

## Press release

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### Heijmans benefits from recovering housing market, negative result due to pressure on infra

#### Highlights:

- Number of homes sold increased to 746 in the first half of 2015 (first half 2014: 482 homes sold). Number of homes sold to private buyers more than doubled;
- Underlying operating result first half 2015 € 11 million negative (first half 2014: € 7 million negative): significantly improved result at Property Development and Residential Building could not compensate the lower result of the Dutch Infra activities;
- Net result € 15 million negative (first half 2014: € 8 million negative);
- Solvency virtually unchanged at 29%; Net debt € 108 million at end-June 2015 (end-June 2014: € 99 million).

#### Key figures

x 1 € million

	H1 2015	H1 2014	2014
Revenues	922	823	1.868
Underlying operating result <sup>1</sup>	-11	-7	-12
Result after tax	-15	-8	-47
Earnings per share ( in €)	-0,76	-0,43	-2,44
Order book	2.190	2.180	2.287
Net debt	108	99	31
Number of FTE	6.816	7.118	7.034

<sup>1</sup> underlying operating result is the operating result corrected for operating result joint ventures, write down on property assets, restructuring costs and other extraordinary items.

Bert van der Els, Chairman of the Executive Board / CEO of Heijmans:

“The Dutch housing market is recovering and we can see the effects of this in the revenues and results of Property Development and Residential Building. Our expertise in housing concepts, urban development and transformation positions us in a good position to capitalise on the opportunities in the residential sector in the coming period. The Heijmans Woon Concept (residential concept), the Wijnhaven area in The Hague, the Timmerhuis and Fenixloodsen projects in Rotterdam, the transformation of the former Parool tower and the Trouw building in Amsterdam are just a few appealing examples of our expertise. At the same time we remain in the tail-end of the economic crisis, leaving the overall picture for Heijmans much to be desired. The results of the Dutch Infra activities in particular are lagging more than we had anticipated. Previously announced measures have been implemented but the financial effects are not yet visible. The improved margin potential of newly acquired projects and service activities does not yet outweigh the poor conditions on longer-running projects that still have to be completed. In the face of a turbulent market, Heijmans is operating with a healthy solvency ratio and complies with the covenants as agreed with our

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financiers. Clearly, operating results need to improve. This is our highest priority and I am confident that this will become visible in the second half of the year.”

## **First half 2015**

### ***Property development, Residential Building***

The positive trend in the housing market continues and this has resulted in a considerable increase in revenues, an improved result as well as an increasing order book. The number of homes sold in the first half of 2015 was 746, compared to 482 in the same period of last year. Of those, 565 homes were sold to private buyers (first half 2014: 244). The considerable increase in sales to private buyers is a key indicator for the recovery of the housing market. Revenues from the Property Development activities amounted to € 126 million, and the operating result amounted to € 4 million (first half 2014: € 61 million and € 1 million negative). Residential Building reported revenues of € 158 million and a result of € 3 million (first half 2014: € 92 million and € 3 million negative). The key to the future development of this segment will be an appropriate response to the needs of investors, corporations and the private market. The Heijmans *Woon Concept* (Heijmans *Huismerk* for the rental market and Heijmans *Wenswonen* for private buyers) combines standardisation, affordability and quick realisation with a range of carefully thought-out options for residential consumers to choose from.

The most recent project is Harener Holt, in Haren, where the realisation of 53 homes (all now sold) started in June. Heijmans has recently set its sights on Slim Wonen (Smart Living), by offering home controls in all houses. This system enables residents to use their tablet and smartphone to operate facilities such as lighting and heating, wirelessly, remotely and completely safely, which in turn gives them greater control of their energy consumption. In Amsterdam, Heijmans is involved in projects such as the transformation of the former Parool tower and the Trouw building into The Student Hotel, the first part of which was delivered recently. The realisation of Meyster's Buiten near the former Cereol site in Utrecht is also nearing completion, while the development of the Wijnhaven area in The Hague is well under way. Residential Building projects such as Villa Industria in Hilversum and Jakobskamp in Den Dungen are also progressing rapidly.

### ***Non-residential***

Revenues at Non-residential came in higher at € 220 million in the first half of 2015, from € 169 million in the first half of 2014. Large-scale integrated projects account for a considerable proportion of the revenues in this segment and demand an increasing focus on design and engineering. This enables Heijmans to provide greater added value on projects, but also demands greater attention for the control of design risks and costs, especially in a challenging market with low margins. Following some difficult years, Services (largely in the maintenance and management of technical installations) has developed positively, partly thanks to maintenance and management projects, such as those for the premises of the Ministry of Security and Justice and the Ministry of the Interior and Kingdom Relations in The Hague, together with the National Military Museum (NMM) in Soesterberg. The operating phase of the NMM contract is progressing well. The museum has already welcomed more than 350,000 visitors this year.

