

Brunel International N.V.

Results H1 2010

Growth in Germany, results Energy as expected, delayed upturn in The Netherlands

Amsterdam, 20 August 2010

Brunel International realised a turnover in the first half year of €335 million, down 9% compared to the same period last year (13% at equal rates). Turnover in the second quarter was up €1 million compared to the first quarter despite fewer working days in The Netherlands and Germany. The gross profit in H1 2010 amounted to €70 million compared to €76 million in the same period last year. Gross margin remained at 21%. The Ebit amounted to €16 million compared to €23 million in H1 2009.

Brunel International						
All amounts in €mln						
	Q2 2010	Q2 2009	Change %	H1 2010	H1 2009	Change %
Turnover	167.9	182.6	-8 %	334.9	366.3	-9 %
Gross Profit	34.1	36.3	-6 %	69.6	76.2	-9 %
Gross margin	20.3 %	19.9 %		20.8 %	20.8 %	
Ebit	6.2	9.5	-35 %	16.0	23.2	-31 %
Ebit %	3.7 %	5.2 %		4.8 %	6.3 %	

Overall turnover in Q2 2010 is down 8% compared to the same period in 2009. Key elements contributing to this decrease are the completion of high volume Energy projects per the end of 2009 and the economic downturn in The Netherlands and Germany. The effect of the economic downturn has been severe for Brunel Germany but recovery started in the second quarter of this year. In The Netherlands the period of stabilisation continued in the second quarter of 2010 but the late cyclical nature of the Dutch economy has not yet allowed recovery of the market.

For both Brunel Germany and Brunel The Netherlands turnover realised in the second quarter is, despite the lower number of working days in the second quarter, almost equal to turnover in first quarter.

Gross margin H1 2010 is in line with previous year and as a result of our policy to remain focused on the quality of our organisation, overhead costs remained at 2009 level. A decrease in the overhead costs in Germany is offset by an increase in the Energy division resulting from investments in the organisation to support future growth.

The lower turnover in combination with an almost equal level of overhead costs has resulted in an Ebit H1 2010 of 4.8%.

Jan Arie van Barneveld, CEO of Brunel International: "The expected turnaround in The Netherlands in our market segment is delayed but looking at the impressive growth we are currently experiencing in Germany we are confident that the upturn of the activity level in The Netherlands will follow. The Energy division has performed in line with expectations and sustainable growth is expected from projects starting in the 4th quarter of 2010."

Brunel Netherlands

In The Netherlands turnover level for the first half of 2010 is €64 million, down 11% compared to the same period last year. Gross profit decreased by 16% to €21 million.

Brunel Netherlands						
All amounts in €mIn						
	Q2 2010	Q2 2009	Change %	H1 2010	H1 2009	Change %
Turnover	31.6	33.9	-7 %	63.7	71.5	-11 %
Gross Profit	10.3	11.7	-12 %	21.3	25.5	-16 %
Gross margin	32.5 %	34.5 %		33.5 %	35.7 %	
Ebit	1.8	3.2	-44 %	4.2	8.3	-49 %
Ebit %	5.7 %	9.4 %		6.6 %	11.6 %	

Turnover in the second quarter decreased by 7% compared to the same period in 2009. The same comparison for the first quarter year-on-year resulted in a 15% decrease. The Dutch economy seems to have bottomed out but, also due to the late cyclical nature of the Dutch economy, recovery did not materialise in the first half of 2010. The gross margin declined compared to previous year as a result of a relative increase in the deployment of freelance personnel. The positive effect of this relative increase is that the risk of idle time is mitigated. The overhead costs, although monitored closely, remain fairly stable. As a result of the lower gross margin and stable overhead costs Ebit as a percentage of turnover decreased from 11.6% in H1 2009 to 6.6% in H1 2010.

Brunel Germany

In Germany turnover level for the first half of 2010 is €50 million, down 10% compared to the same period last year. The gross profit increased by 5% to €19 million.

