


# Heijmans interim results 2020

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21 AUGUST 2020



A photograph of a modern, brightly lit tunnel. The ceiling is white with a grid of recessed lights. The walls are also white. The road is dark asphalt with white lane markings. In the foreground on the right, the rear of a white car is visible. In the distance, two workers in orange safety gear are standing on the road. The overall atmosphere is clean and professional.

# Heijmans H1 results 2020:

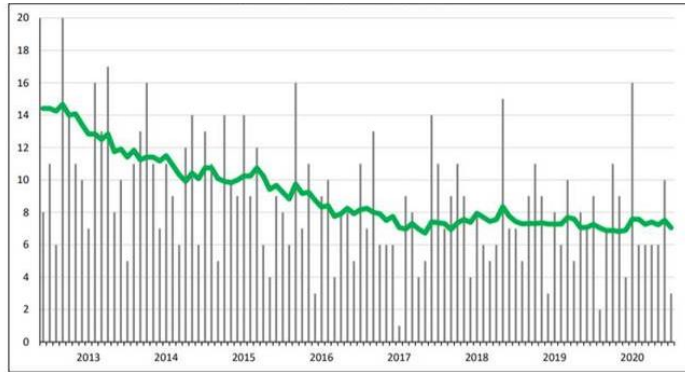
## Strong performance despite market challenges

TON HILLEN, CEO

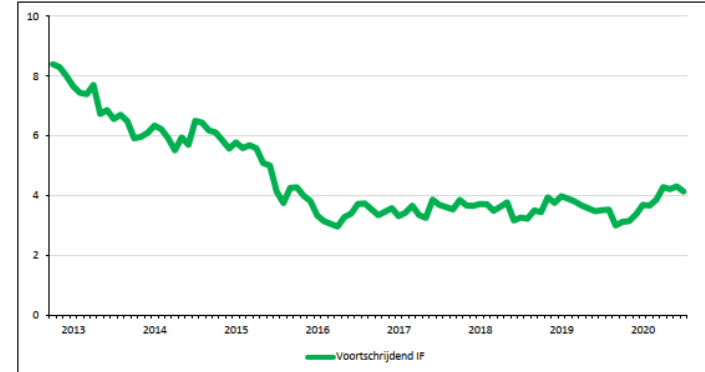
HANS JANSSEN, CFO



# Safety



Trendline number of injuries per month (incl. subcontracting and restricted workday)



Trendline Injury Frequency (IF)\* (own staff incl. hires)

	2016	2017	2018	2019	2020 - YTD
Fatal injuries	0	1	0	1	0
IF (last 12 months)	3,7	3,7	3,9	3,3	4,1
# Injuries	94	77	87	84	53

\*IF = Injury Frequency = number of lost-time injuries in the last 12 months / number of hours worked in the last 12 months \* 1.000.000 (Target: IF < 1)

# Highlights interim H1 results

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- Revenue and underlying EBITDA more than 10% higher than last year
- Order book remains healthy at € 2.0 billion
- Strong cash position, credit facility unused
- Home sales comparable with 2019
- Heijmans effectively absorbs impact of Covid-19 in H1, uncertain impact in the medium term
- Expected revenue, underlying EBITDA in 2020 at least equal to 2019

# Key figures H1 2020

## Key figures

(x € 1 million)

	H1 2020	H1 2019	2019
Revenues	839	730	1.600
Underlying EBITDA*	41	36	78
Result after tax	15	15	30
Earnings per share (in €)	0,71	0,71	1,40
Order book	1.972	2.091	2.124
Net debt	43	99	30
Solvency	27%	25%	25%
Number of FTE	4.642	4.624	4.595

*\* The Underlying EBITDA is the operating result before depreciation including EBITDA joint ventures, excluding write down on property assets, restructuring costs, book result on sale of subsidiaries, and costs of soil remediations related to sold land positions.*

# Developments per sector

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# Property development:

## Property development

<i>x € 1 million</i>	H1 2020	H1 2019	2019	Δ % 2020-2019
Revenues	224	206	459	9%
Underlying EBITDA	14	11	26	
<i>Underlying EBITDA margin</i>	6,3%	5,3%	5,7%	
Order book	492	451	454	

- First half 2020 results were better than those in the first half of 2019
- Number of homes sold through to 30 June 2020 came in at 1,075 (2019: 1,061), with 610 of these sold to private buyers (compared with 564 last year)
- New projects in Rotterdam (Leeuwenkuil with 226 homes) and Eindhoven (Humperdincklaan with 500 homes)





