Leidschendam, the Netherlands, 1 August 2018

Fugro HY 2018: strong revenue growth and improved EBIT

Continued competitive offshore market conditions

- Revenue growth of 16.6% on comparable basis mainly driven by renewables, oil & gas and building & infrastructure.
- EBIT margin turns positive as a result of significantly improved EBIT in the Marine division.
- Cash flow from operating activities after investments is negative, resulting from strong revenue growth and related working capital increase.
- Net debt/EBITDA of 2.5; expected to improve towards year-end.
- Continued backlog growth on a comparable basis.
- Outlook 2018: Fugro expects revenue growth on a comparable basis, a marginally positive EBIT margin and positive cash flow from operating activities after investments dependent on revenue growth and the related working capital requirements.
- Strategy update to be presented November 2018.

Key figures (x EUR million)	HY 2018	HY 2017
Revenue	797.4	774.3
comparable growth[1]	16.6%	(14.5%)
EBITDA (excluding exceptional items[2])	56.7	46.6
EBIT (excluding exceptional items[2])	4.0	(25.3)
EBIT margin (excluding exceptional items[2])	0.5%	(3.3%)
Net result	(40.5)	(96.4)
Backlog next 12 months	943.0	971.2
comparable growth[1]	3.1%	(5.5%)
Cash flow from operating activities after investments	(43.5)	(66.1)
Net debt/EBITDA	2.5	2.2

The information in this report is unaudited. Refer to annual report 2017 for definition of EBITDA for covenant purposes.

1 Corrected for currency effect (of around - 7% on revenues and - 2% on backlog) and for portfolio changes related to the divestment of the marine construction and installation activities in 2017

2 Onerous contract provisions, restructuring cost, impairment losses, and other exceptional items totalling EUR 0.5 million compared to EUR 25.3 million in HY 2017 (EBIT impact)

Øystein Løseth, CEO: *"In the second quarter revenue growth increased substantially driven by strong growth in offshore wind, growth in the building & infrastructure market and a gradually recovering oil and gas market. Oil companies are starting to increase their investment levels in order to meet future demand. This is reflected in strong growth of the early cyclical marine site characterisation activities. In the offshore wind market, where Fugro has strong positions, we benefit from large projects in the North Sea, the United States and Asia. Strong revenue growth, in combination with last years' cost reduction measures, has resulted in improved profitability. We are still working on low margin contracts, secured at the bottom of the oil and gas market. We do see some price recovery, however overall the offshore market is still oversupplied, resulting in a continued challenging pricing environment.*

I have spent the past months getting to know our business, people and clients around the world, in order to understand their needs and priorities. It is clear that Fugro has a strong brand and technological platform, professional and motivated people and a unique ability to provide integrated services on a global scale. I believe Fugro is well positioned to capture profitable growth in the years ahead.

With Fugro's current 'Building on Strength' strategy four years underway and in light of changing market circumstances and long term trends, Fugro will provide a strategy update in November. In that update we will address both the needed improvement in our performance and our long term vision."

Operational review

Revenue per division (x EUR million)	HY 2018	HY 2017	reported growth	comparable growth[1]
Marine	503.1	467.2	7.7%	26.3%
Land	231.0	245.7	(6.0%)	0.3%
Geoscience	63.3	61.4	3.1%	14.2%
Total	**797.4**	**774.3**	**3.0%**	**16.6%**

[1]Corrected for currency effect (of around - 7% at group level) and for portfolio changes related to the divestment of the marine construction and installation activities in 2017

After three years of decline, group revenue increased again, led by the Marine and Geoscience divisions. At 30.3%, comparable revenue growth was particularly strong in the second quarter.

During the period under review, revenue of the Marine division was boosted by the global development of the offshore wind market in combination with a recovering oil and gas market. Seabed Geosolutions executed three projects compared to two projects last year, resulting in a double digit comparable growth of the Geoscience division. In the Land division, site characterisation revenue grew, whilst asset integrity declined.

EBIT per division (x EUR million)	HY 2018				HY 2017			
	reported		excluding exceptional items		reported		excluding exceptional items	
	EUR	margin	EUR	margin	EUR	margin	EUR	margin
Marine	(2.6)	(0.5%)	(1.9)	(0.4%)	(56.4)	(12.1%)	(37.3)	(8.0%)
Land	2.6	1.1%	3.8	1.6%	6.3	2.6%	12.0	4.9%
Geoscience	3.5	5.5%	2.1	3.3%	(0.5)	(0.8%)	0.0	0.0%
Total	**3.5**	**0.4%**	**4.0**	**0.5%**	**(50.6)**	**(6.5%)**	**(25.3)**	**(3.3%)**

EBIT margin (excluding exceptional items) turned positive mainly as result of revenue growth and cost savings. The improvement was largest in the Marine division, which was close to break even, compared to a EUR 37.3 million loss in the comparable period last year. The lower EBIT for the Land division was partly related to the fact that the comparable period last year included a positive EUR 6.1 million operational one-off from a contractual settlement in the comparable period last year. In the Geoscience division, an improved EBIT resulting from revenue growth and a positive EUR 5.2 million one-off from the sale of some spare cable assets, was partly offset by weather related delays at the BHP project in Trinidad.

Financial position

Cash flow from operating activities after investments was negative resulting from strong revenue growth and related working capital increase. Excluding the impact of increased working capital, cash flow was positive and significantly improved compared to the same period last year. Due to the strong revenue growth in the last quarter, working capital as a percentage of 12 months rolling revenue increased from 13.3% at the end of March to 14.6% at the end of June. Days of revenue outstanding reached 88 days, compared to 92 at the end of June last year and 85 at the end of last year.

Net debt/EBITDA ratio was 2.5, unchanged compared to last quarter and compared to 1.9 at the end of 2017. Net debt increased to EUR 501.9 million from EUR 430.4 million at the end of 2017. The increase was due to increased working capital resulting from strong revenue growth in the second quarter and adverse currency effects on cash balances. The net debt/EBITDA ratio is expected to improve towards year-end, based on improved results and lower working capital at year-end.

In the second quarter the net debt ceiling covenant with the owner of two geotechnical vessels was adjusted as a matter of financial prudency, in order to create additional headroom for increased activity and potential adverse currency translation effects.

