

- press release -

## Oranjewoud N.V. Results for Q3 2011

### Net Profit More Than Doubles, Net Revenue Down

- § Net revenue fell significantly by 10.6% to €493.7 million (2010: €552.0 million).
- § EBITDA fell significantly by 8.0% to €24.5 million (2010: €26.7 million).
- § The backlog dropped to €2.2424 billion (2010: €2.3129 billion), a decrease of 3.0%.
- § Solvency rose from 13.3% to 17.8% and outside of PPP projects, it rose from 17.1% to 24.5%.
- § Net profit has enjoyed strong growth (+137.9%)
- § Revenue and profit in line with expectations, no projections for Q4.

### Key figures

Results amounts in millions of euros	Q3					Q1 + Q2 + Q3				
	2011	2010 incl. Strukton (pro forma)	2010	change	%	2011	2010 incl. Strukton (pro forma)	2010	change	%
Net revenue	<b>493.7</b>	552.0	118.4	-58.4	-10.6%	<b>1,254.9</b>	1,405.6	324.6	-150.8	-10.7%
EBITDA	<b>24.5</b>	26.7	6.8	-2.1	-8.0%	<b>56.4</b>	54.8	18.7	1.6	3.0%
Net profit	<b>3.7</b>	1.6	2.9	2.2	137.9%	<b>10.7</b>	5.9	7.4	4.8	80.9%
Backlog	<b>2,242.4</b>	2,312.9	312.9	-70.5	-3.0%					

Equity amounts in millions of euros	9/30/ 2011	12/31/ 2010	change	%
Shareholders' Equity (SE)	<b>225.6</b>	171.4	54.2	31.6%
Total Capital (TC)	<b>1,270.3</b>	1,283.9	-13.6	-1.1%
SE/TC	<b>17.8%</b>	13.3%		
SE/TC (excl. PPP projects)	<b>24.5%</b>	17.1%		

Figures are derived from Oranjewoud N.V. accounts. These figures were not audited by the independent auditor.

### General

The acquisition of Strukton Groep N.V. on October 29, 2010 has produced a stark contrast in the key figure amounts with respect to 2010. Autonomous changes were limited. The comparative figures provided for 2010 are pro forma, as if Strukton had already been part of the Group in 2010.

### The market

Oranjewoud N.V. concentrates its activities on six core segments.

The **Consultancy and Engineering Services** core segment (Europe, US and Colombia) had a difficult third quarter. Revenue was practically the same as in Q3 2010. However, this was only achieved with the €4.3 million in revenue in Colombia, thanks to the acquisition of GeoIngeniería S.A.S. on January 13, 2011. Autonomously, net revenue has declined. In the Netherlands, Belgium and particularly the US, net revenue was less than in the third quarter of 2010. In the United States, this came as a result of the termination of contracts with a number of clients (major oil and gas companies) within the framework of revenue differentiation and profit optimization.

In the Netherlands, the consequences of the difficult market conditions are evident. In Colombia, net revenue lagged behind expectations due to several project postponements. In France, net revenue for Q3 2011 was greater than Q3 2010.

In Belgium and France, net profit came out below that of Q3 2010, because cost control measures and improvements in productivity were not sufficient to fully compensate for the consequences of margin pressure. In the Netherlands and the US, Q3 net profit was steady with respect to Q3 2010. Here, cost control measures and enhanced productivity did in fact successfully offset the consequences of revenue and margin pressure.

In the Netherlands, the Consultancy and Engineering Services core segment expanded its market position in the area of spatial planning thanks to the acquisition of Croonen's operations on October 21, 2011. Croonen provides consultancy in the field of spatial planning, urban development and architecture. The acquisition of Croonen's operations serves to reinforce the Spatial Development growth sector.

In general, the **Rail Infrastructure** core segment exhibits a positive trend. However, profits in Norway did fall short of expectations. This was also true of Italy, where the market is contracting. In contrast, we have brought in excellent results in the Netherlands and Sweden, as well as with Strukton Systems. Machinery capacity utilization was good and was higher than in 2010. Strukton Systems is enjoying plenty of work, a sizeable backlog and strong profits. Rolling Stock is performing reasonably well: the medium to long-term outlook is promising. Revenue and profits are developing in line with projections and are comparable to 2010.

The **Civil Infrastructure** core segment is dealing with below-target revenue projections in almost all business units. This will affect coverage over the short term. For this reason, all business units are meticulously scrutinizing personnel costs and general costs and making any necessary adjustments. We are seeing new opportunities abroad for immersion technologies. Revenue and profits are markedly lower than in Q3 2010.

Profits in the **Construction** core segment have been under pressure due to postponement of construction output and negotiations with clients. Order procurement has also been difficult due to a highly competitive market. The focus has shifted to smaller projects. Repurposing of existing buildings, care hotels and youth housing in cities with universities are interesting developments. Revenue is considerably lower than in 2010, but profits are comparable to Q3 2010.

The **Technical Management and Installation Management** core segment (Strukton Worksphere) is enjoying strong growth and a fairly ample backlog. However, price pressure in the market is on the rise. The focus remains on service with high added value for clients in the areas of building management and installation technology. Revenue and profits are steady with respect to Q3 2010.

In the **Other** core segment, consisting of Realization, Temporary Employment and Other, net revenue was less than in Q3 2010. This decrease is evident in temporary employment activities, which, due to market conditions, still show no signs of recovery. On the other hand, profits have in fact improved, thanks to more extensive cost controls. Profits in Realization saw a strong improvement over the third quarter, primarily due to project and process optimization at Sport International.

