Grontmij

Financial press release

Grontmij improves operating results, taking important steps in 'Back on Track' strategy execution

De Bilt, 5 Augustus 2013 – Grontmij N.V., a listed consulting engineering company with strong European presence, today reports its second quarter and first half year results of 2013. Operating results in the second quarter of this year improved compared to last year, showing an increase of earnings and margin at a relative stable level of revenue. In Sweden the situation has stabilized as a consequence of the management changes and results have improved. The announced divestment of the French Monitoring & Testing (M&T) business allows Grontmij to fully focus on its core business and to further improve its financial position. Also a new management structure has been introduced at Group level with a key responsibility for the Executive Committee to further accelerate the execution of Grontmij's 'Back on Track' strategy.

Key points second quarter 2013 (based on continuing operations excluding French M&T)

- Total revenue Q2 2013 € 199.7 million (Q2 2012: € 202.0 million) shows an organic decline of 1%, while net revenue Q2 2013 was stable at € 163.8 million (Q2 2012: € 163.8 million). Additional working days relative to Q2 last year contributed for 1%
- EBITA excluding exceptional items for Q2 2013 increased to € 5.1 million (Q2 2012: € 2.4 million), due to better results in Denmark, Sweden and the UK; EBITA margin on total revenue excluding exceptional items of 2.5 % (Q2 2012: 1.2%)
- Net result from continuing operations increased to – € 2.0 million (Q2 2012: – € 13.4 million), for a large part due to less exceptional items related to restructuring measures last year
- Trade Working Capital decreased to € 142.8 million compared to Q2 2012 (€ 153.5 million). Trade Working Capital as % of total revenue was 18.4% at the end of Q2 2013
- Net debt at the end of the second quarter is € 149.2 million (Q2 2012: € 148.9 million)
- Outlook: Significant reduction of net debt by year-end 2013 expected as a consequence of divestment French M&T business

Next level 'Back on Track' strategy:

<u>Restructuring programme:</u>

- Cost reductions: To date annual run-rate of € 22 million realised
- Sweden: Improvement of results in Q2 2013; implementation recovery plan by new management running according to schedule

- Divestments: Agreements reached regarding sale of French M&T business (announced on 16 July 2013) and sale of Naarderbos golf course (announced on 18 July 2013); closing of both transactions expected in the third quarter of 2013
- Operational excellence programme: Significant progress made in the design of the five business processes and tools, roll-out planned for the second half of 2013

Realising profitable growth:

- Order book development in last six months: Stable in the Netherlands, Sweden, Belgium, UK and Germany; increasing in Denmark and decreasing in France
- Recent project wins in the Group growth segments include the framework agreement with the Vallei and Veluwe district water board (Water, The Netherlands), the design of the new A11 highway (Highways & Roads, Belgium) and the framework agreement with Scotland Excel (multiple Group growth segments, United Kingdom)

Michiel Jaski, CEO Grontmij N.V: 'In the second quarter we have made major progress on the divestment process of the French M&T business, known in France as CEBTP, leading to the announced agreement with the new owners on 16 July. This is an essential step to take our 'Back on Track' strategy to the next level, to further focus on our core activities and to strengthen our financial backbone. Grontmij expects a significant reduction of net debt by year-end. Looking at our operational performance, we have had a good quarter in Denmark, Sweden and the UK. In all our home countries we are progressing with the necessary preparations to enhance our future operational excellence, using the 'Back on Track' strategy as a firm guideline. We will continue our groundwork on this vital program for structural change in the second half of 2013. At the same time, our initiatives to achieve cost savings are running according to plan. On our journey to full financial recovery we are pleased with the steps taken and the development of the Group so far, as they show Grontmij is moving in the right direction.'

Key financials Q2 2013

	Continued operations (excluding French M&T)				Continued and discontinued operations			
€ million, unless otherwise indicated	Q2 2013	Q2 2012	% change	% organic growth	Q2 2013	Q2 2012	% change	% organic growth
Total revenue	199.7	202.0	-1.1%	-1.0%	226.0	229.1	-1.3%	-1.2%
Net revenue	163.8	163.8	0.0%	0.1%	186.9	186.7	0.1%	0.2%
EBITA	4.8	-5.5	188.6%	188.4%	6.7	-3.0	325.8%	327.4%
Exceptional items	-0.2	-7.9			-2.0	-7.9		
EBITA excluding exceptional items	5.1	2.4	107.3%	102.1%	8.7	4.9	76.5%	74.1%
Net result from continuing operations	-2.0	-13.4	85.0%		-1.7	-11.4	84.6%	
Net result from discontinued operations	0.3	1.2			0.0	-0.8		
Net result	-1.7	-12.1	85.6%		-1.7	-12.1	85.6%	
EBITA margin	2.4%	-2.7%			3.0%	-1.3%	0.0%	
EBITA margin excluding exceptional items	2.5%	1.2%			3.9%	2.2%	0.0%	
# employees (average FTE)	7,072	7,334	-3.6%		8,121	8,388	-3.2%	

Comparable figures Q2 2012 have been adjusted as the French Monitoring & Testing business was restated from continuing operations to discontinued operations and accordingly excluded from operating result. Additional adjustments have been made following the changed standard for the accounting of joint arrangements (IFRS 11). The right-hand side of the table shows the pro forma figures for continued and discontinued operations, comparable with presentation in the press release of Q2 2012, but adjusted for IFRS 11 impact.

Strategy update

Launched in the first quarter of 2012, Grontmij is executing its 'Back on Track' strategy for the period 2012 to 2015. The 'Back on Track' strategy is based on two pillars: restructuring and realising profitable growth. In 2012, the emphasis was on restructuring. Grontmij has successfully completed a substantial part of the restructuring plan. Significant progress has been made with cost reductions, selected divestments and strengthening of governance & control, while Grontmij is working towards its trade working capital target by the end of 2013. The focus has now shifted towards realising profitable growth (the second pillar of the 'Back on Track' strategy), although Grontmij will continue to closely monitor the challenging circumstances in some markets across Europe and will not hesitate to take additional action if necessary.

<u>Cost reductions</u>

The aim of the cost reduction programme is to achieve total annual cost reductions of € 24 million from 2015 onwards. Cost savings increased in the second quarter to € 17 million cumulative to date, representing an annual run-rate of € 22 million.

These cost reductions will have an expected negative one-off cash impact of € 20 million, spread over the period 2012-2015. Of the estimated one-off cash impact, € 10 million cash-out has been realised.

<u>Divestments</u>

Agreement reached to divest French Monitoring & Testing business (announced 16 July 2013)

Grontmij published the intention to divest the French M&T business on 21 January 2013, being an important step to take the 'Back on Track' strategy of Grontmij to the next level. Following a comprehensive and competitive process, Grontmij announced it has reached an agreement regarding the sale of the M&T business with a pool of investors led by Siparex, one of France's leading private equity investment specialists. The French M&T activities will be divested for an expected enterprise value of € 71 million. The divestment allows Grontmij to further focus on its core business and to accelerate the strategic path towards profitable growth. The net proceeds of the divestment also enable Grontmij to improve its financial foundation with both a significant reduction of net debt and the opportunity to renegotiate the terms of its current financing facilities.

Agreement reached to sell Naarderbos golf course (announced 18 July 2013)
Grontmij announced it has reached an agreement to sell its golf course Naarderbos to a group of private investors led by TMRA for a total consideration of € 5.8 million. The sale is part of the 'selected divestments' as communicated earlier in Grontmij's 'Back on Track' strategy. As announced in the Q2 and HY 2012 results press release on 30 August 2012, the golf course Naarderbos was classified as 'asset held for sale' pending its divestment. The golf course Naarderbos is considered as a non-core asset to Grontmij's operations focused on the delivery of engineering consultancy services.

Operational excellence programme
As part of the 'Back on Track' strategy five business processes have been identified in which Grontmij aims to be best in the industry, targeting an improved performance and predictability. Good progress has been made to fully embed those processes in the organization and to secure continuous improvements going forward. All countries are delivering on the implementation plans set in the first quarter of 2013 and are now all in the final design phases. Final implementation of the business processes and tools is to be carried out in the fourth quarter of 2013.

Group growth segments
Grontmij has selected five Group growth segments: Energy, Highways & roads, Light rail, Sustainable buildings and Water. The targets for the Group growth activities are an integral part of the 2013 budget of the countries. The second quarter of 2013 continued to show positive developments within Energy and Highways & Roads, while Sustainable Buildings is gaining momentum. Countries are working closely together, leveraging skills by joining forces and offering international expertise and services to clients. In the remainder of 2013 the focus will be on further enhancing our international market positions.

Recent project wins in the group growth segments include the framework agreement with the Vallei and Veluwe district water board (Water, The Netherlands), the design of the new A11 highway (Highways & Roads, Belgium) and the framework agreement with Scotland Excel (multiple Group growth segments, United Kingdom).

New top management structure
On 12 June 2013 Grontmij announced a new management structure to further strengthen decision making at the top of the organisation as well as execution of the 'Back on Track' strategy. Key element of the new structure is an Executive Committee, chaired by the CEO, with responsibility for implementing Grontmij's 'Back on Track' strategy and steering the management of the country organisations. High on the agenda of the Executive Committee is the further development of the five Group Growth Segments and specific group wide programs such as Operational Excellence, People strategy, Client First and IT. The new structure facilitates an even closer connection between the Executive Board and the business, fits with the strategic goals and is geared to a stronger and more decisive Grontmij.

Financial performance second quarter 2013

€ million, unless otherwise indicated	Q2 2013	Q2 2012	% change	% organic growth
Total revenue	199.7	202.0	-1.1%	-1.0%
Net revenue	163.8	163.8	0.0%	0.1%
EBITA	4.8	-5.5	188.6%	188.4%
Exceptional items	-0.2	-7.9		
EBITA excluding exceptional items	5.1	2.4	107.3%	102.1%
Net result from continuing operations	-2.0	-13.4	85.0%	
Net result from discontinued operations	0.3	1.2		
Net result	-1.7	-12.1	85.6%	
EBITA margin	2.4%	-2.7%		
EBITA margin excluding exceptional items	2.5%	1.2%		
# employees (average FTE)	7,072	7,334	-3.6%	

Comparable figures Q2 2012 have been adjusted as the French Monitoring & Testing business was restated from continuing operations to discontinued operations and accordingly excluded from operating result. Additional adjustments have been made following the changed standard for the accounting of joint arrangements (IFRS 11).

Revenue

Total revenue on a Group level in the second quarter was € 199.7 million, with an organic decline of 1% compared to last year (Q2 2012: € 202.0 million). Grontmij has maintained a stable level of net revenue compared to the same quarter last year. Additional working days relative to Q2 last year contributed for 1%.

EBITA and EBITA margin

EBITA excluding exceptional items of € 5.1 million in the second quarter of 2013 more than doubled compared to € 2.4 million in the second quarter of 2012. Better performances in Denmark, Sweden and the UK contributed to the increase in this second quarter. The EBITA margin on total revenue excluding exceptional items improved to 2.5% (Q2 2012: 1.2%).

