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BALLAST NEDAM HALF-YEAR FIGURES 2009:
LOW FIRST HALF-YEAR RESULT, RESULT FORECAST FOR 2009 UNDER PRESSURE, WELL-FILLED ORDER BOOK

- **Low operating results in 1st half year: € 4 million (1st half 2008: € 13 million)**
- **1st half-year revenue up: € 601 million (1st half 2008: € 575 million)**
- **Order book up in 1st half year: € 1.9 billion (end 2008: € 1.7 billion)**
- **Net result for 1st half year: break even (1st half year 2008: € 7 million)**
- **2009 results forecast under pressure: operating result forecast remains at approximately € 25 million, with a range of € 20 million to € 26 million.**

Key figures

	1st half		Full year
x € 1 million	**2009**	2008	2008
Revenue	**601**	575	1 426
EBIT	**4**	13	42
Margin	**0.7%**	2.3%	2.9%
Result before tax	**1**	10	31
Net result	**-**	7	24
Orderbook	**1 910**	1 640	1 667
Shareholders' equity	**160**	165	168
Capital ratio	**16%**	17%	17%
Net financing position	**(145)**	(102)	(41)

Low result for first half of 2009

Ballast Nedam's operating result in the first six months of 2009 was a low € 4 million on revenues of € 601 million. The operating result was below our expectations for the first half year. The results of the construction companies in particular were under considerable pressure. The margin fell from 2.3% in the first half of 2008 to 0.7% in the same period of 2009.

The results forecast for full-year 2009 that was published in March 2009 is now more difficult due to the continuing pressure on the results of the construction companies in the second quarter. The Board of Management is maintaining its forecast for an operating result of approximately € 25 million for 2009. In addition, the forecast now provides for a range of € 20 million to € 26 million on lower revenues than in 2008.

Financial results

Revenue

x € 1 million	1st half **2009**	2008	Full year 2008
Infrastructure	**300**	282	708
Building and Development	**310**	296	735
	610	578	1 443
Other / elimination	**(9)**	(3)	(17)
	601	575	1 426

Revenues rose by 5% to € 601 million.

Infrastructure

The Infrastructure division's revenues rose slightly compared to the first half of 2008 to € 300 million. The division achieved a higher result than in the first half of 2008.

The volume in the infrastructure market remained satisfactory in nearly all segments. There had, however, already been a decrease in the prefab and raw materials markets. Not until next year, positive effects are expected due to the government's accelerated implementation of infrastructure projects. This should help compensate for some of the negative effects of the downturn in the economy.

Price levels in the public tender market for traditional contracts are too low and remain under pressure. The regional companies were unable to provide a positive contribution to the half-year results due to these depressed price levels and as a result of normal seasonal patterns. Major projects and specialized companies did contribute significantly to the operating result. The prefab and raw materials companies contributed positively to the result on lower revenues compared to the first half of 2008. We sustain our earlier forecast for the Infrastructure division for a nearly stable operating result on comparable revenues for all of 2009.

In the first half year, the Infrastructure division was successful in implementing the strategy of acquiring projects with a new contract form and in strengthening its position in the raw materials extraction sector.

The division will develop a new P+R facility for the municipality of Rotterdam, consisting of 860 parking spaces and with a direct connection to the A16 motorway. This design and construct contract was awarded to the division largely due to the quality and design of the car park. The contract is worth approx. € 30 million. In a consortium we were also awarded a contract for the design, construction and related maintenance work for the diversion of the N322 road between Beneden Leeuwen and Druten. The Province of Gelderland reviewed our plans particularly for quality requirements, given the available budget of € 27 million. Recently, the Avenue2 consortium consisting of Ballast Nedam and Strukton was awarded the appealing A2 Maastricht project on quality requirements. The integrated solution provides for four tunnels stacked in a 2x2 arrangement over a distance of 2.3 km. The bottom two tunnels are intended for through traffic, the upper two tunnels for local traffic. The tunnels will be covered by a tree-lined lane at street level. Approximately 1 100 housing units and 30 000 m2 of commercial space will be developed in the immediate vicinity. The project will continue until 2027 and is budgeted at about € 750 million.

