2014 Annual figures for Oranjewoud N.V.

Disappointing year due to increased losses on Maastricht A2 tunnel project and Maasvlakte-Vaanplein A15 project

Gouda, Netherlands, May 19, 2015

- Net revenue rose significantly by 9% to €2,136.8 million (2013: €1,962.1).
- Operating result (EBITDA) fell by over 60% to €16.3 million (2013: €44.6 million).
- Good operating results in the Consulting & Engineering Services (€25.8 million) and Rail Systems (€37.7 million) segments.
- Net profit after taxation fell sharply to a loss of €25.1 million (2013: loss of €12.6 million).
- The drop in net profit is due in part to:
  - additional project provisions of €61 million in the Civil Infrastructure segment, €33 million of which for the Maasvlakte-Vaanplein A15 project and €16 million for the Maastricht A2 tunnel project;
  - reorganization expenses, severance costs and integration costs (in particular the integration of rail activities in Scandinavia acquired from Balfour Beatty) in the Rail Systems, Civil Infrastructure and Technology and Buildings segments amounting to €15 million.
- Balance sheet increase of €149 million following consolidation of rail activities in Scandinavia acquired from Balfour Beatty and the Riyadh subway project.
- Solvency fell sharply to 14.1% (2013: 18.7%), partly due to the balance sheet increase.
- The backlog fell slightly to €3,217.4 million (2013: €3,271.1 million).
- No dividend paid for 2014.

Key Figures

Total revenue and profit	**2014**	**2013**	**2012 ***	**2011**	**2010 ****
Results (in millions of euros)					
Revenue	2,136.8	1,962.1	1,719.8	1,743.4	694.9
Ebitda	16.3	44.6	69.3	84.3	43.7
Net profit	(25.1)	(12.6)	23.5	17.9	14.2
Total net cash flow	17.0	17.1	(64.6)	(22.8)	112.6
Equity (in millions of euros)					
Equity (E)	206.5	246.8	259.2	240.6	171.2
Total assets (TA)	1,467.3	1,317.9	1,037.8	1,085.4	1,281.0
E/TA	14.1%	18.7%	25.0%	22.2%	13.4%
Employees (headcount)					
Number at end of financial year	10499	10587	9646	9369	9171
Backlog (in millions of euros)					
Consultancy & Engineering Services	230.7	246.6	252.6	246.0	271.4
Rail Systems	1,196.4	1,043.2	719.2	757.5	726.3
Civil infrastructure	1,332.3	1,462.1	643.2	639.6	726.1
Technology & Buildings	445.2	507.6	583.6	587.7	612.6
Other	12.8	11.6	12.8	16.1	22.2
Total	3,217.4	3,271.1	2,211.4	2,247.0	2,358.6

* Restated for comparison purposes in connection with changes in accounting policies on pensions (IAS 19) and joint arrangements (IFRS 11).
**) Including Strukton Groep N.V. starting from the date on which 'control' was acquired, October 29, 2010.

Introduction
Oranjewoud N.V. (Oranjewoud) is a leading partner in the development and implementation of sustainable and integral solutions for all aspects of the environment in which we live, work, play and travel.

Oranjewoud N.V. has pinpointed four strategic growth sectors for the medium to long term: Infrastructure, Environment, Spatial Development and Water.

In 2014, Oranjewoud's net revenue totaled over €2.1 billion (2013: €2 billion). The operating result (EBITDA) stood at €16.3 million (2013: €44.6 million). Oranjewoud N.V.'s net loss totaled €25.1 million, up €12.5 million on 2013, when the company posted a net loss of €12.6 million.

The year 2014 was negatively dominated by two projects in the Civil Infrastructure segment: the Maasvlakte-Vaanplein A15 project and the Maastricht A2 tunnel project. For the Maasvlakte-Vaanplein A15 project, losses posted by the A-Lanes consortium (made up of Ballast Nedam, Strabag and Oranjewoud subsidiary Strukton Groep) broke the €300-million mark in 2014. Consequently, Strukton had to make additional provisions amounting to €33 million at the expense of the 2014 result, while provisions totaling €42 million had already been made at the end of 2013. The total loss provision for this project has now accumulated to €75 million. Aside from that, the Maastricht A2 tunnel project suffered setbacks during the finishing stages of work on the tunnel. There was also a setback in the specifications for tunnel management and traffic engineering systems in the tunnel, leading to losses of €16 million at the expense of the 2014 financial year. As was to be expected, these losses also have a major impact on corporate financing. Throughout 2014, Strukton Groep was not compliant with the conditions agreed with the banks, prompting refinancing negotiations regarding existing operating capital credit lines and a term loan, as well as reconfirmation of the available bank guarantee facilities. Strukton Groep reached a final refinancing deal with the banks on May 12, 2015. This new financing arrangement runs through to the end of April of 2017. For further details regarding this new financing arrangement, please refer to the section on financing.
On both of the aforementioned projects, Strukton partners with Ballast Nedam. Over the whole of 2014 and up to recently (29 April 2015), there have been very serious concerns about Ballast Nedam's continuity. To mitigate the biggest risks caused by these continuity issues, Oranjewoud N.V.'s major shareholder, Sanderink Investments, has had to give Ballast Nedam a €10-million cash injection through an equity bridge, and guarantee Ballast Nedam's intended rights issue in the third quarter of 2015 to the same amount. Aside from that, Strukton agreed a letter of intent with Ballast Nedam on April 28, 2015, increasing Strukton's economic interest in the A15 project from 26 2/3% to 45% and in the civil part of the A2 project from 50% to 100%. Ballast Nedam will take over the area and planning development part of the A2 project from Strukton. In return for increasing its economic interest in these projects, Strukton will receive a payment from Ballast Nedam to compensate for losses. Ballast Nedam will also pay for the acquisition of land and real estate as part of the A2 project.

