Press Release

2015 Annual Figures for Oranjewoud N.V.

Return to profitability in 2015

- Net revenue rose markedly by 9% to €2,305.6 million (2014: €2,136.8 million).
- Operating profit (EBITDA) rose sharply by €72.4 million to €88.7 million (2014: €16.3 million).
- Operating profit (EBITDA) was up in all segments for which the Group presents figures, except for the Consulting and Engineering Services segment.
- In 2015, the Consulting and Engineering Services segment saw its order portfolio shrink rapidly in Colombia in particular, due to stagnation in the market for clients from the oil and gas industry.
- Net profit was up sharply by €44.3 million to €19.2 million (2014: loss of €25.1 million).
- Balance sheet increase of €194.0 million as a result of the increase of the economic stake in the Maasvlakte-Vaanplein A15 project and the Maastricht A2 tunnel project, and work on the Riyadh subway project in Saudi Arabia actually getting underway.
- Solvency rose modestly to 14.6% (2014: 14.1%).
- Order portfolio grew by €262 million to €3,479.0 million (2014: €3,217.4 million).
- No dividend paid for 2015.

Gouda, Netherlands, April 30, 2016

Key Figures

Total revenue and profit	**2015**	**2014**
Results (in millions of euros)		
Revenue	2,305.6	2,136.8
Ebitda	88.7	16.3
Net profit	19.2	(25.1)
Total net cash flow	56.5	17.0
Equity (in millions of euros)		
Equity (E)	242.1	206.5
Total assets (TA)	1,661.3	1,467.3
E/TA	14.6%	14.1%
Employees (headcount)		
Number at end of financial year	10187	10499
Backlog (in millions of euros)		
Consultancy and Engineering Services	248.6	230.7
Rail Systems	1,290.0	1,196.4
Civil infrastructure	470.3	380.3
International infrastructure and rail systems	919.9	952.0
Technology & Buildings	538.2	445.2
Other	12.0	12.8
Total	3,479.0	3,217.4

Revenue and Profit

Revenue amounted to €2.3 billion. Historically, this is the highest revenue the Group has ever achieved. The growth in revenue of €169 million in comparison to 2014 was driven mainly by increased output of the Riyadh subway project (on which construction work actually got underway in 2015), the Maasvlakte-Vaanplein A15 project, and the Maastricht A2 tunnel project. Increased output from the Maasvlakte-Vaanplein A15 project and the Maastricht A2 tunnel project is a result of the raising of the Group's economic interest in these projects following an agreement to this effect with Ballast Nedam. Given that the A15 project and the A2 project are nearing completion, revenue is set to be lower in 2016. High revenue is not an objective for the Group in its own right. The Group pursues balance between risk, reward, and revenue. The strategy is focused on technology, specialty products, and projects with a smaller scope in comparison to past contracts. Project scope has tentatively been capped at €100 million.

The operating profit came in at €88.7 million in 2015, up €72.4 million from €16.3 million in 2014. Except for the Consulting and Engineering Services segment, all segments for which the Group presents figures saw their operating profits improve on 2014:

- Consulting and Engineering Services -/- €6.3 million
- Rail Systems + €11.6 million
- Civil Infrastructure + €53.6 million
- International infrastructure and rail systems + €8.0 million
- Technology and Buildings + €5.2 million
- Other + €0.3 million

The net result was up €44.3 million to €19.2 million in 2015, after a loss of €25.1 million in 2014. This improvement is one that is particularly gratifying. It is, however, only the first step towards recovery, after two consecutive loss-making years. The Group has also set out to further limit the extent of the operating capital the Group needs to generate revenue. This will be achieved by successfully implementing the newly adopted strategy and continuing to stress the importance of operating capital management as a key parameter and management driver for the company's success.

Improvement

The improvement in the operating profit and the net result in 2015 was not achieved without a struggle. Oranjewoud N.V. faced several major challenges in 2015. In the Netherlands, our home market, the Group had to cope with developments surrounding the insecure future of Ballast Nedam, which had a potentially negative effect on Strukton Groep (Strukton) and Oranjewoud N.V., and the bankruptcy of Imtech.

Oranjewoud N.V. subsidiary Strukton had been partnering with these companies on several projects. To mitigate risk and stay in control, a letter of intent was signed with Ballast Nedam in late April of 2015, which saw Strukton increase its economic stake in the Maasvlakte-Vaanplein A15 project (A15) from 26.2/3% to 45% and in the civil engineering part of the Maastricht A2 tunnel project (A2) from 50% to 100%. Ballast Nedam takes over the area and planning development part of the A2 project from Strukton. In return for increasing its economic interest in these projects, Strukton receives a payment from Ballast Nedam to compensate for losses — six million euros for the A15 project and 22 million euros for the A2 project. Ballast Nedam will also pay for the acquisition of land and real estate as part of the A2 project. The letter of intent evolved into a final agreement that was signed on September 23, 2015. The aforementioned payment of 22 million euros was made in full in 2015.

