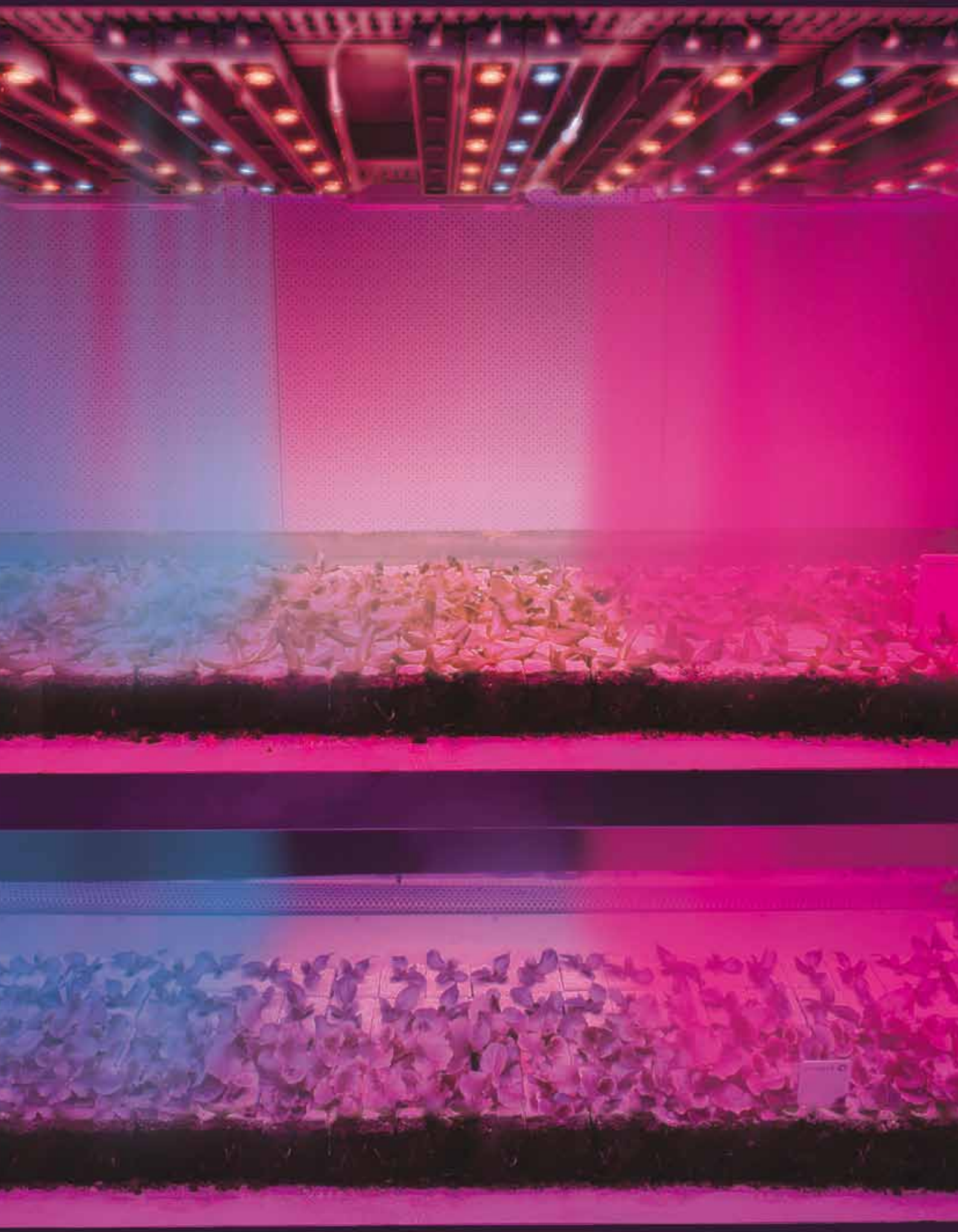
ANNUAL REPORT 2010

IMTECH 2.0

Imtech



Imtech 2.0

Unceasing technological innovation, the translation of new customer demands into sustainable products and services, a rapid response to social developments, transparent communications with stakeholders: modern companies must constantly re-invent themselves and once again put themselves on the map. This is exactly what Imtech did last year. By the end of 2010 we had partly achieved our targets for 2012. Which is why we have set ourselves new strategic challenges for 2015: revenue of 8 billion euro, a higher margin, more added value, partnerships with customers and suppliers, following key customers when they go outside Europe, 'green' technology, and a sharp focus on specific markets such as energy & environment, care & cure, high-tech waste water treatment and sustainable data centres.

Imtech has evolved into a powerful European technological multinational with a strong, global marine network. We have ranked amongst the state-of-the-art players in the technology market for more than 150 years. We have 21,000 customers, 25,000 employees and a market capitalisation of around 2.5 billion euro. But our ambition is to go further. There are 'white' areas on the European map we aim to colour 'Imtech'. And we are also focusing on international expansion. Multidisciplinary technical services provision with asset management from a life-cycle perspective has shown itself to be a unique and attractive concept: total immersion in the customer's business processes, management based on intensive co-operation throughout the chain, technology as the driver for achieving sustainability objectives. Along the guidelines of ISO 26000, we are working hard on our CSR: carbon footprint reduction, waste management, chain responsibility and numerous pragmatic CSR initiatives, such as pro bono technology projects in developing countries. We are transforming ourselves into an employer of choice with the very best people in every position. This is why we are transparent in our business operations and clear in our communication, for example on our new, interactive website with user-generated content, such as blogs and films. We make intensive use of social media. That is Imtech 2.0. Totally prepared for the second decade of the 21st century. Technology that improves society, shared success!

www.imtech.eu @imtechcorporate

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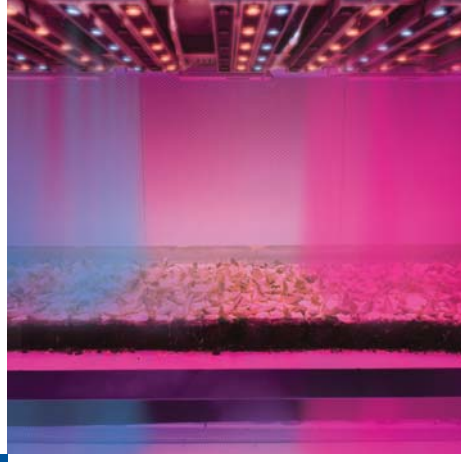


Cover photo: Agriculture 3.0.
In the food & feed market Imtech is involved with PlantLab®, a new, sustainable method for growing fruit, flowers and plants in high-tech, closed-off cultivation halls (also called 'CSR-green-houses').

Technology for super-yacht 'Swift 141'
Imtech is responsible for much of the technology on board the 141 metre (465 foot) long super-yacht 'Swift 141' that will be launched in 2011 by ADM Shipyards in Abu Dhabi.

Highlights 2010

- Breakthrough 6% operational EBITA margin: 6.2% (2009 5.8%)
- Excellent 2010 annual figures despite challenging market conditions in a number of countries and markets:
  – EBITA: 259.3 million euro, + 10% (organic + 6%);
  – Revenue: 4,481 million euro, + 4% (organic 0%);
  – Net profit: 140.4 million euro, + 11%;
  – Earnings per share*: 2.00 euro, + 4%;
  – Proposed dividend per ordinary share: 0.65 euro, + 2%.
- Strengthening of the market positions in Nordic, Spain, ICT, the European traffic market and the global marine market through the acquisition of nine strong companies with a total revenue of 290 million euro.
  The acquired companies include NEA in Sweden. In 2008 Imtech acquired NVS. Co-operation between NEA and NVS will enable multidisciplinary technical services with high added value – a good basis for robust growth in Nordic. First step in Turkey through acquisition of marine services provider Elkon.
- Update of the strategy for 2011 – 2015 with new targets for 2015: revenue 8 billion with an operational EBITA margin between 6% and 7%.
- Further improvement financial base by equity offering and refinancing.
- Order book up by 10% to over 5,204 million euro, a good starting point for 2011.
- Outlook 2011: a further increase of EBITA through organic growth and acquisitions.

* Earnings per share before amortisation and impairment of intangible assets.

A summarised version of this annual report is also available in Dutch. In matters of interpretation the English Annual Report will prevail. A full, digital English-language version of this annual report is available on our website www.imtech.eu.

Profile

- Imtech N.V. is a European technical services provider in the fields of electrical services, ICT (information and communication technology) and mechanical services. Imtech, with approximately 25,000 employees, achieves annual revenue of around 4.5 billion euro.

- Imtech is able to cluster electrical, ICT and mechanical services across and throughout the full breadth and depth of the technology spectrum into integrated and multidisciplinary total solutions. This results in differentiating capabilities and enables the creation of added value.

- Imtech occupies strong positions in the buildings and industry markets in the Netherlands, Belgium, Luxembourg, Germany, Austria, Eastern Europe, Sweden, Norway, Finland, the UK, Ireland and Spain, as well as in the European ICT and traffic markets and the global marine market. Imtech serves around 21,000 customers.

- Imtech's shares are listed on NYSE Euronext in Amsterdam where Imtech is included in the Midkap Index. The Imtech share is also included in the Dow Jones STOXX 600 index.

Mission and added value

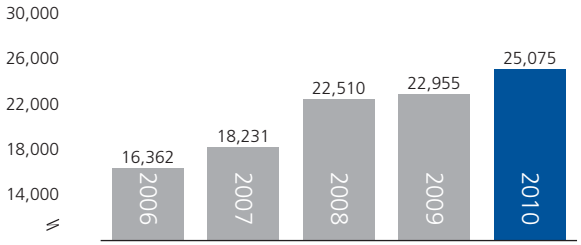
- **Technology that improves society**
  Technology has become such an intrinsic part of our society that imagining our society without it is impossible. Technology offers solutions for society's fundamental problems in the fields of energy, environment, fine particles and water. But technology also contributes towards improving mobility, (health) care and education, and in the field of security, in research laboratories and research centres, in the pharmaceutical industry, in the development of clean and safe automobiles and in the food industry. Imtech is active right across this social spectrum and develops integrated technological solutions that contribute towards a sustainable and liveable society. This is why Imtech also stands out through its activities in the field of CSR – Corporate Social Responsibility.

- **Technology that improves business**
  Knowing what the customer, and the customer's customer, wants is the key to Imtech's success. Imtech achieves added value for its customers through its thorough knowledge not only of their primary and secondary processes but also of the markets in which they operate. Customers can concentrate fully on their core business; Imtech takes full (result) responsibility for the technology infrastructure and guarantees the technological performance throughout the entire exploitation phase. This is how co-operation and process innovation result in the creation of value and an optimum total cost of ownership.

- **Technology that works**
  Naturally, technological solutions must first and foremost work and deliver measurable results. Imtech delivers the best technical performance. Our expertise stretches back over more than 150 years. As a technological front runner we have been in the front line of many innovations, such as decentralised power plants and platform automation in shipping. 25,000 Imtech professionals are working on this, always with 'drive', paying full attention to the customer and with a total passion for technology. Often also unnoticed, because the beauty of technological solutions that work is that everybody accepts this as a matter of course.

Imtech's KPIs

People



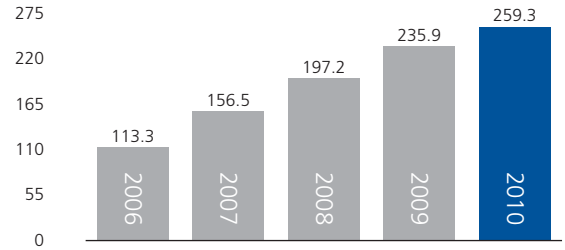
Number of employees (FTE)

Over 25,000 employees

Passionate employees are the engine that drives 'people business' Imtech. Our employees are our most important asset. To achieve its strategic growth targets Imtech needs well-educated and trained, professional employees with vision and drive. At every level in the organisation. Imtech wants to be an 'employer of choice'.

Goal
Imtech wants to rank among the best employers in the technical services market.

EBITA



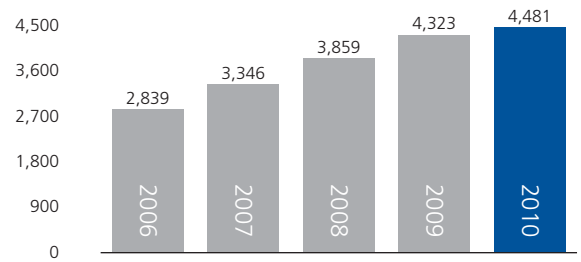
EBITA (in millions of euros)

EBITA: 259.3 million euro

The EBITA – the operating result before amortisation and impairment of intangible assets – is the core indicator of profit within Imtech. A consistent and increasing demand for technology, Imtech's distinctive profile (the combination of electrical services, ICT and mechanical services) and Imtech's clear strategy make it possible to increase the profitability at an above-average speed.

Goal 2011
A further increase of the EBITA through organic growth and acquisitions.

Revenue



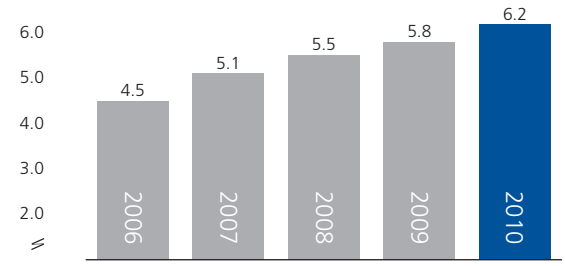
Revenue (in millions of euros)

Around 4.5 billion euro

Imtech is one of the largest independent technical services providers in Europe and in the global marine market. It is totally focused on, and committed to, providing technical services through the combination of electrical services, ICT and mechanical services. Rapid growth of the activities leads to continuity for customers and employees. This instils confidence, creates opportunities and makes Imtech a stable and reliable co-operation partner.

Goal 2015
Revenue of 8 billion euro.

Operational EBITA margin



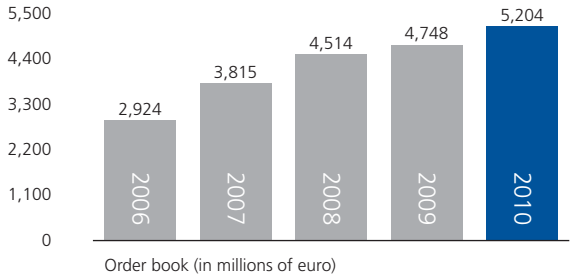
Operational EBITA margin (%)

Operational EBITA margin: 6.2%

The operational EBITA margin gives an indication of Imtech's profitability. It also reflects the constant focus on offering our customers ever higher added value. This margin is based on the operating profit before amortisation and impairment of intangible assets and before the deduction of group management costs. Our original goal for 2012 – an operational EBITA margin of 6% – was achieved in 2010.

Goal 2015
An operational EBITA margin between 6% and 7%.

Order book



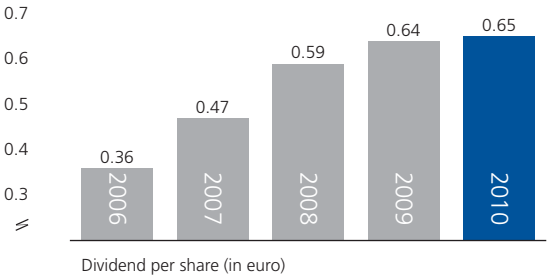
Order book (in millions of euro)

Over 5.2 billion euro

The order book is an important indicator for future development of Imtech's revenue and profitability. A healthy order book growth (10% in 2010) instils confidence in the future.

Goal 2011
Further growth of the order book.

Proposed dividend



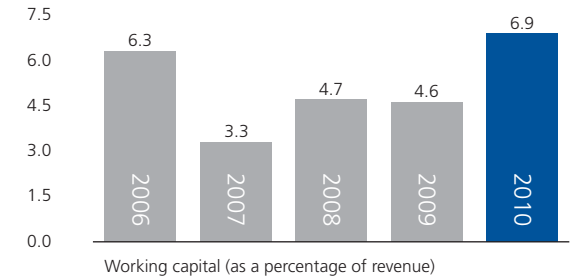
Dividend per share (in euro)

Per share: 0.65 euro

The aim of the dividend policy is to distribute to shareholders 40% of Imtech's net profit, excluding exceptional items. Since 2009 shareholders have had the choice of receiving their dividend in cash or shares.

Goal
To pay out 40% of the net profit as dividend.

Working capital



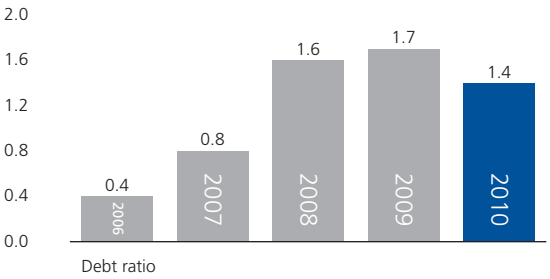
Working capital (as a percentage of revenue)

6.9% of revenue

For Imtech, as a project-driven company, working capital constitutes a major component of the balance sheet total. Therefore a continuous focus on the working capital is essential.

Goal
Working capital that amounts to a maximum of 6%-6.5% of revenue.

Debt ratio



Debt ratio

1.4 in 2010

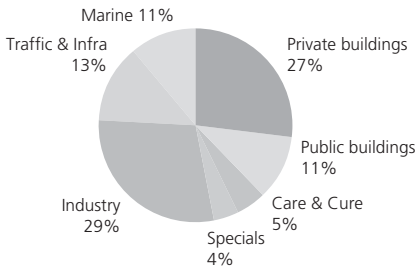
A strong balance sheet is important for Imtech, both with a view to future acquisitions and for the obtaining of new projects and long-term maintenance contracts. A solid financial position makes continuity and strategic growth possible, both commercially in relation to our customers and in the labour and capital markets. The debt ratio is equal to the average net interest-bearing debt divided by the EBITDA.

Goal
A debt ratio between 1.0 and 2.5.

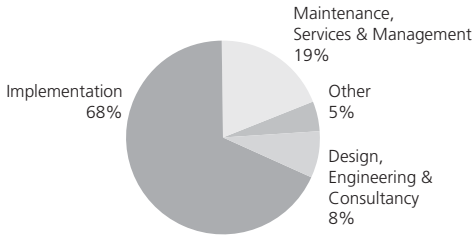
High-tech technology solutions on board of naval vessels.

Key figures

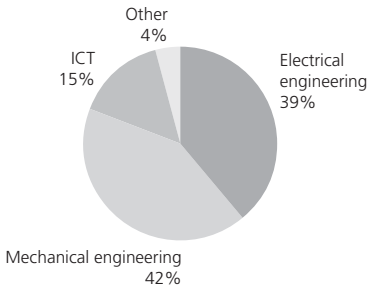
Revenue split per market segment



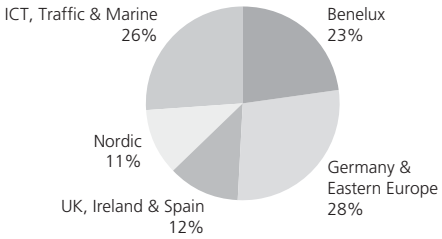
Revenue split per activity



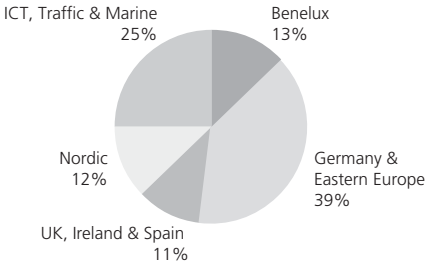
Revenue split per technology



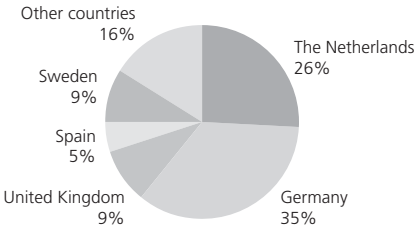
Revenue split per cluster



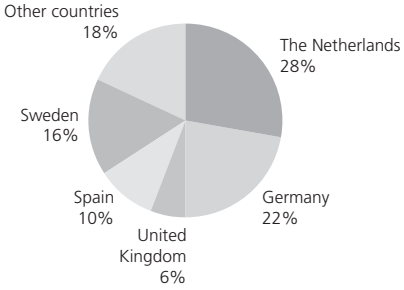
Operational EBITA split per cluster



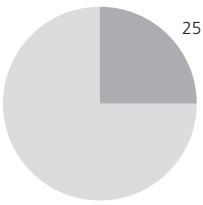
Revenue split by country



Number of employees split by country



Share of Green Tech in total revenue



In millions of euro unless stated otherwise

	2010	2009	2008	2007	2006
Results					
Revenue	**4,481**	4,323	3,859	3,346	2,839
EBITA	**259.3**	235.9	197.2	156.5	113.3
EBIT	**234.2**	213.0	183.8	147.3	108.8
Net profit	**140.4**	126.2	113.3	91.9	67.7
Operational EBITA margin[1]	**6.2%**	5.8%	5.5%	5.1%	4.5%
EBITA margin	**5.8%**	5.5%	5.1%	4.7%	4.0%
Cash flow	**198**	180	156	125	92
Order book	**5,204**	4,748	4,514	3,815	2,924
Balance sheet					
Balance sheet total	**3,046**	2,584	2,473	1,891	1,567
Total shareholders' equity attributable to shareholders of Imtech N.V.	**812**	498	396	367	321
Net interest-bearing debt[2]	**431**	420	445	92	25
Working capital (excluding cash and cash equivalents)	**310**	197	180	109	178
Solvency	**0.27**	0.19	0.16	0.20	0.21
Interest cover[3]	**7.6**	7.3	7.7	8.3	12.6
Average net interest-bearing debt/EBITDA	**1.4**	1.7	1.6	0.8	0.4
Average number of outstanding ordinary shares (in millions)	**82.6**	77.8	77.4	78.6	78.8
Data per ordinary share with a nominal value of 0.80 euro *In euros unless indicated otherwise*					
Net profit before amortisation and impairment of intangible assets[4]	**2.00**	1.92	1.64	1.29	0.92
Dividend	**0.65**	0.64	0.59	0.47	0.36
Pay-out	**40%**	40%	40%	40%	41%
Shareholders' equity[5]	**9.30**	6.35	5.11	4.68	4.08
Closing price	**28.39**	18.84	12.00	16.94	16.05
Market capitalisation (in millions of euro)[6]	**2,600**	1,546	968	1,366	1,295
Personnel					
Number of employees as at 31 December	**25,075**	22,955	22,510	18,231	16,362

1 *Before holding costs.*
2 *According to definition bank covenants.*
3 *Based on interest income and expense other than relating to employee benefits.*
4 *Based on average number of outstanding shares.*
5 *Based on the number of outstanding shares as at 31 December.*
6 *Based on the number of issued shares as at 31 December.*

The Imtech share

	2010	2009	2008
Highest price	**28.390**	19.180	19.070
Lowest price	**18.530**	9.410	9.660
Year-end price	**28.390**	18.835	12.000
Price/earnings ratio at year-end	**14.2**	9.8	7.3
Dividend yield at year-end	**2.3%**	3.4%	4.9%
Number of issued shares	**91,573,840**	82,087,483	80,659,647
Number of outstanding shares at year-end	**87,373,851**	78,376,728	77,462,396
Average number of outstanding shares	**82,644,290**	77,776,359	77,445,826
Market capitalisation at year-end	**2,599,781,318**	1,546,117,742	967,915,764

The objective of investor relations

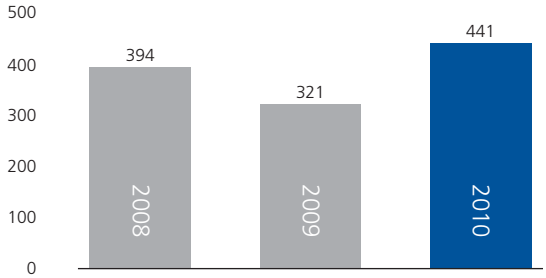
The objective of Imtech's investor relations is within specified guidelines to ensure that the investment community is fully aware of Imtech's strategy, business model, competitive position and financial position. This information enables the investment community to make a good and realistic estimate of the potential value of the Imtech share.

To achieve this objective, Imtech makes available all relevant information to investors and analysts via annual reports, half-yearly reports, trading updates, press releases, presentations to investors and analysts and via the website www.imtech.eu.

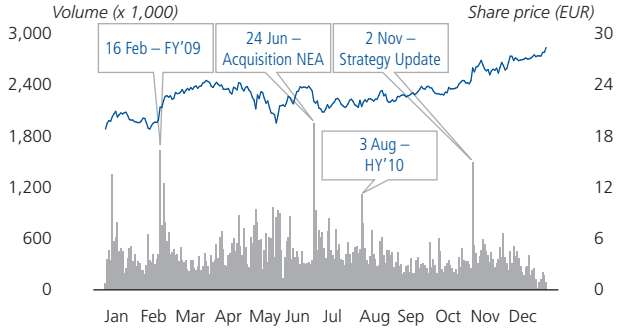
Imtech on the stock exchange

Imtech is listed on the NYSE Euronext in Amsterdam and is included in the AMX index. Imtech is also included in the Dow Jones Stoxx 600. Trading in both Imtech shares and options on the Imtech share is possible via NYSE Euronext Amsterdam.

Increasing interest from investors (number of official meetings)



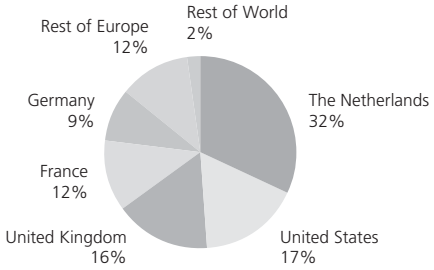
The Imtech share in 2010



Distribution of shareholders

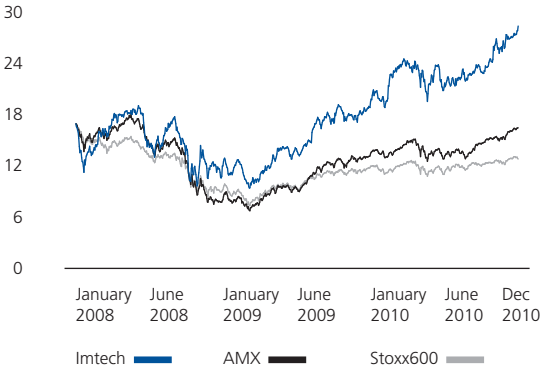
Imtech's well-spread base of institutional shareholders hold 68% of the shares. 21% of the shares is held by private investors, mainly in the Netherlands and Belgium. Nearly 5% of the shares is held by the company and the ownership of the remaining 6% of the shares is unknown.

A wide spread of shareholders (institutional investors)

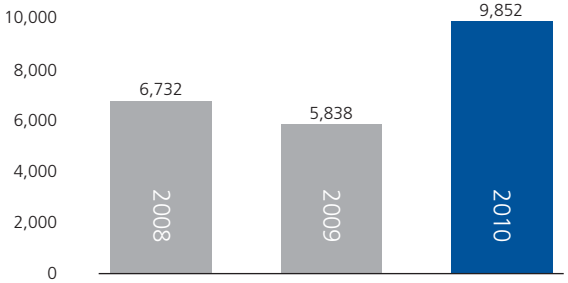


Imtech's substantial shareholders are Ameriprise Financial (5.9%), Aviva (5.2%) and Delta Deelneming Fonds (5.1%).

Share price development 2008-2010



Increasing liquidity of the Imtech share (per day in EUR 1,000)



Attractive dividend

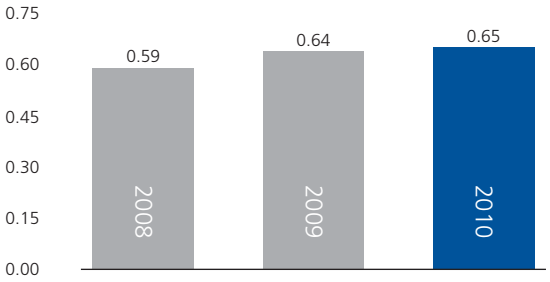
Each year 40% of the net profit excluding exceptional items is paid out as dividend. Since 2009 shareholders have been able to receive their dividend in cash or shares. In 2010 54% of shareholders opted for a pay out in shares, for which 1,161,507 shares were issued.

The dividend proposal for the 2010 financial year is to pay out a dividend of 0.65 euro per share.

Equity offering

On 24 June 2010 Imtech successfully raised 183 million euro with the offering of 8,324,850 new ordinary shares at a price of 22.25 euro per share. The proceeds of this offering were partly used to finance the acquisition of Swedish electrical services provider NEA and the Turkish marine services provider Elkon. The remainder of the proceeds will be used for further growth of Imtech to 2015.

Dividend: 40% of net profit paid out (in euros per share)

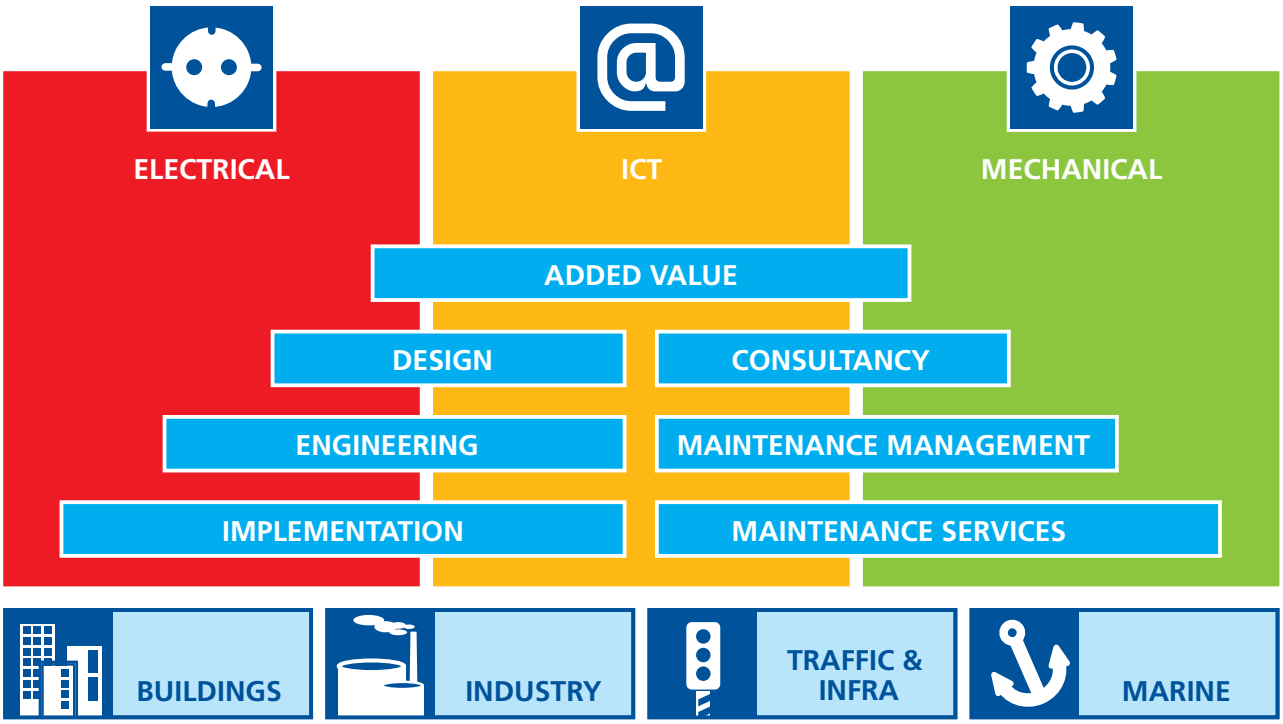


Financial calendar

6 April 2011	Annual General Meeting of shareholders
26 April 2011	Trading update 1st quarter 2011
2 August 2011	Half-yearly figures 2011
25 October 2011	Trading update 3rd quarter 2011
7 February 2012	Annual figures 2011
4 April 2012	Annual General Meeting of shareholders

The full and up-to-date financial calendar can be viewed on www.investors.imtech.eu.

Imtech competence pyramid



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, business intelligence, control technology, platform automation, data and telecommunications, data modelling, data centres, ICT infrastructures, intelligent transport systems, storage, (telecom) networks, server technology, virtualisation, infrastructure automation, route information systems, internet and intranet applications, logistics automation, managed IT services, technical automation, navigation and communication technology, robotisation, satellite communication 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-extinguishing technology and mechanical (process) installations.

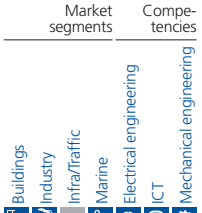
Buildings: all types of buildings including data centres, distribution centres, offices, government buildings, laboratories, airports, museums, parking garages, penal institutions, leisure centres, stadiums, stations, universities and colleges, shopping centres, hospitals and care institutions.

Industry: a focus on power plants, the automotive industry, chemicals and petrochemicals, the energy and environment market, pharmaceuticals, machine building, oil & gas, the animal feed industry, the aircraft industry and the (luxury) food industry.

Traffic & Infra: the measurement, analysis and improvement of traffic flow, (dynamic) traffic management (on the road and 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: luxury (mega) yachts, naval vessels (logistic support ships, frigates, corvettes, patrol vessels and submarines), special ships (dredgers, offshore support ships, crane ships, tramp steamers and FPSOs – Floating Production, Storage and Offloading ships), offshore platforms, cargo vessels (container ships, bulk carriers and other cargo ships), passenger liners and inland waterways vessels.

Organisation, markets and competencies



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 Security Solutions
Imtech Food & Feed

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

Imtech Belgium N.V.
Imtech (Belgium) N.V.
Imtech Maintenance
Van Looy Group N.V.

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

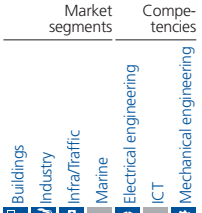
Germany & Eastern Europe

Imtech Deutschland
Imtech Deutschland GmbH & Co. KG
Imtech Contracting GmbH
Kraftwerks- und Energietechnik
Umweltsimulation und Prüfstandtechnik
Forschung und Entwicklung
Reinraum- und Medientechnik
Imtech Brandschütz GmbH
Con Tech GmbH Real Estate Management
Imtech Polska Sp. z.o.o. (Poland)
Imtech KTS-CZ s.r.o. (Czech Republic)
Imtech Russland OAO (Russia)
S.C. Arconi Grup S.A. (Romania)
Imtech Austria Anlagentechnik GmbH (Austria)

UK, Ireland & Spain

Imtech UK Ltd.
Imtech Technical Services Ltd. (UK)
Imtech Meica Services Ltd.
Imtech G&H Ltd.
Imtech Aqua Group Ltd.
Imtech Suir (Ireland)
Imtech Process Ltd.

Imtech Spain S.L.
Imtech Spain Buildings
Imtech Spain Industry
Imtech Medical Engineering S.L.



Nordic

Imtech Nordic AB
NVS Installation AB (Sweden)
Nordiske Varme Sanitaer AS (Norway)
LVI-Helin Oy (Finland)
Närkes Elektriska AB (NEA)
Elajo Invest AB (37.6%)

ICT, Traffic & Marine

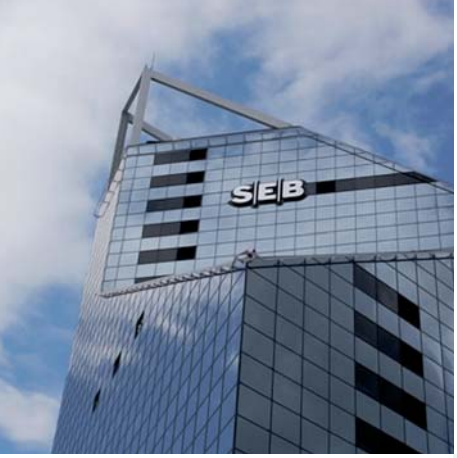
Imtech ICT*
Imtech ICT Business Solutions B.V.
Imtech ICT Nederland B.V.
Imtech ICT Management & Consultancy B.V.
Imtech ICT Integrated Solutions & Services B.V.
Imtech ICT Communications Solutions B.V.
Imtech ICT Performance Solutions B.V.
Fritz & Macziol Software und Computervertrieb GmbH
Infoma Software Consulting GmbH
Fritz & Macziol (Schweiz) A.G.
Imtech ICT UK Ltd.
Imtech ICT Belgium
Imtech ICT Austria
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)
Peek Traffic Sweden AB
Peek Traffic Finland Oy
WPS Parking Systems

Imtech Marine B.V.
Imtech Marine & Offshore B.V.
Imtech Schiffbau-/Dockbautechnik
Imtech Marine & Offshore Ltd. (UK)
Imtech Marine Germany GmbH
Imtech Marine Shanghai Corp. Ltd.
Van Berge Henegouwen Installaties B.V.
Elkon Elektrik Sanayi Veticaret AS
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.
Radio Holland South Africa Pty Ltd.
Venteville B.V.
Radio Holland Content@Sea B.V.