Brunel Germany						
All amounts in €mln						
	Q2 2010	Q2 2009	Change %	H1 2010	H1 2009	Change %
Turnover	25.3	25.8	-2 %	50.3	55.8	-10 %
Gross Profit	8.9	8.0	11 %	18.7	17.9	5 %
Gross margin	35.2 %	31.0 %		37.2 %	32.1 %	
Ebit	1.2	-1.1	209 %	4.3	0.2	1,724 %
Ebit %	4.9 %	-4.3 %		8.6 %	0.4 %	

The decrease in turnover in the second quarter, compared to the same period in 2009, is 2%. This decrease is less than the decrease over the first quarter (16%). Comparing the revenue levels of the months, June 2010 noted a higher turnover than June 2009.

Brunel Germany is clearly recovering from the effects of the economic downturn. Additionally, a major improvement was made in reducing the idle time over the last six months. This explains largely the improvement of the gross margin from 32% in 2009 to 37% in the first half of 2010. The second quarter gross margin was 35% which was negatively influenced by the lower number of working days in comparison to the first quarter of this year. In addition to the improved gross margin, the reduction in overhead costs has added to the improvement of the Ebit, as a percentage of revenue, from 0.4% in H1 2009 to the 8.6% in the first half of this year. The reduction of the overhead costs is the result of measures taken to streamline the organisation.

Brunel Energy

Brunel Energy turnover level for the first half of 2010 is €210 million, down 8% compared to the same period last year. The gross profit decreased by 11% to €27 million.

Brunel Energy						
All amounts in €mIn						
	Q2 2010	Q2 2009	Change %	H1 2010	H1 2009	Change %
Turnover	105.4	117.8	-11 %	209.7	228.0	-8 %
Gross Profit	14.0	15.5	-10 %	27.3	30.5	-11 %
Gross margin	13.3 %	13.2 %		13.0 %	13.4 %	
Ebit	4.2	7.2	-42 %	8.6	14.5	-41 %
Ebit %	4.0 %	6.1 %		4.1 %	6.4 %	

In line with expectations, turnover in both Q2 and H1 2010 are lower than in 2009. In 2009 two major contracts, Pluto and Woodside, were completed. These projects generated a turnover of more than €40 million in H1 2009. Furthermore, as a result of the decreasing value of the Euro, especially compared to the Australian dollar, turnover increased by €15 million. Excluding the effects of the completed projects and the exchange rate development, a turnover increase of 4% was realised compared to H1 2009.

The gross margin, both in the quarter as well as in H1 2010, is in line with previous year.

As a result of investments made in the Energy organisation, preparing for the future growth, overhead costs increased resulting in an Ebit in the second quarter of 4%. This Ebit level is below that required for Brunel Energy but the investments in overhead have prepared us well to facilitate the execution of the new contracts, which will start generating turnover growth in the fourth quarter.

Brunel Belgium

In Belgium turnover level for the first half of 2010 is €10.7 million, down 4% compared to the same period last year. Gross profit decreased by 5% to €2.1 million.

Overhead costs are slightly higher compared to the same period last year, resulting in an Ebit of €0.3 million (H1 2009: €0.5 million).

Risk profile

Reference is made to our 2009 Annual Report (pages 25 – 27). Reassessment of earlier identified risks and the potential impact on occurrence has not resulted in required changes in our Internal Risk management and Control systems.

Outlook for 2010

We expect for Germany and Energy strong profitable growth during the second half and fourth quarter of 2010 respectively. For The Netherlands only a limited growth is foreseen for the remainder of this year.

