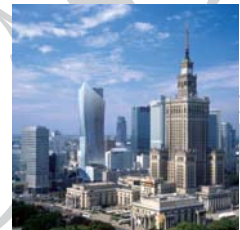


ANNUAL REPORT 2008



*Technology
society*

Technology that improves



Technology that improves society

Imtech

Technology that improves



HIGHLIGHTS

- Good quality order book at end 2008 up by 18% to 4,514 million euro, a good starting position for 2009
- 2008 an excellent year for Imtech:
 - EBITA: 197.2 million euro, + 26% (organic + 14%)
 - Revenue: 3,859 million euro, + 15% (organic + 8%)
 - Operational EBITA margin: up to 5.5% (2007: 5.1%)
 - Net profit: 113.3 million euro, + 23%
 - Earnings per share before amortisation and impairment of intangible assets: 1.64 euro, + 27%
 - Dividend per ordinary share: 0.59 euro, + 26% (2007: 0.47 euro)
- High EBITA growth in all clusters: 17% in the Benelux, 36% in Germany & Eastern Europe, 14% in the UK, Ireland & Spain and 16% in ICT, Traffic & Marine
- Thanks to acquisitions a strong position acquired in Scandinavia, the position in the European ICT market reinforced, positions in Central and Eastern Europe (Austria, Poland, Romania, Russia) improved and good progress made in the growth market of energy & environment
- No change to the long-term targets strategic plan 2012: revenue 5 billion euro in 2012, while maintaining an operational EBITA margin target of 6%
- Outlook 2009: a further increase of EBITA through organic growth and acquisitions



PROFILE

- Imtech is a European technical services provider in the fields of electrical engineering, ICT (information and communication technology) and mechanical engineering with approximately 22,500 employees, revenue of over 3.8 billion euro and more than 415 offices – 345 offices in Europe and 70 marine (service) offices along the major shipping routes.
- Imtech is able to cluster the technologies of electrical engineering, ICT and mechanical engineering across and throughout the full breadth and depth of the technology spectrum into integrated and multi-disciplinary total solutions that offer added-value to customers and society.
- Imtech commands the entire chain of consultancy, design, engineering, implementation, maintenance services and maintenance management throughout the entire life-cycle of its customers' technology and processes.
- In Europe Imtech is active in the Benelux (the Netherlands, Belgium, Luxembourg), Germany, various Central and Eastern European countries (including Austria, Switzerland, Poland, Romania, Croatia, Russia, Hungary, Bulgaria and the Czech Republic), the Nordic countries (Norway, Sweden, Finland), the UK, Ireland and Spain. Imtech also has various Pan-European and international activities including a strong European position in the ICT market and the Traffic market (including parking) and in the global marine market.



MISSION AND ADDED-VALUE

- Imtech stands for the integration of technologies (electrical engineering, ICT, mechanical engineering) and the co-operation of dedicated people with vision.
- Imtech clusters innovative strength, professionals with drive and ambitious customers. People who are driven by the added-value of technology. People who are convinced that technology can change business processes and offer added-value.
- Imtech serves more than 19,500 customers and wants to offer these customers added-value in the form of integrated and multidisciplinary total solutions that lead to a 'change in business': better operating processes and a higher return for our customers and, in their turn, our customers' customers. Imtech wants to create this value by having an in-depth insight into and knowledge of its customers' (primary and secondary) processes, through intensive co-operation with and for its customers, suppliers and partners and through its thorough knowledge of the markets in which its customers operate.
- Imtech also wants to contribute towards a sustainable, liveable society primarily through high-tech solutions in the area of energy, the environment, emissions (fine particles) and water that generate 25% of the total revenue. In addition, as a socially-aware technology partner Imtech also wants to play a role in current social issues, such as health care and education, in the area of security, in research laboratories and research centres, in pharmaceuticals, with the development of clean and safe cars and in the food industry market. Imtech is also pro-active in the field of Corporate Social Responsibility (CSR).
- Imtech's strategic long-term targets are:
 - to be the best technical services provider in Europe and in the global marine market;
 - to achieve at least a top-3 position in every Imtech country and in every market relevant for Imtech;
 - to achieve revenue of 5 billion euro in 2012;
 - an operational EBITA margin of 6%.



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Function summary

This is a translation of the official Dutch Annual Report.

In matters of interpretation the Dutch Annual Report will prevail.

Technology that improves society

Technology permeates every nook and cranny of our lives. Nowadays there are very few activities that do not involve any technology. Computer games, e-learning and mobile phones are taken for granted by our children. And even we 'oldies' are rarely astonished by what is now technically possible. Therefore we hardly ever fully appreciate how essential technology has become for our society. Not only to sustain our current way of life, but also to find solutions for future problems. Technology is helping us to build a sustainable, safe and better world. That is why improving society is the theme of this annual report with a special focus on Corporate Social Responsibility, the solutions technology offers for many of society's problems, what technology means in the energy & environment market and how technological know-how can be transferred to developing countries in order to give local communities a 'boost'. Imtech is playing a leading role when it comes to all these aspects: 'Technology that improves society'!



KEY FIGURES

In millions of euro unless stated otherwise

	2008	2007	2006	2005	2004
Results					
Revenue	3,859	3,346	2,839	2,379	2,016
EBITA	197.2	156.5	113.3	86.3	72.0 ⁴
EBIT	183.8	147.3	108.8	83.2	70.7 ⁴
Net profit	113.3	91.9	67.7	50.8	44.0 ⁴
Operational EBITA margin ¹	5.5%	5.1%	4.5%	4.1%	4.1% ⁴
EBITA margin	5.1%	4.7%	4.0%	3.6%	3.6% ⁴
Cash flow	156	125	92	73	55
Order book	4,514	3,815	2,924	2,396	2,132
Balance sheet					
Balance sheet total	2,473	1,891	1,567	1,310	1,057
Shareholders' equity	396	367	321	288	265
Net interest-bearing debt	456	92	25	(102)	(92)
Working capital (excluding cash and cash equivalents)	180	109	178	112	156
Interest coverage	6.3	7.0	9.9	7.3	8.9
Average net interest-bearing debt/EBITDA	1.6	0.8	0.4	–	–
Average number of issued ordinary shares (in millions)	77.4	78.6	78.8	78.5	77.8
Data per ordinary share with a nominal value of 0.80 euro					
Net profit before amortisation and impairment of intangible assets ²	1.64	1.29	0.92	0.69	0.58
Dividend	0.59	0.47	0.36	0.36	0.36
Pay-out	40%	40%	41%	55%	63%
Cash flow ²	2.01	1.59	1.17	0.93	0.71
Shareholders' equity ³	5.11	4.68	4.08	3.68	3.39
Closing price	12.00	16.94	16.05	9.17	8.65
Market capitalisation (in millions of euro) ³	930	1,328	1,263	717	676
Personnel					
Number of employees as at 31 December	22,510	18,231	16,362	14,519	12,836

¹ Before holding costs

² Based on average number of issued shares

³ Based on average number of issued shares as at 31 December

⁴ Before exceptional charge of 8 million euro related to the violation of the Dutch Competition Act

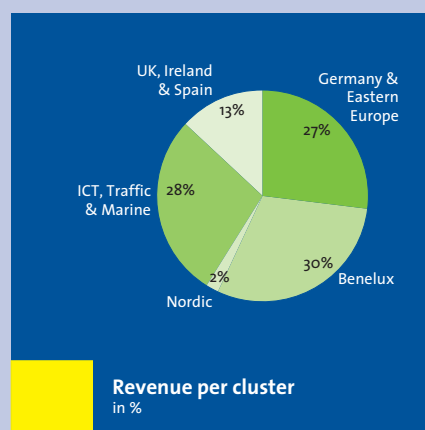
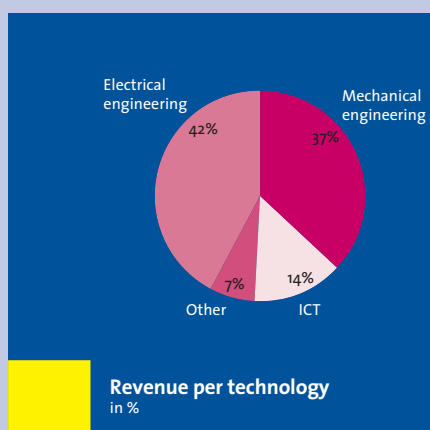
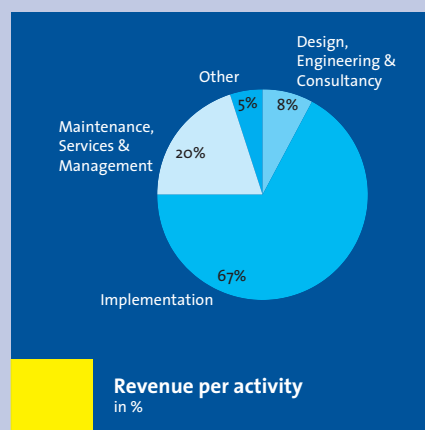
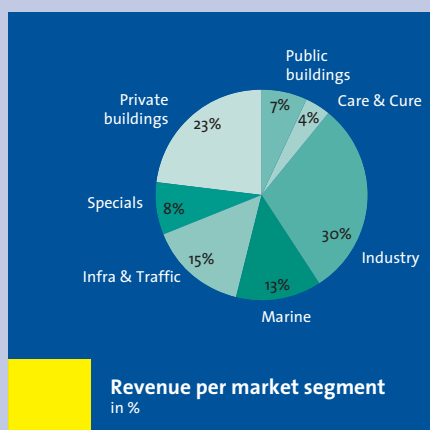
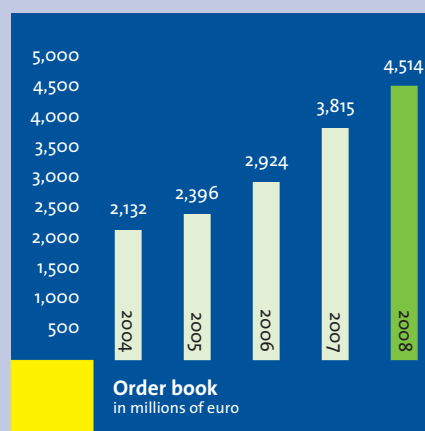
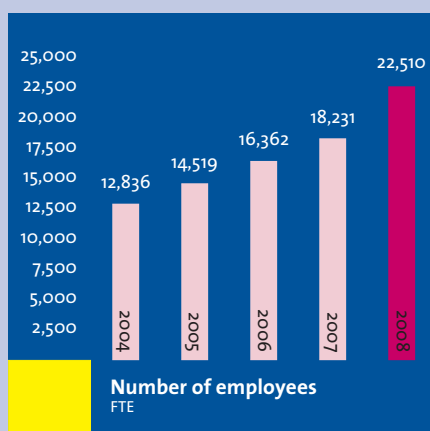
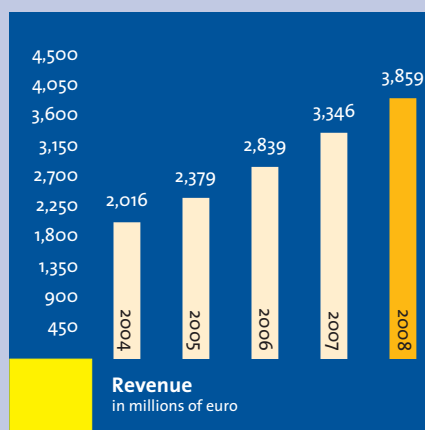
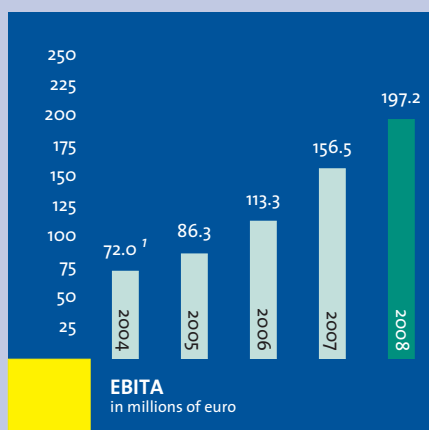
OBJECTIVES OF THE 2012 STRATEGIC PLAN

Revenue of 5 billion euro in 2012 while maintaining an operational EBITA margin of 6%.

OUTLOOK 2009

A further increase of the EBITA through organic growth and acquisitions.

KEY FIGURES



¹ Before exceptional charge related to the violation of the Dutch Competition Act.

INFORMATION ABOUT THE IMTECH SHARE

STOCK EXCHANGES

Imtech is listed on the NYSE Euronext stock exchange in Amsterdam. On 4 March 2008 the share was reinstated into the Amsterdam Midkap Index (AMX) and since 23 June 2008 the share has also been included in the Dow Jones Stoxx 600. Trading in options on the Imtech share via the stock exchange has been possible since June 2008. As at 31 December 2008 Imtech's market capitalisation was 929.5 million euro – 30% lower than at the end of 2007.

STOCK EXCHANGE TRADING

In 2008 trade in the Imtech share rose by 76% to a total of 118.2 million shares. This means that the average number of issued shares was traded 1.5 times. In 2007 the issued number of shares was traded 0.85 times. During every month of 2008 the average daily trading volume was higher than in the same month in the previous five years.

SHARE PRICE

In 2008 the price of the Imtech share fell by 29.2% to 12.00 euro per share. During the same period the AEX fell by 52.3%, the AMX fell by 52.5% and the Dow Jones Stoxx 600 fell by 45.0%. Over the past three years the price of the Imtech share has risen by 30.9%. By comparison in the same period the Amsterdam stock exchange AEX and AMX indices have fallen by 43.7% and 40.1% respectively and the European Dow Jones Stoxx 600 index has fallen by 35.3% (see graph on page 5).

LARGE SHAREHOLDERS

Based on the Disclosure of Interests Act, the next holders of Imtech shares are known:

■ Parcom Quoted Equity Management B.V.	5.70%
■ Fortis Verzekeringen Nederland N.V.	5.14%
■ Delta Deelnemingen Fonds N.V.	5.11%
■ Aviva plc	5.10%
■ WAM Acquisitions GP, Inc.	5.06%

In addition to these large shareholders substantial holdings of shares (less than 5%) are in the hands of (foreign) institutional investors, mainly in the UK and the USA.

DIVIDEND

The dividend policy is to pay out 40% of the net result excluding exceptional items. The dividend proposal for the 2008 financial year is to pay out 0.59 euro in cash per share (2007: 0.47 euro). This pay-out amounts to 40% and is thus in line with the dividend policy. The dividend return, based on the 2008 closing price, amounts to 4.9% (2007: 2.8%). As of this year the intention is to offer shareholders a choice of receiving their dividend in cash or shares.

INVESTOR RELATIONS

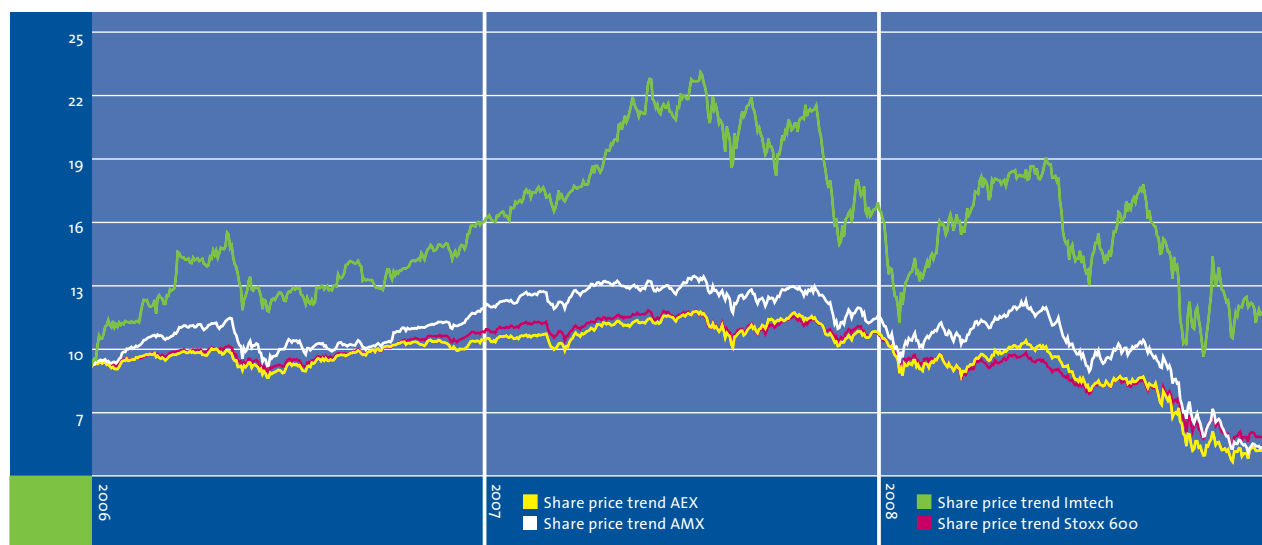
Imtech highly values good communications with investors and analysts so that they can make a good and realistic estimate of the potential value of the Imtech share. Regular meetings with existing and potential shareholders and analysts who follow the share are an important component of this communication.

THE IMTECH SHARE IN 2008

<i>in euro</i>	2008	2007	2006
Highest price	19.48	23.49	16.12
Lowest price	9.66	14.81	9.22
Closing price at year end	12.00	16.94	16.05
Price/earnings ratio at year end	7.3	13.1	17.4
Dividend return on closing price	4.9%	2.8%	2.2%
Ordinary shares traded (average number per day)	461,904	261,396	179,265
Number of subscribed shares	80,659,647	80,659,647	80,659,647
Number of issued shares at year end	77,462,396	78,374,232	78,685,689
Average number of issued shares	77,445,826	78,608,447	78,756,582
Market capitalisation at year end	929,548,752	1,327,659,490	1,262,643,023

Price trend Imtech share vs. AEX, Midkap and Dow Jones Stoxx 600

(January 2006 to December 2008 based on average weekly price, starting point: share price trend Imtech as per 2 January 2006)



In 2008 Imtech talked to 394 different investors (2007: 262 investors) during road-shows and conferences. In 2008 there was an Analysts' Day in Munich about Imtech's position in Germany.

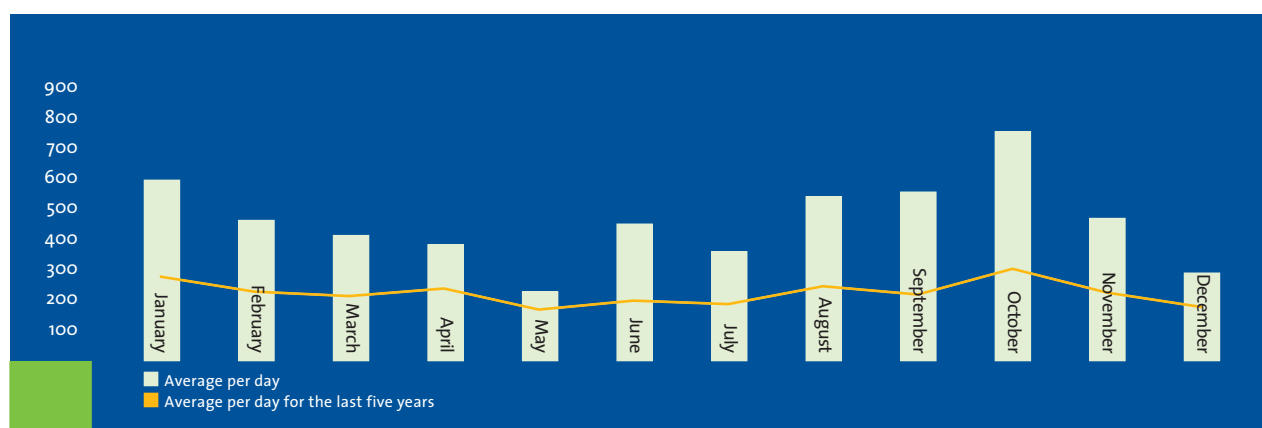
WWW.INVESTORS.IMTECH.EU

Specific information for investors is available via www.investors.imtech.eu, which contains detailed financial information regarding the strategy, the goals and outlook, the analysts who follow Imtech and also the presentations, with webcasts, to analysts and the financial press. A current financial calendar is also available here.

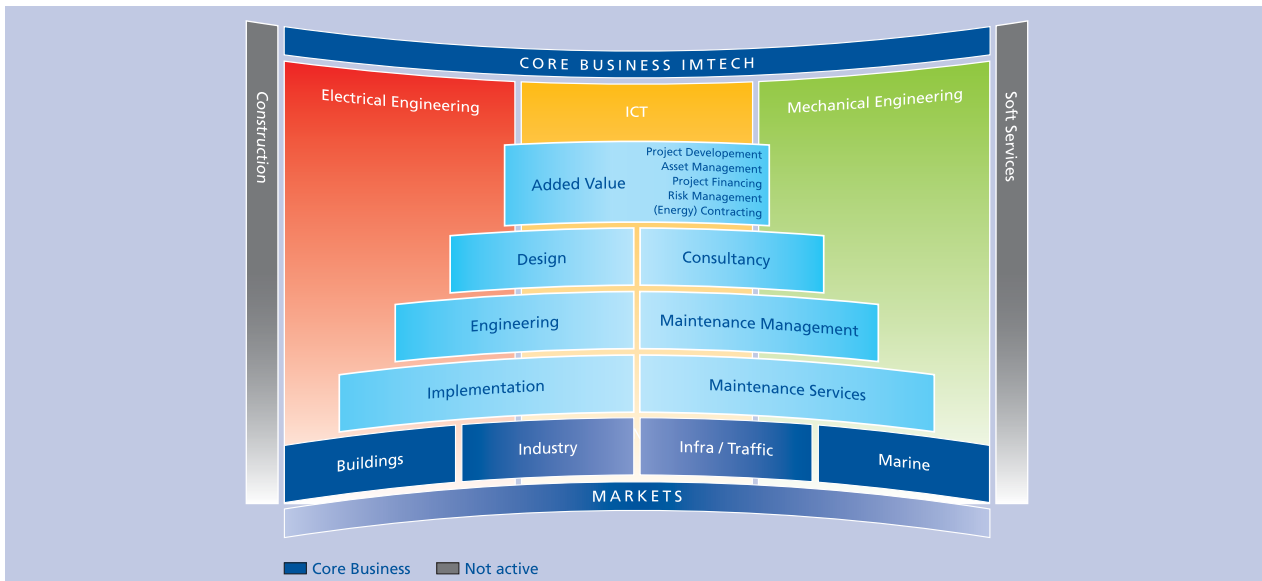
FINANCIAL CALENDAR

7 April 2009	General Meeting of Shareholders
9 April 2009	Quotation ex-dividend
9-23 April 2009	Dividend option period
15 April 2009 (after the stock exchange closes)	Record date (in accordance with stock exchange regulations)
23 April 2009 (after the stock exchange closes)	Swap ratio notification
28 April 2009	Dividend made payable
20 May 2009	Trading update 1st quarter
11 August 2009	Half-yearly figures 2009
28 October 2009	Trading update 3rd quarter
16 February 2010	Annual figures 2009
13 April 2010	General Meeting of Shareholders

Number of shares traded in 2008 (x 1,000)



IMTECH COMPETENCE PYRAMID



Imtech's strategic core competencies can best be illustrated by the Imtech competence pyramid shown above. Imtech covers:

- **three technologies:** electrical engineering, ICT (information and communication technology) and mechanical engineering, across and throughout the entire spectrum of these technologies;
- **six activities:** design, consultancy, engineering, implementation, maintenance services and maintenance management;
- **four markets:** Buildings, Industry, Infra & Traffic and Marine, in each of which a substantial portion of the revenue is related to energy & environment.

This combination, together with the achieved scale, gives Imtech the unique profile that makes it stand out in Europe and in the global marine market.

In **electrical engineering** Imtech covers the entire range of electrical engineering solutions of every size, such as low, medium and high tension, energy distribution, measuring and control technology, instrumentation, infrastructure technology, electrical propulsion, integrated security, building management, access technology, system technology, (dynamic) traffic management and traffic management systems and power electronics.

In **ICT** Imtech covers the entire ICT chain including software and hardware (including in co-operation/partnership with IBM and Microsoft), business intelligence, control technology, platform automation, data and telecommunications, data modelling, ICT infrastructures, intelligent transport systems, storage, (telecom) networks, virtualisation, infrastructure automation, route information systems, internet and intranet applications, logistics automation, managed services, technical automation, robotisation, satellite communications and simulation.

In **mechanical engineering** Imtech covers the entire spectrum of air, climate and energy solutions, including HVAC (Heating, Ventilation and Air Conditioning), cold and heat storage, clean-room technology, energy management, energy contracting, energy technology, dehumidifier technology, incineration technology, heat technology, sprinkler technology, piping, process technology, fire extinguisher technology and mechanical (process) installations.

The **activities** cover the entire process and life-cycle approach from design, consultancy, engineering (design) and implementation (installation) to maintenance services and maintenance management (the total spectrum in the field of technological and organisational maintenance and management), including cost and process monitoring and QHSE (quality, health, safety & environment). Imtech offers total solutions with added value for its customers. Partnership with customers is given an extra dimension by the clustering of technical competencies and intensive co-operation, outsourcing and the integrated execution of services and concepts. Consultancy, engineering, project financing, project management, asset management, risk management, (energy) contracting and Public Private Partnerships (PPP) are an integral part of this.

Imtech is active in **four markets:**

- **Buildings:** all buildings, including computer, data and distribution centres, offices, laboratories, airports, museums, parking garages, penal institutions, leisure centres, stadiums, stations, universities and colleges, shopping centres, hospitals and care institutions;
- **Industry:** a focus on the automotive industry, chemicals and petrochemicals, the energy and environment market, pharmacy, machine building, oil & gas, the animal feed industry, the aircraft industry and the food & luxury food industry;
- **Infra & Traffic:** the measurement, analysis and improvement of traffic flow, (dynamic) traffic management (on the road and the water) and traffic infrastructure, traffic safety, airport infrastructure, public transport, parking systems, rail (railway, tram and metro), tunnels, bridges and locks, transport and distribution networks, (public) lighting, (waste) water treatment and management and drinking-water;
- **Marine:** passenger liners, luxury yachts, naval vessels (frigates, corvettes, patrol and inspection boats and submarines), inland waterway ships as well as 'special vessels' such as oil & gas ships (including tankers and pipe layers), transport ships, dredgers, crane ships and cargo vessels.

ORGANISATION, MARKETS AND COMPETENCIES

A full list of Imtech N.V. operating companies can be obtained from the Chamber of Commerce Rotterdam.

BENELUX

Imtech Nederland B.V.
 Imtech Building Services B.V.
 Imtech Sprinkler Technology
 Imtech Industrial Services B.V.
 Imtech Automation Solutions B.V.
 Imtech Industry International B.V.
 Ventilex B.V.
 Imtech Special Market Solutions
 Imtech Energy Services
 Imtech Contracting
 Imtech Care & Cure
 Imtech Security
 Imtech Food & Feed
 Imtech Access & Security Technology B.V.

Imtech Infra B.V.
 Imtech Infra Nederland
 Imtech Infratechniek
 Asset Rail B.V. (40%)
 Imtech Infra N.V. (Belgium)
 Imtech Infra Data B.V.

Imtech Belgium N.V.
 Imtech Projects N.V.
 Imtech Maintenance N.V.
 Van Looy Group N.V.

Imtech Luxembourg
 Paul Wagner et Fils S.A. (90%)

GERMANY & EASTERN EUROPE

Imtech Deutschland
 Imtech Deutschland GmbH & Co. KG
 Imtech Contracting GmbH
 Kraftwerks- und Energietechnik
 Umweltsimulation und Prüfstandtechnik
 Forschung und Entwicklung
 Reinraum- und Medientechnik
 Con Tech GmbH Real Estate Management (50.5%)
 Imtech Polska Sp. z o.o. (Poland)
 Imtech KTS-CZ s.r.o. (Czech Republic)
 Imtech Russland OAO (Russia)

UK, IRELAND & SPAIN

Imtech Technical Services Ltd. (UK)
 Imtech Meica Services Ltd.
 Imtech Goodmarriott & Hursthouse Ltd.
 Aqua Group Ltd.
 Suir Engineering Ltd. (Ireland)
 Imtech Process Ltd.

Imtech Spain S.L.
 Imtech Spain Buildings
 Imtech Sertec
 Imtech Spain Industry
 Imtech Huguet

NORDIC

NVS Installation AB (Sweden)
 Nordiske Varmer Sanitaer AS (Norway)
 LVI-Helin Oy (Finland)
 Sävar Energitjänst AB (Sweden)

ICT, TRAFFIC & MARINE

Imtech ICT*
 Imtech ICT Business Solutions B.V.
 Imtech ICT Information Technology B.V.
 Imtech ICT Management & Consultancy
 Imtech ICT Brocom B.V.
 Imtech ICT Communications Solutions B.V.
 Imtech ICT Business Intelligence
 Fritz & Macziol Software und Computervertrieb GmbH
 Infoma Software Consulting GmbH
 Fritz & Macziol GmbH (Austria)
 Fritz & Macziol (Schweiz) A.G.
 REAL Solutions Group Ltd (UK)
 Fit IT N.V. (Belgium)
 Thinking Solutions N.V. (Belgium)
 EBIT N.V. (Belgium)
 ILS Consult GmbH (Austria)
 STAS GmbH
 Imtech Telecom Global Ltd. (UK)

Imtech Traffic
 Peek Traffic Ltd. (UK)
 Peek Traffic B.V.
 Peek Traffic Sp. z o.o. (Poland)
 Peek Promet d.o.o. (Croatia)
 WPS Parking Systems B.V.

Imtech Marine Group

Imtech Marine & Offshore B.V.
 Imtech Schiffbau-/Dockbautechnik
 Imtech Marine & Offshore Ltd. (UK)
 Imtech Marine Germany GmbH
 Marine Electronics (Shanghai) Co. Ltd
 Van Berge Henegouwen Installaties B.V.
 Dirkzwager B.V. (54%)
 Tess Electrical Marine Inc. (51%) (USA)
 IHC Systems B.V. (50%)
 Radio Holland Group B.V.
 Radio Holland Netherlands B.V.
 Radio Holland Belgium N.V.
 Radio Holland USA Inc.
 Radio Holland Singapore Ltd.
 Radio Holland Hong Kong Ltd.
 Pertec Ltd. (South Africa)
 Sailtron B.V.
 Venteville B.V.
 Radio Holland Content@Sea B.V.

Imtech Technology

Saval B.V.
 Knowsley S.K. Ltd. (UK)

* Including business services.

PREFACE BOARD OF MANAGEMENT

2008: AN EXCELLENT YEAR FOR IMTECH

2008 was an excellent year for Imtech. The order book grew by a substantial 18% (699 million euro) to 4,514 million euro and was of an even higher quality (profit potential). This gave Imtech a good starting point for 2009. The EBITA rose by 26% to 197.2 million euro of which organic growth accounted for 14%. Revenue rose by 15% to 3,859 million euro of which 8% was organic. The total operational EBITA margin has risen from 4.5% in 2006 via 5.1% in 2007 to 5.5% in 2008. Earnings per share before amortisation and impairment rose by 0.35 euro to 1.64 euro (+ 27%). The proposed optional dividend amounts to 0.59 euro (2007: 0.47 euro) per ordinary share, an increase of 26%.

GOOD PROGRESS IN ALL CLUSTERS

Imtech performed very well, for which we would like to thank all Imtech's 22,510 employees. All the Imtech clusters achieved growth. This instils confidence in the future. Imtech's strong market position, extensive portfolio of services and broad coverage of many market segments formed the basis for robust organic growth in the Benelux where the EBITA rose by 17% and the order book increased by 9% to 1,352 million euro. In Germany & Eastern Europe Imtech excelled with a high organic EBITA growth of 36%. The EBITA margin also rose significantly to 5.7% and the order book grew to over 1.5 billion euro. In Germany Imtech profited very well from the sharp rise in energy investments and, with its innovative technology, operated more often at the heart of customers' primary processes. This led to growth in markets such as airports, stadiums and care & cure as well as in the primary processes of banks (the necessary upgrading of data centres as the core of financial transactions) and in the automotive industry (equipping high-tech research and simulation centres for the development of environmentally-friendly cars). The positions in Poland, Romania and Russia were strengthened organically. In the UK, Ireland & Spain cluster the order book increased by 16% to 524 million euro and the EBITA rose by a substantial 14%. Despite signs of a decline in the property market in the UK and Ireland, Imtech achieved growth over a broad front, for example in water (treatment), energy, the environment, education and (bio) pharmacy. The forthcoming 2012 London Olympic Games is also beneficial for Imtech. In Spain the industrial activities excelled with large multi-year orders and maintenance contracts particularly in the (petro) chemical industry. The broad portfolio of services and the growing maintenance activities proved able to withstand the declining



investments in property. The ICT, Traffic & Marine cluster achieved significant growth both organically and through a large number of acquisitions in 2007 and 2008. Imtech made progress in the ICT market in nearly every European country. In the Traffic market Imtech responded successfully to the rising volume of traffic on Europe's roads and the demand for high-tech mobility solutions. The marine market was booming and, as an international player of substance, Imtech was able to develop very well in a number of marine segments. The overall EBITA growth of this cluster was 16% and the order book grew by 29% to 951 million euro.

SUCCESSFUL ACQUISITIONS

The acquisition of NVS at the end of 2008 substantiated Imtech's strategic goal of achieving a strong position in Scandinavia and created a new home market. Annual revenue of around 350 million euro makes NVS one of the largest players in the technical services provision market in Sweden, Norway and Finland. This acquisition has laid the foundations for further growth in Scandinavia, both organically and through supplementary acquisitions. In 2008 NVS performed extremely well with an EBITA margin of 7.9%. Six European ICT companies were also acquired. As far as ICT activities are concerned, Imtech is now one of the stronger ICT market players in the Benelux, the DACH countries (Germany, Austria and Switzerland) and the UK. Other acquisitions were various marine companies and a Spanish electrical engineering specialist. The total annual revenue of these acquisitions amounts to around 550 million euro with about 3,140 employees. The acquired companies contributed towards the 2008 earnings per share. The annual EBITA potential amounts to 43.5 million euro. The active acquisition policy will be continued in 2009.

PROGRESS IN 'ENERGY & ENVIRONMENT'

Imtech has taken a prominent position in the fast growing 'energy & environment' market and achieved robust

growth, for example with the 'green' revitalisation of buildings, the sustainable exploitation of energy sources, the generation of sustainable energy, the reduction of (environmental) pollution and the provision of clean drinking and waste water. In 2008 these activities generated around 960 million euro (2007: 750 million euro) or 25% of the total revenue. Good progress was also made in the field of Corporate Social Responsibility, for example with a 'green' vehicle fleet and offices, the benchmarking of suppliers based on green indicators, ISO 14001 certification, the development of a concept for green inner-city areas (Green Office 2015®) and the transfer of knowledge to South Africa in the context of corporate citizenship. Imtech has succeeded in developing into a socially relevant company that does far more than simply fulfilling its legal obligations.

STRONGLY RELATED TO GOVERNMENT SPENDING

Imtech is very well positioned in government financed markets such as mobility, infrastructure, rail, environment, care & cure and education. Around 30% of revenue is generated from government initiated or supported projects. In economically difficult time the expectation is that governments will follow an anti-cyclic investment policy and technology is one of the most important motivators.

THE CREDIT CRISIS: IMTECH IS WELL BALANCED

During the second half of 2008 the global economic playing field changed dramatically. By the end of 2008 the consequences of the international credit crisis had spread across a broad front and in time could also affect Imtech. Nevertheless, Imtech faces the future with confidence. Imtech started 2009 with an extensive and high quality order book of over 4.5 billion euro. Imtech is well positioned in the growth market of energy & environment and in government financed markets. Around 55% of Imtech's activities is recurring business. Imtech has thousands of maintenance contracts in many different market segments that provide a good basis for multi-year continuity. Imtech has a flexible project organisation that can respond well to both an economic headwind and an economic tailwind. Against this, a worsening of its customers' financial positions could, in time, also have an adverse effect on Imtech, for example if projects were delayed or deferred. Competition could become fiercer at the 'low end' of the activities. The potential shortage of skilled employees will

also remain an issue. Imtech believes it is resilient enough to turn these threats around and is convinced of its own abilities. The conclusion: as a result of these opportunities and threats, Imtech is well balanced. The focus remains on growth. At the same time Imtech is keeping its finger on the pulse through the active monitoring of its cash position, working capital, indirect costs and the development of its order book. A sharp eye is also being kept on the (financial) position of customers, subcontractors and suppliers and procurement contracts are being renegotiated. Strengthened by its successful strategy and track record of robust growth in recent years, Imtech has faith in its own strength.

UNCHANGED 2012 STRATEGIC PLAN

In 2008 Imtech's European position was strengthened substantially both organically and through acquisitions. Imtech is on track to achieve its 2012 strategic plan. This is not only thanks to the size and quality of its order book but also to its strong European and, to an extent, global market positions, its broad portfolio of services and its diversified customer base of over 19,500 customers. Imtech's objective of achieving a revenue level of 5 billion euro in 2012 while maintaining an operational EBITA margin of 6% remains unchanged.

FURTHER GROWTH IN 2009

According to its current views, in 2009 the Board of Management expects a further EBITA increase through organic growth and acquisitions.

Gouda, 16 February 2009



René van der Bruggen, Chairman



Boudewijn Gerner

REPORT OF THE SUPERVISORY BOARD

We hereby submit to the shareholders for approval the financial statements for the 2008 financial year prepared by the Board of Management. These financial statements have been audited and certified by KPMG Accountants N.V. ('KPMG') (page 131), and discussed by us and the Board of Management in the presence of KPMG. We advise the shareholders to adopt these financial statements. The statutory appropriation of profit is stated on page 132. After consultation with the Board of Management and in accordance with the dividend policy we propose that for 2008 a dividend of 0.59 euro per ordinary share is paid (a pay-out of 40%) and that a sum of 67.6 million euro is transferred to the reserves. The dividend may be paid out either entirely in cash or entirely in ordinary shares charged to the tax exempt distributable share premium reserve or other reserves, whichever the shareholder prefers. The swap ratio of this optional dividend will be announced after the stock exchange closes on 23 April 2009.

During 2008 six scheduled meetings were held during which we advised the Board of Management and, with the interests of all stakeholders in mind, supervised the Board of Management's policy and Imtech's day-to-day business progress. In addition the Audit Committee met three times, the Remuneration Committee met three times and the Nomination Committee met twice. The reports of these meetings were discussed by the Supervisory Board. The attendance of members of the Supervisory Board at all these meetings was (unless prevented by illness) almost full. The division of tasks and the working method of the Supervisory Board and its Committees are described under Corporate Governance (page 15). Supervisory Board members participated in each of the two consultation meetings with the Central Works Council during which special themes were discussed (project management, older employee policy and 'privacy, a question of trust'). As is now customary, during one of our meetings one of the divisional general managers reported on the division's business progress, and one of the meetings was held 'on location' (at Imtech Spain in Madrid and Huelva), during which various projects were visited.

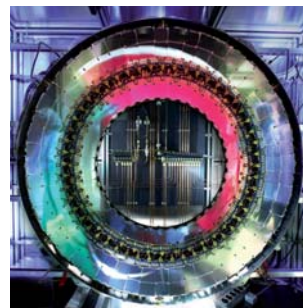
Summarised, the standard topics discussed were: (i) actual operational and financial progress in comparison to the budget and other targets, (ii) strategy, market development and acquisitions (prior evaluation and subsequent analysis), (iii) internal control and risk management, (iv) management development, organisational structure and the functioning

and remuneration of the Board of Management, and (v) the Supervisory Board's composition, profile and own functioning. This year extra attention was paid to the important acquisition of NVS in Scandinavia in accordance with the Strategic Blueprint, the external financing of this acquisition, and the company pension fund's collective transfer of the effective pensions to an insurance company.

OPERATIONAL AND FINANCIAL PROGRESS

Business progress within the divisions and the operating companies and the financial reporting were discussed (the half-yearly and annual figures in the presence of KPMG) both in the Supervisory Board meetings and in the meetings of the Audit Committee, where various issues were discussed in more detail. Other issues discussed were KPMG's reports, the annual forecast and the 2009 budget. Analysts' reports concerning Imtech were discussed regularly. Constant attention was paid – especially by the Audit Committee – to risk management, the provisions, working capital and the cash position.

KPMG has reported to us regarding its independence from Imtech. In this context the Audit Committee considered the rotation scheme of KPMG, KPMG's functioning and its fees for the financial statements audit, other audit related services and other non-audit services. Furthermore, KPMG has confirmed its independence from Imtech in accordance with the for them applicable professional standards. KPMG also attended the General Meeting of Shareholders on 10 April 2008.



High-tension for the world's largest particle accelerator

Imtech was responsible for the design, engineering and all the technical solutions

in the high-tension supply (the damper supply) that maintains the stability of the particle cluster in the world's largest particle accelerator at CERN (the European Organisation for Nuclear research) in Switzerland.

STRATEGY MARKET DEVELOPMENT AND ACQUISITIONS

Considerable attention was paid to the strengthening of Imtech in accordance with the 2012 strategic growth plan, approved by the Board, including the markets in which Imtech wishes to operate (geographical and technological) and, as a consequence of this, the external financing of the acquisition of NVS approved by the Supervisory Board. The underlying principle is, and will remain, the creation of long-term shareholders' value.