The division has strengthened its position in the raw materials extraction sector through its 47.5% participation in a sand quarrying venture in the province of Drenthe for about 10 million tonnes of sand. The division has taken initiative for the creation of a unique nature reserve in the Lus van Linne area, an arm of the River Meuse near the city of Roermond, through additional gravel extraction. 148 hectares of land were acquired in the first half year.

There will be some reorganization at a number of prefab and regional companies later this year in response to the lower revenue forecast.

Building and Development

The revenue of the Building and Development division increased by € 14 million to € 310 million. The increase in the construction companies' revenues exceeded the sharp decline in revenues from property development. The Construction and Development division achieved a break even result, which was considerable lower than in the first half of 2008. The result fell short of our expectations.

The construction and real estate sector has been hit hard by the economic crisis. The current decrease in volume will continue in the period to come. We expect stability in the volume of utilities construction generated by public and semi-public contracts. The housing market will remain stagnant due to the drop in consumer confidence and the limited availability of financing. The expected decrease in the number of new housing units will lead to an increase in the structural shortage of housing, both in quantity and quality. We therefore continue to be positive about the housing market in the Netherlands for the long term.

The construction companies had not yet contributed positively to the operating result in the first half year. Property development had a significantly lower operating result compared to the first half of 2008, but the result was still positive. Both prefab companies in this division even had excellent results on lower revenues compared to the first half of 2008. For full-year 2009 we expect a lower operating result on lower revenues than in 2008 for the Construction and Development division. This is due to the stagnation in the real estate market and the continuing pressure on the operating results of the construction companies.

Our activities in housing construction decreased sharply in the first half of 2009. Just one subproject consisting of 44 housing units was begun this year as part of our own real estate development activities. Sluggish presales delayed the start of construction of a number of projects. A number of projects have been scaled down and redesigned to increase appeal in the more affordable segment. The total number of housing units under construction fell by 18% from 3 217 at the end of 2008 to 2 643. The number of housing units under construction as part of our own real estate development efforts decreased from 911 at the end of 2008 to 738 in June 2009. Unsold housing stock remained nearly unchanged compared to the end of 2008. The stock is currently 10 housing units and 712 m2 of leased commercial space. At the end of 2008 it consisted of 11 housing units and 712 m2 leased commercial space. The number of unsold housing units under construction amounted to 210 units. About 25% of the marketing risk was shared in one way or another with other parties. There is also 2 877 m2 of unsold commercial space under construction which has been leased for 10 years. The worst-case scenario is that none of the current stock under construction will be sold. In case this scenario would occur, completing construction of the unsold stock will require about € 35 million, half of which will be charged in 2009. There are financing facilities available to cover this eventuality. The development potential of the land bank is practically unchanged and amounted to 14 800 housing units. The book value of the land bank increased by € 8 million to € 150 million. The increase was largely to be found in existing land positions.

In the first half year, the Building and Development division was successful in implementing the strategy of strengthening its development potential and focussing its activities on niche markets, such as high-rise construction and the healthcare sector.

Ballast Nedam participates in the consortium that recently signed an agreement with the municipality of Alkmaar for the innercity redevelopment of 'Overstad', an industrial area up to 32 hectares. The Building and Development division will also start the long term property development of the A2 Maastricht project.

In a consortium, Ballast Nedam was awarded a contract for the construction of the university medical centre Erasmus MC in Rotterdam. The € 449 million healthcare project entails the construction of a building of 185 000 m2, and will be completed in stages until 2017.

An innovative concept has been developed under the name of 'IQ-woning' for the production of pre-fabricated and affordable quality housing, offering consumers a choice of finishing materials. A manufactured frame is delivered to the site ready-to-go. The individually tailored finishing touches are applied at the site.

There will be some reorganization in property development and in the construction companies in the North later this year in response to the lower revenue forecast.

