HALF YEAR REPORT 2012 ROYAL IMTECH N.V.

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Imtech: a good first half of 2012, growth despite difficult market conditions; EBITA +12%, revenue +14%, order book +13%, profit per share +8%

	HY 2012	HY 2011	Δ	
Revenue *(in millions)*	**2,615**	2,292	+14%	
EBITA *(in millions)*	**134.4**	120.5	+12%	(organic +2%)
EBIT *(in millions)*	**116.0**	107.5	+8%	
Net profit *(in millions)*	**62.0**	60.7	+2%	
Net profit *(in millions before amortisation)*	**80.4**	73.7	+9%	
Profit per share *(before amortisation)*	**0.92**	0.85	+8%	
Operational EBITA margin	**5.6%**	5.7%		
Order book *(in millions)*	**6,464**	5,709	+13%	
Number of employees *(on 30 June)*	**29,128**	26,829	+9%	

- **Order book up by 755 million euro (13%) to 6.5 billion euro**
- **Solid financial position**
- **Maintaining forecast of further EBITA growth over the full year 2012 through organic growth and acquisitions**
- **Maintaining 2015 strategic growth plan targets: revenue 8 billion euro, operational EBITA margin between 6% and 7%**

René van der Bruggen, CEO Imtech: 'In the first half of 2012 Imtech showed another solid performance and, despite difficult market conditions due to the economic crisis, continued its tradition of continued growth. Revenue rose by 14% and the order book increased by 755 million euro (13%) to nearly 6.5 billion euro. EBITA rose by 12%, of which 2% was based on organic growth. The organic growth percentage was negatively influenced by reorganisations in the Benelux, Spain and Marine. Reorganisation costs during the first half of 2012 amounted to over 8 million euro. Normally, these costs amount to 3 to 5 million euro a year.'

'Imtech performed particularly well in Germany, Eastern Europe (especially Poland), the Nordic and the UK & Ireland, as well as in the European ICT market in which we are an outperformer. Our performance in the European traffic market was stable. Although the technical services market has also been affected by the economic crisis, we held our ground very well. This was because our drivers for growth remained unchanged and we can adapt well to changing market conditions. Examples are new total solutions in care & cure, high-tech management solutions in the traffic market, a marine life-cycle approach and the integration of numerous sustainability solutions in our services portfolio. This enables us to lower our customers' exploitation costs and, at the same time, boost sustainability. We have also built-up a strong position in Turkey and are, step-by-step, expanding our activities outside Europe. This, together with the size of the order book and the improving order intake for our global marine activities, gives us confidence for the second half of 2012.'

'We maintain our forecast of further EBITA growth for the full year 2012 through organic growth and acquisitions. In line with our 2015 strategic growth plan, during the first half of this year we once again acquired a number of strong companies which will grow further under our strong financial wings and through collaboration with our existing portfolio. Our financial position remains solid. Despite the difficult market conditions we look forward to the future with confidence.'

A good first half of 2012

At 5.6% the operational EBITA margin was virtually the same as for the first half of 2011 (5.7%). On 30 June 2012 the order book was 13% higher (+755 million euro) at 6,464 million euro. The operating result before amortisation and impairment of intangible assets (EBITA) increased by 12% to 134.4 million euro (first half of 2011: 120.5 million euro) of which 2% was organic. Revenue rose by 14% to 2,615 million euro (first half of 2011: 2,292 million euro).

Amortisation expenses rose by 5.4 million euro to 18.4 million euro as a result of the acquisitions of 2011 and in the first half of 2012. The net financing result rose by 3.6 million euro to 29.9 million euro negative, primarily due to higher interest charges as a result of the settlement of acquisitions. Income tax amounted to 23.1 million euro (2011: 21.8 million euro) while the effective tax rate went slightly up to 26.3% (2011: 26.0%). Net profit rose by 2% to 62.0 million euro (2011: 60.7 million euro). This net profit growth is more limited than the growth of the EBITA due to higher amortisation expenses and higher interest charges.

Net profit before amortisation and impairment of intangible assets increased by 9% to 80.4 million euro (first half of 2011: 73.7 million euro). Profit per share before amortisation and impairment of intangible assets rose by 0.07 euro to 0.92 euro (+8%), based on the weighted average number of issued shares of 87,782,642 shares (first half 2011: 87,048,926 shares). The exchange rate of foreign currency compared to the euro had a positive effect of 0.3 million euro on the EBITA and 25.6 million euro on revenue.

Solid financial position
As usual the characteristic seasonal pattern of the working capital meant net cash flow from operating activities was negative during the first half of the year. Net cash flow amounted to 59.5 million euro negative – an improvement of 20.6 million euro compared with the first half of 2011. An important cause of this is a reduction in working capital to 468 million euro (30 June 2011: 496 million euro). As a consequence the working capital improved to 8.6% of revenue from the last twelve months, which is significantly lower than 9.9% as at 30 June 2011. Imtech expects to meet its target of a year-end working capital amounting to between 6.0% and 6.5% of the annual revenue.

Net cash flow from investing activities was 132.6 million euro negative, primarily due to acquisitions. Net cash flow from financing activities was 66.9 million euro positive on the one hand due to borrowings and on the other hand due to the payment of dividend to shareholders and the purchase of own shares to cover the shares and share option schemes.

The net interest-bearing debt amounted to 761 million euro (30 June 2011: 624 million euro). The leverage ratio (average net interest-bearing debt / EBITDA) was 1.9 (30 June 2011: 1.7) and the interest coverage was 6.7 (30 June 2011: 7.2). This means Imtech has a solid financial position and remains well within the agreed financial covenants. At the same time, this implies Imtech has sufficient financial means at its disposal to finance future acquisitions envisaged in the 2015 strategic growth plan. A private placement of 100 million euro with a term of 7 and 9 years has further strengthened and diversified the long-term financing structure. Shareholders' equity rose to 959 million euro, partly due to the addition of 62.0 million euro net profit in the first six months of the year. Solvency was 0.23 (30 June 2011: 0.26). Of the total dividend over the previous financial year 31.7 million euro was paid out in cash (52% of the total dividend) and the remaining 48% was paid out in stock for which 1,313,134 new shares were issued. As at 30 June 2012 the issued share capital amounted to 94,059,916 shares.