During 2008 Imtech was strengthened through the, Supervisory Board approved, acquisition of Van Berge Henegouwen (specialist in the field of marine technology for luxury mega-yachts), REAL Solutions (ICT specialist in the UK), Fit IT, Ebit and Thinking Solutions (three Belgian ICT companies that work very closely together), ILS (ICT specialist in Austria), NVS (one of the largest and fast growing technical services providers in Scandinavia), Huguet (electrical engineering specialist in Spain) and various smaller companies, with the aim of strengthening the positions in the marine market and the German and Swiss ICT markets. In total these acquisitions involve around 3,140 employees and revenue of around 550 million euro per annum.

The performance of former acquisitions compared with the initial expectations is evaluated regularly to ascertain the extent to which the predicted shareholders' value has actually been created.

INTERNAL CONTROL AND RISK MANAGEMENT

Attention was also paid, especially by the Audit Committee, to the Board of Management's evaluation of the internal risk management and control systems, following up recommendations resulting from KPMG's investigations of the internal control systems, the influence of the economic conditions on the markets in which Imtech is active and compliance with relevant legislation and regulations.



Cruise liners: a strong position leads to growth

Imtech, one of the strongest players in the cruise liner market, is involved in new cruise liners being built at the Meyer Wharf in Papenburg, Germany and at the Italian Fincantieri wharf.

MANAGEMENT DEVELOPMENT, FUNCTIONING AND REMUNERATION POLICY

On the personnel front the topics discussed were the organisational structure and the senior management succession planning. The functioning of the Board of Management and its members was also evaluated in the absence of the Board of Management.

The objective of the remuneration policy is to recruit, motivate and retain qualified and experienced managers with relevant experience. The salary structure is aimed at an optimum balance between the company's short-term results and long-term goals. The main lines of the remuneration policy approved by the shareholders are as follows:

- The basic salary is set at the median level of the reference market for Board members of larger Dutch companies;
- The variable income depends on targets set in advance and can, if achieved ('at target') add 135% to the basic salary of the Chairman of the Board of Management and 80% to the basic salary of the Chief Financial Officer (CFO). The targets for the Chairman of the Board of Management and the CFO are focussed for 40% and 50% respectively on the short-term (one year) and for 60% and 50% respectively on the long-term (three years);
- The short-term variable income targets are in the area of EBITA growth (50%), revenue growth (30%), and personal targets (20%);
- The long-term variable income targets are in the area of strategic goals (together 50%) and Total Shareholders

Return (TSR) compared with the peer group (50%). The TSR number is calculated on the basis of the average ranking over three years of the peer group companies' annual share price increase plus distributed dividend.

- The peer group comprises the companies in the NYSE Euronext Midkap index by Euronext Amsterdam;
- Achievement of the short-term targets is rewarded via an annual cash bonus;
- Achievement of the long-term targets is awarded after three years via a bonus in shares, awarded conditionally in advance. The five-year lock-up period commences on the date the shares are awarded conditionally;
- The Remuneration Committee may, per target, deviate from the bonus in cash or shares set for 'at target' (level 100%). For excellent performance the bonus may amount to a maximum of 150% of the 'at target' amount of cash or number of shares. This percentage may be reduced down to zero for non-achievement of the targets;
- The secondary employment conditions remain unchanged.

Following the proposal by the Remuneration Committee, the Supervisory Board approved the following regarding the various salary components for members of the Board of Management. The targets for the variable income (both short-term and long-term) will be reviewed annually and specified for each Board of Management member at the beginning of each year. The Remuneration Committee's remuneration report is published on Imtech's website (www.imtech.eu).



A strong position in Scandinavia

The acquisition of NVS has brought Imtech a strong position in Scandinavia where fast growing NVS is

one of the largest technical services providers, has a well-spread portfolio of technical work and serves over 1,000 customers from its 91 offices.

As of 1 January 2008 the basic salary of the Chairman of the Board of Management has been increased by 10% and fixed at 594,000 euro. The basic salary of the CFO has been increased by 7% to 392,000 euro. This brings the salaries in line with the median level of Board of Management members of larger Dutch companies whose functions are of a comparable weight.

The achieved level of short-term variable income for 2007 (paid out in 2008) was 77% of the 2007 basic salary for the Chairman of the Board of Management ('at target' 55%) and 58% for the CFO ('at target' 40%). Both Board of Management members delivered excellent performances by significantly exceeding the targets relating to EBITA growth and revenue growth.

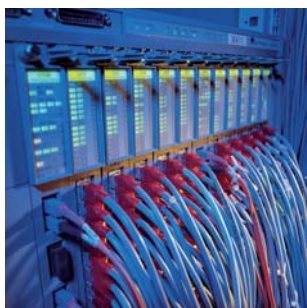
In respect of the long-term variable income 2005-2007, in April 2008 35,994 shares were awarded unconditionally to the Chairman and 13,712 to the CFO. This number was awarded taking into account the achievement of targets whereby the EBITA-margin growth was deemed to be very good, the revenue growth was deemed to be excellent and the achievement of substantial market positions in the so-called strategic local countries was considered to be moderate. The average Total Shareholder Return position was judged to be moderate. This means that 96% of the conditionally awarded shares was awarded unconditionally.

For the 2008-2010 long-term variable income 28,102 shares have been awarded conditionally to the Chairman of the Board of Management and 9,273 to the CFO (calculated at a price of 16.91 euro). To a great extent the strategic targets are linked to the 2008-2012 strategic plan and cover revenue growth, EBITA margin development, acquisitions and TSR.

SUPERVISORY BOARD COMPOSITION, PROFILE AND OWN FUNCTIONING

The function of the Supervisory Board and its members was evaluated in the absence of the Board of Management, as in previous years based on a questionnaire.

During the Shareholders' Meeting of 10 April 2008 Mr. Baan was appointed (for a period of four years) to fill the vacancy arising from the resignation of Mr. Groenenboom. At the same time Mr. Baan succeeded Mr. Groenenboom as a member of the Audit Committee.



Expansion of Europe's data centres

The increasing density of data traffic makes upgrading their data centres – the core of their primary process

– a must for insurance companies, banks and energy companies. Imtech offers innovative total solutions such as those supplied to insurance company Allianz, Citibank, ING Bank and energy company EnBW.

The Supervisory Board would like to express its appreciation to Mr. Groenenboom for his efforts for the benefit of Imtech.

The meeting was also notified of the forthcoming resignation in 2009, in accordance with the rota, of Mr. Van der Meer, who has expressed his willingness to be reappointed. The Supervisory Board intends reappointing Mr. Van der Meer for a period of four years. The Central Works Council endorses this reappointment unanimously.

The composition of the Supervisory Board and the skills of its individual members fulfil the specifications laid down in the profile. All the Supervisory Board members are independent of Imtech as stipulated in the Dutch Corporate Governance Code. The division of tasks and working method of the Supervisory Board and its Committees are stipulated in charters. The profile and the charters are published on Imtech's website (www.imtech.eu).

OTHER

There were no transactions involving a conflict of interests of Supervisory Board or Board of Management members. No loans, advances or guarantees were provided to the members of the Board of Management or Supervisory Board. Imtech applies a set of rules regarding the reporting of trading in stocks (other than Imtech stocks) by members of the Board of Management and the Supervisory Board.

We thank the Board of Management and all the staff for their dedication and efforts during the past year.

Gouda, 16 February 2009

On behalf of the Supervisory Board

Rudy van der Meer, Chairman



Corporate Social Responsibility

Doing business with respect for the planet and the people with whom we share our world. Knowing that the world's natural resources are finite and that we are indebted to future generations. Imtech fully endorses the principles of Corporate Social Responsibility. We are working proactively towards a livable and sustainable society. By being alert to the way our own business activities can contribute towards sustainable developments; such as green offices, a green vehicle fleet and purchasing green energy. By measuring our Carbon Footprint and agreeing a sustainable Code of Supply with our suppliers. By having a proactive Health, Safety & Environment (HSE) policy. But we do more. We have, for example, developed a programme for the transfer of knowledge to developing countries. All these initiatives demonstrate that we take our Corporate Social Responsibility seriously.

Imtech N.V. is a large company (under a mitigated regime in accordance with Article 155 Book 2 of the Netherlands Civil Code). The company is managed by a Board of Management ('BoM') under the supervision of a Supervisory Board ('SB') (a so-called two-tier management structure), and also has a Central Works Council ('CWC') and a General Meeting of Shareholders ('GMS').

The starting points of Corporate Governance are good business practices (honest and transparent dealings by the management) and good supervision of (and accountability for) this management. The Dutch Corporate Governance Code (hereafter 'Code') is applicable to Imtech and is formulated in principles and concrete stipulations. Imtech fully endorses these principles. With one exception all the stipulations of the Code have now been implemented in regulations, Articles of Association and other rules and codes and have been made public via the website.

BOARD OF MANAGEMENT

The BoM is entrusted with managing the company and represents the company. The BoM is responsible for the achievement of the targets, strategy, policy, financing and the development of the results. The BoM is also responsible for internal risk management and control systems in order to manage the risks coupled with business activities, and for compliance with all relevant legislation and regulations. The BoM is accountable to the SB and the GMS. In accordance with the Law and Articles of Association certain decisions of the BoM are subject to the approval of the SB and GMS.

The BoM notifies the SB, in writing, of the main lines of the strategic policy, the general and financial risks and the internal risk management and control systems. The BoM submits to the SB for approval:

- the operational and financial targets;
- the strategy that must lead to the achievement of the targets; and
- the preconditions that are applicable, including those related to the financial ratios.

The internal risk management and control instruments applied by Imtech are:

- risk analyses of the financial and operational targets;
- guidelines for the preparation of financial reports and for the procedures to be followed;
- a monitoring and reporting system;

- business principles and a whistle-blower's regulation.

The BoM determines, with the approval of the SB, which portion of the profit will be reserved. The remaining profit is at the disposal of the GMS. The dividend policy is the distribution of 40% of the net result excluding exceptional items.

By virtue of its designation by the GMS, the BoM, with the approval of the SB, is authorised to decide to issue shares and to limit or exclude the shareholders' preferential subscription right (10% of the issued shares plus 10% additionally relating to an acquisition). By virtue of its authorisation by the GMS, the BoM is also authorised to purchase company shares. This designation c.q. authorisation is requested during the GMS for the therein specified number of shares and is always valid for a period of eighteen months. The BoM is authorised to sell the purchased company shares, with prior approval of the SB.

The BoM may not participate in the capital of other companies or invest in enduring manufacturing tools and real estate, insofar as the participation or investment involves an amount of five million euro or more, without the prior approval of the SB. The BoM decisions that are subject to the approval of the SB are listed in Article 164 Clause 1 Book 2 of the Netherlands Civil Code.

SUPERVISORY BOARD

The task of the SB is to supervise the management of the BoM and the general course of business within Imtech. The SB also advises the BoM. The SB members perform their task with the interests of Imtech and its stakeholders in mind.

The SB draws-up a profile that includes its composition and size (currently at least five members), taking into account the nature of the company, its activities and the desired expertise and background of its members. The SB discusses the profile and every amendment to the profile during the GMS and with the CWC. The profile can be viewed on the website.

The SB has formed three committees from amongst its members: an Audit Committee, a Remuneration Committee and a Nomination Committee and has specified the division of tasks and working method of the SB and its committees in Charters. Each committee has a delegated

authority: it advises the SB in respect of certain parts of its stipulated tasks and prepares the relevant decision making of the SB. The members of the Remuneration Committee and the Nomination Committee are the same.

The topics on which the Audit Committee focuses include:

- financial reporting and procedures;
- internal risk management and control systems;
- the internal and external audit process;
- functioning and independence of the auditor;
- supervision of compliance with legislation and regulations.

The tasks of the Nomination Committee are:

- the selection criteria and nomination procedures in respect of members of the SB and BoM;
- the SB profile and the size and composition of the SB and BoM;
- functioning of SB and BoM members;
- (re)appointments.

The tasks of the Remuneration Committee comprise:

- the BoM remuneration policy;
- the share scheme for the BoM;
- the performance criteria and their application;
- the amount of the fixed salary and the number of shares to be awarded;
- the remuneration report.

The SB appoints an auditor to audit the annual accounts proposed by the BoM and to report thereon and to issue an auditor's report. The appointment may be withdrawn at any time by the GMS.

APPOINTMENT AND REMUNERATION

The SB specifies the number of members of the BoM. The members of the BoM are appointed and dismissed by the GMS. The appointment takes place on the basis of a binding recommendation by the SB, following the advice of the Nomination Committee. The GMS can negate the binding character of this recommendation by a qualified majority.

The BoM remuneration policy and amendments thereto are proposed by the SB and adopted by the GMS and made available to the CWC for inspection. The remuneration of individual members of the BoM (including the awarding of shares) is determined within the framework of the

remuneration policy by the SB on the recommendation of the Remuneration Committee. The SB's remuneration report comprises a report of the manner in which the remuneration policy has been implemented in the preceding financial year and a summary of the remuneration policy the SB intends applying in the coming and subsequent years. The remuneration policy, the share scheme and the annual remuneration report can be viewed on the website. The main lines of the remuneration policy, as well as the different salary components that have been specified for individual members, are included in the Report of the SB (see pages 11 and 12).

The SB members are nominated by the SB on the basis of the profile sketch and appointed by the GMS. The nomination is announced to the GMS and the CWC simultaneously. The GMS (and for one third of the number of members) the CWC may recommend to the SB persons to be nominated for membership of the SB. The GMS may reject a nomination with a qualified majority. A SB member resigns after a term of four years and may, in principle, be reappointed. An SB member may not be a member of the SB for longer than twelve years. The remuneration of SB members is proposed by the SB and adopted by the GMS.

GENERAL MEETING OF SHAREHOLDERS

The powers of the GMS are stipulated in Laws and Articles of Association and can be summarised as follows:

- approval of decisions that would cause a major change to the identity or character of Imtech or its business;
- appointment and dismissal of BoM members;
- adoption of the BoM remuneration policy;
- approval of the BoM share scheme;
- appointment of SB members;
- abandonment of trust in the SB;
- adoption of the financial statements of Imtech;
- approval of the profit appropriation (insofar as this is at the disposal of the GMS);
- approval of the dividend proposal;
- approval of decisions to amend the Articles of Association or dissolve Imtech.

In addition, the following are discussed with the GMS:

- the Annual Report of Imtech;
- changes to the reserves and dividend policy;
- changes to the SB profile sketch;
- changes to the Corporate Governance structure.

At least one General Meeting is convened each year. Extraordinary Shareholders' Meetings are convened as often as the SB or BoM deems this necessary. The SB and the BoM provide the GMS with all the information requested, unless this would be seriously detrimental to the company's interests.

A decision to amend the Articles of Association or to dissolve Imtech may only be taken by the GMS if it is proposed by the BoM with the approval of the SB.

SHARES

The authorised capital comprises registered shares divided into ordinary shares, financing preference shares and preference shares. Each share entitles the holder to cast one vote, with the exception of financing preference shares for which the voting rights are based on the actual value of the capital contribution. Please see page 132 for profit appropriation and dividend proposal. The subscribed capital fully comprises ordinary shares that are fully paid-up and that are traded via the giro-based securities transfer system. No preference shares and financing preference shares are outstanding. The shares Imtech holds in its own capital do not count when calculating an amount to be distributed on shares or the attendance at a shareholders' meeting and are non-voting shares.

OPTION AND SHARE SCHEME, PURCHASE OF SHARES

Imtech operates a personnel share scheme whereby a number of executives are granted options on ordinary shares (see page 96 ff). These rights are granted at the discretion of the BoM, with the approval of the SB with regard to the total number of shares, the exercise period (including the lock-up period) and the exercise price. The lock-up period lapses in case of 'change of control' in Imtech. There is also a BoM share scheme (see website and page 99). Each year the SB determines, on the recommendation of the Remuneration Committee and in accordance with the remuneration policy, the shares to be awarded conditionally and unconditionally. To cover the obligations arising from options granted (fully) and shares awarded conditionally ('at target') Imtech purchases shares.

RULES REGARDING INSIDE INFORMATION

Within Imtech Rules regarding the reporting and regulation of transactions in Imtech N.V. securities are applicable for



Energy and building management at Infineon

Imtech has been responsible for Infineon's energy management since

2005. The contract for the total building management, including the energy supply and management, is for a period of 15 years and is worth 120 million euro.

the SB, BoM, Executive Council and other designated persons (including corporate staff, operating company management and a number of permanent consultants).

STICHTING IMTECH

Imtech N.V. has granted Stichting Imtech (a foundation) an option on up to a maximum of 180 million preference shares in its share capital, with the proviso that the Stichting may only take preference shares up to a total number equal to the total number of all ordinary shares and financing preference shares outstanding at the time the option right is exercised.

The Stichting is an independent foundation that functions independently of Imtech. The Stichting's objectives are to act in the interests of Imtech in such a manner that these interests are secured as far as is possible and to avert as far as possible influences contrary to such interests that could impair the continuity and independence of Imtech. The option can be exercised if, in the exclusive opinion of the Stichting: (i) the independence or continuity of Imtech is threatened; or (ii) an (imminent) trade by one or more people is (or could be) contrary to the interests of Imtech, (other) shareholders, employees or other stakeholders of Imtech. In such instances the option of issuing preference shares may be utilised. Such instances do not necessarily have to be limited to 'acquisition or attack', the decision rests with the Stichting. Imtech will not endeavour to use the issue of preference shares expand its financing sources.

If it has taken up its full option the Stichting may cast a maximum of 50% of the votes in a GMS, assuming the total issued share capital is represented. If preference shares are subscribed the Stichting must deposit 25% of the nominal amount for which it has signed a credit agreement with ABN AMRO Bank N.V. trading under the name RBS (its legal successor). In addition, within two years of the shares being subscribed a proposal to withdraw the preference shares must be put before the GMS.

In accordance with Article 24.3 of the Articles of Association of Imtech N.V. the Stichting, as the holder of preference shares, is entitled to a primary dividend to enable it to pay its interest obligations to the bank. If and to the extent that the profit is insufficient to pay-out this primary dividend the shortfall can be paid out of the reserves and/or future profit (see also page 132).

In the year under review no preference shares were outstanding with the Stichting. The Stichting's Articles of Association were amended such that the rule regarding Board member B (Board member without voting rights appointed by the BoM of Imtech N.V.) has been deleted and an indemnity rule for the Board members has been introduced. At the same time Mr. Van der Meer resigned as Board member B. Stichting Imtech's board now comprises BV Trustkantoor Gestor (Chairman), represented by Mr. L.J.J.M. Lutz and Messrs. J.H. Holsboer and M.P. Nieuwe Weme.

ACCOUNTABILITY CODE

Imtech applies all the stipulations of the Code with the exception of one deviation: existing contractual agreements with BoM members will be honoured in accordance with the principles of Dutch Labour Law. The Code will be applied in the future when appointing BoM members.



IKEA's technology partner

Imtech is IKEA's technology partner in Sweden, Norway, Ireland and the Netherlands. Imtech's

responsibilities include the maintenance and upgrading of the technical infrastructure and numerous smart energy-saving solutions in various IKEA stores.

REPORT OF THE BOARD OF MANAGEMENT

HIGHLIGHTS

- Good quality order book up by 18% to 4,514 million euro, an excellent foundation for 2009
- 2008 an excellent year for Imtech:
 - EBITA: 197.2 million euro, + 26% (organic + 14%)
 - Revenue: 3,859 million euro, + 15% (organic + 8%)
 - Operational EBITA margin: up to 5.5% (2007: 5.1%)
 - Net profit: 113.3 million euro, + 23%
 - Earnings per share before amortisation and impairment of intangible assets: 1.64 euro, + 27%
 - Dividend per ordinary share: 0.59 euro, + 26% (2007: 0.47 euro)
- High EBITA growth in all clusters: 17% in the Benelux, 36% in Germany & Eastern Europe, 14% in the UK, Ireland & Spain and 16% in ICT, Traffic & Marine
- Thanks to acquisitions a strong position acquired in Scandinavia, the position in the European ICT market reinforced, positions in Central and Eastern Europe (Austria, Poland, Romania, Russia) improved and good progress made in the growth market of energy & environment
- Targets of the 2012 strategic plan retained unabridged: 2012 revenue 5 billion euro with an unchanged operational EBITA margin target of 6%
- Outlook for 2009: a further increase of EBITA through organic growth and acquisitions

Key figures 2006 – 2008

In millions of euro

	2008	2007	2006
Revenue	3,859	3,346	2,839
EBITA	197.2	156.5	113.3
Operational EBITA margin	5.5%	5.1%	4.5%
Net profit	113.3	91.9	67.7
Order book	4,514	3,815	2,924
Capital employed excluding cash and cash equivalents	1,039	622	532
Number of employees as at 31 December	22,510	18,231	16,362

2008 AN EXCELLENT YEAR: GOOD ORDER BOOK, EUROPEAN POSITIONS STRENGTHENED, PROGRESS IN ENERGY & ENVIRONMENT

2008 was an excellent year for Imtech. The order book grew by a substantial 18% to 4,514 million euro (an increase of 699 million euro) and the quality (profit potential) improved still further. As in 2007 Imtech achieved a high organic growth of EBITA (14%) and revenue (8%).

Good progress in 2008

The operating profit before amortisation and impairment of intangible assets (EBITA) rose by 26% to 197.2 million euro (2007: 156.5 million euro) of which 14% was organic (2007: 21%). Revenue rose by 15% to 3,859 million euro (2007: 3,346 million euro) of which 8% was organic (2007: 7%). Earnings per share before amortisation and

impairment of intangible assets rose by 0.35 euro to 1.64 euro (+ 27%) based on the average number of issued shares during the financial year. The proposed dividend is 0.59 euro (2007: 0.47 euro) per ordinary share, an increase of 26%.

Growth in all clusters, a strong starting position for 2009

All the Imtech clusters achieved growth. This instils confidence in the future and forms a good starting position for 2009.

Benelux: solid organic growth

The firm market position, extensive portfolio of services and broad coverage of a large number of market segments are the basis for solid organic growth in the Benelux. The order book rose by 9% (109 million euro). Imtech's interest

in markets such as energy, data centres and government buildings increased as did the number of long-term maintenance contracts. Imtech is also involved in a growing number of large projects. Revenue and EBITA in the Benelux rose by 14% and 17% respectively.

Germany & Eastern Europe: excellent performance, considerable organic EBITA growth

In Germany and Eastern Europe high growth was achieved once again. The order book, which had already risen by 56% in 2007, increased once again by 11% (149 million euro) in 2008. The order book rose to 1,529 million euro. As one of the largest technical services providers in Germany Imtech was able to profit from the significant increase in energy investments. Thanks to innovative technology Imtech is working more and more at the heart of customers' primary processes. This leads to high organic growth in markets such as energy, stadiums, data centres and care & cure. Imtech also won substantial orders in sectors such as banks and the automotive industry. The positions in Poland, Romania and Russia were strengthened organically. Revenue and EBITA rose by 7% and 36% respectively.

The UK, Ireland & Spain: important growth through flexibility and excellent performance in the Spanish industrial market

The order book in the UK, Ireland & Spain rose to 524 million euro; an increase of 16% (71 million euro).

Despite signs of a decline in the property markets in the UK and Ireland, in 2008 growth was achieved across a broad front. Imtech made especially good progress in the area of water (treatment), energy, the environment, education and (bio) pharmaceuticals. The increase in size resulting from acquisitions in 2007 meant Imtech could respond more flexible to changing market conditions. The forthcoming 2012 Olympic Games in London also proves beneficial for Imtech.

In Spain Imtech's industrial activities excelled with major multi-year orders and maintenance contracts especially in (petro)chemicals. In the buildings sector the broad portfolio and the robustly growing maintenance activities proved able to withstand declining property investments. In 2008 Imtech also built up its electrical engineering competence, both organically and through an acquisition, which will have a positive effect in the future.

Revenue and EBITA rose by 24% and 14% respectively despite a negative effect as a result of the lower exchange rate of the British pound against the euro.

Nordic: new 'home' market and a foundation for further growth

With the acquisition of NVS Imtech's strategic goal of achieving a strong position in Scandinavia has been substantiated. NVS is one of the largest players in the technical services provision market in Sweden, Norway and Finland. The acquisition has laid the foundations for further growth in Scandinavia, both organically and through supplementary acquisitions. NVS focuses on a wide and fast growing range of activities in the field of air and climate technology spread across service, maintenance, management, renovation and new construction. NVS performed extremely well in 2008. The order book at year-end 2008 was 158 million euro.

ICT, Traffic & Marine: significant growth both organically and through acquisitions

The ICT, Traffic & Marine cluster achieved significant growth, both organically and through a great number of acquisitions during 2007 and 2008. The order book rose by 29% (212 million euro) to 951 million euro.

Imtech's total solutions are increasingly being dominated by umbrella ICT applications. The expansion of the European position combined with the strengthening of Imtech's position as a business partner of IBM and Microsoft is, therefore, a high priority. In 2008 Imtech made major strides through six acquisitions in Austria, Switzerland, Germany, the UK and Belgium. Progress was achieved in virtually every European country in 2008.

In the Traffic market Imtech took advantage of Europe's increasing volume of traffic and the demand for high-tech mobility solutions. In 2008 growth was achieved both organically and as a result of the 2007 acquisition of mobility specialist Peek. The international parking activities also performed well.

The marine market was 'booming'. Imtech is a highly ambitious international player of stature and succeeded in developing well in many marine segments. Thanks to various smaller acquisitions the portfolio was broadened and number of service centres increased.

For the total cluster ICT, Traffic & Marine, revenue and EBITA rose by 15% and 16% respectively.

A higher operational EBITA margin

Once again the overall operational EBITA margin increased. In 2006 it was 4.5%, in 2007 it was 5.1% and in 2008 a margin of 5.5% was achieved. Imtech is well on the way towards achieving its target of a 6% operational EBITA margin. In the Benelux the margin rose from 3.8% to 3.9%, which still leaves room for improvement. In Germany & Eastern Europe excellent progress was made with the margin rising from 4.5% to 5.7%. In the UK, Ireland & Spain cluster the margin was also still high – 6.2% compared with 6.8% in 2007. The new Nordic cluster achieved a margin of 7.9%. In the ICT, Traffic & Marine cluster the margin rose from 6.5% to 6.6%.

Progress in energy & environment

Imtech occupies a prominent position in the fast growing energy & environment market. Robust growth was achieved in virtually every country in which Imtech is active as well as in the global marine market. Imtech offers a wide range of activities varying from the sustainable exploitation of energy sources and the generation of sustainable and environmentally-friendly energy to the provision of clean drinking and waste water. In 2008 these activities generated revenue of around 960 million euro (2007: 750 million euro), or 25% of the total revenue of over 3,859 million euro (2007: 22% of 3,346 million euro). Imtech is well on the way to achieving its strategy – a further strengthening of this prominent position (see also page 67 ff).

A strong link with governmental spending

Imtech is well positioned in government financed markets such as mobility, infrastructure, rail, environment, water, care & cure and education. Around 30% of the 2008 revenue was generated via governments initiated or supported projects. In economically less favourable times there is an expectation that the governments will follow an anti-cyclic investment policy. Technology is one of the mainsprings.

Considerable strengthening through good acquisitions

An active acquisition policy is one of the cornerstones for further growth. In addition to the strengthening of current market positions Imtech's aim is to build up a strong position in Scandinavia, Austria and the European ICT market. In 2008 significant progress was made. Imtech finalised the following acquisitions:

- NVS, one of the largest and fastest growing technical services providers in Sweden, Norway and Finland with a total of 2,300 employees and annual revenue of around 350 million euro;
- six ICT companies in Austria (ILS), Belgium (Fit IT, Ebit and Thinking Solutions), Germany (STAS and NEO), Switzerland (IT&T) and the UK (REAL Solutions) with a total of nearly 500 employees and annual revenue of around 146 million euro;
- three smaller marine companies (Pertec in South Africa, Van Berge Henegouwen in the Netherlands and Seatronik in Panama) with a total of nearly 120 employees and annual revenue of 24 million euro;
- Huguet, a Spanish electrical engineering specialist with a total of 220 employees and annual revenue of 30 million euro.

These acquisitions involved a total purchase price of 307.4 million euro (including maximum earn-out and excluding cash and cash equivalents). The overall annual revenue of these acquisitions amounts to around 550 million euro with around 3,140 new employees. The acquired companies contributed towards earnings per share. With the acquisition of NVS Imtech has instantly become one of the strongest technical service providers in Scandinavia. With its ICT activities Imtech is now one of the strongest players in the ICT markets in the Benelux, the DACH countries (Germany, Austria and Switzerland) and the UK. The annual EBITA from the 2008 acquisitions amounts to around 43.5 million euro of which 12.8 million euro was accounted for in 2008.



Growth in the pharmaceutical industry

The pharmaceutical industry is continuing to invest in shortening research trajectories,

quality improvements and better logistics. Imtech's customers included (bio) pharmaceutical companies Johnson & Johnson, GlaxoSmithKline and Schering Plough in Belgium and Centocor Biologics, Wyeth Medical and Merck Sharp & Dohme in Ireland.

VISION AND ADDED VALUE

Imtech supplies a cohesive package of technical services – by combining electrical engineering, ICT (information and communication technology) and mechanical engineering – in large parts of Europe and in the global marine market. This spectrum enables customers' processes to be improved. Imtech can take responsibility for all technological solutions throughout their entire life-cycle. The objective is improved business operations, a better tuning to the end-users' needs and a lower total cost of ownership. This enables Imtech's customers to offer their customers a better service. Increasingly this demands partnerships with customers and a thorough understanding of the domains in which they operate. Imtech anticipated on clients' trend to outsource non-core activities, such as engineering, technology, ICT, services and maintenance, to large multidisciplinary players. More and more customers are seeing Imtech as a strong market party for outsourcing and as a technology partner for Engineering, Procurement, Construction and Commissioning (EPCC). Imtech is also increasingly awarded a partnership on a Design & Construct, Design Build Finance & Operate or Design, Build & Maintain basis. Consultancy, engineering, project financing, project management, asset management, risk management, (energy) contracting and Public Private Partnerships (PPP) are an integral component of the concepts and services offered by Imtech.

Technology also enables Imtech to contribute towards solving socially important issues, for example by supplying the technology for high-tech alternative energy plants fuelled by biomass, biogas and biodiesel and by ensuring

supplies of clean drinking and waste water. Imtech equips ships with energy efficient and environmentally-friendly diesel-electric propulsion, reduces fine particle emissions and makes test centres for the eco car of the future. Imtech's smart energy concepts can result in annual energy savings of up to 25%. Imtech is also helping to find an answer to today's more complex challenges, such as managing mobility and raising the quality of care. Imtech has developed into a highly socially involved company (see also page 67 ff).

ORGANISATION

Imtech has a broad geographical spread. In Europe Imtech is active in the Benelux (the Netherlands, Belgium, Luxembourg), Germany, various Central and Eastern European countries (Austria, Switzerland, Poland, Romania, Croatia, Russia, Hungary, Bulgaria and the Czech Republic), the Nordic region (Norway, Sweden and Finland), the UK, Ireland and Spain. The pan-European and international activities comprise European ICT activities, European and international activities in the Traffic market (including parking) and global marine activities.

Benelux

In the Benelux Imtech offers nearly 5,000 customers total solutions in the field of electrical engineering, ICT and mechanical engineering in numerous sectors and market segments of the buildings, industry, infrastructure & traffic markets. The Imtech divisions active in the Benelux are Imtech Nederland; active in buildings and industry markets (revenue: 743 million euro), Imtech Infra; active in infrastructure market and in the field of traffic (revenue: 214 million euro), Imtech Belgium; active in the buildings and industry markets (revenue: 138 million euro) and Paul Wagner et Fils in Luxembourg; active in the buildings market (revenue: 72 million euro). With around 100 offices and competence centres Imtech has total coverage in the Benelux. Internal co-operation enables these offices to offer the entire technical services package at every level: from large, multidisciplinary projects to customised innovative products and services. The growing number of maintenance contracts contributes towards continuity. There are also special business units for energy, high-tension, care, security, sprinkler technology, access technology, the pharmaceutical industry, the process industry, industrial automation and for the energy, oil & gas, power systems and food & feed markets.

Germany & Eastern Europe

In Germany Imtech (revenue: 1,037 million euro) is one of the strongest players in the industry and buildings markets with a total of approximately 5,500 customers. There are six regions: North (Hamburg), West (Düsseldorf), Central (Frankfurt), East (Berlin), South-west (Stuttgart) and South-east (Munich) with over 60 offices throughout the country. There are also separate business units for energy management, technological project development and PPP projects. The core competencies are surrounded by a finely meshed network of sustainable and customer oriented services that support customers' processes with high value technological performance. Imtech also has competence centres in innovative fields such as research & development, (decentralised) energy solutions and clean-room technology. Imtech's activities in Eastern Europe are increasing, especially in Poland, Russia, Romania, Hungary, Bulgaria and the Czech Republic.

The UK, Ireland & Spain

In the UK and Ireland (revenue: 331 million euro) Imtech holds good positions in the buildings, industry and infrastructure (water) markets with a total of around 1,300 customers. These activities are concentrated in Greater London, South-east England (the Cambridge region), the Midlands (around Nottingham), Yorkshire (around Leeds) and in and around the major cities in Ireland. Imtech offers technical total solutions, engineering and project management, supplemented with professional maintenance services and innovative health & safety solutions. There is a healthy spread across numerous market segments. Imtech is one of the stronger nationally operating players in the field of drinking water and (waste) water treatment, the (bio) pharmaceutical industry and in the growth market energy & environment. But Imtech is also active in industrial sectors such as chemicals, care & cure and the transport sector.

In Spain (revenue: 188 million euro) Imtech offers total technical services provision to the industry and buildings markets. Imtech has a strong position and serves around 1,100 customers. The core activities – industrial assembly, maintenance, shut-downs and revamping services – are offered virtually nationwide and Imtech works in close co-operation with leading companies in a number of sectors, including (petro)chemicals, steel and energy. The share of energy related activities is growing. In the buildings market Imtech is increasingly active throughout the country. In this market Imtech also operates with a separate maintenance business unit.

Nordic

With the acquisition of NVS in 2008 Imtech is one of the largest technical services providers in Scandinavia (annual revenue around 350 million euro). The market is served from 91 offices in Sweden, Norway and Finland with a balanced spread across service, maintenance, management, renovation and new construction. NVS serves over 1,000 customers. In the field of HVAC (Heating, Ventilation and Air Conditioning) Imtech is a strong player with a sharp focus on energy. Other fields in which Imtech is active include service and maintenance, industrial hydraulic and pneumatic services, and the energy plant, fire security, sprinkler technology and advanced cooling markets.

ICT

ICT (revenue: 375 million euro) is increasingly forming a major component of Imtech's total solutions. Imtech is now one of the strongest players in the ICT market in the Benelux, the DACH countries (Germany, Austria and Switzerland) and the UK with a total of around 4,700 customers. The ICT division acts as a front line and concentrates on the developments that will, in time, play a role in Imtech's total technical services concept. There is a broad range of services and activities aimed at medium sized organisations and companies and the authorities. The activities are focused on the core areas of ICT infrastructure, ERP solutions, customised software, business intelligence, performance software, consultancy and management services and ICT managed services. Not only for hardware but also for storage, virtualisation, software, internet applications and IT services. In Germany and Switzerland Imtech has at its disposal a Microsoft



Energy-efficient Lindholmen Science Park, Gothenburg

The Nordic division of Imtech focuses, via the acquired NVS, on large(r) projects. One example is the prestigious Lindholmen Science Park in Gothenburg in Sweden where NVS was responsible for all the technical provisions for energy and comfort.

Dynamics NAV package aimed at governmental finance and accounting. In the UK Imtech also carries out a diverse range of telecom activities. Intensive co-operation with global market leaders IBM and Microsoft makes high added value possible.

Traffic

With Peek Traffic Imtech has a strong position in the European traffic market (revenue: 158 million euro). Imtech offers around 300 customers a broad pallet of intelligent solutions in the field of intelligent transport systems, dynamic traffic management, traffic safety, traffic enforcement and environment as well as priority systems and dynamic travel information. Imtech is active in the UK and the Netherlands, in parts of Belgium and Eastern Europe (especially Poland and Croatia) and to a limited degree in Scandinavia. Mobility solutions are increasingly being exported from these countries to the rest of Europe and further afield. Imtech is active in both the urban and inter-city markets with solutions for traffic enforcement and safety as well as in the high-tech traffic management market. Imtech also supplies total parking solutions (automatic parking and payment systems) to the Traffic market both via its own offices in the Netherlands, Belgium, France, the UK, the USA, Canada and Brazil and via numerous (trade) agents and representatives.



High-tech total solutions for mobility

Imtech technology, intelligent communication systems and smart software are contributing towards

promoting the environmentally-friendly and safe flow of Europe's fast growing traffic streams by reducing or preventing traffic jams.

Marine

Imtech is one of the strongest players in the global marine market (revenue: 495 million euro) and an independent full service supplier with integrated solutions for platform automation, (electrical) propulsion, energy generation & distribution, communications/navigation, integrated (ships') bridges and air and climate technology. Imtech has a global service network of more than 70 offices in more than 20 countries along all the world's major shipping routes and in the major ship building centres. This enables Imtech to offer fast service, maintenance and after sales support. Imtech has approximately 600 customers in every segment: luxury (mega) yachts, naval vessels (frigates, corvettes, patrol boats and submarines), special ships (dredgers, oil vessels, crane ships and cargo ships), offshore platforms, passenger liners and inland waterways vessels. Imtech is very capable of responding to the increasing demand for energy efficient solutions.

PROCUREMENT

Imtech's size means the volume of its purchases is considerable. Consequently Imtech follows an active procurement policy that results in internal process improvement, intensive co-operation with suppliers and subcontractors, increased added value and reduced costs.

The procurement policy:

- provides for volume increases that lead to savings when purchasing technical products in the field of electrical engineering, ICT and mechanical engineering;
- focuses on procurement for facilitating services based on the principle that uniformity leads to lower costs, for example in the areas of cleaning, catering, the vehicle fleet, communications and ICT facilities;
- makes use of high-tech information technology and telecommunications to improve the procurement process and procurement standardisation;
- aims to reduce failure costs through a best practice philosophy.

This policy led to savings of around 9 million euro in 2008. The international procurement program 'PICS' (Procurement Information and Communication System) is increasingly resulting in the selection of products from a long list of both basic (core) products and additional products offering a good performance and attractive discounts.



High-tech solutions for Grolsch

For beer brewery Grolsch in the Netherlands, part of SABMiller, Imtech carried out a high-

tech upgrading of the automation and management of the production process as well as the steering, security and sensor applications of various automatic access systems.

SWOT ANALYSIS

The following analysis of strengths, weaknesses, opportunities and threats is applicable for Imtech.

Strengths:

- offering the customer a combination of electrical engineering, ICT and mechanical engineering via a single contact point;
- a good reputation, financial power and (brand) independence;
- leadership through scale with strong national and technological positions (top-3 market positions) and outstanding technological innovations;
- high flexibility with regard to fluctuating market conditions;
- the strong positions in the energy & environment growth market and the scale of the governmental orders and government associated projects;
- strategic alliances with third parties and partnerships with suppliers of specific technology products or solutions;
- the scope and scale of the integration of the ICT core competence within the company;
- a decentralised, flexible, customer oriented organisation with well-developed entrepreneurship and relatively low overheads;
- the successful integration of acquisitions into the organisation, which can serve as a multiplier for further growth;
- the offering of solutions characterised by the best combination of proven technology and innovation;
- specific knowledge of performance contracts and experience with PPP projects as well as project and plan development;

- knowledge of 'new' services such as project management, asset management, project financing, risk management and energy contracting;
- the quality and skills of employees;
- the numerous references for every technology solution.

Weaknesses:

- still not having sufficient command of full and optimal knowledge regarding customers' domains;
- the development of the knowledge potential and management skills fast enough to keep pace with technological developments;
- the decentralised business model which sometimes complicates internal co-operation because the autonomous organisational units are rewarded separately for their achievements.

Opportunities:

- the taking over of responsibility for all non-strategic technical affairs for customers so they can concentrate on their own core activities;
- the growing trend for customers to formulate the desired output in the form of (financial) indices;
- the increasing demand from customers for sustainable technological and socially relevant solutions;
- the covering of the entire services provision column throughout the entire life-cycle of specific products and services;
- initiatives that lead to early and total involvement in and responsibility for projects (contracting);
- the increased demand for high value ICT within technological solutions, generally at the heart of the customer's core processes;
- the increasing demand for strong, (brand) independent technical services providers;
- the growing demand for energy control and management, environment improvement, mobility solutions, water facilities, care & cure and integrated security;
- increased size and the further internationalisation of customers.

Threats:

- increasing competition due to forwards integration by suppliers and the broadening of disciplines and services offered by civil contractors and suppliers of adjacent activities;



Russia: a breakthrough in care & cure

In Moscow in Russia a breakthrough was achieved in the care & cure sector with the

order for the total technology, including the project management, in the new 'Moskovski Medicinski Centar' (Moscow Medical Centre), an ultra-modern hospital reminiscent of a top hotel.

- competition from international suppliers;
- the rising risk profile due to the trend towards larger, more complex projects and society's increasingly lawsuit-minded attitude;
- the increasing dependence on large suppliers, co-makers and subcontractors;
- the growing short and long-term shortfall of well qualified technical specialists.