We declare that, to the best of our knowledge, the semi-annual financial statements, which have been prepared in accordance with IFRS (IAS 34), give a true and fair view of the assets, liabilities, financial position and profit or loss of Brunel International N.V., and the undertakings included in the consolidation as a whole, and the semi-annual management report includes a fair review of the information required pursuant to section 5:25d, subsections 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

Amsterdam, 20 August 2010,

The Board of Directors

Jan Arie van Barneveld (CEO)

Rob van der Hoek (CFO)

For further information:

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Brunel International N.V. is an international service provider specialised in the flexible deployment of knowledge and capacity in the fields of Engineering, Oil & Gas, Aerospace, Automotive, Rail, ICT, Finance, Legal and Insurance & Banking. Services are provided in the form of Project Management, Secondment and Consultancy. Incorporated in 1975, Brunel has since become a global company with over 7,000 employees and an annual turnover of € 738 million. The company is listed at Euronext Amsterdam N.V. For more information on Brunel International visit our website www.brunel.net.

Financial Calendar

2 November 2010 Trading update Q3 2010 (before start of trading)

Certain statements in this document concern prognoses about the future financial condition and the results of operations of Brunel International N.V. as well as plans and objectives. Obviously, such prognoses involve risks and a degree of uncertainty since they concern future events and depend on circumstances that will apply then. Many factors may contribute to the actual results and developments differing from the prognoses made in this document. These factors include general economic conditions, a shortage on the job market, changes in the demand for (flexible) personnel, changes in employment legislation, future currency and interest fluctuations, future takeovers, acquisitions and disposals and the rate of technological developments. These prognoses therefore apply only on the date on which the document was compiled.

Appendix to press release 20 August 2010

Interim figures 1st half 2010

**Financial Highlights
for the period ended 30 June (unaudited)**

(X € 1,000)	2010 H1	2009 H1	%
Net turnover	334,914	366,318	-8.6%
Gross profit	69,639	76,167	-8.6%
Operating profit (ebit)	16,040	23,245	-31.0%
Result after tax	11,396	17,265	-34.0%
Result participations			
Net income	11,396	17,265	-34.0%
Gross profit as % of net turnover	20.8%	20.8%	
Net result as % of net turnover (excluding result participations)	3.4%	4.7%	

Workforce

Direct employees (average)	6,207	7,010	-11.5%
Indirect employees (average)	1,078	1,103	-2.3%
Total	7,285	8,113	-10.2%
Direct employees (period end)	6,125	6,800	-9.9%
Indirect employees (period end)	1,095	1,055	3.8%
Total	7,220	7,855	-8.1%

Earnings per share (in Euros)

Earnings per share for ordinary shareholders	0.48	0.75
Earnings per share (excluding result participations)	0.48	0.75
Diluted earnings per share	0.45	0.74

***Condensed consolidated income statement
for the period ended 30 June (unaudited)***

(X € 1,000)	2010 H1	2009 H1
Net turnover	334,914	366,318
Direct personnel expenses	265,275	290,151
Gross profit	69,639	76,167
Indirect personnel expenses	34,055	33,330
Depreciation property, plant and equipment	1,789	1,458
Other general and administrative expenses	17,755	18,134
Total operating costs	53,599	52,922
Operating profit	16,040	23,245
Financial income and expense	-65	1,126
Result before tax	15,975	24,371
Tax	4,579	7,106
Net income	11,396	17,265
<u>Attributable to :</u>		
Net income for ordinary shareholders	11,155	16,987
Minority interests	241	278
Net income	11,396	17,265

***Condensed consolidated statement of comprehensive income
for the period ended 30 June (unaudited)***

(X € 1,000)	2010 H1	2009 H1
Net income	11,396	17,265
Other comprehensive income		
Exchange differences arising on translation of foreign operations	15,724	1,183
Income tax relating to components of other comprehensive income	-1,155	-79
Other comprehensive income (net of tax)	14,569	1,104
Total comprehensive income	25,965	18,369
<u>Attributable to:</u>		
Ordinary shareholders	25,724	18,091
Minority interests	241	278
Total comprehensive income	25,965	18,369

Condensed consolidated balance sheet (unaudited)