Continued tightening and streamlining of internal processes remained high on the agenda in the first half of 2015. One part of that effort was the implementation of the reorganisation plans announced in late 2014, which planned to reduce the workforce by approximately 230 jobs. Heijmans applied for a collective redundancy permit for a number of these jobs, which was not granted by the UWV (Dutch Employees Insurance Agency). However, we still aim to realise the underlying targets in terms of capacity and cost reductions. Agreement has now been reached with two-thirds of the employees affected and Heijmans will take further steps in the second half of the year to reduce operational capacity. The financial impact of the reorganisation will be become visible with a slight delay. The result from Non-residential in the first half of 2015 was € 2 million negative (first half

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2014: € 1 million positive). The order book declined to € 549 million at end-June 2015 (end 2014: € 661 million).

At Amsterdam Schiphol Airport, we worked hard on the renovations of the E and F piers in connection with the transfer to centralised security across the entire terminal, which has now been completed in line with the tight planning. The realisation of the Timmerhuis in Rotterdam is well under way and the new complex will be delivered in October of this year. The realisation of the Bèta Campus at the Bio Science Park Leiden is also ongoing. The new premises for the Mathematics and Natural Sciences faculty in Leiden will be completed in January 2016. The development of the new offices for the National Institute for Public Health and the Environment (RIVM) and the National Medicines Evaluation board (CBG) in Utrecht will move into the next phase with the start of construction this autumn. In this DBFMO contract, Heijmans is responsible as a consortium member for the maintenance and operation for 25 years following completion of the project.

### **Infrastructure**

As in the previous year, the infra activities felt the effects of highly challenging market conditions, characterised by overcapacity and low margins. Revenues came in at € 306 million and the result was € 15 million negative (first half 2014: € 341 million and € 5 million negative respectively). In the Netherlands, the order book contains a number of multi-year projects that were acquired in previous years at challenging conditions. Heijmans is focusing strongly on improvements to the tender, design and preparation process, as well as contract management, to make sure new projects are acquired at conditions that fairly reflect the risk profile of the projects. The first results of these efforts are becoming visible, especially in regional projects, and this is translating into an improved margin profile. Infra's order book also includes a number of large, integrated projects with slightly better margin potential.

One of the key changes over the past six months was bringing Infra under a single centralised management, followed by standardisation of processes and procedures. The reorganisation at Civil's cable and pipeline business is now virtually completed. Various projects have been delivered and taken into use in the past period, such as the St.-Jan parking garage in 's-Hertogenbosch and the traffic tunnels under the rail road in Bilthoven. At Schiphol, Infra carried out maintenance on the Zwanenburg runway and a new public transport hub was taken into use. The realisation of the A4 Delft – Schiedam demands a major effort but is on schedule. The delivery of an eco-aqueduct marks the progress in this project and we expect the road to be taken into use at the end of this year. The execution phase of the A9 motorway project, for which Heijmans is part of the IXAS consortium, has already commenced. Heijmans expects the construction work on the Energiefabriek in Tilburg, for which we reported a considerable cost overrun in the annual results due to an arbitration case, to be ready for operational testing this year. The result from this project showed a further slight decline.

The Belgian Infra activities booked a slight decrease in revenues as expected, while the result remained positive. Revenues of the German subsidiaries Franki and Oevermann came in higher than in the first half of 2014, while the result was comparable to last year. Reorganisations at the German Oevermann operations have been completed. The impact of these measures will become visible in the financial results of the second half of 2015.

### **Key developments – strategy update**

The focus of Heijmans' strategy is to improve and to renew. Heijmans' top priority is to improve its underlying operating result. At the end of 2014, the company implemented additional improvements in the areas of tender and project management, procurement and commerce. As part of this ambition, Heijmans devotes specific attention to the start-up phase of projects, tight control of go/no go moments, the design and preparation process and contract management. Via the GO! (*Geen Ongevallen* - no accidents) programme, Heijmans has also further improved safety awareness within the company and we have seen a considerable reduction, both in terms of the number of

accidents (50 in the first half of 2015) and in terms of the IF number (number of accidents leading to absence of at least one day per million hours worked: 4.8 in the first half of 2015).

In the first half of the year, following lengthy negotiations, agreement was reached with the trade unions on a new collective labour agreement for the construction sector. The agreement includes a wage increase for employees, but also downsizing of sector funds and greater flexibility in employment conditions.

Heijmans is focusing on continued targeted know-how and technology development to further increase the company's innovative potential. The SONOB field test with the Solar Noise Barriers (energy-generating noise barriers) commenced in 's-Hertogenbosch, while in Amsterdam Heijmans is now a partner in a ground-breaking project to develop a steel bridge using 3D printing technology. The company has continued to develop Heijmans ONE, the moveable home for young singles, into a concept home for affordable production in series which is now ready for market launch. The concept has been nominated for the 2015 Dutch Design Award.