* *Including business services.*

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



'Green' revitalisation of SE Banken's head office, Stockholm
In Sweden more and more organisations are taking their Corporate Social Responsibility for the environment seriously and are investing in the 'green' revitalisation of existing buildings. Imtech is responsible for the three-phase 'green' revitalisation of the SE Banken head office in Stockholm.

Preface Board of Management

A good 2010, trust in 2011, strategy 2015 and increasing interaction

Over the past few years Imtech has evolved into a powerful European multinational with a strong global marine network. This has been possible thanks to our increasing interaction (connectivity) with our 21,000 customers, our 25,000 employees, our shareholders, technical co-makers and suppliers, and many, many other people. No interaction, no progress. And in 2010 progress was Imtech's credo. Not only through intensive internal and external co-operation and (once again) excellent annual figures, but primarily thanks to our new growth strategy for 2015. At the end of 2010 we also launched our new, interactive corporate website which, together with an Imtech social media portal, will enable us to communicate even more effectively with all our stakeholders.

Transparently towards 2015

We have been one of the top players in the technology market for more than 150 years. Since 1993, when Imtech officially came into being, we have enjoyed continuous robust growth: an average annual growth of 21% in profit (EBITA) and 13% in revenue. Because our old targets for 2012 (revenue of 5 billion euro with an operational EBITA margin of 6%) had already partially been achieved, in 2010 we amended our strategy. Imtech is moving towards revenue of 8 billion euro in 2015 with an operational EBITA margin between 6% and 7%. The growth will be divided equally between organic growth and growth through acquisitions. Some key points of this growth strategy are: the achievement of more added value, a strengthening of our position in existing European Imtech countries and regions and the acquisition of positions in new European countries. Other key points are the robust growth of green technology in the energy & environment market and in specific technology domains, such as data centres, waste water and care & cure. Imtech's character will also become increasingly international through the further international expansion of our marine activities, our following of key customers outside Europe and the international growth of our traffic activities and in specific ICT niche markets, such as industrial software in emerging markets. To finance this growth we have successfully placed an equity offering of 183 million euro and refinanced the credit facility by a new syndicated bank facility of 700 million euro. Chain co-operation and the internal and external exchange of knowledge and innovations play a major role in the strategy. To enable the organisation to excel even more, we have introduced a new governance model made up of various 'communities'. Here too transparency, co-operation and optimal interaction, also through the use of social media, are the cornerstones.

Order book increases to 5.2 billion euro, well positioned for 2011

The order book's increase of 10% to 5.2 billion euro was substantial. Revenue remained stable at 4.5 billion euro and the EBITA rose by 10% to 259.3 million euro, of which 6% was organic. All in all proof that in 2010 we once again delivered a more than excellent performance, especially in Germany & Eastern Europe, where organic EBITA growth amounted to 34%. Progress was also excellent in Nordic, thanks to the acquisitions of NVS (November 2008) and NEA (June 2010),we are strategically in an excellent position.

R.J.A. (René) van der Bruggen

B.R.I.M. (Boudewijn) Gerner

NVS specialises in mechanical services, NEA in electrical services. NVS is oriented more towards the buildings market, NEA more towards industry. Together they serve more than 2,000 customers. The successful Imtech business model, based on the clustering of technical competencies with high added value for customers, is rapidly coming to life in Nordic. This has gained us a structurally strong position and a substantial growth potential. Good progress has also been made in the European ICT (information and communication technology) and traffic (high-tech mobility solutions) markets. Due to continuing difficult market conditions the performance in the Benelux remained under pressure. In the UK, Ireland & Spain Imtech managed to hold its own very well despite market conditions remaining challenging. In the marine market Imtech fell back just a fraction, but given the market conditions delivered a good performance. The overall operational EBITA margin rose to 6.2% (2009: 5.8%). To sum up – Imtech is well positioned for 2011.

Green technology the driver for growth

The high demand for green technology is a major growth driver. Imtech is one of the strongest technical players in the field of energy technology in Europe. Over 25% of our revenue comes from the energy & environment segment. Integrating energy solutions into our total approach means we can deliver high added value. The result is reduced energy consumption, higher energy efficiency, the generation of sustainable energy and lower CO_2 emissions. This makes a major contribution towards meeting our customers' and society's sustainability targets. Imtech is, for example, involved in making stadiums greener, reducing pollution in rivers, constructing high-tech sustainable energy and biomass power plants, equipping green ships and improving the energy performance of buildings.

CSR

Imtech stands out in the field of CSR, Corporate Social Responsibility. We accept our responsibility for the consequences of our activities for mankind, the environment and society and are fulfilling this responsibility along the guidelines of ISO 26000. We are focusing on lowering our carbon footprint, managing our waste streams and making our business chain more sustainable and we are undertaking numerous initiatives to make ourselves as green as possible. With this vision we also want to inspire our employees to work in the most sustainable and environmentally-aware way possible and, in their turn, to inspire co-operation partnerships in the technology chain. Here as well, interaction is the key.

Self-belief

We are convinced that further growth in accordance with our transparent 2015 strategy is possible. The demand for technology and ICT is still growing. The growth and added value in green technology forms a firm foundation for solid growth potential. We have a broad technical services portfolio and occupy leading market positions in large parts of Europe and in the global marine market. Around 55% of Imtech's activities involve recurring business, which leads to multi-year continuity. Our 5.2 billion euro order book guarantees high visibility. Compared to our competitors we have a virtually unique profile. Our financial position is strong with ratios well within the thresholds agreed with banks. This instils confidence. Our development as an employer of choice enables us to respond to the critical success factor of having good technical employees. Of course we want to have the very best people in every part of the organisation. Interaction between professionals with drive makes high added value for customers possible. This is why we have drawn up a new Human Resources strategy.

Further EBITA growth in 2011

Imtech is standing tall. And, although there have been structural changes in the playing field, several markets that are important to us will improve further in 2011. Only companies strongly rooted in the society and with high-tech expertise, ambition, a clear strategy, strong positions, the best people, passion, daring and connectivity through intensive interaction with numerous communities will be able to continue growing. Imtech is one of those companies. According to its current views, in 2011 Imtech expects a further EBITA increase through organic growth and acquisitions. In part thanks to the close co-operation with all our stakeholders: Shared Success!

Gouda, 15 February 2011

René van der Bruggen, CEO
Boudewijn Gerner, CFO

Strategy 2015 in a nutshell

Imtech has formulated a new growth strategy for the period 2011 – 2015. The goal is to achieve revenue of 8 billion euro with an operational EBITA margin between 6% and 7%. The growth will be divided equally between organic growth and acquisitions. This growth will be achieved as follows:

The achievement of more added value
Intensive co-operation with customers and partners aimed at a 'life-cycle' approach with the objective of structurally reducing the total cost of ownership – the total exploitation costs throughout the life of technical solutions.

Strengthening positions in existing European countries and regions
Imtech wants to further strengthen its existing positions in the buildings, industry, traffic & infrastructure, and ICT markets in the Benelux, Germany, Eastern Europe, Nordic, the UK, Ireland and Spain.


Acquiring positions in new European countries
Depending on concrete acquisition opportunities being available, Imtech will gain market positions in the buildings, industry, traffic & infrastructure, and ICT markets in countries such as Denmark, France, (northern) Italy, Portugal and Turkey as well as in certain countries in Eastern Europe and the Baltic States.


Expansion of the global marine activities
Imtech occupies a strong position in the global marine market. Imtech will focus on increasing the number of global service locations (currently there are 73). Imtech will also acquire positions in manufacturing locations in fast-growing shipbuilding centres in various countries including China, the Singapore region, Turkey, Canada and Brazil.


Following key customers outside Europe
Key customers are special relationships involving long-term partnerships, intensive co-operation and exchange of knowledge. Imtech will also serve these customers internationally, for example in the USA and emerging markets.


International growth of traffic technology and in ICT niches
Imtech will focus on international growth in specific knowledge domains, such as traffic technology (global export of mobility solutions) and in specific ICT niches, such as industrial software solutions in emerging markets.


Robust growth in green technology
Imtech is focused on robust growth in the energy & environment market: green technology in offices, factories, stadiums, data centres and ships, but also growth in bio-energy, power plants, energy contracting, energy efficiency and sustainable solutions for the mobility market.


Growth in specific technology domains
Imtech aims to achieve additional growth in the markets for data centres (with unique technological total solutions), sustainable waste water solutions (through unique expertise related to waste water and waste water treatment) and care & cure (Imtech technology makes health care function more efficiently).

A clean River Thames, London
Imtech is responsible for a technological (process) upgrading of the waste water management at the sewage works in Crossness and Beckton in London. More processing capacity means more storm and waste water can be treated and, therefore, less contaminated water flowing into the River Thames. Most of the energy required for the primary process is generated by wind turbines.

2010: THE YEAR OF PROGRESS!

Technology is playing an increasingly important role in solving economic and social issues. Imtech, with its differentiating multidisciplinary technological proposition, has for many years proven it can respond effectively to this trend. Imtech has a virtually unique technical services portfolio with which its 25,000 employees combine the technical competencies of electrical services, ICT (information and communication technology) and mechanical services into differentiating total solutions for around 21,000 customers. Imtech has a broad portfolio with strong positions in many different market segments in Europe and in the global marine market. Around 55% of its activities involves recurring business – a good foundation for multi-year continuity. Imtech holds thousands of maintenance contracts and acts as the permanent technology partner for numerous customers. Its sharp focus on the three technological core competencies has taken Imtech a long way. And will take it further. This is why progress was Imtech's maxim in 2010!

Progress thanks to solid annual figures, despite challenging market conditions in a number of countries and regions. Progress through the further strengthening of the capital structure. Progress in the development and application of green technology in the energy & environment market. Progress through a large number of acquisitions, the most outstanding were NEA in Sweden and Elkon in Turkey. Progress was also made in the fields of R&D and Corporate Social Responsibility. And Imtech has evolved into a European multinational. Which is why progress was made with the implementation of an improved governance model.

The greatest progress was, however, the update of our new 2011 – 2015 growth strategy. With this strategy Imtech is moving towards revenue of 8 billion euro with an operational EBITA margin of 6% to 7% in 2015. The growth will be divided equally between organic growth and growth through acquisitions.

This progress was made possible through intensive interaction and co-operation with customers, employees, shareholders, technical co-makers and suppliers and many more. To further improve communication with all these stakeholders, we have launched a new, interactive corporate website through which we can communicate more actively and more transparently. We are also making increasing use of social media including Twitter, YouTube and Blogs.

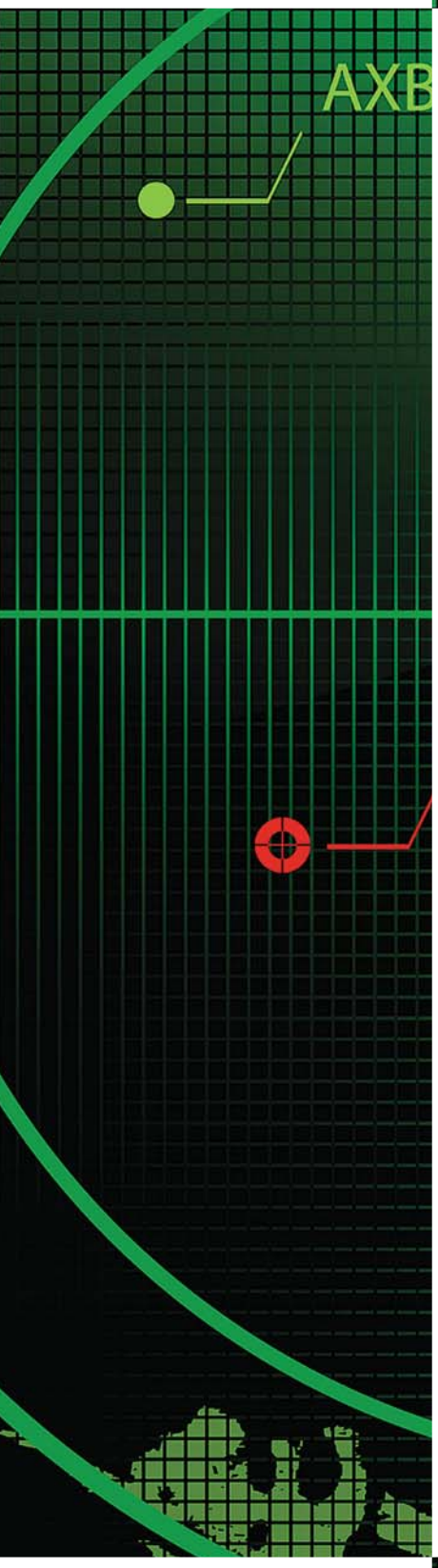
Progress in financial results: excellent annual figures and a strengthened capital structure

Despite challenging market conditions in the different countries and markets and the still noticeable consequences of the economic crisis, 2010 was once again a good year for Imtech. Further growth of the result was achieved both organically and through acquisitions. Imtech also succeeded in building up an order book of 5,204 million euro for 2011 (+ 10%) – an excellent performance.

Good operational performance

The most important financial indicator for Imtech is the EBITA (the operating result before amortisation and impairment of intangible assets). In 2010 the EBITA rose by 10% to 259.3 million euro (2009: 235.9 million euro) of which 6% was organic. The positive effect of currency exchange rates amounted to 5.8 million euro. Revenue rose by 4% to 4,481 million euro (2009: 4,323 million euro). Due to the primary focus on profitability and the long period of severe frost at the beginning and end of the year, organic revenue growth was nil. The effect of exchange rate fluctuations on revenue was 84 million euro positive. The operational EBITA margin also rose once again and was 6.2%; a more than excellent performance in the light of the still far from ideal market conditions. In 2007 the operational EBITA margin was 5.1%, in 2008 5.5% and in 2009 5.8%.

Germany & Eastern Europe and Nordic (Sweden, Norway and Finland) put in an excellent performance. Due to the continuing difficult market conditions the performance in the Benelux remained under pressure. In the UK, Ireland & Spain Imtech managed to hold its own very well despite market conditions remaining challenging. Good progress was also made in the European ICT (information and communication technology) and traffic (high-tech mobility solutions) markets. In the marine market Imtech fell back just a fraction, but given the market conditions delivered a good performance.



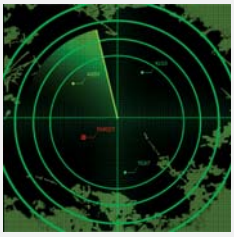
Slightly higher net finance expenses
Net finance expenses increased by 2.8 million euro to 44.9 million euro primarily due to lower return on plan assets for pensions and higher net debt. Net debt rose by 11 million euro to 431 million euro due to increased use of working capital.

Higher income tax
Increased profit led to income tax rising by 4.3 million euro to 48.3 million. The effective tax rate was 25.4% (2009: 25.7%).

A further rise in net profit
The profit attributable to shareholders of Imtech N.V. rose by 11% to 140.4 million euro. Earnings per share before amortisation and impairment of intangible assets rose by 0.08 euro to 2.00 euro (+4%), based on the average number of issued shares during the financial year. The proposed dividend is 0.65 euro (2009: 0.64 euro) per ordinary share. This is in accordance with the dividend policy of paying out 40% of the net profit to shareholders.

Cash flow and investments
Net cash flow from operating activities was 40 million euro positive (2009: 150 million euro positive). The increase in EBITA (up by 23 million euro) was more than negated by the commitment of 163 million euro more working capital than in 2009.
Net cash flow from investment activities was 174 million euro negative, primarily due to acquisitions. Investments in property, plant and equipment amounted to 40.4 million euro (2009: 41.3 million euro). A similar investment level is anticipated in 2011. Net cash flow from financing activities was 289 million euro positive (2009: 48 million euro negative) primarily due to the share issue in June 2010 and the increased net debt.

A solid capital structure
In June 2010 Imtech, partly in the context of the acquisition of NEA in Sweden, issued 8.3 million shares. Most of the proceeds from this issue were used to finance this and other acquisitions. The remainder will be used to finance the 2011 – 2015 strategic growth plan. The share issue (183 million euro) and the added unappropriated profit (140 million euro) strengthened shareholders' equity by 315 million euro and improved solvency to 0.27 (2009: 0.19). In November 2010 a syndicated bank facility of 700 million euro with a term until November 2015 was agreed. This new facility was used partly to repay an existing syndicated bank facility of 265 million euro (term until November 2011) and will be used to finance the 2015 strategy. The share issue and the new syndicated bank facility have improved Imtech's bank facility repayment profile and guarantee additional liquidity. Furthermore, Imtech has an existing facility of 300 million at its disposal, which matures in July 2012, and for which renewal is anticipated this year. In both facilities, interest rate is variable and based on EURIBOR plus a margin related to the leverage ratio. Also, several uncommitted, bilateral credit facilities are in place amounting to around 200 million. Virtually all the facilities



Imtech's high-tech ECDIS® marine radar technology.

include change of control provisions. Given its growth strategy, Imtech anticipates that the amounts drawn under the facilities will increase further in 2011.

On 31 December 2010 Imtech had 110 million euro in cash and cash equivalents at its disposal (2009: 109 million euro) and net interest-bearing debt of 431 million euro (2009: 420 million euro). Interest cover amounted to 7.6 (2009: 7.3) and the net debt ratio was 1.4 (2009: 1.7).

Progress in green technology

The high demand for green technology is a major driver for Imtech. Imtech is one of the strongest technical European players in the energy & environment market (energy, environment, fine particles and water) and is extremely well positioned. Integrating energy solutions into our total approach means we can deliver high added value. This added value is recognised by the market, which has enabled Imtech to build up a preferred position in many (sub) segments. As a result, around 25% of Imtech's total revenue comes from this segment. Imtech is active in:

- energy management and energy contracting: multi-year responsibility for optimum energy provision;
- efficiency improvement: the monitoring and reduction of energy consumption related to customers' primary and secondary processes;
- energy saving: metering, consultancy, implementation of energy-efficient and/or energy-saving technologies;
- power plants, decentralised energy provision and high-tech combined heat/power plants;
- thermal energy, solar energy, bio-energy and innovative energy solutions;
- differentiating solutions in the field of high-tension and energy technology;
- green ships, zero emission applications, diesel-electric propulsion and energy reduction on board ships.

Integration of these applications into the technical infrastructure leads to reduced energy consumption, higher energy efficiency, the generation of sustainable energy and lower CO_2 emissions. This makes a major contribution towards meeting our customers', and society's sustainability targets. Imtech is, for example, involved in making stadiums greener, the green revitalisation of buildings and improving the energy performance in buildings, reducing pollution in rivers, constructing high-tech biomass power plants and green ships.

Progress in acquisitions

Acquisitions, like continuous organic growth, are an important component of the Imtech strategy. Over the past decade Imtech has become a specialist in acquisitions. In total nearly 60 companies have been acquired and successfully integrated into the organisation. To achieve this, specialists from the various divisions work with the corporate Business Development department and a corporate acquisition team of internal and external specialists. Imtech has a structural long list and working from this basis moves step by step towards firming up potential acquisition targets. Acquisitions must fit perfectly in the strategy and have an excellent track record of financial results and achieving added value. Companies to be acquired must also have a capable management, which will remain responsible for business progress for several years after the acquisition, and (synergetic) growth potential. Imtech emphasises that the objective of all acquisitions is the achievement of strategic growth through the integration of intensive co-operation with existing Imtech activities.

The following companies were acquired during 2010:

- in Nordic:
  - NEA: the second largest player in the electrical engineering services provision market in Sweden with 2,200 employees and revenue of around 250 million euro;
  - FCC Sprinkler & Service: a specialist in high-tech sprinkler technology in Sweden with 60 employees and revenue of 8 million euro;
  - Spitsbergen VVS: one of the 'greenest' technical services providers in Norway, located in the north of the Arctic circle, with 20 employees and revenue of 4 million euro;
  - LIT, strengthening the industrial market position in Finland, 25 employees and revenue of 3 million euro;
- in Spain:
  - Medical Engineering: one of the larger Spanish technical implementation and maintenance specialists of medical apparatus and equipment in the care & cure market with 40 employees and revenue of over 3 million euro;
- in the European ICT market:
  - Sapphir: an Austrian SAP consultancy specialist with 20 employees and revenue of over 2.5 million euro;
  - Penta: a strong player in the Swiss market for managed services with 20 employees and revenue of over 4 million euro;

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1 High-tech total solutions for data and call centres.
2 Sustainable Olympic Stadium, London.
3 Technology for offshore platforms.

- in the global marine maintenance market:
  - Elkon: one of the most innovative marine technical services providers in Turkey with over 200 employees and revenue of over 15 million euro;
- in the European traffic market:
  - YSP: a Finnish high-tech traffic-control specialist with 25 employees and revenue of 3 million euro.

All the acquisitions were paid for in cash and contingent consideration. The total purchase price of these acquisitions (including earn-out) was 146 million euro. The overall annual revenue of these acquisitions amounts to around 290 million euro with around 2,600 new employees. The acquired companies made an immediate contribution towards earnings per share. The annual EBITA from the 2010 acquisitions amounts to 20.6 million euro of which 9.4 million euro was accounted for in 2010.

In the context of the strategic growth plan the non-core activities in the field of fire-extinguisher products and systems were sold. This involved the business units Saval (the Netherlands and Belgium) and Knowsley (UK). The total annual revenue of the companies that were sold amounted to around 36 million euro with around 230 employees.

Progress in Research and Development (R&D)

Imtech has several own competence centres that are involved with R&D in the field of building technology, marine and industrial technology and infrastructure and traffic solutions. One such centre, the R&D centre in Hamburg is active in the field of high-tech simulation technology in the built-up and industrial environment. The technolab in The Hague focuses on research and development in the field on air and climate technology in the built-up area. The marine technology competence centre in Rotterdam leads the world when it comes to platform automation and integrated ships' bridges. Imtech also has its own competence centres for high-tech solutions in the area of measuring and analysis in the oil and gas market as well as for power electronics and for high-tension, infrastructure automation and water treatment. ICT occupies a special position within Imtech. The ICT division acts as Imtech's ICT front-line and concentrates on new developments that, in time, will play a role in the technical services provision of the other Imtech divisions and countries.

Progress in Corporate Social Responsibility (CSR)

Imtech wants to contribute towards sustainable development and defines this as 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs'. Imtech accepts responsibility for the consequences of its activities for mankind, the environment and society and has accounted for this responsibility along the guidelines of ISO 26000. Imtech endorses this international consensus regarding the definitions, core principles and application areas of CSR and in this context has made considerable progress (see page 57).

Progress through an improved governance model

Imtech has evolved into a powerful European multinational with a strong global marine network. Imtech, with revenue of 4.5 billion euro, 25,000 employees and nine large divisions with hundreds of companies and business units, demands a well-thought-out governance model. This is why we have worked on and made progress with the implementation of a new governance model. The core issue is the division of roles between central (corporate) and decentralised responsibility. The key words are transparency, clear priority setting, a more structural role for the Executive Council members and various communities through which progress will be made due to intensive internal co-operation. This is relevant from both a commercial point of view and campaigns aimed at the organisation's further development or progress in specific policy areas. In this context it has been decided that the strategic significance of risk management, procurement and CSR is such that the final responsibility for them will rest directly with the Executive Council. An active policy will be formulated in these areas by the Executive Council in consultation with internal and external experts.

4 Energy savings at Imtech Arena of football club HSV Hamburg.
5 Technology in 'Bahari' - India's environmental research centre at the South Pole.
6 Additional services in care & cure with technology for medical equipment.

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2011 – 2015 STRATEGY: MOVING TOWARDS REVENUE OF 8 BILLION

Ambition and success characterise Imtech's growth strategy. Since Imtech was formed in 1993 the company has achieved continuous robust growth: an average annual growth of 21% in profit (EBITA) and 13% in revenue. Because the targets for 2012 (revenue of 5 billion euro with an operational EBITA margin of 6%) were already partially realised in 2010, we have updated our 2011 – 2015 strategy.

Trends

The strategy for the period 2011 – 2015 is based on a number of important trends to which Imtech wants to give a strategic response.

Trends in relevant markets and technology
The demand for technology and ICT is continuing unabated. Without technology and ICT it would be impossible to provide relevant solutions to current and future social issues, such as aging in the care & cure market, water, mobility and food & feed. In the energy & environment market the growth in the demand for sustainable technological solutions is explosive. Green technology is THE market of the future. The European technology market offers good opportunities for Imtech to track down suitable acquisition candidates.

Customer trends
Technological solutions are becoming more and more complex and demand specific expertise. This is why customers are concentrating on their core business and outsourcing technology. Customers specify the desired output and Imtech delivers it. This demands a thorough knowledge of customers' primary processes. Responsibility for the technical infrastructure is transferred, sometimes including the financing of technology investments. As a result the customer makes stringent demands regarding added value and (financial) continuity from co-operation partners. Increasing globalisation is also leading to new demands from customers – some customers ask to be followed internationally. Imtech is able to respond to this demand.

Trends in the labour market
The shortage of well-trained technical people remains a critical success factor. The baby-boom generation is retiring and the inflow from technical training establishments is lagging behind. Imtech is a 'people business' – our employees are our most important asset. This is why Imtech wants to rank amongst the best employers in the technology market. Employee recruitment and retention are strategic issues. Employer branding is key and the interest in the New Way of Working is growing. Personal involvement, employee development and the quality of project management are gaining recognition. Imtech is becoming an 'employer of choice'.

Drivers for further growth

Imtech's growth in the period 2011 – 2015 is partly based on several important drivers, related to Imtech's strong business model.

Unique profile
Compared with its competitors Imtech has an almost unique profile, as the illustration on page 22 shows.

Solid growth potential
Technology is playing an increasingly important role in solving economic and social issues. Imtech occupies a strong position in the green technology for energy & environment growth market. By integrating energy solutions into its total approach Imtech delivers high added value. This forms a strong driver for further growth.

Leading market positions
Imtech has a broad portfolio of technical services and occupies strong market positions in large areas of Europe and in the global marine market. Strong market positions form a healthy basis for further growth.

Recurring business
Around 55% of Imtech's activities involves recurring business. This forms a good basis for multi-year continuity. The size of the order book (5.2 billion euro) guarantees clear visibility.

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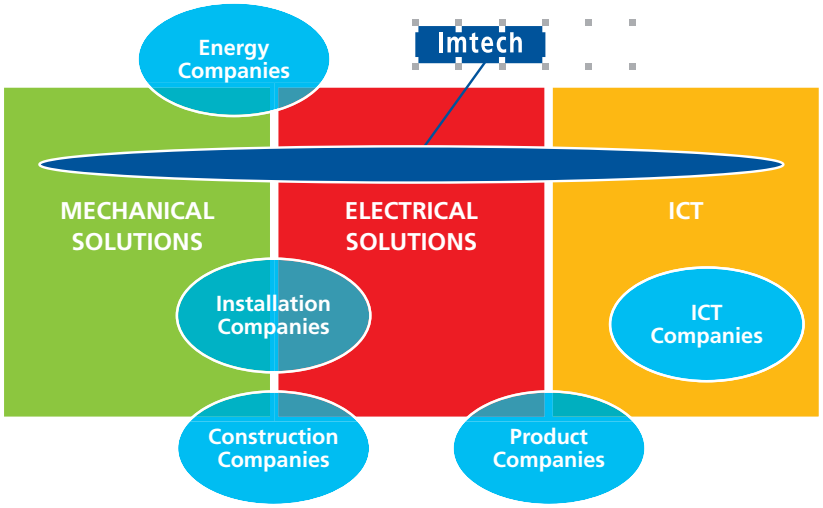
1 Energy out of water waves.
2 HVC waste centre, Dordrecht.
3 Maintenance Torre de Crystal, Madrid.



Imtech's profile is unique

A strong financial position
Imtech is in a strong financial position and in financial terms is well within the financial covenants agreed with its banks. This instils confidence in the market.

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

Strengths
- Multidisciplinary
- Reputation and image
- Strong market positions
- (Brand) independence
- Financial position and capital structure
- Nature and extent of green technology expertise
- Intensive relationships with customers
- Alliances / co-operations in the chain
- Flexibility to cope with fluctuating market conditions
- ICT as integration source
- Quality employees
- Acquisition policy
- Number and quality of references
- Clear growth strategy
- Entrepreneurship
- Innovation
- Risk management

Weaknesses
- Optimum domain knowledge in (sub) markets and of specific situations related to some customers
- Development of knowledge potential in relation to the speed of technological developments
- Internal co-operation as a result of the decentralised business model

4 Technical infrastructure for the Media Markt superstore, Moscow.
5 LEED® Gold certificate for the energy-efficient technology in the 'Zielo' shopping centre in Madrid.
6 Energy-efficient paint shop for Porsche, Germany.

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Opportunities
- A structural increase in the demand for technology and ICT
- Customers' focus on output in the form of key performance indicators
- Customers are handing over more responsibility to technical services providers
- Life-cycle approach
- Continuing trend towards outsourcing of technology by customers
- Growth potential of green technology in the energy & environment market
- Growing position of ICT as the core of technical solutions
- Growing mobility market
- Increasing average age of the population and desired reduction in running costs in the care & cure market
- Customer upsizing and internationalisation
- Demand for comfort
- CSR policy of authorities and customers

Threats
- Forward integration by suppliers
- Increasing competition from technical players
- Rising risk profile due to project size and complexity
- Increasing legal complexity of co-operation agreements
- Dependence on co-makers
- A shortfall of qualified technical staff at every level of training

In translating this SWOT analysis into specific challenges (strategic challenges) the following is applicable:

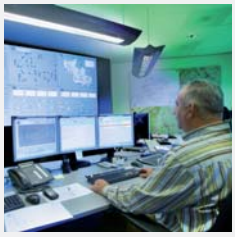
Strengths that are used to make the most of opportunities
- Strong market positions enable an effective response to the structural increase in the demand for technology and ICT;
- The scale and scope of Imtech's European activities will enable it to benefit from customers' upsizing and further internationalisation;
- Imtech can meet the growing demand for high-quality ICT and ICT as a technological integration source due to its strong European ICT position and partnerships with world market leaders;
- The nature and scope of its expertise in the green technology market will enable Imtech to profit from the growth potential in the energy & environment market.

Strengths that are used to avert threats
- Imtech's reputation, image, references, financial strength and (brand) independence are major assets when recruiting technical specialists;
- Its life-cycle approach, intensive customer relationships and green technology expertise will enable Imtech to withstand increasing competition;
- A professional risk management policy will enable Imtech to respond to the increasing legal complexity of co-operation relationships.

Weaknesses that can be turned into strengths
- An extensive European management development programme with numerous training courses will enable the expertise potential to be accelerated to match the speed of technological developments;
- Intensive decentralised co-operation in specific competencies (data centres, care & cure, waste water treatment, marine technology, ICT) will facilitate alliances and co-operation in the chain.

Threats that can be turned into opportunities
- Intensifying the decentralised co-operation will enable Imtech to meet customers' outsourcing needs and the market trend towards the life-cycle approach.

1



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1 Extension of Cepsa's 'la Rábida' refinery in Spain.
2 The economical use of water thanks to the expertise of Imtech employees.
3 Technology Baltic Arena, EC 2012 football Poland.

Focus on growth

In the period 2011 – 2015 Imtech will focus on growth through:

- achieving more added value;
- strengthening positions in existing European countries and regions;
- acquiring positions in new European countries;
- expansion of its global marine position;
- following key customers outside Europe;
- robust growth of green technology;
- expansion in specific technological domains;
- international growth in traffic technology and ICT niche markets.

Achieving more added value

The market wants technical services providers with a life-cycle approach focused on the total cost of ownership. Imtech embraced this philosophy several years ago and will intensify its efforts in this area for example by focusing on more intensive multidisciplinary co-operation with customers and the achievement of preferred technology partner positions. Asset management will play a role.

Strengthening positions in existing European countries and regions

Imtech holds strong positions in the buildings, industry, traffic & infrastructure and ICT markets in many European countries and regions including the Benelux, Germany, Eastern Europe, Nordic, the UK, Ireland and Spain. In these countries the strategy is further growth.

Acquiring positions in new European countries

Depending on concrete acquisition opportunities Imtech envisions expansion in the buildings, industry, traffic & infrastructure and ICT markets in countries such as Denmark, France, (Northern) Italy, Portugal and Turkey as well as in Eastern Europe and the Baltics.

Expansion of its global marine position

Imtech holds a strong position in the global marine market. Between now and 2015 Imtech will open more service locations around the world (currently 73) and more production facilities including in China, the Singapore area, Turkey, Canada and Brazil.

Following key customers outside Europe

Key customers are special relationships involving long-term partnerships, intensive co-operation and the exchange of knowledge. More and more often these customers are asking Imtech to provide its services internationally. The new strategy foresees following these key customers internationally, for example in the automotive and aerospace markets, the food & feed industry (in the USA and emerging markets) and in the oil and gas industry (in Africa, the Middle East and the so-called BRIC countries: Brazil, Russia, India and China).

Robust growth of green technology

A quarter of Imtech's revenue comes from the energy & environment market: green technology in offices, factories, stadiums, data centres and ships, but also from bio-energy, power plants, energy contracting, energy efficiency and sustainable solutions for the mobility market. In this unparalleled growth market Imtech will achieve further growth through acquisitions as well.

Growth in specific technology domains

Imtech wants to achieve growth in the markets for:

- data centres (for which Imtech offers unique technological solutions);
- sustainable waste water treatment solutions (Imtech's expertise in waste water and waste water treatment is unique);
- care & cure (Imtech technology makes health care function more efficiently).

International growth in traffic technology and ICT niche markets

Imtech sees good opportunities for international growth in specific expertise domains such as traffic technology (global export of mobility solutions) and certain ICT niche markets, such as industrial software solutions in emerging markets.

Targets for 2015

This strategy will lead to the following overall long-term targets in 2015:

- revenue of 8 billion euro;
- an operational EBITA margin of 6% – 7%.

The growth will be divided more or less equally between organic growth and growth through acquisitions. To achieve

4 Technology partner in the GROUNDS project at Schiphol airport.
5 Shared Success in Developing Countries (SSDC) in South Africa.
6 Specific (energy) technology for the world's largest sauna in Sweden.


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this Imtech wants to be the best technical services provider and an employer of choice and will strive to occupy at least a top-3 position in every country or market segment relevant for Imtech.

Strategic progress

Although the new strategy was not presented until November 2010, the first steps towards its implementation had already been taken. In the marine division, for example, internal co-operation had been intensified, and the first steps had been taken towards expanding the global service and production facilities. Our ambition for further growth was shared with the acquired marine technical services provider, Elkon in Turkey. In Turkey we also carried out a market inventory with a view to acquisitions. In the ICT division working groups were set up to work out the strategic issues in detail and social media portals were opened to enable expertise to be shared. The strategy drawn up for the traffic division is for further growth of export. In the context of the internationalisation of the industry position, at the beginning of 2011 we strengthened our global position in dehydration technology. We worked hard on developing technological total concepts for green data centres and increasing the export of high-tech test facilities to countries including China, India and Thailand for existing customers in the automotive industry. We also developed concepts for energy management and energy contracting and drew up a road map for growth in the energy market.

