

Royal BAM Group nv

First quarter results 2011

Investor presentation

Bunnik, 19 May 2011



Nico de Vries, Chairman of the Executive Board of Royal BAM Group

“BAM’s results for the first quarter were stable and in line with expectations, underpinned by successful execution on large projects. Results at our Construction and Civil Engineering sectors were similar to last year, and the Property sector made a small profit.

Looking ahead, we maintain our expectation of a net profit level of €120 million for 2011, taking account of increased pressures on margins for new orders.

I am also pleased to report today an innovative joint venture agreement between BAM PPP and the leading Dutch fund manager PGGM which will help us accelerate our growth in this important market of public private partnerships.”

BAM confirms 2011 profit outlook following stable first quarter

- Net result for Q1 2011: €20 million (Q1 2010: €10 million)
- Small profit in the Property sector
- Agreement with PGGM to form PPP joint venture
- Order book at €11.9 billion at end of Q1 2011 (year-end 2010: €12.1 billion)
- Expected net profit level for 2011 confirmed at €120 million

Construction

	Q1'11	Q1'10	Δ
Revenue	669	656	+2%
Result ¹⁾	20.1	20.7	
Margin	3.0%	3.2%	
Order book	4,562	4,641	-2%

(in € million, unless stated otherwise)

1) Result before tax

- Higher revenue in the Netherlands and Germany
- Good margin in the United Kingdom; contract acquisition stagnating
- Difficult start, but good prospects in Belgium
- Order book margins under pressure in all markets

Property

	Q1'11	Q1'10	Δ
Revenue	128	113	+13%
Result ¹⁾	2.0	-18.3	
Margin	1.5%	Neg.	
Order book	1,468	1,513	-3%

(in € million, unless stated otherwise)

1) Result before tax

- Small profit in Q1 2011 for sector as a whole, in line with the forecast for the full year
- Dutch property activities broke even
- Housing sales in the Netherlands from the Group's own development projects: 662 homes (first quarter of 2010: 553 homes)
- Small loss in the United Kingdom and Ireland
- Good result in Belgium

Property Netherlands

	2011	2010
Proprietary property development home sales:		
Q1	662	553
Q2		674
Q3		557
Q4		390
Total	662	2,174
Stock of unsold and unlet premises :	Q1'11	2010
- homes under construction (number)	397	642
- homes finished (number)	279	111
- commercial property (m ²)	9,400	2,300

Property investments

	Q1'11	2010	2009
Land and building rights	656	688	814
Property development	960	852	900
Total investments (a)	1,616	1,540	1,714
Non-recourse loans	395	402	503
Recourse loans	283	307	302
Total loans (b)	678	709	805
Net investments (a)–(b)	938	831	909

(in € million, unless stated otherwise)

Total investments:

- NL: 1,298 million
- UK: 173 million
- EI: 47 million
- BE: 98 million

Civil engineering

	Q1'11	Q1'10	Δ
Revenue	823	755	+9%
Result ¹⁾	3.7	3.0	
Margin	0.5%	0.4%	
Order book	5,185	4,978	+4%

(in € million, unless stated otherwise)

1) Result before tax

- Higher revenues in the Netherlands with a similar result
- Sharp increase in revenues in the UK and Belgium with slightly smaller results
- Profit in Ireland from lower revenues
- German revenues and result show positive development
- Good result at BAM International

Public private partnerships

	Q1'11	Q1'10	Δ
Revenue	94	64	+47%
Result ¹⁾	1.2	4.0	
Margin	1.2%	6.2%	
Order book	1,409	892	+58%

(in € million, unless stated otherwise)

1) Result before tax

- New strategic impetus from JV agreement with PGGM
- Operational results as forecast
- Preferred bidder for two contracts in Belgium
- Seventeen tenders pending

Public private partnerships: portfolio

	Q1'11	2010	2009
Contracts in portfolio	34	32	27
<i>Of which:</i>			
- Operational	21	21	15
- Under construction ¹⁾	13	11	12

Balance sheet positions

	Q1'11	2010	2009
PPS assets (intangibles, receivables)	1,089	1,019	728
PPP loans	1,014	941	670
Net PPP equity investment ²⁾			
- Actual	86	87	61
- Committed (approx.)	265	240	189

(in € million, unless stated otherwise)

¹⁾ 2011: including three contracts in preferred bidder stage

²⁾ BAM share in equity of PPP contracts

Mechanical and electrical contracting

	Q1'11	Q1'10	Δ
Revenue	74	61	+21%
Result ¹⁾	2.1	2.1	
Margin	2.9%	3.5%	
Order book	365	405	-10%

- Reduced result at BAM Techniek from higher revenues

(in € million, unless stated otherwise)

1) Result before tax

Consultancy and engineering

	Q1'11	Q1'10	Δ
Revenue	50	48	+4%
Result ¹⁾	1.7	2.9	
Margin	3.5%	5.9%	
Order book	112	117	-4%

