Press Release 26 August 2014

Royal Imtech publishes second quarter and half year 2014 results

Decisive step in Imtech's financial recovery

- Significant debt reduction
    - fully underwritten rights issue of 600 million euro
    - sale of ICT division at enterprise value of 255 million euro
- New agreement with financiers, including:
    - step-down on cash pricing and elimination of all non-cash interest
    - full covenant holiday up to and including Q1 2016
    - additional liquidity buffer provided to Imtech
    - maturity extension to July 2017
- Additional restructuring measures to be implemented in the second half of 2014
- Revenue in the second quarter 967 million euro
- Operational EBITDA loss in the second quarter of 14 million euro
- Order intake in the second quarter 944 million euro, in line with revenue
- Significant one-off and financing costs drive negative net result in the second quarter of 224 million euro and for the first half year of 302 million euro
- Net debt for the total group of 1,038 million euro (second quarter 2013: 1,205.9 million euro)

Key figures

Quarters		*in € million, unless otherwise indicated*	Half year	
Q2 2014	Q2 2013		2014	2013
		for the total group		
1,113.1	1,315.5	Revenue and other income	2,233.0	2,526.0
-8.0	-31.7	Operational EBITDA	-13.9	-45.3
-0.7%	-2.4%	Operational EBITDA margin	-0.6%	-1.8%
1,099.6	1,275.6	Order intake	2,236.3	2,509.0
81.9	332.3	Working capital	81.9	332.3
1,037.7	1,205.9	Net interest-bearing debt for the total group	1,037.7	1,205.9
		continuing operations*		
966.9	1,122.9	Revenue and other income	1,952.0	2,162.1
-13.6	-36.3	Operational EBITDA	-24.9	-58.7
-61.9	-89.4	Non-operational costs	-69.9	-101.4
-75.5	-125.7	EBITDA	-94.8	-160.1
-89.0	-144.7	Operating result (EBIT)	-121.9	-197.2
-155.6	-166.6	Result from continuing operations	-231.7	-228.6
-68.6	-4.3	Result from discontinued operations	-69.8	-1.9
-224.2	-170.9	Net result	-301.5	-230.5
944.4	1,058.8	Order intake	1,954.9	2,092.4
69.0	332.3	Working capital	69.0	332.3
		Margins		
-1.4%	-3.2%	Operational EBITDA margin	-1.3%	-2.7%
-7.8%	-11.2%	EBITDA margin	-4.9%	-7.4%
23,215	25,895	Number of employees (in FTE)	23,215	25,895

* Restated for 2013, see notes 4 and 5 to the Interim Financial Statements H1 2014.

Gerard van de Aast, CEO: "Today's announcement is a decisive step forward for the company. The sale of the ICT division combined with a fully underwritten rights issue and significant changes in the financial agreements, such as a step-down in pricing and increased liquidity, will significantly reduce debt and improve the financial structure. The support from all our financiers and in particular from ING, Rabobank, Commerzbank and ABN Amro is a strong signal of confidence in the company. The first half of 2014 has been difficult for the company due to market conditions and the uncertainty around our financial position. Management and employees can now focus fully on improvement of operational results and the completion of the turnaround programme."

Financial structure

On 18 March 2014, we announced that a key priority for 2014 would be a significant reduction of our debt position by at least 400 million euro and that a reduction by a substantially higher amount could not be excluded.

Today's announced financial solution consists of the sale of the ICT division, a fully underwritten rights issue of 600 million euro and an amendment of the existing financial agreements. Deleveraging proceeds from the ICT divestment and the rights issue will result in a strong reduction in the debt position of the company and an enhancement of the liquidity of the group with at least 100 million euro. The remainder will be distributed among financiers. All committed guarantee facilities (up to an amount of 843 million euro) will remain in place with also reduced pricing.

With this package of financial measures, Imtech has fulfilled its deleveraging commitment of 400 million euro to financiers and any contingent penalties (non-cash fees and issuance of warrants) related to non-fulfilment of this commitment will be cancelled.

ICT division sold

Imtech has reached agreement with Vinci S.A. regarding the sale of the entire ICT division at an enterprise value of 255 million euro. The agreement is subject only to competition clearance and customary closing conditions and is expected to close well before the end of the year. The net proceeds from the transaction will be used for enhancement of the liquidity position of the company and debt reduction. Under the ownership of Vinci, the ICT division and its employees can look forward to a good future. The Boards of Imtech are satisfied with this result and would like to thank management and the employees of the ICT division for their sustained commitment and wish them all the best for the future.

Fully underwritten rights issue of 600 million euro

The rights issue is underwritten by ING, Rabobank, Commerzbank and ABN Amro and guaranteed by means of a volume underwriting commitment, subject to customary conditions including signing of an underwriting agreement and completion of satisfactory due diligence, and finalization of complete financing documents with financiers. A more extensive explanation of the rights issue is included in the agenda of the Extraordinary General Meeting of shareholders, published on the company's website (www.imtech.com). Approval for the rights issue, together with a reverse stock split, will be requested in the Extraordinary General Meeting of shareholders on 7 October 2014. Launch of the rights issue is expected as soon as possible after receiving the shareholder approval. In support of the rights issue the Board of Management will invest in shares of Royal Imtech and be eligible, after shareholder approval, to a programme which will accelerate shareholding by the Board of Management further.

Agreement with financiers including step-down on pricing and covenant holiday up to and including Q1 2016

In connection with the underwritten rights issue of 600 million euro, Imtech has reached agreement regarding amendment of its current financial agreements. These amendments include:

- A step-down on pricing for each financier class (see table as stated below) and no further fees

in relation to the amendments, waiver and/or consents.
- A covenant holiday for all covenants up to and including Q1 2016.
- Additional liquidity buffer of at least 100 million euro
- All credit and guarantee facilities will have the same maturity until 15 July 2017.
- Potential partial buyback of company's cash debt in an auction process

The new agreements include revised interest arrangements as follows:

	New			Previously		
	Cash	Non-Cash	Total	Cash	Non-Cash	Total
RCF* and bilateral credit facilities (margin on euribor)	3.75%	-	3.75%	3.75%	3.75%	7.5%
Senior notes	~7%	-	~7%	~8%	2%	~10%
Guarantee fees	1.9-2.25%	-	1.9-2.25%	2.5-3%	1.25-1.5%	3.75-4.5%

* RCF = Revolving credit facilities

Taken together with a significant decrease in overall debt levels, the revised interest arrangements will result in a substantial reduction in financing costs for the company.

The margin on the RCF and bilateral credit facilities and the guarantee fees are subject to reduction based on a leverage ratio grid. After the implementation of this announced combination of measures, the leverage ratio will still remain above the company's longer-term target. Future turnaround and improvement measures will focus on reducing the leverage ratio and financing costs of the company further still.

Until final implementation of this restructuring package, to be expected in Q4 2014, the current covenants for 2014 are waived by our financiers.

Achievements on turnaround programme

In 2013, Imtech started company-wide programmes on culture change and operational excellence. A new board of management is in place and the supervisory board has also been strengthened. New management teams have been installed in several operating divisions and in the corporate headquarters. As a result of this upgrading, over 70% of senior management has now been replaced.

The key items of the operational excellence programmes are margin improvement, cost reduction, resolution of legacy items and reduction of working capital. Operational performance has improved, cost levels have come down through the implementation of restructuring programmes, several long outstanding legacy items have been resolved and working capital has come down sharply. As an example of the above the German 'Neue Imtech' programme is well advanced and largely on track. The company is now in better shape than a year ago and will continue with its operational excellence programmes.

Medium term targets

Today's announced package of financial measures, gives the company the flexibility to execute its turnaround programme with an ongoing focus on improvement of operational performance by implementing operational excellence programmes, as well as internal margin improvement as loss-making projects are replaced with new projects at healthy margins. Operating within this normalised financial structure, Imtech should over time be able to recover to an operational EBITDA margin of 4-6%, and to achieve a cash conversion of 90% and a maximum leverage net debt/EBITDA ratio of 2.0.

Significant one-off and financing costs drive negative result of 302 million euro in HY

The net loss for the first half year of 302 million euro includes an operational EBITDA loss of 24.9 million euro and significant one-off and financing costs as follows:

in € million	HY 2014
Operational EBITDA	**-24.9**
Non-operational costs	-69.9
EBITDA	**-94.8**
Depreciation	-14.4
Amortisation & impairment	-12.7
Operating result (EBIT)	**-121.9**
Net finance result	-120.9
Share of results of associates, joint ventures and other investments	0.6
Income tax benefit	10.5
Result from continuing operations	**-231.7**
Result from discontinued operations	-69.8
Net result	**-301.5**

The non-operational costs amounted to 69.9 million euro, which include 16.6 million euro of restructuring costs, 24.8 million euro for advisor costs and other non-operational items of 28.5 million euro. These other non-operational items mainly relate to the decision to close the Russian business following the conclusion of the previously announced strategic review, the settlement on the NKS project in Nordic and results on closure respectively progress of legacy items. These legacy items include the remeasurement of a commercial building, the settlement of a 2010 project dispute in Spain, the termination of a German sponsorship agreement and various smaller German legacy items.

The net finance result is 120.9 million euro and includes amongst others 97.5 million euro net interest expenses, of which 35.1 million euro is cash and 62.4 million euro is non-cash. The non-cash interest expenses include 31.9 million euro make-whole amount, 16.4 million euro Paid-in-Kind interest and 14.1 million euro for other non-cash items. Other finance expenses amounted to 20.7 million euro.

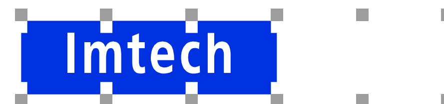
The result from discontinued operations of 69.8 million euro negative consists of the fair value adjustment of 60 million euro as a result of received binding offers for the ICT division, the HY 2014 results of the ICT division and include 12.4 million euro related to the closure of the FuM Schweiz business.

Additional restructuring measures to be implemented in the second half of 2014

In light of the ongoing challenging market conditions and efficiency programmes an additional restructuring programme will be implemented in order to strengthen competitiveness and profitability. In the Netherlands such restructuring will include a headcount reduction programme in the industrial segment and in the sales & operations and overhead functions. Furthermore, a provision for excess rental contracts will be formed. In Germany, the indirect cost reduction programme will be continued to deal with reduced volumes and a provision for excess rental contracts will be formed. Marine will reduce its headcount in mainly its German business. Total headcount reduction is expected to be at approximately 750 FTE with restructuring costs for these programmes of approximately 30 million euro additional to already announced programmes. The contract provisions related to excess office spaces in the Netherlands and Germany, as referred to above, amounts to approximately 30 million euro.

Outlook

2014 is a transition year in which we are implementing the next phase of our operational and financial recovery programme. Given the size of this transition and the challenging market circumstances, no specific forecasts are given regarding 2014.



Comparative figures 2013

The Group has adopted new respectively revised standards, that were issued during 2011 and are required to be adopted, with retrospective effect, as per the financial year 2014. These standards are:

- IFRS 10 Consolidated Financial Statements;
- IFRS 11 Joint Arrangements;
- IFRS 12 Disclosure of Interest in Other Entities;
- IAS 27 Separate Financial Statements; and
- IAS 28 Investments in Associates and Joint Ventures.

The comparative condensed consolidated profit and loss account for the first six months ended 30 June 2013 has been restated for the above. For further details reference is made to note 5.

On 7 November 2013, the Group decided to dispose of its 80% shareholding in AE Arma-Elektropanç (Arma). As a result, these activities were classified as discontinued operations in the Financial Statements 2013. The comparative condensed consolidated profit and loss account for the first six months ended 30 June 2013 has been restated to show the discontinued operations separately from continuing operations.

On 17 April 2014, the Group announced its intention to divest the ICT division. In the balance sheet as at 30 June 2014 the related assets and liabilities of the ICT division are classified as held for sale. Consequently, the comparative condensed consolidated profit and loss account for the first six months ended 30 June 2013 has been restated to show the discontinued operations separately from continuing operations. Reference is made to note 8. to the Interim Financial Statements H1 2014 on Discontinued operations.

Further, some supportive staff departments, previously included in the segment Benelux, are now reported within Group management. The comparative figures have been adjusted accordingly.

Review KPMG

The interim financial statements for 2014 have been reviewed by KPMG Accountants N.V. Their review report is included in Appendix A – Condensed consolidated interim financial statements 30 June 2014 (see page 42).

Financial performance

Profit and loss account

Quarters		in € million	Half year	
Q2 2014	Q2 2013*		2014	2013*
966.9	**1,122.9**	**Revenue and other income**	**1,952.0**	**2,162.1**
-13.6	**-36.3**	**Operational EBITDA**	**-24.9**	**-58.7**
-61.9	-89.4	Non-operational costs	-69.9	-101.4
-75.5	**-125.7**	**EBITDA**	**-94.8**	**-160.1**
-7.0	-6.2	Depreciation	-14.4	-16.8
-6.5	-12.8	Amortisation & impairment	-12.7	-20.3
-89.0	**-144.7**	**Operating result (EBIT)**	**-121.9**	**-197.2**
-76.1	-33.8	Net finance result	-120.9	-54.4
0.3	-1.0	Share of results of associates, joint ventures and other investments	0.6	-0.7
9.2	12.9	Income tax benefit	10.5	23.7
-155.6	**-166.6**	**Result from continuing operations**	**-231.7**	**-228.6**
-68.6	-4.3	Result from discontinued operations	-69.8	-1.9
-224.2	**-170.9**	**Net result**	**-301.5**	**-230.5**

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

Second quarter 2014

Market conditions during Q2 2014 remained challenging in the Netherlands, UK, Finland and Sweden. Within the Dutch industrial businesses, the UK engineering services and water businesses and in Sweden, we noticed continuing longer lead times from customers. During the quarter, some of our operations were impacted by the turmoil and uncertainty among stakeholders regarding our financial position.