Ballast Nedam will pay Strukton the six million euros for the A15 project in four €1.5-million installments in 2016. The first installment was received in late March of 2016.

By late 2015, the A15 project had all but been completed. In 2015, the Committee of Experts ruled in favor of the contracting consortium on some of the claims the consortium had submitted. This means that the end result of the project can now be defined with a greater level of certainty. This expected result is in line with our insights of approximately one year ago, when the 2014 financial statements were drawn up without recognizing this expected - higher - result.

Imtech's bankruptcy affected mainly the A2 project. Traffic and tunnel engineering systems were scheduled to be installed in 2015. Imtech was a key project partner for this part of the project and the company's bankruptcy threw the project's progress into uncertainty, which ultimately led to stagnation. Strukton therefore decided to settle the contract with Imtech and take this complex part of the A2 project into its own hands. Thanks to the tremendous efforts of all involved, installation of traffic and tunnel engineering systems was completed in late 2015. This is a feat we can truly be proud of. The end is also in sight for the A2 project. As these two problem-filled projects draw to a close, the Group's financial situation is set to enter calmer waters. The Civil Infrastructure segment reported revenue totaling €602.8 million (2014: €501.0 million), coupled with operating profit of €3.3 million (2014: loss of €50.3 million). In 2015, the Civil Infrastructure segment recognized an amount of €7.2 million as reorganization expenses, which were paid out of the profit. A reorganization was needed to bring the organization into line with its strategic focus, which is centered on combining technology with product specializations and being more selective in bidding for contracts.

Another impactful phenomenon in 2015 was the sharp drop in the price of oil. Two group companies, Antea Group U.S. and Antea Group Colombia (Consulting and Engineering Services segment), were affected by this phenomenon to varying degrees. In the U.S., there was a clear drop in demand for Antea Group's services from major oil companies. The decline in revenue from the oil and gas industry was, however, offset through successful business development among technology companies. The effects were felt particularly in Colombia. Antea Group Colombia's revenue relies heavily on clients from the oil and gas industry. Projects were put on hold, delayed, or even aborted altogether. The workforce was cut from approx. 800 down to 200 in 2015. In the first quarter of 2016, the number of employees was reduced further to 175. The aim now is to stabilize the company and enable it to respond to renewed demand as soon as the market picks up again, as it is expected to do. Aside from that, the company has taken the first small steps toward diversification. The operating profit in Colombia came in at a loss of €4 million (2014: a profit of €2.4 million). This drop of over €6 million accounts for the decrease in the operating profit of the entire Consulting and Engineering Services segment, which saw its operating profit fall from €25.8 million in 2014 to €19.5 million in 2015.

The Rail Systems segment (Strukton Rail) posted an operating profit of €49.3 million (2014: €37.7 million). All countries where Strukton Rail has a presence contributed to this increase in profits. The company posted good results in the field of rail system maintenance and renewal in the Netherlands. Its entities in Italy, Sweden, and Denmark also helped boost profits. In Scandinavia, the merger of the existing Strukton Rail companies with Balfour Beatty, which was acquired in 2014, has borne fruit. The Strukton Rolling Stock unit (traction systems, on-board power grids, and vehicle control systems) posted an operating loss of €6.7 million. This loss was caused by insufficient revenue, which resulted in utilization losses, while the company also ran losses on certain projects. Strukton Rolling Stock is in the middle of a transition from a development and pioneers environment to a phase where managed output is required and the primary process is becoming increasingly predictable.

In the 2015 financial statements, International infrastructure and rail systems is presented as a separate segment for the first time. Revenue and profits in this segment are generated primarily by the Riyadh subway project in Saudi Arabia. In 2014, this segment was still part of the Civil Infrastructure segment. The new segment generated €164.2 million in revenue (2014: €63.5 million), coupled with an operating profit of €9.7 million (2014: €1.7 million). Having gotten underway in 2015, production as part of the project in Riyadh will be increased considerably over the coming two years. The project is making good progress.

