



**INTERIM FINANCIAL
STATEMENTS 2011**

ARCADIS NV MANAGEMENT REPORT FIRST HALF YEAR 2011

In the first half year gross revenues were € 956 million, almost equal to last year. The organic activity growth was 4%. Net income from operations rose 4%.

Mid-July the acquisition was completed of the remaining 50% less 1 share in the consulting and engineering activities of ARCADIS Logos in Brazil. This was partly financed by the issuance to the sellers of 1.16 million ARCADIS shares. In June, most of the bank loans were refinanced, among other things through a private placement of \$110 million with private investors in the United States.

Key figures

Amounts in millions unless otherwise noted	First half year		
	2011	2010	Δ
Gross revenue	956	960	0%
Net revenue	702	679	3%
EBITA	75.7	61.1	24%
EBITA <i>recurring</i> ¹⁾	68.3	61.1	12%
Net income	41.4	33.3	24%
Ditto, per share (in €)	0.63	0.50	25%
Net income from operations ²⁾	37.0	35.6	4%
Ditto, per share (in €) ²⁾	0.56	0.54	5%
Avg. number outstanding shares (millions)	65.9	66.3	

¹⁾ Excluding gain on sale of 50% share in AAFM
²⁾ Before amortization and non-operational items (gain on sale AAFM, non-recurring financing charges, costs Lovinklaan)

Analysis

Gross revenues were almost in line with last year. The currency effect was 3% negative, while the contribution of acquisitions and divestments on balance was 1% negative. Excluding the sale of a number of energy projects in Brazil, gross revenues organically increased by 2%.

Net revenues increased 3%. Here also, the currency effect was 3% negative, but acquisitions and divestments were on balance 1% positive. Excluding the sale of energy projects, the organic growth was 4%.

EBITA was € 75.7 million. Excluding the gain from the sale of AAFM, recurring EBITA rose 12% to € 68.3 million. The currency effect was 3% negative, the contribution from acquisitions and divestments on balance zero (excluding AAFM).

Recurring EBITA includes the following special elements:

- A contribution of € 9.5 million (pre-tax) from the sale of energy projects, while in 2010 a loss was taken of € 4.5 million.
- A contribution from carbon credits of € 2.2 million (2010: € 0.1 million).
- Charges for reorganization and integration of € 8.6 million (2010: € 3.3 million).

Taking into account these effects, the organic EBITA decline was 3%. The margin (recurring EBITA as a percentage of net revenue) came out to 9.7% (2010: 9.0%). Adjusted for the special elements referenced above, the underlying margin was 9.4% versus 10.1% last year.

Financing charges amounted to € 12.3 million and excluding the non-recurring effects of the refinancing to € 8.4 million (2010: € 8.7 million). The tax rate of 25.5% (2010: 34.0%) is based on the expected tax rate for the full year. This is considerably lower than last year, also as a result of the tax free gain on the sale of AAFM. Net income from operations rose 4%. This is less than the increase in EBITA especially due to a larger profit contribution from Brazil.

Due to the seasonal pattern in the working capital, cash flow was negative in the first half year. At minus € 33.5 million, this was lower than last year as working capital at the end of the quarter was higher than last year (17.1% versus 16.0%), partly caused by the integration of activities in the United States. In the meantime a program was started to structurally lower working capital. Net debt was € 283 million (mid 2010: € 299 million). Balance sheet ratios remained strong. The net debt to EBITDA ratio (according to bank covenants) was 1.3 (2010: 1.4), the interest coverage ratio was 8 (2010: 8).

Developments by business line

Figures noted below concern gross revenues for the first half year 2011 compared to the same period last year, unless otherwise mentioned.

- **Infrastructure** (28% of gross revenues)
Growth figures excluding sale of energy projects in Brazil.
 Gross revenues grew 5%. The currency effect was 1%, the contribution from acquisitions minus 1%. Organically gross revenues increased 5%, net revenues 9%. Growth mainly came from Brazil and Chile, driven by investments in mining and energy. In the U.S., activities were relatively stable, while in many European countries, revenues declined due to government austerity programs. Large projects in general continue, except in Poland where ongoing projects have been delayed. In the Netherlands a large project was won for the completion of the Noord-Zuid subway line in Amsterdam.
- **Water** (16% of gross revenues)
 Gross revenues declined 15%. The currency effect was 3% negative. Organically, gross revenues declined 12%, net revenues 6%, with the difference coming from the completion of projects with substantial subcontracting. The decline partly came from the finalized New Orleans project where ARCADIS worked on coastal protection since 2007. Although in the United States several large projects were won, budget issues at local governments have a negative effect on the starting of projects and the number of projects awarded. Also in Europe the water activities are affected by government austerity measures.