In Q2 2014, revenue came in 14% lower at 967 million euro compared with Q2 2013, mainly due to delayed project start dates in the UK, the impact our decision to prioritise margin over volume in Germany & Eastern Europe and in Nordic due to weak performance in Sweden. Exception is Marine with an increase of revenue due to amongst other higher production levels compared to last year when Marine experienced delays at large projects.

The operational EBITDA in Q2 2014 resulted in a loss of 13.6 million euro. This is an improvement compared to Q2 2013, when operational EBITDA amounted to a loss of 36.3 million euro. Germany & Eastern Europe and Benelux are the main contributors to the operational EBITDA loss unless improvements compared to Q2 2013.

Non-operational costs in Q2 2014 amounted to 61.9 million euro and included restructuring costs of 9.9 million euro (in Germany & Eastern Europe, Benelux, UK & Ireland, Spain and Marine), 23.5 million euro for advisory costs and other non-operational items of 28.5 million euro mainly related to closure of the Russian business, the settlement on the NKS project in Nordic, and results on closure and progress of legacy items, including the remeasurement of a commercial building, a 2010 dispute in Spain that was resolved through arbitration, a German sponsorship agreement that was terminated and various smaller Germany legacy items were resolved as well.

Depreciation in Q2 2014 was 7.0 million euro (Q2 2013: 6.2 million euro). Amortisation and impairment was 6.5 million euro. In Q2 2013, amortisation and impairment amounted to 12.8 million euro which included the one-off accelerated amortisation of the brand name NVS in Nordic.

In Q2 2014, the net finance result was -76.1 million euro. This included amongst other items net interest expenses of 73.7 million euro (Q2 2013: 15.5 million euro) and other financing expenses of 2.3 million euro (Q2 2013: 22.4 million euro). For the full breakdown of the net finance results, see

note 9. to the Interim Financial Statements H1 2014.

The share of results of associates, joint ventures and other investments in Q2 2014 amounted to 0.3 million euro (Q2 2013: loss of 1.0 million euro).

The effective tax rate for Q2 2014 amounted to 5.6% (Q2 2013: 7.2%). The effective tax rate is impacted by losses made in 2014. The effective tax rate is significantly impacted by losses made in countries where the Group does not expect sufficient taxable profits in the foreseeable future to recognise a deferred tax asset including the fact that in Germany tax losses cannot always be compensated with future profits.

Result from discontinued operations in the quarter amounted to -68.6 million euro and consisted of a fair value adjustment of 60 million euro as a result of received binding offers for the ICT division, the results of the ICT division including the loss of 9.1 million euro related to the closure of the FuM Schweiz business.

Half year 2014

Revenue for the first half year came in at 1,952 million euro, a decrease of 10% compared to the first half year 2013 primarily due to UK & Ireland, Germany & Eastern Europe and Nordic. Also Benelux and Spain reported a decrease of revenue. The revenue decrease was partly offset by an increase in Marine and Traffic & Infra.

The operational EBITDA resulted in a loss of 24.9 million euro (HY 2013: -58.7 million euro). Although Germany & Eastern Europe and Benelux showed an improvement, they still reported a loss. UK & Ireland and Nordic realised a positive operational EBITDA though at a lower level. Traffic & Infra and Marine showed an improvement and reported a positive EBITDA.

The non-operational costs of 69.9 million euro include restructuring costs of 16.6 million euro, 24.8 million euro for advisory costs and other operational items of 28.5 million euro mainly related to closure of the Russian business, the settlement on the NKS project in Nordic and results on closure respectively progress of legacy items, including the remeasurement of commercial building, a 2010 project dispute in Spain was resolved through arbitration, a German sponsor agreement was terminated and various smaller German legacy items were resolved as well.

Depreciation was 14.4 million euro (HY 2013: 16.8 million euro). Amortisation and impairment was 12.7 million euro. In HY 2013, amortisation and impairment amounted to 20.3 million euro which included the accelerated amortisation of the brand name NVS in Nordic.

The net finance result was 120.9 million euro (HY2013: 54.4 million euro). The net finance result included amongst other net interest expenses of 97.5 million euro (HY 2013: 25.4 million euro). For the full breakdown of the net finance results, see note 9. to the Interim Financial Statements H1 2014.

The share of results of associates, joint ventures and other investments in HY 2014 amounted to 0.6 million euro (HY 2013: loss of 0.7 million euro).

The effective tax rate for HY 2014 amounted to 4.3% (HY 2013: 9.4%). The effective tax rate was significantly impacted by losses made in countries where the Group does not expect sufficient taxable profits in the foreseeable future to recognise a deferred tax asset including the fact that in Germany tax losses cannot always be compensated with future profits.

Result from discontinued operations in the quarter amounted to -69.8 million euro and consisted of a fair value adjustment of 60 million euro as a result of received binding offers for the ICT division, the results of the ICT division including 12.4 million euro costs related to the closure of the FuM Schweiz business.

Result for the period, result per share

Quarters		*in € million, per share in euro*	Half year	
Q2 2014	Q2 2013		2014	2013
-224.2	**-170.9**	**Net result**	**-301.5**	**-230.5**
0.1	-1.4	Non-controlling interests	0.5	2.7
-224.3	**-172.3**	**Net result for shareholders**	**-302.0**	**-233.2**
6.5	12.8	Amortisation & impairment	12.7	20.3
-217.8	**-159.5**	**Adjusted net result for shareholders**	**-289.3**	**-212.9**
		Basic result per share from continuing operations	-0.51	-1.19
		Diluted result per share from continuing operations	-0.51	-1.19
		Basic result per share	-0.66	-1.20
		Diluted result per share	-0.66	-1.20

Balance sheet

Selected balance sheet items

in € million	30 Jun 2014	31 Mar 2014	31 Dec 2013*
Property, plant and equipment	133.5	158.3	161.0
Goodwill	802.2	1,029.8	1,032.8
Other intangible assets	99.4	139.3	149.0
Other non-current assets	55.7	46.3	42.0
Non-current assets	1,090.8	1,373.7	1,384.8
Working capital	69.0	78.3	-15.2
Assets held for sale	443.3	0.2	79.9
Capital employed	**1,603.1**	**1,452.2**	**1,449.5**
Equity	-17.1	228.6	313.3
Net interest-bearing debt	1,063.0	894.7	737.0
Other non-current liabilities	39.4	20.3	11.8
Restructuring provisions	12.7	17.0	30.9
Other liabilities	300.3	291.6	296.7
Liabilities held for sale	204.8	-	59.8
Funding	**1,603.1**	**1,452.2**	**1,499.5**

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

Second quarter 2014

In Q2 2014, capital employed increased by 151 million euro to 1,603 million euro mainly due to the split of working capital of the ICT division within assets and liabilities held for sale as result of the earlier announced intended sale of the ICT division. The assets held for sale include an amount of 18 million euro related to a commercial building.

The equity decreased in the quarter by 246 million euro to 17 million euro negative mainly as a result of the net loss of 224 million euro realised in Q2 2014 as well as actuarial losses of 27 million euro (19 million euro net of tax) for the employee benefits due to decreased market interest rates. The net interest-bearing debt of 1,063 million euro is based on continuing operations. The net interest-bearing debt for the total group amounted to 1,037.7 million euro, an increase of 143 million in Q2 2014 mainly due to normal seasonal working capital trend, cash restructuring costs of 10.5 million euro, cash refinancing costs of 10.4 million euro, net-cash interest of 22.9 million euro and 57.2 million euro non-

cash relating to the earlier announced financing agreement. A reclassification of debt related to a commercial building, which is reclassified to held for sale, results in a 23 million euro reduction of debt.

Half year 2014

In the first half year capital employed increased by 154 million euro to 1,603 million euro mainly due to the split of working capital of the ICT division within assets and liabilities held for sale as result of the earlier announced intended sale of the ICT division. Regular first half year seasonality is the main driver of a working capital increase.

The equity decrease of 330 million euro to 17 million euro negative is mainly the result of the net loss of 302 million euro in the first half year as well as actuarial losses of 27 million euro (19 million euro net of tax) for the employee benefits due to decreased market interest rates. The net interest-bearing debt based on continuing operations amounted to 1,063 million euro. The net interest-bearing debt for the total group increased by 301 million euro to 1,037.7 million euro, mainly due to normal seasonal working capital trend, cash restructuring costs of 26.7 million euro, cash refinancing costs of 23.7 million euro, net-cash interest of 35.1 million euro and 66.6 million euro non-cash relating to the earlier announced financing agreement. A reclassification of debt related to the commercial building, which is reclassified to held for sale, results in a 23 million euro reduction of debt.

Goodwill

Imtech has assessed whether goodwill needed to be impaired as at 30 June 2014. The result of this assessment is that at the moment there is no reason to impair goodwill. However headroom is limited for our Nordic, Spain, Marine and Germany & Eastern Europe business. Adverse changes on the cost of capital, business performance or continuing uncertainty among stakeholders could have an impact going forward. Next impairment testing is scheduled in the first quarter of 2015 in the context of preparing the financial statements for full year 2014.

Working capital

in € million, unless otherwise indicated	**30 Jun 2014**	31 Mar 2014	31 Dec 2013*
Work in progress (net)	176.2	235.3	178.8
Trade receivables	604.6	727.7	868.1
Other current assets	187.3	215.5	221.2
	968.1	1,178.5	1,268.1
Trade payables	515.2	624.8	773.8
Other current liabilities	383.9	475.4	509.5
	899.1	1,100.2	1,283.3
Working capital	**69.0**	**78.3**	**-15.2**
As % of LTM revenue	1.7%	1.6%	-0.3%
Working capital excluding remaining legacy items	**9.8**	**-2.0**	**-90.9**
As % of LTM revenue	0.2%	0.0%	-1.8%

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

Net amount trade receivables (aging)

in € million	30 Jun 2014	31 Mar 2014	31 Dec 2013*
Not past due	423.3	515.2	644.3
Past due ≤ 180 days	106.9	132.9	136.5
Past due > 180 days	74.4	79.6	87.3
Total	**604.6**	**727.7**	**868.1**
Past due > 180 days excluding remaining legacy items	40.9	38.0	33.6

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

Remaining legacy items

As announced on 3 February 2014, there are remaining legacy items on the balance sheet. The vast majority of these remaining legacy items do not have a direct relation to current operations. At the end of Q2 2014 the total amount of remaining legacy items in working capital amounts to 59.2 million euro, a decrease of 16.5 million euro compared to year end 2013. This decrease is related to closure respectively progress of some legacy items in Germany and Spain. Within trade receivables the remaining legacy items at the end of Q2 2014 amount to 33.5 million euro.

Cash flow statement

Second quarter 2014

The net cash flow from operating activities in Q2 2014 amounts to 130.2 million euro negative. The cash flow was impacted by a net loss of 224 million euro in the quarter.

The net cash flow from investing activities in Q2 2014 was 3.1 million euro negative. Net capital expenditure in Q2 2014 for property, plant & equipment and intangible assets amounted to 7.6 million euro.

Half year 2014

The net cash flow from operating activities in the first half year 2014 amounts to 256.8 million euro negative. The cash flow was impacted by the net loss of 302 million euro.

The net cash flow from investing activities in the first half year 2014 was 1.1 million euro positive. Disposal of discontinued operations (net of cash disposed of) in the first half year 2014 amounted to 9.0 million euro positive related to divestment of Arma-Elektropanç. Net capital expenditure in the first half year 2014 for property, plant & equipment and intangible assets amounted to 10.0 million euro.

Performance by division

Second quarter

	Continuing operations		Discontinued operations		For the total group	
	Q2 2014	Q2 2013	Q2 2014	Q2 2013*	Q2 2014	Q2 2013
Revenue	966.9	1,122.9	146.2	192.6	1,113.1	1,315.5
Operational EBITDA	-13.6	-36.3	5.6	4.6	-8.0	-31.7
Operational EBITDA margin	-1.4%	-3.2%	3.8%	2.4%	-0.7%	-2.4%
Order intake	944.4	1,058.8	155.2	216.8	1,099.6	1.275.6

* Discontinued operations in 2013 consist of ICT and Arma-Elektropanç.

For the total group – including the discontinued operations of the ICT division – the revenue and order intake in Q2 2014 remained at a similar level compared to Q1 2014. Also the operational EBITDA margin for the total group of -0.7% in the second quarter arrived at a similar level compared to Q1 2014.

