EDISON

QuickView

PORR Group

Construction and materials

10 June 2025

The niche high-end contractor that delivers

PORR Group is domiciled in Austria with a business focused on solid-margin, niche markets such as data centres, infrastructure and specialist applications. Geographically, it targets markets with strong contractor protections, reliable customers and local resources that enable it to complete projects on time and to the highest standards. Over the past 20 years, PORR has delivered a stable EBIT margin of 2.0–3.3% in all but four years and a top-line CAGR of 7.2%.

Order book gives visibility out to H226

PORR's €8.8bn order book represents more than 1.25 years of revenues, and orders have strong momentum: Q125 order intake of €1.539bn was up 17.4% y-o-y, indicating continued strong demand from PORR's core markets. Civil engineering and non-residential construction made up 88% of the order backlog at end Q125, segments that typically generate higher margins and have the highest customer quality, thus minimising receivables risk.

A disciplined and responsible contractor

PORR is one of few contractors licenced to deliver projects for specialist applications such as energy, infrastructure, data centres and clean rooms. It focuses on 'Intelligent Growth – Green and Lean', treating customers, employees and the environment in a responsible and sustainable way. This has paid off; PORR boasts blue-chip customers such as Deutsche Bahn, ÖBB and Vantage Data Centers. PORR only accepts projects it is fully resourced to complete, with a sophisticated, disciplined risk-management system that keeps projects on schedule and budget.

Strong markets in Central and Eastern Europe (CEE)

PORR Group has a strong reputation and market positions in Austria, Germany and CEE. Growth in these markets is higher than the rest of Europe and competition from larger Western European contractors is less of an issue. In addition, Germany has proposed a €500bn fund to invest in domestic infrastructure, which could provide a significant boost to PORR from 2027.

Valuation: Inexpensive versus main European peers

PORR currently trades on 7.8x FY26e P/E, a 30% discount to its European peers, 2.9x FY26e EV/EBITDA, a 52% discount to peers, and on a 4.0% FY26e dividend yield, a 27% premium to peers. We include Strabag, Implenia, BAM Groep, Budimex, Skanska and Hochtief in PORR's peer group.

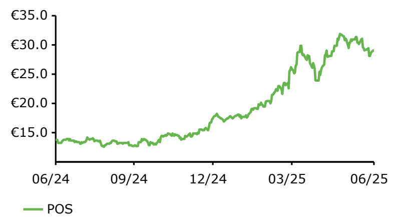
Consensus estimates

Year end	Revenue (€m)	EBITDA (€m)	EBIT (€m)	EPS (€)	DPS (€)	EV/EBITDA (x)	P/E (x)	Yield (%)
12/23	6,048.6	344.3	140.0	2.21	0.75	4.1	13.0	2.6
12/24	6,190.5	368.9	158.0	2.43	0.90	3.8	11.8	3.1
12/25e	7,293.0	466.5	215.4	3.35	1.09	3.0	8.6	3.8
12/26e	7,507.3	490.9	233.3	3.70	1.15	2.9	7.8	4.0

Source: LSEG Data & Analytics

Price	€28.70
Market cap	€1,143m

Share price performance



Share details

Code	POS
Listing	VSX
Shares in issue	39.3m
Net cash/(debt) at Q125	€(259.0)m

Business description

PORR Group is a leading European construction contractor. It specialises in large and complex projects with blue-chip customers, in regions and sectors where receivables risk is low. It is one of few specialists in the infrastructure, pharmaceutical and semiconductor sectors, and has the ability to cover the entire construction value chain from design to operation. PORR Group generates around 97% of its revenue from its seven core markets: Austria, Germany, Poland, the Czech Republic, Slovakia, Switzerland and Romania. It trades on the Prime Market of the Vienna Stock Exchange and has been listed for over 150 years.

Bull points

- Stable and consistent growth and earnings driven by best-in-class management and project execution.
- Order backlog gives visibility to H226.
- Potential beneficiary of the €500bn German infrastructure bill that is currently being ratified.

Bear points

- Construction projects are large and carry execution risk.
- Construction contracting margins are low in absolute terms.
- Revenues are somewhat cyclical, and growth in absolute terms is moderate.

Analysts

Andrew Keen +44 (0)20 3077 5700

Nick Paton +44 (0)20 3077 5700

industrials@edisongroup.com

Edison profile page

PORR Group is a research client of Edison Investment Research Limited

General disclaimer and copyright

This report has been commissioned by PORR Group and prepared and issued by Edison, in consideration of a fee payable by PORR Group. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of Liability: To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained on this note.

No personalised advice: The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

Investment in securities mentioned: Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or sol icitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.

London | New York | Frankfurt
20 Red Lion Street
London, WC1R 4PS
United Kingdom