

# Press Release

## Growth decreasing, pressure on profitability

Amsterdam, 5 November 2014

### Key points Q3 2014

- Revenue up 2% to EUR 349 million and gross profit up by 2% to EUR 64 million
- Gross margin at 18.3% up from 18.2%
- Operational costs increased by 9% to EUR 44 million, mainly driven by increased staff and marketing costs
- Ebit down 11% to EUR 20 million

### Brunel International (unaudited)

P&L amounts in EUR million

|                         | Q3 2014 | Q3 2013 | Change % | YtD 2014 | YtD 2013 | Change % |
|-------------------------|---------|---------|----------|----------|----------|----------|
| Revenue                 | 348.5   | 343.0   | 2% *     | 1,029.9  | 943.7    | 9% **    |
| Gross Profit            | 63.7    | 62.6    | 2%       | 183.5    | 167.1    | 10%      |
| Gross margin            | 18.3%   | 18.2%   |          | 17.8%    | 17.7%    |          |
| Operating costs         | 43.7    | 40.0    | 9%       | 127.8    | 117.6    | 9%       |
| EBIT                    | 20.0    | 22.5    | -11%     | 55.7     | 49.5     | 13%      |
| EBIT %                  | 5.7%    | 6.6%    |          | 5.4%     | 5.2%     |          |
| Average directs         | 12,039  | 11,529  | 4%       | 12,197   | 11,131   | 10%      |
| Average indirects       | 1,638   | 1,481   | 11%      | 1,610    | 1,499    | 7%       |
| Ratio direct / Indirect | 7.3     | 7.8     |          | 7.6      | 7.4      |          |

\* 3% at constant currencies

\*\* 13 % at constant currencies

**Oil & Gas** revenue increased in Q3 2014 compared to Q3 2013 by 1% to EUR 247 million. This increase is fully driven by the Projects division, which increased by 12% to EUR 44 million, as a result of the Wheatstone and Gorgon Projects. The Energy division's revenue decreased by 1%.

The gross margin in the Oil & Gas division slightly increased to 11.7% in Q3.

Brunel **Europe's** revenue increased by 3% to EUR 102 million in Q3 compared to the same period last year. Compared to Q2 2014 revenue in Europe increased by 4%. Gross margin dropped by 0.5ppt to 34.3%.

The growth in Europe in Q3 is driven by the growth in **the Netherlands**, where revenue grew in Q3 by 8%. Headcount levels reduced during the summer period, but picked up again in September and stayed well above 2013. Finance, ICT and Legal continued to show strong growth, but Engineering showed a decline. The change in the revenue mix, in combination with price pressure, caused the gross margin to drop by 1.7ppt.

Revenue in **Germany** is below the Q3 2013 revenue by 1% at EUR 53 million. The headcount picked up slightly after the drop in July, but stayed below the 2013 levels in Q3. Retention of account managers appears to improve slightly.

Total **overhead costs** increased by 9% over the quarter to EUR 44 million, largely driven by increased staff costs, as a result of our expanding sales organisation, and increased marketing costs.

Overall **EBIT** dropped by 11% to EUR 20 million, resulting in an EBIT margin of 5.7%, a drop of 0.9ppt compared to Q3 2013.

## Outlook

Due to the developments in Q3, mainly in Germany and Engineering in The Netherlands, we have adjusted our outlook downwards, from initially an increase in revenue and EBIT between 5% and 10%. We expect full year revenue to increase by just over 5% compared to 2013, and EBIT around the same amount as 2013.

Jan Arie van Barneveld, CEO of Brunel International N.V.: *"Unfortunately we have seen our growth over the quarters diminishing. It's especially disappointing that so far we do not see a return to growth for Germany and Engineering in The Netherlands. But looking at all the investments made in our sales force, we should be back on track in the course of 2015."*

Not for publication

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Brunel International N.V. is an international service provider specialising in the flexible deployment of knowledge and capacity in the fields of Engineering, Oil & Gas, Aerospace, Automotive, ICT, Finance, Legal and Insurance & Banking. Services are provided in the form of Project Management, Secondment and Consultancy. Incorporated in 1975, Brunel has since become a global company with some 14,000 employees and an annual revenue of EUR 1,283 million (2013). The company is listed at Euronext Amsterdam N.V. For more information on Brunel International N.V. visit our website [www.brunel.net](http://www.brunel.net).

## Financial Calendar

|                  |  |
|------------------|--|
| 27 February 2015 | Publication Full Year 2014 results                                     |
| 30 April 2015    | General Meeting of Shareholders and publication trading update Q1 2015 |
| 14 August 2015   | Publication Half Year 2015 results                                     |
| 30 October 2015  | Publication trading update Q3 2015                                     |

Certain statements in this document concern prognoses about the future financial condition and the results of operations of Brunel International N.V. as well as plans and objectives. Obviously, such prognoses involve risks and a degree of uncertainty since they concern future events and depend on circumstances that will apply then. Many factors may contribute to the actual results and developments differing from the prognoses made in this document. These factors include general economic conditions, a shortage on the job market, changes in the demand for (flexible) personnel, changes in employment legislation, future currency and interest fluctuations, future takeovers, acquisitions and disposals and the rate of technological developments. These prognoses therefore apply only on the date on which the document was compiled.