OUTLOOK 2011

In 2009 Imtech reported that its order book had increased by 5% to 4.7 billion euro. The current increase of 10% to 5.2 billion euro underlines Imtech's excellent position, especially as most of this growth is organic and only to a limited extent the result of acquisitions. This puts Imtech in a comfortable starting position. Strong market positions, size, an extensive portfolio of services and a very diverse base of nearly 21,000 customers in numerous market segments make continuity and, therefore, further growth possible. The transparent strategy forms the basis for this. Imtech's strong position in Germany & Eastern Europe (worth around 30% of the total activities) instils additional confidence, as does the position in Nordic, where, thanks to its clustering of electrical and mechanical services, Imtech is on track in realising robust growth. Imtech is also very well positioned in the growth market of green technology. Around 55% of Imtech's business is recurring. Although several markets have recovered from the effects of the economic crisis, the situation remains challenging in some other markets. Imtech is also hallmarked by a flexible project organisation that can adapt to changing market conditions, both improving and worsening. Imtech has proven this in the past, which instils confidence in the future.

Imtech believes it is resilient enough to seize the opportunities arising from its broad portfolio and strong market positions and to cope with the threats. Intensive interaction with all stakeholders leads to high added value. Imtech's faith in its own strength is reinforced by its transparent strategy and track record of robust growth in recent years. Weighing up the opportunities and threats Imtech is, and will remain, well balanced. The focus remains on growth. Imtech is, therefore, well on course to achieve its 2011 - 2015 strategic plan targets.

According to its current views, in 2011 the Board of Management expects a further EBITA increase through organic growth and acquisitions.

R.J.A. (René) van der Bruggen (63),
CEO and Executive Council Chairman,
B.R.I.M. (Boudewijn) Gerner (59),
CFO and Executive Council member

Benelux

Technology in semi-production unit for AkzoNobel

Imtech was responsible for the electrical engineering and instrumentation, including the related process automation, for a Mechanical Vapour Recompression unit of AkzoNobel Salt in Delfzijl. The unit produces mTA-salt (a biodegradable membrane made of iron and meso-tartrate). This semi-production reduces the energy consumption and improves the process conditions in the chlorine industry.

In the Benelux Imtech supplies nearly 5,000 customers with total solutions. Imtech Nederland (620 million euro revenue, 4,105 employees) and Imtech Belgium (147 million euro revenue, 843 employees) are active in the buildings and industry markets. Imtech Infra (215 million euro revenue, 1,522 employees) is active in the technological infrastructure market and Imtech Paul Wagner et Fils (39 million euro revenue, 318 employees) is active in the buildings market in Luxembourg. Around a hundred offices and competence centres give Imtech total coverage in the Benelux. Competitors in the Benelux are BAM (BAM Infratechniek, Van den Berg), Dalkia, GDF Suez (Axima, Cofely, Fabricom, TEM), Heijmans (Burgers-Ergon, Heijmans Infra), Spie, Stork, TBI Groep (Baas, Croon, Wolter & Dros), Vinci (Cegelec) and VolkerWessels (Homij, Vialis, Visser & Smit, VolkerWessels Infra).

In the Benelux, where Imtech is one of the strongest technical players, there were still no signs of a recovery. Revenue fell by 14%, the EBITA fell by 23% and the EBITA margin dropped to 3.5%. The order book did, however, remain at a good level at 1.3 billion euro.

Key figures 2008 – 2010

in millions of euro	**2010**	**Δ**	2009	2008
Revenue	**1,021**	– 14%	1,190	1,167
EBITA	**35.4**	– 23%	46.1	45.1
EBITA margin	**3.5%**		3.9%	3.9%
Order book	**1,308**	0%	1,306	1,352
Capital employed	**136**		113	112
Number of employees (as at 31 December)	**6,788**	– 7%	7,313	7,239

One major cause of the lower performance was the long periods of severe frost at the beginning and end of the year. The buildings and industry markets were also characterised by structurally challenging market conditions and competition was fierce from both local competitors and competitors from Southern and Central Europe. Customers postpone investment decisions. In several regions, for example the more peripheral regions, the negative effects of the economic crisis worsened. The same applied for the real estate market in Brussels. Belgian industrial investment also declined substantially. All of this had a negative effect on performance. Imtech did, however, do well in the technical infrastructure market and distinguished itself in the CSR (Corporate Social Responsibility) field by achieving level 4 on the CO_2 performance ladder.

Imtech reacted to the difficult market conditions by carrying out efficiency operations in a number of areas of the organisation. In conformance with the strategy Imtech also decided to focus on offering added value in markets such as energy, sustainability, infrastructure, environment and CSR, rail, data centres, smart grids, care & cure, education and food & feed. In Belgium the focus was also on the public sector and there was intensive internal co-operation, for example through the creation of commercial synergy and process optimisation by combining new build and maintenance activities. Imtech also wants to further strengthen its position in the Benelux maintenance market. Intensive co-operation with customers is happening more and more often, sometimes on the basis of asset management agreements. Many great initiatives linked to this new strategy were unfurled. The related order flow will not, however, come about for some time.

Robust growth in the energy market

Commerce and authorities are increasingly switching to the formulation of specific sustainability goals – a trend from which Imtech was able to benefit. Technology is, indeed, an important instrument to achieve these goals.
The Dutch Province of Limburg, for example, gave Imtech the order for the execution and technical maintenance of two sustainable power plants based on co-generation (combined

heat and power technology), biomass, solar power and wind power in Maastricht and Venlo. Again in Venlo Imtech was responsible for the sustainable energy provision for a large, multidisciplinary real estate project. In the Eemshaven, Imtech Nederland and Imtech Deutschland worked together on the Netherlands' most sustainable power plant, which is fired by coal and biomass. Imtech is also the main contractor for a sustainable bio-energy power plant in Eindhoven and is active in the field of energy conversion by means of fuel cells. Amsterdam Airport Schiphol selected Imtech as its technology partner for the sustainable 'TheGROUNDS' project: Schiphol's ambition is to be CO_2-neutral in 2012 and in 2020 to generate 20% of its required energy sustainably. This will be achieved through the use of innovative technologies such as combined heat and power plants, biomass and solar energy. Imtech is also involved in the green revitalisation of BNP Paribas' Belgian head office in Brussels.

Smart grids are intelligent energy networks that, in the coming decades, will function as anchor points for far-reaching changes to our energy provision. Imtech is involved in the largest smart grid pilot project in the Netherlands. Imtech was successful in the sustainable LED lighting market, partly thanks to its own Innolumis® concept, which makes energy savings of up to 80% possible.

Imtech also worked for TenneT and Elia, the high-tension network managers in the Netherlands and Belgium respectively, and saw a growth in the size and complexity of the projects it was awarded. Sustainability and energy efficiency dominate.
The various renovation projects carried out for TenneT included an innovative cable field in Voorburg and a high-tech energy distribution facility in Bleiswijk.

Green technology and CSR in industry, laboratories and food & feed

Imtech was able to distinguish itself with green technology in the industry market. Imtech was responsible for an innovative solution that converts emissions into electricity for Shell in Moerdijk, the Netherlands, and for various energy solutions for Citroën in Belgium. Progress was made in the laboratory market, for example with the technological provisions in an advanced laboratory for the Leiden University Medical Centre (LUMC). Imtech supplied the technology for Nuon's underground gas storage. In the food & feed market Imtech was involved with PlantLab®, a new, sustainable method for growing fruit, flowers and pants in high-tech, closed-off cultivation halls (also called CSR-greenhouses).

Technology export

Imtech specialises in the export of high-tech technology for the extraction and processing of oil & gas. The focus on medium-sized EPC projects (Engineering, Procurement and Construction) was successful, for example in Brunei. Egypt and Romania were two of the countries in which Imtech was responsible for total solutions in the field of process control & optimisation and output & quality analysis in oil & gas plants. Imtech also exported more and more innovative dehydration technology (thermal-physical process technology) for example for drying sand, salt,

Maintenance and management of Amsterdam's public lighting
In Amsterdam there are around 140,000 street lights and over 300 bridges and monumental buildings are lit. Imtech is responsible for maintaining and managing around two thirds of all these public lighting facilities. The focus is on energy saving.

breadcrumbs, PVC and biomass. Customers included Unilever, DSM and Saint Gobain.

Green data centres: a growth market

The far broader bandwidth of information streams, the increasing intensity of data traffic and the improvement of performance and security mean telecom and ICT providers are investing in the expansion of their data capacity. At the same time the environmental demands are increasing. Imtech offers total solutions for green data centre technology and can reduce CO_2 by 40%. One major order was for green data centres for BT in both the Netherlands and Germany. These centres exceed the most stringent European energy standards.

Advances in the infrastructure market

Imtech is making considerable advances in the technical infrastructure market. Large orders were received, including the high-tech security technology for the metro in Rotterdam. In the railway market Imtech is active across an increasingly wide front. Projects included high-tech security and energy technology along the Hanzelijn and the RijnGouwelijn Oost route and a maintenance contract for the technology in the railway tunnels along the Betuwe route. Imtech also analysed the possibility of providing Internet access via wireless Wi-Fi in the Thalys high-speed line trains. Progress was made in the traffic tunnel market, for example with a maintenance contract for the tunnels in the province of South Holland. Exceptional projects included the electrical renovation of the Oosterscheldekering (flood barrier) and the technological upgrading of shipping management systems along the North Sea Canal. In the public lighting market Imtech maintained two-thirds of Amsterdam (over 140,000 armatures) and most of Maastricht and was also responsible for the technical infrastructure for the sustainable runway lighting at Eelde airport and along several takeoff and landing runways at Amsterdam Airport Schiphol.

Focus on care & cure

Technology is becoming increasingly important in the care & cure market. Imtech focuses on technological solutions that meet the most stringent hygiene and security demands. Large orders were received from the Erasmus Medical Centre in Rotterdam, the AMC (Academic Medical Centre) in Amsterdam and the St. Elisabeth hospital in Herentals.

Education: the impact of technology is increasing

More and more educational institutions are specifying stringent demands regarding energy savings, CO_2 emission reduction and security. 'Smart' technology enables these demands to be met. Imtech was involved in the 'fresh schools concept´ aimed at improving the working climate for teachers and the performance of pupils and was responsible for technical solutions in the Campus 2020 project of Eindhoven University of Technology and Amsterdam University as well as the École Européene and École Fousbann in Luxembourg.

Maintenance: new initiatives

In the maintenance market Imtech introduced Revitaal®, a concept for the revitalisation of the technology in unoccupied office buildings before they are put on the market again. Large maintenance contracts were signed with Inbev, Exxon and BNP Paribas in Belgium.

Future

Although market conditions remain challenging, Imtech sees itself as being strengthened by numerous initiatives that fit within the company's new strategic focus and that are already bearing fruit. Imtech is well positioned for further growth in the technical infrastructure market. Both developments instil confidence in the future.

B. (Bart) Bouwmeester MBA (43), General Manager Imtech Nederland and Executive Council member, J.A. (Jan) Casteleijn (61), General Manager Imtech Traffic & Infra and Executive Council member

High-tech test centres for BMW, Munich
Imtech is responsible for much of the technology in BMW's Energy & Environmental Test Centre (ETC) and Aerodynamic Test Centre (ATC) in Munich. The tests carried out by the centres include the aerodynamics, driving conditions, bodywork, cold, heat and air humidity of new BMW models.

Imtech is one of the strongest players in the buildings and industry markets in Germany. Imtech serves around 5,500 customers in six regions - North (Hamburg), West (Düsseldorf), Centre (Frankfurt), East (Berlin), South-West (Stuttgart) and South-East (Munich). Imtech has more than sixty branches as well as competence centres focused on a number of specific fields including energy contracting, cleanroom technology, fire protection, stadium and arena technology, power plants and energy systems, and innovative test solutions for the automotive industry. Imtech also has a high-tech R&D centre in Hamburg. Imtech occupies strong positions in Poland and Romania, and operating from its base in Germany, is also increasingly active in Austria and Russia. Technical solutions are exported to customers all over the world. Imtech's competitors are Bilfinger Berger and Kraftanlagen München (in the energy technology and power plant markets), Getec and Hochtief Energy (in the energy contracting market), Weiss Umwelttechnik (in the automotive industry), Cofely and YIT (in the electrical and mechanical services markets) and Mercury and TKT in Poland.

An excellent level of growth was achieved in a market that showed positive development. EBITA rose by a substantial 34%, the EBITA margin rose to 8.3%, and both revenue (+ 18%) and the order book (+ 14%) rose considerably. The number of employees increased by 9% to 4,880.

Key figures, 2008 – 2010

in millions of euro	**2010**	**Δ**	2009	2008
Revenue	**1,306**	+ 18%	1,103	1,037
EBITA	**107.8**	+ 34%	80.3	59.1
EBITA margin	**8.3%**		7.3%	5.7%
Order book	**1,843**	+ 14%	1,620	1,529
Capital employed	**272**		230	183
Number of employees (as at 31 December)	**4,880**	+ 9%	4,497	4,212

Large-scale energy projects: a basis for robust growth

In and outside Germany Imtech is now a leading energy partner. This was proven by the involvement in numerous other energy projects, such as the green revitalisation of the two 155-metre-high towers of the Deutsche Bank's head office in Frankfurt, the expansion of the energy-efficient Victoria Versicherungen office building in Düsseldorf, a high-tech power plant in Hamm, a sustainable power plant for the Bundesnachrichtendienst (the Federal Intelligence Service) in Berlin, the energy technology in the new head offices of the Spiegel publishing company, the Ericus Contor building in Hamburg and the high-tech technology (including an innovative heat recovery system that re-uses 70% of all the heat generated in the terminal) for the new Berlin Brandenburg International airport.

Imtech also made good progress in the industrial sector. Imtech was, for example, responsible for reducing the CO_2 emissions of industrial manufacturer Viega in Attendorn, the technology in a Phillip Morris energy building in Cologne, and the energy-efficient technology for MRV, the most up-to-date printing company in Germany. Manufacturers of solar panels are also increasingly calling on Imtech. Last but not least, Imtech excelled in the decentralised power plant market with a large number of orders, for example from SCA Aschaffenburg and Volkswagen Kassel.

Green technology for the automotive industry

The automotive industry, with its increasing export, remains an important motor for the German economy. Imtech occupies a strong position in this sector and supplies advanced test technology for new and efficient car models with low CO_2 emissions. Imtech was responsible for the new BMW Group Aerodynamic Test Centre (ATC) in Munich - the most up-to-date automotive development centre in the world. Imtech also equipped test centres for VW and Audi and supplied high-tech test facilities worldwide in the form of 'end-to-line' solutions, bodywork tests and innovative solutions for testing and simulating relevant climate conditions. In the context of its growth strategy Imtech is paying greater attention to this area. The development of electric and hybrid cars is leading to increased demand for high-quality test solutions. As a result, exports to China rose and Imtech is also active in Thailand. Imtech supplied the energy-efficient technical equipment for a new paint shop for Porsche as well as the energy-efficient technical infrastructure for a new bodywork production hall for Audi. A similar order was received from Daimler in Hungary.

Distinctive proposition in the care & cure market

The German health care market is a major growth market. Imtech focuses on a wide range of energy services and is in a position to take on the total technological responsibility for the supply, maintenance and management of all energy provisions on a long-term basis. Imtech also uses innovative technology to integrate the total energy process into complex business and production processes, an approach that has proved successful and that fits in perfectly with Imtech's growth strategy. The LVR Clinic in Bonn has extended an energy contracting contract and, thanks to its energy competency, Imtech is involved with the upgrading of dozens of medical centres and clinics throughout the country. This also fits in with Imtech's new strategy. An innovative concept for ensuring the ultimate in clean air in operating theatres, and thus preventing post-operative infections, has been developed. This is attracting a great deal of interest.

Growth in the energy-related data centre market

Imtech specialises in the energy-related and technological (re-)equipping and upgrading of data centres. A sharp increase in digital payment traffic and the bandwidth of information streams is prompting German data and telecom providers, insurance companies, and the retail and automotive industries to renew and/or expand their existing data centres. Due to this increase in capacity the amount of heat being given off is reaching a critical level, which makes energy saving, cooling and heat removal essential. Imtech's high-tech solutions offer the best opportunities for energy savings and CO_2 reduction. Various orders were acquired, for example for BT, Lidl, Toshiba and Deutsche Telekom call centres in Bielefeld, Recklinghausen and Meschede. From a strategic perspective Imtech aims to achieve significant development in this market.

Sustainable buildings, Holzhaben, Hamburg
Imtech is the technology partner for the achievement of extremely energy-efficient buildings, including the 'Ericus Spritze' building, in the Holzhaben in Hamburg.

Other energy-related growth segments

Of particular note is the development of green stadiums. In the Imtech Arena, the stadium of Hamburger SV (Hamburger Sport Verein), one of Germany's top football clubs, Imtech has taken the first steps towards achieving considerable energy savings and lower CO_2 emissions. Green stadium technology is a promising growth market, both within and outside Europe, which is why, in line with the strategy, an international competence centre has been set up in this field. Progress was also made with energy-related orders in the education field and the market for the technological equipping of research centres and laboratories. One such order was for Mainz University. Imtech is one of the strongest players in the European cleanroom technology market and orders were received from Merck-Serono in Switzerland and from an Asian solar wafer producer in Belgium.

Robust growth in Eastern Europe

Imtech holds a strong position in Poland, where the European Football Championship will be held in 2012. Imtech is responsible for the technology in the three stadiums that will be used: the National Stadium in Warsaw (which can seat 55,000 spectators), the PGE Baltic Arena in Gdańsk (44,000 spectators) and the stadium in Wrocław (44,000 spectators). Imtech's expertise in stadium technology has also resulted in an order for the technology in Białystok football club's new stadium (capacity: 22,500 spectators). Imtech has also been successful in other sectors, as evidenced by orders from the Jewish Museum in Warsaw and the film academy in Łódź. Important breakthroughs were achieved in the care & cure market (the first order for a hospital in Danzig), the market for musical venues (the Weyerowo Philharmonic) and swimming pools (aqua parks in Allenstein and Treuberg). This means long-term continuity and further robust growth. Arconi, which was acquired in 2009, is also developing in the right direction in spite of the challenging market conditions in Romania. In Russia and the surrounding region, Imtech is continuing to make great strides with orders being received from customers including the Selgros supermarket chain and for a high-tech sports facility in Tashkent.

Future

Imtech is well placed for further robust organic growth in Germany especially in the energy field. Imtech will continue its Germany-based international growth by increasingly following customers, in particular to emerging markets. Imtech will also experience further growth in Eastern Europe. There is a great deal of confidence in the future.

K. (Klaus) Betz (55),
General Manager Imtech Deutschland and Executive Council member

UK, Ireland & Spain

Technology in part of the 'Torre Espacia', Madrid
The technical solutions Imtech supplied for the Canadian Embassy in the 230 metre high 'Torre Espacia' in Madrid included high-tech telecommunications, fire detection, access control and security.

In the UK and Ireland, Imtech (revenue: 303 million euro, number of employees: 1,150) enjoys a good position in the markets for buildings, industry and technical infrastructure (water and waste water treatment). The number of clients totals about 1,300. The activities are concentrated in Greater London, Southeast England, the Midlands and Yorkshire as well as nationally in Ireland. Some of the main competitors in the buildings and industry markets are Londsdale, Briggs & Forrester and Spie (Spie Matthew Hall). In the water / waste water treatment market Imtech operates UK-wide. The main competitors here are Biwater (now part of MWH Global), Black & Veatch, Enpure and Veolia. In Spain (revenue: 214 million euro, number of employees: 2,472), Imtech offers total technical services in the buildings and industry market. It has a strong position and some 1,100 customers. The main competitors in the industry market are Grupo Abantia, Grupo Cobra, Grupo Navec, Imasa, and Masa, and in the buildings market, Cofely, Emte, Grupo Cobra, Grupo Elecnor and Tecair.

In the UK, Ireland & Spain market conditions were challenging due to the economic crisis. As a result both revenue and EBITA fell by 7%. Imtech did succeed in maintaining its EBITA margin at 6.0%. The order book increased by 6% to 579 million euro.

Key figures, 2008 – 2010

in millions of euro	**2010**	**Δ**	2009	2008
Revenue	**517**	– 7%	558	519
EBITA	**31.1**	– 7%	33.5	32.4
EBITA margin	**6.0%**		6.0%	6.2%
Order book	**579**	+ 6%	546	524
Capital employed	**185**		113	133
Number of employees (as at 31 December)	**3,622**	– 2%	3,714	3,539

UK: focus on high-tech, partnering, energy and water

Technology investments in the buildings sector are minimal in the UK, with fierce competition as a result. Imtech has largely managed to overcome this by focusing on high-tech solutions, partnering and unique knowledge on the cutting edge of waste water treatment and energy. Additionally, a wide range of technical solutions is being realised for the 2012 Olympic Games, such as energy-efficient technology at the new Olympic Stadium, the 'Westfield Stratford City' Shopping Centre and the Olympic cycling track (Velodrome). These orders compensate in part for the decline in the real estate sector. Market-leading technical knowledge of both water and waste-to-energy is leading to further growth in these market areas, but particularly for waste water management. Imtech has developed into a specialist in the treatment of biosolids (waste water sludge), a major residual product formed during the purification of waste water. The biosolids undergo sustainable treatment utilising enhanced aerobic digestion technology in innovative biogas plants, thus producing increased green biogas volumes to generate renewable energy and a quality fertiliser product. The energy can be fed back into the national power grid. Recently completed aerobic digestion biogas plants, two for Anglian Water and for Welsh Water at Cardiff & Afan, have emerged as some of the UK's most efficient biogas plants. These plants generate more than 10MW of sustainable energy that can be fed back into the national power grid. It was partly due to these references that Northumbrian Water awarded Imtech the order for a new 4MW aerobic digestion biogas plant at Howdon.

Imtech is also a key joint venture delivery partner in the process upgrade and extension of the waste water treatment works at Beckton & Crossness in London, serving four million of the city's population in total. The increased capacity from the upgrades will enable more storm and waste waters to be treated and will result in less contamination of the Thames during peak flow periods. Part of both projects is the use of wind turbines to provide significant energy for the process plant.

Another example is the five-year extension of the asset management contract for the maintenance and improvement of all water and waste water solutions of Welsh Water across Wales. Key parts of Imtech's continued success in its devotion to challenging project requirements are high added value, delivering sustainable solutions and driving a roadmap in the reduction of the carbon footprint.

London remains important for Imtech. Here too the focus is on technological innovation. Good examples are the energy-efficient project Croydon Civic Offices and the high-tech technology for the world-famous Guildhall School of Music. Sound quality to match that of a professional recording studio is being realised in the concert hall and theatre. The education sectors remain an important focus within the UK market. Academies have been completed in East Basildon and Westminster, together with a new R&D and education facility for Cambridge University at the Hauser Forum providing facilities for new enterprises in information technology. In addition, innovative technology was realised at Oxford University's Bodleian Library for the conservation of millions of originals and copies of academic books and publications.

A substantial decline in technology investments was discernable in Ireland as a result of the country's deep economic crisis. Imtech has unique technical competencies in the field of electrical engineering & instrumentation (E&I) and is currently focusing on exporting this technological knowledge to the rest of Europe and beyond. The initial results of this new strategy are becoming evident. Imtech is active, as E&I partner, in a new factory for baby food for food manufacturer Almarai in Saudi Arabia. Oil and gas producer Agip in Kazakhstan placed its initial order for E&I solutions in a new mega oil installation project in the Caspian Sea.

Spain: multidisciplinary focus on maintenance, care & cure and energy

Spain's economy is gripped in a downward spiral. The same applies for technology investments. Despite this, Imtech managed to perform well, mainly because around 40% of its revenue is derived from short and long-term maintenance contracts. These contracts are becoming increasingly multidisciplinary in nature, which fits in with Imtech's strategy. As a result, Imtech is increasingly involved, as technology partner, at the heart of its customers' production processes. Intensive co-operation is leading to high added value and spin-offs.

In the industry market Imtech excelled in the fields of industrial assembly, maintenance, shutdowns and revamping services - despite rising competition and pressure on prices. Energy efficiency is becoming increasingly important and Imtech was involved in improving energy efficiency for Cepsa and in large thermal solar energy projects for Acciona. Imtech was also responsible, as technology partner, for doubling the refining capacity of Repsol in Cartagena and, as a spin-off, for the high-tech instrumentation. Imtech's knowledge of the primary process at Repsol in Puertollano also led to extra orders, including for multidisciplinary dynamic and static maintenance. Imtech holds countless other maintenance and upgrading contracts,

Total technology solutions for One Hyde Park in Knightbridge London
One of the most prestigious appartment developments in the world.

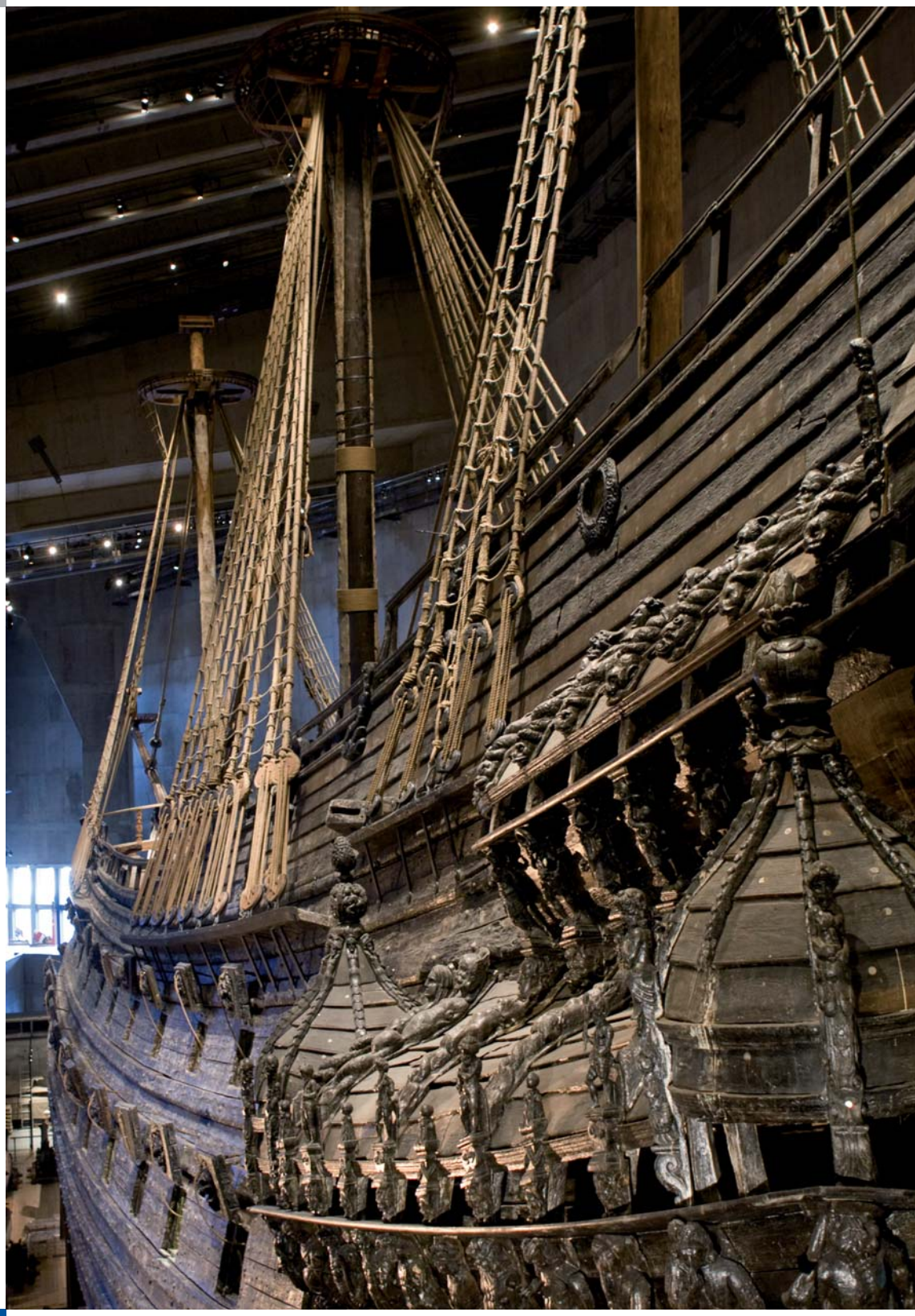
not only for oil and gas companies Repsol, Cepsa and BP, but also in one of pharmaceutical concern Bayer's chemical plants, for steel producer Acerinox and for tank storage company CLH. In addition to the maintenance and repair of tanks, Imtech now also provides total solutions for new storage facilities.
Thanks to the acquisition of various Huguet companies in 2008 and 2009, Imtech can provide a multidisciplinary approach in the buildings market. Imtech acquired maintenance orders for the 'Torre de Cristal' in Madrid (at 250 metres, the highest tower in Spain), the Regional Ministry of Extremadura in Merida and 23 buildings of the Basque police force. The multi-disciplinary orders Imtech acquired in the public buildings sector included the tax offices of Oviedo and Almería. Imtech made progress in the care & cure sector, for example with orders in new hospitals in Burgos and Taledor and maintenance contracts for hospitals in La Plana and Moron. The first multidisciplinary contract involved the modernisation of the operating theatres in the hospital in Tudela. To give its position in the care & cure market a 'boost', Imtech acquired Medical Engineering, one of the larger Spanish players in the medical systems and equipment market. The combination of technical infrastructure and services related to medical equipment makes it possible to offer total solutions, achieve cross-selling and increase the added value. The care & cure market provided good compensation for the drop in new construction investments in buildings, although orders in this field were still acquired, for example for the Las Arenas shopping centre in Barcelona. Imtech also acquired its first references in the data centre market. Customers included Aviva in Madrid, the Colegio de Registradores (Land Registry) and a data centre in the head office of Grupo Mahou San Miguel. In the energy market Imtech's 'green' buildings concept makes it stand out from the competition. The first orders were for the sustainable head office of Repsol in Madrid, the 'Zielo' shopping centre in Pozuelo (Madrid) – which was awarded a LEED® Gold certificate, and 'green' maintenance at the Las Mercedes Business Park and the Parc Cientific in Barcelona. The Spanish government is preparing an extensive energy saving programme for 330 public buildings (government buildings, hospitals, airports etc). Imtech is ideally positioned for this.

Future

The market for technical services in the UK and Spain is changing. Imtech is in an excellent starting position to reap the optimum benefits from this development. In line with the Imtech strategy, the top priority is a high-tech multidisciplinary approach with added value and a focus on energy, the environment, care & cure and partnering with customers. This offers good prospects in a highly competitive market in which conditions are not expected to improve in the near future. The focus for Ireland is on the export of specific technology. There is confidence in the future.

J. (Javier) Llanos Acuña (52), General Manager Imtech Spain and Executive Council member, J.M. (Jim) Steele (63), General Manager Imtech UK and Executive Council member

Nordic



Smart climate technology in the Vasamuseet, Stockholm
The displays in the Vasa Museum in Stockholm include a royal ship built in 1628. A precise climate is crucial for the ship's continued conservation. Imtech is responsible for maintaining a constant temperature and humidity whatever the number of visitors or the weather outside.

At the end of June 2010 Imtech Nordic strengthened its top-3 position in Nordic (Sweden, Norway and Finland) considerably by acquiring NEA. With 2,200 employees and nearly 70 branches, NEA is the second largest player in the Swedish market for electrical services. The company is hallmarked by its broad portfolio of orders and customers. This makes a significant contribution towards continuity, especially since around 50% of NEA's revenue is derived from recurring business. NEA was consolidated in July 2010. Three other, smaller, acquisitions were also completed.

Sweden and Norway are experiencing a slight market recovery, the first signs of which became apparent towards the end of 2010. Both revenue (+ 56%) and EBITA (+ 35%) rose. The acquisition of NEA, which has a lower operational EBITA margin than NVS, resulted in the operational EBITA margin dropping to 7.0%, which is still a satisfactory level. Thanks to the acquisition, and a rise in the average size of NVS's projects, the order book rose sharply by 70% to 412 million euro. The number of employees was 4,561. The main competitors are Bravida and YIT.

Key figures, 2008 – 2010

in millions of euro	**2010***	**Δ**	2009	2008**
Revenue	**487**	+ 56%	313	63
EBITA	**34.2**	+ 35%	25.4	5.0
EBITA margin	**7.0%**		8.1%	7.9%
Order book	**412**	+ 70%	243	158
Capital employed	**493**		254	226
Number of employees (as at 31 December)	**4,561**	+ 92%	2,378	2,274

* *Due to the acquisition of NEA, six months of NEA's revenue and EBITA were included for 2010.*

** *Due to the acquisition of NVS, two months of NVS's revenue and EBITA were included for 2008.*

Future growth potential

The strategic clustering of NVS and NEA is proving successful. NVS specialises in mechanical services and NEA in electrical services. NVS is geared more on the buildings market and NEA towards industry. Together they serve over 2,000 clients and provide technical total solutions in Sweden, Norway and Finland. The successful Imtech business model, based on the combination of technological skills and excellent added value for customers, is now also coming to life in Nordic. This has led to a structurally sound position and substantial growth potential: cross-selling, improved tendering opportunities, added value in the maintenance market, additional focus on larger projects, synergy between specific technological competencies, purchasing advantages and the sharing of premises increase synergy and reduce overheads.

In addition to NEA, the following smaller enterprises were acquired:

- FCC Sprinkler & Service: specialised in sprinkler technology and based near Stockholm. FCC will reinforce the sprinkler activities;
- Spitsbergen VVS: one of the 'greenest' technical services providers in Norway, located in the Arctic Circle. For Imtech, this means an entry into the economically attractive polar region and access to technical knowledge of energy and thermal heating in extreme conditions, and to technology used for exploring natural resources and by environment research institutes;
- LIT (Lännen Ilmatekniikka): based near Turku in Finland, aimed at reinforcing the position in southwest Finland.

NVS: integrated energy solutions in a wide range of markets

NVS, which had experienced some difficulties due to the economic crisis, saw a slight recovery of its market towards the end of 2010. Thanks to a combination of geographical spread of activities, a broad market scope, a comprehensive range of technological skills,
a focus on added value in medium-sized projects and a strong position in the maintenance market, its profitability remained at a good level. In line with the Imtech strategy, new, integrated, total concepts were developed in the energy market. The industrial market is recovering slowly but surely. Examples include the paper sector and energy sector, with activities including high-tech sprinkler solutions and heat and energy optimisation. A long-term maintenance contract that includes reducing the energy requirement was signed with Wasabröd, the world's largest manufacturer of Swedish crispbread. Norway's postal service commissioned the technical infrastructure in a high-tech automated warehouse.

The strategic focus on the care & cure market is reaping rewards, for example with a thermal energy storage project for the Härnösand hospital and a new hospital in Karlstad, where the energy consumption was reduced by 70% compared to that of the existing building. NEA was also active in this Karlstad hospital. Projects in the environmental and research market included the technology in an Indian environmental station in Antarctica. NVS was also involved in new research and laboratory facilities at the University of Agriculture in the Swedish town of Uppsala and new radiotherapy facilities in Lund. The large number of projects in the shopping centre market included innovative sprinkler solutions in the Emporia shopping centre (over 93,000 m²) just outside Malmö. NEA occupies a strong position in the Swedish and Norwegian public sector markets. In the education market there are signs of substantial investments in both renovation and new construction. NVS is involved in dozens of projects, such as the innovative technology in the Rislökka education centre in Oslo and energy-efficiency improvements at a military academy on the outskirts of Oslo. In addition to the installation of high-tech sprinklers in the national 'Swedbank Arena' football stadium, Imtech is now also responsible for technical solutions at a new sports stadium in Kalmar.