EBIT

x € 1 million	1st half **2009**	1st half 2008	Full year 2008
Infrastructure	**7**	5	20
Building and Development	**-**	11	29
	7	16	49
Other	**(3)**	(3)	(7)
	4	13	42

The operating result fell from € 13 million in the first half of 2008 to € 4 million in the same period this year. The Infrastructure division improved its result by € 2 million to € 7 million. The operating result for Building and Development fell by € 11 million to the break-even point. The result for 'other' is virtually unchanged from last year and relates mainly to head office expenses.

Margin

	1st half **2009**	1st half 2008	Full year 2008
Infrastructure	**2.3%**	1.7%	2.8%
Building and Development	**0.0%**	3.6%	3.9%
Total	**0.7%**	2.3%	2.9%

The overall margin fell from 2.3% to 0.7% at a 5% increase in revenues. The margin of the Infrastructure division increased from 1.7% to 2.3% on increased revenues. The margin of Building and Development declined from 3.6% to 0%, reflecting the break-even result.

Net result

x € 1 million	1st half **2009**	1st half 2008	Full year 2008
EBIT	**4**	13	42
Net financial income and expense	**(3)**	(3)	(11)
Profit before tax	**1**	10	31
Tax	**(1)**	(3)	(7)
Net result	**-**	7	24

The interest item was unchanged in the first half of 2008 and amounted to € 3 million. The interest item consisted of interest expenses of € 4 million and capitalized interest on PPP receivables of € 1 million. The result before tax amounted to € 1 million and € 9 million was lower than last year. Taxes amounted to € 1 million because not all positive results could be compensated within the fiscal entity. The net result decreased by € 7 million in the first half of 2008 to the break-even point.

Order book

x € 1 million	1st half 2009	1st half 2008	Full year 2008
Infrastructure	**772**	786	705
Building and Development	**1 182**	873	1 005
	1 954	1 659	1 710
Other / elimination	**(44)**	(19)	(43)
	1 910	1 640	1 667

The order book grew by 15% in the first half year from € 1 667 million to € 1 910 million. Both divisions succeeded in acquiring major projects. The A2 Maastricht project recently awarded has not yet been included in the order book.

Equity and cash flows

Shareholders' equity decreased by € 8 million on year end 2008 and amounted to € 160 million. This decrease is due to a dividend payment of € 12 million and an after tax gain of € 4 million from the reserve for hedging interest rate derivatives. The hedging reserve relates to the interest rate derivatives that convert the variable rate of the PPP loans into a fixed rate. The reserve amounted to € 10 million in June 2009. Total assets increased by € 23 million to € 1 027 million. Solvency declined from 17% at the end of 2008 to 16% due to the increase in assets and a decrease in shareholders' equity. Capital employed increased from € 252 million at the end of 2008 to € 332 million, in particular due to the increase in working capital required for infrastructure projects and the growth of PPP receivables. The negative cash flow for the first half of 2009 was € 76 million, compared with a negative cash flow of € 43 million in the same period in 2008.

The operating cash flow for the first half of 2009 was € 52 million negative in spite of increased prepayments, compared with a operating cash flow of € 17 million negative in the same period in 2008. This was especially due to the sharp decrease in creditors compared to year end 2008.

The negative cash flow from investment activities amounted to € 45 million negative, consisting of € 50 million in investments and € 5 million in disposals. The investments consisted of € 13 million for tangible fixed assets, € 32 million for financial assets and € 2 million for acquisition of subsidiaries. The net investments in tangible fixed assets of € 11 million exceeded depreciations of € 9 million. The investments in financial assets consisted of € 32 million in PPP receivables.

The positive cash flow from financing activities of € 21 million consisted of € 34 million net take-up of long-term loans, a € 12 million dividend payout for 2008 and € 1 million for buy-back of shares.

