



"We have delivered an improved operating performance and results in line with market expectations, including significant growth in adjusted operating profit and margin, and good free cash flow generation."

Alex Vaughan
Chief Executive Officer

Adjusted Operating Profit

£30.1m

+ 67%

Adjusted Operating Margin

2.6%

+ 0.9pp

Adjusted Basic EPS

9.6p

+ 66%

Free Cash Flow

£38.9m

+ 23%

Note: adjusted metrics are before the impact of contract provisions and other items of £39.6m (FY20: £110.0m). Free cash flow is defined as cash flow from operating activities, excluding adjusting items, less capital expenditure.

TRANSPORTATION

Adjusted Revenue **£864m**
Adjusted Operating Profit **£41.4m**

Highlights:

- Adjusted revenue up 19.3% driven by National Highways and HS2.
- Adjusted operating margin was 4.8%, up 2.0 percentage points due to more effective contract management and outperformance.
- Contract wins of £248m in the year, with FY22 secured revenue of £764m.
- Conclusion reached on A465 contract.

NATURAL RESOURCES

Adjusted Revenue **£314m**
Adjusted Operating Loss **£2.6m**

Highlights:

- Adjusted revenue was down 8.9% and operating profit was down, driven by lower activity levels in Water and Energy.
- Adjusted operating margin was -0.8%, down 2.5 percentage points.
- Contract wins of £185m in the year, with 2022 secured revenue of £271m.
- Full and final settlement on legacy Peterborough & Huntingdon contract.
- Sam White appointed as Managing Director for Natural Resources.

RISK MANAGEMENT

- Contract selection – no longer pursued if risk too high
- Independent risk review
- Enhanced legal process
- Operational Excellence Model (OEM)
- Financial Oversight
- Board and Executive review process

OUTLOOK

Looking ahead, we have already secured more than £1bn of Group revenue for 2022 and have entered the new year with good momentum. We are mindful of the macro-economic and geopolitical backdrop, and we continue to monitor and work to mitigate headwinds in commodity and energy costs, as well as challenges in the supply chain. We expect to deliver further progress in 2022 and remain confident in the Group's strategy and longer-term prospects.

OUR VISION

To create connected, sustainable infrastructure enabling people and the planet to thrive.

INVESTMENT CASE

- Attractive market with long term committed investment in strategic infrastructure
- Client focused in key sectors where our capabilities differentiate us
- Broadened offering in place to drive growth in profit and margin
- Well capitalised with a net cash position

A NEW KIND OF COMPANY

Why we are different...

We work with clients to anticipate, identify and solve their challenges, helping us to deliver pioneering solutions right across the infrastructure ecosystem.



OUR CAPABILITIES



Complex programme delivery

Our people deliver complex infrastructure projects in a sustainable, efficient and practical way by constantly innovating and working collaboratively.



Consulting

Our value-adding consultancy and advisory services are rooted in project delivery experience and leverage our broad range of capabilities.



Digital

We engineer and integrate digital solutions into our projects to improve the performance of our infrastructure.

BROADENING OUR SERVICE PROPOSITION TO DELIVER OUR MARGIN AMBITION OF 5% – 6%

CORE BUSINESS STRENGTH

- Long-term investment programmes and frameworks
- Positioned in key markets
- Positioned on 50 consulting and digital frameworks
- Recognised as a leading management consultant

GROWTH MARKET OPPORTUNITIES

- Network Rail through CP7 programmes
- Energy transition
- Regional growth and connectivity investment
- Digital expertise to enhance infrastructure performance

PROFIT AND MARGIN INCREASE

- Group operating profit growth and margin ambition of 5-6%
 - Complex programme delivery at 3% - 5% margins
 - Consulting and digital at >5% margins
- Strong 90% cash conversion

CONTACT

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