Benelux: structural challenging market conditions, a slight overall decrease
The Benelux technical services market is characterised by structural challenging market conditions and keen competition, especially in the buildings market. This has put the EBITA under pressure for a number of years. Restructurings and a strategic re-orientation help to turn the tide, but in 2012 this not yet lead to the desired result. Imtech is also under some pressure in the infrastructure market, which has been affected by governmental cutbacks. Against this, Imtech is doing well in Luxembourg, technological export from the Netherlands is increasing and the results in the industrial market are improving slightly. The overall EBITA has decreased slightly EBITA (-3%).

Key figures Benelux

	HY 2012	HY 2011	Δ
Revenue *(in millions of euro)*	**468**	471	-1%
EBITA *(in millions of euro)*	**12.7**	13.1	-3%
EBITA margin	**2.7%**	2.8%	
Order book *(in millions of euro)*	**1,231**	1,263	-3%
Number of employees *(on 30 June)*	**6,239**	6,546	-5%

In the buildings market Imtech is working on reducing costs, improving efficiency, clustering competencies and restructuring. In addition the strategic focus is on growth markets such as energy, care & cure, export, data centres and maintenance. Examples include solar energy at Schiphol Airport, co-generation in Lisse, smart health care (an integrated technological approach in the care market) in a hospital in Capelle a/d IJssel, new care concepts at the Leuven University Hospital, data centres for a number of customers, including Telecity, and distinctive maintenance concepts, such as security solutions in the European Parliament building in Brussels. A differentiating vision of the 'green' airport terminal of the future has been developed. In the industry sector growth has been achieved through a combination of long-term maintenance contracts (for example with Shell, KPE and Huntsman) and new projects (including Zeeland Refinery and DAF in Belgium). Innovative projects are a natural gas buffer project for the Gasunie and underground gas storage near Alkmaar. In the field of HSE (Health, Safety & Environment), Imtech won the prestigious Benelux Safe Maintenance Award. The technological upgrading of a FrieslandCampina cheese factory, the largest in Europe, is an exceptional project. Imtech commands unique competencies in the field of power electronics in the energy and oil & gas markets. In view of the market conditions the export of these competences has been intensified successfully with orders being received from customers including Total in Gabon and Shell in Brunei and for a biogas power plant (energy from chicken manure) in Moldavia. In the infrastructure market Imtech is involved in two outstanding projects. One of these is the virtually fully automatically controlled and unmanned new, energy-efficient, container terminal of AP Møller Terminals (Maersk Group) on the second Maasvlakte - one of the world's safest terminals. The other is the innovative sludge reduction for a water company in Garmerwolde. Imtech is also involved in the technological upgrading of a large number of Dutch traffic tunnels, a light-rail project in Antwerp and the technical realization of the new Grouft Tunnel in Luxembourg. Other orders are for energy-efficient lighting in car parks around Schiphol, the technical infrastructure at Eelde airport, various combined maintenance contracts for public lighting and traffic equipment, for example in Maastricht and Nijmegen. Imtech will supply Toyota with a network of charging posts for electrical vehicles and in Belgium Imtech is responsible for solar energy solutions and high-tech pumping stations for drinking water companies and telecom solutions for the Flemish government.

Germany & Eastern Europe: another excellent growth performance

In Germany Imtech is the leading technology partner in the growing energy market. The focus is on energy savings, power plants, energy management (energy contracting), co-generation, green buildings and waste-to-energy. In addition, thanks to high-value technical expertise - in most cases combined with sustainability - Imtech excels in markets such as care & cure, airports, R&D, data centres and the aviation and automobile industries. Imtech has developed equally well in Poland. As a result the EBITA has risen by 19%.

Key figures Germany & Eastern Europe

	HY 2012	HY 2011	Δ
Revenue *(in millions of euro)*	**740**	658	+12%
EBITA *(in millions of euro)*	**57.3**	48.3	+19%
EBITA margin	**7.7%**	7.3%	
Order book *(in millions of euro)*	**2,497**	2,273	+10%
Number of employees *(on 30 June)*	**5,480**	5,202	+5%

Numerous hospitals, care institutions and medical research centres are switching to an efficient energy infrastructure. Imtech is the market leader in this segment. Examples include the Rems-Murr Kliniken in Winnenden and the Rheinische Kliniken in Bonn. Imtech is also excelling in the fields of R&D and education buildings, such as a new research and teaching building for the University of Münster and the Max-Planck-Institut für Eisenforschung (MPIE) in Düsseldorf. Imtech is 'greening up' numerous of stadiums, including Bayern Munich's Allianz Arena and VfB Stuttgart's Mercedes-Benz Arena. Imtech is also setting the tone in green buildings. One major order involves the energy management of around 800 Deutsche Post buildings. This extensive project, which is proceeding on schedule, has been proclaimed the best European Energy Service Project. New developments include Smart Cities (the combination of energy efficiency, smart grids and decentralised sustainable energy solutions in the urban environment) and Power-to-Gas (converting electricity into methane gas that can be stored in existing gas networks). In the industry sector Imtech commands virtually unique competencies that guarantee continuity, for example in the fields of clean room solutions and fire protection. In the automotive industry Imtech is active across a broad front and is working for all the major German automotive manufacturers, including specific test facilities for Daimler, Porsche and VW. In the airport market Imtech is the technology partner for the extension of Frankfurt Airport and for the new Berlin Brandenburg Airport. In the data centre market one project after another is obtained, for example for Lidl. In Austria Imtech is slowly but surely building-up a position and is, for example, involved in the technical equipping of a geriatric department in a hospital in Vienna. In Eastern Europe the performance is very well. In Hungary Imtech is working on new Audi and Mercedes manufacturing facilities. In Poland Imtech has nationwide coverage (seven regions). This has led to robust growth which, increasingly, is also related to energy efficiency. Examples include green buildings (Katowice station and the Eurocenter building in Warsaw - the greenest office building in Poland), and one of the world's most advanced waste-to-energy power plants. Imtech has also made progress in other Polish market segments including care & cure. Imtech is also involved in the mega-project Adventure World Warsaw. From its German base Imtech is also working more and more outside of Europe in specific areas of expertise, such as the supply of testing solutions to the automotive industry in the Far East, special care buildings in Russia and projects for BMW and Airbus in China.

UK & Ireland, Spain & Turkey: on balance further growth

The UK & Ireland have achieved a robust EBITA growth, both organically and through acquisitions in 2011 and 2012. In Spain, where the technical services market has been hit hard by the economic crisis, Imtech is experiencing serious pressure on its results. The acquisition of the Turkish technical services provider AE Arma-Elektropanç, which has been consolidated since April 2012, has extended this cluster. The new Imtech company is working in several growth markets and is performing extremely well. On balance, EBITA growth amounts to 14%.

