under Construction



Level's innovative Ballerina positioned quattroblocs for the Afsluitdijk renovation project, the Netherlands – Consortium Level (Invesis and BAM Infra Nederland). *Picture: Rijkswaterstaat*

# Cash flow <sup>1</sup>

## Strong cash flow from operations, solid cash position

(x € million)	2022 FY	2021 FY
Cash flow from operations	246	222
Working capital	-466	142
Provisions and Pensions	24	-44
<b>Cash flow from Operating Activities</b>	<b>-196</b>	<b>320</b>
Cash flow from Investing Activities	-163	-166
Cash flow from Financing Activities	-93	-661
<b>Increase/decrease in cash position</b>	<b>-452</b>	<b>-507</b>
Cash and cash equivalents beginning period	1,285	1,789
Change in assets and liabilities held for sale	42	-42
Exchange rate differences, other changes	-34	45
<b>Cash and cash equivalents</b>	<b>841</b>	<b>1,285</b>

- Strong cash flow from operations
- Working capital increased
  - Early and full repayment of Covid-19 deferred VAT and salary tax payments (€120m)
  - Effect of divestments (€70m)
  - Impact lower pre-payments on large lump-sum contracts
  - Lower seasonal cash inflow at year-end compared to previous years
- Cash flow from investing includes €93m capex and €66m related to deconsolidation subsidiaries
- Cash position remains solid at €0.8bn

# Financial position

## Strong improvement of capital ratio and of return on average capital employed

<i>(x € million)</i>	FY 2022	FY 2021
Cash position	841	1,285
Interest-bearing debt	-53	-66
<b>Net cash position (excl. Leases)</b>	<b>788</b>	<b>1,219</b>
Lease liabilities (IFRS 16 impact)	-174	-215
<b>Net cash (incl. leases)</b>	<b>614</b>	<b>1,004</b>
Trade working capital	-1,010	-1,346
Shareholder's equity	811	654
Balance sheet total	3,819	4,496
<b>Capital ratio</b>	<b>21.2%</b>	<b>14.5%</b>
Capital employed	1,194	1,273
<b>Return on average capital employed</b>	<b>16.8%</b>	<b>5.6%</b>

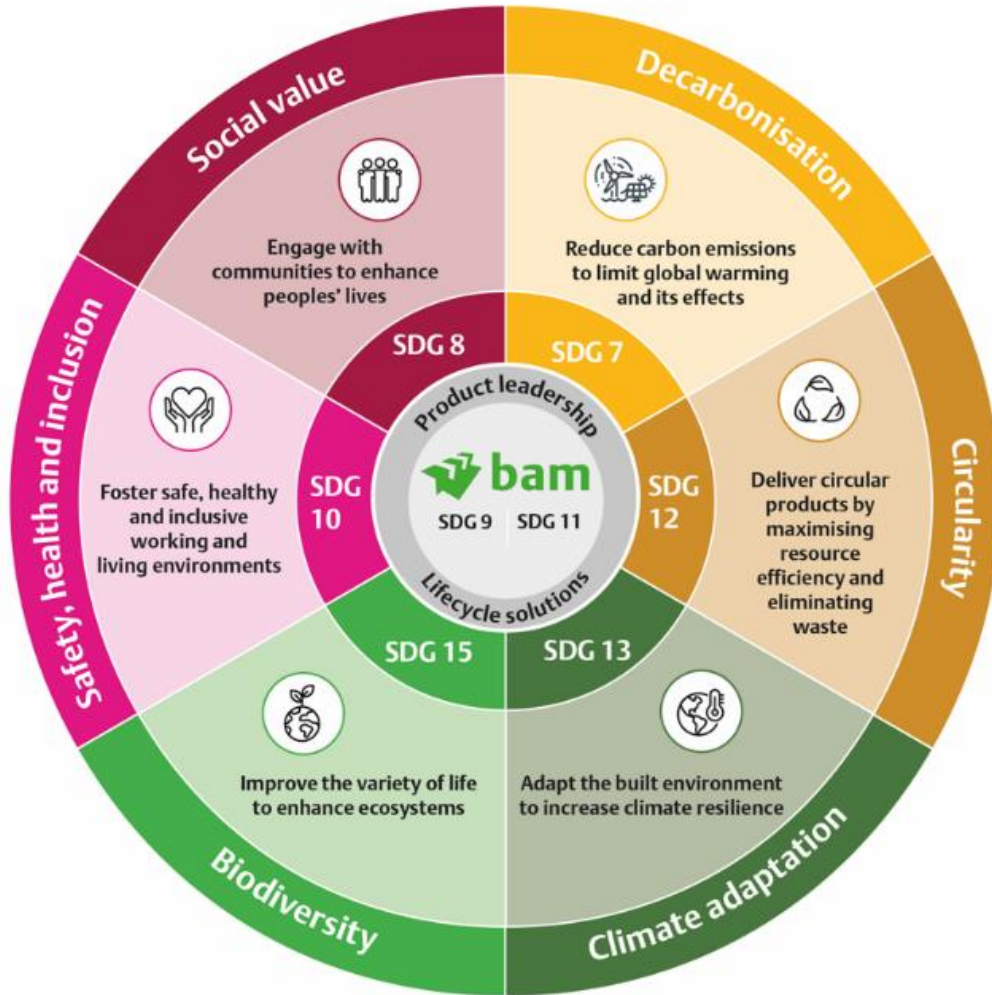
- Net cash position lower versus year-end 2021
  - Trade working capital increased, still at good level of -15.8% (2021: -16.9%)
  - Repayment €120m deferred Covid-19 VAT and salary tax payments
- Shareholders equity increased by €157m to €811m
  - Net result €180m and €35m increase hedge reserves
  - Partly offset by FX (-€28m), actuarial losses on pensions (- €19m) and repurchase shares (-€14m)
- Balance sheet total declined by €677m
- Strong improvement capital ratio to 21.2% (2021: 14.5%)
- Sharp improvement return on average capital employed to 16.8% (2021: 5.6%)