Exceptional items:

Exceptional items in the second quarter of 2013 were substantially lower at – € 0.2 million compared to – € 7.9 million in Q2 2012, when Grontmij incurred higher restructuring costs related to the Back on Track strategy and costs related to the refinancing.

Net finance expenses

In the second quarter of 2013 the net finance expenses (€ 3.8 million) were lower than last year's expenses (€ 5.0 million).

Income tax expenses

Income tax expenses for the second quarter of 2013 amounts to € 1.7 million on a loss before tax on continued operations of € 0.3 million. This is mainly due to not recognizing deferred tax assets on losses in some of the operating countries. Income tax expenses for the second quarter of 2012 amounted to € 1.5 million on a loss before tax on continued operations of € 11.9 million. This was also mainly due to not recognizing deferred tax assets on losses in some of the operating countries.

Net result

Net result from continuing operations in the second quarter 2013 was at – € 2.0 million (Q2 2012: – € 13.4 million) mainly benefiting from a higher operating result and lower exceptional items related to restructuring measures. Net result from discontinued operations (net of income tax) was € 0.3 million in Q2 2013 compared to € 1.2 million in the previous year. Discontinued operations in 2013 relate to the net result of the French M&T activities. In 2012, discontinued operations relate to the net result of Trett Consulting in the UK of – € 0.8 million and € 2.0 million to the French M&T activities.

Trade working capital

Trade working capital (TWC) decreased to € 142.8 million compared to € 153.5 million in Q2 2012. TWC as % of total revenue at the end of June 2013 is 18.4%. When compared to Q1 2013 TWC increased by € 12.0 million.

Net debt and cash flow

Net debt at the end of the second quarter is € 149.2 million (Q2 2012: € 148.9 million). Net debt at the end of Q2 2013 increased with € 17.2 million compared to Q1 2013. The main movements in net debt are the cash outflow from operating activities (€ 16.8 million) as well as cash outs for capital expenditures (€ 2.1 million).

Financial covenants

The covenants levels in the credit facility were based on detailed scenario's with respect to the development of net debt and operational results, prepared early 2012 as part of an Independent Business Review. Our operational performance has been negatively affected by the less favourable market conditions. GDP developments in the countries were lower than envisaged early 2012 which has had a negative impact on the projected headroom within the covenants.

For Grontmij, the disposal of the French Monitoring & Testing business and the golf course Naarderbos is expected to lead to a significant improvement of the debt position. Grontmij intends to enter into discussions with its banks in order to renegotiate the terms of the credit facilities. In anticipation of the disposal of the French Monitoring & Testing business and the intended renegotiations, Grontmij has been provided a waiver from its existing banking syndicate facilitating that the net debt/EBITDA ratio as set in the current credit facility agreement will not be tested as per 30 June 2013. The net debt/EBITDA ratio as per 30 June 2013 was 4.0x. The interest coverage ratio as per 30 June 2013 was 3.0x, within the agreed covenant of >2.5x.

Interest rate swaps

A substantial part (€ 140 million) of Grontmij's debt is protected against interest rate fluctuations. These interest rate swaps are in place until November 2016. The fair value of the interest rate swap at 30 June 2013 is – € 7,457,000. Grontmij uses hedge accounting and all the fair value movements are recognised in equity, in the hedging reserve. The divestments of the French Monitoring & Testing business and the golf course Naarderbos are expected to lead to a significant improvement of the debt position and as a result the hedge relation of the interest rate swaps will become partly ineffective. As of closing of the divestments transactions the ineffective part of the fair value movements of the interest swaps will be recorded in the consolidated income statement. The ineffective part of the fair value movements recorded in the hedging reserve will then be reclassified through the consolidated income statement.

Performance per Country

Country performance is leading over the business lines. Grontmij reports its results on a country basis for the seven core countries and 'Other markets' (being: Poland, Hungary, Turkey and China). 'Non-core and other unallocated' is reported separately and includes the corporate headoffice. Full financial tables for Q2 2013 results per country, other markets, non-core and other unallocated can be found in the appendix. Grontmij reports revenue numbers per business line, please see also the appendix.

The Netherlands

Market conditions remain challenging in the Netherlands. The second quarter of 2013 showed a decrease of total revenue compared to last year, although organic growth was slightly positive. Transportation & Mobility (T&M) continued to perform strongly in this quarter. There is market pressure at the Buildings segment within Planning and Design (P&D) and at the Water & Installations segment within Water & Energy (W&E). The overall status of the order book in the Netherlands is stable.

France

In France the second quarter of 2013 was marked by the comprehensive process to divest the M&T activities, which required a lot of local management focus. With the announced divestment, the transformation of Grontmij France into a pure consulting & engineering company will now be completed. The performance in France is still impacted by the difficult market conditions and, in addition, by the current unfavourable political environment resulting in postponement of orders. Due to these developments, the French order book is declining.

Denmark

In Denmark there was an increase of total revenue in the second quarter of 2013, as this quarter had two more working days compared to the same quarter last year. The recovery plan put in place by the end of 2012 is starting to bear fruit, as the productivity and EBITA margin improved considerably compared to Q2 2012. Overall the order book in Denmark is increasing, especially within Planning & Design (P&D) and Transportation & Mobility (T&M).

Sweden

Performance has improved in Sweden, showing better results in this second quarter compared to the same period last year. This quarter had one more working day than the second quarter of 2012. The new management is making progress with the implementation of a recovery plan to improve operational excellence, predictability and profitability. The overall order book in Sweden is stable, but increasing in Planning & Design (P&D).

UK

In the UK a lower total revenue was reported despite two more working days in this second quarter, but an increase of the EBITA excluding exceptional items to € 0.4 million (Q2 2012: – € 0.1 million) due to further cost reductions. Planning & Design (P&D) and Transportation & Mobility (T&M) continued to improve their performance this quarter compared to last year. Grontmij has successfully secured five primary areas of work within the Scotland Excel framework, enabling them to provide a range of multidisciplinary services. The overall order book in the UK is stable.

Belgium

In Belgium total revenue and EBITA excluding exceptional items decreased in the second quarter of 2013 compared to last year. Price pressure is felt in all three business lines. Within Planning & Design (P&D) there is an increase of the number of tenders in the public sector. A prestigious project was won within Transportation & Mobility (T&M), where Grontmij will be carrying out the entire study commission to design the new A11 highway. Within Industry a framework agreement was signed for the preparation of an extended shut down on the INEOS Oxide site. The overall order book in Belgium is stable, but strong in T&M and Industry.

Germany

Performance in Germany was overall stable in the second quarter of 2013. Total revenue remained at the same level compared to Q2 2012, although there was a slight decline of the EBITA excluding exceptional items this quarter. Market conditions within Planning & Design (P&D) and Water & Energy (W&E) are generally positive, but are unfavourable within Transportation & Mobility (T&M). The overall status of the order book in Germany is stable.

Other markets

Other markets made a strong contribution this second quarter, showing growth in revenue. The good performance in Poland continued in the second quarter of 2013 due to a healthy order book and the restructuring measures taken in the second half of 2012. Performance in Turkey also improved compared to the second quarter of last year, reflected by a significant increase of total revenue.

Outlook 2013 and beyond

The agreed divestment of the French Monitoring & Testing (M&T) activities is foreseen to have several effects on the Group as well as the operations in France. Going forward, the French business of Grontmij will become smaller but also more focused and strategically aligned with the Group. The net proceeds of the divestment will enable Grontmij to improve its financial foundation in the second half of 2013. A significant reduction of net debt by year-end is expected, offering the opportunity to renegotiate the terms of the current financing facilities. As a consequence, Grontmij will end 2013 in a healthier strategic and financial shape, being able to intensify its efforts to grow and further strengthen the company and its operations in the years to come.

Already during 2013 Grontmij is shifting its attention towards creating and realising profitable growth, hereby putting the second pillar of the 'Back on Track' strategy on top of the agenda. With regards to restructuring, the first pillar of the strategy, the necessary remaining measures will be finalised in 2013, having an influence on the short-term performance and results of Grontmij. Grontmij is confident about the long term targets and the route to get there. As stated before, this route will take time, since there is no short cut or easy fix available. Despite unfavourable conditions in some markets, the full year results and the net debt position at the end of 2013 are expected to provide further evidence Grontmij is moving in the right direction.

Key financials first half year 2013

€ million, unless otherwise indicated	Continued operations (excluding French M&T) HY 2013	HY 2012	% change	% organic growth	Continued and discontinued operations HY 2013	HY 2012	% change	% organic growth
Total revenue	391.7	404.7	-3.2%	-3.1%	442.8	458.7	-3.5%	-3.4%
Net revenue	325.1	336.3	-3.3%	-3.3%	369.4	381.4	-3.1%	-3.1%
EBITA	6.8	-3.8	279.7%	280.0%	10.8	0.1	10259.1%	11715.4%
Exceptional items	-0.8	-12.3			-2.6	-13.3		
EBITA excluding exceptional items	7.6	8.5	-10.7%	-10.1%	13.3	13.4	-0.2%	0.1%
Net result from continuing operations	-2.6	-17.9	85.5%		-0.5	-15.4	96.6%	
Net result from discontinued operations	2.1	0.0			0.0	-2.5		
Net result	-0.5	-18.0	97.1%		-0.5	-18.0	97.1%	
EBITA margin	1.7%	-0.9%			2.4%	0.0%		
EBITA margin excluding exceptional items	1.9%	2.1%			3.0%	2.9%		
# employees (average FTE)	7,085	7,390	-4.1%		8,144	8,446	-3.6%	

Comparable figures HY 2012 have been adjusted as the French Monitoring & Testing business was restated from continuing operations to discontinued operations and accordingly excluded from operating result. Additional adjustments have been made following the changed standard for the accounting of joint arrangements (IFRS 11). The right-hand side of the table shows the pro forma figures for continued and discontinued operations, comparable with presentation in the press release of HY 2012, but adjusted for IFRS 11 impact.

Key points first half year 2013 (based on continuing operations excluding French M&T):

- Total revenue decreased by 3.2% to € 391.7 million (HY 2012: € 404.7 million), with organic decline of 3.1%
- EBITA excluding exceptional items decreased by 10.7% to € 7.6 million (HY 2012: € 8.5 million), with an EBITA margin on total revenue excluding exceptional items of 1.9% (HY 2012: 2.1%)
- Net result from continuing operations of – € 2.6 million (HY 2012: – € 17.9 million), mainly due to less exceptional items related to restructuring measures last year

Financial performance first half year 2013

Revenue

Total revenue on a Group level in the first half of 2013 was € 391.7 million, 3.2% lower than the first half of last year (HY 2012: € 404.7 million). Higher total revenue in Sweden, Germany, Poland and Turkey could not entirely offset the lower total revenue in the other home countries.

EBITA and EBITA margin

EBITA excluding exceptional items was € 7.6 million in the first half of 2013 versus € 8.5 million in 2012, with an EBITA margin on total revenue excluding exceptional items of 1.9% (HY2012: 2.1%). Compared to last year, the UK, Belgium and Poland showed margin improvements which were offset by margin deterioration in the other home countries.

<u>Exceptional items in the first half year 2013:</u>

Exceptional items in the first half of 2013 were substantially lower at – € 0.8 million compared to – € 12.3 million in 2012, when Grontmij incurred higher restructuring costs related to the Back on Track strategy and costs related to the refinancing.

