

12 DECEMBER 2017

BALFOUR BEATTY TRADING UPDATE

Balfour Beatty, the international infrastructure group, provides a trading update covering the period to 11 December 2017.

Group performance in 2017 remains in line with Board expectations. The second phase of the Build to Last transformation programme is continuing to deliver fundamental change to the Group, with the business increasingly confident of achieving industry-standard margins in the second half of 2018.

The year end net cash is expected to be in line with prior year, with average net cash for the year around £40 million.

The Group continues to win new business in its chosen markets on terms and at rates which reflect the bidding discipline and risk management introduced under Build to Last. The 2017 year end order book is expected to be broadly in line with the half year, post disposals.

The Company continues to execute its strategy to simplify the Group and strengthen the balance sheet. The proceeds from the recent disposal of Heery International, operating cash flows and expected future sales from the Investments portfolio, place Balfour Beatty in an excellent position to pay down borrowings as they fall due in 2018.

Leo Quinn, Balfour Beatty Group Chief Executive, said: “The actions that we have taken during the first three years of Build to Last have laid a solid foundation for long term profitable growth. We continue to invest in our capabilities while de-risking the business.

“The order book increasingly consists of projects bid and delivered under our enhanced transparency, governance and controls and I remain confident that the Group will achieve industry-standard margins in the second half of 2018.”

The Group’s full year results will be published on 14 March 2018.

ENDS

Investor and Analyst enquiries:

Angus Barry

Tel. +44 (0)20 7216 6824

angus.barry@balfourbeatty.com

Media enquiries to:

Louise McCulloch

Tel. +44 (0)20 7216 6846

louise.mcculloch@balfourbeatty.com

Notes to editors:

- Balfour Beatty (www.balfourbeatty.com) is a leading international infrastructure group. With 30,000 employees, we provide innovative and efficient infrastructure that underpins our daily lives, supports communities and enables economic growth. We finance, develop, build and maintain complex infrastructure such as transportation, power and utility systems, social and commercial buildings.
- Our main geographies are the UK, US and Far East. Over the last 100 years we have created iconic buildings and infrastructure all over the world including the London Olympics' Aquatic Centre, Hong Kong's first Zero Carbon building, the National Museum of the Marine Corps in the US and the Channel Tunnel Rail Link.