

- Press release -

Oranjewoud N.V. 2019 semi-annual report

Stable profit and modest increased revenue

- Revenue from contracts with customers increased to € 1,041.8 million (2018: € 1,005.2 million)
- Operating profit (Ebitda) € 50.4 million (2018: € 27.1 million)
- Net profit € 6.8 million (2018: € 6.9 million)
- Backlog € 3.4 billion (2018: € 3.4 billion)
- Solvency 16.9% (end of 2018: 17.5%)
- Effect of application of IFRS 16 on Ebitda up to and including June 2019 € 19.0 million increase

Key figures

	2019	2018
Results (in millions of euros)	Halfyear	Halfyear
Revenue from contracts with customers	1,041.8	1,005.2
Ebitda	50.4	27.1
Amortization	4.4	5.4
Net profit	6.8	6.9
Net profit attributable to shareholders of Oranjewoud	6.7	5.7
Employees (headcount)		
Number at end of first halfyear	10308	10174
Backlog (in millions of euros)		
Total at end of the first halfyear	3,411.5	3,412.1
Equity (in millions of euros)	June 30, 2019	December 31, 2018
Equity (E)	308.9	285.4
Total assets (TA)	1,824.6	1,629.3
E/TA	16.9%	17.5%

These figures are extracted from the administration of Oranjewoud N.V. and are unaudited.

General

Oranjewoud N.V., top holding of Strukton Groep and Antea Group, is a listed enterprise encompassing companies that operate both nationally and internationally. The companies that are part of Oranjewoud N.V. are active in the fields of civil infrastructure, rail systems, technology and buildings, environment, spatial planning, 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. (Oranjewoud) is a leading partner in the development and application of sustainable and integral solutions for all facets of the environment in which we live, work, play and travel. Oranjewoud N.V. has pinpointed four strategic growth sectors for the medium to long term – environment, water, infrastructure, and spatial planning.

On Friday February 15, 2019, we were surprised by a raid of the offices of Strukton Groep by the Dutch Fiscal Intelligence and Investigation Service (FIOD), who were acting on a suspicion of corruption and forgery of documents in landing a contract for the Riyadh subway project. We maintain that there was no need whatsoever for this raid, and that it was conducted without any kind of preparation. Strukton Groep would happily have provided the information obtained through the raid. The exact reason behind the Fiscal Intelligence and Investigation Service's raid remains unclear. We are fully prepared to cooperate with the Fiscal Intelligence and Investigation Service in any way as may be required and to disclose the full state of affairs. Immediately after the raid, we launched an internal investigation. The list of all information confiscated by the Fiscal Intelligence and Investigation Service has been reviewed for indicators of irregularities. This review did not reveal any indications of non-compliance with applicable legislation and regulations.

After a careful process, the auditor issued an unqualified audit opinion on the financial statements 2018 of Oranjewoud N.V. on 12 September 2019. The key points of the audit, including the risk of non-compliance with applicable laws and regulations in the context of the agent contract in relation to the metro project in Riyadh, were discussed with the supervisory board and described in the auditor's report as included in the 2018 annual report. No findings emerged from the audit that indicate non-compliance with applicable laws and regulations.

Revenue and profit

Oranjewoud N.V. aims its activities at five segments.

Consulting and Engineering Services	Half year	Half year
(in millions of euros)	2019	2018
Revenue from contracts with customers	211.6	202.0
Ebitda	17.5	11.3
Backlog	268.6	271.5
Number of employees (half year end)	3251	3156

In the first half of 2019 the segment **Consulting and Engineering Services** (Antea Group) (the Netherlands, Belgium, France, Spain, Poland, the United States, Brazil and India) has improved the good performance of the first half of 2018. This applies to both the revenue and the Ebitda result, also before the IFRS 16 effect. This improvement was particularly noticeable in the European country organizations and in the United States. The backlog is well filled.

Railsystems	Half year	Half year
(in millions of euros)	2019	2018
Revenue from contracts with customers	351.6	336.8
Ebitda	16.3	17.0
Backlog	1,641.7	2,023.1
Number of employees (half year end)	3849	3793

Revenues in the **Rail Systems** segment increased slightly compared to the comparable period of the previous year. This is mainly due to a higher production volume in Italy and Sweden. The Ebitda realized, also cleared from the impact of IFRS 16, decreased compared to the previous financial year due to a lower result on maintenance contracts in the Netherlands. The decrease in the order portfolio is mainly the result of the relatively high order

portfolios in Italy and Sweden in 2018. The relatively high production volumes in these countries in 2019 lead to a decrease in the backlog.

Civil infrastructure	Half year	Half year
(in millions of euros)	2019	2018
Revenue from contracts with customers	258.9	255.8
Ebitda	9.2	-3.7
Backlog	608.1	456.2
Number of employees (half year end)	1256	1267

In the **Civil infrastructure** segment, revenues are in line with the comparable period of last year. The progress of the metro project in Riyadh is still going according to plan. The performance of both the regions and the major projects has improved, so that the operating result, also offset by the impact of IFRS 16, is higher than in 2018. The backlog of the Civil Infrastructure segment is well filled.