Net finance expenses

In the first six months of 2013, the net finance expenses (€ 7.2 million) were lower than last year's expenses (€ 8.9 million).

Income tax expenses

Income taxes for the first six months of 2013 showed a benefit of € 0.6 million relative to a charge of € 2.3 million in the first six months of 2012. This difference is mainly caused by a one off tax gain amounting to € 2.7 million as a result of a renewed calculation of deferred tax liabilities, following tax rate reductions in the UK and Sweden.

Net result

Net result from continuing operations in the first half of 2013 was – € 2.6 million (HY 2012: – € 17.9 million) mainly benefiting from lower exceptional items related to restructuring measures. Net result from discontinued operations (net of income tax) was € 2.1 million in HY 2013 compared to € 0.0 million in the previous year. Discontinued operations in 2013 relate to the net result of the French M&T activities. In 2012, discontinued operations relate to the net result of Trett Consulting in the UK of – € 1.2 million, an impairment on the carrying value of Trett Consulting at the amount of – € 1.4 million and € 2.5 million to the French M&T activities.

Interim financial statements

Please note that this press release should be read in conjunction with the interim financial statements as published by Grontmij on 5 August 2013, and provided in the appendix.

Financial Calendar 2013

5 August 2013	HY Results 2013
4 November 2013	Q3 2013 Results

Invitation to attend the audio webcast of the presentation of HY 2013 figures

We are pleased to invite you to listen to the audio webcast of Grontmij's presentation of the HY 2013 today, 5 August 2013 at 10.00 CET via www.grontmij.com. The presentation will be available on our website in the morning of 5 August 2013.

Disclaimer Grontmij

This press release may include forward-looking statements, which do not refer to historical facts but to expectations based on current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those included in or implied by such statements.
Many of the risks and uncertainties to which these forward-looking statements are subject relate to factors that are beyond the Company's control or that cannot be estimated precisely.
Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as per the date of this press release. The Company does not assume any obligation to update any public information or forward-looking statements in this release to reflect subsequent events, except as may be required by law.

These financial figures have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and are prepared using the principles which are followed in the condensed consolidated interim financial statements for the half year ended 30 June 2013. In our condensed consolidated financial statements we described the standards and interpretations that became effective as of 1 January 2013 and the effect they have on the consolidated financial figures. Further disclosures as required under IFRS are not included in the financial figures as included in the press release. For a full understanding the financial figures should be read in conjunction with the condensed consolidated interim financial statements for the Group as at and for the half year ended 30 June 2013 and the annual report 2012.

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Appendices

Definitions and criteria

Country performance tables

Business line performance

Total revenue and EBITA per country (Q2 and HY)

Net debt / EBITDA and interest rate coverage covenant schedules

Interim financial statements

Definitions & criteria

Total revenue

The major part of the Group's revenue relates to contracts for services in the areas of design, consultancy, project management, engineering and contracting. Revenue from services based on fixed-price contracts is recognised in profit or loss pro rata of the services rendered on the reporting date in proportion to the total of the contracted services; the stage of completion is assessed on the reporting date by reference to surveys of actual work performed. Revenue from services based on cost-plus contracts is recognised in profit or loss pro rata of the time spent and based on the contractual net hourly rates. Revenue from contract work relates mainly to assignments for the construction work. This relates mainly to construction projects such as sport fields, parks and sewages. Revenue from contract work and the relating expenses are recognised in profit or loss in proportion to the stage of completion of the contract on the reporting date; the stage of completion is determined based on the technical completeness proportionate to the project as a whole. Revenue from contract work include the initial amount agreed upon plus any variations in contract work, claims and incentive payments to the extent that it is probable they will result in revenue and can be measured reliably. Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable.

Net revenue

Net revenue relates to Total Revenue excluding third-party expenses for costs of services and materials relating directly to contracts carried out for the Group's customers.

EBITA

EBITA stands for earnings before interest, tax and amortisation and is defined as the operating result for the period, adding back amortisation and impairment losses.

Non-IFRS reporting measures: EBITA and EBITA excluding exceptional items

The Company reports "EBITA excluding exceptional items". This is (as is EBITA) a non-IFRS reporting measure and should not be considered as an alternative to the applicable IFRS measures. In particular, they should not be considered as a measure of financial performance under IFRS, as alternative to revenue, operating income or any other performance measures derived in accordance with IFRS. EBITA and EBITA excluding exceptional items have limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, analysis of the Company's results of operations as reported under IFRS. Other companies in the Company's industry may calculate these measures differently than the Company, limiting their usefulness as a comparative measure. Because of these limitations, investors should rely on the condensed consolidated financial figures prepared in accordance with IFRS and treat the EBITA and EBITA excluding exceptional **items** as supplemental information only. The Company restricts the scope of items to be excluded from EBITA, and will call these "exceptional items". Exceptional items relate to costs for restructuring which are part of a formally approved restructuring plan, special items following a material change of accounting principles or results which are of an exceptional nature in relation to the normal business activities and are in general more than 10% of the reported EBITA on a segment level.

(Non-current) Assets Held for Sale and Discontinued Operations

Grontmij classified in 2012 Trett Consulting in the UK as held for sale; the activities were divested in the second quarter of 2012. The golf course Naarderbos, part of the non-core portfolio is classified as 'asset held for sale' as per 30 June 2012. In 2013, Grontmij classified the French Monitoring & Testing business as assets held for sale and discontinued operations following the intended divestment announced on 21 January 2013.

Organic growth / decline

Organic growth or decline is measured excluding the impact of currency effects, acquisitions and disposals and is expressed as % of comparable last year figures in local currency.

Additional note:

Certain figures contained in this press release, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances the sum of the numbers in a column or row of a table may not conform exactly to the total figure given in for that column or row. Additionally, percentages are calculated on unrounded numbers and may in certain instances not conform exactly to the percentages when calculated on the rounded numbers.

Country performance tables

In 2013 additional amounts for group management fees have been recharged to the countries compared to 2012. For comparability purposes these additional fees have been eliminated in the table below to measure EBITA performance on a like-for-like basis.

The Netherlands

€ million, unless otherwise indicated	Q2 2013	Q2 2012	% change	% organic growth	HY 2013	HY 2012	% change	% organic growth
Total revenue	58.1	58.4	-0.5%	0.5%	113.3	117.1	-3.3%	-2.2%
Net revenue	44.3	47.6	-6.9%	-6.0%	90.4	98.5	-8.3%	-7.4%
EBITA	1.4	0.7	95.7%	82.3%	3.6	4.2	-15.7%	-15.5%
EBITA margin	2.4%	1.2%			3.2%	3.6%		
Exceptional items	-	-2.6			-0.2	-2.6		
EBITA excluding exceptional items	1.4	3.3	-58.3%	-58.9%	3.8	6.8	-44.7%	-44.6%
EBITA margin excluding exceptional items	2.4%	5.6%			3.3%	5.8%		
Additional I/C Management fees 2013	0.3	-			0.6	-		
EBITA excl exc. Items (adjusted for mgt fee)	1.7	3.3	-48.6%	-49.4%	4.4	6.8	-35.4%	-35.2%
EBITA margin excl. exceptional items and mgt fees	2.9%	5.6%			3.9%	5.8%		
# employees (average FTE)	1,908	2,071	-7.9%		1,915	2,097	-8.7%	

As per 1 January 2013 the subsidiary Grontmij Vastgoedmanagement (VGM) was transferred from Non-core and other unallocated to the Netherlands.
Comparable figures Q2 and HY 2012 have been adjusted following the changed standard for the accounting of joint arrangements (IFRS 11).

France

	Continued operations (excluding French M&T)				Continued and discontinued operations			
€ million, unless otherwise indicated	Q2 2013	Q2 2012	% change	% organic growth	Q2 2013	Q2 2012	% change	% organic growth
Total revenue	19.0	21.4	-11.3%	-11.3%	45.3	48.5	-6.6%	-6.6%
Net revenue	16.4	16.6	-1.5%	-1.5%	39.5	39.6	-0.3%	-0.3%
EBITA	-0.6	-1.4	60.2%	60.2%	1.3	1.1	22.6%	22.6%
EBITA margin	-3.0%	-6.7%			2.9%	2.2%		
Exceptional items	0.2	-0.4			-1.5	-0.4		
EBITA excluding exceptional items	-0.8	-1.0	17.4%	17.4%	2.8	1.5	88.3%	88.3%
EBITA margin excluding exceptional items	-4.3%	-4.6%			6.2%	3.1%		
Additional I/C Management fees 2013	0.3				0.3			
EBITA excl exc. Items (adjusted for mgt fee)	-0.6	-1.0	44.5%	44.5%	3.1	1.5	106.1%	106.1%
EBITA margin excl. exceptional items and mgt fees	-2.9%	-4.6%			6.8%	3.1%		
# employees (average FTE)	810	850	-4.7%		1,858	1,905	-2.4%	

Comparable figures Q2 2012 have been adjusted as the French Monitoring & Testing business was restated from continuing operations to discontinued operations and accordingly excluded from operating result. The right-hand side of the table shows the pro forma figures for continued and discontinued operations, comparable with presentation in the press release of Q2 2012.

France

€ million, unless otherwise indicated	Continued operations (excluding French M&T) HY 2013	HY 2012	% change	% organic growth	Continued and discontinued operations HY 2013	HY 2012	% change	% organic growth
Total revenue	37.8	42.4	-10.7%	-10.7%	88.8	96.4	-7.8%	-7.8%
Net revenue	33.0	33.6	-2.0%	-2.0%	77.3	78.7	-1.8%	-1.8%
EBITA	-1.6	-3.8	59.5%	59.5%	2.4	0.1	2884.9%	2884.9%
EBITA margin	-4.1%	-9.0%			2.7%	0.1%		
Exceptional items	-0.1	-1.1			-1.9	-2.0		
EBITA excluding exceptional items	-1.5	-2.8	47.7%	47.7%	4.3	2.1	106.6%	106.6%
EBITA margin excluding exceptional items	-3.8%	-6.5%			4.8%	2.1%		
Additional I/C Management fees 2013	0.5				0.5			
EBITA excl exc. Items (adjusted for mgt fee)	-0.9	-2.8	67.0%	67.0%	4.8	2.1	132.6%	132.6%
EBITA margin excl. exceptional items and mgt fees	-2.4%	-6.5%			5.4%	2.1%		
# employees (average FTE)	813	868	-6.3%		1,872	1,924	-2.7%	

Comparable figures HY 2012 have been adjusted as the French Monitoring & Testing business was restated from continuing operations to discontinued operations and accordingly excluded from operating result. The right-hand side of the table shows the pro forma figures for continued and discontinued operations, comparable with presentation in the press release of HY 2012.