NEA: maintenance, industry and energy technology make continuity possible

NEA also suffered from the challenging market conditions, but managed to keep its head well above the water. A sharp focus on the maintenance market and its virtually unique competencies (power supply, specific technical industrial services, engine and lift overhauls/repairs, industrial automation and building automation) enabled the level of performance to be maintained. The combination of focus and competencies led to added value and innovative energy-saving solutions, especially in the industry sector. The demand for industrial energy services rose. NEA's customers included steel manufacturers Outocompu and Sandvik, and paper manufacturer Stora Enso.
NEA was also responsible for the engineering for a new large investment by steel manufacturer SSAB (Swedish Steel) in Borlänge. Energy contracts were executed for

Innovative sprinkler technology in the 'Emporia' shopping centre, Sweden
Imtech supplied the innovative sprinkle solutions in the new 'Emporia' shopping centre (over 93,000 m²), just outside Malmö.

energy companies Vattenfall, Fortum and E.ON. In the automotive industry the work NEA carried out for Volvo and Scania included the maintenance and improvement of the electrical infrastructure. A unique engine overhaul and repair service is available to the (high-) tension sector: new and renovated/refurbished industrial engines are held in stock in an 'engine hotel'. Customers can, therefore, outsource all their engine requirements - a fast-growing market. In the telecom market large-scale maintenance contracts were carried out as well as network upgrades for companies such as TeliaSonera. NEA is also active in the R&D centre market and the market for high-tech laboratories for the pharmaceutical industry.

The demand for green energy-efficient buildings is growing slowly but surely. NEA has an important reference: the 'green' revitalisation of SE Banken in Stockholm. NEA also excels in the integration of green energy facilities in hundreds of maintenance contracts. NEA, in co-operation with ISS COOR, offered innovative facility management, and together with NVS, provided multidisciplinary technical services for the Riksbyggen housing co-operative. NEA is increasingly active in the care & cure market, and carried out projects not only in the above-mentioned hospital in Karlstad but also in the Karolinska hospital in Stockholm. Other activities included high-tech facilities in the recording studios of Swedish national TV broadcaster SR/SVT.

NEA holds an interest of 38% in Elajo, an electrical services provider active in Sweden and Norway. Given its minority interest, the results of Elajo are not included in the above key figures.

Future

The future is looking positive for Imtech Nordic. The recovering market is showing a clear demand for strong technology partners who can take total multidisciplinary responsibility for sustainable and future-oriented technical total solutions. Imtech Nordic – the future name of the combined NEA and NVS organisations – can satisfy this demand, with the energy, care & cure and research markets as top priorities.

P.K.H. (Håkan) Berkvist (59), General Manager Imtech Nordic and Executive Council member

ICT, Traffic & Marine

High-tech speed control
Imtech specialises in intelligent solutions that improve traffic safety. Imtech is responsible for high-tech dynamic traffic speed control solutions on many of Europe's motorways including the A2, A12 and Rotterdam Ring in the Netherlands.

Good progress was made in the European technology markets of ICT (information and communication technology) and traffic (high-tech mobility solutions). In the marine market Imtech fell back just a fraction, but given the market conditions, achieved a good performance. The overall EBITA rose by 4% to 70.0 million euro. Revenue dropped with 1% slightly to 1,150 million euro and the EBITA margin rose to 6.1% (2009: 5.8%).

Key figures, 2008 – 2010

in millions of euro	**2010**	**Δ**	2009	2008
Revenue	**1,150**	- 1%	1,159	1,073
EBITA	**70.0**	+ 4%	67.1	70.8
EBITA margin	**6.1%**		5.8%	6.6%
Order book	**1,062**	+ 3%	1,033	951
Capital employed	**257**		278	212
Number of employees (as at 31 December)	**5,184**	+ 4%	5,008	5,202

ICT: an excellent performance in a challenging market

ICT (information and communication technology) is becoming more and more structurally important, which is why Imtech wants to have a strategically strong ICT axis in Europe. The ICT division is structurally active in the Netherlands, Belgium, Germany, Switzerland, Austria, the UK, Romania and southeast Asia. Imtech ICT (497 million euro revenue, 1,682 employees) functions as the strategic vanguard, focuses on new technology and makes the knowledge it has gained available throughout the company. Serving a total of 4,500 customers, its strategic focus centres on integrated solutions with demonstrable added value in business intelligence, data centre technology, managed services and ERP software. High added value is also made possible through our intensive co-operation with world market leaders like Cisco, IBM and Microsoft. Major competitors are Bechtle, Computacenter, Getronics, KPN and Logica CMG.

Although difficult conditions in the ICT market in 2010 made it a challenging year, Imtech's clear strategic focus, broad portfolio of high-quality products and services and emphasis on efficiency enabled it to respond speedily and successfully. As a result Imtech ICT's overall performance improved. This has paved the way for further growth in 201. Growth was particularly robust in Germany (Fritz & Macziol), while acquisitions in Switzerland, Austria and Romania meant that the position in the European ICT market was strengthened further.

Business intelligence: a distinctive total vision

The business intelligence market is very much in motion, with investments being made in new initiatives and domains. Production and process flow data, financial performance measuring data, click streams and data related to customer behaviour are good examples. The volume of data is becoming immense. Without technology it would be impossible to translate this data into valuable information. Business intelligence makes it possible to use operational data for strategic and tactical purposes. More and more expertise is needed to collect, classify and analyse all this data. Smart tools from Imtech and in-depth knowledge of technical automation and business processes make a total vision and sustainable working methods possible. Currently more than 1,000 customers throughout Europe are using the standard solutions Imtech ICT offers, including Mitsubishi Electric, where Imtech was responsible for a further professionalization of the planning processes within a SAP environment, and bed manufacturer Royal Auping, for which Imtech provided a benchmark solution. One example of the combination of ICT expertise and electrical engineering services is the development of an innovative electronic sea chart (ECDIS®, Electronic Chart Display and Information System), which is fully integrated into Imtech's digital ship's bridge systems.

Data centre technology: growth
The emergence of Cloud Computing, and especially of 'Infrastructure as a Service' (IaaS), is seen as a major driver for change in the data centre domain. The energy consumption of data centres forms such a significant part of the energy bill that, for financial reasons alone, savings are necessary. 'Cloud-based computing' (sharing computer infrastructure), high-tech network IT services based on virtualisation (optimising data use and storage) and an extremely energy-efficient 'green' ICT infrastructure are at the heart of Imtech's vision for the 'data centres of tomorrow'. For data centre customers this will result in savings as well as in improved performance and efficiency with a high-level of security and IT protection. At the same time, the sustainability level will be noticeably increased. This vision, together with Imtech's knowledge and expertise, makes partnerships based on Design, Build & Maintain possible. One example is the partnership with Fujitsu to deliver efficient data centre network solutions. Imtech is also responsible for providing 24/7 wireless network solutions, second- and third-line support and consultancy services for Internet-technology-based IP networks. For ASP4all Imtech is responsible for a Cisco UCS and Nexus integrated data centre infrastructure that is fully virtualised and centrally managed.

Managed services: from commodity to added value
IT technology supports every type of business, whether this is for business-critical applications or budgetary considerations. For this reason Imtech offers a comprehensive support portfolio. Imtech's data centre in Vienna plays a major role in the technical support of generally complex SAP environments, including those of Coats plc and BRAMAC Daksystemen (roof systems). Imtech's support centre in Manila maximises the service performance (SLAs: Service Level Agreements) for many European customers. Imtech is committed to optimal IT performance, professional IT functionality and good access to data. This raises the productivity of employees. New functionalities, such as unified communication and collaboration, are being deployed, new applications to enhance communication within and between 'communities' in the context of the 'New Way of Working' are being developed and social software is also playing a significant role. A new era of network management has begun. Imtech supports and optimises operational processes and offers innovative solutions for structuring the digital management process based on 24/7 managed services, for example for customers such as HDI Versicherung AG and Sea Invest. The acquisition of Penta has strengthened Imtech's position in the growing Swiss ICT market for managed services. Co-operation with existing ICT activities will lead to further growth.

ERP software increases customers' return on investment
Almost every company uses ERP software to manage business processes. The key issue is how to obtain a greater return from existing ERP implementations in order to reduce costs and complexity. The time-to-market, short product cycles and delivery times are also crucial. Imtech offers business-critical solutions devised specifically for

Imtech is a strong player in the market of luxury yachts.

local authorities and industry branches such as manufacturing, commerce, the food industry and transport & logistics. The focus is on both global players and small and medium-sized businesses. Imtech's customers include public authorities, such as Stadt Kassel and Stadt Luzern, logistics services provider Logwin, German confectionery producer Haribo and industrial packaging manufacturer Greif. Imtech's services include not only standard solutions but also specific mobile solutions, application integration and solutions based on the most up-to-date portal technology. Franse Post, chainsaw and other garden machinery manufacturer Stihl, and leisure organisation Landal GreenParks use such software based on an open structure combined with specially designed made-to-measure solutions. Winning a substantial ERP order in the Swiss municipality market means that Imtech now also occupies a leading position in Microsoft technology-based ERP solutions in Switzerland. Imtech stands out due to its professional expertise and technical advancement, excellent quality, flexibility, simplicity and reliability. Currently nearly 1,500 customers are using standard Imtech ERP solutions. The acquisition of Sapphir has strengthened Imtech's position in the ERP market in Austria and, to some extent, in Romania. Sapphir offers SAP-based all-in-one solutions for the administrative processes of complex infrastructure projects of electricity companies and train and railway operators. Here, too, co-operation with existing activities will lead to growth.

Traffic: good performance in a competitive market

Imtech, together with Peek Traffic (an acquisition from 2007 which, due to its strong brand name, has deliberately retained its own identity) enjoys a strong position in the European traffic market. Imtech offers around 500 customers an extensive range of traffic solutions in the fields of dynamic traffic management, traffic safety, traffic enforcement, intelligent transport systems, emission reduction technology, priority systems and dynamic information for travellers. Imtech is active in the UK, the Netherlands, Belgium, Central and Eastern Europe, Nordic and occasionally in other European countries. Mobility solutions are also exported outside Europe. Imtech is active in the urban and inter-urban market, in the market for traffic control and safety and in high-tech traffic centres. The parking market in the Netherlands, Belgium, Poland, France, Spain, Nordic, the UK, the USA, Canada and Brazil is also served via the WPS business unit. Total revenue amounts to 147 million euro and the number of employees to 1,028. The main competitors in the traffic market are Siemens, Swarco and Telvent, and in the parking market Skidata and Scheidt & Bachmann.

Imtech achieved growth, despite a decline in investment due to lower government budgets and fierce competition. Progress was made in the Netherlands, the UK and Nordic, but business declined slightly in Poland and Croatia. A breakthrough was achieved in Russia. The market trend is towards greater added value at a lower price. Technological integration is Imtech's answer to this challenge. Imtech's international character is growing and intensive internal and external co-operation is taking place with a view to increasing the added value. From a structural perspective, the demand for high-tech mobility solutions is increasing. Imtech is well prepared for this. Its strategy is aimed at an integrated technical approach, higher added value, intensive co-operation with customers (asset management), the reduction of harmful emissions and international upsizing. The acquisition of YSP, a high-tech traffic control and management specialist in Finland, took place within this framework.

Inter-urban market: maintenance leads to growth

Maintenance is a key driver for growth. Imtech has performance contracts with the Dutch Department of Public Works and Water Management (Rijkswaterstaat) for well over 2,500 traffic management stations along Dutch motorways as well as various high-tech traffic centres. In the UK, Imtech is a maintenance partner of the Highways Agency (manager of the motorways in England) and maintains the high-tech data backbone for all the motorways in England and the traffic technology along and around the motorways in eastern England, north London and the M25 Dartford Tunnel. Several long-term maintenance contracts are running in Poland as well. These maintenance contracts have generated spin-off, such as the assignment for dynamic traffic signals and enforcement control on the ring road around Rotterdam and the technical renovation of the traffic centre for the northwestern region of the Netherlands. In the UK, the Highways Agency has commissioned the renovation of a 64-kilometre-long high-tech communication network along the M6 motorway. In Sweden the impact is increasing, for example via the technical renovation of the Motorway Traffic Management on the E4. Via YSP, Imtech is also involved in the renovation of the traffic technology in the Vuosaari harbour tunnels in Finland.

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1 Imtech is a strong player in the cruise liner market.
2 Performance Management Solutions for watch manufacturer IWC.
3 Technological maintenance in the M25 Dartford Tunnel in the UK.

Urban market: maximum flow thanks to performance maintenance
Imtech also holds substantial maintenance contracts in the urban market, such as the contract for 40% of the traffic lights in London. Spin-offs include the upgrading of the traffic infrastructure around Westminster Bridge and the provision of automated pedestrian lights with timers. Other examples include the performance contract for 22,000 traffic lights in the Manchester region and the management of the traffic infrastructure in Shropshire. In the Dutch city of The Hague Imtech was responsible for a high-tech simulation project for improved flow. In Stockholm a traffic management system was upgraded and a high-tech 'weight in motion' solution through which overloaded lorries are automatically fined was delivered. In the Croatian city of Split Imtech is involved in a traffic management system that uses image and microwave detection to improve traffic flow and, thereby, reduce harmful emissions.

Technological integration
Technological integration offers added value. One example is FREILOT®, an EU pilot programme for a new generation of urban traffic technology involving real-time technical dialogue between vehicles and with fixed traffic systems such as automated traffic controllers. An integrated approach has led to improved air quality, reduced fuel consumption and greater traffic safety. Emission reduction and fuel savings of up to about 20% are possible. In Helmond in the Netherlands Imtech was responsible for the largest co-operative system in Europe and it also implemented this technology in the Polish city of Krakow.

International growth: organic and through co-operation
Imtech's objective is robust international growth. The existing installed base of Peek technology offers an ideal basis for this. Technology export is increasing, for example to Israel, Turkey, Colombia and Eastern Europe. In Italy, a high-tech priority system for 600 trams was installed in Milan and Palermo. An office was opened in Lithuania. The partnership with Delcan, an international traffic management specialist, has been extended. The Imtech/Delcan combination successfully quoted for the software upgrade of a traffic management system in St. Petersburg in Russia. Further exploration of the Russian market is in progress.

Parking becomes multifunctional
Parking technology is gaining a multifunctional character. Users can recharge their electric cars and receive promotional and discount vouchers through a single digital payment transaction. Technology demands are increasing. Imtech can respond to this well and was active across a broad front. Examples include park & pay facilities for a hospital in Paris, the park & ride technology in Leicester (the UK) and high-tech parking facilities for the Holiday Inn in Eindhoven (the Netherlands). A text messaging application to indicate the number of available parking spaces was developed for Rabobank.

Growth through innovation
Technological innovation, often with a 'green' character, also contributed towards growth. Examples include a new generation of energy-efficient traffic lights (Supreme®), technology for recharging electric cars in car parks (Park & Recharge®) and innovative pedestrian crossings comprising compact traffic controllers, energy-efficient LED traffic lights and solar powered bus-stop displays. In Buckinghamshire (the UK), Imtech replaced 1,000 conventional halogen traffic lights with a new LED equivalent. This 'Go Green' project will reduce CO_2 emissions by 365 tonnes. Innolumis®, the business unit for sustainable LED lighting, is experiencing robust growth. This innovation is unique in that it offers an optimal light spectrum while saving up to 80% energy consumption throughout its 20-year lifespan. High-tech data warehousing enables traffic intensity trend analyses to be conducted. This helps make integrated optimisation processes possible. As a result, technology is helping reduce environmental pollution.

Marine: many prospects, an outstanding market image, a fractionally lower performance
As an independent full service provider with integrated solutions, Imtech (revenue: 506 million euro, number of employees: 2,474) is one of the strongest players in the global marine market. Imtech operates a network of more than 73 service centres in over 20 countries along the most important international shipping routes and in the major shipbuilding centres. Imtech works for around 1,000 customers and is active in every segment: luxury (mega) yachts, naval vessels (logistic support ships, frigates, corvettes, patrol vessels and submarines), special ships (dredgers, offshore support ships, crane ships, tramp steamers and FPSOs – Floating

4 Embedded Software protects the Netherlands from flooding.
5 Tailor-made ERP software for the Österreichische Bundesbahnen, Austria.


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Production, Storage and Offloading ships), offshore platforms, cargo vessels (container ships, bulk carriers and other cargo ships), passenger liners and inland waterways vessels. Imtech's international competitors in the new construction market include L3, Siemens, Wärtsilä, Rolls Royce and Converteam and in the maintenance market include Telemar and McKay.

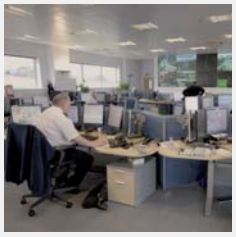
Growth through a clear marine strategy
In line with Imtech's strategy, Imtech Marine is focusing on achieving added value for customers, a life-cycle approach, intensive internal co-operation, the growth of its service activities, the opening of new production and service centres in various parts of the world, 'green' technology and 'smart' IT. Considerable attention is also being paid to improving operational excellence. With a view to further internationalisation, Turkish marine technical services provider, Elkon, was acquired. Turkey is rapidly becoming a major construction centre for new, large and complex ships. This has increased the demand for high-quality marine technology. The strong position Elkon occupies in Turkey can be expanded considerably via Imtech. To broaden the service activities a strategic plan for the expansion of global services has been drawn up. The plan revolves around enlarging the network of service centres in large trading ports and the development of so-called 'multi-service hubs' at a number of strategic locations. The aim is for these hubs to provide maintenance of all the technological solutions offered by Imtech. This will form the basis for a differentiating life-cycle management strategy. A structural platform for project innovations has also been laid down. Innovations will be better safeguarded and, where relevant, re-applied via a best practice approach. Internal co-operation will lead to extra added value.

Many prospects, a varied market picture and a slightly lower performance
Although the economic crisis led to greater reticence to make investment decisions, slowly but surely this situation is changing. As a result Imtech has a substantial number of promising prospects. A number of these prospects have already been converted into orders, for others reaching a final decision takes more time. The picture varied per market segment, but overall Imtech's performance was slightly lower.

Oil and gas ships: a hesitant market
The reticence is most apparent in the oil & gas market. Despite this Imtech received several medium-sized and smaller orders, for example for the automation technology on board a rock sorter for Boskalis, for a heavy-lift crane ship/pipe layer for Acergy, and for four anchor-handling tugs (special tugs for tankers) at Drydocks World Singapore for Swire Pacific. Advanced navigation and communication solutions were supplied for offshore platforms built by, among others, Gazflot, Noble Drilling, Saipem, Modec/Petrobras, Samsung and STX Heavy Industries. Other potential customers need more time to arrange the financing of new ships. A substantial inflow of orders is expected in 2011.

Naval vessels: very promising
Imtech performed well in the promising naval vessels market. Ongoing naval programmes generated a substantial stock of work including the technology on board new German F-125 frigates and the air and climate technology on board two new UK Royal Navy aircraft carriers, one of which has already been included in the order book. The Damen Schelde Naval Shipbuilding wharf ordered the technology on board the new logistics support ship 'Karel Doorman' – the largest naval vessel ever built for the Dutch Royal Navy. Orders for platform automation upgrading were received for the provisioning ship 'Hr. Ms. Amsterdam' from the Dutch Royal Navy and for two of the Belgian Navy's M-class frigates. Orders were also received from the navies of South Korea (rudder roll systems) and Singapore (high-tech platform automation on board minesweepers).

Cruise liners: growth
Imtech performed extremely well in the cruise liner market and was involved with energy-efficient climate technology on board a number of cruise liners ranging from 122,000 to 144,000 gross ton. Examples included the technological renovation of the cruise liner 'Celebrity Mercury' for TUI and innovative energy-efficient climate technology on board two new cruise liners for Norwegian Cruise Lines. These are the largest cruise liners ever built in Germany (Meyer Wharf).



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1 High-tech traffic control center in the East Midlands, the UK.
2 ERP financial systems in the city of Lucerne, Switzerland.
3 Traffic enforcement on motorways in the UK.

Luxury yachts: satisfactory
With the exception of the top segment the global market for luxury yachts worsened. Imtech held its own reasonably well. Completed orders included an extensive package of technology on board the 'Swift 141' – a 465-foot super-yacht that will be launched in 2011 by ADM Shipyards in Abu Dhabi – and the technology on board two high-speed catamaran mega-yachts designed by Porsche Design and built by Royal Falcon Fleet. Imtech also received orders for various yachts at European wharves.

Service, maintenance and management: under pressure
The reduction in ship movements put some pressure on the market for service, maintenance and management. Despite this Belgium, the Middle East, Egypt and China achieved further growth. Imtech focuses on lowering operating costs for customers, for example through partnering and multi-year maintenance & management contracts. An agreement was signed with Spliethoff – a globally operating shipping company – for the supply of high-tech satellite communication equipment including special connectivity services.

Growth in China
The marine economy climate in China and Singapore is improving and this region is developing into an important centre for the global shipping industry. With offices in Hong Kong, Shanghai and Singapore and five sub-offices in other marine centres Imtech is well positioned for further growth, partly thanks to its good relations with many Chinese ships wharves. The focus is on intensifying internal co-operation.

Green technology
Imtech was able to benefit from the increasing demand for green technology and organised a symposium on this theme. One important topic was the development of hybrid ships' propulsion technology, the advantages of which are lower fuel consumption and considerably lower emissions of harmful nitrogen, fine particles, sulphur and carbon dioxide. Imtech has developed innovative battery systems for storing energy which, combined with diesel-electric propulsion, lead to significantly lower energy consumption. One futuristic project is PlanetSolar – a high-tech catamaran covered with thousands of solar panels and propelled by electric engines. Energy is stored on board in the world's largest lithium-ion battery. Imtech was also responsible for the sustainable technology on board the 'Rainbow Warrior III' – Greenpeace's new flagship – and was involved in the development phase of the first hybrid luxury yacht, 'Ghost G 180'.

Smart IT: fewer crew, zero emissions
Imtech has developed a smart concept to locate a greater proportion of the technology currently on board ships in high-tech onshore control rooms. This will reduce both the chance of human error and the costs. Combined with green technology this makes it possible to reduce the number of crew members and to arrive at zero emissions.The first pilot project has been started with tugboats in the Rotterdam harbour.

Future
Imtech is well positioned for further growth. Strategic choices have been made in ICT, Traffic and Marine. The objectives are clear and Imtech is on track. The market is demanding technological players with strong positions and a clear, integrated vision. Imtech is outstanding in this respect and provides customers with practical added value. We face the future with confidence.

E.R. (Eric) van de Adel (48), General Manager Imtech Marine and Executive Council member, J.A. (Jan) Casteleijn (61), General Manager Imtech Traffic & Infra and Executive Council member, M.G.A. (Tijn) van Dommelen (44), General Manager Imtech ICT and Executive Council member

Risk management

High-tech mind systems, new tools for high added value technical maintenance.

Imtech follows an active policy aimed at ensuring the proper functioning of risk management and internal control systems. The responsibility for risk management rests with the Board of Management. The objective is to control, as far as possible, the major risks to which the company is or could be exposed, to make possible the reliable achievement of operational and financial goals and to ensure compliance with applicable legislation and regulations. 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 entirely prevent material errors, loss, fraud and contraventions of legislation and regulations.

Operational project risks

The number of large and complex projects is increasing and they are often in the form of performance contracts. Imtech is also signing more and more design & construct contracts, or acting as a technology partner on the basis of EPC: Engineering, Procurement and Construction. There is also a trend towards participation in consortia, construction consortia or other forms of joint venture. More and more often Imtech is taking over responsibility from customers. And there has also been an increase in the number of projects located geographically outside the country in which the Imtech company concerned is based. Compared with traditional specification-based projects, these market trends are leading to increasing legal complexity when accepting and executing projects and a higher risk profile. Legal Affairs and Risk Management are jointly responsible for the optimum management of these risks. In view of the increasing responsibility and the complexity of projects the focus of attention will shift towards enterprise risk management. Many contracts also include so-called change of control conditions.

To reduce operational risks Imtech works with its own web-based method (Riskmaster®) and a special risk analysis method (GRIP®) developed for and by Imtech. Using these methods divisions and companies can draw up their own risk analysis. This method enables bid reviews to be carried out, clear risk analysis – covering a range of aspects including the customer, contract, project location, design, technology, materials, price structure, timescale, safety and co-operation – to be drawn up and risk plans to be implemented. Risk Management supports this process and, in consultation with (divisional) lawyers, proposal managers and/or contract managers evaluates the risk management measures. All large project contracts are also examined during the tender phase and specifications are subjected to further risk analysis. Once a project has been awarded, the risk plan is checked regularly and progress is reported. When a project is large or complex a contract manager is added to the project management team.


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1 Automation of tank storage processes for Koole Rotterdam.
2 Sustainable technology in the 'Las Arenas' shopping centre, Barcelona.
3 High-tech climate technology on Royal Navy aircraft carriers.

The method comprises the following modules:
- registration: the registration and notification of new projects going out to tender;
- analysis/mitigation: a risk analysis and evaluation module (Riskmaster®) with proposals for risk limitation;
- auditing: a management module to monitor projects from tender to delivery;
- statistics: various reports.

The above procedure is obligatory for all projects with an order value higher than 4 million euro, projects that are located geographically outside the country in which the Imtech company concerned is based, projects involving a partnership with third parties and projects with an extra high risk profile (complex projects or special contracts). The status of projects meeting these criteria and the way risks have been handled are known at any given moment. Risk Management monitors both the process and the risks of projects under tender or being executed. The outcomes of Riskmaster® are structurally analysed and discussed with the Board of Management.
If the contract value of a tender/contract is higher than a (division) manager is authorised to handle, the authorisation of his or her manager and/or the Board of Management is required.

Other operational risks

Discussions with customers regarding additional work sometimes end in legal proceedings and claims going back and forth. These risks are, to a degree, covered by the relevant provisions.

Imtech is well insured against business and execution risks. Product liability is hardly relevant because Imtech rarely develops its own products and generally purchases products from many different suppliers who are responsible for their own product risks.

Inventory risks are minimal because materials are purchased on a project or part project basis, which means stockpiling is limited.

There are risks that acquired companies will not meet expectations, including the risk of impairment of capitalised goodwill. Imtech endeavours to minimise this risk as far as possible during the due diligence phase.

The aim of the policy related to HSE (Health, Safety and Environment) is to ensure the proper protection of all employees and third parties involved so that the risks of job-related accidents, and claims that might arise from such accidents, are limited.

Management succession risks

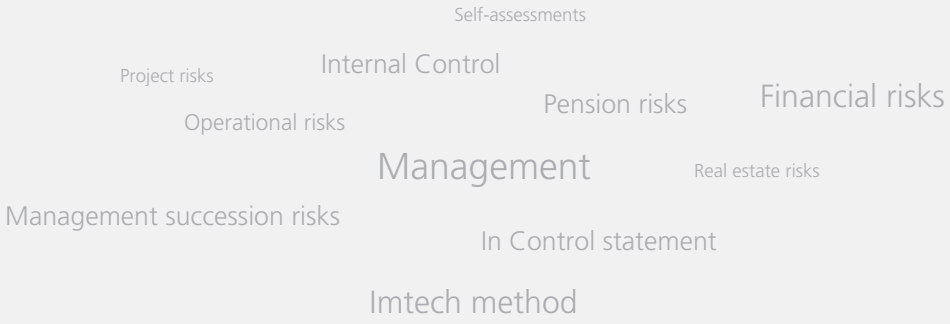
Considerable attention is paid not only to improving the quality of the management, but also to the management of risks related to management succession. The loss of key staff, along with their expertise and experience, can obviously affect business operations and the result. Safeguarding management positions by keeping records of potential successors is, therefore, a permanent component of the risk management policy. Which is why the Board of Management pays particular attention to succession issues related to key positions via annual management reviews. Succession in both the medium term (retirement) and in the short term (due to unforeseen circumstances such as illness or accident) is taken into account.

Real estate risks

To retain maximum flexibility and minimise balance sheet risks, more than 90% of the property currently being used by Imtech is rented. 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 to the market so as to prevent accommodation being unoccupied and reduce costs. To this end a central real estate database for strategic accommodation planning and financial analysis has been set up.

Financial risks

Financial risks are debtors, liquidity, currency exchange rate and interest rate risks.



Debtor risks
Imtech serves over 21,000 customers varying from small to large. This means Imtech has a very widely spread debtor risk. To reduce the individual debtor risk use is made of various banking products (bank guarantees, letters of credit, etc.) and advance payments. Credit risk insurance is rarely used. To enable debtor risks to be properly assessed use is made of credit information supplied by specialist institutions.

Liquidity risk
Imtech strives to limit its liquidity risk by, in support of its operational activities, guaranteeing the adequate availability of credit facilities (both for the financing resulting from working capital and for the financing of future acquisitions) and bank guarantee facilities. In view of Imtech's solid balance sheet position and ample cash flow position with access to various sources of finance, external credit rating is not required.

Currency exchange rate risks
Currency exchange rate risks play a limited role, because virtually all purchases and sales take place in the functional currency, predominantly in euro, the British pound and the Swedish crown. Currency exchange rate risks arising from the purchase or sale of materials abroad are hedged through forward foreign exchange contracts. The amount involved is several tens of millions of euro. Except for a partial hedge for the Swedish subsidiaries, the translation risks related to foreign participations are not hedged because, in practice, temporary fluctuations in exchange rates balance out over time.

Interest risks
The objective of Imtech's interest rate coverage policy is to hedge at least 50% of the interest rate profile of the net debt position as at 31 December. To this end interest rate swaps with terms that correspond as far as possible with the terms of the (bank) credit facilities are used.

Pension risks
Most of Imtech's employee pension schemes are based on 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 the Netherlands. This fund numbers 1,870 active employees, 770 ex-participants (the so-called 'sleepers') and 1,135 pensioners. As a result of the financial crisis the fund has a coverage shortfall. However, since this Pension Fund is totally separated from the company, Imtech N.V. has no obligation to make additional contributions. In accordance with the statutory guidelines, the Board of the Imtech Pension Fund, with the approval of the Participants' Council, has submitted a recovery plan to De Nederlandsche Bank. According to this recovery plan coverage of at least 105% will be achieved by the end of 2013. The recovery plan includes a condition that, in case of insufficient recovery of the financial position, the pension agreements with the insured could be proportionally lowered. All interested parties have been notified of this plan, including the possibilities of reduced payments. At the end of 2010 the degree of coverage was in line with the recovery plan. Up to now it has not, therefore, been necessary to reduce pension agreements. In Germany the pension provision is self-administered. The average wage scheme means backservice obligations related to pension schemes are limited to the indexation.

Market risks
Doing business involves risks, which are not the same for all the markets in which Imtech is active. The cyclical nature of these markets varies. The combination of technologies, the geographical spread and the presence in diverse markets and product/market segments make Imtech less sensitive to fluctuating market conditions. Market risks include economic, political and social risks. Imtech operates mainly in Europe. The related risks in terms of instability are minimal.

Internal control
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.

Based on a risk assessment, the design and operation of certain internal control systems are examined at the various operating companies. Findings are discussed with the relevant companies

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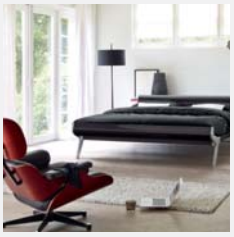

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1 Technical infrastructure in the DTC tower, Bucharest, Romania.
2 Solar energy at Thermosolar La Risca, Badajoz, Spain.
3 Performance Management Solutions for bed manufacturer Auping.

and, when necessary, lead to actions for improvement. The follow-up of these actions is reported by the companies and paid particular attention to by the Board of Management during regional visits.

Operating companies and businesses carry out self-assessments using web-based questionnaires and an analysis model based on the COSO Enterprise Risk Management Integrated Framework. The questionnaires cover every possible and relevant aspect of business risk management, contribute towards a good underpinning and evaluation of the effectiveness and efficiency of the systems for risk management and internal control, and form the basis of the internal control statements submitted by divisions, operating companies and business units. The self-assessments are analysed by Group Control and discussed with the Board of Management. The findings are then discussed with the divisional management and used to improve the risk management process. To check the quality of the self-assessments they are reviewed on a regular basis by an independent advisor.

During the year under review attention was paid to several aspects including Imtech's (growth) process towards becoming a strategic control holding, with the activities oriented towards the Netherlands being viewed 'at a distance'. Functional communities and commercial task forces were introduced and the Executive Council was given more responsibility. The revised authorisation matrix was implemented throughout the organisation and a revised version of the Group Guidelines (internal guidelines and regulations) was prepared. Attention continued to be paid to professional project management.

The main lines of the internal control, self-assessments and reviews, as well as the proposed measures for improvement and follow-up to these measures, are discussed and evaluated regularly with the Audit Committee in the presence of the exeternal auditor. The Supervisory Board is kept informed.

A further harmonisation of business processes and systems was also carried out. Due to the organisation's decentralised formation (partly through acquisitions) and structure, a number of 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. To 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. In 2010 further progress was made with these ERP implementations.

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.

B.R.I.M. (Boudewijn) Gerner (59), CFO and Executive Council member

Human Resources

Imtech – main sponsor of the introduction week of University of Technology Delft, the Netherlands.

Several trends on the labour market had a bearing on the development of the 2015 strategy: the baby-boom generation is retiring, there is insufficient inflow from technical training establishments and the quality of the technical training does not meet Imtech's quality standards. To achieve its strategic growth targets Imtech needs well-trained, professional people with vision and drive. At every level in the organisation. Passionate employees are the strength of 'people business' Imtech. Imtech wants to become an 'employer of choice' and to rank among the best technical employers in Europe. This guiding principle is the cornerstone of the new HR strategy. Successful recruitment and reduced outflow, but also leadership, a transparent organisation and training, are strategic themes that will be translated decentrally. Imtech is playing an active role in the development of new ways of working, the balance between work and leisure and diversity.

HR principles

Imtech follows eight HR principles which form the basis of its HR strategy:

- mutual trust: expressed through integrity, openness, respect, co-operation between colleagues and the maxim 'agreed is agreed';
- personal development: the personal growth of employees leads to the growth of the company;
- leadership: the constant improvement and development of managers, focused concentration on leadership and team performance, achieving a result;
- the right people in the right place: continuous growth and development fitting for the employee's stage of life and complementary to the needs of the company;
- employment conditions: Imtech's employment conditions package is market competitive and aimed at optimum personal performance and development;
- 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);
- Corporate Social Responsibility (CSR).

A broad cross-section

Imtech's workforce is extremely diverse. Around 30% of the employees have been educated to a university or higher professional level, 45% to an intermediate level and 25% to a practical technical level. The dynamic cohesion between these groups and third parties leads to high added value. Retaining this diversity is a precondition in the HR strategy whereby we will steer an 'upwards' course towards higher levels of education.

Reducing outflow

Employee retention is a core issue in the HR strategy. Employee involvement and satisfaction are important strategic HR cornerstones. Our own employees are also the best source of information when it comes to actively reducing outflow. The reasons why people leave and the level of employee satisfaction and involvement are

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1 Expertise in process automation.
2 Professional maintenance of navigation and communication technology on board ships.
3 Maintenance automation solutions.

important indicators of the quality of our (decentralised) policy. Good salary scales and the personal development of every employee are key components. Generic and Imtech-specific training courses play a major role as do coaching and on-the-job training. Reduced outflow leads to increased revenue from the training programme. When vacancies arise we first look for qualified candidates within our own organisation. A clear understanding of our employees' qualities and motivation enables us to bring out the best in them and promotes loyalty. Every division has the necessary 'toolkit' at its disposal and in 2010 the foundations were laid for a keener retention strategy. Where management positions are concerned there is a separate assessment system that guarantees long-term management continuity.

Closer ties with the labour market through smart recruiting

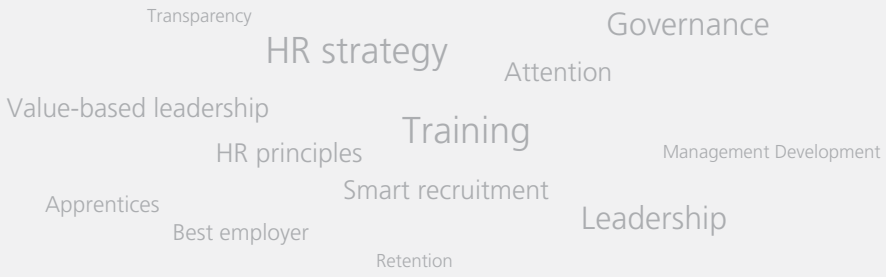
Imtech's approach to the labour market is bearing more and more fruit. Imtech is not only recognised as a good employer, it also – thanks to its structural growth – offers ample career opportunities. Its image as an employer is enhanced by its high level of technical expertise, challenging projects, CSR approach and excellent training programme. The 2015 growth strategy will necessitate a substantial inflow of high-quality and, for the most part, technical employees. Imtech anticipates a higher number of employees as at 31 December 2011. In this context our labour market approach will be intensified. The key word is 'smart' recruiting. Via our new website, 'smart apps', and our active use of social media we will put every effort into recruitment. We will increase Imtech's visibility in technical training, for example through more sponsoring of and intensive co-operation with European technical training institutions. We will also develop closer ties with the labour market by offering attractive work placements and management trainee programmes. Imtech's active work placement policy makes it stand out from its competitors in Europe. Talented trainees at every level are mentored and follow the best possible supplementary training courses. Experience has proven the success of this approach: most of the employees recruited in this way stay with the company for a long time.