The Technology and Buildings segment showed a marked rise in revenue. Revenue rose from €343.2 million in 2014 to €372.9 million in 2015. The operating profit for this segment stood at €5.3 million (2014: €0.1 million). A large part of the profit was generated by the various regional companies and business unit exploitation. The strategic focus for business unit projects was adjusted in 2015. Here, too, the focus is now on a combination of technology and products that set us apart from the competition. No large-scale bids for contracts where price generally turns out to be the deciding factor.

For further details, please refer to the segment reporting.

Losses posted in 2013 and 2014 still reverberated in 2015. Provisions made in those years to cover project losses, especially on the Maasvlakte-Vaanplein A15 project and the Maastricht A2 tunnel project, and reorganization expenses had a clear impact on Strukton's financing. Following talks with Strukton's banks in early 2015, a refinancing deal was sealed on May 12, 2015. This refinancing deal covers only Strukton Groep's Netherlands-based operations and is therefore ring-fenced. Strukton companies in Sweden and Italy have their own financing arrangements. The same is true of the Riyadh subway project. Aside from that, Oranjewoud agreed on a financing arrangement with its major shareholder, Sanderink Investments, for a total amount of €20 million. Oranjewoud subsequently proceeded to put €25 million into Strukton in the form of €10 million of share bonus and a subordinated loan of €15 million, hence safeguarding Strukton Groep's continuity. Strukton Groep's refinancing deal with its banks will expire on April 30, 2017. The refinancing process will be started immediately after completion of this annual report. Throughout 2015 and at the end of 2015, Oranjewoud N.V. and Strukton Groep (waiver received for the first quarter of 2015, which is when the refinancing deal was being negotiated, ultimately resulting in an agreement that was signed on May 12, 2015) were compliant with the covenants agreed with the banks. For further details, please refer to the 'Financing and Share Issue' section.

Acquisitions

2015 saw a number of acquisitions, in line with the strategic goals formulated for the four strategic growth sectors. These acquisitions are explained below.

NS Spooraansluitingen

On July 1, 2015, Strukton Rail B.V. acquired NS Spooraansluitingen (Railroad Sidings) from the Netherlands' national railroad operator NS, and subsequently changed its name to Strukton Rail Short Line B.V. Strukton Rail Short Line manages and maintains over 200 kilometers of railroad track and 500 switches at around 130 companies across the Netherlands. This acquisition is in keeping with Strukton Rail's strategy, which spells out the ambition to branch out into asset management and make rail transport more attractive. Rail transport offers a sustainable solution to the problems that come with industrialization and urbanization.

Angelbrasil Geologia e Meio Ambiente

On December 7, 2015, Antea Group acquired a 47% minority stake in environmental consulting and engineering firm Angelbrasil Geologia e Meio Ambiente Ltda (Angel). Angel operates in the field of environmental studies, soil and groundwater remediation, sustainability consulting, and QHSE. Antea Group expects to achieve synergies in the partnership with Angel in various areas, especially when it comes to business development in the field of water management and sustainability.

Groupe IRH Environnement

On December 21, 2015, Antea Group's subsidiary in France acquired Groupe IRH Environnement, a French environmental consulting and engineering firm. This firm is made up of two operational entities: IRH Ingénieur Conseil (IRH IC) and ICF Environnement (ICF). IRH IC specializes in air and water sampling, as well as in drinking water and waste water management. ICF, in turn, provides consulting services on and carries out soil, groundwater and waste water remediation projects, including turn-key projects. Antea Group France expects this acquisition to yield synergies in several areas, specifically in the international market for waste water treatment, soil remediation projects, and cost rationalization.

The share purchase liabilities associated with the above acquisitions came to approx. €9 million.

Acquisitions after the balance sheet date are detailed under 'Subsequent Events'.

Financing and Share Issue

Financing

On August 1, 2013, new financing deals were agreed with Rabobank, ABN AMRO, and NIBC for both Oranjewoud N.V. and Strukton Groep N.V. (Strukton). These financing arrangements have a term of four years, ending on July 31, 2017, and were concluded in line with market conditions. Following losses on the Maasvlakte-Vaanplein A15 project and the Maastricht A2 tunnel project, a refinancing deal was struck with Strukton's banks on May 12, 2015. 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
- Operating capital credit facility of €75 million
- 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 2015 and as of December 31, 2015. Strukton Groep N.V. (Strukton) has its own financing arrangement that is fully ring-fenced from Oranjewoud N.V.'s financing. Throughout 2015 and at December 31, 2015, Strukton (waiver received for the first quarter of 2015, which is when the refinancing deal was being negotiated, ultimately resulting in an agreement that was signed on May 12, 2015) was compliant with respect to the covenants agreed with the banks. On May 12, 2015, a refinancing deal was reached with Strukton's banks.