Outlook

The offshore wind market continues to grow and the offshore oil and gas market is gradually recovering. Clients are increasingly taking final investment decisions regarding new offshore field developments. As there is still overcapacity in the oil field services market, it is uncertain at what pace the challenging pricing environment in this market will improve. In the building and infrastructure market Fugro expects continued growth, driven by a strong global economy, population growth and urbanisation.

Supported by an increased backlog in hand, Fugro expects revenue growth and a marginally positive EBIT margin. Fugro also expects a positive cash flow from operating activities after investments, yet this will depend on revenue growth and the related working capital requirement at year-end. Capex is expected to be around EUR 80 million.

Operational review per division

Marine division

Key figures (in EUR million)	HY 2018	HY 2017
Revenue	503.1	467.2
reported growth (%)	7.7%	(15.3%)
comparable growth (%)[1]	26.3%	(16.1%)
EBITDA excluding exceptional items	34.2	11.6
EBIT excluding exceptional items	(1.9)	(37.3)
EBIT margin excluding exceptional items (%)	(0.4%)	(8.0%)
EBIT	(2.6)	(56.4)
EBIT margin (%)	(0.5%)	(12.1%)
Capital employed	873.0	873.4
Backlog remainder of the year	423.2	410.9
Backlog next 12 months	577.7	606.0

1 Revenue and backlog growth corrected for currency effect (of around - 7% and -2% respectively) and for portfolio changes related to the divestment of the construction and installation activities in 2017.

- Revenue increased by 26.3% on a comparable basis to EUR 503.1 million. Utilisation of owned and long term chartered vessels increased by 5 percentage points year-on-year. Especially site characterisation projects required additional capacity, which was partially covered by seasonal spot-charters.
- EBIT margin improved significantly versus last year and was near break-even. Most regions contributed to this, driven by cost reduction and efficiency programs initiated last year, lower depreciation and better asset utilisation.
- Site characterisation revenue increased by 44.2% at constant currencies to EUR 249.6 million reflecting improved activity levels in oil and gas field developments and rising offshore wind activities globally, in particular in Europe. The EBIT margin was close to break-even, compared to a significant loss in the same period last year.
- The asset integrity comparable revenue increased by 12.8% to EUR 253.5 million due to more work under existing long-term contracts in Asia Pacific. EBIT was marginally positive.
- Significant project awards in the second quarter include:
  - Two asset integrity services contracts for Petrobras in Brazil in support of exploration and production activities.

  - Geotechnical characterisation at the Hornsea Two wind farm site in the North Sea, following previous contracts for geophysical investigation services.
  - Various offshore wind site characterisation projects in France, UK and USA; all integrated geotechnical, geophysical and UXO related work packages.
  - Geophysical and geotechnical site survey for the Merakes field in the East Sepinggan block, offshore East Kalimantan, Indonesia.
- Backlog for the next 12 months increased by 4.5% on a comparable basis year-on-year, comprising a 11.5% improvement in site characterisation projects to EUR 259.9 million, with particularly strong growth in the Americas. Asset integrity showed a slight decrease of 0.6% to EUR 317.8 million, as a result of continued oversupply and the completion of a large project in Africa.

Land division

Key figures (in EUR million)	HY 2018	HY 2017
Revenue	231.0	245.7
reported growth (%)	(6.0%)	(1.6%)
comparable growth (%)[1]	0.3%	(1.0%)
EBITDA excluding exceptional items	13.6	22.9
EBIT excluding exceptional items	3.8	12.0
EBIT margin excluding exceptional items (%)	1.6%	4.9%
EBIT	2.6	6.3
EBIT margin (%)	1.1%	2.6%
Capital employed	208.3	263.3
Backlog remainder of the year	191.8	206.7
Backlog next 12 months	273.6	299.6

[1] Revenue and backlog growth corrected for currency effect (of around - 6% and -1% respectively)

- Revenue was flat at constant currencies. Growth in building & infrastructure and mining was offset by a decrease in oil and gas activities which went down from 11% to 7% of total revenue. The decline in EBIT (excluding exceptional items) was partly related to a positive one-off operational effect of EUR 6.1 million from a contractual settlement in the comparable period last year.
- Site characterisation revenue increased by 3.5% at constant currencies to EUR 183.9 million driven by increased activity in Europe. EBIT margin was mid-single digit and slightly higher than last year when the aforementioned settlement is excluded. This improvement was the result of increased revenue in Europe and reduced losses in Africa.
- Asset integrity revenue decreased by 10.3% at constant currencies to EUR 47.1 million mostly due to unfavourable weather conditions in the USA and Australia. EBIT margin was high single digit negative and below last year as a result of the lower revenue.
- Significant project awards in the second quarter included:
  - On and nearshore site investigation services for the design and engineering phases of the high-end tourism development “Pristine”, part of Saudi Arabia’s Red Sea development program.
  - Nearshore site characterisation work for the expansion of a port in Madagascar.
  - Additional site characterisation work for the third runway of Heathrow Airport in the UK.
- Backlog for the next 12 months is down by 7.3% at constant currencies compared to last year and by 2.4% compared to last quarter. Site characterisation decreased by 8.7%, mostly as a consequence of the finalisation of several large projects being replaced by shorter duration projects, which leads to lower visibility in the 12 month backlog. Asset integrity backlog has decreased slightly.

Geoscience division

The Geoscience division almost fully consists of Fugro's 60% stake in Seabed Geosolutions (100% consolidated). It also covers some indirect interests in Australian exploration projects, via Finder Exploration.