Net financing position

x € 1 million	1st half 2009	1st half 2008	Full year 2008
Net cash	**16**	9	92
Current portion of long-term loans	**(1)**	(1)	(7)
Long-term loans	**(160)**	(110)	(126)
	(145)	(102)	(41)

The net financing position decreased by € 43 million from € 102 million at the half-year end of 2008 to € 145 million, of which € 41 million due to the increase in PPP loans. There is a greater need for financing during the course of the year than at year end. Net cash decreased by € 76 million since year end to € 16 million. Prepayments on projects increased from € 79 million at the end of 2008 to € 109 million in June 2009. Long-term loans increased by € 34 million from € 126 million at the end of 2008 to € 160 million. This increase was due primarily to € 30 million in long-term PPP loans. Based on the current portfolio of PPP projects, PPP loans will increase to approx. € 100 million by the end of 2009 and amount to € 200 million at the end of 2010.

Financing

There will be no need to refinance long-term loans for the next few years. The term of the general loan of € 50 million expires on 1 April 2012. It has a fixed rate of 4.63%. As security for the loan, mortgages were taken out on a number of properties in use by Ballast Nedam. The terms of the loan also do not include any financial covenants. The other large loan of € 33 million is to finance a number of land positions in a separate company. The term of this loan runs until October 2012 and the interest is the Euribor rate plus 100 base points. The relevant land positions serve as security for the loan. The other long-term loans of € 77 million consist of € 53 million for the non-recourse PPP loans, and a rate that is fixed by means of derivatives.

Ballast Nedam's shares

The net result per ordinary share in issue fell from € 0.71 in the first half of 2008 to € 0.02. The number of outstanding ordinary shares amounted to 9 835 115. In June 2009 the number of outstanding ordinary shares amounted to 9 799 980.

Strategy

The most important strategic key points of Ballast Nedam in 2009 are:

Increase the value of the company by further improving its operational performance ('operational excellence') and by increasing the structural margin by adjusting the company's mix of activities: proportionately more development and more management of maintenance and operations in construction and intensified activity in niche markets (such as offshore wind farms, industrial construction, international projects, large-scale complex projects, high-rise construction and CNG stations). A top priority for 2009 is improving the operational performance of the regional companies.

Strengthening the front and back end of the horizontal value chain by acquiring land positions and intensifying our activities in the field of project development, by improving management of maintenance and operations and by standing out in the PPP market. We will exercise restraint when it comes to investments in new land positions in 2009.

Strengthening the suppliers in the vertical value chain by expanding the product range and developing the specialist companies; also by further improving operational performance of the prefab companies and by replacing and potentially expanding our position in the raw materials extraction sector.

Statement of the Board of Management

The semi-annual financial report provides a true and fair view of the assets, liabilities, financial position and operating result. The semi-annual financial report provides a true and fair view of the company's position on the balance sheet date, the state of affairs during the first half year and the expected state of affairs for the remaining months of 2009. This report has not been audited.

Risks

The most important risks are described in the Annual Report 2008. The operating result for the remaining months of 2009 will largely depend on developments in the housing market, the management of further operational risks, in particular in the construction companies, and the outcome of claims that are currently pending on several projects.

Annexes

- Consolidated balance sheet
- Consolidated income statement
- Consolidated statement of changes in equity
- Consolidated cash flow statement
- Segmentation half year 2009
- Notes to the semi-annual financial report

Consolidated balance sheet

x € 1 million	**14-Jun-09**		31-Dec-08		15-Jun-08	
Non-current assets						
Intangible assets	**28**		25		25	
Property, plant and equipment	**178**		176		170	
Financial assets	**66**		36		22	
Investments in associates	**1**		-		1	
Deferred tax assets	**36**		37		37	
		309		274		255
Current assets						
Inventories	**215**		199		224	
Work in progress	**116**		127		106	
Receivables	**320**		295		292	
Cash and cash equivalents	**67**		109		76	
	718		730		698	
Current liabilities						
Bank loans	**(51)**		(17)		(67)	
Current portion of long-term loan	**(1)**		(7)		(1)	
Inventories	**(23)**		(29)		(18)	
Work in progress	**(206)**		(141)		(172)	
Trade payables	**(230)**		(300)		(207)	
Income tax payable	**-**		-		-	
Other liabilities	**(136)**		(145)		(156)	
Provisions	**(32)**		(21)		(24)	
	(679)		(660)		(645)	
Working capital		**39**		70		53
		348		344		308
Non-current liabilities						
Loans	**160**		126		110	
Derivatives	**10**		15		-	
Deferred tax liabilities	**3**		3		4	
Employee benefits	**3**		4		6	
Provisions	**12**		28		23	
		188		176		143
Total equity						
Equity attributable to equity holders of the parent	**160**		168		165	
Minority interest	**-**		-		-	
		160		168		165
		348		344		308

