

Balfour Beatty

News Release

4 December 2025

BALFOUR BEATTY 2025 TRADING UPDATE

On track to achieve full year earnings expectations, with strong cash and order book growth

Further share buybacks in 2026

Balfour Beatty, the international infrastructure group, today provides a trading update covering the period to 4 December 2025.

Financial Update

- **Order book** expected to grow by around 20% in 2025 (FY2024: £18.4 billion) driven largely by UK Construction, where the ongoing momentum in the UK energy market has contributed to over £3.5 billion of new power generation orders in the year.
- **2025 revenue** expected to be over 5% ahead of prior year (FY2024: £10.0 billion) with strong progress made in the Group's chosen growth markets, principally UK energy and US buildings.
- **2025 underlying profit from operations (PFO) from earnings-based businesses** expected to be ahead of the prior year (FY2024: £252 million), with strong performance in UK Construction and Support Services being partially offset by lower US Construction profit.
- **2025 gain on Infrastructure Investment disposals** on track to achieve £30 - £40 million.
- **2025 average monthly net cash** expected to be at the top end of the previously guided £1.1 - £1.2 billion range (FY2024: £766 million).

Quote

Philip Hoare, Balfour Beatty Group Chief Executive, said:

"In my first three months at Balfour Beatty, I've been delighted to see first-hand the pride, care, and passion on which the company is built, and the team's depth of talent and technical expertise has genuinely exceeded my expectations. These values and capabilities, alongside exciting opportunities in our end-markets, a high-quality order book and disciplined risk processes, give the Group a powerful platform to shape the next chapter of growth and deliver lasting value for all our stakeholders.

"Our immediate priority is to finish 2025 strongly, while laying the groundwork for further progress in 2026, where I expect the Group to continue on its journey of delivering PFO growth from its earnings-based businesses. In addition, we are reaffirming our commitment to shareholder returns and confirming a further share buyback for 2026."

Operational Update

Construction Services:

In the UK, the business continued to perform strongly and is on track to achieve a 3% PFO margin for the year when excluding a c.£10 million insurance recovery. UK Construction has achieved a number of major operational milestones in the second half of the year, including:

- At HS2 Area North, the Balfour Beatty Vinci joint venture completed the 3.5-mile-long Bromford tunnel, its fourth and final tunnel of the project;
- At the new Hinkley Point C nuclear power station, the 230-tonne triple point shaft formwork structure was lowered and installed 40 metres underground to connect the three marine tunnels; and
- At the Net Zero Teesside carbon capture project, earthworks and piling got underway.

In June, Balfour Beatty signed the Programme Alliance Agreement in partnership with Laing O'Rourke and Bouygues Travaux Publics to deliver the main civil works at the new Sizewell C nuclear power station. As a result of the project reaching financial close in November, around £3 billion of Sizewell C work is now included in the Group's order book. Other recent successful pursuits include Balfour Beatty being selected by Rolls-Royce as the sole contractor on its fissile construction framework and the award of a £162 million contract to deliver the Dunard Centre, Edinburgh's first purpose-built concert hall in over a century.

In the US, the buildings business has performed well and is expected to deliver revenue growth of around 25% this year following a strong 18 months of pipeline conversion. The full year outlook for the civils business, and US Construction as a whole, remains largely unchanged since half year.

The US order book is expected to grow by over 10% in dollar terms in 2025 (FY2024: 8.9 billion) following a strong year of order intake for both the buildings and civils businesses. In the second half of the year, notable additions to the order book include 750 million of correctional facility work in the Southeast and 400 million for data centres in Virginia and Oregon.

In Asia, Gammon has made good operational progress with its major projects, with the first phase of Terminal 2 at Hong Kong International Airport now open and the Central Kowloon Route road tunnel expected to open this month. The order book has remained stable in the period, with new orders including work at Phase 2 of the Ming Wah Dai Ha public housing redevelopment, and at St George Court, a luxury private housing development.

Support Services: The power transmission business has delivered further growth in the period and as a result, Support Services revenue is expected to grow by around 15% in 2025 (FY24: £1,210 million). Operational performance across Support Services has remained strong and the business is expected to achieve PFO margin close to the top of its targeted range of 6-8%.

In the second half to date, Balfour Beatty has been awarded:

- Two places on National Grid's High Voltage Direct Current supply chain framework, to deliver both the civil engineering works for future converter station schemes, as well as the associated onshore underground cabling works. The five-year framework has an option to extend for a further three years; and
- A place on Scottish Power Energy Networks transmission business' Strategic Agreement for Overhead Line Works framework. The five-year framework has an option to extend for a further five years.

Infrastructure Investments: The Group's 2025 disposal programme is expected to complete in the coming weeks, with a number of transactions ongoing. Gains on investment disposals for the full year continue to be expected in the range of £30 - £40 million.

Capital allocation framework

The 2025 share buyback programme is expected to finish in the next week, at which point Balfour Beatty will have delivered £189 million to shareholders this year through share buybacks and dividends. Balfour Beatty's capital allocation framework remains unchanged, and from January 2026 the Group again intends to buy back further shares ahead of confirming the amount for its 2026 share buyback at the Group's full year results in March.

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Notes to editors:

- **Balfour Beatty** is a leading international infrastructure group with 27,000 employees driving the delivery of powerful new solutions, shaping thinking, creating skylines and inspiring a new generation of talent to be the change-makers of tomorrow.
- We finance, develop, build, maintain and operate the increasingly complex and critical infrastructure that supports national economies and deliver projects at the heart of local communities.
- For over 100 years, we have created iconic buildings and infrastructure all over the world. Currently, we are working to deliver Hinkley Point C, the first UK nuclear power station in a generation; constructing the world-class arts and cultural facility, the Lyric Theatre, in Hong Kong; and designing, building, financing, operating and maintaining the Automated People Mover superstructure at the fifth busiest airport in the world, Los Angeles International Airport.

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