Value-based leadership

The quality of the management is a determining factor for employee performance and perception. The HR strategy recognises management style and behaviour as fundamental conditions for the development of values and standards within the company. The HR principles and transparency regarding expectations are important components of managerial behaviour. Co-operation is, and will remain, the key word. Value-based leadership and involvement promote employee dedication. Honesty, reliability and a personal approach from management and employees make for a pleasant working environment and mutual trust. The decentralised organisation supports this and provides the space for local working methods and development opportunities for every single employee. As a result of this approach, managers and employees are able to achieve the optimum result.

Transparency

Transparency plays an important role in the new HR strategy. The HR department has drawn up the policy and related instruments in such a way that the desired behaviour (values and standards) is visible and measurable. When recruiting, the emphasis is not only on competencies but also on the desired behaviour. It is also measured in employee satisfaction surveys and it is recognisable in evaluation methods and systems. Including the desired behaviour in training courses makes added value and performance more understandable in terms of both measurable performance and social relationships. Simplicity, focused attention and attentive communications mean that, despite the organisation's size, its' human face' remains visible. This makes a more than average contribution towards Imtech's success.



Training

Leadership development and professional project management are spearheads of the training policy, and special management programmes focused on these topics have been developed at both a central and decentralised level. These programmes are the key to the company's continued long-term success. A large number of employees can participate in these programmes at the same time. This accelerates some of the HR strategy components mentioned earlier, such as leadership, management continuity and increased retention. Another essential area of attention is HSE (Health, Safety, and Environment). Imtech wants to be one of the safest technical services providers in Europe (see also page 62). Imtech's HSE principles are continuously brought to the attention of every employee via special communication campaigns in every imaginable language. The objective is continuous improvement of safe and environmentally-aware methods.

European Works Council and representative bodies

A significant portion of the European Works Council's agenda was related to the strategy until 2015, the HSE policy and the accident frequency per country. The HSE policy has been further refined on the basis of good practices and campaigns have been developed for each division. The Central Works Council is closely involved in acquisitions and forms a natural bridge to the European Works Council. The Central Works Council is aware of its special position and handles its relationships with the representative bodies in the other countries with sensitivity. Every division has its own representation structure with forms of participation and consultation. To a great extent the local and European representative structures are the same. The Board of Management and the divisional managements know the value of good consultation and thank the representative bodies for the careful and constructive manner in which interests are weighed. Respect for each others' point of view and constructive consultation form the basis for optimum involvement and a successful approach.

Improved governance

In the context of the 2010 – 2015 strategy an amended governance model has been developed. The core issue is the division of roles between central (corporate) and decentralised responsibility. The key words are transparency, the setting of priorities, a structural role in the decision-making for the Executive Council members and the development of the various function areas in which further strategic growth will be achieved. This is relevant both from a commercial point of view and for campaigns aimed at the further development of the organisation, or progress in specific policy areas. In this context it has been decided that the strategic significance of risk management, procurement and CSR is such that the final responsibility for them will rest directly with the Executive Council. An active policy will be formulated in these areas by the Executive Council in consultation with internal and external experts.

Pension fund

During the third week of August 2010, the Pensioenfonds Imtech and Imtech N.V. were somewhat surprised by the publicity regarding '18 pension funds'. The cause was the letters from Minister Donner of Social Affairs, dated 18 August 2010, and from De Nederlandsche Bank ('DNB'), dated 20 August 2010, which, without any prior consultation, were sent to just 18 of the total of 340 pension funds which in their recovery plans had included the possibility of agreements being reduced. In fact, at the time the Pensioenfonds Imtech included this possibility as an optional measure from the point of view of a balanced advocacy of interests. As a result of the letters Imtech N.V., also on behalf of the Pensioenfonds, issued a press release (25 August 2010). Since then there has been consultation with DNB and a new recovery template has been submitted based on current insights, which are that a recovery to over 105% can be achieved by the end of 2013. As a result DNB has formally agreed that the Pension fund does not need to reduce the agreements as of 1 January 2011. On the basis of the most recent age corrections for longer life, the estimated degree of cover at the end of 2010 was in line with the average degree of cover of all Dutch pension funds. See also the website of Pensioenfonds Imtech (http://www.imtech.nl/pensioenfonds).

Talented trainees at every level are mentored and follow the best possible supplementary training courses.

HR indicators and target values

Imtech recognises the following HR indicators and target values:

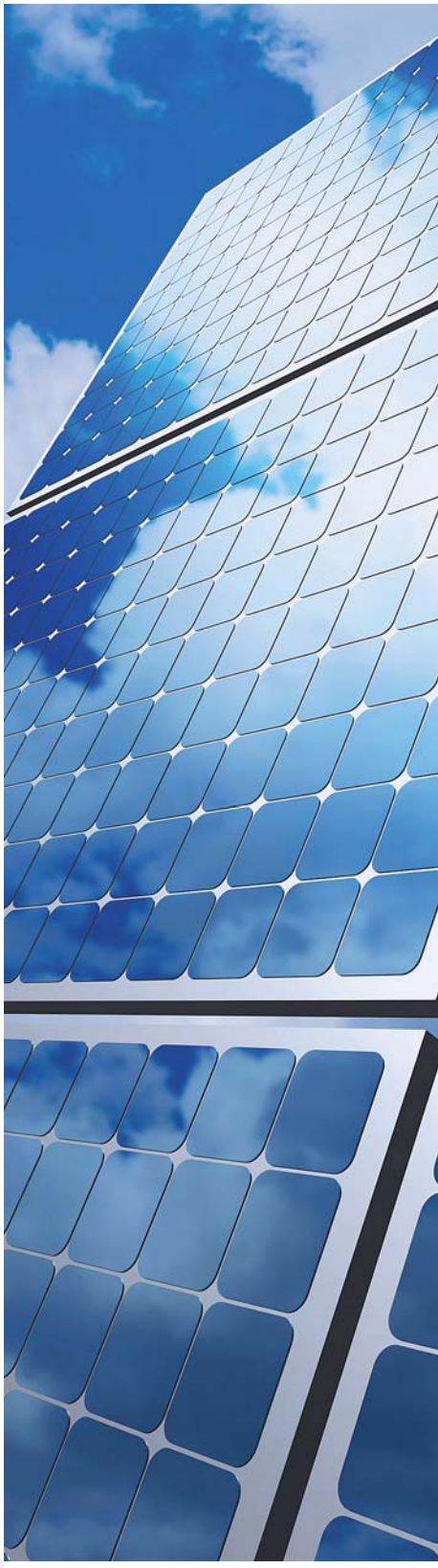
Category	Indicator	2010	2009	2008
General	Number of employees as at 31 December	**25,075**	22,955	22,510
	Inflow percentage (excluding acquisitions)	**14.2**	12.0	21.0
	Outflow percentage	**14.1**	12.5	15.7
Productivity	Operational EBITA per average FTE (in thousands of euro)	**11.1**	10.9	9.4
Efficiency	Salary costs per FTE (in thousands of euro)	**42.5**	44.8	40.5
	Training costs (as a % of salary costs)	**2.9**	2.3	1.6
Flexibility	Average age	**41**	41	43
	Number of employees aged 30-45 (%)	**41.4**	42.4	42.2
	Average length of service per employee	**9.7**	9.6	9.9
Professional	Average sick leave per employee (%)	**3.7**	3.7	3.7

Employee inflow was 14.2% and outflow 14.1%. This was slightly higher than in the previous year. As of 2010 productivity per FTE will no longer be expressed in profit before taxes but in operational EBITA – the more commonly used term within Imtech. The operational EBITA per employee rose slightly to 11,100 euro. The average salary costs per FTE fell by over 5% to 42,500 euro. Flexibility remained virtually the same: the average age of employees was 41 years with 41.1% of the total number of employees being in the 30-45 years age category, and the average length of service per employee was 9.7 years. Average sick leave per employee remained stable at 3.7%.

A.F. (Jos) Graauwmans (53), Director Personnel & Organsiation and Executive Council member

Corporate Social Responsibility (CSR)

Solar energy, core business of Imtech.



Imtech wants to contribute towards sustainable development and defines this as 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs'. Imtech accepts responsibility for the consequences of its activities for mankind, the environment and society and has accounted for this responsibility along the guidelines of ISO 26000. ISO 26000 is international guideline for CSR that helps organisations determine their social responsibilities. Imtech endorses this international consensus regarding the definitions, core principles and application areas of CSR and wishes, in accordance with the ISO 26000 guidelines, to make CSR an integral part of its business operations.

ISO 26000 progress within Imtech

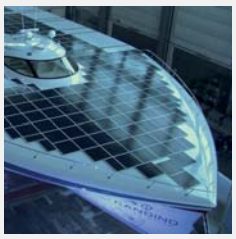
	Status	Working method
Recognise CSR	Complete	Integrate into all communications
Identify and engage with stakeholders	Pending	Stakeholder analysis and dialogue per business unit
CSR and organisation characteristics	Complete	Topic in the international CSR Steering Committee
Understanding of CSR within the organisation	Pending	Workshops within the organisation regarding impact and influence
Selection of CSR initiatives	Pending	Based on formulated criteria
CSR communications and reports	Well underway	Including integrated annual report and separate CSR magazine. Reports will be expanded further; the guiding principle is transparency in reporting of CSR performance.
Increased credibility	Pending	Draw up self declaration, implement CSR audits
Evaluation and improvement	Pending	Topic in the international CSR Steering Committee

CSR is core business

CSR is part of Imtech's core business. Imtech's business activities are aimed at the longer-term creation of value in three dimensions 'People, Planet and Profit' and Imtech expresses this view in its dialogue with its stakeholders.

Governance and CSR

The governance related to the CSR policy is determined at the highest level within the organisation and is the responsibility of the Board of Management and the Executive Council. The Executive Council supervises a CSR Steering Committee. The members of the Steering Committee are the people with CSR responsibility for each division.



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1 Planet Solar – the world's first solar-cell ship.
2 ICARUS®: 14% energy at savings in employees' homes.

The mandate of the Steering Committee is to participate in the formulation of the CSR policy and to implement decentrally the CSR activities resulting from the policy. Priorities do, of course, need to be set along the guidelines of ISO 26000. CSR principles are an integral component of Imtech's HR policy and business principles.

Stakeholders

Imtech's most important stakeholders are its customers, employees, shareholders, co-makers, suppliers and, in the final analysis, society as a whole. Communicating with all these groups in an open and transparent manner is essential.
The information requirements of a stakeholder are assessed per sub target group. This could mean providing information on an individual basis in the case of large customers, shareholders, NGOs and suppliers, or it could involve providing information for the stakeholder group as a whole, for example via the Annual General Meeting of shareholders, the Works Councils, the Internet or specific informative meetings.

Imtech: leading the way with technology that improves society

Imtech wants to lead the way in sustainability and is using its strong position to bring about a sustainable society. Society is 'going green' at an ever increasing rate and technology is paving the way. Through our green total solutions we offer customers every possible option that will make sustainable growth possible. Day in, day out, Imtech proves the claim 'technology that improves society' and is involved in hundreds of green projects in the energy & environment market, such as:

- green technology in buildings, data centres, industry, ships, airports, etc. with integrated solutions for energy efficiency and energy saving;
- the sustainable exploitation of energy sources, bio-energy and sustainable alternative energy;
- lower emissions of harmful (greenhouse) gases;
- 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 by installing a sustainable technological infrastructure in (waste) water treatment centres.

Within Imtech the activities in the field of energy & environment are growing rapidly and in 2010 they amounted to 25% of Imtech's total revenue. This makes Imtech one of Europe's greenest technical services providers.

Green and grey technology

Although a significant part of our services is green technology, a substantial portion of our solutions still involves conventional (grey) technology. This is a considered choice. Although the share of green technology will increase further it is expressly not Imtech's ambition to focus solely on the provision of green services. Offering a broad portfolio, and by so doing achieving stable growth, is in the interests of all our stakeholders. It goes without saying that Imtech endeavours to implement grey technology in the most sustainable way possible.

Coping with dilemmas

The realisation that CSR revolves around multiple value creation brings dilemmas with it. CSR is concerned with more than just the 'P' of Profit. As a stock exchange listed company we have a responsibility towards our shareholders in respect of our financial performance. But Imtech also operates on the basis of the conviction that its efforts in the field of sustainability contribute towards the value of the company. Imtech is a decentralised organisation. This sometimes makes the implementation of policy complicated. An issue such as CSR must definitely, to a great extent, take shape within the organisation from the bottom up: the responsibility for the result rests at the lower levels in the organisation. The Board of Management's role is more inspirational and facilitating than managerial.
On the other hand, targets are formulated at the highest management level and then implemented decentrally.
This sometimes causes friction. Imtech endeavours to remove this friction by embracing pragmatic green initiatives and creating an active CSR community. Imtech does not want to promise stakeholders anything that cannot be achieved throughout the organisation yet. To handle this properly open internal communication regarding expectations and performance is vital. Another dilemma is that choices must be made. Imtech takes a pragmatic approach to this, for example with the criteria for projects within the context of global citizenship.

Imtech's CSR progress in 2010

The results apply to Imtech as a whole unless stated otherwise.

CSR criteria	Results 2010	Targets 2011
Carbon footprint	■ CO_2 emissions: 99 kiloton. ■ Electricity and fuel usage reports from all international offices with over 20 employees. ■ International Steering Group set up to steer Imtech-wide CO_2 reduction.	■ Specify reduction targets. ■ Integrate reporting with financial reporting. ■ Set up to arrive at full scope-3 calculation.
Paper use	■ 112,044 kg used in the Dutch offices. ■ All Dutch paper carried the FSC hallmark.	■ Reduce usage by changing printers. ■ International implementation of paper recycling for all offices: recycling of around 215,000 kg of paper.
Waste reduction	■ Working Group for Dutch offices aimed at waste awareness. ■ 80% of waste re-used. Result: 2,000 MWh green electricity.	■ International waste awareness campaign to promote recycling and reduce residual waste.
HRM		
Job creation	■ Excluding acquisitions inflow exceeded outflow by 0.1%.	■ International co-ordination of labour market policy.
Training costs	■ Training costs amounted to 2.9% of salary costs.	■ Focus on employability and management development. Special focus on project management.
Sick leave	■ In 2010 sick leave at the same level as in 2009 at 3.7%.	■ New international HSE campaign for health, safety and environment in the workplace.
Corporate citizenship *Amount / hours*	■ The budget for the Shared Success in Developing Countries (SSDC) programme was 1 million euro and involved over 2,000 consultancy hours.	■ Continuation of SSDC programme.
Participations in sustainability	■ Investment in Icos Cleantech early stage Fund II of 2 million euro. ■ Participations in developments in the field of energy saving and alternative energy generation.	■ Continuation and further expansion of contributions towards sustainable developments.
Green-tech *As a % of total revenue*	■ Projects in the field of 'green' technology generated 25% of the annual revenue.	■ Allow revenue from 'green' technology to increase with the focus on energy technology, ICT solutions, food technology and water treatment.

The main lines of the CSR policy

To reduce the environmental impact of sustainability as much as possible Imtech is focusing on lowering its carbon footprint, optimising its waste management and playing a more active role in the business chain by implementing a sustainable procurement policy. Imtech is also implementing numerous sustainability initiatives in order to be as 'green' as possible. In addition, Imtech is taking responsibility for its corporate citizenship. With this vision Imtech wants to inspire stakeholders to strive to operate in a sustainable and environmentally-aware manner and thus, in turn, to inspire co-operation agreements in the technology chain.

Making Imtech's employees aware

Because entrepreneurship rests at a level as low as possible in the organisation, the organisation's various components must

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1 Electrical vehicle fleet of Imtech.
2 Sustainable technology on board the Greenpeace flagship 'Rainbow Warrior III'.

gear their CSR policy to the local impact and their own stakeholders. Ultimately the employees are a deciding factor, both for quality and sustainability performance. How the employees do business determines to a great extent the manner in which CSR responsibility is substantiated. Awareness through targeted communication regarding CSR is, therefore, also vital. In this context the following activities were carried out during 2010:

- publication of the CSR magazine with the latest status of all aspects of Imtech's sustainability policy;
- the 'No Time to Waste' campaign which included investigating the volume of waste produced, waste awareness, the possibilities for savings, a newsletter, a closing event and a communications toolkit for every project site;
- a virtual CSR community via social media in which employees could exchange ideas and organise co-operations. Community members are considered for participation in the corporate citizen policy SSDC. In 2010 the number of members doubled to nearly 1,000;
- the ICARUS® project which involved measuring the amount of energy employees used at home. The result was energy savings of 14% amongst the participants;
- a CSR event – 'The Green Soapbox', a seminar during which scores of Imtech employees mounted the 'Green Soapbox' to pass on their own CSR message. The event was made available to the rest of the Imtech organisation via the social media and the website.

Imtech's carbon footprint

In 2010 Imtech calculated its own carbon footprint for the first time. The calculation is based on ISO14064 standards and 'The Greenhouse Gas Protocol'. Imtech's carbon footprint has been determined for scope 1 and scope 2 classifications as specified in 'The Greenhouse Gas Protocol'.

Significance of the 2010 carbon footprint

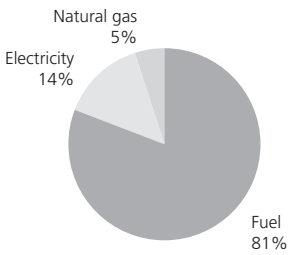
Imtech defines scope 1 emissions as all direct emissions from assets the company owns, rents or leases. In practice this means all emissions resulting from the fuel consumption of all automobiles and vans and from the gas consumption of Imtech offices, where at least 20 people are employed. The scope 2 emissions are all indirect emissions arising from the generation of the electricity used in Imtech's offices, where at least 20 people are employed.

Imtech has decided that, for the time being, it will not calculate the indirect emissions classified as scope 3 in 'The Greenhouse Gas Protocol'. Scope 3 is an optional reporting category and encompasses all emissions arising from the execution of the Company's activities. The nature of Imtech's activities makes determining this category of emissions extremely complex. As a technical services provider Imtech is involved in many thousands of projects at customers' premises every year. The majority of these projects are of a relatively short duration and only a limited number are multi-year projects. Based on the experience of other large project organisations and our own estimates, a major portion of Imtech's scope 3 emissions relates to the fuel used by Imtech's automobiles and vans. This category of emissions is classified by Imtech as scope 1 emissions and, therefore, already included in the 2010 carbon footprint.

Carbon footprint 2010

Based on the energy consumption of all the operating companies in accordance with Imtech's definition of scope 1 and scope 2, Imtech's 2010 carbon footprint has been calculated as 99 kiloton CO_2.

Carbon footprint split per energy source



3 Imtech's WPS Park & Recharge®: the parking and recharging of electric cars.
4 Waste water sludge to energy, the UK.

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Reducing the carbon footprint
Imtech has been working on reducing its carbon footprint for a number of years and the list of initiatives has got longer every year. Examples of carbon footprint reducing initiatives are:

- the introduction of a green vehicle fleet;
- the use of fuel-saving petrol or diesel for the vehicle fleet and even, whenever possible, green ethanol fuel or other biofuels;
- the achievement of green Imtech offices;
- the sustainable purchasing of energy, office requisites and printing;
- limiting travel within Imtech by using alternative meeting methods, such as teleconferencing and video-conferencing;
- office-WISE®: an Imtech pilot project aimed at reducing energy usage in its own offices;
- a pilot project involving the use of electric service vans within a limited geographical radius;
- the CO_2 performance ladder: customers ask Imtech to show them what we are doing to reduce CO_2 emissions. The position on the ladder is certificated by an accredited certificating organisation. The higher the position the greater the advantage when it comes to weighing up the awarding of orders. In 2010 Imtech was on the 4th rung. The aim for 2011 is to reach the 5th, and highest rung;
- compensation through carbon credits: when it is not possible to save energy or use sustainable energy, Imtech uses carbon credits as compensation for its carbon footprint. Some of these credits are the result of Imtech's own energy-saving projects in South Africa.

Chain responsibility

The links in the chain also exert a significant influence on the sustainability of our services. Chain responsibility and chain management are, therefore, critical success factors for our CSR policy. As far as sustainable purchasing is concerned, for a number of years Imtech has worked with a Code of Supply: an agreement with our suppliers in which the expectations in environmental and social fields are specified. Our objective for 2011 is to firm up this Code of Supply still further and integrate it into the Imtech policy. Responsibility for achieving this has been given to a working group. The result will be that agreements will be more measurable and the evaluation of suppliers easier. The objective is to start a dialogue regarding how we can achieve a better sustainable service provision together.

The key points of the Code of Supply are:

- measure the carbon footprint and introduce measures to reduce it;
- apply ISO 14001 with the emphasis on the use of environmentally-friendly materials and waste limitation;
- compliance with Imtech's QHSE demands;
- exchange of knowledge in the field of sustainability;
- further increase sustainability through intensive co-operation.

Waste management

Imtech strives for the responsible removal of waste based on the view that everything can be re-used and, therefore, there is actually no such thing as waste. To put this view into practice, throughout the process of purchasing, use and removal a subsequent life for the products and materials is taken into account. The first priority is the prevention of waste.
The majority of the waste flow comprises paper and cardboard (14%), construction and demolition waste (14%) and scrap (9%). In offices the focus of waste management is the reduction of paper usage. In 2010 the 'No Time to Waste' Working Group's investigation revealed that the implementation of just a few specific measures could result in 64 pallets of paper being saved in the Dutch offices alone. This is the equivalent of one hectare of forest per year.
The residual waste is recycled to obtain new raw materials and what still remains is used to generate sustainable energy. Imtech repurchases this energy to meet some of its green energy needs. In this way Imtech converts its own waste into 2,000 MWh of green energy a year for its own offices.

Corporate citizenship

Imtech's ambition is to use its core competencies to create a sustainable society and, to this end, Imtech has adopted a corporate citizenship policy. Through SSDC (Shared Success in Developing Countries) Imtech is using its technological expertise in the energy, water and environment markets to give entrepreneurs and their communities in third-world countries a boost. The expertise, manpower and many employees Imtech makes available improve the sustainable welfare of these communities. The costs of this policy amount to around 1 million euro a year. Imtech has made a considered choice of South Africa because of its existing networks in the country. This led to Imtech being approached by the South African government with regard to the improvement of water and waste water treatment in the Gert Sibande district. Imtech

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1 Thermal energy and solar energy in the Härnösand hospital in Sweden.
2 Innolumis®, sustainable LED lighting.

developed a practical management information system for monitoring the operation and maintenance of the water treatment plants and drew up a business plan for improving the output. Local communities were involved with the aim of raising awareness. One example of this involvement was the organisation of a campaign in which hundreds of school children participated. Finally, in co-operation with the Dutch Embassy, a blueprint was developed to enable these improvements to be implemented in other districts.

'Cleantech' participation leads to early involvement

Imtech is participating in the Cleantech Investment Fund ICF II (Icos Cleantech early stage Fund II) with an amount of 2 million euro. The Fund's objective is to provide the financial support that will enable new initiatives for green technology in the field of energy, food, recycling, water and construction to be brought to profitable development. Imtech also invested in the first Cleantech fund (ICF I). Early involvement in sustainable technological development not only offers opportunities to be part of innovative 'cleantech' developments; it also generates spin-off in the form of specific orders.

HSE: Health, Safety and Environment

Imtech wants to steer and organise the dealings of its 25,000 employees in such a way that CSR becomes a natural and intrinsic part of business operations. To achieve this all the Imtech companies comply with the most stringent HSE standards, are certificated on the basis of the relevant ISO quality standards, such as ISO 14001, have all the necessary safety certification and also have extra certification for specific projects. The policy is guaranteed by a management system that is regularly checked and optimised. The HSE performance of partners and suppliers must be at least comparable to that of Imtech. Imtech's policy focuses on continuous process improvement and a better HSE performance. Imtech goes further than the legal obligations. The improvement targets can be measured using various audits and customer evaluations. The ultimate goal is zero accidents. Any accident is recorded in the Imtech Accident Book. Incidents are also investigated. If necessary, structural measures are taken to remove the danger at source. An internal European communication campaign ensures continuous attention is paid to safety awareness as it relates to Imtech's HSE principles which follow a best practice policy. A special corporate HSE website will be launched during 2011.

Active system for environmental care

Active care for the environment is a basis of Imtech's HSE policy. Imtech understands care for the environment to be the prevention of air, water and soil contamination, noise nuisance and other nuisance, such as the undesirable emission of gases. Environmental demands are standard criteria 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.

M.E.J. (Mark) Salomons (50), General Counsel and Executive Council member

Corporate Governance

'Green' revitalisation of Deutsche Bank's head office, Frankfurt.

Imtech N.V. is a large company (under a mitigated regime in accordance with Article 155 of Book 2 of the Dutch 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 an Annual General Meeting of shareholders ('AGM').

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 (Staatscourant 3 December 2009, no. 18499, hereafter 'Code') is applicable to Imtech and is formulated in principles and concrete stipulations. Imtech fully endorses these principles. With several exceptions 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

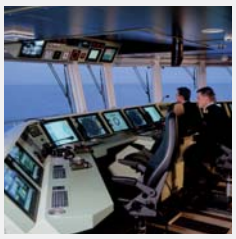
The BoM is entrusted with managing the company and represents the company. The BoM is responsible for the achievement of the targets, strategy (with related risk profile), financing, development of the results and Corporate Social Responsibility. The BoM is also responsible for the internal risk management and control systems related to business activities and for compliance with all relevant legislation and regulations. The BoM submits all information to the SB and/or its Committees in good time and is accountable to the SB and the AGM. In accordance with the Articles of Association certain decisions of the BoM are subject to the approval of the SB and the AGM.

The BoM notifies the SB and/or its Committees, in writing, of the main elements 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;
- the preconditions that are applicable, including those related to the financial ratios;
- the relevant aspects of Corporate Social Responsibility.

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.



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3 High-tech ship bridges.
4 Sustainable technology London Transport Museum.

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 AGM. The dividend policy is to distribute 40% of the net result excluding exceptional items to shareholders and, depending on the choice of the shareholder, to make this dividend available in either ordinary shares or cash charged to the reserves.

By virtue of its designation by the AGM, 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 an additional 10% relating to an acquisition). By virtue of its authorisation by the AGM the BoM is also authorised to purchase company shares. This designation and/or authorisation is requested annually during the AGM for the number of shares specified therein and is always valid for a period of eighteen months (unless supersedded by a new designation and/or authorisation). The BoM is authorised to sell the purchased company shares, with the 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 paragraph 1 of Book 2 of the Dutch 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 tasks with the interests of Imtech and its stakeholders in mind and also bearing in mind the Corporate Social Responsibility aspects relevant for Imtech.

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 strives for a mixed composition in respect of its members' age and gender. The SB discusses the profile and every amendment to the profile during the AGM 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 the 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 supervised by the Audit Committee are:
- financial reporting and procedures;
- the policy in respect of tax planning;
- corporate financing;
- the application of information and communication technology;
- the functioning of internal risk management and control systems;
- the internal and external audit process, including compliance with recommendations and follow-up of remarks;
- the functioning and independence of the auditor;
- supervision of compliance with legislation and regulations and the functioning of internal guidelines.

The tasks of the Nomination Committee are:
- the selection criteria and nomination procedures in respect of members of the SB and BoM;
- the profile, the size and composition of the SB and BoM and the regular evaluation of the size and composition of the SB and BoM;
- the function of the SB and BoM members and the regular evaluation of their functioning;
- (re)appointments;
- supervision of the policy in respect of the selection criteria and appointment procedures for higher management.

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 and variable salary and the number of shares to be awarded;
- the amount of pension rights, redundancy schemes and other remuneration;
- the remuneration report.

The SB appoints an auditor to audit the financial statements proposed by the BoM, report on these financial statements and issue an auditor's report. The appointment may be withdrawn at any time by the AGM.

Appointment and remuneration

The SB specifies the number of members of the BoM. The members of the BoM are (re)appointed and dismissed by the AGM. A new BoM member resigns after a period of four years and may, in principle, be reappointed. The (re)appointment takes place on the basis of a binding recommendation by the SB, following the advice of the Nomination Committee. The AGM can negate the binding character of this recommendation by a qualified majority.

The BoM remuneration policy and amendments to this policy are proposed by the SB, adopted by the AGM 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 elements 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 70 and 71).

The SB members are nominated by the SB on the basis of the profile and appointed by the AGM. The nomination is announced to the AGM and the CWC simultaneously. The AGM 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 AGM may reject a nomination with a qualified majority. An SB member resigns after a term of four years and may, in principle, be reappointed. An SB member must 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 AGM.

Annual General Meeting of shareholders

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

- approval of 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 AGM);
- approval of the dividend proposal;
- approval of decisions to amend the Articles of Association or dissolve Imtech.

The following are also discussed with the AGM:

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

At least one annual general meeting is convened each year. Extraordinary shareholders' meetings are convened as often as the SB or BoM deems this necessary. The BoM and SB provide the AGM 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 AGM 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 128 for profit appropriation and the dividend proposal. The subscribed capital consists entirely of ordinary shares that are fully paid-up and that are traded via the giro-based securities transfer system. No preference shares or financing preference shares are outstanding. The shares Imtech

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1 Imtech is more and more involved in wind energy.
2 Extension Frankfurt Airport.

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 key staff are granted options on ordinary shares (see page 94 and following pages). 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 periods (including the vesting period) and the exercise price. On change of control in Imtech all conditional share option rights become unconditional. There is also a BoM share scheme (see page 96). 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 (and possibly other securities so designated) are applicable for the SB, BoM, Executive Council and other designated persons (including corporate staff, the management of the large operating companies 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 it 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. Imtech has also notified the Stichting that, in principle and on agreement, when the occasion arises it is willing to grant the Stichting the right to instigate an inquiry, as understood in Article 345 of Book 2 of the Dutch Civil Code, should both parties deem this to be desirable or imperative within the context of the objective of the Stichting.

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

If it has taken up its full option the Stichting may cast a maximum of 50% of the votes in an AGM, assuming the total issued share capital is represented. The Stichting must deposit 25% of the nominal amount of subscribed preference shares for which it has a credit facility at its disposal. In addition, within two years of the shares being subscribed a proposal to withdraw the preference shares must be put before the AGM.

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 128).

In the year under review no preference shares were outstanding with the Stichting. The Stichting's Board comprises Escrow Services BV (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 deviations resulting from existing contractual agreements with BoM members, which will be honoured in accordance with the principles of Dutch Labour Law and the existing policies. The Code will be applied in the future when appointing BoM members.

1 Energy-efficient pedestrian crossings with LED traffic lights.
2 Energy from bio solids in Basset, the UK.
3 Industrial software for the oil and gas industry.


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Corporate governance declaration

This declaration is included pursuant to Article 2a of the Decree regarding further stipulations for the content of annual reports dated 1 January 2010 (the 'Decree'). For the statements in this declaration as understood in Articles 3, 3a and 3b of the Decree please see the relevant sections of this annual report. The following should be understood to be insertions into and repetitions of these statements:

- The shareholders' equity structure of the company (pages 107 and 128).
- Compliance with the provisions and best practice principles of the Code (page 66 'Accountability Code');
- The most important characteristics of the management and control systems in connection with the Group's financial reporting process (pages 51 and 52 'Internal control');
- The functioning of the Shareholders' Meeting and its primary authorities and the rights of shareholders and how they can be exercised (page 65 'Annual General Meeting of shareholders');
- The composition and functioning of the Board of Management (starting on page 69 'Management development, functioning, remuneration policy and Board of Management salary components', page 70);
- The composition and functioning of the Supervisory Board and its Committees (page 71 'Supervisory Board composition, profile, own functioning', page 73 'Function summary Supervisory Board');
- The regulations regarding the appointment and replacement of members of the Board of Management and Supervisory Board (page 65 'Appointment and remuneration');
- The regulations related to amendment of the Company's Articles of Association (page 65 'Annual General Meeting of shareholders', last paragraph);
- The authorisations of the members of the Board of Management or the Supervisory Board in respect of the possibility to issue or purchase shares (page 64 'Board of Management', second paragraph);
- The change of control stipulations in major contracts (page 66 'Option and share scheme, purchase of shares', page 18 'A solid capital structure' and page 49 'Operational project risks').

Management declarations

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

The annual report gives a true and fair picture of the situation on the balance sheet date and the business development during the financial year of Imtech N.V. and the associated 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, 15 February 2011

Board of Management
René van der Bruggen, Chairman
Boudewijn Gerner, CFO

Total technical solution on board of the luxury yacht Larissa.

Report of the Supervisory Board

We hereby submit to the shareholders for approval the financial statements for the 2010 financial year prepared by the Board of Management. These financial statements have been audited and certified by KPMG Accountants N.V. ('KPMG') (page 127), 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 128. After consultation with the Board of Management, and in accordance with the dividend policy, we propose that for 2010 a dividend of 0.65 euro per ordinary share is paid (a payout of 40%) and that a sum of 83.6 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 21 April 2011.

During the year under review six regular 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 four times, and the Remuneration Committee and the Nomination Committee each met twice. The division of tasks and the working method of the Supervisory Board and its Committees are described under Corporate Governance (see page 64). The reports of these meetings were discussed by the Supervisory Board. Two Supervisory Board members participated in the consultation meeting with the Central Works Council during which a special theme (future holding organisation) was discussed. One Supervisory Board member gave a presentation in the so-called 'Flagship Course' for the training of high-level project managers. The attendance of members of the Supervisory Board or its Committees at all these meetings was full (unless occasionally prevented by illness). As is customary, one of the meetings was held on location (at Imtech Marine Group in Rotterdam), where Eric van den Adel, General Manager division Marine, reported on his division's strategy and business progress. Thereafter, a project at Royal Schelde in Vlissingen was visited. At one of the other meetings Jan Casteleijn, General Manager division Traffic & Infra, reported on his division's strategy and business progress.

Summarised, the standard topics discussed were: (i) the actual operational and financial progress compared with the budget and other targets, (ii) the 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, (v) relevant social aspects of business operations, (vi) corporate social responsibility, and (vii) the Supervisory Board's composition, profile and own functioning.

Solar energy for Binck Bank Amsterdam.

This year the Supervisory Board paid extra attention to (i) the updated Strategic Plan 2011-2015, (ii) the equity offering, (iii) the acquisitions of NEA, Elkon, Medical Engineering and Penta, (iv) succession planning and management development, (v) project management, and (vi) the refinancing of bank facilities. These topics are addressed more in detail below.

Strategy, market development and acquisitions

Considerable attention was paid to the updated Strategic Plan 2011 - 2015, since the long-term financial objectives of the strategic growth plan 2008 - 2012 (revenue of 5 billion and an operational EBITA margin of 6%) had already partially been achieved. The updated Strategic Plan has been prepared bottom up and focuses on (i) expected trends, (ii) the markets in which Imtech wishes to operate (geographical and technological), (iii) the underlying business model, (iv) the possibilities of expansion, and (v) financial plans. After finalising by the Board of Management it was approved by the Supervisory Board and communicated to the market (on 2 November 2010).

Also the funding to ensure the expansion was considered, which resulted in a successful equity offering of additionally 9.9% ordinary shares by which 183 million euro was raised (to fund the acquisitions of inter alia NEA and Elkon) and a syndicated bank facility of 700 million euro for refinancing the old 265 million euro facility (term until November 2011) and financing long-term growth.

