

Gouda, 30 November 2017

Third quarter results 2017 Oranjewoud NV

Improvement on all fronts: higher net profit, operating result, operating income and solvency.

- Operating income in the third quarter clearly increased to € 706.0 million (2016: € 641.8 million)
- Operating income in the first nine months increased to € 1,708.1 million (2016: € 1.624,9 million)
- Operating result (Ebitda) increased to € 61.9 million in the third quarter (2016: € 51.9 million)
- Net profit the first nine months of € 23, 4 million (2016: € 3.1 million)
- Order backlog decreased to € 2,787 million (2016: € 3,086 million) due to production Riyadh subway project
- Solvency 19.0 % (third quarter 2016: 14.6 %, year-end 2016: 16.8%)

Information about the company

Oranjewoud NV, top holding of Strukton Groep and Antea Group, is a listed enterprise encompassing companies that operate both nationally and internationally. The companies that are part of Oranjewoud N.V. are active in the fields of civil infrastructure, rail systems, technology and buildings, the environment, spatial development, water and recreation. This covers the whole process, from preliminary studies, consultancy, design, planning and organization, right up to realization, management and operation.

Oranjewoud NV (Oranjewoud) is a leading partner in the development and application of sustainable and integrated solutions for all facets of the environment in which we live, work, play and travel. Oranjewoud N.V. has pinpointed four strategic growth sectors for the medium term - Infrastructure, Environment, Spatial Development and Water.

The market

The focus of the Consultancy and Engineering Services segment (**Antea Group**) in 2017 is on improvement of results and strategic orientation. Strong holder Antea Netherlands performs in terms of revenue and profit again better than in the comparable period last year. Antea Belgium is acting again at a good level. In France, the improvement measures implemented last year appear to have the desired effect with an increase in revenue and a turnaround towards a clearly positive EBITDA. In the United States, the effect of the decrease in revenue from Environmental Liability Transfer (ELT) portfolios and Oil & Gas customers is largely compensated by growth at other customer groups.

In the segment Rail systems (**Strukton Rail**) the revenue increased compared to the same period of the previous year. This increase is mainly due to an increase in production in the Netherlands and an increase of revenues in the Scandinavian countries. The higher production in the Netherlands and the improved performance in Sweden have led to a strong improvement of the Ebitda. The order book is well filled.

The Civil Infrastructure segment (**Strukton Civiel**) realized lower revenues than in the same period last year. This is mainly due to completion of the realization phase of a number of large projects in 2016. In addition, production at the regional companies is lower than last year. Despite the lower production, the operating result improved slightly compared to last year. This is the result of a better performance in 2017 and costs for reorganization and restructuring in 2016.

The operating income of the **Technology and Buildings** segment is in line with last year. The Ebitda result has more than doubled. With regard to the Housing RIVM / CBG project, a technical solution has been agreed for the vibration problem and the initial certificate has been issued. A committee of experts has given advice on the financial compensation and the consortium has reached financial close. The construction work has now started. Strukton is at an advanced stage in acquiring the shares of consortium partners Hurks and Heijmans. The loss provision formed in 2016 will remain at the same level.

Despite the fact that the peak of the civil construction of the construction joint venture (CJV) of the subway project in Riyadh (Saudi Arabia) was reached in 2016, the operating revenues of the **International Infrastructure and Rail**

Systems segment are not lower than in the comparable period of the previous year. Meanwhile, there is a transition to the phasing out of, among other things, the station locations and depots, with the emphasis on mechanical engineering and electrical work. In addition, the activities of the track joint venture (rail) have increased. The decline in revenues of the CJV is compensated by higher production of these other activities in the Riyadh project. The result expectation for the entire project remains unchanged. The progress of the subway project in Riyadh is according to plan.

In the Other segment, consisting of Sports and Temporary Staff, the revenue and the operating result (EBITDA) are above the level of last year.

Explanation revenue and result

The development of the revenue and - operating - result in the calendar year is affected by seasonal effects. Traditionally, revenue and earnings in the calendar year have been stronger in the second half of the year than in the first half of the year. This seasonal pattern is particularly evident in the segments Rail systems, Civil infrastructure, International infrastructure and rail systems and Technology and buildings as well as Sports (segment Other).

Seasonal Effects

The development of revenue and operating profits in a calendar year is influenced by seasonal effects. Traditionally, revenue and profits show stronger growth in the second half of a calendar year. This seasonal pattern is particularly evident in the Rail systems, Civil infrastructure, International infrastructure and Rail systems, and Technology and Buildings segments, as well as in Sports (within the Other segment).

Balance and cash flows

The solvency at the end of the third quarter 2017 is 19.0%. At year-end 2016, solvency was 16.8%. The cash flow and the cash position are in line with the expectations.

Oranjewoud NV is as of September 30, 2017 in compliance with the covenants agreed with the banks. This applies to all covenants within the Group.

Outlook

The Board of Oranjewoud NV does not make any statements regarding revenues or profit for the entire year 2017.
