



TECNICAS REUNIDAS

# NINE MONTHS 2019 RESULTS PRESENTATION

NOVEMBER 13<sup>TH</sup> 2019

JUAN LLADÓ  
CEO



## CONTENT

- **Awards**
- Backlog
- Pipeline
- Financial Results
- Outlook

## FEED TUBAN: SIGNALS THE TRUST OF THE INDUSTRY IN TR CAPABILITIES



- Client: JV Pertamina (55%) / Rosneft (45%)
- Basic Engineering Design and FEED
- Trust on TR design and technological quality:
  - An average of 500+ engineers and 700 at the peak
  - Scope: new high conversion refinery of 300 kbpd, an ethylene petrochemical complex and an aromatic complex.
  - *A state-of-the-art* plant, with most advanced licences
- A cornerstone of the Refinery Development Master Plan program of Indonesia



- 50/50 Partnership: Técnicas Reunidas and Ledcor
- Scope: two natural gas cogeneration units (800 MW) to replace coke fired boilers, with excess power exported to the grid
- This low-carbon power will reduce the emissions intensity of the Alberta electrical grid
- De-risked contracting scheme

### Environmental achievements of the project

- 25% greenhouse gases (GHG) emissions
- 45% sulphur dioxide emissions
- 15% nitrogen oxide emissions
- 20% water consumption