The remarks on pages 15 through 17 are an integral part of this semi-annual financial report. Unaudited figures; 1st half 2009 up to 14 June 2009 (1st half 2008 up to 15 June 2008)

Consolidated income statement

x € 1 million	**1st half**				Full year	
	2009		2008		2008	
Revenue		**601**		575		1 426
Raw materials and subcontractors	**(439)**		(405)		(1 077)	
Employee benefits	**(136)**		(133)		(267)	
Other operating expenses	**(12)**		(14)		(15)	
		(587)		(552)		(1 359)
Share in results of associates		**-**		-		-
EBITDA		**14**		23		67
Depreciation and amortisation		**(10)**		(10)		(25)
Impairment of tangible and intangible assets		**-**		-		-
EBIT		**4**		13		42
Financial income	**1**		1		2	
Financial expenses	**(4)**		(4)		(13)	
Netto financieringsbaten (lasten)		**(3)**		(3)		(11)
Profit before tax		**1**		10		31
Income tax (expense) / benefit		**(1)**		(3)		(7)
Net result		**-**		7		24
Attributable to:						
Equity holders of the parent		**-**		7		24
Minority interest		**-**		-		-
Net result		**-**		7		24
Attributable to equity holders of the parent:						
Basic earnings per share (€)		**0.02**		0.71		2.46
Diluted earnings per share (€)		**0.02**		0.71		2.46

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Consolidated statement of changes in equity

x € 1 million	*Issued share capital*	*Share premium*	*Repurchased own shares*	*Exchange differences reserves*	*Associates reserves*	*Hedging reserve*	*Other reserves*	*Result*	***Equity attributable to shareholders***	*Minority interests*	***Total shareholders' equity***
31 December 2007	**60**	**52**	**(2)**	**-**	**16**	**-**	**19**	**27**	**172**	**-**	**172**
Exchange differences				-					**-**		**-**
Hedging reserves						-			**-**		**-**
Results recognized directly in equity	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net result for the year								7	**7**		**7**
Total result	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7**	**7**	**-**	**7**
Appropriation of 2007 result							27	(27)	**-**		**-**
Dividend paid							(14)		**(14)**		**(14)**
Option scheme							-		**-**		**-**
Other	-	-	-		3		(3)		**-**	-	**-**
15 June 2008	**60**	**52**	**(2)**	**-**	**19**	**-**	**29**	**7**	**165**	**-**	**165**
Exchange differences				(3)					**(3)**		**(3)**
Hedging reserves						(11)			**(11)**		**(11)**
Results recognized directly in equity	**-**	**-**	**-**	**(3)**	**-**	**(11)**	**-**	**-**	**(14)**	**-**	**(14)**
Net result second half								17	**17**		**17**
Total result	**-**	**-**	**-**	**(3)**	**-**	**(11)**	**-**	**17**	**3**	**-**	**3**
Dividend paid											
Option scheme											
Other	-	-			7		(7)		**-**	-	**-**
31 December 2008	**60**	**52**	**(2)**	**(3)**	**26**	**(11)**	**22**	**24**	**168**	**-**	**168**
Exchange differences				-					**-**		**-**
Hedging reserves						4			**4**		**4**
Results recognized directly in equity	**-**	**-**	**-**	**-**	**-**	**4**	**-**	**-**	**4**	**-**	**4**
Net result								-	**-**		**-**
Total result	**-**	**-**	**-**	**-**	**-**	**4**	**-**	**-**	**4**	**-**	**4**
Appropriation of 2008 result							24	(24)	**-**		**-**
Dividend paid							(12)		**(12)**		**(12)**
Option scheme							1		**1**		**1**
Other	-	-	(1)		2		(2)		**(1)**	-	**(1)**
14 Juni 2009	**60**	**52**	**(3)**	**(3)**	**28**	**(7)**	**33**	**-**	**160**	**-**	**160**

