

22 May 2018, Dubai, UAE

# RESULTS ANNOUNCEMENT

## Q1 2018

### ORASCOM CONSTRUCTION REPORTS 13.9% INCREASE IN NET INCOME TO USD 31.9 MILLION IN Q1 2018

#### STATEMENT FROM THE CEO

Our first quarter results forms a strong foundation for the rest of the year. We remain active on an exciting bidding pipeline in the Middle East and United States, and have achieved a number of operational milestones in both geographical segments.

In Egypt, we continue to reinforce our position as an integral player in the development of the country's infrastructure and are even exceeding the planned progress at key projects. We recently achieved power-to-grid for the 4,800 MW Burullus Power Plant, one of the largest power plants in the world. We are proud of this milestone as Burullus was the last of the mega power projects in Egypt to start and had the most challenging site and conditions. Nevertheless, we were still able to set a new global benchmark in the execution of fast-track power projects while exceeding 44 million man hours without lost time injury (LTI).

We had indicated our intention to diversify our backlog in the Middle East, and our award of the Fujairah International Airport expansion in the United Arab Emirates highlights our strategy to target quality projects in the region across sectors in which we have a competitive edge. We are also pursuing new infrastructure, industrial and commercial opportunities in other regional markets.

Our optimization efforts in the U.S. remain on track as we work on integrating our U.S. businesses through merging the operations. In addition, we achieved an important milestone in April 2018 as we formally received the certificate of mechanical completion for Natgasoline, the largest methanol production facility in the U.S.

We see a pick up in new award activity in the U.S. in the second quarter. Weitz was awarded in Q2 2018 the design-build contract for the second stage of the PHX Sky Train® guideway and maintenance facility at Phoenix Sky Harbor International Airport in Arizona, highlighting Weitz's repeat business with Bombardier. Orascom and Bombardier are also collaborating in Egypt in the transportation sector.

BESIX continues to demonstrate sustained financial performance while increasing its backlog to EUR 3.4 billion across its markets mainly in Europe and MENA. We are also pleased to welcome Johan Beerlandt, Chairman of BESIX, to our Board.

**OSAMA BISHAI**

#### HIGHLIGHTS

Net income attributable to shareholders increased 13.9% y-o-y to USD 31.9 million in Q1 2018

Pro forma EBITDA including 50% in BESIX increased 10.4% y-o-y to USD 73.5 million and consolidated EBITDA increased 5.6% y-o-y to USD 60.3 million in Q1 2018

Net cash position of USD 127.9 million as of 31 March 2018

Pro forma backlog including 50% share in BESIX of USD 6.4 billion and consolidated backlog of USD 4.3 billion as of 31 March 2018

Pro forma new awards including 50% share in BESIX of USD 926.6 million and consolidated new awards of USD 332.9 million in Q1 2018

BESIX reports a standalone backlog of EUR 3.4 billion and new awards of EUR 969.4 million in Q1 2018

Shareholders approved a dividend distribution of USD 30 million at the AGM

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### CONSOLIDATED BACKLOG

USD million	Q1 2018	Q1 2017	Change	FY 2017
<b>Equity consolidation</b>				
Backlog	4,309.1	5,098.6	(15.5%)	4,562.2
New Awards	332.9	387.4	(14.1%)	2,180.4
<b>Pro forma inc. 50% of BESIX</b>				
Backlog	6,376.7	6,841.2	(6.8%)	6,380.6
New Awards	926.6	838.4	10.5%	3,462.7

Including the Group's 50% share in BESIX, pro forma backlog as of 31 March 2018 totaled USD 6.4 billion, in-line with the level at 31 December 2017, while pro forma new awards increased 10.5% y-o-y to USD 926.6 million.

Consolidated backlog excluding BESIX stood at USD 4.3 billion and new awards at USD 332.9 million as of 31 March 2018.

The current backlog mix and size provides the Group with sufficient revenue and profitability as it pursues an active bidding pipeline in MENA and USA.

#### MENA

The Group added approximately USD 250 million of new awards in the Middle East during Q1 2018.

Design phase and mobilization have commenced at Fujairah International Airport in the United Arab Emirates. The project's scope encompasses the main infrastructure works for the airport expansion, including a new air traffic control tower, the extension of the existing runway, a new emergency runway, rapid exit taxiways and the airport special systems.

OC also increased its scope in the road expansion network in Egypt and signed additional infrastructure and commercial work, strengthening its position as a leading player in all major construction segments in Egypt and positioning the Group for more projects in growing sectors such as water, transportation and renewable energy.

#### USA

The U.S. subsidiaries signed new projects mostly in the private commercial and light industrial sectors amounting to approximately USD 80 million. New awards are expected to increase in Q2 2018 as Weitz signed key projects including Stage 2 of PHX Sky Train® Project at Phoenix Sky Harbor International Airport in Arizona.

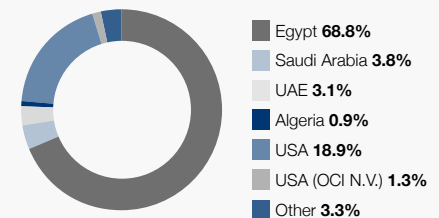
Mechanical completion at Natgasoline was achieved in April 2018. The Group has now completed construction at both Natgasoline and Iowa Fertilizer projects.