## Revenues

Revenues in the first half of 2015 increased to € 922 million (first half 2014: € 823 million). This increase was largely due to the recovery in the housing market, which led to a considerable increase in revenues at Property Development and Residential Building and to a lesser extent to revenue growth at Non-Residential. Revenues at Infra declined slightly.

x€ 1 million	H1 2015	H1 2014	2014
<b>Revenues</b>	<b>922</b>	<b>823</b>	<b>1.868</b>
<b>Underlying operating result</b>	<b>-11</b>	<b>-7</b>	<b>-12</b>
Correction operating result joint ventures	-4	-2	-9
Write down on property assets	-1	-1	-14
Restructuring costs	0	-2	-29
Operating result	-16	-12	-64
Financial results	-3	1	-5
Share of profit of joint ventures and associates	2	1	7
<b>Result before tax</b>	<b>-17</b>	<b>-10</b>	<b>-62</b>
Income tax result	2	2	15
<b>Result after tax</b>	<b>-15</b>	<b>-8</b>	<b>-47</b>

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Underlying operating result x € 1 million	H1 2015	H1 2014	2014
Property development	4	-1	4
<i>Residential - Netherlands</i>	3	-3	0
<i>Residential - Belgium</i>	0	2	2
Residential - Total	3	-1	2
Non-residential	-2	1	0
<i>Infra - Netherlands</i>	-15	-5	-22
<i>Infra - Belgium</i>	3	7	11
<i>Infra - Germany</i>	1	0	2
Infra - Total	-11	2	-9
Corporate/other	-5	-8	-9
<b>underlying operating result</b>	<b>-11</b>	<b>-7</b>	<b>-12</b>

### Operating result

The underlying operating result came in at € 11 million negative in the first half of 2015 (first half 2014: € 7 million negative), largely due to the negative results at the Dutch Infra activities. At Non-residential, the result came in just below breakeven at € 2 million negative (first half 2014: € 1 million positive). The result at Property Development improved and amounted to € 4 million (first half 2014: € 1 million negative). Residential Building recorded similar developments, with a result of € 3 million (first half 2014: € 1 million negative). The result of the Belgian infra activities declined as expected to € 3 million in the first half of 2015, from € 7 million in the first half of 2014. The result from the German activities improved slightly (first half 2015: € 1 million, first half of 2014: nil).

### Net result

The value adjustments of more than € 1 million are related to a number of smaller property assets. Financial expenses amounted to € 3 million in the first half of the year, compared to financial income of € 1 million in the same period of last year. The previous financial year included a book gain on the sale of shares in the PPP project Brabo I N.V. Taxes amounted to € 2 million positive, taking into consideration a loss of more than € 1 million as a result of offsettable losses no longer being available.

The net result for the first half of 2015 was € 15 million negative (first half 2014: € 8 million negative), which translates into negative earnings per share of € 0.76 after taxes.

### Capital position, net debt and financing

Net debt amounted to € 108 million at end-June 2015 and was therefore € 9 million higher than at end-June 2014 (€ 99 million). Heijmans' solvency ratio remains solid and stood at 29% at end-June 2015.

At May 20, Heijmans issued 1.9 million depositary receipts for new ordinary shares via an accelerated book build issue (ABB). The share issue raised € 21 million. This sum was entirely used for the repurchase of financing preference shares B, which was effected mid-July. The withdrawal procedure is currently pending. This initiative has reduced the amount of outstanding financing preference shares to € 45 million.

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Heijmans complies with the financial covenants as agreed with its bank syndicate, of which the Leverage Ratio is the most critical in the period under review. In view of the considerable negative impact of the arbitration case relating to the Energiefabriek Tilburg project at end-2014, Heijmans reached agreement with the bank syndicate in the first quarter of 2015 regarding the calculation of the financial covenants as per mid-2015. As part of this agreement, Heijmans was able to exclude the impact of the € 9.2 million negative financial result related to the Energiefabriek Tilburg project in the second half of 2014 from the calculation of the EBITDA. This agreement is likely to lead to an increase in financial expenses in the second half of the year. Working capital management through the 'Fit for Cash' programme and the reduction of capital employed demand our constant attention. A return to profitability and the associated improvement in the operating cash flow are required to realise a structural improvement in the financing position.

#### **Order book**

The order book, at € 2.2 billion as per end-June, was slightly lower compared to end-2014 (€ 2.3 billion). The order book at Property Development and Residential Building and the German subsidiary Oevermann increased, while the order book of Non-Residential and Infra declined. The Services (primarily technical installations) order book at Non-Residential and the order book of regional projects at Infra are developing positively.