Key figures (in EUR million)	HY 2018	HY 2017
Revenue	63.3	61.4
reported growth (%)	3.1%	(40.6%)
comparable growth (%)[1]	14.2%	(41.9%)
EBITDA excluding exceptional items	8.9	12.1
EBIT excluding exceptional items	2.1	0.0
EBIT margin excluding exceptional items (%)	3.3%	0.0%
EBIT	3.5	(0.5)
EBIT margin (%)	5.5%	(0.8%)
Capital employed	155.9	131.1
Backlog remainder of the year	55.3	33.9
Backlog next 12 months	91.7	65.6

[1] Revenue and backlog growth corrected for currency effect (of around - 10% and 0% respectively)

- Revenue increased by 14.2% at constant currencies, driven by a higher activity level in the ocean bottom node (OBN) business. Two node crews have been active since the beginning of the year. One crew finalised the Lula project for Petrobras in the Santos basin and thereafter executed a 4D monitor project for Shell in Nigeria. The other crew worked on the BHP project in Trinidad.
- EBITDA decreased slightly mainly due to weather related delays at the BHP project in Trinidad, partially offset by a EUR 5.2 million one-off from the sale of some spare cable assets.
- EBIT was slightly positive due to lower depreciation.
- The 4D survey in deep water Gulf of Mexico will commence in the third quarter, and the shallow water crew is expected to start its Middle East project in the fourth quarter. The OBN survey in Petrobras' Santos basin on the Buzios field was delayed by the client; the Manta® node crew is currently anticipated to start with this project in October.
- The 12-month backlog increased by 39.6% on a currency comparable basis. The pipeline of potential projects remains solid with significant tendering activity, reflecting the increased appetite for ocean bottom seismic technology.

Press call and analyst meeting

Today at 10:00 CET, Fugro will host a news media call. At 12:30 CET, Fugro will host an analyst meeting in Hilton Amsterdam, Apollolaan 138 in Amsterdam which can be followed as video webcast via www.fugro.com.

Financial calendar

26 October 2018	Publication third quarter trading update
25 February 2019	Publication 2018 annual results (7.00 CET)

For more information

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Fugro is the world's leading, independent provider of geo-intelligence and asset integrity solutions. Fugro acquires and analyses data on topography and the subsurface, soil composition, meteorological and environmental conditions, and provides related advice. With its geo-intelligence and asset integrity solutions Fugro supports the safe, efficient and sustainable development and operation of buildings, industrial facilities and infrastructure and the exploration and development of natural resources.

Fugro works around the globe, predominantly in energy and infrastructure markets offshore and onshore, employing approximately 10,000 people in 65 countries. In 2017, revenue amounted to EUR 1.5 billion. The company is listed on Euronext Amsterdam.

This press release contains information that qualifies, or may qualify as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

This announcement may contain forward-looking statements. Forward-looking statements are statements that are not historical facts, including (but not limited to) statements expressing or implying Fugro's beliefs, expectations, intentions, forecasts, estimates or predictions (and the assumptions underlying them). Forward-looking statements necessarily involve risks and uncertainties. The actual future results and situations may therefore differ materially from those expressed or implied in any forward-looking statements. Such differences may be caused by various factors (including, but not limited to, developments in the oil and gas industry and related markets, currency risks and unexpected operational setbacks). Any forward-looking statements contained in this announcement are based on information currently available to Fugro's management. Fugro assumes no obligation to in each case make a public announcement if there are changes in that information or if there are otherwise changes or developments in respect of the forward-looking statements in this announcement.

HIGHLIGHTS INCOME STATEMENT

Net result

Result (x EUR million)	HY 2018	HY 2017
EBIT	**3.5**	**(50.6)**
Net finance income/ (costs)	**(32.1)**	(34.8)
Share of profit/ (loss) in equity accounted investees	**5.8**	2.1
Income tax gain/ (expense)	**(14.3)**	(10.8)
(Gain)/ loss on non-controlling interests	**(3.4)**	(2.3)
Net result	**(40.5)**	**(96.4)**

Net result improved by EUR 55.9 million, mainly due to the significant EBIT improvement.

Finance costs

Finance income/ (costs) (x EUR million)	HY 2018	HY 2017
Interest income	3.4	2.5
Dividend income on financial assets	-	0.1
Finance income	**3.4**	**2.6**
Interest expenses	(18.8)	(20.6)
Exchange rate variances	(16.7)	(16.8)
Finance expenses	**(35.5)**	**(37.4)**
Net finance costs	**(32.1)**	**(34.8)**

The decrease in interest expense on outstanding loans is mainly the result of lower amortisation in connection with early repayment of the United States private placement loans in 2017. Despite a lower average interest rate, interest paid increased from EUR 12.6 million to EUR 14.0 million due to a higher average debt position. The other interest expenses mostly relate to the subordinated convertible bonds. The negative exchange rate variances of EUR 16.7 million are mainly the result of the devaluation of the Angolan Kwanza.

Share of profit/ (loss) of equity accounted investees

The share of profit in equity accounted investees of EUR 5.8 million (net of tax) mainly comprises the results of joint ventures with China Oilfield Services Limited, Wavewalker B.V. and Global Marine Holdings LLC.

Income tax gain/ (expense)

The income tax expense was EUR 14.3 million compared to EUR 10.8 million last year. The increase was mainly driven by taxable profits in certain countries, while in a number of jurisdictions no deferred tax assets were recognised for current year tax losses because of recoverability risk.

(Gain)/loss on non-controlling interests

The EUR 3.4 million result attributable to non-controlling interest mainly consists of the profit of a subsidiary in the Middle East and Seabed Geosolutions.

HIGHLIGHTS BALANCE SHEET AND CASH FLOW

Working capital

Working capital (x EUR million)	HY 2018	HY 2017
Working capital	222.7	207.2
Working capital as % of last 12 months revenue	14.6%	12.6%
Inventories	32.0	21.4
Trade and other receivables	581.2	531.3
Trade and other payables	(390.5)	(345.5)
Days revenue outstanding (DRO)	88	92

Due to the strong revenue growth in the last quarter, working capital as a percentage of 12 months rolling revenue increased from 13.3% at the end of the first quarter to 14.6%. Days of revenue outstanding improved to 88 days from 93 at the end of March as a result of timely billing and focused cash collection.

Return on capital employed

(x EUR million)	HY 2018	HY 2017
Capital employed	1,237.2	1,267.8
Return on capital employed, ROCE (%)[1]	(0.5%)	(2.5%)

[1] ROCE is calculated excluding exceptional items with NOPAT of the last 12 months (applying domestic weighted average tax rate) divided by capital employed (average of last three reporting periods)

The decrease in capital employed is mainly the result of depreciation in excess of capex and lower deferred tax assets.

Capital expenditure

Capital expenditure (x EUR million)	HY 2018	HY 2017
Maintenance capex	14.4	17.0
Other capex (including fixed assets under construction)	13.8	26.1
Total capex	**28.2**	**43.1**

Capital expenditure decreased from EUR 43.1 million to EUR 28.2 million. Last year's capex included investments in the new generation ocean bottom Manta® nodes by Seabed Geosolutions. Full year capital expenditure is expected to be around EUR 80 million.