The 2013 financial statements stated the following, among others, on the Maasvlakte-Vaanplein A15 project:
"*For the Civil Infrastructure segment, 2013 was characterized by major disappointments in a few projects. A sum of €40 million was posted for project provisions. The main project here was the Maasvlakte Vaanplein-A15 project. This project is being carried out in partnership with Ballast Nedam and Austrian firm Strabag. The client is the Dutch Ministry of Waterways and the Public Works ("RWS"). Due to highly complex stakeholder issues, the consortium must factor in the desires and requirements of a variety of stakeholders who are not parties to the contract. In practice, this has resulted in extensions in the project turnaround time (lack of coordination in the decision-making process on the client's side) or in stakeholders making conflicting demands on design and execution. The consortium has been discussing these issues with RWS for some time now. The outcome must be that "the polluter pays", i.e. the party that caused the expenses must cover or compensate for them. At the time of preparation of the 2013 annual financial statements, adequate information was not available regarding the outcome of these discussions with RWS. Although the consortium is fully within its rights to receive compensation for expenses related to changes imposed by RWS or other stakeholders (as well as expenses from the resulting extension of the project turnaround time), the Board of Directors has decided to take up a prudent position with respect to the income from this project at the end of 2013. This means that a provision of €35 million was set aside at the expense of the 2013 result."*

One year down the line, there is still no final agreement on which party will bear past expenses for which RWS is responsible. Over the past year, there have been intensive talks about compensation for these expenses. RWS wants a final settlement to an amount that is far too low, which is unacceptable to the consortium executing the project. This is where the consequences of the world of two speeds are felt: the public sector has plenty of time, while private companies do not, and this completely upsets and disturbs the intended level playing field for clients and contractors. All in all, it is regrettable to have to repeat words written over a year ago to highlight the inertia of the process and RWS' lack of resolve. Nevertheless, confidence in a positive outcome is still high: the polluter will have to pay. This positive outcome may be finalized in the short term through a settlement agreement with the client or in the medium term through a ruling by the committee of experts assessing the various compensation claims (of which there will ultimately be dozens).

Net revenue in the Civil Infrastructure segment (including the Riyadh subway project) totaled €565 million (2013: €565 million). The operating result came in at a loss of €48.6 million (2013: loss of €19.1 million). The number of employees in this segment dropped to 1,443 from 1,568 by the end of 2014. This drop is primarily due to the strategic decision to shift the focus within the Civil Infrastructure segment to specialist capabilities in combination with technology, and to steer clear of markets where price is the overriding consideration.

The Rail Systems segment (Strukton Rail) posted a satisfactory result, albeit that operating results were down from €55.8 million in 2013 to €37.7 million in 2014. This downturn in operating results is caused by several factors. In early 2014, Scandinavian rail activities acquired from Balfour Beatty were integrated into Strukton Rail's existing organization. Integration of these operations involved additional expenses and a workforce reduction. Furthermore, the 2013 figures included a non-recurring income item of €7.3 million. On balance, the operating results for Scandinavia amounted to a modest €2 million (2013: €15.4 million, including a non-recurring income item of €7.3 million). Traditional railroad construction operations in Germany were suspended in December 2014 due to a lack of prospects. Losses totaled €3.3 million in 2014 (2013: €0.3 million negative). Strukton Rolling Stock also had a difficult time in 2014. Their operating loss stood at €3.6 million (2013: €0.3 million negative). However, Rolling Stock has a sizable soft backlog. The turnaround time of the process from bid to the client's decision, and subsequently to the awarding of the contract, is currently too long. Profitability would benefit greatly from the metaphorical unclogging of this pipeline, especially when it comes to repeat orders. The other country organizations in the Netherlands, Belgium and Italy all contributed positively to the operating results, as did Strukton Rail's technology division, Strukton Systems.
The number of employees grew from 3,377 to 3,635 in 2014. This was mainly due to the acquisition in Scandinavia. In the Netherlands, however, the number of employees dropped as part of a trend that will continue in 2015 and is caused primarily by the fact that ProRail, a key client, will further cut its spending.

In the Consulting and Engineering Services segment (Antea Group), both revenue and operating results were satisfactory. The various country organizations (Netherlands, Belgium, France, United States and Colombia) are increasingly joining forces in working on innovations or joint bids and projects, which often involves bilateral cross-border collaboration. This way of working together is to be preferred over a universal group strategy, which tends to be highly theoretic in practice and hinder rather than help collaboration. Operations in Belgium returned to profit following a loss-making year. In the fourth quarter, Colombia started to feel the initial effects of the lower price of oil. Antea Group Colombia's revenue relies heavily on clients from the oil and gas industry. Several clients have put projects on hold, put off projects, or even suspended current projects altogether. The workforce was reduced from 800 employees to 574 by the end of the first quarter of 2015. Further cuts are not ruled out. Organizational changes had a minor negative effect on operating results in 2014. Falling oil prices also had some effect on operations in the United States. However, thanks to a larger customer base than in Colombia, these effects were less severe. By the end of 2014, the workforce had grown by approx. 30 employees in comparison to the previous year. However, this additional capacity was cut again in the first quarter of 2015. Antea Group France's results benefited mainly from several tax breaks (wage-cost subsidies) for research & development in 2014. The total benefit was €2.5 million. In the medium term, Antea Group France will have to become less dependent on these subsidies propping up the results. For that to be possible, however, market conditions in France will have to improve in comparison to the situation in 2014. Despite challenging market conditions on its home market, Antea Group Netherlands posted fine results, which were comparable to the figures for 2013. The workforce shrank from 1,587 to 1,494, generating the cost savings needed to continue to make robust profits in the long term.

In the Technology and Buildings segment, the 2013 operating loss of 15 million euros was turned around into an operating result of just above zero in 2014. Both revenue and employee numbers fell in 2014. The latter coincides with the strategic move to further scale back construction activities (no more large-scale projects, including Public-Private Partnerships) and downgrade our ambitions when it comes to major building management and maintenance projects. Revenue fell from €380 million in 2013 to €343 million in 2014. The workforce shrank from 1,717 employees to 1,627 by the end of 2014. Severance costs and reorganization provisions had already been covered and set aside at the expense of the 2013 result.