During 2010 Imtech acquired various companies with the aim of strengthening or expanding the positions particularly in Nordic, Turkey and Spain, which were approved by the Supervisory Board. In total these acquisitions involved around 2,600 employees and revenues of around 290 million euro per annum. The actual performance of earlier acquisitions (compared to the original expectations) was evaluated to ascertain the extent to which shareholders' value had actually been created.

Operational and financial progress, independence of auditor

Business progress within the divisions and the operating companies and the financial reporting were discussed both in the Supervisory Board meetings and in the meetings of the Audit Committee (the half-yearly and annual figures in the presence of KPMG), where various issues were discussed in more detail. Other issues discussed were the trading updates, KPMG's reports, the annual forecast and the 2011 budget. Summaries from analysts' reports concerning Imtech were discussed regularly. One of the meetings of the Audit Committee was held with KPMG in the absence of the Board of Management.

Constant attention was paid – especially by the Audit Committee – to risk management, the provisions, working capital and the cash position. More specifically, the Audit Committee looked into the trading updates related to the first and third quarter, audit plan and audit costs, internal control (tasks, reviews and follow-up), risk analysis, risk management (claims and in control statement), financing issues, update on tax planning, insurances, and aging of debtors.

The Audit Committee evaluated KPMG's functioning as external auditor and – in view of KPMG's independence -– its fees for auditing the financial statements, other audit services and other non-audit services. KPMG confirmed its independence from Imtech in accordance with the professional standards applicable to KPMG. KPMG attended the Annual General Meeting of Shareholders on 7 April 2010.

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, the follow-up of recommendations resulting from KPMG's investigations of the internal control systems, the influence of economic conditions on the markets in which Imtech is active and compliance with relevant legislation and regulations and the functioning of internal guidelines. Imtech has no internal audit department. On the basis of the annual evaluation of its Audit Committee the Supervisory Board concludes that there is no need for such a department because adequate checks and balances, and control systems are in place.

Hightech solutions for InterContinental hotel, London.

Management development, functioning, remuneration policy and Board of Management salary components

On the staff front, specific attention was paid by the Nomination Committee to 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. In turn, the Board of Management has annual management reviews to monitor the succession planning of key employees, and back-up scenarios in case of unexpected absence.

The Remuneration Committee concluded that no amendments were necessary to the remuneration policy. 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 optimal balance between the company's short-term results and long-term goals. In view of Imtech's ambitious growth targets more weight is given to the long-term variable income component, which means the remuneration policy is driven by long-term performance.

The main elements of the remuneration policy approved by the shareholders and currently in force 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 100% to the basic salary of the CFO. The targets for the Chairman of the Board of Management and the CFO are focused for 40% on the short term (one year) and 60% 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 Midkap index of the NYSE Euronext stock exchange in Amsterdam;
- achievement of the short-term targets is rewarded via an annual cash bonus; achievement of the long-term targets is rewarded after three years via a bonus in shares, which are awarded conditionally in advance. After these three years, the shares have to be held for another two years;
- 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 to zero for non-achievement of the targets. The measurement method is based on a sliding scale within a graduated classification;
- the secondary employment conditions remain unchanged;
- the following supplementary agreements with the Chairman of the Board of Management, which were approved by the Annual General Meeting of shareholders of 7 April 2009, have been made: (i) if the operating results follow the upwards trend stated in the strategic growth plan his basic salary will be increased by a minimum of 5% per year, (ii) shares will also be awarded conditionally in the year Mr. Van der Bruggen retires, and (iii) as of the date on which Mr. Van der Bruggen reaches the age of 63 the long-term targets will be applicable for the remaining period of employment only.

The targets for the variable income (both short-term and long-term) are reviewed annually and specified for each Board of Management member at the beginning of each year by the Remuneration Committee. Its report is published on Imtech's website (www.imtech.eu). The Remuneration Committee proposed, and the Supervisory Board approved, the following in respect of the salary components of the Board of Management members.

As of 1 January 2010 the basic salary of both the Chairman of the Board of Management and the CFO has been increased by 6% and fixed at 667,500 euro and 457,100 euro, respectively. This is 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 2009 (paid out in 2010) was 80.3% of the 2009 basic salary for the Chairman of the Board of Management ('at target' 55%) and

500 Brook Drive office building, Reading, the UK.

58.4% for the CFO ('at target' 40%). Both Board of Management members delivered excellent performances by significantly exceeding the targets related to EBITA growth and revenue growth. Achievement of personal targets was rated as very good.

In the context of the long-term variable income 2007-2009, 26,204 shares were awarded unconditionally to the Chairman and 8,880 to the CFO in April 2010. This number was awarded taking into account the achievement of targets whereby the operational EBITA margin growth was deemed to be very good, revenue growth excellent and the completion of the strategic long-term plan very good. The average Total Shareholders' Return position was judged to be moderate. This meant that 112.2% of the conditionally awarded shares was awarded unconditionally.

For the 2011-2012 long-term variable income 22,627 shares have been awarded conditionally to the Chairman of the Board of Management and 11,621 to the CFO (calculated at a price of 23.60 euro). To a great extent the strategic targets are linked to revenue growth and EBITA margin development.

Supervisory Board composition, profile and own functioning

The functioning of the Supervisory Board and its members was evaluated, as in previous years, in the absence of the Board of Management.

During the shareholders' meeting of 7 April 2010, Messrs. Van Amerongen and Van Tooren were reappointed each for a period of four years. Then, the meeting was also notified of the forthcoming resignation in 2011 of Mrs. De Boer-Kruyt and Mr. Vermeend in accordance with the rotation scheme, and of special rights of the Central Works Council to make recommendations for both vacancies. Mrs. De Boer-Kruyt will not be available for reappointment because she will have reached the maximum term of office of 12 years. Meanwhile, Mr. Vermeend has indicated that he will not be available for reappointment due to envisaged other activities.

The Supervisory Board expresses its appreciation to Mrs. De Boer-Kruyt for her long-term involvement with the development of Imtech, her valuable contribution in the meetings, and her devotion to the company's social development. Likewise, the Supervisory Board is grateful to Mr. Vermeend for his efforts for the benefit of Imtech and the use of his experience in the field of public affairs and information technology. Since both contact persons ('Vertrouwenspersoon') for the representative bodies will now resign, Mr. Van Amerongen will act in this capacity on request of the Central Works Council.

To fill the vacancies the Supervisory Board recommends the appointment of Mr. J.J. (Joop) de Rooij for a period of four years. The appointment of Mr. De Rooij is in the company's interest given the expertise and experience he had gained in the field of financial administration/accounting, which considers Mr. De Rooij to be a financial expert. The Central Works Council supports this recommendation for appointment unanimously. The membership of Mr. De Rooij contributes to a good balance within the Supervisory Board, and as a whole, the composition of the Supervisory Board and the skills of its individual members fulfil the specifications laid down in the profile.

To fill the second vacancy, it is anticipated that the proposal for appointment on recommendation of the Central Works Council pursuant to its special right can be made within the near future. This Supervisory Board member will act as second contact person for the representative bodies. An Extraordinary General Meeting of shareholders shall be convened for this purpose in due course.

All the Supervisory Board members are independent of Imtech as stipulated in the Dutch Corporate Governance Code. The division of tasks and the 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). Please refer to page 73 for the function summary of the members of the Supervisory Board.

Other

As a consequence of media attention to a specific group of pension funds in the Netherlands (amongst which the Imtech Pension Fund) pension issues (the impact of regulations, the long term interest rate and the mortality-tables, and certain possible future scenarios) were also discussed (see also page 55).

There were no transactions involving a conflict of interest 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.

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

Gouda, 15 February 2011

On behalf of the Supervisory Board
Rudy van der Meer, Chairman

Imtech Supervisory Board, from left to right: W.A.F.G. (Willem) Vermeend, G.J. (Dien) de Boer-Kruyt, A. (Adri) Baan, R.M.J. (Rudy) van der Meer, A. (Harry) van Tooren and E.A. (Eric) van Amerongen.

Function summary Supervisory Board

R.M.J. (Rudy) van der Meer (65)	Chairman, appointed in 2005, current term ends 2013, 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	■ Energie Beheer Nederland B.V. (Chairman) ■ Gazelle Holding B.V. (Chairman) ■ James Hardie Industries N.V. ■ LyondellBasell N.V.
Important additional functions	■ Chairman of the Board Universiteitsfonds Delft
G.J. (Dien) de Boer-Kruyt (66)	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. (until May 2010) ■ Allianz Nederland Groep N.V. ■ Advisory Committee International Excellence, Ministry of Economic Affairs (Chairman) ■ Senior Steering Group China-NL cooperation in Dynamic Tidal Power
Important additional functions	Supervisory Board member: ■ National Register of Supervisory Board Members (until May 2010) ■ Samsara, for Thailand's mountain people
E.A. (Eric) van Amerongen (57)	Appointed in 2002, current term ends 2014, Chairman of the Remuneration & Nomination Committee
	Former CEO Koninklijke Swets & Zeitlinger N.V.
Supervisory Board memberships	■ Thales Nederland (Chairman) ■ HITT N.V. (Vice-chairman) ■ Shanks Group Plc (senior independent non-executive director) ■ BT Nederland B.V. (Chairman) ■ Essent N.V. ■ Koninklijke Wegener N.V. ■ ANWB B.V., and member of the Supervisory Board Vereniging ANWB
A. (Harry) van Tooren (63)	Appointed in 2006, current term ends 2014, Chairman of the Audit Committee
	Former member of the Executive Committee ING Europe / Wholesale international
Supervisory Board memberships	■ Hunter Douglas N.V.
Important additional functions	■ Supervisory Board member Maasstad Ziekenhuis (hospital)
W.A.F.G. (Willem) Vermeend (62)	Appointed in 2007, current term ends 2011
	Entrepreneur, Professor of European Fiscal Economics University of Maastricht
Supervisory Board memberships	■ Randstad Holding N.V. ■ Mitsubishi Motors Europe B.V. ■ HSB Bouw Volendam
Important additional functions	■ Supervisory Board member Erasmus Universiteit and Erasmus MC
A. (Adri) Baan (68)	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	■ Senior Advisor Warburg Pincus UK ■ Supervisory Board member University of Amsterdam ■ Supervisory Board member Academic Medical Center ■ Chairman of Stichting Resocialisatie en Begeleiding Criminele Jongeren

All members of the Supervisory Board have the Dutch nationality.
Age as at 1 January 2011.

Consolidated profit and loss account

In millions of euro

		2010		2009
1, 3	**Revenue**		**4,480.9**	4,323.3
	Raw and auxiliary materials and trade goods	**1,517.8**		1,498.4
	Work by third parties and other external expenses	**1,026.3**		1,010.7
4	Personnel expenses	**1,306.5**		1,232.8
9	Depreciation of property, plant and equipment	**32.4**		30.8
10	Amortisation of intangible assets	**24.0**		20.7
10	Impairment of intangible assets	**1.1**		2.2
5	Other expenses	**338.6**		314.7
	Total operating expenses		**4,246.7**	4,110.3
	Result from operating activities		**234.2**	213.0
	Finance income	**11.1**		13.3
	Finance expenses	**(56.0)**		(55.4)
6	Net finance result		**(44.9)**	(42.1)
11	Share in results of associates, joint ventures and other investments		**0.7**	0.2
	Profit before income tax		**190.0**	171.1
7	Income tax expense		**(48.3)**	(44.0)
	Profit for the year		**141.7**	127.1
	Attributable to:			
	Shareholders of Imtech N.V. (net profit)		**140.4**	126.2
	Non-controlling interests		**1.3**	0.9
	Profit for the year		**141.7**	127.1
19	Basic earnings per share (euro)		**1.70**	1.62
19	Diluted earnings per share (euro)		**1.67**	1.61
19	Basic earnings per share (euro)*		**2.00**	1.92
19	Diluted earnings per share (euro)*		**1.97**	1.91

* Before amortisation and impairment of intangible assets.

Consolidated statement of comprehensive income

In millions of euro

	2010		2009	
Profit for the year		**141.7**		127.1
Other comprehensive income				
Foreign currency translation differences – foreign operations	**34.0**		28.7	
Net result on hedge of net investment in foreign operations	**(14.2)**		–	
Effective portion of changes in the fair value of cash flow hedges	**(8.1)**		(27.3)	
Net change in fair value of cash flow hedges reclassified to profit or loss	**12.8**		7.0	
Income tax on other comprehensive income	**(1.3)**		0.2	
Other comprehensive income for the year, net of tax		**23.2**		8.6
Total comprehensive income for the year		**164.9**		135.7
Attributable to:				
Shareholders of Imtech N.V.	**163.6**		134.8	
Non-controlling interests	**1.3**		0.9	
Total comprehensive income for the year		**164.9**		135.7

Consolidated balance sheet

In millions of euro

		31 December 2010		31 December 2009
	Assets			
9	Property, plant and equipment	**154.4**	142.1	
10	Intangible assets	**989.4**	763.7	
11	Investments in associated companies and joint ventures	**2.1**	3.2	
12	Non-current receivables	**20.9**	15.4	
13	Deferred tax assets	**8.3**	19.4	
	Total non-current assets		**1,175.1**	943.8
14	Inventories	**82.6**	77.6	
15	Due from customers	**607.4**	480.7	
16	Trade and other receivables	**1,059.4**	965.1	
8	Income tax receivables	**11.7**	7.2	
17	Cash and cash equivalents	**110.0**	109.4	
	Total current assets		**1,871.1**	1,640.0
	Total assets		**3,046.2**	2,583.8
	Shareholders' equity			
	Share capital	**73.3**	65.7	
	Share premium reserve	**210.6**	35.0	
	Other reserves	**388.1**	271.2	
	Unappropriated profit	**140.4**	126.2	
18	**Shareholders' equity attributable to shareholders of Imtech N.V.**		**812.4**	498.1
	Non-controlling interests		**3.5**	3.0
	Total shareholders' equity		**815.9**	501.1
	Liabilities			
20	Loans and borrowings	**539.0**	370.2	
21	Employee benefits	**166.1**	144.5	
22	Provisions	**3.5**	3.7	
13	Deferred tax liabilities	**48.6**	40.8	
	Total non-current liabilities		**757.2**	559.2
17	Bank overdrafts	**2.2**	167.7	
20	Loans and borrowings	**9.6**	10.6	
15	Due to customers	**281.9**	326.8	
23	Trade and other payables	**1,122.1**	965.1	
8	Income tax payables	**46.8**	41.3	
22	Provisions	**10.5**	12.0	
	Total current liabilities		**1,473.1**	1,523.5
	Total liabilities		**2,230.3**	2,082.7
	Total shareholders' equity and liabilities		**3,046.2**	2,583.8

Consolidated statement of changes in shareholders' equity

In millions of euro

	Attributable to shareholders of Imtech N.V.									
	Share capital	Share premium-reserve	Trans-lation reserve	Hedging reserve	Reserve for own shares	Retained earnings	Unappro-priated result	Total	Non-control-ling interests	Total share-holders' equity
As at 1 January 2009	64.6	36.1	(41.9)	(3.2)	(48.3)	275.3	113.3	395.9	3.3	399.2
Total comprehensive income for the year										
Profit for the year	–	–	–	–	–	–	126.2	126.2	0.9	127.1
Appropriation of profit	–	–	–	–	–	85.0	(85.0)	–	–	–
Total other comprehensive income	–	–	22.7	(14.1)	–	–	–	8.6	–	8.6
Total comprehensive income for the year	–	–	22.7	(14.1)	–	85.0	41.2	134.8	0.9	135.7
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Dividends to shareholders	1.1	(1.1)	–	–	–	–	(28.3)	(28.3)	(1.0)	(29.3)
Repurchase of own shares	–	–	–	–	(12.9)	–	–	(12.9)	–	(12.9)
Share options exercised	–	–	–	–	5.5	(0.5)	–	5.0	–	5.0
Share-based payments	–	–	–	–	–	3.6	–	3.6	–	3.6
Total contributions by and distributions to owners of the Company	1.1	(1.1)	–	–	(7.4)	3.1	(28.3)	(32.6)	(1.0)	(33.6)
Changes in ownership interests in subsidiaries										
Acquisition of non-controlling interests	–	–	–	–	–	–	–	–	(0.2)	(0.2)
As at 31 December 2009	65.7	35.0	(19.2)	(17.3)	(55.7)	363.4	126.2	498.1	3.0	501.1

Consolidated statement of changes in shareholders' equity (continued)

In millions of euro

	Attributable to shareholders of Imtech N.V.									
	Share capital	Share premium-reserve	Trans-lation reserve	Hedging reserve	Reserve for own shares	Retained earnings	Unappro-priated result	Total	Non-control-ling interests	Total share-holders' equity
As at 1 January 2010	**65.7**	**35.0**	**(19.2)**	**(17.3)**	**(55.7)**	**363.4**	**126.2**	**498.1**	**3.0**	**501.1**
Total comprehensive income for the year										
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**140.4**	**140.4**	**1.3**	**141.7**
Appropriation of profit	**–**	**–**	**–**	**–**	**–**	**103.7**	**(103.7)**	**–**	**–**	**–**
Total other comprehensive income	**–**	**–**	**19.7**	**3.5**	**–**	**–**	**–**	**23.2**	**–**	**23.2**
Total comprehensive income for the year	**–**	**–**	**19.7**	**3.5**	**–**	**103.7**	**36.7**	**163.6**	**1.3**	**164.9**
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Issue of ordinary shares	**6.7**	**176.5**	**–**	**–**	**–**	**–**	**–**	**183.2**	**–**	**183.2**
Dividends to shareholders	**0.9**	**(0.9)**	**–**	**–**	**–**	**–**	**(22.5)**	**(22.5)**	**(1.0)**	**(23.5)**
Repurchase of own shares	**–**	**–**	**–**	**–**	**(22.5)**	**–**	**–**	**(22.5)**	**–**	**(22.5)**
Share options exercised	**–**	**–**	**–**	**–**	**8.4**	**–**	**–**	**8.4**	**–**	**8.4**
Share-based payments	**–**	**–**	**–**	**–**	**0.8**	**3.3**	**–**	**4.1**	**–**	**4.1**
Total contributions by and distributions to owners of the Company	**7.6**	**175.6**	**–**	**–**	**(13.3)**	**3.3**	**(22.5)**	**150.7**	**(1.0)**	**149.7**
Changes in ownership interests in subsidiaries										
Acquisition of non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**0.2**	**0.2**
As at 31 December 2010	**73.3**	**210.6**	**0.5**	**(13.8)**	**(69.0)**	**470.4**	**140.4**	**812.4**	**3.5**	**815.9**

Consolidated statement of cash flows

In millions of euro

		2010		2009
	Cash flow from operating activities			
	Profit for the year	**141.7**	127.1	
	Adjustments for:			
9	Depreciation of property, plant and equipment	**32.4**	30.8	
10	Amortisation and impairment of intangible assets	**25.1**	22.9	
6	Net finance result	**44.9**	42.1	
11	Share in results of associates, joint ventures and other investments	**(0.7)**	(0.2)	
	Result on disposal of non-current assets	**(0.4)**	0.1	
	Result on sale of subsidiaries	**(4.6)**	–	
4	Share-based payments	**4.1**	3.6	
7	Income tax expense	**48.3**	44.0	
	Operating cash flow before changes in working capital and provisions	**290.8**		270.4
	Change in inventories	**2.7**	5.7	
	Change in amounts due from/to customers	**(188.6)**	(67.8)	
	Change in trade and other receivables	**(51.1)**	43.8	
	Change in trade and other payables	**74.1**	(18.1)	
	Change in provisions and employee benefits	**(11.2)**	(15.1)	
		(174.1)		(51.5)
	Cash flow from operating activities	**116.7**		218.9
	Interest paid	**(35.5)**		(37.9)
	Income tax paid	**(41.3)**		(31.0)
	Net cash flow from operating activities	**39.9**		150.0
	Cash flow from investing activities			
	Proceeds from the sale of property, plant and equipment and other non-current assets	**4.8**	5.2	
	Interest received	**2.2**	3.2	
	Dividends received	**1.8**	1.8	
	Proceeds from the sale of subsidiaries, net of cash disposed of	**19.1**	–	
2	Acquisition of subsidiaries, net of cash acquired	**(127.2)**	(39.5)	
2	Acquisition of non-controlling interests	**–**	(0.3)	
	Acquisition of property, plant and equipment	**(40.4)**	(41.3)	
10	Acquisition of intangible assets	**(13.7)**	(19.3)	
	Acquisition of associated companies and joint ventures	**(0.2)**	(1.0)	
	Payments related to settlement of derivatives	**(25.2)**	–	
	Issue less repayment of non-current receivables	**5.3**	(0.6)	
	Net cash flow from investing activities	**(173.5)**		(91.8)
	Cash flow from financing activities			
	Proceeds from issue of share capital	**183.2**	–	
18	Proceeds from the exercise of share options	**8.4**	5.0	
18	Repurchase of own shares	**(22.5)**	(12.9)	
	Proceeds from loans and borrowings	**411.0**	4.4	
	Repayment of loans and borrowings	**(266.3)**	(12.9)	
	Payments of finance lease liabilities	**(1.3)**	(1.8)	
18	Dividend paid	**(23.5)**	(29.3)	
	Net cash flow from financing activities	**289.0**		(47.5)
	Net decrease/increase of cash, cash equivalents and bank overdrafts	**155.4**		10.7
	Cash, cash equivalents and bank overdrafts on 1 January	**(58.3)**		(76.9)
	Effect of exchange rate differences on cash, cash equivalents and bank overdrafts	**10.7**		7.9
	Cash, cash equivalents and bank overdrafts on 31 December	**107.8**		(58.3)

Significant 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 2010 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 Dutch Civil Code is applied. The financial statements were authorised for issue by the Board of Management on 15 February 2011.

(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**

(i) *Basis of measurement*

The financial statements have been prepared on the basis of historical cost, with the exception of derivative financial instruments, financial instruments classified as available-for-sale and defined benefit obligations.

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.

(ii) *Functional currency and presentation currency*

The financial statements are presented in euro, which is the Company's functional currency, rounded-off to the nearest million with one decimal, including comparative figures, which may result in rounding differences in comparison with last year's financial statements.

(iii) *The use of estimates and assumptions*

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 and in any future periods affected.

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;
- Note 24 – valuation of trade receivables.

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.

(iv) *Changes in the accounting policies for financial reporting*

From 1 January 2010 the Group has applied the revised IFRS 3 Business Combinations (2008) in accounting for business combinations. For acquisitions on or after 1 January 2010: the contingent consideration transferred is valued at fair value; changes after initial recognition are recorded in profit or loss; transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred. The change has no significant impact on the consolidated financial statements.

From 1 January 2010 the Group has applied IAS 27 Consolidated and Separate Financial Statements (2008) in accounting for acquisitions of non-controlling interests. The change in accounting policy has been applied prospectively; there was no impact on earnings per share in the current period.

From 1 January 2010, acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised. Previously, goodwill arising on the acquisition of non-controlling interests in a subsidiary has been recognised, and represented the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of the transaction.

(c) **Basis of consolidation**

(i) *Subsidiaries*

Subsidiaries are entities controlled by the Group. Control exists when the Group 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) *Loss of control*

Upon loss of control the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(iii) *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.

(iv) *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.

(v) *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 profit or loss, 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 or qualifying cash flow hedges. 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 in other comprehensive income and presented in a translation reserve, a separate component of equity. When a foreign operation is disposed of, in part or in full, the relevant amount is reclassified from the translation reserve to profit or loss.

(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 re-measurement to fair value is recognised immediately in profit or loss. 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)).

(f) **Hedging**

(i) *Cash flow hedges*

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset, liability, or a highly probable forecasted transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve in equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

When the hedged item is a non-financial asset, the amount accumulated in equity is included in the carrying amount of the asset, when the asset is recognised. In other cases the amount accumulated in equity is reclassified to profit or loss in the same period that the hedged item affects profit or loss. If the

hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecasted transaction is no longer expected to occur, then the balance in equity is reclassified in profit or loss.

(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 profit or loss.

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

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in other comprehensive income to the extent that the hedge is effective, and are presented within equity in the translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged net investment is disposed of, the relevant amount in the translation reserve is transferred to profit or loss.

(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 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 and interest. 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 profit or loss as and when they are incurred.

(iv) *Depreciation*

Depreciation is charged to profit or loss 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 useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(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 not 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 profit or loss.

Goodwill represents the difference between the cost of the acquisition and the net fair value of the acquired identifiable assets and (contingent) liabilities.

(ii) *Research and development*

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

(v) *Amortisation*

Amortisation is charged to profit or loss 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

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(j) **Investments**

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the other categories of financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

(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/to 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 and capitalised interest.

(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 lifetime 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 profit or loss.

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 inflows, 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 profit or loss.

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 profit or loss, the impairment loss is reversed and the amount of the reversal recognised in profit or loss.
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 statement of cash flows.

(p) **Share capital**

(i) *Issue of share capital*

At the issue of new shares, the proceeds less directly attributable costs are recognised in shareholders' equity within share capital at nominal value and, if applicable, within the share premium reserve.

(ii) *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.

(iii) *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, Sweden, 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 profit or loss 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 corporate 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 profit or loss 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 profit or loss.

Actuarial gains and losses that have arisen 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 corporate bonds with maturity dates approximate to the terms of the Group's obligations.
Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

(iv) *Share-based payments*

The share option scheme allows some 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 is determined using a binomial lattice model, taking into account the terms and conditions upon which the share options were awarded.
The fair value of the awarded shares is determined using a Monte Carlo simulation model, taking into account the terms and conditions upon which the shares were awarded.
The amount recognised as an expense is adjusted annually to reflect the actual number of share options and shares that will likely vest based on the related service and non-market performance conditions.

(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 profit or loss in proportion to the stage of completion of the contract. In general, if a project is larger than 2 million euro it is assumed that profit cannot be estimated reliably during the early stage, such early stage usually being determined as the period in which cost incurred do not exceed 15% of the expected total cost of the project. 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 profit or loss.

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably.

(ii) *Services rendered and goods sold*

Revenue from services rendered is recognised in profit or loss 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 profit or loss 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 profit or loss 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 profit or loss throughout the useful lifetime of the asset.

(v) **Expenses**

(i) *Operating lease payments*

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are linearly recognised in profit or loss 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 capitalised on qualifying assets, 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 profit or loss (see accounting policy (f)).

Interest income is recognised in profit or loss as it accrues using the effective interest method. Dividend income is recognised in profit or loss 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 profit or loss 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 profit or loss, 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) **Operating segments**

An operating segment is a component of the Group that carries out business activities that can result in revenue and expenses, including revenue and expenses related to transactions with other Group components. The operating results of an operating segment are regularly reviewed by the Board of Management to make decisions about resources to be allocated to the segment and to evaluate the performance based on the available financial information.

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

Immediately before classification as held for sale, the carrying amount of the asset (and of 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 then determined carrying amount.

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

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 effective for annual periods beginning after 1 January 2010, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group.

1 **Operating segments**

Imtech is a European technical services provider in the field of information and communication technology, electrical engineering and mechanical engineering. Information is disseminated regarding eight segments that, together, form the Group's strategic operating segments. These segments are based on the Group's management structure and internal reporting structure. Management reports are prepared for every strategic operating segment. These reports are reviewed by the Board of Management. Imtech has the following reportable operating segments:

- Projects comprising local-for-local business and installation and maintenance activities, divided into the following:
  - Benelux;
  - Germany & Eastern Europe;
  - Nordic.
- ICT and Marine which carries out activities that are of a technological nature in the area of ICT and marine technology, divided into the following:
  - ICT;
  - Marine.

Other operations include UK & Ireland, Spain and Traffic. None of these segments meets any of the quantitative thresholds for determining reportable segments in 2010 or 2009.

The table on the following pages summarises the financial information of each of the reportable segments. The performance is assessed on the basis of the EBITA as recognised in the internal management reports reviewed by the Board of Management. The profit is determined on a segment basis because management considers this the most relevant for evaluating the results of specific segments compared to other entities active in these sectors.
The prices for transactions between segments are determined at arm's length.

	Segments							
	Benelux		Germany & Eastern Europe		Nordic		ICT	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009
Information profit and loss account								
Revenue from transactions with third parties:								
■ Construction contracts	**664.9**	743.7	**1,088.7**	901.2	**365.8**	228.3	**–**	–
■ Services rendered	**341.2**	416.6	**216.9**	201.7	**97.4**	84.9	**172.4**	160.1
■ Sale of goods	**15.3**	29.6	**0.4**	–	**23.3**	–	**321.5**	309.8
■ Royalties	**–**	–	**–**	–	**–**	–	**3.4**	3.2
Revenue from transactions with third parties	**1,021.4**	1,189.9	**1,306.0**	1,102.9	**486.5**	313.2	**497.3**	473.1
Inter-segment revenue	**14.0**	27.4	**–**	–	**–**	–	**10.9**	7.9
Revenue	**1,035.4**	1,217.3	**1,306.0**	1,102.9	**486.5**	313.2	**508.2**	481.0
Operational EBITA	**35.4**	46.1	**107.8**	80.3	**34.2**	25.4	**27.6**	24.1
Amortisation	**(4.3)**	(3.1)	**(0.9)**	(0.2)	**(7.6)**	(6.1)	**(4.2)**	(4.6)
Impairment losses on property, plant and equipment and intangible assets	**–**	(2.2)	**(0.2)**	–	**–**	–	**–**	–
Unallocated expenses								
Result from operating activities (EBIT)								
Net finance result								
Share in result of associated companies, joint ventures and other investments	**(1.9)**	(0.2)	**–**	–	**1.5**	–	**0.1**	–
Profit before income tax								
Income tax expense								
Profit for the year								
Capital expenditure	**22.4**	24.6	**10.6**	30.8	**172.6**	6.7	**11.0**	4.6
Depreciation	**8.7**	9.8	**7.5**	6.4	**5.8**	4.0	**3.5**	3.4
Information balance sheet								
Segment assets	**512.5**	559.7	**763.6**	619.1	**714.5**	415.2	**331.5**	279.3
Investments in associated companies and joint ventures	**(0.5)**	(0.1)	**1.1**	1.5	**–**	–	**0.1**	–
Unallocated assets	**–**	–	**–**	–	**–**	–	**–**	–
Total assets	**512.0**	559.6	**764.7**	620.6	**714.5**	415.2	**331.6**	279.3
Segment liabilities	**471.2**	489.7	**579.2**	464.9	**610.8**	351.4	**245.1**	226.1
Unallocated liabilities	**–**	–	**–**	–	**–**	–	**–**	–
Total liabilities	**471.2**	489.7	**579.2**	464.9	**610.8**	351.4	**245.1**	226.1

	Segments							
	Marine		Other segments		Unallocated / eliminations		Consolidated	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009
Information profit and loss account								
Revenue from transactions with third parties:								
■ Construction contracts	**274.1**	292.8	**532.2**	559.5	**–**	–	**2,925.7**	2,725.5
■ Services rendered	**102.3**	103.5	**100.6**	99.8	**–**	–	**1,030.8**	1,066.6
■ Sale of goods	**130.3**	163.4	**30.2**	25.2	**–**	–	**521.0**	528.0
■ Royalties	**–**	–	**–**	–	**–**	–	**3.4**	3.2
Revenue from transactions with third parties	**506.7**	559.7	**663.0**	684.5	**–**	–	**4,480.9**	4,323.3
Inter-segment revenue	**3.9**	3.5	**2.9**	10.1	**(31.7)**	(48.9)	**–**	–
Revenue	**510.6**	563.2	**665.9**	694.6	**(31.7)**	(48.9)	**4,480.9**	4,323.3
Operational EBITA	**33.1**	36.0	**40.4**	40.5	**–**	–	**278.5**	252.4
Amortisation	**(1.1)**	(1.1)	**(5.3)**	(5.2)	**(0.6)**	(0.4)	**(24.0)**	(20.7)
Impairment losses on property, plant and equipment and intangible assets	**–**	–	**(0.9)**	–	**–**	–	**(1.1)**	(2.2)
Unallocated expenses							**(19.2)**	(16.5)
Result from operating activities (EBIT)							**234.2**	213.0
Net finance result							**(44.9)**	(42.1)
Share in result of associated companies, joint ventures and other investments	**1.4**	1.4	**–**	–	**(0.4)**	(1.0)	**0.7**	0.2
Profit before income tax							**190.0**	171.1
Income tax expense							**(48.3)**	(44.0)
Profit for the year							**141.7**	127.1
Capital expenditure	**19.5**	3.4	**10.1**	16.2	**0.9**	2.3	**247.1**	88.6
Depreciation	**3.3**	3.2	**3.5**	3.9	**0.1**	0.1	**32.4**	30.8
Information balance sheet								
Segment assets	**312.8**	293.8	**494.1**	506.5	**–**	–	**3,129.0**	2,673.6
Investments in associated companies and joint ventures	**1.4**	1.8	**–**	–	**–**	–	**2.1**	3.2
Unallocated assets	**–**	–	**–**	–	**(84.9)**	(93.0)	**(84.9)**	(93.0)
Total assets	**314.2**	295.6	**494.1**	506.5	**(84.9)**	(93.0)	**3,046.2**	2,583.8
Segment liabilities	**210.8**	189.4	**314.3**	361.2	**–**	–	**2,431.4**	2,082.7
Unallocated liabilities	**–**	–	**–**	–	**(201.1)**	–	**(201.1)**	–
Total liabilities	**210.8**	189.4	**314.3**	361.2	**(201.1)**	–	**2,230.3**	2,082.7

The unallocated expenses relate to group expenses. The unallocated assets and liabilities include corporate items such as cash and cash equivalents, bank overdrafts and loans and borrowings.

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the location of the entity that contracted the construction contract or service. Segment assets are based on the location of the entity that owns the asset.

Revenue	**2010**	2009
The Netherlands	**1,172.0**	1,313.7
Germany	**1,573.9**	1,420.6
The UK	**400.4**	412.6
Spain	**215.3**	222.8
Sweden	**403.2**	242.9
Other countries	**716.1**	710.7
Total	**4,480.9**	4,323.3

Non-current assets	**2010**	2009
The Netherlands	**249.0**	231.4
Germany	**156.7**	165.9
The UK	**117.1**	116.8
Spain	**52.0**	51.2
Sweden	**500.2**	290.1
Other countries	**100.1**	88.4
Total	**1,175.1**	943.8

2 Acquisition and disposals of subsidiaries and non-controlling interests

The subsidiaries in which the Group acquired a 100% interest and voting rights during 2010 are:

FCC Sprinkler & Service

With its 60 employees, FCC Sprinkler & Service (acquired on 1 June 2010) achieves an annual revenue of 8 million euro, and is one of the larger technical services providers in Sweden specialising in sprinkler technology. The company, which is located in Vasteras (approximately 150 kilometres from Stockholm), has been operating for more than ten years and has developed into a strong regional player in the sprinkler market.

Spitsbergen VVS

Spitsbergen VVS AS has more than 20 employees and records annualised revenues in excess of 4 million euro and joined the Group on 1 July 2010. The company is headquartered at Longyearbyen on the Norwegian island of Svalbard in the north of the Arctic Circle. Spitsbergen VVS was established more than ten years ago and has developed in this relatively sparsely populated area into the strongest mechanical engineering company with unique competences in the field of sustainable technology.

Sapphir

Sapphir (acquired on 16 July 2010) is a specialised SAP consultancy company, founded in 1998, and based in Vienna and Graz (Austria) and Bucharest (Romania, 75% share). Apart from the SAP consultancy business the company is also providing managed services (including application management and infrastructure management) and SAP products. On the basis of SAP, Sapphir offers all-in-one solutions for administration processes for infrastructure projects of electricity providers, motorway and train operators, etc. For small and medium-sized services providers Sapphir provides SAP-based business processes in financial accounting and controlling and industry-specific SAP solutions for sales and project controlling. Sapphir employs 20 people and realises an annual revenue of 2.5 million euro.