- **Environment (38% of gross revenues)**
Gross revenues rose 6%. The currency effect was 5% negative. Organically, gross revenues grew 11%, net revenues 7%. This solid growth mainly came from the United States where private sector demand is strong and many remediation projects are getting executed. In Brazil and Chile, investments in mining and energy are generating significant environmental work. In Europe the government market is under pressure, resulting in less environmental impact assessment projects, however private sector demand is picking up. This resulted in growth in Germany and France, while the U.K. showed signs of recovery.
- **Buildings (18% of gross revenues)**
Gross revenues declined 9%, net revenues rose 3%. The difference came from the deconsolidation of AAFM with a lot of subcontracting and on the other hand the acquisition of Rise and a number of smaller companies. The currency effect was minus 3%. Organically gross revenues declined 1%, while net revenues rose 1%. In the Netherlands and the U.K., activities declined, also due to restraints in government spending. RTKL grew in Asia and the Middle East, mainly due to success in commercial real estate in China. In Belgium and Germany private investments generated growth.

Outlook

It is expected that the trends from the past period will continue into the coming quarters. Continued unrest in financial markets and the possible consequences this may have for the economy, has caused uncertainty to increase.

In the **infrastructure market** government austerity programs have a negative effect in Europe and the U.S. This is offset by the continued strong growth in Brazil and Chile, further fuelled in Brazil by the 2016 Olympics. European governments are making an effort to safeguard large projects, in part through private financing. Our backlog is healthy, with large projects for which financing is in place. The situation in local markets is not expected to improve as a result of which price pressure will remain.

Also in the **water market** tight government budgets cause pressure on revenues. In the U.S., the new major project wins, show our focus on expansion, renewal and efficiency improvement of existing facilities in large cities. Because of the utility character of the water market, the basis for investments in water facilities remains solid. In addition we are targeting growth in the attractive markets of South America and the Middle East.

The **environmental market** is developing favorably. In the U.S. we benefit from the trend that companies are outsourcing non-core activities, allowing us to gain market share. The recently won large projects lay the groundwork for continued growth, while the pipeline with GRiP® projects is well filled. Mining and energy projects are creating ample demand for environmental services in Brazil and Chile, with opportunities to also assist clients in other parts of South America. In Europe demand from private sector companies is increasing, offsetting the decline on the public sector side.

The situation in the **buildings market** has improved. The commercial real estate market in Europe and the United States is stable with increasing demand for redevelopment of existing properties. RTKL offsets the stagnation in the U.S. market

by fully focusing on expansion in Asia and the Middle East. The public sector market is under pressure, but private sector demand is increasing with opportunities for project management and design work as well as increased interest for international framework contracts.

Our backlog is strong and stable compared to year-end 2010. Government spending in Europe and the U.S. is under pressure, but private sector spending is increasing with positive effects on the environmental and buildings markets, while Brazil, Chile, Asia and parts of the Middle East offer ample opportunities. The cost reduction measures taken are expected to positively impact margins in the second half year. Further expansion through acquisitions is high on our priority list. The consolidation in our industry offers many opportunities in this respect. With the refinancing we have created the financial headroom to realize our strategic ambitions. For full year 2011, we expect an increase of net income from operations of 0 – 5%. This is excluding the gain from the sale of AAFM and barring unforeseen circumstances.

Risk Assessment

In our Annual Report 2010, we have extensively described risk categories and risk factors that could adversely affect our business and financial performance. These risks factors are deemed to be included by reference in this report.

For the remainder of 2011, we see the following particular risks and uncertainties, which might result in pressure on revenues and income:

- A government budget freeze in the U.S. if current deficit ceiling discussions in that market are unsuccessful.
- A further tightening of European government finances, especially if directed at large projects.
- Reduced private sector investments induced by continued sovereign debt uncertainties
- Inflationary pressures in Brazil affecting the overall business climate
- A possible (although at this point not probable) double dip scenario.
- The inability of the Company to attract sufficient qualified staff, especially in the booming markets of Brazil and Chile, hampering its ability to grow.