For further details, please refer to the segment reporting.

Acquisitions
2014 saw a number of acquisitions, in line with the strategic goals formulated for the four strategic growth sectors. These acquisitions are explained below.

- In December 2013, an agreement was reached on the acquisition of rail activities from Balfour Beatty Scandinavia (Sweden and Denmark, Rail Systems segment). The financial closing of this acquisition was completed on January 8, 2014. The total acquisition value was €2.4 million.
- On April 7, 2014, Oranjewoud N.V. acquired a 100% interest in Siebens Spoorbouw BVBA through its subsidiary Strukton Rail NV (Belgium). This acquisition fits in with Strukton Rail's strategy of further expanding its market position in Belgium. The acquisition sum was €1.3 million. Siebens Spoorbouw's annual revenue totals approx. €3.4 million, and the company employs 20 people.

The share purchase liabilities associated with the above acquisitions came to approx. €3.7 million.

Activities Terminated
Strukton Rail GMBH
A decision was made at the end of 2014 to terminate traditional railroad construction activities in Germany, as they had been a structural loss-making operation for some time. Given the unclear and even negative market outlook, a decision was made to cease these activities. The result for 2014, including the required impairment for loans and receivables, was a loss of approx. €3.3 million. Based on the current corporate income tax rate (25%), a deferred tax debit of over €4 million arising from amounts spent in Germany has been recognized in the 2014 financial statements.

Financing, Share Issue, Dividend
Financing
Oranjewoud N.V. took out financing for the acquisition of Strukton Groep N.V. in 2010, and the credit facilities present at Strukton at that time were also refinanced. The term for this financing was three years, ending on October 29, 2013. As of August 1, 2013, new financing agreements were concluded by both Oranjewoud N.V. and Strukton Groep N.V. (Strukton) with the banks Rabobank, ABN Amro and NIBC.
These financing arrangements have a term of four years, ending on July 31, 2017, and were concluded in line with market conditions. Throughout 2014, and also on December 31, 2014, Strukton was not compliant with the conditions agreed with the banks due to losses on the Maasvlakte-Vaanplein A15 project and the Maastricht A2 tunnel project. On May 12, 2015, Strukton reached a refinancing deal with its banks. The main features of this financing arrangement are:

- term through to April 30, 2017;
- no compulsory repayments up to the end date;
- term loan of €40 million, interest rate 3.85%;
- operating capital credit facility of €75 million, interest rate 3.75%;
- committed bank guarantee facilities totaling €400 million, of which €248 million for the Riyadh subway project in Saudi Arabia.

Bank Covenants
Oranjewoud N.V. is in compliance with the conditions agreed with the banks for the entirety of 2014 and as of December 31, 2014. Strukton Groep N.V. (Strukton) has its own financing arrangement that is fully ring-fenced from Oranjewoud N.V.'s financing. In 2014 and on December 31, 2014, Strukton was not compliant with the conditions agreed with the banks. On May 12, 2015, a refinancing deal was reached with Strukton's banks. On this date, Strukton received a waiver for all key non-compliances from the loan documentation.

The covenants are:

For 2015:

- set minimum EBITDA for the credit base (the Dutch Strukton companies) and the entire Strukton Groep (excluding the Riyadh subway project), with a maximum deviation of 20%; and

- minimum liquidity covenant, with a liquidity surplus of at least €5 million at the moment of reporting.

From 2016:
- the financial covenants as described above;
- recourse leverage ratio (of the Dutch credit base and with a maximum deviation of 20%);
- recourse interest cover ratio (of the Dutch credit base and with a maximum deviation of 20%);
- recourse fixed charge cover ratio (of the Dutch credit base and with a maximum deviation of 20%);
- recourse solvency ratio (of the Group excluding the Riyadh subway project and with a maximum deviation of 20%).

Share Capital
The company did not issue any new shares in 2014. On March 6, 2015, Oranjewoud N.V. increased its shareholders' equity through a private share issue of 1,855,288 B shares to boost the company's equity and capital requirement. The aforementioned shares were issued to Sanderink Investments B.V. at the average closing price over the period from February 17, 2015 to March 4, 2015. The issue price is €5.39 per share. These B shares will not be listed. Oranjewoud N.V.'s B share issue to Sanderink Investments B.V. - described above - saw Sanderink Investments' interest grow from 95.56% to 95.70%.

Dividend
Oranjewoud N.V. intends to make 30% of the net profits plus amortization (after taxation) resulting from the acquisition of Strukton Groep N.V. available for dividend payment. Dividend payment is subject to future profit developments, market developments, desired solvency and the leverage under existing and future bank covenants. Dividends will be made available as optional dividends (cash and/or shares).

Oranjewoud N.V. has acquired loan capital from Rabobank for the acquisition of Strukton Groep N.V. The loan documentation stipulates the conditions for dividend payment, which include capping dividends at 30% of the profit after taxation plus amortization (after taxation) resulting from the acquisition of Strukton Groep N.V.

The net result, attributable to the shareholders of Oranjewoud N.V., came to a loss of €26.9 million in 2014. Combined with negative developments in the shareholders' equity due to pension liabilities and FX reserves, this loss exacerbates solvency issues and will also require financing in the near future. Bank covenants in effect must also be taken into account.

The combination of the above facts prompted the Board of Directors, with the approval of the Supervisory Board, to pass payment of dividends for the 2014 financial year.