In translating this SWOT analysis into concrete challenges the following is applicable:

Strengths that can be used to make the most of opportunities are:

- Imtech can use its European size to make optimum profit from customers' up-sizing and further internationalisation;
- Imtech can meet the increasing demand for high value ICT through a further strengthening of partnerships with world market leaders;
- Imtech can increase added value by making services such as project management, asset management, project financing, risk management and (energy) contracting integral components of the services package.

Strengths that can be used to avert threats are:

- Imtech's reputation, financial strength and (brand) independence can be used when recruiting technical specialists;
- being able to offer sustainable technological solutions for the best possible cost price throughout the entire

life-cycle of a technical solution, coupled with Imtech's specific knowledge of (performance) contracts and the customers' processes will enable Imtech to withstand the increasing competition;

- the expertise in and infrastructure for project and risk management, which means Imtech can withstand the risks arising from society's increasingly lawsuit-minded attitude and larger, complex contracts.

The weaknesses can be turned into strengths as follows:

- Imtech can accelerate the development of knowledge potential and management expertise in relation to the speed of technological developments through a large-scale European management programme (see also page 65);
- intensifying internal co-operation enables the customers' wish to hand-over non-strategic technical matters and implement the best concepts, services and technologies to be met at the highest level.

STRATEGY

For the period up to and including 2012 Imtech has drawn up an ambitious growth strategy based on both its successful past track record and a number of strategic trends in the markets relevant for Imtech.

Continuous growth since 1993

Since it was established in 1993, Imtech's strategic efforts have been focused on increasing revenue and raising the operational EBITA margin and, therefore, increasing profitability through:

- high organic growth in existing geographical and technological 'home' markets;
- strengthening its position through geographical acquisitions in the European 'home' markets selected by Imtech in order to achieve at least a top-3 position in every country;
- strengthening its position, both organically and through acquisitions, in the, to an extent, pan-European and global ICT, Traffic and Marine markets.

This strategy has been successful. Since 1993 Imtech's revenue and EBITA have increased substantially and Imtech numbers among the fastest growing technology companies in Europe. The Compound Annual Growth Rate in the period 1993 to 2008 was 15% for the revenue and 24% for the EBITA.



Imtech is strongly positioned in the dairy sector

Imtech is one of the strongest players in the Dutch dairy market. Projects have included the automation and technical infrastructure in Veco Zuivel's dairy factory, a butter production line for VIV Vreeland and the expansion of production capacity for Katshaar Zuivel.

Scope for further growth

The markets in which Imtech is active are strongly fragmented and offer plenty possibilities for further organic growth and acquisitions.

Market trends and Imtech's strategic response

The demand for technological services and total technical solutions is increasing across a broad front. Imtech is able to respond strategically both organically and through internal co-operation and the acquisition of new companies.

An increasing demand for technology

Technology is playing a role in solving social issues more often. Without technology comfort and welfare are almost unimaginable and research is, by definition, impossible. Co-operation and communication between people and organisations only takes place thanks to modern technology applications. Technology keeps business processes running and improves them.

Social trends

The following social trends are relevant for Imtech:

- an increase in the demand for energy saving, alternative energy and fuels and solutions that contribute towards a better environment and reduced CO₂ emissions;
- an increase in the demand for safe and reliable technology for clean water;
- an increase in the demand for security from the authorities, the business world and consumers;
- an increase in the demand for care & cure, health and welfare;

- increasing congestion and therefore a high demand for high-tech mobility solutions.

Imtech responds to these social trends with innovative services and concepts.

A different customer attitude

More and more often customers are specifying their desired output. Which means that technical services providers must specify how they intend to achieve this output. As a result Imtech's responsibilities have increased considerably, especially as customers are also focusing on their own core business. The trend towards the further outsourcing of the responsibility for the technology in customers' primary and secondary processes is, therefore, accelerating and is generally combined with an increase in the scale of projects or trajectories. Imtech wants to increase its added value in this respect. This means Imtech wants to make services such as project management, asset management, project financing, risk management and (energy) contracting an integral component of the total services package.

ICT as the dominant factor

ICT's importance is growing fast. ICT is forming the core of total technological solutions more frequently. From a strategic perspective Imtech wants its role to be at the heart of primary and secondary processes in the Buildings, Industry, Infra/Traffic and Marine markets. Increasingly Imtech's solutions are dominated by ERP, business intelligence, customised software, performance software and ICT applications. That is why partnerships with world market leaders such as IBM and Microsoft are gaining importance. Imtech's strategic portfolio, with a total of nearly 3,000 employees, contains two 'types' of ICT:

- 'hardcore' ICT: the frontline for Imtech with ICT as a core business that acts as an innovation and knowledge centre;
- 'embedded' ICT: the integration of more or less standard ICT solutions into Imtech's technology.

Continuous transfer of knowledge and co-operation between the two 'types' has strengthened Imtech's ICT position. The goal is to increase the internal co-operation and interaction of existing ICT activities, continue acquiring ICT companies and strengthen the partnerships with world market leaders. Imtech's ambition is to expand into a leading European co-operation partner in particular of IBM and Microsoft.

The labour market

The shortage of technically trained employees is a critical success factor. The inflow from the educational institutes is decreasing while, slowly but surely, an older generation of experienced technicians is retiring. School leavers often need supplementary training. Increasingly the available capacity of trained and qualified employees is a determining factor when it comes to acquiring projects. Imtech wants to be one of the best employers in the technical services provision market. Imtech will take on the battle for talent at every level and will pay extra attention to reputation management, *Employee Branding*, management development, recruitment and training programmes and contact with the educational institutes.

Extension of the geographical and technological scope

In addition to a strategic strengthening of its position in existing 'home' countries, with the emphasis on the UK, Ireland, Spain and Eastern Europe, Imtech also wants to strengthen its geographical position in Austria and Scandinavia and to build up a position in the Baltic States.

Imtech also wants to achieve a significant expansion of its position in ICT. In the Traffic market Imtech's aim is to become one of Europe's largest players. In the marine market Imtech is focusing not only on the strengthening of its existing positions in Europe, China and the Far East, but also on building up a position in Scandinavia and expanding its international service network.



High-tech applications for monitoring oil and gas production

In the customised software market Imtech supplied high-value applications based on Java and open-source technology, for monitoring the output delivered to oil and gas producer Aramco in Saudi Arabia.

Imtech is also aiming for reinforcement on the technological front both through the acquisition of high-tech companies and through participation in technology funds that invest in high-tech and opportunity rich technological start-ups, especially those that combine food, energy and waste with innovative new sustainable technologies.

Acquisitions must among other things fit within the strategy, make an immediate contribution towards earnings per share, achieve added value and concur with Imtech's vision regarding Human Resources. Acquisition candidates must also have a capable management and a synergetic growth potential.

Strategic action points

Concrete action points for implementing the SWOT analysis described above and the growth strategy until 2012 are:

- a sharp focus on growth markets such as energy, the environment, water, mobility (traffic), care & cure and security;
- acquisitions and internal co-operation in the field of ICT and the strengthening of partnerships with IBM and Microsoft;
- strengthening its position in the UK and Ireland geographically, in the buildings and industry markets, as well as infrastructure (drinking water and (waste) water treatment);
- technological and geographical growth in Spain both organic and through acquisitions;
- expansion of the activities in several Eastern European countries;
- strengthening its positions in Scandinavia and Austria;
- achieving a strong European position in the traffic market;
- a further strengthening of the position in the international marine market;
- a strengthening of the Imtech portfolio with high-tech competencies and by intensifying internal co-operation;
- the optimum utilisation of Imtech's procurement power;
- strengthening the culture-changing processes, in part through a European management programme;
- labour market communication and campaigns that put Imtech into a top-of-mind position in the European labour market;
- the implementation of an appropriate Corporate Social Responsibility policy.

Financing the growth

To finance its 2012 strategic growth plans, in July 2007 Imtech arranged a credit facility of 300 million euro. To finance recent acquisitions an additional credit facility totalling 265 million euro was arranged in November 2008. The balance sheet is solid. Imtech has sufficient financial elbow room to carry out its strategy.

Strategic progress in 2008

In 2008 progress was achieved on nearly every strategic front. Substantial organic growth was achieved in the energy, environment and water markets. Progress was also made in the implementation of an appropriate Corporate Social Responsibility policy. With the acquisition of NVS Imtech has become one of the largest players in the technical services provision market in Sweden, Norway and Finland. This acquisition has laid the foundations for achieving further growth in Scandinavia both organically and through supplementary acquisitions. The position in Spain was strengthened organically and through an acquisition. The European ICT position was extended considerably and the partnerships with world market leaders IBM and Microsoft were reinforced through a number of acquisitions. In the mobility (Traffic) market a strategic growth plan was drawn up, there was investment in future growth segments and a small acquisition in Sweden strengthened the position in Scandinavia. The position in the marine market was also strengthened through acquisitions and the clustering of the marine companies into the Imtech Marine Group stimulated internal co-operation and cross-selling. Campaigns in the European labour market were aimed at making Imtech the employer of choice in the technical services provision market. Management programmes took the internal co-operation and desired cultural changes within Imtech to the following phase. The management trainee programmes were also successful in this context.

OBJECTIVES

Imtech has formulated the following long-term strategic objectives:

- willing to be the best technical services provider both in Europe and in the global marine market;
- to achieve at least a top-3 position in every Imtech country and in every market relevant for Imtech;
- to achieve revenue of 5 billion euro in 2012;
- to maintain an operational EBITA margin target of 6%.

OUTLOOK

The credit crisis: Imtech is well balanced

During the second half of 2008 the global economic playing field changed dramatically. By the end of 2008 the consequences of the international credit crisis had spread across a broad front and in time could also affect Imtech. Nevertheless, Imtech faces the future with confidence. Imtech started 2009 with an extensive and high quality order book of over 4.5 billion euro. Imtech is well positioned in the growth market of energy & environment and in government financed markets. Around 55% of Imtech's activities is recurring business. Imtech has thousands of maintenance contracts in many different market segments that provide a good basis for multi-year continuity. Imtech has a flexible project organisation that can respond well to both an economic headwind and an economic tailwind. Against this, a worsening of its customers' financial positions could, in time, also have an adverse effect on Imtech, for example if projects were delayed or deferred. Competition could become fiercer at the 'low end' of the activities. The potential shortage of skilled employees will also remain an issue. Imtech believes it is resilient enough



An increasing demand for bio-energy

The new bio-energy plants for which Imtech is responsible for the technical

equipment include Europe's largest biodiesel plant – Greenmills biodiesel plant in Amsterdam – and Europe's largest bio-ethanol plant – German Südzucker's bio-ethanol plant in Wanzé near Liege.



Energy for Germany's National Security Service

In the 250,000 m² office of the German Bundesnachrichtendienst (German

National Security Service) in Berlin Imtech was responsible for the immense decentralised energy plant and all energy related solutions. Imtech will remain responsible for all the energy provisions for 15 years. The total order is worth 140 million euro.

to turn these threats around and is convinced of its own abilities. The conclusion: as a result of the opportunities and threats, Imtech is well balanced. The focus remains on growth. At the same time Imtech is keeping its finger on the pulse through the active monitoring of its cash position, working capital, indirect costs and the development of its order book. A sharp eye is also being

kept on the (financial) position of customers, subcontractors and suppliers and procurement contracts are being renegotiated. Strengthened by its successful strategy and track record of robust growth in recent years, Imtech has faith in its own strength.

No changes to the 2012 strategic plan

In 2008 Imtech's European position was strengthened substantially both organically and through acquisitions. Imtech is on track to achieve its 2012 strategic plan. This is not only thanks to the size and quality of its order book, but also to its strong European and, to an extent, global market positions, its broad portfolio of services and its diversified customer base of over 19,500 customers. Imtech's objective of achieving a revenue level of 5 billion euro in 2012 while maintaining an operational EBITA margin of 6% remains unchanged.

Further growth in 2009

According to its current views, in 2009 the Board of Management expects a further EBITA increase through organic growth and acquisitions.

BENELUX

In 2008 the activities in the Benelux continued to achieve positive organic growth. Revenue rose by 14% to 1,167 million euro and EBITA rose by 17% to 45.1 million euro. The order book at year-end grew by 9% to 1,352 million euro – a clear indication that Imtech is developing well in the Benelux.

Key figures 2006 – 2008

In millions of euro

	2008	2007	2006
Revenue	1,167	1,024	919
EBITA	45.1	38.5	29.9
EBITA margin	3.9%	3.8%	3.3%
Order book	1,352	1,243	1,021
Capital employed excluding cash and cash equivalents	112	114	95
Number of employees as at 31 December	7,239	7,086	6,700

SOLID ORGANIC GROWTH

Imtech's strong market position, extensive portfolio of services and, in particular, its broad coverage of many different market segments were the basis for its solid organic growth. In the Benelux Imtech is present in every market segment in which technology plays an important role. The approach works: despite keen competition, the size and quality of the orders is increasing. More and more Imtech is involved in large projects and, if requested, is taking total responsibility for the optimum and energy-efficient performance of the total technical infrastructure throughout its life-cycle. This offers a good basis for 2009 in economic conditions that, due to the credit crisis, are uncertain.

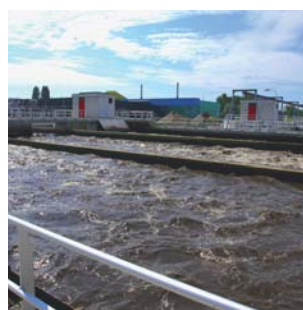
There was a noticeable increase in demand for energy-efficient solutions in every market and Imtech was able to respond successfully with a wide range of sustainable services.

Imtech is becoming more and more successful at clustering expertise, skills, technological innovation and market information straight through the organisation. In 2008 further steps in this process were taken, as a result of which Imtech is in a better position to develop new market-oriented products and services that fit seamlessly with the customers' needs. Internal co-operation with colleagues in Germany and Ireland offers additional added value, for example in the energy and pharmaceutical markets.

Energy and the environment: growth markets

Imtech is active across an increasingly broad front in the growth markets of (alternative) energy solutions and the environment. Energy measurements were carried out and

energy labels issued for hundreds of buildings belonging to the Dutch Government Building Department, the Dutch municipalities of Gouda and Zevenaar and the Cordaan care institutions, as well as for the World Trade Centre in Amsterdam. At Amsterdam's Schiphol airport an innovative solution that converts kerosene vapour into energy went into operation. Imtech was awarded responsibility for the technology in several new biomass factories, biodiesel plants, bio-ethanol plants and innovative combined heat & power plants, including Europe's largest biodiesel plant – Greenmills in Amsterdam – and Europe's largest bio-ethanol plant – German company Südzucker's plant in Wanzé near Liege. Imtech also received an order from Roosendaal Energy in the Netherlands for the engineering, complete technology and maintenance of a high-tech biomass plant. Imtech is also strong in the fields of energy-



Water & the environment: automation leads to a strong position

Imtech's fully automated sewage management and a

total approach for water chain management makes it stand out from the competition in the water & environment market. Thanks to Imtech the sewage system is utilised more efficiently and surface water pollution is prevented.

Solving society's problems

Finding answers to the complex challenges of our time without involving technology would be impossible. Just think about it. Without technology how could we manage mobility, provide for our energy requirements, answer the need for clean drinking and waste water, improve the quality of health care, protect our environment, reduce polluting emissions, or improve security? Technology also helps us to retain optimum control over the safety of our food, combat disease and educate the generations of the future. Without technology many business processes would come to a grinding halt and research would, by definition, be impossible. Technology crosses borders and enables us to communicate with each other wherever in the world we may be. Imtech's employees work day-in-day-out to implement and devise clever technical solutions and by so doing make an active contribution towards a better world.



efficiency and green energy, in the utilisation of residual heat and CO₂ reduction in energy companies, in the cement industry and with industrial process technology. Work also continued on the order (60 million euro) for virtually all the technology in a new, energy-generating incinerator line at the HVC waste centre in Dordrecht, the Netherlands.

In Belgium buildings of the OCMW (Public Centre for Social Welfare) in Middelkerke and various government buildings in Zemst and Wuustwezel were equipped with energy generating solar panels in which photo voltaic cells convert sunlight directly into 1.5 MW of electricity. Imtech developed innovative combined heat & power plants for the OCMW in Anderlecht and for Citroën in Brussels. Imtech was also involved in the application of innovative ground ventilation – a new form of energy extraction that enables the thermal energy in layers deep under the earth's surface to be used to heat buildings. Customers included Eandis in Melle where deep boreholes on approximately 100-125 metres were drilled.

Imtech, one of the initiators of the Dutch Green Building Council, started preparations for its own green office and launched Green Office 2015®, an integrated, future-oriented concept for ecological and sustainable area development (see page 72).

High tension keeps the energy supply running

Imtech assists virtually all the energy companies and network managers to prevent supply interruptions by studying, analysing, maintaining and upgrading a variety of installations, including transformers and switching stations. For several network managers Imtech was also

responsible for converting analogue information into digital information, for example to make information about connections available on-line. Imtech's position in the transport and supply market was strengthened by orders from ProRail (Dutch railway infrastructure manager), RET (the Rotterdam metro), GVB (the Amsterdam public transport company) and HTM (the The Hague municipal tram company). Imtech also designed high and medium tension solutions for industrial customers such as Shell and Sony, the Government Buildings Department and various hospitals. More and more frequently Imtech is exporting innovative energy solutions to countries outside of Europe, including for the upgrading of the energy supply on the British Virgin Islands.

Energy plants: on course to a strong market position

Imtech is on the way to acquiring a position in the market for large (800 MW) energy plants. Imtech expects to be involved in the new coal-fired energy plant of RWE in the Eemshaven in the Netherlands, worked on the upgrading of a nuclear power plant in Doel in Belgium and received orders from SET-Areva and the Urenco Group for high-tech converters for the generation of energy in the Netherlands, Southern France and the United States.

Sustainable and energy-efficient public lighting: a growth market

Imtech is involved in large public lighting projects and multi-year maintenance contracts. The focus is on energy-savings and sustainability. After successful pilot projects confirmed, once and for all, the 'Innolumis' LED lighting's reputation for sustainability and energy savings of at least 30%, this new LED lighting was installed throughout the prestigious Potters Field Park near Tower Bridge in London, the UK. Tens of projects followed in the Netherlands and Imtech was also active in Belgium, Poland and Austria. Dynamic lighting systems in which the light level depends on the actual situation, such as weather conditions and traffic volume, also gained in popularity. Imtech worked with, among others, Philips. For SenterNovem, a consultancy agency for innovation and sustainability that is part of the Dutch Ministry of Economic Affairs, a consultancy paper was drawn up for the development of an energy label for public lighting as a component of the municipal procurement policy. Imtech also stood out from the competition through its life-cycle cost approach with which the exploitation costs over a long period can be



Extracting energy from deep subterranean layers

Imtech is an expert in innovative ground ventilation – a new form of energy

extraction that involves creating a 'bes-field' (borehole energy storage field) of around 100 – 125 metre deep boreholes through which the heat in deep subterranean layers is brought to the surface and used to heat buildings, for example for Eandis in Melle, Belgium.

determined. A multi-year maintenance contract was acquired from the Dutch city of Almere.

Water & environment: automation leads to a strong position

One reason Imtech stands out in the water and environment markets is its unique, fully automated sewage management and its total approach to water chain management. This enables the sewage system to be utilised more efficiently and the pollution of surface water to be prevented. The cities of Utrecht and Breda ordered these management solutions which integrate hundreds of pumping stations. Imtech renovated the sewage water treatment in de Bilt and was responsible for the remote control for the Zuiderzeeland Water Company and the slurry dehydration in the sewage water treatment system in Ede.

Industrial maintenance: good future prospects

2008 was the second year of the large multi-year maintenance contract for Shell in Pernis and Moerdijk, the largest industrial maintenance contract in the Benelux. Imtech was also active, once again, for BP and KPE. Other larger maintenance contracts were with Outokumpu Stainless Steel, Total, Thermphos, Seppic, Delta and Essent Energy. Imtech was responsible for the industrial maintenance at 16 AKZO Nobel sites in the Netherlands, Belgium and Germany. In total these long-term contracts are worth hundreds of millions of euro.

Continuity thanks to a broad industrial base

The numerous industrial sectors in which Imtech is active throughout the Benelux include the process industry.



Rail: a growth market for Imtech

Imtech is a partner in the Asset RAIL joint venture that is responsible for the management, main-

tenance and service interruption recovery of the railway infrastructure in the Dutch Arnhem-Nijmegen region. The asset management performance contract is worth 90 million euro over its term of six years.

A sample of the industrial activities shows the following picture. Production management and security were improved for beer brewer Grolsch, publisher Wegener and washing powder manufacturer Dalli de Klok. The project for Kaneb Terminals involved the total technical infrastructure for new tanks and the Esha project, a production line for the recycling of bitumen roofing material. At ESA (European Space Agency) high-tech cooling systems for satellite communications were replaced. Imtech was also active for CERN, the European Nuclear Research Centre, and for Audi in Belgium where Imtech was responsible for the technical automation of the production line for new models. The substantial increase in orders from Eastern Europe for high value industrial dryers is also worth mentioning.

Oil and gas: strong growth of export

Imtech offers total solutions for measuring and analysing the quality of extracted oil and gas and its invoicing to users. A large umbrella contract covering tens of oil-producing sites was signed with the Romanian oil industry. Imtech also specialises in upgrading, automation and process security in the international oil and gas industry. This export market developed favourably. Imtech received orders from, amongst others, Shell in Nigeria and Malaysia and was also involved in gas extraction in Saudi Arabia. Imtech was responsible for high-tech extinguisher systems at various foreign extraction locations, for example for Total in Yemen. For the Dutch Gasunie (Gas Association) Imtech replaced the operating systems and software in the compressor stations in Ommen en Schinnen and for the Dienst Pijpleiding Organisatie (Pipeline Service Organisation) Imtech improved the transportation of kerosene to Schiphol airport via underground pipelines.

Pharmaceuticals: activities increase considerably

The pharmaceutical industry continues to invest in the shortening of research trajectories, quality improvement and better logistics. Imtech is a strong player in this segment. At Janssen Pharmaceuticals (part of Johnson & Johnson) in Belgium Imtech was responsible for much of the technology in the CDPP project (Chemical Development Pilot Plant). Imtech worked for GlaxoSmithKline in France and Belgium and at Schering Plough was involved with an innovative distribution project. Imtech also worked for Helvoet Pharma, Pfizer and MSD. The combined value of the orders added up to tens of millions of euro.



30% more efficient 'Innolumis' LED lighting

After 'Innolumis' LED lighting, that is at least 30% more efficient, was

installed throughout the Potters Field Park near Tower Bridge in London, the UK, tens of projects followed in the Netherlands. Imtech was also active in Belgium, Poland and Austria.

High-tech control rooms and laboratories: technology makes the difference

Imtech has an excellent position in the control rooms and laboratories market. Investments in this market are high because for many companies progress in research makes the difference. Imtech was responsible for the engineering and technological renovation of a high-tech research centre and laboratory for Shell Global Solutions in Amsterdam and at Total Raffinaderij Nederland in Flushing. Imtech was responsible for the on-line renovation of a high-tech control room. Imtech was also the technology partner for the renovation of modular laboratories for the Leiden University Medical Centre, Janssen Pharmaceuticals and the Dutch Cancer Institute.

Data centres: expansion and upgrading a necessity

The increasing intensity of data traffic has made the expansion and upgrading of data centres a growth market. The customers Imtech offered advanced total solutions for data centres included Belgacom, Cisco, Crédit Lyonnais, ING, the Dutch Police and various financial institutions in Luxembourg. Imtech was also responsible for the maintenance and expansion of digital internet connections for Global Switch and Level 3 and for energy-efficient cooling in KPN's data centres.

Food and feed: great potential

Imtech is one of the strongest players in the growing food and feed market. Imtech was responsible for high-tech upgradings for one of Vecozuivel's dairy processing plants in Zeewolde and for dairy processors VIV Vreeland and

Katshaar Zuivel. One innovation was SmartCuisine®, an integrated automation system for kitchens. Mixed feed manufacturer Vitelia Voeders ordered two prizewinning multifunctional Magicon® production lines. A modular dairy factory was successfully developed for the export market in Eastern Europe.

Airports: an increasing need for technology

The demand for technology at airports is increasing. Imtech anticipated on this and received tens of larger and smaller orders from Schiphol Airport. The asset management contract for the technology under and along the take off and landing strips progressed smoothly. Imtech was also involved with the construction of the ICT infrastructure of various help desks, the future baggage handling, security, building comfort and parking. Furthermore Imtech was active at the Maastricht, Rotterdam and Zaventem airports.

Security: a growth market

In the security market Imtech has been successful with the integrated, certificated solutions that offer a guarantee for continuity and business certainty. Orders were received from various Ministries, police stations, barracks, water companies, banks and insurance companies. Imtech maintains all the security of the European Parliament in both Brussels and Luxembourg. The high-tech security of a state institute was completed successfully. The number of fire extinguisher maintenance contracts rose to over 4,000. Sales and export of advanced fire extinguisher technology also rose. Imtech, also one of the strongest players in the sprinkler market, received orders for tens of thousands of square metres of storage and haulage space from, among others, Prologic. Imtech was also responsible for advanced radar technology for the Shipping Assistance Division of the Flemish Government.

Care & Cure: integration leads to success

The care & cure sector is facing the challenge of reducing running costs, improving the care process and professionalising building maintenance and technology. Imtech's answer is integration. Thanks to this approach Imtech has become a strong player. Growth was achieved, especially in Belgium, with orders for energy-saving comfort systems in hospitals in Tiel, Hasselt and Halle. In the Netherlands Imtech is the technology partner of tens of care institutions including homecare organisation Abrona, the Leiden University Medical Centre and the

Zuwe Hofpoort Hospital in Woerden. Imtech was also responsible for the total technical infrastructure in the Jeroen Bosch Hospital in Den Bosch – an order worth 35 million euro – and in the Martini Hospital in Groningen Imtech was responsible for the ICT infrastructure. Imtech focuses on high value access technology in over one hundred hospitals and care establishments including the Free University Hospital in Amsterdam.

Government buildings: maintenance provides continuity

Imtech maintains hundreds of government buildings, for example the Dutch Government Buildings Department's buildings including virtually all ministry buildings. New maintenance contracts were received from the cities of Brussels and Ghent. Imtech also acquired a substantial order, worth around 40 million euro, for part of the technology in two new, 140-metre high office towers of the ministries of Foreign Affairs and Justice in The Hague. Imtech also worked on orders from the Public Prosecutor in Groningen and in various barrack complexes. In addition Imtech has acquired hundreds of maintenance contracts for access technology and fire extinguisher facilities in government buildings.

Commercial buildings: a broad market scope

Imtech's portfolio includes over a thousand multi-year maintenance contracts for buildings belonging to private companies, including the Dutch Post Office, Inbev, KBC and various Luxembourg banks and insurance companies. The maintenance contracts with the Amsterdam World Trade Centre and BT were extended. New contracts were signed with Gasunie, Thales and Corus. IKEA awarded Imtech the order for a major extension in Heerlen. Tens of Dutch railway stations were equipped with new technology. One special project involved the upgrading of the Thermae 2000 thermal sauna in Valkenburg. In Brussels there was a continuous stream of new orders, such as the technology in 'Marnix 23' building. Property related orders were also received in Luxembourg and included the second phase of the extensive 'Belval Plaza' and the high-tech building automation in the National Audio-visual Centre.

Other buildings: a good supplement

Orders in the education and museum segment form a good supplement to the portfolio. Examples include maintenance contracts for the universities of Nijmegen and Maastricht. Large new construction projects included



High-tech security for the European Parliament

Imtech maintains all the security for the European Parliament in both Brussels and

Luxembourg. It involves the 24/7 operation of hundreds of security provisions, such as burglary detection, access control, video monitoring, identification system, X-ray, metal detection and video and broadcasting systems.

the Amstelcampus (Amsterdam College), Evans College in Breda and the security in Utrecht College. In Luxembourg orders were received for technical solutions in a large number of schools. The large order for the renovation and extension of the Stedelijk Museum in Amsterdam progressed smoothly. The technology in the Musée Hergé in Louvain-La-Neuve was a new order.

Technical infrastructure: a firm foundation

Imtech has a strong position in the technical infrastructure market and was responsible for upgrading the cable and piping networks of various provinces, municipalities, energy companies and network managers in the Netherlands and Belgium, including Tele2, Telenet and the Flemish Community.

Rail: a broad scope

Imtech's scope in the rail infrastructure growth market is broad. Imtech has an interest in the Asset RAIL joint venture that acquired an order worth over 90 million euro for asset management of the rail infrastructure in the Arnhem-Nijmegen region. Imtech was also responsible for the maintenance of tunnels along the Betuweroute, the digitalisation of parts of ProRail's system for automatic train influencing, the upgrading of the security of hundreds of level crossings and the renovation of the Oostlijn (East line) of the Amsterdam metro. Other large rail orders were for the technical upgrading of the railway yard in Hilversum and the replacement of track security along the Rotterdam metro routes.

Bridges, tunnels and locks are becoming more and more intelligent

Imtech is one of the strongest players in the market for bridges, tunnels and locks. Imtech was involved with (the maintenance of) the automatic control of numerous bridges in the Netherlands and also carried out the total renovation of three locks – the Prins Bernhardsluis, the Noordersluis and the Zuiderluis. The ongoing order from the Dutch Ministry of Waterways and Public Works for the improvement of security in tens of Dutch tunnels was extended considerably. Imtech also came up with an innovative automation solution that improves the security of medium and high-tension installations in tunnels. Orders were acquired for the upgrading of the automatic control in the Velser tunnel and the management and maintenance of two tunnels in Leiden.

OUTLOOK

The size and quality of the order book in the Benelux is clearly better than in previous years right across the board. This instils confidence in the future. Being active in that many different market segments makes Imtech less sensitive to economic uncertainty in the short and medium term. For some customers limiting certain investments is almost impossible because it would have a direct effect on their core business. In addition, Imtech has maintenance contracts worth hundreds of millions of euro. The share of the activities linked to governmental investments is 30% and rising. Imtech is also present in high investment segments such as energy, sustainability, the environment, water, oil & gas and pharmaceuticals. The focus is on both organic growth in favourable markets and the expansion of Imtech's portfolio in the industrial maintenance market through a further strengthening of its mechanical engineering competencies.

GERMANY & EASTERN EUROPE

In Germany & Eastern Europe Imtech's strong position enabled it to profit across the board. Organic growth was high, revenue rose by 7% to 1,037 million euro and EBITA rose to 59.1 million euro – an increase of 36%. The 11% growth of the order book to 1,529 million euro as at 31 December instils confidence for 2009. The EBITA margin rose considerably to 5.7%.

Key figures 2006 – 2008

<i>In millions of euro</i>	2008	2007	2006
Revenue	1,037	970	864
EBITA	59.1	43.4	33.7
EBITA margin	5.7%	4.5%	3.9%
Order book	1,529	1,380	884
Capital employed, excluding cash and cash equivalents	183	85	157
Number of employees as at 31 December	4,212	4,122	4,023

BUSINESS PROGRESS: CONSIDERABLE ORGANIC GROWTH, A STRONG STARTING POSITION FOR 2009

Imtech can look back at an extremely positive 2008 during which, in line with its strategy, it succeeded in expanding its strong position entirely organically. Imtech's expertise and ability to manage technologically advanced and extremely complex projects led to Imtech really standing out from the competition. Not only in the energy, industry

and data centre markets but also at various airports and in the large-scale and in most cases 'green' revitalisation of buildings. The positions in Poland and Romania were strengthened and a breakthrough was achieved in Russia. This all adds up to a strong starting position for 2009.



Green technology revitalises Deutsche Bank's head office in Frankfurt

Imtech carried out a 'green' technological revitalisation of the

Deutsche Bank's two 155-metre high office towers in Frankfurt. The 'Twin Towers' will be fitted with a new energy facade and a totally new 'green' technical infrastructure.

Energy and the environment: a strong growth market for Imtech

The German energy market is an important growth market for Imtech. Imtech, with its broad offering of energy services and specific technology, is focusing on the optimisation of energy performance. Imtech is capable of accepting total responsibility for the supply, maintenance and management of all energy installations on a multi-year basis. Imtech also uses its innovative technology to integrate the entire energy process in business and manufacturing processes. All the operational systems and processes are analysed and optimised. The result is not only improved efficiency but also considerable cost and energy savings. This approach has led to success. The German Institute for Property Development has appointed Imtech its energy partner for the German National Security Service's new 250,000 m² office in Berlin for a period of fifteen years – an order worth over 140 million euro. Caterpillar extended its ongoing energy management contract until 2019. Imtech has been responsible for Infineon's energy management since 2005. This fifteen-year contract for the total building management, including the supply and management of energy, is worth 130 million euro. Heggenstaller, Centrotherm Photovoltaics and Deutsche Telekom also use Imtech's energy services.

Within the framework of European regulations aimed at improving climate protection, Imtech has introduced the *Imtech Energy Efficiency Programme*. The objective is to reduce CO₂ emissions. Under the European emission rights system users of industrial complexes and buildings can trade the CO₂ reductions they achieve through efficiency

measures. Imtech consolidates the CO₂ savings of all the projects in the programme and, on behalf of the parties involved, requests the tradable emission certificates. The revenue from the sale of these certificates is paid out the following year within the framework of the European emissions trade to the participants. The result is a sustainable improvement of the economic feasibility of investments in energy efficiency.

In 2008 Imtech achieved a breakthrough into the large power plant market with an order from energy company RWE for the planning and implementation of a major portion of the technical infrastructure in and around a new energy-efficient coal-fired energy plant to be built in Hamm in Germany. Imtech anticipates receiving a second order from RWE – for a high-tech coal-fired energy plant in the Eemshaven in the Netherlands – during 2009.

Airports and airline industry: a strong position leads to growth

Contracts for high-tech technology in the new terminals at the Berlin-Tegel, Düsseldorf and Munich airports have enabled Imtech to build up an impressive set of references in recent years. In 2008 Imtech received the order for the technology in the new building that links Frankfurt International Airport's terminals 1 and 2. This connecting building, which will be used to process A380 passengers, went into service at the end of 2008. Imtech's specific expertise also led to it being selected as the technology partner for the extension and upgrading of the existing Berlin-Schönefeld airport into the Berlin Brandenburg International airport. This ultramodern airport with an initial handling capacity of twenty million passengers a year will open its doors in 2011.

Imtech has been a partner of aircraft manufacturer Airbus at its German production facilities for more than sixty years. Since 2008 Imtech has also made its expertise available outside of Germany, in Tianjin in China, where the Airbus A320 is being manufactured. Imtech designed and implemented the technology for the high-tech paint shop and the assembly hall and was responsible for the project management.

Health and health care: Imtech's impact increases

Hospitals, clinics and laboratories put their trust in Imtech when it comes to patients' security and health. Imtech's activities are covering an increasingly broader front. Orders

for a wide range of technical solutions were received from the Helios clinics in Berlin, a new medical clinic in Kassel and the Münster University Hospital. Imtech was also responsible for the total technology in the new 'Surgical Medicine Centre' building at Düsseldorf University Hospital.

Automotive industry: Imtech is at the core of the primary development process

Imtech occupies a strong position in the German automotive industry and, amongst other achievements, is the market leader in the development, construction and exploitation of advanced test technology. Imtech offers environment and energy friendly total solutions for the development of both new automobile technologies and new models of automobiles. Quality and bodywork tests are also carried out. Imtech also supplies innovative solutions for testing and simulating relevant climate and road conditions. Imtech has benefited from the trend towards the development of new, more efficient models with low CO₂ emissions. Imtech implemented the complex test technology for the high-tech wind tunnels in BMW's new energy technology test centre in Munich and received a similar order from Daimler. Imtech's customers also include Audi, Bentley and MAN Nutzfahrzeuge. As a result of earlier international contacts with CATARC China and Changan Ford Mazda Automobile, Imtech also supplied services to these customers' research centres in China.

Clean rooms: stable and sturdy market

Imtech has been one of the few professional technology partners in the European clean room market for more than 30 years. In 2008 Imtech signed contracts for the design and implementation of high-tech clean rooms, including the supplementary technical infrastructure, with Novartis Pharma, Merck and BASF.

Shopping centres: growing demand for high-tech comfort

Ultramodern, multifunctional shopping centres are increasingly determining the strength of many German inner cities. Energy-efficient high-tech air conditioning, heating and fire security are essential for the comfort and approval of the visitors. Imtech was responsible for the technological renovation of the twenty-five years old 'Rahlstedt Arcaden' shopping centre in Hamburg and for all the technical solutions in large inner-city shopping centres in Munich and Düsseldorf.



High-tech paint shop for Airbus in China

Imtech, technology partner of aircraft manufacturer Airbus for more than 60 years, designed and

implemented the technology for the Airbus A320 high-tech paint shop and assembly hall in Tianjin in China.

Data centres: a growth market thanks to innovation

Europe's data traffic is intensifying and the bandwidth of information streams is becoming far greater. As a result, the renewal, expansion and upgrading of their data centres is a 'must' for organisations such as energy companies, banks and insurance companies. Imtech supplies such customers with the ICT infrastructure, a reliable electricity supply, cabling, preventive fire security, no-break facilities and a professional disaster plan. Imtech also implements high-tech and energy-saving solutions for extra cooling and heat dispersal. A large project for Citibank progressed smoothly. New orders were received from, among others, energy company EnBW (Energie Baden-Württemberg), insurance company Allianz, IBM Deutschland and data company e-shelter.

Inner-city redevelopment: opportunity-rich market

Many German cities are working on the upgrading and expansion of municipal facilities. When it comes to such projects, Imtech acts as the technology partner working directly for the municipality, investors or a combination of the two. The United Nations centre currently being built in the former government district of Bonn is a good example. This 100,000 m² complex comprises a congress centre, a five-star hotel and luxury shops.

Technological revitalisation: outstanding approach leads to success

Imtech stands out from the competition thanks to its total approach to revitalise old, larger and generally complex

buildings. This approach results in modern, high-tech buildings of which many are in ideal locations and represent a high value. One of Imtech's customers is Kreditanstalt für Wiederaufbau, for which Imtech handled the total revitalisation of its head office in Frankfurt. Energy supplier EnBW in Stuttgart also contracted Imtech to install a new technical infrastructure in a large office complex. The largest order was for the revitalising of Deutsche Bank's two 155-metre high office blocks in Frankfurt. These 'Twin Towers' are to be equipped with a new energetic frontage and a totally new 'green' infrastructure. Compared with the current towers, the revitalised building will use 55% less energy, produce 55% less CO₂ emissions and use 43% less water. In addition, 98% of all the demolished materials will be completely recycled.

Poland and Romania: growth countries

The Polish market for electrical engineering, ICT and mechanical engineering is developing fast. This is further enhanced by the extra investments in connection with Poland's hosting of the 2012 UEFA European Football Championship. Imtech is involved in numerous projects in the buildings market, for example as the technology partner for the 190-metre high skyscraper 'Zlota 44' in Warsaw, which is being equipped with the latest technology. Imtech also has made a name through the technical equipping of multifunctional shopping centres and large cinema complexes. Imtech focuses not only on the technology in new buildings, but also on technical management and maintenance. A maintenance contract was secured with Shell Polska for dozens of Shell buildings

in north-east Poland. The strategy is also aimed at penetration of the industrial market with the focus on existing (German) customers. In 2008 this approach led to success with Imtech being appointed the technology partner of automobile component supplier Robert Bosch/Denso. Imtech also carried out projects for Volkswagen and Siemens.

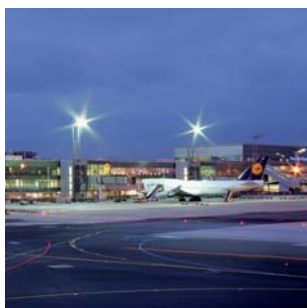
Imtech has been active in Romania for seven years and its responsibilities include all the technology in all the Selgros supermarkets. In 2008 Imtech had already installed the technology in nearly twenty large and medium-sized supermarkets. Another important contract in Romania was the order for the total renovation of the five-star Interconti Hotel in Bucharest. Here too Imtech's special formula for technological renovation while business carries on as usual proved successful: 75% of the complex remained open to visitors throughout the renovation.

Russia: a breakthrough

In Russia Imtech concentrates on special technological projects. In the light of long-term orders an office has been opened in Saint Petersburg. A breakthrough was made in the care sector. Imtech was responsible for all the technology, including the project management for the new 'Moskovski Medicinski Centar' (Moscow Medical Centre) – an ultra-modern, 30,000 m² hospital reminiscent of a top hotel. Imtech also received its first Russian retail order from Selgros for the technical infrastructure in two new supermarkets.

Research and development: the supercharger of success

Imtech's research and development laboratory in Hamburg is one of the most up-to-date in Europe. This trend-setting research institute develops, tests and optimises numerous technological solutions. This is research and development at the crossroads of energy and security. The institute builds both large-scale test models and complex software-based simulations. It also carries out research to improve the energy-efficiency of buildings, power plants and factories. During the early stages of potential projects Imtech's R&D centre acts as a sounding board and test case for initial designs or improvement concepts. This is where the energy-efficiency of Deutsche Bank's new 'Twin Towers' thermal frontage was calculated. In 2008 the institute also carried out a complex smoke dispersal study for the rebuilding of Gate A at Düsseldorf airport.



