PORR

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

28 | August | 2026

Der Spezialist für Finanzaktien

Price (Euro)	**37,60**
52 weeks range	46.55 / 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	56,6%
Market Cap (million)	1.476,9
Free Float Market Cap (million)	835,9
CAGR pre-tax profit ('25 - '28e)	10,4%

Multiples	**2025**	**2026e**	**2027e**	**2028e**
MarketCap/ Revenues	0,23	0,23	0,22	0,21
PE-Ratio	**12,7**	**10,5**	**9,2**	**8,4**
Dividend Yield	**2,8%**	**3,3%**	**4,0%**	**4,7%**
Price-to-Book ratio	**1,5**	**1,4**	**1,3**	**1,2**

Key Data per Share (Euro)	**2025**	**2026e**	**2027e**	**2028e**
Earnings per Share (EPS)	**2,95**	**3,58**	**4,09**	**4,45**
Dividends per Share (DPS)	**1,05**	**1,25**	**1,50**	**1,75**
Book Value per share	**24,55**	**26,79**	**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**	**200.807**	**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**	**140.509**	**160.466**	**174.814**
Adjusted Shareholders' Equity	931.968	1.031.235	1.142.603	1.258.500
RoE after tax (adjusted)	**12,4%**	**13,6%**	**14,0%**	**13,9%**
Equity Ratio	**21,1%**	**22,2%**	**23,8%**	**25,5%**

Financial Calendar

1H 2026	27 August 2026
9M 2026	19 November 2026

Main Shareholders

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

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Yesterday's 8.5% share price slump not justified – solid operating performance, important new orders secured in July and August and a clear margin improvement – € 46.00 target affirmed

Yesterday, PORR released its 1H 2026 report. Despite a harsh winter, which lasted partly until April, **the first 6 months were strong in terms of operating profitability, prompting the firm to provide a concrete guidance for the remainder of the year, which is above our forecast. The share slumped by 8.5% yesterday, mainly due to the order intake KPI, which was down from Euro 4.0bn to Euro 3.5bn. However, this decline is largely attributable to a typical cut-off date effect,** with the 30 June marking the reporting date. In last year many orders were secured in the last weeks of June, whereas this year many very important industrial and infrastructure orders in Germany, Poland and CEE arrived in July and August, shortly after the end of 2Q, amounting to another approx. Euro 0.7bn. Taking this into account, the order intake picture was much more positive. Moreover, the overall competitive environment across all core markets remains favorable, making us optimistic about the second half of 2026 and years ahead.

The numbers were particularly convincing from a profitability point of view. Despite the harsh winter, unchanged group total output of Euro 3.17bn translated into a strong 16% increase of EBIT, from Euro 48.7m to Euro 56.3m, lifting the EBIT margin from 1.65% to 1.92%. Following this strong progress, management now guides for a full year EBIT margin of 3.2% to 3.3%, in line with our 3.3% projection, given after the 1Q results in May. Management also became more concrete on growth, now expecting revenues and output to increase by 2% to 4%, after only expecting a "moderate growth" in May. By now, our expectation was only at +1.8% for the total output and +2.3% for group's revenues.

Going more into detail, we applaud the strongly rising EBIT in Germany, which more than doubled from Euro 4m to more than Euro 9m, despite lower revenues following the completion of a major project in 1H 2026 and the harsh winter. It is worth noting that the majority acquisition of drylining specialist rhtb: Immobilien GmbH in May, with locations in Vienna, Bad Vöslau and Berlin, was an important milestone in quickly expanding PORR Living's new affordable housing segment. rhtb provides classic drywall construction in all its variants, including integrated heating and cooling systems. Prefabricated construction has become an indispensable component of modern building, enabling PORR to deliver superior results while significantly reducing construction times and costs. Besides Germany, we like the strong revenue and output growth in Poland (both +22%) and good order intake across all traffic and defense-related projects. CEE was also strong, with revenues up more than 5% and EBIT more than doubling to almost Euro 13m. **The numbers were good, and we lift our top-line and profit forecasts. We clearly confirm our Buy rating and € 46.00 target price. In our view, yesterday's share price slump was not justified and provides an attractive entry opportunity.**

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)

Supervisory Board of PORR
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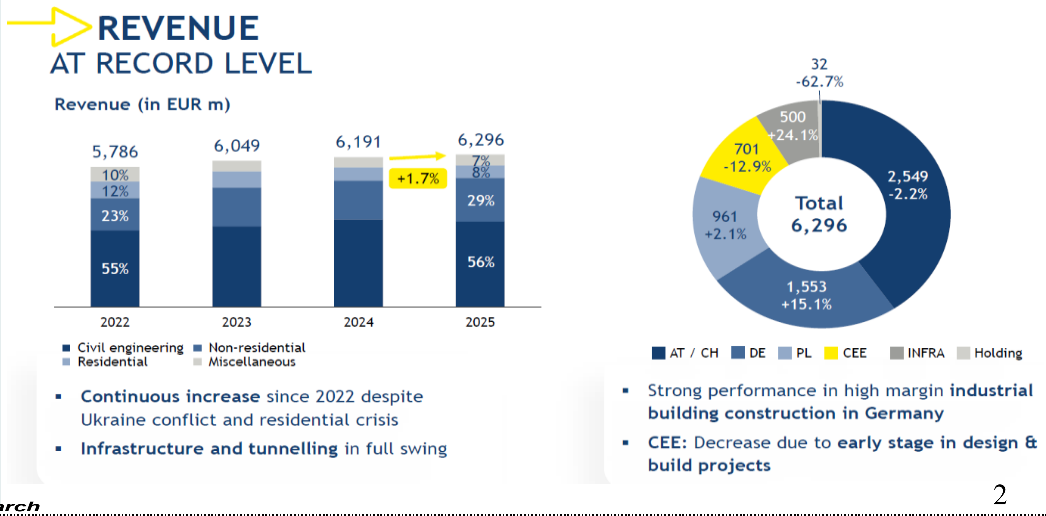
Dr. Dr. Karl Pistotnik (Deputy Chairman)
Dipl.-Ing. Klaus Ortner
Dr. Thomas Winischhofer, LL.M., MBA
Mag. Robert Grüneis
Dr. Walter Knirsch
Hon.-Prof. Dr. Bernhard Vanas
Dr. Susanne Weiss
Gottfried Hatzenbichler
Wolfgang Ringhofer
Martina Stegner
Christian Supper

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.



Source: Company Data, SRC Research

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	29.850	30.201	31.202	
Finance costs	-22.142	-24.223	-36.238	-38.896	-37.767	-45.085	-43.715	-43.450	
Earnings before tax (EBT)	**85.361**	**110.034**	**130.698**	**145.056**	**180.423**	**200.807**	**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	-41.166	-47.314	-49.002	
Profit/loss for the period	**61.408**	**82.635**	**95.018**	**108.863**	**136.699**	**159.642**	**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**	**156.054**	**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**	**140.509**	**160.466**	**174.814**	
Diluted/basic earnings per share (EPS)	1,18	1,65	2,21	2,27	2,95	3,58	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**	**1.031.235**	**1.142.603**	**1.258.500**	**10,5%**
Shareholders' Equity (including minorities and hybrid)	**824.410**	**798.925**	**860.245**	**886.627**	**964.215**	**1.052.112**	**1.163.480**	**1.279.377**	
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%	11,3%	11,4%	8,5%
Net profit after minorities	-244,9%	34,6%	15,0%	14,6%	25,6%	16,8%	10,5%	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	3,58	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 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 €
PORR	22 August 2024	Buy	13,56 €	22,00 €

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