Revenue and Profit
The Group's 2014 net revenue totaled €2.137 billion (2013: €1.962 billion). Revenue in the Rail Systems segment rose significantly (€291 million) following, among others, the acquisition of Balfour Beatty's Scandinavian rail activities and an increase in revenue in Italy (included in the consolidation for three quarters in 2013). Revenue in the Technology and Buildings segment fell by €37 million, mainly due to strategic changes in this segment. Operating results increased significantly from a loss of €15.1 million in 2013 to €0.1 million in profit in 2014. This improvement was driven by better project results and reduction of personnel costs for which provisions had already been made in 2013. Revenue in the Consulting and Engineering Services segment was down €7 million to €369 million. Despite that, operating results increased from €24.8 million in 2013 to €25.8 million in 2014. What stood out was that, after a loss-making year, Antea Belgium is now making a positive contribution to the results again. The other country organizations (Netherlands, France, United States and Colombia) posted satisfactory results. The Civil Infrastructure segment was discussed at length earlier. Revenue in this segment totaled €565 million (2013: €565 million), coupled with an operating loss of €48.6 million (2013: loss of €19.1 million). The reasons behind this were discussed at length earlier. The segment reporting goes into further detail on the results achieved.
In 2014, the Group reported a net loss of €25.1 million (2013: loss of €12.6 million). There are several notable items in the results:
- Maasvlakte-Vaanplein A15 project: loss of €33 million
- Maastricht A2 tunnel project: loss of €16 million
- Reef subsidiary: loss of €6 million

- N61 project: loss of €5.5 million
- Reorganization costs and provisions (Netherlands and Scandinavia): loss of €15 million
- Strukton Rolling Stock: loss of €3.6 million
- Termination of rail activities in Germany: loss of €3.3 million

Contrary to 2013, there were no - non-recurring - material positive items to prop up the result. The above (non-recurring) items add up to a total loss of approx. €82 million. On balance, the loss on exceptional items totaled €50 million in 2013. The net result for 2014 is €12.5 million down on the net result for 2013. One conclusion that can therefore be drawn is that, given that no non-recurring positive items were added to the results, the underlying recurring operating results improved by €15 million in comparison to 2013.

Amortization
Total gross amortization of intangible fixed assets, Purchase Price Allocation (PPA) depreciation and other amortizations amount to €14.7 million (2013: €16.0 million). Amortization of intangible fixed assets had a major impact on net profit in 2014. However, the impact is less than in 2013.

In the 2014 financial year, a gross amount (non-cash) of €12.9 million (2013: €14.9 million) related to Purchase Price Allocations (PPAs) was amortized at the expense of the profits (see table below). From the gross amortization, a sum of €3.6 million (2013: €5.5 million) arises from the amortization related to Strukton Groep N.V.'s PPA.

Amortizations ensuing from Purchase Price Allocations (PPAs) will continue to affect net profits in 2015 and beyond. Based on Strukton Groep N.V.'s PPA, existing amortizations from previous acquisitions and amortizations from later acquisitions, and the remaining economic service life estimated at the end of 2014, the following effects are expected in the coming years:

PPA amortization (excl. other amortization and excl PPA depreciation etc.)

		Excl. Strukton			Strukton			Total	
Amounts x EUR 1,000	Gross amortization	Corporate Tax Release	Effect on net profit	Gross amortization	Corporate Tax Release	Effect on net profit	Gross amortization	Corporate Tax Release	Effect on net profit
2013	9,395	-2,488	6,907	5,474	-1,369	4,106	14,869	-3,857	11,012
2014	9,273	-2,475	6,798	3,626	-907	2,720	12,899	-3,382	9,518
2015	9,039	-2,412	6,626	2,629	-657	1,972	11,668	-3,070	8,598
2016	9,063	-2,407	6,656	635	-159	476	9,698	-2,566	7,132
2017	8,045	-2,119	5,926	0	0	0	8,045	-2,119	5,926
2018	3,085	-787	2,298	0	0	0	3,085	-787	2,298
Total	**47,901**	**-12,689**	**35,212**	**12,364**	**-3,091**	**9,273**	**60,265**	**-15,780**	**44,485**

Subsequent Events
On March 6, 2015, Oranjewoud N.V. increased its shareholders' equity through a private share issue of 1,855,288 B shares. These shares were issued to Sanderink Investments B.V. The issue price is €5.39 per share. This share issue generated €10 million. These B shares will not be listed. Aside from that, Sanderink Investments has granted Oranjewoud N.V. a subordinated loan of €10 million.

Letter of Intent with Ballast Nedam
Through its subsidiary Strukton Groep N.V., Oranjewoud N.V. agreed a letter of intent with Ballast Nedam on the Maastricht A2 tunnel and Maasvlakte-Vaanplein A15 projects on April 28, 2015. Oranjewoud N.V.'s major shareholder, Sanderink Investments, has had to decide to support Ballast Nedam financially to mitigate the biggest risks of continuity issues in the construction consortia for these projects.

Under the letter of intent, Strukton Groep and a bank syndicate will each grant Ballast Nedam a bridge loan of €10 million, while net proceeds of a €20-million rights issue in the second six months of 2015, one half of which is guaranteed by Strukton Groep and the other half by the bank syndicate, will be used to repay this bridge loan. The letter of intent will have to be finalized over a period of three months with various approval gates.

Aside from that, with this letter of intent with Ballast Nedam Strukton Groep expands its economic interest in the A15 project from 26 2/3% to 45% and in the civil part of the A2 project from 50% to 100%. The legal specifics of Strukton Groep's participation in the building consortia remain unchanged. Ballast Nedam will take over the area and planning development part of the A2 project from Strukton Groep. In return for expanding its economic interest in the aforementioned projects, Strukton Groep receives a payment of €28 million from Ballast Nedam by way of loss compensation. Ballast Nedam will also pay Strukton Groep for the acquisition of land and real estate as part of the A2 project. RWS has already pledged its cooperation.