German airports: a strong position leads to growth

Imtech's multidisciplinary technology is proving its worth at a number of German

airports including Berlin-Tegel, Düsseldorf and Munich. Imtech was responsible for all the technical solutions in the new building between Frankfurt International Airport's terminals 1 and 2 that will be used for the Airbus A380.

Shared Success in Developing Countries (SSDC)



In 2008 a multi-disciplinary Imtech team travelled to Soweto in South Africa to contribute towards a Corporate Social Responsibility project in which cooking oil, that has been used for frying or baking, is converted into high-quality biodiesel. A multifaceted project, which has positive environmental, health, poverty combating, employment and training effects for the local population. The core objective of the mission was to transfer (technical) knowledge and thus give local communities a boost. It was the first project in the multi-year Shared Success in Developing Countries (SSDC) programme by which Imtech is showing that as a company it is doing more than the legal requirements. An approach that is not only good for developing countries but also for Imtech itself: encouraging our employees to develop social activities means new knowledge and skills are gained and decentralised initiatives in the field of Corporate Social Responsibility are promoted.



A breakthrough in the wind energy market

Imtech is active in wind energy in Ireland. At the Lisheem Mines in Kilkenny

21 wind turbines generate 50 MW a year and at the Boggeragh Wind farm in Cork 19 wind turbines generate 60 MW each year.

THE FUTURE

Imtech anticipates the effects of the credit crisis to be marginal in Germany and Eastern Europe. The unique portfolio can withstand an economic downturn. Further growth is expected in sectors such as energy, the environment, the 'green' technological revitalisation of buildings, the automotive industry, data centres, health care and airports. The expansion in Poland, Romania and Russia will continue and Imtech will seek for healthy, medium-sized acquisitions so as to accelerate this process. At 1,529 million euro the order book is very well filled. There is a long list of prospects for further large-scale orders. All this gives cause for an optimistic view of the future.

A 1:22 scale model was used to test the effectiveness of the smoke extraction should fire break out and to optimise the system to guarantee the safety of the passengers.

UK, IRELAND & SPAIN

The activities in the UK, Ireland & Spain developed positively in 2008. In the UK organic gains, plus the effect of the acquisitions finalised in 2007 and 2008, resulted in robust growth. At the end of 2008 an acquisition was also finalised in Spain. Thanks to these developments revenue rose by 24% to 519 million euro and EBITA rose to 32.4 million euro – an increase of 14%. The deteriorating exchange rate of the British pound compared to the euro had a negative effect. The order book increased by 16% to 524 million euro as at 31 December 2008.

Key figures 2006 – 2008

In millions of euro

	2008	2007	2006
Revenue	519	417	334
EBITA	32.4	28.5	22.4
EBITA margin	6.2%	6.8%	6.7%
Order book	524	453	294
Capital employed excluding cash and cash equivalents	133	138	62
Number of employees as at 31 December	3,539	2,803	1,983

BUSINESS DEVELOPMENT: ROBUST GROWTH

Despite signs of a decline in the property markets in the UK and Ireland, in 2008 growth was achieved across a broad front. Imtech made progress in a number of national markets including water (treatment), energy and the environment.

In Spain the industrial activities excelled with major multi-year orders and maintenance contracts, especially in (petro)chemicals. The broad portfolio in the buildings sector proved able to withstand declining property investments and Imtech also achieved robust growth in the maintenance market. The electrical engineering competence was also strengthened both organically and through an acquisition. This means Imtech can now offer more complete solutions and can initiate cross selling.

UK & IRELAND: IMTECH'S SIZE AND A GOOD REPUTATION HAVE LED TO GROWTH

In 2007 Imtech acquired the Aqua Group in the UK and Suir Engineering in Ireland. These acquisitions were very beneficial for Imtech's reputation and flexibility during 2008. To start with the internal processes were streamlined, not only in the area of sales but also in the area of recruitment & training, IT management, QHSE and project management. This streamlining resulted not only in improved efficiency but also in cost savings and Imtech's size, internal co-operation and the broad scope of the activities has enabled it to respond flexibly to market conditions. The position in various growth markets has also been strengthened.

Energy and environment: growth markets

Energy and environment are major growth markets for Imtech. The orders received by Imtech included the technology in two of Anglian Water Service's high-tech biogas power plants. These power plants, which combine innovative slurry processing with biogas technology, feed over 2 MW of sustainable electricity into the power grid each year. Imtech also penetrated new markets in the field of energy and environment and was, for example active for the first time in the subsidised wind energy market. At the Lisheem Mines in Kilkenny Imtech supplied all the solutions for an advanced substation that generates 50 MW of wind energy a year from 21 wind turbines. At the Boggeragh Wind Farm in Cork Imtech installed 19 wind turbines that will produce 60 MW of energy. Imtech also offered total solutions that have enabled existing power plants to reduce energy consumption and prevented environmentally harmful emissions. Two such projects were carried out in Ireland for the German energy producer Lurgi Lentjes. Imtech also reduced the air pollution from tens of Dwr Cymru Welsh Water's water treatment plants in Wales. Furthermore, Imtech was involved in housing renovation projects in various neighbourhoods in and around London where energy consumption is being reduced through the use of combined power & heat power plants or biomass boilers. A R&D-centre and office for Cambridge University was also heated with heat generated from ground sources using innovative technology. In Norwich several schools were completed containing solar cells with energy producing photovoltaics.

Water and water treatment: considerable growth

Imtech expanded its position in the water industry where it was already one of the strongest players. Imtech was responsible for the environmentally-friendly expansion and upgrading of tens of Three Valley Water's waste water installations and for increasing the water treatment capacity of Sutton & East Surrey Water to 70 million litres a day. Imtech also carried out various projects for Dwr Cymru Welsh Water. The large order for the Wing Project – worth 36 million euro – progressed on schedule. This new water purification plant will provide around one million residents of East Anglia with clean water.

Pharmaceuticals and biopharmaceuticals: steady business in Ireland, growth in Europe

The acquisition of Suir Engineering in 2007 gained Imtech a good position in the Irish pharmaceutical industry. Despite the unfavourable economic conditions this industry continues to invest heavily. Imtech operates at the core of the primary processes and more often has acted as permanent technology and maintenance partner. Large orders were carried out for Wyeth Medical Ireland, Johnson & Johnson, Centocor Biologics and Wyeth Clondalkin. Another project was a high-tech R&D centre for Merck Sharp & Dohme in Tipperary. The European position was also extended thanks to co-operation with the Imtech competence centres in Belgium and Germany. One result was a large project for Janssen Pharmaceuticals in Belgium (see page 34).



Technology for Mercedes Benz High Performance Engines

In Brixworth in the UK Imtech supplied the high-tech electrical engineering for

Mercedes Benz High Performance Engines' New Technology Centre – a test centre for improving the performance of the successful McLaren Formula 1 team.

Industry: Imtech's influence increased

Imtech is also in an excellent position in the industry market. Imtech was responsible for equipping a new data room for IBM in Ireland. In the Irish food market Imtech not only worked in a new production factory for Coca-Cola but also as one of the permanent technology and maintenance partners for Kerry Group and Dairygold. In Brixworth in the UK Imtech was responsible for part of the New Technology Centre of Mercedes Benz High Performance Engines – a test centre for improving the performance of McLaren's successful Formula 1 team. In the Midlands Imtech's customers included health product manufacturer Boots. Imtech also worked on the technological upgrading of London underground stations.

Effect of the 2012 Olympic Games: accelerator for further growth

The awarding of the 2012 Olympic Games to London has brought growth in the buildings market and an increasing demand for major technology renovation programmes, such as the conversion of the prestigious London monument Grosvenor House Apart Hotel into an extremely luxurious hotel accommodation. Imtech was involved in the Westfield I (an order worth over 25 million euro and delivered at the third quarter of 2008), a large shopping centre (around 150,000 m²). Imtech was also involved in a new high-tech call centre that co-ordinates emergency telephone calls for the police force.



An energy-efficient and safe climate in the immense Westfield shopping centre

Imtech was responsible for the energy-efficient air and climate technology and innovative fire security in the immense 150,000 m² Westfield I shopping centre in London's White City – one of the largest inner-city shopping centres in Europe. The order was worth over 25 million euro.

Education: strong position led to additional growth

Imtech is the technology partner of numerous UK universities and colleges in both the government financed and privately financed sectors. Some of these partnerships have lasted for decades. There is an abundance of projects from which to select examples. Nottingham Trent University, for example, selected Imtech as its technology partner for an upgrading of its monumental main building. In Derby Imtech was responsible for the technology in the Roundhouse – a centuries-old industrial complex that has been converted into a campus building for Derby College. In London Imtech was involved in the technological renovation of the South James College. One exceptional project in London for which Imtech supplied the technical infrastructure was the privately-financed Nido concept – exclusive high-tech student flats plus facilities for study guidance, entertainment, health and fitness. Imtech is also involved in various government subsidised education initiatives including hundreds of student flats in Carnegie Village in Leeds and Goodrick College in York. An education facility at Epping College was implemented with natural ventilation, wind catchers and solar heating.

Modest involvement in commercial and governmental buildings

Imtech is also active, on a modest scale, in both the private and public buildings markets. Projects in 2008 included the Toronto Square Office Building in Leeds and the Faraday Building in Reading.

Good contribution from retail, hotels and airports

Imtech is by far the strongest market player in the London retail market. In addition to Westfield I Imtech was also responsible for the renovation of Fenwicks, the department store in London's Bond Street, and the technology in London's High Wycombe Shopping Centre, in a new IKEA branch in Dublin and in two shopping centres in Leeds and Leicester. Hotels was another segment in which Imtech did well. Projects included the technical upgrading of the Copic Beach Hotel in London and the Park Inn Hotel near Heathrow Airport. Imtech is the permanent technology partner at Dublin Airport in Ireland and also carried out projects at Cork Airport in Ireland and Farnborough Airport in the UK.

Maintenance: a basis for continuity

Imtech's growing technical maintenance contracts are contributing towards continuity.

SPAIN: BROADER PORTFOLIO AND BOOMING INDUSTRY

Although Imtech's primary focus in Spain is on mechanical engineering based technical processes, the company is also focusing more and more on electrical engineering and instrumentation. This is why a competence centre in this field was set up at the end of 2008. At the same time Imtech acquired Huguet – an electrical engineering specialist with offices in Tudela, Madrid, Pamplona and Barcelona. In the industrial sector, in which Imtech achieved robust growth, the most important segments were the oil and gas industry, which is investing heavily, the steel industry and the energy market. Imtech also developed well in the property segment despite declining investments.

Multi-year continuity at Repsol-YPF and Cepsa

The 70 million euro order from Repsol-YPF, one of the world's largest oil and gas companies, was by far the largest order in Spain and involved all the mechanical processes in Repsol-YPF's new high-tech cooker at its Cartagena refinery. The emphasis was on environmentally-aware production efficiency with optimum safety and minimum possible impact on the local area. Imtech also carried out various projects for Cepsa, Spain's largest oil and gas company. One of these projects involves all the mechanical technology for the large-scale multi-year expansion of the production capacity of the Reformed Light Naphthas factory at the Rábina refinery in Huelva. Work started on this project, worth 55 million euro, in late 2007. Imtech has also acquired an additional order for the electrical engineering and instrumentation in part of this expansion. Imtech was responsible for the renewal of a vacuum unit and an improvement of the high-tech cracking installation in Cepsa's refineries in San Roque.

Robust growth in industrial maintenance and shut-downs

The strategic focus on industrial maintenance and shut-downs is paying off. Imtech is responsible for the total industrial mechanical maintenance at Cepsa's refineries in San Roque, Tenerife and Huelva up to and including 2011. Imtech carried out shut-downs at the Repsol-YPF refineries in Puertollano and La Coruña and acquired the contract for



Multi-year continuity at Repsol-YPF

An 70 million euro order from Repsol-YPF involved all the mechanical processes in a new

high-tech 'cooker' at a refinery in Cartagena. The emphasis was on environmentally-aware production efficiency with optimum safety and the minimum possible impact on the local environment.

a major shut-down with supplementary maintenance from steel manufacturer Acerinox in Algeciras. Maintenance activities were also carried out for steel manufacturer ArcelorMittal in Asturias.

Alternative energy: growth market

Alternative energy is also a growth market in Spain. Two projects for Abener were an upgrading in a thermal solar panel factory in San Lucar la Mayor and the technology in a biodiesel factory in San Roque. An order from Acciona involved an extension of the La Risca Badajoz thermal solar cell factory and Isolux selected Imtech to supply all the technical solutions for a new biodiesel factory in Castellón. Another project in Castellón involved the installation of an innovative combined heat & power plant at a BP refinery. Imtech was also active in the biodiesel market.

Broad spectrum of activities in buildings

In the buildings market Imtech reaped the benefits of its focus on a growing base of regular customers. One exceptional project involved the technology in a former bullfight ring, which was converted into a luxury shopping centre. Projects in Barcelona and Madrid included an energy-efficient climate system, the intelligent building automation in two new shopping centres and the technology in various hotels. In Madrid Imtech was also involved with the technology in the 'Alcalá 540' business centre and the large 'Arsenal' sports club.

Larger share of the maintenance market

The Spanish building maintenance market's need for a professional technical services provider with technology as a core activity is very clear. Imtech acquired a number of maintenance contracts from existing customers, such as Espacio León Shopping and Leisure Centre (both in León) and the Scientific Complex of Cataluña (in Barcelona). Imtech was also successful when it came to acquiring new contracts. Orders were received for four Accor Hotels in Barcelona, all the offices of Servei d'Ocupació de Catalunya and the Instituto Nacional de Estadística.

THE FUTURE: GOOD STARTING POSITION

The UK order book is well filled. Imtech's size, broad scope and flexibility are firm anchor points in an economically uncertain market. The strong position in the water industry offers continuity and the improving position in the energy and environment market offers opportunities. Preparations for the 2012 Olympic Games are generating extra activities and Imtech's position in the education market instils confidence. Imtech can look forward to 2009 with

confidence despite the economic decline. The strategic objectives are a broader geographical scope, strengthened industrial activities and an improved position in the energy and environment market.

Imtech is also in a good position in Spain. The long-term projects for Repsol-YPF and Cepsa, together with the improving position in the maintenance and shut-downs market, instil confidence in the future. This will be reinforced by the oil and gas industry's continued investments in capacity increases and quality improvements. Imtech's efforts are aimed at achieving further growth in the energy market and offsetting the reticence in the buildings sector through a broad portfolio and numerous regular customers. The maintenance activities in this sector are also increasing and it is anticipated that adding electrical engineering to the portfolio will lead to additional growth.

Imtech's strategy is aimed at reaching a top-3 position in the UK, Ireland and Spain, as well as in the other European countries.

NORDIC

Building up a strong position in Scandinavia is one of Imtech's strategic objectives. An objective that has been achieved with the acquisition of NVS (NVS Installation AB) in November 2008. Imtech is now one of the strongest providers in the Scandinavian technical services market. Nordic's activities are only included in the financial consolidation for a period of two months. On an annual basis Imtech anticipates Nordic's revenue to be around 350 million euro. At the end of 2008 the order book amounted to 158 million euro; a very good basis for further ambitious growth in this new Imtech cluster.

Key figures 2008*

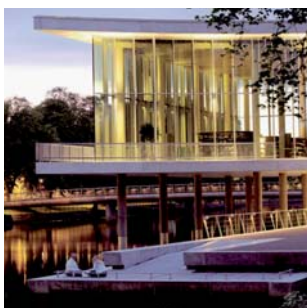
<i>In millions of euro</i>	2008
Revenue	63
EBITA	5.0
EBITA margin	7.9%
Order book	158
Capital employed excluding cash and cash equivalents	226
Number of employees as at 31 December	2,274

* Due to the timing of the acquisition of NVS the revenue and EBITA for only two months are included in the consolidation.

NEW HOME MARKET, FOUNDATION FOR FURTHER GROWTH

NVS is one of the largest providers in the technical services market in Sweden and Norway and has a base position in Finland. This made NVS by far the best option for Imtech

when it came to building up a strong position in Scandinavia. This acquisition has laid a firm foundation for achieving further growth in Scandinavia, both organically and through supplementary acquisitions.



Energy-efficient comfort in design library, Halmstad

Imtech (NVS) was responsible for the energy-efficient technology (for heating, ventilation and air-conditioning) in the striking 'Huvudbiblioteket' design library near Halmstad in Sweden.

Strong position in Scandinavia

NVS was established in 1902 and is one of the largest technical services providers in Scandinavia with 91 offices. NVS offers a wide range of activities in the field of energy, heating, fire security, sprinkler, industrial services, ventilation and maintenance. NVS serves more than 1,000 regular customers of a varying size and in a variety of markets including industry, governmental, buildings and infrastructure. The company offers a wide range of services. In the market of HVAC (Heating, Ventilation and Air Conditioning) NVS is a strong player with a sharp focus on the growing energy market. In the service and maintenance field NVS carries out a wide range of activities throughout Scandinavia and in the industrial services sector NVS is achieving robust growth with the focus on industrial cooling and energy plants. NVS is also the market leader in the field of fire security and one of the few certificated sprinkler companies in Sweden and Norway.

2008: good year

2008 was a good year for NVS. The more than 2,200 projects carried out were spread evenly across service, maintenance, management, renovation and new construction. Most of the projects were small(er) or medium sized, which fosters stability and continuity. Before being acquired by Imtech, NVS had strengthened its operations by acquiring six technical companies that were performing well. The acquisition of LVI-Helin Oy gave NVS a foothold in the Finnish market. The acquisition of Sävar Energitjänst strengthened NVS' position in the energy market while the acquisition of Dextella Industrirör significantly increased its impact on the industrial market.

The other acquisitions – Knut Nilsen, Wirström & Månsson and Vefab – strengthened various regional positions. All the acquisitions made an immediate contribution towards earnings per share.

Energy: strong growth market

The Nordic market wants to reduce its dependence on electricity and oil. This policy has led to investments across a broad front aimed at optimising energy performance and using alternative energy. To this end the government has made substantial subsidies available. The fast growing NVS Energy business unit offers a broad spectrum of energy services and specific technology aimed at energy saving, alternative energy and decentralised energy provisions. These services are offered in both the industry and buildings markets. NVS has also anticipated, successfully, the policy of making dwellings energy economical. Imtech is also active in the optimisation of energy in several energy plants. The acquisition of Sävar Energitjänst means the range of services offered can be further expanded.

Industry: good foundation for the future

In 2008 the emphasis was on the acquisition of more medium-sized service and maintenance contracts. These contracts focus on both preventive and corrective maintenance, maintenance engineering and the reduction of energy usage. This policy was successful: NVS has a total over 630 of such contracts which together account for over 30% of the total revenue. The emphasis of the ongoing large contracts with customers such as Statoil, ISS, Svedbergs and ABB is on process optimisation and the reduction of energy usage. Various other medium-sized projects in the advanced cooling market were also carried out. In the food market and process industry, for example, polluting industrial ventilation filters were replaced with ecologically responsible versions.

More and more large(r) projects

The numerous smaller and medium-sized projects NVS carried out in the past enabled the company to grow. In recent years the focus has been on large(r) projects in which NVS more and more frequently worked with investors and the authorities. One example is the prestigious Lindholmen Science Park in Gothenburg where NVS was responsible for all the technical solutions for energy and comfort. NVS is also a partner in the revitalising of old barracks buildings. One such project involved



Industrial maintenance contracts: a good basis for the future

In Norway, Sweden and Finland Imtech (NVS) has been awarded 630 large(r) service and maintenance contracts for both preventive and corrective technical maintenance, maintenance engineering, process optimisation, energy usage reduction and optimisation, for example for Statoil, ISS, Svedbergs and ABB.

transforming the barracks on Gotland Island into a high-tech and energy-efficient government building. Another example is the upgrading of the heating, ventilation and air conditioning in the luxury seventeenth century Häringe Slott Hotel near the Nynäshamn peninsular. In the field of high-tech sprinkler solutions NVS works in close co-operation with home furnishings concern IKEA and in 2008 was responsible for implementing innovative sprinkler solutions in various stores. The fact that NVS is now part of the financially strong Imtech and as such can benefit from the internal co-operation within the group will lead to further penetration of the large projects market.

Broad scope leads to flexibility


NVS' broad scope enables it to respond flexibly in different markets. NVS is carrying out more and more projects in the health care market, for example the advanced technical solutions in the new, modern 'Centralsjukhuset' hospital in Karlstad. NVS was responsible for the technical renovation of the 'Liljeholmsgallerian' shopping centre in Stockholm. In the industry sector NVS carried out an extensive process improvement for Kubal Aluminium in Sundsvall and in the sprinkler market NVS was active right across the board with scores of medium-sized projects.

THE FUTURE: HIGH AMBITIONS

Market developments in Norway, Sweden and Finland are expected to decrease in the coming year. Imtech (NVS) will continue to focus on the professional implementation of more large(er) projects and high profitability. The well-filled order book instils considerable confidence in the future. NVS will further improve its added value as an attractive co-operation partner for existing and potential customers. In the Nordic market there are a lot of opportunities. The Scandinavian energy and environment markets are poised on the brink of an upsurge and with NVS Imtech is in a good position to respond. There is a continuing demand for specific competencies, such as process technology and industrial cooling. The considerable number of service and maintenance contracts, together with the need for energy optimisation, will lead to further improvement of market positions. An extensive internal improvement programme aimed at maximising profit, sharing competencies and best practices will strengthen the position and will lead to further growth.

The highly fragmented Scandinavian market offers good opportunities for consolidation. In the first instance the focus will be on additional acquisitions in the field of electrical engineering which, thanks to the strong position in mechanical engineering and on the energy market, can lead to excellent cross selling. Imtech has already proven that this strategy works in other European countries. Under the wing of the financially strong Imtech further growth can be achieved through additional acquisitions. The long-term objective is to offer all the Imtech core competencies – mechanical engineering, electrical engineering and ICT – in Scandinavia. In addition to further growth in Scandinavia, on the long term Imtech will focus, via NVS, on the Baltic States – a region where Imtech still does not have a position. Co-operation with various Imtech companies in Europe will make additional growth possible.

Energy & Environment



Imtech is very aware of the earth's natural resources being finite and that we should use them efficiently. That is why we are leading the way when it comes to achieving energy efficient and environmentally friendly solutions. In every market in which we operate. A quarter of our total revenue is directly related to energy savings and sustainability. We fit ships with energy efficient and environmentally friendly diesel-electric propulsion, reduce fine particle emissions, install test centres for the automotive industry in which the eco car of the future is being created, supply the technology for high-tech alternative power plants for biomass, biogas and biodiesel and ensure the supply of clean drinking and waste water. Thanks to smart energy concepts we are capable of achieving annual energy savings of up to 25% or more in nearly any market. We supplied the technology for the most energy efficient office in the UK and the most energy efficient factory in Germany. We have developed Green Office 2015® - an integral concept for buildings that produce energy rather than consuming it. All these initiatives are contributing towards a sustainable society.

ICT, TRAFFIC & MARINE

The activities in the ICT, Traffic & Marine cluster achieved significant growth both organically and through the many acquisitions in 2007 and 2008. Revenue rose by 15% to 1,073 million euro. EBITA rose sharply to 70.8 million euro, an increase of 16%. The order book grew by 29% to 951 million euro as at 31 December. The EBITA margin rose slightly to 6.6%.

Key figures 2006-2008

<i>In millions of euro</i>	2008	2007	2006
Revenue	1,073	935	722
EBITA	70.8	61,0	40,7
EBITA margin	6.6%	6.5%	5.6%
Order book	951	739	725
Capital employed, excluding cash and cash equivalents	212	171	121
Number of employees as at 31 December	5,202	4,180	3,621

BUSINESS PROGRESS: SIGNIFICANT GROWTH

In 2008 Imtech made good progress in the ICT market, both organically and through six acquisitions in Austria, Switzerland, Germany, the UK and Belgium.

In the Traffic market Imtech responded to the increasing volume of traffic in Europe and the demand for high-tech mobility solutions. In 2008 growth was achieved both organically and as a result of the acquisition in 2007 of mobility specialist Peek. The international parking activities also performed well.

The Marine market was 'booming' and Imtech developed well in many marine segments. The portfolio and the number of service offices was expanded thanks to various smaller acquisitions.



Twin Data Centre for Transavia

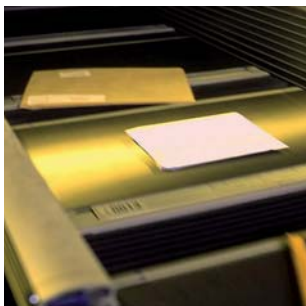
95% of the 5 million passengers who travel with airline company Transavia each year book their tickets via

the internet. Imtech designed and executed two identical but separate data centres in which two sets of the most crucial operational applications are installed to ensure maximum availability and security.

ICT: GROWTH, EUROPEAN 'ICT AXLE' TAKES SHAPE

Imtech's total solutions are being dominated more and more often by 'umbrella' ICT applications. ICT has become a key factor for technological innovation. Imtech's ICT division functions as a strategic vanguard within the company, focusing on the latest developments and making the acquired knowledge available to the other divisions. Imtech ICT also contributes towards the development of ICT, both at a corporate level (IT strategy, IT support, numerous internet applications, network consultancy, project management, etc.) as well as when it comes to reinforcing the impact of ICT in markets such as marine, mobility, parking, security and health care. Expanding Imtech's European ICT activities is a top priority. To this end Imtech is focusing strategically on strengthening its position as a business partner of IBM and Microsoft and wants, in time, to become the most important European partner of these world market leaders.

In 2008 Imtech made great strides towards achieving its ICT strategy, in part thanks to six acquisitions in Austria, Switzerland, Germany, the UK and Belgium with combined annual revenue of nearly 146 million euro. By acquiring these companies Imtech has also attracted approximately 500 high-value ICT specialists. These acquisitions combined with existing activities mean Imtech now has a strong 'ICT axle' in Europe with a broad portfolio distributed across ERP solutions, tailor-made software, business intelligence, consultancy, management, ICT infrastructure and ICT managed services. And this means that Imtech is now one



A strong position in IT solutions for postal services providers

In the high-tech logistical IT solutions market for postal services Imtech, via

acquired company ILS, occupies a strong position and works for, among others, the French and Austrian postal services and the Slovakian Parcel Service.

of the stronger ICT players in the Netherlands, Belgium, the DACH countries (Germany, Austria and Switzerland) and the UK. This offers not only opportunities for co-operation and an exchange of knowledge and skills, but also for further penetration into Europe.

The Netherlands: focus on added value

Imtech's reputation increased, for one reason because the Dutch trade press proclaimed Imtech to be the best internet services provider and one of the top-3 players in the field of security and outsourcing. Imtech was awarded not only Gold certification from Cisco, but also the Cognos Excellence Award and the Avaya Channel Award.

Progress was made in the field of management, consultancy and business intelligence. Imtech was involved with expanding the baggage handling capacity at Amsterdam's Schiphol Airport, the IT infrastructure of the Flora Holland flower auction and the IT strategy for RandstadRail's light-rail links. The upgrading of one of the data warehouses of the Department of Public Works and the Dutch Police gave Imtech some of the responsibility for the professional incident management on the Dutch motorways. Imtech improved the quality and cost efficiency of the care provided by Vektis, a nation-wide information centre for health care insurance companies. And Imtech carried out performance management assignments for Kawasaki and the World Wildlife Fund.

The market for tailor-made solutions grew. Imtech's activities included improving the process automation of international glass and mushroom wholesalers and improving the capacity planning of the Sundio Group – an umbrella organisation of tour operators. Imtech also

supplied advance web applications, for example to create structured management information or to improve the co-operation within business chains through collaboration portals. One good example was the website of the Oasen water company which was also made accessible to people with impaired vision.

Imtech excelled in the market for ICT infrastructure and communications solutions. A double data centre infrastructure that streamlines and monitors all its critical business processes was set up for airline company Transavia. Mercedes Benz Nederland outsourced its entire IT infrastructure to Imtech and Koninklijke Wegener did the same for all its data and telephone services, which were then integrated into a new, internet protocol based (IP) infrastructure. In the health care sector Imtech distinguished itself with, among other projects, a multimedia communications platform for the Florence nursing and care institute and the ICT infrastructure for Eeven. High-value communications solutions were also implemented at the Gelre Hospital and the Albert Schweitzer Hospital. Imtech's successes in the field of managed services included projects for Humanitas and the Nederlands Octrooibureau (Patents Office).

Belgium: broad portfolio makes growth possible

Imtech obtained a position in Belgium with the acquisition of Fit IT, Ebit and Thinking Solutions – three companies that are both IBM Premier Partners and Microsoft Gold Certified Partners and which serve a total of over 150 customers. These companies have worked closely together for many years and fit perfectly into the broad portfolio of services that Imtech also offers elsewhere in Europe.

2008 was a very good year. In ICT infrastructure Imtech was responsible for expanding the storage and back-up facilities for corporate accounts such as USG People, ING and KBC. BMW Finance purchased managed services and remote hosting facilities. In the tailor-made software market, high-value Java and open source technology based applications for monitoring production were supplied to customers that included oil & gas producer Aramco in Saudi Arabia and Barco Medical Imaging in Belgium. Imtech also carried out assignments for the Stichting Kanker Registratie (Cancer Registration Foundation) and Leaseplan. The demand for performance management increased with orders coming from, among others, Novartis, Neckerman and Pfizer. Imtech achieved a breakthrough in the care sector with an innovative financial application for the Imelda hospital in Bonheiden.



Integrated ICT for the Deutsche Bahn

Imtech (Fritz & Macziol) won the prestigious IBM Beacon Award 2008.

One of the nominated

projects was integrated innovative IBM hardware and software for the Deutsche Bahn.

UK: base position acquired

The acquisition of REAL Solutions – an ICT specialist with a broad mix of activities within the IBM portfolio: ICT infrastructure, software and ICT-services – has brought Imtech a base position in the UK ICT market. REAL Solutions has an excellent reputation, over 400 customers and is one of IBM's most important business partners in the UK. Because some of REAL Solutions' customers are active in the financial market, for example Clerical Medical Europe Financial Services, Grant Thornton and Dresder Investment Bank, during the second half of 2008 the order intake came under somewhat pressure as a result of the crisis in the UK banking sector. On the other hand, the share of software, in particular services within IBM brands such as Rational, Lotus, Websphere and Tivoli, increased. The market also demanded innovation in the field of storage, high availability, power systems and virtualisation. Customers included Gulliver Travels, Flintshire County Council and Vodafone. The telecom activities did well and focused with success on co-operation with among others world market leaders Juniper and Ciena. Imtech received important orders from Google.

Germany and Switzerland: robust growth both organically and through acquisitions

The German ICT division – Fritz & Macziol / Infoma® – performed extremely well and achieved robust growth both organically and through acquisitions. The position in the business intelligence market was strengthened by the acquisition of STAS, a top-3 IBM Cognos Platinum Partner and one of the largest Cognos partners in Germany with 600 customers and 450 service contracts. Another

acquisition involved NEO, a certificated SAP Service Partner responsible for the SAP applications for ERP (Enterprise Resource Planning), CRM (Customer Relationship Management) and portals for E-commerce and EDI (Electronic Data Interchange), etc., for around 100 customers. NEO is one of the strongest players in the field of mobile applications in Germany and also carries out projects in other European countries. There are many opportunities for synergy. Fritz & Macziol has positioned itself as the 'ICT Company of the Future'. In the current less favourable economic climate Imtech's unique broad portfolio with a single contact point means opportunities to improve the efficiency and reduce the costs for its approximately 3,000 customers. Intensive co-operation with global market leaders IBM and Microsoft enables high added value to be offered. Fritz & Macziol won the prestigious IBM Beacon Award 2008 in the 'Overall Technical Excellence in Europe, Middle East and Africa (EMEA)' category and was a finalist in the 'Outstanding Complementary Services Growth with IBM Global Services' category. This award and nomination reflect the quality of the services offered, which are further strengthened by the IBM FileNet ValueNet Partnership that is aimed at the management of business processes, workflow and content.

Hundreds of projects were carried out. One exceptional order was for the complete redesign and implementation of an innovative and open IT structure for promotion article manufacturer and supplier Saalfrank. Innovative projects were also carried out for switches manufacturer the Marquardt Group, the packaging specialist Multivac and Deutsche Bahn. One of the orders in the publishing sector was from Nordbayerische Presse Vertriebs. Customers in the pharmaceutical sector included Merck and in the retail sector included Gabor Schoenen, Nolte Küchen and Exquisa Karwendel-Werke. One special activity in Germany is the development and implementation of software and VAS® dispatch automation for the bulk and cement industry which serves virtually the entire Asian cement industry. Major orders were received from Yamama and Qassim.

Infoma®, Germany's leading player in the field of software solutions and services for financial services to the public sector, had a successful year. The modular Microsoft Dynamics NAV software package 'newsystemkommunal' developed by Infoma® offers a unique, integrated total

solution for both traditional cash accounting and the new governmental accounting, reporting and budgeting. Various new applications were developed most of which are aimed at document management. New customers included the municipalities of Remscheid, Kiel and Kaiserslautern and the province of (Landkreis) Lüneburg. The activity has been strengthened by the acquisition of IT&T, a full-service Microsoft partner in financial services and accounting with over 20 renowned customers in Switzerland (including municipalities such as Luzern, and cantons such as Zug). This means the successful Infoma® concept can also be rolled out in Switzerland. Currently just under 800 municipalities and public institutions and a total of over 52,000 users use this product.

Austria: strong position leads to penetration in Eastern Europe

Imtech succeeded in further expanding its European activities. Austria is one of the countries in the 'view finder' and the first step was taken with the acquisition of ILS Gruppe. ILS is not only one of the strongest players in the Austrian ICT market and the largest IBM partner in Austria, but also a Microsoft Gold Certified Partner and a VMware Partner. The company operates from 5 offices in Austria and is increasingly active in Slovakia, Slovenia and Croatia. ILS serves nearly 750 customers with a portfolio that comprises IT services, IT management and training, as well as support, hosting and outsourcing. It also supplies software solutions for trade, logistics, warehouse and transport management and specific logistical IT solutions for postal services in Europe.

2008 was a year of robust growth. Major projects were carried out in the consultancy, implementation and outsourcing market for customers that included Austrian Airlines, the government (Magistrat Wien) and energy companies. The demand for network and security consultancy, server applications and remote control increased, for example from the industry sector with customers such as Bramac and Card Complete. Within SAP consultancy the focus was on trade and logistics with orders from, among others, Smurfit and Spar. In the logistics, warehouse and transport management field the customer base increased to more than 50 international transport companies. In the market for high-tech logistics IT solutions for postal services ILS excelled with orders from, amongst others, the French Post Office, the Austrian Post Office and the Slovak Parcel Service in Slovakia.

ILS' objective is further growth in Austria and the expansion of its position in several Eastern European countries where



Maintenance of the Netherlands traffic signals

The Dutch Department of Waterways and Public Works has awarded Imtech a

multi-year performance maintenance contract for over 2,500 components of the traffic signalling system (MTM, Motorway Traffic Management) along the Dutch motorways.

the ICT market is growing fast. The Austrian activities of Fritz & Macziol will be integrated into ILS, which will strengthen ILS' portfolio.

TRAFFIC: PAN-EUROPEAN POSITION WITH HIGH AMBITION

Technology, intelligent communication systems and smart software contribute towards achieving an environmentally-friendly and safe flow of Europe's rapidly increasing volume of road traffic. Imtech has positioned itself as a European mobility specialist with a broad range of total solutions. Healthy growth was achieved both organically and as a result of the acquisition in 2007 of mobility specialist Peek with offices in the Netherlands, Belgium, the UK, Sweden, Poland and Croatia. In 2008 an ambitious growth target was set. Imtech focused on high-tech, integrated solutions and inter-city markets, for example with network solutions that improve traffic flow, high-tech traffic centres for central and regional authorities and traffic enforcement systems that increase traffic safety. Imtech wants to strengthen its European position, not only in existing Imtech countries but also in Eastern Europe and Scandinavia, for example by increasing the number of maintenance contracts. Development of the export position outside of Europe will also continue. Imtech has also invested in technology that can be found not only along or over the road, but also in vehicles and in traffic management centres. Imtech's expertise in the fields of ICT, hardware and transport studies reinforces each other and good progress has been achieved in this area. Imtech is also active internationally with high-tech parking and payment systems. Here too further growth was achieved.

Maintenance: solid foundation for continuity

In the Netherlands Imtech has a multi-year maintenance contract from the Dutch Department of Waterways and Public Works for a major portion of its Motorway Traffic Management system (MTM). This contract, which involves the management and maintenance of more than 2,500 installations, progressed smoothly. Imtech also has maintenance contracts for the high-tech traffic management centres in Utrecht, Rhon and Geldrop. These contracts include the maintenance of hundreds of technical traffic solutions on and around the motorways linked to these centres. Imtech has also been awarded multi-year contracts for the maintenance and upgrading of tens of traffic and network systems in various Dutch provinces.

Imtech (Peek) developed well in the UK where it now has over 50 contracts for the maintenance and upgrading of technical traffic infrastructure and management systems. Imtech has also been awarded substantial maintenance contracts by the Highways Agency for all the motorways in eastern England and the eastern part of the Midlands. Transport for London has awarded Imtech multi-year responsibility for the maintenance of all the traffic systems in eastern London, including the Olympic area, which means 42% of all the traffic infrastructure in London. The most important maintenance contract in the UK is the National Road Telecommunications Services project. This is a Public Private Partnership (PPP) being carried out in co-operation with Fluor and Alcatel. In a nutshell, the PPP combination is improving and maintaining the high-tech data backbone to which all the Highways Agency's traffic systems are linked. This project still has eight years to run. In Eastern Europe mobility issues are being addressed more and more. The position in Warsaw was strengthened through a multi-year maintenance contract and an extension involving hundreds of intelligent traffic systems. All maintenance contracts are based on Service Level Agreements in which performance indicators are linked in relation to budget, time and use of technology.

Environment: growth market

Combining intelligent network management with the measurement of CO₂ emissions enables a picture to be formed of the pressure road traffic is putting on the environment. This information is used to influence traffic flows so that emissions and energy usage can be reduced or a better regional spread of the environmental burden can be achieved. Brussels is one of the cities where

Imtech has installed such a solution. Imtech is also playing a European role with the development of so-called 'co-operative technology': vehicles and other traffic devices communicate with technical (roadside) systems. This technology can, for example, guide lorries smoothly through a city so they emit less CO₂ ('eco-driving'), or enable traffic lights to handle traffic on the basis of the level of emissions or (final) destination. One component of this state-of-the-art solution will be installed in the Dutch city of Helmond to serve as a demonstration project.

Urban market: increasing demand for traffic flow management

In the urban market the emphasis is on new, innovative technology for Urban Traffic Management Control (UTMC). These are IP-technology (Internet Protocol) based traffic solutions that increase the understanding of traffic streams by registering traffic flow in real time via the internet. Such solutions can improve traffic throughput by 15% or more. They also contribute towards reducing harmful emissions. For the urban market in the UK Imtech works with the innovative PTC-1[®] traffic management system. In the city of Coventry Imtech supported public transport priority through a similar system – Chameleon[®] – that was introduced to the market during 2008. In the Netherlands Imtech works with the EC-2[®] – a system that was also broadly rolled out in Warsaw. Another order was for the monitoring of traffic flows at 50 intersections in Warsaw via the internet. In Croatia an order was received for intelligent intersection influencing in a number of cities including Zagreb, Split and Rijeka.



Maintenance and management of London's traffic infrastructure

Transport for London awarded Imtech the multi-year contract

for the maintenance of all the traffic systems in the eastern part of London, including the Olympic area. This means 42% of the traffic infrastructure in the English capital.

Inter-city market: substantial governmental investment

Various governments invested substantially in infrastructure improvement. This should not only result in improved throughput on the road network and reduced traffic jams, but also improve traffic safety and reduce fine particle emissions. For the Dutch market Imtech (Peek) has at its disposal its own system which has been certificated by the Department of Waterways and Public Works. Imtech was responsible for the technology for the traffic management, signalling, access dosage and various safety systems along the A2, A7 and A12 motorways. Imtech also worked on solutions for digital route information systems and installed innovative camera systems to improve traffic supervision. Upgrades of the automatic control technology and digital route information were carried out in various tunnels including the Velsertunnel. Imtech installed a high-tech control system on the motorways around Birmingham in England for the Highways Agency. This system enables the maximum speed limit to be displayed and enforced, including intelligent rush-hour lane management. Imtech was responsible for the intelligent access dosage on the M6.