Half year

	Continuing operations		Discontinued operations		For the total group	
	HY 2014	HY 2013	HY 2014	HY 2013*	HY 2014	HY 2013
Revenue	1,952.0	2,162.1	281.0	363.9	2,233.0	2,526.0
Operational EBITDA	-24.9	-58.7	11.0	13.4	-13.9	-45.3
Operational EBITDA margin	-1.3%	-2.7%	3.9%	3.7%	-0.6%	-1.8%
Order intake	1,954.9	2,092.4	281.4	416.6	2,236.3	2,509.0

* Discontinued operations in 2013 consist of ICT and Arma-Elektropanç.

Benelux

Quarters		*in € million, unless otherwise indicated*	Half year	
Q2 2014	Q2 2013*		2014	2013*
154.9	176.6	Revenue	315.2	340.3
-9.1	-13.5	Operational EBITDA	-15.1	-17.7
-5.9%	-7.6%	Operational EBITDA margin	-4.8%	-5.2%
-11.8	-45.5	EBITDA	-18.0	-49.6
185.8	157.2	Order intake	370.2	296.0
4,019	4,507	Number of employees	4,019	4,507

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

Revenue in the quarter decreased by 12% to 155 million euro compared to Q2 2013 as a result of weak order intake for the industrial business due to poor market conditions. Operational EBITDA improved by 4.4 million euro though still resulting in a loss of 9.1 million euro due to project losses for the Dutch buildings business and continuing lower production levels in the Dutch industrial business, partly compensated by positive results in Belgium and Luxembourg. In order to improve its results, Benelux will continue with its intensified recovery programme for efficiency and quality improvements. Order intake in Q2 amounted to 186 million euro. Interesting orders awarded in Q2 include the replacement of several electrical and mechanical installations at Technical University of Delft and the installation of multidisciplinary solutions of a milk powder factory of Vitasquare.

For the half year, revenue amounted to 315 million euro. Operational EBITDA was a loss of 15.1 million euro. Order intake for the half year was higher than revenue and amounted to 370.2 million euro. The number of employees decreased by 101 FTEs to 4,019 FTEs. This decrease is primarily the result of restructuring in the Dutch operations.

Germany & Eastern Europe

Quarters		*in € million, unless otherwise indicated*	Half year	
Q2 2014	Q2 2013*		2014	2013*
221.8	260.5	Revenue	461.2	513.5
-7.9	-29.5	Operational EBITDA	-15.3	-55.2
-3.6%	-11.3%	Operational EBITDA margin	-3.3%	-10.7%
-23.7	-35.7	EBITDA	-33.6	-61.2
164.0	252.0	Order intake	351.7	452.0
4,452	5,461	Number of employees	4,452	5,461

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

Second quarter revenue amounted to 222 million euro. Operational EBITDA was a loss of 7.9 million euro, which is an improvement compared to the 2013 quarterly results, though impacted by weak results on old projects as well as a too high indirect cost structure. Order intake in the quarter was

significantly lower than revenue and amounted to 164 million euro, mainly as a result of our focus on prioritising margin over volume. Good contracts awarded in Q2 include the installation of technical solutions for the Medical Centre Konstanz and installations of the technical facilities for the building and testing devices for the Automotive Test Centre APS. While in the quarter operational EBITDA remained stable compared to previous quarter, working capital has been improved compared to previous quarter. Imtech has concluded its strategic review of its business in Russia and will wind down the business before year end 2014.

For the half year, revenue amounted to 461 million euro. Operational EBITDA was a loss of 15.3 million euro. Order intake of 351.7 million euro was lower than revenue. The number of employees decreased in the first half year by 229 FTEs to 4,511 FTEs. This decrease is the impact of downsizing our business in Germany & Eastern Europe.

UK & Ireland

Quarters		*in € million, unless otherwise indicated*	Half year	
Q2 2014	Q2 2013*		2014	2013*
154.3	217.2	Revenue	303.5	400.1
1.9	8.3	Operational EBITDA	4.9	15.6
1.2%	3.8%	Operational EBITDA margin	1.6%	3.9%
-1.8	8.3	EBITDA	1.0	15.5
190.2	153.3	Order intake	347.4	339.1
3,174	3,797	Number of employees	3,174	3,797

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

Revenue in the quarter decreased by 63 million euro compared to Q2 2013 to 154 million euro and operational EBITDA was 6.4 million euro down to 1.9 million euro. Both revenue and operational EBITDA were lower due to low production levels as a result of some slow project start-ups. Order intake increased to 190.2 million euro in the quarter and was higher than revenue. Interesting orders awarded in Q2 include the mechanical and electrical installation at a new research facility for the University of Birmingham and the refurbishment to main ceramics manufacturing facility for Wedgwood. After a change in the license system by the government in Kazakhstan, we concluded to terminate our joint venture in Kazakhstan which will have a limited financial impact in 2014 and no further business is foreseen in the coming years.

In the first half year, revenue decreased by 97 million euro to 304 million euro and operational EBITDA was 11 million euro down to 4.9 million euro. Order intake amounted to 347.4 million euro and was higher than revenue. The reduction of 222 FTEs in the first half year to 3,174 FTEs is the result of streamlining the business, particularly for UK engineering services business.

Nordic

Quarters		*in € million, unless otherwise indicated*	Half year	
Q2 2014	Q2 2013		2014	2013
202.6	240.6	Revenue	406.1	451.8
9.0	9.6	Operational EBITDA	12.7	15.7
4.4%	4.0%	Operational EBITDA margin	3.1%	3.5%
2.5	8.5	EBITDA	6.0	11.6
199.9	256.4	Order intake	437.3	508.3
5,369	5,588	Number of employees	5,369	5,588

Revenue in Q2 2014 amounted to 203 million euro, a decrease of 38 million euro compared to Q2 2013. Operational EBITDA decreased by 0.6 million to 9.0 million euro. We reached a settlement for the NKS project which results in a 6.3 million euro non-operational loss. Order intake amounted to 199.9 million euro and was in line with revenue. An interesting contract awarded is the construction of geo energy plant in Umeå for providing heating and cooling for a shopping centre via drilled holes and heating pumps.

Revenue in the first half year decreased by 46 million euro to 406 million euro. Operational EBITDA decreased by 3 million euro to 12.7 million euro. Order intake amounted to 437.3 million euro and was higher than revenue. The number of employees decreased by 37 FTEs to 5,369 FTE.

Spain

Quarters		*in € million, unless otherwise indicated*	Half year	
Q2 2014	Q2 2013*		2014	2013*
19.0	34.8	Revenue	42.4	65.8
-1.6	-	Operational EBITDA	-3.3	-1.0
-8.4%	0.0%	Operational EBITDA margin	-7.8%	-1.5%
-10.0	-0.2	EBITDA	-12.2	-1.3
21.4	32.6	Order intake	37.8	50.9
1,561	1,699	Number of employees	1,561	1,699

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

Revenue in the quarter amounted to 19 million euro. Operational EBITDA was a loss of 1.6 million euro as a result of low production levels and lower project results. A 2010 legacy project was resolved through arbitration and is included as non-operational item. The order intake amounted to 21 million euro. An interesting awarded contract is the five year maintenance contract at the Acerinox plant in Cadiz.

In the first half year, revenue decreased by 23 million euro to 42 million euro and operational EBITDA was a loss of 3.3 million euro. Order intake amounted to 37.8 million euro. The number of employees remained stable at 1,560 FTEs.

Traffic & Infra

Quarters		*in € million, unless otherwise indicated*	Half year	
Q2 2014	Q2 2013*		2014	2013*
95.9	118.5	Revenue	191.6	197.9
3.0	4.6	Operational EBITDA	4.0	2.3
3.1%	3.9%	Operational EBITDA margin	2.1%	1.2%
2.8	-16.2	EBITDA	3.7	-18.5
80.4	108.2	Order intake	159.0	211.8
2,098	2,234	Number of employees	2,098	2,234

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

In the second quarter, revenue decreased by 23 million euro to 95.9 million euro due to lower production levels. Operational EBITDA was 1.6 million euro down and amounted to 3.0 million euro due to a high cost structure and negative one-off results in the Dutch operations. Order intake was lower than revenue and amounted to 80.4 million euro. Especially within the Dutch operations and Finnish subsidiary YSP, order intake was low. An interesting new contract awarded is a 5 year equipment services contract for the National Roads Authority in Ireland.

Revenue in the first half year was 3% lower at 191.6 million euro. Operational EBITDA increased by 1.7 million to 4.0 million euro. Order intake was lower than revenue and amounted to 159 million euro. The number of employees increased in the first half year by 26 FTEs to 2,098 FTEs.

Marine

Quarters		*in € million, unless otherwise indicated*	Half year	
Q2 2014	Q2 2013*		2014	2013*
120.1	74.1	Revenue	235.9	193.2
-1.7	-9.3	Operational EBITDA	0.5	-9.3
-1.4%	-12.6%	Operational EBITDA margin	0.2%	-4.8%
-2.6	-32.9	EBITDA	-1.2	-32.9
103.0	99.1	Order intake	251.5	234.3
2,451	2,527	Number of employees	2,451	2,527

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

Revenue for the quarter increased by 46 million euro to 120 million euro due to amongst others items higher production levels compared to last year when Marine experienced delays at large projects. Although the operational EBITDA improved compared to Q2 2013 there is still a loss of 1.7 million euro mainly due to project losses at Imtech Marine Germany. In Q2, a customer of a large multi-year project started an audit on the project records which could result in a non-operational write-off. In the current third quarter, Imtech reached agreement to sell the investment in associate IHC Systems with an expected book profit of approximately 12 million euro which will be recorded in Q3 2014. Order intake was below revenue and amounted to 103 million euro. An interesting new contract awarded included the fleet standard console contract for British Columbia Ferry Services.

Half year revenue increased by 22% to 236 million euro. The operational EBITDA amounted to 0.5 million euro positive as a result of a satisfactorily first quarter result. Order intake amounted to 251.5 million euro. The number of employees increased in the first half year by 41 FTEs to 2,451 FTEs.

Group management / eliminations

Quarters		in € million, unless otherwise indicated	Half year	
Q2 2014	Q2 2013*		2014	2013*
-1.7	0.6	Revenue	-3.9	-0.5
-7.2	-6.5	Operational EBITDA	-13.3	-9.1
-30.9	-12.0	EBITDA	-40.5	-23.7
90	82	Number of employees	90	82

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

Operational EBITDA in Q2 amounted to -7.2 million euro. The EBITDA was -30.9 million euro, primarily due to advisory costs. The number of employees at the end of the quarter amounted to 90 FTEs. For the first half year, the operational EBITDA was -13.3 million euro. The EBITDA was -40.5 million euro.

ICT

Quarters		in € million, unless otherwise indicated	Half year	
Q2 2014	Q2 2013		2014	2013
147.4	164.1	Revenue	283.3	305.9
5.6	5.0	Operational EBITDA	11.0	12.3
3.8%	3.0%	Operational EBITDA margin	3.9%	4.0%
2.1	4.4	EBITDA	5.6	11.7
155.2	165.4	Order intake	281.4	312.8
2,401	2,435	Number of employees	2,401	2,435

* Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014.

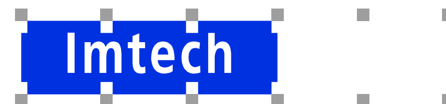
On 17 April 2014, Imtech announced the intention to divest the ICT division. As from that date the ICT division is reported as discontinued operation and as asset/liability held for sale in the financial statements.

Revenue in Q2 2014 amounted to 147.4 million euro, a decrease of 10% mainly due to the ICT operations in Germany and restructuring of the ICT Swiss business. Operational EBITDA increased by 12% to 5.6 million euro as a result of good performance in the Netherlands and Austria, partly offset by lower results of the German ICT business. Order intake was 6% lower and amounted to 155.2 million euro. Interesting new order in the quarter include the contract for creating a hybrid cloud IT-infrastructure by supplementing their own IT-infrastructure with flexibility and cost advantages of cloud infrastructure at Royal Wagenborg.

Revenue in the half year amounted to 283.3 million euro, a decrease of 7%. Operational EBITDA was 1.3 million lower and amounted to 11,0 million euro. Order intake decreased by 31 million euro to 281 million euro. The number of employees amounted to 2,402 FTEs.

Risks and uncertainties

In our Annual Report 2013, we have described our risk management systems and our major risk factors. We consider this information to be still valid with respect to the second half year 2014. Nevertheless, we noticed an increasing impact on our operations due to the turmoil and uncertainty among stakeholders regarding our financial position, which could have an impact on our operational performance for the second half year 2014. Furthermore, we refer to Note 4 in our interim financial statements HY 2014.



Statement of the board of management

Statement ex Article 5:25d Paragraph 2 sub c Financial Markets Supervision Act ("Wet op het financieel toezicht").

To our knowledge:

1. The condensed consolidated interim financial statements for the six month period ended 30 June 2014, which have been prepared in accordance with IAS 34 Interim Financial Reporting, give a true and fair view of the assets, liabilities, financial position, and loss of Royal Imtech N.V. and the undertakings included in the consolidation as a whole;
2. The management report of the Board of Management for the six month period ended 30 June 2014 includes a fair review of the information required pursuant to article 5:25d paragraphs 8 and 9 of the Dutch Financial Markets Supervision Act ("Wet op het financieel toezicht").