Strukton Refinancing
Oranjewoud N.V. took out financing for the acquisition of Strukton Groep N.V. in 2010, and the credit facilities present at Strukton at that time were also refinanced. The term for this financing was three years, ending on October 29, 2013. As of August 1, 2013, new financing agreements were concluded by both Oranjewoud N.V. and Strukton Groep N.V. (Strukton) with the banks Rabobank, ABN Amro and NIBC. These financing arrangements have a term of four years, ending on July 31, 2017, and were concluded in line with market conditions. Throughout 2014, and also on December 31, 2014, Strukton was not compliant with the conditions agreed with the banks due to losses on the Maasvlakte-Vaanplein A15 project and the Maastricht A2 tunnel project. On May 12, 2015, Strukton reached a refinancing deal with its banks. The main features of this financing arrangement are:

- term through to April 30, 2017;
- no compulsory repayments up to the end date;
- term loan of €40 million, interest rate 3.85%;
- operating capital credit facility of €75 million, interest rate 3.75%;
- committed bank guarantee facilities totaling €400 million, of which €248 million for the Riyadh subway project in Saudi Arabia.

A waiver for noncompliance with the covenants was also agreed on. For 2015, covenants are in place in relation to EBITDA and minimum available liquidity. For 2016, covenants have been agreed regarding Leverage, Interest cover, Fixed charge cover and Solvency. This refinancing bolsters the balance sheet and offers the company sufficient financial leeway to execute the business plan for 2015 and 2016.

SEGMENTATION
Oranjewoud N.V. reports on the following segments: Consulting & Engineering Services, Rail Systems, Civil Infrastructure, Technology & Buildings and Other.

Consulting & Engineering Services

in millions of euros	**2014**	**2013**
net revenue	368.9	375.6
operating result (Ebitda)	25.8	24.8
backlog	230.7	246.6
number of employees (at year end)	3528	3648

In 2014, **the Netherlands** saw modest economic growth, largely due to a rise in exports, the weaker euro and lower energy prices. A large part of Antea Group's private-sector clients in the Netherlands operate in the energy industry (oil and gas). Many of these clients have scaled back their investments or even put them off altogether. Despite fierce competition and partly thanks to a good balance between public-sector and private-sector clients, Antea Group managed to maintain its position on the market in 2014 (in particular in the area of spatial development, the environment and asset management). Compared to 2013, revenue was down slightly, while operating results were slightly higher.

The backlog (incl. India) was up from €77.9 million to €80.2 million with a backlog in months of 5.2 (2013: 4.9 months).

Risk Management
In 2014, Antea Group in the Netherlands successfully sought ISO 14001 (international environmental management system standard) and VCA Petrochemical certification and passed the re-audit for FPAL (system for the oil and gas industry).

Staff
The number of employees (incl. India) dropped from 1587 to 1494. The recruitment of highly qualified engineers and consultants is a spearhead that prompted a national labor market campaign in early 2015.

Like in 2013, Antea Group faced a lot of competition in **Belgium** in 2014, putting considerable pressure on prices. Cutbacks in local government spending in particular had a great impact on the market, and bidding as part of bidding processes has become a relatively costly affair due to complex invitations to bid. Aside from that, many projects were put on hold, and clients demand long payment terms. Despite these difficult market conditions, revenue in Belgium was up slightly compared to 2013, while operating results grew sharply.

The backlog was up from €25.3 million to €26.2 million with a backlog in months of 14.9 (2013: 15.2 months).

Risk Management
Long payment terms used by public-sector clients and reduced income (fee-based remuneration) from engineering activities due to construction spending cuts continued to be focus points in 2014.

Staff
In 2014, the number of employees fell slightly from 214 to 205.

In **France**, the economic situation continued to be difficult in 2014. The French government is under pressure from the European Commission to reign in its spending. This situation is not expected to improve in the short term. Despite these difficult circumstances, Antea Group's revenue was only down slightly compared to 2013, while operating results were up. This significant rise in operating results was partly the result of tax breaks for research & development projects. In 2014, these tax breaks led to a deduction of €2.5 million in subsidies from the costs to which these subsidies relate.

The backlog was down from €41.3 million to €34.4 million with a backlog in months of 6.8 (2013: 7.9 months).

Risk Management
Antea France regularly lands projects outside France. Given geopolitical developments in certain geographic areas, it is increasingly important to factor in the security situation in these countries when deciding whether or not to bid. Other than that, the financial status of projects is assessed and analyzed on a monthly basis.

Staff
The workforce shrank from 515 to 501 in 2014.

Antea Group's consulting and engineering operations in **the United States** are focused on Environmental, Health, Safety & Sustainability. 95% of clients are private-sector parties. In the US, Antea Group mainly serves the oil and gas industry and works on Environmental Liability Transfer (ELT) projects. Compared to 2013, revenue was down slightly in 2014, while operating results were considerably lower. This drop in operating results was largely down to an adjustment of the determination of income for the ELT portfolio (which is still profitable), as well as to the high costs of the recruitment and selection process (positive impact will be seen in 2015).

The backlog was down from €90.6 million to €82.3 million with a backlog in months of 14.4 (2013: 15.3 months).

Risk Management
The risk management system in the United States is specifically geared towards compliance with Health & Safety requirements set by clients.

Staff
The workforce in the US grew to 462 employees (2013: 432 employees). Attracting and retaining highly qualified staff will continue to be a key point of attention.

In 2014, Antea Group's operations in **Colombia** were affected by the global drop in oil prices, resulting in reduced investment in the oil and gas industry and dwindling demand for geotechnical and civil engineering services. The impact on Antea Group Colombia's 2014 revenue and profits was limited. Compared to 2013, revenue was up slightly, while operating results showed a clear drop. Knock-on effects of lower oil prices will be felt in 2015. Measures were taken and capacity was reduced by 188 employees in the first quarter of 2015, following an earlier reduction of 89 employees in December 2014.

Following the developments outlined above, the backlog lost €3.7 million of its value, falling from €11.0 million at the end of 2013 to €7.3 million at the end of 2014, with a backlog in months of 2.4 (2013: 3.6 months).

Risk Management
Dependency on one particular client, Ecopetrol, remains a concern. Antea Group Colombia is the first environmental consultancy to be awarded ANLA (Colombia's National Environmental Licensing Agency) clearance to collect wild biodiversity samples. This is one of the ways in which environmental operations can be expanded, reducing dependency on major clients in the oil and gas industry through diversification.

