

Press release

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Heijmans prepares for possible impact Covid-19: withdraws dividend proposal

Heijmans has revised its decision to pay a dividend on the 2019 results. In view of the uncertain outlook for the results in 2020, the company is withdrawing its dividend proposal.

Heijmans got off to a good start in 2020. To date, revenue and results have been in line with expectations. The order book also remains at a good level and we have not yet used the committed bank facility this year. The financial impact of the Covid-19 crisis is still limited for Heijmans at the moment; the work on our various construction projects is largely continuing. However, Heijmans expects the consequences of the far-reaching government measures to be felt in the coming weeks. The closing of some European borders, the partial loss of foreign employees and the stagnating supply of materials will have an impact on productivity.

As a result, the outlook for 2020 in terms of revenue and results is extremely uncertain at the moment. Heijmans cannot therefore provide an outlook for the remainder of the year.

In view of the above, Heijmans believes the most prudent course of action is to withdraw the dividend proposal; item 4C on the agenda of the Annual General Meeting of Shareholders of 15 April 2020, which deals with the dividend on (depository receipts for) ordinary shares.

Ton Hillen, CEO Heijmans:

“We started 2020 well in all our sectors and our order portfolio remains well filled. Our people are performing remarkably well to continue as much of our construction activities as possible in these difficult conditions, taking into account all health and safety measures.

They have managed to do this well over the past few weeks, but we cannot predict how the situation will develop in the coming months.

Withdrawing the dividend proposal is an unpleasant measure, especially as we had proposed to resume dividend payments after a difficult period for our company. We have substantially strengthened our balance sheet and it is of the utmost importance that we keep it at a robust level. The main lesson I have learned from our own crisis years 2016-2017 is that is essential to take action early. At this moment, we simply do not have sufficient insight into how long and to what extent the Covid-19 virus will have an impact on our company. I do not want to wait and see until we know. I would rather take measures proactively to arm ourselves against this impact. In that light, a dividend payment would now be premature. We will assess whether we can revise this measure later in the year.”

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The Annual General Meeting of Shareholders will still take place on 15 April 2020. Heijmans published a separate announcement on its website - www.heijmans.nl/en - regarding the measures taken to ensure the meeting can take place safely.