Traffic safety and enforcement: technology component is growing

Technology is increasingly ensuring the safest possible fulfilment of the traffic offering. Imtech's trajectory control and digital speed and red light control technology form an integrated system. This allows dynamic choices to be made when it comes to enforcing speed limits and overtaking bans. Imtech is, therefore, well positioned with regard to future decisions related to kilometre charges. In this context Imtech invested in the Dutch 'Anders Betalen voor Mobiliteit' (A different way to pay for mobility) project: tackling congestion and environmental problems by charging for every kilometre driven. In 2009 a start will be made on the tenders for this project. For the Highways Agency in the UK Imtech improved the variable speed control on a number of motorways including the M20, M25 and M42. Imtech's trajectory control systems also proved their worth in the Netherlands, for example on the A12 and in the Westertunnel. One prestigious order was for the technology for three pilot projects on the A1, A12, and A58/A56. These pilot projects are testing a dynamic traffic management system under the motto 'faster when it can, slower when it must'. Drivers are made aware of a flexible, traffic-volume dependent, maximum speed automatically



High-tech influencing of traffic streams

Imtech offers innovative solutions for Urban Traffic Management Control with IP technology that

provides a greater insight into traffic streams thanks to real time registration via the internet. In Coventry in the UK an Imtech Chameleon® system is ensuring priority is given to public transport.

via various information systems. Another initiative was IDEE, Innovative Digital Enforcement Environment. IDEE stands for the new generation of high-tech pole-mounted cameras that monitor both speed and observance of red lights. This camera has a Dutch Measuring Institute (NMI) certificate and has been approved by the BVOM (Public prosecutor's traffic enforcement bureau).

Improved export position: additional growth

In 2008 Imtech exported mobility technology to a number of countries including Italy, Brazil and Colombia. From a strategic point of view Imtech is also striving to expand its position in several regions including Scandinavia. To this end the Swedish company DIS (Digital Interactive Systems) Nordic was acquired. DIS is active in the Swedish mobility market and is concentrating on selling Imtech technology in a number of large(r) Swedish cities. In Scandinavia there is an extensive installed base of Peek technology that is now due to be replaced, upgraded or extended and Imtech wants to be involved.

Good performance in international parking market

Imtech performed well in the international market for automatic parking and payment systems. A new product line was launched successfully. Larger orders for new solutions included systems at Heathrow Airport in the UK, the Turfschip event centre in Breda in the Netherlands and the Thermae Palace hotel in Oostend in Belgium. Imtech was also active in the USA, Canada, France and South America and has numerous maintenance contracts. The demand for high-tech and customer-friendly parking

systems in the care & cure sector rose. Hospitals where Imtech was responsible for integrated parking solutions included the St. Elisabeth Hospital in Tilburg in the Netherlands and the Oost Limburg hospital in Belgium.

MARINE: ROBUST GLOBAL GROWTH AMBITION

The formation of the Imtech Marine Group has clustered the strengths of the marine Imtech companies: Imtech Marine & Offshore, Radio Holland Group, Imtech Marine Germany (the new name of HDW – Hagenschiffstechnik), Imtech Schiffbau-/Dockbautechnik and Koninklijke Dirkzwager. Imtech is an international player of substance with over 600 customers, 2,250 employees and a global top-5 position. The objective is to be the best technical services provider with a top-3 position in the global marine market. An objective Imtech aims to achieve through intensive internal and external co-operation and the further expansion of its activities both organically and through acquisitions.

This objective will be reached through a more-dimensional growth strategy: a portfolio aimed at geographical expansion, a focus on specific market segments, the life-cycle approach and technology. The current list of 70 international service points and offices along the most used shipping routes and at the most important wharves will be expanded. The needs of end users will be followed closely and translated into attractive services for every sector. Various competence centres will also be established. Another major component of the strategy is the provision of technological solutions throughout a ship's life-cycle. The focus here is on the needs of not only owners, users and their design offices but also wharves and main contractors. Combining technical competencies enables attractive options to be offered to all customers:

- the 'whole ship approach': integrated technical solutions with full automation and system integration including the total engineering and additional services;
- the supply of components of the services package;
- 'service on demand' from the 70 service points.

These options make Imtech a professional co-operation partner and make it possible to respond to market developments.

The technical portfolio was expanded still further, for example through the acquisition of Van Berge Henegouwen Installaties; a renowned specialist in the field of high-tech



A strong position in the luxury yacht market

Imtech was responsible for all the technical solutions, including the platform

automation with integrated bridge, high-tech audio-visual solutions and a continuous satellite link on the nearly 76 metre long luxury yacht 'Ocean Victory', built at the Feadship De Vries wharf in Makkum, the Netherlands.

entertainment onboard luxury yachts. Last year the marine service network was also expanded through the acquisition of marine services provider Pertec. Thanks to this acquisition Imtech is now the largest marine electronics service specialist and distributor in South Africa. Organic growth and an acquisition also resulted in the establishment of five new service points: one along the Panama Canal (through the acquisition of Seatronik), one in Bergen in Norway, one in Vietnam and two on the east coast of Canada.

In 2008 Imtech once again strengthened its market position. Even though the economic situation worsened the demand for Imtech's marine technology continued to increase. This instils confidence in the future.

Environment: (diesel) electric propulsion makes the difference

The increasingly stringent demands being made on ships' performance and in respect of the environment have increased the demand for environmentally-friendly (diesel) electric propulsion. This innovative Imtech technology enables electrical energy to be used more efficiently. The result is a 10 – 20% reduction in fuel usage and a 15 – 20% reduction of environmentally-harmful emissions. An additional benefit is that equipping ships with this type of technology improves their manoeuvrability and reduces onboard vibration. Imtech was active onboard a great many ships.

Luxury yachts and passenger liners: a strong position leads to growth

Imtech is one of the strongest players in the field of luxury yachts and cruise ships. This market is served from the various marine competence centres in Europe, the USA and the Far East. Sustainability and energy saving are a priority. Imtech received orders for luxury (mega) yachts with lengths of 30 to 100 metres from wharves in a number of countries including the Netherlands, Germany, Russia and the USA. The service centres for luxury (mega) yachts also developed well. The same applied for Imtech's position in the passenger liner market. Projects in which Imtech was involved included various passenger liners at the Italian Fincantieri wharf and three new passenger liners, with lengths of up to nearly 350 metres at the Meyer Wharf in Papenburg, Germany.

Naval fleet expansion

Imtech acquired various orders for naval fleet expansion. The Moroccan navy ordered an extensive package of technological solutions for three frigates. The Spanish Navantia wharf ordered all the HVAC systems (Heating, Ventilation and Air Conditioning) for two 220 metre long Landing Helicopter Dock ships belonging to the Australian Navy. And the orders received from the Turkish Navy were for a total of 16 high-tech patrol boats. During 2008 Imtech was also involved in long-running naval programmes in Poland, Greece, Indonesia and Oman. In the UK Imtech worked on an order from the Royal Navy for the engineering for the HVAC and electrical engineering on two aircraft carriers that will be built. Imtech anticipates also playing a role in the approaching execution phase of this project. Several orders were also received from the Dutch Navy: a long-running maintenance contract for the automation systems for the existing fleet, an order for the electrics for a series of amphibious landing crafts and, via Damen Schelde Naval Shipbuilding, an order for the ship's bridge and engine room automation onboard of various patrol boats.

Oil and gas: growth market

The demand for energy is growing. Which means more and more ships are being used for the exploration for and production of oil and gas in deep water. The ongoing order from Heerema for the automation and electrical engineering on the 'Pieter Schelte', the world's largest work ship progressed as planned. At the end of 2008 a start was made on various new orders including the

environmentally-friendly technology (including diesel-electric propulsion) onboard the crane ships 'Borealis' and 'HLV 5000' and the offshore construction ship 'Jascon 35'. An order for the energy-efficient technology onboard a (draught tube) rock dumping vessel was also acquired.

Broad representation in China

China is an immense and growing market. Imtech serves this outlet from the Netherlands, Germany and China. The focus is on western owners who order ships from Chinese wharves and want high-quality marine technology onboard. Imtech well represented and is active at more than 25 Chinese wharves. Orders were received for the technology onboard tens of container ships and bulk carriers as well as for a number of tugs and chemical tankers. Imtech is striving for a broader market penetration and more service centres in China.

Global service network developed well

The global service network developed well in 2008. The number of sizeable maintenance contracts for entire fleets rose to 1,750. These contracts guarantee ship owners worldwide support and operational availability. New contracts were also signed for more than 100 Canadian ships and parts of the fleets of AP Møller Maersk Group and Masterbulk. The American Bureau of Shipping Classification Society's certification of Imtech as a technology supplier in the USA means additional opportunities in the future.



**The environment:
(diesel) electric
propulsion makes
the difference**

Imtech's environ-
mentally-friendly
(diesel) electric

propulsion leads to reduced fuel usage (10 to 20% less) and less environmentally-harmful emissions (15 to 20% less). More and more oil and gas vessels are being equipped with this technology, for example the working ship the 'Fjord'.

Active across broad front in dredging market

Despite a decline in the dredging market Imtech remained active across a broad front. Via IHC Systems, collaboration between IHC and Imtech, Imtech carried out the upgrading of the automation onboard a number of dredgers. An order for the upgrading of the navigation and communication onboard several ships was received from Belgian dredging company Jan de Nul. Imtech was also responsible for part of the technology onboard the 9,000 m³ trailing suction dredger 'Breydel'.

Other segments: increased demand for technology

Imtech is active in many other sectors. In the marine research vessel segment Imtech carried out a renovation on the 'Alucia' and also received an order from Fassmer for the technology onboard one of Fugro's seismic research vessels. But Imtech was, for example, also responsible for technological solutions onboard various inland waterways vessels and submersible loading platforms. Imtech also has the technical maintenance contracts for a large number of North Sea oil and gas platforms.

Greater need for information technology

As a provider of integrated shipping movements information Imtech plays a pivotal role in the Port of Rotterdam. The terminals and port authorities were notified electronically of over 400,000 ships' visits. This type of digital information was also offered to the offshore market. Other software applications also found their way to thousands of users, such as FT NavVision® (integrated software), Sailor® Fleetbroadband (marine broadband services), Long Range Identification and Tracking (digital tracking of ships) and Satellite Airtime (communication, on-line support and digital updates via a satellite link).

OUTLOOK: WELL POSITIONED FOR FURTHER GROWTH

In the ICT market Imtech is well positioned for further growth. The European ICT axle, together with Imtech's unique portfolio of services, offers innumerable opportunities through co-operation and the exchange of expertise and skills. This starting position means the declining investments in ICT can, to an extent, be offset. Imtech stands on the threshold of further penetration in Europe and aspires to become the leading European partner of IBM and Microsoft.



Naval fleet expansion

Morocco, Australia and Turkey were just three of the countries from which Imtech received orders

related to naval fleet expansions. Imtech is also involved in long-running naval programmes in the UK, Poland, Greece, Indonesia and Oman.

In the Traffic market Imtech is very well represented and here too is at the start of further advances in the European mobility market. Long-running (maintenance) contracts and a well-filled order book are a good foundation for further growth. The new products and services developed in 2008 will lead to further pan-European growth. The forecast is that national governments will invest heavily in mobility improvement to reduce traffic jams and pressure on the environment and as an anti-cyclic signal for job creation. Imtech will benefit from this.

Right across the marine market there is a considerable demand for technology in general and the Imtech solutions in particular. Imtech's strong market position and sizeable order book provide a firm foundation for continuity and growth. The international position is strong, also due to the broad scope of activities and comprehensive network of offices along all the world's major shipping routes. Imtech is involved in a number of large projects. An ambitious growth scenario has been formulated for the future. The service network will be expanded still further. Considerable attention will be paid to co-operation and achieving (commercial) synergy. The focus will be on strengthening the position on the Norwegian continental shelf.

FINANCIAL POSITION

Imtech's financial position is explained in more detail below.

Revenue

In 2008 revenue rose by 513 million euro (+15%), of which 280 million euro was achieved organically. The Benelux is the most important market (30%), followed by ICT, Traffic & Marine (28%), Germany & Eastern Europe (27%), the UK, Ireland & Spain (13%) and Nordic (2%).

Operating profit

In 2008 the operating profit before amortisation and impairment of intangible assets (EBITA) rose by 26% to 197.2 million euro. Organic EBITA growth amounted to 14%. The operating profit (EBIT) rose by 36.5 million euro to 183.8 million euro – an increase of 25%.

Finance income and expenses

Net finance expenses rose by 8.4 million euro to 29.3 million euro. This increase was caused primarily by the net interest charges which rose from 17.7 million euro to 23.9 million euro due to a higher net debt position as a result of completed acquisitions and organic growth of working capital.

Taxes

Taxes amounted to 41.2 million euro, 7.9 million euro more than in 2007. The effective tax rate was 26.6% (2007: 26.4%).

Net profit

The net profit to be attributed to holders of shares in Imtech N.V. amounted to 113.3 million euro (2007: 91.9 million euro).

Financial position

The balance sheet total rose by 582 million euro to 2,473 million euro as at the end of 2008 (end of 2007: 1,891 million euro). This increase was mainly generated by the acquisitions effected during 2008. The balance sheet increase was also due to organic growth of the working capital.

Total shareholders' equity rose by 29.1 million euro to 399.2 million euro. Offset against the profit over the 2008 financial year, (113.5 million euro) are a paid out dividend

(37 million euro), currency translation differences (34 million euro) and the purchase of own shares (17 million euro).

To finance the 2012 strategic growth plan, both organic and through acquisitions, in July 2007 Imtech agreed a credit facility of 300 million euro which will run until July 2012 with the option of two extensions of one year. In November 2008 an additional credit facility amounting to a total of 265 million euro was arranged to finance recent acquisitions. The term of this new facility will run until November 2011. The interest rate is variable and based on EURIBOR plus a margin linked to the level of Imtech's Senior Net Debt/EBITDA ratio.

In addition to the two credit facilities mentioned above Imtech also has a number of uncommitted, bilateral credit facilities amounting to around 200 million euro. Virtually all the credit facilities include a 'change of control' stipulation.

On 31 December 2008 Imtech had over 102 million euro in cash and cash equivalents at its disposal (2007: 124 million euro) and the net debt position at the end of the financial year was 456 million euro (2007: 92 million euro). Interest coverage amounted to 6.3 (2007: 7.0) and average net debt/EBITDA was 1.6 (2007: 0.8).



Technology partner in the largest government building in the Netherlands

Imtech was responsible for all the electrical engineering solutions and energy-efficient air and climate technology, including the infrastructure for data and ICT, in the 125,000 m² and 140 metre high towers of the Ministry of Justice and the Interior and Kingdom Relations in The Hague.

The existing credit facilities are ample for the further financing of the 2012 strategic growth plan.

Pensions

In 2008 two Dutch company pension funds were combined and a large portion of the existing pension liabilities were transferred to an external insurance company. This has reduced the gross size of Imtech's pension obligations and the related risks. Another consequence of this transfer is that the remaining company pension fund now contains a better mix of active and inactive people entitled to pensions, which means a more balanced fund composition can be achieved.

Investments and depreciation

Investments in property, plant and equipment amounted to 39.9 million euro (2007: 29.7 million euro). Investment is expected to remain at a similar level in 2009. Disposals

involved a carrying value of 3.1 million euro (2007: 6.1 million euro). In 2008 depreciation on property, plant and equipment was 29.3 million euro (2007: 24.0 million euro).

Cash flow

Net cash flow from operating activities fell by 100.2 million euro to 47.6 million euro. The substantially higher EBIT (up by 36.5 million euro) was offset by an increase in working capital of 110.2 million euro.

Net cash flow from investing activities was 336.6 million euro negative (2007: 133.6 million euro negative) mainly due to acquisitions.

Net cash flow from financing activities amounted to 170.4 million euro positive (2007: 19.5 million euro positive) primarily due to the increase in the debt position as a result of acquisitions.

RISK MANAGEMENT

Imtech is responsible for high quality risk management and internal control systems. The objective of these systems is to control, as far as possible, the major risks to which the company can be exposed, to make possible the reliable achievement of operational and financial goals and to ensure compliance with applicable legislation and regulations.

System design and operation

Imtech pays structural attention to the optimisation of the design and operation of the risk management and internal control systems. The Board of Management is aware that such systems, how professional they may be, can neither provide absolute assurance that the company's objectives will be achieved, nor can they entirely prevent material errors, loss, fraud and contraventions of laws and regulations.

Imtech operates a system of regular internal reporting and a budgetary cycle that follows standard procedures and detailed guidelines. The financial reports are evaluated centrally and compared with the approved budgets. Forecasts are checked quarterly and, where necessary, adjusted. There are standard procedures for investments and disposals and also for the evaluation and approval of acquisitions.

Once a year priorities, based on risk assessment, are set for investigating the design and operation of the operating

companies' administrative organisations and internal controls. The outcome of these investigations is discussed regularly. Twice a year the Board of Management reports its findings to the Audit Committee and Supervisory Board.

Imtech follows its own methodology whereby operating companies and business units carry out self assessments of the efficiency and effectiveness of the risk management and internal control systems. These self assessments are carried out using an analysis model based on the COSO Enterprise Risk Management Integrated Framework that is provided to the operating companies in the form of a web application. This uniform analysis model results in a broad focus on all possible and relevant aspects of business risk management and thus contributes towards a better underpinning of and evaluation of the effectiveness and efficiency of the systems for risk management and internal control. The self assessments are analysed by Corporate Control and discussed with the Board of Management. To check the quality of the self assessments they are, on a



Technology in the 190 metre high 'Złota 44' tower in Poland

In Poland Imtech is the technology partner for all the technical solutions (energy, comfort, fire security and prevention, heating, ventilation, air-conditioning, electrical engineering and ICT infrastructure) in the 190-metre high 'Złota 44' skyscraper in the centre of Warsaw.

regular basis, reviewed by an independent advisor. The findings are used by the Board of Management to further improve the risk management process within the relevant parts of the organisation. The resulting amendments have included improvements to the design and operation of the administrative organisation and the position and involvement of the Risk Management department. During the year under review more attention was paid to professional project management (see also page 66). The outcomes of the self assessments, the reviews and any improvements are discussed regularly by the Audit Committee and the Supervisory Board.

Taking the above into account, to the best knowledge of and in the opinion of the Board of Management, Imtech's risk management and internal control systems:

- provide a reasonable degree of assurance that the financial reporting is free of material misstatement;
- have functioned properly during the financial year under review;
- give no indication that they will not continue to function properly during the current financial year.

A further harmonisation of business processes and systems was also carried out. Due to the organisation's decentralised formation (partly through acquisitions) and structure, various different systems for supporting the business processes are being used. The objective is to arrive at a more limited selection of these systems and thus to reduce possible risks. Towards this end an ERP solution is being introduced, in phases throughout the entire organisation. The objective is the optimum control and interchangeability

of information and operating processes in the functional, legal, technical and commercial sense. The first ERP implementations took place during 2008.

Operational risks

More often customers are specifying the performance they require (generally in the form of financial and/or operational indicators) and ask Imtech how and with which concepts, services and technologies this performance can best be achieved. As a result Imtech's responsibilities have increased considerably in relation to the customer's responsibilities. The share of large and complex projects continues to increase, which means there is more emphasis on performance contracts, with bonus/penalty clauses, and engineering/execution contracts. Examples include more complex EPCC contracts in which Imtech acts as the technology partner for Engineering, Procurement, Construction and Commissioning and the many different forms of design and construct contracts. Compared with traditional specification-based project execution this type of project involves higher risks. There has also been a clear increase in the number of projects located, geographically, outside the country in which the Imtech company concerned is based, such as China, Singapore, Eastern Europe and the Middle East, and of projects in which Imtech is involved as the member of a consortium, construction consortium or some other joint venture. It has become apparent that more and more often customers want to shift the risks to their technology partners. As a consequence the acceptance and execution of projects is leading to more and more legal issues. Many contracts also include change of control stipulations. Within Imtech the focus is on the optimal control of these increasing operational risks. A positive development that counterbalances this is that there are also customers who recognise the need to determine the risk profile of (large) projects. This gives Imtech the opportunity to work with these customers to draw-up joint measures to prevent or minimise the chance of and effect of reciprocal surprises within these projects.

Imtech works with its own web-based method (Riskmaster®) and a special risk analysis method (GRIP®) developed for, and partly by, the corporate Risk Management department. Divisions and companies can, with the assistance of a central Riskmaster database, draw-up risk inventories when preparing tenders and proposals. Risk Management provides support and, in



A strong position at the heart of the German automotive industry

Imtech offers total solutions for the testing and simulation

of relevant climate and road conditions for the automotive industry and is helping BMW, Daimler, Audi, Bentley and MAN Nutzfahrzeuge with the development of new, more economical models with low CO₂ emissions.

consultation with Legal Affairs, evaluates the measures to prevent risks arising. This method enables the user to input and analyse data at any moment. An e-mail notification system means that key people in the process can be involved and can consult the data simultaneously from different locations. This enables Bid Reviews to be carried out, clear risk inventories to be drawn-up and risk plans to be implemented. In addition to the risk inventory, specifications are also subjected to a thorough investigation. The (divisional) lawyers involved check all contacts for larger projects at the tender stage and any deviations from the policy must be approved by the Board of Management. During this phase the Risk Management department works very closely with the divisional lawyers and proposal managers. If necessary the inventoried risks are 'priced' internally. Considerable attention is paid not only to the risks but also, and most importantly, to the measures that must ensure that the chance of a risk or undesirable effects is as low as possible.

Imtech is increasingly tendering for and executing projects in co-operation with third parties in a partnership or limited company form. These can be partners from both within and outside the branch in which Imtech is active, such as civil contractors and engineering bureaus. Both Risk Management and Legal Affairs are closely involved in the formulation and evaluation of these types of joint venture.

Risk Management monitors both the process and the content of projects under offer or in execution. The status of large projects, and the way risks were handled during

the tender phase are known at any given moment. The proactive use of these risk inventories has raised risk-awareness. This method is used in every country in which Imtech has offices.

The method comprises the following modules:

- registration: the registration and notification of new projects going out to tender;
- analysis/mitigation: a risk inventory module (Riskmaster®) with proposals for risk limitation;
- auditing: a management module to follow projects from tender to completion;
- statistics: various reports.

This procedure is obligatory for all projects that meet the following criteria:

- project tenders above four million euro;
- projects that are located, geographically, outside the country in which the Imtech companies concerned are based;
- projects involving partnership in a (building) consortium or other form of joint venture;
- projects with an extra high risk profile, especially complex projects or projects involving special contracts on the customer's side.

If the contract value of a tender/contract is higher than a (division) manager is authorised to handle the authorisation of the Board of Management is required. For such situations a procedure has been developed in which the Risk Management and Legal Affairs departments advise on authorisation, for example by specifying the conditions under which the tender or contract may be submitted or signed.

Once a contract has been awarded the risk plan is reviewed regularly and progress is reported. When the project is large a Contract Manager is added to the project management team. The Risk Management department works in close co-operation with divisional lawyers and Contract Managers.

In 2008 considerable attention was paid systematically carrying out project audits, with a particular focus on cash-flow development, liability registration, the likelihood of delays, the project profit development time-line and the way in which subcontractors and suppliers are managed. Risk Management and Legal Affairs also organised risk and

contract management workshops at several levels in the organisation. During these workshops practical examples of contract evaluation, purchasing and execution problems are discussed and evaluated.

Exposure to discussions with customers regarding additional work, which sometimes end in legal proceedings and claims going back and forth, is inherent to the project activities. These risks are covered to a degree by the relevant provisions. In addition, the company is well insured against possible damage arising from execution risks. Product liability is only relevant for Imtech to a very limited extent because the company rarely develops its own products and generally purchases them from many different suppliers who are responsible for their own products. Stock risks are minimal because materials are purchased on a project or part project basis, which means there is no stockpiling. The aim of the policy related to safety and working conditions is to ensure the proper protection of all employees and involved third parties so that the risks of job-related accidents, and claims that might arise from such accidents, are limited. As a result of the active acquisition policy there are risks that acquired companies do not meet the performance expectations, including a risk of impairment of capitalised goodwill. Imtech endeavours to minimise this risk as far as possible during the due diligence phase.

Real estate risks

To retain maximum flexibility with regard to accommodation and to minimise balance sheet risks, more than 90% of the property currently being used by Imtech is rented. Imtech sees Corporate Real Estate Management as risk management in the field of real estate and premises. From the user's perspective Imtech's real estate risks are related to the (development of) the real estate market, financial risks and the risks of lawsuits arising from real estate exploitation, ownership or development. The objective is to ensure the availability of the right accommodation in the right place at the right time and at a price that conforms with the market so as to achieve the strategic targets and thus to prevent accommodation being unoccupied and reduce costs. To this end a central real estate database for strategic accommodation planning, requirement analyses and financial analyses has been set up.



Software upgrade for wind tunnel

Imtech upgraded the control software of the robot arm in the high-tech wind tunnel of Duits Nederlandse

Windtunnels (German Dutch Windtunnel Association) near the National Air and Space Travel Laboratory in Amsterdam where the aircraft industry tests scale models in wind speeds of up to 1.2 times the speed of sound.

Financial risks

Imtech has ample bank facilities at its disposal for the development of business operations, including the day-to-day management of working capital and the taking on of obligations, particularly bank guarantees (see pages 29 and 59). The interest rate policy related to the long-term bank facilities is to fix the interest rate risk related to the portion of the facility that has been used for the remaining term.

Foreign currency risks are increasingly playing a role within Imtech. The cash flows are predominantly in euro and the remainder in pounds sterling, the US dollar and the Swedish krone. The exchange rate risks related to foreign participations are not hedged. The exchange rate risks arising from purchases or sales in foreign currencies are hedged, as far as possible, by foreign currency contracts.

Imtech serves over 19,500 customers varying from large to small and in highly diverse industry branches. This means Imtech has a very widely spread debtors list and thus a limited individual debtor risk. Debtors credit insurance is not used, except for a very few export transactions. Use is made of bank guarantees, letters of credit and advance payments to reduce the individual debtor risk. In addition, in many instances use is made of credit information supplied by specialised institutions.

Financial liabilities related to leasing and rental contracts include the vehicle fleet and a major portion of the business premises currently in use (see page 114).

Most of Imtech's employee pension schemes are classified as defined contribution schemes. In the Netherlands most of the pension provisions are placed with industrial pension funds and an insurance company. Imtech also operates a supplementary pension scheme for higher and middle management, which is placed with the company's own pension fund. In 2008 the gross size of these pension obligations and the related risks was reduced (see page 60). The pension plan in Germany is under Imtech's own control. The average salary regulation means backservice obligations related to pension schemes are limited to the indexation.

Market risks

Doing business involves taking risks, which are not the same for all the different Imtech activities. The cyclic nature of these markets varies, which means Imtech is less cyclic sensitive than companies that concentrate on only one or a few of these markets. The combination of technologies (electrical engineering, ICT and mechanical engineering), the geographical spread and the presence in diverse markets and market segments makes Imtech less sensitive to fluctuating market conditions.

Market risks include economic, political and social risks. Imtech operates mainly in Western Europe in precisely defined markets. The related risks in terms of instability are minimal.

HUMAN RESOURCES

Imtech wants to be one of the best employers in the technical services provision market. Employee recruitment and retention is the most important basis for further growth and development. The growth and (personal) development of its management and employees is, therefore a priority. Imtech's HR principles have developed into a steering mechanism for acquisitions and functions as a basis for many training courses. These principles have further crystallised. In 2008 considerable attention was paid to the creation of a corporate 'Imtech family', the top management structure, management development, the inflow of future top management, making management more professional and representative consultation.

Recruitment: the most important factor

Despite the worsening state of the economy the recruitment of employees is, and will remain, the key factor for the following years. The already scarce labour market will come under further pressure due to the rising average age of the population, a shortfall of young people with relevant training and an increasing demand for technically-trained employees. The time will come when only companies that can attract the best employees will survive. In this context Imtech wants to be one of the most attractive and active companies. Which is why Imtech's focus on recruitment will continue unabated. To this end there have been additional investments in *Employee Branding* and Imtech's ability to stand out from the competition in the labour market.

Retaining employees: a strategic factor

The retention and training of Imtech employees is a strategic factor and to this end Imtech has formulated an active policy under the name 'motivate and bind'. Tens of actions aimed at personal development, training,

improving internal communications, the company's social climate, career paths, 'fun', the involvement of partners and families in the company's activities and the opportunities for training have been carried out.

Acquisitions join corporate 'Imtech family'

Imtech wants acquired companies to fit in with its business policy. Which is why HR is an essential component of the investigations that proceed the actual purchase. After the acquisition considerable attention is paid to HR implementation. The objective is for all Imtech companies to be members of the corporate 'Imtech family' with the same values, standards and HR principles.

Imtech HR Principles: starting points for success

Imtech's HR Principles are an important instrument for achieving a uniform basis in the field of human resources in all the Imtech countries and divisions. The HR Principles emphasise the company's starting points and have a direct influence on employees' contentment. They also give employees a benchmark that will enable them to compare

their own company with others and with market and social developments.

Imtech has formulated eight HR Principles:

- mutual trust: expressed through integrity, respect and reliability;
- personal development: consideration for the development of employees. The growth of employees leads to the growth of the company;
- leadership: constant improvement and development of management positions, focused concentration on leadership qualities and performance;
- the right people in the right place: a job for life is a thing of the past, continuous growth and development fitting for the employee's stage of life and complementary to the needs of the company;
- employment conditions: Imtech's salary scales are competitive and aimed at personal performance and development with a focus on more flexibility and adaptation to the needs and situation of employees;
- work safety: health, safety and welfare are core issues for every employee in every function and in every working situation;
- a balance between work and leisure: by seeking more flexible working arrangements, such as working from home and a balance between work and leisure (or caring tasks), employees are given the scope to work longer and more healthy;
- Corporate Social Responsibility (see page 67).

The implementation, and also the deepening, of these HR Principles were high priorities and in leadership training in particular attention was paid to translating the HR Principles into concrete behaviour. Imtech also tried to respond in a tailor-made way to employees' expectations regarding topics such as the balance between work and leisure, flexible working hours in relation to traffic congestion and the provision of a suitable working environment.

Top structure takes a firm shape

The increasing size, the strategic desire to 'bind' employees and the creation of a corporate 'Imtech family' were reasons to give the top management more insight into the company. Conferences took place at a division level and, in addition, the first Imtech Eurotop was organised. The central theme was Imtech's 2012 growth strategy. The network was also reinforced and the foundations were laid



Education: a strong position leads to extra growth

Imtech is the technology partner of numerous UK universities and

colleges and during 2008 worked for Cambridge University, Nottingham Trent University, Derby College, South James College, Goodrick College, Epping College and the international Nido project in London.

for various initiatives to strengthen internal cohesion. The newly formed top group is vital for the company's development and has been more closely bound to the strategic targets, for example with management training, the awarding of option schemes and the application of unambiguous remuneration methods.

Management development strengthens ties

Once again considerable attention was paid to international management programmes with a focus on current strategic company themes. Key issues were both the constant development of management potential and the development of leadership skills with the objective of binding employees to the company. Attention to employees, the working environment and atmosphere plays an important role in this. Imtech has deliberately not opted for an age-dependent HR policy because, in the light of the average age of its employees and the rising pensionable age, attention must be paid to all employees. The mix of ages in employee teams is a key factor in Imtech's success. Besides centrally co-ordinated programmes, every division has its own training programmes. The result of this is that more employees at more levels of the organisation can be involved in the strategic and organisational developments and to promote loyalty to the company.

Recruiting and training future managers

In 2007 and 2008 Imtech in the Netherlands offered its first Executive Management Traineeship programmes under the name 'Young Capital Programme'. The programme comprises an annual 'group' of around fifteen

very well educated young professionals who follow a two-year course during which they not only gain a broad insight into the entire Imtech organisation but also the leadership competencies and personal development that will enable them to make the best choice of position. This programme was nominated the best training for young managers in the Netherlands and was extremely successful: every participant completed the programme and was then very easy to place in a permanent management starter position. This initiative will be followed up in other countries. The 'Young Imtech' programme was also a success. This involvement programme for young employees, whatever their background and training, includes information sessions, training courses, project visits and 'fun'.

Project management: a linchpin for the future

Considerable attention was paid to improving the project management skills within Imtech. Projects are becoming more and more complex, which is putting more stringent demands on project managers. The objective was to develop an Imtech project management method so that large and complex projects can be executed in a uniform manner, with the least possible risks and the best technical and financial result. In co-operation with the absolute best Imtech project managers a programme has now been developed that will be implemented in the organisation in the coming years. Functional competence centres where day-to-day project management expertise and experience are brought together and translated into training programmes will be set up in various countries. Imtech project managers will also be classified according to seniority and quality so as to gain more insight into individual training requirements and personal development possibilities. To meet the substantial need for project managers at every level an additional training programme for young project managers has also been started.

Representative consultation

In 2008 the European Works Council met twice. In addition to the formal consultation meeting during which the annual results were explained there was also an instruction meeting during which the European QHSE (Quality, Health, Safety and Environment) policy was discussed. The consultation with the representative bodies was constructive in every country. In compliance with the Works Councils Act issues relating to the larger acquisitions, nominations and organisational changes were discussed with the Central Works Council in the Netherlands.



Shared Success in Developing Countries

An Imtech team journeyed to South Africa to help with a CSR project in which used cooking oil is

converted into high-value biodiesel. This multi-faceted project not only has positive effects on the environment and health of the local people but also helps combat poverty by providing employment and training opportunities.

International HR accents

In Belgium various recruitment campaigns were started and a great deal of attention was also paid to job classification, competence management and the harmonisation of wages and salaries.

As a follow-up to the 'Year of Education' in Germany the emphasis was on training. *Employee Branding* and recruitment received considerable attention. In addition to the continuation of the existing recruitment programmes, 'JUMP' and 'MOVE', which are aimed respectively at young and more experienced technicians, 'STEP IN' a recruitment and development programme for young academics was also launched onto the market successfully. In addition, procedures were accelerated and mentors for new employees were appointed.

In Spain a new organisation structure with the accompanying management structure, organisational changes and training trajectories has been formed for the Industry business unit. There was also substantial investment in training for managers and high potentials.

In the UK all the Imtech companies have been brought under one HR policy with the accent on leadership development, project management, performance development and the implementation of a new HR (information) system.

In the Netherlands the accent was on leadership development, project management and the recruitment and retention of employees. The employment conditions

for the top management and international management development trajectory were also co-ordinated from the Netherlands.

Pensions

For an overview of the pension provisions please see pages 60 and 64.

HRM indicators and target values

Employee inflow was 21.0% and outflow was 15.7%. Profit before taxes per FTE improved still further. The average salary costs per FTE decreased as a result of the further internationalisation of the activities to an average of 40,500 euro per FTE. Flexibility remained virtually the same with a slight reduction in the percentage of employees in the 30-45 age group. The average length of service per employee was 9.9 years. Average sick leave per employee dropped from 4.0% to 3.7%.

Imtech HRM indicators 2006 – 2008				
Category	Indicator	2008	2007	2006
General	Number of employees as at 31 December	22,510	18,231	16,362
	Inflow percentage (excluding acquisitions)	21.0	16.6	12.8
	Outflow percentage	15.7	15.0	9.1
Productivity	Profit before taxes per FTE (in thousands of euro)	7.1	7.3	6.3
Efficiency	Salary costs per FTE (in thousands of euro)	40.5	46.6	50.6
	Training costs (as a % of salary costs)	1.6	2.2	2.1
Flexibility	Average age	43	39	41
	Number of employees aged 30-45 (%)	42.2	43.5	44.0
	Average years employed by the company per employee	9.9	9.6	14.5
Professionally	Average sick leave per employee (%)	3.7	4.0	4.3

CORPORATE SOCIAL RESPONSIBILITY

Imtech has developed into a company that is becoming more and more adept at fulfilling its Corporate Social Responsibility (CSR). Both through its involvement in the achievement of a responsible, sustainable and livable society and in respect of implementing an active CSR policy (including corporate citizenship).

Definition and ambition

Imtech defines CSR as the proactive meeting of society's demands and stakeholders' (implicit) expectations regarding social and ecological issues. Imtech wishes to exceed the legally stipulated obligations. In addition to the execution of numerous sustainability and social projects Imtech also looks at how its own primary business activities can contribute towards a sustainable development. Imtech endorses a pragmatic approach and wishes to conduct itself as an aware and proactive company that makes a major, and preferably measurable, contribution towards a livable and sustainable society.

Contributing towards a sustainable and livable society

By using innovative technology solutions Imtech's core business enables the company to contribute towards solving social issues. Imtech is increasingly involved in the implementation of environmentally-aware and sustainable technical solutions with the focus on *energy & environment*:

- the sustainable exploitation of energy sources, the generation of sustainable and environmentally-friendly energy and a broad package of energy-saving solutions;

- lower emissions of environmentally-harmful (greenhouse) gasses, such as CO₂ (carbon dioxide) and NO_x (nitrogen oxide), especially in industry and shipping;
- reduced emissions of fine particles by road traffic through intelligent mobility solutions and high-tech traffic measures;
- the achievement of clean water and the prevention of water pollution through the technical equipping and maintenance of water plants and (waste) water treatment centres.

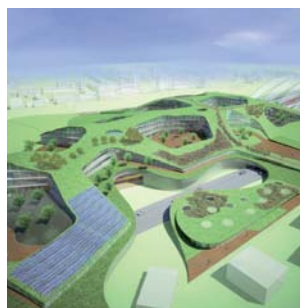
The share of the activities in the field of energy & environment is increasing rapidly and in 2008 amounted to around 960 million euro, or 25% of Imtech's revenue (in 2007 750 million euro and 22% respectively).

Examples of 5 projects in 2008

In 2008 Imtech carried out hundreds of energy & environment projects. The following is just a sample.

Energy

- for a period of fifteen years, and a total contract value of 400 million euro, Imtech will be an energy and energy contracting partner of the German National Security service, Caterpillar and Infineon;
- the technology equipment in nine new biomass factories, biodiesel plants, bio-ethanol plants and innovative combined heat & power plants that are to be built, including the largest European biodiesel plant and the largest European bio-ethanol plant;
- the *Imtech Energy Efficiency Programme* aimed at optimising the economic feasibility of energy-efficiency investments and reducing CO₂ emissions through trading in emission certificates;
- the technical infrastructure in a new, energy-efficient, coal-fired energy plant to be built in Hamm in Germany;
- energy optimisation in energy plants in Belgium, Germany, Sweden and Ireland, including the reduction of the environmentally-harmful emissions;
- the technology in two high-tech biogas plants in the UK which generate over 2 MW of sustainable energy;
- the technology for various sub-stations for wind turbines in Ireland – Imtech's first project in the wind energy market;
- the energy metering and issuing of energy labels for hundreds of buildings in the Netherlands;
- energy reduction through the installation of combined heat & power plants in a large number of hospitals, various governmental building and commercial buildings as well as through the renovation (including biomass) of dwellings in various London suburbs and in hundreds of dwellings in Sweden;
- the provision of energy services to numerous companies and government institutions;
- a high-tech fermentation plant that converts animal fat from which the fatty acids have been removed into biodiesel;
- the total energy technology in a new, energy-generating incineration line at the HVC waste processing plant in Dordrecht, the Netherlands;
- extracting energy from the hot water present at great depths in old mine workings in Limburg, the Netherlands;
- the green 'revitalisation' of buildings involving the replacement of the total technical infrastructure with energy-efficient and sustainable solutions;
- fitting buildings with energy-generating solar panels in which photovoltaic cells convert sunlight directly into electricity;
- innovative ground ventilation that enables the thermal energy in layers deep under the earth's surface to be used to heat buildings;
- the implementation of scores of projects for public lighting using the 30% more efficient 'Innolumis' LED lighting;
- tens of high-tech converters for energy generation;
- the upgrading of the energy provisions of numerous energy companies;



Green Office 2015®

Imtech was the initiator of Green Office 2015®, an innovative integrated concept through which inner-city areas

criss crossed by railway tracks, roads or water are upgraded to multifunctional areas in which living, working and leisure are interwoven in a sustainable and ecological manner.

- energy-efficient and sustainable technology for doubling the capacity of the largest refineries of Cepsa and Repsol-YPF in Spain;
- various 'green ICT projects' (energy-efficient ICT infrastructure);
- Imtech was involved in the sustainable exploration for oil and gas, for example by replacing the control systems and software in compressor stations, the control, software and piping for oil pipelines, measuring the output of oil and gas producing locations, the technical infrastructure onboard cargo ships and the automation and the implementation of fire extinguisher systems on oil and gas platforms.

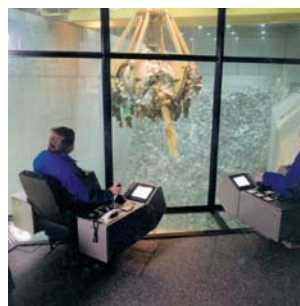
Environment

- at Schiphol Airport in the Netherlands a solution that converts harmful kerosene emissions into electricity and heat went into operation;
- reduction of the air pollution from tens of Dwr Cymru Welsh Water's water treatment plants in Wales;
- Imtech was responsible for the technical infrastructure in virtually all the German automotive industry's new energy testing and R&D centres aimed at developing new energy-efficient and environmentally-friendly cars;
- Imtech installed innovative (diesel)electric propulsion that will lead to significantly reduced fuel consumption (10 to 20% lower) and harmful CO₂ and NO_x emissions (15 to 20% lower) on a great many ships.

Fine particles

Imtech is managing a great many European projects that are improving mobility, managing traffic flow, reducing traffic jams and reducing fuel usage and fine particle emissions, such as:

- the technical maintenance and management of 2,500 devices under the Dutch motorways that are components of the Motorway Traffic Management system and of various high-tech traffic management centres and scores of provincial and municipal traffic systems;
- maintenance of the technical traffic infrastructure and traffic systems of all the motorways in eastern England and the eastern part of the Midlands for the Highways Agency (manager of the motorways in England);
- multi-year maintenance of 42% of all the traffic infrastructure and all the traffic systems in the eastern part of London for Transport for London (TfL) in the UK;



Waste = energy

Two of the four waste incineration plants used by the Dutch city of Dordrecht are being demolished and replaced by a new turbine-equipped plant. The heat that used to be vented into the atmosphere will now be used to generate 25 MW of electricity a year. Imtech is responsible for the total technology and the project management.

