

The 1Q order backlog reaches the Euro 10bn – strong first quarter in terms of order backlog (+14%), order intake (+15%) and EBIT (+13%) despite a harsh winter season – target up to € 46.00

Yesterday, PORR released a 1Q 2026 quarterly statement and invited for a conference call. Despite a harsh winter, the first three months were a very good start into the year, in terms of order backlog, order intake, EBIT growth and also margin improvement. Driven by a very good demand situation, in particular for civil engineering and infrastructure as well as special topics like health properties and data centers, the company could report a Euro 10.0bn order backlog the first time in company history. It surged +13.5%, from Euro 8.8bn in 1Q 2025, and was also well-above the Euro 9.5bn at year-end 2025. The picture was very similar at order intake, which even increased almost 15%, from Euro 1.5bn to almost Euro 1.8bn, driven by infrastructure in Poland and Romania as well as German specialist civil engineering. Order intake in Poland doubled from Euro 161m to Euro 331m and Germany also rocketed +36%, from Euro 308m to Euro 418m. Keep in mind, that in this Germany number almost no Merz government infrastructure package boost is included, yet. That will boost the order intake and business situation even more from 2027 on. The order intake development in the Austrian home market was also prosperous, a 20% hike from Euro 884m to almost exactly Euro 1.0bn.

With regards to the operating profit, the first quarter has not such a big importance for the full year results, but despite a harsh winter the PORR EBIT delivered a friendly hike of 13%, from Euro 12.6m to Euro 14.3m. The production output at exactly Euro 1.3bn was also a bit above the Euro 1.27bn from the previous year. With regards to the margin development, it is on track, with a 15bps improvement in the first three months, to 1.1%, thanks to reduced input costs, that profit from significant price hedges for gas and materials and several important price escalation clauses in the contracts. As an example, the gas and electricity prices are fixed by framework agreements up to the years 2027 or even 2028.

PORR maintained the full year guidance of a moderate growth in revenues and output in 2026 and an improved EBIT margin. The company also sticks to the mid-term 2030 target of an EBIT margin of 3.5% to 4.0% and we stick to our opinion that this 3.5% might be in reach already in 2027. The management stated that a more concrete EBIT margin guidance for 2026 might be possible despite the geopolitical risks and the shaky economic framework with half year or 9M numbers.

We feel confident with the 1Q statement that PORR is on an excellent way to profit from current opportunities in the construction market and to reach a significant margin expansion. The PORR share was up +3.5% yesterday and with the tailwind from the decent 1Q picture and European infrastructure on the agenda of many international investors, we expect the PORR share to further rise. Target upgrade to Euro 46.00.

Price (Euro)	36,45			
52 weeks range	41.50 / 25.30			
Key Data				
Country	Austria			
Industry	Technology & Construction			
ISIN	AT0000609607			
WKN	850185			
Reuters	ABGV.VI			
Bloomberg	POS AV			
Internet	www.porr-group.com			
Reporting Standard	IFRS			
Fiscal Year	31/12			
IPO	2001			
Number of shares (million)	39,3			
Free Float	52,6%			
Market Cap (million)	1.431,7			
Free Float Market Cap (million)	753,1			
CAGR pre-tax profit ('24 - '27e)	15,5%			
Multiples	2025	2026e	2027e	2028e
MarketCap/ Revenues	0,23	0,22	0,21	0,21
PE-Ratio	12,3	10,3	9,0	8,3
Dividend Yield	2,9%	3,4%	4,1%	4,8%
Price-to-Book ratio	1,5	1,4	1,2	1,1
Key Data per Share (Euro)	2025	2026e	2027e	2028e
Earnings per Share (EPS)	2,95	3,54	4,06	4,40
Dividends per Share (DPS)	1,05	1,25	1,50	1,75
Book Value per share	24,55	26,75	29,56	32,46
Financial Data (Euro '000)	2025	2026e	2027e	2028e
Revenues	6.295.892	6.440.698	6.685.444	6.866.620
EBITDA	409.399	430.042	459.536	484.513
Operating Profit (EBIT)	196.696	212.690	237.061	254.773
Pre-tax profit (EBT)	180.423	199.851	223.547	241.197
EBIT margin	3,1%	3,3%	3,5%	3,7%
Pre-tax margin	2,6%	2,9%	3,2%	3,3%
Net profit (after minorities)	116.014	139.180	159.520	172.692
Adjusted Shareholders' Equity	931.968	1.029.906	1.140.328	1.254.102
RoE after tax (adjusted)	12,4%	13,5%	14,0%	13,8%
Equity Ratio	21,1%	22,2%	23,7%	25,4%
Financial Calendar				
1H 2026		27 August 2026		
9M 2026		19 November 2026		
Main Shareholders				
Syndicate (Strauss-group / IGO-Ortner-group)			47,4%	
Analyst	Dipl.-Kfm. Stefan Scharff, CREA			
E-Mail	scharff@src-research.de			
Internet	www.src-research.de www.aktienmarkt-international.de www.aktienmarkt-international.at			



