Boskalis
Dredging & Marine Experts

HALF YEAR
REPORT 2015

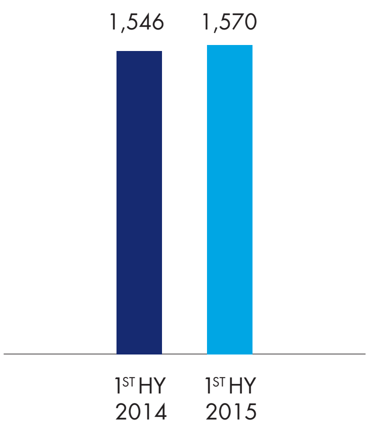
HALF YEAR REPORT 2015

KEY FIGURES

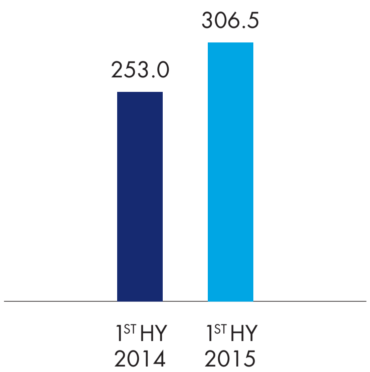
KEY FIGURES	1ST HY 2015	1ST HY 2014	2014
(in EUR million)			
Revenue	**1,570.3**	1,546.3	3,166.9
EBITDA*	**500.1**	466.4	945.9
Net result from strategic JVs and associates	**30.0**	19.6	56.4
Operating result (EBIT)*	**359.3**	338.3	652.3
Net profit	**306.5**	253.0	490.3
Earnings per share (in EUR)	**2.50**	2.10	4.03
	30 June 2015	30 June 2014	End 2014
Order book	**2,962.9**	3,145.8	3,285.5

* Our share in the net result of the joint ventures and associated companies is included in EBIT(DA).

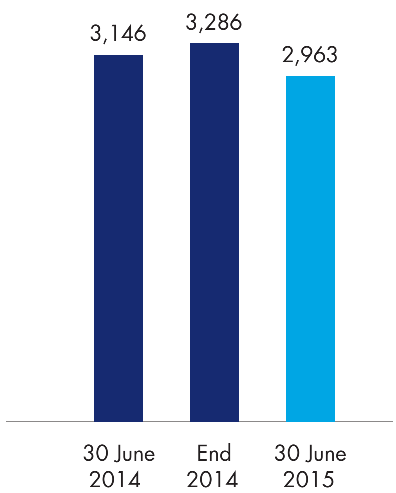
REVENUE (in EUR million)



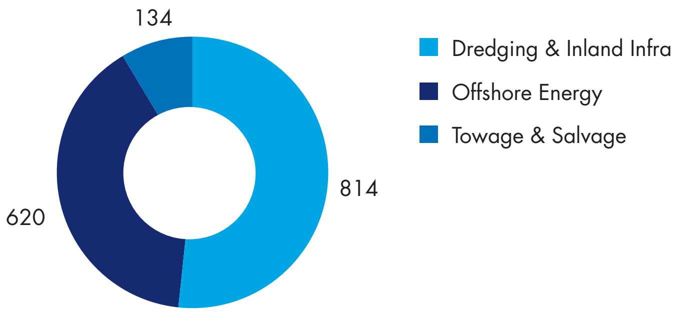
NET PROFIT (in EUR million)



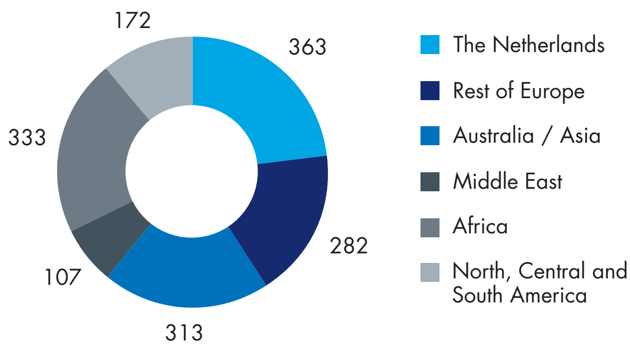
ORDER BOOK (in EUR million)



REVENUE BY SEGMENT (in EUR million)



REVENUE BY GEOGRAPHICAL AREA (in EUR million)



HALF YEAR REPORT 2015

This half year report contains forward-looking statements. These statements are based on current expectations, estimates and projections of Boskalis' management and information currently available to the company. These forecasts are not certain and contain elements of risk that are difficult to predict and therefore Boskalis does not guarantee that its expectations will be realized. Boskalis has no obligation to update the statements contained in this half year report. Unless stated otherwise, all amounts in this half year report are in euros (EUR). Some of the projects referred to in this report were carried out in joint venture or in a subcontractor role. This is an English translation of the Dutch half year report. In the event of any disparity between the Dutch original and this translation, the Dutch text will prevail. This half year report as well as the Annual Report 2014 can be read on www.boskalis.com.

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Dredging work by the cutter suction hopper dredger Edax for the expansion of the Suez Canal in Egypt

CHAIRMAN'S STATEMENT

"Once again we can look back on a fantastic first half of the year with historically high EBITDA of half a billion euros.

We are especially proud of the successful execution and swift realization of the Suez Canal project, which was on an unprecedented scale and had to be completed within an extremely short timeframe. Partly due to the Suez project the dredging fleet was kept busy plying the waterways in the first half of the year. The high fleet utilization made a strong contribution to the good result. The second half of the year will be a different story in terms of utilization in particular because we will have to catch up on vessel maintenance which will result in more expenses and less revenue.

We also had a good first half year in offshore, partly helped by the strong US dollar. The nature of our activities means that we are largely late-cyclical in offshore and thanks to our order book we were able to keep fleet utilization levels high. Nevertheless we too are increasingly experiencing volume and margin pressure in the short-term, capacity-driven activities.

We expect a prolonged period of low energy prices and lean market conditions in the offshore oil and gas market, and are therefore tightening things up where necessary in terms of organization, fleet composition and capital expenditure."

Peter Berdowski, CEO

Loading the FPSO Armada Intrepid onboard the Dockwise Vanguard in the Port of Rotterdam

RESULTS

Royal Boskalis Westminster N.V. (Boskalis) realized a net profit of EUR 306.5 million in the first half of 2015, a rise of 21% (H1 2014: EUR 253.0 million). Revenue in the first half of the year rose 1.6% to EUR 1.57 billion (H1 2014: EUR 1.55 billion). Adjusted for (de)consolidation and currency translation effects, revenue was stable. EBITDA in the first half of the year amounted to EUR 500.1 million (H1 2014: EUR 466.4 million) and the operating profit (EBIT) was EUR 359.3 million (H1 2014: EUR 338.3 million).

Results in all three segments were good in addition to which there were a number of (positive) exceptional items.

Dredging & Inland Infra had an exceptionally busy first half from an operational point of view. Good results on the projects in progress, a very high fleet utilization rate together with relatively low repair costs and a substantial contribution from financial settlements on projects completed earlier all contributed to the good result.

Offshore Energy also had a good first half year with high utilization of the equipment and good project results. In addition, the stronger US dollar made a positive contribution to the result.

At Towage & Salvage the result of the harbor towage activities was in line with expectations, but the result of Smit Lamnalco lagged behind. Salvage had a good first half with various wreck removal projects and a substantial contribution to the result from the financial settlement from salvage projects executed in previous years.

During the first half Boskalis increased its stake in Fugro N.V. by 5.2% to 25.1%. In accordance with IFRS this stake is recognized as an associated company as from 2015. Consequently, a positive revaluation result of EUR 28.5 million on the stake in Fugro is recognized in the Holding and Eliminations segment.