The remarks on pages 15 through 17 are an integral part of this semi-annual financial report. Unaudited figures; 1st half 2009 up to 14 June 2009 (1st half 2008 up to 15 June 2008)

Consolidated cash flow statement

x € 1 million	1st half				Full year	
	2009		2008		2008	
Net cash - opening balance		**92**		52		52
Net result	**-**		7		24	
Depreciation	**9**		9		24	
Amortisation	**1**		1		1	
Impairment	**-**		-		-	
Interest charges	**4**		4		13	
Interest income	**(1)**		(1)		(2)	
Equity-settled share-based payment transactions	**1**		-		-	
Income tax (expense) / benefit	**1**		3		7	
Share in results of associates	**-**		-		-	
Book result on fixed assets sold	**-**		-		-	
Movements in other investments	**-**		-		(1)	
Movements in other receivables	**-**		(1)		(1)	
Movement in work in progress	**76**		41		(11)	
Movement in inventories	**(22)**		(42)		(6)	
Movement in provisions and employee benefits	**(6)**		(6)		(7)	
Interest paid	**(4)**		(4)		(10)	
Interest received	**-**		-		1	
Income taxes paid	**(1)**		(1)		(2)	
Movement in other working capital	**(110)**		(27)		36	
Net cash from operating activities		**(52)**		(17)		66
Intangible assets						
investments	**(3)**		(3)		(2)	
disposals	**-**		-		-	
Property, plant and equipment						
investments	**(13)**		(23)		(44)	
disposals	**2**		1		3	
Financial assets						
investments	**(32)**		-		(14)	
disposals	**3**		19		18	
dividends received	**-**		-		1	
Acquisition of subsidiary	**(2)**		(2)		(4)	
Cash from acquisition					-	
Net cash from investing activities		**(45)**		(8)		(42)
Proceeds from long-term loans	**36**		15		43	
Repayment of long-term loans	**(2)**		(19)		(14)	
Dividend paid	**(12)**		(14)		(14)	
Proceeds from repurchased shares	**(1)**		-		-	
Net cash from financing activities		**21**		(18)		15
Effect of exchange rate fluctuations on cash held		**-**		-		1
Net cash - closing balance		**16**		9		92

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Consolidated cash flow statement (continued)

Net cash

x € 1 million	**1st half 2009**	1st half 2008	Full year 2008
Cash and cash equivalents	**67**	76	109
Bank loans	**(51)**	(67)	(17)
	16	9	92
Unrestricted cash balances	**(24)**	(2)	75
Proportionately consolidated	**40**	11	17
	16	9	92

Net financing position

x € 1 million	**1st half 2009**	1st half 2008	Full year 2008
Net cash	**16**	9	92
Current portion of long-term loans	**(1)**	(1)	(7)
Long-term loans	**(160)**	(110)	(126)
	(145)	(102)	(41)

The remarks on pages 15 through 17 are an integral part of this semi-annual financial report. Unaudited figures; 1st half 2009 up to 14 June 2009 (1st half 2008 up to 15 June 2008)

Segmentation

Revenue

x € 1 million	**1st half 2009**	1st half 2008	Full year 2008
Infrastructure	**300**	282	708
Building and Development	**310**	296	735
	610	578	1 443
Other / elimination	**(9)**	(3)	(17)
	601	575	1 426

EBIT

x € 1 million	**1st half 2009**	1st half 2008	Full year 2008
Infrastructure	**7**	5	20
Building and Development	**-**	11	29
	7	16	49
Other	**(3)**	(3)	(7)
	4	13	42