Denmark

€ million, unless otherwise indicated	Q2 2013	Q2 2012	% change	% organic growth	HY 2013	HY 2012	% change	% organic growth
Total revenue	37.7	37.5	0.6%	0.8%	72.5	77.0	-5.8%	-5.5%
Net revenue	31.5	29.3	7.4%	7.7%	60.7	61.7	-1.5%	-1.2%
EBITA	1.1	0.2	448.6%	449.5%	1.7	3.1	-43.8%	-43.6%
EBITA margin	2.8%	0.5%			2.4%	4.0%		
Exceptional items	-	-0.2			-	-0.2		
EBITA excluding exceptional items	1.1	0.4	161.2%	161.8%	1.7	3.3	-47.4%	-47.3%
EBITA margin excluding exceptional items	2.8%	1.1%			2.4%	4.3%		
Additional I/C Management fees 2013	0.1	-			0.2	-		
EBITA excl exc. Items (adjusted for mgt fee)	1.2	0.4	189.0%	189.8%	2.0	3.3	-40.5%	-40.3%
EBITA margin excl. exceptional items and mgt fees	3.1%	1.1%			2.7%	4.3%		
# employees (average FTE)	1,153	1,155	-0.2%		1,150	1,155	-0.4%	

Sweden

€ million, unless otherwise indicated	Q2 2013	Q2 2012	% change	% organic growth	HY 2013	HY 2012	% change	% organic growth
Total revenue	27.2	25.7	5.5%	1.3%	52.5	52.1	0.7%	-3.3%
Net revenue	23.1	21.2	8.8%	4.4%	43.3	43.9	-1.4%	-5.3%
EBITA	1.5	0.5	213.0%	195.6%	-0.1	2.3	-105.4%	-105.1%
EBITA margin	5.4%	1.8%			-0.2%	4.4%		
Exceptional items	-	-			-	-		
EBITA excluding exceptional items	1.5	0.5	213.0%	195.6%	-0.1	2.3	-105.4%	-105.1%
EBITA margin excluding exceptional items	5.4%	1.8%			-0.2%	4.4%		
Additional I/C Management fees 2013	0.1	-			0.2	-		
EBITA excl exc. Items (adjusted for mgt fee)	1.6	0.5	233.0%	214.2%	0.1	2.3	-97.2%	-97.5%
EBITA margin excl. exceptional items and mgt fees	5.7%	1.8%			0.1%	4.4%		
# employees (average FTE)	712	724	-1.7%		713	733	-2.7%	

UK

€ million, unless otherwise indicated	Q2 2013	Q2 2012	% change	% organic growth	HY 2013	HY 2012	% change	% organic growth
Total revenue	15.7	17.0	-7.9%	-3.5%	32.6	34.0	-4.1%	-0.9%
Net revenue	13.4	14.3	-6.3%	-1.8%	27.4	28.8	-5.0%	-1.8%
EBITA	0.4	-0.2	291.9%	290.4%	0.8	0.4	81.4%	87.5%
EBITA margin	2.6%	-1.3%			2.3%	1.2%		
Exceptional items	-	-0.1			-	-0.1		
EBITA excluding exceptional items	0.4	-0.1	550.0%	523.6%	0.8	0.5	39.9%	44.6%
EBITA margin excluding exceptional items	2.6%	-0.5%			2.3%	1.6%		
Additional I/C Management fees 2013	0.0	-			0.1	-		
EBITA excl exc. Items (adjusted for mgt fee)	0.5	- 0.1	597.5%	570.7%	0.8	0.5	55.9%	61.7%
EBITA margin excl. exceptional items and mgt fees	2.9%	-0.5%			2.6%	1.6%		
# employees (average FTE)	758	774	-2.0%		767	776	-1.3%	

Comparable figures Q2 and HY 2012 have been adjusted following the changed standard for the accounting of joint arrangements (IFRS 11).

Belgium

€ million, unless otherwise indicated	Q2 2013	Q2 2012	% change	% organic growth	HY 2013	HY 2012	% change	% organic growth
Total revenue	20.4	21.6	-5.6%	-5.6%	41.6	43.0	-3.3%	-3.3%
Net revenue	17.9	18.9	-5.4%	-5.4%	37.2	38.5	-3.3%	-3.3%
EBITA	0.7	1.2	-37.5%	-37.5%	2.6	2.3	14.7%	14.7%
EBITA margin	3.7%	5.5%			6.2%	5.3%		
Exceptional items	-	-			-	-		
EBITA excluding exceptional items	0.7	1.2	-37.5%	-37.5%	2.6	2.3	14.7%	14.7%
EBITA margin excluding exceptional items	3.7%	5.5%			6.2%	5.3%		
Additional I/C Management fees 2013	0.1	-			0.1	-		
EBITA excl exc. Items (adjusted for mgt fee)	0.8	1.2	-31.6%	-31.6%	2.7	2.3	20.9%	20.9%
EBITA margin excl. exceptional items and mgt fees	4.0%	5.5%			6.6%	5.3%		
# employees (average FTE)	777	828	-6.1%		782	833	-6.2%	

Germany

€ million, unless otherwise indicated	Q2 2013	Q2 2012	% change	% organic growth	HY 2013	HY 2012	% change	% organic growth
Total revenue	13.9	13.9	0.2%	0.2%	27.4	26.9	2.0%	2.0%
Net revenue	11.9	12.0	-0.5%	-0.5%	23.8	23.5	1.2%	1.2%
EBITA	1.1	1.4	-15.3%	-15.3%	1.8	2.1	-16.8%	-16.8%
EBITA margin	8.2%	9.7%			6.4%	7.9%		
Exceptional items	-	-			-	-		
EBITA excluding exceptional items	1.1	1.4	-15.3%	-15.3%	1.8	2.1	-16.8%	-16.8%
EBITA margin excluding exceptional items	8.2%	9.7%			6.4%	7.9%		
Additional I/C Management fees 2013	0.0	-			0.1	-		
EBITA excl exc. Items (adjusted for mgt fee)	1.2	1.4	-11.7%	-11.7%	1.9	2.1	-12.2%	-12.2%
EBITA margin excl. exceptional items and mgt fees	8.6%	9.7%			6.8%	7.9%		
# employees (average FTE)	579	572	1.3%		576	575	0.1%	

Other markets

€ million, unless otherwise indicated	Q2 2013	Q2 2012	% change	% organic growth	HY 2013	HY 2012	% change	% organic growth
Total revenue	6.7	4.1	61.7%	61.4%	12.4	8.6	43.9%	42.9%
Net revenue	3.7	2.1	75.4%	76.3%	6.5	4.7	39.4%	39.0%
EBITA	0.5	-0.6	192.2%	191.8%	0.5	-0.4	227.0%	226.6%
EBITA margin	8.0%	-14.0%			4.2%	-4.7%		
Exceptional items	-	-			-	-		
EBITA excluding exceptional items	0.5	-0.6	192.2%	191.8%	0.5	-0.4	227.0%	226.6%
EBITA margin excluding exceptional items	8.0%	-14.0%			4.2%	-4.7%		
Additional I/C Management fees 2013	0.0	-			0.1	-		
EBITA excl exc. Items (adjusted for mgt fee)	0.6	- 0.6	199.3%	198.8%	0.6	- 0.4	247.0%	246.6%
EBITA margin excl. exceptional items and mgt fees	8.6%	-14.0%			4.9%	-4.7%		
# employees (average FTE)	294	278	5.6%		290	274	6.0%	

Non-core and other unallocated

€ million, unless otherwise indicated	Q2 2013	Q2 2012	HY 2013	HY 2012
Total revenue	1.1	2.3	1.7	3.7
Net revenue	1.6	1.7	2.8	3.1
EBITA	-1.3	-7.1	-2.4	-13.9
Exceptional items	-0.5	-4.5	-0.5	-8.4
EBITA excluding exceptional items	-0.8	-2.6	-1.9	-5.6
Additional I/C Management fees 2013	-1.0	0.0	-2.0	0.0
EBITA excl exc. Items (adjusted for mgt fee)	-1.8	-2.6	-3.9	-5.6
# employees (average FTE)	80	81	80	79

As per 1 January 2013 the subsidiary Grontmij Vastgoedmanagement (VGM) was transferred from Non-core and other unallocated to the Netherlands.

Business lines performance

€ million, unless otherwise indicated	Q2 2013	Q2 2012	% change	% organic growth	HY 2013	HY 2012	% change	% organic growth
Planning & Design								
Total revenue	84.7	86.4	-1.9%	-1.8%	163.4	171.0	-4.5%	-4.3%
Net revenue	68.6	69.4	-1.1%	-0.7%	134.8	142.2	-5.2%	-4.8%
Transportation & Mobility								
Total revenue	58.5	56.9	2.7%	2.2%	116.6	115.6	0.9%	0.3%
Net revenue	48.0	47.2	1.7%	1.2%	96.9	97.3	-0.4%	-1.0%
Water & Energy								
Total revenue	52.0	52.6	-1.1%	-0.6%	103.2	106.8	-3.4%	-3.1%
Net revenue	44.3	44.6	-0.6%	-0.0%	88.4	91.9	-3.8%	-3.5%
Non-core and other unallocated								
Total revenue	4.4	6.0	-26.4%	-26.4%	8.5	11.2	-24.1%	-24.1%
Net revenue	2.7	2.5	7.9%	7.9%	4.9	4.9	1.4%	1.4%
Total Group								
Total revenue	199.7	202.0	-1.1%	-1.0%	391.7	404.7	-3.2%	-3.1%
Net revenue	163.7	163.8	0.0%	0.1%	325.1	336.3	-3.3%	-3.3%

As per 1 January 2013 the subsidiary Grontmij Vastgoedmanagement (VGM) was transferred from Non-core and other unallocated to Planning & Design.

Q2 Total revenue and EBITA per country

	Total revenue		EBITA		EBITA excluding exceptional items		EBITA excluding exceptional items margin %	
€ million, unless otherwise indicated	Q2 2013	Q2 2012	Q2 2013	Q2 2012	Q2 2013	Q2 2012	Q2 2013	Q2 2012
The Netherlands	58.1	58.4	1.4	0.7	1.4	3.3	2.4%	5.6%
France	19.0	21.4	-0.6	-1.4	-0.8	-1.0	-4.3%	-4.6%
Denmark	37.7	37.5	1.1	0.2	1.1	0.4	2.8%	1.1%
Sweden	27.2	25.7	1.5	0.5	1.5	0.5	5.4%	1.8%
UK	15.7	17.0	0.4	-0.2	0.4	-0.1	2.6%	-0.5%
Belgium	20.4	21.6	0.7	1.2	0.7	1.2	3.7%	5.5%
Germany	13.9	13.9	1.1	1.4	1.1	1.4	8.2%	9.7%
Other markets	6.7	4.1	0.5	-0.6	0.5	-0.6	8.0%	-14.0%
Non-core and other unallocated	1.1	2.3	-1.3	-7.1	-0.8	-2.6		
Total Group	**199.7**	**202.0**	**4.8**	**-5.5**	**5.1**	**2.4**	**2.5%**	**1.2%**