At the end of the first half of the year the order book stood at EUR 2,963 million (end-2014: EUR 3,286 million). The decline in the order book is mainly attributable to the execution of the sizable Suez Canal project and the sale of the activities of De Jong at the beginning of the year.

MARKET DEVELOPMENTS

Boskalis responds to various global macro trends by providing creative and innovative all-round solutions in specific market segments. These trends include growth in the world's population and prosperity, which in turn leads to increasing global trade and energy consumption. In addition there are the irreversible effects of climate change. The extent to which these macro trends will continue to develop in the coming years will be strongly dependent on geopolitical stability and macroeconomic growth in particular. Positive investment decisions in relation to large maritime infrastructure projects, which generate a lot of work for Boskalis, are closely linked to this.

We see a stable market with regard to large-scale maritime infrastructure projects, the developments in and around ports and large-scale infrastructure works in the Netherlands. The tender pipeline with capital dredging projects for the deepening and expansion of ports and waterways, land reclamation projects and tunnel developments is positive, and maintenance work in these markets has a strong recurring nature. In large ports the development of the number of shipping movements and thus the demand for towage services looks likely to be stable in the coming years. In light of this, expectations are that conditions in the Dredging & Inland Infra and Towage segments will remain stable.

In the offshore energy market there is a clear distinction between short and long-term developments. At present the short term is strongly affected by the low oil price, which is causing oil majors to postpone investment decisions relating to complex and costly offshore projects. In the long term, however, the demand for energy will continue to be driven by increasing prosperity and economic growth.

In the near term, those activities aimed at the capacity-driven spot markets such as Marine and Subsea Services are expected to be impacted hardest. The picture at Marine Contracting and Subsea Contracting is more favorable, fueled by structural developments in offshore wind energy, the dismantling of old oil and gas rigs and new developments in the Middle East and surrounding LNG, such as in Western Canada.

Boskalis expects to see a prolonged period of low energy prices and lean market conditions in the offshore oil and gas market and is tightening things up where necessary in terms of organization, fleet composition and capital expenditure.

OPERATIONAL AND FINANCIAL DEVELOPMENTS

HIGHLIGHTS OF FIRST HALF 2015

- Revenue: EUR 1.6 billion
- EBITDA: EUR 500 million
- Net profit: EUR 307 million
- Order book: EUR 3.0 billion

OUTLOOK

- Dredging: stable market with lower utilization rate in the second half year, partly due to postponed vessel maintenance from the first half
- Offshore Energy: more challenging circumstances, particularly in the capacity-driven short-term markets
- Towage: stable market prospects
- Net profit outlook: FY 2015 net profit lower than 2014 record of EUR 490 million

REVENUE

In the first half of 2015 revenue rose 1.6% to EUR 1,570 million (H1 2014: EUR 1,546 million). Adjusted for (de)consolidation and currency translation effects, revenue was stable compared to the first half of 2014.

The Dredging & Inland Infra segment had a busy first half of the year with very high fleet utilization and higher revenue than in the same period last year.
Revenue in the Offshore Energy segment was slightly lower compared to the strong first half of 2014.
The Towage & Salvage segment can look back on a busy first half of the year, especially with regard to the Salvage activities. The revenue decline is wholly attributable to the falling away of the revenue of the harbor towage activities in Brazil, Mexico, Panama and Canada. Following the transfer of these operations mid-2014 to the SAAM SMIT Towage strategic joint venture only our share in the net result is recognized.

REVENUE BY SEGMENT	1ST HY 2015	1ST HY 2014	2014
(in EUR million)			
Dredging & Inland Infra	**814.2**	766.2	1,664.8
Offshore Energy	**619.9**	631.5	1,238.6
Towage & Salvage	**133.6**	155.6	270.6
Holding and Eliminations	**2.6**	-7.0	-7.1
Total	**1,570.3**	1,546.3	3,166.9

REVENUE BY GEOGRAPHIC AREA	1ST HY 2015	1ST HY 2014	2014
(in EUR million)			
Netherlands	**362.7**	324.5	714.1
Rest of Europe	**282.2**	330.3	766.9
Australia / Asia	**313.4**	445.1	832.7
Middle East	**106.9**	78.1	173.8
Africa	**332.9**	129.9	274.4
North, Central and South America	**172.2**	238.4	405.0
Total	**1,570.3**	1,546.3	3,166.9

RESULT

In the first half of the year the operating result including the contribution from our share in the net result of joint ventures and associated companies before interest, taxes, depreciation, amortization and impairments (EBITDA) totaled EUR 500.1 million (H1 2014: EUR 466.4 million).

The operating profit (EBIT) rose 6% to EUR 359.3 million (H1 2014: EUR 338.3 million). Adjusted for (de)consolidation and currency translation effects the operating profit was stable compared to the first half of 2014. The operating profit includes the contribution from our stake in the net result of joint ventures and associated companies of EUR 30.0 million (H1 2014: EUR 19.6 million). The increase is mainly due to the new strategic joint venture SAAM SMIT Towage.

Dredging & Inland Infra had an exceptionally busy first half of the year from an operational point of view, with a very high fleet utilization and as a consequence relatively low repair costs. This, along with good results on the projects in progress and a sizable contribution from settlements on projects completed earlier, led to a strong segment result. In the same period of 2014 there was a greater impact on the result from substantial contributions from financial settlements on old projects.

Offshore Energy also had a good first half year with a high utilization of the equipment and good project results. In addition, the stronger US dollar made a positive contribution to the result.

Towage & Salvage closed the first half of the year with a slightly lower result. While the result of the harbor towage activities was in line with expectations, the result of Smit Lamnalco lagged behind. Salvage had a good first half with various wreck removal projects and a substantial contribution to the result from the financial settlement from salvage projects executed in previous years.

Non-allocated group income and expenses amounted to a positive EUR 7.6 million on balance. In addition to the usual non-allocated head office costs a positive result of EUR 32.4 million on the share in Fugro was recognized, of which EUR 28.5 million was a revaluation result.

RESULT (EBIT) BY SEGMENT*	1ST HY 2015	1ST HY 2014	2014
(in EUR million)			
Dredging & Inland Infra	**152.6**	184.0	380.1
Offshore Energy	**158.6**	147.8	236.1
Towage & Salvage	**40.5**	43.3	84.0
Holding and Eliminations	**7.6**	-36.8	-47.9
Total	**359.3**	338.3	652.3

* Our share in the net result of the joint ventures and associated companies is included in EBIT(DA).

NET PROFIT

The operating result (EBIT) was EUR 359.3 million (H1 2014: EUR 338.3 million). Net of financing expenses of, on balance, EUR 15.7 million, profit before taxation was EUR 343.6 million. Net profit attributable to shareholders totaled EUR 306.5 million (H1 2014: EUR 253.0 million).

ORDER BOOK

At the end of the first half of the year the order book excluding our share in the order book of joint ventures and associated companies stood at EUR 2,963 million (end-2014: EUR 3,286 million). In the course of the first half of the year Boskalis acquired new contracts worth EUR 1,247 million on balance.

The decline in the order book at Dredging & Inland Infra was partly attributable to the execution of the extensive Suez Canal project, and a drop of EUR 55 million as a result of the sale of the De Jong business unit. Noteworthy contracts acquired include the Veja Mate wind farm (Offshore Energy), the construction of a second artificial island in Panama, the deepening of the approach channel for the port of Portsmouth in the UK and various dredging-related contracts in Africa.

ORDER BOOK	30 JUNE 2015	END 2014	30 JUNE 2014
(in EUR million)			
Dredging & Inland Infra	**1,722.1**	2,014.2	1,884.5
Offshore Energy	**1,204.2**	1,207.4	1,150.0
Towage & Salvage	**36.6**	63.9	111.3
Total	**2,962.9**	3,285.5	3,145.8

DREDGING & INLAND INFRA

Construction, maintenance and deepening of ports and waterways, land reclamation, coastal defense and riverbank protection, underwater rock fragmentation and the extraction of minerals using dredging techniques. Riverbank protection and construction of roads and railroads, bridges, dams, overpasses and tunnels including earthmoving, soil improvement and remediation mainly in the Netherlands.