Margin

	1st half 2009	1st half 2008	Full year 2008
Infrastructure	**2.3%**	1.7%	2.8%
Building and Development	**0.0%**	3.6%	3.9%
Total	**0.7%**	2.3%	2.9%

Net result

x € 1 million	**1st half 2009**	1st half 2008	Full year 2008
EBIT	**4**	13	42
Net financial income and expense	**(3)**	(3)	(11)
Profit before tax	**1**	10	31
Tax	**(1)**	(3)	(7)
Net result	**-**	7	24

Segmentation half year 2009 (continued)

Order book

x € 1 million	**1st half 2009**	1st half 2008	Full year 2008
Infrastructure	**772**	786	705
Building and Development	**1 182**	873	1 005
	1 954	1 659	1 710
Other / elimination	**(44)**	(19)	(43)
	1 910	1 640	1 667

Cash flow from operating activities

x € 1 million	**1st half 2009**	1st half 2008	Full year 2008
Infrastructure	**(38)**	(12)	46
Building and Development	**(9)**	(11)	26
	(47)	(23)	72
Other	**(5)**	6	(6)
	(52)	(17)	66

Cash flow from investing activities

x € 1 million	**1st half 2009**	1st half 2008	Full year 2008
Infrastructure	**(27)**	(7)	(39)
Building and Development	**(18)**	4	(6)
	(45)	(3)	(45)
Other	**-**	(5)	3
	(45)	(8)	(42)

Assets

x € 1 million	**14-jun-09**	31-dec-08	15-jun-08
Infrastructure	**452**	435	482
Building and Development	**547**	491	488
	999	926	970
Other	**27**	27	34
	1 026	953	1 004

Notes to the semi-annual financial report

Significant accounting policies

Ballast Nedam N.V. is established at Nieuwegein in the Netherlands. The semi-annual financial report of Ballast Nedam NV covers the first six period of the 2009 fiscal year from 1 January 2009 to 14 June 2009 (2008: 1 January 1 to 15 June). This report includes Ballast Nedam NV, head of the group and its subsidiaries, collectively called Ballast Nedam and Ballast Nedam's participation in associated businesses and entities that are controlled jointly. The consolidated financial statement of Ballast Nedam NV for the year 2008 is available through www.ballast-nedam.nl.

Statement of compliance
The semi-annual financial report has been prepared in conformity with International Financial Reporting Standards IAS 34 "Interim Financial Reporting" as adopted by the European Union (hereinafter: 'EU-IFRS'). This report has not been audited. The semi-annual financial report does not contain all information required for complete annual financial statements and should be read in conjunction with the consolidated financial statements for the year 2008.

This half-yearly financial report was prepared and approved by the Board of Management on 9 July 2009.

Accounting policies used in the preparation of the semi-annual financial report

The semi-annual financial report has been prepared in accordance with the financial reporting principles as used for the 2008 financial statements. The following amendments have been made since 1 January 2009.

IAS 1 Presentation of Financial Statements (revised)
One of the IASB projects focuses on improving presentation in the financial statements and the main tables. The changes are limited to the presentation of the summary of financial movements of the total result.

IAS 23 Borrowing Costs (revised)
The revised standard no longer permits recording finance expenses related to the construction or acquisition of an asset as a direct loss. Instead, finance expenses have to be capitalized. Ballast Nedam capitalizes financing expenses for qualifying assets for which the time needed to prepare the assets for sale is of a longer term nature. The implementation of this standard has had no material impact on the comparative figures or the equity of Ballast Nedam.

IFRS 8 Operating Segments
The segmentation in this semi-annual financial report is consistent with that used by management for internal purposes. The implementation of this standard has had no material impact on the comparative figures or the equity of Ballast Nedam.

IFRIC 15 Agreements for the Construction of Real Estate
IFRIC 15 concludes that housing projects will often not qualify as contracts on behalf of third parties (construction contracts), because the design and the major specifications of the housing units have not been specifically negotiated with the buyer. Ballast Nedam records the revenues from the relevant housing projects in accordance with the provisions of IAS 18. The implementation of this standard has had no material impact on the comparative figures or the equity of Ballast Nedam.

