Fugro confirms its full-year outlook for 2022 is continued revenue growth and further margin expansion

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Fugro has announced its half-year results, and in doing so it points to an encouraging year overall.

Fugro has seen ongoing growth in revenue supported by particularly high client demand for renewables services, its overall EBIT margin improved despite inflationary and supply chain pressures, operating cash flow increase (offset by higher capital expenditure, resulting in negative free cash flow) and the 12-month backlog go up by 21.7%, supported by all business lines and regions.

As such, Fugro says it expects continued revenue growth and further margin expansion.

Mark Heine, CEO at Fugro, said: “Against a backdrop of geopolitical uncertainty and volatile markets, we are experiencing high client demand for energy transition and climate change adaptation solutions across the globe. In particular for offshore wind developments, activity levels are high. Due to the tragic war in Ukraine, energy security is now also firmly on the agenda of countries worldwide and supports our traditional energy activities. Notable recent awards include site investigations for Denmark’s largest offshore wind farm Thor and for the Hung Shui Kiu/Ha Tsuen New Development Area in Hong Kong and the creation of a 3D elevation model to support Ireland's coastal resilience. By now, over 60% of our revenue is generated from offshore wind, infrastructure and water related projects.

"Our EBIT margin improved, and I am pleased that, in addition to Europe-Africa, the Americas, Asia Pacific and Middle East & India are contributing again to group performance. Overall, we have seen another solid step up in the operational performance of our land business. At the same time, the uncertain macro-economic environment, intensified by the war in the Ukraine has resulted in a sharp increase in inflationary and supply chain pressures during the past months, especially in marine. However, in good cooperation with our clients, we have managed to partially mitigate the impact of these unprecedented price increases."