DREDGING & INLAND INFRA	1ST HY 2015	1ST HY 2014	2014
(in EUR million)			
Revenue	**814.2**	766.2	1,664.8
EBITDA*	**203.0**	228.8	487.5
Net result from JVs and associates	**1.1**	0.2	3.1
Operating result (EBIT)*	**152.6**	184.0	380.1
Order book	**1,722.1**	1,884.5	2,014.2

* Our share in the net result of the joint ventures and associated companies is included in EBIT(DA).

REVENUE

Revenue in the Dredging & Inland Infra segment amounted to EUR 814.2 million (H1 2014: EUR 766.2 million).

REVENUE BY MARKET	1ST HY 2015	1ST HY 2014	2014
(in EUR million)			
The Netherlands	**210.8**	210.7	551.5
Rest of Europe	**135.1**	143.0	250.9
Rest of the world	**468.3**	412.5	862.4
Total	**814.2**	766.2	1,664.8

The Netherlands

Revenue in the Dutch market was EUR 210.8 million, around the same level as a year earlier. Adjusted to reflect the sale of road maintenance company De Jong in early 2015 revenue rose 10%.

The first half of 2015 saw the successful completion of the project to reinforce the Hondsbossche and Pettemer Sea Defense in the Dutch province of Noord-Holland. Furthermore, a lot of work was performed in connection with the various Room for the River projects, while the SAAone project (A1-A6 motorway) made a good contribution to the revenue and a large number of small and medium-sized infrastructure projects were also in progress.

Rest of Europe

Revenue in the rest of Europe was slightly lower compared to a year earlier at EUR 135.1 million. In the home markets (Germany, the UK, Sweden and Finland) a lot of work was performed on various port-related maintenance projects, dredging work was carried out for the Baltic II offshore wind farm (Germany) and the coastline near Clacton-on-Sea (United Kingdom) was reinforced. Outside the home markets things were quiet, resulting in a revenue decline on balance.

Rest of the world

Outside of Europe revenue increased sharply to EUR 468.3 million. The Africa region with the extensive Suez Canal project made a strong contribution to the revenue. This project, with an extremely challenging short deadline, was successfully completed on 1 August. Countries in which Boskalis was active during the first half of the year also included Qatar (approach channels), Brazil (Superporto do Açu), India (Jaigarh Port) and South Korea (Incheon and Songdo).

FLEET DEVELOPMENTS

Utilization of the hopper fleet was high in the first half of the year with an effective annual utilization rate of 44 weeks (H1 2014: 42 weeks). In mid-February the new trailing suction hopper dredger Freeway (4,500 m3) was christened and immediately taken into service. The Suez Canal project boosted the utilization rate of the cutter fleet to a record high level in the first half of the year with an effective annual utilization rate of 48 weeks (H1 2014: 35 weeks).

SMIT Salvage removing the wreck of car carrier Baltic Ace (North Sea)

The tug Smit Cheetah assisting a container ship in the Port of Rotterdam

SEGMENT RESULT

In the first half of the year the Dredging & Inland Infra segment achieved a high result, with EBITDA of EUR 203.0 million and an operating result of EUR 152.6 million (H1 2014: EUR 228.8 million and EUR 184.0 million, respectively).

In addition to good results on projects in progress and a positive contribution from the Dutch Inland Infra activities there was a significant positive effect on the result from the high utilization rate of the equipment along with a relatively low level of repair costs. Due to the high utilization rate, vessel maintenance was postponed from the first half to the second half of the year. There was also a positive contribution to the result from projects whose technical completion took place earlier, albeit that the contribution to the segment result was smaller relative to the same period in 2014.

ORDER BOOK

On 30 June the order book excluding our share in the order book of joint ventures and associated companies was EUR 1,722 million (end-2014: EUR 2,014 million). The decrease was partly attributable to the execution of the extensive Suez Canal project. The order book in the Netherlands declined as a result of a tender policy that pays close attention to the margin and risk profiles of projects for tender. On top of that EUR 55 million was removed from the Dutch order book as a result of the divestment of the De Jong business unit.

In the first half of the year new contracts worth EUR 556 million on balance were acquired. In addition to previously announced projects in Panama (second island at Punta Pacifica), the UK (expansion of the approach channel to the port of Portsmouth) and various projects in Africa, an offshore wind-related contract was acquired in Germany, along with a large number of smaller works in the Netherlands.

ORDER BOOK BY MARKET	30 JUNE 2015	END 2014	30 JUNE 2014
(in EUR million)			
The Netherlands	**728.5**	865.0	1,017.7
Rest of Europe	**221.6**	188.9	284.1
Rest of the world	**772.0**	960.3	582.7
Total	**1,722.1**	2,014.2	1,884.5

OFFSHORE ENERGY

Offshore dredging and rock installation projects, heavy transport, lift and installation work, diving and ROV services in support of the development, construction, maintenance and dismantling of oil and LNG import/export facilities, offshore platforms, pipelines and cables and offshore wind turbine farms.

OFFSHORE ENERGY	1ST HY 2015	1ST HY 2014	2014
(in EUR million)			
Revenue	**619.9**	631.5	1,238.6
EBITDA*	**242.9**	219.8	387.8
Net result from JVs and associates	**5.4**	6.7	15.1
Operating result (EBIT)*	**158.6**	147.8	236.1
Order book	**1,204.2**	1,150.0	1,207.4

* Our share in the net result of the joint ventures and associated companies is included in EBIT(DA).

REVENUE

Revenue in the Offshore Energy segment fell slightly to EUR 619.9 million. Adjusted for the Fairmount activities acquired at the end of March 2014 and for currency translation effects revenue was down 14% compared to the same period last year. The decline was due to the completion in the first half of the substantial Ichthys Gas Export Pipeline project in Australia, most of which was executed in 2014, and a drop in oil and gas-related activities on the North Sea.

Subsea Contracting had a busy first half year with projects in countries including Azerbaijan (Shah Deniz) and the Philippines (Malampaya). In Australia the sizable Ichthys Gas Export Pipeline project was completed.
Marine Contracting, which as of 2015 also comprises the long-term Heavy Marine Transport activities as well as the Dockwise Transport & Installation projects, had a busy first half. The most important projects were the transport of the Goliat FPSO (Floating Production Storage and Offloading unit) from South Korea to Norway and the Armada Intrepid FPSO from Rotterdam to Indonesia, and the transport and installation of modules for the Hebron and Clair Ridge developments in Canada and the United Kingdom, respectively.
Logistical Management concluded a busy first half with the sizable Wheatstone contract.
Marine Services, which as of 2015 also comprises Fairmount and the Dockwise short-term Heavy Marine Transport activities, had a good half year considering the deteriorated market conditions. There was pressure on utilization at wet towage but utilization levels for the other equipment, including the floating sheerlegs and the Dockwise vessels, were good.
At Subsea Services the activities on the North Sea are under substantial pressure as a result of the low oil price and deteriorated market conditions, with the corresponding implications for equipment utilization and rates. This was partially offset by activities in West Africa and the Middle East.

FLEET DEVELOPMENTS

In the first half of the year the utilization rate of the Dockwise fleet was 84% (H1 2014: 90%). The N-class and fallpipe vessels also saw good utilization levels. The new Dockwise vessel White Marlin, with a deadweight of 72,000 metric tons, was christened and taken into service in mid-February.

