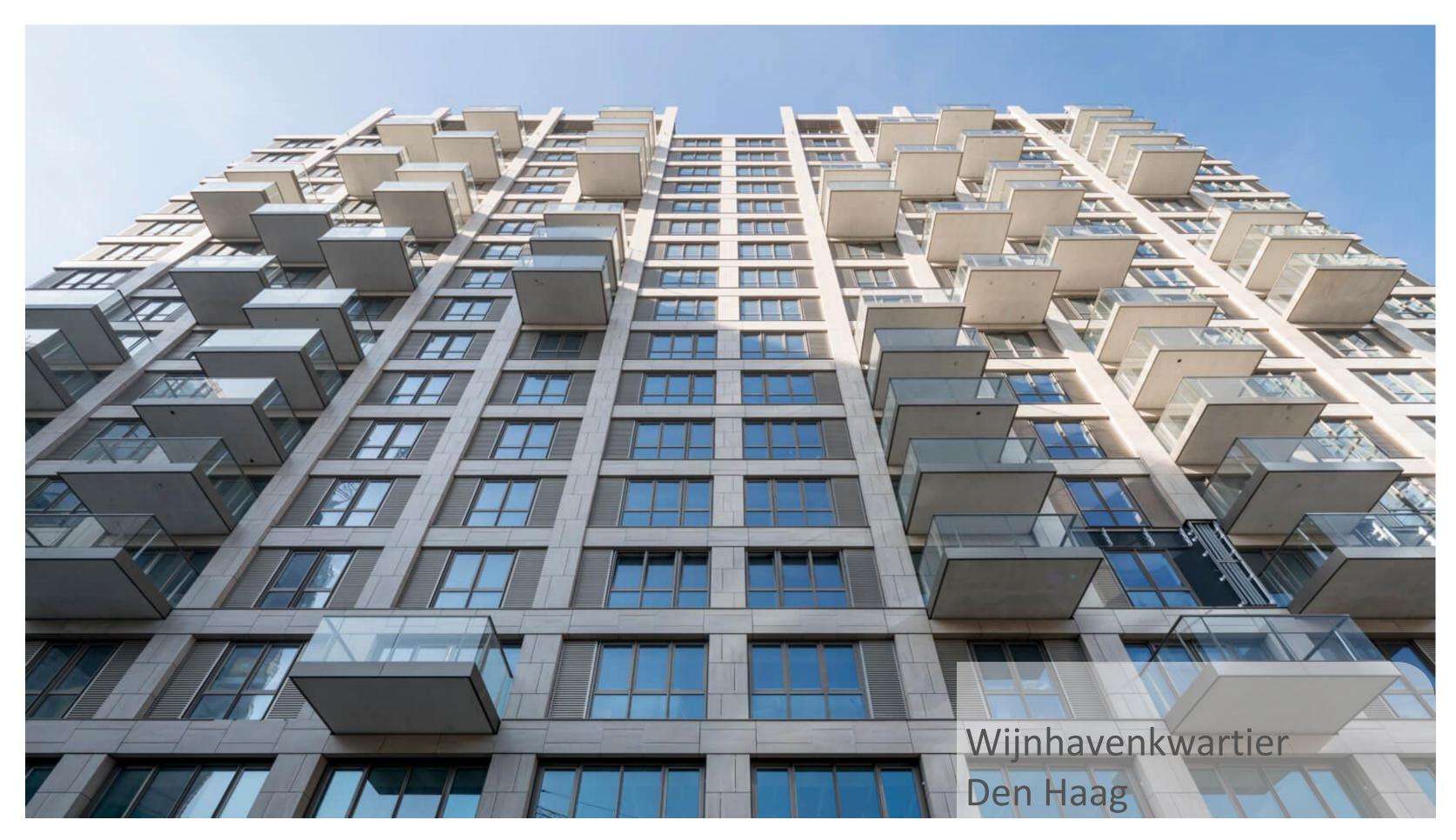
Heijmans: annual results 2016, adjustment strategy and new financing agreements



23 February 2017 Board of directors Heijmans N.V.





Heijmans: annual results 2016, adjustment strategy and new financing agreements

- Settlements at problem projects: resulting in high loss provisions
- Refinancing arranged, extended until 30 June 2019
- Tightened strategic focus: Heijmans to concentrate on Dutch market
- Proposed divestments on track, goal: to improve debt / ebitda ratio

Ton Hillen – chairman board of directors Heijmans N.V.





Key figures

x 1 € million

Revenues Underlying operating result ** Operating result Result after tax Earnings per share (in €) Order book Net debt Number of FTE

* Unless otherwise noted, the key figures are shown for all operations. In the consolidated income statement (see attached sheets) the results of the continued and discontinued operartions are shown separately. ** underlying operating result is the operating result corrected for operating result joint ventures, write down on property assets, restructuring costs and other extraordinary items.