Key figures UK & Ireland, Spain & Turkey

	HY 2012	HY 2011	Δ
Revenue *(in millions of euro)*	**425**	320	+33%
EBITA *(in millions of euro)*	**19.6**	17.2	+14%
EBITA margin	**4.6%**	5.4%	
Order book *(in millions of euro)*	**987**	605	+63%
Number of employees *(on 30 June)*	**6,415**	5,129	+25%

Robust growth in the UK & Ireland

Despite complicated market conditions the UK's performance can be classified as excellent. Both the 2011 acquisitions - Inviron (technical maintenance and management) and the Smith Group UK (a regional player in Manchester) - are developing well. The strategic focus was broadened from the buildings market to include the water, energy and environmental markets. This has led to growth. The acquisition of Capula, a specialist in solutions for process automation in the industry and energy market (power plants, power distribution and networks), at the end of May 2012, has strengthened Imtech's position in the industry and energy market. Imtech has also achieved robust organic growth in the water and energy market and is specialised in the innovative anaerobic digestion technology with which sewage is converted into sustainable energy in biogas power plants. Large projects are on-going for Welsh Water, Thames Water, Anglian Water Services and Northumbrian Water. In technical maintenance and airports Imtech is doing very well. A number of new maintenance contracts have been acquired including one from the Capital Shopping Centre. Imtech is responsible for renovating the runway lighting at both Heathrow and Gatwick Airport. Further growth has been achieved in the buildings market in the Greater London region where Imtech is involved in numerous technical facilities and stand-by services related to the Olympic Games and is also active on a broad front. Examples include the Canadian Water Library in Southwark, a multifunctional development in Lambeth, sustainable government buildings such as for Croydon Council and the technological upgrading of department stores including John Lewis. Imtech is also involved in many projects outside London, including the sustainable head office of Waters Corporation in Wilmslow.

In Ireland investments in the pharmaceutical industry are gradually increasing. With specific competencies in electrical services and instrumentation (E&I), Imtech is playing a role in this, for example for Pfizer. These solutions are also being exported, mainly to the oil & gas industry in Kazakhstan but also to the Middle East and Norway. The overall picture is one of further growth.

Spain & Turkey: Spain hit by economic crisis, Turkey a new growth market
Spain has been hit hard by the economic crisis and market conditions are extremely challenging. Public and private investments in the buildings market have dropped sharply. Increasing competition has put the margins in the industrial sector under pressure and the volume has also decreased significantly. Imtech's strategy is to offer more efficient forms of contracts, such as a total maintenance plan for container terminals for AP Møller Terminals. New concepts for effective (economical) maintenance are also being developed for the oil & gas market. In the energy market a position has been built-up with energy (maintenance) contracts, including for power plants for the energy supplier Endesa and the Molina de Segura Hospital in Murcia. The care & cure sector is another spearhead. Imtech offers a combination of technical infrastructure and technical services around medical equipment, for example in Burgos hospital. Other markets are tank storage, thermal solar energy and data centres. Imtech is also focusing on restructuring measures such as reducing the number of employees, improving efficiency and the clustering of regional offices. On balance, the overall EBITA is considerably lower than for the first half of last year. The first steps have been taken to follow existing clients who are also active outside Spain, for instance in South America.

The acquisition of AE Arma-Elektropanç in Turkey (80% of the shares) offers Imtech the possibility to penetrate new, opportunity-rich markets. The new multidisciplinary Imtech company is a top-3 player in the Turkish technical services market where there is a high demand for high-value technical solutions. In addition to activities in its own country the company is also active in emerging markets such as the Middle East, Russia and former Soviet republics. A well spread of customers, countries and market segments in a fast-growing market is leading to numerous growth opportunities. Recent large orders are the technical infrastructure in two new, 335 metre high, office buildings in the centre of Moscow, the extension of the marine faculty of Piri Reis University in Istanbul, all the electrical services in an Unilever ice-cream factory in Konya in Turkey and the extension of Pulkovo Airport in Saint Petersburg. The exchange of knowledge within the existing Imtech portfolio has led to activities in the data centre market. Further growth is expected.

Nordic: clustering competencies leads to growth
In the Nordic region in general economic conditions are good and there is a growing demand for technical services, although development in several regions in Sweden is somewhat hesitant. Imtech is able to respond to this growing demand with a broad pallet of technical services. More and more often the Imtech companies NVS (mechanical services), NEA (electrical services), and Sydtotal (energy, high-quality air and climate solutions) are working together with the objective to offer multidisciplinary technical total solutions. This is leading to significant growth - the EBITA in this cluster has risen by 14%. This growth is the

result of organic growth, growth resulting from acquisitions in 2011 and 2012 and the deconsolidation of technical trading activities in Sweden in 2011.

Key figures Nordic

	HY 2012	HY 2011	Δ
Revenue *(in millions of euro)*	**370**	322	+15%
EBITA *(in millions of euro)*	**22.6**	19.8	+14%
EBITA margin	**6.1%**	6.1%	
Order book *(in millions of euro)*	**651**	523	+24%
Number of employees *(on 30 June)*	**5,038**	4,718	+7%

Good examples of multidisciplinary cooperation between the various Imtech companies are ESS (European Spallation Source, a particle accelerator comparable to CERN in Geneva), the MaxLab IV (a research centre for synchronous radiation research), the expansion of a factory for high voltage products in Ludvika and the Hotel Gothia Towers in Gothenburg. Care & cure is a growth segment. The Swedish government in particular is investing in the modernisation of hospitals. Imtech's response has resulted in a large number of orders including from the Karolinska Hospital in Stockholm and the University Hospital in Linköping. Imtech is also involved in the expansion of the Vasa Museum in Stockholm. In Norway significant growth has been achieved. In the energy market Imtech has further extended the breadth and depth of its activities. Examples include energy-saving projects for regional authorities (including Regi Council in Karlstad) and advanced thermal energy solutions in the 'Tältlägret 7' apartment complex in Stockholm. Imtech is also active in several large power plants. New important customers include industrial manufacturer Atlas Copco and Medicon Valley in Lund. In the industrial market Imtech also works for Outokumpu Stainless and ABB. Imtech is responsible for a number of electrical services upgrades for Volvo in Skövde and has started a trial project in the broadband market with telecom provider Telia. During the first half of 2012 the activities in the Nordic were strengthened by the acquisition of four smaller technical services providers (around 100 employees in total) – the Norwegian Steinar Holbæk and the Swedish technical services providers Värnamo Elservice, VVS Montage i Dalarna and Fagersta Industri EL. These smaller acquisitions have either added supplementary technical competencies to Imtech's portfolio or have strengthened Imtech's regional presence.

