



TECNICAS REUNIDAS

NINE MONTHS 2019 RESULTS PRESENTATION

NOVEMBER 13TH 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

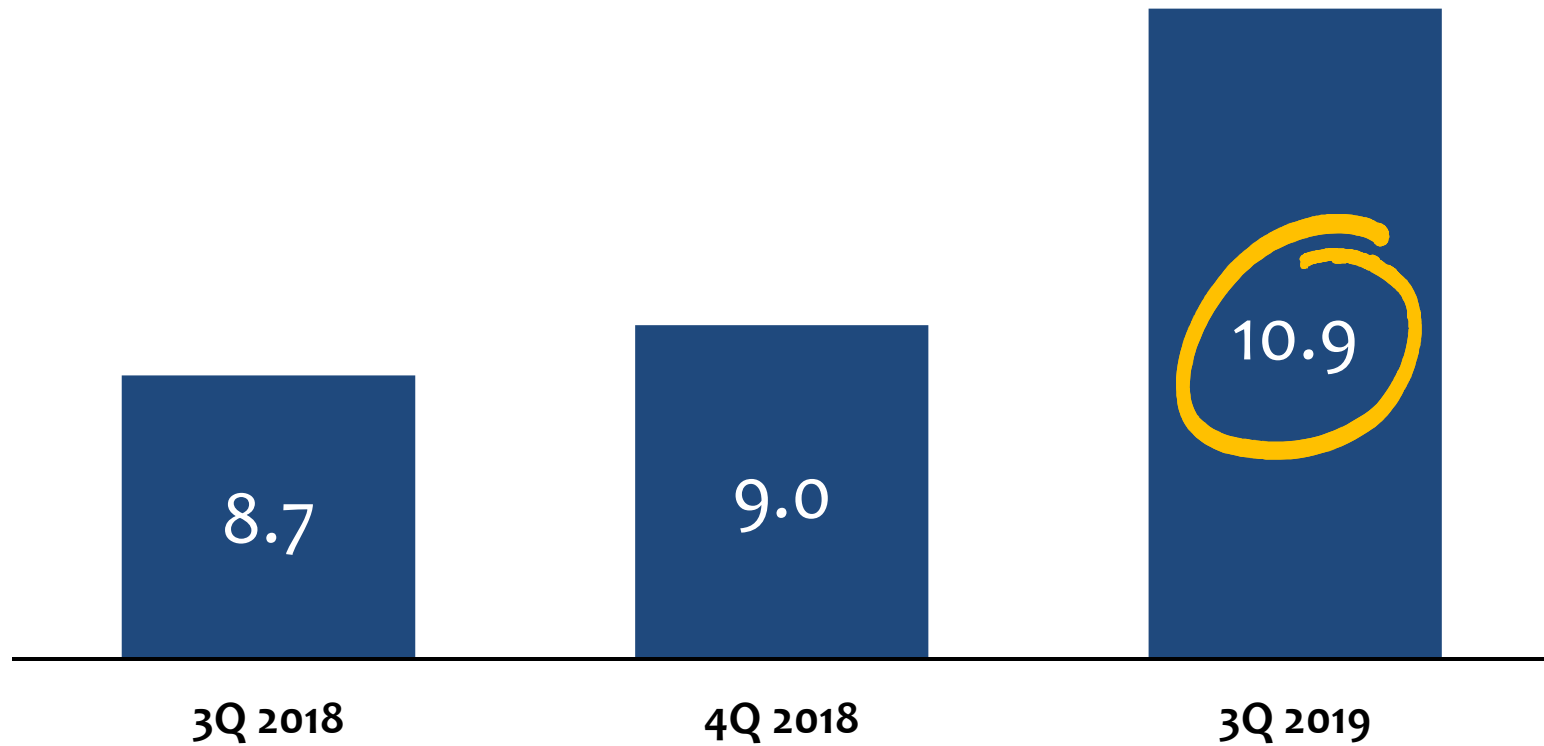
Sumitomo/GE
Suncor
Undisclosed client

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A GROWING AND HIGH QUALITY BACKLOG...

