PORR

Buy (unchanged) **Target: Euro 46.00** (unchanged)

19 | November | 2026

Price (Euro)	**32,30**
52 weeks range	46.55 / 26.35

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	56,6%
Market Cap (million)	1.268,7
Free Float Market Cap (million)	718,1
CAGR pre-tax profit ('25 - '28e)	10,4%

Multiples	**2025**	**2026e**	**2027e**	**2028e**
MarketCap/ Revenues	0,20	0,20	0,19	0,18
PE-Ratio	**10,9**	**9,0**	**7,9**	**7,3**
Dividend Yield	**3,3%**	**3,9%**	**4,6%**	**5,4%**
Price-to-Book ratio	**1,3**	**1,2**	**1,1**	**1,0**

Key Data per Share (Euro)	**2025**	**2026e**	**2027e**	**2028e**
Earnings per Share (EPS)	**2,95**	**3,57**	**4,09**	**4,45**
Dividends per Share (DPS)	**1,05**	**1,25**	**1,50**	**1,75**
Book Value per share	**24,55**	**26,78**	**29,62**	**32,57**

Financial Data (Euro '000)	**2025**	**2026e**	**2027e**	**2028e**
Revenues	**6.295.892**	**6.494.213**	**6.695.533**	**6.876.982**
EBITDA	**409.399**	**433.453**	**459.767**	**482.875**
Operating Profit (EBIT)	**196.696**	**216.042**	**237.292**	**255.135**
Pre-tax profit (EBT)	**180.423**	**200.678**	**223.778**	**242.887**
EBIT margin	**3,1%**	**3,3%**	**3,5%**	**3,7%**
Pre-tax margin	**2,6%**	**2,9%**	**3,1%**	**3,3%**
Net profit (after minorities)	**116.014**	**140.406**	**160.466**	**174.814**
Adjusted Shareholders' Equity	931.968	1.031.132	1.142.501	1.258.397
RoE after tax (adjusted)	**12,4%**	**13,6%**	**14,0%**	**13,9%**
Equity Ratio	**21,1%**	**22,2%**	**23,8%**	**25,5%**

Financial Calendar

2026 annual report	31 March 2027
AGM	18 May 2027
1Q 2027 statement	26 May 2027
1H 2027 report	26 August 2027
9M 2027 report	18 November 2027

Main Shareholders

Syndicate (Strauss-group / IGO-Ortner-group)	43,4%

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On track for a strong full year as 3Q momentum picks up, revenues and EBIT full year guidance affirmed – TP still € 46.00

Today, PORR released its 9M 2026 report. The results provide a solid foundation to conclude the year successfully, at a higher revenue level and with a significantly improved operating margin. Production output increased by 4.1%, from Euro 5.0bn to Euro 5.2bn, while revenues also rose by 4.1%, from Euro 4.6bn to over Euro 4.8bn. Alongside the improved top-line performance, operating profit in terms of EBIT grew even more strongly by 13%, from Euro 108m to Euro 122m, translating into an EBIT margin expansion from 2.3% to 2.5%. The whole industry picked up momentum in the third quarter. Significant traction is being seen in industrial construction in particular, involving cleanrooms and research and digital infrastructure facilities, alongside healthcare and defence properties. There are also signs of a gradual recovery in the residential construction sector, as there is huge demand for new and affordable apartments in metropolitan regions.

With regards to the single regions, the Austria / Switzerland market delivered a sound 6.1% growth in production output, whereas Poland (+20%) and CEE (+13%) even recorded double-digit growth. It is worth noting that the further tender pipeline in Poland remains well filled, particularly with infrastructure, healthcare, and defence projects. Orders with a total value of up to 4.5bn are currently in the final bidding phase, with PORR shortlisted several times. In CEE, we also expect more impetus coming from the new government in Romania which has been in office since the end of October. Accordingly, PORR now expects the design & build contract for the construction of another expressway in Romania with a total volume close to Euro 550m.