## Building & Technology: revenue growth, higher costs non-residential projects

### Building & Technology

<i>x € 1 million</i>	H1 2020	H1 2019	2019	Δ % 2020-2019
Revenues	470	390	817	21%
Underlying EBITDA	14	15	30	
<i>Underlying EBITDA margin</i>	3,0%	3,8%	3,7%	
Order book	1.172	1.224	1.268	

- Residential Building recorded a strong first half, Services delivered outstanding performance
- At the same time, non-residential projects hit the hardest by Covid-19



INNOVATIVE ROOM IN NEW  
ZUIDPLEIN THEATRE  
(ROTTERDAM): SIX THOUSAND  
UNIQUE TRIANGULAR PANELS  
MADE OF ALUMINIUM COMPOSITE.  
HEIJMANS USED ALGORITHMS TO  
POSITION THE TRIANGLES FOR  
OPTIMUM ACOUSTICS

## Infra: delivers strong performance

### Infra

<i>x € 1 million</i>	H1 2020	H1 2019	2019	Δ % 2020-2019
Revenues	310	297	619	4%
Underlying EBITDA	17	13	30	
<i>Underlying EBITDA margin</i>	5,5%	4,4%	4,8%	
Order book	704	773	791	

- Well-filled order book
- Additions primarily for short-cyclical works in the fields of maintenance and management
- Completion of a number of projects made a positive contribution to result
- However, there are concerns for the long term, as a result of government policy on the issue of nitrogen emissions







# Financial

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# Statement of profit or loss

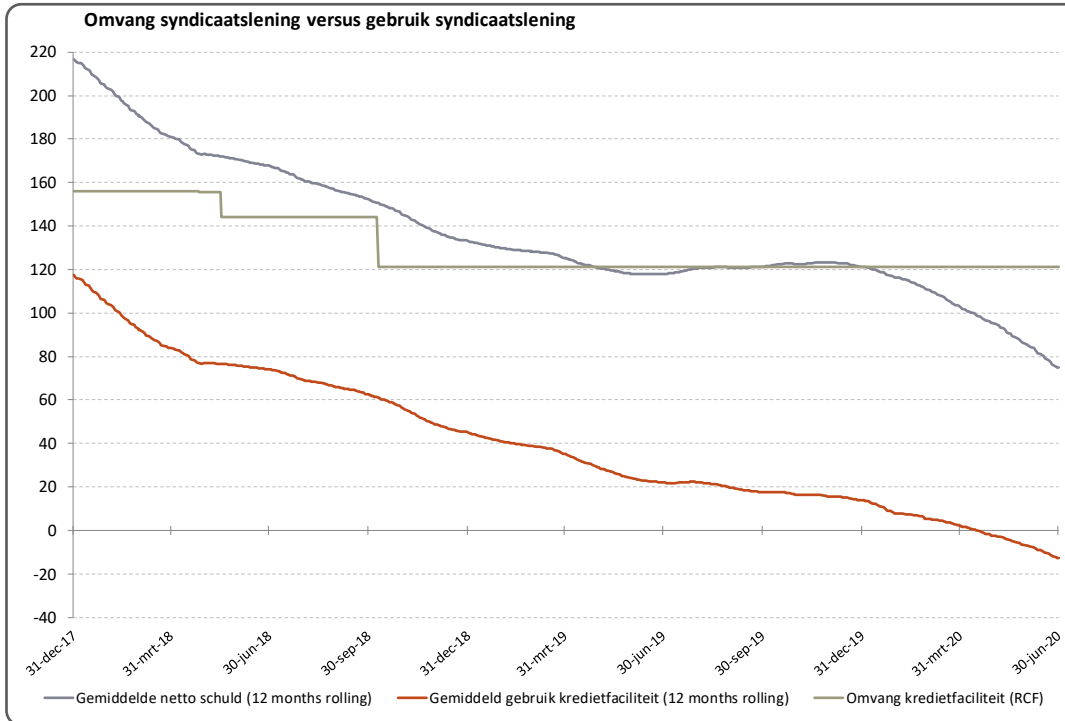
	H1 2020	H1 2019	2019
<i>x € 1 million</i>			
<b>Revenues</b>	<b>839</b>	<b>730</b>	<b>1.600</b>
Property development	14	11	26
Building & Technology	14	15	30
Infra	17	13	30
Corporate	-4	-3	-8
<b>Underlying EBITDA</b>	<b>41</b>	<b>36</b>	<b>78</b>
Correction EBITDA joint ventures	5	-3	-8
Write down on property assets	0	0	-5
Restructuring costs	-1	-1	-3
Soil remediation	-	-	-1
Book result other divestments	-	-	1
<b>EBITDA</b>	<b>45</b>	<b>32</b>	<b>62</b>
Depreciation/amortisation	-17	-15	-33
<b>Operating result</b>	<b>28</b>	<b>17</b>	<b>29</b>
Financial results	-3	-3	-4
Share of profit of associates and joint ventures	-3	3	10
<b>Result before tax</b>	<b>22</b>	<b>17</b>	<b>35</b>
Income tax	-7	-2	-5
<b>Result after tax</b>	<b>15</b>	<b>15</b>	<b>30</b>