Source: Suncor Energy



# THE LAST ROLLING YEAR AWARDS CONFIRM THE RECOVERY OF THE MARKET

## Upstream Oil & Gas

- Adgas
- Bu Hasa
- Marjan field
- FEED Upper Zakum

ADNOC  
ADNOC  
Saudi Aramco  
ADNOC/Exxon

## Refining

- Singapore
- FEED Tuban
- FEED

Exxon  
Pertamina/Rosneft  
YPF

Repeating Customer

**+7.5B\$**

## Petrochemicals

- FEED LAB
- FEED Turkey
- FEED Tuban

ADNOC/CEPSA  
BP/Socar  
Pertamina/Rosneft

## Power & Water

- Hamrijah
- Cogeneration plant
- Combined cycle

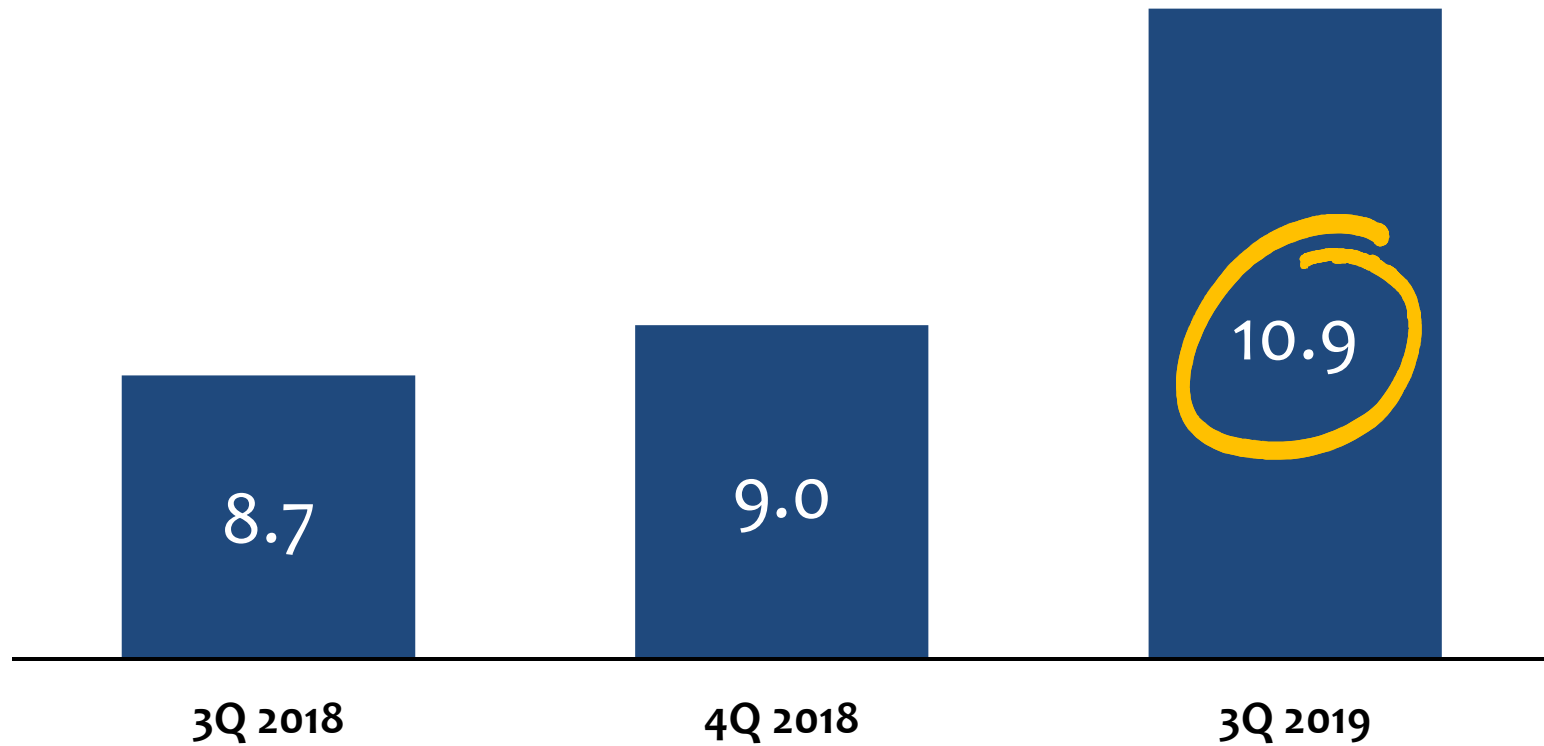
Sumitomo/GE  
Suncor  
Undisclosed client

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## A GROWING AND HIGH QUALITY BACKLOG...