- the maintenance and management of the NRTS (National Road Telecommunications Services) project to which all the Highways Agency's traffic systems are linked. This is leading to optimum traffic flow;
- multi-year maintenance of hundreds of intelligent traffic systems in Poland and Croatia;
- measuring and reducing the environmentally-harmful emissions of traffic in various Dutch and Belgian municipalities;
- Improving traffic throughput by around 15% in the UK, the Netherlands and Eastern Europe, and thus reducing harmful fine particle emissions, through innovative Urban Traffic Management Control (UTMC) and interactive traffic solutions based on IP technology;
- Installing high-tech traffic solutions on the A2, A7 and A12 motorways in the Netherlands and the M20, M25 and M42 motorways in the UK, including innovative camera systems and solutions for digital route information systems;
- The technology for three pilot projects for dynamic traffic management in the Netherlands.

Clean water

- thanks to fully automated sewer management and a total approach to the management of the water chain, Imtech has enabled the sewer system to be utilised more efficiently and the pollution of surface water to be prevented;
- Imtech was responsible for the innovative technology for slurry dehydration in various (drain) sewage treatment plants;
- various clean water projects for Dwr Cymru Welsh Water, where Imtech is responsible for the management



Sustainable energy from coal mines

In Heerlen in the Netherlands extremely hot ground-water is converted into energy from old

mine shafts and used to heat or cool city neighbourhoods. Imtech was responsible for the operational execution of all the technological solutions.

of all the technical facilities in the area of waste water treatment in Wales until 2015;

- Anglian Water Services gave Imtech the responsibility for the technical infrastructure for the Wing Project – a new water treatment centre that will supply clean water to around one million people in East Anglia;
- in the UK Imtech was involved, as technology partner, in the environmentally-friendly expansion, upgrading and water treatment capacity expansion of scores of waste water plants.

Imtech is also involved in numerous social issues in the care sector, education, in the area of security, in research laboratories and test centres, in pharmaceuticals, the development of clean and safe cars and in the food production industry.

Sharing the knowledge

Within Imtech various European working groups are addressing the sharing of internal expertise and the development of new products in the field of energy & environment from within the different competence centres.

A link in the chain

Imtech seeks a balance between technology and ecology and between economy and standards and values. It is abundantly clear that CSR within Imtech cannot be restricted to its own company because it forms a link in a chain that, in today's society, could stretch around the world. Co-operation and consultation within the chain – the so-called chain thinking – are, therefore, essential for the achievement of its CSR goals.

CSR criteria

Imtech's CSR initiatives must fulfil the following criteria:

- be related to Imtech's primary business;
- contain a binding factor that is recognisable throughout the organisation;
- have a good balance between short and long-term results;
- create awareness at all levels within the organisation;
- can be achieved via a combination of top-down commitment (Board of Management and top management) and 'bottom-up' commitment (the organisation);
- generate sufficient exposure and communication possibilities.

Business Principles en HR-principles

In the Imtech Business Principles (see www.imtech.eu) and the Imtech HR Principles (see page 64) Imtech sets out its view that corporate social responsibility, transparency and integrity are intrinsic to the functioning of Imtech and are applicable to all Imtech employees.

Building a CSR community

A communication campaign has led to Imtech in the Netherlands building up a database of over 350 employees who are interested in CSR, who want to be kept informed of ongoing CSR projects and who have indicated their willingness to be included in new CSR initiatives. The objective of the community is to share knowledge, to recruit available 'capacity' for corporate initiatives and to make decentralised CSR initiatives more visible so they can be given corporate support.

A green vehicle fleet

In 2008 Imtech's total Dutch fleet of leased vehicles ran on environment-saving fuel. Which means Imtech reduced fuel usage by 380,000 litres and prevented 980,000 kilo of harmful CO₂ emissions. In 2009 this initiative will be followed-up in other Imtech countries. To improve safety and further reduce fuel usage drivers were offered driving courses. The freedom of choice in the leased vehicle fleet was restricted to 'green cars', which means they are in the European A, B, C and D categories. In addition, the policy of limiting travel and increasing communication via other methods, such as video conferences, webcams, chat and e-mail, was implemented.

Socially responsible procurement

A Code of Supply, based on the carbon footprint – a criterion whereby the influence of human activity on the environment is measured – has been developed for our suppliers and our own general and technical services suppliers. In this context, in 2009 a start will be made on quantifying the number of kilometres travelled, energy usage and the use of paper and water. This simple set of CSR indicators will enable the companies involved to be monitored and benchmarked. Imtech's own performance will also be measured. These indicators can be refined further at a later date. More than forty suppliers have signed the 'Code of Supply'.

10 million kWh of green energy in our own offices

Imtech's Dutch offices have switched to green electricity. This involves 10 million kWh of electricity a year for a period of at least three years. During 2009 the implementation of this initiative in other European countries will be considered.

Corporate Citizenship: Shared Success in Developing Countries (SSDC)

In 2008 a multi-disciplinary Imtech team travelled to Soweto in South Africa to contribute towards a Corporate Social Responsibility project in which cooking oil that has been used for frying or baking is converted into high-quality biodiesel. A multifaceted project which has positive environmental, health, poverty reduction, employment and training effects for the local population. The core objective of the mission was to transfer (technical) knowledge and thus give local communities a boost. It was the first project in the multi-year Shared Success in Developing Countries (SSDC) programme with which Imtech is showing that as a company it is doing more than the legal requirements. An approach that is not only good for developing countries but also for Imtech itself: Encouraging our employees to develop social activities means new knowledge and skills are gained and decentralised initiatives in the field of Corporate Social Responsibility are promoted.

The Imtech team in Soweto drew-up a plan for the collection of used cooking oil, improved the maintenance and security of an existing biodiesel factory and developed proposals for the decentralised production of small, mobile biodiesel factories.

The project laid the foundations for building up our own Imtech CSR community, for promoting corporate CSR



10 million kWh of green electricity in Imtech's own offices

Imtech's Dutch offices have converted to green electricity. Which means a total

of 10 million kWh of electricity per year for a period of at least three years. In 2009 Imtech will investigate whether this initiative can be followed up in other European countries.

awareness and for decentralised CSR initiatives. The costs of this SSDC mission amount to around 1 million euro per annum. A total of 25 Imtech people were directly involved with this project. In 2009 a start will be made on a second corporate citizenship project that will be deployed internationally within Imtech.

ISO 14001 certification

Imtech in the UK had already been awarded ISO 14001 certification. In 2008 Imtech's Spanish companies were awarded ISO 14001 certification. Acquired company NVS, the foundation for Imtech Nordic, is also 14001 certified. Certification of several other Imtech countries will follow in 2009 and 2010.

Icos Cleantech Fund I: early involvement in innovative sustainable technology

Imtech, along with CSM, Farm Frites and Icos Capital, is a participant in the Icos Cleantech Fund I. This is a fund in which technology experts, entrepreneurs and scientists work together with the objective of bringing promising technologies to development. The focus is on food, energy and waste combined with innovative new sustainable technologies. Imtech is participating with an amount of up to 2 million euro. Icos Cleantech Fund I is supported by the Dutch Ministry of Economic Affairs. In 2008 the fund invested in:

- Re-Steel, a company which, using technology patented by Delft Technical University, is able to extract valuable materials such as copper and steel from scrap and re-use them in an environmentally-friendly way;
- Dutch Rainmaker, a company that using a high-tech wind turbine, a compressor and an innovative cooling



Environmentally responsible procurement

More than forty suppliers have signed the Imtech Code of Supply which has been drawn-up on the basis of the carbon footprint, a standard which measures the influence of human activity on the environment. Imtech's own performance is also being measured.

system is able to condense water vapour from the air and store it as liquid water. A unique invention which can offer added value especially in low rainfall areas with a mild climate;

- FastrAK™, an ultra-modern technology that can detect pathogenic material in food chains at an early stage.

Participation in this fund enables Imtech to be involved in innovative, sustainable technology at an early stage.

Green Office 2015®

Imtech was the main initiator of this integrated project that has been embraced by many parties in the Dutch construction industry. Green Office 2015® is an innovative vision whereby inner-city areas, criss crossed by infrastructure (rail, roads, water) are elevated to multi-functional areas in which living, working and recreation are interwoven in a sustainable way. A concrete plan has been worked out for a flexible, innovative and sustainable 50,000m² office building that provides energy without making any concessions to comfort. A trend-setting concept and plan with state-of-the-art technology that fits seamlessly with the government's spatial structuring plans and offer added value because all the involved parties from every stage of the construction trajectory are sharing their knowledge and expertise.

'Green' Imtech office

Imtech has made a start on its own trend-setting sustainable office in Eindhoven that will serve as an example in the field of energy usage, CO₂ emissions and environmental burden. It will be an energy-generating building with a high-tech intelligent outer skin that has a beneficial influence on the energy and temperature

performance. Technological innovations, such as integrated climate ceilings, cold and heat storage, energy-efficient LED lighting and an interior based on the 'cradle to cradle' principle will be incorporated. The office will be ready in 2010.

Dutch Green Building Council

Imtech is one of the founding partners of the Dutch Green Building Council, an independent organisation that has developed a sustainability label for Dutch buildings and areas. This label is issued, in the form of a certificate, to customers that have allowed the level of sustainability of their building or area to be evaluated on the basis of the BREEAM – the BRE Environmental Assessment Method.

QHSE: Quality, Health, Safety and Environment

All the Imtech companies meet the highest QHSE standards, are certified on the basis of the relevant ISO quality standards, have the necessary safety certification and also have extra certification for specific projects. QHSE is guaranteed by a management system that is regularly checked and optimised. The QHSE performance of partners and suppliers is expected to be at least comparable to that of Imtech. Imtech's policy focuses on continuous process improvement and a better and better HSE performance. Imtech goes far further than the legal obligations. The improvement targets can be measured using numerous audits and customer evaluations.

Organisation

QHSE is a regular agenda item for the Imtech Executive Council, the highest international management level. There is also an Imtech HSE Policy Group comprising a member of the Board of Management, various operational managers, a Works Council representative and the Arbodienst (Occupational Health & Safety service). Imtech's HSE Policy Group develops corporate QHSE policy, initiates the improvement of QHSE performance, organises special campaigns and investigates individual companies and customers. There are regular, scheduled consultation meetings between the operational management and special QHSE staff. The HR staff and the Imtech Arbodienst take part in this consultation. QHSE is also a regular item on the Works Council's agenda.

Professional QHSE project management

QHSE is fully anchored at a project level. Health & Safety project plans are drawn up for every project and Imtech also carries out pre-job HSE risk analyses and specific work

site investigations. In addition to scheduled meetings between project management and the staff there are also monthly 'toolbox meetings', special QHSE meetings at the work site, and company-wide QHSE information campaigns. There is also an instrument for Last Minute Risk Analysis at the work site.

Zero target and learning from any incident

The ultimate target is zero accidents. Any accident is recorded in the Imtech Accident Book. Incidents are also investigated by Arbodienst and/or QHSE staff. If wished and/or necessary structural measures are taken to remove the danger at source. Any policy changes are co-ordinated by the Imtech Policy Group HSE. Serious accidents are reported to the authorities and/or Labour Inspectorate. Trends are also analysed based on Accident Book records and accident index figures are collected.

Imtech Arbodienst: gateway for HSE success

Imtech's own, certified Arbodienst guarantees expert practical and policy-oriented guidance and (medical) advice. Imtech Arbodienst advises in the areas of company health care, sick leave and re-integration, occupational safety, occupational and organisational skills and environmental issues. Specific investigations to measure the degree to which Imtech's employees are exposed to occupational risks are carried out and contribute towards limiting and preventing such risks.

Active care for the environment

On the basis of its HSE policy within Imtech there is active care for the environment. By environmental care Imtech understands the prevention of air, water and soil contamination, noise and other nuisance, such as undesirable emissions of gasses. Environmental demands are a standard criterion when developing and executing services and products. The environmental policy is safeguarded through external audits, is certificated and meets all legal environmental demands. At project sites environmentally harmful materials are always removed in accordance with statutory regulations. To prevent undesirable emissions staff are specially trained and certificated. The small quantity of waste generated at the office sites is separated, collected, removed and the administration kept in accordance with the regulations.

Safetecq®: optimum conditions for HSE

For Imtech 2008 was the year of HSE, Health, Safety and



Biogas plants in the UK

Anglian Water Services is building two new slurry-fuelled biogas plants that will generate

2 MW of electricity each year. Imtech was responsible for the total technology for the environmentally-friendly processing, purification and enrichment of the slurry.

Environment. In this context the following initiatives were implemented:

- the establishment of a Safetecq® policy statement comprising the following four HSE spearpoints:
 - optimum safety in the workplace;
 - optimum protection of health;
 - prevention of illness and occupational disability;
 - the prevention of environmental damage.
- the introduction of eight Safetecq® HSE principles to all Imtech employees;
- a Safetecq® communications campaign comprising posters, an interactive CD, website, leaflets and toolbox meetings.

Actions for 2009 and 2010

The successful CSR policy will be continued and expanded. A pilot scheme aimed at achieving further energy savings in Imtech's own offices is being prepared. The policy will also ensure the further quantification of the CSR performance of Imtech and Imtech's suppliers and partners. A set of instruments with which, on a project basis, the amount of energy saved or harmful CO₂ emissions prevented through the implemented Imtech technologies can be recorded will be sought. In addition, the 'carbon footprint-method' will be implemented. Only by measuring the CSR performance against performance indicators and CSR data can improvement be achieved. At the same time a start will be made on building up an internal CSR community which will serve as a basis for starting a second SSDC project and identifying decentralised CSR initiatives. Finally attention will be paid to the ISO 14001 certification of the entire organisation.

MANAGEMENT DECLARATIONS

The financial statements give a true and fair view of the assets, liabilities, financial position and profit of Imtech N.V. and the companies included in the consolidation.

The annual report gives a true and fair view of the situation on the balance sheet date and the business development during the financial year of Imtech N.V. and the Group companies for which the financial information is recognised in its financial statements. The important risks with which Imtech N.V. is confronted are described in the annual report.

Gouda, 16 February 2009

Board of Management

R.J.A. van der Bruggen, Chairman

B.R.I.M. Gerner, CFO

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■ CONSOLIDATED PROFIT AND LOSS ACCOUNT

In thousands of euro

1.3 Revenue

	2008	2007
	3,859,443	3,346,308
Raw and auxiliary materials and trade goods	1,384,467	1,247,169
Work by third parties and other external expenses	878,577	748,617
4 Personnel expenses	1,071,207	912,782
9 Depreciation of property, plant and equipment	29,298	24,027
10 Amortisation of intangible assets	10,385	7,806
10 Impairment of intangible assets	3,000	1,384
5 Other expenses	298,705	257,243
Total operating expenses	3,675,639	3,199,028
Result from operating activities	183,804	147,280
Finance income	21,999	32,987
Finance expenses	(51,271)	(53,906)
6 Net finance result	(29,272)	(20,919)
11 Share in result of associates, joint ventures and other investments	190	(212)
Profit before income tax	154,722	126,149
7 Income tax expense	(41,183)	(33,312)
Profit for the period	113,539	92,837
Attributable to:		
Shareholders of Imtech N.V. (net profit)	113,341	91,930
Minority interest	198	907
Profit for the period	113,539	92,837
19 Basic earnings per share (euro)	1.46	1.17
19 Diluted earnings per share (euro)	1.46	1.15
19 Basic earnings per share (euro)*	1.64	1.29
19 Diluted earnings per share (euro)*	1.63	1.27

* Before amortisation and impairment of intangible assets.

■ CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSES

In thousands of euro

	2008	2007
Foreign currency translation differences attributable to shareholders of Imtech N.V. (before deferred tax effect)	(38,272)	(8,545)
Foreign currency translation differences attributable to minority interest	22	(52)
Effective portion of changes in the fair value of cash flow hedges (before deferred tax effect)	(2,891)	(294)
Deferred tax effect on foreign currency translation differences	4,652	—
Deferred tax effect on the effective portion of the changes in the fair value of cash flow hedges	283	141
Income and expenses recognised directly in shareholders' equity	(36,206)	(8,750)
Profit for the period	113,539	92,837
18 Total recognised income and expenses for the period	77,333	84,087
Attributable to:		
Shareholders of Imtech N.V.	77,113	83,232
Minority interest	220	855
Total recognised income and expenses for the period	77,333	84,087

■ CONSOLIDATED BALANCE SHEET

In thousands of euro

Assets

- 9 Property, plant and equipment
- 10 Intangible assets
- 11 Investments in associated companies and joint ventures
- 12 Long-term receivables
- 13 Deferred tax assets

Total non-current assets

- 14 Inventories
- 15 Due from customers
- 16 Trade and other receivables
- 8 Income tax receivables
- 17 Cash and cash equivalents

Total current assets

Total assets

31 December 2008	31 December 2007
132,215	107,383
697,170	387,705
3,196	2,438
22,651	17,656
19,945	10,405
875,177	525,587
82,653	65,665
420,234	353,625
987,594	813,164
5,891	9,120
101,765	123,969
1,598,137	1,365,543
2,473,314	1,891,130

	31 December 2008	31 December 2007
Shareholders' equity		
Share capital	64,528	64,528
Share premium reserve	36,120	36,120
Other reserves	181,946	174,113
Unappropriated profit	113,341	91,930
18 Total shareholders' equity attributable to shareholders of Imtech N.V.	395,935	366,691
Minority interest	3,260	3,411
Total shareholders' equity	399,195	370,102
Liabilities		
20 Loans and borrowings	367,822	134,032
21 Employee benefits	146,562	142,775
22 Provisions	4,368	4,013
13 Deferred tax liabilities	32,893	12,851
Total non-current liabilities	551,645	293,671
17 Bank overdrafts	178,694	74,507
20 Loans and borrowings	11,376	7,396
15 Due to customers	323,118	256,005
23 Trade and other payables	964,628	846,513
8 Income tax payables	28,189	30,219
22 Provisions	16,469	12,717
Total current liabilities	1,522,474	1,227,357
Total liabilities	2,074,119	1,521,028
Total shareholders' equity and liabilities	2,473,314	1,891,130

■ CONSOLIDATED CASH FLOW STATEMENT

In thousands of euro

	2008	2007
Cash flow from operating activities		
Result from operating activities	183,804	147,280
Adjustments for:		
9 Depreciation of property, plant and equipment	29,298	24,027
10 Amortisation and impairment of intangible assets	13,385	9,190
Result on sale of non-current assets	(341)	(2,367)
4 Share-based payments	2,385	2,179
Operating cash flow before changes in working capital and provisions	228,531	180,309
Change in inventories	(10,424)	1,188
Change in amounts due to/from customers	(43,673)	(737)
Change in trade and other receivables	(93,547)	(30,055)
Change in trade and other payables	37,424	65,315
Change in provisions and employee benefits	1,814	(5,709)
	(108,406)	30,002
Cash flow from operating activities	120,125	210,311
Interest paid	(26,250)	(19,031)
Income tax paid	(46,241)	(43,488)
Net cash flow from operating activities	47,634	147,792
Cash flow from investing activities		
Proceeds from the sale of property, plant and equipment and other non-current assets	3,468	8,472
Proceeds from the sale of non-current assets classified as held for sale	—	10,214
Interest received	3,089	3,873
Dividends received	1,080	716
Proceeds from the sale of subsidiaries, net of cash disposed of	79	368
2 Acquisition of subsidiaries, net of cash acquired	(293,010)	(130,680)
2 Acquisition of minority interests	(3,734)	(113)
Purchase of property, plant and equipment	(39,248)	(28,900)
10 Purchase of intangible assets	(8,501)	(6,045)
Acquisition of associated companies and joint ventures	(168)	(343)
Issue less repayment of long-term loans	388	8,794
Net cash flow from investing activities	(336,557)	(133,644)
Cash flow from financing activities		
18 Proceeds from the exercise of share options	2,502	2,426
18 Purchase of own shares	(16,506)	(14,398)
Proceeds from loans	231,787	103,037
Repayment of loans	(6,629)	(42,429)
Payments of finance lease liabilities	(3,462)	(277)
18 Dividend paid	(37,258)	(28,862)
Net cash flow from financing activities	170,434	19,497
Net decrease/increase of cash, cash equivalents and bank overdrafts	(118,489)	33,645
Cash, cash equivalents and bank overdrafts as at 1 January	49,462	19,192
Effect of exchange rate differences on cash, cash equivalents and bank overdrafts	(7,902)	(3,375)
Cash, cash equivalents and bank overdrafts as at 31 December	(76,929)	49,462

■ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

In thousands of euros unless indicated otherwise

IMPORTANT ACCOUNTING POLICIES FOR FINANCIAL REPORTING

Imtech N.V. ('the Company') has its corporate seat in Rotterdam, the Netherlands. The Company's consolidated financial statements for the 2008 financial year include the accounts of Imtech N.V. and its subsidiary companies (together referred to as the 'Group'). Article 402, Book 2 of the Netherlands Civil Code is applied. The financial statements were prepared by the Board of Management on 16 February 2009.

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

(b) Basis of preparation

The financial statements are presented in euro, which is the Company's functional currency, rounded-off to the nearest thousand. They have been prepared on the basis of historical cost, with the exception of derivative financial instruments, financial instruments classified as held for sale and plan assets, which are stated at their fair value.

Non-current assets and disposal groups classified as held for sale are valued at the lower of carrying amount and fair value less costs to sell.

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgements regarding the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results can differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision only affects this period, or in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements regarding the application of the accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 10 – determination of the recoverable amount of cash-generating units;
- Note 15 – valuation of amounts due from / to customers;
- Note 21 – valuation of the liability related to defined benefit plans.

The accounting policies set out below have been applied consistently for all the periods presented in these consolidated financial statements. The accounting policies have been applied consistently by all Group companies.

(c) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to, directly or indirectly, govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Where necessary the accounting policies of subsidiaries have been adapted to the accounting policies applied by the Group.

(ii) Associates

Associates are those entities in which the Group has a significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognised gains and losses of associates on an equity accounting basis, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of the losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and further losses are not recognised except to the extent that the Group has incurred a legal or constructive obligation or has made payments on behalf of an associate.

(iii) Joint ventures

Joint ventures are those entities over whose activities the Group, together with other parties, has control established by contractual agreement. The consolidated financial statements include the Group's share of the total recognised gains and losses of joint ventures on an equity accounting basis, from the date that joint control commences until the date that joint control ceases.

(iv) Transactions eliminated on consolidation

Intra-Group balances and any unrealised gains and losses or income and expenses arising from intra-Group transactions, are eliminated when preparing the consolidated financial statements. Unrealised gains from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no indication for impairment.

(d) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated into euro at the foreign exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies on the balance sheet date are translated into euro at the exchange rate prevailing on that date. Foreign exchange differences arising on translation are recognised in the profit and loss account, except for differences arising on the re-translation of held-for-sale equity instruments or a financial liability designated as a hedge of the net investment in a foreign operation. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated at the exchange rate prevailing on the date of the transaction.

(ii) Financial statements of foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation are translated into euro at the foreign exchange rates prevailing on the balance sheet date. The revenue and expenses of foreign operations are translated into euro at rates approximate to the rates prevailing on the dates of the transactions. Foreign exchange rate differences arising on re-translation are recognised directly in a separate component of equity.

Since January 2004, the Group's transition date to IFRS, such differences have been recognised in the translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount is transferred from the translation reserve to the profit and loss account.

(iii) Hedging of the net investment in foreign operations

Foreign exchange differences arising from the re-translation of a financial liability that is designated as a hedge for the net investment in a foreign operation are recognised directly in equity, in the translation reserve, insofar as the hedge is effective. The non-effective portion is recognised in the profit and loss account. When the hedged net investment is sold, the cumulative amount in equity is transferred as an adjustment to the profit and loss account on disposal.

(e) Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to interest rate and foreign exchange risks arising from operating, financing and investing activities. In accordance with its treasury policy the Group neither holds nor issues derivative financial instruments for trading purposes. Derivatives that do not qualify for hedge accounting are, however, accounted for as trading instruments.

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the profit and loss account. Where, however, derivative financial instruments qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see accounting policy (f)).

The fair value of interest rate and forward exchange contracts is based on their quoted market price if available. If no quoted market price is available the fair value is estimated by discounting the difference between the contracted and actual forward price for the remaining term based on a risk-free interest rate (based on government bonds).

(f) Hedging

(i) Cash flow hedges

If a derivative financial instrument is designated as a hedge against the variability in the cash flows of a recognised asset, liability, or a highly probable forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in equity. If the forecasted transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated cumulative gain or loss is removed from equity and included in the initial cost of the non-financial asset or liability. If the hedge of a forecast transaction subsequently results in the recognition of a financial asset or liability, the associated gains and losses that were recognised directly in equity are transferred into the profit and loss account in the same period or periods during which the acquired asset or assumed liability affects profit or loss. For cash flow hedges, other than those covered by the two preceding policies, the associated gain or loss is removed from equity and recognised in the profit and loss account in the same period or periods during which the hedged forecast transaction affects profit or loss. The ineffective part of any gain or loss is recognised immediately in the profit and loss account.

When a hedging instrument expires, or is sold, terminated or exercised, or the entity revokes the hedge relationship designation, but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the policy above when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised immediately in the profit and loss account.

(ii) Hedging of monetary assets and liabilities

When a derivative financial instrument is used as an economic hedge against the exposure to the foreign exchange risk of a recognised monetary asset or liability, no hedge accounting is applied and any gain or loss on the hedging instrument is recognised in the profit and loss account.

(iii) Hedging of a net investment in a foreign operation

The portion of the gain or loss on an instrument used to hedge a net investment in a foreign operation, which is determined to be an effective hedge, is recognised directly in equity. The ineffective portion is recognised immediately in the profit and loss account.

(g) Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses (see accounting policy (n)). The cost of certain assets was determined on 1 January 2004, the date of transition to IFRS, at the fair value at that date as deemed cost. The cost of self-produced assets comprises the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the assets and restoring the site at which the assets were located, and an appropriate proportion of production overheads. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

(ii) Leased assets

Leases under the terms of which the Group assumes virtually all the risks and rewards of ownership are classified as finance leases. Non-current assets acquired by way of a finance lease are stated at an amount equal to the lower of fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation (see below) and impairment losses (see accounting policy (n)). Lease payments are accounted for as described in accounting policy (v).

(iii) Subsequent costs

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied in the item will flow to the Group and the cost of the item can be assessed reliably. All other costs are recognised in the profit and loss account as and when they are incurred.

(iv) Depreciations

Depreciations are charged to the profit and loss account on a straight-line basis over the estimated useful lifetime of each component of an item of property, plant and equipment. Land is not depreciated. Estimated useful lifetimes are as follows:

■ buildings	30 years
■ plant and equipment	10 – 12 years
■ fixtures and fittings	3 – 5 years
■ major components	10 years

Unless it is insignificant the residual value is assessed annually.

(h) Intangible assets

(i) Goodwill

All business combinations are accounted for by applying the purchase method. Goodwill represents amounts arising on the acquisition of subsidiaries, associates and joint ventures.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is no longer amortised but tested for impairment annually or when this is indicated (see accounting policy (n)). In the case of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

Negative goodwill arising on an acquisition is recognised directly in the profit and loss account.

In the case of acquisitions that have occurred since 1 January 2004, goodwill represents the difference between the cost of the acquisition and the net fair value of the acquired identifiable assets and (contingent) liabilities. In the case of acquisitions that occurred before the above date, goodwill is included on the basis of the generally accepted accounting policies previous applied in the Netherlands (Part 9, Book 2 Netherlands Civil Code).

(ii) Research and development

Expenditure for research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised in the profit and loss account as an expense is incurred.

Expenditure for development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. The capitalised expenditure comprises the costs of materials, direct labour and an appropriate portion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation (see below) and accumulated impairment losses (see accounting policy (n)).

(iii) Other intangible assets

Other intangible assets acquired by the Group are stated at cost less accumulated amortisation (see below) and accumulated impairment losses (see accounting policy (n)).

(iv) Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the profit and loss account as and when the expense is incurred.

(v) Amortisation

Amortisation is charged to the profit and loss account on a straight-line basis over the estimated useful lifetime of intangible assets, unless this lifetime is indefinite. Other intangible assets are amortised from the date they are available for use. The estimated useful lifetimes are as follows:

■ software	3 – 10 years
■ customer relationships/contracts	5 – 15 years
■ capitalised development costs	3 – 5 years
■ technology	10 years
■ brands	10 years

Goodwill and intangible assets with an indefinite useful lifetime are tested systematically for impairment on each balance sheet date.

(j) Investments

Investments in debt and equity securities are classified as held for sale and are stated at fair value, with any resultant gain or loss recognised directly in equity, except for impairment losses and, in the case of monetary items such as debt securities, foreign exchange gains and losses. When these investments cease to be recognised the cumulative gain or loss previously recognised directly in equity is recognised in the profit and loss account. Where these investments are interest-bearing, the interest calculated using the effective interest method is recognised in the profit and loss account.

The fair value of financial instruments classified as held for sale is their quoted bid price on the balance sheet date.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the course of normal business less the estimated costs of completion and selling expenses. The cost of inventories is based on the first-in-first-out principle and comprises the expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. The cost of manufactured inventories and work in progress includes an appropriate share of overheads based on normal operating capacity.

(l) Due from customers

Work in progress for third parties is stated at cost plus profit recognised to date (see accounting policy (u)), less a provision for foreseeable losses and less progress billings. Cost comprises all expenditure directly related to specific projects, plus an allocation of fixed and variable overheads incurred during the Group's contract activities based on normal operating capacity.

(m) Trade and other receivables

Trade and other receivables are initially stated at fair value plus any directly attributable transaction costs. Subsequently, trade and other receivables are valued at amortised cost less impairment losses (see accounting policy (n)).

(n) Impairment

The carrying amount of the Group's assets, excluding inventories (see accounting policy (k)), work in progress (see accounting policy (l)), an asset arising from defined benefit plans (see accounting policy (r) (ii)) and deferred tax assets (see accounting policy (w)) are reviewed on each balance sheet date to determine whether there is any indication of impairment. If any such indication exists the recoverable amount of the asset is estimated (see accounting policy (n) (i)).

The recoverable amount of goodwill, assets with an indefinite useful life-time and intangible assets that are not yet available for use is estimated annually.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (or groups of units) and then to reduce the carrying amount of the other assets in the unit (or group of units).

(i) Calculation of recoverable amount

The recoverable amount of the Group's investments in receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at the initial recognition of these financial assets). Receivables with a short remaining term are not discounted.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects both the current market assessment of the time value of money and the risks specific to the asset. When an asset does not generate mainly independent cash inflow, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment

An impairment loss in respect of a receivable carried at amortised cost is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of an investment in an equity instrument classified as held for sale is not reversed via the profit and loss account.

If the fair value of a debt instrument classified as available for sale increases, and the increase can be related objectively to an event occurring after the impairment loss was recognised in the profit and loss account, the impairment loss is reversed and the amount of the reversal recognised in the profit and loss account.

An impairment loss in respect of goodwill is not reversed.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and deposits that can be withdrawn on demand. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

(p) Share capital

(i) Repurchase of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in equity. Repurchased shares are classified as own shares and presented as a deduction from total equity.

(ii) Dividend

Dividends are recognised as a liability in the period in which they are declared.

(q) Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing loans are stated at amortised cost with any difference between cost and redemption value being recognised as profit or loss over the period of the loans using the effective interest method.

(r) Employee benefits

The Group makes a financial contribution towards various pension plans. These plans include both defined contribution plans and defined benefit plans. Defined benefit plans are applicable for groups of employees in the Netherlands, Germany, Belgium, Norway and Austria.

(i) Defined contribution plans

A defined contribution plan is a plan related to post-retirement payments for which the Group pays fixed contributions to a separate entity and has no legally enforceable or constructive obligation to pay additional contributions. Obligations related to contributions to defined contribution pension plans are recognised as an expense in the profit and loss account as incurred.

(ii) Defined benefit plans

Defined benefit plans are all plans related to post-retirement payments other than defined contribution plans. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the balance sheet date on AA credit rated company bonds with maturity dates approximate to the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the profit and loss account on a straight-line basis over the average period until the benefits become vested. The expense related to the portion of benefits that are vested immediately is recognised immediately in the profit and loss account.

All actuarial gains and losses as at 1 January 2004, the date of transition to IFRS, have been recognised. With regard to actuarial gains and losses that have arisen since 1 January 2004, when calculating the Group's obligation in respect of a plan, any portion of the cumulative unrecognised actuarial gain or loss that exceeds 10% of the greater of the current value of the defined benefit obligation and the fair value of plan assets is recognised as profit or loss over the expected average remaining working life of the employees participating in the plan. For the rest, the actuarial gain or loss is not recognised.

When the calculation results in a benefit to the Group, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

(iii) Long-term service benefits

The Group's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rate is the yield on the balance sheet date on AA credit rated company bonds with maturity dates approximate to the terms of the Group's obligations. Any actuarial gains or losses are recognised in the profit and loss account in the period in which they arise.

(iv) Share-based payments

The share option scheme allows Group employees to acquire shares in the Company. Members of the Board of Management are awarded shares conditionally. This conditional awarding of shares is linked to the fulfilling of the long-term (three years) performance criteria listed under 'Remuneration of the Board of Management' in the report of the Supervisory Board. The fair value of awarded share options and shares is recognised as an employee expense, with a corresponding increase in equity. The fair value is determined on the date of awarding and is spread over the period during which the employees and members of the Board of Management respectively become unconditionally entitled to the share options or shares. The fair value of the awarded share options and shares is determined using a binomial lattice model, taking into account the terms and conditions upon which the share options and shares were awarded. The amount recognised as an expense is adjusted to reflect the actual number of share options and shares that vest, apart from share options that do not vest because the share price has not reached a specific threshold.

(s) Provisions

A provision is recognised in the balance sheet when the Group has a current legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and this obligation can be estimated reliably. If the effect is material provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessment of the time value of money and, where appropriate, of the risks specific to the liability.

(i) Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighing of all possible outcomes against their associated probabilities.

(ii) Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan and the restructuring has either commenced or has been announced publicly. No provision is made for future operating costs.

(iii) Onerous contracts

A provision for onerous contracts is recognised when the benefits expected to be derived by the Group from a contract are lower than the unavoidable cost of meeting its contractual obligations.

(t) Trade and other payables

Trade and other payables are stated at amortised cost. The initial recognition is at fair value less attributable transaction costs.

(u) Revenue

(i) Construction contracts

As soon as the outcome of construction contracts can be estimated reliably, contract revenue and expenses are recognised in the profit and loss account in proportion to the stage of completion of the contract. In general, if a project is larger than 2 million euro the profit cannot be estimated reliably until after 25% of the costs have been incurred. Costs incurred up to that moment are recognised in the period in which they are incurred and revenue is only recognised to the extent of contract costs incurred that it is probable will be recoverable. The stage of completion is determined on the basis of the costs incurred compared with the expected total costs. An expected loss on a contract is recognised immediately in the profit and loss account.

A distinction is made between revenue from the main contract, variation orders, claims and incentives. Approved variations are handled in the same way as the main contract. Claims include the costs of delays caused by the customer, errors in specifications and design and disputed variation orders. Revenue from claims is not taken into account until the negotiations with the customer have reached an advanced stage and it is probable that the customer will accept the claim. Revenue from incentives is included in contract revenue when the extent of the work completed is such that it is probable that the incentive will be received.

(ii) Services rendered and goods sold

Revenue from services rendered is recognised in the profit and loss account in proportion to the stage of completion of the transaction on the balance sheet date. The stage of completion is determined on the basis of the costs incurred compared with the expected total costs.

Revenue from the sale of goods is recognised in the profit and loss account when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods, or if there is a continuing management involvement with the goods.

(iii) Government grants

Grants to compensate the Group for expenses incurred are recognised systematically as revenue in the profit and loss account in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised systematically as other operating income in the profit and loss account throughout the useful lifetime of the asset.

(v) Expenses

(i) Operating lease payments

Payments made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are linearly recognised in the profit and loss account as an integral part of the total lease expense.

(ii) Finance lease payments

Minimum lease payments are apportioned between the financing charge and the reduction of the outstanding liability. The finance charge is allocated to each period of the total lease term so as to produce a constant periodic rate of interest over the remaining balance of the liability.

(iii) Net finance result

The net finance result includes interest payable on borrowings calculated using the effective interest rate method, interest on the employee benefits obligations and other provisions, expected return on plan assets, dividends, foreign currency exchange rate differences and gains and losses on hedging instruments recognised in the profit and loss account (see accounting policy (f)).

Interest income is recognised in the profit and loss account as it accrues using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established which, for quoted securities, is the date the dividend is payable.

The interest expense component of the finance lease payments is recognised in the profit and loss account using the effective interest method.

(w) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable (recoverable) on the taxable result for the year, calculated using tax rates enacted or substantially enacted on the balance sheet date, and any adjustments to tax payable or recoverable in respect of previous years.

The provision for deferred tax liabilities is formed using the balance sheet liability method whereby a provision is formed for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. No provision is formed for the following temporary differences: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of the provision for deferred tax is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantially enacted on the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional income tax that arises from the distribution of dividends is recognised at the same time as the liability to pay the related dividend.

(x) Segment reporting

A segment is a clearly distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment) and which is subject to risks and rewards that are different from those of other segments.

(y) Non-current assets held for sale and discontinued operations

Immediately before classification as held for sale, the carrying amount of the asset (and all the assets and liabilities of a disposal group) is measured in accordance with IFRS. Then, on initial classification as held for sale, non-current assets and disposal groups are recognised at the lower of carrying amount and fair value less costs to sell.

Impairment losses on initial classification as held for sale are included in the profit and loss account, even when there is a revaluation. The same applies to gains and losses on subsequent remeasurement.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or, if this is earlier, when the operation meets the criteria for classification as held for sale. A disposal group that is to be abandoned may also qualify.

(z) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2008, and have not been applied in preparing these consolidated financial statements:

- Amendment to IFRS 2 *Share-based Payment – Vesting Conditions and Cancellations* clarifies the definition of vesting conditions, introduces the concept of non-vesting conditions, requires non-vesting conditions to be reflected in grant-date fair value and provides the accounting treatment for non-vesting conditions and cancellations. The amendments to IFRS 2 will become mandatory for the Group's 2009 consolidated financial statements, with retrospective application and it is not expected to have any impact on the consolidated financial statements.
- The revised IFRS 3 *Business Combinations* (2008) incorporates the following changes that are likely to be relevant to the Group's operations:
 - The definition of a business has been broadened, which is likely to result in more acquisitions being treated as business combinations;
 - Contingent consideration will be measured at fair value, with subsequent changes therein recognised in profit or loss;
 - Transaction costs, other than share and debt issue costs, will be expensed as incurred;
 - Any pre-existing interest in the acquiree will be measured at fair value with the gain or loss recognised in profit or loss;
 - Any non-controlling (minority) interest will be measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities of the acquiree, on a transaction-by-transaction basis.

Revised IFRS 3, which becomes mandatory for the Group's 2010 consolidated financial statements, will be applied prospectively and therefore there will be no impact on prior periods in the Group's 2010 consolidated financial statements.

- IFRS 8 *Operating Segments* introduces the 'management approach' to segment reporting. IFRS 8, which becomes mandatory for the Group's 2009 consolidated financial statements, will require a change in the presentation and the disclosure of segment information based on the internal reports regularly reviewed by the Group's Chief Operating Decision Maker in order to assess each segment's performance and to allocate resources to them. As a consequence of this new standard the segment reporting will change.
- Revised IAS 1 *Presentation of Financial Statements* (2007) introduces the term total comprehensive income, which represents changes in equity during a period other than those changes resulting from transactions with owners in their capacity as owners. Total comprehensive income may be presented in either a single statement of comprehensive income (effectively combining both the income statement and all non-owner changes in equity in a single statement), or in an income statement and a separate statement of comprehensive income. Revised IAS 1, which becomes mandatory for the Group's 2009 financial statements, is expected to have no impact on the presentation of the consolidated financial statements.

- Revised IAS 23 *Borrowing Costs* removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The revised IAS 23 will become mandatory for the Group's 2009 consolidated financial statements and will constitute a change in accounting policy for the Group. In accordance with the transitional provisions, the Group will apply the revised IAS 23 to qualifying assets for which capitalisation of borrowing costs commences on or after the effective date.
- Amended IAS 27 *Consolidated and Separate Financial Statements* (2008) requires accounting for changes in ownership interests by a parent the Group in its subsidiary, while maintaining control, to be recognised as an equity transaction with equity holders in their capacity as equity holders. When the Group's parent loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The amendments to IAS 27, which become mandatory for the Group's 2010 consolidated financial statements, are not expected to have a significant impact on the consolidated financial statements.
- Amendments to IAS 32 *Financial Instruments: Presentation* and IAS 1 *Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation* requires puttable instruments, and instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation, to be classified as equity if certain conditions are met. These amendments, which will become mandatory for the Group's 2009 consolidated financial statements, with retrospective application required, are not expected to have any impact on the consolidated financial statements.
- IFRIC 13 *Customer Loyalty Programmes* addresses the accounting by entities that operate, or otherwise participate in, customer loyalty programmes for their customers. IFRIC 13, which becomes mandatory for the Group's 2009 consolidated financial statements, will not have any impact on the consolidated financial statements.