Seasonal Patterns
Ballast Nedam's activities are subject to seasonal patterns. In general, the majority of production takes place in the second half of the year.

Acquisition of subsidiaries
An agreement was reached in 2009 on the indirect acquisition of Plegt Vos Zandwinning B.V. The transfer of shares of Plegt Vos Zandwinning B.V. to a consortium in which Ballast Nedam has a 50% stake was effectuated on 23 April 2009. This company will be called Noord Nederlandse Zandwinning B.V. It is active in the field of sand and gravel extraction. The purchase price was less than € 2 million. Purchase price allocation will take place in the second half of 2009.

Transactions with associated parties
The parties associated with Ballast Nedam are its key management (Board of Management/Supervisory Board), its subsidiaries, associates, joint ventures, Stichting Pensioenfonds Ballast Nedam Pension Fund and their managers and senior officials of these companies. The main task of the Ballast Nedam Pension Fund is to implement the pension scheme for the employees of Ballast Nedam. Ballast Nedam Pension Fund makes use of the services of employees of Ballast Nedam companies. Actual expenses are charged on. Ballast Nedam buys and sells goods and services to various associated parties in which Ballast Nedam holds an interest of 50% or less. These transactions are conducted on commercial terms similar to those for transactions with third parties.

Interests in joint ventures
Joint ventures, consisting primarily of construction or development consortia, are consolidated on a proportional basis. For a list of the main joint ventures, please see the organizational chart in the annual report. Ballast Nedam has recognized the following interests in joint ventures in the consolidated balance sheet.

Interests in joint ventures

x € 1 million	**14-jun-09**	31-dec-08
Non-current assets	**81**	43
Current assets	**176**	126
Non-current liabilities	**(75)**	(32)
Current liabilities	**(154)**	(110)
Balance of assets and liabilities	**28**	27

The proportionally consolidated revenue and the cost of sales amounted to about 16% (2008: 13%) of total revenues and cost of sales.

The total liabilities to third parties of companies for which Ballast Nedam holds joint and several liability, such as partnerships, excluding bank guarantees issued by those companies, amounted to € 637 million as of balance sheet date (€ 417 million at year end 2008), of which the € 229 million portion of Ballast Nedam (€ 142 million at year end 2008) is included in the consolidated balance sheet.

Segmented information
The amounts for transactions between segments are determined on an arm's length basis. The results, assets and liabilities are determined in accordance with the financial reporting principles as used for the financial statements.

Estimates and judgements by management

In preparing the semi-annual financial report, management of Ballast Nedam has made estimates and judgements which affect the amounts recognized for assets, liabilities, revenue, costs and the related remarks.

Project results
The valuation of work in progress is based on forecasts of the final project results. The ultimate outcome may differ from these forecasts.

Recognition of income tax
Ballast Nedam makes an assessment of the tax position of all fiscal entities at the end of each period. This involves making estimates of the actual short-term tax charges and income as well as of the temporary differences between the fiscal valuation and carrying amounts of assets and liabilities for financial reporting purposes. A decision is taken on the balance sheet date as to whether unused tax losses and deferred tax assets due to temporary differences may be recognized. Ballast Nedam recognizes deferred tax assets if these are likely to be realized. If the actual anticipated taxable profits differ from the estimates, and depending on the tax strategies which Ballast Nedam may introduce, capitalized unused deferred tax assets which have been recognized may not be realized, thus affecting the financial position and results of Ballast Nedam.

Provisions
Provisions relating to actual obligations are based on estimates and judgements as to whether the criteria for treatment as a provision have been met, including an estimate of the size of the actual obligation. Actual obligations are disclosed if it is likely that an obligation will arise and its size can be reasonably estimated. If the actual outcome differs from the assumptions as to anticipated costs, the estimated provisions will be revised, and this could have an effect on the financial position and results of Ballast Nedam.

Post-balance sheet events

No noteworthy events that could affect this semi-annual financial report occurred after the balance sheet date.

Nieuwegein, 9 July 2009

Board of Management
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