#### BESIX Group

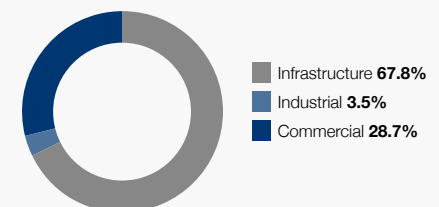
BESIX's standalone backlog increased 2.6% y-o-y to EUR 3.4 billion as of 31 March 2018 and 10.7% compared to the level at 31 December 2017. New awards increased 14.3% y-o-y to EUR 969.4 million in Q1 2018. Notable new projects include the largest waste-to-energy power plant in the UAE, a Sea Water Reverse Osmosis Plant in Jebel Ali Power Station in the UAE, and the A16 motorway in The Netherlands.

#### Backlog by Segment – Equity Consolidation

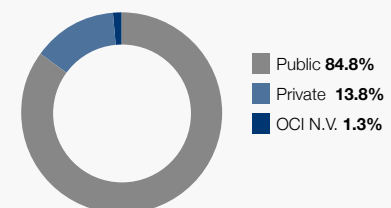
##### Backlog by geography



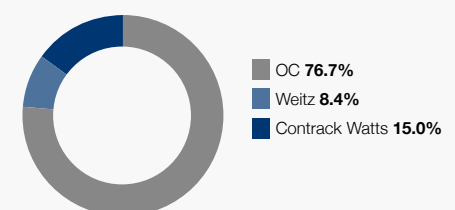
##### Backlog by sector



##### Backlog by client



##### Backlog by brand



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### SUMMARY FINANCIAL RESULTS

#### Summary Income Statement

USD million	Q1 2018	Q1 2017	Change
<b>Revenue</b>	<b>756.8</b>	<b>1,065.7</b>	<b>(29.0)%</b>
MENA	487.4	594.8	(18.1)%
USA	269.4	470.9	(42.8)%
<b>EBITDA</b>	<b>60.3</b>	<b>57.1</b>	<b>5.6%</b>
MENA	58.6	36.6	60.1%
USA	1.7	20.5	(91.7)%
<b>EBITDA margin</b>	<b>8.0%</b>	<b>5.4%</b>	
MENA margin	12.0%	6.2%	
USA margin	0.6%	4.4%	
<b>Net income attributable to shareholders</b>	<b>31.9</b>	<b>28.0</b>	<b>13.9%</b>
MENA	25.1	12.9	94.6%
USA	(0.4)	4.6	(108.7)%
BESIX	7.2	10.5	(31.4)%
<b>Net income margin</b>	<b>4.2%</b>	<b>2.6%</b>	
MENA margin	5.1%	2.2%	
USA margin	(0.1)%	1.0%	

#### Net Debt (cash)

USD million	31 March 18	31 Dec 17	Change
Cash and cash equivalents	410.1	434.2	(5.6)%
Total debt	282.2	260.7	8.2%
Total equity	429.5	402.5	6.7%
Net debt (cash)	(127.9)	(173.5)	

Consolidated revenue stood at USD 756.8 million in Q1 2018. MENA comprised 64% of total revenue while the USA operations accounted for the balance.

Consolidated EBITDA increased 5.6% y-o-y to USD 60.3 million in Q1 2018 while EBITDA margin improved to 8.0%. The MENA business recorded healthy performance during the quarter with EBITDA increasing 60.1% y-o-y. In addition, optimization efforts are underway in the U.S. to create a leaner and more profitable organization.

Including the Group's 50% share in BESIX, pro forma EBITDA increased 10.4% to USD 73.5 million. Net income contribution from BESIX stood at USD 7.2 million in Q1 2018.

Net income attributable to shareholders increased 13.9% to USD 31.9 million.

The Group's net cash position stood at USD 127.9 million as of 31 March 2018 compared to USD 173.5 million as of 31 December 2017. Total equity increased 6.7% to USD 429.5 million compared to the level at 31 December 2017.

### DIVIDEND DISTRIBUTION

Shareholders approved a dividend distribution of USD 30 million (USD 0.26 per share) at the Annual General Meeting held on 21 May.

### BOARD OF DIRECTORS

The Group welcomes Mr. Johan Beerlandt to the Board as a non-executive independent Director. Mr. Beerlandt, who is the current Chairman of BESIX, brings a wealth of knowledge and experience in regional and international construction and concessions markets to the Board.

Mr. Azmi Mikati has stepped down from his position as non-executive independent Director. The Board of Directors and Management thanks Mr. Mikati for his invaluable contribution and wishes him the best in his future endeavors.

The current Board consists of Mustafa Abdel-Wadood, Johan Beerlandt, Khaled Bichara, Osama Bishai, Jérôme Guiraud and Sami Haddad.

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### ABOUT ORASCOM CONSTRUCTION LIMITED

Orascom Construction Limited is a leading global engineering and construction contractor primarily focused on infrastructure, industrial and high-end commercial projects in the Middle East, North Africa, the United States, and the Pacific Rim. The Group has consistently ranked among the world's top contractors and was ranked number 32 on ENR's 2017 Top 250 International Contractors list. Orascom Construction Limited also develops and invests in infrastructure opportunities, owns 50% of BESIX Group, and holds a construction materials and property management portfolio. For more information, please visit [www.orascom.com](http://www.orascom.com)

### CONTACT INVESTOR RELATIONS

Hesham El Halaby  
[hesham.elhalaby@orascom.com](mailto:hesham.elhalaby@orascom.com)  
[ir@orascom.com](mailto:ir@orascom.com)  
+971 4 318 0900

NASDAQ Dubai: OC  
EGX: ORAS

[orascom.com](http://orascom.com)

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Backlog and new awards are non-IFRS metrics based on management's estimates of awarded, signed and ongoing contracts which have not yet been completed, and serves as an indication of total size of contracts to be executed. These figures and classifications are unaudited, have not been verified by a third party, and are based solely on management's estimates.

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