PORR AG

Industry: Construction / Infrastructure
Sub-segment: all kinds of real estate
Country: Austria
Headquarter: Vienna
Foundation: 1869
Employees: 20.829

Management Board of PORR
 Ing. Karl-Heinz Strauss, MBA, FRICS (CEO)
 WP/StB Mag. Klemens Eiter (CFO)
 Dipl.-Ing. Claude-Patrick Jeutter (COO)
 Josef-Dieter Deix (COO)

Supervisory Board of PORR
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 Wolfgang Ringhofer
 Martina Stegner
 Christian Supper

IR Contact
 Lisa Galuska
 Mail: ir@porr-group.at
 Phone: +43 (0) 50 626 1765

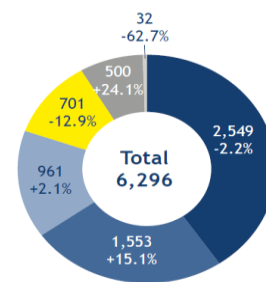
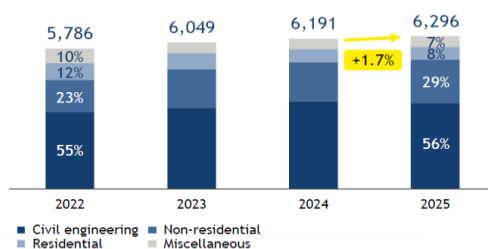
Founded in 1869 as Allgemeine österreichische Baugesellschaft PORR AG is today a full service provider for construction and infrastructure projects with a leading market position in Austria and also a good footprint as one of the leading firms in other important European home markets like Germany, Switzerland, Poland and Czech Republic. Furthermore, there are also some project-specific activities and profitable niches in target markets like UK, Scandinavia and Qatar. From building construction and civil engineering to road and tunnel, as well as slab track construction – the watertight value chain and universal knowhow in every sector of the modern construction industry enables PORR to realise highly complex projects professionally and cost efficiently, without ever losing sight of the individual needs of their customers and principals. Besides Infrastructure there is also another modern and quickly growing focus on environmental engineering (waste management, dumps and sorting plants etc.), which will accelerate future profits outside the classic building construction business. PORR's strategy is to strengthen group's profitability by setting the focus on profitable projects, like large-scale infrastructure business and by a cost cutting and a leaner organization structure to answer the digitalization trend in industry. The firm is geared to avoid waste and driven to expand efforts for a circular eco-system to bring down carbon footprint. The total energy consumption was down -9.2% in 2025, from 900k MWh to 817k MWh. The Greenhouse Gases (Scope 1 and 2) even declined -22.5% in 2025, to 174k tons CO₂ equivalent.

The year 2020 was significantly coined by the impacts of the global Covid-19 pandemic, which led to , amongst other effects, a temporary shutdown of construction sites in Austria for several months, severely impacting the numbers of the fiscal year. Nevertheless, the year was not wasted as the company reacted quickly and e.g. accelerated the PORR 2025 strategy program and the transformation. Since then, the firm managed to progress on the outlined strategy of a selective and profitable growth, which has also become more and more visible in the numbers. The company delivered a clearly improved 3.1% EBIT margin for 2025, after 2.6% in 2024 and 2.3% in 2023, and the 3.1% was over the targeted range of 2.8% to 3.0 for FY 2025. With the 2025 annual report the PORR management confirmed the mid-term EBIT margin target in a range of 3.5% to 4.0% for the year 2030. We feel sure with the current market situation, the good positioning of PORR together with continuous cost discipline the company will reach the targets a bit earlier. A 3.5% EBIT margin might be in reach already for 2027. It is a good mix of a high and prevailing current demand in civil engineering, infrastructure, data centres, healthcare and logistics hubs as well as a recovery in residential construction, in particular in Germany and Austria, which is likely to come the next years. Also Poland will show a strong demand in civil engineering, such as road and major railway construction as well as the new CPK airport, 40km west of Polish capital Warsaw. The balance sheet ratios improved throughout the last years, as equity ratio remained at 21.1% at year-end 2025, but much higher than the 19.3% in 2022. In February 2025 PORR further improved the balance sheet structure by the redemption of the outstanding Euro 46.5m amount of the 2020 hybrid bond. All in all, the hybrid stake in the equity almost halved from 31% in 2022 to now only 17% at year-end 2025. The high Euro 93m net cash position at year-end 2025 also speaks a clear language for the increased quality of PORR's balance sheet (2024: Euro 1.7m net debt).