- Disappointing margin at Tebodin

(in € million, unless stated otherwise)

1) Result before tax

Dredging (stake 21,5% Van Oord)

	Q1'11	Q1'10
Result contribution Van Oord	6.4	7.1
Book value stake in Van Oord	198	179

(in € million, unless stated otherwise)

Revenue and results per sector

	Q1 2011		Q1 2010	
	Revenue	Result ¹⁾	Revenue	Result ¹⁾
Construction	669	20.1	656	20.7
Property	128	2.0	113	-18.3
Civil engineering	823	3.7	755	3.0
PPP	94	1.2	64	4.0
M & E contracting	74	2.1	61	2.1
Consultancy and engineering	50	1.7	48	2.9
Eliminations and other	-163	-0.1	-154	-0.2
Total sectors	1,675	30.7	1,542	14.2

(in € million, unless stated otherwise)

1) Result before tax

Key figures income statement

	Q1 2011	margin	Q1 2010	margin
Total result sectors	30.7	1.8%	14.2	0.9%
Group overhead	-4.5		-3.7	
Group interest	-6.7		-6.1	
Operating activities	19.5		4.4	
Dredging	6.4		7.1	
Result before tax	25.9	1.5%	11.5	0.7%
Income tax	-5.7		-1.5	
Minority interest	-0.1		-0.1	
Net result	20.1	1.2%	9.9	0.6%

(in € million, unless stated otherwise)

Key figures balance sheet

	Q1'11	2010	Q1'10
Balance sheet total	6,967	7,134	6,714
Shareholders' equity	1,141	1,100	862
Capital base	1,342	1,302	1,063
Capital ratio	19.3%	18.2%	15.8%
Net cash	699	913	446
Interest-bearing debt	2,331	2,271	2,246
Net debt position	1,621	1,357	1,678
Fixed assets	2,595	2,560	2,252
Working capital (excl. cash and st-debt)	534	311	705

(in € million, unless stated otherwise)

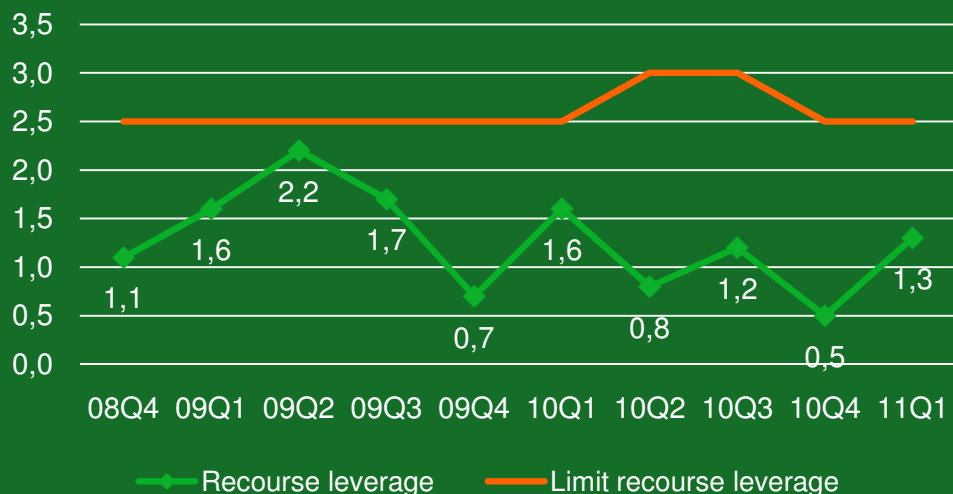
- Increase interest-bearing debt and fixed asset due to increase PPP-contracts
- Decrease net cash and increase working capital follows the seasonal pattern

Breakdown of net debt position

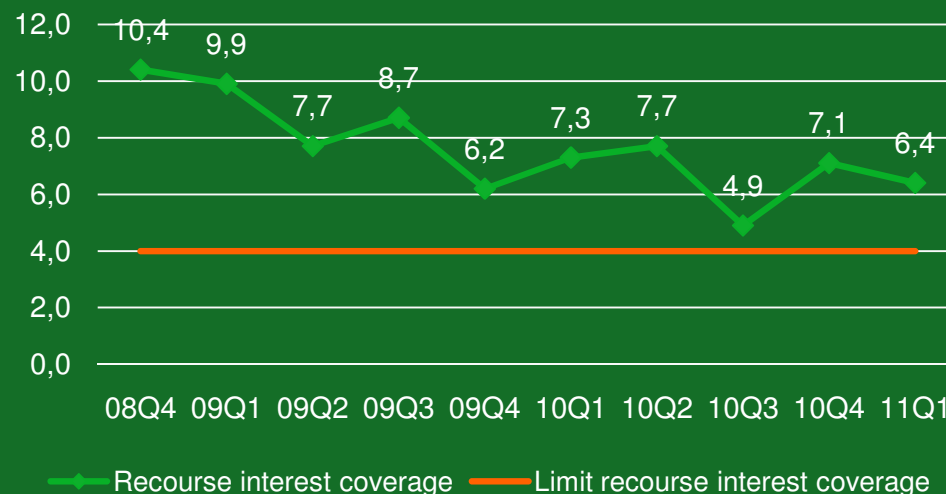
	Q1 2011	2010
Non-recourse PPP loans	881	825
Non-recourse project financing	418	420
Other project financing	420	424
Total 'project related'	1,719	1,669
Subordinated loan	202	202
Loan BAM	360	360
Financial lease liabilities	38	38
Bank overdrafts and other loans	12	2
Total interest-bearing debts	2,331	2,271
Less: cash	-710	-914
Net debt position	1,621	1,357
Recourse net debt position	322	112