Staff
The workforce shrank from 801 to 762 employees. This drop is primarily down to reduced investment in exploration projects by the oil and gas industry. At the end of the first quarter of 2015, the workforce was reduced further to 574 employees.

Corporate Social Responsibility and Sustainability at Antea Group
As a consulting and engineering firm, Antea Group makes a major contribution to implementation of sustainable solutions for clients across the globe.
Many of the projects we run every year help our clients realize their sustainability ambitions. Examples include drinking water provision for 175,000 people in the Niger basin through the design and building of technical infrastructure and the development of an underlying social network. In the Netherlands, air quality during soil remediation work near a hospital is monitored in real time and online using our OWMonit sensoring platform, which was developed in-house. Antea Group is furthermore one of the founding partners of the Carbon Disclosure Project's water program. Aside from these efforts on the market, Antea Group was awarded ISO 14001 certification for its environmental management system in the Netherlands.

Rail Systems
Strukton Rail operates in the field of maintenance, renewal and construction of railroads and train systems, both for heavy and light rail. Their core activities include railroad construction and track renewal, performance-based railroad maintenance, railroad security, signaling, information systems and train systems. Strukton Rail specializes in asset management, monitoring systems, measuring and inspection trains, energy systems, overhead lines, traction systems and railroad and train security.

in millions of euros	**2014**	**2013**
net revenue	814.0	595.4
operating result (Ebitda)	37.7	55.8
backlog	1.196.4	1.043.2
number of employees (at year end)	3635	3377

Strukton Rail's results in the Netherlands and Italy stand out in a positive sense. 2014 was also a reasonably good year in Belgium. In Sweden, costs involved in the merger and restructuring following the takeover and integration of Balfour Beatty Rail Scandinavia weighed down on otherwise positive operating results. Although results in Denmark are not yet positive, Denmark has a healthy backlog and market prospects are good.
A decision was made in 2014 to suspend small-scale railroad construction and track renewal activities in Germany. Strukton Rail's German operations will be limited to technology-related products and services, such as measuring, monitoring and inspection systems. Strukton Rail expanded its presence in Australia through the opening of a new office in Perth, from which clients will be advised on maintenance and railroad infrastructure. The initial results are positive.

In 2014, operating results were over €18 million down on 2013. The figures for 2013 included a non-recurring income item of over €7 million following the settlement of a claim in Sweden. This claim related to the period 2009-2013. Other reasons behind the drop in operating results in 2014 include integration costs following the acquisition of Balfour Beatty's Scandinavian operations, weak performance in Germany (operations suspended as of 2015), and losses posted by Rolling Stock (Strukton Rail subsidiary).

Strukton Rail's specialist technology divisions are Strukton Systems, Strukton Rolling Stock and Eurailscout. The Strukton Rolling Stock – train technology – division is under development. Its products have a lengthy development process, but they are innovative and promising. This business unit therefore still requires investment in product development, and consequently posted an operating loss. Eurailscout made a profit, mainly thanks to work for France's national rail operator, SNCF. Strukton Systems posted operating results of over €4 million.

In the third quarter of 2014, Dutch rail infrastructure manager, ProRail, once again named Strukton Rail among the best rail construction companies in the Netherlands, both on the project performance ladder and in recognition of Strukton's success in bringing maintenance irregularities down to the agreed level over the period from September 2013 to September 2014.

Strategy
Strukton Rail's primary goal is to help achieve attractive, safe and affordable rail travel. As a full service provider, Strukton Rail operates in six European countries, as well as in Australia and Venezuela, with a range of specialist capabilities, including in the areas of energy solutions, asset management, rolling stock and high output equipment. Based on accurate diagnoses and analyses, high output equipment enables performance of track renewal and maintenance work while minimizing track closures or even as trains are still operated.

Organization
In 2014, the acquisition and integration of Balfour Beatty Rail Scandinavia was concluded. The organization has been reduced by approx. 50 people. In the Netherlands, the organization was further adjusted for better alignment with market conditions. Approx. 85 people left the organization in 2014. Siebens Spoorbouw was acquired in Belgium. This will continue to be a separate unit within the Belgian organization. Siebens Spoorbouw mainly operates in the port of Antwerp. Integration of Italy's CLF with other Strukton units continued in 2014, which saw CLF help Eurailscout land projects and pursue operations in Italy, while both companies also shared machinery.

Sustainability
Strukton Rail enjoys a good reputation in the area of corporate social responsibility and the organization dedicates a great deal of attention to sustainability in order to maintain this reputation. Strukton Rail develops sustainable applications, such as Strukton Rolling Stock's traction systems. These systems regulate the power supply to trains in a way that reduces energy consumption in comparison to traditional traction systems.

Civil Infrastructure
Strukton Civiel designs, maintains and manages infrastructure projects in the Netherlands, and is also active in several specialist areas outside the Netherlands. Strukton Civiel's core activities are the design, execution, maintenance and management of infrastructure projects, civil structures, road construction and underground construction. Strukton Civiel specializes in immersion and underwater engineering, foundation engineering, bitumen, asset management, bridge and lock renovation, traffic management technology (traffic and tunnel engineering systems), prefab concrete and environmental engineering.

in millions of euros	**2014**	**2013**
net revenue	564.5	565.4
operating result (Ebitda)	(48.6)	(19.1)
backlog	1.332.3	1.462.1
number of employees (at year end)	1443	1568

In 2014, Strukton Civiel reported a considerable loss, caused predominantly by the Maasvlakte-Vaanplein A15 project and the Maastricht A2 tunnel project. Additional loss provisions were set aside for these projects in 2014. A number of Strukton Civiel's decentralized road and concrete construction business units also showed losses. Reef Infra, which operates in the eastern part of the Netherlands, ran a loss on a number of projects. Measures were taken to prevent further losses. Ooms Civiel and Strukton Infratechnieken, which operate in the western part of the country, performed well. Rasenberg Wegenbouw, which, together with Colijn, serves the southern part of the Netherlands, is on the road to recovery.