Board of Management Royal Imtech N.V.
Gouda, 26 August 2014

Financial calendar 2014

- 7 October 2014: Extraordinary General Meeting
- 18 November 2014: third quarter figures 2014
- 18 March 2015: full year figures 2014

Press conference

Today at 9.00 hours (CET) Imtech will organize a press conference in the Novotel, Europaboulevard 10 in Amsterdam.

Analyst meeting

Today at 11.00 hours (CET) Imtech will organize a sell-side analyst meeting in the Novotel, Europaboulevard 10 in Amsterdam. This meeting will be transmitted live via the internet (www.imtech.com) and will afterwards also be available on the website as a replay.

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Imtech profile

Royal Imtech N.V. is a European technical services provider in the fields of electrical solutions, ICT and mechanical solutions. With approximately 23,000 employees, Imtech is active attractive positions in the buildings and industry markets in the Netherlands, Belgium, Luxembourg, Germany, Austria, Eastern Europe, Sweden, Norway, Finland, the UK, Ireland and Spain, the European markets of ICT and Traffic as well as in the global marine market. In total Imtech serves 24,000 customers. Imtech offers integrated and multidisciplinary total solutions that lead to better business processes and more efficiency for customers and the customers they, in their turn, serve. Imtech also offers solutions that contribute towards a sustainable society - for example, in the areas of energy, the environment, water and traffic. Imtech shares are listed on the Euronext Amsterdam.

Disclaimer

Please read this carefully as it applies to all persons who read this press release. This press release contains information and documents relating to an offer, through a rights issue, of new shares of Royal Imtech N.V. You may not be eligible to view the contents of that information and those documents. Accordingly, if you wish to read this information you must first inform yourself about and then observe the statutory and regulatory requirements applicable to you and to your jurisdiction. In order to establish whether or not you may view the information and documents please read the disclaimer below in full.

This press release is not for release, distribution or publication, whether directly or indirectly and whether in whole or in part, into or in the United States, Australia, Canada or Japan or any (other) jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

This press release is for information purposes only and are not intended to constitute, and should not be construed as, an offer to sell or a solicitation of any offer to buy securities of Royal Imtech N.V. (the "Company", and such securities, the "Securities") in the United States, Australia, Canada or Japan or in any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of such jurisdiction.

The Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and will not be registered with any authority competent with respect to securities in any state or other jurisdiction of the United States. The Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act. The Company has registered no part of the offering of the Securities in the United States or any other jurisdiction, nor has it the intention to do so. The Company has no intention to make a public offering of Securities in the United States or in any other jurisdiction other than the Netherlands.

The Company has not authorised any offer to the public of Securities in any Member State of the European Economic Area other than the Netherlands. With respect to any Member State of the European Economic Area, other than the Netherlands, and which has implemented the Prospectus Directive (each a "Relevant Member State"), no action has been undertaken or will be undertaken to make an offer to the public of Securities requiring publication of a prospectus in any Relevant Member State. As a result, the Securities may only be offered in Relevant Member States (i) to any legal entity which is a qualified investor as defined in the Prospectus Directive; or (ii) in any other circumstances falling within Article 3(2) of the Prospectus Directive. For the purpose of this paragraph, the expression "offer of securities to the public" means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable the investor to decide to exercise, purchase or subscribe for the securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State.

No action has been taken by the Company that would permit an offer of Securities or the possession or distribution of these materials or any other offering of publicity material relating to such Securities in any jurisdiction where action for that purpose is required.

The release, publication or distribution of this press release in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which they are released, published or distributed, should inform themselves about, and observe, such restrictions.

This press release does not constitute a prospectus within the meaning of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht) and does not constitute an offer to acquire securities.

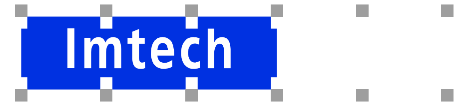
Any offer to acquire Securities pursuant to the proposed offering will be made, and any investor should make his investment, solely on the basis of information that will be contained in the prospectus to be made generally available in the Netherlands in connection with such offering. When made generally available, copies of the prospectus may be obtained at no cost from the Company or through the website of the Company.

ING, Rabobank, Commerzbank and ABN Amro act exclusively for the Company and no-one else in connection with any offering of Securities and will not be responsible to anyone other than the Company for providing the protections afforded to the customers of ING, Rabobank, Commerzbank and ABN Amro or for providing advice in relation to any offering or any transaction or arrangement referred to herein.

Cautionary statement regarding forward looking statements

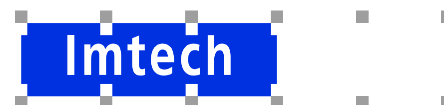
This presentation contains forward-looking statements that reflect the Company's intentions, beliefs or current expectations and projections. Forward-looking statements include statements regarding the Group's future result of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the market in which the Group operates as well as other statements that are not historical facts. The Company has tried to identify forward-looking statements by using words such as "may", "will", "would", "should", "expect", "intend", "estimate", "anticipate", "project", "believe", "could", "hope", "seek", "plan", "foresee", "aim", "objective", "potential", "goal" "strategy", "target", "continue" and similar expressions or their negatives.

The forward-looking statements are based on the Company's beliefs, assumptions and expectations regarding future events



and trends that affect the Group's future performance, taking into account all information currently available to the Group, and are not guarantees of future performance. These beliefs, assumptions and expectations can change as a result of possible events or factors, not all of which are known to the Group or are within the Group's control. If a change occurs, the Group's business, financial condition, liquidity, results of operations, anticipated growth, strategies or opportunities may vary materially from those expressed in, or suggested by, these forward-looking statements.

Investors or potential investors should not place undue reliance on the forward-looking statements in this release. In light of the possible changes to the Company's beliefs, assumptions and expectations, the forward-looking events described in this release may not occur. Additional risks not known to the Company or that the Company has not considered material as of the date of this release could also cause the forward-looking events discussed in this release not to occur. Except as otherwise required by applicable securities laws and regulations, the Company undertakes no obligation to update publicly or revise publicly any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of this release.



Appendix

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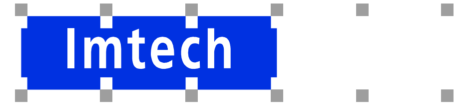


Appendix A

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 JUNE 2014

Condensed consolidated profit and loss account

in € million, unless otherwise indicated	First half year **2014**	2013*
Continuing operations		
Revenue	1,932.6	2,158.8
Other income	19.4	3.3
Total revenue and other income	**1,952.0**	**2,162.1**
Raw and auxiliary materials and trade goods	583.0	691.8
Work by third parties and other external expenses	523.4	587.1
Personnel expenses	726.7	807.8
Depreciation of property, plant and equipment	14.4	16.8
Amortisation and impairments	12.7	20.3
Other expenses	213.7	235.5
Total operating expenses	2,073.9	2,359.3
Result from operating activities	**(121.9)**	**(197.2)**
Net finance result	(120.9)	(54.4)
Share in results of associates, joint ventures and other investments (net of tax)	0.6	(0.7)
Result before income tax	**(242.2)**	**(252.3)**
Income tax benefit	10.5	23.7
Result from continuing operations	**(231.7)**	**(228.6)**
Discontinued operations		
Result from discontinued operations (net of tax)	(69.8)	(1.9)
Result for the first half year (net result)	**(301.5)**	**(230.5)**
Attributable to:		
Shareholders of Royal Imtech N.V.	(302.0)	(233.2)
Non-controlling interests	0.5	2.7
Result for the first half year (net result)	**(301.5)**	**(230.5)**
Basic earnings per share from continuing and discontinued operations		
From continuing operations (euro)	(0.51)	(1.19)
From discontinued operations (euro)	(0.15)	(0.01)
From result attributable to shareholders of Royal Imtech N.V. (euro)	**(0.66)**	**(1.20)**
Diluted earnings per share from continuing and discontinued operations		
From continuing operations (euro)	(0.51)	(1.19)
From discontinued operations (euro)	(0.15)	(0.01)
From result attributable to shareholders of Royal Imtech N.V. (euro)	**(0.66)**	**(1.20)**
Operational EBITDA**	(24.9)	(58.7)

* *Restated, see notes 4 and 5.*
** *Non IFRS measure (reference is made to Financial glossary for definition).*

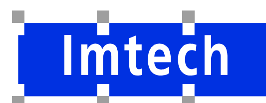
Condensed consolidated statement of comprehensive income

in € million	First half year **2014**	2013
Result for the first half year (net result)	**(301.5)**	**(230.5)**
Other comprehensive income		
Items that will never be reclassified to profit or loss		
Remeasurements of defined benefit liability	(27.0)	-
Related tax	8.0	-
	(19.0)	-
Items that are or may be reclassified to profit or loss		
Foreign currency translation differences – foreign operations	1.0	(4.1)
Foreign currency translation differences – non-controlling interests	0.1	0.1
Effective portion of changes in the fair value of cash flow hedges	(12.0)	(0.2)
Net change in fair value of cash flow hedges reclassified to profit or loss	0.4	0.5
Related tax	2.9	(0.1)
Other comprehensive income for the year, net of tax	**(7.6)**	**(3.8)**
Total comprehensive income for the first half year	**(328.1)**	**(234.3)**
Attributable to:		
Shareholders of Royal Imtech N.V.	(328.7)	(237.1)
Non-controlling interests	0.6	2.8
Total comprehensive income for the first half year	**(328.1)**	**(234.3)**

Condensed consolidated balance sheet

in € million	**30 Jun 2014**	**31 Dec 2013***
Property, plant and equipment	133.5	161.0
Goodwill	802.2	1,032.8
Other intangible assets	99.4	149.0
Investments in associated companies and joint ventures	2.2	0.2
Non-current receivables and other investments	17.6	21.9
Deferred tax assets	35.9	19.9
Total non-current assets	**1,090.8**	**1,384.8**
Inventories	54.2	72.8
Due from customers	444.1	459.7
Trade receivables	604.6	868.1
Other receivables	126.4	139.5
Income tax receivables	6.7	8.9
Cash and cash equivalents	331.5	304.4
	1,567.5	1,853.4
Assets held for sale	443.3	79.9
Total current assets	**2,010.8**	**1,933.3**
Total assets	**3,101.6**	**3,318.1**
Equity attributable to shareholders of Royal Imtech N.V.	(23.4)	304.6
Non-controlling interests	6.3	8.7
Total equity	**(17.1)**	**313.3**
Loans and borrowings	55.0	907.3
Employee benefits	231.3	207.1
Provisions	24.1	35.8
Deferred tax liabilities	35.3	45.9
Total non-current liabilities	**345.7**	**1,196.1**
Bank overdrafts	250.8	106.2
Loans and borrowings	1,128.1	39.7
Due to customers	267.9	280.9
Trade payables	515.2	773.8
Other payables	370.1	489.2
Income tax payables	13.8	20.3
Provisions	22.3	38.8
	2,568.2	1,748.9
Liabilities held for sale	204.8	59.8
Total current liabilities	**2,773.0**	**1,808.7**
Total liabilities	**3,118.7**	**3,004.8**
Total equity and liabilities	**3,101.6**	**3,318.1**
Net interest bearing debt**	1,063.0	737.0

* *Restated, see notes 4 and 5.*
** *Non IFRS measure (reference is made to Financial glossary for definition).*



Condensed consolidated statement of changes in equity

	Equity attributable to shareholders of Royal Imtech N.V.									
in € million	Share capital	Share premium reserve	Trans-lation reserve	Hedging reserve	Reserve for own shares	Retained earnings	Unap-propria-ted result	**Total**	Non-control-ling interests	**Total equity**
As at 1 January 2013	75.2	208.6	7.3	(10.4)	(101.1)	582.4	(247.2)	**514.8**	9.7	**524.5**
Total comprehensive income for the first half year	-	-	(4.0)	0.2	-	-	(233.3)	**(237.1)**	2.8	**(234.3)**
Dividends to shareholders	-	-	-	-	-	-	-	**-**	(0.6)	**(0.6)**
Repurchase of own shares	-	-	-	-	0.4	-	-	**0.4**	-	**0.4**
Share based payments	-	-	-	-	-	1.6	-	**1.6**	-	**1.6**
As at 30 June 2013	75.2	208.6	3.3	(10.2)	(100.7)	584.0	(480.5)	**279.7**	11.9	**291.6**
As at 1 July 2013	75.2	208.6	3.3	(10.2)	(100.7)	584.0	(480.5)	**279.7**	11.9	**291.6**
Total comprehensive income for the second half year	-	-	(5.8)	6.0	-	(242.5)	(220.7)	**(463.0)**	1.4	**(461.6)**
Issue of shares	298.6	188.5	-	-	-	-	-	**487.1**	-	**487.1**
Dividends to shareholders	-	-	-	-	-	-	-	**-**	(4.6)	**(4.6)**
Share-based payments	-	-	-	-	-	0.8	-	**0.8**	-	**0.8**
As at 31 December 2013	373.8	397.1	(2.5)	(4.2)	(100.7)	342.3	(701.2)	**304.6**	8.7	**313.3**
As at 1 January 2014	373.8	397.1	(2.5)	(4.2)	(100.7)	342.3	(701.2)	**304.6**	8.7	**313.3**
Total comprehensive income for the first half year	-	-	1.0	(8.7)	-	(720.2)	399.2	**(328.7)**	0.6	**(328.1)**
Conversion of cumulative financing preference shares into ordinary shares	0.2	(0.2)	-	-	-	-	-	**-**	-	**-**
Dividends to shareholders	-	-	-	-	-	-	-	**-**	(3.0)	**(3.0)**
Share based payments	-	-	-	-	-	0.7	-	**0.7**	-	**0.7**
As at 30 June 2014	**374.0**	**396.9**	**(1.5)**	**(12.9)**	**(100.7)**	**(377.2)**	**(302.0)**	**(23.4)**	**6.3**	**(17.1)**