SEGMENT RESULT

In the first half of the year EBITDA for the Offshore Energy segment amounted to EUR 242.9 million and the operating result was EUR 158.6 million (H1 2014: EUR 219.8 million and EUR 147.8 million, respectively).

The stronger US dollar made a positive contribution to the result. The worsened market conditions in the oil and gas sector mainly had implications for the results at the Marine Services business unit, where the short-term focused wet towage and short-term Heavy Marine Transport activities are increasingly coming under pressure, and especially at Subsea Services, in particular the North Sea activities.

In the first half of 2014 there was a substantial positive impact on the result from the exceptionally high utilization rate of the Heavy Marine Transport equipment and a sizable contribution from cancellation and rescheduling fees.

The result includes our share in the net profit of joint ventures and associated companies, mainly VBMS and Asian Lift. The contribution of these activities was EUR 5.4 million (H1 2014: EUR 6.7 million). The Asian Lift joint venture in Singapore, where a new floating sheerleg was taken into service, had a particularly difficult first half.

ORDER BOOK

At 30 June the order book excluding our share in the order book of joint ventures and associated companies stood at EUR 1,204 million (end-2014: EUR 1,207 million).

On balance EUR 638 million of new work was acquired in the first half of the year. The contract for the construction of the Veja Mate offshore wind farm was acquired in joint venture with a third party. In addition, various smaller platform decommissioning contracts as well as a wide range of short-term transport contracts were acquired.

TOWAGE & SALVAGE

Towage: *towage services and berthing and unberthing of oceangoing vessels in ports and at offshore terminals, management and maintenance both above and below the surface of onshore and offshore oil and gas terminals and associated maritime and management services.*

Salvage: *providing assistance to vessels in distress, wreck clearance, environmental care services and consultancy.*

TOWAGE & SALVAGE	**1ST HY 2015**	1ST HY 2014	2014
(in EUR million)			
Revenue	**133.6**	155.6	270.6
EBITDA*	**49.0**	56.4	118.6
Net result from JVs and associates	**19.6**	12.6	38.3
Operating result (EBIT)*	**40.5**	43.3	84.0
Order book	**36.6**	111.3	63.9

* Our share in the net result of the joint ventures and associated companies is included in EBIT(DA).

In mid-December 2014 Boskalis signed a Memorandum of Understanding (MoU) with KOTUG International B.V. (KOTUG) to merge their European harbor towage operations in a 50/50 joint venture. The transaction is expected to be completed towards the end of the year.

REVENUE

Revenue in the Towage & Salvage segment fell to EUR 133.6 million in the first half of the year, considerably lower than the same period of 2014. The decline was entirely due to the further realization of the Towage strategy, which aims to place harbor towage activities in joint ventures where possible.
In mid-2014 Boskalis established two joint ventures with SAAM S.A. of Chile to continue the companies' combined harbor towage operations in Brazil, Mexico, Panama and Canada under the name SAAM SMIT Towage. These activities were deconsolidated in accordance with IFRS11 from the third quarter of 2014, and since then our share in the result of these joint ventures is reported as result from joint ventures and associated companies. Adjusted for this deconsolidation revenue rose by 23%, mainly as a result of higher revenue at Salvage.

Operating under the name SMIT Towage Northwest Europe, Boskalis now provides towage services in the ports of Rotterdam and Liverpool as well as ports in Belgium. The level of activity in these ports was stable on balance, although Rotterdam lagged compared to last year, when there was a lot of extra activity from offshore-related services.

Boskalis and Fairmount vessels installing and ballasting the HVDC platform DolWin 2 off the German coast

SMIT Salvage started the year well with a number of smaller wreck removal projects. In addition, a lot of work was performed on the projects to remove the sunken car carrier Baltic Ace from the North Sea and a jack-up rig off the coast of Angola.

SEGMENT RESULT

EBITDA in the Towage & Salvage segment totaled EUR 49.0 million and the operating result was EUR 40.5 million (H1 2014: EUR 56.4 million and EUR 43.3 million, respectively). At Salvage the result in the first half of 2015, as in the same period of 2014, was positively impacted by the financial settlement of salvage projects executed in previous years.

The result includes our share in the net result of joint ventures and associated companies, particularly Keppel Smit Towage (KST), Smit Lamnalco and, as from the third quarter of 2014, SAAM SMIT Towage. The contribution from these activities was EUR 19.6 million in the first half of the year (H1 2014: EUR 12.6 million). The contribution to the result from Smit Lamnalco in particular was lower than expected due to tough competition in Australia and a weak market in Nigeria.

ORDER BOOK

The order book, excluding our share in the order book of joint ventures and associated companies, was EUR 36.6 million on 30 June (end-2014: EUR 63.9 million). In the first half of the year new work worth on balance EUR 53.2 million was acquired. The order book relates solely to the Salvage business unit.

HOLDING AND ELIMINATIONS

Non-allocated head office activities.

HOLDING AND ELIMINATIONS	1ST HY2015	1ST HY 2014	2014
(in EUR million)			
Revenue (eliminations)	**2.6**	-7.0	-7.1
EBITDA*	**5.2**	-38.6	-48.1
Net result from JVs and associates	**3.9**	0.1	0.0
Operating result (EBIT)*	**7.6**	-36.8	-47.9

* Our share in the net result of the joint ventures and associated companies is included in EBIT(DA).

SEGMENT RESULT

The operating result mainly includes the usual non-allocated head office costs as well as various non-allocated (in many cases non-recurring) income and expenses. Boskalis' share in Fugro is also included in this segment.

In the first quarter Boskalis increased its stake in Fugro N.V. by 5.2% to 25.1%. This is recognized in the Holding and Eliminations segment, with a positive result of EUR 32.4 million in the first half year. As from 2015 this stake is recognized, in accordance with IFRS, as an associated company and no longer as a financial instrument. On surpassing the 20% threshold the stake was revalued to fair value, resulting in a revaluation gain of EUR 28.5 million. In addition, our share in the result of Fugro for the first half of the year, adjusted in accordance with IFRS for an impairment charge taken by Fugro, was recognized at EUR 3.9 million.

A non-recurring pension charge of EUR 14.6 million was recognized in the first half of 2014 in connection with a change to the pension scheme for a large section of the Dutch corporate and other staff.

OTHER FINANCIAL INFORMATION

The Ndurance repairing a power cable at Havelet Bay, Guernsey

In the first half of the year depreciation, amortization and impairments totaled EUR 140.8 million (H1 2014: EUR 128.1 million). The increase was due to the inclusion of Fairmount for an additional quarter, new equipment being taken into service and currency translation effects.

Our share in the net result from joint ventures and associated companies was EUR 30.0 million (H1 2014: EUR 19.6 million). This result related mainly to our share in the results of Smit Lamnalco, VBMS, the Singapore partnerships with Keppel (Keppel Smit Towage, Maju Maritime and Asian Lift), SAAM SMIT Towage (from Q3 2014) and Fugro (from Q1 2015).

The tax charge in the first half was EUR 37.4 million (H1 2014: EUR 64.4 million). Consequently the tax rate was relatively low, at 10.9% (H1 2014: 20.2%). The lower tax rate was mainly due to the fact that compared to the same period last year a larger proportion of the project results in the first half was achieved in countries with relatively low tax rates or was exempt from tax. Furthermore the (revaluation) result on Fugro was untaxed.

CAPITAL EXPENDITURE AND BALANCE SHEET

In the first half of the year a total amount of EUR 79.0 million was invested in property, plant and equipment (H1 2014: EUR 122.7 million). The decline was mainly due to the staggered timing of instalment payments on equipment under construction and planned investments not (yet) being realised.

Important investments underway in the Dredging segment relate to the construction of a new jumbo backhoe dredger and a new mega cutter. The trailing suction hopper dredger Freeway (4,500 m^3) was delivered in early 2015 and brought into service during the first quarter. Investments in the Offshore Energy segment included the construction of two new Giant transport barges. Construction of the White Marlin was completed in 2014 and the vessel was delivered and brought into service at the start of this year.