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 and Subordinated Loan

On March 6, 2015, Oranjewoud N.V. increased its Shareholders' Equity through a private share issue of 1,855,288 B shares to Sanderink Investments B.V. Sanderink Investments furthermore granted a subordinated loan of €10 million, with a term up to January 1, 2018. The idea behind this share issue and subordinated loan is to strengthen 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 was €5.39 per share. These B shares have not been listed. Oranjewoud N.V.'s B share issue to Sanderink Investments B.V. - described above - saw Sanderink Investments' stake grow from 95.56% to 95.70%.

Subsequent Events

Oranjewoud N.V. subsidiary Strukton Rail is set to increase its shareholding in Italian railroad construction company Costruzioni Linee Ferroviarie (CLF) to 100%. Strukton Rail has been a CLF shareholder since 1998, and had previously increased its stake from 40% to 60% in 2013 by acquiring the shares of fellow shareholder Unieco. As part of this deal, a put option was agreed for Unieco. Unieco exercised the put option, making Strukton Rail the 100% owner of CLF. The shares in question will be transferred at the end of June of 2016, and from that moment on Strukton Rail will be the 100% legal and economic owner of CLF. Strukton Rail will pay €32 million for the shares in one single payment that will be effected at the end of June 2017. A bank guarantee to the amount of the purchase price will be provided as security.

On January 1, 2016, Oranjewoud N.V. subsidiary Strukton Rail acquired a 50% stake in Dual Inventive Holding. The agreement sealing this acquisition was signed on February 4, 2016. Dual Inventive develops and manufactures innovative technological products that improve safety, efficiency, and reliability of railroad infrastructure and maximize railroad capacity. By pooling their networks and innovation capability, the two companies expect to boost their effectiveness in the domestic and international markets for railroad maintenance and configuration of processes for rail safety improvement.

Segmentation

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

Consulting and Engineering Services

In millions of euros	**2015**	**2014**
Operating income	358.3	368.9
Earnings (ebitda)	19.5	25.8
Backlog	248.6	230.7
Number of employees (at year-end)	3372	3528

Revenue in the Consulting and Engineering Services segment was down over €10 million to €358.3 million (2014: €368.9 million). The sharpest drop in revenue came at Antea Group Colombia, where revenue was down €24 million. Low oil prices caused numerous projects to be aborted, suspended, or postponed in 2015. This revenue drop was partially compensated through Antea Group Netherlands (€5 million) and Antea Group U.S.A. (€10 million). Antea Group Colombia's operating profit was down €6.4 million, which largely accounts for the decline in the operating profit of the entire segment. Operating profit fell from €25.8 million in 2014 to €19.5 million in 2015. In absolute terms, the other Antea Group companies posted slightly higher and lower operating profits, which, on balance, remains without effect.

By the end of 2015, the number of employees was approx. 150 down compared to the end of 2014. In Colombia, the workforce was reduced from approx. 800 to approx. 200 employees. The acquisition of IRH Groupe in France at the end of 2015 saw the workforce in this segment grow by approx. 400 employees.

Although the European economy showed signs of recovery in 2015, market conditions for consulting and engineering services continued to be challenging. Competition is cut throat, prices are being squeezed, public sector spending has been curbed, and low oil prices have led to a reduction in the number and scope of contracts for major oil and gas companies.

In the Netherlands, Antea Group has managed to maintain its solid position in various market sectors, despite these challenging conditions. In 2015, both revenue and operating profit were up on the previous year. The total value of the order portfolio (incl. India) grew slightly to €84.5 million (2014: €80.2 million). The number of employees rose to approx. 1,550 (2014: 1,494).

In Belgium, Antea Group continues to face price competition, cautious clients, and relatively high bidding costs. In spite of this, Antea Group Belgium saw a limited increase in revenue, which in combination with effective cost control (e.g. in overhead costs) and better use of personnel capacity has resulted in a strong increase in the operating profit. The total value of the order portfolio grew from €26.2 million to €27.1 million. The number of employees fell slightly to approx. 200 (2014: 207).

In line with expectations, Antea Group France is still having to deal with a decrease in investments by government clients, as well as projects that have been either put on hold or terminated all together. This situation is not expected to improve in the short term. As a result, Antea Group France is facing a decreasing number of contracts, causing both net revenue and operating profit to be lower than in 2014. The total value of the order portfolio grew from €34.4 million to €55.8 million and the number of employees on the payroll increased to about 900 as a result of the acquisition of Groupe IRH.