HY Total revenue and EBITA per country

	Total revenue		EBITA		EBITA excluding exceptional items		EBITA excluding exceptional items margin %	
€ million, unless otherwise indicated	HY 2013	HY 2012	HY 2013	HY 2012	HY 2013	HY 2012	HY 2013	HY 2012
The Netherlands	113.3	117.1	3.6	4.2	3.8	6.8	3.3%	5.8%
France	37.8	42.4	-1.6	-3.8	-1.5	-2.8	-3.8%	-6.5%
Denmark	72.5	77.0	1.7	3.1	1.7	3.3	2.4%	4.3%
Sweden	52.5	52.1	-0.1	2.3	-0.1	2.3	-0.2%	4.4%
UK	32.6	34.0	0.8	0.4	0.8	0.5	2.3%	1.6%
Belgium	41.6	43.0	2.6	2.3	2.6	2.3	6.2%	5.3%
Germany	27.4	26.9	1.8	2.1	1.8	2.1	6.4%	7.9%
Other markets	12.4	8.6	0.5	-0.4	0.5	-0.4	4.2%	-4.7%
Non-core and other unallocated	1.7	3.7	-2.4	-13.9	-1.9	-5.6		
Total Group	**391.7**	**404.7**	**6.8**	**-3.8**	**7.6**	**8.5**	**1.9%**	**2.1%**

Net debt/EBITDA covenant schedule

	March	June	September	December
2012				4.00x
2013	4.00x	3.50x	3.50x	3.00x
2014	3.00x	2.75x	2.75x	2.50x
2015	2.50x	2.50x	2.50x	2.50x
2016	2.50x	2.50x	2.50x	2.50x

Interest cover covenant schedule

	March	June	September	December
2012				1.75:1
2013	2.00:1	2.50:1	2.75:1	3.00:1
2014	3.25:1	3.50:1	3.75:1	4.00:1
2015	4.00:1	4.00:1	4.00:1	4.00:1
2016	4.00:1	4.00:1	4.00:1	4.00:1

covenants calculated according to specific definitions in the credit facility

[1] net debt / adjusted EBITDA (adjusted means amongst others corrected for acquisitions, disposals of non-current assets and exceptionals)

[2] EBITA / adjusted net financial income & expenses (adjusted means amongst others corrected for arrangement fees, effect of IRS)

UNAUDITED CONDENSED CONSOLIDATED

INTERIM FINANCIAL STATEMENTS

FIRST HALF YEAR 2013 ENDED 30 JUNE 2013

Grontmij N.V.

Table of contents

Grontmij N.V. Management Report First Half Year 2013

For the management comments and analysis of the results, financial position, developments in the countries and business lines of the first half year 2013 and for the outlook for 2013 we refer to the press releases of Q2 2013 and Q1 2013.

- **Risk assessment**

In our Annual report 2012 (pages 50-56 and 104-105) we have extensively described the risk factors that we recognised as per 31 December 2012 that could affect adversely our business and financial performance. The risk factors described in the annual report represent the main challenges we currently face and we expect them to be applicable for the second half of 2013. These risk factors are deemed to be included in this report by reference.

Additional risks not known by us, or currently believed not to be material, could later turn out to have a material impact on our business, objectives, revenues, assets, liquidity and capital resources.

- **Statement of the Executive Board**

The Executive Board declares that, to the best of their knowledge, the semi-annual condensed consolidated interim financial statements, which have been prepared in accordance with IAS 34, “Interim financial reporting”, give a true and fair view of the assets, liabilities, financial position and result of Grontmij N.V. and the entities included in its consolidation, and the management report for the first half year 2013 gives a true and fair view of the information required pursuant to section 5:25d paragraphs 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

De Bilt, the Netherlands, 2 August 2013

Michiel Jaski (Chief Executive Officer)
Frits Vervoort (Chief Financial Officer)

Condensed consolidated statement of financial position

In thousands of €	Note	30 June 2013	30 June 2012 (*)	31 December 2012 (*)
Goodwill	7	127,821	167,196	166,982
Intangible assets		52,121	59,064	56,196
Property, plant and equipment		25,003	41,382	36,729
Investments in equity accounted investees		5,314	5,745	5,683
Other financial assets		15,863	16,942	16,043
Deferred tax assets		2,473	3,057	2,574
Non-current assets		**228,595**	**293,386**	**284,207**
Receivables		329,380	398,069	366,102
Inventories		15,557	17,256	18,530
Income taxes		2,531	4,130	4,574
Cash and cash equivalents	8	15,665	46,559	48,305
Assets classified as held for sale	6	114,340	9,761	9,810
Current assets		**477,473**	**475,775**	**447,321**
Total assets		**706,068**	**769,161**	**731,528**
Share capital	9	15,992	15,992	15,992
Share premium	9	165,476	165,476	165,476
Reserves	9	-54,060	-19,177	-23,528
Result for the period	9	-499	-17,925	-31,428
Total equity attributable to equity holders of Grontmij		**126,909**	**144,366**	**126,512**
Non-controlling interest	9	-85	-75	-107
Total Group equity		**126,824**	**144,291**	**126,405**
Loans and borrowings	10	133,020	147,554	134,305
Employee benefits		10,781	13,046	11,901
Derivatives used for hedging		7,457	8,089	10,086
Provisions		30,598	41,577	39,559
Deferred tax liabilities		27,358	31,681	29,990
Non-current liabilities		**209,214**	**241,947**	**225,841**
Bank overdrafts		12,796	49,386	14,758
Loans and borrowings	10	19,019	2,036	15,491
Income taxes		6,774	6,628	9,146
Trade and other payables		265,699	304,365	311,778
Employee benefits		3,139	-	2,714
Provisions		15,815	16,789	21,682
Liabilities directly related with assets classified as held for sale	6	46,788	3,719	3,713
Current liabilities		**370,030**	**382,923**	**379,282**
Total equity and liabilities		**706,068**	**769,161**	**731,528**

* Adjusted, see note 4 and 5.

Condensed consolidated income statement

In thousands of €	Note	Q2 2013	Q2 2012 (*)	YTD 30 June 2013	YTD 30 June 2012 (*)
Revenue from services		192,135	196,625	379,838	396,771
Revenue from contract w ork		7,624	4,821	11,629	7,291
Revenue from sale of goods		-35	540	281	600
Total revenue	12	**199,724**	**201,986**	**391,748**	**404,662**
Third-party project expenses		-35,972	-38,207	-66,674	-68,332
Net revenue		**163,752**	**163,779**	**325,074**	**336,330**
Direct employee expenses		-114,976	-117,337	-228,708	-233,982
Direct other expenses		-804	-1,639	-1,603	-3,112
Total direct expenses		**-115,780**	**-118,976**	**-230,311**	**-237,094**
Gross margin		**47,972**	**44,803**	**94,763**	**99,236**
Other income		-39	497	265	603
Indirect employee expenses		-18,382	-16,685	-35,252	-35,373
Amortisation		-1,278	-1,467	-2,719	-2,913
Depreciation		-2,541	-2,837	-5,046	-5,649
Impairments of non-current assets	6	-101	-	-101	-
Indirect other operating expenses		-22,217	-29,591	-47,782	-60,990
Total indirect expenses		**-44,519**	**-50,580**	**-90,900**	**-104,925**
Share of results of investments in equity accounted investees		54	-1,532	-107	-1,505
Result on sale of equity accounted investees (net of income tax)		-	-129	-	-129
		54	**-1,661**	**-107**	**-1,634**
Operating result	12	**3,468**	**-6,941**	**4,021**	**-6,720**
Finance income		2,099	1,709	4,175	2,971
Finance expenses		-5,851	-6,665	-11,375	-11,910
Net finance expenses		**-3,752**	**-4,956**	**-7,200**	**-8,939**
Result before income tax		**-284**	**-11,897**	**-3,179**	**-15,659**
Income tax expense	13	-1,724	-1,454	578	-2,262
Result after income tax from continuing operations		**-2,008**	**-13,351**	**-2,601**	**-17,921**
Result from discontinued operations (net of income tax)	6	264	1,227	2,072	-43
Total result for the period		**-1,744**	**-12,124**	**-529**	**-17,964**
Attributable to:					
Equity holders of Grontmij		-1,730	-12,112	-499	-17,925
Non-controlling interest		-14	-12	-30	-39
Total result for the period		**-1,744**	**-12,124**	**-529**	**-17,964**
Earnings per share					
From continuing and discontinued operations					
Basic earnings per share (in €)				-0.01	-0.71
Diluted earnings per share (in €)				-0.01	-0.71
From continuing operations					
Basic earnings per share (in €)				-0.04	-0.71
Diluted earnings per share (in €)				-0.04	-0.71
Average number of shares (basic)				63,967,500	25,167,541
Average number of shares (diluted)				63,967,500	25,167,541

* Adjusted, see note 4 and 5

Condensed consolidated statement of comprehensive income

In thousands of €, for the first six-month period ended 30 June	YTD 2013	YTD 2012
Result after income tax	**-529**	**-17,964**
Other comprehensive income:		
Items that will never be reclassified subsequently to the income statement:		
Cost of issuing ordinary shares (net of income tax)	-	-6,652
	-	**-6,652**
Items that are or may be reclassified subsequently to the income statement:		
Net change in fair value of cash flow hedges	2,629	-3,213
Foreign currency exchange translation differences for foreign operations	-1,733	1,595
Other	52	-74
	948	**-1,692**
Other comprehensive income (net of income tax)	**948**	**-8,344**
Total comprehensive income	**419**	**-26,308**
Attributable to:		
Equity holders of Grontmij	449	-26,269
Non-controlling interest	-30	-39
Total comprehensive income	**419**	**-26,308**

Condensed consolidated statement of changes in equity

In thousands of €	Total Group equity	Non-controlling interest	Total attributable to equity holders of Grontmij	Share capital	Share premium	Translation reserve	Hedging reserve	Other reserves	Result for the year
Balance as at 1 January 2012 as previously reported	90,853	41	90,812	5,331	96,391	-5,614	-4,876	55,440	-55,860
Impact of changes in accounting policies	-	-	-	-	-	-	-	-	-
Adjusted balance as at 1 January 2012	**90,853**	**41**	**90,812**	**5,331**	**96,391**	**-5,614**	**-4,876**	**55,440**	**-55,860**
Result for the six-month period ended June 2012	-17,964	-39	-17,925	-	-	-	-	-	-17,925
Contribution by and distributions to owners:									
Issue of ordinary shares	79,746	-	79,746	10,661	69,085	-	-	-	-
2011 Result appropriation	-	-	-	-	-	-	-	-55,860	55,860
Other comprehensive income:									
Foreign currency exchange translation differences for foreign operations	1,595	-	1,595	-	-	1,595	-	-	-
Cost of issuing ordinary shares (net of income tax)	-6,652	-	-6,652	-	-	-	-	-6,652	-
Net change in fair value of cash flow hedges	-3,213	-	-3,213	-	-	-	-3,213	-	-
Other movements	-74	-77	3	-	-	-	-	3	-
Total other comprehensive income	**-8,344**	**-77**	**-8,267**	**-**	**-**	**1,595**	**-3,213**	**-6,649**	**-**
Balance as at 30 June 2012	**144,291**	**-75**	**144,366**	**15,992**	**165,476**	**-4,019**	**-8,089**	**-7,069**	**-17,925**
Balance as at 1 January 2013 as previously reported	128,961	-107	129,068	15,992	165,476	-3,806	-10,086	-7,080	-31,428
Impact of changes in accounting policies	-2,556	-	-2,556	-	-	-	-	-2,556	-
Adjusted balance as at 1 January 2013	**126,405**	**-107**	**126,512**	**15,992**	**165,476**	**-3,806**	**-10,086**	**-9,636**	**-31,428**
Result for the six-month period ended June 2013	-529	-30	-499	-	-	-	-	-	-499
Contribution by and distributions to owners:									
2012 Result appropriation	-	-	-	-	-	-	-	-31,428	31,428
Other comprehensive income:									
Foreign currency exchange translation differences for foreign operations	-1,733	-	-1,733	-	-	-1,733	-	-	-
Net change in fair value of cash flow hedges	2,629	-	2,629	-	-	-	2,629	-	-
Other movements	52	52	-	-	-	-	-		-
Total other comprehensive income	**948**	**52**	**896**	**-**	**-**	**-1,733**	**2,629**	**-**	**-**
Balance as at 30 June 2013	**126,824**	**-85**	**126,909**	**15,992**	**165,476**	**-5,539**	**-7,457**	**-41,064**	**-499**