### **Balance sheet and cash flows**

Solvency was 17.8% at the end of Q3 2011 (excl. PPP projects: 24.5%). At 2010 year-end, solvency stood at 13.3% (excl. PPP projects: 17.1%). The low solvency is due to the acquisition and financing of Strukton on October 29, 2010. The distinct improvement comes as a result of refinancing, explained under the 'financing' header.

Our cash flow and cash position are in line with expectations. Oranjewoud N.V. is in compliance with the conditions agreed with the banks.

### **Purchase Price Allocation - Strukton Groep N.V.**

The 2010 Oranjewoud N.V. financial statements indicated that the Purchase Price Allocation (PPA) for Strukton Groep N.V. was provisional. The PPA had to be finalized within one year of the acquisition date of October 29, 2010. It was determined that the valuation for projects needed be adjusted based on additional information obtained regarding the status and valuation of a number of projects as of the acquisition date. This has resulted in an €11.5 million devaluation in the relevant receivables and an increase in the deferred taxes (+ €2.9 million) and goodwill (+ €8.6 million) in the PPA. The balance sheet dated December 31, 2010 has been adjusted for the same amounts.

### **Acquisitions, Disinvestments and Sale of Financial Participations**

On October 14, 2011, Oranjewoud N.V., through its subsidiary Strukton Civiel, signed an agreement in principle with Ooms Avenhorn Groep B.V. for the acquisition of Ooms Nederland Holding B.V. The operations acquired include groundwork, road construction and hydraulic engineering activities, the Dutch consultancy activities (Unihorn) and some of the international infrastructure activities of Ooms International Holding. These will form a separate sub-company within Strukton Civiel. The aim is to complete the transaction by January 1, 2012. This acquisition fits in with Strukton Civiel's strategy, which focuses on expansion and extension of the chain.

By way of its subsidiary Strukton Groep N.V., Oranjewoud N.V. has reached an agreement with the BUKO Services/RECO partnership for the sale of approximately 36,000 m<sup>2</sup> of corporate premises with buildings erected on them and a number of activities from the Equipment Department, to be completed in Q4 2011. These activities primarily concern rental, leasing and management of tools and equipment. In addition to this, these parties will also take over the construction site service department. Strukton decided to move forward with this partial disinvestment because it saw no strategic need for its own internal construction equipment department.

Additionally, on October 26th, 2011, Oranjewoud N.V. closed an agreement in principle via its subsidiary Strukton Groep N.V. with DIF Infrastructure II to sell them 80% of Strukton's share holdings in six different PPP projects. The agreement encompasses the following projects:

- § The Kromhout Barracks in Utrecht
- § The offices of the Education Executive Agency (Dienst Uitvoering Onderwijs) and the Tax Administration (Belastingdienst) in Groningen
- § Montaigne Lyceum high school in The Hague
- § The offices of the Ministry of Finance in The Hague
- § The Harnaschpolder/Houtrust Sewage Treatment Plant in Den Hoorn and Scheveningen
- § Highway A15 Maasvlakte-Vaanplein

Strukton Integrale Projecten is still responsible for day-to-day management of the holdings in these PPP projects. The aim is to complete the transaction by year-end. With this sale, Strukton aims to free up capital so it can also continue to play a major role as a provider of equity in future PPP projects. Moreover, this transaction will lead to balance sheet reduction and the improvement in solvency.

### **Financing**

As part of the overall financing for the Strukton acquisition, Oranjewoud N.V. took out a bridge loan in the amount of €40 million. The intention was to redeem this bridge loan with a public share issue, thereby reinforcing the company's shareholder equity and solvency. Given the situation on the stock markets, a public share issue and the implementation of this plan were not feasible.

For this reason, the management of Oranjewoud N.V. decided to issue 2,600,000 A shares and 8,222,511 B shares to boost the company's shareholder equity. Thus, 10,822,511 shares were issued in Gouda-based Centric B.V. for the average of the closing prices over the period from September 5, 2011 to September 16, 2011. The issue price is €4.62 per share. These A shares were admitted to trading on the stock exchange. The issue was carried out in September of 2011.



The yield from the issue was allocated to two places. Large stockholder Centric B.V.'s subordinated loan of €29.5 million was converted into shares for a sum of €25 million. The remaining €4.5 million will be fully redeemed by October 29, 2013. The other €25 million generated from the share issue was allocated to redeem the €40 million bridge loan taken out by Oranjewoud N.V. for the acquisition of Strukton Groep N.V. As for the remaining €15 million, €5 million was paid off by the company and €10 million was refinanced under market conditions.

Oranjewoud N.V.'s share issue from Centric B.V. - described above - has increased the stake in Centric B.V. from 79.22% to 83.25%. Current stock market conditions pose an obstacle over the short term to the dilution envisioned by Centric B.V.

## **Outlook**

The management of Oranjewoud N.V. has not issued any projections for developments in Q4 2011.

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### **About Oranjewoud N.V.**

Oranjewoud N.V., a top holding of the Strukton Group, Antea Group and consultancy and engineering firm Oranjewoud, is a listed enterprise encompassing companies operating both nationally and internationally. The companies belonging to Oranjewoud N.V. conduct activities in the fields of civil infrastructure, railways, buildings, the environment, spatial development, and recreation. This covers the whole process, from preliminary studies, consultancy, design, planning and organization, right up to realization, management and operation.

Oranjewoud N.V. is listed on the official Euronext N.V. Amsterdam market and 83.25% of the company is owned by Centric B.V. It currently has approx. 9,500 employees and brought in €1.8 billion turnover in 2010.

For further information, please visit [www.oranjewoud.nl/ir](http://www.oranjewoud.nl/ir)