In the United States, Antea Group is further diversifying its product and service portfolio, partly in response to the decreasing number of orders from the major oil companies. This move has resulted in an improvement in net revenue, in the technology businesses in particular. The operating profit is still lagging behind the other positive developments achieved through this diversification, and was lower in 2015 than in 2014. The total value of the order portfolio fell from €82.3 million at the end of 2014 to €75.7 million at the end of 2015. This decrease in orders can be attributed mainly to Environmental Liability Transfer (ELT) projects, which are at the end of their term. The number of employees fell to approx. 450 (2014: 462).

In Colombia, Antea Group has been contending with an ongoing decrease in investment by clients in the oil and gas industry and fluctuating exchange rates between the Colombian peso and the US dollar. Both net revenue and operating profit were sharply lower than the figures for 2014. The order portfolio has also seen a considerable decrease in total value, to €5.1 million in 2015 (2014: €7.3 million). The employee figures dropped to about 200 by the end of 2015 (from approx. 800 in 2014) and decreased by another 25 in Q1 2016. The objective is to reduce the company's dependency on oil and gas companies as clients and enable it to maneuver more flexibly when the expected market recovery sets in. This will also require diversification. In 2015, the company had a number of minor successes, landing contracts from power companies and industrial clients.

Corporate Social Responsibility and Sustainability at Antea Group

Anticipating today's questions and tomorrow's answers. That is what Antea Group stands for. 'Understanding today. Improving tomorrow'. Together with our clients, we work to build a better and sustainable living environment every single day. An environment where we can all live, work, and play in comfort. Not only today, but also in the future. Sustainable business practices are possible only in harmony with the world around us. Antea Group takes its responsibility seriously, internally and in relationships with clients and partners, as well as across the chain. To Antea Group, sustainability and corporate social responsibility stand for sensible practices at the company, aimed at striking a balance between the Ps of Profit, People, and Planet to ensure the company continues to be relevant in both the market and society.

Rail Systems

Strukton Rail's core activities include new development, maintenance, and management of railroad and train systems, both heavy rail and light rail (including traction and overhead lines, signaling, telecommunications and information and control systems), design, manufacturing, installation, and commissioning of power supply systems for rolling stock, data acquisition, data management, and system integration. Strukton Rail specializes in asset management, high output working methods and equipment, monitoring systems, measuring and inspection trains, energy systems, overhead lines, traction electronics and on-board power grids, and installation and integration of ERTMS and other train security systems.

In millions of euros	**2015**	**2014**
Operating income	764.9	814.0
Earnings (ebitda)	49.3	37.7
Backlog	1,290.0	1,196.4
Number of employees (at year-end)	3534	3635

In the Rail Systems segment, Strukton achieved an operating profit of €49.3 million in 2015 (2014: €37.7 million). All countries contributed to this result, which represents an €11.6 million improvement on the 2014 financial year and came despite disappointing results at the Strukton Rolling Stock business unit. Strukton Rolling Stock develops, manufactures, and sells traction systems, on-board power grids, and vehicle control systems. Strukton Rolling Stock's operating loss for 2015 totaled €6.7 million, and was caused primarily by utilization losses and losses on projects. Results in the field of rail system maintenance and upgrades in the Netherlands were good. The entities in Italy, Sweden, and Denmark also helped boost profits.

Compared to 2014, the Rail Systems segment saw the value of its order portfolio rise by €94 million. This rise was driven predominantly by the order portfolio in Scandinavia.

Civil Infrastructure

Strukton Civiel's core activities are the design, execution, management, and maintenance of infrastructure projects, civil structures, road construction, underground construction, and hydraulic engineering. Strukton Civiel specializes in foundation engineering, bitumen, environmental engineering, asset management, bridge and lock renovation, traffic management technology (traffic and tunnel engineering systems), prefab concrete, noise barriers, raw and waste material management, traffic routing, and incident management.

In millions of euros	**2015**	**2014**
Operating income	602.8	501.0
Earnings (ebitda)	3.3	-50.3
Backlog	470.3	380.3
Number of employees (at year-end)	1303	1351

The Civil Infrastructure segment posted operating profits of €3.3 million in 2015 (2014: loss of €50.3 million). Profits for 2015 were impacted by a reorganization following a strategy rethink that saw the segment shift its focus to specialist technology-based products and services and become more selective in bidding for contracts. Expenditure relating to this reorganization, which was paid out of the profits for 2015, amounted to €7.2 million.