**Appendix to the press release 5 November 2014**  
**Q3 2014**

**Highlights for the period ended 30 September**

**Brunel International**  
**(unaudited)**

P&L amounts in EUR million

|                         | <b>Q3 2014</b> | <b>Q3 2013</b> | <b>Change %</b> | <b>YtD 2014</b> | <b>YtD 2013</b> | <b>Change %</b> |
|-------------------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Revenue                 | 348.5          | 343.0          | <b>2% *</b>     | 1,029.9         | 943.7           | <b>9% **</b>    |
| Gross Profit            | 63.7           | 62.6           | <b>2%</b>       | 183.5           | 167.1           | <b>10%</b>      |
| Gross margin            | 18.3%          | 18.2%          |                 | 17.8%           | 17.7%           |                 |
| Operating costs         | 43.7           | 40.0           | <b>9%</b>       | 127.8           | 117.6           | <b>9%</b>       |
| EBIT                    | 20.0           | 22.5           | <b>-11%</b>     | 55.7            | 49.5            | <b>13%</b>      |
| EBIT %                  | 5.7%           | 6.6%           |                 | 5.4%            | 5.2%            |                 |
| Average directs         | 12,039         | 11,529         | <b>4%</b>       | 12,197          | 11,131          | <b>10%</b>      |
| Average indirects       | 1,638          | 1,481          | <b>11%</b>      | 1,610           | 1,499           | <b>7%</b>       |
| Ratio direct / Indirect | 7.3            | 7.8            |                 | 7.6             | 7.4             |                 |

\* 3% at constant currencies

\*\* 13% at constant currencies

## Brunel Oil & Gas (unaudited)

P&L amounts in EUR million

|                         | Q3 2014 | Q3 2013 | Change % | YtD 2014 | YtD 2013 | Change % |
|-------------------------|---------|---------|----------|----------|----------|----------|
| Revenue                 | 246.7   | 244.2   | 1% *     | 727.5    | 655.0    | 11% **   |
| Gross Profit            | 28.8    | 28.2    | 2%       | 85.4     | 71.8     | 19%      |
| Gross margin            | 11.7%   | 11.5%   |          | 11.7%    | 11.0%    |          |
| Operating costs         | 17.2    | 15.3    | 12%      | 49.6     | 44.8     | 11%      |
| EBIT                    | 11.6    | 12.9    | -10%     | 35.8     | 27.0     | 33%      |
| EBIT %                  | 4.7%    | 5.3%    |          | 4.9%     | 4.1%     |          |
| Average directs         | 7,534   | 7,145   | 5%       | 7,736    | 6,810    | 14%      |
| Average indirects       | 777     | 680     | 14%      | 775      | 695      | 12%      |
| Ratio direct / Indirect | 9.7     | 10.5    |          | 10.0     | 9.8      |          |

\* 3% at constant currencies

\*\* 17% at constant currencies

## Brunel Energy (unaudited)

P&L amounts in EUR million

|                         | Q3 2014 | Q3 2013 | Change % | YtD 2014 | YtD 2013 | Change % |
|-------------------------|---------|---------|----------|----------|----------|----------|
| Revenue                 | 202.3   | 204.4   | -1%      | 596.0    | 552.7    | 8%*      |
| Gross Profit            | 24.1    | 24.1    | 0%       | 71.9     | 62.3     | 15%      |
| Gross margin            | 11.9%   | 11.8%   |          | 12.1%    | 11.3%    |          |
| Operating costs         | 16.0    | 14.1    | 13%      | 46.2     | 41.0     | 12%      |
| EBIT                    | 8.1     | 10.0    | -19%     | 25.8     | 21.3     | 21%      |
| EBIT %                  | 4.0%    | 4.9%    |          | 4.3%     | 3.8%     |          |
| Average directs         | 6,967   | 6,632   | 5%       | 7,113    | 6,354    | 12%      |
| Average indirects       | 750     | 648     | 16%      | 746      | 663      | 13%      |
| Ratio direct / Indirect | 9.3     | 10.2    |          | 9.5      | 9.6      |          |

\* 13% at constant currencies

## Brunel Projects (unaudited)

P&L amounts in EUR million

|                         | Q3 2014 | Q3 2013 | Change % | YtD 2014 | YtD 2013 | Change % |
|-------------------------|---------|---------|----------|----------|----------|----------|
| Revenue                 | 44.4    | 39.8    | 12%      | 131.5    | 102.3    | 29% *    |
| Gross Profit            | 4.7     | 4.1     | 15%      | 13.5     | 9.5      | 42%      |
| Gross margin            | 10.6%   | 10.3%   |          | 10.2%    | 9.3%     |          |
| Operating costs         | 1.2     | 1.2     | 2%       | 3.4      | 3.8      | -9%      |
| EBIT                    | 3.5     | 2.9     | 20%      | 10.0     | 5.7      | 76%      |
| EBIT %                  | 7.8%    | 7.2%    |          | 7.6%     | 5.6%     |          |
| Average directs         | 567     | 513     | 11%      | 623      | 456      | 37%      |
| Average indirects       | 27      | 32      | -15%     | 29       | 32       | -9%      |
| Ratio direct / Indirect | 21.0    | 16.2    |          | 21.5     | 14.3     |          |