Technology and Buildings	Half year	Half year
(in millions of euros)	2019	2018
Revenue from contracts with customers	186.3	180.3
Ebitda	6.7	2.4
Backlog	850.6	623.9
Number of employees (half year end)	1772	1733

In the **Technology and Buildings** segment the revenues in the first half of 2019 are slightly higher than in 2018. The backlog is well filled. The operating result, also offset by the impact of IFRS 16, is slightly above the level of the first year of 2018.

Other	Half year	Half year
(in millions of euros)	2019	2018
Revenue from contracts with customers	33.4	30.3
Ebitda	0.7	0.1
Backlog	42.5	37.3
Number of employees (half year end)	180	225

The Other segment consists of Sports, Temporary Staff and Others. The increase of the revenue, the Ebitda and the backlog is realized by Sports.

Seasonal effects

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

Balance sheet and cash flows

The solvency at the end of the first half year 2019 is 16.9%. At the end of 2018 the solvency was 17.5%. This difference is caused by the implementation of IFRS 16. The cash flows and cash position are in line with expectations.

Financing

Per June 30, 2019 Oranjewoud N.V. and Strukton Groep N.V. are compliant with respect to the covenants agreed with the banks.

Risks

The description of the main risks is included in the annual report 2018. The projections in this semi-annual statement are the same as those used in the preparation of the consolidated financial statements for the financial year 2018.

Outlook

The Board of Oranjewoud N.V. does not make statements with respect to revenues or profit for the whole financial year 2019.

Declaration of the board

This semi-annual report was not subjected to a review by an auditor.

The Board declares that, to the best of its knowledge:

- this 2019 semi-annual report gives a true and fair view of the assets, liabilities, financial position and profit or loss of Oranjewoud N.V. and its consolidated companies;
- this semi-annual report issued by the Board of Directors gives a fair view of the information pursuant to section 5:25d, subsection 8 and 9, of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*).

On behalf of the Board of Directors

Mr. G.P. Sanderink
September 27, 2019

ABBREVIATED CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
(in thousands of euros)			
	30-06-2019 *) +)	31-12-2018	
Non-current assets			
Intangible assets (1)	74,649	78,160	
Property, plant and equipment (2)	168,800	170,252	
Right-of-use assets	118,745	-	
Investment property	4,901	4,950	
Associates	41,120	40,535	
Other financial non-current assets (3)	64,668	61,683	
Deferred tax assets	50,065	49,710	
		522,948	405,290
Current assets			
Inventories	28,692	27,613	
Receivables (4)	975,462	920,397	
Cash and cash equivalents (5)	297,527	275,950	
		1,301,681	1,223,960
Total assets		1,824,629	1,629,250
Equity attributable to equity holders of the parent company	308,949	285,388	
Non-controlling interests	1,586	41,727	
Total equity (6)		310,535	327,115
Non-current liabilities			
Deferred employee benefits	58,208	58,889	
Provisions	41,066	41,809	
Deferred tax liabilities	6,862	6,002	
Lease liabilities	81,990	-	
Subordinated loans (7)	11,000	1,000	
Non-current liabilities (7)	245,461	217,079	
Total non-current liabilities		444,587	324,779
Current liabilities			
Trade payables	300,105	319,977	
Amounts owed to credit institutions	162,838	62,325	
Work in progress	258,852	242,756	
Corporate income tax payable	6,607	10,890	
Provisions	15,375	29,125	
Lease liabilities	37,177	-	
Other current liabilities (8)	288,553	312,283	
Total current liabilities		1,069,507	977,356
Total equity and liabilities		1,824,629	1,629,250
*) Unaudited.			
+) Due to the implementation of IFRS 16 the rows 'Right-of-use assets' and 'Lease liabilities' are included in the statement of financial position. For a detailed explanation on the impact of IFRS 16 Lease accounting see the Accounting policies.			

CONSOLIDATED STATEMENT OF INCOME			
(in thousands of euros)			
		2019 +)	2018
For the first halfyear: *)			
Revenue from contracts with customers		1,041,841	1,005,170
Other operating income		151	29
Total operating income (10)		1,041,992	1,005,199
Project costs of third parties		(492,490)	(476,653)
Added value		549,502	528,546
Staff costs		(416,605)	(410,394)
Other operating expenses		(82,473)	(91,096)
Depreciation (12)		(36,543)	(18,803)
Total operating expenses		(535,621)	(520,293)
Operating profit		13,881	8,253
Finance revenue (13)		1,911	2,072
Finance costs (13)		(6,745)	(4,353)
Net finance revenue/(costs) (13)		(4,834)	(2,281)
Share in profit of associates		2,889	3,836
Profit before taxes		11,936	9,808
Income tax (14)		(5,092)	(2,877)
Net profit for the year		6,844	6,931
Attributable to:			
Equity holders of the parent company		6,662	5,698
Non-controlling interests		182	1,233
EARNINGS PER SHARE (in euros)			
Net earnings per share attributable to equity holders of the parent company (basic and diluted)		0.11	0.09
Average number of shares outstanding		62,872,869	62,872,869
*) Unaudited.			
+) The staff costs, the other operating expenses, the depreciation and the finance costs for the first halfyear 2019 have been influenced by the application of IFRS 16 Lease accounting.			
For a detailed explanation on the impact of IFRS 16 see the Accounting policies.			