After suspending the dividend payment for 2019 and 2020 as a precautionary measure following the COVID-19 pandemic, dividend distributions started again for FY2021 (Euro 0.50 per share) and have been increased steadily since then. The management paid a dividend of 75 cents per share for FY 2023 and 90 Cents dividend for FY 2024. With AGM approval on 28 April 2026, the 2025 dividend will be lifted to Euro 1.05, which translates in to a decent dividend yield of almost 3% at present.

REVENUE AT RECORD LEVEL

Revenue (in EUR m)



- Continuous increase since 2022 despite Ukraine conflict and residential crisis
- Infrastructure and tunnelling in full swing
- Strong performance in high margin industrial building construction in Germany
- CEE: Decrease due to early stage in design & build projects

Source: Company Data, SRC Research

P & L PORR AG

31/12 IFRS (Euro '000)	2021	2022	2023	2024	2025	2026e	2027e	2028e
Production output	5.727.323	6.226.409	6.577.174	6.746.879	6.817.502	6.940.217	7.065.141	7.241.769
Revenues	5.169.831	5.786.011	6.048.546	6.190.521	6.295.892	6.440.698	6.685.444	6.866.620
Own work capitalized in non-current assets	2.875	1.567	5.292	5.244	7.958	8.280	8.892	10.120
Share of profit/loss of associates	62.124	56.466	98.576	45.903	82.255	85.120	96.735	98.745
Other operating income	178.090	189.124	181.928	212.009	228.888	235.845	257.010	268.011
Cost of materials and other related production services	-3.446.627	-3.976.756	-4.142.102	-4.087.953	-4.139.564	-4.186.453	-4.375.623	-4.483.903
Staff expense	-1.275.817	-1.349.993	-1.453.726	-1.575.465	-1.657.614	-1.742.152	-1.776.995	-1.828.528
Other operating expenses	-402.934	-387.520	-394.256	-421.463	-408.416	-411.295	-435.927	-446.552
Operating result (EBITDA)	287.542	318.899	344.258	368.796	409.399	430.042	459.536	484.513
Depreciation, amortisation and impairment expense	-192.323	-198.792	-203.987	-210.445	-212.703	-217.352	-222.475	-229.740
Operating result (EBIT)	95.219	120.107	140.271	158.351	196.696	212.690	237.061	254.773
EBIT Margin (in relation to revenues)	1,8%	2,1%	2,3%	2,6%	3,1%	3,3%	3,5%	3,7%
Income from financial investments and other current financial assets	12.284	14.150	26.665	25.601	21.494	26.182	30.201	29.874
Finance costs	-22.142	-24.223	-36.238	-38.896	-37.767	-39.021	-43.715	-43.450
Earnings before tax (EBT)	85.361	110.034	130.698	145.056	180.423	199.851	223.547	241.197
EBT margin (in relation to production output)	1,5%	1,8%	2,0%	2,1%	2,6%	2,9%	3,2%	3,3%
Income tax expense	-23.953	-27.399	-35.680	-36.193	-43.724	-43.567	-49.229	-51.443
Profit/loss for the period	61.408	82.635	95.018	108.863	136.699	156.283	174.318	189.754
of which attributable to non-controlling interest	7.688	4.009	-4.207	3.308	6.473	6.849	7.258	9.522
Profit/loss for the period attributable to shareholders of the parent and holders of profit-participation rights	53.720	78.626	99.225	105.555	130.226	149.434	167.060	180.232
of which attributable to holders of profit-participation rights	17.786	14.213	14.212	16.560	14.212	10.254	7.540	7.540
Net profit after minorities	35.934	64.413	85.013	88.995	116.014	139.180	159.520	172.692
Diluted/basic earnings per share (EPS)	1,18	1,65	2,21	2,27	2,95	3,54	4,06	4,40
Dividends per share (DPS)	0,50	0,60	0,75	0,90	1,05	1,25	1,50	1,75
Number of shares ('000)	30.792	39.278	39.278	39.278	39.278	39.278	39.278	39.278
Adjusted Shareholders' Equity without minorities	790.541	764.605	834.956	866.313	931.968	1.029.906	1.140.328	1.254.102
Shareholders' Equity (including minorities and hybrid)	824.410	798.925	860.245	886.627	964.215	1.050.783	1.161.205	1.274.979
RoE after Tax	5,0%	8,3%	10,6%	10,5%	12,9%	14,2%	14,7%	14,4%
Total assets (Euro million)	4.065.002,0	4.146.795,0	4.135.696,0	4.239.656,0	4.578.280,0	4.729.363,2	4.890.161,6	5.012.415,6
Equity ratio	20,3%	19,3%	20,8%	20,9%	21,1%	22,2%	23,7%	25,4%
Key ratios & figures	2021	2022	2023	2024	2025	2026e	2027e	2028e
Growth rates in %								
Revenues	11,1%	11,9%	4,5%	2,3%	1,7%	2,3%	3,8%	2,7%
EBITDA	118,8%	10,9%	8,0%	7,1%	11,0%	5,0%	6,9%	5,4%
EBIT	-355,9%	26,1%	16,8%	12,9%	24,2%	8,1%	11,5%	7,5%
EBT	-267,2%	28,9%	18,8%	11,0%	24,4%	10,8%	11,9%	7,9%
Net profit after minorities	-244,9%	34,6%	15,0%	14,6%	25,6%	14,3%	11,5%	8,9%
Margins in % (based on production output)								
EBITDA margin	5,0%	5,1%	5,2%	5,5%	6,0%	6,2%	6,5%	6,7%
EBIT margin	1,7%	1,9%	2,1%	2,3%	2,9%	3,1%	3,4%	3,5%
EBT margin	1,5%	1,8%	2,0%	2,1%	2,6%	2,9%	3,2%	3,3%
Net profit margin	1,1%	1,3%	1,4%	1,6%	2,0%	2,3%	2,5%	2,6%
Expense ratios in %								
Personnel costs to sales	24,7%	23,3%	24,0%	25,4%	26,3%	27,0%	26,6%	26,6%
Cost of material to sales	66,7%	68,7%	68,5%	66,0%	65,8%	65,0%	65,5%	65,3%
Depreciation to sales	3,7%	3,4%	3,4%	3,4%	3,4%	3,4%	3,3%	3,3%
Tax rate	-28,1%	-24,9%	-27,3%	-25,0%	-24,2%	-21,8%	-22,0%	-21,3%
Profitability in %								
Gross profit margin	33,3%	31,3%	31,5%	34,0%	34,2%	35,0%	34,6%	34,7%
Return on adjusted shareholders equity (ROE)	4,5%	8,4%	10,2%	10,3%	12,4%	13,5%	14,0%	13,8%
Return on investment (ROI)	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Balance sheet key figures								
Net debt (-)/ net cash (+)	65.322	58.950	40.051	-1.729	45.004	54.785	66.578	54.785
Book value	26,8	20,3	21,9	22,6	24,5	26,8	29,6	32,5
Equity ratio	20,3%	19,3%	20,8%	20,9%	21,1%	22,2%	23,7%	25,4%
Data per share								
Number of shares in ('000)	30.792	39.278	39.278	39.278	39.278	39.278	39.278	39.278
Earnings per share (EPS)	1,18	1,65	2,21	2,27	2,95	3,54	4,06	4,40
Dividend per share (DPS)	0,50	0,60	0,75	0,90	1,05	1,25	1,50	1,75

