

Annual General Meeting of Shareholders

15 April 2015

Bert van der Els, Executive Board Heijmans N.V.



Heijmans ONE



“Heijmans: Poor 2nd half 2014, order book and housing market offer good prospects”

Challenging market requires continuous improvement and innovation

2014 - Highlights

Less revenues and negative results

- **Infra:**
 - Poor operational results in The Netherlands;
 - Negative impact from surprising outcome arbitration case “Energiefabriek Tilburg”;
 - Reduction capacity in Germany;
 - Good results in Belgium;
- **Non-residential: Stable development projects. Reduction capacity Technical solutions;**
- **Residential: Recovery housing market continues, 1347 houses sold (+25%);**
- **Overall, strong increase order book towards € 2,3 billion;**
- **2014 Annual report: *Integrated reporting* brings combination of financial and non-financial accomplishments.**

2014 - Highlights

- Revenues at € 1,9 billion, decrease 7% versus 2013;
- Underlying operational result: € 12 mio negative (impact “Energiefabriek” € 11 mio);
- Impact on net results from:
 - Value adjustment of real estate assets (mainly outside the ‘Randstad’ area)
 - Restructuring – over 350 jobs involved
- Safety and sustainability are integrated in the business. Improvement visible for e.g.:
 - Injury frequency rate down (5,6 in 2014 versus 6,1 in 2013)
 - CO₂ emissions decreased with 15% versus 2013
- Solvency ratio solid at 27%. Year-end Net cash (recourse);
- Taking into account the 2014 results, no dividend pay-out on (certificates of) ordinary shares.

2014 – Results per sector

Underlying operating result x € 1 million	2014	2013
Property development	4	1
<i>Residential - Netherlands</i>	<i>0</i>	<i>-3</i>
<i>Residential - Belgium</i>	<i><u>2</u></i>	<i><u>0</u></i>
Residential - Total	2	-3
Non-residential	0	2
<i>Infra - Netherlands</i>	<i>-22</i>	<i>16</i>
<i>Infra - Belgium</i>	<i>11</i>	<i>13</i>
<i>Infra - Germany</i>	<i><u>2</u></i>	<i><u>6</u></i>
Infra - Total	-9	35
Corporate/other	-9	-12
underlying operating result	-12	23

2014 – Solid financial base

- **Solvency ratio ultimo 2014 at 27%;**
- **No (recourse) net debt as per year-end 2014;**
- **Compliant with bank covenants as per 31 December 2014;**
- **Agreement reached with banks for mid 2015 covenants:**
 - Amendment of the calculation, where negative impact Energiefabriek due to arbitrage outcome, will be excluded as an “exceptional item”
- **As presented in previous AGM (April 2014), intent to buy back up to 40% of the cumulative preference shares. E.g. via a ‘sub-10’ issue.**

Markets

Challenging market requires us to improve and renew.

Surplus capacity and fragmentation put persistent pressure on results and organisation;

Dutch Infra market still very fragmented:

- Several suppliers and little selective behaviour of both client and supplier regarding size & complexity of projects;
- Increase of contracts in PPP and Design & Construct format;
- Change from “Reasonable and Fair” towards “Strictly as to Contract”.

Clear recovery Dutch housing market in specific regions: Private buyers more active;

Niche markets for Non-residential are stable: Health care, Government, Laboratories.

Improve

Focus on Quality, Efficiency and Knowledge

- Heijmans program *'Improve the Core'* regarding:
 - Commerce;
 - Tender management
 - Project Management
 - Procurement
- Safety
- Fit for Cash (working capital)
- Uniform ERP platform

Integrated approach with a Centralised organisation

Improve

- **Additional measures Infra Netherlands**
 - Differentiated pricing for opportunities & risks
 - Process optimization on design & preparation phase
 - Tighter control on 'go/no-go' decisions, with additional focus on projects in start-up
 - Improve control and management of the organisation and the larger projects
- **Firm restructuring and adaption of capacity for Non-residential, Civil Engineering and Oevermann.**

Innovation - Ambitions

- *Our products generate energy*
- *Our buildings and infra projects are 100% Recyclable*
- *Our solutions provide improved spatial quality.*

Organisation: - Chief Technology Officer (CTO)

Cooperation:

- SHELL (Greenway LE)
- DSM (Composite Bridge and Sluice parts)
- Studio Roosengarde (Smart Highway)
- ECN (Solar Noise Barrier)

SPARK:

- Open innovative Centrum for Construction
- TuE, Avans, Province Brabant and City of Den Bosch

Innovation - examples

- **Glowing Lines**
- **Van Gogh bicycle path**
- **Greenway LE**
- **Brainjoint**
- **Solar noise barrier**
- **Hydrofit**
- **Heijmans ONE**
- **Hydrea Thermpipe**
- **B5 (Brabant/Utrecht)**
- **3D Façade breaking bath**
- **Bikescout**



Wijnhavenkwartier – The Hague



Heijmans Huismerk – Waalwijk

A4 Delft - Schiedam





**Liefkenshoek railway connection –
Antwerp**

Management & Maintenance of Ministeries





National Military Museum

Prospects

- **Recovery of the Dutch housing market to continue;**
- **Order book provides perspective with projects such as:**
 - N23 Motorway
 - A9 Motorway
 - A12 Motorway
 - RIVM Building
 - EuroJust Building
- **Heijmans continues to work on:**
 - Improve the core
 - Management of risks and costs
 - Integral approach
 - Innovative capacity
- **Solid financial basis;**
- **Outlook 2015: Material improvement of the underlying operational results.**

We are building the spatial
contours of tomorrow



disclaimer

This presentation has been prepared by and is the responsibility of Heijmans N.V. This presentation is being supplied to you solely for your information and use at the presentation which will be or was held on [April 15, 2015](#). The information may not be further distributed or passed on to other people or published or reproduced in whole or in part. The information may be subject to updating, completion, revision and amendment and such information may change materially.

This presentation contains certain forward-looking statements relating to the business, financial performance and results of the Heijmans N.V. and the industry in which it operates. These statements are based on Heijmans N.V.'s and its management's current plans, estimates and projections, as well as its expectations of external conditions and events. In particular the words “expect”, “anticipate”, “predict”, “estimate”, “project”, “plan”, “may”, “should”, “would”, “will”, “intend”, “believe” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are statements of future expectations that are based on current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Neither Heijmans N.V. nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information.

No representation or warranty, express or implied, is or will be made by Heijmans N.V., its advisors or any other person as to the accuracy, completeness or fairness of the information or opinions contained in the presentation and any reliance you place on them will be at your sole risk. Without prejudice to the foregoing, neither Heijmans N.V., its associates, its advisors, nor its representatives accept any liability whatsoever for any loss howsoever arising, directly or indirectly, from the use of this presentation or its contents or otherwise arising in connection with this presentation. The presentation does not constitute or form part of, and should not be constructed as, an offer or invitation to subscribe for or purchase any securities.

heijmans



HeijmansNL



HeijmansNL

www.heijmans.nl



HeijmansNV



Heijmans