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME					
(in thousands of euros)					
For the first halfyear: *)			2019		2018
Profit after taxes			6,844		6,931
Unrealized gains and losses	note 6		15,748		-
<u>Other comprehensive income to be reclassified to profit and loss in future periods</u>					
Currency translation differences			1,151		(937)
Income tax			-		-
			1,151		(937)
Other comprehensive income to be reclassified to profit and loss in future periods			1,151		(937)
Total comprehensive income after taxes			23,743		5,994
Attributable to:					
Equity holders of Oranjewoud			23,561		4,761
Non-controlling interests			182		1,233
Total comprehensive income after taxes			23,743		5,994
*) Unaudited.					

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY										
(in thousands of euros)										
Total equity	Attributable to equity holders of the parent company								Non-controlling interests	Total
	Issued share capital	Share premium	Translation differences reserve	Hedge-reserve	Actuarial reserve	Retained earnings	Profit for the financial year	Total capital and reserves		
Balance at December 31, 2017	6,287	201,896	4,933	(1,861)	(12,740)	74,639	38,111	311,265	37,475	348,740
Adjustment IFRS 15	-	-	-	-	-	(1,140)	(30,419)	(31,559)	-	(31,559)
Balance at January 1, 2018	6,287	201,896	4,933	(1,861)	(12,740)	73,499	7,692	279,706	37,475	317,181
Retained earnings for 2017	-	-	-	-	-	7,692	(7,692)	-	-	-
Subtotal	6,287	201,896	4,933	(1,861)	(12,740)	81,191	-	279,706	37,475	317,181
Profit for the financial year	-	-	-	-	-	-	5,698	5,698	1,233	6,931
Unrealized gains and losses	-	-	(937)	-	-	-	-	(937)	-	(937)
Total comprehensive income after taxes	-	-	(937)	-	-	-	5,698	4,761	1,233	5,994
Other changes	-	-	-	-	-	-	-	-	534	534
Balance at June 30, 2018 *)	6,287	201,896	3,996	(1,861)	(12,740)	81,191	5,698	284,467	39,242	323,709
Balance at January 1, 2019	6,287	201,896	3,920	(3,446)	(15,379)	81,191	10,919	285,388	41,727	327,115
Retained earnings for 2018	-	-	-	-	-	10,919	(10,919)	-	-	-
Subtotal	6,287	201,896	3,920	(3,446)	(15,379)	92,110	-	285,388	41,727	327,115
Profit for the financial year	-	-	-	-	-	-	6,662	6,662	182	6,844
Unrealized gains and losses	-	-	1,151	-	-	15,748	-	16,899	-	16,899
Total comprehensive income after taxes	-	-	1,151	-	-	15,748	6,662	23,561	182	23,743
Other changes	-	-	-	-	-	-	-	-	(40,323)	(40,323)
Balance at June 30, 2019 *)	6,287	201,896	5,071	(3,446)	(15,379)	107,858	6,662	308,949	1,586	310,535

*) Unaudited.

CONSOLIDATED STATEMENT OF CASH FLOWS				
(in thousands of euros)				
For the first halfyear: *)		2019 +)		2018
Profit after taxes		6,844		6,931
Non-cash movements:				
Profit/(loss) of associates		(2,889)		(3,836)
Corporate income tax		5,092		2,877
Finance revenue and costs		4,834		2,281
Depreciation and gain on sale of property, plant and equipment		36,543		18,803
Change in provisions		92		10,282
Cash flow from operating activities before changes in working capital		50,516		37,338
Changes in working capital:				
Trade payables		(19,061)		(32,390)
Other current liabilities		(42,899)		(60,796)
Inventories		(1,079)		(1,816)
Work in progress		(95,471)		(74,329)
Trade receivables		36,816		35,371
Other receivables and prepayments and accrued income		26,279		20,287
Change in working capital		(95,415)		(113,673)
Received dividends of associates		2,811		-
Interest received		1,356		1,666
Interest leases paid		(897)		-
Income tax paid		(5,263)		(4,046)
		(97,408)		(116,053)
Cash flow from operating activities			(46,892)	(78,715)
Investments in intangible assets		(933)		(895)
Investments in property, plant and equipment		(10,565)		(15,649)
Investments of associates		(545)		-
Expansion interest special purpose company		-		99,531
Investments in consolidated companies		(22,853)		(2,153)
Disposal of property, plant and equipment		(199)		774
Disposal of associates		(4,878)		1,495
Change in other financial non-current assets		1,933		1,202
Cash flow from investing activities			(38,040)	84,305
Drawings subordinated loans		10,000		-
Drawings loans		22,018		18,382
Repayments loans		(1,864)		(41,068)
Leases paid		(18,323)		-
Interest paid		(6,496)		(4,405)
Cash flow from financing activities			5,335	(27,091)
Net cash flow			(79,597)	(21,501)
Balance of cash and cash equivalents at January 1			253,625	163,281
Exchange differences on cash and cash equivalents			661	2,392
Balance of cash and cash equivalents at June 30	note 5		174,689	144,172
*) Unaudited.				
+) In the cash flow from financing activities the leases paid related to the lease liabilities are included. For a detailed explanation on the impact of IFRS 16 Lease accounting see the Accounting policies.				