Capital expenditure commitments at the end of the first half were down at EUR 97.8 million (end-2014: EUR 125.3 million). These commitments relate mainly to the aforementioned capital investments, particularly the mega cutter and jumbo backhoe dredger.

In the first half of the year Boskalis paid out a cash sum of EUR 47.6 million in dividends for the 2014 financial year (2014: EUR 37.1 million) to those shareholders who opted to receive a cash dividend. This represented around 24% of the dividend, with the remaining 76% of the dividend being distributed in shares to shareholders who chose this option. In view of this 2,689,242 new ordinary shares were issued, while the remaining 629,123 shares required were shares purchased in the share buy-back program Boskalis launched last year. As a result the total number of outstanding Boskalis shares at the end of the first half was 125,627,062.

In the first quarter Boskalis increased its stake in Fugro N.V. by 5.2% to 25.1% through the purchase of (certificates of) shares. At 30 June 2015 the book value of the Fugro stake was EUR 383 million (EUR 18.01 per Fugro share).

The cash flow in the first half amounted to EUR 447.0 million (H1 2014: EUR 381.9 million).

The cash position at 30 June 2015 was EUR 380.3 million (end-2014: EUR 395.4 million).

The solvency ratio rose to 55.8% (end-2014: 53.4%).

The interest-bearing debt totaled EUR 898.0 million at 30 June (end-2014: EUR 914 million) and the net debt position stood at EUR 517.6 million (end-2014: EUR 519 million). The appreciation of the US dollar added EUR 69 million to the net debt position compared to the end of 2014. EUR 30 million of this increase was offset by a rise in the amount receivable from previously arranged cross-currency swaps not included in the net debt position.

The largest component of the interest-bearing debt position relates to the long-term US Private Placements (USPP) and drawings under the syndicated credit facility. The syndicated facility consists of a EUR 600 million revolving multi-currency credit facility maturing in 2020, with an option to extend the term to 2021. In addition, Boskalis has EUR 696 million in outstanding USPPs (unchanged), of which EUR 292 million (USD 325 million) has not been swapped into euros. The maturity of the US Private Placements ranges from two to eight years (2017 to 2023).

Boskalis has agreed a number of covenants with the syndicate of banks and the USPP investors with which it must comply. These covenants were comfortably met as at 30 June 2015. The main covenants relate to the net debt : EBITDA ratio, with a limit of 3, and the EBITDA : net interest ratio, with a minimum of 4. At 30 June the net debt : EBITDA ratio stood at 0.7 and the EBITDA : net interest ratio at 28.9.

PRINCIPAL RISKS AND UNCERTAINTIES

The 2014 Annual Report of Royal Boskalis Westminster N.V. provides an overview of Boskalis' risk management and describes the main risk categories: strategic and market risks, operational risks, financial risks and risks related to financial reporting, as well as internal risk management and control systems. More information can be found on pages 49-54 of the 2014 Annual Report and in the online annual report at http://boskalis-annualreports.com.

The principal risks also apply to the current financial year. In the second half of 2015 the extent to which new projects are acquired and the associated commercial conditions will largely be determined by the prevailing economic circumstances in the geographic markets relevant to Boskalis and in particular the state of affairs in the markets for service providers to the oil and gas market.

OUTLOOK

Current information suggests that no major changes are to be expected in the market environment for Dredging & Inland Infra and Towage in the second half of the year compared to the first half. Following an exceptionally busy first half year at Dredging, fleet utilization levels will come down in the second half, partly due to postponed vessel maintenance from the first half year. This will result in a lower operating margin.

The outlook for Offshore Energy remains mixed. Long-term contracts and work already contracted are expected to provide an important degree of stability well into 2016, but the short-term related transport activities and subsea services are experiencing pressure on utilization levels and margins.

Across the portfolio it remains crucial that we make every possible effort to maintain the level of the order book, whereby we are selective in taking on projects, with an acceptable risk profile.

Based on the fleet schedule and work in the portfolio and barring unforeseen circumstances, the Board of Management expects a good second half of the year. Net profit for the full year 2015, including our stake in the result of joint ventures and associated companies, is not expected to approach the 2014 record result (EUR 490 million).

The 2015 capital expenditure is expected to amount to EUR 225-250 million (from EUR 250-275 million), which will be financed from the company's own cash flow.

FINANCIAL CALENDAR

20 August 2015	Publication of 2015 half-year results
13 November 2015	Trading update on third quarter of 2015
9 March 2016	Publication of 2015 annual results
10 May 2016	Trading update on first quarter of 2016
10 May 2016	Annual General Meeting of Shareholders
18 August 2016	Publication of 2016 half-year results
11 November 2016	Trading update on third quarter of 2016

Construction of a 35-kilometer parallel canal for the expansion of the Suez Canal in Egypt

INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR FIRST HALF YEAR 2015

CONDENSED CONSOLIDATED INCOME STATEMENT

(in millions of EUR)	*Note*	**1ST HALF YEAR 2015**	1ST HALF YEAR 2014
OPERATING INCOME			
Revenue	*[7]*	**1,570.3**	1,546.3
Other income		**3.0**	7.0
		1,573.3	1,553.3
OPERATING EXPENSES			
Raw materials, consumables, personnel expenses, services and subcontracted work		**-1,131.7**	-1,106.4
Depreciation, amortization and impairment losses		**-140.8**	-128.1
Other expenses		**-**	-0.1
		-1,272.5	-1,234.6
Share in result of joint ventures and associated companies	*[10]*	**30.0**	19.6
Revaluation of stake in Fugro N.V.	*[5]*	**28.5**	-
OPERATING RESULT		**359.3**	338.3
Finance income and costs		**-15.7**	-20.1
PROFIT BEFORE TAXATION		**343.6**	318.2
Income tax expense	*[14]*	**-37.4**	-64.4
NET GROUP PROFIT FOR THE REPORTING PERIOD		**306.2**	253.8
NET GROUP PROFIT FOR THE REPORTING PERIOD ATTRIBUTABLE TO:			
Shareholders		**306.5**	253.0
Non-controlling interests		**-0.3**	0.8
		306.2	253.8
Average number of shares (x 1,000)		**122,712**	120,664
Number of shares at the end of the reporting period (x 1,000)		**125,627**	122,938
Earnings per share		**EUR 2.50**	EUR 2.10
Diluted earnings per share		**EUR 2.50**	EUR 2.10
EBITDA		**500.1**	466.4

The notes on pages 23 to 28 are an integral part of these condensed consolidated interim financial statements for the first half year 2015.

CONDENSED CONSOLIDATED STATEMENT OF RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSES

(in millions of EUR)		1ST HALF YEAR 2015	1ST HALF YEAR 2014
NET GROUP PROFIT FOR THE REPORTING PERIOD		**306.2**	253.8
ITEMS THAT WILL NEVER BE RECLASSIFIED TO THE PROFIT OR LOSS			
Actuarial gains (losses) and asset limitation on defined benefit pension schemes, after taxation		**1.0**	2.5
		1.0	2.5
ITEMS THAT ARE OR MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS			
Reclassification of revaluation result of stake in Fugro	*[5]*	**-28.5**	-
Movement of fair value of stake in Fugro N.V.	*[11]*	**-20.1**	-
Currency translation differences on foreign operations, after taxation		**113.9**	19.4
Currency translation differences from joint ventures and associated companies, after taxation		**54.0**	0.8
Effective cash hedges, after taxation		**14.1**	-1.3
Effective cash hedges from joint ventures and associated companies, after taxation		**-0.5**	-10.3
		132.9	8.6
UNRECOGNIZED INCOME AND EXPENSES FOR THE REPORTING PERIOD, AFTER TAXATION		**133.9**	11.1
TOTAL RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSES FOR THE REPORTING PERIOD		**440.1**	264.9
ATTRIBUTABLE TO:			
Shareholders		**440.6**	262.5
Non-controlling interests		**-0.5**	2.4
TOTAL RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSES FOR THE REPORTING PERIOD		**440.1**	264.9

The notes on pages 23 to 28 are an integral part of these condensed consolidated interim financial statements for the first half year 2015.