Source: Company data, SRC Research estimates

SRC Research

- The Specialist for Financial and Real Estate Stocks -

SRC - Scharff Research und Consulting GmbH

Visiting address:

Dahmestr. 5

D-12527 Berlin

Germany

Fon: +49 (0)170/ 316 12 08

Mail: scharff@src-research.de

Internet: www.src-research.de

Rating Chronicle	Date	Rating	Former Price	Former Target
PORR	31 March 2026	Buy	36,20 €	44,00 €
PORR	04 March 2026	Buy	37,90 €	44,00 €
PORR	21 November 2025	Buy	28,00 €	35,00 €
PORR	21 August 2025	Buy	29,75 €	35,00 €
PORR	22 May 2025	Buy	31,40 €	35,00 €
PORR	04 April 2025	Buy	26,55 €	31,00 €
PORR	25 February 2025	Buy	22,65 €	26,00 €
PORR	21 November 2024	Buy	15,42 €	24,00 €
PORR	22 August 2024	Buy	13,56 €	22,00 €
PORR	23 May 2024	Buy	14,20 €	21,00 €
PORR	22 March 2024	Buy	13,44 €	20,50 €

Please note:

The PORR share price mentioned in this report is from 27 May 2026. PORR AG mandated SRC Research for covering the PORR share.

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