ACCOUNTING POLICIES

General information

Oranjewoud N.V. is a public limited liability company established under Dutch law in the Netherlands in Gouda, Antwerpseweg 8, and registered in the Dutch Trade Register under number 29030061. The shares of the company are listed on the official market of Euronext N.V. in Amsterdam. Sanderink Investments B.V. holds 98.20% of the shares in Oranjewoud N.V. Sanderink Investments B.V. is wholly owned by Gerard Sanderink's Stichting Administratiekantoor Sanderink Investments.

The semi-annual report 2019 was drawn up on September 27, 2019 by the Board of Directors and approved by the Supervisory Board.

Basis of preparation

The semi-annual report is a summary and does not contain all the information and explanatory notes found in the annual financial statements. It should therefore be read in conjunction with the 2018 financial statements. The semi-annual figures are given in euro's, which is the organization's functional currency.

The semi-annual report was prepared in accordance with the International Financial Reporting Standards (IFRS) as approved by the European Union. The same principles were applied in the preparation of this interim report as were applied in the 2018 financial statements, with the exception of changes due to new and/or amended standards applied on or after January 1, 2019. The 2018 financial statements, which provide a thorough treatment of these principles, are available on our website (www.oranjewoudnv.nl). The 2019 semi-annual report has been prepared in accordance with IAS 34 'Interim Financial Reporting'.

New accounting policies applied with effect as of January 1, 2019

On Tuesday, January 1, 2019, IFRS 16 'Lease accounting' came into effect, replacing the current standard, IAS 17, and all associated interpretations. The Group will use the modified retrospective approach, using practical exceptions and with comparative information not being restated.

In addition adjustments and changes of existing policies and interpretations effective as of January 1, 2019 are without significant consequences for the semi-annual financial report.

IFRS 16 Lease accounting

IFRS 16 in particular has major consequences for the balance sheet and the Ebitda result. Operational lease- and rental agreements that were not recognized in the balance sheet under the old standard must be recognized in the balance sheet based on IFRS 16. On the assets side of the balance sheet the item 'Right-of-use assets' appears and on the credit side the item 'Lease liabilities' of a comparable size. Because these items are significant, they are shown separately on the balance sheet. The presentation of operating leases and rentals changes in the profit and loss account. Within the operating result, there is a shift from operational costs to depreciation and financial charges.

The Group applies IFRS 16 to a limited extent retroactively from January 1, 2019. This means, among other things, that the comparative figures 2018 have not been adjusted and that the effects of IFRS 16 have been incorporated in the opening balance sheet for 2019. The Group has used the following practical applications permitted under IFRS 16:

- When first applied the Group has not reassessed whether a contract is or contains a lease agreement. In stead IFRS 16:
 - has been applied on contracts that were previously classified as lease agreement in accordance with IAS 17 and IFRIC 4;
 - has not been applied on contracts that were previously not classified as lease agreement in accordance with IAS 17 and IFRIC 4.
- All lease obligations are initially calculated on the basis of the applicable marginal interest rate on January 1, 2019. This marginal interest rate is determined per portfolio of leases with similar characteristics. The marginal interest rate used is 1.3 to 5.1% depending on the useful life of the asset corresponding to a right-of-use.
- The carrying amount of the asset items recognized with the rights-of-use is initially set equal to the obligation of the relevant rights-of-use.
- Leases with a remaining term of less than 12 months on initial application are not included.

Below is a summary of the new accounting policies as a result of the application of IFRS 16.

Rights-of-use of leased assets

The Group recognizes an asset corresponding to the right-of-use on the commencement date (the date on which the underlying asset is available for use). The right-of-use is valued at cost, less depreciation and impairment and adjusted for any revaluations of the lease obligation. The cost price consists of the recognized amount of the lease obligation, initial direct costs and lease payments made before the commencement date, less lease incentives received. Unless the Group is reasonably certain that it will acquire ownership of the underlying asset at the end of the lease term, the right-of-use is amortized on a straight-line basis from the start date to the earliest of the following two moments: the end of the useful life or the end of the lease period. Rights-of-use are assessed for impairment.