# BAM's sustainability strategy

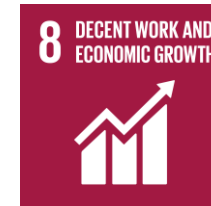




# Contributing to 8 Sustainable Development Goals (SDGs)



- BAM's sustainability themes aligned with United Nations Sustainable Development Goals (SDGs).
- UN SDGs provide blueprint for peace and prosperity for people and planet, now and into the future.
- BAM has selected eight SDGs that BAM can most contribute to through its efforts in the six sustainability themes.
- Six SDGs explicitly linked to one of themes; contributions to SDG 9 and SDG 11 can come from multiple themes.
- Rationale: next slide.



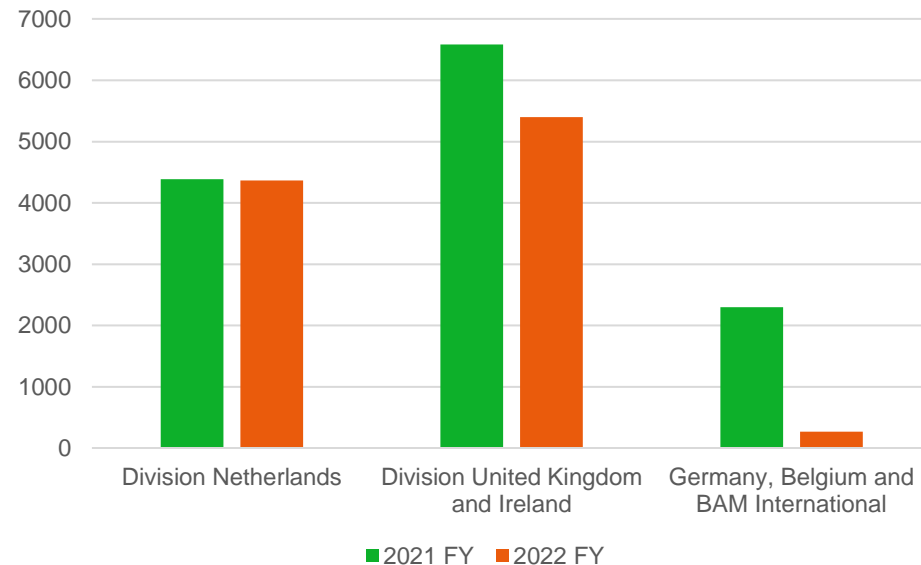
# Looking ahead



# Order book and market trends

Solid order book, BAM well positioned while market conditions are mixed

## Order book development



- Solid order backlog of €10bn (2021: €13.2bn), of which €5.1bn to be carried out in 2023
  - Reduction of €2.1bn due to divestment of subsidiaries
  - Reduction of €0.6bn due to UK government roads programme review
  - Reduction of €0.3bn due to British pound exchange rate effect
- Continued focus on contracts with healthy risk/reward balance
- Business climate and consumer confidence have declined and continued industry-wide pressure in supply chain, cost inflation and high competition to attract and retain employees
- Ample market opportunities supported by demand for decarbonisation, critical infrastructure and sustainable buildings, where BAM has proven market-leading capabilities

# Outlook 2023

- BAM is in good shape to benefit from its strong market positions and structural growth opportunities.
- Despite the headwinds created by the uncertain macro-economic and geopolitical situation, the Group remains on track with the execution of its strategy and is aiming to deliver a performance towards the 2023 strategic targets.