## Cash flow and financing

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- Net debt € 43 million (H1 2019: € 99 million), driven by positive result development and improved working capital
- Working capital boosted by sustained strong pre-financing and rapid receivables collection
- Solvency further improved to 26.9%. Robust balance sheet
- Heijmans proactively extended the € 121 million syndicated loan that was supposed to lapse in 2022 by a year to mid-2023 at the same conditions
- This has created a longer window for the arrangement of more structural refinancing in the light of the Covid-19 situation

# Continued strong focus on debt reduction



- Heijmans continues to reduce debt
- Average net debt improved by more than € 40 million year-on-year
- Credit facility remains unused so far in 2020



# Covenants

## 6. Covenants

x € 1 million

	H1 2020	FY 2019	H1 2019
<b>Reported Net debt</b>	<b>43,3</b>	<b>30,4</b>	<b>99,1</b>
<i>Adjustments:</i>			
Corrections IFRS 16	-83,3	-86,6	-76,1
Net debt joint ventures	57,0	51,3	78,5
Net debt non recourse project financings	-74,1	-79,6	-90,5
Cumulative preference shares B	-41,8	-45,1	-45,1
Other	1,3	2,7	0,4
<b>Net debt covenants (A)</b>	<b>-97,6</b>	<b>-126,9</b>	<b>-33,7</b>
Reported Ebitda	74,5	62,0	47,7
Extraordinary items	9,4	8,4	2,1
Corrections IFRS 16	-25,2	-23,9	-11,2
EBITDA joint ventures	-0,9	7,9	8,6
<b>Underlying EBITDA (excluding IFRS 16)</b>	<b>57,8</b>	<b>54,4</b>	<b>47,3</b>
<i>Adjustments:</i>			
Corrections IFRS 15	-1,0	-0,6	-0,6
Capitalised interest	1,3	1,7	2,1
EBITDA non recourse projects	-0,9	-1,4	-3,1
Other	-1,0	-1,6	-1,5
<b>EBITDA covenants (B) - Interest Cover</b>	<b>56,2</b>	<b>52,5</b>	<b>44,2</b>
EBITDA from disposed subsidiaries	0,0	0,0	0,0
<b>EBITDA covenants (C) - Leverage Ratio</b>	<b>56,2</b>	<b>52,5</b>	<b>44,2</b>
<b>Net interest</b>	<b>5,9</b>	<b>6,4</b>	<b>7,7</b>
<i>Adjustments:</i>			
Net interest joint ventures	0,7	0,7	1,0
Corrections IFRS 16	-2,2	-2,4	-1,4
Net interest non recourse project financings	-2,5	-2,5	-2,9
Interest cumulative preference shares B	-3,2	-3,3	-3,4
Other	-0,3	-0,3	-2,1
<b>Net interest covenants (D)</b>	<b>-1,6</b>	<b>-1,3</b>	<b>-1,0</b>
<b>Average net debt covenants (E)</b>	<b>-85,0</b>	<b>-48,1</b>	<b>-30,6</b>
<b>Leverage ratio (A/C) &lt;3</b>	<b>-1,7</b>	<b>-2,4</b>	<b>-0,8</b>
<b>Interest cover ratio (B/D) &gt;4*</b>	<b>-35,1</b>	<b>-41,6</b>	<b>-43,0</b>
<b>Average Leverage ratio (E/C) &lt;1</b>	<b>-1,5</b>	<b>-0,9</b>	<b>-0,7</b>

\* A negative outcome in combination with a positive rolling EBITDA is permitted.

# Outlook

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## Outlook: confident for the full-year 2020

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- Strong first half provides solid basis for the rest of 2020
- Healthy order book and progress on projects in all sectors
- Performance at least equal to last year
- Covid-19 situation and potential nitrogen emissions measures difficult to predict
- The sales climate for homes and clients' spending patterns in the infra sector uncertain (especially in the medium term)
- For the longer term, we will continue to build on the strong basis Heijmans has built over the past few years; we will be agile if market conditions require it



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