CONDENSED CONSOLIDATED BALANCE SHEET

(in millions of EUR)	Note	30 JUNE 2015	31 DECEMBER 2014
NON-CURRENT ASSETS			
Intangible assets		**534.0**	517.7
Property, plant and equipment	[9]	**2,785.8**	2,743.9
Investments in joint ventures and associated companies	[10]	**1,190.3**	775.5
Other non-current assets	[11]	**36.5**	321.2
		4,546.6	4,358.3
CURRENT ASSETS			
Inventories and receivables		**1,157.4**	920.4
Cash and cash equivalents		**440.9**	396.0
Assets disposal group	[6]	**219.3**	238.0
		1,817.6	1,554.4
TOTAL ASSETS		**6,364.2**	5,912.7
GROUP EQUITY			
Shareholders' equity	[12]	**3,544.9**	3,151.9
Non-controlling interests		**6.4**	7.9
		3,551.3	3,159.8
NON-CURRENT LIABILITIES			
Interest-bearing borrowings		**892.8**	822.8
Provisions		**109.7**	104.7
Other liabilities and payables		**28.2**	33.8
		1,030.7	961.3
CURRENT LIABILITIES			
Interest-bearing borrowings		**-**	78.1
Bank overdrafts		**67.6**	2.4
Provisions		**2.4**	3.8
Other liabilities and payables		**1,669.4**	1,653.1
Liabilities disposal group	[6]	**42.8**	54.2
		1,782.2	1,791.6
TOTAL GROUP EQUITY AND LIABILITIES		**6,364.2**	5,912.7
Solvency		**55.8%**	53.4%

The notes on pages 23 to 28 are an integral part of these condensed consolidated interim financial statements for the first half year 2015.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(in millions of EUR)	Note	1ST HALF YEAR 2015	1ST HALF YEAR 2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net group profit		**306.2**	253.8
Depreciation, amortization and impairment losses		**140.8**	128.1
Cash flow		**447.0**	381.9
Adjustments for:			
Finance income and expenses, taxation, results from disposals		**50.1**	77.6
Movement other non-current assets, excluding deferred taxes		**4.8**	-7.0
Movement provisions, excluding deferred taxes		**4.6**	-7.9
Movement in working capital (including inventories, excluding taxation and interest)		**-81.2**	-41.0
Share in result of joint ventures and associated companies and revaluation result of stake in Fugro N.V.		**-58.5**	-19.6
Cash generated from operating activities		**366.8**	384.0
Dividends received		**40.1**	7.4
Interest paid and received		**-14.8**	-13.9
Income taxes paid		**-92.9**	-65.3
Net cash from operating activities		**299.2**	312.2
CASH FLOWS FROM INVESTING ACTIVITIES			
Net investments in intangible assets and property, plant and equipment		**-115.3**	-111.8
Investment in group company, net of cash acquired		**-**	-44.0
Investment in additional share in Fugro N.V.	*[10/11]*	**-99.9**	-
Disposal of (a part of) group companies, net of cash disposed	*[6]*	**29.4**	-
Net investments in associated companies		**-**	-1.4
Net cash used in investing activities		**-185.8**	-157.2
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of interest-bearing borrowings (after deduction of borrowing costs)		**-**	0.3
Repayment of interest-bearing borrowings		**-83.7**	-51.5
Dividends paid to shareholders and non-controlling interests		**-48.6**	-38.6
Net cash used in / from financing activities		**-132.3**	-89.8
NET INCREASE IN CASH AND CASH EQUIVALENTS		**-18.9**	65.2
Net cash and cash equivalents and bank overdrafts as at 1 January (including of disposal group)		**395.4**	325.6
Net increase in cash and cash equivalents and bank overdrafts		**-18.9**	65.2
Currency translation differences		**3.8**	1.1
Movement in net cash and cash equivalents		**-15.1**	66.3
NET CASH AND CASH EQUIVALENTS AND BANK OVERDRAFTS AS AT REPORTING DATE (INCLUDING OF DISPOSAL GROUP)		**380.3**	391.9

The notes on pages 23 to 28 are an integral part of these condensed consolidated interim financial statements for the first half year 2015.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN GROUP EQUITY

	1ST HALF YEAR 2015			1ST HALF YEAR 2014		
(in millions of EUR)	SHAREHOLDERS' EQUITY	NON-CONTROLLING INTERESTS	GROUP EQUITY	SHAREHOLDERS' EQUITY	NON-CONTROLLING INTERESTS	GROUP EQUITY
Balance as at 1 January	**3,151.9**	**7.9**	**3,159.8**	2,525.2	6.9	2,532.1
TOTAL RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSE FOR THE REPORTING PERIOD						
Net group profit for the reporting period	**306.5**	**-0.3**	**306.2**	253.0	0.8	253.8
Unrecognized income and expenses for the reporting period	**134.1**	**-0.2**	**133.9**	9.5	1.6	11.1
Total recognized and unrecognized income and expenses for the reporting period	**440.6**	**-0.5**	**440.1**	262.5	2.4	264.9
TRANSACTIONS WITH SHAREHOLDERS						
Distributions to shareholders						
Cash dividend	**-47.6**	**-1.0**	**-48.6**	-37.1	-1.5	-38.6
Total transactions with shareholders	**-47.6**	**-1.0**	**-48.6**	-37.1	-1.5	-38.6
Balance as at end of the reporting period	**3,544.9**	**6.4**	**3,551.3**	2,750.6	7.8	2,758.4

The notes on pages 23 to 28 are an integral part of these condensed consolidated interim financial statements for the first half year 2015

EXPLANATORY NOTES TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION

1. GENERAL

Royal Boskalis Westminster N.V. (the "Company") is a leading global services provider in the dredging, inland and maritime infrastructure and maritime services sectors. Royal Boskalis Westminster N.V. has its statutory residence in Sliedrecht, the Netherlands, and its head office in Papendrecht, the Netherlands. The Interim Consolidated Financial Information for the first half year of 2015 of Royal Boskalis Westminster N.V. includes the Company and its group companies (together referred to as the "Group") and the interests of the Group in associated companies and the entities over which it has joint-control.

The Interim Consolidated Financial Information is prepared by the Board of Management and has been cleared for publication on 20 August 2015.

The Interim Consolidated Financial Information for the first half year 2015 has not been audited by an independent auditor.

The Group's audited 2014 consolidated financial statements are available at www.boskalis.com.

2. STATEMENT OF COMPLIANCE

The Interim Consolidated Financial Information is prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 Interim Financial Reporting. This Interim Consolidated Financial Information does not include all the information required for full financial statements and are to be read in combination with the audited 2014 consolidated financial statements of the Group.

3. ACCOUNTING PRINCIPLES APPLIED FOR THE PREPARATION OF THE INTERIM CONSOLIDATED FINANCIAL INFORMATION

The accounting principles applied to the valuation of assets and liabilities and the determination of results are consistent with the valuation principles applied to the 2014 consolidated financial statements.

Unless stated otherwise, all amounts are reported in millions of euros.

NEW INTERPRETATION ADOPTED

The Group applies IFRIC 21 for the first time. IFRIC 21 'Levies' provides guidance on when to recognize a liability for a levy in the financial statements. Levies are liabilities in accordance with laws and legislations, other than corporate income taxes and fines. No liability is recognized for levies which are accountable to future periods. This interpretation is applicable for the Group as of 1 January 2015. The adoption has no impact on the shareholders' equity and result of the Group.