With regards to Germany, the picture also improved as industry momentum picked up recently. After the output in Germany was down 17% in the first half of the year, the 9M decline narrowed to just 8%. It is encouraging to note a steep rise in order backlog in Germany, from Euro 1.8bn to Euro 2.3bn (+27%). Order intake even recorded a 50% surge for the first nine months, from Euro 1.0bn to approx. Euro 1.5bn. The upswing in residential construction was accompanied by a solid performance in non-residential segments such as cloud and AI capacity, alongside increased public investment projects including hospitals and education buildings, and military facilities. Furthermore, the prospects in civil engineering remained excellent. With regard to the balance sheet, PORR also made progress though the successful issuance of a deeply subordinated perpetual hybrid convertible bond in September, with a nominal amount of Euro 150m and a low 2.75% coupon for the first 5 years. The equity ratio, which stood at 20.0% in June, improved to 22.9%. Meanwhile, net debt declined by 30% compared to 9M 2025 to just Euro 215m. **After strong 9M results, we keep our Buy rating and our Euro 46.00 target price. The share is supported by the recently announced share buyback to repurchase up to 394k shares until 31 March 2027.**

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PORR AG

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

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Management Board of PORR
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WP/StB Mag. Klemens Eiter (CFO)
Dipl.-Ing. Claude-Patrick Jeutter (COO)
Josef-Dieter Deix (COO)

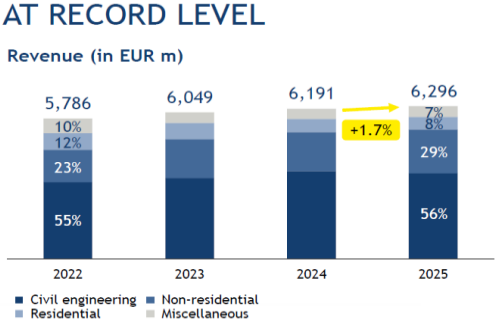
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Founded in 1869 as Allgemeine österreichische Baugesellschaft PORR AG is today a full service provider for construction and infrastructure projects with a leading market position in Austria and also a good footprint as one of the leading firms in other 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 Quatar. 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 CO_2 equivalent.

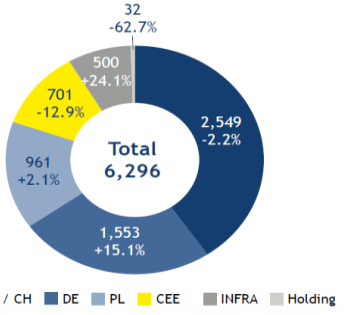
The year 2020 was significantly coined by the impacts of the global Covid-19 pandemic, which led to , amongst other effects, a temporary shutdown of construction sites in Austria for several months, severly impacting the numbers of the fiscal year. Nevertheless, the year was not wasted as the company 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