Additional risks not known to us, or currently believed not to be material, may occur and could later turn out to have material impact on our business, financial objectives or capital resources.

Responsibility Statement

This report contains the semi-annual figures of ARCADIS NV for the first six months of 2011. This report consists of the semi-annual management report (press release), segment reporting, condensed consolidated interim financial statements, notes to the condensed consolidated interim financial statements, and the responsibility statement of the Executive Board. The financial information in this report is unaudited.

The Executive Board of ARCADIS NV hereby declares that at the best of their knowledge, the semi-annual financial statements, which have been prepared in accordance with IAS 34, '*Interim Financial Reporting*' and additional Dutch disclosure requirements for half-yearly financial reports, give a true and fair view of the assets, liabilities, financial position and profit of ARCADIS NV and its consolidated companies, and the semi-annual management report gives a fair view of the information pursuant to section 5:25d subsection 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

Amsterdam, the Netherlands, August 2, 2011

Harrie L.J. Noy, Chairman of the Executive Board
Renier Vree, Chief Financial Officer
Steven B. Blake, Member of the Executive Board
Friedrich M.T. Schneider, Member of the Executive Board

ARCADIS NV
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in € millions

Assets	<i>Note</i>	June 30, 2011	December 31, 2010
Intangible assets		348.8	373.4
Property, plant & equipment		98.4	93.4
Investments in associates		30.1	30.5
Other investments		0.2	0.2
Deferred tax assets		30.5	29.1
Derivatives		0.1	0.1
Other non-current assets		23.2	24.4
Total non-current assets		531.3	551.1
Inventories		0.5	0.4
Derivatives		5.4	0.4
(Un)billed receivables		591.4	591.9
Corporate income tax receivable		5.2	4.1
Other current assets		77.2	44.4
Assets classified as held for sale		-	24.4
Cash and cash equivalents		156.7	207.8
Total current assets		836.4	873.4
Total assets		1,367.7	1,424.5
Equity and liabilities			
Shareholders' equity		379.5	392.8
Non-controlling interests		20.2	18.4
Total equity	7,8	399.7	411.2
Provisions		25.2	26.6
Deferred tax liabilities		17.7	11.0
Loans and borrowings	10	360.3	318.2
Derivatives		7.6	7.2
Total non-current liabilities		410.8	363.0
Billing in excess of cost		141.1	157.2
Corporate tax liabilities		7.7	14.8
Current portion of loans and borrowings		17.5	68.1
Current portion of provisions		10.2	6.4
Derivatives		3.0	3.9
Accounts payable		110.4	139.6
Accrued expenses		10.8	15.9
Bank overdrafts		8.2	9.5
Short term borrowings		49.2	12.7
Other current liabilities		199.1	199.0
Liabilities classified as held for sale		-	23.2
Total current liabilities		557.2	650.3
Total equity and liabilities		1,367.7	1,424.5

ARCADIS NV
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in € millions, unless otherwise stated	Note	First Half 2011	2010
Gross revenue		956.2	960.0
Materials, services of third parties and subcontractors		(254.2)	(281.5)
Net revenue		702.0	678.5
Operational cost		(620.6)	(604.1)
Depreciation		(13.2)	(13.4)
Other income		7.5	0.1
EBITA		75.7	61.1
Amortization identifiable intangible assets		(2.1)	(3.2)
Operating income		73.6	57.9
Net finance (expense) / income	11	(12.3)	(8.7)
Income from associates		0.9	0.8
Profit before income tax		62.2	50.0
Income taxes	12	(15.6)	(16.7)
Profit for the period		46.6	33.3
Other comprehensive income			
Exchange rate differences from foreign operations		(7.5)	13.1
Effective portion of changes in fair value of cash flow hedges	11	(3.3)	(3.1)
Other comprehensive income, net of income tax		(10.8)	10.0
Total comprehensive income for the period		35.8	43.3
Profit for the period attributable to equity holders of the Company (net income)		41.4	33.3
Amortization identifiable intangible assets, net of taxes		1.3	2.1
Lovinklaan employee share purchase plan		0.2	0.2
Net effect of financial instruments		1.5	
Result on divestment of AAFM activities (non-recurring)		(7.4)	
Net income from operations		37.0	35.6
Profit attributable to:			
Equity holders of the Company (net income)		46.6	33.3
Non-controlling interests		(5.2)	-
Profit for the period		41.4	33.3
Total comprehensive income attributable to:			
Equity holders of the Company		31.1	41.1
Non-controlling interest		4.7	2.2
Total comprehensive income		35.8	43.3
Earnings per share (in euros)			
- Basic	9	0.63	0.50
- Diluted		0.61	0.49