H2 2016	H2 2015	2016	2015
938 -59 -79	1.057 6 -13	1.884 -66 -94	-5 -29
-98	12	-110	-27
-4,59	-0,56	-5,16	-1,32
1.863	1.669	1.863	1.669
100	10	100	10
6.241	6.582	6.241	6.582





Key figures

Underlying operating result x € 1 million	H2 2016	H1 2016	2016	2015
Property development	9	6	15	9
Residential	2	2	4	5
Non-residential	-15	0	-15	0
Infra	-63	-15	-78	-26
Netherlands	-67	-7	-74	-12
Belgium	3	4	7	8
Germany	10	3	13	7
Concern	-5	-7	-12	-8
Underlying operating result	-59	-7	-66	-5
Correction operating result joint ventures	6	-5	1	-9
Write down on property assets	-18	-1	-19	-12
Restructuring costs	-2	-2	-4	-3
Book loss sale Franki	-6	-	-6	-
Operating result	-79	-15	-94	-29

heijmans





Highlights 2016

- Growth in the number of homes sold to 1,962 homes (2015: 1,791 homes);
- Underlying operating result 2016: $-/- \in 66$ million (2015: $-/- \in 5$ million);
- Net result 2016: $-/- \in 110$ million (2015: $-/- \in 27$ million);
- Strategy adjusted:
 - fully focused on Dutch market;
 - building, non-residential, infrastructure;
- facility to \in 122 million;
- Solvency ratio appr. 18%, > 20% after proposed divestments.

heymans

Revenues 2016 € 1.9 billion (2015: € 2 billion), excl Belgium / Germany € 1.43 billion; Significant impact project losses € 90 million, significant improvement risk profile;

- tightened focus on core competencies in property development, residential

Dutch order book at year-end 2016: € 1.9 billion (year-end 2015: € 1.7 billion);

Financing amended and extended until 30 June 2019: phased reduction of credit





Financial settlement and ringfencing of loss-making projects

- Total impact 2016 nearly \in 90 mln;
- Infra: approx. \in 75 mln;
- Non-Residential: approx. € 15 mln;
- Drachtsterweg Leeuwarden: new agreements Q2 2016, loss 2016: € 6 mln; Energiefabriek Tilburg: contract termination per 1-12-2016, loss 2016: € 23 mln;
- N23: new agreement, loss provision 2016: € 32 mln;
- Wilhelminasluis Zaandam: arbitration procedure started > provision 2016: € 8 mln; RIVM: new design, start construction, financial consequences being discussed >
- provision 2016: \in 10 mln;
- Other: several minor losses concerning projects completed in 2016, approx. € 10 mln.





Financing

- Duration until 30 June 2019;
- Credit facility reduced in phases to € 122 mln (30 June 2019), in line with new scope;
- Divestment foreign companies: debt reduction;
- No covenant testing Q4 2016 and Q1 2017;
- Q2, Q3, Q4 2017: customised covenants, testing minimum levels EBITDA and solvency ratio:
- phased minimum EBITDA rising to \in 20 million in Q4 2017; - solvency ratio rising to at least 20% in Q4 2017; Per 2018 testing based on existing convenants;
- Continuity secured, important step towards recovery.





Strategic adjustment: 2017 - 2019 Focus, Discipline, Excellence

- Dutch core company, revenues approx. \in 1,5 billion, with positive results Selective acquisition based on core competencies per segment
- Large/complex projects in partnerships
- Optimising cash management: from acquisition until completion
- Bringing cost structure in line with scope Heijmans Nederland, no large reorganisations anticipated
- Key objective 2017: debt reduction and recovery profitability





Order book

Order book ($x \in 1$ million)	31-12-2016	30-6-2016	31-12-2015
Property development	311	275	284
Residential	327	277	286
Non-residential	758	825	517
Infra	730	787	834
Eliminations	-263	-216	-252
Netherlands	1.863	1.948	1.669
	250	054	070
Belgium	259	251	270
Germany	183	178	155
Total order book	2.305	2.377	2.094

heijmans





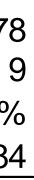
PROPERTY DEVELOPMENT

x € 1 millio Revenues Underlying Underlying Order bool

- Turnover growth continues (almost 20%) with positive development operating result; Homes sold +10% to 1,962 with increasing average prices (+5% to \in 243K);
- Growth primarily in investor segment, where prices are improving;
- Growth of order book, quality at target;
- Innercity transformations with combination of sales to investors and private individuals is a core competence > new projects in Spaarndammerbuurt A'dam, Katendrecht Rotterdam, Nieuw Kralingen Rotterdam and Kanaleneiland Utrecht;
- Project Wijnhaven The Hague (incl annex Leiden University) successfully completed;
- Invested capital in land positions decreasing, \in 19 mln caused by impairments;
- Market conditions offering perspective to further decrease invested capital.

