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PORR Group

Construction and materials

10 June 2025

The niche high-end contractor that delivers

PORR Group is domiciled in Austria with a business focused on solid-margin, niche markets such as data centres, infrastructure and specialist applications. Geographically, it targets markets with strong contractor protections, reliable customers and local resources that enable it to complete projects on time and to the highest standards. Over the past 20 years, PORR has delivered a stable EBIT margin of 2.0–3.3% in all but four years and a top-line CAGR of 7.2%.

Order book gives visibility out to H226

PORR's €8.8bn order book represents more than 1.25 years of revenues, and orders have strong momentum: Q125 order intake of €1.539bn was up 17.4% y-o-y, indicating continued strong demand from PORR's core markets. Civil engineering and non-residential construction made up 88% of the order backlog at end Q125, segments that typically generate higher margins and have the highest customer quality, thus minimising receivables risk.

A disciplined and responsible contractor

PORR is one of few contractors licenced to deliver projects for specialist applications such as energy, infrastructure, data centres and clean rooms. It focuses on 'Intelligent Growth – Green and Lean', treating customers, employees and the environment in a responsible and sustainable way. This has paid off; PORR boasts blue-chip customers such as Deutsche Bahn, ÖBB and Vantage Data Centers. PORR only accepts projects it is fully resourced to complete, with a sophisticated, disciplined risk-management system that keeps projects on schedule and budget.

Strong markets in Central and Eastern Europe (CEE)

PORR Group has a strong reputation and market positions in Austria, Germany and CEE. Growth in these markets is higher than the rest of Europe and competition from larger Western European contractors is less of an issue. In addition, Germany has proposed a €500bn fund to invest in domestic infrastructure, which could provide a significant boost to PORR from 2027.

Valuation: Inexpensive versus main European peers

PORR currently trades on 7.8x FY26e P/E, a 30% discount to its European peers, 2.9x FY26e EV/EBITDA, a 52% discount to peers, and on a 4.0% FY26e dividend yield, a 27% premium to peers. We include Strabag, Implenia, BAM Groep, Budimex, Skanska and Hochtief in PORR's peer group.

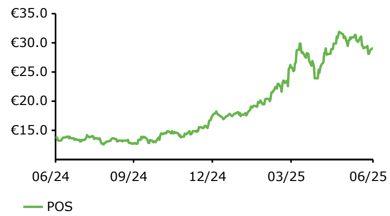
Consensus estimates

Year end	Revenue (€m)	EBITDA (€m)	EBIT (€m)	EPS (€)	DPS (€)	EV/EBITDA (x)	P/E (x)	Yield (%)
12/23	6,048.6	344.3	140.0	2.21	0.75	4.1	13.0	2.6
12/24	6,190.5	368.9	158.0	2.43	0.90	3.8	11.8	3.1
12/25e	7,293.0	466.5	215.4	3.35	1.09	3.0	8.6	3.8
12/26e	7,507.3	490.9	233.3	3.70	1.15	2.9	7.8	4.0

Source: LSEG Data & Analytics

Price €28.70
Market cap €1,143m

Share price performance



Share details

Code	POS
Listing	VSX
Shares in issue	39.3m
Net cash/(debt) at Q125	€(259.0)m

Business description

PORR Group is a leading European construction contractor. It specialises in large and complex projects with blue-chip customers, in regions and sectors where receivables risk is low. It is one of few specialists in the infrastructure, pharmaceutical and semiconductor sectors, and has the ability to cover the entire construction value chain from design to operation. PORR Group generates around 97% of its revenue from its seven core markets: Austria, Germany, Poland, the Czech Republic, Slovakia, Switzerland and Romania. It trades on the Prime Market of the Vienna Stock Exchange and has been listed for over 150 years.

Bull points

- Stable and consistent growth and earnings driven by best-in-class management and project execution.
- Order backlog gives visibility to H226.
- Potential beneficiary of the €500bn German infrastructure bill that is currently being ratified.

Bear points

- Construction projects are large and carry execution risk.
- Construction contracting margins are low in absolute terms.
- Revenues are somewhat cyclical, and growth in absolute terms is moderate.

Analysts

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