#### **Outlook**

Heijmans is still feeling the effects of the crisis in the construction sector. The recovery on the Non-Residential and Infrastructure markets will be slow and improvement will have to come from sharpening processes and organisation to boost project margins. The measures Heijmans has taken to this end show improvement but this is not yet visible in the financial results for the first half of the year. We expect the Property Development and Residential Building segment to grow in the period ahead in terms of both revenues and result, which will be a clear step towards better times. The order book offers perspective. Heijmans expects an improvement in the operating result for the full-year 2015 on its way to the return to profitability.

#### **Trading update**

Heijmans will publish a trading update on 4 November of this year before the opening of the stock exchange.

#### **About Heijmans**

Heijmans is a listed company that combines activities related to property development, residential building, non-residential building, roads and civil engineering in the working areas living, working and connecting. Heijmans is active in the Netherlands, Belgium and Germany and as a technology partners delivers know-how and concepts in various markets. Our constant focus on quality improvements, innovation and integrated solutions enables us to generate added value for our clients. Heijmans realises projects for private consumers, companies and public sector bodies. With approximately 6,800 employees and revenues of more than € 900 million in the first half of 2015, we are building the spatial contours of tomorrow. You will find additional information on [www.heijmans.nl](http://www.heijmans.nl)

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*This press release is published in both Dutch and English. In the case of differences between the Dutch and the English version, the former shall prevail.*

*The figures in the text of this press release are written in line with British notation.  
The figures in the tables of this press release are written in line with European notation.*

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**Addenda to the Heijmans N.V. interim report 2015**

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## 1. Developments per activity

### Property Development and Residential Building

The improvements in the housing market seen in the second half of 2014 continued in the first half of this year. In terms of new homes, Heijmans sees particular growth potential in areas of the Randstad urban conurbation, where we also see clear price developments. The outlook remains less positive outside that region. In the rental segment, prices are rising due to the effects of the income-related rental regulation. As a result, the owner-occupier market is expected to become more attractive provided that relatively low mortgage rates and the banks' financing policy remain intact. The housing corporations market appears to be stabilising but remains difficult, as investments plans do not always translate into concrete projects. The investors' market continues to become more competitive. Dutch investors have more capital at their disposal, investments needs increase and in this segment we see a modest improvement in pricing, which is to Heijmans' advantage.

#### Property development

x € 1 million	H1 2015	H1 2014	2014	Variance 2015-2014
Revenues	126	61	179	107%
Underlying operating result	4	-1	4	
Underlying operating margin	3,2%	-1,6%	2,2%	
Order book	280	229	234	

The number of homes sold was considerably higher in the first half of 2015 at 746, compared to 482 in the first half of 2014. The proportion of sales to private buyers was also considerably higher and more than doubled compared to the same period of last year (first half 2015: 565, first half 2014: 244). Revenues doubled to € 126 million, from € 61 million in the first half of 2014. Property Development shows an upward development with an operating result of € 4 million, compared to € 1 million negative in the first half of 2014. The order book increased strongly to € 280 million at end-June 2015. The total investment commitments (conditional and unconditional) have dropped since year-end 2014, to € 225 million from € 249 million at end 2014.

Heijmans focuses on proactively anticipating housing requirements, and the Heijmans Woon Concept plays a key role in this. In the first half of 2015, 52% of Heijmans' houses were concept homes. Another key factor was Heijmans' decision to include home management controls in all houses as standard. Villa Industria in Hilversum is the first project where this is being applied. In Gorinchem, Heijmans has started a pilot among 50 households in the Hoog Dalem neighbourhood, in which solar energy generated collectively in the neighbourhood is stored decentrally using special batteries. This makes the houses largely self-sufficient. Heijmans is also active in city centre transformations, such as the Wijnhavenkwartier in The Hague, where virtually all apartments have now been sold, and Meyster's Buiten in Utrecht, which is now nearing completion. In the redevelopment of the Groot Ziekengasthuis site in 's-Hertogenbosch, demolition is in progress in preparation for the construction phase, which is due to start in 2016.

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### Residential - Netherlands

x € 1 million	H1 2015	H1 2014	2014	Variance 2015-2014
Revenues	158	92	210	72%
Underlying operating result	3	-3	0	
Underlying operating margin	1,9%	-3,3%	0,0%	
Order book	270	259	275	

Residential Building also recorded higher revenues and result compared to the same period of last year. Revenues amount to € 158 million and the result at € 3 million in the first half of 2015, compared to € 92 million and € 3 million negative in the first half of 2014. The order book, at € 270 million, is at comparable level to year-end 2014.