Cash flow

Cash flow (x EUR million)	HY 2018	HY 2017
Cash flow from operating activities	(34.7)	(28.8)
Cash flow from investing activities	(8.8)	(37.3)
Cash flow from operating activities after investments	**(43.5)**	**(66.1)**
Cash flow from financing activities	32.2	47.2
Net cash movement	**(11.3)**	**(18.9)**

Cash flow from operating activities was lower due to increased working capital, in line with revenue growth. Before changes in working capital, operating cash flow increased from EUR 0.3 million to EUR 21.1 million. The decrease in cash flow from investing activities was the result of lower capital expenditures and higher proceeds from the sale of property, plant and equipment. Cash flow from financing activities of EUR 32.2 million was mainly related to additional drawings under the revolving credit facility.

RISK MANAGEMENT

In its annual report 2017, Fugro extensively describes the company's risk management process, including its appetite for the various risk categories and the risk factors that could adversely affect its business and financial performance. Continued competitive conditions in an oversupplied oil and gas market are resulting in thin margins on the projects performed in this market, with increased risk profiles of projects (clients shift an increasing amount of their risks to suppliers). Fugro continues to focus on growing its business in non-oil and gas markets to diversify the risk profile of the company. In the period under review, Fugro has not identified other risk categories or risk factors than mentioned in the annual report 2017, which might result in pressure on revenues and income. Additional risks not known to the company, or currently believed not to be material, may occur and could later turn out to have material impact on its business, financial objectives or capital resources.

BOARD OF MANAGEMENT DECLARATION

Pursuant to section 5:25d, paragraph 2 sub c of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht)

The Board of Management hereby declares that, to the best of their knowledge, the consolidated interim financial statements in this half-year report 2018 have been prepared in accordance with IAS 34 'Interim Financial Reporting' and give a true and fair view of the assets, liabilities, financial position and the result of Fugro N.V. and its consolidated companies included in the consolidation. As a whole, the interim management report in this half-year report 2018 gives a fair review of the information required pursuant to section 5:25d, subsections 8 and 9 of the Dutch Financial Markets Supervision Act.

Leidschendam, 31 July 2018

Ø. Løseth, Chairman Board of Management/Chief Executive Officer

P.A.H. Verhagen, Chief Financial Officer

M.R.F. Heine, Director Marine division

B.M. Bouffard, Director Land division

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS 2018

Consolidated statement of comprehensive income	11
Consolidated statement of financial position	12
Consolidated statement of changes in equity	13
Consolidated statement of cash flows	16
Notes to the condensed consolidated interim financial statements	17
Independent auditor's review report	26

Consolidated statement of comprehensive income

(EUR x million) unaudited	Six months ended 30 June	
	2018	2017
Revenue	797.4	**774.3**
Third party costs	(358.2)	**(327.9)**
Net revenue own services (revenue less third party costs)	**439.2**	**446.4**
Other income	13.9	**12.1**
Personnel expenses	(310.9)	**(330.2)**
Depreciation	(50.1)	**(68.6)**
Amortisation	(2.7)	**(3.3)**
Impairments	1.3	**(2.0)**
Other expenses	(87.2)	**(105.0)**
Results from operating activities (EBIT)	**3.5**	**(50.6)**
Finance income	3.4	**2.6**
Finance expenses	(35.5)	**(37.4)**
Net finance income/(costs)	**(32.1)**	**(34.8)**
Share of profit/(loss) of equity-accounted investees (net of income tax)	5.8	**2.1**
Profit/(loss) before income tax	**(22.8)**	**(83.3)**
Income tax (expense)/gain	(14.3)	**(10.8)**
Profit/(loss) for the period	**(37.1)**	**(94.1)**
Attributable to owners of the company (net result)	(40.5)	**(96.4)**
Attributable to non-controlling interests	3.4	**2.3**
Earnings per share from operations (attributable to owners of the company)		
Basic and diluted earnings per share	(0.5)	**(1.19)**
Profit/(loss) for the period	**(37.1)**	**(94.1)**
Other comprehensive income		
Defined benefit plan actuarial gains/(losses)	10.0	**13.6**
Total items that will not be reclassified to profit or loss	**10.0**	**13.6**
Foreign currency translation differences of foreign operations	12.4	**(84.7)**
Foreign currency translation differences of equity-accounted investees	2.0	**(1.4)**
Net change in fair value of hedge of net investment in foreign operations	(6.0)	**11.7**
Net change in fair value of cash flow hedges transferred to profit or loss	-	**0.1**
Total items that may be reclassified subsequently to profit or loss	**8.4**	**(74.3)**
Total other comprehensive income for the period (net of tax)	18.4	**(60.7)**
Total comprehensive income/(loss) for the period	(18.7)	**(154.8)**
Attributable to owners of the company	(23.7)	**(152.8)**
Attributable to non-controlling interests	5.0	**(2.0)**

Consolidated statement of financial position

(EUR x million) unaudited	30 June 2018	31 December 2017
Assets		
Property, plant and equipment	622.3	643.7
Intangible assets	376.3	372.3
Investments in equity-accounted investees	73.4	69.7
Other investments	29.0	31.2
Deferred tax assets	36.3	39.4
Total non-current assets	**1,137.3**	**1,156.3**
Inventories	32.0	30.6
Trade and other receivables	581.2	476.9
Current tax assets	13.7	16.1
Cash and cash equivalents	189.9	213.6
Assets classified as held for sale	2.4	4.8
Total current assets	**819.2**	**742.0**
Total assets	**1,956.5**	**1,898.3**
Equity		
Total equity attributable to owners of the company	**691.0**	**712.1**
Non-controlling interests	44.3	41.6
Total equity	**735.3**	**753.7**
Liabilities		
Loans and borrowings	681.8	634.9
Employee benefits	55.4	68.9
Provisions for other liabilities and charges	17.7	17.1
Deferred tax liabilities	1.2	1.2
Total non-current liabilities	**756.1**	**722.1**
Bank overdraft	3.3	2.6
Loans and borrowings	6.7	6.5
Trade and other payables	390.5	342.6
Provisions for other liabilities and charges	4.7	8.0
Other taxes and social security charges	35.0	35.4
Current tax liabilities	24.9	27.4
Total current liabilities	**465.1**	**422.5**
Total liabilities	**1,221.2**	**1,144.6**
Total equity and liabilities	**1,956.5**	**1,898.3**