NEW INTERPRETATIONS NOT YET ADOPTED

The following standards, amendments to standards and interpretations, are not effective as of 30 June 2015 and / or not yet endorsed by the European Committee (EC). They have therefore not been applied in these interim consolidated financial statements. Based on the current insights, the Group does not plan to early adopt these standards and interpretations and the extent of the possible impact has not been determined yet. The most important possible changes for the Group can be summarized as follows:

- Amendments in IAS 19 'Defined Benefit Plans: Employee Contributions' relate to employee contributions for defined benefit plans. These amendments have an effective date for annual periods starting on or after 1 February 2015.
- IFRS9 Financial Instruments; classification and measurement, has an effective date for annual periods starting on or after 1 January 2018. The EC has not yet adopted this Standard.
- IFRS15 'Revenue from Contracts with Customers' provides a framework for recognition of income and will replace the current standards IAS 18 Revenue and IAS 11 Construction Contracts. The Standard has an effective date for annual periods starting on or after 1 January 2017. The effective date is expected to be adjusted to 1 January 2018. The EC has not yet adopted this Standard.

4. ESTIMATES

The preparation of Interim Consolidated Financial Information requires management to make judgements, estimates and assumptions that affect the application of accounting principles and the recognized amounts under assets, liabilities, revenue and costs. Actual results may differ from these estimates. Judgements made by management in applying the Group's accounting principles and the key sources for making estimates were the same as the judgements and sources applied when preparing the 2014 consolidated financial statements, with the exception of:

TAXATION

Tax expense is accounted for based on the weighted average rate that would apply to expected pre-tax profit for the full year multiplied by the pre-tax profit for the reporting period, taking into account known deviations.

IMPAIRMENT LOSS ON GOODWILL AND OTHER INTANGIBLE ASSETS

The Group makes an annual judgement of impairment losses on goodwill and other intangible assets with an indefinite useful life in the fourth quarter.

5. ACQUISITION OF ASSOCIATED COMPANY

In the first half year the Group has gained significant influence in Fugro N.V. and as a result the investment is classified as an associated company. As at year end 2014 the share was classified as a financial instrument available for sale. The quoted price (fair value hierarchy: level 1) at the time of acquiring significant influence is applied for determining the cost price of the associated company at the time of gaining significant influence. As a result a revaluation profit amounting to EUR 28.5 million has been accounted for. The Group has a stake of 25.1% as at 30 June 2015 (31 December 2014: 19.9%).

6. ASSET HELD FOR SALE

At the end of 2014 Boskalis and Kotug International B.V. (Kotug) signed a Memorandum of Understanding (MoU) to continue their mutual towage activities in North West Europe, after complying with several (customary) conditions, such as the approval from involved financial institutions and supervisors in the respective countries in which the joint venture will operate. This combination will lead to a leading towage service provider in North West Europe. The combination will improve the market position of the combined entities and provide operational synergy advantages as well. At balance sheet date the assets and liabilities which will be contributed in the joint venture are classified as held for sale, similar to year end 2014. As a result, no depreciation or amortization has been accounted for in the first half of 2015.

SALE DE JONG EN ZOON BEESD B.V.

As at year end 2014 De Jong en Zoon Beesd B.V. was classified as held for sale. At 11 February 2015 the Group sold this company. The sale resulted in a net consideration of EUR 30 million and did not materially affect the result of Boskalis.

7. OPERATIONAL SEGMENTS

The Group recognizes three operational segments which, as described below, constitute the divisions ('lines of businesses') of the Group. These divisions offer different products and services and are managed separately because they require different strategies. Each of the divisions is reviewed by the Board of Management based on internal management reporting on a quarterly basis.

The following is a brief summary of the activities of the operational segments:

DREDGING & INLAND INFRA

Traditionally, dredging is the core activity of Boskalis. It involves all activities required to remove silt, sand and other layers from the water bed and in some cases using it elsewhere, for example for coastal protection or land reclamation. The services also include the construction and maintenance of ports and waterways, and coastal defense and riverbank protection, as well as associated specialist services such as underwater rock fragmentation. In addition, Boskalis is active in the extraction of raw materials using dredging techniques. In the Netherlands, Boskalis also operates as a contractor of dry infrastructure projects. This involves the design, preparation (by means of dry earthmoving) and execution of large-scale civil infra works, such as the construction of roads and railroads, bridges, dams, viaducts and tunnels. These activities include performing specialist works such as soil improvement and land remediation.

OFFSHORE ENERGY

With the offshore services of Boskalis and its subsidiaries Dockwise and Fairmount the company supports the activities of the international energy sector, including oil and gas companies and providers of renewable energy such as wind power. Boskalis is involved in the development, construction, maintenance and decommissioning of oil and LNG-import/export facilities, offshore platforms, pipelines and cables and offshore wind farms. In performing these activities Boskalis applies its expertise in the areas of heavy transport, lift and installation work, as well as diving and ROV services complemented with dredging, offshore pipeline, cable and rock installation. With VBMS (a joint venture of Boskalis) we are a leading player in the European market for offshore cable installation.

TOWAGE & SALVAGE

In ports around the world assistance is provided to incoming and outgoing oceangoing vessels through Boskalis' joint ventures Keppel Smit Towage, SAAM SMIT Towage and the joint venture with Kotug being formed. In addition, a full range of services for the operation and management of onshore and offshore terminals is offered through its strategic company Smit Lamnalco. These include assistance with the berthing and unberthing of tankers at oil and LNG terminals and additional support services. With our versatile fleet of over 450 vessels we assist vessels in over 90 ports in 35 countries, including oil and chemical tankers, container ships, reefers, RoRo ships and mixed cargo ships. Through SMIT Salvage we provide services relating to the salvage of ships and wreck removal. SMIT Salvage provides assistance to vessels in distress and is able to act at any time and anywhere in the world. It is able to do so by operating out of four locations which are strategically situated in relation to the main international shipping routes: Houston, Cape Town, Rotterdam and Singapore. Removal of wrecks of sunken ships and offshore platforms almost always takes place at locations where the wreck forms an obstruction to traffic or presents an environmental hazard.

SEGMENTS

The operational segments are monitored based on the segment result (operating result) and EBITDA. The segment result and EBITDA are used for performance measurement of operational segments, both between segments and compared to other companies in the same industries. Inter-operational segment services, if any, take place at arm's length basis. EBITDA is defined as segment result before depreciations, amortisations and impairments. During the reporting period no material transactions occurred between the segments.

INFORMATION ON OPERATIONAL SEGMENTS AND RECONCILIATION TO GROUP RESULTS

(in millions of EUR)	DREDGING & INLAND INFRA	OFFSHORE ENERGY	TOWAGE & SALVAGE	HOLDING & ELIMINATIONS	GROUP
1st half year 2015					
Revenue	814.2	619.9	133.6	2.6	1,570.3
EBITDA	203.0	242.9	49.0	5.2	500.1
Share in result of joint ventures and associated companies	1.1	5.4	19.6	3.9	30.0
Segment result / operating result	152.6	158.6	40.5	7.6	359.3
Non-allocated finance income and expenses					-15.7
Non-allocated taxation					-37.4
Net group profit					306.2
Investments in property, plant and equipment	27.9	28.7	13.0	9.4	79.0
Depreciation, amortization and impairment losses	50.4	84.3	8.5	-2.4	140.8

(in millions of EUR)	DREDGING & INLAND INFRA	OFFSHORE ENERGY	TOWAGE & SALVAGE	HOLDING & ELIMINATIONS	GROUP
1st half year 2014					
Revenue	766.2	631.5	155.6	-7.0	1,546.3
EBITDA	228.8	219.8	56.4	-38.6	466.4
Share in result of joint ventures and associated companies	0.2	6.7	12.6	0.1	19.6
Segment result / operating result	184.0	147.8	43.3	-36.8	338.3
Non-allocated finance income and expenses					-20.1
Non-allocated taxation					-64.4
Net group profit					253.8
Investments in property, plant and equipment	80.7	34.5	0.7	6.8	122.7
Depreciation, amortization and impairment losses	44.8	72.0	13.1	-1.8	128.1

A large part of the Group's projects that have been executed or are currently in progress within the operational segments Dredging & Inland Infra and Offshore Energy is directly or indirectly conducted for state controlled authorities and (contractors of) oil and gas producers in various countries and geographical areas. Because of the spread of the contracts none of these clients qualifies as a material client in relation to total Group revenue.