Lease obligations

At the commencement date of the lease, the Group values the obligation at the present value of the lease payments that were not made on that date. These lease payments include fixed lease payments minus yet to be received lease incentives, variable lease payments that depend on an index or interest rate and amounts that are expected to be due under residual value guarantees. The lease payments also include the exercise price of a purchase option if it is reasonably certain that the Group will exercise this option. The lease payments also include the fines for terminating the lease if the lease period reflects the exercise by the Group of an option to terminate the lease agreement. Variable lease payments that do not depend on an index or interest rate are recognized as an expense in the period in which the event or circumstance that gives rise to these payments occurs.

When calculating the present value of the lease payments, the Group uses the marginal interest rate if the implicit interest rate of the lease cannot be easily determined. After the starting date, the obligation is increased with interest and decreased with the lease payments made. The Group revalues the liability if there is a change in the lease agreement, an adjustment to the lease period, a revision of an essentially fixed lease payment or a change in the assessment of whether a purchase option will be used.

Non-lease components are not included if easily determined and of significant size

Non-lease components, in particular amounts for maintenance and fuel included in lease installments, are not included if these amounts are easy to determine and are significant. In practice, this applies to the non-lease payments for passenger cars and rental properties. For the other leases, the practical solution is used to treat the non-lease components in the same way as lease components.

Short-term leases and leases with a low value of the underlying asset are not recognized

The Group uses the practical solution not to recognize leases that have been entered into for a short duration (lease period less than 12 months and no purchase option), which also applies to leases for which the new value of the underlying asset is low (less than € 5,000). The lease installments for these leases are recognized in operating expenses on a time-proportionate basis during the lease period.

Lease period

The lease period relates to the non-cancellable period of the lease, together with the periods covered by an option for extension if it is reasonably certain that the Group will exercise this option and periods covered by a termination option if it is reasonably certain that the Group will not exercise this option.

The Group includes all relevant factors that lead to an economic benefit in assessing the extent to which it is reasonably certain that an extension option will be exercised.

The effects of applying IFRS 16 to the balance sheet as at January 1, 2019 are as follows:

Amounts in millions of euros	01-01-2019		
	Before IFRS 16	Effect IFRS 16	After IFRS 16
Intangible assets	78.2		78.2
Property, plant and equipment	170.3		170.3
Right-of-use assets	0.0	133.7	133.7
Investment property	5.0		5.0
Associates	40.5		40.5
Other financial non-current assets	61.7		61.7
Deferred tax assets	49.7		49.7
Non-current assets	405.3	133.7	539.0
Total current assets	1,224.0		1,224.0
Total assets	1,629.3	133.7	1,762.9
Equity	285.4		285.4
Non-controlling interests	41.7		41.7
Total equity	327.1		327.1
Deferred employee benefits	58.9		58.9
Provisions	41.8		41.8
Deferred tax liabilities	6.0		6.0
Lease liabilities	0.0	96.3	96.3
Subordinated loans	1.0		1.0
Non-current liabilities	217.1		217.1
Total non-current liabilities	324.8	96.3	421.1
Trade payables	320.0		320.0
Amounts owed to credit institutions	62.3		62.3
Work in progress	242.8		242.8
Corporate income tax payable	10.9		10.9
Provisions	29.1		29.1
Lease liabilities	0.0	37.4	37.4
Other current liabilities	312.3		312.3
Total current liabilities	977.4	37.4	1,014.7
Total equity and liabilities	1,629.3	133.7	1,762.9

The commitments included in the notes to the 2018 consolidated financial statements for rental and operational lease agreements amounted to € 152.1 million. In the balance sheet as at January 1, 2019, the liability is lower, in particular due to the non-inclusion of non-lease components in the lease terms for passenger cars. In addition, discounting future lease installments also leads to a lower amount to be withdrawn.

The effects of applying IFRS 16 to the income statement up to and including June 2019 are as follows:

Amounts in millions of euros	up to and including June 2019		
	Before IFRS 16	Effect IFRS 16	After IFRS 16
Total operating income	1,042.0		1,042.0
EBITDA	31.4	19.0	50.4
Operating profit (EBIT)	13.4	0.5	13.9
Net finance revenue/(costs)	-3.9	-0.9	-4.8
Share in profit of associates	2.9		2.9
Profit before taxes	12.4	-0.4	11.9
Income tax	-5.2	0.1	-5.1
Net profit for the year	7.2	-0.3	6.8

The effects of IFRS 16 on the cash flow statement up to and including June 2019 are as follows:

Amounts in millions of euros	up to and including June 2019		
	Before IFRS 16	Effect IFRS 16	After IFRS 16
Operating profit	13.4	0.5	13.9
Non-cash movements:			
Depreciation	18.0	18.6	36.5
Change in provisions	0.1		0.1
Change in working capital	-92.8	0.2	-92.6
Cash flow from operating activities before paid interest and tax	-61.3	19.3	-42.1
Interest leases paid	0.0	-0.9	-0.9
Interest received	1.4		1.4
Income tax paid	-5.3		-5.3
Cash flow from operating activities	-65.2	18.4	-46.9
Cash flow from investing activities	-38.0		-38.0
Cash flow from financing activities	23.7	-18.3	5.3
Net cash flow	-79.6	0.0	-79.6