ARCADIS NV
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Hedging Reserve	Cumulative translation reserve	Retained earnings	Total shareholders' equity	Non- controlling interest	Total equity
Amounts in € millions								
Balance at December 31, 2009	1.3	106.8	0.1	(28.4)	271.9	351.7	16.8	368.5
Profit for the period					33.3	33.3	-	33.3
Exchange rate differences				10.9		10.9	2.2	13.1
Effective portion of changes in fair value of cash flow hedges			(3.1)			(3.1)		(3.1)
Other comprehensive income			(3.1)	10.9		7.8	2.2	10.0
Total comprehensive income for the period			(3.1)	10.9	33.3	41.1	2.2	43.3
Transactions with owners of the Company:								
Dividends to shareholders					(30.0)	(30.0)	-	(30.0)
Share-based compensation					4.5	4.5		4.5
Taxes related to share-based compensation					(0.9)	(0.9)		(0.9)
Purchase of own shares					(18.7)	(18.7)		(18.7)
Options exercised					2.3	2.3		2.3
Acquisition of non-controlling interests					(0.2)	(0.2)	0.2	-
Total transactions with owners of the Company					(43.0)	(43.0)	0.2	(42.8)
Balance at June 30, 2010	1.3	106.8	(3.0)	(17.5)	262.2	349.8	19.2	369.0
Balance at December 31, 2010	1.3	106.8	(3.9)	(20.9)	309.5	392.8	18.4	411.2
Profit for the period					41.4	41.4	5.2	46.6
Exchange rate differences				(7.0)		(7.0)	(0.5)	(7.5)
Effective portion of changes in fair value of cash flow hedges			(3.3)			(3.3)		(3.3)
Other comprehensive income			(3.3)	(7.0)	-	(10.3)	(0.5)	(10.8)
Total comprehensive income for the period			(3.3)	(7.0)	41.4	31.1	4.7	35.8
Transactions with owners of the Company:								
Dividends to shareholders					(30.9)	(30.9)	(2.2)	(33.1)
Share-based compensation					3.2	3.2		3.2
Taxes related to share-based compensation					(0.1)	(0.1)		(0.1)
Purchase of own shares					(18.2)	(18.2)		(18.2)
Options exercised					1.9	1.9		1.9
Acquisition of non-controlling interests					(0.3)	(0.3)	(0.7)	(1.0)
Total transactions with owners of the Company					(44.4)	(44.4)	(2.9)	(47.3)
Balance at June 30, 2011	1.3	106.8	(7.2)	(27.9)	306.5	379.5	20.2	399.7

ARCADIS NV
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	First half year	
Amounts in € millions	2011	2010
<i>Cash flow from operating activities</i>		
Profit for the period	46.6	33.3
Adjustments for:		
Depreciation and amortization	15.3	16.6
Taxes on income	15.6	16.7
Net finance expense	12.3	8.7
Income from associates	(0.9)	(0.8)
	88.9	74.5
Share-based compensation	3.2	4.5
Sale of activities and assets, net of cost	(7.4)	-
Change in fair value of derivatives in operating income	(0.3)	(0.1)
Change in inventories	(0.1)	-
Change in receivables	(58.3)	(49.9)
Change in provisions	3.7	(0.9)
Change in billing in excess of costs	(9.5)	(4.1)
Change in current liabilities	(25.5)	(12.7)
Dividend received	0.2	0.3
Interest received	1.6	1.6
Interest paid	(12.3)	(8.8)
Corporate tax paid	(17.7)	(12.2)
Net cash from operating activities	(33.5)	(7.8)
<i>Cash flows from investing activities</i>		
Investments in (in)tangible assets	(19.0)	(13.0)
Proceeds from sale of (in)tangible assets	0.1	0.4
Investments in consolidated companies	(5.3)	(5.7)
Proceeds from sale of consolidated companies	9.1	
Investments in associates and other financial non-current assets	(6.2)	(5.1)
Proceeds from sale of associates and other financial non-current assets	6.3	3.4
Net cash used in investing activities	(15.0)	(20.0)
<i>Cash flows from financing activities</i>		
Proceeds from options exercised	1.9	2.3
Purchase of own shares	(18.2)	(18.7)
Settlement of financing derivatives	(5.9)	(6.5)
New long-term loans and borrowings	331.7	4.4
Repayment of long-term loans and borrowings	(313.8)	(6.2)
Changes in short-term borrowings	37.1	5.9
Dividend paid	(31.7)	(30.0)
Net cash from financing activities	1.1	(48.8)
Net change in cash and cash equivalents less bank overdrafts	(47.4)	(76.6)
Exchange rate differences	(2.3)	18.5
Cash and cash equivalents less bank overdrafts at January 1	198.2	212.5
Cash and cash equivalents less bank overdrafts at June 30	148.5	154.4