YSP

YSP (acquired on 29 July 2010) is a traffic control specialist, founded in 1984, and is based near the Technology Campus of the University of Jyväskylä in Finland. Employing 25 people, YSP realises an annual revenue of almost 3 million euro. YSP is a very strong player on the Finnish traffic technology market, and specialises in the full range of high-tech traffic control, including traffic telematics, traffic applications, ICT (automation and software), 'electric design' and the complete integration and implementation of these systems along motorways, in road tunnels and in cities. Maintenance and management form a significant and increasing component of the company's overall income.

NEA-gruppen

NEA (NEA-gruppen) was established in 1896. The company was a family business until 1982. In 1982, NEA became a publicly listed company. In 2006, NEA stock was taken off the exchange by Segulah III L.P. (private equity). NEA is the largest firm in the Nordics to specialise entirely in electrical services. Employing approximately 2,200 employees, the company realised an annualised revenue of 250 million euro in 2010. NEA's head office is located in Örebro. It has a total of nearly 70 local offices in Sweden. The firm has approximately 1,000 clients, with a share of top 10 clients less than ten percent of the total. This implies a strongly diversified order and client portfolio, which contributes to a major extent towards continuity. Approximately fifty percent of NEA's revenue stems from the industrial sector (including energy, nuclear energy, steel, lumber, mining) and the remainder from the business community, the care sector, government and municipalities. Its clients include among others Volvo, Vattenfall, Korsnäs, Unilever, SSAB, Sandvik, Skanska, Nordic Water, Västfastigheter, NKS Förvaltningen, NCC, E.ON and the cities of Stockholm, Gothenburg and Malmö. Service, maintenance and management activities constitute a total revenue share of some 50% and revenue related to the energy and the environment growth markets is increasing at a fast pace. NEA joined the Group in July 2010.

LIT

LIT (LIT Lännen Ilmatekniikka Ltd.) is based in Rauma, near Turku, and occupies a strong market position in the fast-growing industrial market in the southwest of Finland. With around 25 employees, LIT realises an annual revenue of over 3 million euro. LIT was acquired on 15 September 2010. The company is primarily involved in the paper industry. LIT specialises in technology and maintenance in the fields of energy, air-conditioning, ventilation and heat. It has a small but innovative department for applying high-tech control systems for maximising the effectiveness and efficiency of energy and ventilation. This sets LIT apart from the rest of the market.

Medical Engineering SL

Based in Valencia, Medical Engineering S.L. (acquired on 18 October 2010) is one of the larger Spanish technical implementation and maintenance specialists in the growing medical apparatus and equipment market. Medical Engineering has over 40 employees and realises an annual revenue in excess of 3 million euro. The company specialises in consultancy, installation & implementation, engineering, preventive and corrective maintenance, emergency repairs, and the management of medical apparatus and equipment. There are 40 talented technology specialists in the firm, who have been specially trained (and continue to be trained) for providing technical support in placing, maintaining and repairing this type of equipment.

Elkon

Elkon was founded 30 years ago and has since grown into the most innovative maritime technological services provider in Turkey. Originally Elkon was mainly focused on merchant marine types of ships. In recent years, Elkon is increasingly involved in the realisation of technologywise more complex vessels. Elkon has over 200 employees and realises an annual revenue of more than 15 million euro. The core of its activities consists of electrical services like electrical switchboards and bridge control systems, including the complete onboard electrical installation. In addition, Elkon has specialised in automation of engine rooms and alarm, monitoring and control. Elkon has a renowned reputation and excellent relationships with the Turkish shipbuilders. This industry is concentrated in Tuzla, a suburb of Istanbul – where Elkon is located. Elkon was acquired on 26 October 2010.

Penta

Established in 1998, Penta has developed over the past decade into a strong player in the Swiss market for managed services. This involves services that are focused on making ICT capacity available – either remotely or in-house – to clients on the basis of permanent (24/7), high-quality and scaleable performance. The company (acquired on 23 November 2010) has its head office in St. Gallen, with local offices in Zurich and Bern. Penta is primarily active for the medium-sized companies and in the (semi)public sector. Employing a staff of 20, Penta realises an annual revenue of over 4 million euro.

Total acquisitions

All the acquisitions were paid for in cash and contingent consideration. Between the date of acquisition and 31 December 2010 these new subsidiaries contributed 143 million euro to the consolidated revenue and 5.9 million euro to the consolidated net result. NEA-gruppen contributed 133.9 million euro to the consolidated revenue and 4.0 million euro to the consolidated net result. Had these acquisitions taken place on 1 January 2010 the estimated revenue and net result of the Group would have been 4.6 billion euro and 147.4 million euro respectively.

Effect of acquisitions

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

NEA-gruppen	
Property, plant and equipment	**6.3**
Intangible assets	**26.2**
Non-current receivables	**5.2**
Inventories	**8.9**
Due from customers	**0.6**
Trade and other receivables	**47.5**
Cash and cash equivalents	**6.6**
Loans and borrowings (non-current)	**(31.3)**
Employee benefits	**(20.9)**
Provisions (non-current)	**(0.5)**
Deferred tax liabilities	**(5.8)**
Due to customers	**(9.7)**
Trade and other payables	**(52.4)**
Income tax payables	**(4.5)**
Net identifiable assets and liabilities	**(23.8)**
Goodwill on acquisition	**127.4**
Cost of acquisition	**103.6**
Acquired cash, cash equivalents and bank overdrafts	**(6.6)**
Net outflow of cash, cash equivalents and bank overdrafts	**97.0**

The goodwill is attributable mainly to the skills and technical talent of the NEA-gruppen work force, the profit potential and the benefits expected to be achieved from executing the strategic plan of the Group. None of the goodwill recognised is expected to be deductible for income tax purposes.

The initial accounting for this business combination is not yet complete. The fair values of the intangible assets have been determined provisionally pending completion of an independent valuation. The fair values of leases, amounts due to and due from customers, contingent liabilities and indemnification assets are also provisional pending accumulation and verification of certain data.

Elkon Elektrik Sanayi ve Ticaret A.S.

Property, plant and equipment	**0.1**
Non-current receivables	**0.6**
Deferred tax assets	**0.3**
Inventories	**1.1**
Trade and other receivables	**2.6**
Cash and cash equivalents	**4.5**
Employee benefits	**(0.2)**
Due to customers	**(0.4)**
Trade and other payables	**(1.9)**
Income tax payables	**(0.2)**
Net identifiable assets and liabilities	**6.5**
Goodwill on acquisition	**16.4**
Cost of acquisition	**22.9**
Of which contingent consideration	**(5.7)**
Acquired cash, cash equivalents and bank overdrafts	**(4.5)**
Net outflow of cash, cash equivalents and bank overdrafts	**12.7**

The goodwill is attributable mainly to the skills and technical talent of the Elkon workforce and the benefits expected to be achieved from executing the strategic plan of the Group. None of the goodwill recognised is expected to be deductible for income tax purposes. The contingent consideration depends on reaching certain EBITA levels in the coming years and ranges from nil to 6.0 million euro.

Other acquisitions

Property, plant and equipment	**0.5**
Intangible assets	**0.1**
Non-current receivables	**0.2**
Deferred tax assets	**0.3**
Inventories	**0.2**
Due from customers	**0.4**
Trade and other receivables	**5.5**
Income tax receivables	**0.1**
Cash and cash equivalents	**4.8**
Due to customers	**(1.1)**
Trade and other payables	**(7.1)**
Income tax payables	**(0.3)**
Net identifiable assets and liabilities	**3.6**
Goodwill on acquisition	**15.4**
Cost of acquisition	**19.0**
Of which contingent consideration	**(3.9)**
Of which to be paid in instalments	**(0.4)**
Acquired cash, cash equivalents and bank overdrafts	**(4.8)**
Net outflow of cash, cash equivalents and bank overdrafts	**9.9**

The goodwill is attributable mainly to the skills and technical talent of the workforce and the benefits expected to be achieved from executing the strategic plan of the Group. None of the goodwill recognised is expected to be deductible for income tax purposes. The contingent consideration depends on reaching certain EBITA levels in the coming years and ranges from nil to 4.1 million euro.

Aggregate for all acquisitions	2010	2009
Total cost of acquisitions	**145.5**	31.5
Of which contingent consideration	**(9.6)**	(2.4)
Of which payable in instalments	**(0.4)**	(0.5)
Acquired cash, cash equivalents and bank overdrafts	**(15.9)**	(0.5)
Adjustments previous years	**–**	0.2
Paid contingent consideration relating to acquisitions in previous years	**7.6**	11.5
	127.2	39.8
Net outflow of cash, cash equivalents and bank overdrafts arising from acquisition of:		
Subsidiaries	**127.2**	39.5
Non-controlling interests	**–**	0.3
	127.2	39.8

The Group incurred acquisition-related costs of 1.5 million comprising external legal fees and due diligence costs, mainly related to the acquisition of NEA-gruppen. The legal fees and due diligence costs have been included in other expenses in the Group's consolidated profit and loss account.

Acquisitions completed after balance sheet date

The subsidiaries in which the Group acquired a 100% interest and voting rights after balance sheet date are Trecom, a specialist in complex industrial automation concepts for machines and industrial production lines based in Amersfoort in the Netherlands and Unireg, a strong regional player in the market for energy efficiency and climate control located in Oslo. These acquisitions will not have a significant effect on the consolidated financial statements of the Group.

Disposal of subsidiaries

The total consideration received in respect of subsidiaries disposed of amounts to 25.7 million euro. The amount of cash, cash equivalents and bank overdrafts in the subsidiaries over which control is lost, amounts to 5.9 million euro. The net identifiable assets and liabilities, net of cash disposed of, amounts to 5.6 million euro.

3 Revenue

	2010	2009
Construction contracts, services rendered and sale of goods	**4,473.1**	4,321.3
Result from the disposal of property, plant and equipment	**0.4**	–
Government grants	**1.0**	1.8
Other income	**6.4**	0.2
Total	**4,480.9**	4,323.3

Other income includes the profit on the disposal of subsidiaries of 4.6 million euro.

4 Personnel expenses

	2010	2009
Wages and salaries	**1,053.6**	994.9
Social security expenses	**221.2**	199.8
Contributions to defined contribution plans	**19.8**	23.8
Costs in respect of defined benefit plans	**7.0**	10.3
Costs in respect of jubilee benefits	**0.8**	0.4
Share-based payments	**4.1**	3.6
Total	**1,306.5**	1,232.8

Share-based payments

In 2010 and the preceding years key staff were granted share options for ordinary shares in Imtech N.V. 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. The share option series have a term of 7 years and are conditional for the first 3 years. On termination of employment with the Company the conditional share option rights still within the vesting 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	**2010**	2009
Fair value at the grant date	**3.86 euro**	2.30 euro
Share price	**23.60 euro**	11.27 euro
Exercise price	**23.60 euro**	11.27 euro
Anticipated volatility (expressed as weighted average volatility applied in the binomial lattice model)	**28%**	30%
Term of share options (expressed as weighted average term applied in the binomial lattice model)	**4.50 years**	4.97 years
Assumed dividend yield	**4.93%**	4.30%
Risk-free interest rate	**2.26%**	3.25%

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) employees, as well as the changes during the period, are summarised below.

	Granted in						
	2005	2006	2007	2008	2009	**2010**	**Total**
Number	571,500	676,500	722,250	1,193,455	1,234,500	**1,188,500**	**5,586,705**
Exercise price (in euro)	8.30	13.80	18.50	16.91	11.27	**23.60**	
Outstanding on 1 January 2010	131,500	474,000	675,000	1,097,710	1,234,500	**–**	**3,612,710**
Granted	–	–	–	–	–	**1,188,500**	**1,188,500**
Exercised	(104,000)	(275,000)	(210,000)	–	–	**–**	**(589,000)**
Forfeited	(9,000)	(18,750)	(18,750)	(39,500)	(52,000)	**(43,500)**	**(181,500)**
Outstanding on 31 December 2010	18,500	180,250	446,250	1,058,210	1,182,500	**1,145,000**	**4,030,710**
Exercisable on 31 December 2010	18,500	180,250	446,250	–	–	**–**	**645,000**

In 2010 the weighted average price of the share at the time the share options were exercised was 23.90 euro (2009: 14.88 euro). On 31 December 2010 the weighted average remaining term of the outstanding share options was 6.0 years (2009: 6.1 years).

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

	2010	2009
Costs of share option scheme	**3.4**	2.9
Costs of share scheme	**0.7**	0.7
Total expense recognised under personnel expenses	**4.1**	3.6

Remuneration of the Board of Management
In 2010 the remuneration of members of the Board of Management amounted to 2,259,443 euro (2009: 2,129,469 euro) and can be specified as follows:

	Gross salary		Bonus		Pension and social security expenses		Total	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009
In euro								
R.J.A. van der Bruggen	**667,500**	629,700	**505,649**	457,380	**201,763**	232,491	**1,374,912**	1,319,571
B.R.I.M. Gerner	**457,100**	431,200	**251,821**	227,360	**175,610**	151,338	**884,531**	809,898
Total	**1,124,600**	1,060,900	**757,470**	684,740	**377,373**	383,829	**2,259,443**	2,129,469

Members of the Board of Management also receive an expense allowance 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 2010 the basic salaries of the Chairman of the Board of Management and the CFO were increased by 6.0% (1 January 2009: 6.0% and 10.0% respectively).

The variable cash salary (bonus) 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. The performance of both members of the Board of Management was excellent: the targets related to the growth of EBITA and revenue were exceeded quite significantly. The level of short-term variable income achieved in 2009 (paid out in 2010) was 80.3% of the basic 2009 salary (2009: 77.0%) for the Chairman of the Board of Management ('at target' 55.0%) and 58.4% of the basic 2009 salary (2009: 58.0%) 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, included in the pensionable salary partly and fully.

Board of Management share scheme
Shares in Imtech N.V. are conditionally granted to the Board of Management. 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. The fair value was determined, taking into account the terms and conditions upon which the shares were awarded, after deduction of the discounted value of the expected dividends in the period that the shares are conditional. The cost of the share scheme amounts to 486,694 euro (2009: 477,118 euro) for the Chairman of the Board of Management and 212,158 euro (2009: 183,904 euro) for the CFO.

The most important assumptions used in the valuations of the Board of Management share scheme were:

Fair value of shares and assumptions	**2010**	2009
Fair value at the grant date	**16.36 euro**	10.28 euro
Share price	**23.60 euro**	11.27 euro
Anticipated volatility (expressed as weighted average volatility)	**28%**	30%
Assumed dividend yield	**4.93%**	4.30%
Risk-free interest rate	**1.69%**	3.25%

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

	2008	2009	**2010**	**Total**
R.J.A. van der Bruggen	28,102	44,699	**22,627**	**95,428**
B.R.I.M. Gerner	9,273	22,957	**11,621**	**43,851**
Total	37,375	67,656	**34,248**	**139,279**

As at 12 April 2010 26,204 of the shares (2009: 34,996) granted conditionally to the Chairman of the Board of Management and 8,880 of the shares (2009: 12,546) granted conditionally to the CFO in 2007 (2009: 2006) were granted unconditionally. The number of unconditionally granted shares was determined on the basis of the achievement of targets (score 112.2%, 2009: score 123.0%). Half of the unconditionally granted shares were sold in order to meet the related tax liability. For the shares granted in 2007 a lock up-period of five years, or until the termination of employment by the Company if this is shorter, is applicable. A lock-up period of two years is applicable for shares granted unconditionally after 2007.

The number of unconditional shares held at 31 December 2010 and within the lock-up period is:

	2007	2009	**2010**	**Total**
R.J.A. van der Bruggen	33,195	34,996	**13,102**	**81,293**
B.R.I.M. Gerner	13,989	12,546	**4,440**	**30,975**
Total	47,184	47,542	**17,542**	**112,268**

On 31 December the Board of Management members also held additional shares in Imtech N.V. as follows:

	2010	2009
R.J.A. van der Bruggen	**63,977**	24,459
B.R.I.M. Gerner	**83,712**	70,000
Total	**147,689**	94,459

For the Chairman of the Board of Management 42,402 (2009: 3,459) of these shares came from the share scheme and 13,712 (2009: nil) for the CFO. The remainder of these shares have been acquired on the stock market.

Remuneration of the Supervisory Board

The remuneration of the Supervisory Board for 2010 was 276,398 euro (2009: 248,818 euro) and can be specified as follows:

	2010	2009
In euro		
R.M.J. van der Meer[1+2], Chairman	**61,000**	53,500
G.J. de Boer-Kruyt[3]	**41,000**	36,000
E.A. van Amerongen[2]	**42,500**	37,500
A. van Tooren[1]	**45,000**	40,000
W.A.F.G. Vermeend[3]	**41,000**	36,000
A. Baan[1]	**42,500**	37,500
	273,000	240,500
Social security expenses	**3,398**	8,318
Total	**276,398**	248,818

[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 2010, 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 2010 the annual remuneration of the Chairman and remaining members is 52,500 and 37,500 euro respectively (2009: 45,000 and 32,500 euro respectively). The Chairman and members of the Audit Committee receive a supplementary annual fee of 7,500 and 5,000 euro respectively (2009: 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 (2009: the same). All these fees for the Supervisory Board and all social security expenses 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 2010 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:

In euro	2010	2009
Short-term employee benefits	**2,155,070**	1,986,140
Social security expenses	**12,771**	17,147
Pension expenses	**368,000**	375,000
Share-based payments	**698,852**	661,022
Total	**3,234,693**	3,039,309

5 Other expenses

	2010	2009
Other indirect expenses	**326.4**	297.8
Impairment loss on trade receivables	**1.7**	10.5
Change in provisions	**7.9**	3.3
Research and development costs	**2.6**	3.1
Total	**338.6**	314.7

6 Net finance result

	Note	2010	2009
Interest income		**0.9**	0.3
Expected return on plan assets (employee benefits)	21	**8.7**	11.3
Other finance income		**1.5**	1.7
Finance income		**11.1**	13.3
Interest expense on financial liabilities measured at amortised cost		**(18.9)**	(22.4)
Interest on employee benefit obligations	21	**(18.7)**	(18.4)
Net change in fair value of cash flow hedges transferred from equity		**(12.8)**	(7.0)
Net currency exchange loss		**(1.0)**	(2.4)
Other finance expenses		**(4.6)**	(5.2)
Finance expenses		**(56.0)**	(55.4)
Net finance result		**(44.9)**	(42.1)

7 Income tax expense

	2010	2009
Current year	**44.0**	43.6
Prior year adjustments	**(2.9)**	(1.6)
Benefit from previously unrecognised tax losses	**(0.8)**	(1.0)
Current income tax expense	**40.3**	41.0
Origination and reversal of temporary differences	**8.8**	6.8
Reduction in tax rate	**(0.1)**	-
Benefit from previously unrecognised tax losses	**(0.7)**	(3.8)
Deferred income tax expense	**8.0**	3.0
Income tax expense	**48.3**	44.0

Reconciliation of effective tax rate

		2010		2009
Profit before tax		**190.0**		171.1
Weighted average statutory income tax rate	**28.9%**	**54.9**	28.0%	47.9
Change in income tax rate	**(0.1%)**	**(0.1)**	–	–
Non-deductible expenses	**2.5%**	**4.7**	2.8%	4.9
Tax exempt income	**(3.6%)**	**(6.8)**	(1.4%)	(2.4)
Not previously recognised tax losses	**(0.8%)**	**(1.5)**	(2.8%)	(4.8)
Under/(over) provided in prior periods	**(1.5%)**	**(2.9)**	(0.9%)	(1.6)
	25.4%	**48.3**	25.7%	44.0

Taxes recognised directly in shareholders' equity or other comprehensive income

In 2010 0.7 million euro (2009: nil) current income tax was credited directly to shareholders' equity.
Income tax recognised in other comprehensive income relates for an amount of 1.2 million euro (2009: nil) to cash flow hedges. The remainder relates to foreign currency translation differences net of the result of hedging transactions.

8 Current tax assets and liabilities

The net current tax liability of 35.1 million euro (2009: 34.1 million euro), comprising current tax receivables of 11.7 million euro (2009: 7.2 million euro) and current tax payables of 46.8 million euro (2009: 41.3 million euro), relates to the net amount of tax payable 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 2009	73.1	44.3	181.1	1.4	299.9
Acquired through acquisitions	2.1	0.4	0.3	–	2.8
Acquired, other	4.6	7.7	25.5	3.5	41.3
Disposals	(1.7)	(9.7)	(23.5)	(1.1)	(36.0)
Reclassifications	0.5	(1.6)	1.2	(0.1)	–
Effect of movement in exchange rates	0.6	0.3	1.8	–	2.7
As at 31 December 2009	79.2	41.4	186.4	3.7	310.7
As at 1 January 2010	**79.2**	**41.4**	**186.4**	**3.7**	**310.7**
Acquired through acquisitions	**0.3**	**2.1**	**4.5**	**–**	**6.9**
Acquired, other	**3.3**	**4.4**	**31.3**	**2.0**	**41.0**
Disposals	**(1.4)**	**(3.7)**	**(22.1)**	**(0.6)**	**(27.8)**
Reclassifications	**(2.2)**	**(0.6)**	**4.2**	**(1.4)**	**–**
Effect of movement in exchange rates	**1.0**	**0.4**	**3.4**	**–**	**4.8**
As at 31 December 2010	**80.2**	**44.0**	**207.7**	**3.7**	**335.6**
Depreciation and impairment losses					
As at 1 January 2009	23.7	27.7	116.3	–	167.7
Depreciation charge for the year	2.3	5.2	23.3	–	30.8
Disposals	(0.3)	(9.2)	(21.0)	–	(30.5)
Reclassifications	–	(1.1)	1.1	–	–
Effect of movement in exchange rates	–	0.1	0.5	–	0.6
As at 31 December 2009	25.7	22.7	120.2	–	168.6
As at 1 January 2010	**25.7**	**22.7**	**120.2**	**–**	**168.6**
Depreciation charge for the year	**2.8**	**5.7**	**23.9**	**–**	**32.4**
Disposals	**(0.1)**	**(2.5)**	**(18.4)**	**–**	**(21.0)**
Reclassifications	**(1.4)**	**0.3**	**1.1**	**–**	**–**
Effect of movement in exchange rates	**0.1**	**0.2**	**0.9**	**–**	**1.2**
As at 31 December 2010	**27.1**	**26.4**	**127.7**	**–**	**181.2**
Carrying amounts					
As at 1 January 2009	49.4	16.6	64.8	1.4	132.2
As at 31 December 2009	53.5	18.7	66.2	3.7	142.1
As at 1 January 2010	**53.5**	**18.7**	**66.2**	**3.7**	**142.1**
As at 31 December 2010	**53.1**	**17.6**	**80.0**	**3.7**	**154.4**
Of which leased:					
As at 31 December 2009	4.6	1.0	11.5	–	17.1
As at 31 December 2010	**3.1**	**5.1**	**11.8**	**–**	**20.0**

Impairments and reversals after recognition
There were no impairments and no reversals of impairments during 2010 (2009: nil).

Security
On 31 December 2010 property, plant and equipment with a carrying value of 9.5 million euro (2009: 13.0 million euro) was mortgaged as security for bank loans.

Leased property, plant and equipment
On 31 December 2010 a carrying amount of 20.0 million euro related to property, plant and equipment acquired under a finance lease (2009: 17.1 million euro).

10 Intangible assets

	Goodwill	Software	Customer relationships/ contracts	Technology	Brands	Total
Cost						
As at 1 January 2009	592.6	16.2	102.8	15.7	0.7	728.0
Acquired through acquisitions	22.4	–	2.8	–	–	25.2
Acquired, other	–	14.1	–	2.2	–	16.3
Developed internally	–	–	–	3.0	–	3.0
Adjustment purchase price/fair value	(6.8)	–	3.6	–	18.9	15.7
Disposals	(0.5)	(0.6)	–	–	–	(1.1)
Effect of movement in exchange rates	22.5	–	5.5	0.1	1.6	29.7
As at 31 December 2009	630.2	29.7	114.7	21.0	21.2	816.8
As at 1 January 2010	**630.2**	**29.7**	**114.7**	**21.0**	**21.2**	**816.8**
Acquired through acquisitions	**159.2**	**–**	**26.3**	**–**	**–**	**185.5**
Acquired, other	**–**	**10.9**	**0.8**	**1.3**	**–**	**13.0**
Developed internally	**–**	**–**	**–**	**0.7**	**–**	**0.7**
Adjustment purchase price/fair value	**(1.2)**	**–**	**–**	**–**	**–**	**(1.2)**
Disposals	**(0.2)**	**(1.6)**	**–**	**(0.1)**	**–**	**(1.9)**
Effect of movement in exchange rates	**41.4**	**0.2**	**9.8**	**–**	**3.0**	**54.4**
As at 31 December 2010	**829.4**	**39.2**	**151.6**	**22.9**	**24.2**	**1,067.3**

	Goodwill	Software	Customer relation-ships/ contracts	Technology	Brands	Total
Amortisation and impairment losses						
As at 1 January 2009	6.2	6.6	16.1	1.9	0.1	30.9
Amortisation for the year	–	5.0	12.0	1.8	1.9	20.7
Impairment losses	2.2	–	–	–	–	2.2
Disposals	(0.5)	(0.7)	–	–	–	(1.2)
Effect of movement in exchange rates	0.1	(0.2)	0.5	–	0.1	0.5
As at 31 December 2009	8.0	10.7	28.6	3.7	2.1	53.1
As at 1 January 2010	**8.0**	**10.7**	**28.6**	**3.7**	**2.1**	**53.1**
Amortisation for the year	**–**	**5.7**	**9.2**	**2.7**	**6.4**	**24.0**
Impairment losses	**0.2**	**–**	**–**	**0.9**	**–**	**1.1**
Disposals	**(0.2)**	**(1.7)**	**–**	**–**	**–**	**(1.9)**
Reclassifications	**–**	**–**	**(4.9)**	**–**	**4.9**	**–**
Effect of movement in exchange rates	**–**	**–**	**0.2**	**–**	**1.4**	**1.6**
As at 31 December 2010	**8.0**	**14.7**	**33.1**	**7.3**	**14.8**	**77.9**
Carrying amounts						
As at 1 January 2009	586.4	9.6	86.7	13.8	0.6	697.1
As at 31 December 2009	622.2	19.0	86.1	17.3	19.1	763.7
As at 1 January 2010	**622.2**	**19.0**	**86.1**	**17.3**	**19.1**	**763.7**
As at 31 December 2010	**821.4**	**24.5**	**118.5**	**15.6**	**9.4**	**989.4**

Impairments and reversals after initial recognition

Goodwill has been impaired for an amount of 0.2 million euro with regard to the Germany & Eastern Europe cluster (2009: 2.2 million euro regarding the Benelux cluster). No impairments were reversed in the year under review.

Impairment test for cash-generating units containing goodwill

The impairment test for goodwill is carried out at a division level. This acknowledges the synergy between companies within a division and also reflects the lowest level within the Group at which goodwill is monitored for internal management purposes, which is not higher than the level of the Group's operating segments.

The following divisions contain significant goodwill amounts:

	2010	2009
Nordic	**376.4**	208.5
ICT	**158.0**	152.1
Marine	**77.8**	61.2
Traffic	**57.7**	53.5
Benelux	**34.8**	34.7
Germany & Eastern Europe	**22.6**	22.8
Other	**94.1**	89.4
Total	**821.4**	622.2

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 virtually the same as the EBITA for the last year of the business plan subject to a perpetual growth rate. Growth rates vary from 0% to 1%. The growth rate applied to the Nordic goodwill is 0.5% and for Germany & Eastern Europe 1.0%. The forecasted cash flows are discounted against a pre-tax discount rate of between 9.4% and 12.1% (2009: between 10.1% and 11.1%). 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.

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.

11 Investments in associated companies and joint ventures

In 2010 IHC Systems B.V., the Netherlands (50%) was the most important associate and Innolumis Public Lighting B.V., the Netherlands (40%) was the most important joint venture.

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

	2010							
	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Share-holders' equity	Revenue	Cost	Profit / (loss)
Associated companies	**8.4**	**12.5**	**7.3**	**11.0**	**2.6**	**21.4**	**20.2**	**1.2**
Joint ventures	**0.2**	**1.2**	**0.1**	**1.8**	**(0.5)**	**10.0**	**10.1**	**(0.1)**
	8.6	**13.7**	**7.4**	**12.8**	**2.1**	**31.4**	**30.3**	**1.1**
Results other investments								**(0.4)**
Total								**0.7**

	2009							
	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Share-holders' equity	Revenue	Cost	Profit / (loss)
Associated companies	8.4	15.4	1.7	18.8	3.3	21.9	20.2	1.7
Joint ventures	6.9	10.0	–	17.0	(0.1)	35.5	35.7	(0.2)
	15.3	25.4	1.7	35.8	3.2	57.4	55.9	1.5
Results other investments								(0.4)
Impairment								(0.9)
Total								0.2

12 Non-current receivables

	Note	2010	2009
Finance lease assets		**6.4**	7.5
Other non-current receivables		**14.5**	7.9
		20.9	15.4
The finance lease receivables mature as follows:			
Principal < 1 year		**2.5**	2.8
Principal 1 – 5 years		**6.5**	7.3
Principal > 5 years		**1.7**	2.3
		10.7	12.4
Interest < 1 year		**(0.1)**	(0.1)
Interest 1 – 5 years		**(1.2)**	(1.3)
Interest > 5 years		**(0.6)**	(0.8)
		(1.9)	(2.2)
Present value of the minimum lease payments < 1 year	16	**2.4**	2.7
Present value of the minimum lease payments 1 – 5 years		**5.3**	6.0
Present value of the minimum lease payments > 5 years		**1.1**	1.5
Total	24	**8.8**	10.2

13 Deferred tax assets and liabilities

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

	Assets		Liabilities		Difference	
	2010	2009	**2010**	2009	**2010**	2009
Property, plant and equipment	**11.7**	3.9	**(2.2)**	(2.4)	**9.5**	1.5
Intangible assets	**1.4**	4.0	**(36.9)**	(31.3)	**(35.5)**	(27.3)
Due from customers	**7.5**	4.1	**(32.7)**	(27.3)	**(25.2)**	(23.2)
Trade and other receivables	**0.6**	0.2	**(2.1)**	(0.8)	**(1.5)**	(0.6)
Employee benefits	**14.7**	15.0	**(0.5)**	(0.3)	**14.2**	14.7
Provisions	**–**	–	**(2.1)**	(2.0)	**(2.1)**	(2.0)
Other items	**12.1**	8.0	**(24.7)**	(6.8)	**(12.6)**	1.2
Value of recognised tax loss carry forwards	**12.9**	14.3	**–**	–	**12.9**	14.3
	60.9	49.5	**(101.2)**	(70.9)	**(40.3)**	(21.4)
Netting of tax assets and liabilities	**(52.6)**	(30.1)	**52.6**	30.1	**–**	–
Total	**8.3**	19.4	**(48.6)**	(40.8)	**(40.3)**	(21.4)

On 31 December 2010 no deferred tax liabilities relating to investments in subsidiaries were accounted for (2009: 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. A deferred tax liability has not been recognised.
On the balance sheet date there were no reserves that could lead to a tax liability if the subsidiary companies should pay out dividend (2009: nil).

Unrecognised deferred tax assets

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

	2010	2009
Deductible temporary differences	**1.2**	–
Tax losses	**23.9**	23.5
Total	**25.1**	23.5

At the end of 2010, 1.6 million euro (2009: 2.5 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 2009	Acquisitions/ deconsoli-dations	Recognised in 2009 result	Recognised in other comprehen-sive income	As at 31 December 2009
Property, plant and equipment	0.2	–	1.3	–	1.5
Intangible assets	(21.9)	(7.2)	1.8	–	(27.3)
Due from customers	(16.3)	2.2	(9.1)	–	(23.2)
Trade and other receivables	0.1	–	(0.7)	–	(0.6)
Employee benefits	15.6	–	(0.9)	–	14.7
Provisions	(2.6)	0.1	0.5	–	(2.0)
Other items	(1.5)	(0.9)	3.4	0.2	1.2
Tax value of recognised tax loss carry forwards	13.6	–	0.7	–	14.3
Total	(12.8)	(5.8)	(3.0)	0.2	(21.4)

	As at 1 January 2010	Acquisitions/ deconsoli-dations	Recognised in 2010 result	Recognised in other comprehen-sive income	Effect of movement in exchange rates	As at 31 December 2010
Property, plant and equipment	**1.5**	**–**	**8.2**	**–**	**(0.1)**	**9.6**
Intangible assets	**(27.3)**	**(6.9)**	**1.7**	**–**	**(3.0)**	**(35.5)**
Due from customers	**(23.2)**	**4.6**	**(6.8)**	**–**	**0.2**	**(25.2)**
Trade and other receivables	**(0.6)**	**0.3**	**(1.2)**	**–**	**–**	**(1.5)**
Employee benefits	**14.7**	**1.1**	**(1.7)**	**–**	**0.1**	**14.2**
Provisions	**(2.0)**	**–**	**(0.2)**	**–**	**–**	**(2.2)**
Other items	**1.2**	**(4.7)**	**(6.6)**	**(1.3)**	**(1.2)**	**(12.6)**
Tax value of recognised tax loss carry forwards	**14.3**	**–**	**(1.4)**	**–**	**–**	**12.9**
Total	**(21.4)**	**(5.6)**	**(8.0)**	**(1.3)**	**(4.0)**	**(40.3)**

14 Inventories

	2010	2009
Raw and auxiliary materials	**20.6**	20.6
Semi-finished goods	**6.2**	1.1
Finished goods	**55.8**	55.9
Total	**82.6**	77.6

15 Due from/to customers

	2010	2009
Cumulative incurred costs plus profit in proportion to progress less provisions for losses	**2,414.2**	2,107.9
Progress billings	**(2,088.7)**	(1,954.0)
Balance	**325.5**	153.9
Presented as follows:		
Due from customers	**607.4**	480.7
Due to customers	**281.9**	326.8
Balance	**325.5**	153.9

As at 31 December 2010 the capitalised interest amounted to 1.2 million euro with a capitalisation rate of 1.8% (2009: 1.2 million and 3.1% respectively). On 31 December 2010 the items related to payment due from customers amounted to a total of 14.4 million euro (2009: 15.2 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 2010 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 these claims will be realised to the amount of 10 million euro (2009: 11 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	2010	2009
Trade receivables due from associated companies and joint ventures		**1.6**	6.5
Other trade receivables and advance payments		**1,055.2**	952.4
Current portion of non-current receivables	12	**2.4**	5.9
Derivatives at fair value	24	**0.2**	0.3
Total		**1,059.4**	965.1

17 Cash, cash equivalents and bank overdrafts

	Note	2010	2009
Bank balances		**104.6**	107.2
Deposits available on demand		**4.7**	1.6
Other cash and cash equivalents		**0.7**	0.6
Cash and cash equivalents	24	**110.0**	109.4
Bank overdrafts	20	**(2.2)**	(167.7)
Total		**107.8**	(58.3)

18 Shareholders' equity

Share capital

	Number of ordinary shares	
	2010	2009
Outstanding as at 1 January	**78,376,728**	77,462,396
Issuance of ordinary shares	**8,324,850**	–
Stock dividend	**1,161,507**	1,427,836
Repurchased own shares	**(1,113,318)**	(1,105,296)
Issued against payment in cash	**589,000**	544,250
Issued under the share scheme	**35,084**	47,542
Outstanding as at 31 December – fully paid up	**87,373,851**	78,376,728

On 29 June 2010 8,324,850 ordinary shares were issued at an exercise price of 22.25 euro per share. All issued shares are fully paid. The proceeds of the offering will be used to finance acquisitions and organic growth of the Company.
On 31 December 2010 the authorised share capital comprised 360 million (2009: 360 million) ordinary shares divided into 120 million (2009: 120 million) ordinary shares, 180 million (2009: 180 million) preference shares and 60 million (2009: 60 million) financing preference shares. The holders of 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 2010 the issued share capital amounted to 91,573,840 (2009: 82,087,483) ordinary shares. All issued shares are fully paid up. Stichting Imtech has option rights to the preference shares (see section Corporate Governance). Imtech N.V. has also granted share options and shares conditionally (see below under Reserve for own shares).

Translation reserve
The translation reserve includes all currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities by which the net investments of the Company in a foreign subsidiary are hedged and also the effects of currency hedges of net investments.