Risks and estimates

The preparation of this semi-annual report in accordance with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and of income and expenses. The estimates and associated assumptions are based on past experience and various other factors that are considered reasonable under the circumstances. The actual results may differ from these estimates. The estimates and underlying assumptions are constantly assessed. Revisions to estimates are recognized in the period in which the estimate is revised, or in future periods if the revision relates to future periods. The estimates in this semi-annual report are the same as those applied in the preparation of the consolidated financial statements for the financial year 2018. For the considerations regarding the application of the new standard IFRS 16, reference is made to the previous paragraphs.

Financial risk management

The Group has a strict policy that is aimed at limiting and controlling current and future risks as much as possible and minimizing the financial costs. This is achieved through general control measures, such as internal procedures and instructions and specific measures focusing on managing specified risks. The Group's financial risks mainly relate to interest rate risks, currency risks, credit risks and supplier risks. The risk of fluctuations in exchange rates and interest rates are partly hedged using various derivatives, as a result of which risks to which the primary financial instruments are subject are transferred to other contract parties. Interest rate and exchange risks are largely managed centrally. No speculative positions are taken. The manner in which these risks are hedged has not changed compared to year-end 2018.

Seasonal effects

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

1. Intangible fixed assets

Acquired participations generate cash flows either independently or with other components of the cash flows segment and are therefore defined internally as cash generating unit (CGU) either independently or together with these segment components. An impairment test is conducted on the capitalized goodwill once a year in accordance with IAS 36.

2. Tangible fixed assets

The first half of 2019 saw € 10.6 million in investments in tangible fixed assets (15.7 million in the first half of 2018) and € 0.3 million in disposals (first half of 2018: € 0.6 million). These disposals involved a total purchase value of € 3.3 million (first half of 2018: € 5.8 million).

3. Other financial non-current assets	Non-cur- rent recei- vables	Ppp- recei- vables	Invest- ments	Financial deri- vatives	Total
Carrying amount at December 31, 2017	27,617	2,159	2,950	385	33,111
Adjustments	-	-	(1,140)	-	(1,140)
Carrying amount at January 1, 2018	27,617	2,159	1,810	385	31,971
Acquisition of associates	-	31,956	-	-	31,956
Loans	5	-	-	-	5
Loan repayments	(1,391)	(443)	-	(371)	(2,205)
Accretion	-	817	-	-	817
Other changes	(1,305)	444	-	-	(861)
Carrying amount at December 31, 2018	24,926	34,933	1,810	14	61,683
Carrying amount at January 1, 2019	24,926	34,933	1,810	14	61,683
Loans	144	4,896	-	-	5,040
Loan repayments	(8)	(223)	-	(14)	(245)
Other changes	(1,810)	-	-	-	(1,810)
Carrying amount at June 30, 2019	23,252	39,606	1,810	-	64,668

The ppp receivables are outstanding payments arising from concession agreements in the Netherlands. The term of the various ppp receivables is approx. 25 years. The majority (of the sum of the receivables) has a term of over five years. Given the nature of the contracting parties the credit risk has been estimated at zero.

4. Receivables	30-06-2019	31-12-2018
Receivables from affiliated companies	-	8
Trade receivables	381,008	419,942
Work in progress	386,908	276,176
Income tax receivables	17,102	17,154
Taxes and social security	23,722	11,822
Other receivables	102,510	125,913
Prepayments and accrued income	64,212	69,382
	975,462	920,397

5. Cash and cash equivalents	30-06-2019	31-12-2018
Banks	297,483	275,884
Cash	44	66
	297,527	275,950
Amounts owed to credit institutions:		
Part of the cash management system of the Group	122,838	22,325
Not a part of the cash management system of the Group	40,000	40,000
	162,838	62,325
For the statement of cash flows:		
Cash and cash equivalents	297,527	275,950
Subtracting: amounts owed to credit institutions part of the cash management system of the Group	122,838	22,325
Balance of cash and cash equivalents	174,689	253,625

A market-based interest is paid on bank balances.

The sum of cash and cash equivalents includes bank balances, deposits and cash balances. Bank debts that are payable on demand and that constitute an integral part of the cash management system of the company are included in the cash and cash equivalents in the cash flow statements.

Liquid assets include cash from construction consortiums in the amount of € 172.6 million (2018: € 184.3 million) and cash received on blocked accounts in the amount of € 1.6 million (2018: € 1.0 million). This cash is not at the disposal of the company.

The funds included in construction consortiums relate to funds in joint ventures whereby it is contractually stipulated that the liquid assets may not be freely available. The cash received on blocked accounts mainly concerns the G-accounts within the framework of the Dutch Chain Liability Act (*Wet Ketenaansprakelijkheid*). The remaining liquid assets are entirely at free disposal.