In the first half of 2015, Heijmans started the realisation of various projects under the Heijmans Woon Concept, including those in Veenendaal, Culemborg and Haren. Heijmans delivered its 500<sup>th</sup> concept home recently, in Eindhoven. In Zeewolde, Heijmans won the expansion project for the residential care complex 'De Sfinx' for the Woonpalet housing corporation. In Eindhoven, Heijmans kicked off the construction of 82 homes on Karel de Grotelaan, as a green pilot for the application of sustainable products and technologies. The client Woonbedrijf also granted Heijmans a 15-year contract for the maintenance and management of the project, in the form of a Design, Build and Maintain contract, which is fully in line with the ambitions of Residential Building in the field of renovation, management and strategic maintenance.

### Residential - Belgium

x € 1 million	H1 2015	H1 2014	2014	Variance 2015-2014
Revenues	46	48	89	-4%
Underlying operating result	0	2	2	
Underlying operating margin	0,0%	4,2%	2,2%	
Order book	122	102	120	

The Belgian residential building activities recorded revenues of € 46 million in the first half of 2015, comparable to those recorded in the same period of last year (€ 48 million). The order book, at € 122 million at end-June 2015, was also at a comparable level to last year. The result is break-even in the first half of 2015. The construction of the royal concert hall complex Elisabeth Center in Antwerp is well underway. Near Ghent, meanwhile, Heijmans is realising the Meulewater project in Wondelgem, which includes 80 new residential units, commercial spaces, an underground parking garage and the renovation of an old villa.

### Non-residential

x € 1 million	H1 2015	H1 2014	2014	Variance 2015-2014
Revenues	220	169	388	30%
Underlying operating result	-2	1	0	
Underlying operating margin	-0,9%	0,6%	0,0%	
Order book	549	682	661	

Revenues increased strongly compared to the same period of last year and amounted to at € 220 million (first half 2014: € 169 million). The underlying operating result amounted to € 2 million negative (first half 2014: € 1 million positive). Internal process improvements, risk and cost controls

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remain the highest priority. The order book declined to € 549 million. Services recorded a positive development in order intake in the first half of 2015. New additions to the order book include the transformation of the former Shell laboratory for the Amsterdam Art College (Amsterdamse Hogeschool voor de Kunsten – AHK), which is set to be the future home of the Amsterdam College for the Visual Arts (Academie voor Beeldende Vorming) and the masters department of the Amsterdam Theatre College (Theaterschool). Heijmans also recently won the contract for the modernisation of the outpatient clinic, café and restaurant, shops and lecture room 10 at the Academic Medical Centre (AMC) in Amsterdam.

Heijmans has completed the realisation of the Resident project in The Hague, which will serve as joint premises for the Dutch Health, Welfare and Sports Ministry and the Social Affairs and Employment Ministry. At the National Military Museum in Soesterberg, Heijmans began construction of the arena, an outdoor event location scheduled for completion in early 2016. Non-residential also focuses on the maintenance, management and service (installations) on the basis of a subsidiary model, which was implemented in the course of 2014. Examples of this are projects such as the maintenance contract for the electro-technical installations of The Hague city council and the electro-technical and mechanical maintenance for 130 buildings owned by Koninklijke Kentalis. The DBFMO project offices for the National Institute for Public Health and the Environment (RIVM) and the National Medicines Evaluation board (CBG) in Utrecht also include maintenance and operation for a period of 25 years.

## Infrastructure

### Infra - Netherlands

x € 1 million	H1 2015	H1 2014	2014	Variance 2015-2014
Revenues	306	341	759	-10%
Underlying operating result	-15	-5	-22	
Underlying operating margin	-4,9%	-1,5%	-2,9%	
Order book	879	830	959	

The Dutch Infra activities booked revenues of € 306 million and an underlying operating result of € 15 million negative in the first half of 2015, a continued decline compared to the same period of 2014 (revenues of € 341 million and result of € 5 million negative). Heijmans is devoting considerable attention to streamlining the organisation and process management, and this initiative was given a considerable boost by the formation of a single Infra business. The first results of this are now being seen in the form of improved order intake margins, although this approach is not yet generating sufficient tangible results in the realisation phases of projects. The order book amounted to € 879 at end-June 2015, below the level of end-2014 but an increase in comparison with last year. Large-scale integrated projects, such as the N23, A9, A12, A4 and the cooperation with Amsterdam Schiphol Airport play a considerable role in the order book.

In the spring of 2015, Heijmans started the realisation of two sub-sections of a new bus lane for high-grade public transport (HOV) in Velsen, under a contract with the province of North Holland. Heijmans also began maintenance work on the Oost and West locks in Terneuzen, as part of a multi-year maintenance contract with the Department of Public Works. The realisation of the Waterlinie museum is nearing completion and the project will be delivered in September.