# Key points 2022

Adjusted EBITDA improved to €350m, proposal to pay dividend of €0.15 per share

FY 2022 versus FY 2021

## Revenues

**€6,618m** €7,315m

## Net result

**€179.6m** €18.1m

## Net cash (before ROU)

**€788m** €1,219m

## Return on capital employed

**16.8%** 5.6%

## Earnings per share

**€0.66** €0.07

## Adjusted EBITDA

**€350.2m** €278.4m

## Adjusted EBITDA margin

**5.3%** 3.8%

## TWC efficiency

**-15.8%** -16.9%

## Capital ratio

**21.2%** 14.5%

## Order book

**€10.0bn** €13.2bn

- Revenue in Netherlands, UK and Ireland increased by 2%, total revenue declined by 10% due to divestments
- Adjusted EBITDA of €350m (margin of 5.3%), which includes €52m on Wayss & Freytag transaction
- Good contribution Dutch residential and further recovery in Dutch civil engineering; in second half-year increased impact of inflation, supply chain issues and project delays on Group result
- Net result of €180m, reflecting earnings per share of €0.66
- Liquidity position strong at €0.8bn, after full repayment of Covid-19 deferred VAT and salary tax payments and effect of divestments; revolving credit facility extended to 2026, now also linked to sustainability targets
- Capital ratio improved to 21.2% (2021: 14.5%)
- Solid order book of €10.0bn (2021: €13.2bn), reduced mainly due to divestments (€2.1bn), UK government review of regional roads development programme (€0.6bn) and negative FX impact (€0.3bn)
- Re-start dividend payment, proposal €0.15 per share

# Annexes

Strategy: roadmap 2021-2023

Performance divisions Netherlands and UK and Ireland on half-year basis

# Strategy 2021-2023: Building a sustainable tomorrow



## BAM 2023

- Approx. €5.5 billion revenue
- Stable adjusted EBITDA margin of approx. 5 %
- ROCE >10%
- Trade working capital efficiency <-10%
- Grow capital ratio to 20%
- Incident frequency <3.5 and zero fatalities
- Maintain CPD A-list ranking (SBTi)
- CO<sub>2</sub> reduction 50% 2030

# Performance on half-year basis

Revenue / Adjusted EBITDA	Full year 2022	H2 2022	H1 2022	Full year 2021	H2 2021	H1 2021
	EUR x 1 m					
<b>Division Netherlands</b>						
<b>Revenue</b>						
Construction and Property [1]	1,978	1,014	964	2,015	1,018	997
Civil engineering	967	531	436	950	509	441
Other, eliminations and miscellaneous	(28)	(12)	(16)	(33)	(18)	(15)
<b>Total division Netherlands</b>	<b>2,917</b>	<b>1,533</b>	<b>1,384</b>	<b>2,932</b>	<b>1,509</b>	<b>1,423</b>
<b>Adjusted EBITDA</b>						
Construction and Property [1]	105.5	49.1	56.4	144.8	69.6	75.2
Civil engineering	68.1	37.1	31.0	(15.0)	(3.7)	(11.3)
Other, eliminations and miscellaneous	(1.1)	(11.3)	10.2	10.0	1.9	8.1
<b>Total division Netherlands</b>	<b>172.5</b>	<b>74.9</b>	<b>97.6</b>	<b>139.8</b>	<b>67.8</b>	<b>72.0</b>
<b>Division UK and Ireland</b>						
<b>Revenue</b>						
Construction and Property [1]	1,062	550	512	988	477	511
Ventures [2]	222	114	108	194	98	96
Civil engineering	1,243	634	609	1,234	629	605
BAM Ireland	669	318	351	633	364	269
Other, eliminations and miscellaneous	(62)	(31)	(31)	(56)	(27)	(29)
<b>Total division United Kingdom and Ireland</b>	<b>3,134</b>	<b>1,585</b>	<b>1,549</b>	<b>2,993</b>	<b>1,541</b>	<b>1,452</b>
<b>Adjusted EBITDA</b>						
Construction and Property [1]	35.6	13.6	22.0	28.0	8.8	19.2
Ventures [2]	13.1	7.1	6.0	13.9	7.4	6.5
Civil engineering	22.0	2.6	19.4	29.9	14.8	15.1
BAM Ireland	20.9	15.0	5.9	17.7	11.0	6.7
Other, eliminations and miscellaneous	(10.0)	(4.4)	(5.6)	(0.3)	(0.1)	(0.2)
<b>Total division United Kingdom and Ireland</b>	<b>81.6</b>	<b>33.9</b>	<b>47.7</b>	<b>89.2</b>	<b>41.9</b>	<b>47.3</b>





## Contact

### **Michel Aupers (Investor Relations)**

Runnenburg 9  
3981 AZ Bunnik  
The Netherlands

PO Box 20  
3980 CA Bunnik  
The Netherlands

+31 (0)30 659 89 88  
ir@bam.com  
www.bam.com



**bam**