Billion €

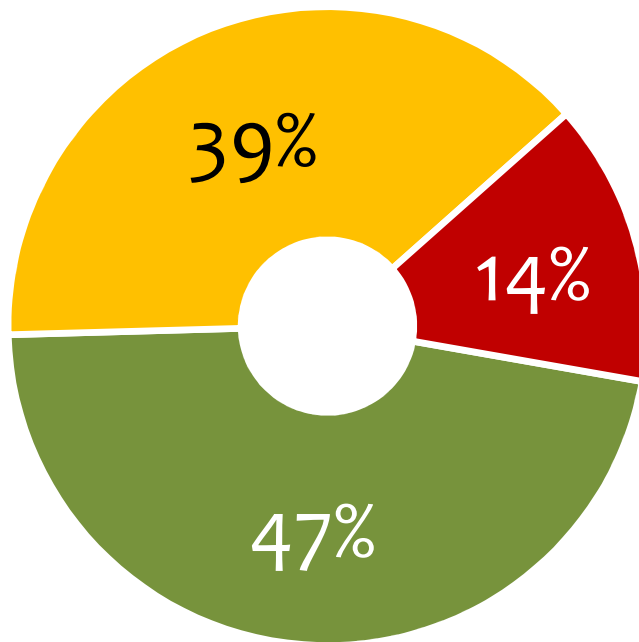




... AND FRESH AND DIVERSIFIED

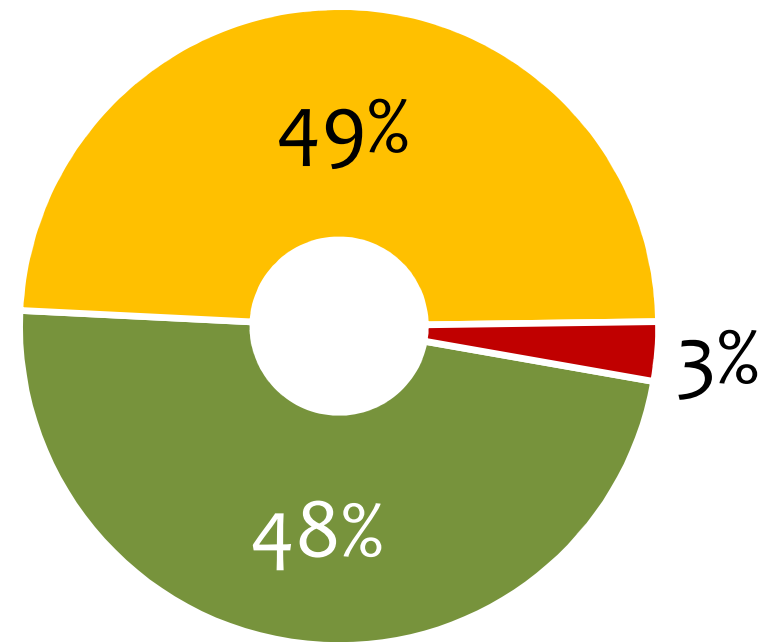
BACKLOG SPLIT

BY LAUNCH YEAR



■ 2018 ■ 2019 ■ Pre-2018

BY PRODUCTS



■ Downstream ■ Upstream ■ Power

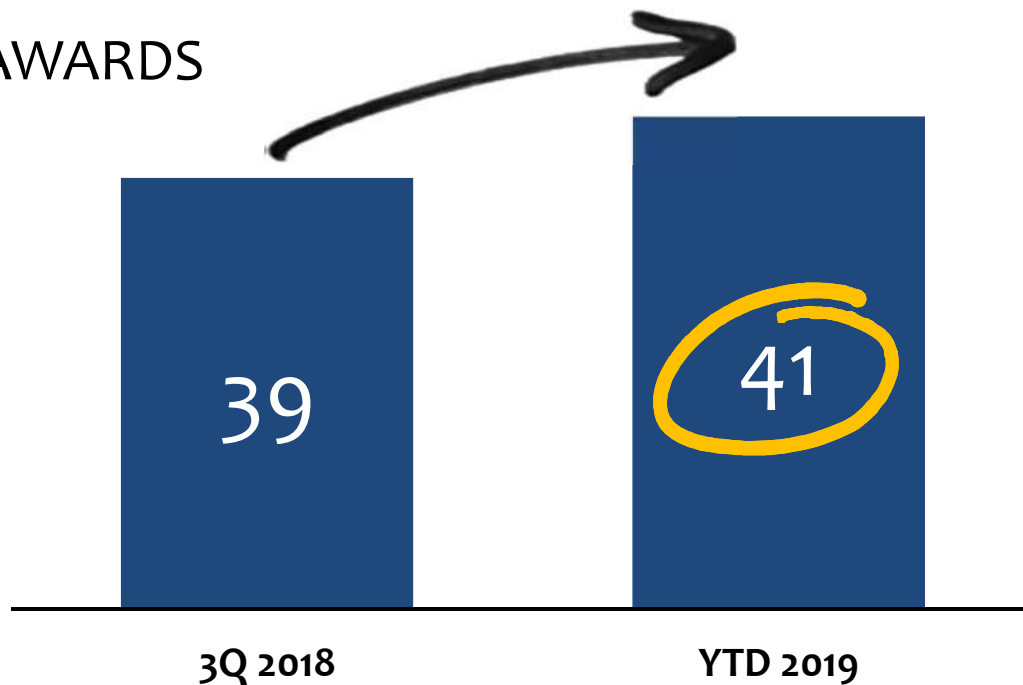
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PIPELINE AT A SUSTAINED HIGH LEVEL AND WITH DYNAMIC REPLACEMENT...

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