Notes to the condensed consolidated interim financial statements

1. Reporting entity

ARCADIS NV (the Company) is a public Company organized under Dutch law. Its principal office is located in Amsterdam, the Netherlands. The condensed consolidated interim financial statements as at and for the six months-period ended June 30, 2011 include the financial statements of ARCADIS NV, its subsidiaries, and the interests in associates and jointly controlled entities.

2. General information

These condensed consolidated interim financial statements are unaudited, but have been reviewed by the Company's independent auditor.

3. Basis of preparation

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 '*Interim Financial Reporting*', and should be read in conjunction with the annual financial statements as at and for the year ended December 31, 2010, which have been prepared in accordance with IFRS as adopted by the European Union. These consolidated financial statements are available upon request from the Company's registered office at Gustav Mahlerplein 97-103, 1082 MS Amsterdam, The Netherlands or at www.arcadis.com.

All amounts in this report are in millions of euros, unless otherwise stated.

These condensed consolidated interim financial statements were approved and authorized for issuance by the Executive Board and Supervisory Board on August 2, 2011.

Estimates and management judgements

The preparation of interim financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense during the period as well as the information disclosed. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, management used the same main judgements, estimates and assumptions in the application of the accounting policies and valuation principles as used for the preparation of the 2010 consolidated financial statements.

4. Significant accounting policies

Except as described below, the accounting policies applied and methods of computation used in preparing these condensed consolidated interim financial statements are the same as those applied in the Company's 2010 consolidated financial statements, except for the adoption of the following new standards, amendments to standards and interpretations, which have been adopted as relevant for the Company for the first time. These standards and interpretations have no material

effect on the Company's interim financial statements, but some have an impact on disclosures.

- 'Improvements to IFRSs 2010'
- IAS 24 'Related Party Disclosures'
- IAS 32 'Financial Instruments'
- IAS 34 'Interim Financial Reporting'
- IFRIC 14 'The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction'
- IFRIC 19 'Extinguishing Financial Liabilities with Equity Instruments'

Taxes on income in the condensed consolidated interim financial statements are accrued using the tax rate that would be applicable to the expected total annual earnings.

5. Segment information

The Company has four reportable segments, based on the Company's internal reporting structure to the Board of Management. The Company's internal reporting to the Board of Management is at Operating Company level (OpCo), which is subsequently aggregated into the reportable segments based on qualitative and quantitative measures.

In assessing the performance of the operating segments management uses recurring EBITA and recurring EBITA margin.

	Gross Revenue external		Total Gross Revenue	
	2011	2010	2011	2010
The Netherlands	164.0	200.6	165.4	201.8
Europe, excluding the Netherlands	156.8	158.6	158.7	159.4
United States	520.2	520.5	520.7	521.4
Rest of World	115.2	80.3	115.4	80.4
Total segments	956.2	960.0	960.2	963.0
Inter-segment revenue			(4.0)	(3.0)
Total consolidated	956.2	960.0	956.2	960.0