ICT, Traffic & Marine: on balance a slight growth

Imtech is an outperformer in the European ICT market and has, once again, achieved an excellent growth performance. In the European traffic market Imtech has performed stable despite governmental cutbacks. In the global marine new build market the decrease in volume in the Northwest Europe region has not been sufficiently compensated by continued growth in services and management. At the end of the first half year the marine order intake showed a recovery. On balance, the picture is one of slight growth. The EBITA has risen by 6%.

Key figures ICT, Traffic & Marine

	HY 2012	HY 2011	Δ
Revenue *(in millions of euro)*	**612**	521	+17%
EBITA *(in millions of euro)*	**33.8**	32.0	+6%
EBITA margin	**5.5%**	6.1%	
Order book *(in millions of euro)*	**1,098**	1,045	+5%
Number of employees *(on 30 June)*	**5,908**	5,188	+14%

<u>ICT: another excellent growth performance</u>

Unlike many of its competitors Imtech has developed excellent in the European ICT market, despite varied market conditions in various countries. Imtech has also performed very well in the Asian growth market. The basis for this growth performance is decentralised entrepreneurship combined with an unambiguous strategic focus on business intelligence (strategic and tactical data streams), cloud-based computing (sharing the available computer infrastructure), managed services (management of business critical applications and complex IT environments), ERP software (management of business processes) and collaboration (cooperation in social networks). This strategy has led to further growth, both organic and through acquisitions completed in 2011. Collaboration with Imtech partners IBM, Microsoft and Cisco offer customers added value. In Germany, for example, this has led to a strengthening of the position in the collaboration and business analytics markets, including new orders from Deutsche Bahn, Edeka, Bette and Lanxess. In the public sector Imtech (Fritz & Macziol) has a leading position in Germany and Switzerland with accounting software in over 1,000 municipalities. The Swiss canton of Graubünden, which includes the cities of Davos and St. Moritz, is a new customer. Imtech has also strengthened its position in Asia, for example in the retail and telecommunications markets. In the Netherlands Imtech has held fast to the robust growth of 2011. Orders received include the IT infrastructure in the new Ministries of the Interior and Justice building, the Rijksmuseum in Amsterdam and various education establishments. Software orders came from Amsterdam Airport Schiphol and the funeral company Monuta. Imtech is also doing well in Belgium, including with the equipping of a high-tech data platform for Bayer Bioscience and outsourcing services for BT. In Austria Imtech is supplying numerous IT services to yarn manufacturer Coats and aluminium manufacturer Nemak and has received larger orders for IBM technology for hosting and IT maintenance from various government institutions and Sony. Imtech is developing dynamically in the logistics software market. In Sweden Qbranch, which was acquired in 2011, has signed a number of large IT outsourcing agreements including one with Swedavia, the owner of Sweden's major airports. Konsumentverket, Vectura and TLV have also opted to outsource their IT to Imtech. In the UK a sizeable multi-year order has been received for the pan-European research and teaching network GÉANT to which millions of researchers and students are connected. Imtech is also responsible for the IT infrastructure behind numerous BBC internet services related to the Olympic Games.

Traffic: technological integration, position extension, stable performance

Despite lower governmental investments Imtech's performance has remained stable. The strategy is aimed, successfully, at the further broadening of positions. In Dublin a multi-year contract has been won for the maintenance of 800 traffic lights, including traffic management. In Copenhagen an order has been won for a traffic management system covering all 365 road junctions. These projects open the way to further approaches to the markets in Ireland and Denmark. Both projects are examples of technological integration. This leads to higher added value at competitive prices. This strategy has also resulted in an international breakthrough for ImFlow, a high-tech, adaptive traffic management system that won the prestigious Intertraffic Innovation Award. This integral traffic solution makes the real-time translation of traffic policy possible, enables the traffic infrastructure to be utilised more efficiently, improves traffic flow and reduces pressure on the environment. The first international requests for this innovation have been received. In the UK Imtech has acquired important framework contracts for consultancy related to TMT002 (Traffic Management Technology) and STSS (Specialist Technology Support Services). This will lead to substantial spin-off. Orders for intelligent road junction management have been received from Russia, Finland and Poland and form a basis for further growth. South Africa is also interested in this Imtech technology. Imtech is a major player in the traffic centre market and has recently completed various traffic centres in the Netherlands and the UK. In Finland the position has been strengthened by the acquisition of two related companies - SSR and Polar. SSR provides total solutions in the traffic market, for example controllers and traffic information, as well as urban and motorway traffic systems. SSR and Imtech are already working together in several Finnish tunnels. SSR and Imtech complement each other, which will strengthen the position in Finland and will lead to further growth. Polar specialises in process automation, especially in industry, and will be transferred to the Nordic in time. In the global parking market Imtech's performance is excellent, for example in the USA, Canada and Brazil.

Marine: growth in services, mixed picture per segment and region

During this year the various marine business units have started working under a single name: Imtech Marine. This creates the desired clarity, both internally and externally, and strengthens Imtech's position as a leading player in the global marine market with activities in more than 25 countries. The strategy is focused on multi-facetted growth. On the one hand Imtech is opening additional service stations along the major shipping routes and during the first half of 2012 amongst other in the USA, the UK and Africa. These service stations, which used to focus on navigation and communication technology, now offer the full Imtech maritime services package. This is leading to cross-selling and further growth, for example in China where orders for a number of automated bridge systems have been received. On the other hand, Imtech is growing by offering life-cycle solutions; from consultancy in the design phase up to and including servicing the ship during the operating phase. A new development is that these services are now also offered remotely - digitally, 24/7, around the globe. Ship owners are increasingly switching to this concept, for one reason because it improves exploitation. All these initiatives are leading to the robust growth of the services activities. In the new-build segment the picture varies per segment and region. In the naval vessel market Imtech is firmly on course. There are new international orders in South America, the Middle East and Asia. Recently, the first of four new patrol vessels was transferred to the Dutch navy. Imtech is also involved in the modernisation of Dutch submarines and a new Joint Support Ship. The Turkish navy placed an order for a total package of electrical systems on board three vessels. In the market for offshore and special ships orders have been received for a deep-sea research ship and a seismic research ship. Imtech is leading the way in the ‘green’ solutions market, for example with orders for hybrid ferry boats in Scotland and energy management applications. Although conditions in the market for luxury yachts, cruise liners and cargo vessels are challenging, Imtech is involved in the engineering phase of several large projects and has acquired a number of medium-sized and smaller projects. The recent acquisitions in Turkey (2010) and Canada (2011) are developing extremely well under the wings of financially strong Imtech. Imtech is performing well in Turkey, Canada, the Middle East, Asia and China. Southern Europe is stable. The Northwest Europe region (the Netherlands and Germany) has shown a decline. Here restructuring has taken place, partly in the context of the integration of services and new-build activities. At the end of the reporting period the order intake showed a recovery.