- **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

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P & L PORR AG

31/12 IFRS (Euro '000)	2021	2022	2023	2024	2025	2026e	2027e	2028e	CAGR '25 - '28e
Production output	**5.727.323**	**6.226.409**	**6.577.174**	**6.746.879**	**6.817.502**	**7.004.983**	**7.173.103**	**7.352.430**	**2,5%**
Revenues	5.169.831	5.786.011	6.048.546	6.190.521	6.295.892	6.494.213	6.695.533	6.876.982	**2,1%**
Own work capitalized in non-current assets	2.875	1.567	5.292	5.244	7.958	8.584	10.020	10.120	
Share of profit/loss of associates	62.124	56.466	98.576	45.903	82.255	92.720	96.735	98.745	
Other operating income	178.090	189.124	181.928	212.009	228.888	239.845	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	-4.276.439	-4.398.965	-4.504.423	**2,0%**
Staff expense	-1.275.817	-1.349.993	-1.453.726	-1.575.465	-1.657.614	-1.725.576	-1.768.716	-1.820.008	**2,2%**
Other operating expenses	-402.934	-387.520	-394.256	-421.463	-408.416	-399.893	-431.850	-446.552	
Operating result (EBITDA)	**287.542**	**318.899**	**344.258**	**368.796**	**409.399**	**433.453**	**459.767**	**482.875**	**5,7%**
Depreciation, amortisation and impairment expense	-192.323	-198.792	-203.987	-210.445	-212.703	-217.411	-222.475	-227.740	**2,3%**
Operating result (EBIT)	**95.219**	**120.107**	**140.271**	**158.351**	**196.696**	**216.042**	**237.292**	**255.135**	**9,1%**
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	28.231	30.201	31.202	
Finance costs	-22.142	-24.223	-36.238	-38.896	-37.767	-43.595	-43.715	-43.450	
Earnings before tax (EBT)	**85.361**	**110.034**	**130.698**	**145.056**	**180.423**	**200.678**	**223.778**	**242.887**	**10,4%**
EBT margin (in relation to production output)	**1,5%**	**1,8%**	**2,0%**	**2,1%**	**2,6%**	**2,9%**	**3,1%**	**3,3%**	
Income tax expense	-23.953	-27.399	-35.680	-36.193	-43.724	-41.139	-47.314	-49.002	
Profit/loss for the period	**61.408**	**82.635**	**95.018**	**108.863**	**136.699**	**159.539**	**176.464**	**193.885**	**12,4%**
of which attributable to non-controlling interest	7.688	4.009	-4.207	3.308	6.473	3.588	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**	**155.951**	**169.206**	**184.363**	**12,3%**
of which attributable to holders of profit-participation rights	17.786	14.213	14.212	16.560	14.212	15.545	8.740	9.549	
Net profit after minorities	**35.934**	**64.413**	**85.013**	**88.995**	**116.014**	**140.406**	**160.466**	**174.814**	
Diluted/basic earnings per share (EPS)	1,18	1,65	2,21	2,27	2,95	3,57	4,09	4,45	
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**	**1.031.132**	**1.142.501**	**1.258.397**	**10,5%**
Shareholders' Equity (including minorities and hybrid)	**824.410**	**798.925**	**860.245**	**886.627**	**964.215**	**1.052.009**	**1.163.378**	**1.279.274**	
RoE after Tax	5,0%	8,3%	10,6%	10,5%	12,9%	14,3%	14,8%	14,6%	
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%	23,8%	25,5%	

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%	3,2%	3,1%	2,7%
EBITDA	118,8%	10,9%	8,0%	7,1%	11,0%	5,9%	6,1%	5,0%
EBIT	-355,9%	26,1%	16,8%	12,9%	24,2%	9,8%	9,8%	7,5%
EBT	-267,2%	28,9%	18,8%	11,0%	24,4%	11,2%	11,5%	8,5%
Net profit after minorities	-244,9%	34,6%	15,0%	14,6%	25,6%	16,7%	10,6%	9,9%
Margins in % (based on production output)								
EBITDA margin	5,0%	5,1%	5,2%	5,5%	6,0%	6,2%	6,4%	6,6%
EBIT margin	1,7%	1,9%	2,1%	2,3%	2,9%	3,1%	3,3%	3,5%
EBT margin	1,5%	1,8%	2,0%	2,1%	2,6%	2,9%	3,1%	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%	26,6%	26,4%	26,5%
Cost of material to sales	66,7%	68,7%	68,5%	66,0%	65,8%	65,9%	65,7%	65,5%
Depreciation to sales	3,7%	3,4%	3,4%	3,4%	3,4%	3,3%	3,3%	3,3%
Tax rate	-28,1%	-24,9%	-27,3%	-25,0%	-24,2%	-20,5%	-21,1%	-20,2%
Profitability in %								
Gross profit margin	33,3%	31,3%	31,5%	34,0%	34,2%	34,2%	34,3%	34,5%
Return on adjusted shareholders equity (ROE)	4,5%	8,4%	10,2%	10,3%	12,4%	13,6%	14,0%	13,9%
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	32,6
Equity ratio	20,3%	19,3%	20,8%	20,9%	21,1%	22,2%	23,8%	25,5%
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	3,57	4,09	4,45
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 -

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Rating Chronicle	Date	Rating	Former Price	Former Target
PORR	28 August 2026	Buy	37,60 €	46,00 €
PORR	28 May 2026	Buy	36,45 €	46,00 €
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 €

Please note:
The PORR share price mentioned in this report is from 18 November 2026. PORR AG mandated SRC Research for covering the PORR share.

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