	<u>ំ</u> រែeរ្យី៣៩			e <mark>ij</mark> ma
on	H2 2016	H1 2016	2016	2015
	162	170	332	278
g operating result	9	6	15	Ç
g operating margin	5,6%	3,5%	4,5%	3,2%
ok	311	275	311	3,2% 284





RESIDENTIAL

x € 1 million Revenues Underlying op Order book

- Turnover and result comparable with 2015;
- Pressure on capacity through strong demand for new houses: effect on availability suppliers as well as on procurement prices;
- Strategy: controlled growth and keeping execution capacity available for Property Development (60% of total turnover);
- Order book increased, commencement of a few large projects within Property Development; Focus on growth with standardised products (Huismerk, Wenswonen);
- December 2016: 100th Huismerk home completed (Nov'15: 500 / Oct'14: 250);
- Heijmans ONE: a.o. 45 sold to Alliantie and 30 to Wonen Limburg;
- Several new projects, including 74 homes in Spaarndammerbuurt (A'dam), 95 homes in Son en Breugel en 94 woningen in Pijnacker.

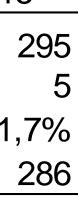
			ĥe	e <mark>ij</mark> ma
x € 1 million	H2 2016	H1 2016	2016	2015
Revenues Underlying operating result	144 2	152 2	296 4	29
Underlying operating margin	1,4%	1,3%	1,4%	1,7%

327

277

327







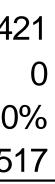
NON RESIDENTIAL

x € 1 milli Revenues Underlyin Underlyin Order boo

- Turnover decreased as RIVM project delayed and selective tender procedures;
- Market conditions remain challenging: competition high and no volume growth;
- Result below par because of high loss provisions RIVM project;
- Growth in Services at decent margin development;
- Focussing on multi year maintenance contracts whether or not with design & build;
- Acquired maintenance contracts for Leiden University and European Patent Office;
- 2017 focus on good start up of RIVM and Amsterdam Court House projects, as well as next phase of Hart of South (Rotterdam);
- In Q4 SAP implemented.

llion	H2 2016	H1 2016	2016	2015
es	153	162	315	42
ng operating result	-15	0	-15	
ng operating margin	-9,8%	0,0%	-4,8%	0,0
ook	758	825	758	51





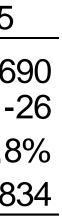
x € 1 millio Revenues Underlyin Underlyin Order boo

INFRASTRUCTURE NETHERLANDS

- Turnover decreased as a result of stagnation in and decommissioning of projects; Tender, risk and contract management procedures tightened;
- Adjustments in senior management;
- Strong negative operating result (-/- \in 75 mln), fully impacted by problem projects; Majority of activities (regional infrastructure, asset management, and specialties)
- performing on par;
- Commencement of integrated projects A1/A27, Beatrix lock and RWZI on track; Order book growing following acquisition of Wintrack II (share 60%) and Zuidasdok
- (share 15%), not yet in 2016 order book;

lion	H2 2016	H1 2016	2016	2015
es	292	329	621	69
ng operating result	-63	-15	-78	-2
ng operating margin	-21,6%	-4,6%	-12,6%	-3,8
ook	730	787	730	8





BELGIUM

 $x \in 1$ million Revenues Underlyin Underlyin Order boo

- Continuing strong performance of Van den Berg, taking advantage of niche segmentation;
- lower levels;
- Order book stable, market conditions remain challenging, especially on public authorities side;
- Successful completion of Elisabeth theater in Antwerp;
- Besix;
- Sales price appr. € 40 mln, closing of transaction expected in Q2.

heymans

H2 2016	H1 2016	2016	2015
116	114	230	20
3	4	7	
2,6%	3,5%	3,0%	3,8
259	251	259	27
	116 3 2,6%	116 3 2,6% 114 3,5%	116 114 230 3 4 7 2,6% 3,5% 3,0%

Margin of Heijmans Construction (BE) and Heijmans Infrastructure (BE) positive, but at

On February 8, announcement of proposed sale of all Belgian operational activities to





GERMANY

x € 1 millio Revenues Underlyin Underlyin Order boo

- Strong result in 2016 within Oevermann (5% EBIT margin), especially in H2;
- conditions;
- synergies with Heijmans Netherlands remain limited;
- Franki sale to PORR completed in January. Sales proceeds almost € 15 mln.

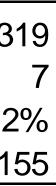
heymans

lion	H2 2016	H1 2016	2016	2015
es	158	126	284	3′
ng operating result	10	3	13	
ng operating margin	6,3%	2,4%	4,6%	2,2
pok	183	178	183	15

Turnover and order book stable, more selective tender approach in improving market

Sale of Oevermann currently investigated, strong revitalisation in recent years, but





Outlook

- Extension of financing and ringfencing of loss making projects offers strong foundation for continuity;
- 2017 year of transition:
 - Shaping of proposed divestments;
 - Therewith: improving capital ratios;
 - Positioning of Dutch core company, with suitable cost base;
 - Above all: working towards recovery of profitability;
- Order book offering perspective.





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 February 23, 2017. 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", 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 forwardlooking 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.











