

Balfour Beatty on track to achieve full year expectations

11 months ago



[Balfour Beatty](#) 2024 half year results show the company is delivering earnings growth and continued shareholder returns and is on track to achieve full year expectations.

Leo Quinn, Balfour Beatty Group Chief Executive, said: “The Group’s earnings-based businesses have continued their growth trajectory in the first half of 2024, driving an increase in Group profitability and cash generation, and making great strides in securing the work that will drive further profitable growth in 2025 and beyond.

“The outlook for the Group’s chosen growth markets, where we hold unique capabilities in delivering complex infrastructure projects, remains encouraging, including in the UK with the new Government reinforcing commitments to critical national infrastructure. Balfour Beatty’s prospects across these markets provide the Board with confidence that the Group will continue to deliver significant and attractive shareholder returns in the coming years.”

Continued growth from the earnings-based businesses

- Revenue up 3% to £4.7 billion (2023: £4.5 billion) driven by increases at Support Services and Gammon
- Underlying profit from operations (PFO) from earnings-based businesses up 6% to £101 million (2023: £95 million)
- Underlying Group PFO of £77 million (2023: £80 million) down 4% due to increased Infrastructure Investments costs
- Underlying EPS up 18% to 15.3 pence per share (2023: 13.0 pence)

Diversified portfolio delivering consistency and earnings growth

- Construction Services: PFO up 3% to £67 million with growth in UK
- Support Services: PFO up 13% to £34 million, full year expected towards top of 6-8% targeted margin range
- Infrastructure Investments: £7 million loss in first half; £20 – £30 million gain on disposals forecast for second half

Significant momentum in growth markets

- Material new work initiated with SSEN, National Grid, BP, Rolls-Royce and other key customers in 2024
- £16.6 billion order book (FY2023: £16.5 billion) and first half results underpinning 2024 earnings growth
- Earnings growth accelerating in 2025, with good progress made in chosen markets

Balance sheet and cash flow strength supporting continuing attractive shareholder returns

- Average net cash³ of £735 million (FY2023: £700 million)
- Directors valuation of the Investments portfolio increased 5% to £1.3 billion (FY2023: £1.2 billion)
- Half year dividend increased by 9% to 3.8 pence per share (2023: 3.5p)
- £60 million of total dividends to be paid in 2024 and £100 million share buyback on track to complete in year