Condensed consolidated statement of cash flows

In thousands of €	Note	Q2 2013	Q2 2012 (*)	YTD 30 June 2013	YTD 30 June 2012 (*)
Total result for the period		-1,744	-12,124	-529	-17,964
Result from discontinued operations		-264	-1,227	-2,072	43
Result after income tax from continuing operations		**-2,008**	**-13,351**	**-2,601**	**-17,921**
Adjustments for:					
Depreciation of property, plant and equipment		2,541	2,837	5,046	5,649
Amortisation of intangible assets		1,278	1,467	2,719	2,913
Impairment losses	6	101	-	101	-
Share of results of investments in equity accounted investees		-54	1,533	107	1,505
Results on sale of property, plant and equipment		-13	-42	-1	-58
Result on sale of equity accounted investees (net of income tax)		-	129	-	129
Net finance expenses		3,752	4,956	7,200	8,939
Income tax expense		1,724	1,454	-578	2,262
		9,329	**12,334**	**14,594**	**21,339**
Change in amounts due to and due from customers and inventories		-9,159	-336	-31,386	-30,383
Change in trade and other receivables		-7,461	-8,268	23,688	-1,622
Change in provisions and employee benefits		-3,525	4,696	-9,468	2,695
Change in trade and other payables		446	-10,282	-14,324	-18,753
Change in current assets and liabilities except for cash and bank overdraft		**-19,699**	**-14,190**	**-31,490**	**-48,063**
Dividends received from equity accounted investees		75	369	225	369
Interest paid		-4,734	-4,051	-9,336	-9,146
Interest received		1,546	1,408	3,091	2,590
Income taxes received		-1,266	-1,792	-3,169	2,188
		-4,454	**-4,435**	**-9,414**	**-4,368**
Net cash from operating activities		**-16,757**	**-19,273**	**-28,686**	**-48,644**
Proceeds from sale of property, plant and equipment		88	7	29	257
Proceeds from sale of a subsidiary (net of cash disposed)	6	-	1,871	-	1,871
Acquisition of intangible assets		-420	-564	-548	-1,026
Acquisition of property, plant and equipment		-1,657	-1,614	-3,705	-3,853
Acquisition of subsidiaries (net of cash acquired)		-	150	-	-821
Payment of deferred consideration relating to acquisitions		-110	-	-110	-
Acquisition of investments in equity accounted investees		17	-	-	-
Repayments from and acquisition of other investments, net		-83	582	-778	133
Net cash used for investing activities		**-2,165**	**432**	**-5,112**	**-3,439**
Proceeds from the issue of share capital		-	79,746	-	79,746
Payment of costs of issuing ordinary shares		-	-6,105	-	-6,105
Proceeds from the issue of loans and borrowings		20,001	127,911	6,146	141,981
Payment of transaction costs related to loans and borrowings		-	-1,993	-	-1,993
Repayments of loans and borrowings		-108	-191,331	-565	-191,589
Net cash from / (used for) financing activities		**19,893**	**8,228**	**5,581**	**22,040**
Movements in net cash position for the period of the continuing operations		**971**	**-10,613**	**-28,217**	**-30,043**
Net cash (used for) / from operating activities discontinued operations	6	-267	-2,714	94	4,326
Net cash used for investing activities discontinued operations	6	-614	-849	-1,254	-1,328
Net cash from financing activities discontinued operations	6	-270	-393	-558	-807
Movements in net cash position for the period of discontinued operations		**-1,151**	**-3,956**	**-1,718**	**2,191**
Movements in net cash position for the period of the continuing and discontinued operations		**-180**	**-14,569**	**-29,935**	**-27,852**
Cash and cash equivalents as per consolidated statement of financial position		14,396	39,296	35,979	38,048
Cash and cash equivalents included in assets held for sale		9,880	16,208	12,326	9,063
Bank overdrafts as per consolidated statement of financial position		-11,705	-32,474	-3,944	-12,076
Bank overdrafts included in assets held for sale		-8,935	-11,517	-10,814	-10,519
Net cash position as at 1 January / 1 April		**3,636**	**11,513**	**33,547**	**24,516**
Effect of exchange rate fluctuations on cash held		-793	229	-949	509
Cash and cash equivalents as per consolidated statement of financial position		15,665	32,180	15,665	32,180
Cash and cash equivalents included in assets held for sale		5,570	14,379	5,570	14,379
Bank overdrafts as per consolidated statement of financial position		-12,796	-36,158	-12,796	-36,158
Bank overdrafts included in assets held for sale		-5,776	-13,228	-5,776	-13,228
Net cash position as at 30 June		**2,663**	**-2,827**	**2,663**	**-2,827**

* Adjusted, see note 4 and 5

Notes to the condensed consolidated interim financial statements

1 Reporting entity

The reporting entity is Grontmij N.V. (‘Grontmij’), a public limited company (in Dutch: ‘Naamloze vennootschap’) domiciled at De Holle Bilt 22 in De Bilt, the Netherlands.

The Group has structured the business in eight geographical regions/countries and other activities.

The regions/countries are: the Netherlands, France, Denmark, Sweden, United Kingdom, Belgium, Germany, other markets and non-core activities. The latter includes the Group's non-core asset management business. In the segment “other markets” in Europe, we are building a presence in Poland and Turkey. After reviewing strategic options regarding Hungary, it has been decided to gradually withdraw from this market. Outside Europe, we operate in China and on a project basis in Asia and Africa. Both the public sector - national and regional - and private sector are major clients for Grontmij in all our operating countries. Performance is measured based on segment operating result, as included in the internal management reports that are reviewed by the Executive Board.

Within our operating countries, up to four business lines are distinguished: Planning & Design, Transportation & Mobility, Water & Energy and Monitoring & Testing. Following the intended divestment of France’s Monitoring & Testing business the activities designated as Monitoring & Testing are reallocated to the other three business lines.

Planning & Design aims to find sustainable solutions for the built and the natural environment.

Transportation is all about moving people, goods and other materials from A to B in the most efficient, environmentally sustainable way. These transport flows have to be designed, planned and executed. In turn, Mobility works to manage these flows in more efficient ways.

Water & Energy consultants cover a wide range of projects, anything from the design of innovative plants to treat waste-water or the creation of waste plants to generate energy, and every conceivable way of working with water and power in between.

Monitoring & Testing monitors and tests every aspect of the ground on which buildings and constructions are built, and materials used. Monitoring & Testing covers all scientific and technical knowledge used in construction, including geotechnical studies, structural and material diagnostics and pathologies, product audits and certifications and maintenance and monitoring for complex projects.

The condensed consolidated interim financial statements of Grontmij as at and for the six months ended 30 June 2013 comprise Grontmij and its subsidiaries, all entities which Grontmij directly or indirectly controls (together referred to as ‘the Group’), and the Group’s interest in associates and jointly controlled entities.

2 General

These condensed consolidated interim financial statements have not been audited or reviewed by the external auditor.

3 Basis of preparation

Statement of compliance
The condensed consolidated interim financial statements for the six-month period ended 30 June 2013 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2012. The consolidated financial statements of the Group as at and for the year ended 31 December 2012 are available at www.grontmij.com or visit the interactive web version of the 2012 Grontmij Annual Report at www.2012.annualreportgrontmij.com.

These condensed consolidated interim financial statements were prepared by the Executive Board and discussed with the Supervisory Board on 2 August 2013. At the same date the condensed consolidated interim financial statements were authorised for issue by the Executive Board.

Functional currency and presentation currency
The functional currency of Grontmij is the euro. All amounts in these condensed consolidated interim financial statements are presented in euro, rounded to the nearest thousand, unless stated otherwise.

Seasonality
The Group's activities are affected by seasonal patterns. The volume of activities throughout the year fluctuates per quarter, depending on the orderbook as well as variations in items such as the number of working days, public holidays and holiday periods. The Group usually generates its strongest revenue and profits in the second half of the year, while the cash flow in the second and third quarter is usually negative due to timing of payments of holiday allowances and less production due to holidays. Cash flow tends to be strongest in the fourth quarter.

Estimates and management judgements
The preparation of the condensed consolidated interim financial statements requires the Executive Board to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements, estimates and assumptions made by management in applying the Group's accounting policies were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2012.

4 Significant accounting policies

The significant accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2012.

Changes in accounting policies
The following standards, interpretations, amendments to standards and interpretations became effective in 2013:

Amendments to IFRS 7 “Disclosures – Offsetting financial assets and financial liabilities” (effective for annual periods beginning on or after 1 January 2013) requires to disclose information about rights of offset and related arrangements for financial instruments under an enforceable master netting agreement or similar agreement. The adoption of the Amendments does not have any impact on our condensed consolidated interim financial statements.

IFRS 11 "Joint Arrangements". The Standard is endorsed by the European Union as per 1 January 2014 but Grontmij decided to early adopt this standard as it was effective for annual periods beginning on or after 1 January 2013. IFRS 11 replaces IAS 31 "Interests in Joint Ventures". Under IFRS 11, the Group classifies its interests in joint arrangements as either joint operations or joint ventures depending on the Group’s rights to assets and obligations for the liabilities of the arrangements. When making this assessment, the Group considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. The Group has re-evaluated its involvement in its joint arrangements and has reclassified some investments in joint ventures to joint operations. Consequently certain amounts within the consolidated statement of financial position and consolidated income statement were reclassified. The tables below show the effect on the consolidated statement of financial position and the consolidated income statement. There was no significant effect in the consolidated statement of cash flows.

Effect on consolidated statement of financial position

In thousands of €	31 December 2012	30 June 2012	1 January 2012
Increase / (decrease)			
Investments in equity accounted investees	-2,436	-1,566	-1,202
Receivables	-27	552	-19
Cash and cash equivalents	3,750	3,258	2,740
Total assets	**1,287**	**2,244**	**1,519**
Trade and other payables	1,287	2,244	1,519
Total equity and liabilities	**1,287**	**2,244**	**1,519**

Effect on consolidated income statement

In thousands of €	12-month period ended 31 December 2012	Six-month period ended 30 June 2012
Increase / (decrease)		
Total revenue	7,828	3,492
Third-party project expenses	-1,022	-562
Direct employee expenses	-3,354	-1,743
Gross margin	**3,452**	**1,187**
Indirect employee expenes	-379	-216
Indirect other operating expenses	-382	-218
Share of result of investments in equity accounted investees	-2,691	-753
Operating result	**-**	**-**
Total result for the period	**-**	**-**

IFRS 13 "Fair Value Measurement" (effective for annual periods beginning on or after 1 January 2013). IFRS 13 defines fair value, establishes a framework for measuring fair value and requires disclosures about fair value measurements. The Standard applies to both financial instrument items and non-financial instrument items. The adoption resulted in additional disclosures as included in note 11.

