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BALLAST NEDAM TRADING UPDATE - FIRST QUARTER 2009

- **Order book climbs to €1.8 billion**
- **Outlook for 2009 unchanged: operating profit of approximately €25 million**

Situation in the first quarter of 2009

The markets for property and infrastructure showed no improvement during the first quarter. In April, the Dutch Economic Institute for the Construction Industry (*EIB: Economisch Instituut voor de Bouwnijverheid*) modified its forecast for production in the construction sector in the Netherlands. It is now expecting a fall of 15 percent over the next two years.

While revenue and result during the first quarter were roughly in line with those of the first quarter of 2008, they did not live up to our expectations for this period. In particular, results at the regional construction companies were more adversely affected than had been anticipated.

On the other hand, Ballast Nedam performed well in terms of orders received. The order book increased by 7%, from €1 667 million at the end of 2008 to €1 781 million. Work commissioned during the first quarter included the relatively large-scale projects listed below. The total value of the contracts won during this period amounts to approximately €137 million for Ballast Nedam.

- Ballast Nedam, in association with BAM, acquired the contract for the construction of the new Town Hall at Nieuwegein.
- In February 2009, a substantial extension to the 2008 contract for the Kromhout Barracks PPP project in Utrecht was signed. This equates to a 50% expansion of this Ministry of Defence facility, which will increase the personnel capacity of this military accommodation to 3 000. The consortium raised a €90 million loan for this project.
- Ballast Nedam is to implement the *De Zeemeeuw* (The Seagull) project for the Vestia housing association. This will involve the construction of 66 houses and 79 apartments in Scheveningen.
- The Singelveste housing association awarded Ballast Nedam a contract for the renovation of 494 homes in the Biesdonck neighbourhood of Breda.
- The heavy lifting vessel *Svanen* will be deployed during the second quarter of 2010 for the installation of 22 foundations for the Baltic I offshore wind farm, commissioned by the German energy company EnBW. Ballast Nedam has taken over a water pipeline project in Ghana from Taylor Woodrow Construction. This involves the expansion and renovation of water treatment plants, water pipelines, water reservoirs and booster stations in and around the city of Kumasi, on behalf of the Ghana Water Company.

Outlook for 2009 unchanged

Despite the adverse effects on the regional construction companies' results during the first quarter, the Board of Management is maintaining its March 2009 outlook of an operational profit for 2009 of approximately €25 million, against the setting of a lower revenue than in 2008.

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