\* 39% at constant currencies

## Brunel Europe (unaudited)

P&L amounts in EUR million

|                         | Q3 2014 | Q3 2013 | Change % | YtD 2014 | YtD 2013 | Change % |
|-------------------------|---------|---------|----------|----------|----------|----------|
| Revenue                 | 101.8   | 98.8    | 3%       | 302.4    | 288.7    | 5%       |
| Gross Profit            | 35.0    | 34.4    | 2%       | 98.1     | 95.2     | 3%       |
| Gross margin            | 34.3%   | 34.8%   |          | 32.4%    | 33.0%    |          |
| Operating costs         | 23.9    | 22.4    | 6%       | 70.6     | 65.3     | 8%       |
| EBIT                    | 11.1    | 12.0    | -7%      | 27.5     | 29.9     | -8%      |
| EBIT %                  | 10.9%   | 12.2%   |          | 9.1%     | 10.4%    |          |
| Average directs         | 4,505   | 4,384   | 3%       | 4,461    | 4,321    | 3%       |
| Average indirects       | 846     | 788     | 7%       | 820      | 791      | 4%       |
| Ratio direct / Indirect | 5.3     | 5.6     |          | 5.4      | 5.5      |          |

## Brunel Germany (unaudited)

P&L amounts in EUR million

|                         | Q3 2014 | Q3 2013 | Change % | YtD 2014 | YtD 2013 | Change % |
|-------------------------|---------|---------|----------|----------|----------|----------|
| Revenue                 | 52.9    | 53.3    | -1%      | 153.1    | 152.0    | 1%       |
| Gross Profit            | 20.5    | 20.6    | 0%       | 55.5     | 55.5     | 0%       |
| Gross margin            | 38.8%   | 38.7%   |          | 36.3%    | 36.6%    |          |
| Operating costs         | 12.7    | 12.0    | 6%       | 36.4     | 34.5     | 6%       |
| EBIT                    | 7.8     | 8.6     | -9%      | 19.1     | 21.0     | -9%      |
| EBIT %                  | 14.8%   | 16.1%   |          | 12.5%    | 13.8%    |          |
| Average directs         | 2,169   | 2,220   | -2%      | 2,176    | 2,180    | 0%       |
| Average indirects       | 431     | 405     | 7%       | 420      | 409      | 3%       |
| Ratio direct / Indirect | 5.0     | 5.5     |          | 5.2      | 5.3      |          |

## Brunel Netherlands (unaudited)

P&L amounts in EUR million

|                         | Q3 2014 | Q3 2013 | Change % | YtD 2014 | YtD 2013 | Change % |
|-------------------------|---------|---------|----------|----------|----------|----------|
| Revenue                 | 42.4    | 39.1    | 8%       | 129.0    | 116.2    | 11%      |
| Gross Profit            | 12.6    | 12.2    | 3%       | 37.4     | 34.9     | 7%       |
| Gross margin            | 29.6%   | 31.3%   |          | 29.0%    | 30.1%    |          |
| Operating costs         | 9.4     | 8.6     | 9%       | 28.7     | 25.5     | 12%      |
| EBIT                    | 3.2     | 3.6     | -12%     | 8.7      | 9.4      | -7%      |
| EBIT %                  | 7.6%    | 9.3%    |          | 6.8%     | 8.1%     |          |
| Average directs         | 2,009   | 1,839   | 9%       | 1,957    | 1,794    | 9%       |
| Average indirects       | 352     | 320     | 10%      | 336      | 317      | 6%       |
| Ratio direct / Indirect | 5.7     | 5.7     |          | 5.8      | 5.7      |          |

# Press Release

Amsterdam, 7 November 2014

Based on mutual agreement, Brunel International N.V. and Mr Ekkel decided to part ways. A settlement was agreed on the termination of the contract for services. Based on this settlement agreement Brunel will pay an amount of € 250.000 to Mr Ekkel.

Despite the differences of opinion regarding the operational management and strategy in recent months, the Supervisory Board and Board of Directors of Brunel recognise his contribution to Brunel. Brunel would like to thank him for all his efforts.

Mr Ekkel's duties will be allocated to the Board of Directors with immediate effect.

Not for publication

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Brunel International N.V. is an international service provider specialising in the flexible deployment of knowledge and capacity in the fields of Engineering, Oil & Gas, Aerospace, Automotive, ICT, Finance, Legal and Insurance & Banking. Services are provided in the form of Project Management, Secondment and Consultancy. Incorporated in 1975, Brunel has since become a global company with some 14,000 employees and an annual revenue of EUR 1,283 million (2013). The company is listed at Euronext Amsterdam N.V. For more information on Brunel International N.V. visit our website [www.brunelinternational.net](http://www.brunelinternational.net).