

# Arabtec Holding PJSC

## 1Q 2018 EARNINGS RELEASE

Net Profit to Parent up 261% Y-o-Y at AED 63.6 Million | Revenue Up 10.7% Y-o-Y at AED 2.4 Billion

10<sup>th</sup> May, 2018

**Dubai, UAE – 10<sup>th</sup> May 2018:** Arabtec Holding PJSC (“Arabtec” or “Group”), a leading contractor for social and economic infrastructure, today announced its financial results for Q1 2018. Continuing on from 2017 with another quarter of profitability, the Group has recorded a net profit to parent of AED 63.3 million on revenue of AED 2.4 billion. The Group’s backlog stood at AED 16.2 billion, well supported with a solid pipeline of AED 16 billion of tenders submitted or under preparation in our primary market of the UAE.

In line with our strategic roadmap, Arabtec’s focus has moved to re-basing the business through a range of initiatives focused on productivity, efficiency, innovation and strengthening the balance sheet. The Group will continue to simplify its business and workforce management through better tools and processes and outsourcing activities where it makes sense. Operationally, the Group will look to apply innovative approaches to enhance its work and delivery capabilities. Arabtec will continue to better leverage synergies across the Group through closer integration of its businesses to ensure they provide a strategic fit with their core operations.

**Group Chief Executive Officer Hamish Tyrwhitt said:** “I am pleased to report a positive start to the financial year. We have seen a material increase in our net profit since last year with solid growth in revenue. Q1 results reflect the positive impact of our various transformation initiatives. In 2018, strengthening governance still remains our key priority through rigorous project and business performance reporting, with a strong emphasis on cash, collection of receivables and closing-out legacy projects. To further strengthen the balance sheet, we will look to divest or develop non-core assets and investments to ensure a sustainable and successful future for Arabtec.”

### Financial Performance Review

AED (million)	Q1 2018	Q1 2017	Variance
Revenue	2,420	2,185	235
EBIT	95.6	26.4	69.2
EBIT Margin (%)	4.0%	1.2%	2.8%
Net Profit/(Loss) for the period	65.8	1.0	64.8
Margin (%)	2.7%	0.1%	2.6%
Net Profit attributable to the owners of the parent	63.6	17.6	46.0

- End -

### Highlights

In Q1 2018 new wins included 916 Villas in AKOYA Oxygen from DAMAC Properties (AED 424 million) and DS188 infrastructure project from Dubai Municipality (AED 433 million)

Revenue increased to AED 2.4 billion in Q1 2018 compared to AED 2.2 billion in Q1 2017; up 10.7% y-o-y ▲

Net profit attributable to Parent was AED 63.6 million compared to AED 17.6 million in Q1 2017 up 261% y-o-y ▲

Backlog of AED 16.2 billion at 31 March 2018 with a solid pipeline of tender opportunities ▲

EBIT was AED 95.6 million up from AED 26.4 million in Q1 2017 ▲

## About Arabtec Holding

A leading engineering and construction Group specialising in projects in the Middle East and North Africa. Through its operating companies and investments, the Group delivers construction and infrastructure projects, including commercial, residential, social, industrial and economic infrastructure in UAE and other selected countries in the region. The UAE-based group's list of completed projects includes iconic buildings such as the world's tallest building, the Burj Khalifa in Dubai, Abu Dhabi landmark, the Emirates Palace Hotel and Louvre Abu Dhabi Museum; as well as other technically challenging work on airports and related infrastructure. In 2005, Arabtec became the first construction company to be listed on the Dubai Financial Market. Today, Arabtec Holding consists of operating companies which span all segments of the construction cycle. The group is currently working on some of the most prestigious projects in the Middle East, such as the UAE Pavilion and the Midfield Terminal Building in Abu Dhabi.

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