Condensed consolidated statement of cash flows

in € million	First six months 2014	2013*
Cash flow from operating activities		
Result for the first half year (net result)	(301.5)	(230.5)
Adjustments for:		
Depreciation of property, plant and equipment	18.1	19.6
Amortisation and impairment of property, plant and equipment and intangible assets	22.6	29.8
Impairment result on trade receivables	(1.2)	13.0
Net finance result	121.5	56.7
Share in results of associates, joint ventures and other investments	(0.6)	(0.3)
Result on disposal of non-current assets	(0.1)	(0.3)
Remeasurement of assets held for sale	(18.1)	-
Fair value adjustment of discontinued operations	60.0	-
Share-based payments	0.7	1.6
Income tax benefit	(9.3)	(23.6)
Operating cash flow before changes in working capital and provisions	(107.9)	(134.0)
Change in inventories	3.8	(0.8)
Change in amounts due from/to customers	(4.5)	(76.8)
Change in trade and other receivables	154.3	161.0
Change in trade and other payables	(238.0)	(271.2)
Change in provisions and employee benefits	(24.4)	12.5
Cash flow from operating activities	(216.7)	(309.3)
Interest paid	(35.1)	(47.9)
Income tax paid	(5.0)	(2.0)
Net cash flow from operating activities	**(256.8)**	**(359.2)**
Cash flow from investing activities		
Proceeds from the sale of property, plant and equipment and other non-current assets	5.0	10.3
Interest received	2.6	(0.3)
Disposal of discontinued operations (net of cash disposed of)	9.0	-
Acquisition of subsidiaries (net of cash acquired)	(0.6)	(18.6)
Acquisition of property, plant and equipment	(10.6)	(16.3)
Acquisition of intangible assets	(4.4)	(10.1)
Sale of associates, joint ventures and other investments	(1.4)	-
Issue less repayment of non-current receivables	1.5	(4.1)
Net cash flow from investing activities	**1.1**	**(39.1)**
Cash flow from financing activities		
Proceeds from loans and borrowings	192.5	406.5
Repayment of loans and borrowings	(2.9)	(8.3)
Transaction costs related to loans and borrowings	(11.9)	(14.7)
Sale of own shares	-	0.4
Payments of finance lease liabilities	(4.8)	(1.5)
Dividend paid in relation to non-controlling interests	(3.0)	(0.6)
Net cash flow from financing activities	**169.9**	**381.8**
Net change in cash, cash equivalents and bank overdrafts	**(85.8)**	**(16.5)**
Cash, cash equivalents and bank overdrafts on 1 January	198.2	70.8
Effect of exchange rate fluctuations on cash, cash equivalents and bank overdrafts	1.4	2.0
Cash, cash equivalents and bank overdrafts of discontinued operations	(33.1)	-
Cash, cash equivalents and bank overdrafts on 30 June	**80.7**	**56.3**

* *Restated, see notes 4 and 5.*

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS 30 JUNE 2014

1. General

Royal Imtech N.V. ('the Company") is a company listed at the Dutch stock exchange (Euronext Amsterdam), with its headquarters in Gouda, the Netherlands. The Company has its corporate seat in Rotterdam.

The condensed consolidated Interim Financial Statements for the six months period ended 30 June 2014 (hereafter referred to as the 'Interim Financial Statements H1 2014') comprise the Company and its subsidiaries (together referred to as 'the Group') and the Group's interests in associates and jointly controlled entities.

The operating activities of the Group are reported in the segments Benelux, Germany & Eastern Europe, UK & Ireland, Nordic, Spain, Traffic & Infra and Marine. As a result of the intention to divest the ICT division, the ICT division is reported as discontinued operations.

The Interim Financial Statements H1 2014 have been approved by the Board of Management on 26 August 2014.

2. Basis of preparation

Statement of compliance

These Interim Financial Statements H1 2014 have been prepared in accordance with International Financial Reporting Standard (IFRS) as endorsed by the EU, IAS 34 '*Interim Financial Reporting'*.

In line with IAS 34, the Interim Financial Statements H1 2014 do not include all of the information required for full annual Financial Statements, and therefore should be read in conjunction with the consolidated Financial Statements of the Group as at and for the year ended 31 December 2013 (hereafter referred to as the 'Financial Statements 2013').

The use of estimates and assumptions

The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expense. Actual results may differ from these estimates. In preparing these Interim Financial Statements H1 2014, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the Financial Statements 2013.

3. Going concern assumption

On 17 March 2014, the Group and a quorum of its primary financiers entered into a standstill ("lock-up") agreement and a binding term sheet for a Medium Term Solution ("MTS") for the committed credit and guarantee facilities of the Group. This MTS was implemented in full documentation on 17 June 2014, with the following key terms:

- Amended covenants for all financiers, comprising:
  - Minimum Consolidated Last Twelve Months ('LTM') operational EBITDA ('EBITDA floor') as from the first testing date on 30 September 2014, to be replaced by a Senior Leverage Ratio and a Total Leverage Ratio as from 31 December 2016;
  - Minimum Consolidated LTM OCF ('OCF floor') as from the first testing date on 30 September 2014, to be supplemented by an Interest Cover Ratio as from 31 December 2016;
  - Cap on additional cash funding of Germany & Eastern Europe for the period 1 January 2014 to the maturity of the facilities;
  - Consolidated net assets having at least a positive value; and
  - The monthly liquidity headroom forecast showing sufficient committed liquidity headroom.
- The Company committed to reduce its debt by 400 million euro from any combination of operational cash flow, asset sales, reductions in working capital or any other means, by no later than 30 September 2015. An event of default would occur if by 30 September 2015 the debt

reduction is less than 250 million euro. For as long as the Company achieves debt reduction of between 250 million euro and 400 million euro, the Company would be required to pay additional fees to the financiers (in kind and through issuance of warrants);
- EBITDA and OCF floor testing to be conducted on quarterly intervals as from 30 September 2014 and immediate testing for maximum cash funding in Germany & Eastern Europe, minimum consolidated net assets and committed liquidity headroom;
- Increased pricing for credit facilities and guarantee facilities, consisting of increased margins and one off fees, all partly paid in cash and in kind. For the RCF and, bilateral credit facilities and the guarantee facilities, margins and fees decrease if leverage ratio decreases.

The Group has breached its minimum consolidated net assets covenant per 30 June 2014. In addition, due to worse than anticipated results in the first half year 2014 and significantly reduced expectations for the second half year 2014, the Group expects to breach its other covenants in the remainder of 2014. Consequently, the Group would have been in default under its financial covenants if it had not succeeded in negotiating a waiver of its financial covenants and the so called structural solution on the capital structure of the Group with amended financial covenants and additional liquidity. After the occurrence of an event of default which is continuing, the financiers may:
- Cancel the cash and guarantee commitments immediately;
- Declare that all outstanding amounts be immediately due and payable;
- Declare that all outstanding amounts be payable on demand;
- Declare that full cash cover in respect of each bank guarantee is immediately due and payable; and
- Exercise all rights, remedies and powers under any of the finance documents.

To address the need for revised financial covenants and additional liquidity, the Group successfully negotiated a strengthening of its capital structure and an amendment of certain terms of the financing agreements, and has thus achieved a structural solution on the financing of the Group. This solution, which required full lender consent, is laid down in a lock-up agreement and term sheet which was signed on 25 August 2014. Implementation is expected in the fourth quarter 2014. The solution entails the following:
- A fully underwritten rights issue for a gross amount of 600 million euro;
- The proceeds of the rights issue, in combination with the proceeds from the sale of the ICT division, will be used towards debt reduction and liquidity enhancement of the Group;
- Key amendments to the loan terms:
  - Maturity extension to 15 July 2017
  - Covenant holiday up to and including Q1 2016 and reset of covenants thereafter
  - Step-down in pricing and elimination of non-cash interest.

The structural solution on the capital structure of the Group will lead to a significant deleveraging of the Group. With this structural solution on the capital structure of the Group, the Group has fulfilled its deleveraging commitment of 400 million euro to financiers and any contingent penalties (non-cash fees and issuance of warrants) related to non-fulfilment of this commitment will be cancelled. In addition, management’s intention is to further reduce the outstanding debt after the implementation of the structural solution.

Management believes that following the implementation of the structural solution on the capital structure of the Group, management will be able to focus on the improvement of the business with the goal of achieving stability and recovery across the business. Additionally, it is expected that the Group's stabilised financial position will reduce external pressure on working capital, liquidity and guarantees and will enable the Group to return to normalised business as applicable throughout the industries where the Group operates.

The Group is currently preparing the rights issue and intends to complete the rights issue in the fourth quarter of 2014. The rights issue is being underwritten by ING, Rabobank, Commerzbank and ABN AMRO Bank, who have provided the company with a volume underwriting commitment letter (“VUCL”), subject to customary conditions including signing of an underwriting agreement and completion of satisfactory due diligence. In addition, the VUCL includes the condition of a signed SPA for the sale of ICT as well as finalization of complete financing documents as agreed in the lock-up

agreement as a condition to launching the rights issue. Furthermore the rights issue is subject to the approval by the EGM, which will be held on 7 October 2014.

In light of the above, the Group has assessed the going concern assumption on the basis of which the interim financial statements H1 2014 have been prepared. Going concern is dependent on a successful and timely finalisation of the structural solution on the capital structure of the Group, including the rights issue and the fulfilment of the required conditions for the rights issue. Furthermore, there is a risk that the operational improvements do not occur at a sufficient pace which could lead to pressure on available liquidity headroom ahead of implementation of the structural solution. Although management envisages that these risks are remote, the impact thereof could be significant, because the Group's ability to continue as a going concern is primarily dependent on the successful and timely completion of the structural solution. This situation indicates the existence of uncertainties which may cast significant doubt about the Company's ability to continue operating as a going concern.

Nevertheless, management is of the opinion that the application of the going concern assumption for the interim financial statements H1 2014 is appropriate, based on the following:

- In order to enable the Group to complete the structural solution, the Group has covenant waivers from its financiers up to and including Q4 2014;
- The Group is preparing an underwritten rights issue of 600 million euro;
- The Group has received binding bids for the sale of the ICT division;
- Pressure on available liquidity headroom ahead of implementation of the structural solution could be resolved by tighter management of working capital or tapping potential external liquidity sources;
- Upon completion of the rights issue and the sale of the ICT division, liquidity headroom will increase and is expected to be sufficient to execute the business plan and to cover for unexpected risks and sensitivities;
- The structural solution includes a covenant holiday up to and including Q1 2016;
- In a scenario under which future performance and cash flow developments are less favourable than expected under the current business forecasts, management believes the Group has various and sufficient options available to (if successfully realised) address such adverse circumstances and to remedy covenant breaches or resolve pressure on available liquidity headroom;
- These options include but are not limited to improvements in working capital management, renegotiating creditor terms and conditions as and when necessary, accessing the capital markets and disposals of assets, business units or even divisions. Some of the options available to the Group are subject to external factors including approval of the financiers and / or shareholders. As a result it is uncertain if these measures can be implemented timely with the necessary relief to liquidity.

4. Restatement of comparative figures

The Group has adopted new respectively revised standards, that were issued during 2011 and are required to be adopted, with retrospective effect, as per the financial year 2014. These standards are:

- IFRS 10 Consolidated Financial Statements;
- IFRS 11 Joint Arrangements;
- IFRS 12 Disclosure of Interest in Other Entities;
- IAS 27 Separate Financial Statements; and
- IAS 28 Investments in Associates and Joint Ventures.

The comparative condensed consolidated profit and loss account for the first six months ended 30 June 2013 has been restated for the above. For further details reference is made to note 5.

On 7 November 2013, the Group decided to dispose of its 80% shareholding in AE Arma-Elektropanç (Arma). As a result, these activities were classified as discontinued operations in the Financial Statements 2013. The comparative condensed consolidated profit and loss account for the first six months ended 30 June 2013 has been restated to show the discontinued operations separately from continuing operations.

On 17 April 2014, the Group announced its intention to divest the ICT division. In the balance sheet as at 30 June 2014 the assets and liabilities of the ICT division are classified as held for sale. Consequently, the comparative condensed consolidated profit and loss account for the first six months

ended 30 June 2013 has been restated to show the discontinued operations separately from continuing operations. Reference is made to note 8. on Discontinued operations.

Further, some supportive staff departments, previously included in the segment Benelux, are now reported within Group management. The comparative figures have been adjusted accordingly.