Consolidated statement of changes in equity

(EUR x million) unaudited	Share capital	Share premium	Translation reserve	Hedging reserve	Reserve for own shares	Equity component of convertible bond	Retained earnings	Unappro-priated result	Total	Non-controlling interest	Total equity
Balance at 1 January 2018	**4.2**	**431.2**	**(115.9)**	**-**	**(354.0)**	**37.6**	**868.9**	**(159.9)**	**712.1**	**41.6**	**753.7**
Total comprehensive income for the period:											
Profit or (loss)								**(40.5)**	**(40.5)**	**3.4**	**(37.1)**
Other comprehensive income											
Foreign currency translation differences of foreign operations			10.8						10.8	1.6	12.4
Foreign currency translation differences of equity-accounted investees			2.0						2.0		2.0
Net change in fair value of hedge of net investment in foreign operations			(6.0)						(6.0)		(6.0)
Defined benefit plan actuarial gains/(losses)							10.0		10.0		10.0
Net change in fair value of cash flow hedges transferred to profit or loss											
Total other comprehensive income (net of income tax)			**6.8**				**10.0**		**16.8**	**1.6**	**18.4**

Total comprehensive income for the period			**6.8**				**10.0**	**(40.5)**	**(23.7)**	**5.0**	**(18.7)**
Transactions with owners, recognised directly in equity											
Share-based payments							2.6		2.6		2.6
Addition to/ (reduction of) reserves							(159.9)	159.9	–		–
Dividends to shareholders										(2.3)	(2.3)
Total contributions by and distribution to owners							**(157.3)**	**159.9**	**2.6**	**(2.3)**	**0.3**
Balance at 30 June 2018	**4.2**	**431.2**	**(109.1)**	**–**	**(354.0)**	**37.6**	**721.6**	**(40.5)**	**691.0**	**44.3**	**735.3**
Balance at 1 January 2017	**4.2**	**431.2**	**(20.7)**	**(0.1)**	**(354.0)**	**25.7**	**1,157.4**	**(308.9)**	**934.8**	**55.3**	**990.1**
Total comprehensive income for the period:											
Profit or (loss)								**(96.4)**	**(96.4)**	**2.3**	**(94.1)**
Other comprehensive income											
Foreign currency translation differences of foreign operations			(80.4)						(80.4)	(4.3)	(84.7)
Foreign currency translation differences of equity-accounted investees			(1.4)						(1.4)		(1.4)
Net change in fair value of hedge of net investment in foreign operations			11.7						11.7		11.7
Defined benefit plan actuarial gains/(losses)							13.6		13.6		13.6

Net change in fair value of cash flow hedges transferred to profit or loss				0.1					0.1		0.1
Total other comprehensive income (net of income tax)			**(70.1)**	**0.1**			**13.6**		**(56.4)**	**(4.3)**	**(60.7)**
Total comprehensive income for the period			**(70.1)**	**0.1**			**13.6**	**(96.4)**	**(152.8)**	**(2.0)**	**(154.8)**
Transactions with owners, recognised directly in equity											
Share-based payments							1.5		1.5		1.5
Addition to/ (reduction of) reserves							(308.9)	308.9	–		–
Dividends to shareholder										(2.5)	(2.5)
Total contributions by and distribution to owners							**(307.4)**	**308.9**	**1.5**	**(2.5)**	**(1.0)**
Balance at 30 June 2017	**4.2**	**431.2**	**(90.8)**	**–**	**(354.0)**	**25.7**	**863.6**	**(96.4)**	**783.5**	**50.8**	**834.3**

Consolidated statement of cash flows

(EUR x million) unaudited	Six months ended 30 June	
	2018	**2017**
Cash flows from operating activities		
Profit/(loss) for the period	(37.1)	(94.1)
Adjustments for:		
Depreciation and amortisation	52.8	72.0
Impairments	(1.3)	2.0
Share of (profit)/loss of equity-accounted investees (net of income tax)	(5.8)	(2.3)
Gain on sale of property, plant and equipment	(8.5)	(1.4)
Equity settled share-based payments	2.6	1.5
Change in provisions for other liabilities and charges and employee benefits	(6.6)	4.0
Income tax expense/(gain)	14.3	10.8
Income tax paid	(11.0)	(6.3)
Finance income and expense	32.1	34.7
Interest paid	(10.4)	(20.6)
Operating cash flows before changes in working capital	**21.1**	**0.3**
Change in inventories	(1.3)	-
Change in trade and other receivables	(91.7)	5.1
Change in trade and other payables	37.2	(34.2)
Changes in working capital	**(55.8)**	**(29.1)**
Net cash generated from operating activities	**(34.7)**	**(28.8)**
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	13.1	2.7
Acquisition of intangible assets	(1.0)	(2.6)
Other additions to intangible assets	(1.3)	(3.3)
Capital expenditures on property, plant and equipment	(28.2)	(43.1)
Disposal of intangible assets	1.0	-
Interest received	0.3	2.5
Dividends received	4.0	5.6
Repayment of long-term loans	3.3	0.9
Net cash (used in)/from investing activities	**(8.8)**	**(37.3)**
Cash flows from operating activities after investing activities	**(43.5)**	**(66.1)**
Cash flows from financing activities		
Proceeds from issue of long-term loans	37.4	151.1
Transaction costs relating to loans and borrowings	-	(0.1)
Repayment of borrowings	-	(98.3)
Dividends paid	(2.3)	(2.5)
Payment of finance lease liability	(2.9)	(3.0)
Net cash from/(used in) financing activities	**32.2**	**47.2**
Change in cash flows from operations	**(11.3)**	**(18.9)**
Net increase/(decrease) in cash and cash equivalents	(11.3)	(18.9)
Cash and cash equivalents at 1 January	211.0	244.4
Effect of exchange rate fluctuations on cash held	(13.1)	(21.3)
Cash and cash equivalents at 30 June	**186.6**	**204.2**
Cash and cash equivalents	189.9	205.5
Bank overdraft	(3.3)	(1.3)

Notes to the consolidated interim financial statements

General

Fugro N.V., hereinafter to be referred to as 'Fugro' or 'the company', has its corporate seat in Leidschendam, the Netherlands. The address of the company's principal office is Veurse Achterweg 10, 2264 SG Leidschendam, The Netherlands. The condensed consolidated interim financial statements of Fugro as at and for the six months ended 30 June 2018 include Fugro and its subsidiaries (together referred to as the 'group') and the group's interests in equity-accounted investees.