Acquisitions – the accelerator for future growth

During the first half of 2012 Imtech, in-line with its 2015 strategic growth plan, once again acquired a number of companies. The most important acquisitions took place in:

- Turkey: a strong base position acquired

The acquisition of 80% of the shares in multidisciplinary technical services provider AE Arma-Elektropanç (1,200 employees, annual revenue of around 90 million euro) has brought Imtech a top-3 position in Turkey. In addition to activities in its own country the new Imtech company is increasingly active in emerging markets such as the Middle East, Russia and various former Soviet republics. AE Arma-Elektropanç has an excellent reputation for providing technical services, mainly in large projects. The activities are well spread across a range of market segments.

- The UK: the position in energy and industry strengthened

The acquisition of Capula (over 180 employees, annual revenue of around 40 million pounds sterling) has gained Imtech a strong position in process automation in the energy and energy facilities markets. But the new Imtech company is also active in and around complex technical facilities in the environmental market, the waste water treatment market and the industrial oil & gas market. Capula stands out through the high degree of IT integration in its solutions and is a front-runner in new developments such as waste-to-energy, CO_2 capture and CO_2 storage.

- Traffic: position in Finland strengthened

The acquisition of the associated technical services providers SSR and Polar (in total 50 employees, annual revenue of around 15 million euro) has further strengthened Imtech’s position in Finland in both the traffic & infra and industry markets. SSR is active in the traffic and public lighting markets throughout Finland. Polar specialises in process automation in sectors such as industry, energy, mining, steel, timber processing and chemicals. SSR and Imtech Traffic & Infra are already working together in various Finnish traffic projects, including tunnels. Polar will be transferred to Imtech's existing industrial activities in Finland in time.

Several smaller technical services providers in the Nordic region have also been acquired and the position in the Benelux care & cure market has been strengthened by the acquisition of a leading technology specialist in the growing medical equipment market (acquisition at the end of 2011, consolidation as of January 2012).

The total acquisition price of the acquisitions (including earn-out) amounted to 99 million euro. The combined annual revenue of all the acquired companies amounts to around 185 million euro. The number of new employees is around 1,500. All the acquired companies are contributing towards profit per share. The total annual contribution towards the EBITA amounts to around 14 million euro. Of the acquisition costs, recognised under Group management costs in the financial appendix, 2.4 million euro has been charged to the result (first half of 2011: 1.2 million euro).

Imtech emphasises that the objective of all the acquisitions is the achievement of future strategic growth through their integration into and intensive cooperation with existing Imtech activities. This will lead to additional growth of both the acquired companies and the existing Imtech portfolio. Imtech will continue seeking further strategic acquisitions in the second half of 2012.

The number of employees up by 9% to over 29,000
The overall effect of reorganisations and acquisitions was that on 30 June 2012 the number of employees was 29,128 – an increase of 9% compared with the 26,829 employees on 30 June 2011. The main concern for the future remains the availability of qualified and experienced employees. This is why Imtech will continue investing in training programmes at both a management and technical level, ensuring it stands out from the competition through labour market communication (for example through its sponsoring of the European beach volleyball tour) and focusses on retaining its existing employees.

Dutch pension provisions transferred
After carefully weighing all the interests and after a statement of no objection by De Nederlandsche Bank, the Imtech pension fund's Board and the Participants Board decided to terminate the fund as of 1 June 2012. The pensions of some of the participants have been placed with an insurance company and the pensions of the remaining participants have been placed with the Pensioenfonds Metaal en Techniek.

Maintaining the 2015 strategic growth plan targets
Imtech's long-term growth target for 2015 - revenue of 8 billion euro with an operational EBITA margin of between 6% and 7% - remains unchanged.

Maintaining to the outlook for the full year 2012
Imtech is maintaining the forecast for the full year 2012 expressed in February 2012: according to its current views the Board of Management expects a further EBITA increase for the full year 2012 through organic growth and acquisitions.

BOARD OF MANAGEMENT DECLARATION

The Board of Management of Royal Imtech N.V. hereby declares that, to the best of their knowledge, the interim financial statements for the six months ended 30 June 2012, give a true and fair view of the assets, liabilities, financial position and profit or loss of Royal Imtech N.V. and the undertakings included in the consolidation taken as a whole, and the interim report of the Board of Management gives a fair review of the information required pursuant to section 5:25d, subsection 8 and, as far as applicable, subsection 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

Gouda, 3 August 2012

Board of Management Royal Imtech N.V.

R.J.A. (René) van der Bruggen, CEO
B.R.I.M. (Boudewijn) Gerner, CFO

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS 2012

<u>**Condensed consolidated profit and loss account**</u> *In millions of euro, unless stated otherwise*	1st half of 2012	1st half of 2011	Year 2011
Revenue	**2,615.0**	**2,292.4**	**5,113.8**
Raw and auxiliary materials and trade goods	914.2	757.0	1,690.3
Work by third parties and other external expenses	530.3	485.1	1,200.1
Personnel expenses	812.2	741.0	1,520.9
Depreciation of property, plant and equipment	18.8	17.3	35.3
Amortisation and impairment of intangible assets	18.4	13.0	29.0
Other expenses	205.1	171.5	378.8
Total operating expenses	2,499.0	2,184.9	4,854.4
Result from operating activities	**116.0**	**107.5**	**259.4**
Net finance result	(29.9)	(26.3)	(52.0)
Share in result of associates, joint ventures and other investments	1.9	2.6	-
Profit before income tax	**88.0**	**83.8**	**207.4**
Income tax expense	(23.1)	(21.8)	(53.3)
Profit for the period	**64.9**	**62.0**	**154.1**
Attributable to:			
Shareholders of Royal Imtech N.V. (net profit)	62.0	60.7	150.4
Non-controlling interests	2.9	1.3	3.7
Profit for the period	**64.9**	**62.0**	**154.1**
Earnings per share			
Basic earnings per share (euro)	0.71	0.70	1.72
Diluted earnings per share (euro)	0.70	0.69	1.70
Basic earnings per share (euro)*	0.92	0.85	2.05
Diluted earnings per share (euro)*	0.91	0.83	2.03

*Before amortisation and impairment of intangible assets.