IAS 1 Amendments "Presentation of Items of Other Comprehensive Income" (effective for annual periods beginning on or after 1 July 2012). The amendments to IAS 1 introduce new terminology for the statement of comprehensive income and income statement. The amendments to IAS 1 require additional disclosures to be made in the other comprehensive income section such that items are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that will be reclassified subsequently to profit or loss when specific conditions are met. Other than the above mentioned presentation changes the application of amendments to IAS 1 does not result in any impact on our condensed consolidated interim financial statements.

IAS 19 Revised "Employee Benefits" (effective for annual periods beginning on or after 1 January 2013). The most significant amendments to IAS 19 relate to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. Further, the amendments enhance the disclosure requirements for an employer's participation in a multi-employer plan. IFRS requires restatement of the comparative numbers and disclosure of the nature and the effect of the changes. If the Group would have applied IAS 19 as from 1 January 2012, the amendment would have had no material impact on other comprehensive income. The impact on other comprehensive income as per 31 December 2012 amounts to € -2,556,000 (decrease); this is recognised in the other reserves as per that date. The effect on net result is considered as not material.

Annual improvements to IFRSs 2009-2011 Cycle (effective for annual periods beginning on or after 1 January 2013). The annual improvements to IFRSs 2009-2011 include a number of amendments to various IFRSs. They include amongst others:
- amendments to IAS 16 "Property, plant & equipment"
- amendments to IAS 32 "Financial instruments: Presentation"

The adoption of the Annual improvements does not have any impact on our condensed consolidated interim financial statements.

5 Presentation

As announced in the press release of 21 January 2013 the French Monitoring & Testing business has been presented as held for sale and considered as discontinued operations following the Executive Board's committed plan to sell this division. IFRS 5.34 requires restatement of the income statement and cash flow statement for discontinued operations. Therefore some reclassifications have been made in the previous year's condensed consolidated income statement and consolidated statement of cash flows and applicable notes for comparison purposes.

6 Discontinued operations and assets held for sale

Assets held for sale

Golf course Naarderbos

As announced in the Q2 and HY 2012 results press release on 30 August 2012, the golf course Naarderbos, part of non-core activities segment, was classified as 'asset held for sale' pending its divestment following from the requirements of IFRS 5. Assets and liabilities reported as held for sale are the golf course's property, plant and equipment and the related financial lease liability for the net amount of € 5,998,000 (31 December 2012: € 6,097,000).
On 18 July 2013, Grontmij announced it has reached an agreement to sell its golf course Naarderbos to a group of private investors. Closing of the sale is subject to customary conditions a.o. approval of the municipality of Naarden and is expected to take place in the third quarter of 2013. Based on the agreed total consideration to be received and the expected book value of Naarderbos at closing an impairment loss of € -101,000 on the golf course's property, plant & equipment was recognised in the income statement on the line impairment losses.

Discontinued operations and assets held for sale

French Monitoring & Testing business

As announced in the press release of 21 January 2013, the French Monitoring & Testing activities have been presented as held for sale based on the Executive Board's committed plan to sell the French Monitoring & Testing business. Following from the requirements of IFRS 5 the assets and liabilities of the French Monitoring & Testing business were classified as held for sale and qualified as discontinued operations, as of January 2013 until the moment of sale.
On 16 July 2013, Grontmij announced it has reached an agreement regarding the sale of the French Monitoring & Testing business. Closing is subject to customary conditions and is expected to take place in the third quarter of 2013.

Trett division

In 2012, the Trett division (part of the UK segment) was presented as held for sale and as discontinued operations. This sale was successfully completed on 14 May 2012.

Result from discontinued operations:

In thousands of €	**YTD 30 June 2013**	YTD 30 June 2012 (*)
Total revenue	51,947	58,360
Total incremental costs relating to the sale of the discontinued operations	-1,778	-
Total expenses	-46,352	-57,277
Profit before income tax operating activities	**3,817**	**1,083**
Income tax expense	-1,745	-855
Profit after income tax operating activities	**2,072**	**228**
Result on sale of discontinued operations	-	-271
Income tax expense on profit on sale of discontinued operations	-	-
Result on sale, net of income tax	**-**	**-271**
Result from discontinued operations	**2,072**	**-43**

* Adjusted, see note 5

The results of the French Monitoring & Testing business (2013 and comparable figures for 2012) and the Trett division (2012) are shown on a separate line in the condensed consolidated income statement. The result from discontinued operations of € 2,072,000 (first six months 2012: € -43,000) is attributable entirely to the owners of Grontmij. The incremental costs relating to the sale of the discontinued operations consist of various fees of external advisors who assisted and are still assisting Grontmij during the divestment process as from January 2013 until 30 June 2013.

Cash flows used in (from) discontinued operations:

In thousands of €	YTD 30 June 2013	YTD 30 June 2012 (*)
Cash flows (used in) from discontinued operations		
Net cash (used in) from operating activities	94	4,326
Net cash used in investing activities	-1,254	-1,328
Net cash from financing activities	-558	-807
Net cash flows for the period	**-1,718**	**2,191**
* Adjusted, see note 5		

At 30 June 2013, the French Monitoring & Testing business comprised of total assets of €104,635,000 and total liabilities of € 43,081,000. A breakdown of these assets and liabilities is as follows:

In thousands of €	30 June 2013
Assets classified as held for sale	
Goodwill	38,900
Intangible assets	2,065
Property, plant and equipment	11,401
Investments in equity accounted investees	235
Other financial assets	890
Deferred tax assets	54
Receivables	41,926
Inventories	3,186
Income taxes	408
Cash and cash equivalents	5,570
	104,635
Liabilities directly related with assets classified as held for sale	
Non-current part of loans and borrowings	3,208
Non-current part of employee benefits	592
Non-current part of provisions	2,888
Deferred tax liabilities	691
Bank overdrafts	5,776
Current part of loans and borrowings	922
Income taxes	1,158
Trade and other payables	25,412
Current part of provisions	656
	41,303
Book value French Monitoring & Testing Business	***63,332***
Other payables directly related with assets classified as held for sale	1,778
Total liabilities directly related with assets classified as held for sale in statement of financial position	**43,081**

The effect of the disposal of Trett in 2012 on the statement of financial position of the Group was as follows:

In thousands of €	14 May 2012
Other non-current assets	-101
Inventories	-40
Amounts due from customers for rendering services	-2,433
Trade and other receivables	-367
Cash and cash equivalents	-1,015
Bank overdraft	799
Net (assets) and liabilities	**-3,157**
Total consideration received	2,886
Consideration to be received	-
Consideration received in cash	**2,886**
Net cash disposed of	-1,015
Net cash inflow	**1,871**

7 Goodwill

At year-end 2012 the impairment testing of the Ginger S.A. goodwill of € 50,900,000 was assessed using the fair value less cost to sell approach. In 2013, the goodwill relating to the French business being disposed of (Monitoring & Testing) and the French business which is retained (Planning & Design) is measured on the basis of the relative values. Goodwill amounting to €38,900,000 is allocated to Monitoring & Testing (M&T) and presented as part of the assets classified as held for sale. The remaining part of € 12,000,000 is allocated to Planning & Design (P&D).

In light of the anticipated sale of the French Monitoring & Testing business in 2013 the recoverable amount was reassessed. For M&T the assessment was based on the estimated sales price and for P&D the assessment was based on the fair value in use. For P&D the assessment of the recoverable amount was carried out using local management's business plans and further sensitivity analysis. The valuations derived from that assessment showed that the recoverable amount approximates the carrying value of this cash-generating unit. Consequently, any adverse change in key assumptions, like estimated results, growth percentages and discount rate, could cause an impairment loss to be recognised. Final allocation of the goodwill will be done at the time the sale of M&T is closed and final numbers are available for the calculations.

8 Cash and cash equivalents

Of the total balance of cash and cash equivalents an amount of € 1,477,000 (31 December 2012: € 3,832,000) is restricted.

9 Equity

At 30 June 2013, the number of ordinary shares outstanding was 63,967,500 (31 December 2012: 63,967,500).

10 Loans and borrowings

This part of the notes contains information about the Group's loans and borrowings.

In thousands of €	30 June 2013	31 December 2012
Non-current liabilities		
Bank loans - credit facilities	128,335	128,557
Secured bank loans	4,048	3,308
Unsecured other loans	129	97
Finance lease liabilities	508	2,343
	133,020	**134,305**
Current liabilities		
Bank loans - credit facilities	18,394	13,840
Secured bank loans	327	381
Finance lease liabilities	298	1,270
	19,019	**15,491**
Total loans and borrowings	**152,039**	**149,796**

In thousands of €				30 June 2013		31 December 2012	
	Currency	Nominal interest rate	Year of maturity	Nominal value	Carrying value	Nominal value	Carrying value
Bank loans - credit facilities	EUR	Euribor + spread	2016	148,000	146,729	144,000	142,397
Secured bank loans	EUR	Euribor + spread	Variable	607	607	1,791	1,787
Secured bank loan	DKK	5.20%	2022	3,768	3,768	1,924	1,902
Finance lease liabilities	SEK	4.15%	2014	542	542	614	614
Finance lease liabilities	EUR	Various	Variable	264	264	2,999	2,999
Unsecured other loans	EUR	Various	Variable	128	128	97	97
Total loans and borrowings				**153,309**	**152,039**	**151,425**	**149,796**

The repayment schedule of the term loan facility is as follows:

Repayment date	Repayment installment (€)
31 December 2013	15,000,000
31 March 2014	2,000,000
30 June 2014	2,000,000
30 September 2014	2,000,000
31 December 2014	9,000,000
31 March 2015	2,000,000
30 June 2015	2,000,000
30 September 2015	2,000,000
31 December 2015	11,500,000
31 March 2016	2,000,000
Final maturity date	70,500,000

Covenants levels	Leverage ratio[1]	Interest coverage ratio[2]
30 June 2013	3.50	2.50
30 September 2013	3.50	2.75
31 December 2013	3.00	3.00
31 March 2014	3.00	3.25
30 June 2014	2.75	3.50
30 September 2014	2.75	3.75
31 December 2014	2.50	4.00
31 March 2015	2.50	4.00
30 June 2015	2.50	4.00
30 September 2015	2.50	4.00
31 December 2015	2.50	4.00
31 March 2016	2.50	4.00

Covenants calculated according to specific definitions in the credit facility

[1] net debt / adjusted EBITDA (adjusted means amongst others corrected for acquisitions, disposals of non-current assets and exceptional items)

[2] EBITA / adjusted net financial income & expenses (adjusted means amongst others corrected for arrangement fees, effect of interest rate swap)

The covenants levels in the credit facility were based on detailed scenario's with respect to the development of net debt and operational results, prepared early 2012 as part of an Independent Business Review. Our operational performance has been negatively affected by the less favourable market conditions. GDP developments in the countries were lower than envisaged early 2012 which has had a negative impact on the projected headroom within the covenants. The net debt/EBITDA ratio per Q1 2013 was 3.8x, within the allowed covenant ratio of 4.0x. The interest coverage ratio per Q1 2013 was 2.6x, within the covenant of >2.00x.