	EBITA		Total Assets	
	2011	2010	2011	2010
The Netherlands	8.2	14.1	188.9	224.7
Europe, excluding the Netherlands	1.7	7.0	302.4	278.3
United States	40.9	40.8	634.4	743.2
Rest of World	20.9	2.8	183.3	130.3
Total segments	71.7	64.7	1,309.0	1,376.5
Corporate and unallocated	(3.4)	(3.6)	58.7	48.2
Result on divestment of AAFM	7.4			
Total consolidated	75.7	61.1	1,367.7	1,424.7

The reconciliation of recurring EBITA to total profit before income tax is as follows:

	2011	2010
EBITA for reportable segments	71.7	64.7
Corporate and unallocated	(3.4)	(3.6)
Amortization	(2.1)	(3.2)
Result on divestment of AAFM	7.4	
Operating income	73.6	57.9
Net finance expense	(12.3)	(8.7)
Income from associates	0.9	0.8
Profit before taxes	62.2	50.0

Geographical information only differs from the segment information above as a result of the activities in RTKL and APS, which geographically also are represented in Europe and Rest of World. The geographical information is as follows:

	Gross Revenue by origin	
	2011	2010
The Netherlands	164.0	200.6
Europe, excluding the Netherlands	161.0	165.2
United States	510.1	509.8
Rest of World	121.1	84.4
Total Consolidated	956.2	960.0

6. Changes in consolidated interests

In the first half of 2011 the following changes in consolidated interests occurred:

- On January 1, 2011, ARCADIS Deutschland acquired 100% of the shares in Gesellschaft für oekologische Bautechnik mbH (GFOEB), a Berlin-based consulting company that specializes in sustainability services for buildings.
- On June 3, 2011, the 50% stake in the joint venture ARCADIS AQUMEN Facility Management (AAFM) was sold to Asito Dienstengroep, since the activities no longer were part of ARCADIS' core activities. The AAFM activities were reported as assets and liabilities held for sale on the balance sheet per December 31, 2010. The consolidated book-profit on the divestment amounts to € 7.4 million.

Next to the acquisition mentioned above some non-controlling interests were acquired. The acquisitions entered into in the first half year of 2011 have been accounted for using the acquisition method. None of the acquisitions are considered to be individually significant. The aggregated purchase price for the acquisitions amounted to € 1.7 million, while the goodwill measured was € 1.3 million. Measured

on a half-yearly basis, the aggregated impact on consolidated gross revenue and profit for the period is not material in respect of IFRS 3 disclosure requirements.

After-payments for acquisitions prior to 2011 amounted to € 3.4 million.

The divestment of ARCADIS AQUMEN Facility Management, and divestment of some smaller activities involved an aggregate consideration of € 11.9 million. The gain on the sale amounted to € 7.4 million.

7. Share capital

In accordance with Article 7 paragraph 1 of the Articles of Association, the Company is authorized to purchase own shares to cover the liabilities in line with share- and option plans for employees.

In the first half of 2011 1,100,024 shares were repurchased. Through the exercise of options 184,688 shares were reissued. The options were exercised at a weighted average price of € 11.07 per share. Additionally, 86,941 shares granted in 2008 under the 2005 Long-Term Incentive Plan became unconditional and as such were reissued again.

At June 30, 2011, the number of ordinary shares outstanding was 65,237,613 (December 31, 2010: 66,066,008).

8. Dividend

The dividend for the period ended December 31, 2010 was paid in May 2011. Based on the number of shares outstanding and a declared dividend of € 0.47 per share, the total dividend paid in May amounted to € 30.9 million.

9. Earnings per share

For calculating the earnings per share, weighted average numbers of shares were used, which have been calculated as follows:

	2011	2010
Average number of issued shares	67,676,196	67,676,196
Average number of repurchased shares	1,819,348	1,348,379
Average number of outstanding shares	65,856,848	66,327,817
Of which priority shares	600	600
Shares of common stock	65,856,248	66,327,217

The diluted number of shares is calculated by using the weighted average number of options outstanding and the average stock price on the Euronext Amsterdam. Only options with exercise prices below the average stock price are taken into account.

In assessing the “per share”- performance, one of the key-indicators is net income from operations.

For the calculation of earnings per share, no distinction is made between the different classes of shares.