6. Group equity

Equity capital attributable to parent company shareholders

Capital

On June 30, 2019 the authorized capital amounted to € 10,000,000, consisting of 100,000,000 A and B shares of € 0.10 each. The issued and paid capital amounted to 62,872,869 shares of € 0.10 each. On June 30, 2019 the issued capital consists of € 2,955,307 A shares and € 3,331,980 B shares. Unlike with A shares, no stock exchange listing has been requested for the B shares. There is no difference in terms of control or profit between the A shares and the B shares.

The articles of association of the company stipulate that the issue of shares takes place pursuant to a decision by management. The company may acquire fully paid-up shares, but only for no consideration. Acquisition other than for no consideration can only take place if the general meeting has authorized the board to do so.

Unrealized gains and losses

The increase of the unrealized gains and losses is largely due to the increase of Strukton Rail's stake in Costruzioni Linee Ferroviarie S.p.A.

Dividend

No dividend was paid on 2018.

Non-controlling interests

On January 16, 2019, Strukton Rail increased its stake in Italian railroad construction firm CLF Group (Costruzioni Linee Ferroviarie) from 60% to 100%. Strukton Rail acquired the remaining 40% of the shares from Unieco. Strukton Rail's stake in CLF dates back to 1998, and was increased to a majority stake in 2013. CLF Group is made up of CLF SpA, the UNIFER and S.I.F.EL subsidiaries, and the TES engineering firm. The amount recognized under non-controlling interests has fallen sharply for this reason.

7. Subordinated loans and non-current liabilities

Subordinated loans

The subordinated loans concerns loans granted by associated party Sanderink Investments B.V., with a term of 55 years. Early repayment is possible. Interest on the loan is payable at a rate of 5.0%.

Subordination applies to all obligations of the Group towards the lender (Sanderink Investments B.V.), ensuing from this subordinated loan in relation to all current and future receivables of Rabobank under the Rabobank Loan Agreement, both in cases of bankruptcy as suspension of payments on the part of the borrower.

Non-current liabilities	30-06-2019	31-12-2018
Total current and non-current liabilities	256,002	236,299
Less:		
Current portion of non-current liabilities	(10,541)	(19,220)
Non-current liabilities	245,461	217,079
Property, plant and equipment financing	498	477
Term loan	30,914	30,786
Debts financing real estate projects	1,766	1,852
Bankloans	37,106	9,914
Groupe IRH	429	579
Lease liabilities	2,711	1,638
Non-recourse Ppp-financing	172,030	171,826
Other non-current liabilities	7	7
	245,461	217,079

8. Other current liabilities	30-06-2019	31-12-2018
Repayment obligations	10,541	19,220
Debts to affiliated companies	106	1,332
Debts in respect of other		
taxes and contributions	67,354	74,707
Pension obligations	1,956	2,704
Other liabilities	116,383	119,167
Accrued liabilities	92,213	95,153
	288,553	312,283

The other debts and the accrued liabilities mainly consist of invoices to be received for completed work and accrued holiday pay and accrued leave.

9. Financial instruments

The main financial instruments of the Group include bank loans and credits and cash and cash equivalents. The Group also uses interest rate swaps and inflation swaps to hedge the interest and inflation risks arising from corporate and project financing. The main purpose of the financial instruments is to attract financing for the Group's operating activities. In addition there are various other financial fixed assets and liabilities, such as trade receivables and debts to suppliers, which arise directly from the operating activities. No derivatives or financial instruments are held for trading purposes.

All financial assets and liabilities with the exception of the ppp receivables, annuity loans and derivatives valued at fair value are valued in accordance with the category "loans and receivables" as referred to in IAS 39.

10. Segmented information

The distribution of revenue and profit/loss, as well as the balance sheet item distribution by company segment are as follows:

In millions of euros	Consulting and Engineering Services		Rail		Civil		Technology and Buildings		Other		Eliminations		Total	
For the first halfyear:	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue from projects	211.6	202.0	234.5	201.2	242.3	244.0	99.5	86.2	28.7	25.3			816.6	758.7
Revenue from secondment									4.7	5.0			4.7	5.0
Revenue from maintenance			114.8	133.4	1.3	0.2	86.8	87.7					202.9	221.3
Revenue from inventory					4.3	3.4							4.3	3.4
Revenue other			2.3	2.2	11.0	8.2		6.4					13.3	16.8
Revenue from contracts with customers (external)	211.6	202.0	351.6	336.8	258.9	255.8	186.3	180.3	33.4	30.3			1,041.8	1,005.2
Between segments	9.2	10.9	3.1	3.4	5.7	3.4	3.8	1.8	3.2	4.1	-25.0	-23.6		
Net profit	7.1	5.6	-1.4	5.9	3.0	-2.8	0.7	0.9	-2.6	-2.7			6.8	6.9
Total assets	390.1	319.4	714.9	738.5	444.4	360.0	419.1	230.3	-3.3	1.3	-140.6	-124.0	1,824.6	1,525.5