Fugro is the world's leading, independent provider of geo-intelligence and asset integrity solutions. Fugro acquires and analyses data on topography and the subsurface, soil composition, meteorological & environmental conditions and built assets, and provides related advice. With its site characterisation and asset integrity services Fugro supports the safe, efficient and sustainable development and operation of buildings, industrial facilities and infrastructure and the exploration and development of natural resources.

The company employs approximately 10,000 employees in 65 countries. Fugro is listed on Euronext Amsterdam.

Basis of preparation

These condensed consolidated interim financial statements for the six months ended 30 June 2018 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 Fugro N.V. as at and for the year ended 31 December 2017, which has been prepared in accordance with IFRS as endorsed by European Union. The annual report 2017 (including the consolidated financial statements as at and for the year ended 31 December 2017) of Fugro is available upon request at the Fugro office, Veurse Achterweg 10, Leidschendam and also available at www.fugro.com.

The official language for the financial statements is the English language as approved by the annual general meeting of shareholders on 10 May 2011. On 31 July 2018, the Board of Management authorised the condensed consolidated interim financial statements for issue. Publication is on 1 August 2018. The condensed consolidated interim financial statements have been reviewed, not audited.

Significant accounting policies

Except as described below, the accounting policies and methods of computation 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 2017, unless stated otherwise.

New standards and interpretations adopted

A number of new or amended standards became applicable for the current reporting period and the group had to change its accounting policies as a result of adopting:
- IFRS 9 Financial instruments
- IFRS 15 Revenue from contracts with customers.

The impact of the adoption of these standards is disclosed below.

IFRS 9 Financial instruments	
Nature of change	IFRS 9 introduces (1) new classification and measurement requirements for financial assets and liabilities, (2) a new expected loss impairment model and (3) new hedge accounting requirements.
Impact	Classification and measurement: Fugro concluded that all material financial assets and liabilities will continue to be measured on the same basis as previously applied under IAS 39 (mainly amortised cost). Impairment: IFRS 9 requires the group to record expected credit losses on long-term loans, deposits and other long-term receivables either on a 12-month or lifetime basis. The group

	monitors whether a significant increase in credit risk occurs. The group applied the simplified approach to recognise lifetime expected credit losses on trade and other receivables (including unbilled revenue from contracts with customers). Hedge accounting: The group does not engage in material hedging transactions with derivatives. The group hedges foreign currency exposure for net investments in certain foreign operations with certain financial liabilities as hedging instruments. The group continued the aforementioned hedging relationships upon application of IFRS 9. There are no material recognition and measurement transition differences as of 1 January 2018. Accordingly, the impact on the statement of financial position, statement of changes in equity, statement of cash flows and earnings per share is not material. As a result, no restatement have occurred.
Mandatory application date	Applied in the current financial year commencing on 1 January 2018.

IFRS 15 Revenue from contracts with customers	
Nature of change	The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled. The standard introduces a five-step approach to revenue recognition. An entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, additional disclosures are required.
Impact	The group is in the business of providing geo-intelligence (site characterisation) and asset integrity solutions. These services are typically sold in a bundled package of services. Under IFRS 15, the group continued to recognise revenue for those bundled packages of services (i.e. one performance obligation) over time. The group did not apply the portfolio approach. The method to measure progress towards complete satisfaction of the performance obligation remained unchanged (generally the cost-to-cost method). The recognition and measurement of variable consideration (i.e. liquidated damages, weather standby fees or discounts) remained unchanged. Contracts with significant financing components are rare. Insofar applicable, Fugro qualifies for the application of the practical expedient in IFRS 15 and did not adjust the transaction price. Generally, the group did not incur costs to obtain a contract. The group applied the modified retrospective transition approach. As explained above, there are no material recognition and measurement transition differences as of 1 January 2018. Accordingly, the impact on the statement of financial position, statement of changes in equity, statement of cash flows and earnings per share is not material. As a result, no restatement have occurred. The group has implemented system changes, policies and procedures to collect and disclose the required information in the 2018 financial statements.
Mandatory application date	Applied in the current financial year commencing on 1 January 2018.

New standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for these condensed consolidated interim financial statements and have not been early adopted by the group. The impact of these new standards has been addressed and set out in the tables below.

IFRS 16 Leases	
Nature of change	IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for financial leases under IAS 17. IFRS 16 includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases. At commencement of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessor accounting will remain substantially unchanged from current standards. IFRS 16 requires more extensive disclosures.
Impact	The group's leasing steering committee monitors the IFRS 16 implementation project with active involvement of the Board of Management, the audit committee of the Supervisory Board and the external auditors. The group anticipates total assets, total liabilities, EBITDA and operating cash flows to increase upon transition to IFRS 16. The expense profile in the profit and loss statement will be front-loaded, due to higher interest expenses in early years on the lease liability. The group will apply the modified retrospective transition approach. The group is in the process of analysing the different contracts as of 1 January 2019. A lease accounting IT solution and system changes are being implemented and deployed. It is currently not practicable to provide a reasonable quantitative estimate of the financial effect. The group plans to complete the transition during the fourth quarter of 2018.
Mandatory application date	Mandatory for financial years commencing on or after 1 January 2019 (endorsed by EU).

IFRIC 23 Uncertainty over Income Tax treatments	
Nature of change	The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. It specifically considers: – Whether tax treatments should be considered collectively; – Assumptions for taxation authorities' examinations; – The determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; The effect of changes in facts and circumstances.
Impact	The group has commenced its impact assessment during the third quarter of 2017. It is not practicable to provide a reasonable estimate of the financial effect until the group completes this project during the fourth quarter of 2018.
Mandatory application date	Mandatory for financial years commencing on or after 1 January 2019 (subject to EU endorsement).