Billion €

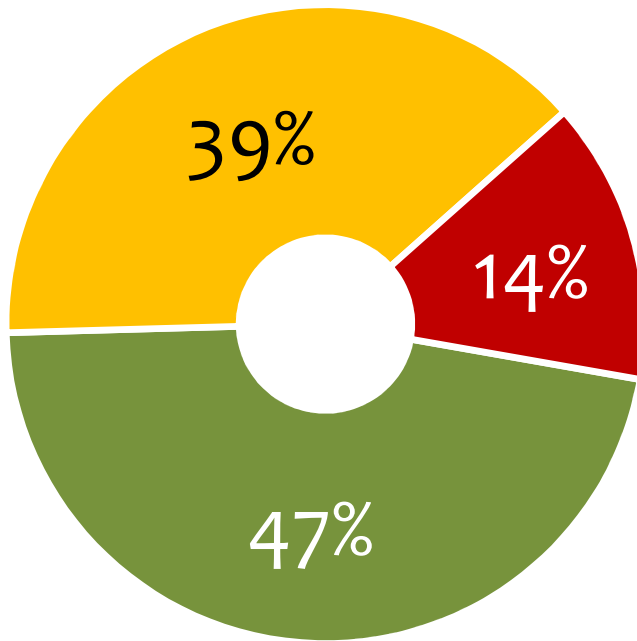




## ... AND FRESH AND DIVERSIFIED

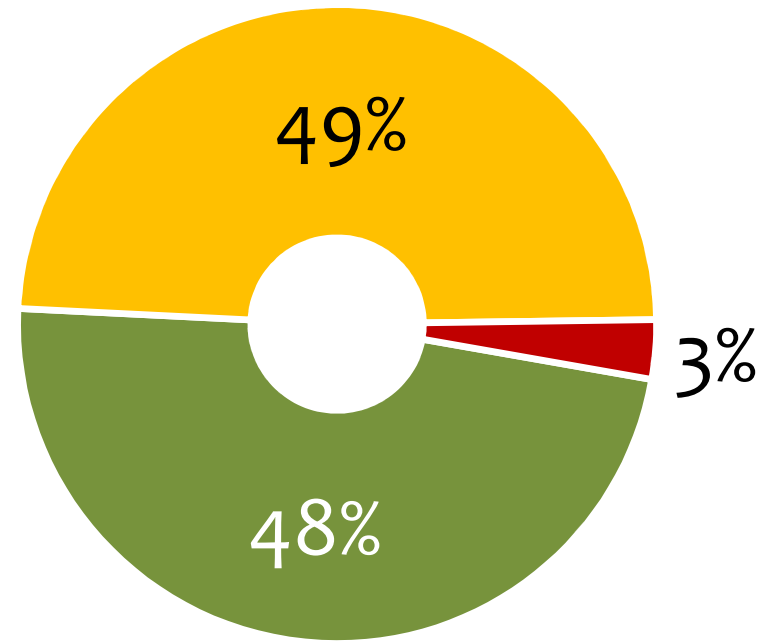
### BACKLOG SPLIT

BY LAUNCH YEAR



■ 2018 ■ 2019 ■ Pre-2018

BY PRODUCTS



■ Downstream ■ Upstream ■ Power



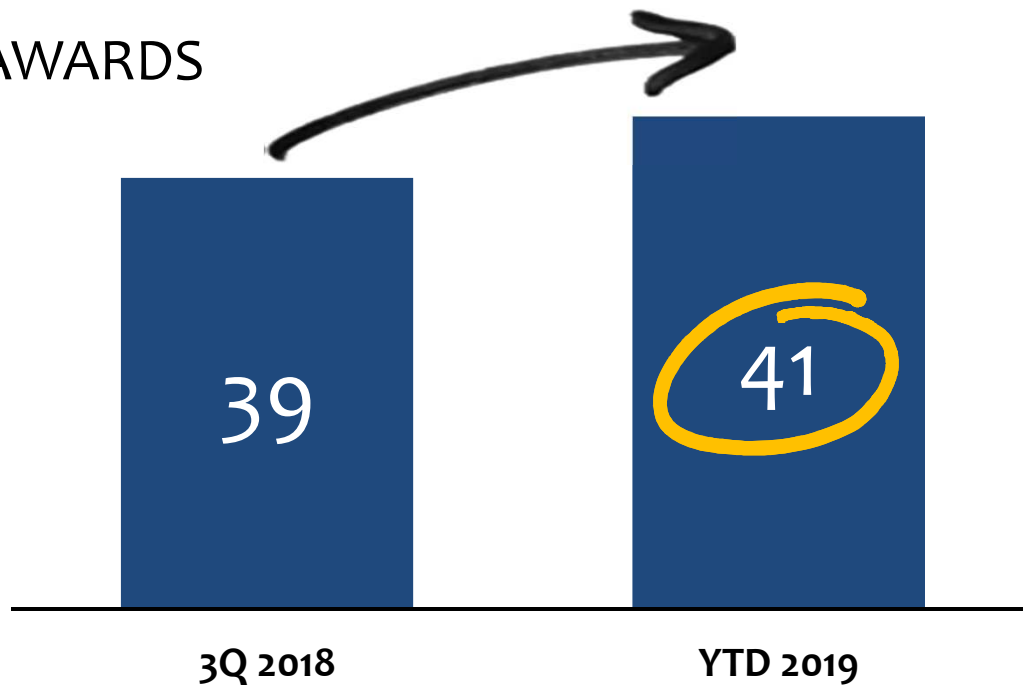
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## PIPELINE AT A SUSTAINED HIGH LEVEL AND WITH DYNAMIC REPLACEMENT...