The geographical spread is as follows:

In millions of euros	The Netherlands		Italy		Sweden		Other Europe		US		South-America		Asia		Middle East		Total	
For the first halfyear:	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue from projects	503.4	463.0	67.2	56.4	27.5	9.4	110.9	101.1	35.0	32.4	1.7	1.0	1.2	1.5	69.7	93.9	816.6	758.7
Revenue from secondment	4.7	5.0															4.7	5.0
Revenue from maintenance	129.6	137.6			73.7	79.6	-0.4	4.1									202.9	221.3
Revenue from inventory	4.3	3.4															4.3	3.4
Revenue other	13.3	16.8															13.3	16.8
Revenue from contracts with customers (external)	655.3	625.8	67.2	56.4	101.2	89.0	110.5	105.2	35.0	32.4	1.7	1.0	1.2	1.5	69.7	93.9	1,041.8	1,005.2
Total assets	1,104.0	894.8	264.7	248.9	114.0	123.1	207.9	167.3	34.8	37.5	4.7	0.8	0.3	3.7	94.2	49.4	1,824.6	1,525.5

11. Related parties

Sanderink Investments B.V., with its participations is identified as a related party. Oranjewoud N.V. is owned for 98.20% by Sanderink Investments B.V. Sanderink Investments B.V. is 100% owned by Stichting Administratiekantoor Sanderink Investments of Gerard Sanderink. The related parties of the Group comprise the associates and joint ventures, the directors and other related parties.

Related party purchases are procured at normal market prices and comprise IT-related purchases in the normal course of business of both Oranjewoud N.V. and the other companies that are part of the Group. The total sum of these purchases amounts to € 1.9 million in the first half of 2019 (first half 2018: € 3.3 million). At June 30, 2019 the balance of outstanding receivables and liabilities resulting from transactions with Sanderink Investments B.V. amounted to a debt of € 0.1 million (on December 31, 2018: a debt of € 1.3 million).

Outstanding balances as at the half-year end are not covered by collateral securities, are not interest bearing and will be settled in cash. Current account relationships with related parties abroad are interest bearing, with an interest that deviates slightly from the prevailing variable market rate. No guarantees have been offered or received for receivables from or liabilities to related parties.

Additionally, on June 30, 2019 there are subordinated loans by Sanderink Investments B.V. of € 11 million (December 31, 2018: € 1 million).

12. Depreciation

Depreciation consists of depreciations on intangible fixed assets (amortization) and depreciations on tangible fixed assets. As a result of the implementation of IFRS 16, there is a substantial depreciation component this year in relation to right-of-use assets. The structure of depreciation costs is as follows:

	2019	2018
Intangible fixed assets (amortization)	4,444	5,412
Tangible fixed assets	13,535	13,391
Right-of-use assets	18,564	-
	36,543	18,803

13. Finance revenue and costs		2019	2018
<u>Finance revenue:</u>	Interest income	1,537	1,553
	Exchange gains	374	519
		1,911	2,072
<u>Finance costs:</u>	Interest expense for bank debt and affiliated companies	(5,838)	(4,139)
	Interest costs leases	(898)	-
	Exchange losses	(9)	(214)
		(6,745)	(4,353)
Total finance revenue and costs		(4,834)	(2,281)

14. Taxation

The reported corporate income tax differs from the amount that theoretically would have been due if the nominal tax rate had been applied. The difference in tax burden is mainly explained by a correction in Sweden of € 0.9 million, € 0.3 million withholding tax at Civiell International and the higher tax burden in Italy (approx. € 0.3 million).

15. Subsequent events

There are no subsequent events.

SHAREHOLDER INFORMATION

Dutch Disclosure of Major Holdings Act (*Wet Melding Zeggenschap*)

Up to and including June 30, 2019 the following notification of share ownership has been received:

- Sanderink Investments B.V. 98.20%

Sanderink Investments B.V. is 100% owned by Gerard Sanderink's Stichting Administratiekantoor Sanderink Investments.

Transaction summary issued share capital

As of June 30, 2019 and December 31, 2018 the authorized share capital consisted of 100,000,000 ordinary shares of € 0.10 each.

	2019	2018
Balance at January 1	62,872,869	62,872,869
Dividend	-	-
Balance at June 30	62,872,869	62,872,869
Changes second halfyear		-
Balance at December 31		62,872,869

NOT INTENDED FOR PUBLICATION

For further information:

Oranjewoud N.V.

Telephone: + 31 (0)36 530 81 91

email: ir@oranjewoudnv.nl

About Oranjewoud N.V.

Oranjewoud N.V., the 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, railsystems, technology and buildings, the environment, spatial development and water. 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 NV stock exchange in Amsterdam and is 98.20% owned by Sanderink Investments B.V. It employs around 10,000 people with a total revenue from contracts with customers of € 2.3 billion in 2018.

For further information, please visit www.oranjewoudnv.nl