Totaling €602.8 million, operating income came in higher than forecast, on the back of the increased economic stake in the Maasvlakte-Vaanplein A15 project and the Maastricht A2 tunnel project following an agreement to that effect with Ballast Nedam. Due to financial difficulties at Ballast Nedam, Strukton Civiel felt compelled to increase its economic stake so as not to jeopardize these two projects. The A15 project has driven up the result for 2015. Results on the A2 project have stabilized. Strukton's executive board is currently in talks with the commissioning authority, Rijkswaterstaat, for the Maasvlakte-Vaanplein A15 project to settle several claims relating to this project. Valuation of these claims is based on previous rulings by the Committee of Experts. The Maasvlakte-Vaanplein A15 project will be completed in 2016.

The Civil Infrastructure segment saw its order portfolio grow by €90 million. One key factor underlying this improvement is the strong order portfolio in the southern region. The order portfolio of Strukton Civil Projects, which takes on large nationwide projects, also grew in comparison to 2014. In line with the strategy, the company is more cautious when it comes to bidding for major projects with extensive contractual risks. The risk profile for a certain project is now assessed in relation to margins and the financial resources the company would need to have available for the project. The overriding aim is to strike a balance between risk, reward, and revenue.

International infrastructure and rail systems

Strukton International's focus is on marketing specialist products and services across the globe, such as traction electronics and on-board power grids, monitoring systems, power systems, polymer modified bitumen (PMB), immersion and underwater engineering services and foundation engineering. The combination of specialist products and railroad and civil engineering expertise puts Strukton in a unique position in the construction of transport systems in densely populated areas, ports, and port hinterland connectivity. Strukton International primarily targets projects where its expertise can be deployed repeatedly.

In millions of euros	2015	2014
Operating income	164.2	63.5
Earnings (ebitda)	9.7	1.7
Backlog	919.9	952.0
Number of employees (at year-end)	115	92

The International infrastructure and rail systems segment's operating profit amounted to €9.7 million (2014: €1.7 million), coming largely on the back of the Riyadh subway project getting underway. As a member of the FAST consortium handling this project, Strukton is working on three of the six lines of a fully automated and unmanned subway system that is laid out underneath the Saudi capital, Riyadh. The total value of this contract is around €6 billion. Strukton's share represents around €1 billion. By the end of 2015, the total output value stood at approx. €900 million (Strukton's share was around €163 million). Despite initial delays caused by changes to the design, unknown cables and pipes, and traffic management issues in this overcrowded city, work on this project is now progressing smoothly. This project is expected to be completed in 2020.

Technology and Buildings

Strukton Worksphere (Technology and Buildings segment) designs, develops, makes, maintains, and exploits technical systems and buildings across the Netherlands. Maintenance work and management are the basis of their activities, with the organization targeting the health-care, manufacturing, mobility hub, and office markets.

In millions of euros	2015	2014
Operating income	372.9	343.2
Earnings (ebitda)	5.3	0.1
Backlog	538.2	445.2
Number of employees (at year-end)	1680	1627

The Technology and Buildings segment posted an operating profit of €5.3 million for 2015 (2014: €0.1 million). Regional operations and operating contracts were particularly strong contributors to the positive result. A change to the Projects business unit's strategic focus saw integrality and sustainability become the new strategy mainstays, necessitating a few adjustments to ongoing projects in 2015.

The Technology and Buildings segment's order portfolio grew by €93 million, primarily on the back of the DBFMO contract for the conversion of the former Knoop barracks in Utrecht into government offices, which was awarded to the R Creators consortium in 2015. The contractors united in the R Creators consortium are Strukton Worksphere, Ballast Nedam, and Facilicom Bedrijfsdiensten. Strukton Worksphere's share in the DBMO phase totals 45%.

Corporate Social Responsibility and Sustainability at Strukton Groep

Like in previous years, a fixed percentage of employees' salary was invested in training in 2015. After all, keeping expertise up to date is a precondition at a knowledge company like Strukton. The on-the-job learning program that has inexperienced employees shadow experienced colleagues was continued in 2015. While sustainability tends to be about countering a growing shortage of resources, Strukton's sustainability focus is on the high percentages of contaminants in our living environment. These contaminants include diesel engine emissions (particulate matter, CO_2, and carcinogens), leaking pipes, and dumping of waste. The basis of Strukton's sustainability policy is expressed as "Thinking in terms of operational life". Strukton's operations have to comply with strict sustainability requirements. But Strukton also pursues sustainable and long-term solutions in projects, innovations, and partnerships with clients and suppliers. Strukton possesses the kind of technological expertise and capacity that empowers the company to contribute to sustainability worldwide. The products and services Strukton provides in this context include foundations for wind farms, transformer platforms and substations for wind farms, solar thermal collectors on railroad stations, tidal power systems, and environmental remediation. Strukton regularly teams up with its sister company Antea Group in working on sustainable solutions.