In 's-Hertogenbosch, Heijmans launched a field test with innovative power-generating sound barriers (SONOB), with integrated solar technology. In Amsterdam, Heijmans became a partner in the start-up project MX3D, which aims to realise a steel bridge using 3D printing technology, from a design by Joris Laarman. Heijmans is contributing technical know-how to this project. The Department of Public Works recently certified Greenway LE, which Heijmans developed in-house.

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This means that this sustainable asphalt can now be used nationwide as the new standard for roads.

#### Infra - Belgium

x € 1 million	H1 2015	H1 2014	2014	Variance 2015-2014
Revenues	57	65	128	-12%
Underlying operating result	3	7	11	
Underlying operating margin	5,3%	10,8%	8,6%	
Order book	103	98	95	

Revenues from the Belgian activities amounted to € 57 million in the first half, a decline as expected when compared to the same period of 2014. The underlying operating result also declined to € 3 million in the first half of 2015, from € 7 million in the same period of 2014. The order book has increased to € 103 million at end-June 2015. The reconstruction of the N70 near Sint-Niklaas is now in full swing. In Ghent, Heijmans is extending tramline 4 by 950 metres to the University Hospital. The project will be delivered this year.

#### Infra - Germany

x € 1 million	H1 2015	H1 2014	2014	Variance 2015-2014
Revenues	126	111	260	14%
Underlying operating result	1	0	2	
Underlying operating margin	0,8%	0,0%	0,8%	
Order book	238	206	181	

Market conditions in the German infra sector have improved and this has resulted in greater volumes. Revenues from the German activities amounted to € 126 million in the first half of 2015, an increase compared to the same period of 2014. The underlying operational result amounts to € 1 million. The order book increased considerably to € 238 million at end-June 2015. Oevermann's realisation of the new shopping centre Mercaden Dorsten is progressing rapidly and the opening is scheduled for the spring of 2016. The foundations specialists at Franki Grundbau are active not only in Germany, but also deploy their expertise in Heijmans projects in the Netherlands, including the Eurojust project in The Hague and the recently delivered St.-Jan parking garage in 's-Hertogenbosch.

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## 2. Condensed consolidated statement of profit or loss

x € 1 million

	Six months to 30 June 2015	Six months to 30 June 2014	Full 2014
Revenues	922	823	1.868
Gross profit	79	89	147
<b>Operating result</b>	<b>-16</b>	<b>-12</b>	<b>-64</b>
Financial income and expenses	-3	1	-5
Share of profit of joint ventures and associates	2	1	7
<b>Result before tax</b>	<b>-17</b>	<b>-10</b>	<b>-62</b>
Income tax	2	2	15
<b>Result after tax</b>	<b>-15</b>	<b>-8</b>	<b>-47</b>
<i>Earnings per share (in €):</i>			
Basic earnings per share	-0,76	-0,43	-2,44
Diluted earnings per share	-0,76	-0,43	-2,44

The result after tax is entirely attributable to shareholders.

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### 3a. Consolidated statement of comprehensive income

x € 1 million

	Six months to 30 June 2015	Six months to 30 June 2014	Full Year 2014
<b>Result after tax</b>	<b>-15</b>	<b>-8</b>	<b>-47</b>
<i>Unrealised results that - after initial recognition - will (possibly) be transferred to profit or loss:</i>			
Effective portion of changes of fair value of cash flow hedges joint ventures	0	-1	-1
<i>Unrealised results that will never be reclassified to profit or loss:</i>			
Changes of actuarial results related to defined benefit plans	12	1	-5
Tax-effect of unrealised results that will never be reclassified to profit or loss	-3	0	1
<b>Unrealised result after tax</b>	<b>9</b>	<b>0</b>	<b>-5</b>
<b>Total comprehensive result</b>	<b>-6</b>	<b>-8</b>	<b>-52</b>

The entire comprehensive income is attributable to the shareholders.

### 3 b. Consolidated statement of changes in equity

2015	Issued and called capital	Share premium result	Reserve actuarial results	Hedge reserve	Retained earnings	Result after tax for the year	Total equity
<b>Balance at 31 December 2014</b>	6	222	-27	0	105	-47	259
Result after tax						-15	-15
Other comprehensive income			9	0			9
<b>Total comprehensive result for the reporting period</b>	-	-	9	0	-	-15	-6
Share issue	1	20					21
<i>Result appropriation 2014</i> Transferred to retained earnings					-47	47	0
<b>Balance at 30 June 2015</b>	<b>7</b>	<b>242</b>	<b>-18</b>	<b>0</b>	<b>58</b>	<b>-15</b>	<b>274</b>
2014	Issued and called capital	Share premium result	Reserve actuarial results	Hedge reserve	Retained earnings	Result after tax for the year	Total equity
<b>Balance at 31 December 2013</b>	6	222	-23	1	105	2	313
Result after tax						-8	-8
Other comprehensive income			1	-1			0
<b>Total comprehensive result for the reporting period</b>	-	-	1	-1	-	-8	-8
<i>Result appropriation 2013</i> Dividends in cash Transferred to retained earnings					-2 2	-2	-2 0
<b>Balance at 30 June 2014</b>	<b>6</b>	<b>222</b>	<b>-22</b>	<b>0</b>	<b>105</b>	<b>-8</b>	<b>303</b>