1 Segment reporting

Segment information is provided about the Group's business segments and geographical segments. The primary basis for segmentation – business segments – is based on the Group's management structure and internal reporting structure.

The prices for transactions between segments are decided on the basis of a businesslike, objective principle.

The results, assets and liabilities of a segment comprise items that can be, or can reasonably be, attributed directly to the segment. Items that are not attributed are mainly proceeds, interest-bearing loans, corporate assets, head-office expenses and income tax assets and liabilities.

A segment's investment expenditure comprises the costs related to the acquisition of segment assets expected to remain in use for more than one year incurred during the reporting year.

Business segments

Imtech is a European technical services provider in the field of information and communication technology, electrical engineering and mechanical engineering. Imtech has the following main business segments:

- Projects
- ICT, Traffic & Marine

The main Projects business segment involves mainly local-for-local business and includes installation and maintenance activities.

The ICT, Traffic & Marine main business segment carries out activities that are of a technological nature in the area of ICT, marine technology, fire security, parking and mobility.

Geographical segments

In the presentation of information based on geographical segments, in principle the customer's geographical location is the basis on which revenue is attributed to the segment. The geographical location of an asset is the basis for its being attributed to a segment.

Clusters

This concerns the segments used for internal reporting purposes. The Projects segment is divided into regions.

Information per cluster <i>In millions of euro</i>	2008		2007	
	Revenue	EBITA	Revenue	EBITA
Benelux	1,167	45.1	1,024	38.5
Germany & Eastern Europe	1,037	59.1	970	43.4
UK, Ireland & Spain	519	32.4	417	28.5
Nordic (2 months)	63	5.0	–	–
Projects	2,786	141.6	2,411	110.4
ICT, Traffic & Marine	1,073	70.8	935	61.0
	3,859	212.4	3,346	171.4
Group management	–	(15.2)	–	(14.9)
Total	3,859	197.2	3,346	156.5

1 Information by business segment	Projects		ICT, Traffic & Marine		Unallocated/ eliminations		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
Information profit and loss account								
Revenue from transactions with third parties:								
■ Construction contracts	2,061,821	1,751,601	329,787	288,179	–	–	2,391,608	2,039,780
■ Services	713,098	638,824	246,963	203,688	–	–	960,061	842,512
■ Sale of goods	11,855	19,548	495,919	444,468	–	–	507,774	464,016
Revenue from transactions with third parties	2,786,774	2,409,973	1,072,669	936,335	–	–	3,859,443	3,346,308
Inter-segment revenue	1,193	5,113	24,212	17,432	(25,405)	(22,545)	–	–
Revenue	2,787,967	2,415,086	1,096,881	953,767	(25,405)	(22,545)	3,859,443	3,346,308
Segment result	136,007	107,866	62,894	54,855	–	–	198,901	162,721
Unallocated expenses							(15,097)	(15,441)
Result from operating activities							183,804	147,280
Net finance result							(29,272)	(20,919)
Share of result of associated companies, joint ventures and other investments	(1,063)	(300)	1,690	1,305	(437)	(1,217)	190	(212)
Income tax expense							(41,183)	(33,312)
Profit for the period							113,539	92,837
Capital expenditure	309,093	72,204	113,932	159,039	525	–	423,550	231,243
Depreciation and amortisation	23,431	17,857	15,842	13,755	410	221	39,683	31,833
Impairment losses on property, plant and equipment and intangible assets	2,500	475	500	909	–	–	3,000	1,384
Information balance sheet								
Segment assets	1,942,825	1,491,409	739,693	596,990	–	–	2,682,518	2,088,399
Investment in associated companies and joint ventures	949	829	2,247	1,609	–	–	3,196	2,438
Unallocated assets	–	–	–	–	(212,400)	(199,707)	(212,400)	(199,707)
Total assets	1,943,774	1,492,238	741,940	598,599	(212,400)	(199,707)	2,473,314	1,891,130
Segment liabilities	1,619,795	1,233,390	599,448	500,768	–	–	2,219,243	1,734,158
Unallocated liabilities	–	–	–	–	(145,124)	(213,130)	(145,124)	(213,130)
Total liabilities	1,619,795	1,233,390	599,448	500,768	(145,124)	(213,130)	2,074,119	1,521,028

Geographical segments	Revenue from transactions with third parties		Segment assets		Capital expenditure	
	2008	2007	2008	2007	2008	2007
Benelux	1,477,745	1,334,512	889,407	770,223	43,426	41,304
Germany & Eastern Europe	1,224,336	1,096,855	804,374	749,881	30,044	18,022
UK, Ireland & Spain	685,231	480,285	432,163	477,255	29,363	165,489
Nordic	74,031	16,520	374,899	7,901	275,866	–
Other countries	398,100	418,136	184,871	85,577	44,851	6,428
Unallocated	–	–	(212,400)	(199,707)	–	–
Total	3,859,443	3,346,308	2,473,314	1,891,130	423,550	231,243

2 Acquisition of subsidiaries and minority interests

The most important subsidiaries in which the Group acquired a 100% interest and voting rights during 2008 are:

Pertec (South Africa)

Brand-independent marine services provider Pertec joined the Group on 26 February 2008. Pertec's activities include electrical engineering, navigation, communication, ICT and air-time. Pertec has 80 employees and offices in Cape Town, Durban, Johannesburg, St. Helena Bay and Mossel Bay. With this acquisition Imtech has become by far the largest marine services specialist and marine electronics distributor in South Africa with a nationwide network that covers all the major harbours and has a good starting position for further growth.

Van Berge Henegouwen (The Netherlands)

Van Berge Henegouwen is a specialist in the field of marine technology in luxury mega yachts, such as high-tech entertainment (multi-media, audio and video), communication, security and control, navigation and computer networks. The company, which was acquired on 31 March 2008, has a strong network and enjoys an excellent global reputation with its customers. The company is based in Roelofarendsveen and has around 35 employees.

REAL Solutions Group (United Kingdom)

REAL Solutions, which was acquired on 31 March 2008, has offices in London and Manchester and is an ICT specialist carrying out a mix of activities within the IBM portfolio. Based on its solid track record and clear growth potential IBM considers REAL Solutions to be one of its most important business partners in the United Kingdom. REAL Solutions has nearly 100 employees.

IT&T (Switzerland)

With the acquisition at the end of April 2008 of ICT full-service provider and Microsoft partner IT&T the Group has acquired a company that offers total solutions for integrated financial service provision and accounting including consultancy. IT&T employs 15 people.

Fit IT, Ebit and Thinking Solutions (Belgium)

Mid July 2008 the Group acquired the three affiliated Belgian ICT companies - Fit IT, Ebit and Thinking Solutions. Fit IT is both an IBM Premier Partner and a Microsoft Gold Certified Partner and specialises in ICT infrastructure solutions and related services. Ebit, as a software specialist for a number of years and an IBM Business Partner, supplies customised software based on Java and Open Source technology. Thinking Solutions is both an IBM Partner (Ascential and Cognos) and an SAP Partner (Business Objects) and its specialisms include business intelligence, data warehousing and performance management. The three companies, with a total of 70 employees, fit very well into the ICT services portfolio Imtech offers elsewhere in Europe.

STAS (Germany)

STAS, based in Reilingen near Heidelberg, is a fast-growing specialist in software for business intelligence with solutions from both IBM Cognos (90%) and Microsoft Cubeware (10%). STAS is a top-3 Platinum Cognos Partner and one of the largest Cognos partners in Germany. The company serves over 600 customers and 450 service contracts with a good spread across the industry, banking, trade and financial services segments. STAS, with 50 employees, was acquired on 19 August.

NEO (Germany)

NEO, with its head office in Hannover, an office in Stuttgart and 45 employees, was acquired on 10 November 2008. NEO is a fast-growing, certified SAP Service Partner that provides high-value SAP applications to around 100 medium-sized and large German customers in the industry, consumer and care & cure markets.

ILS (Austria)

With the acquisition of ILS on 26 November 2008 one of the strongest players in the Austrian ICT market has joined the Group. ILS is both the largest IBM Partner in Austria and a Microsoft Gold Certified Partner. With 225 employees ILS serves nearly 750 customers across the full width of the ICT market and specialised IT services including consultancy, implementation, security, server applications, IT management (more than 200 service contracts) and training as well as support, hosting and out-sourcing based on IBM, Microsoft and VMWare solutions.

NVS (Scandinavia)

NVS, one of the largest and fastest-growing technical services providers in Sweden and Norway and with a base position in Finland, was acquired in November 2008. NVS serves more than 1,000 regular customers of different sizes and in different markets including industry, government, buildings and infrastructure. The focus is on direct contact with the end customer and strong customer relations. In general NVS concentrates on smaller projects with higher margins and is only involved in larger more complex projects if the price structure is good. This provides stability and continuity. NVS has over 2,300 employees in 91 offices.

Huguet (Spain)

On 17 December 2008 Imtech strengthened its Spanish portfolio through the acquisition of Spanish electrical engineering specialist Huguet. With 220 employees Huguet operates across much of Spain from its offices in Madrid, Barcelona, Pamplona and Tudela. Huguet is a strong player in the electrical engineering market and supplies a broad portfolio of electrical engineering solutions to a number of markets varying from hospitals, shopping centres, hotels, government buildings and offices to industry and the railways.

Total acquisitions

All the acquisitions were paid for in cash. Any earn-out amounts have been recognised as liabilities. Between the date of acquisition and 31 December 2008 these new subsidiaries contributed 9.3 million euro towards the consolidated net profit for 2008, of which 3.0 million euro was contributed by Van Berge Henegouwen, 3.6 million euro was contributed by NVS and 1.1 million euro was contributed by ILS. Had these acquisitions taken place on 1 January 2008 an estimation of the revenue and net profit of the Group would have been 4.3 billion euro and 131 million euro respectively.

Effect of acquisitions

The effect of the acquisitions on the Group's assets and liabilities was as follows. The column carrying amount reflects the carrying amount determined on the basis of IFRS immediately before the acquisition.

	Carrying amount	Fair value adjustments	Recognised carrying amount
Balance of assets and liabilities of ILS on the acquisition date			
Property, plant and equipment	2,146	—	2,146
Intangible assets	459	10,000	10,459
Non-current receivables	62	—	62
Inventories	2,032	—	2,032
Trade and other receivables	7,957	—	7,957
Cash, cash equivalents and bank overdrafts	6,755	—	6,755
Minority interest	(1,450)	—	(1,450)
Employee benefits	(756)	—	(756)
Deferred tax liabilities	300	(2,500)	(2,200)
Trade and other payables	(9,263)	—	(9,263)
Income tax payables	(1,291)	—	(1,291)
Net identifiable assets and liabilities	6,951	7,500	14,451
Goodwill on acquisition			34,799
Cost			49,250
Of which to be paid			(10,500)
Acquired cash, cash equivalents and bank overdrafts			(6,755)
Cash outflow (net)			31,995

	Carrying amount	Fair value adjustments	Recognised carrying amount
Balance of assets and liabilities of NVS on the acquisition date			
Property, plant and equipment	16,817	–	16,817
Intangible assets	–	47,920	47,920
Non-current receivables	341	–	341
Inventories	2,396	–	2,396
Trade and other receivables	51,286	–	51,286
Income tax receivables	382	–	382
Cash, cash equivalents and bank overdrafts	58,668	–	58,668
Loans and borrowings (non-current)	(7,069)	–	(7,069)
Employee benefits	(810)	–	(810)
Provisions (non-current)	(903)	–	(903)
Deferred tax liabilities	(8,570)	(13,418)	(21,988)
Loans and borrowings (current)	(2,549)	–	(2,549)
Due to customers	(27,713)	–	(27,713)
Trade and other payables	(57,804)	–	(57,804)
Net identifiable assets and liabilities	24,472	34,502	58,974
Goodwill on acquisition			209,818
Cost			268,792
Acquired cash, cash equivalents and bank overdrafts			(58,668)
Cash outflow (net)			210,124

	Carrying amount	Fair value adjustments	Recognised carrying amount
Balance of assets and liabilities of the other acquisitions on the acquisition date			
Property, plant and equipment	1,423	–	1,423
Intangible assets	316	4,620	4,936
Non-current receivables	1,127	–	1,127
Deferred tax liabilities	220	–	220
Inventories	3,192	–	3,192
Due from customers	4,400	–	4,400
Trade and other receivables	19,728	–	19,728
Income tax receivables	1,086	–	1,086
Cash, cash equivalents and bank overdrafts	7,120	–	7,120
Minority interest	877	–	877
Loans and borrowings (non-current)	(1,814)	–	(1,814)
Deferred tax liabilities	100	(1,414)	(1,314)
Loans and borrowings (current)	(105)	–	(105)
Due to customers	(4,191)	–	(4,191)
Trade and other payables	(20,589)	–	(20,589)
Income tax payables	(940)	–	(940)
Net identifiable assets and liabilities	11,950	3,206	15,156
Goodwill on acquisition			46,830
Cost			61,986
Of which to be paid			(15,685)
Acquired cash, cash equivalents and bank overdrafts			(7,120)
Cash outflow (net)			39,181

The acquisitions resulted in goodwill reflecting profit potential. The total cost of the acquisitions in 2008, excluding the acquired cash, cash equivalents and bank overdrafts, amounted to 303.0 million euro (2007: 149.5 million euro) of which a maximum amount of 26.2 million euro (2007: 18.6 million euro) will be paid if specified profit targets are achieved in the coming years. The cost price includes 4.4 million euro (2007: 0.2 million euro) negative revisions for prior year earn-outs. The final carrying values of the acquisitions in 2007 were adjusted downwards by 15.2 million euro (2007: 2.1 million euro). None of the cost price is deferred (2007: 14.6 million euro). In 2008, 19.9 million euro (2007: 14.6 million euro) was paid in earn-outs.

The acquisition balance sheets of NEO, ILS, NVS and Huguet are provisional due to uncertainty regarding some items.

3 Revenue

	2008	2007
Construction contracts, provision of services and sale of goods	3,858,635	3,340,804
Result from the disposal of property, plant and equipment	341	2,398
Other income	467	3,106
Total	3,859,443	3,346,308

4 Personnel costs

	2008	2007
Wages and salaries	880,207	746,466
Compulsory social security contributions	156,853	134,980
Contributions to defined contribution plans	20,298	18,302
Costs in respect of defined benefit plans	10,534	10,808
Costs in respect of jubilee benefits	930	47
Share-based payments	2,385	2,179
Total	1,071,207	912,782

Share-based payments

In 2008 and the preceding years a number of executives, including members of the Executive Council, were granted share options for ordinary shares in Imtech N.V. In 2008 this group was expanded to include a number of managers from European countries. The exercise price is based on the stock exchange price at the time the share option rights were granted, i.e. the first day that the Imtech shares were quoted ex-dividend. Up to and including 2004 the term of the options was 5 years and there was no lock-up period. The share option series dating from 2005 onwards have a term of 7 years and are conditional for the first 3 years. On the termination of employment with the Company the conditional share option rights still within the lock-up period lapse and the other share option rights must be exercised within 3 months. On change of control all conditional share option rights become unconditional.

Fair value of share options and assumptions

	2008	2007
Fair value on the valuation date	3.69	3.45 euro
Share price	16.91 euro	18.50 euro
Exercise price	16.91 euro	18.50 euro
Anticipated volatility (expressed as weighted average volatility applied in the binomial lattice model)	28%	22%
Term of share options (expressed as weighted average term applied in the binomial lattice model)	5.01 year	4.89 year
Assumed dividend	3.25%	3.25%
Risk-free interest rate	3.75%	4.25%

The anticipated volatility is based on the historical volatility (calculated on the basis of the weighted average remaining term of the share options), adjusted for any expected changes.

The number of share options granted to (former) members of the Board of Management and (former) employees, as well as the changes during the period, are summarised below.

	Granted in						Total
	2003	2004	2005	2006	2007	2008	
Number	522,000	552,000	571,500	676,500	722,250	1,193,455	4,237,705
Exercise price (in euro)	4.70	7.66	8.30	13.80	18.50	16.91	
Outstanding on 1 January 2008	132,000	219,000	474,750	618,000	722,250	—	2,166,000
Granted	—	—	—	—	—	1,193,455	1,193,455
Exercised	(114,000)	—	(103,500)	—	—	—	(217,500)
Lapsed	(18,000)	—	—	(6,000)	(9,000)	(19,000)	(52,000)
Outstanding on 31 December 2008	—	219,000	371,250	612,000	713,250	1,174,455	3,089,955
Exercisable on 31 December 2008	—	219,000	371,250	—	—	—	590,250

In 2008 the weighted average price of the share at the time the share options were exercised was 17.27 euro (2007: 19.15 euro). On 31 December 2008 the weighted average remaining contractual term of the outstanding share options was 5.8 years (2007: 5.6 years).

The costs of share-based payments recognised under personnel costs are as follows:

	2008	2007
Costs of share option scheme	1,815	1,205
Costs of share scheme	570	974
Total expense recognised under personnel costs	2,385	2,179

Remuneration of the Board of Management

In 2008 the remuneration of members of the Board of Management amounted to 1,921,391 euro (2007: 1,854,679 euro) and can be specified as follows:

<i>In euro</i>	Gross salary		Bonus		Pension and social security expenses		Total	
	2008	2007	2008	2007	2008	2007	2008	2007
R.J.A. van der Bruggen	594,000	540,000	415,800	377,916	203,464	231,926	1,213,264	1,149,842
B.R.I.M. Gerner	392,000	366,000	210,816	197,064	105,311	141,773	708,127	704,837
Total	986,000	906,000	626,616	574,980	308,775	373,699	1,921,391	1,854,679

Members of the Board of Management also receive a contribution towards expenses which, in the context of agreements with the tax authorities, is partially grossed.

The basic salaries of the Board of Management members follow the median level of the reference market for Board members of larger Dutch companies. The comparison factors are the weight and level of the functions. As of 1 January 2008 the basic salaries of the Chairman of the Board of Management and the CFO were increased by 10.0% and 7.1% respectively (1 January 2007: 10.0% and 4.0% respectively).

The variable salary of the Board of Management is determined on the basis of a combination of the Group's financial targets and the achievement of personal targets. Both members of the Board of Management performed excellent: the targets related to the growth of EBITA and revenue were exceeded quite significantly. The level of short-term variable income achieved in 2007 (paid out in 2008) was 77.0% of the basic 2007 salary (2007: 77.0%) for the Chairman of the Board of Management ('at target' 55.0%) and 57.6% of the basic 2007 salary (2007: 56.0%) for the CFO ('at target' 40.0%).

As far as pension provisions are concerned, a final salary arrangement is applicable for the Chairman of the Board of Management and an average salary arrangement is applicable for the CFO. The variable part of the salary of the Chairman of the Board of Management and the CFO is, respectively, partly and fully included in the pensionable salary.

Board of Management share option scheme

Up to and including 2004 Board of Management members were granted share options with a term of five years. A summary of the share options, as well as the changes during 2008, is shown below. The conditions are the same as for all other share option holders (see page 96).

	Granted in	Exercise price (in euro)	Outstanding on 1 januari 2008	Exercised	Outstanding on 31 Decem- ber 2008
R.J.A. van der Bruggen	2003	4.70	45,000	(45,000)	–
	2004	7.66	45,000	–	45,000
B.R.I.M. Gerner	2003	4.70	45,000	(45,000)	–
	2004	7.66	45,000	–	45,000
Total			180,000	(90,000)	90,000

All the options outstanding on 31 December 2008 are exercisable and have an average remaining contractual term of 0.3 years (2007: 1.3 years).

Board of Management share scheme

Conditional shares in Imtech N.V. have been granted to the Board of Management since 2004. The achievement of strategic targets and Total Shareholders' Return compared with the peer group is rewarded after three years via a bonus in shares. This bonus in shares is granted conditionally in advance. On the date shares were granted conditionally in 2008 the fair value was 15.14 euro per share (2007: 15.92 euro). The fair value was determined after deduction of the discounted value of the expected dividends in the period that the shares are conditional.

The number of shares granted conditionally ('at target') is :

	2006	2007	2008	Total
R.J.A. van der Bruggen	28,452	23,355	28,102	79,909
B.R.I.M. Gerner	10,200	7,914	9,273	27,387
Total	38,652	31,269	37,375	107,296

As at 20 April 2008 35,994 of the shares (2007: 33,195) granted conditionally to the Chairman of the Board of Management and 13,712 of the shares (2007: 13,989) granted conditionally to the CFO in 2005 (2007: 2004) were granted unconditionally. The number of unconditionally granted shares was determined on the basis of the achievement of targets (score 96%). For the shares granted in 2007 a lock up period of five years, or until the termination of employment by Imtech if this is shorter, is applicable. A lock-up period of two years is applicable for shares granted unconditionally at a later date.

The number of shares granted unconditionally is:

	2007	2008	Total
R.J.A. van der Bruggen	33,195	35,994	69,189
B.R.I.M. Gerner	13,989	13,712	27,701
Total	47,184	49,706	96,890

On 31 December the Board of Management members in addition held the following number of shares in Imtech N.V.:

	2008	2007
R.J.A. van der Bruggen	20,000	20,000
B.R.I.M. Gerner	60,000	20,000
Total	80,000	40,000

Remuneration of the Supervisory Board

The remuneration of the Supervisory Board for 2008 was 240,770 euro (2007: 250,689 euro) and can be specified as follows:

<i>In euro</i>	2008	2007
R.M.J. van der Meer ^{1, 2} , chairman	52,363	55,490
G.J. de Boer-Kruyt ³	35,924	37,990
E.A. van Amerongen ²	37,519	37,824
A. van Tooren ¹	40,836	40,615
W.A.F.G. Vermeend ³ , since 10 April 2007	36,970	25,445
A. Baan ¹ , since 10 April 2008	26,624	–
B. de Vries ¹ , until 10 April 2007	(1,311)	15,051
P.J. Groenenboom ¹ , until 10 April 2008	11,845	38,274
Total	240,770	250,689

¹ Member of the Audit Committee;

² Member of the Remuneration/Nomination Committee;

³ Contact person for the Representative Bodies.

The remuneration of the Supervisory Board is determined by the General Meeting of Shareholders. The most recent adjustment of the remuneration, effective as of 1 January 2007, was based on the median level of comparable companies (Hay Group database) and will be reviewed every two to three years. As of 1 January 2008 the annual remuneration of the Chairman, Vice-chairman and remaining members is 45,000, 36,000 and 32,500 euro respectively (2007: the same). The Chairman and members of the Audit Committee receive a supplementary annual fee of 7,500 and 5,000 euro respectively (2007: the same). The Chairman of the Remuneration/Nomination Committee, the member of the Remuneration/Nomination Committee and the contact persons for the Representative Bodies receive a supplementary annual fee of 5,000, 3,500 and 3,500 euro respectively (2007: the same). All these fees for the Supervisory Board and all social security premiums are included in the figures stated above.

Supervisory Board members also receive a contribution towards expenses which, in the context of agreements with the tax authorities, is partially grossed.

At the end of 2008, no Supervisory Board member held shares, or options on shares, in Imtech N.V.

Remuneration of the Board of Management and Supervisory Board

The remuneration of the Board of Management and the Supervisory Board can be summarised as follows:

<i>In euro</i>	2008	2007
Short-term employee benefits	1,853,116	1,721,480
Social security premiums	9,045	17,889
Pension expenses	300,000	366,000
Share-based payments	569,688	974,046
Total	2,731,849	3,079,415

5 Other expenses

	2008	2007
Other indirect expenses	285,630	252,379
Impairment loss on trade receivables	6,212	3,579
Change in provisions	6,187	(86)
Research and development costs	676	1,371
Total	298,705	257,243

6 Net finance result

	Note	2008	2007
Interest income		3,222	4,486
Expected return on plan assets (employee benefits)	21	18,777	28,501
Finance income		21,999	32,987
Interest expenses		(27,095)	(22,208)
Interest on employee benefits obligations	21	(22,388)	(30,825)
Currency exchange losses		(1,788)	(873)
Finance expenses		(51,271)	(53,906)
Net finance result		(29,272)	(20,919)

7 Income tax expense

	2008	2007
Current tax expense		
Current year	43,336	59,105
Prior year adjustments	1,665	(1,159)
	45,001	57,946
Deferred tax expense		
Origination and reversal of temporary differences	4,543	(19,711)
Reduction in tax rate	(542)	(400)
Benefit from recognised tax losses	(5,553)	(3,988)
Benefit from recognised temporary differences	(2,266)	(535)
	(3,818)	(24,634)
Income tax expense	41,183	33,312

Reconciliation of effective tax rate	2008		2007	
Profit before tax		154,722		126,149
Weighted average statutory income tax rate	27.6%	42,678	30.4%	38,295
Change in income tax rate	(0.3%)	(542)	(0.3%)	(400)
Non-deductible expenses	2.4%	3,778	1.6%	2,072
Tax exempt income	0.9%	1,423	(0.8%)	(973)
Not previously recognised tax losses	(3.6%)	(5,553)	(3.2%)	(3,988)
Not previously recognised temporary differences	(1.5%)	(2,266)	(0.4%)	(535)
Under/overprovided in prior years	1.1%	1,665	(0.9%)	(1,159)
	26.6%	41,183	26.4%	33,312

Deferred income tax recognised directly in shareholders' equity

In 2008 4.9 million euro (2007: 0.1 million euro) deferred income tax was recognised directly in shareholders' equity.

8 Current tax assets and liabilities

The net current tax liability of 22.3 million euro (2007: 21.1 million euro), comprising current tax receivables of 5.9 million euro (2007: 9.1 million euro) and current tax payables of 28.2 million euro (2007: 30.2 million euro), relates to the net amount of tax payables for the reporting year and previous years.

9 Property, plant and equipment

	Land and buildings	Machinery and equipment	Other PPE	PPE under construction	Total
Cost					
As at 1 January 2007	73,252	31,727	135,882	792	241,653
Acquired through acquisitions	3,673	2,708	4,511	–	10,892
Acquired, other	6,471	6,580	15,732	944	29,727
Disposals	(10,574)	(1,884)	(8,328)	–	(20,786)
Reclassifications	(1,559)	(497)	2,503	(447)	–
Effect of movements in exchange rates	(449)	(244)	(683)	–	(1,376)
As at 31 December 2007	70,814	38,390	149,617	1,289	260,110
As at 1 January 2008	70,814	38,390	149,617	1,289	260,110
Acquired through acquisitions	4,674	279	15,433	–	20,386
Acquired, other	1,815	8,786	29,144	156	39,901
Disposals	(2,323)	(1,169)	(12,125)	–	(15,617)
Reclassifications	(842)	(1,155)	1,997	–	–
Effect of movements in exchange rates	(1,042)	(821)	(2,961)	–	(4,824)
As at 31 December 2008	73,096	44,310	181,105	1,445	299,956

Depreciation and impairment losses

	Land and buildings	Machinery and equipment	Other PPE	PPE under construction	Total
As at 1 January 2007	26,459	23,002	94,313	–	143,774
Depreciation charge for the year	2,398	4,477	17,152	–	24,027
Disposals	(6,201)	(1,663)	(6,839)	–	(14,703)
Reclassifications	(745)	(483)	1,228	–	–
Effect of movements in exchange rates	(18)	(108)	(245)	–	(371)
As at 31 December 2007	21,893	25,225	105,609	–	152,727
As at 1 January 2008	21,893	25,225	105,609	–	152,727
Depreciation charge for the year	3,106	5,113	21,079	–	29,298
Disposals	(570)	(1,008)	(10,901)	–	(12,479)
Reclassifications	(656)	(1,196)	1,852	–	–
Effect of movements in exchange rates	(45)	(413)	(1,347)	–	(1,805)
As at 31 December 2008	23,728	27,721	116,292	–	167,741

Carrying amounts

	Land and buildings	Machinery and equipment	Other PPE	PPE under construction	Total
As at 1 January 2007	46,793	8,725	41,569	792	97,879
As at 31 December 2007	48,921	13,165	44,008	1,289	107,383
As at 1 January 2008	48,921	13,165	44,008	1,289	107,383
As at 31 December 2008	49,368	16,589	64,813	1,445	132,215
Of which leased:					
As at 31 December 2007	2,885	689	335	–	3,909
As at 31 December 2008	3,572	783	11,206	–	15,561

Impairment and reversal after recognition

There were no impairments and no reversals of impairments during 2008.

Securities

On 31 December 2008 property, plant and equipment with a carrying value of 16.1 million euro (2007: 17.8 million euro) was mortgaged as security for bank loans.

10 Intangible assets

	Goodwill	Software	Customer relationships/ contracts	Technology	Brands	Total
Cost						
As at 1 January 2007	200,280	6,186	24,000	–	–	230,466
Acquired through acquisitions	142,125	2,491	26,549	11,025	2,350	184,540
Acquisition of minority interest	39	–	–	–	–	39
Acquired, other	–	5,000	–	–	–	5,000
Developed internally	–	–	–	1,045	–	1,045
Adjustment purchase price/ fair value	(1,869)	–	–	–	–	(1,869)
Disposals	(52)	(346)	–	–	–	(398)
Effect of movements in exchange rates	(10,188)	(191)	(1,804)	(165)	(119)	(12,467)
As at 31 December 2007	330,335	13,140	48,745	11,905	2,231	406,356
As at 1 January 2008	330,335	13,140	48,745	11,905	2,231	406,356
Acquired through acquisitions	288,574	775	62,540	–	–	351,889
Acquisition of minority interest	2,873	–	–	–	–	2,873
Acquired, other	–	4,698	–	–	–	4,698
Developed internally	–	–	–	3,803	–	3,803
Adjustment purchase price/ fair value	10,724	(2,300)	–	408	(1,496)	7,336
Disposals	–	(26)	–	–	–	(26)
Effect of movements in exchange rates	(39,872)	(45)	(8,524)	(432)	–	(48,873)
As at 31 December 2008	592,634	16,242	102,761	15,684	735	728,056
Amortisation and impairment losses						
As at 1 January 2007	2,014	3,576	4,302	–	–	9,892
Amortisation for the year	–	1,383	5,403	844	176	7,806
Impairment losses	1,384	–	–	–	–	1,384
Disposals	(52)	(224)	–	–	–	(276)
Effect of movements in exchange rates	–	(12)	(123)	(12)	(8)	(155)
As at 31 December 2007	3,346	4,723	9,582	832	168	18,651
As at 1 January 2008	3,346	4,723	9,582	832	168	18,651
Amortisation for the year	–	1,916	7,354	1,145	(30)	10,385
Impairment losses	3,000	–	–	–	–	3,000
Disposals	–	(26)	–	–	–	(26)
Effect of movements in exchange rates	(180)	(40)	(831)	(64)	(9)	(1,124)
As at 31 December 2008	6,166	6,573	16,105	1,913	129	30,886

Carrying amounts	Customer relationships/ contracts Technology Brands					Total
	Goodwill	Software				
As at 1 January 2007	198,266	2,610	19,698	–	–	220,574
As at 31 December 2007	326,989	8,417	39,163	11,073	2,063	387,705
As at 1 January 2008	326,989	8,417	39,163	11,073	2,063	387,705
As at 31 December 2008	586,468	9,669	86,656	13,771	606	697,170

Impairments and reversal after initial recognition

Goodwill has been impaired for an amount of 3.0 million euro (2007: 1.4 million euro) with regard to several small cash-generating units. No impairments were reversed in the year under review.

Impairment test for cash-generating units containing goodwill

The following units contain significant goodwill amounts:

	2008	2007
NVS	197,032	–
Peek Traffic/Imtech Infra	75,663	77,003
Fritz & Macziol	45,056	45,056
Radio Holland Group	36,064	36,064
ILS	34,799	–
Imtech Spain	27,200	28,700
Suir Engineering	19,034	18,992
Eniac	17,283	17,283
Other	134,337	103,891
Total	586,468	326,989

The recoverable amounts of the cash-generating units are based on value in use calculations. The starting point for these calculations is cash flow forecasts based on the forecast for the current year, the budget for the next year and the business plan for the subsequent two years. The cash flow for the following years is assumed to be the same as the EBITA for the last year of the business plan. This means no growth rate is applied unless indicated by exceptional circumstances. The forecasted cash flows are discounted against a pre-tax discount rate of between 10.4% and 12.3% (2007: between 11.5% and 13.0%). This discount rate is derived from the post-tax weighted average cost of capital as derived from external data, adjusted for differences between segments and tax rates per country. Cash flows for NVS, Peek Traffic/Imtech Infra, Fritz & Macziol, Radio Holland Group, ILS, Imtech Spain, Suir Engineering and Eniac are discounted at a pre-tax discount rate of between 10.4% and 12.3% (2007: between 11.5% and 13.0%).

The most important assumptions on which the budget and business plans are based are order volume and margin level. There are no cash-generating units where, on the basis of current insights, a reasonably possible adverse change of the forecast future cash flow could result in the recoverable amount decreasing to such an extent that this would result in an impairment of goodwill, except for several small units with a limited amount of goodwill.

11 Investments in associated companies and joint ventures

In 2008 IHC Systems B.V., the Netherlands (50%) was the most important associate and TFB Fürth Objektgesellschaft mbH & Co KG, Germany (50%), was the most important joint venture.

The share in the assets, liabilities, revenue and profits of the associates and joint ventures can be specified as follows:

		2008							
		Non-current assets	Current assets	Current liabilities	Non-current liabilities	Shareholders' equity	Revenue	Cost	Profit/ loss (–)
Associated companies		8,917	11,354	16,691	717	2,863	22,177	20,646	1,531
Joint ventures		6,771	18,622	25,060	–	333	14,376	14,577	(201)
		15,688	29,976	41,751	717	3,196	36,553	35,223	1,330
Results other investments									(1,140)
Total									190

	2007							
	Non-current assets	Current assets	Current liabilities	Non-current liabilities	Shareholders' equity	Revenue	Cost	Profit/ loss (–)
Associated companies	5,263	9,524	12,140	527	2,120	18,355	17,171	1,184
Joint ventures	6,809	16,001	22,492	–	318	24,713	25,108	(395)
	12,072	25,525	34,632	527	2,438	43,068	42,279	789
Impairment								(1,001)
Total								(212)

12 Non-current receivables

	Note	2008	2007
Finance lease assets		8,868	8,654
Derivatives at fair value	24	7,343	222
Other non-current receivables		6,440	8,780
		22,651	17,656
The finance lease receivables mature as follows:			
Principal < 1 year		2,811	2,325
Principal 1– 5 years		8,271	7,384
Principal > 5 years		3,087	4,067
		14,169	13,776
Interest < 1 year		(173)	(100)
Interest 1 – 5 years		(1,424)	(1,359)
Interest > 5 years		(1,066)	(1,438)
		(2,663)	(2,897)
Present value of the minimum lease payments < 1 year		2,638	2,225
Present value of the minimum lease payments 1 – 5 years		6,847	6,025
Present value of the minimum lease payments > 5 years		2,021	2,629
Total		11,506	10,879

13 Deferred tax assets and liabilities

The deferred tax assets and liabilities can be allocated as follows:

	Assets		Liabilities		Difference	
	2008	2007	2008	2007	2008	2007
Property, plant and equipment	2,399	2,877	(2,195)	(1,797)	204	1,080
Intangible assets	4,001	1,109	(25,987)	(14,068)	(21,986)	(12,959)
Due from customers	2,958	3,852	(19,273)	(15,025)	(16,315)	(11,173)
Trade and other receivables	239	163	(168)	(743)	71	(580)
Employee benefits	15,629	15,569	(38)	–	15,591	15,569
Provisions	24	40	(2,660)	(3,014)	(2,636)	(2,974)
Other items	12,990	3,831	(14,480)	(4,409)	(1,490)	(578)
Value of recognised tax loss carry forwards	13,613	9,169	–	–	13,613	9,169
	51,853	36,610	(64,801)	(39,056)	(12,948)	(2,446)
Netting of tax assets and liabilities	(31,908)	(26,205)	31,908	26,205	–	–
Total	19,945	10,405	(32,893)	(12,851)	(12,948)	(2,446)

On 31 December 2008 no deferred tax liabilities relating to investments in subsidiaries were accounted for (2007: nil). In some countries in which the Group operates, local legislation stipulates that the profit from the disposal of certain assets is exempt from taxation as long as this profit is not distributed.

On the balance sheet date there were no reserves that could lead to a tax liability if the subsidiary companies should pay out dividend (2007: nil).

Unrecognised deferred tax assets

No deferred tax assets are recognised in the balance sheet for the following items:

	2008	2007
Deductible temporary differences	5,172	13,540
Tax losses	32,430	54,435
Total	37,602	67,975

At the end of 2008, 1.5 million euro (2007: 3.0 million euro) of the total existing tax losses in respect of which no deferred tax assets have been recognised will expire within five years.

Movements in deferred taxes during the year

	As at 1 January 2007	Acquisitions/ deconsolidations	Recognised in result	Recognised in shareholders' equity	As at 31 December 2007
Property, plant and equipment	(1,092)	–	2,172	–	1,080
Intangible assets	(6,109)	(11,178)	4,328	–	(12,959)
Due from customers	(37,510)	3,744	22,593	–	(11,173)
Trade and other receivables	555	–	(1,135)	–	(580)
Employee benefits	18,219	–	(2,650)	–	15,569
Provisions	(719)	–	(2,255)	–	(2,974)
Other items	(126)	–	(593)	141	(578)
Tax value of recognised tax loss carry forwards	5,676	1,319	2,174	–	9,169
Total	(21,106)	(6,115)	24,634	141	(2,446)

	As at 1 January 2008	Acquisitions/ deconsolidations	Recognised in result 2008	Recognised in shareholders' equity	As at 31 December 2008
Property, plant and equipment	1,080	–	(876)	–	204
Intangible assets	(12,959)	(16,883)	7,856	–	(21,986)
Due from customers	(11,173)	1,635	(6,777)	–	(16,315)
Trade and other receivables	(580)	158	493	–	71
Employee benefits	15,569	111	(89)	–	15,591
Provisions	(2,974)	(322)	660	–	(2,636)
Other items	(578)	(3,954)	(1,893)	4,935	(1,490)
Tax value of recognised tax loss carry forwards	9,169	–	4,444	–	13,613
Total	(2,446)	(19,255)	3,818	4,935	(12,948)

14 Inventories

	2008	2007
Raw and auxiliary materials	22,065	20,054
Semi-finished goods	1,209	1,812
Finished goods	59,379	43,799
Total	82,653	65,665

15 Due from/to customers

	2008	2007
Cumulative incurred costs plus profit in proportion to progress less provisions for losses	2,044,990	1,447,139
Progress billings	(1,947,874)	(1,349,519)
Balance	97,116	97,620
Presented as follows:		
Work in progress for third parties	336,535	288,660
Work in progress services	83,699	64,965
Due from customers	420,234	353,625
Work in progress for third parties	293,053	239,360
Work in progress services	30,065	16,645
Due to customers	323,118	256,005
Balance	97,116	97,620

On 31 December 2008 the items related to payment due from customers amounted to a total of 7.8 million euro (2007: 4.2 million euro) which will not be paid until specified conditions are fulfilled (retentions) in respect of contracts for work in progress for third parties.

On 31 December 2008 there were unrecognised contingent receivables from customers arising from claims.

The financial outcome of these claims can only be estimated within a broad band width. The best estimate is that in the future these claims will be realised to the amount of 13 million euro (2007: 10 million euro). The determination of the profit in proportion to the stage of completion and the provision for losses is based on estimates of the costs and revenues of the relating projects. These estimates are uncertain.

16 Trade and other receivables

	Note	2008	2007
Trade receivables due from associated companies and joint ventures		10,974	8,781
Other trade receivables and advance payments		971,528	802,094
Current portion of long-term receivables		4,505	2,273
Derivatives at fair value	24	587	16
Total		987,594	813,164

17 Cash, cash equivalents and bank overdrafts

	2008	2007
Bank balances	74,577	47,756
Deposits available on demand	26,613	75,763
Other cash and cash equivalents	575	450
Cash and cash equivalents	101,765	123,969
Bank overdrafts	(178,694)	(74,507)
Total	(76,929)	49,462

18 Shareholders' equity

Attributable to shareholders of Imtech N.V.

	Share capital	Share premium reserve	Translation reserve	Hedging reserve	Reserve for own shares	Retained earnings	Unappropriated result	Total	Minority interest	Total shareholders' equity
As at 1 January 2007	64,528	36,120	290	(452)	(24,126)	177,327	67,662	321,349	3,471	324,820
Total profit	–	–	(8,545)	(153)	–	–	91,930	83,232	855	84,087
Addition to reserves	–	–	–	–	–	39,565	(39,565)	–	–	–
Dividends to shareholders	–	–	–	–	–	–	(28,097)	(28,097)	(765)	(28,862)
Repurchase of own shares	–	–	–	–	(14,398)	–	–	(14,398)	–	(14,398)
Share options exercised	–	–	–	–	3,316	(890)	–	2,426	–	2,426
Share-based payments	–	–	–	–	–	2,179	–	2,179	–	2,179
Acquisition of minority interests	–	–	–	–	–	–	–	–	(150)	(150)
As at 31 December 2007	64,528	36,120	(8,255)	(605)	(35,208)	218,181	91,930	366,691	3,411	370,102

Attributable to shareholders of Imtech N.V.