Other

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

In millions of euros	**2015**	**2014**
Operating income	42.5	46.2
Earnings (ebitda)	1.6	1.3
Backlog	12.0	12.8
Number of employees (at year-end)	183	266

Sports

Both the Dutch sports market and the broader European sports market were slow to get going in 2015. As a result, prices were under even greater pressure in this highly competitive market at the start of the year. Revenue ultimately lagged behind the 2014 figure, but effective planning, little stagnation, low failure costs, and a number of interesting larger projects still enabled Sports to add €0.3 million to its operating profit in comparison to 2014. The order portfolio remained stable at €10 million.

Temporary staff

The Temporary staff unit saw its market conditions improve in 2015, although the recovery was weak and fragile. While demand for engineering staff showed an uptick, it continues to be challenging to pinpoint where this demand will emerge, given the fact that there was no sector-wide demand. Demand also showed sharp fluctuations over the year. Still, it is evident that the market was stronger in the second half of 2015 (July and August in particular) than in the first.

In August, the Temporary staff unit was hit hard by the bankruptcy of Imtech. As a result of the ensuing €0.4-million write-down, the unit only managed to break even. Revenue was down over €2.2 million on 2014. The total value of the order portfolio fell from €2.7 million to €2.5 million.

Dividend

Oranjewoud N.V. intends to make 30% of the net profits plus amortization (after taxation) resulting from the acquisition of Strukton Groep 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. 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.

To improve solvency and strengthen the company's cash position, Oranjewoud N.V. added €10 million to its Shareholders' Equity on March 6, 2015 through a private share issue to Sanderink Investments B.V. In 2015, Shareholders' Equity grew further owing to realized gains (€18.1 million) and unrealized gains (€7.5 million). This is offset against a balance sheet increase of €194 million as a result of acquisitions, the greater share in the A2 and A15 projects, the Riyadh project going fully operational, and the company's growth. Consequently, more operating capital is needed, for which funding will be sought under current bank covenants.
The combination of these facts prompted the proposal from the Board of Directors to forgo payment of dividends for the 2015 financial year, with the approval of the Supervisory Board.

Corporate Social Responsibility and Sustainability

Investing in the Future

Finding a balance between financial/economic results, social interests and the environment. Not only thinking about the here and now, but also thinking about future generations. Oranjewoud N.V. actively works to ensure corporate social responsibility. This includes sustainability in business, sustainable operational management, volunteer work by employees and sponsorship of social initiatives. We are seeing a constant increase in market demand for sustainable solutions and applications. Oranjewoud N.V. is keeping pace with this significant development. Please refer to the sections on the different segments for specific information about activities and projects as part of Corporate Social Responsibility and Sustainability efforts.

2016

Although the 2015 figures inspire confidence, market conditions in several of the submarkets in which our group companies operate continue to be difficult. The Board of Directors therefore refrains from making any statements regarding results projected for 2016.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of euros)

	31-12-2015		31-12-2014	
Non-current assets				
Intangible assets	**100,762**		100,603	
Property, plant and equipment	**180,066**		188,328	
Investment property	**5,369**		9,657	
Associates	**27,758**		29,960	
Other financial non-current assets	**33,603**		34,518	
Deferred tax assets	**47,534**		44,826	
		395,092		**407,892**
Current assets				
Inventories	**29,800**		33,381	
Receivables	**780,459**		665,593	
Work in progress	**213,901**		185,022	
Income tax receivables	**7,896**		10,992	
Cash and cash equivalents	**234,198**		164,421	
		1,266,254		**1,059,409**
Total assets		**1,661,346**		**1,467,301**
Equity				
Issued capital	**5,873**		5,688	
Share premium	**183,310**		173,495	
Translation reserve	**(2,684)**		(304)	
Legal reserve	**8,460**		893	
Hedging reserve	**(2,001)**		(6,021)	
Actuarial reserve	**(5,660)**		(11,577)	
Retained earnings	**36,760**		71,265	
Undistributed profit	**18,088**		(26,938)	
Equity attributable to equity holders of the parent company	**242,146**		206,501	
Non-controlling interests	**416**		454	
Total equity		**242,562**		**206,955**
Non-current liabilities				
Deferred employee benefits	**43,592**		45,546	
Provisions	**13,988**		14,224	
Provision associates	**-**		7,259	
Deferred tax liabilities	**11,628**		13,285	
Subordinated loans	**10,000**		-	
Non-current liabilities	**150,044**		112,010	
Total non-current liabilities		**229,252**		**192,324**
Current liabilities				
Trade payables	**335,826**		384,558	
Amounts owed to credit institutions	**92,301**		88,124	
Work in progress	**338,194**		199,665	
Corporate income tax payable	**7,474**		7,798	
Provisions	**3,543**		9,645	
Other current liabilities	**412,194**		378,232	
Total current liabilities		**1,189,532**		**1,068,022**
Total equity and liabilities		**1,661,346**		**1,467,301**