(in € million, unless stated otherwise)

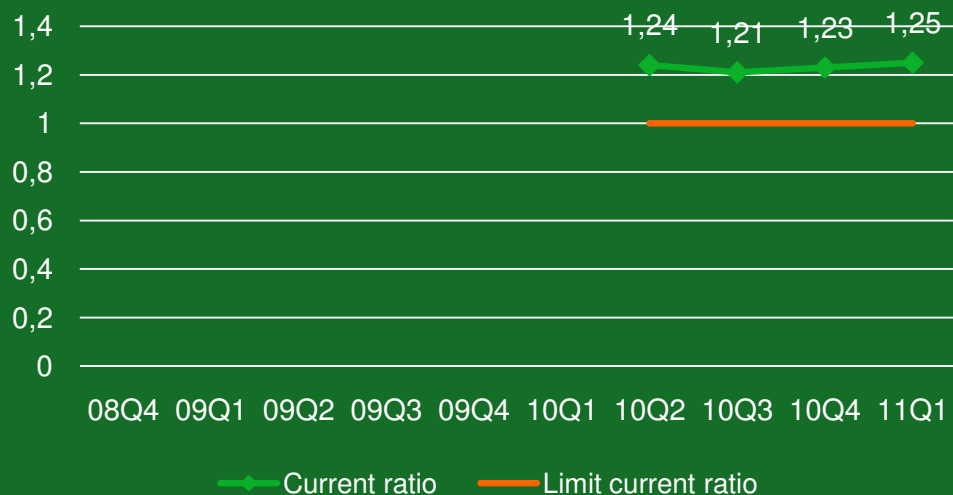
Recourse leverage ratio



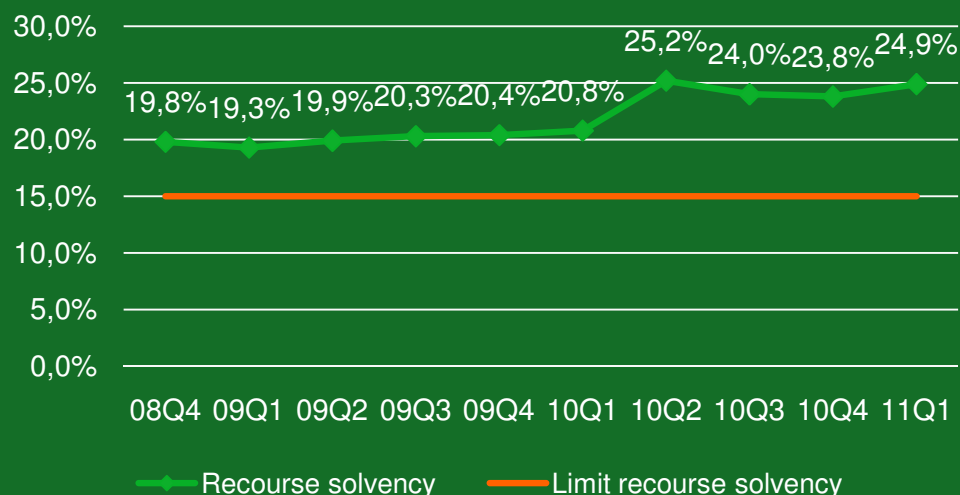
Recourse interest coverage ratio



Current ratio



Recourse solvency ratio



Order book

	Q1'11	2010	Δ
Order book	11,900	12,100	-2%
To be executed*:			
- this year	5,300	6,300	
- next year and after	6,600	5,800	
Expected revenue for this year in the order book	Approx. 90%	Approx. 80%	

(in € million, unless stated otherwise)

** Approximate figures*

Outlook 2011

Royal BAM Group is maintaining the forecast made when the annual results for 2010 were published that, barring unforeseen circumstances, the Group will achieve a net profit level of €120 million in 2011, which equates to a 2 percent margin before tax and is on the low side of the historical cyclical range of 2 to 4 percent. The Group believes that this margin is realistic in the current circumstances