8. SEASONAL OPERATIONS

The Group's operations are mainly project-based and therefore influenced by the timing of commencement and completion of these projects. Projects are executed and services are provided all over the world. There is no clear seasonal influence on operations.

9. PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment in the reporting period can be explained as follows:

(in millions of euros)	TOTAL
Book value as at 1 January 2015	**2,743.9**
Investments	79.0
Depreciation and impairment losses	-131.4
Disposals	-7.8
Reclassified to disposal group	-8.2
Currency translation differences and other movements	110.4
Book value as at 30 June 2015	**2,785.8**

10. JOINT VENTURES AND ASSOCIATED COMPANIES

Movements in joint ventures and associated companies in the reporting period can be explained as follows:

(in millions of euros)	TOTAL
Balance as at 1 January 2015	**775.5**
Reclassification of share in result of Fugro N.V. from financial instruments available for sale	271.9
Net investment in associated company Fugro N.V.	98.8
Share in result of joint ventures and associated companies	30.0
Dividends received	-40.1
Currency translation differences and other movements	54.2
Balance as at 30 June 2015	**1,190.3**

11. FINANCIAL INSTRUMENTS AVAILABLE FOR SALE

Movements in financial instruments available for sale in the reporting period can be explained as follows:

(in millions of euros)	TOTAL
Balance as at 1 January 2015	**290.9**
Additional acquisition of share in Fugro N.V.	1.1
Change in fair value until significant influence is gained	-20.1
Reclassification to associated companies	-271.9
Balance as at 30 June 2015	**-**

12. DIVIDEND PAYMENTS TO SHAREHOLDERS OF ROYAL BOSKALIS WESTMINSTER N.V.

In the first half year of 2015 a total dividend of EUR 196.7 million was distributed with regard to the 2014 financial year (EUR 1.60 per ordinary share).

76% of the shareholders opted for a stock dividend in the form of ordinary shares. In view of this 2,689,242 new ordinary shares and 629,123 repurchased own shares were issued. The number of outstanding shares was 125,627,062 at the end of the first half year of 2015.

The remaining shareholders (24%) opted for a cash dividend. An amount of EUR 47.6 million was distributed and the associated tax on dividend was paid in July 2015.

13. RELATED PARTIES

The parties related to the Group are its group companies, joint ventures, its associated companies, its shareholders with significant influence, its pension funds that are classified as funded defined benefit pension schemes in accordance with IAS 19 (2011), and the members of the Supervisory Board and Board of Management. There were no significant changes to the companies and people related to the Group other than the following:

- Mr. J. van der Veer was appointed as a member of the Supervisory Board with effect on 12 May 2015;
- Boskalis has sold its group company De Jong en Zoon Beesd B.V.;
- Boskalis has gained significant influence in Fugro N.V.

Transactions with joint ventures and associated companies in the course of normal business activities take place at arm's length basis. In the first half year of 2015 sales and purchases amount to EUR 9.2 million and EUR 0.2 million respectively (first half year 2014: EUR 2.8 million and EUR 1.5 million). Receivables from and liabilities to joint ventures and associated companies amount to EUR 12.7 million and EUR 3.1 million respectively as at 30 June 2015 (at year-end 2014: EUR 4.5 million and EUR 0.8 million). Transactions with members of the Board of Management and Supervisory Board comprise only regular remuneration. During the first half year of 2015 there were no other material transactions with related parties that could influence, on a reasonably basis, any decision taken by users of these interim financial statements.

14. TAXATION

In respect of the profit realized in the first half year of 2015 an amount of EUR 37.4 million is recognized as taxation (first half year of 2014: EUR 64.4 million).

The applicable tax rate in the Netherlands is 25.0%. Different rates, non-deductable costs, the treatment of fiscal losses and special taxation regimes in different countries, adjustments in respect of prior years and the effects of results exempted from tax resulted in a weighted average tax rate of 10.9% for the reporting period (first half year 2014: 20.2%).

15. COMMITMENTS AND CONTINGENT LIABILITIES

The total of outstanding guarantees, mainly relating to projects in progress, amounts to EUR 0.8 billion as at 30 June 2015. Compared to 31 December 2014 there were no material changes to the other commitments, including operational lease commitments and investment commitments. Some legal proceedings and investigations have been initiated against (entities of) the Group. Where deemed necessary and if a reliable estimate of the future cash flows can be made, provisions have been made.

16. FINANCIAL INSTRUMENTS

FAIR VALUE

The fair value of the majority of the financial instruments does not differ materially from the book value, with the exception of, long term and short term, loans and other payables with a fixed interest rate. The fair value of these items exceeds the book value by EUR 60.8 million as at 30 June 2015 (31 December 2014: EUR 66.8 million). On the balance sheet the following financial instruments have been recognized at fair value:

(in million EUR)	**30 JUNE 2015**	31 DECEMBER 2014
FINANCIAL ASSETS		
Financial instruments available for sale	**-**	290.9
Derivatives non-current	**41.8**	3.0
Derivatives current	**14.3**	6.3
	56.1	300.2
FINANCIAL LIABILITIES		
Derivatives non-current	**2.1**	7.7
Derivatives current	**8.2**	13.6
	10.3	21.3

FAIR VALUE HIERARCHY

For the fair value measurement of the recognized financial instruments a fair value hierarchy is defined in accordance with IFRS 13:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of financial instruments available for sale are based on quoted prices which are categorized as level 1 as at 30 June 2015 (31 December 2014: level 1).

The fair value of derivatives is based on the future cash flows, objectively determinable forward rates of the relevant interest rates, foreign currencies and commodities at balance sheet date and forward rates according to the respective contracts. Moreover the discount rate applied is derived from the relevant interest curves. The fair value of derivatives are categorized as level 2 as at 30 June 2015 (31 December 2014: level 2).

The fair value of the long-term and short-term loans and other payables with a fixed interest rate is determined based on the present value of the future cash flows for which the discount rate is derived from relevant interest curves. The fair value of these loans and payables are categorized as level 3 as at 30 June 2015 (31 December 2014: level 3).

17. BOARD OF MANAGEMENT DECLARATION

The Board of Management of Royal Boskalis Westminster N.V. hereby declares that, to the best of its knowledge, the Interim Consolidated Financial Information for the first half year of 2015 as prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 Interim Financial Reporting gives a true and fair view of the assets, liabilities, financial position and the profit or loss of Royal Boskalis Westminster N.V. and its jointly consolidated companies included in the consolidation as a whole, and that the semiannual report gives a fair view of the information required in accordance with Section 5:25d subsections 8 and 9 of the Dutch Financial Supervision Act (Wet op het financieel toezicht).

Papendrecht / Sliedrecht, The Netherlands,
20 August 2015

Board of Management
Dr. P.A.M. Berdowski, CEO
T.L. Baartmans
J.H. Kamps, CFO
F.A. Verhoeven

Lifting and installation work by the Taklift 7
for the construction of a bridge in Izmit, Turkey

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