5. Significant accounting policies

Except as described below, the accounting policies applied by the Group in the Interim Financial Statements H1 2014 are the same as those applied in the Financial Statements 2013.

Changes in accounting policy

As disclosed in the Financial Statements 2013 and described in note 4., the Group has adopted new respectively revised standards as per the financial year 2014. The impact of the application of these standards is set out below.

Impact of the application of IFRS 10

IFRS 10 replaces the parts of IAS 27 that deal with consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities. In essence IFRS 10 changes the definition of control. This change in definition of control has had no material impact on the composition of the Group.

Impact of the application of IFRS 11

IFRS 11 replaces IAS 31 interest in Joint Ventures, and the guidance in SIC-13 Jointly controlled Entities – Non-Monetary Contributions by Venturers, has been incorporated in IAS 28 (as revised in 2011). The change in accounting for joint arrangements has had a (non-material) effect on the information in the Interim Financial Statements H1 2014. In essence this change resulted in proportional consolidation of Imtech’s share in joint arrangements, whereas previously these shares were accounted for as equity accounted investments. Comparative amounts have been restated to reflect the change in accounting for the Group’s joint arrangements. The effects can be summarised as follows:

- the non-current assets at 31 December 2013 decreased with 2.3 million euro;
- working capital at 31 December 2013 decreased with 5.7 million euro;
- cash and cash equivalents at 31 December 2013 increased with 8.0 million euro;
- H1 2013 revenue and operating expenses increased with 41.1 million euro respectively 40.1 million euro, leading to an increase of 1 million euro in result from operating activities.

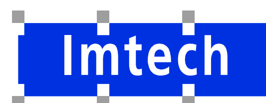
The effect of revenue and operating expenses mainly relates to the division UK & Ireland.

Impact of the application of IFRS 12

IFRS 12 is a new disclosure standard and is applicable to entities that have interest in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. The application of IFRS 12 has had no impact on the Interim Financial Statements H1 2014 of the Group.

6. Financial risk management

The aspects of the Group’s financial risk management objectives and policies are consistent with those disclosed in the Financial Statements 2013, note 29.



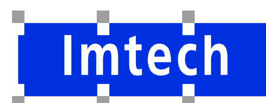
7. **Operating segments** (continuing operations)

in € million, unless otherwise indicated	**First six months 2014**	2013*
Total revenue and other income		
Benelux	315.2	340.3
Germany & Eastern Europe	461.2	513.5
UK & Ireland	303.5	400.1
Nordic	406.1	451.8
Spain	42.4	65.8
Traffic & Infra	191.6	197.9
Marine	235.9	193.2
Inter-segment revenue	(3.9)	(0.5)
Total revenue and other income	**1,952.0**	**2,162.1**
EBITDA		
Benelux	(18.0)	(49.6)
Germany & Eastern Europe	(33.6)	(61.2)
UK & Ireland	1.0	15.5
Nordic	6.0	11.6
Spain	(12.2)	(1.3)
Traffic & Infra	3.7	(18.5)
Marine	(1.2)	(32.9)
Group management	(40.5)	(23.7)
EBITDA	**(94.8)**	**(160.1)**
Result from operating activities (EBIT)		
Benelux	(21.2)	(53.3)
Germany & Eastern Europe	(38.8)	(66.8)
UK & Ireland	(1.3)	13.2
Nordic	(2.4)	(4.5)
Spain	(12.6)	(1.8)
Traffic & Infra	0.3	(21.8)
Marine	(4.7)	(37.3)
Group management	(41.2)	(24.9)
Result from operating activities (EBIT)	**(121.9)**	**(197.2)**

Number of employees

in FTE	**30 Jun 2014**	31 Dec 2013*
Benelux	4,019	4,120
Germany & Eastern Europe	4,452	4,740
UK & Ireland	3,174	3,396
Nordic	5,369	5,406
Spain	1,561	1,560
Traffic & Infra	2,098	2,072
Marine	2,451	2,410
Group management	90	84
Total	**23,215**	**23,788**

* *Restated, see notes 4 and 5.*



Segment assets

in € million	**30 Jun 2014**	31 Dec 2013*
Benelux	320.3	377.8
Germany & Eastern Europe	439.9	542.0
UK & Ireland	474.9	405.8
Nordic	755.0	781.3
Spain	94.5	112.9
ICT	-	635.7
Traffic & Infra	297.7	325.8
Marine	337.2	303.3
Group management / eliminations	(61.2)	(246.4)
Subtotal	**2,658.3**	**3,238.2**
Assets held for sale	443.3	79.9
Total assets	**3,101.6**	**3,318.1**

Reconciliation operating segments

	First six months	
in € million	**2014**	2013*
EBITDA	(94.8)	(160.1)
Depreciation of property, plant and equipment	(14.4)	(16.8)
Amortisation and impairment	(12.7)	(20.3)
Result from operating activities (EBIT)	(121.9)	(197.2)
Net finance result	(120.9)	(54.4)
Share in results of associates, joint ventures and other investments (net of tax)	0.6	(0.7)
Result before income tax	**(242.2)**	**(252.3)**

* *Restated, see notes 4 and 5.*

8. Discontinued operations

Following the strategic review announced on 7 November 2013, the Group has decided to dispose of its 80% shareholding in AE Arma-Elektropanç (Arma). It was concluded that the profile of Arma is not in line with the Group's revised strategic framework. The activities in Turkey were included in the reporting segment Spain and Turkey in the condensed consolidated Interim Financial Statements 30 June 2013 and classified as held for sale and as discontinued operation in the Financial Statements 2013.

On 17 April 2014, the Group announced its intention to divest the ICT division as part of the debt reduction program. The ICT division was a separate reporting segment in the condensed consolidated Interim Financial Statements 30 June 2013 and was not previously classified as held for sale and discontinued operation.

The comparative condensed consolidated profit and loss account for the first six months ended 30 June 2013 has been restated to show the discontinued operations separately from continuing operations.

Result from discontinued operations (net of tax)

in € million	**First six months 2014 ICT**	First six months 2013 ICT	Arma	Total
Revenue	281.0	302.8	61.1	363.9
EBITDA	5.6	11.7	1.1	12.8
Depreciation of property, plant and equipment	(3.7)	(2.7)	(0.1)	(2.8)
Amortisation and impairment	(9.9)	(5.2)	(4.3)	(9.5)
Result from operating activities (EBIT)	(8.0)	3.8	(3.3)	0.5
Net finance result	(0.6)	(1.2)	(1.1)	(2.3)
Result before income tax	(8.6)	2.6	(4.4)	(1.8)
Income tax	(1.2)	(0.2)	0.1	(0.1)
Fair value adjustment of discontinued operations	(60.0)	-	-	-
Result from discontinued operations (net of tax)	**(69.8)**	**2.4**	**(4.3)**	**(1.9)**

The Group has reached agreement regarding the sale of the ICT division at an enterprise value of 255 million euro. As a result of this transaction a fair value adjustment of 60 million euro has been accounted for. This adjustment mainly relates to the impairment of intangible assets.

Furthermore, the result from discontinued operations in H1 2014 includes the net loss of 12.4 million euro of FuM Schweiz as a result of the downsizing of this unit and its full closure as planned in the near future.

The EBITDA in H1 2014 of the discontinued operations of 5.6 million euro includes a 7.7 million euro loss relating to FuM Schweiz. Excluding FuM Schweiz the EBITDA H1 2014 amounts to 13.3 million euro.

The result (loss) from discontinued operations (net of tax) of 69.8 million euro (2013: loss of 1.9 million euro) is attributable to the shareholders of the Company.

Assets and liabilities held for sale

in € million		**30 June 2014**
Property, plant and equipment	31.2	
Goodwill	217.9	
Other intangible assets	33.6	
Other non-current assets	0.8	
Current assets excluding cash and cash equivalents	169.1	
Cash and cash equivalents	50.7	
Reclassification to assets held for sale		503.3
Fair value adjustment of discontinued operations		(60.0)
Assets held for sale		443.3
Non-current liabilities	31.0	
Current liabilities excluding bank overdrafts	156.2	
Bank overdrafts	17.6	
Reclassification to liabilities held for sale		204.8
Net assets and liabilities held for sale		**238.5**

The assets and liabilities held for sale consist of the ICT division and also include a commercial building in a different division which will be sold. The loan relating to this commercial building of 23.1 million euro is reclassified to liabilities held for sale. The sale of the building has resulted in a gain of 18.1 million euro (included in Other income).

As per 30 June 2014, 18.2 million euro of guarantees are utilised by the ICT division.

Cash flows from discontinued operations

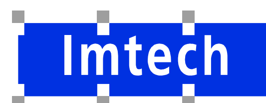
in € million	**First six months 2014 ICT**	First six months 2013 ICT	First six months 2013 Arma	First six months 2013 Total
Net cash flow from operating activities	(51.0)	(65.2)	(6.6)	(71.8)
Net cash flow from investing activities	36.6	(28.0)	(1.6)	(29.6)
Net cash flow from financing activities	(23.1)	0.6	5.7	6.3
Net change in cash, cash equivalents and bank overdrafts	(37.5)	(92.6)	(2.5)	(95.1)
Cash, cash equivalents and bank overdrafts on 1 January	70.4	134.6	(2.6)	132.0
Effect of exchange rate differences on cash, cash equivalents and bank overdrafts	0.2	(0.7)	0.1	(0.6)
Cash, cash equivalents and bank overdrafts of discontinued operations	(33.1)	-	-	-
Cash, cash equivalents and bank overdrafts on 30 June	**-**	**41.3**	**(5.0)**	**36.3**

9. Net finance result

in € million	**First six months 2014**	First six months 2013*
Interest income	0.3	-
Interest expense on financial liabilities measured at amortised cost	(97.4)	(24.9)
Net change in fair value of cash flow hedges transferred from equity	(0.4)	(0.5)
Net interest expense	**(97.5)**	**(25.4)**
Interest income on plan assets	1.2	1.2
Interest cost on defined benefit obligation	(4.7)	(4.7)
Net employee benefits financing component	**(3.5)**	**(3.5)**
Change in fair value of contingent consideration	-	9.6
Other finance income	1.5	0.6
Net currency exchange loss	(0.7)	(7.9)
Other finance expenses	(20.7)	(27.8)
Other	**(19.9)**	**(25.5)**
Net finance result	**(120.9)**	**(54.4)**

* *Restated, see notes 4 and 5.*

The increase of the (negative) net finance result in H1 2014 is mainly attributable to the increase of the interest expenses. These expenses include specific items relating to the refinancing, such as make-whole fees, amendment fees and amortised costs incurred in the profit and loss account. Furthermore, the interest expenses increased due to higher interest rates compared to H1 2013.



10. Working capital, due from/to customers, gross debt, net interest-bearing debt and outstanding guarantees

Working capital

in € million, unless otherwise indicated	**30 Jun 2014**	31 Dec 2013*
Due from customers	444.1	459.7
Due to customers	(267.9)	(280.9)
Work in progress (net)	176.2	178.8
Trade receivables	604.6	868.1
Other current assets	187.3	221.2
Trade payables	(515.2)	(773.8)
Other current liabilities	(383.9)	(509.5)
Total	**69.0**	**(15.2)**
Working capital in % LTM revenue	1.7%	(0.3%)

The above is exclusive of the working capital relating to the discontinued activities, amounting to 12.9 million euro (note 8.). Including this amount working capital would amount to 81.9 million.

Due from/to customers	**30 Jun 2014**			31 Dec 2013*		
in € million	**Due from customers**	**Due to customers**	**Balance**	Due from customers	Due to customers	Balance
Cumulative incurred costs plus profit in proportion to progress	3,042.9	1,901.0	4,943.9	2,692.8	1,781.1	4,473.9
Progress billings	(2,454.4)	(2,122.9)	(4,577.3)	(2,105.9)	(2,008.7)	(4,114.6)
Provisions for losses	(144.4)	(46.0)	(190.4)	(127.2)	(53.3)	(180.5)
Balance	**444.1**	**(267.9)**	**176.2**	**459.7**	**(280.9)**	**178.8**

Gross debt, net interest-bearing debt and outstanding guarantees

in € million	**30 Jun 2014**	31 Dec 2013*
Syndicated bank loans	-	534.0
Senior notes (USPP)	-	320.6
Other bank loans	0.3	23.8
Finance lease obligations	15.3	17.1
Derivatives at fair value	17.7	6.5
Paid In Kind reserve	21.7	5.3
Non-current loans and borrowings	55.0	907.3
Bank overdrafts	250.8	106.2
Current loans and borrowings	1,128.1	39.7
Gross debt	1,433.9	1,053.2
Derivatives at fair value	(17.7)	(6.5)
Paid In Kind reserve	(21.7)	(5.3)
Cash & cash equivalents	(331.5)	(304.4)
Net interest-bearing debt	**1,063.0**	**737.0**
Outstanding guarantees	**756.9**	**874.2**

* *Restated, see notes 4 and 5.*

The above amount of net interest-bearing debt (1,063.0 million euro) is excluding discontinued activities, which (on balance) have a 25.3 million euro positive amount, comprising of 33.1 million euro of cash, cash equivalents and bank overdrafts and 7.8 million of interest bearing debt. Including this amount the net interest bearing debt would amount to 1,037.7 million euro. Reference is made to note 8. Discontinued operations.