(X € 1,000)	2010 June 30	2009 December 31
Fixed assets		
Goodwill	7,052	6,907
Other intangible assets	4,996	5,314
Property, plant and equipment	9,627	9,940
Financial Assets		
Deferred income tax assets	6,630	5,692
Other non-current assets	1,000	1,000
	29,305	28,853
Current assets		
Trade and other receivables	160,106	145,561
Income tax receivables	8,735	7,157
Cash	68,614	73,157
Total current assets	237,455	225,875
Current liabilities	75,551	67,916
Income tax payables	1,086	5,502
Total current liabilities	76,637	73,418
Working capital	160,818	152,457
Non-current liabilities		
Deferred income tax liabilities	850	453
	189,273	180,857
Group equity		
Shareholders' equity	188,942	180,318
Minority interest	331	539
	189,273	180,857
Balance sheet total	266,760	254,728
<u>Other balance sheet items / key figures</u>		
Current assets / current liabilities	3.10	3.08
Shareholders' equity / Balance sheet Total	71.0%	71.0%
Issued ordinary shares (x 1,000)	23,181	23,121

Condensed consolidated statement of changes in shareholders' equity (unaudited)

	2010			2009		
	Shareholders' equity	Minority Interest	Group equity	Shareholders' equity	Minority Interest	Group equity
Balance at 1 January	180,318	539	180,857	162,727	1,061	163,788
Net income	11,155	241	11,396	16,987	278	17,265
Exchange differences arising on translation of foreign operations	15,610	114	15,724	1,183		1,183
Income tax relating to components of other comprehensive income	-1,155		-1,155	-79		-79
Total comprehensive income	25,610	355	25,965	18,091	278	18,369
Cash dividend	-18,545	-378	-18,923	-18,417	-600	-19,017
Appropriation of result						
Share based payments	466		466	375		375
Option rights exercised	1,093		1,093	1,756		1,756
Issue of share capital						
Acquisition of minority interest		-185	-185	-1,378	-322	-1,700
Balance at 30 June	188,942	331	189,273	163,154	417	163,571

Condensed consolidated cash flow statement
for the period ended 30 June (unaudited)

(X € 1,000)	2010	2009
	H1	H1
Result before tax	15,975	24,371
Adjustments for:		
Depreciation	1,789	1,458
Interest income	-501	-1,126
Other non-cash expense	235	399
Share based payments	466	375
Changes in:		
Receivables	-1,539	4,968
Current liabilities	<u>2,947</u>	<u>4,435</u>
Cash flow from working capital	1,408	9,403
Taxes	<u>-11,474</u>	<u>-11,989</u>
Cash flow from operational activities	7,898	22,891
Additions to property, plant and equipment	-1,286	-1,165
Disposals of property, plant and equipment	113	53
Acquisitions	-185	-1,700
Adjustment of initial purchase price		
Proceeds from divestment of business		
Financial fixed assets		
Interest income	<u>501</u>	<u>1,126</u>
Cash flow from investments	-857	-1,686
Issue of new shares	1,093	1,756
Minority interest	-378	-600
Dividend	<u>-18,545</u>	<u>-18,417</u>
Cash flow from financial operations	-17,830	-17,261
Net cash flow	-10,789	3,944
Cash position at start of financial period	73,157	40,312
Net cash flow	-10,789	3,944
Exchange rate fluctuations	<u>6,246</u>	<u>741</u>
Cash position at end of financial period	<u>68,614</u>	<u>44,997</u>

Notes to the condensed consolidated financial statements

for the period ended 30 June 2010

Basis of preparation

The condensed financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

Significant accounting policies

The condensed financial statements have been prepared under the historical cost convention. The same accounting policies, presentation and methods of computation have been followed in these condensed financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 December 2009.

Seasonality

The group's activities are only marginally affected by seasonal patterns.