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 reserve for own shares comprises the purchase price of the own shares held by the Company. On 31 December 2010, 4,199,989 (2009: 3,710,755) own shares were held by the Company to cover the obligations arising from the share scheme for the Board of Management and the share option scheme (see pages 96 and 95 respectively).

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 2010 is 0.65 euro per outstanding ordinary share in either cash or shares (2009: 0.64 euro). In 2010 a dividend of 0.64 euro per outstanding ordinary share was paid out in cash or shares (2009: 0.59 euro).

19 Earnings per share

Earnings before amortisation and impairment of intangible assets	2010	2009
Profit for the year	**141.7**	127.1
Profit attributable to non-controlling interests	**(1.3)**	(0.9)
Profit attributable to shareholders of Imtech N.V. (net profit)	**140.4**	126.2
Amortisation of intangible assets	**24.0**	20.7
Impairment of intangible assets	**1.1**	2.2
Earnings before amortisation and impairment of intangible assets	**165.5**	149.1

Basic earnings per share

The calculation of the basic earnings per share on 31 December 2010 was based on a profit attributable to holders of ordinary shares of 140,366,000 euro (2009: 126,215,000 euro) and an average number of ordinary shares outstanding during 2010 of 82,644,290 (2009: 77,776,359) calculated as follows:

Weighted average number of ordinary shares	2010	2009
Issued ordinary shares	**91,573,840**	82,087,483
Effect of share issue	**(4,105,406)**	-
Effect of own shares held	**(4,455,008)**	(3,322,622)
Effect of stock dividend	**(369,136)**	(988,502)
Average number of ordinary shares during the year	**82,644,290**	77,776,359

Diluted earnings per share

The calculation of the diluted earnings per share at 31 December 2010 was based on the attribution of profit amounting to 140,366,000 euro (2009: 126,215,000 euro) to holders of ordinary shares and an average number of ordinary shares outstanding during 2010 of 83,942,542 (2009: 78,272,858) corrected for potential dilution, calculated as follows:

Weighted average number of ordinary shares (diluted)	2010	2009
Average number of ordinary shares during the year	**82,644,290**	77,776,359
Effect of share option scheme	**1,132,715**	360,199
Effect of share scheme	**165,537**	136,300
Average number of ordinary shares (diluted) during the year	**83,942,542**	78,272,858

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	2010	2009
Syndicated bank loans		**503.2**	320.7
Other bank loans		**12.9**	18.9
Finance lease liabilities		**13.1**	11.2
Derivatives at fair value	24	**9.8**	19.4
Total		**539.0**	370.2

Current liabilities	Note	2010	2009
Current portion of syndicated bank loans		–	115.3
Bank overdrafts	17	2.2	52.4
		2.2	167.7
Current portion of other bank loans		5.4	6.7
Current portion of finance lease liabilities		4.2	3.9
		9.6	10.6
Total		11.8	178.3

Syndicated bank loans

On 1 November 2010 the Group has arranged a new syndicated bank facility of 700 million euro. This facility has been partially used for the full repayment of the syndicated bank facility of 265 million euro, arranged in November 2008 and expiring November 2011. The term of this new syndicated bank facility is 5 years. This multi-currency revolving facility is on a committed and unsecured basis. The facility has been provided by a syndicate of eleven banks: ABN AMRO Bank, BNP Paribas, Commerzbank, ING Bank, KBC Bank, Nordea Bank, Rabobank, the Royal Bank of Scotland, Barclays Bank, Banque LB Lux and NIBC Bank.
The facility contains market-standard covenants and as per year-end these covenants have been met. The credit facility includes a 'change of control' clause.
As at 31 December 2010, an amount of 210 million euro was drawn under the 700 million euro facility. The interest rate on these drawdowns has been partly fixed via interest rate swaps and as at 31 December 2010 the weighted average interest rate was 3.4%.

In addition to the aforementioned syndicated bank facility of 700 million euro, an additional syndicated bank facility of 300 million has been made available to the Group in place. This facility of 300 million euro was agreed upon on 17 July 2007 with an applicable term of 5 years. This facility has been provided by a syndicate of six banks: the Royal Bank of Scotland, ING Bank, Rabobank, Commerzbank, KBC Bank and Banque LB Lux. This committed multi-currency unsecured facility consists of a term credit facility of 70 million euro and 20 million British pounds a well as a revolving credit facility of 200 million euro.
This facility contains market-standard covenants and as per year-end these covenants have been met. The credit facility includes a 'change of control' clause.
As at 31 December 2010, this revolving credit facility was fully drawn (2009: 80 million euro). The interest rate of this facility has been fixed via interest rate swaps and as at 31 December 2010 the weighted average interest rate was 4.2% (2009: 4.9%).

Additional credit facilities

In addition to the above-mentioned syndicated bank facilities, the Group has a number of uncommitted, bilateral credit facilities in place (amounting to 270 million euro) as well as a number of (bank) guarantee facilities amounting to 525 million euro.

Conditions and repayment schedule

Other bank loans and finance lease liabilities have been agreed against generally accepted conditions. The average remaining term is 2.7 years (2009: 2.8 years) and the average interest of the liabilities outstanding for more than one year is 4.6% (2009: 4.5%).

Property, plant and equipment with a carrying amount of 9.5 million euro (2009: 13.0 million euro) have been provided as security for bank loans.

Finance lease liabilities	2010	2009
Principal < 1 year	**4.4**	4.2
Principal 1 – 5 years	**13.2**	10.7
Principal > 5 years	**0.5**	1.5
	18.1	16.4
Interest < 1 year	**(0.2)**	(0.3)
Interest 1 – 5 years	**(0.6)**	(0.9)
Interest > 5 years	**–**	(0.1)
	(0.8)	(1.3)
Present value of the minimum lease payments < 1 year	**4.2**	3.9
Present value of the minimum lease payments 1 – 5 years	**12.6**	9.8
Present value of the minimum lease payments > 5 years	**0.5**	1.4
Total	**17.3**	15.1

21 Employee benefits

	2010	2009
Present value of unfunded obligations	**147.7**	129.3
Present value of funded obligations	**221.2**	231.8
	368.9	361.1
Fair value of plan assets	**(240.8)**	(210.6)
Present value of net obligations	**128.1**	150.5
Unrecognised actuarial gains and (losses)	**32.9**	(12.1)
Unrecognised past service costs	**(1.0)**	(1.1)
Recognised liability for defined benefit plans	**160.0**	137.3
Liability related to jubilee events	**6.1**	7.2
Total	**166.1**	144.5

The plan assets comprise:	2010	2009
Equity securities	**19%**	33%
Debt securities	**65%**	52%
Property and other	**16%**	15%
Total	**100%**	100%

Movements in the liabilities for defined benefit plans	2010	2009
Liabilities for defined benefit plans as at 1 January	**361.1**	329.7
Adjustment of purchase price/fair value	**–**	0.1
Assumed in a business combination	**21.1**	–
Benefits paid	**(16.1)**	(16.5)
Current service cost and interest	**26.0**	28.2
Contributions participants	**2.3**	2.7
Actuarial (gains) and losses	**(29.4)**	13.0
Curtailment and settlement	**(0.6)**	3.8
Reclassifications	**2.9**	–
Effect of movement in exchange rates	**1.6**	0.1
Liability for defined benefit plans as at 31 December	**368.9**	361.1

Movements in the fair value of plan assets	2010	2009
Fair value of plan assets as at 1 January	**210.6**	184.2
Contributions paid	**13.0**	16.1
Benefits paid	**(10.1)**	(10.4)
Expected return on plan assets	**8.7**	11.3
Actuarial gains and (losses)	**15.8**	5.9
Curtailment and settlement	**0.4**	3.5
Reclassifications	**2.3**	–
Effect of movement in exchange rates	**0.1**	–
Fair value of plan assets as at 31 December	**240.8**	210.6

The employer contributions to be paid to funded defined benefit plans in 2011 amount to about 11 million euro.

Expenses recognised in profit or loss	2010	2009
Current service costs	**7.3**	9.8
Interest on obligation	**18.7**	18.4
Expected return on plan assets	**(8.7)**	(11.3)
Amortisation of actuarial gains or losses	**0.1**	0.2
Amortisation of past service costs	**0.1**	0.1
Movement in asset ceiling	**–**	(0.2)
Curtailment, settlement and other	**(0.5)**	0.4
Total	**17.0**	17.4

The total expense is recognised under the following items in profit or loss:

	2010	2009
Personnel expenses	**7.0**	10.3
Finance expenses	**18.7**	18.4
Finance income	**(8.7)**	(11.3)
Total	**17.0**	17.4
Actual return on plan assets	**24.5**	17.2

Actuarial assumptions (in weighted averages)	2010	2009
Discount rate as at 31 December	**5.5%**	5.2%
Expected return on plan assets as at 1 January	**4.0%**	6.2%
Future salary increases	**2.5%**	2.4%
Future pension increases	**1.2%**	2.1%

As of 2010 the applicable mortality tables in The Netherlands have been changed from AG Prognosetafel 2005-2050 to the AG Prognosetafel 2010-2060 with correction factors in line with the pension fund.
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	2010	2009	2008	2007	2006
Present value of the defined benefit plan obligations	**368.9**	361.1	329.7	633.0	716.1
Fair value of the plan assets	**(240.8)**	(210.6)	(184.2)	(589.2)	(596.8)
Deficit of the pension plans	**128.1**	150.5	145.5	43.8	119.3

Experience adjustments	2010	2009	2008	2007	2006
Arising on the liabilities for defined benefit plans	**(2.3)**	(0.1)	(5.8)	(7.1)	10.0
Arising on plan assets	**(15.8)**	(5.9)	62.8	10.0	(0.4)

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 of service. A (conditional) indexing of pension payments is applicable for some plans.
In the main such plans are applicable in the Netherlands, Germany, Sweden 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 (or 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 96% at the end of 2010 (end of 2009: 101%). The industry-branch pension fund has written a recovery plan which has been approved by De Nederlandsche Bank. According to this recovery plan the accumulated pension will not be increased for a period of five years and during this recovery period the contribution will gradually increase to the maximum permitted level of 18% of the salary. The aim of these measures is to achieve the required degree of cover of 105%, after which time the indexing can be revised and the contribution reduced.

22 Provisions

	Warranties and claims	Restruc-turing	Restoration	Total
As at 1 January 2009	16.6	1.6	2.7	20.9
Assumed in a business combination	0.3	0.4	–	0.7
Provisions made during the year	2.1	4.2	0.3	6.6
Provisions used during the year	(4.9)	(4.5)	–	(9.4)
Provisions released during the year	(3.3)	–	–	(3.3)
Effect of movement in exchange rates	0.3	–	(0.1)	0.2
As at 31 December 2009	11.1	1.7	2.9	15.7
Non-current	1.7	0.2	1.8	3.7
Current	9.4	1.5	1.1	12.0
	11.1	1.7	2.9	15.7
As at 1 January 2010	**11.1**	**1.7**	**2.9**	**15.7**
Assumed in a business combination	**0.5**	**–**	**–**	**0.5**
Provisions made during the year	**2.2**	**6.2**	**0.6**	**9.0**
Provisions used during the year	**(2.5)**	**(6.9)**	**(0.4)**	**(9.8)**
Provisions released during the year	**(0.5)**	**(0.1)**	**(0.5)**	**(1.1)**
Provisions disposed of through sale of subsidiaries	**(0.3)**	**–**	**(0.1)**	**(0.4)**
Effect of movement in exchange rates	**0.1**	**–**	**–**	**0.1**
As at 31 December 2010	**10.6**	**0.9**	**2.5**	**14.0**
Non-current	**1.4**	**0.1**	**2.0**	**3.5**
Current	**9.2**	**0.8**	**0.5**	**10.5**
	10.6	**0.9**	**2.5**	**14.0**

Warranties and claims

The provision for warranty liabilities relates primarily to projects completed during the 2009 and 2010 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 vigorously. 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	2010	2009
Trade payables		**663.0**	545.2
Other liabilities and accrued expenses		**449.3**	415.4
Derivatives at fair value	24	**9.8**	4.5
Total		**1,122.1**	965.1

24 Financial instruments

In the context of normal business operations the Group faces credit, liquidity, currency and interest rate risks. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

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:

	Note	2010	2009
Non-current receivables	12	**20.9**	15.4
Trade receivables	16	**911.1**	845.0
Other receivables	16	**148.3**	120.1
Cash and cash equivalents	17	**110.0**	109.4
Total		**1,190.3**	1,089.9

On the balance sheet date the aging of the trade receivables was as follows:

	2010		2009	
	Gross	Impairment	Gross	Impairment
Not past due	**614.3**	**0.1**	555.7	0.2
Past due 1 to 60 days	**119.7**	**0.4**	120.6	0.5
Past due 61 to 180 days	**43.1**	**1.6**	49.0	2.2
Past due 181 days to one year	**32.1**	**1.9**	42.3	1.9
Past due more than one year	**120.5**	**14.6**	100.5	18.3
Total	**929.7**	**18.6**	868.1	23.1

The gross amounts reflect the amount of revenue recognised plus value added tax, if any. Amounts billed to the customer, but which are not probable to result in revenue and consequently have not been recognised, are not included in the gross amount. This is particularly relevant for the amounts past due more than 181 days, for which the amounts billed are significantly higher than the gross amounts shown. The comparative figures have been restated for this. Amounts past due more than one year predominantly relate to customers who dispute the receivables. The impairment is based on management's best estimate of amounts recoverable, but these estimates are uncertain.

Movements in the provision for doubtful trade receivables during the year were as follows:

	2010	2009
As at 1 January	**23.1**	19.6
Assumed in a business combination	**–**	0.5
Impairment loss recognised during the year	**3.0**	12.5
Allowance used during the year	**(6.0)**	(7.7)
Reversal of impairments during the year	**(1.3)**	(2.0)
Disposal by sale of subsidiaries	**(0.4)**	–
Effect of movement in exchange rates	**0.2**	0.2
As at 31 December	**18.6**	23.1

Liquidity risk

The principle of the liquidity risk management is to maintain, as far as possible, sufficient liquidity to be able to meet the current and future liabilities. The Group has committed credit facilities totalling one billion euro at its disposal. The Group also has uncommitted funds amounting to 270 million euro at its disposal.

The following table indicates the contractual maturities of the financial liabilities, including interest payments, the periods in which the cash flows associated with cash flow hedges are expected to occur and the fair value of the related hedging instruments. This table is also indicative of the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to impact profit or loss. The interest rate swaps are the sole derivatives used as hedging instruments for cash flow hedges.

	Carrying amount	Contractual cash flows	< 6 months	6 – 12 months	1 – 2 years	2 – 5 years	> 5 years
31 December 2010							
Non-derivative financial liabilities							
Bank loans	**521.5**	**528.4**	**4.7**	**6.6**	**100.2**	**416.8**	**0.1**
Finance lease liabilities	**17.3**	**17.5**	**2.5**	**1.9**	**7.0**	**5.6**	**0.5**
Bank overdrafts	**2.2**	**2.2**	**2.2**	**–**	**–**	**–**	**–**
Trade and other payables	**1,112.3**	**1,112.3**	**1,054.3**	**37.2**	**8.5**	**8.0**	**4.3**
Derivative financial liabilities							
Interest rate swaps	**14.8**	**14.9**	**0.3**	**5.3**	**9.3**	**–**	**–**
Forward currency contracts	**4.8**	**4.8**	**4.8**	**–**	**–**	**–**	**–**
Total	**1,672.9**	**1,680.1**	**1,068.8**	**51.0**	**125.0**	**430.4**	**4.9**
31 December 2009							
Non-derivative financial liabilities							
Bank loans	346.3	366.3	6.3	8.7	246.6	99.9	4.8
Finance lease liabilities	15.1	15.8	3.4	1.9	3.5	6.1	0.9
Bank overdrafts	167.7	167.7	167.7	–	–	–	–
Trade and other payables	960.6	960.6	894.6	45.9	12.6	3.6	3.9
Derivative financial liabilities							
Interest rate swaps	19.4	19.6	4.2	4.2	8.4	2.8	–
Forward currency contracts	4.5	5.7	5.7	–	–	–	–
Total	1,513.6	1,535.7	1,081.9	60.7	271.1	112.4	9.6

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, the Swedish crown 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 Group classifies forward currency contracts as cash flow hedges and states them at fair value.

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 partly hedged for the Swedish subsidiaries.

The most important exchange rates during the financial year were:

	Average rate		Rate on balance sheet date	
	2010	2009	**2010**	2009
GBP/euro	**1.17**	1.12	**1.16**	1.13
SEK/euro	**0.10**	0.09	**0.11**	0.10
USD/euro	**0.75**	0.72	**0.75**	0.69

Interest rate risk

The objective of the Group's policy is to hedge at least 50% of the interest rate exposure of the net debt position as per year-end. In line with this, the Group has arranged interest rate swaps in both euro and British pound for which hedge accounting has been applied.

As at 31 December 2010 the Group had undertaken interest rate swaps with a reference amount of around million 426.6 euro (2009: 426.3 million euro), consisting of 415.0 million in euro and 10.0 million in British pounds (2009: 415.0 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:

	Note	**2010**	2009
Instruments with a fixed interest rate			
Finance lease receivables (non-current and current)	12	**8.8**	10.2
Other non-current receivables (including current portion)	12	**14.5**	11.1
Secured bank loans	20	**(7.2)**	(22.3)
Unsecured bank loans	20	**(7.1)**	–
Finance lease liabilities	20	**(17.3)**	(15.1)
Total		**(8.3)**	(16.1)
Instruments with a variable interest rate			
Cash and cash equivalents	17	**110.0**	109.4
Secured bank loans	20	**(3.5)**	(3.3)
Unsecured bank loans	20	**(503.7)**	(320.7)
Bank overdrafts	20	**(2.2)**	(167.7)
Total		**(399.4)**	(382.3)

A 1% change in the interest rate as per balance date would mean the result and shareholders' equity would increase or decrease by the amounts shown in the following table. 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 2010					
Instruments with a variable interest rate:					
■ Current	**107.1**	**1.1**	**(1.1)**	**–**	**–**
■ Non-current	**(506.5)**	**(5.1)**	**5.1**	**–**	**–**
Total	**(399.4)**	**(4.0)**	**4.0**	**–**	**–**
Interest rate swaps – non-current	**426.6**	**4.3**	**(4.3)**	**5.6**	**(5.6)**
Cash flow sensitivity (net)	**27.2**	**0.3**	**(0.3)**	**5.6**	**(5.6)**
31 December 2009					
Instruments with a variable interest rate:					
■ Current	(59.7)	(0.6)	0.6	–	–
■ Non-current	(322.6)	(3.2)	3.2	–	–
Total	(382.3)	(3.8)	3.8	–	–
Interest rate swaps – non-current	426.3	4.3	(4.3)	9.5	(9.5)
Cash flow sensitivity (net)	44.0	0.5	(0.5)	9.5	(9.5)

The interest rate swaps taken out in 2010 amount to 426.6 million euro and comply with the Group's interest rate policy, that at least 50% the interest rate exposure of the net debt position as at 31 December 2010 has been hedged.
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 changed.

Capital management
To safeguard the Company's future the Group strives for a financially sound foundation. Available credit facilities are used for this purpose.
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 between 6% and 7%. The target for 2015 is annual revenue of 8 billion euro.
In 2010 there were no changes to the capital management approach.
The Group operates a share scheme for the Board of Management and grants share options to key staff. 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:

	2010	2009
Fair value hedging instruments		
Forward currency contracts used for hedging:		
■ Assets (current)	**0.2**	0.3
Interest rate swaps used for hedging:		
■ Liabilities (current)	**(5.0)**	–
■ Liabilities (non-current)	**(9.8)**	(19.4)
Forward currency contracts used for hedging:		
■ Liabilities (current)	**(4.8)**	(4.5)
	(19.4)	(23.6)
Loans and receivables		
Finance lease receivables[1]	**8.8**	10.2
Other non-current receivables[1+2]	**14.5**	11.1
Trade and other receivables[3]	**1,056.8**	958.9
Cash and cash equivalents	**110.0**	109.4
	1,190.1	1,089.6
Other financial liabilities at amortised cost		
Finance lease liabilities[1]	**(17.3)**	(15.1)
Bank loans[1+2]	**(521.5)**	(346.3)
Trade and other payables[2]	**(1,112.3)**	(960.6)
Bank overdrafts	**(2.2)**	(167.7)
	(1,653.3)	(1,489.7)

The carrying amounts of financial instruments measured other than at fair value, approximated their fair values on the balance sheet date.

Determination of fair values

The most important methods and principles applied when estimating the fair value of financial instruments included in the summary are described below.

Derivatives

The fair value of 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).

The fair value of interest rate swaps is based on broker quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for similar instruments at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty where appropriate.

[1] Non-current and current. [2] Excluding derivatives (shown separately). [3] Excluding current portion of the non-current receivables and derivatives.

Non-derivative financial liabilities
Fair value is calculated on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements.

Trade and other receivables / trade and other payables
The nominal value of receivables and liabilities that fall due within one year is assumed to reflect the fair value. All other receivables and liabilities are made current to determine the fair value.

Fair value hierarchy
The table below lists the financial instruments recognised at fair value by valuation method. The various methods can be defined as follows:

- Level 1: quoted market prices (not corrected) in active markets for identical assets or liabilities
- Level 2: input that is not a quoted market price as specified under level 1 and that is verifiable for the asset or liability either directly (in the form of a price) or indirectly (i.e. derived from a price)
- Level 3: input related to the asset or liability that is not based on verifiable market data (non-verifiable input).

	Level 1	Level 2	Level 3	Total
31 December 2010				
Forward currency contracts used for hedging:				
■ Assets (current)	**–**	**0.2**	**–**	**0.2**
■ Liabilities (current)	**–**	**(4.8)**	**–**	**(4.8)**
Interest rate swaps used for hedging:				
■ Liabilities (current)	**–**	**(5.0)**	**–**	**(5.0)**
■ Liabilities (non-current)	**–**	**(9.8)**	**–**	**(9.8)**
	–	**(19.4)**	**–**	**(19.4)**
31 December 2009				
Forward currency contracts used for hedging:				
■ Assets (current)	–	0.3	–	0.3
■ Liabilities (current)	–	(4.5)	–	(4.5)
Interest rate swaps used for hedging:				
■ Liabilities (non-current)	–	(19.4)	–	(19.4)
	–	(23.6)	–	(23.6)

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:

	2010	2009
< 1 year	**90.6**	80.0
1 – 5 years	**192.0**	174.2
> 5 years	**95.0**	51.8
Total	**377.6**	306.0

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 2010 financial year a liability of 99.7 million euro was recognised in profit or loss for operating leases (2009: 86.4 million euro).

26 Related parties

Identity of related parties

There is a related party relationship between the Group and its subsidiaries, Stichting Pensioenfonds Imtech, associates, joint ventures and their managing directors and supervisory directors.

Other transactions with related parties

Associates

During 2010 associated companies purchased goods and services from the Group for an amount of 5.9 million euro (2009: 8.9 million euro). Transactions with associated companies are conducted at arm's length. On 31 December 2010 associates owed the Group 1.1 million euro (2009: 3.1 million euro).

Joint ventures

During 2010 joint ventures purchased goods and services from the Group for an amount of 3.6 million euro (2009: 10.4 million euro). On 31 December 2010 joint ventures owed the Group 0.5 million euro (2009: 3.5 million euro). Transactions with joint ventures are conducted at arm's length.

Company balance sheet

In millions of euro, before appropriation of profit

		31 December 2010		31 December 2009
	Assets			
1	Property, plant and equipment	**0.9**		–
2	Intangible assets	**176.7**		159.8
3	Investments in and receivables from Group companies	**1,231.2**		1,018.5
	Other financial fixed assets	**0.4**		–
	Total fixed assets		**1,409.2**	1,178.3
4	Receivables	**20.8**		25.3
	Cash and cash equivalents	**62.3**		1.5
	Total current assets		**83.1**	26.8
	Total assets		**1,492.3**	1,205.1
	Shareholders' equity			
5	Share capital	**73.3**		65.7
6	Share premium reserve	**210.6**		35.0
7	Translation reserve	**0.5**		(19.2)
8	Other reserves	**387.6**		290.4
9	Unappropriated result	**140.4**		126.2
	Shareholders' equity		**812.4**	498.1
	Liabilities			
10	Provisions	**17.4**		15.0
11	Non-current liabilities	**488.9**		316.5
	Total non-current liabilities		**506.3**	331.5
	Owed to banks	**130.9**		323.8
	Owed to Group companies	**5.5**		7.1
12	Other liabilities	**37.2**		44.6
	Total current liabilities		**173.6**	375.5
	Total shareholders' equity and liabilities		**1,492.3**	1,205.1

Company profit and loss account

In millions of euro

	2010	2009
Result from participations after taxation	**203.1**	158.8
Other income and expenses after taxation	**(62.7)**	(32.6)
Net profit	**140.4**	126.2

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 Dutch 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 80 to 87).

1 Property, plant and equipment

	2010	2009
Carrying amount on 1 January	**–**	0.1
Acquired	**1.0**	–
Depreciation	**(0.1)**	(0.1)
Carrying amount on 31 December	**0.9**	–
Specified as follows:		
Cost	**1.0**	0.8
Cumulative depreciation	**(0.1)**	(0.8)

2 Intangible assets

	Goodwill	Other intangible assets	Total
Carrying amount as at 1 January 2010	**157.5**	**2.3**	**159.8**
Investments	**17.4**	**0.1**	**17.5**
Amortisation	**–**	**(0.6)**	**(0.6)**
Carrying amount as at 31 December 2010	**174.9**	**1.8**	**176.7**
Specified as follows:			
Cost	**174.9**	**3.2**	**178.1**
Cumulative amortisation and impairment	**–**	**(1.4)**	**(1.4)**

3 Participations in and receivables from Group companies

	2010	2009
Shares	**1,224.0**	1,012.8
Receivables	**7.2**	5.7
Total	**1,231.2**	1,018.5

Shares

Shares are stated at the net asset value and the movement was as follows:

	2010	2009
Balance as at 1 January	**1,012.8**	871.2
New participations	**16.5**	39.4
Increase in participations	**134.5**	6.9
Deconsolidation	**(63.2)**	(0.6)
Results	**203.1**	158.8
Dividends received	**(97.5)**	(80.1)
Effect of changes in exchange rates	**35.4**	22.5
Movement in hedging reserve of participations	**(17.8)**	(8.0)
Other movements	**0.2**	2.7
Balance as at 31 December	**1,224.0**	1,012.8

A list of group companies and other participations compiled in accordance with Article 379, Book 2 of the Dutch Civil Code has been filed at the Commercial Registry Office in Rotterdam.

4 Receivables

	2010	2009
Receivables from Group companies	**11.3**	16.1
Taxes and social security premiums	**0.3**	0.3
Other receivables and accruals	**9.2**	8.9
Total	**20.8**	25.3

5 Issued capital

On 31 December 2010 the number of outstanding ordinary shares with a nominal value of 0.80 euro was 87,373,851 (2009: 78,376,728). On 31 December 2010 the issued capital amounted to 91,573,840 ordinary shares (2009: 82,087,483) of which 4,199,989 (2009: 3,710,755) were held by the Company to cover the obligations arising from the share scheme for the Board of Management and the share option scheme (see pages 96 and 95 respectively).

6 Share premium reserve

	2010	2009
Balance as at 31 December	**210.6**	35.0
Comprises:		
Distribution subject to taxation	**8.6**	8.6
Distribution exempt from taxation	**202.0**	26.4
Total	**210.6**	35.0

In 2010 0.9 million euro was charged to the tax-free distributable share premium reserve (2009: 1.1 million) as a result of the stock dividend.

7 Translation reserve

	2010	2009
Balance as at 1 January	**(19.2)**	(41.9)
Effect of movement in exchange rates on the valuation of participations	**19.7**	22.7
Balance as at 31 December	**0.5**	(19.2)

8 Other reserves

	2010	2009
Balance as at 1 January	**290.4**	223.8
Profit appropriation	**103.7**	85.0
Purchased own shares	**(22.5)**	(12.9)
Share options exercised in ordinary shares	**8.4**	5.0
Share-based payments	**4.1**	3.6
Movements in hedge reserve	**3.5**	(14.1)
Balance as at 31 December	**387.6**	290.4

The legal reserves included in the other reserves are immaterial. The purchase price of the repurchased shares has been deducted from the other reserves.

9 Unappropriated result

Proposed appropriation of profit:

	2010	2009
Dividend payable on ordinary shares	**56.8**	50.2
To be added to the other reserves	**83.6**	76.0
Total	**140.4**	126.2

10 Provisions

	Deferred tax liabilities	Pensions	Warranties and claims	Total
Balance as at 1 January 2009	–	8.0	6.9	14.9
Additions	1.0	–	–	1.0
Withdrawals	–	(0.9)	–	(0.9)
Balance as at 31 December 2009	1.0	7.1	6.9	15.0
Balance as at 1 January 2010	**1.0**	**7.1**	**6.9**	**15.0**
Additions	**7.8**	**–**	**–**	**7.8**
Withdrawals	**–**	**(5.4)**	**–**	**(5.4)**
Balance as at 31 December 2010	**8.8**	**1.7**	**6.9**	**17.4**

11 Non-current liabilities

	2010	2009
Syndicated bank loans	**480.0**	298.2
Derivatives at fair value	**8.9**	18.3
Total	**488.9**	316.5

12 Other liabilities

	2010	2009
Taxes and social security premiums	**4.3**	7.8
Derivatives at fair value	**5.0**	-
Payables to Group companies	**5.5**	7.1
Various liabilities	**22.4**	29.7
Total	**37.2**	44.6

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 Dutch Civil Code. In addition, Imtech N.V. has provided separate guarantees 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 593 million euro (2009: 520 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. Finally, as the parent company of the fiscal unities with regard to income tax and VAT Imtech N.V. is severally liable for the tax liabilities of these fiscal unities.

13 Auditor's fees

With reference to Section 2:382a of the Dutch Civil Code, KPMG has charged the following fees to the Company, its subsidiaries and other consolidated entities:

	2010			2009		
	KPMG Accountants N.V.	Other KPMG network	Total KPMG	KPMG Accountants N.V.	Other KPMG network	Total KPMG
Audit of financial statements	**1.0**	**2.3**	**3.3**	1.0	2.0	3.0
Other audit services	**0.4**	**–**	**0.4**	0.1	0.1	0.2
Tax advisory services	**–**	**0.9**	**0.9**	–	0.7	0.7
Other non-audit services	**–**	**0.6**	**0.6**	0.3	0.2	0.5
Total	**1.4**	**3.8**	**5.2**	1.4	3.0	4.4

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 Dutch 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 Dutch Civil Code.

Gouda, 15 February 2011

Supervisory Board
R.M.J. van der Meer
G.J. de Boer-Kruyt
E.A. van Amerongen
A. van Tooren
W.A.F.G. Vermeend
A. Baan

Board of Management
R.J.A. van der Bruggen
B.R.I.M. Gerner

To the Shareholders of Imtech N.V.

INDEPENDENT AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements 2010 of Imtech N.V., Gouda (statutory seat in Rotterdam).
The financial statements include the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2010, the consolidated profit and loss account, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity, the consolidated statement of cash flows for 2010, and notes, comprising a summary of the significant accounting policies and other explanatory information. The company financial statements comprise the company balance sheet as at 31 December 2010, the company profit and loss account for 2010 and the notes, comprising a summary of the accounting policies and other explanatory information.

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 Dutch Civil Code, and for the preparation of the report of the Board of Management in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 2010 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 Dutch 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 2010 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal requirements

Pursuant to the legal requirements under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the report of the Board of Management, to the extent we can assess, has been prepared in accordance with part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b – h has been annexed. Further, we report that the report of the Board of Management, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Rotterdam, 15 February 2011

KPMG ACCOUNTANTS N.V.

W. Riegman 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:

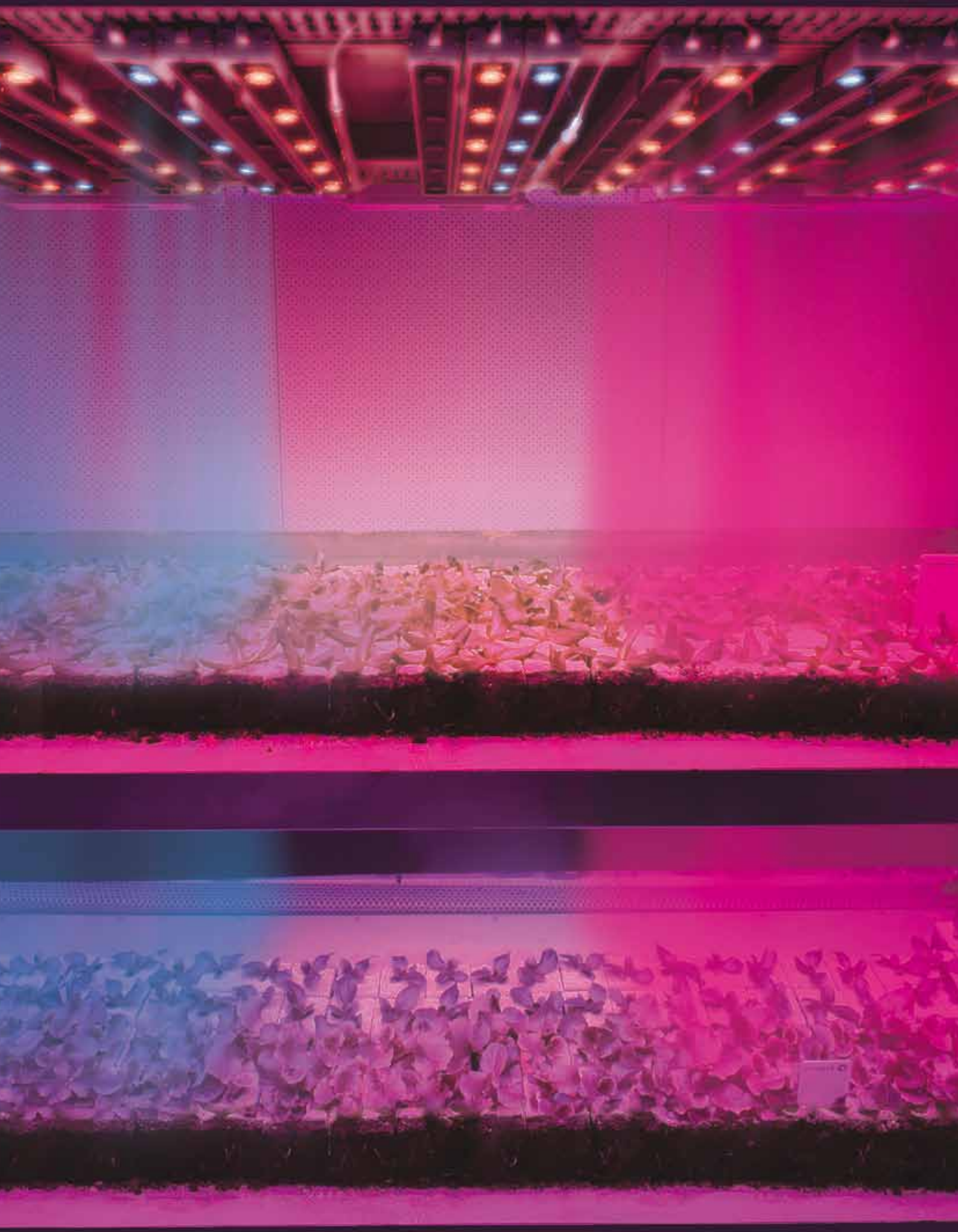
Preference shares
A dividend is paid on preference shares that is equal to the average euro base interest rate as applied by RBS or its legal successor, raised or lowered by two percent. If and for so far as the profit is insufficient to pay this dividend in full, the Board of Management may resolve 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 140.4 million euro be appropriated as follows: 56.8 million euro as dividend to holders of ordinary shares, either in cash or shares, and the remaining 83.6 million euro to the other reserves. The dividend proposal is stated on page 68 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.







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