Reference is made to note 12 for further details on the loans and borrowings.

11. Goodwill

The movements in goodwill of the cash-generating units (divisions) during the first half year 2014 are as follows:

	As at 31 December 2013	Reclassification to assets held for sale	Effect of movement in exchange rates and other	As at 30 June 2014
Benelux	10.5	-	-	10.5
Germany & Eastern Europe	28.8	-	-	28.8
UK & Ireland	129.0	-	4.1	133.1
Nordic	433.1	-	(13.5)	419.6
Spain	22.3	-	-	22.3
ICT	223.4	(223.4)	-	-
Traffic & Infra	93.4	-	2.2	95.6
Marine	92.3	-	-	92.3
Total	**1,032.8**	**(223.4)**	**(7.2)**	**802.2**

Reclassifications to assets held for sale
In light of the intended divestment of the ICT division the related goodwill is reclassified to held for sale and subsequently taken into account in the fair value assessment, for which reference is made to note 8.

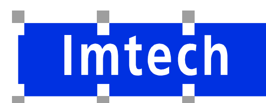
Effect of movement in exchange rates and other
The movements in exchange rate are mainly attributable to the increase of the Pound Sterling and the decrease of the Swedish krona.

Assessment of trigger for impairment
The Group has assessed whether there is a trigger that the goodwill may be impaired as at 30 June 2014. Considering the lower than expected results H1 2014, the current turmoil with respect to the Group and the slower than expected recovery, management has decided to perform an impairment test for goodwill.

Impairment test for goodwill
The impairment test for goodwill is carried out at a division level. This acknowledges the synergy between companies within a division and also reflects the lowest level within the Group at which goodwill is monitored for internal management purposes, which equals the level of the Group's operating segments.

The recoverable amounts of the divisions are based on value in use calculations. Management has projected cash flows based on past experience and expected future market developments. The starting point for the calculations are cash flow forecasts based on the reforecast 2014 and the updated business plans for 2015 and 2016. The reforecast and updated business plans have been reviewed and challenged internally, including the use of various sensitivity analyses.

The value in use is most sensitive to the assumed (development of) EBITDA margin and to the discount rate. EBITDA margins used in the cash flows for the respective divisions in H2 2014, 2015 and 2016 range from (10.6%) to 5.8%. In the calculations as per year-end 2013 these margins ranged from (1.6%) to 6.2%. For the Group the average EBITDA margin is expected to develop from (0.1%) to



4.0% from H2 2014 through 2016. In the calculations as per year-end 2013 the expected margin development was 2.8% to 5.1%. The expected EBITDA margin in 2016 is also the basis for the terminal value calculations except for the division Germany & Eastern Europe, where recovery is expected to take longer than the forecasted period. In general the reforecast 2014 and the updated business plans 2015 and 2016 assume a slower business recovery than the calculations as per year-end 2013.

Other assumptions used in the calculations are:

- Revenue development: based upon historic performance and expected market developments;
- Margin development: based upon historic performance, the effects of business recovery plans and management's long term expectations;
- Cash flows after 2016 are assumed to be virtually the same as the cash flows in the updated business plans 2016, except for Germany & Eastern Europe where recovery is expected to take longer than the forecasted period.

The estimated pre-tax cash flows are discounted to their present value using a pre-tax weighted average cost of capital (WACC). The discount rates have been determined for each division and range from 8.8% to 12.6% (2013: 9.5% to 12.5%), with a weighted average of 9.2% (2013: 10.0%). The pre-tax discount rates are determined on the basis of the post-tax weighted average cost of capital as derived from external data and are based on an individual weighted average cost of capital, including a general risk premium for the divisions and an individual risk premium and tax-rate for the markets and countries in which the cash-generating unit is operating.

The WACC is based on the risk level of a determined peer group and includes this peer group's financing structure. The terminal value growth rates of all the divisions are based on expected inflation and the management's estimate of the long-term growth rate in the individual markets and countries in which the cash-generating unit operates. The main reason for the decrease noted is the lower risk-free debt interest rate.

	Pre-tax discount rate		**Terminal value growth rate**	
	2014	2013	**2014**	2013
Benelux	8.9%	9.7%	2.0%	2.0%
Germany & Eastern Europe*	8.9%	9.8%	2.0%	2.0%
UK & Ireland	9.1%	9.9%	2.0%	2.0%
Nordic	8.8%	9.5%	2.0%	2.0%
Spain	12.6%	12.5%	2.0%	2.0%
Traffic & Infra	9.3%	10.1%	2.0%	2.0%
Marine	9.5%	11.0%	2.0%	2.0%
Total	**9.2%**	**10.0%**	**2.0%**	**2.0%**

* The plan years for Germany & Eastern Europe have been discounted against a higher WACC to reflect the risk that the expected recovery in the plan years may not be realised.

Overall observations from the impairment test

The outcome of the goodwill impairment test calculation has revealed that the expected recoverable amount of the Group has significantly decreased compared to 2013 with a corresponding decrease of headroom. The headroom per division is limited for Germany & Eastern Europe, Nordic, Spain and Marine. In case the expected recovery of the performance of these divisions is further delayed, goodwill amounts for these divisions may be impaired.

Furthermore, impairments could be triggered by an increase of the WACC, resulting from external factors such as (amongst others) changes in the (financial) markets.

Observations per division

Benelux
The estimated recoverable amount of the division exceeds its carrying amount by approximately 208 million euro (YE 2013: 326 million euro). The decrease in headroom results from a lower expected EBITDA for the reforecast 2014 and for the updated business plan for 2015 and 2016.

Germany & Eastern Europe
The estimated recoverable amount of the division decreased compared to YE 2013 and, as a consequence, is now almost equal to its carrying amount. Consequently headroom is limited to 25 million euro (YE 2013: 183 million euro). This change mainly results from a lower expected EBITDA for the reforecast 2014 and for the updated business plans 2015 and 2016 compared to 2013, which reflects the slower than anticipated recovery of Germany & Eastern Europe. Despite the delay management expects recovery, amongst other based on the full implementation of the recovery program 'Neue Imtech' ('New Imtech'). This program aims at achieving better project margins and enhanced focus on efficiencies in staffing, project control and purchasing. An impairment may occur in case EBITDA in the perpetual cash flow decreases slightly or when the discount rate increases with 118bps (to a pre-tax discount rate of 10.1%) or when the recovery will be later than currently estimated.

UK & Ireland
The estimated recoverable amount of the division exceeds its carrying amount by approximately 166 million euro (YE 2013: 494 million euro). The decrease in headroom results from a lower expected EBITDA for the reforecast 2014 and for the updated business plan for 2015 and 2016. The lower EBITDA expectations include the effect of termination of the business activities in Kazakhstan, resulting from the change in licence systems in that country.

Nordic
The estimated recoverable amount of the division unit exceeds its carrying amount by approximately 34 million euro (YE 2013: 146 million). The decrease mainly results from a lower expected EBITDA for the reforecast 2014 and for the updated business plan for 2015 and 2016, compared to 2013. An impairment may occur in case EBITDA in the perpetual decreases by more than 6% or when the discount rate increases by more than 50 bps (to a pre-tax discount rate of 9.3%).

Spain
The goodwill impairment test calculation of Spain revealed that the headroom between the recoverable amount and the carrying amount continues to be limited and is still sensitive. Therefore, any change in the underlying assumptions in the goodwill impairment test calculation for Spain, such as a decrease in EBITDA and/or an increase of the discount rate and/or a later recovery, will lead to an impairment loss.

Traffic & Infra
The estimated recoverable amount of the division exceeds its carrying amount by approximately 92 million euro (YE 2013: 191 million euro). The decrease in headroom results from a lower expected EBITDA for the reforecast 2014 and for the updated business plan for 2015 and 2016.

Marine
The estimated recoverable amount of the division Marine is now almost equal to its carrying amount and therefore the headroom is limited (YE 2013: 88 million euro). The decrease in headroom mainly results from a lower expected EBITDA for the reforecast 2014 and for the updated business plan for 2015 and 2016, compared to 2013. Any change in the underlying assumptions such as a decrease in EBITDA and/or increase of the discount rate and/or a later recovery, may lead to an impairment loss.

Other information
Apart from the specific divisional sensitivities, as described above, general sensitivities have been assessed for all divisions assuming a 10% lower EBIT in combination with an increase of the discount rate by 1%. If this combination of sensitivities were to occur, an impairment may occur in Germany &

Eastern Europe, Nordic, Spain and Marine. If the perpetual growth rate would be reduced to 0%, headroom remains in all cash-generating units, except for the divisions Germany & Eastern Europe, Nordic, Spain and Marine.

12. Loans and borrowings

Update on credit and guarantee facilities

- on 17 March 2014, the Group and a quorum of its main financiers entered into a standstill ('lock-up') agreement and a binding term sheet, to enter into a Medium Term Solution ('MTS');
- on 17 June 2014 the MTS has been signed in line with the binding term sheet;
- total committed credit facilities under the MTS amount to 1,253 million euro (1,284 million euro including make-whole), divided between RCF (700 million euro), bilateral credit facilities (228 million euro) and USPP (355.2 million euro including make-whole);
- as per 30 June 2014 facilities used under the MTS amount to 1,155.8 million euro, divided between RCF 683.5 million euro, bilateral credit facilities (117.1 million euro) and USPP (355.2 million euro);
- commitment for 843 million euro guarantee lines (of which 50 million euro needs to be cash-backed, so would require drawings under the credit facilities) where formerly virtually all of the Group's guarantee facilities were available on an uncommitted basis;
- as per 30 June 2014 755.1 million euro guarantees are utilised, of which 18.2 million euro is related to the ICT division.

Loan classification

As at 30 June 2014, some loan covenants as included in the MTS were not met. On 25 August 2014 the Group reached agreement with the financiers involved regarding a waiver and amendment agreement.
Due to not meeting covenants requirements as at 30 June 2014 the Company does not have, at that date, the unconditional right to defer settlement of the liabilities for at least twelve months after the reporting period. Accordingly, the values of the syndicated bank loans (683.5 million euro), the senior notes (355.2 million euro) and the bilateral credit facilities (36.5 million euro) have been classified as current liabilities.

Cash and guarantee costs

Total net finance result for the first six month of 2014 amount to 120.9 million euro, including non-recurring one off fees and make-whole amounts (42.7 million euro).

Warrants

As part of the MTS the company has agreed to issue 5.56% warrants, which can be exchanged to ordinary shares in the company against the nominal value of the shares, if debt reduction is less than 400 million euro as at 30 September 2015, and another 4.44% warrants if debt reductions is less than 400 million euro as at 31 December 2015. Based on the conditions of the warrants management assessed the fair value of the warrants as approximately zero at inception.

13. Financial instruments

Fair value

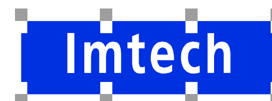
As at 30 June 2014 the carrying amounts of financial instruments measured other than at fair value, approximated their fair values on the balance sheet date. Since final implementation of the MTS in June 2014 the debt holders are allowed to trade our debt instruments. As a result part of our debt has been traded with significant discounts in August 2014.

Determination of fair value

The most important methods and principles applied when estimating the fair value of financial instruments are included below.

Derivative financial liabilities

The fair value of forward exchange contracts is based on their quoted market price if available. If no quoted market price is available the fair value is estimated by discounting the difference between the contracted and actual forward price for the remaining term based on a risk-free interest rate (based on government bonds).



The fair value of interest rate swaps is based on broker quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for similar instruments at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group entity and counterparty where appropriate.

Non-derivative financial liabilities
Fair value is calculated on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements.

Fair value hierarchy
The various fair value valuation methods can be defined as follows:
- level 1: quoted market prices (not corrected) in active markets for identical assets or liabilities;
- level 2: input that is not a quoted market price as specified under level 1 and that is verifiable for the asset or liability either directly (in the form of a price) or indirectly (i.e. derived from a price);
- level 3: input related to the asset or liability that is not based on verifiable market data (non-verifiable input).

As at 30 June 2014 all cross currency swaps and forward currency contracts used for hedging are classified under level 2 (31 December 2013: the same) and the warrants are classified under level 3.

14. Taxation

Income tax expense is recognised based on management's best estimate of the weighted average expected full year income tax rate per country.

The Group's consolidated effective tax rate for the first six months of 2014 amounted to 4.3% (first six months of 2013: 9.4%). The effective tax rate is significantly impacted by losses made in countries where the Group does not expect sufficient taxable profits in the foreseeable future to recognise a deferred tax asset including the fact that in Germany tax losses cannot always be fully compensated with future profits.

15. Seasonality of operations

The Group's operating activities are, to an extent, influenced by seasonal fluctuations whereby revenue and results from operating activities are higher in the 2nd half of the year than the 1st half. The reasons for this include operating activities influenced by weather conditions.

16. Related parties

Identity of related parties
There is a related party relationship between the Group, associated companies, joint ventures and their managing directors and supervisory directors.