<u>**Condensed consolidated statement of comprehensive income**</u> *In millions of euro*			
Profit for the period	**64.9**	**62.0**	**154.1**
Foreign currency translation differences and net result on hedge of net investment in foreign operations	9.1	(11.1)	0.9
Effective portion of changes in the fair value of cash flow hedges and net change in fair value of cash flow hedges reclassified to profit or loss	3.1	6.4	2.6
Income tax on other comprehensive income	(4.1)	(1.4)	2.6
Other comprehensive income for the period, net of tax	**8.1**	**(6.1)**	**6.1**
Total comprehensive income for the period	**73.0**	**55.9**	**160.2**
Attributable to:			
Shareholders of Royal Imtech N.V.	70.0	54.6	156.5
Non-controlling interests	3.0	1.3	3.7
Total comprehensive income for the period	**73.0**	**55.9**	**160.2**

Condensed consolidated balance sheet

In millions of euro

	30 June 2012	30 June 2011	31 December 2011
Property, plant and equipment	171.4	152.5	192.4
Intangible assets	1,296.5	1,007.5	1,187.5
Investments in associated companies and joint ventures	1.1	2.0	2.0
Non-current receivables	36.7	20.3	24.8
Deferred tax assets	13.5	11.6	11.8
Total non-current assets	**1,519.2**	**1,193.9**	**1,418.5**
Inventories	81.4	71.3	75.5
Due from customers	870.7	769.7	629.5
Trade and other receivables	1,326.3	1,008.7	1,311.5
Income tax receivables	9.5	11.8	5.4
Cash and cash equivalents	315.0	137.3	278.1
	2,602.9	1,998.8	2,300.0
Assets held for sale	27.6	28.9	-
Total current assets	**2,630.5**	**2,027.7**	**2,300.0**
Total assets	**4,149.7**	**3,221.6**	**3,718.5**
Shareholders' equity attributable to shareholders of Royal Imtech N.V.	947.9	823.0	926.1
Non-controlling interests	10.7	4.8	6.3
Total shareholders' equity	**958.6**	**827.8**	**932.4**
Loans and borrowings	798.7	629.2	680.3
Employee benefits	163.7	166.6	169.1
Provisions	8.7	4.4	8.1
Deferred tax liabilities	89.6	64.5	69.0
Total non-current liabilities	**1,060.7**	**864.7**	**926.5**
Bank overdrafts	165.0	127.8	8.3
Loans and borrowings	112.3	9.9	110.1
Due to customers	430.2	265.8	296.1
Trade and other payables	1,344.4	1,060.0	1,381.8
Income tax payables	45.8	39.3	55.2
Provisions	7.9	6.3	8.1
	2,105.6	1,509.1	1,859.6
Liabilities held for sale	24.8	20.0	-
Total current liabilities	**2,130.4**	**1,529.1**	**1,859.6**
Total liabilities	**3,191.1**	**2,393.8**	**2,786.1**
Total shareholders' equity and liabilities	**4,149.7**	**3,221.6**	**3,718.5**

Condensed consolidated statement of changes in shareholders' equity

In millions of euro

	Attributable to shareholders of Royal Imtech N.V.									
	Share capital	Share premium reserve	Trans-lation reserve	Hedging reserve	Reserve for own shares	Retained earnings	Unap-propria-ted result	Total	Non-control-ling interests	Total share-holders' equity
As at 1 January 2011	73.3	210.6	0.5	(13.8)	(69.0)	470.4	140.4	812.4	3.5	815.9
Total comprehensive income for the period	-	-	(10.7)	4.6	-	140.4	(79.7)	54.6	1.3	55.9
Dividends to shareholders	0.9	(1.0)	-	-	-	-	(26.0)	(26.1)	-	(26.1)
Repurchase of own shares	-	-	-	-	(27.0)	-	-	(27.0)	-	(27.0)
Share options exercised	-	-	-	-	6.9	-	-	6.9	-	6.9
Share-based payments	-	-	-	-	-	2.2	-	2.2	-	2.2
As at 30 June 2011	74.2	209.6	(10.2)	(9.2)	(89.1)	613.0	34.7	823.0	4.8	827.8
As at 1 July 2011	74.2	209.6	(10.2)	(9.2)	(89.1)	613.0	34.7	823.0	4.8	827.8
Total comprehensive income for the period	-	-	8.6	3.6	-	(26.0)	115.7	101.9	2.4	104.3
Dividends to shareholders	-	-	-	-	-	-	-	-	(1.1)	(1.1)
Repurchase of own shares	-	-	-	-	(1.3)	-	-	(1.3)	-	(1.3)
Share options exercised	-	-	-	-	0.4	-	-	0.4	-	0.4
Share-based payments	-	-	-	-	1.2	0.9	-	2.1	-	2.1
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	0.2	0.2
As at 31 December 2011	74.2	209.6	(1.6)	(5.6)	(88.8)	587.9	150.4	926.1	6.3	932.4
As at 1 January 2012	74.2	209.6	(1.6)	(5.6)	(88.8)	587.9	150.4	926.1	6.3	932.4
Total comprehensive income for the period	-	-	9.1	(1.1)	-	150.4	(88.4)	70.0	3.0	73.0
Dividends to shareholders	1.1	(1.1)	-	-	-	-	(31.7)	(31.7)	(1.7)	(33.4)
Repurchase of own shares	-	-	-	-	(26.8)	-	-	(26.8)	-	(26.8)
Share options exercised	-	-	-	-	7.9	-	-	7.9	-	7.9
Share-based payments	-	-	-	-	1.8	0.6	-	2.4	-	2.4
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	3.1	3.1
As at 30 June 2012	**75.3**	**208.5**	**7.5**	**(6.7)**	**(105.9)**	**738.9**	**30.3**	**947.9**	**10.7**	**958.6**