Other standards, interpretations and amendments (i.e. amendment to IFRS 9, IFRS 17, IAS 28, annual improvements 2015-2017, IAS 19 and references to the conceptual framework in IFRS standards) are either not material for Fugro and/or not applicable.

Estimates

Preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimating uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2017.

Operating segments

Information about reportable segments for the six months ended 30 June, unless stated otherwise

(EUR x million)	Marine		Land		Geoscience		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Segment revenue	554.1	497.7	245.4	253.0	63.3	61.4	862.8	812.1
Of which inter-segment revenue	51.0	30.5	14.4	7.3	-	-	65.4	37.8
Revenue	503.1	467.2	231.0	245.7	63.3	61.4	797.4	774.3
Impairments	-	-	(0.2)	(2.0)	1.5	-	1.3	(2.0)
Result from operating activities (EBIT)	(2.6)	(56.4)	2.6	6.3	3.5	(0.5)	3.5	(50.6)
Reportable segment profit/(loss) before income tax	(25.2)	(82.2)	0.3	1.6	2.1	(2.7)	(22.8)	(83.3)
Total reportable segment assets								
30 June 2018 and 31 December 2017	1,250.0	1,249.7	446.5	431.4	260.0	217.2	1,956.5	1,898.3
Total reportable segment liabilities								
30 June 2018 and 31 December 2017	811.9	762.2	301.5	304.2	107.8	78.2	1,221.2	1,144.6

Disaggregation of revenues

In the following tables, revenue is disaggregated by business line, market segment, client type and geographical area.

Revenue by business line

(EUR x million)	Marine			Land		
	Asset Integrity	Site Characterisation	Total	Asset Integrity	Site Characterisation	Total
Revenue	253.5	249.6	503.1	47.2	183.8	231.0

Revenue by market segment

Total

(x EUR million)	Six months ended 30 June 2018
Oil and gas	448.3
Building and infrastructure	197.2
Renewables	77.0
Power	35.5
Nautical	26.9
Mining	12.5
Total	797.4

Marine

(x EUR million)	Six months ended 30 June 2018
Oil and gas	368.8
Building and infrastructure	28.2
Renewables	77.0
Power	2.2
Nautical	26.9
Total	503.1

Land

(x EUR million)	Six months ended 30 June 2018
Oil and gas	16.2
Building and infrastructure	169.0
Power	33.3
Mining	12.5
Total	231.0

Revenue of Seabed, as part of Geoscience division, amounts to EUR 63.3 million for the first six months of 2018, and is fully related to oil and gas.

Revenue by client type

(x EUR million)	Six months ended 30 June 2018
Contractors	226.5
International oil companies - majors	142
National oil companies	71.3
Governments	103.6
International oil companies - independents	94.9
(Public) services companies	62.2
Non-oil & gas industries	48.1
Design & engineering firms	23.8
Other	25
Total	797.4

Revenue by geographical area for the six months ended 30 June

(EUR x million)	Europe	Africa	Middle East/India	Asia Pacific	Americas	Total
	2018	2018	2018	2018	2018	2018
Revenue	302.0	27.8	102.1	165.7	199.8	797.4

Seasonality of operations

Fugro's revenue in the second half is broadly in line with the revenue generated in the first half of the calendar year.

Impairments

In the first six months of 2018, an impairment reversal of EUR 1.5 million has been recognised upon the classification as held for sale of some spare cables within the Geoscience division. Previously, these cables were nearly fully impaired. The cables have been sold in June 2018 and a net gain on the sale has been realised of EUR 5.2 million that has been reported as other income in the consolidated statement of comprehensive income. An amount of EUR 0.2 million of impairment losses have been reported in the Land division that relate to certain fixed assets.

Provisions for other liabilities and charges

In the first six months of 2018, an amount of EUR 2.4 million was used from the onerous contract provision. An amount of EUR 2.5 million has been paid for restructuring costs. An amount of EUR 1.7 million has been added to the restructuring provision. There are no further significant other movements to be noted. The current portion of the provision for other liabilities and charges amounts to EUR 4.7 million as at 30 June 2018, of which EUR 3.8 million and EUR 0.6 million is related to restructuring and onerous contracts respectively.

Taxes

Effective tax rate

Current income tax expense is based on the estimated taxable profit for the interim periods, adjusted for significant non-deductible items in the interim periods. The group's consolidated effective tax rate for the six months ended 30 June 2018 is 62.7 % negative (first six months of 2017: 13.0% negative). The decrease in the negative effective tax rate is mainly driven by changes in geographical composition of taxable income and losses and certain unrecognised tax losses. The income tax recognised in other comprehensive income for the defined benefit actuarial gains & losses and foreign currency translation differences amounts to EUR 2.2 million expense (first six months of 2017: EUR 2.2 million expense) and EUR 2.7 million benefit (first six months of 2017: EUR 5.8 million expense) respectively. No further income tax has been recognised in other comprehensive income.

Property, plant and equipment

Acquisitions, disposals and transfers to assets classified as held for sale

In the first six months of 2018, the group acquired assets (under construction) with a cost value of EUR 28.2 million (first six months of 2017: EUR 43.1 million). Assets with a carrying amount of EUR 4.6 million were disposed of in the first six months of 2018 (first six months of 2017: EUR 1.3 million), resulting in a net gain on disposal of EUR 8.5 million (first six months of 2017: net gain of EUR 1.4 million), which forms part of other income in the consolidated interim statement of comprehensive income. The assets held for sale relate to a building which sale is going to take place in further course of 2018.

Intangible assets

The goodwill increased by EUR 5.1 million to EUR 328.6 million as at 30 June 2018 (31 December 2017: EUR 323.5 million), which is fully relating to foreign currency translation differences.

Trade and other receivables, trade and other payables and cash & cash equivalents

Trade and other receivables totally amounting to EUR 581.2 million include unbilled revenue on (completed) contracts and Trade receivables for the amount of EUR 191.3 million and EUR 295.7 million respectively as at 30 June 2018. Trade and other payables totally amounting to EUR 390.5 million include trade payables and advance instalments to work in progress for the amount of EUR 128.1 million and EUR 40.8 million respectively as at 30 June 2018. As at 30 June 2018, the cash and cash equivalents include EUR 30 million (31 December 2017: EUR 48 million) of Angolan kwanza’s in Angola where exchange controls apply.