Earnings per share (in euros)	2011	2010
- Basic	0.63	0.50
- Diluted	0.61	0.49
Net income from operations per share (in euros)		
- Basic	0.56	0.54
- Diluted	0.54	0.52

10. Loans and Borrowings

In the first half of 2011 ARCADIS refinanced \$ 355 million of its outstanding long-term debt, with maturities from 2011 to 2013. By means of this refinancing the average maturity of debt was extended from 2 years to beyond 5 years, and the debt positions were diversified by issuing debt in the US Private Placement market in addition to our bank financing.

Also in the first half year a €150 million Revolving Credit Facility (RCF) has been signed, which creates financial headroom for acquisition opportunities.

11. Net finance expense

Financing charges were € 12.3 million (2010: € 8.7 million). This includes € 3.9 million cost for the accelerated redemption and settlement of loans and related derivatives, which resulted from the Company's refinancing as described in the note above.

12. Income taxes

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average effective tax rate applied for the first half year of 2011 is 25.5% (2010: 34%). The decrease in the effective tax rate is mainly resulting from non-taxable profits related to the divestment of ARCADIS AQUMEN Facility Management and benefits from innovation grants. The geographical spread of the Company's results had a slight upward effect on the effective tax rate.

13. Share-based payments

Options and incentive shares

In the first half of the year, 776,700 options were granted under the Company's Long-term incentive plan 2010. The fair value of the options granted and the assumptions used in calculating the related option cost were as follows:

	2011	2010
Fair value at grant date	2.68 – 3.21	2.73 – 3.12
Exercise price	16.18	14.33
Expected dividend yield	2.85	2.93
Risk-free interest rate (%)	3.05	2.33
Expected volatility (%)	41.59	41.91
Expected life of options (years)	5	5
Expected forfeitures (%)	11.0	11.0

Unaudited

Under the Company's Long-term incentive plan also incentive shares were granted to members of the Executive Board and members of the Senior Management Committee. The total number of shares granted was 135,100 in first half of 2011. The share price at grant date was €16.18 (2010: € 14.33).

The options and shares are granted conditionally and depend on achieving certain performance measures after three years. The costs of the options and incentive shares are spread over the three-year vesting period.

14. Related party transactions

From time to time ARCADIS enters into related party transactions with associates and jointly controlled entities. These transactions are conducted on an arm's length basis with terms comparable to transactions with third parties. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated on consolidation. There were no significant related party transactions in the first six month-period ended June 30, 2011, and the nature of the related party transactions conducted do in substance not deviate from the transactions as reflected in the financial statements as at and for the year ended 31 December 2010.

ARCADIS was no party to any material transaction or loan with parties who hold at least 10% of the shares in ARCADIS.

15. Subsequent events

Effective July 18, ARCADIS purchased the remaining shares in ARCADIS Logos, in which the Company already held 50% plus 1 share. The acquisition encompasses the project management, consultancy, engineering and environmental activities of ARCADIS Logos which are core business to ARCADIS. The energy producing assets of ARCADIS Logos, consisting of Biogas installations and small hydropower plants, are not part of the deal.

The purchase price for the remaining shares is based on ARCADIS' usual valuation approach. In addition to cash payment, the transaction was partly financed by issuing 1.16 million ARCADIS NV shares to the Logos Holding partners. These shares will have a lock up period of 6 months with incentives for the active partners to hold them for at least 18 months after closing.

As ARCADIS Logos is already fully consolidated in the ARCADIS accounts, the transaction will not impact revenues and EBITA, but will have a positive effect on net income from operations.

Amsterdam, the Netherlands, August 2, 2011
The Executive Board

Report of the independent auditor to the Executive Board and Supervisory Board of ARCADIS NV

Review report

Introduction

We have reviewed the accompanying condensed consolidated interim financial information for the 6 month-period ended June 30, 2011 of ARCADIS NV, Amsterdam, which comprises the condensed consolidated statement of financial position as at June 30, 2011, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in shareholders' equity, condensed consolidated statement of cash flows and the selected explanatory notes for the 6 month-period then ended. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, '*Interim Financial Reporting*' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Dutch law including standard 2410, '*Review of Interim Financial Information Performed by the Auditor of the Entity*'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at June 30, 2011 are not prepared, in all material respects, in accordance with IAS 34, '*Interim Financial Reporting*', as adopted by the European Union.

Amstelveen, The Netherlands, August 2, 2011

KPMG ACCOUNTANTS N.V.

R.P. Kreukniet RA