For Grontmij, the disposal of the French Monitoring & Testing business and the golf course Naarderbos is expected to lead to a significant improvement of the debt position. Grontmij intends to enter into discussions with its banks in order to renegotiate the terms of the credit facilities. In anticipation of the disposal of the French Monitoring & Testing business and the intended renegotiations, Grontmij has been provided a waiver from its existing banking syndicate facilitating that the net debt/EBITDA ratio as set in the current credit facility agreement will not be tested as per 30 June 2013. The interest coverage ratio as per 30 June 2013 was 3.0x, within the agreed covenant of 2.5x.

11 Fair value measurement

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement hierarchy prioritises the inputs to valuation techniques used to measure fair value as follows:

Level 1: Valuations based on inputs such as quoted prices for identical assets or liabilities in active markets that the entity has the ability to access.

Level 2: Valuations based on inputs other than level 1 inputs, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities.

Level 3: Valuations based on inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). A financial instrument's fair value classification is based on the lowest level of any input that is significant in the fair value measurement hierarchy.

The carrying amounts as at 30 June 2013 of financial assets and liabilities approximate their fair value because of the short-term nature of these instruments (cash and cash equivalents, trade payables and the other financial assets and liabilities) or because of the fact that any recoverability loss is reflected in an impairment loss (trade receivable). Therefore no level classifications are determined, with the exception of the fair value of the derivative "interest rate swap used for hedging" which can be classified in level 2 (2012: level 2).

The valuation technique used to determine the fair value of the interest rate swap used for hedging is the present value, which is the estimated amount that a bank would receive or pay to terminate the swap agreement at the reporting date, taking into account current interest rates. The fair value of the interest rate swap is € -7,457,000 (31 December 2012: € 10,086,000).

12 Segment reporting

In June 2013, Grontmij announced a new management structure to further strengthen decision making at the top of the organisation as well as execution of the ‘Back on Track’ strategy. Key element of the new structure is an Executive Committee, chaired by the CEO, with responsibility amongst others for steering the management of the country organisations. The Executive Committee is directly accountable for the different operating countries. Every country reports directly to one of the Executive Committee members. In this respect the Group recognises eight geographical segments and other activities (split in other markets and non-core activities). The non-core activities include the Group's activities in the Netherlands relating to real-estate projects, landfill sites, and waste management. The Group's operations in Ireland are reported in the segment United Kingdom, while operations in Poland, Hungary, Turkey and China are reported in the segment other markets. The Group's operations in a number of other countries – in total less than 3% of the Group's revenue and assets – are reported in the segments whose management is primarily responsible for their performance.

Segment information is presented in respect of the Group's geographical segments. This segmentation of the Group is based on its geographical management structure, i.e.:

- the Netherlands (NL);
- France (FR);
- Denmark (DK);
- Sweden (SE);
- Belgium (BE);
- United Kingdom (UK);
- Germany (GE);
- Other markets; and
- Non-core activities

Performance is measured based on segment operating result, as included in the internal management reports that are reviewed by the Executive Committee. The results of a segment comprise such items as are charged to the segment or may reasonably be charged thereto. Intersegment transactions are conducted at arm’s length.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment operating result represents the result earned by each segment including allocation of central head office costs and directors’ salaries, share of results of joint ventures and associates, gains and losses recognised on disposal of interest in former associates and other income, but excluding the result of discontinued operations.

Segment information 2013

In thousands of €, for the first six-month period ended 30 June 2013	NL	FR	DK	SE	BE	UK	GE	Other markets	Non-core activities	Unallocated and eliminations	Total
External revenue	112,543	37,823	72,098	52,166	41,291	32,217	27,050	11,235	5,325	-	391,748
Intersegment revenue	756	5	403	306	312	369	354	1,127	-	-3,632	-
Total revenue	**113,299**	**37,828**	**72,501**	**52,472**	**41,603**	**32,586**	**27,404**	**12,362**	**5,325**	**-3,632**	**391,748**
EBITA	3,571	-1,552	1,724	-122	2,599	756	1,758	518	-718	-1,693	6,841
Operating result	3,479	-1,707	1,177	-122	2,549	430	1,634	402	-718	-3,103	4,021
Total assets	192,281	130,163	93,740	39,510	84,758	37,227	49,159	16,794	57,520	4,916	706,068
Total liabilities	90,288	112,447	71,322	23,208	49,750	12,610	23,107	10,604	40,785	145,123	579,244

Segment information 2012

In thousands of €, for the first six-month period ended 30 June 2012	NL	FR	DK	SE	BE	UK	GE	Other markets	Non-core activities	Unallocated and eliminations	Total
External revenue	113,429	42,352	76,627	52,090	42,938	33,772	26,740	8,005	8,709	-	404,662
Intersegment revenue	1,023	3	342	10	76	192	114	588	-	-2,348	-
Total revenue	**114,452**	**42,355**	**76,969**	**52,100**	**43,014**	**33,964**	**26,854**	**8,593**	**8,709**	**-2,348**	**404,662**
EBITA	4,165	-3,832	3,065	2,282	2,266	417	2,113	-408	-2,097	-11,778	-3,807
Operating result	4,106	-3,987	2,444	2,259	1,966	79	2,019	-432	-2,097	-13,077	-6,720
Total assets	195,966	163,709	101,990	41,703	83,725	40,281	48,285	16,346	66,132	11,024	769,161
Total liabilities	92,652	140,337	71,799	24,024	50,863	14,030	23,739	8,975	47,387	151,064	624,870

Reconciliation of reportable segments result

In thousands of €, for the six-month period ended 30 June	**2013**	2012
EBITA to result before income tax from continuing operations		
Total EBITA for reportable segments	6,841	-3,807
Unallocated amortisation and impairment losses	-2,820	-2,913
Unallocated net finance expenses	-7,200	-8,939
Result before income tax from continuing operations	**-3,179**	**-15,659**
Operating result to result before income tax from continuing operations		
Total operating result for reportable segments	4,021	-6,720
Unallocated net finance expenses	-7,200	-8,939
Result before income tax from continuing operations	**-3,179**	**-15,659**

13 Income tax

Income taxes for the first six months of 2013 was a benefit of € 578,000 relative to a charge of
€ -2,262,000 in the first six months of 2012. This difference is mainly caused by a one off tax gain amounting to € 2,671,000 as a result of a renewed calculation of deferred tax liabilities, following tax rate reductions in the UK and Sweden.

14 Related parties

Executive Board

On 15 June 2013, Gert Dral stepped down as member of the Executive Board as a consequence of the on 12 June 2013 announced new management structure. To hand over his tasks and responsibilities he will stay with Grontmij until 31 December 2013. He will receive a severance payment of € 485,000 (including compensation for loss of pension, outplacement and legal assistance).

In 2012 Grontmij announced its Long-Term Share Plan. Under this plan the Executive Board receives conditional ordinary shares subject to achieving a long-term target relating to stock performance relative to a peer group (i.e. the target). Granting will take place each year on the first day after the announcement of the annual results. On 28 February 2013, a further grant on similar terms was offered to the Executive Board.

Rights to conditional shares granted on	Granted	Unconditional
28 February 2013		
Michiel Jaski	44,453	1 January 2018
Frits Vervoort	23,208	1 January 2018
Gert Dral	21,923	1 January 2018

Executive committee
On 12 June 2013, Grontmij announced a new management structure to further strengthen decision making at the top of the organisation as well as execution of the 'Back on Track' strategy. Key element of the new structure is an Executive Committee, chaired by the CEO, with responsibility for steering the management of the country organisations, development of the five Group Growth Segments and specific group wide programs such as Operational Excellence, People strategy, Client First and IT. The Executive Committee of Grontmij has six members: two members of the Executive Board and four country managing directors. Next to Michiel Jaski (CEO) and Frits Vervoort (CFO), the Executive Committee consists of Ina Brandes (Germany), John Chubb (United Kingdom), Ton de Jong (the Netherlands) and Søren Larsen (Denmark). As of that date the four executive committee members (non EB members) will be part of key management personnel of the Group. The remuneration and other applicable related parties disclosures will be reported in the annual report.

Supervisory Board
On 23 May 2013, Mrs K.L. (Karin) Dorrepaal was appointed as member of the Supervisory Board.

On 23 May 2013, Mr A. (André) Jonkman was appointed as member of the Supervisory Board.

15 Subsequent events

On 16 July 2013, Grontmij announced it has reached an agreement regarding the sale of the French Monitoring and Testing (M&T) business with a pool of investors led by Siparex, one of France's leading private equity investment specialists, and including Bpifrance Investissement, Cathay Capital and BNP Paribas Développement. The French M&T business will be divested for an expected enterprise value of € 71 million. Grontmij first announced the intended divestment of the French M&T business on 21 January 2013 as an important step to take the 'Back on Track' strategy of Grontmij to the next level. The net proceeds of the divestment also enable Grontmij to improve its financial foundation with both a significant reduction of net debt and the opportunity to renegotiate the terms of its current financing facilities.

French M&T business will be divested for an expected enterprise value of € 71 million, consisting of an equity value (with rights to dividends attached) of € 67 million and net debt of € 4 million. Book value of the French M&T business amounted to € 63.3 million per Q2 2013. Closing is subject to customary conditions and is expected to take place in the third quarter of 2013.

On 18 July 2013, Grontmij announced that it has reached an agreement to sell its golf course Naarderbos to a group of private investors led by TransMatch Realty Advisors B.V. (TMRA) for a total consideration of € 5.8 million. As announced in the Q2 and HY 2012 results press release on 30 August 2012, the golf course Naarderbos was classified as 'asset held for sale' pending its divestment. In connection with the sale, Grontmij will receive a total consideration of € 5.8 million, of which € 4.25 million will be paid in cash and the remainder by means of a vendor loan. The cash proceeds from the sale will be used to reduce debt. Closing of the sale is subject to customary conditions a.o. approval of the municipality of Naarden and is expected to take place in the third quarter of 2013.

A substantial part of Grontmij's debt is protected against interest rate fluctuations for an amount of € 140 million. These interest rate swaps are in place until November 2016. The fair value of the interest rate swap at 30 June 2013 is € -7,457,000. Grontmij uses hedge accounting and all the fair value movements are recognised in equity, in the hedging reserve. The divestments of the French Monitoring & Testing business and the golf course Naarderbos are expected to lead to a significant improvement of the debt position and as a result the hedge relation of the interest rate swaps will become partly ineffective. As of closing of the divestments transactions the ineffective part of the fair value movements of the interest swaps will be recorded in the consolidated income statement. The ineffective part of the fair value movements recorded in the hedging reserve will then be reclassified through the consolidated income statement.

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