Billion USD

AFTER 7B\$ OF  
AWARDS



The pipeline reflects the strong fundamentals of the industry

- Upstream oil and gas asset replacement
- Demand growth for oil, gas and petrochemicals in emerging countries
- Upgrade of existing refineries
- Adaptation to stringent environmental requirements

Supporting social and economic growth with sustainable energy



TECNICAS REUNIDAS

Results 9M 2019

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## PROFIT AND LOSS

### PROFIT AND LOSS

| € Million              | 9M 2019 | 9M 2018 | Var.   |
|------------------------|---------|---------|--------|
| Revenues               | 3.428   | 3.256   | 5.3%   |
| EBITDA*                | 73.1    | 43.5    | 68.1%  |
| Margin                 | 2.1%    | 1.3%    |        |
| EBIT*                  | 43.2    | 31.2    | 38.5%  |
| Margin                 | 1.3%    | 1.0%    |        |
| Net financial results* | -8.9    | -22.8   |        |
| Profit before taxes    | 34.3    | 8.4     | 309.4% |
| Taxes                  | -10.2   | -2.5    |        |
| Net profit*            | 24.1    | 5.9     | 310.0% |

\*Impacts from the application of the IFRS 16 in the 9M 2019 results:

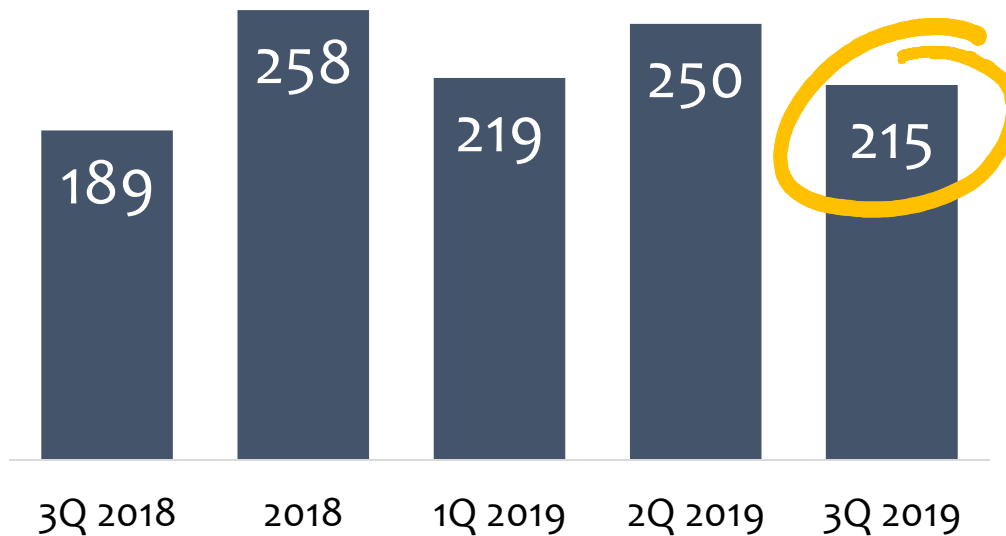
- EBITDA: + € 19.4 million
- EBIT: + € 0.1 million
- Financial result: - € 0.8 million
- Net profit: - € 0.7 million

- Sales growth as new projects progress
- Still impacted by backlog unbalanced



## CASH POSITION

### Net Cash Position M€



- Stable Net Cash Position
- >70% of the backlog in Middle East

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## BUSINESS AND MARKET OUTLOOK

- Highly confident about the future
  - Fresh backlog at €10.9 bn secures future company growth
  - Strong pipeline and near term bidding outcomes guarantee backlog replacement
  - Cost and efficiency plans will further consolidate operating margins and TR's leadership in the sector
  - As a consequence, we expect:
    - Strong sales growth in 2020 and beyond
    - Operating margin recovery starting in 4Q2019 toward normalized levels in 2020
- Long term success based on client trust on TR franchise, shown by repeat business with companies worldwide

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