

Balfour Beatty release 2024 full year results

10 months ago



[Balfour Beatty's](#) results show continued strong performance delivering profitable growth and further momentum into 2025 and 2026.

Leo Quinn, Balfour Beatty Group Chief Executive, said: "The Group made further strong progress in 2024. We once again delivered managed profitable growth from our earnings-based businesses and healthy cash generation, while also increasing our high-quality order book.

"The Board continues to have confidence in Balfour Beatty's ongoing ability to deliver sustainable cash generation for significant shareholder returns, as evidenced by our announcement of increased dividends and share buybacks for 2025. Balfour Beatty is well positioned to continue its disciplined performance in the medium term, with strong order book visibility, attractive opportunities in our growth markets of UK energy, transport and defence, and US buildings, and our expert, highly engaged workforce positioning the Group for ongoing success."

Profitable growth from earnings-based businesses

- Underlying profit from operations (PFO) from earnings-based businesses up 7% to £252 million (2023: £236 million)
- Underlying profit before tax up 11%, including increased Investments disposals and net finance income
- Underlying EPS of 43.6p up 17% (2023: 37.3p)
- Non-underlying charge of £49 million (2023: £11m), including provision of costs relating to Building Safety Act

Diversified portfolio driving consistent earnings delivery, with PFO growth in each segment

- Construction Services: PFO up 2% to £159 million (2023: £156 million)
- Support Services: PFO up 16% to £93 million (2023: £80 million) driven by strong revenue growth
- Infrastructure Investments: £1.3 billion Directors' valuation up 3% (2023: £1.2 billion)

Financial strength and sustainable cash generation supporting increased shareholder returns

- 9% increase in recommended full year dividend at 12.5 pence per share (2023: 11.5 pence per share)
- £125 million share buyback confirmed for 2025; 2025 total expected cash return of c.£188 million (2024: £161 million)
- Average net cash of £766 million (2023: £700 million)

Positive outlook with good short-term visibility and significant medium-to long-term potential

- Continued growth in earnings-based businesses underpinned by high-quality £18.4 billion order book (2023: £16.5 bn)
- Group capabilities aligned to significant future opportunities
- High and rising employee engagement underpinning progress in growing Group's capability
- Further profitable growth from earnings-based businesses expected for 2025 and 2026

(£ million unless otherwise specified)	2024		2023		
	Underlying ²	Total	Underlying ²		Total
Revenue ¹	10,015	10,015	9,595		9,595
Profit from earnings-based businesses	252 [#]	180	236 [#]		223
Profit from operations	248 [#]	173	228 [#]		211
Pre-tax profit	289	214	261		244

Profit for the year	227	178	205	194		
Basic earnings per share	43.6p	34.2p	37.3p	35.3p		
Dividends per share		12.5p		11.5p		
		2024		2023		
Order book ¹		£18.4bn		£16.5bn		
Directors' valuation of Investments portfolio		£1.3bn		£1.2bn		
Net cash - recourse ³		943		842		
Average net cash - recourse ³		766		700		
Segment analysis	2024			2023		
	Revenue ¹	PFO ^{2,#}	PFOmargin ²	Revenue ¹		
	£m	£m	%	£m		
UK Construction	3,011	81	2.7%	3,027	69	2.3%
US Construction	3,638	40	1.1%	3,697	51	1.4%
Gammon	1,550	38	2.5%	1,357	36	2.7%
Construction Services	8,199	159	1.9%	8,081	156	1.9%
Support Services	1,210	93	7.7%	1,006	80	8.0%
Earnings-based businesses	9,409	252	2.7%	9,087	236	2.6%

Infrastructure Investments	606	35			508	31	
Corporate activities	-	(39)			-	(39)	
Total	10,015	248			9,595	228	

Notes:

¹ Including share of joint ventures and associates

² Before non-underlying items (Note 9)

³ Excluding non-recourse net borrowings, which comprise cash and debt ringfenced within certain infrastructure investments project companies, and lease liabilities

Underlying profit from operations, or PFO, as defined in the Measuring our financial performance section

A reconciliation of the Group's performance measures to its statutory results is provided in the Measuring our financial performance section