Income tax charge

Interim period income tax is accrued based on the estimated average annual effective income tax rate of 28.0% (period ended 30 June 2009: 27.6%).

Share capital

The authorised share capital is €5,000,000, divided into one priority share with a nominal value of €10,000 and 99.8 million ordinary shares with a nominal value of €0.05. The subscribed capital consists of 23,181,312 ordinary shares.

Number of shares issued as at 31 December 2009	23,121,312
Shares issued in period ended 30 June 2010	<u>60,000</u>
Number of shares issued as at 30 June 2010	23,181,312

Dividend

During the interim period, a dividend of €0.80 (2009: €0.80) was paid to the shareholders.

Minority Interests

In June 2010 we acquired the remaining 20% in one of the group companies (Brunel Commonwealth Resources). The consideration paid for Brunel Commonwealth Resources is € 185k in cash.

The consideration paid for the acquisition is calculated as follows:

Cash	226
Receivables	873
Other assets	57
Current liabilities	<u>-972</u>
Minority interest at transaction date	185
Goodwill	<u>0</u>
Consideration paid	185

Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

Number of shares	2010 H1	2009 H1
Weighted average number of ordinary shares for the purpose of basic earnings per share	23,151,312	22,997,146
Effect of dilutive potential ordinary shares from share based payments	1,558,500	475,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	24,709,812	23,472,146

Approval of interim financial statements

The interim financial statements were approved by the board of directors on 19 August 2010.

Primary reporting segments (unaudited)

Geographical

	Turnover		Operating profit		Total Assets	
	2010	2009	2010	2009	2010	2009
(X € 1,000)	H1	H1	H1	H1	H1	H1
Netherlands	63,660	71,504	4,209	8,263	50,523	33,264
Worldwide Energy	209,746	228,033	8,596	14,492	160,780	153,821
Germany	50,345	55,824	4,340	238	36,516	36,172
Other	11,163	10,957	-557	323	18,941	10,168
Corporate			-548	-71		6,844
	334,914	366,318	16,040	23,245	266,760	240,269

Employees

The total number of direct and indirect employees with the group companies is set out below:

Average workforce

	2010		2009	
	H1		H1	
	Direct	Indirect	Direct	Indirect
Netherlands	1,354	310	1,655	343
Worldwide Energy	3,437	432	3,639	388
Germany	1,151	274	1,450	328
Other regions	265	62	266	44
	6,207	1,078	7,010	1,103
Total workforce		7,285		8,113

Workforce at 30 June

	2010		2009	
	Direct	Indirect	Direct	Indirect
Netherlands	1,360	318	1,511	327
Worldwide Energy	3,282	439	3,677	357
Germany	1,202	276	1,322	303
Other regions	281	62	290	68
	6,125	1,095	6,800	1,055
Total workforce		7,220		7,855

Secondary reporting segments (unaudited)

Professional specialisation (X € 1,000)	Turnover		Operating profit	
	2010	2009	2010	2009
	H1	H1	H1	H1
Engineering	91,117	97,380	9,065	6,518
Energy	209,746	228,033	8,596	14,492
ICT	22,040	24,471	640	1,858
Unallocated	12,011	16,434	-2,261	377
	334,914	366,318	16,040	23,245

Employees

The total number of direct and indirect employees with the group companies is set out below:

Average workforce

	2010		2009	
	H1		H1	
	Direct	Indirect	Direct	Indirect
Engineering	2,027	414	2,418	458
Energy	3,437	432	3,679	387
ICT	475	77	565	89
Unallocated	268	155	348	169
	6,207	1,078	7,010	1,103
Total workforce		7,285		8,113

Workforce at 30 June	2010		2009	
	Direct	Indirect	Direct	Indirect
Engineering	2,078	421	2,262	431
Energy	3,282	439	3,677	357
ICT	484	78	526	89
Unallocated	281	157	335	178
	6,125	1,095	6,800	1,055
Total workforce		7,220		7,855