CONSOLIDATED STATEMENT OF INCOME

(in thousands of euros)	**2015**	**2014**
Revenue	**2,305,607**	2,136,835
Other operating income	**1,887**	738
Total operating income	**2,307,494**	**2,137,573**
Project costs of third parties	**(1,246,830)**	(1,123,933)
Staff costs	**(785,069)**	(800,474)
Other operating expenses	**(186,867)**	(196,851)
Depreciation	**(49,246)**	(48,615)
Total operating expenses	**(2,268,012)**	**(2,169,873)**
Operating profit	**39,482**	**(32,300)**
Finance revenue	**5,850**	2,697
Finance costs	**(24,517)**	(12,238)
Net finance revenue/(costs)	**(18,667)**	(9,541)
Share in profit after taxes of associates	**3,402**	4,130
Profit before taxes	**24,217**	**(37,711)**
Income tax	**(4,973)**	12,562
Net profit for the year	**19,244**	**(25,149)**
Attributable to:		
Shareholders of the parent company	**18,088**	(26,938)
Non-controlling interests	**1,156**	1,789

EARNINGS PER SHARE (in euros)

Net earnings per share attributable to equity holders of the parent company (basic and diluted)	0.31	(0.47)
Average number of shares outstanding	58,408,124	56,878,147

CONSOLIDATED STATEMENT OF CASH FLOWS (in thousands of euros)	2015		2014	
Profit after taxes	19,244		(25,149)	
Non-cash movements:				
Profit/(loss) of associates	(3,402)		(4,130)	
Corporate income tax	4,973		(12,562)	
Finance revenue and costs	18,667		9,541	
Depreciation and amortization	49,246		48,615	
Result on sale of PPP-projects	(1,310)		(639)	
Result on sale of fixed assets	-		(80)	
Result on sale of associates	(52)		-	
Badwill business combination	(1,741)		-	
Result on deconsolidation business combination	-		3,343	
Change in provisions	5,952		(1,164)	
Cash flow from operating activities before changes in working capital	91,577		17,775	
Changes in working capital:				
Trade payables	(58,880)		72,733	
Other current liabilities	15,288		11,047	
Inventories	3,930		919	
Work in progress	38,977		78,598	
Trade receivables	10,963		(20,679)	
Other receivables and prepayments and accrued income	(35,129)		(97,014)	
Change in working capital	(24,851)		45,604	
Dividend received from associates	2,961		3,712	
Interest received	5,847		2,619	
Income tax paid	(8,546)		(13,104)	
	(24,589)		38,831	
Cash flow from operating activities		66,988		56,606
Investments in intangible assets	(1,050)		(2,458)	
Investments in property, plant and equipment	(20,944)		(28,161)	
Investments in investment property	(184)		-	
Investments in associates	(2,943)		(4,227)	
Investments in consolidated companies	(1,848)		2,700	
Disposal of consolidated companies	-		(679)	
Disposal of property, plant and equipment	1,141		1,025	
Disposal of associates	3,781		776	
Change in other financial non-current assets	(2,732)		(1,984)	
Cash flow from investing activities		(24,779)		(33,008)
Drawings subordinated loans	10,000		-	
Drawings loans	23,457		13,886	
Repayments loans	(5,419)		(7,508)	
Other changes	(1,675)		(476)	
Interest paid	(22,057)		(12,548)	
Issue of shares	10,000		-	
Cash flow from financing activities		14,306		(6,646)
Net cash flow		56,515		16,952
Balance of cash and cash equivalents at January 1st		76,297		59,799
Exchange differences on cash and cash equivalents		9,085		(454)
Balance of cash and cash equivalents at December 31st		141,897		76,297

For further information, please contact:

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About Oranjewoud N.V.

Oranjewoud N.V., top holding of Strukton Groep and Antea Group, is a listed enterprise encompassing companies operating both nationally and internationally. The companies belonging to Oranjewoud N.V. operate in the areas 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 N.V. is listed on the official Euronext N.V. stock exchange in Amsterdam and is 95.70% owned by Sanderink Investments B.V. It employs around 10,000 people with a total revenue of over € 2.3 billion in 2015.