	Share capital	Share premium reserve	Translation reserve	Hedging reserve	Reserve for own shares	Retained earnings	Unappropriated result	Total	Minority interest	Total shareholders' equity
As at 1 January 2008	64,528	36,120	(8,255)	(605)	(35,208)	218,181	91,930	366,691	3,411	370,102
Total profit	–	–	(33,620)	(2,608)	–	–	113,341	77,113	220	77,333
Addition to reserves	–	–	–	–	–	55,680	(55,680)	–	–	–
Dividends to shareholders	–	–	–	–	–	–	(36,250)	(36,250)	(1,008)	(37,258)
Repurchase of own shares	–	–	–	–	(16,506)	–	–	(16,506)	–	(16,506)
Share options exercised	–	–	–	–	3,398	(896)	–	2,502	–	2,502
Share-based payments	–	–	–	–	–	2,385	–	2,385	–	2,385
Acquisition of minority interests	–	–	–	–	–	–	–	–	637	637
As at 31 December 2008	64,528	36,120	(41,875)	(3,213)	(48,316)	275,350	113,341	395,935	3,260	399,195

Share capital

Number of ordinary shares

	2008	2007
Outstanding as at 1 January	78,374,232	78,685,689
Repurchased own shares	(1,179,042)	(676,641)
Issued against payment in cash	267,206	365,184
Outstanding as at 31 December – fully paid up	77,462,396	78,374,232

Imtech N.V. also operates a share scheme for the Board of Management and a share option scheme (see pages 99 and 96 respectively).

On 31 December 2008 the authorised share capital comprised 360 million (2007: 360 million) ordinary shares divided into 120 million (2007: 120 million) ordinary shares, 180 million (2007: 180 million) preference shares and 60 million (2007: 60 million) financing preference shares. The holders of ordinary shares are entitled to dividend, as is announced from time to time, and are entitled to cast one vote per share when decisions are taken by the General Meeting of Shareholders. These rights do not apply to shares in the Company held by the Group until these shares are transferred. On 31 December 2008 the issued share capital amounted to 80,659,647 (2007: 80,659,647) ordinary shares. All issued shares are fully paid up. Stichting Imtech has option rights to the preference shares (see section Corporate Governance).

Translation reserve

The translation reserve includes all currency differences arising from the translation from the financial statements of foreign operations or arising from liabilities with which the net investments of the Company in a foreign subsidiary are hedged.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net movement in the fair value of cash flow hedging instruments in respect of hedged transactions that have not yet occurred.

Reserve for own shares

The treasury share reserve comprises the purchase price of the own shares held by the Company. On 31 December 2008, 3,197,251 (2007: 2,285,415) own shares were held by the Company.

Dividend

After the balance sheet date the Board of Management, with the approval of the Supervisory Board, put forward the dividend proposal stated below. The dividend proposal is not incorporated into the balance sheet and there are no consequences related to income tax. The proposed dividend for 2008 is 0.59 euro per issued ordinary share in either cash or shares (2007: 0.47 euro). In 2008 a dividend of 0.47 euro per issued ordinary share (2007: 0.36 euro) was paid out.

19 Earnings per share

Basic earnings per share

The calculation of the basic earnings per share on 31 December 2008 was based on a profit attributable to holders of ordinary shares of 113,341,000 euro (2007: 91,930,000 euro) and a weighted average number of ordinary shares outstanding during 2008 of 77,445,826 (2007: 78,608,447) calculated as follows:

Weighted average number of ordinary shares	2008	2007
Issued ordinary shares on 1 January	80,659,647	80,659,647
Effect of own shares held	(3,213,821)	(2,051,200)
Weighted average number of ordinary shares on 31 December	77,445,826	78,608,447

Diluted earnings per share

The calculation of the diluted earnings per share at 31 December 2008 was based on the attribution of profit amounting to 113,341,000 euro (2007: 91,930,000 euro) to holders of ordinary shares and a weighted average number of ordinary shares outstanding during 2008 of 77,859,802 (2007: 79,702,056) corrected for potential dilution, calculated as follows:

Weighted average number of ordinary shares (diluted)	2008	2007
Weighted average number of ordinary shares	77,445,826	78,608,447
Effect of share option scheme	316,552	941,491
Effect of share scheme	97,424	152,118
Weighted average number of ordinary shares (diluted)	77,859,802	79,702,056

20 Loans and borrowings

Below follows a more detailed specification of the contractual stipulations of the Group's loans and borrowings. For more information regarding the interest rate risk exposure of the Group, please see Note 24 – Financial instruments.

Non-current liabilities			
	Note	2008	2007
Syndicated bank loans		318,439	97,038
Private loans		25,896	27,946
Finance lease liabilities		12,015	8,353
Derivatives at fair value	24	11,472	695
Total		367,822	134,032

Current liabilities			
		2008	2007
Current portion of syndicated bank loans		115,333	65,000
Bank overdrafts		63,361	9,507
		178,694	74,507
Current portion of private loans		7,583	6,009
Current portion of finance lease liabilities		3,793	1,387
		11,376	7,396
Total		190,070	81,903

Syndicated bank loans

On 3 November 2008 the Group agreed a new syndicated credit facility of 265 million euro. This new facility is used to finance the acquired subsidiaries NVS and ILS. The facility has been provided by a syndicate of six banks: Rabobank, ING Bank, Fortis Bank (Netherlands), KBC Bank, NIBC Bank and RBS.

This committed unsecured multi-currency 265 million euro credit facility comprises a term credit facility of 230 million euro and a revolving credit facility of 35 million euro. Both facilities have a term of three years. The credit conditions include covenants that conform with the market, which were complied with as at the balance sheet date, and a 'change of control' clause.

As at 31 December 2008 this facility had been fully drawn. The interest on this facility has been fixed via interest rate swaps and as at 31 December 2008 averaged 4.7%.

In addition to the credit facility described above, on 17 July 2007 the Group agreed a syndicated credit facility of 300 million euro. This facility has been provided by a syndicate of six banks: ABN AMRO Bank, ING Bank, Rabobank, KBC Bank, Commerzbank and LBLux. This multi-currency credit facility comprises a term credit facility of 100 million euro and a revolving credit facility of 200 million euro. Both facilities have a term of five years with the option of two one-year extensions, making a total of seven years. The credit facility includes a 'change of control' clause.

The term credit facility of 100 million euro has been drawn in full. The revolving credit facility of 200 million euro will be used to finance the increase in working capital during the year and acquisitions. As at 31 December 2008 80 million euro of this facility had been drawn. The interest has been fixed via interest rate swaps and as at 31 December 2008 averaged 4.8%.

Additional credit and warranty facilities

In addition to the credit facilities described above the Group also has a number of uncommitted, bilateral credit and warranty facilities at its disposal amounting to around 200 million euro, and 550 million euro respectively.

Conditions and repayment schedule

Private loans and finance lease liabilities have been agreed against generally accepted conditions. The average remaining term is 3.3 years (2007: 3.2 years) and the average interest of the liabilities outstanding for more than one year is 5.7% (2007: 5.7%).

Property, plant and equipment with a carrying amount of 16.1 million euro (2007: 17.8 million euro) have been provided as security for bank loans.

Finance lease liabilities		2008	2007
Principal < 1 year		4,144	1,707
Principal 1 – 5 years		12,515	7,300
Principal > 5 years		1,744	2,423
		18,403	11,430
Interest < 1 year		(351)	(320)
Interest 1 – 5 years		(2,163)	(1,186)
Interest > 5 years		(81)	(184)
		(2,595)	(1,690)
Present value of the minimum lease payments < 1 year		3,793	1,387
Present value of the minimum lease payments 1 – 5 years		10,352	6,114
Present value of the minimum lease payments > 5 years		1,663	2,239
Total		15,808	9,740

21 Employee benefits			
		2008	2007
Present value of unfunded obligations		118,296	115,632
Present value of funded obligations		211,357	517,390
		329,653	633,022
Fair value of plan assets		(184,220)	(589,190)
Present value of net obligations		145,433	43,832
Unrecognised actuarial gains and losses		(5,255)	72,864
Unrecognised past service costs		(1,155)	(1,251)
Asset ceiling		177	20,898
Recognised liability for defined benefit plans		139,200	136,343
Liability related to jubilee benefits		7,362	6,432
Total		146,562	142,775

The plan assets comprise:

	2008	2007
Shares	54%	41%
Bonds and receivables	46%	59%
	100%	100%

Movements in the liabilities for defined benefit plans

	2008	2007
Liability for defined benefit plans as at 1 January	633,022	716,073
Acquisitions	1,566	–
Benefits paid	(22,296)	(37,330)
Current service cost and interest	30,069	39,747
Contributions participants	2,220	1,867
Actuarial gains and losses	27,585	(86,503)
Adjustment to pension benefits	390	119
Curtailment and settlement	(342,785)	(951)
Effect of movements in exchange rates	(118)	–
Liability for defined benefit plans as at 31 December	329,653	633,022

Movements in the fair value of plan assets		
	2008	2007
Fair value of plan assets as at 1 January	589,190	596,788
Contributions paid	9,890	7,921
Benefits paid	(17,239)	(32,801)
Expected return on plan assets	18,777	28,501
Actuarial gains and losses	(62,759)	(10,030)
Curtailment and settlement	(353,639)	(1,189)
Fair value of plan assets as at 31 December	184,220	589,190

The contributions to be paid to funded defined benefit plans in 2009 amount to about 9 million euro.

Expenses recognised in the profit and loss account		
	2008	2007
Current service costs	7,681	8,922
Interest on obligation	22,388	30,825
Expected return on plan assets	(18,777)	(28,501)
Amortisation of actuarial gains or losses	21,581	209
Amortisation of past service costs	96	96
Movement in asset ceiling	(20,721)	1,433
Adjustment to pension benefits	390	–
Curtailment, settlement and other	1,507	148
Total	14,145	13,132

The expense is recognised under the following items in the profit and loss account:

	2008	2007
Personnel costs	10,534	10,808
Finance expenses	22,388	30,825
Finance income	(18,777)	(28,501)
Total	14,145	13,132
Actual return on plan assets	(43,982)	18,471

Actuarial assumptions

The principal actuarial assumptions on the balance sheet date (in weighted averages) are as follows:

	2008	2007
Discount rate	5.8%	5.5%
Expected return on plan assets	5.6%	4.9%
Future salary increases	2.5%	2.2%
Future pension increases	2.3%	2.0%

As of 2008 the applicable mortality tables have been changed from GBM/V 2000 – 2005 to the prognosis tables 2005 – 2050 of the Actuarial Association.

The expected return from fund investments is determined taking into account the expected long-term return on the plan investments and taking into account the spread of the investments over the different investment criteria, such as shares, bonds, etc., as well as the anticipated material changes in the relationship between the different investment categories in the near future.

Historical information				
	2008	2007	2006	2005
Present value of the defined benefit plan obligations	329,653	633,022	716,073	595,951
Fair value of the plan assets	(184,220)	(589,190)	(596,788)	(437,382)
Deficit of the pension plans	145,433	43,832	119,285	158,569

Experience adjustments			
	2008	2007	2006
Arising on the liabilities for defined benefit plans	(5,837)	(7,102)	10,047
Arising on plan assets	62,759	10,030	(435)

On 25 April 2008 Stichting Centraal Pensioenfonds Internatio-Müller transferred all the liabilities related to inactive participants to Delta Lloyd Levensverzekeringen N.V. The effects of the resulting settlement are incorporated in the overviews shown above.

The Group contributes towards a number of defined benefit pension plans on the basis of which employees receive pension payments after their retirement. In general the amount received by an employee on retirement depends on factors such as age, (average) salary and the number of years service. A (conditional) indexing of pension payments is applicable for some plans. In the main such plans are applicable in the Netherlands, Germany and Belgium.

Most of the Dutch employees participate in an industry-wide pension scheme organised by the 'Pensioenfonds Metaal en Techniek'. This scheme's benefits include a life-long pension (from age 65) and a next of kin (of survivor's) pension in accordance with a conditional indexed average salary system. It is not possible to calculate the present value of Imtech's pension liabilities and the value of its plan assets because the industry-wide pension scheme exposes the participating company to a number of risks that cannot be allocated to the participating company in a consistent and reliable manner. This industry branch pension plan is, therefore, classified as a defined contribution plan. Based on the guidelines and principles of the industry-wide pension fund, the degree of cover (investments divided by liabilities) amounts to 87% at the end of 2008 (end of 2007: 141%). The reduced degree of cover caused the industry-branch pension fund to decide to raise the premium by 1% and not to index the pension agreements as of 1 January 2009. The industry-branch pension fund must submit a recovery plan to the Nederlandsche Bank before 1 April 2009.

22 Provisions

	Warranties and claims	Restructuring	Restora- tion costs	Total
Balance as at 1 January 2007	18,150	1,802	2,078	22,030
Acquisitions	250	160	581	991
Provisions made during the year	3,321	246	137	3,704
Provisions used during the year	(4,510)	(1,508)	(50)	(6,068)
Provisions released during the year	(3,709)	(81)	–	(3,790)
Interest	(59)	–	–	(59)
Effect of movements in exchange rates	(34)	–	(44)	(78)
Balance as at 31 December 2007	13,409	619	2,702	16,730
Non-current	2,329	177	1,507	4,013
Current	11,080	442	1,195	12,717
	13,409	619	2,702	16,730
Balance as at 1 January 2008	13,409	619	2,702	16,730
Acquisitions	903	–	–	903
Provisions made during the year	6,892	1,640	286	8,818
Provisions used during the year	(2,124)	(280)	(165)	(2,569)
Provisions released during the year	(2,299)	(332)	–	(2,631)
Effect of movements in exchange rates	(178)	(92)	(144)	(414)
Balance as at 31 December 2008	16,603	1,555	2,679	20,837
Non-current	2,389	407	1,572	4,368
Current	14,214	1,148	1,107	16,469
	16,603	1,555	2,679	20,837

Warranties and claims

The provision for warranty liabilities relates primarily to projects completed during the 2007 and 2008 financial years. The provision is based on estimates based on historical warranty data related to similar projects. The Group expects the liabilities will be settled in the following two years.

Various claims have been made against the Group, which are being contested rigorously. A provision has been formed for the expected costs related to claims. Settlement of these claims could take several years.

23 Trade and other payables

	Note	2008	2007
Other trade payables		568,559	513,922
Other liabilities and accrued expenses		395,815	332,256
Derivatives at fair value	24	254	335
Total		964,628	846,513

24 Financial instruments

In the context of normal business operations the Group faces credit, liquidity, currency and interest rate risks. If considered necessary the risk of fluctuations in exchange rates and interest rates is hedged using derivative financial instruments.

Credit risk

The Board of Management has drawn-up a credit policy and the credit risk is monitored constantly. Where necessary, customers are subjected to a credit check. On the balance sheet date there were hardly any substantial concentrations of credit risk. The carrying amount of the financial assets represents the maximum credit risk and was on the balance sheet date:

	2008	2007
Non-current receivables	22,651	17,656
Trade and other receivables	875,286	715,340
Other receivables	112,308	97,824
Cash and cash equivalents	101,765	123,969
Total	1,112,010	954,789

On the balance sheet date the aging of the trade receivables was as follows:

	2008		2007	
	Gross	Provision	Gross	Provision
Not past due	561,430	9,420	420,491	7,149
Past due 1 to 60 days	170,307	2,484	153,940	2,932
Past due 61 to 180 days	61,364	7,089	56,166	2,582
Past due 181 days to one year	22,679	2,595	46,564	6,835
More than one year	144,318	63,224	127,339	69,662
Total	960,098	84,812	804,500	89,160

The category more than one year concerns activities for which such an aging is normal.

Movements in the provision for doubtful trade receivables during the year were as follows:

	2008	2007
Balance at 1 January	89,160	85,356
Acquisitions	1,044	571
Provisions made during the year	7,491	4,006
Provisions used during the year	(11,367)	(264)
Provisions released during the year	(1,279)	(427)
Effect of movements in exchange rates	(237)	(82)
Balance at 31 December	84,812	89,160

Liquidity risk

The principle of the liquidity risk management is that, in so far as it is possible, sufficient liquidity is maintained to be able to meet the current and future liabilities.

The Group has committed credit facilities totalling 565 million euro at its disposal. The Group also has uncommitted funds amounting to 200 million euro at its disposal.

The following are the contractual maturities of financial liabilities, including interest payments:

31 December 2008		Carrying amount	Contractual cash flows	< 6 months	6 – 12 months	1 – 2 years	2 – 5 years	> 5 years
Non-derivative financial liabilities								
Private loans		351,918	402,863	12,594	11,079	22,744	349,397	7,049
Finance lease liabilities		15,808	16,995	3,325	1,804	3,466	6,958	1,442
Bank overdrafts		178,694	178,694	178,694	–	–	–	–
Trade and other payables		964,374	964,374	898,301	33,871	21,283	7,434	3,485
Derivative financial liabilities								
Interest rate swaps		11,472	12,697	1,603	1,696	3,543	5,855	–
Forward currency contracts		254	265	157	108	–	–	–
Total		1,522,520	1,575,888	1,094,674	48,558	51,036	369,644	11,976
31 December 2007								
Non-derivative financial liabilities								
Private loans		130,993	159,834	4,883	5,787	13,603	128,877	6,684
Finance lease liabilities		9,740	10,009	1,877	196	3,595	3,202	1,139
Bank overdrafts		74,507	74,507	74,507	–	–	–	–
Trade and other payables		846,178	846,088	791,733	40,083	9,771	2,127	2,374
Derivative financial liabilities								
Interest rate swaps		695	776	85	85	170	436	–
Forward currency contracts		335	369	82	206	81	–	–
Total		1,062,448	1,091,583	873,167	46,357	27,220	134,642	10,197

Currency exchange rate risks

The currency exchange rate risks faced by the Group arise from both purchases and sales, including contracts with customers related to projects to be executed, and financing liabilities expressed in currencies other than the functional currency of the Group entities, predominantly the euro and the British pound.

Virtually all purchases and sales take place in the functional currency. Almost all purchases and sales in a currency other than the functional currency are hedged via forward currency contracts. The outstanding forward currency contracts for the US dollar, the euro and the British pound can be specified as follows:

Local currency (in thousands)	2008		2007	
	Purchase	Sale	Purchase	Sale
Forward currency contracts				
USD	11,432	13,045	9,420	1,117
EUR	6,909	9,740	814	7,474
GBP	4,161	691	616	11

At the end of 2007 the Group arranged a loan of 20 million British pounds. This loan is intended as an economic hedge of the translation effect of the results of the British subsidiaries.

The translation risk relates primarily to the Swedish and British subsidiaries and is not hedged.

The most important exchange rates during the financial year were:

Euro	Average rate		Rate on balance sheet date	
	2008	2007	2008	2007
GBP 1	1.25	1.46	1.05	1.36
SEK 1	0.10	0.11	0.09	0.11
USD 1	0.68	0.73	0.71	0.68

Interest rate risk

The objective of the Group's policy is to have a fixed interest rate profile of the net debt position on the balance sheet date. To this end the Group's has arranged interest rate swaps in both euro and British pound using hedge accounting. The term of the interest rate swaps is the same as the syndicated bank loan.

On 31 December 2008 the Group had undertaken interest rate swaps with a reference amount of around 425.5 million euro (2007: 98.6 million euro), consisting of 415.0 million in euro and 10.0 million in British pounds (2007: 85.0 million in euro and 10.0 million in British pounds).

The Group classifies interest rate swaps as cash flow hedges and states them at fair value

On the balance sheet date the interest rate profile of the Group's interest-bearing financial instruments was as follows:

	2008	2007
Instruments with a fixed interest rate		
Finance lease receivables (non-current and current)	11,506	10,879
Other non-current receivables (including current part)	8,307	8,828
Secured bank loans	(20,140)	(18,761)
Unsecured bank loans	(7,270)	(9,683)
Finance lease liabilities	(15,808)	(9,740)
Total	(23,405)	(18,477)
Instruments with a variable interest rate		
Cash and cash equivalents	101,765	123,969
Secured bank loans	(5,920)	(5,511)
Unsecured bank loans	(318,588)	(97,038)
Bank overdrafts	(178,694)	(74,507)
Total	(401,437)	(53,087)

A 1% change in the interest rate as per balance date would mean the result and shareholders' equity increase or decrease by the amounts shown below. These figures assume that all other variables, and currency exchange rates in particular, remain constant. Tax effects have also not been taken into account.

Sensitivity analysis	Result		Shareholders' equity		
	Amount	1% increase	1% decrease	1% increase	1% decrease
31 December 2008					
Instruments with a variable interest rate:					
■ Current	(78,670)	(787)	787	—	—
■ Non-current	(322,767)	(3,228)	3,228	—	—
Total	(401,437)	(4,015)	4,015	—	—
Interest rate swaps – non-current	425,500	4,255	(4,255)	13,119	(13,119)
Cash flow sensitivity (net)	24,063	240	(240)	13,119	(13,119)
31 December 2007					
Instruments with a variable interest rate:					
■ Current	48,826	488	(488)	—	—
■ Non-current	(101,913)	(1,019)	1,019	—	—
Total	(53,087)	(531)	531	—	—
Interest rate swaps – non-current	98,600	986	(986)	4,041	(4,041)
Cash flow sensitivity (net)	45,513	455	(455)	4,041	(4,041)

The interest rate swaps undertaken in 2008 amount to 425.5 million euro and virtually match the drawn portion of the syndicated bank loan (436.0 million euro), which means the interest of this portion is fixed. The position in respect of the cash, cash equivalents and bank overdrafts, which have variable interest rates and are not hedged, fluctuated throughout the year as the need to finance working capital changes.

Capital management

To safeguard the Company's future the Group strives for a financially sound foundation. To this end as much use as possible is made of the available credit facilities.

The Group does not have an explicit target with regard to return on capital employed. The Group defines capital as shareholders' equity. It does strive for an operational EBITA margin of 6%. The target for 2012 is annual revenues of 5 billion euro. In 2008 there were no changes to the capital management approach.

The Group operates a share scheme for the Board of Management and each year grants share options to a select group of employees. The number of shares needed to cover these schemes is purchased. The Group and its subsidiaries are not subject to capital requirements.

Fair value

The summary below shows the carrying amounts of the financial instruments.

	Carrying amount 2008	Carrying amount 2007
Finance lease receivables ¹	11,506	10,879
Other non-current receivables ^{1, 2}	8,307	8,828
Trade and other receivables ³	982,502	810,875
Cash and cash equivalents	101,765	123,969
Interest rate swaps:		
■ Assets (current)	—	222
■ Liabilities (non-current)	(11,472)	(695)
Forward currency contracts:		
■ Assets (current)	7,343	—
■ Assets (current)	587	16
■ Liabilities (non-current)	(254)	(335)
Finance lease liabilities ¹	(15,808)	(9,740)
Other loans and borrowings ^{1, 2}	(351,918)	(130,993)
Trade and other payables ²	(964,374)	(846,178)
Bank overdrafts	(178,694)	(74,507)

¹ Current and non-current;

² Excluding derivatives (separately reported);

³ Excluding current part of non-current receivables and derivatives.

The carrying amount of the financial instruments approximates the fair value on the balance sheet date.

Estimate of fair value

The most important methods and assumptions used when estimating the fair value of financial instruments included in the summary are listed below.

Derivatives

Interest rate swaps and forward currency contracts are valued on the basis of quoted market price or by deducting the current spot price from the discounted forward contract price. When using discounted cash flow techniques, future cash flows are based on the management's best estimates and the discount rate is a market-related rate for a comparable instrument on the balance sheet date.

Loans

The fair value is calculated on the basis of the discounted future redemptions and interest payments.

Finance lease assets and liabilities

The fair value is estimated at the present value of future cash flows, discounted against the interest rate for uniform lease contracts. The estimated fair value reflects interest rate changes.

Trade and other receivables / trade and other payables

For receivables and payables due within one year the nominal value is deemed to reflect the fair value. All other receivables and payables are discounted in order to determine the fair value.

Assets and liabilities recognised in the balance sheet

Changes in the fair value of forward currency contracts with which monetary assets and liabilities expressed in foreign currencies are hedged in an economic sense, and for which no hedge accounting is applied, are recognised in the profit and loss account. Both the changes in the fair value of the forward currency contracts and the exchange rate differences related to monetary items are recognised under net finance result.

25 Operating lease contracts

Lease contracts whereby the Company is the lessee

The amounts owing in respect of non-cancellable operating lease contracts mature as follows:

	2008	2007
< 1 year	74,222	63,067
1 – 5 years	167,549	152,661
> 5 years	52,154	49,919
Total	293,925	265,647

The Group leases buildings and other property, plant and equipment on the basis of operating leases. The lease contracts generally have a term of a limited number of years with an option for extension. None of the lease contracts involve conditional lease instalments.

In the 2008 financial year a liability of 78.3 million euro was recognised in the profit and loss account for operating leases (2007: 68.5 million euro).

26 Related parties

Identity of related parties

There is a related party relationship between the Group and its subsidiaries, associates, joint ventures and their managing directors and supervisory directors.

Other transactions with related parties

Associates

Transactions with associated companies are conducted at arm's length. On 31 December 2008 associates owed the Group 9.0 million euro (2007: 3.8 million euro).

Joint ventures

During 2008 joint ventures purchased goods and services from the Group for an amount of 2.5 million euro (2007: 14.7 million euro). On 31 December 2008 joint ventures owed the Group 2.0 million euro (2007: 5 million euro). Transactions with joint ventures are conducted at arm's length.

■ COMPANY BALANCE SHEET OF IMTECH N.V.

In thousands of euro, before appropriation of profit

	31 December 2008	31 December 2007
Assets		
1 Property, plant and equipment	80	242
2 Intangible assets	146,601	97,717
3 Investments in and receivables from Group companies	898,426	520,316
4 Other financial fixed assets	876	223
Total fixed assets	1,045,983	618,498
5 Receivables	30,600	34,154
Cash and cash equivalents	3,039	53,304
Total current assets	33,639	87,458
Total assets	1,079,622	705,956
Shareholders' equity		
6 Issued capital	64,528	64,528
7 Share premium reserve	36,120	36,120
8 Other reserves	181,946	174,113
9 Unappropriated result	113,341	91,930
Shareholders' equity	395,935	366,691
Liabilities		
10 Provisions	14,922	14,004
11 Non-current liabilities	307,809	70,029
Total non-current liabilities	322,731	84,033
Owed to banks	316,504	211,306
Owed to group companies	2,208	2,487
12 Other liabilities	42,244	41,439
Total current liabilities	360,956	255,232
Total shareholders' equity and liabilities	1,079,622	705,956

■ COMPANY PROFIT AND LOSS ACCOUNT OF IMTECH N.V.

In thousands of euro

	2008	2007
Result from participations after taxation	131,907	100,021
Other income and expenses after taxation	(18,566)	(8,091)
	113,341	91,930

■ NOTES TO THE COMPANY BALANCE SHEET AND PROFIT AND LOSS ACCOUNT OF IMTECH N.V.

In thousands of euro, unless stated otherwise

Principles of valuation for the financial statements

In determining the principles for the valuation of assets and liabilities and the determination of result for its company financial statements, the Company has made use of the option offered in Article 2:362 Clause 8 of the Netherlands Civil Code. This means that the accounting policies for the valuation of assets and liabilities and the determination of result (hereafter 'accounting policies') applied to the company financial statements are the same as those applied for the consolidated financial statements. Participations over which a significant influence is exercised are recognised at net asset value, whereby the net asset value is determined on the basis of the accounting policies applied in the consolidated financial statements (see pages 81 to 88).

1 Property, plant and equipment

	2008	2007
Carrying amount on 1 January	242	404
Depreciation	(162)	(162)
Carrying amount on 31 December	80	242
Specified as follows:		
Cost	809	809
Cumulative depreciation	729	567

2 Intangible assets

	Goodwill	Other intangible assets	Total
Carrying amount 1 January 2008	97,569	148	97,717
Adjusted purchase price	(3,097)	–	(3,097)
Investments	51,705	524	52,229
Amortisation	–	(248)	(248)
Carrying amount on 31 December 2008	146,177	424	146,601
Specified as follows:			
Cost	148,083	820	148,903
Cumulative amortisation and impairment	1,906	396	2,302

3 Participations in and receivables from Group companies

	2008	2007
Shares	871,229	493,683
Receivables	27,197	26,633
Total	898,426	520,316

Shares

Shares are stated at the net asset value and the movement was as follows:

	2008	2007
Balance as at 1 January	493,683	377,112
New participations	51,920	11,203
Increase in participations	278,971	48,800
Deconsolidation	3,279	2,365
Results	131,907	100,021
Dividends received	(62,708)	(37,454)
Effect of movements in exchange rates	(30,973)	(7,809)
Other movements	5,150	(555)
Balance as at 31 December	871,229	493,683

A list of group companies and other participations compiled in accordance with Article 379, Book 2 of the Netherlands Civil Code has been filed at the Commercial Registry Office in Rotterdam.

4 Other financial fixed assets

	2008	2007
Securities	1	1
Derivatives at fair value	334	222
Deferred tax assets	541	—
Total	876	223

5 Receivables

	2008	2007
Receivables from group companies	14,486	14,896
Taxes and social security premiums	469	362
Other receivables and accruals	15,645	18,896
Total	30,600	34,154

6 Issued capital

On 31 December 2008 the number of outstanding ordinary shares with a nominal value of 0.80 euro was 77,462,396 (2007: 78,374,232). On 31 December 2008 the issued capital amounted to 80,659,647 ordinary shares (2007: 80,659,647) of which 3,197,251 (2007: 2,285,415) were held by the Company to cover the liabilities arising from the share scheme for the Board of Management and the share option scheme (see pages 99 and 96 respectively).

7 Share premium reserve

	2008	2007
Balance as at 31 December	36,120	36,120
Comprises:		
Distribution subject to taxation	8,593	8,593
Distribution exempt from taxation	27,527	27,527
Total	36,120	36,120

8 Other reserves

	2008	2007
Balance as at 1 January	174,113	153,039
Profit appropriation	55,680	39,565
Purchased own shares	(16,506)	(14,398)
Share options exercised on ordinary shares	2,502	2,426
Share-based payments	2,385	2,179
Movements in hedge reserve of participations	(2,608)	(153)
Effect of movements in exchange rates on the valuation of participations	(33,620)	(8,545)
Balance as at 31 December	181,946	174,113

The legal reserves included in the other reserves are immaterial. The purchase price of the repurchased shares has been deducted from the other reserves.

At the end of 2008 the translation reserve amounted to 41.9 million euro negative (2007: 8.3 million euro negative).

9 Unappropriated result

	2008	2007
Proposed appropriation of profit:		
Dividend payable on ordinary shares	45,703	36,836
Added to the other reserves	67,638	55,094
Total	113,341	91,930

10 Provisions

	Deferred tax liabilities	Pensions	Warranties and claims	Total
Balance as at 1 January 2007	28,534	5,728	7,877	42,139
Additions	–	302	–	302
Withdrawals	(26,140)	(1,432)	(865)	(28,437)
Balance as at 31 December 2007	2,394	4,598	7,012	14,004
Balance as at 1 January 2008	2,394	4,598	7,012	14,004
Additions	–	5,000	–	5,000
Withdrawals	(2,394)	(1,608)	(80)	(4,082)
Balance as at 31 December 2008	–	7,990	6,932	14,922

11 Non-current liabilities

	2008	2007
Syndicated bank loans	297,439	69,887
Derivatives at fair value	10,370	142
Total	307,809	70,029

For an explanation of the derivatives reference is made to Note 20 Loans and borrowings in the notes to the consolidated financial statements.

12 Other liabilities

	2008	2007
Taxes and social security premiums	3,717	8,081
Various liabilities	38,527	33,358
Total	42,244	41,439

Contingent liabilities

Imtech N.V. has issued a declaration of joint and several liability for the majority of its Dutch subsidiaries on the grounds of Article 403 Book 2 of the Netherlands Civil Code.

In addition, Imtech N.V. has provided separate warranties as additional security on behalf of subsidiaries relating to the fulfilment of specifically defined contractual commitments to third parties. These parent company warranties relate to so-called advance payment warranties in the technical contracting sector and purely performance warranties. A large part of these warranties have been given for companies for which the aforementioned declaration of joint and several liability was issued and filed at the Commercial Registry Office. On the balance sheet date the liabilities of these subsidiaries amounted to 558 million euro (2007: 481 million euro). Imtech N.V. is also jointly and severally liable for the debts of its subsidiaries by virtue of the credit and guarantee facilities. After all, Imtech N.V. is the parent company of the fiscal unities with regard to income tax and VAT and is thus severally liable for the tax liabilities of these fiscal unities.

13 Auditor's fees

With reference to Section 2:382a of the Netherlands Civil Code, the following fees have been charged by KPMG to the Company, its subsidiaries and other consolidated entities:

	2008			2007		
	KPMG Accountants N.V.	Other KPMG network	Total KPMG	KPMG Accountants N.V.	Other KPMG network	Total KPMG
Audit of annual accounts	1,076	1,833	2,909	978	1,632	2,610
Other assurance services	43	116	159	111	18	129
Tax advisory services	–	641	641	–	348	348
Other non-audit services	330	989	1,319	313	1,014	1,327
Total	1,449	3,579	5,028	1,402	3,012	4,414

Signature

The members of the Board of Management have signed the annual report and financial statements in fulfilment of their legal obligations on the grounds of Article 2:101 Clause 2 of the Netherlands Civil Code and Article 5:25 c Clause 2 sub C of the Financial Supervision Act.

The members of the Supervisory Board have signed the financial statements in fulfilment of their legal obligations on the grounds of Article 2:101 Clause 2 of the Netherlands Civil Code.

Gouda, 16 February 2009

Supervisory Board

R.M.J. van der Meer
E.A. van Amerongen
A. Baan
G.J. de Boer-Kruyt
A. van Tooren
W.A.F.G. Vermeend

Board of Management

R.J.A. van der Bruggen
B.R.I.M. Gerner

■ OTHER INFORMATION

To the Shareholders of Imtech N.V.

AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements 2008 of Imtech N.V., Gouda (statutory seat in Rotterdam). The financial statements consist of the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2008, the consolidated profit and loss account, the consolidated statement of recognised income and expenses and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The company financial statements comprise the company balance sheet as at 31 December 2008 and the company profit and loss account for the year then ended and the notes.

Management's responsibility

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Imtech N.V. as at 31 December 2008, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of Imtech N.V. as at 31 December 2008, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal requirements

Pursuant to the legal requirement under 2:393 sub 5 part f of the Netherlands Civil Code, we report, to the extent of our competence, that the management board report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Rotterdam, 16 February 2009

KPMG ACCOUNTANTS N.V.

P.W.J. Smorenburg RA

Statutory provisions regarding the appropriation of profit

The regulations regarding the appropriation of profit are contained in Articles 24.3 to 24.12 of the Articles of Association of the Company and in essence are as follows:

Preference shares

A dividend is paid on preference shares that is equal to the average euro base interest rate as applied by ABN AMRO Bank N.V. or its legal successor, raised or lowered by two percent. If and for so far as the profit is insufficient to pay this dividend in full, the Board of Management may resolve to pay the shortfall out of the reserves (with the exception of the reserve established specifically for financing preference shares). If and for so far as this dividend also cannot be paid out of the reserves, profit booked in subsequent years must first be used to pay, in full, the deficit to holders of preference shares before any dividend may be paid on the financing preference shares or ordinary shares.

Financing preference shares

On every financing preference share of a series a dividend is paid (or added to the reserve established for this purpose) that is equal to the interest on government loans with a (remaining) term of eight to nine years, as published in the official Price List of Euronext Amsterdam by NYSE Euronext, effective for the last trading day prior to the day the relevant series of preference shares was issued, raised or lowered as necessary depending on prevailing market conditions by a surcharge equal to a maximum of two and a half percent points or a reduction of a maximum of two and a half percent points, which surcharge or reduction can vary per series.

Once every ten years the dividend percentage of financing preference shares of the relevant series will be adjusted to the then valid yield of the government loans applicable for this purpose, if necessary raised or lowered by the surcharge, respectively reduction, mentioned above. If and in so far as the profit is insufficient to allow this dividend to be paid in full, the shortfall will be paid out of the reserve established specifically for this purpose. If and for so far as the dividend also cannot be paid out of this reserve, profit booked in subsequent years must first be used to pay, in full, the deficit owed to holders of financing preference shares (or be added to the reserve specifically established for this purpose) before any dividend may be paid on ordinary shares.

Ordinary shares

The Board of Management, with the approval of the Supervisory Board, decides how much of the profit remaining after the application of the above provisions will be reserved. The profit remaining after the application of these provisions is at the disposal of the General Meeting of Shareholders.

Proposal regarding the appropriation of profit

It shall be proposed to the General Meeting of Shareholders that the net profit of 113.3 million euro be appropriated as follows: 45.7 million euro as dividend to holders of ordinary shares, either in cash or shares, and the remaining 67.6 million euro to the other reserves.

The dividend proposal is stated on page 10 of the Report of the Supervisory Board.

Special statutory rights regarding control

No individuals have a special statutory right regarding control of the Company. No profit-sharing certificates have been issued.

FUNCTION SUMMARY

SUPERVISORY BOARD¹

R.M.J. (Rudy) van der Meer (63)



- Chairman, appointed in 2005, current term ends 2009, member of the Audit Committee, member of the Remuneration & Nomination Committee
- Former member of the Board of Management Akzo Nobel N.V.

Supervisory Board memberships

- ING Bank Nederland N.V. and ING Verzekeringen Nederland N.V.
- Energie Beheer Nederland B.V. (Chairman)
- Gazelle Holding B.V. (Chairman)
- James Hardie Industries N.V.

Important additional functions

- Chairman of the Board Universiteitsfonds Delft
- Chairman Alumnivereniging TU Delft

G.J. (Dien) de Boer-Kruijt (64)



- Appointed in 1999, current term ends 2011
- Personal advisor; programmes for real leadership for commerce, government and science

Supervisory Board memberships

- Sara Lee/DE N.V.
- Reed Elsevier N.V.
- Allianz Nederland Groep N.V.

Important additional functions

- Supervisory Board member National Register of Supervisory Board Members
- Supervisory Board member Kids Rights

E.A. (Eric) van Amerongen (55)



- Appointed in 2002, current term ends 2010, Chairman of the Remuneration & Nomination Committee
- Former CEO Koninklijke Swets & Zeitlinger N.V.

Supervisory Board memberships

- ASM International N.V. (Vice-chairman)
- HITT N.V. (Vice-chairman)
- Shanks Group Plc (senior independent non executive director)
- Ortel Mobile B.V.

Important additional functions

- ANWB B.V., and member of the Supervisory Board Vereniging ANWB
- Chairman of the Supervisory Board Centraal Bureau Rijvaardigheidsbewijzen

A. (Harry) van Tooren (61)



- Appointed in 2006, current term ends 2010, Chairman of the Audit Committee
- Former member of the Executive Committee ING Europe/Wholesale international

Supervisory Board memberships

- AM Wonen B.V.
- Hunter Douglas N.V.

Important additional functions

- Supervisory Board member Maastad Ziekenhuis

W.A.F.G. (Willem) Vermeend (60)



- Appointed in 2007, current term ends 2011
- Entrepreneur, Professor of European Fiscal Economics Universiteit Maastricht

Supervisory Board memberships

- Randstad Holding N.V.
- Mitsubishi Motors Europe B.V.
- AFAB Financiële Diensten
- HSB Bouw Volendam

Important additional functions

- Supervisory Board member Erasmus Universiteit and Erasmus MC

A. (Adri) Baan (66)



- Appointed in 2008, current term ends 2012, member of the Audit Committee
- Former Executive Vice President Koninklijke Philips Electronics N.V.

Supervisory Board memberships

- Volker Wessels Stevin N.V. (Chairman)
- Wolters Kluwer N.V. (Chairman)
- Océ N.V.
- Dockwise Ltd (Chairman)

Important additional functions

- Advisor Warburg Pincus UK
- Chairman of the Supervisory Board Autoriteit Financiële Markten
- Supervisory Board member Universiteit van Amsterdam
- Supervisory Board member Amsterdam Medisch Centrum
- Chairman of Stichting Resocialisatie en Begeleiding Criminele Jongeren

BOARD OF MANAGEMENT



R.J.A. (René) van der Bruggen (61)
Chairman



B.R.I.M. (Boudewijn) Gerner (57)
Board member



K.P.H. (Håkan) Bergkvist (57)
General Manager Imtech Nordic



K. (Klaus) Betz (53)
Chairman of the Board Imtech Deutschland



B. (Bart) Bouwmeester MBA (41)
General Manager Imtech Nederland



J.A. (Jan) Casteleijn (59)
General Manager Imtech Infra



A.F. (Jos) Graauwmans (51)
Director Personnel & Organisation



C.A.J. (Cees) van Laarhoven (60)
General Manager Imtech Technology



J. (Javier) Llanos Acuña (50)
General Manager Imtech Spain



M.E.J. (Mark) Salomons (47)
Company Secretary



H.B. (Harry) Siertsema (50)
General Manager Imtech Marine Group



J.M. (Jim) Steele (61)
General Manager Imtech UK



P. (Piet) Veenstra (60)
General Manager Imtech ICT

Age as at 1 January 2009.

¹ All members of the Supervisory Board are Dutch nationals.

² The members of the Board of Management are also members of the Executive Council.



Imtech N.V.

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