Associates and joint arrangements
Transactions with associated companies and joint arrangements are conducted at arm's length. On 30 June 2014 the Group was owed 2.1 million euro by associated companies and 5.1 million euro by joint arrangements (31 December 2013: 1.6 million euro and 1.4 million euro respectively).

Composition Supervisory Board
On 22 May 2014 the Annual General Meeting of Shareholders of Royal Imtech N.V. appointed Mr B. van der Veer, Mrs M.E. van Lier Lels and Mr J.J. Beeton as new members of the Supervisory Board.

17. Equity

In February and March 2014 8,333,334 cumulative financing preference shares with a nominal value of 0.80 euro were converted into 8,540,444 ordinary shares with a nominal value of 0.80 euro. On 30 June 2014 the issued share capital amounted to 459,198,348 ordinary shares. All issued shares are fully paid up.
In the first six months of 2014 no shares were issued as a result of stock dividend as no dividend was paid for the year 2013 (first six months of 2013: the same). Under the share scheme and share option scheme no shares were sold in relation to forfeited share options, no shares were transferred and no

shares were sold to cover share options exercised (first six months of 2013: 42,808 shares were sold in relation to forfeited share options, no shares were transferred and no shares were sold to cover share options exercised).

18. Employee benefits

As a result of developments in the financial markets discount rates have decreased. As a consequence the employee benefit obligation has been recalculated, resulting in an increase of the obligation. Actuarial losses have been recognised in H1 2014, resulting in a decrease of equity by 27 million euro (19 million euro net of tax). In the first six months of 2013 no actuarial gains and losses were recorded.

19. Contingent assets and liabilities

The Company and its group companies are involved in various claims, legal proceedings and investigations. While the outcome of these cannot be predicted with certainty, we believe based upon legal advice and information received, that the financial outcome will not materially affect our consolidated financial position, but could be material to our result of operations or cash flows in an individual accounting period.

Investor claims

Royal Imtech, its former members of the Board of Management and its (former) members of the Supervisory Board have received several claims from investors for the events referred to in the 'Report to Shareholders'. These concern claims from the Dutch Association of Securities Holders (Vereniging van Effectenbezitters) (VEB), Algemene Pensioen Group N.V. (APG), Deminor International S.C.R.L. – C.V.B.A. (Deminor) and Stichting Belangenbehartiging Gedupeerde Beleggers Imtech (SBGBI). Separate discussions with insurers and the aforementioned parties are ongoing with a view to assessing options to settle all claims. The future progress and outcome of these discussions, as well as the potential financial consequences of investor litigation, are uncertain.

Besides the aforementioned investor claims, Royal Imtech has received several letters from individual investors with a demand for compensation for alleged losses on shares in Royal Imtech. Royal Imtech has denied those claims for lack of legal and factual substantiation.

FuM Schweiz investigation

In early 2014 it became clear that FuM Schweiz was under suspicion of unethical business behaviour, including excessive gifts and entertainment. Royal Imtech has started and is still conducting forensic investigations and is fully cooperating with the Swiss authorities, that have also started investigations. Findings to date are that former management had non-business like relationships with civil servants and that FuM Schweiz is at this stage not a (criminal law) suspect. Investigations by the public prosecutor are ongoing and might take a year or longer. At this point in time it is not possible to reliably assess the financial consequences thereof and therefore a provision has not been recognised.

As per today the FuM Schweiz business has been downsized significantly and full closure is planned in the near future (reference is made to note 8. Discontinued operations).

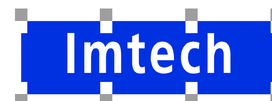
Other

With respect to a foreign subsidiary risks were identified mostly relating to the period prior to acquisition. The potential exposure relating to these risks may range from 30 to 35 million euro. This subsidiary has been divested in 2014 and when these risks materialise, they will be indemnified by the buyers of the company.

20. Subsequent events

The Group has reached agreement regarding the sale of the ICT division at an enterprise value of 255 million euro. As a result of this transaction a fair value adjustment of 60 million euro has been accounted for. This adjustment mainly relates to the impairment of intangible assets. Reference is made to note 8. Discontinued operations.

In July 2014, the negotiations on the sale of the investment in associate IHC Systems B.V. were finalised which result in a book profit of approximately 12 million euro. The execution of the transaction



is expected to be finalised at the end of August 2014. The book profit on the sale will therefore be recorded in the 2nd half year of 2014.

On 26 August 2014, the Group successfully negotiated the so called structural solution, comprising a strengthening of its capital structure by means of a fully underwritten rights issue of 600 million euro (excluding related expenses of approximately 30 million euro) and an amendment of certain terms of its financing agreements. The amendments include:

- A step-down on pricing for each financier class and no further fees in relation to the amendments, waiver and/or consents;
- A covenant holiday for all covenants up to and including Q1 2016;
- Additional liquidity buffer of at least 100 million euro;
- All credit and guarantee facilities will have the same maturity until 15 July 2017;
- Potential partial buyback of company's cash debt in an auction process

As a result of the covenant holiday the company is no longer in breach and consequently the loans and borrowings will be classified as non-current liabilities as from 26 August 2014.

The Group is currently preparing the rights issue and intends to complete the rights issue in the fourth quarter of 2014. The rights issue is subject to customary conditions including signing of an underwriting agreement and completion of satisfactory due diligence. In addition, the VUCL includes the condition of a signed SPA for the sale of ICT as well as finalization of complete financing documents as agreed in the lock-up agreement as a condition to launching the rights issue. Furthermore the rights issue is subject to the approval by the EGM, which will be held on 7 October 2014.

The Group is obliged to use the majority of the proceeds from the sale of the ICT division and the rights issue to reduce outstanding debt. The USD component of the debt is hedged through cross currency swaps, which currently have a negative fair value of 16.5 million euro.

Gouda, 26 August 2014

Board of Management

G.J.A van de Aast, CEO
J. Turkesteen, CFO
F.N.E. Colsman
P.C. van Gelder

Review report

To: The Board of Management and Supervisory Board of Royal Imtech N.V.

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements as at 30 June 2014 of Royal Imtech N.V., Gouda, as included on page 20 to 41, which comprise the condensed consolidated balance sheet as at 30 June 2014, the condensed consolidated profit and loss account, the condensed consolidated statements of comprehensive income, changes in equity, and cash flows for the period of the six month period then ended, and notes to the condensed consolidated interim financial statements ("interim financial statements"). Management of the entity is responsible for the preparation and presentation of these 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 auditing standards 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 interim financial statements as at 30 June 2014 are not prepared, in all material respects, in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

Emphasis of an uncertainty with respect to the going concern assumption

We draw attention to note 3 to the interim financial statements, which indicates the existence of material uncertainties which may cast significant doubt about the entity's ability to continue as a going concern. Our conclusion is not qualified in respect of this matter.

Amstelveen, 26 August 2014
KPMG Accountants N.V.

M.J.P. Thunnissen RA

Appendix B – Additional Information

Operational cash flow statement

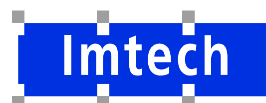
in € million	Q2 2014	Q1 2014
Operational EBITDA	**(8.0)**	**(5.9)**
Change in working capital excluding legacy items	(33.4)	(83.3)
Net capex outflow	(8.2)	(5.9)
Adjustments for non-cash items	(19.5)	(2.9)
Operating cash flow	**(69.1)**	**(98.0)**
Refinancing costs	(9.3)	(14.5)
Cash out restructuring	(13.5)	(20.6)
Other	(3.3)	0.2
Non-operation items (cash effect)	(26.1)	(34.9)
Cash tax	0.2	(5.2)
Free cash flow	**(95.0)**	**(138.1)**
Interest paid/received	(20.9)	(11.6)
Free cash flow after interest	**(115.9)**	**(149.7)**
Net interest-bearing debt at 31 December 2013	894.7	737.0
Restated, see notes 4 and 5 to the Interim Financial Statements H1 2014	-	8.0
Non-cash movement of net interest-bearing debt	27.1	-
Net interest-bearing debt at 31 March 2014	(1,037.7)	(894.7)
Movement net interest-bearing debt	**(115.9)**	**(149.7)**

Unaudited figures

The operating cash flow was 69.1 million euro negative mainly as a result of the seasonal cash outflow on operational working capital (excluding legacy items) of 33.4 million euro.

The free cash flow after interest amounted to 115.9 million euro negative as a result of the negative operating cash flow as well as amongst others advisor costs of 9.3 million euro, 13.5 million euro cash out of restructuring expenses and net cash interest of 20.9 million euro.

The negative free cash flow after interest concluded in an increase of net interest-bearing debt by 143 million euro to 1,037.7 million euro.



Non-operational items

in € million	Advisory	Restructuring Costs	Write down on legacy items	Other non-operational costs	Non-operational items
Benelux	-	2.4	(0.5)	1.0	2.9
Germany & Eastern Europe	-	4.5	(8.3)	22.1	18.3
UK & Ireland	-	3.9	-	-	3.9
Nordic	-	0.4	(0.1)	6.4	6.7
Spain	-	1.3	7.6	-	8.9
Traffic & Infra	-	0.3	-	-	0.3
Marine	-	1.4	0.3	-	1.7
Group management	24.8	2.4	-	-	27.2
Total	**24.8**	**16.6**	**(1.0)**	**29.5**	**69.9**

Unaudited figures

Write-down on legacy items

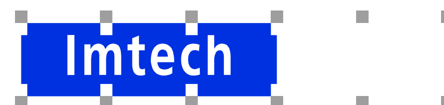
In Germany & Eastern Europe a gain was realised relating to the sale of a commercial building, including the release of provisions. Furthermore, costs were incurred relating to the settlement of legacy items.

In Spain a write off has been accounted for following the binding arbitration verdict with respect to an old disputed project. The remaining amount of the Groups position (11 million euro) will be received in cash before the end of 2014.

Other non-operational costs

In Germany & Eastern Europe costs were incurred relating to the termination of the sponsor contract and the wind down of activities, mainly in Eastern Europe.

In Nordic the costs relate to the settlement of the NKS project.



Financial glossary

Adjusted earnings per share
Adjusted net result divided by the weighted average number of ordinary shares outstanding during the period.

Adjusted net result
Net result for shareholders before amortisation and impairment on intangible assets.

Basic earnings per share
Net result for shareholders divided by the weighted average number of ordinary shares outstanding during the period.

Capital employed
Non-current assets plus working capital plus assets held for sale.

Capital expenditure (Capex)
Sum of expenditure on property, plant, and equipment, and other intangible assets (e.g. software and technology). Part of cash flow from investing activities.

Cash conversion
Operating cash flow divided by EBITA.

Diluted earnings per share
Net result for shareholders divided by the weighted average number of ordinary shares outstanding during the period, diluted. Ordinary shares with dilutive potential arise from share-based payment arrangements.

EBIT
See operating result.

EBITA
EBITA is operating result plus amortisation and impairment on intangible assets.

EBITDA
EBITDA is EBITA plus depreciation on property, plant and equipment.

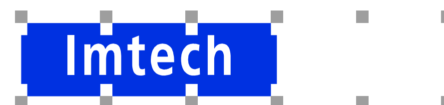
EBITDA margin
EBITDA as a percentage of total revenue.

EBITDA growth
Growth of EBITDA over a period with respect to the previous comparable period (including the impact of organic growth, acquisitions and divestments of operations, discontinued operations and, where applicable, currency effects).

Interest coverage
Calculated as the ratio between operational EBIT and net interest result (including net change in fair value of cash flow hedges transferred from equity). In the loan documentation, this ratio will be included as covenant from 31 December 2016 onwards.

Leverage ratio
Net interest-bearing debt plus restricted cash divided by operational EBITDA. In the loan documentation, this ratio will be included as covenant from 31 December 2016 onwards.

LTM revenue
The revenue over the last twelve months.



Make-whole fees
Crystallisation of future interest payments which shall be paid to lenders as a compensation for earlier repayment of debt.

Net interest-bearing debt
Sum of loans, borrowings and bank overdrafts minus derivatives at fair value, payment in kind reserve, contingent considerations (deferred acquisition payments) and cash and cash equivalents.

Net interest result
Interest received or receivable from third parties (interest income) less interest paid or due to third parties (interest expense).

Net result
Result for the period.

Net result for shareholders
Result for the period attributable to the holders of ordinary shares of Royal Imtech N.V.

Non-operational items
Non-operational items relate to expenses arising that, given their size or nature, are clearly distinct from the ordinary activities of Imtech, such as restructuring costs, acquisition expenses, some refinancing costs, write offs legacy items, and results from divestments of operations.

Operating result
Result from operating activities.

Operating cash flow
Operational EBITDA plus or minus operational movements in working capital minus capex and plus or minus changes to operational provisions and accruals.

Operational EBIT
EBIT adjusted for non-operational items in EBIT.

Operational EBITDA
EBITDA adjusted for non-operational items in EBITDA.

Operational EBITDA margin
Operational EBITDA as a percentage of total revenue.

Solvency
Total equity as a percentage of the balance sheet total (total non-current assets plus total current assets).

Working capital
Current assets, excluding cash and cash equivalents and assets held for sale, less current liabilities, excluding bank overdrafts, loans and borrowings, provisions and liabilities held for sale.