Shareholders’ equity

At 30 June 2018, the number of outstanding ordinary shares was 84,567 thousand (31 December 2017: 84,572 thousand) and the weighted average number of outstanding shares was 80,962 thousand.

Loans and borrowings

(EUR x million)	30 June 2018	31 December 2017
Bank loans	431.9	386.7
Subordinated unsecured convertible bonds in EUR 190 million	163.9	160.4
Subordinated unsecured convertible bonds in EUR 100 million	83.8	82.9
Finance lease liabilities	8.4	10.9
Other long term borrowings	0.5	0.5
Subtotal	688.5	641.4
Less: current portion of loans and borrowings	6.7	6.5
Total	**681.8**	634.9

Based on the last four quarters, Fugro complies with all covenant requirements as at 30 June 2018:

(x EUR million)	Six months ended 30 June 2018
Adjusted consolidated EBITDA	100.0
Operating lease expense	53.4
Net interest expense	8.9
Margin fixed charge cover > 2.0	**2.5**
Net consolidated financial indebtedness (loans and borrowings less net cash)	254.3
Bank guarantees exceeding cap of € 250 million	-
Total	254.3
EBITDA coverage < 3.0	**2.5**
Consolidated net worth	691.0
Balance sheet total	1,956.5
Solvency > 33.33%	**35.3**
Financial indebtedness < EUR 55 million	12.3
Dividend < 60% of the profit	-

Last year, the numbers were as follows:

(x EUR million)	Six months ended 30 June 2017
Adjusted consolidated EBITDA	127.4
Operating lease expense	74.9
Net interest expense	14.4
Margin fixed charge cover > 1.8	**2.3**
Net consolidated financial indebtedness (loans and borrowings less net cash)	276.5
Bank guarantees exceeding cap of € 250 million	-
Total	276.5
EBITDA coverage < 3.0	**2.2**
Consolidated net worth	783.5
Balance sheet total	2,005.8
Solvency > 33.33%	**39.1%**
Margin indebtedness subsidiaries <10%	1.7%
Financial indebtedness < EUR 55 million	15.7
Dividend < 60% of the profit	-

In October 2016, following the placement of the EUR 190 million subordinated unsecured convertible bonds, two additional covenant requirements were agreed with the owner of two geotechnical vessels and subsequently amended following the placement of the EUR 100 million subordinated unsecured convertible bonds in December 2017. In the first quarter of 2018, the total net debt covenant requirement was amended and total net debt excluding the liability component of the EUR 100 million subordinated unsecured convertible bonds 2017 should not exceed EUR 430 million (previously: EUR 400 million). In June 2018, the covenant requirements were further amended and are as follows:

- Total net debt excluding the liability component of the EUR 100 million subordinated unsecured convertible bonds 2017 should not exceed EUR 530 million for each relevant period as of 30 June 2018.
- The consolidated EBITDA should be at least EUR 90 million for each relevant period and EUR 100 million for the relevant period ending 30 September 2018. The consolidated EBITDA should be at least EUR 100 million on 31 December 2018 and be at least EUR 125 million on 31 December 2019, which is further detailed for each relevant period as follows:
  - EUR 100 million as per 31 December 2018
  - EUR 105 million as per 31 March 2019
  - EUR 115 million as per 30 June 2019
  - EUR 120 million as per 30 September 2019
  - EUR 125 million as per 31 December 2019

Fugro complied with these requirements as at 30 June 2018.

Share-based payments

The share-based payments plans of Fugro N.V. can be divided into a long-term incentive plan (LTIP), which includes the annual grant of conditional performance awards (as of 2018 shares only), and a share option scheme, which includes the annual grant of unconditional options. For the first six months of 2018, an expense of EUR 2.6 million (first six months of 2017: EUR 1.5 million) relating to share-based payments has been recognised in profit or loss.

Related parties

The Board of Management receives compensation in the form of short-term employee benefits, post-employment benefits and share-based payments (refer to previous note). The Board of Management received total compensation of EUR 2.5 million for the first six months of 2018 (first six months of 2017: EUR 2.0 million).

Capital commitments, contingencies and bank guarantees

As per 30 June 2018 and as per 31 December 2017, the group has no material contractual obligations to purchase property, plant and equipment. As per 30 June 2018, Fugro has issued bank guarantees to customers for an amount of EUR 95.3 million (31 December 2017: EUR 85.0 million).

Financial risk management and financial instruments

Fugro's valuation processes

The group's finance department performs the valuations of financial assets and liabilities required for financial reporting purposes. The key inputs to the valuations are directly reported to the Chief Financial Officer. Changes in fair values in level 2 and level 3 are analysed at each reporting date. The carrying amount of the financial assets and liabilities is a reasonable approximation of fair value except for the following as reported in the table below as at 30 June 2018.

Valuation of financial assets and liabilities (x EUR million)	Carrying amount	Fair value [1]
Subordinated unsecured convertible bonds	**247.7**	**257.2**
Unrecognised gains/(losses)		**(9.5)**

[1] The subordinated unsecured convertible bonds are classified as level 3 in the fair value hierarchy.

Share of profit/(loss) of investments in equity-accounted investees

The share of results of investments in equity-accounted investees was EUR 5.8 million profit (first six months of 2017: EUR 2.1 million loss).

Non-controlling interests

The profit attributable to non-controlling interests amounts to EUR 3.4 million (first six months of 2017: EUR 2.3 million).

Subsequent events

No further subsequent events have been identified.

Independent auditor’s review report

To: the Supervisory Board and shareholders of Fugro N.V.

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Fugro N.V., Leidschendam that comprise the consolidated statement of financial position as at 30 June 2018, the consolidated statements of comprehensive income, changes in equity, and cash flows for the six-month period then ended, and the notes, comprising a summary of the significant accounting policies and other explanatory information.

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, ‘Interim Financial Reporting’ as adopted by the European Union. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Dutch Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements for the six-month period ended 30 June 2018 is not prepared, in all material respects, in accordance with IAS 34, ‘Interim Financial Reporting’, as adopted by the European Union.

Amsterdam, 31 July 2018

Ernst & Young Accountants LLP

Signed by A.A. van Eimeren