Condensed consolidated statement of cash flows

In millions of euro

	1st half of 2012	1st half of 2011	Year 2011
Operating cash flow before changes in working capital and provisions	154.9	140.6	314.6
Cash flow from changes in working capital and provisions	(163.6)	(182.7)	(50.0)
Interest and income tax paid	(50.8)	(38.0)	(65.5)
Net cash flow from operating activities	(59.5)	(80.1)	199.1
Net cash flow from investing activities	(132.6)	(76.4)	(221.6)
Net cash flow from financing activities	66.9	51.1	182.8
Net change in cash, cash equivalents and bank overdrafts	**(125.2)**	**(105.4)**	**160.3**
Cash, cash equivalents and bank overdrafts as at 1 January	269.8	107.8	107.8
Bank overdrafts included in liabilities held for sale	-	11.9	-
Effect of exchange rate fluctuations on cash, cash equivalents and bank overdrafts	5.4	(4.8)	1.7
Cash, cash equivalents and bank overdrafts at the end of the period	**150.0**	**9.5**	**269.8**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS 2012

1. Reporting entity

Royal Imtech N.V. ('the Company') has its corporate seat in Rotterdam, the Netherlands. The condensed consolidated interim financial statements 2012 comprise the Company and its subsidiaries (together referred to as 'the Group') and the Group's interests in associates and jointly controlled entities.

2. Basis of preparation

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 *Interim Financial Reporting* and do not include all of the information required for full annual financial statements.

The condensed consolidated interim financial statements were approved by the Board of Management on 3 August 2012 and have not been audited nor reviewed by an external auditor.

Estimates

The preparation of interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expense. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2011.

3. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied in the consolidated financial statements as at and for the year ended 31 December 2011.

4. Operating segments

Segment

In millions of euro, unless stated otherwise

	1st half of 2012			1st half of 2011			2nd half of 2011		
	Revenue	EBITA	Margin	Revenue	EBITA	Margin	Revenue	EBITA	Margin
Benelux	468.2	12.7	2.7%	470.9	13.1	2.8%	556.1	13.2	2.4%
Germany & Eastern Europe	740.3	57.3	7.7%	657.6	48.3	7.3%	872.4	78.7	9.0%
UK & Ireland, Spain & Turkey	424.5	19.6	4.6%	320.1	17.2	5.4%	370.4	16.8	4.5%
Nordic	369.7	22.6	6.1%	322.4	19.8	6.1%	375.9	27.6	7.3%
ICT	319.8	17.3	5.4%	230.8	15.0	6.5%	329.9	29.8	9.0%
Other segments	292.5	16.5	5.6%	290.6	17.0	5.8%	316.7	13.5	4.3%
Operational	**2,615.0**	**146.0**	**5.6%**	**2,292.4**	**130.4**	**5.7%**	**2,821.4**	**179.6**	**6.4%**
Group management	-	(11.6)	-	-	(9.9)	-	-	(11.7)	-
Total	**2,615.0**	**134.4**	**5.1%**	**2,292.4**	**120.5**	**5.3%**	**2,821.4**	**167.9**	**6.0%**

Segment assets *In millions of euro*	**30 June 2012**	**30 June 2011**	**31 December 2011**
Benelux	529.2	504.4	496.3
Germany & Eastern Europe	1,170.2	764.1	1,063.7
UK & Ireland, Spain & Turkey	689.8	420.4	494.0
Nordic	805.6	658.5	808.5
ICT	378.0	281.0	414.5
Other segments	557.2	456.8	549.1
Operational	**4,130.0**	**3,085.2**	**3,826.1**
Held for sale	27.6	28.9	-
Unallocated	(7.9)	107.5	(107.6)
Total	**4,149.7**	**3,221.6**	**3,718.5**

Reconciliation operating segments *In millions of euro*	**1st half of 2012**	**1st half of 2011**	**2nd half of 2011**
EBITA operating segments	146.0	130.4	179.6
Group management	(11.6)	(9.9)	(11.7)
Amortisation and impairment of intangible assets	(18.4)	(13.0)	(16.0)
Net finance result	(29.9)	(26.3)	(25.7)
Share in result of associates, joint ventures and other investments	1.9	2.6	(2.6)
Consolidated profit before income tax	**88.0**	**83.8**	**123.6**

5. Acquisition and disposals of subsidiaries and non-controlling interests

The subsidiaries in which the Group acquired a 100% interest and voting rights, AE Arma-Elektropanç initially 80%, through business combinations during the first half of 2012 are:

Fagersta Industri El AB
In December 2011 Imtech acquired Fagersta Industri, an electrotechnical specialist in the regional industrial market of Fagersta and environs. Activities encompass medium and low-voltage services, telecommunications, alarms, data transmission, monitoring and control. Revenue of Fagersta Industri on a yearly basis is around 1.8 million euro with approximately 15 employees.

Medrott
The company, acquired in February 2012, is the leading technology specialist in the growing market of medical equipment in the Benelux. Medrott specialises in sales, management and maintenance of sensitive and high quality medical equipment. Medrott has 20 employees and realises annual revenue of over 2 million euro.

Steinar Holbæk AS
Steinar Holbæk in Norway is a full technical services provider specialised in energy technology, heating, and cooling and sprinkler technology. The company is active in both industry and buildings, realises an annual revenue of almost 4 million euro with 40 employees and joined the Group in March 2012.

VVS Montage I Dalarna AB
Based in the centre of the Borlänge-Ludvika-Falun mining region, VVS Montage i Dalarna operates as a mechanical specialist. The revenue on an annual basis approximates 3.6 million euro. Around 40% of the revenues relate to specialised industrial activities, including industrial piping in complex technical infrastructures. Around 40% of the revenues stem from activities in the buildings market, including care & cure. Most of the revenue is based on activities for end-clients/direct decision-makers. The number of employees is around 25 and the company was acquired in April 2012.

AE Arma-Elektropanç
In April 2012 Imtech acquired AE Arma-Elektropanç, a top-3 player in the technical services market in Turkey. The company was established in 2001 following a merger between the long-established family companies Arma (mechanical and electrical services) and Elektropanç (electronic and electrical services). This facilitated the provision of multidisciplinary technical services. AE Arma-Elektropanç provides a comprehensive range of services, including high / low voltage, energy generation, power distribution, communications networks, HVAC, sanitation, water treatment, sprinkler services, fire alarm, security systems safety etc. This multidisciplinary approach has led to a strong growth. The company is increasingly active outside Turkey. Its activities cover a wide range of market segments, such as commercial buildings, hotels, luxury apartment complexes, government buildings, shopping centres, hospitals, tourist services, airports and industry. With around 1,200 employees AE Arma-Elektropanç is expecting to realise annual revenues of approximately 90 million euro.