The subway project contracted in 2013 for Riyadh, Saudi Arabia also requires the attention of the Board of Directors. This latter project has a scope of approx. 8 billion US dollars (over €6 billion), approx. €1 billion of which goes to Strukton, making this the largest project, in a complex environment, ever undertaken by Strukton.

In 2014, the project organization for the Riyadh subway project in Saudi Arabia, which was acquired in 2013, was set up, while hard work has gone into designing the subway lines and stations. The first building work started at the end of 2014. Both the design and excavation work suffered a small delay as the client made changes to the brief, and also due to unclarity on the origin of cables and conduits. Drilling work started at the end of March of 2015.

Strategy
In the Netherlands, availability and capacity expansion are key when it comes to road infrastructure. Strukton Civiel focuses both on major national projects and on regional projects. Aside from that, Strukton Civiel also operates in several specialist areas, such as immersion and foundation engineering, asset management, bitumen, bridge renovation and concrete engineering, which require highly specialist knowledge and expertise. This specialist knowledge and expertise is deployed both in the Netherlands and internationally.

Organization
Strukton Civiel is made up of three units. The first is Strukton Civiel Projecten, which takes care of major national projects. The second is the national road and concrete construction network, which operates regionally. Finally, there is the Producten unit, which contains Strukton Civiel's niche and highly specialist capabilities, such as immersion, foundation engineering, asset management, bitumen, bridge renovation and concrete engineering and repair.
Following the shift from an executive organization to a more knowledge-based organization, Strukton Civiel Projecten has started to restructure its organization in 2014. Approx. 120 people left the organization in 2014.

Sustainability
Strukton Civiel remains committed to sustainable operational management. One fine example of this is the scrap concrete reuse project run by Grondbank Nederland in collaboration with various partners. This innovation was used in a showcase project at a parking garage at the offices of DUO in Groningen, which was built entirely from scrap concrete.

Technology & Buildings
Strukton Worksphere (Technology and Buildings segment) combines systems-related activities with architectural activities. Maintenance work and management are the basis of their activities, with the organization targeting the health-care, manufacturing, mobility hub, traffic and tunnel engineering system and data center markets.

In millions of euros	**2014**	**2013**
net revenue	343.2	380.1
operating result (Ebitda)	0.1	(15.1)
backlog	445.2	507.6
number of employees (at year end)	1627	1717

Strukton Worksphere reported positive operating results for 2014, with systems-related activities showing particularly satisfactory and stable results. Their backlog is fairly full, mainly because Strukton Worksphere has built several long-term relationships with clients and can therefore rely on a solid base of long-term contracts.

Strukton Worksphere wants to be selective in filling its backlog by selecting projects that are aligned with the strategy and the company's differentiating capabilities.

Strategy
Although the decline of the market continued to in 2014, the bottom of the market seems to have been reached. There is, however, still excess capacity on the market, which is putting pressure on prices. Strukton Worksphere targets not only existing utility markets, but also a number of spearhead markets, such as health care, manufacturing, mobility hubs, traffic and tunnel engineering systems and data centers.

Organization
On January 1, 2014, the former Strukton Bouw business unit and Strukton Worksphere merged to become one single company. Preparations for this merger started back in 2013 and continued in 2014, including further integration (of software systems, offices, etc.). Strukton Worksphere works out of four regional companies, spread out over thirteen sites in the Netherlands.

Sustainability
Strukton Worksphere is increasingly going down the route of handling technical management remotely: system failures at customers' sites are resolved from an intelligent control room and the focus is on prevention. This risk-driven modus operandi enables optimization of maintenance efficiency and flexibility. Remote technical management not only boosts reliability and cuts system costs, it also reduces the number of call-outs to customers by 25-30%.

Corporate Social Responsibility and Sustainability at Strukton Groep
Ambitions in the area of corporate social responsibility and sustainability have been high on Strukton's agenda for many years. Policy in this area was further refined on some topics in 2014, such as sustainable innovations for clients, programs aimed at cutting carbon emissions of the company's fleet of vehicles and saving energy and separating waste at the company's offices and on projects. On top of that, reuse and recycling of materials and resources, such as asphalt and concrete, are also key focus points. Sustainability is not only about reducing harmful impacts on the environment. Strukton also invests in training and educating students, and hires disadvantaged workers.

<u>Other</u>

in millions of euros	**2014**	**2013**
net revenue	46.2	45.6
operating result (Ebitda)	1.3	(1.9)
backlog	12.8	11.6
number of employees (at year end)	266	277

The Other segment includes reporting on the Sports and Temporary Staff units.

Sports
Compared to previous years, the Dutch sports market was stable in 2014. Despite spending cuts by local government bodies, the market did not show shrinkage in 2014, primarily because candidates in local elections campaigned on promises to invest in sports facilities. Both Sport Nederland and J & E Sports performed well in 2014. Revenue showed a clear rise, and operating results increased significantly compared to 2013. The market share grew from 30% to 35%. This growth is largely down to the increased market share in the (artificial-grass) soccer pitch market.

The backlog was up from €8.1 million to €10.1 million with a backlog in months of 3.1 (2013: 2.0 months).

Temporary Staff
Temporary Staff activities continued to face tough market conditions in 2014. Although the market seems to be picking up slightly, recovery is still weak. Due to market conditions and the restructuring of the temporary staff

companies, the first few months of 2014 were particularly difficult in a financial sense. In the second half of the year, the temporary staff companies managed to break through this downward trend and close 2014 with positive operating results.

The backlog was down from €3.5 million to €2.7 million with a backlog in months of 3.5 (2013: 2.5 months).