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#### 4. Condensed consolidated statement of financial position

x € 1 million

Assets	30 June 2015	31 December 2014	30 June 2014
<b>Non-current assets</b>			
Property, plant and equipment	87	93	97
Intangible assets	113	114	115
Joint ventures and associates	74	73	57
Other fixed assets	96	84	86
	<b>370</b>	364	355
<b>Current assets</b>			
Strategic land portfolio	185	183	210
Residential properties in preparation or under construction	87	82	83
Other inventory	20	24	26
Work in progress	149	167	147
Trade and other receivables	293	310	294
Other current assets	1	1	2
Cash and cash equivalents	65	74	110
	<b>800</b>	841	872
<b>Total assets</b>	<b>1.170</b>	1.205	1.227
Equity and liabilities	30 June 2015	31 December 2014	30 June 2014
<b>Equity</b>	<b>274</b>	259	303
<b>Non-current liabilities</b>			
Interest-bearing <sup>1</sup>	155	95	187
Non-interest-bearing	35	37	37
	<b>190</b>	132	224
<b>Current liabilities</b>			
Interest-bearing loans and other current financing	18	10	22
Trade and other payables	563	575	506
Work in progress	95	184	147
Other	30	45	25
	<b>706</b>	814	700
<b>Total equity and liabilities</b>	<b>1.170</b>	1.205	1.227
<b>Solvancy rate based on guarantee capital<sup>2</sup></b>	<b>29%</b>	27%	30%
<b>Net debt<sup>3</sup></b>	<b>108</b>	31	99

1. Non-current interest-bearing liabilities includes € 66 million cumulative preference shares.

2. Guarantee capital is defined as equity plus cumulative preference shares.

3. Net debt is defined as interest-bearing liabilities minus cash and cash equivalents.

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**5. Condensed consolidated statement of cash flow**  
indirect method

(x € 1 million)	YTD June 2015	YTD June 2014	FY 2014
Operating result	-16	-12	-64
<i>Adjustments for:</i>			
Depreciation on property, plant, equipment and real estate investments	9	11	22
Amortisation on intangible assets	1	1	2
Revaluation of property assets excluding joint ventures	1	1	17
Changes in construction work in progress	-71	-28	-11
Changes in other working capital	-11	11	87
Changes in non-current provisions	-2	-1	1
<b>Cash flow from operating activities before interest and taks</b>	<b>-89</b>	<b>-17</b>	<b>54</b>
Interest paid/ received	-7	-6	-6
Income tax paid	0	-1	-2
<b>Cash flow from operating activities</b>	<b>-96</b>	<b>-24</b>	<b>46</b>
<b>Cash flow from investment activities</b>	<b>-2</b>	<b>-7</b>	<b>-10</b>
<b>Cash flow from financing activities</b>	<b>89</b>	<b>80</b>	<b>-23</b>
<b>Net cash flow in the period</b>	<b>-9</b>	<b>49</b>	<b>13</b>
Cash and cash equivalents at 1 January	74	61	61
<b>Cash and cash equivalents at the end of the period</b>	<b>65</b>	<b>110</b>	<b>74</b>

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## 6. Segment information

### Summary income statement by business segment

x € 1 million	Property Development	Residential Building	Non-residential	Infrastructure	Other	Eliminations	Total
<b>1st half 2015</b>							
Third parties	126	125	199	472	0		922
Intercompany		79	21	17	40	-157	0
Total Revenues	126	204	220	489	40	-157	922
Operating result	1	3	-2	-13	-5		-16
Net financing costs							-3
Result of joint ventures and associates							2
Result before tax							-17
Tax expense							2
Result after tax							-15
Operating result as percentage of revenues	0,8%	1,5%	-0,9%	-2,7%	-	-	-1,7%

x € 1 million	Property Development	Residential Building	Non-residential	Infrastructure	Other	Eliminations	Total
<b>1st half 2014</b>							
Third parties	61	99	163	500	0		823
Intercompany		41	6	17	37	-101	0
Total Revenues	61	140	169	517	37	-101	823
Operating result	-2	-1	1	-2	-8		-12
Net financing costs							1
Result of joint ventures and associates							1
Result before tax							-10
Tax expense							2
Result after taks							-8
Operating result as percentage of revenues	-3,3%	-0,7%	0,6%	-0,4%	-	-	-1,5%



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## **7. Selected notes**

### **7.1 Corporate information**

Heijmans N.V. (referred to as the “Company”) has its registered office in the Netherlands. The Company’s interim condensed consolidated financial statements for the six months ended 30 June 2015 include the Company and its subsidiaries (collectively referred to as “the Group”) and the Groups interest in associates and joint arrangements.

