

Press release

Datum 1 december 2016

Time 06.00

Energiefabriek Tilburg contract terminated

Heijmans reports the following regarding ongoing discussions and disputes concerning loss-making projects:

After a constructive consultation process, Heijmans and De Dommel District Water Board have agreed to terminate their partnership relating to the project Energiefabriek Tilburg. Effective 1 December, the District Water Board will fully take over the plant from Heijmans and will then become responsible for its operation, maintenance and further optimization. This means that as of that date, Heijmans will no longer have any financial and operational responsibility for the plant which since June 2016 has been taking in sewage sludge and produces electricity.

The termination has a negative effect on the EBITDA of almost € 15 million. The impact of this agreement is a subject of consideration in the ongoing negotiations with financiers as referred to in our trading update of 2 November 2016.

Contract and building process

In 2012, both parties signed a contract for the design and construction of the plant. The contract also provided for the plant's 15-year maintenance. In addition, it was agreed that full responsibility for the design, construction, maintenance and operating costs would be assumed by Heijmans.

During the design and construction phase both parties engaged in various discussions concerning the ultimate implementation and the proper operation of the plant. Although partial agreement was achieved, decisions were also enforced in a number of areas through arbitration. The partnership initially proceeded on this basis. After reconsideration, both parties jointly concluded that they wanted to terminate the partnership.

About the Energiefabriek

The objective of the Energiefabriek is to treat all of the sewage sludge in De Dommel's management area. High-quality technologies are applied to attain this objective. The plant reduces the volume of sewage sludge and produces biogas, which is used to generate renewable energy. This way the plant provides for its energy needs and operates energy-neutral. The surplus biogas, after the production of electricity, is supplied to the adjacent waste processing company Attero.