

Hill International returns to profit

17 Mar Hill International has returned to profitability after reducing its costs and increasing its order backlog during 2019.



Current Hill International projects include the Aktau Resort Hotel in Kazakhstan

For 2020, its consulting fee revenue is projected to be between US\$330m and US\$350m (£268m-£285m).

In the fourth quarter of 2019, its net income was US\$12.1m, up from a loss of US\$7.3m in the same period the previous year. Its adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) were US\$4.0m for the quarter, up from a deficit of US\$0.5m in 2018.

The backlog at the end of the year was US\$811.3m, up 9.6% from beginning of 2019.

Cash flow from operations and free cash flow of US\$10.0m and US\$6.1m, respectively, for 2019 compared to negative figures of US\$25.0m and US\$27.4m, respectively, for the previous year.

The net income margin and adjusted EBITDA margin for the fourth quarter of 2019 were 15.8% and 5.2%, respectively, with projected EBITDA margin projected to increase to 5.5%-7.0% for 2020.

Chief executive officer Raouf Ghali said: “The company successfully returned to profitability, reduced its cost base and significantly increased its backlog during 2019. I expect continued positive results in 2020 as we convert the increased backlog into revenue and continue to manage our costs.

Hill's consulting fee revenue (CFR) was US\$76.8m for the quarter ended 31st December 2019, compared to US\$75.5m for the quarter ended December 31, 2018. Total revenue for the quarter was US\$83.8m, compared to US\$100.7m for the same quarter in 2018.

Net income attributable to Hill was US\$12.1m, resulting in a margin of 15.8% as a percentage of CFR, for the quarter. This compared to a net loss from continuing operations of US\$7.3m, resulting in a margin of -9.7% as a percentage of CFR for the quarter ended 31st December 2018. The company's operating income for the quarter ended December 31, 2019 was US\$10.1m, compared to an operating loss of US\$4.5m during the same period in the prior year.

CFR was US\$308.6m for the year ended 31st December 2019 compared to US\$337.2m for the previous year. Total revenue for the year ended 31st 2019 was US\$376.4m, compared to US\$428.7m for 2018.