Capula Group
In May 2012 Imtech acquired Capula Group, a technical services provider in the UK. Capula specialises in providing total technical solutions in the field of process automation in the energy and utility markets. This comprises power plants as well as power distribution and power grids. The company is also active in complex technical facilities in the environmental, waste water treatment, and industrial oil and gas markets. Capula enjoys strong market positions in all of these highly specialised market segments. The company is involved in providing 30 million people in the UK with their energy needs. With more than 180 employees Capula realises an annual revenue of around 40 million British pounds.

Värnamo Elservice AB
Värnamo Elservice AB is an electrical specialist in the Swedish region of Småland and joined the Group in June 2012 . Värnamo Elservice works principally for industrial customers, such as Modulpac, Sundström Safety, Opido Plast and Metall Göte, but is also active in the buildings market, with an almost proportional distribution of activities between new-build and technical maintenance. Värnamo Elservice AB has 20 employees and realises annual revenues of more than 2 million euro.

SSR and Polar
In June 2012 Imtech strengthened its position in Finland through the acquisition of two related companies, namely the technical services providers SSR and Polar. Polar was established in 1985 and SSR in 1972. SSR was acquired by Polar in 1988. SSR is active in the traffic and the public lighting markets and Polar specialises in process automation in sectors including infrastructure, energy, mining, steel, wood processing and the chemical industry. With some 50 employees, both companies realise annual revenue of around 15 million euro.

Total acquisitions
All the acquisitions were paid for in cash and contingent consideration. Between the date of acquisition and 30 June 2012 these new subsidiaries contributed 27 million euro to the consolidated revenue and 1.1 million to the consolidated net result. Had these acquisitions taken place on 1 January 2012 the estimated revenue and net result of the Group would have been 2,638 million euro and 62.6 million euro respectively. All these amounts are including synergy effects and excluding finance expenses resulting from the acquisitions.

Effect of acquisitions
The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, the goodwill on and cost of acquisition and net outflow of cash, cash equivalents and bank overdrafts was as follows:

In millions of euro	AE Arma-Elektro-panç	Capula Group	Other acquisi-tions	Aggre-gate for all acqui-sitions
Property, plant and equipment	0.5	1.4	0.2	2.1
Intangible assets	12.7	8.9	-	21.6
Non-current receivables	0.2		-	0.2
Deferred tax assets	1.5	-	-	1.5
Inventories	3.9	-	0.6	4.5
Due from customers	22.3	-	-	22.3
Trade and other receivables	31.5	10.7	3.5	45.7
Income tax receivables	0.3	0.9	-	1.2
Cash, cash equivalents and bank overdrafts	3.9	3.5	1.2	8.6
Non-controlling interests	(3.1)	-	-	(3.1)
Loans and borrowings (non-current)	(11.4)	(6.4)	-	(17.8)
Employee benefits	(0.5)	-	-	(0.5)
Deferred tax liabilities	(0.4)	(1.3)	(0.2)	(1.9)
Due to customers	(3.8)	(2.0)	(0.2)	(6.0)
Trade and other payables	(44.5)	(8.5)	(3.1)	(56.1)
Income tax payables	(0.7)	(0.5)	(0.1)	(1.3)
Provisions (current)	-	(0.1)	-	(0.1)
Net identifiable assets and liabilities	12.4	6.6	1.9	20.9
Goodwill on acquisition	33.5	33.5	19.2	86.2
Total consideration	45.9	40.1	21.1	107.1
Of which contingent consideration	-	-	(1.4)	(1.4)
Of which to be paid in instalments	-	(1.0)	(0.2)	(1.2)
Acquired cash, cash equivalents and bank overdrafts	(3.9)	(3.5)	(1.2)	(8.6)
Net outflow of cash, cash equivalents and bank overdrafts	42.0	35.6	18.3	95.9
Paid contingent consideration previous years				5.8
Net outflow of cash, cash equivalents and bank overdrafts arising from acquisition of subsidiaries through business combinations				101.7

The initial accounting for AE Arma-Elektropanç, Capula Group and SSR and Polar is not yet complete. The fair values of certain assets and liabilities are provisional pending accumulation and verification of data.
The initial accounting for Inviron, Smith Group UK, Qbranch and Groupe Techsol Marine was completed in the first half of 2012. As a result of purchase price calculations the goodwill has been adjusted downward by 4.8 million euro.
The fair value of the trade and other receivables does not differ significantly from the present value of the receivables.
The goodwill is attributable mainly to the skills and technical talent of the work force and the synergies expected to be achieved from executing the strategic plan of the Group. None of the goodwill recognised is expected to be deductible for income tax purposes.
The contingent consideration depends on reaching certain EBITA levels in the coming years and ranges from nil to 1.4 million euro (undiscounted). During the first half of 2012 9.9 million euro of the contingent consideration of previous years was reversed (first half of 2011: 1.1 million).
The Group incurred acquisition-related costs of 2.4 million comprising external legal fees and due diligence costs, mainly related to the acquisition of Capula Group and unsuccessful acquisitions (first half of 2011: 1.2 million). The legal fees and due diligence costs have been included in other expenses in the Group’s condensed consolidated profit and loss account.

6. Seasonality of operations

The Group's operating activities are, to an extent, influenced by seasonal fluctuations whereby from a historical point of view the second half of the year is better than the first half. The reasons for this include operating activities influenced by weather conditions.

7. Related parties

Identity of related parties
There is a related party relationship between the Group, associated companies, joint ventures and their managing directors and supervisory directors.

Associates and joint ventures
Transactions with associated companies and joint ventures are conducted at arm's length. On 30 June 2012 the Group was owed 0.2 million euro by associated companies and 6.0 million euro by joint ventures (30 June 2011: 0.3 million euro and 0.7 million euro respectively).

8. Share capital

In the first half of 2012 1,313,134 shares (first half of 2011: 1,172,942 shares) were issued as a result of the stock dividend for the year 2011. Under the share - and share option scheme 1,162,538 shares were bought back, 85,424 shares were transferred and 616,000 shares were sold to cover share options exercised (first half of 2011: 1 million shares bought back, 46,158 shares transferred and 411,000 shares sold).

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