Outlook
The management of Oranjewoud N.V. does not have any statements to make regarding projections for 2015.

oranjewoud

CONSOLIDATED STATEMENT OF FINANCIAL POSITION				
(in thousands of euros)				
	31-12-2014		**31-12-2013**	
Non-current assets				
Intangible assets	**100,603**		111,009	
Property, plant and equipment	**188,328**		186,105	
Investment property	**9,657**		10,066	
Associates	**29,960**		19,689	
Other financial non-current assets	**34,518**		64,332	
Deferred tax assets	**44,826**		19,920	
		407,892		**411,121**
Current assets				
Inventories	**33,381**		32,981	
Receivables	**665,593**		539,758	
Work in progress	**185,022**		185,117	
Income tax receivables	**10,992**		8,969	
Cash and cash equivalents	**164,421**		139,945	
		1,059,409		**906,770**
Total assets		**1,467,301**		**1,317,891**
Equity				
Issued capital	**5,688**		5,688	
Share premium	**173,495**		173,495	
Translation reserve	**(304)**		1,101	
Legal reserve subsidiaries	**893**		758	
Hedging reserve	**(6,021)**		(1,883)	
Actuarial reserve	**(11,577)**		(3,765)	
Retained earnings	**71,265**		84,693	
Undistributed profit	**(26,938)**		(13,293)	
Equity attributable to equity				
holders of the parent company	**206,501**		246,794	
Non-controlling interests	**454**		427	
Total equity		**206,955**		**247,221**
Non-current liabilities				
Deferred employee benefits	**45,546**		26,444	
Provisions	**14,224**		23,321	
Provision associates	**7,259**		-	
Deferred tax liabilities	**13,285**		18,451	
Non-current liabilities	**112,010**		151,308	
Total non-current liabilities		**192,324**		**219,524**
Current liabilities				
Trade payables	**384,558**		300,652	
Amounts owed to credit institutions	**88,124**		80,146	
Work in progress	**199,665**		138,893	
Corporate income tax payable	**7,798**		5,877	
Provisions	**9,645**		3,329	
Other current liabilities	**378,232**		322,249	
Total current liabilities		**1,068,022**		**851,146**
Total equity and liabilities		**1,467,301**		**1,317,891**

CONSOLIDATED STATEMENT OF INCOME		
(in thousands of euros)	2014	2013
Revenue	**2,136,835**	1,962,072
Other operating income	**738**	7,000
Total operating income	**2,137,573**	**1,969,072**
Project costs of third parties	**(1,123,933)**	(991,356)
Added value	**1,013,640**	**977,716**
Staff costs	**(800,474)**	(779,841)
Other operating expenses	**(196,851)**	(153,311)
Depreciation	**(48,615)**	(47,121)
Total operating expenses	**(1,045,940)**	**(980,273)**
Operating profit	**(32,300)**	**(2,557)**
Finance revenue	**2,697**	3,830
Finance costs	**(12,238)**	(12,081)
Net finance revenue/(costs)	**(9,541)**	(8,251)
Share in profit after taxes of associates	**4,130**	(6,965)
Profit before taxes	**(37,711)**	**(17,773)**
Income tax	**12,562**	5,202
Net profit for the year	**(25,149)**	**(12,571)**
Attributable to:		
Shareholders of the parent company	**(26,938)**	(13,293)
Non-controlling interests	**1,789**	722
EARNINGS PER SHARE (in euros)		
Net earnings per share attributable to equity holders		
of the parent company (basic and diluted)	(0.47)	(0.23)
Average number of shares outstanding	56,878,147	56,878,147

CONSOLIDATED STATEMENT OF CASH FLOWS		2014		2013	
(in thousands of euros)					
Profit after taxes		**(25,149)**		(12,571)	
Non-cash movements:					
Profit/(loss) of associates		**(4,130)**		6,965	
Revaluation associates		**-**		(4,560)	
Corporate income tax		**(12,562)**		(5,202)	
Finance revenue and costs		**9,541**		8,251	
Depreciation and amortization		**48,615**		47,121	
Result on sale of PPP-projects		**(639)**		-	
Result on sale of fixed assets		**(80)**		(23)	
Badwill business combination		**-**		(1,225)	
Result on deconsolidation business combination		**3,343**		-	
Change in provisions		**(1,164)**		(2,854)	
Cash flow from operating activities before changes in working capital		**17,775**		35,902	
Changes in working capital:					
Trade payables		**72,733**		(41,816)	
Other current liabilities		**11,047**		31,792	
Inventories		**919**		976	
Work in progress		**78,598**		9,914	
Trade receivables		**(20,679)**		(5,988)	
Other receivables and prepayments and accrued income		**(97,014)**		34,347	
Change in working capital		**45,604**		29,225	
Dividend received from associates		**3,712**		343	
Interest received		**2,619**		4,174	
Income tax paid		**(13,104)**		(2,987)	
		38,831		30,755	
Cash flow from normal activities			**56,606**		66,657
PPP-Receivables			**-**		(17,253)
Cash flow from operating activities			**56,606**		49,404
Investments in intangible assets		**(2,458)**		(574)	
Investments in property, plant and equipment		**(28,161)**		(40,190)	
Investments in investment property		**-**		(193)	
Investments in associates		**(4,227)**		(757)	
Investments in consolidated companies		**2,700**		(14,025)	
Disposal of consolidated companies		**(679)**		-	
Disposal of property, plant and equipment		**1,025**		3,635	
Disposal of associates		**776**		768	
Change in other financial non-current assets		**(1,984)**		1,545	
Cash flow from investing activities			**(33,008)**		(49,791)
Drawings loans		**13,886**		64,219	
Repayments loans		**(7,508)**		(36,415)	
Other changes		**(476)**		503	
Interest paid		**(12,548)**		(10,823)	
Cash flow from financing activities			**(6,646)**		17,484
Net cash flow			**16,952**		17,097
Balance of cash and cash equivalents at January 1st			**59,799**		41,715
Exchange differences on cash and cash equivalents			**(454)**		986
Balance of cash and cash equivalents at December 31st			**76,297**		59,799