### **7.2 Accounting principles**

#### **7.2.1 Statement of Compliance**

The interim condensed consolidated financial statements for the six months ended 30 June 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS) Interim Financial Reporting as adopted by the European Union (IAS 34).

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at 31 December 2014.

International Financial Reporting Interpretations Committee (IFRIC) Interpretation No. 21 (Levies) as adopted by the European Union as well as the amendments which are effective as of 1 January 2015 do not have a material impact on the interim condensed consolidated financial statements or the annual consolidated financial statements of the Group.

There are no new, non-mandatory interpretations or standards for 2015 as adopted within the European Union.

The Executive Board prepared the interim condensed consolidated financial statements on 18 August 2015.

#### **7.2.2 Use of estimates and judgements**

The preparation of the interim report requires the management to form judgements and make estimates and assumptions that may have an impact on the reported value of assets and liabilities and of income and expenses. The estimates and the assumptions upon which these are based are made on the basis of experience and other factors that are considered reasonable. The results of the estimates form the basis for the carrying value of assets and liabilities that are not readily apparent from other sources. The actual results may deviate from these estimates.

The critical judgements that the management has formed in the application of the Group’s accounting principles, together with the significant sources of any estimate-related uncertainties, are the same as those applied in Heijmans’ consolidated financial statements for 2014, in view of the fact that there were no special circumstances that required any change.

### **7.3 Main accounting principles for financial reporting**

The accounting principles adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2014.

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#### 7.4 Share issue

In May 2015, the Group issued more than 1.9 million depositary receipts for new ordinary shares. The related proceeds of € 21.4 million are used for the repurchase of financing preference shares B in July 2015.

#### 7.5 Financial income and expense

In the first half-year 2014 the financial income and expense includes a gain of € 3 million with respect to the sale of an associate. In addition to that gain the financial income and expense of the full fiscal year 2014 includes an exceptional write-down of € 2 million of an unpaid loan granted to previously sold associates.

#### 7.6 Income tax

The income tax amount of the first half-year 2015 contains an additional loss of € 1.3 million as a result of writing-off the deferred tax asset with respect to the offsettable losses of fiscal year 2009 which will (due to the expected taxable amount of 2015) no longer be available for set-off after 31 December 2015. In the full year 2014 the write-off losses with respect to this amounts to € 1.0 million.

As a result of the write-off in the first half-year 2015 the offsettable losses regarding 2009 are not recognised as per 30 June 2015.

#### 7.7 Fair values

The overview below contains the book values and the fair values of financial instruments.

x € 1 million	30 June 2015	
	Book-value	Fair value
<i>Loans and receivables</i>		
Other investments	32	33
Trade and other receivables	293	293
Cash and cash equivalents	65	65
Cumulative financing preference shares	-66	-74
Syndicated bank financing	-60	-60
Project financing	-4	-4
Other non-current liabilities	-27	-28
Bank overdrafts	-14	-14
Trade and other payables	-563	-563
<i>Other financial liabilities</i>		
Financial lease commitments	-2	-2
<b>Total</b>	<b>-346</b>	<b>-354</b>

The Group has no financial assets or financial liabilities valued at fair value.

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### **7.8 Seasonal pattern**

The usual seasonal pattern in the construction industry affects the reported results, balance sheet and cash flows. Revenues and operating results in the first half of a year are historically lower than in the second half of a year. Working capital requirements and net debt are historically higher in June than in December.

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## **8. Statement from the Executive Board**

The Executive Board hereby states, taking into consideration what is stated in this report, that to the best of its knowledge the interim financial information related to the companies included in the consolidation, drawn up in accordance with IAS 34 'Interim Financial Reporting', as accepted within the European Union, gives a true and fair view of the assets, liabilities, financial position and the result for the first half of 2015 and that the interim report gives a true and fair summary of the most important events of the first half of the year and the impact of those events on the interim accounts, a true and fair description of the main risks and uncertainties for the remaining periods of the year, as well as a true and fair view of the most important related party transactions.

's-Hertogenbosch, 18 August 2015

Bert van der Els, Chairman of the Executive Board  
Mark van den Biggelaar, CFO and member of the Executive Board  
Ton Hillen, member of the Executive Board