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PROFIT AND LOSS

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€ 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%

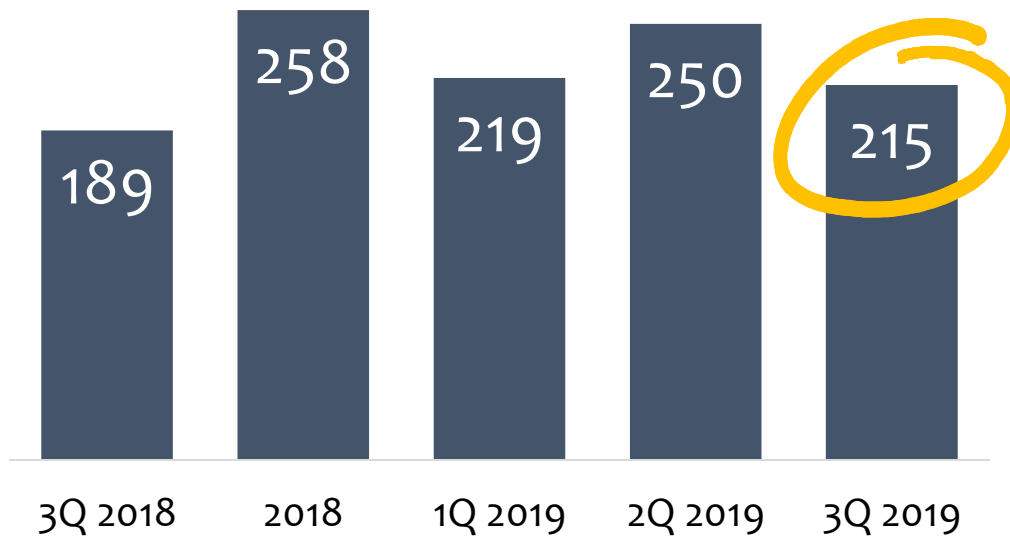
*Impacts from the application of the IFRS 16 in the 9M 2019 results:

- 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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