

Appendix to the press release 18 August 2017
Interim figures first half 2017

Financial Highlights for the period ended 30 June (unaudited)

(EUR '000)

	H1 2017	H1 2016	Change %
Revenue	385,323	469,646	-18%
Gross Profit	86,932	95,635	-9%
EBIT	4,555	16,613	-73%
Group result after tax	674	8,778	-92%
Non-controlling interests	-175	-337	-48%
Net income for the year	499	8,441	-94%
Gross profit as % of revenue	22.6%	20.4%	-
Net result as % of revenue	0.1%	1.8%	-

Workforce

Average directs (average-YTD)	9,093	9,629	-6%
Average indirects (average-YTD)	1,478	1,526	-3%
Total	10,571	11,155	-5%
Direct employees (period end)	9,260	9,206	1%
Indirect employees (period end)	1,492	1,509	-1%
Total	10,752	10,715	0%

Earnings per share (in euro)

Earnings per share for ordinary shareholders	0.01	0.17
Diluted earnings per share	0.01	0.17
Weighted average number of ordinary shares for the purpose of basic earnings per share	50,421,624	50,185,624
Weighted average number of ordinary shares for the purpose of diluted earnings per share	51,120,624	50,487,624

Consolidated profit & loss account for the period ended 30 June (unaudited)

(EUR '000)

	H1 2017	H1 2016	Change %
Revenue	385,323	469,646	-18%
Direct personnel expenses	298,391	374,011	-20%
Gross Profit	86,932	95,635	-9%
Indirect personnel expenses	52,833	50,905	4%
Depreciation and amortisation	4,132	4,113	0%
Other expenses	25,412	24,004	6%
Total operating costs	82,377	79,022	4%
EBIT	4,555	16,613	-73%
Financial income and expense	-992	-1,405	-29%
Share of profit of investments accounted for using the equity method	-797	-1,064	-25%
Group result before tax	2,765	14,144	-80%
Tax	2,091	5,366	-61%
Group result after tax	674	8,778	-92%

Attributable to:

Net income attributable to equity holders of the parent (ordinary shares)	499	8,441	-94%
Net income attributable to non-controlling interest	175	337	-48%
Group result after tax	674	8,778	-92%

Consolidated statement of comprehensive income for the period ended 30 June (unaudited)

(EUR '000)

	H1 2017	H1 2016
Net income	674	8,778
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences arising on translation of foreign operations	-7,891	-2,260
Income tax relating to components of other comprehensive income	383	531
Total other comprehensive income (net of tax)	-7,508	-1,729
Total comprehensive income	-6,834	7,049
<u>Attributable to:</u>		
Ordinary shareholders	-7,060	6,744
Non-controlling interest	226	305
Total comprehensive income	-6,834	7,049

Consolidated balance sheet (unaudited)

(EUR '000)

	30 June 2017		31 December 2016	
Non-current assets				
Goodwill	4,172		4,265	
Other intangible assets	11,897		13,905	
Property, plant and equipment	7,013		7,301	
Financial assets	-		-	
Deferred income tax assets	11,286		10,563	
Total non-current assets		34,368		36,034
Current assets				
Trade and other receivables	188,607		204,506	
Income tax receivables	10,814		9,922	
Cash and cash equivalents	126,556		149,233	
Total current assets		325,977		363,661
Total assets		360,345		399,695
Non-current liabilities				
Provisions	789		603	
Deferred income tax liabilities	553		553	
Long-term liabilities	834		922	
Total non-current liabilities		2,176		2,078
Current liabilities				
Current liabilities	90,895		100,785	
Income tax payables	747		3,146	
Total current liabilities		91,642		103,931
Total liabilities		93,818		106,009
Net assets		266,527		293,686
Group equity				
Share capital	1,513		1,512	
Share premium	83,787		83,548	
Reserves	181,767		198,042	
Unappropriated result	499		10,050	
Non-controlling interest	211		534	
Total equity		266,527		293,686

Consolidated statement of changes in shareholders' equity (unaudited)

(EUR '000)

	2017			2016		
	Attributable to ordinary shareholders	Non- controlling interest	Total	Attributable to ordinary shareholders	Non- controlling interest	Total
Balance at 1 January	293,152	534	293,686	347,271	456	347,727
Net income	499	175	674	8,441	337	8,778
Exchange differences arising on translation of foreign operations	-7,942	51	-7,891	-2,228	-32	-2,260
Income tax relating to components of other comprehensive income	383		383	531	0	531
Total comprehensive income	-7,060	226	-6,834	6,744	305	7,049
Cash dividend	-20,172	-549	-20,721	-75,500	-386	-75,886
Share based payments	157		157	300	0	300
Option rights exercised	240		240	6,645	0	6,645
Balance at 30 June	266,316	211	266,527	285,460	375	285,835

Consolidated Cash flow statement (unaudited)

(EUR '000)

	H1 2017	H1 2016
Cash flow from operating activities		
Result before tax	2,765	14,144
Adjustments for:		
Depreciation and amortisation	4,132	4,113
Interest income	-328	-378
Interest expense	51	45
Share of loss/(profit) from associates	798	1,064
Other non-cash expenses	676	628
Share based payments	457	1,200
Changes in:		
Receivables	5,036	19,411
Provisions	-	240
Long-term liabilities	-88	-
Current liabilities	-2,842	-2,535
	10,657	37,932
Income Tax paid	-7,696	-12,643
Interest paid	-102	-46
Interest received	293	375
Cash flow from operating activities	3,155	25,618
Cash flow from investing activities		
Additions to property, plant and equipment	-1,029	-593
Additions to intangible fixed assets	-908	-2,907
Disposals of property, plant and equipment	-41	72
	-1,978	-3,428
Cash flow from financial activities		
Issue of new shares	240	6,645
Dividend non-controlling interest	-549	-386
Dividend ordinary shareholders	-18,922	-70,835
	-19,231	-64,577
Total cash flow	-18,054	-42,387
Cash position at 1 January	149,233	180,037
Exchange rate fluctuations	-4,623	-694
Cash position at 30 June	126,556	136,956

Notes to the condensed consolidated financial statements for the period ended 30 June (unaudited)

Reporting entity

Brunel International N.V. is a public limited liability company incorporated and domiciled in The Netherlands and listed on Euronext Amsterdam.

The consolidated interim financial statements of Brunel International N.V. as at and for the six-month period ended 30 June 2017 include the company and its subsidiaries (together called 'the Group').

Basis of preparation

These consolidated interim financial statements have been condensed and prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting. These interim financial statements do not include all of the information required for annual financial statements, and should be read in conjunction with the annual report of the Group as at and for the year ended 31 December 2016.

Significant accounting policies

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union (hereinafter: IFRS).

The accounting policies applied by the Group in these consolidated interim financial statements are unchanged from those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2016.

Estimates

The preparation of consolidated interim financial statements requires the Group to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these consolidated interim financial statements, the significant judgments, estimates and assumptions were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2016.

Fair value and fair value estimation

The fair values of our monetary assets and liabilities as at 30 June 2017 are estimated to approximate their carrying value.

Seasonality

Our activities in Europe are affected by seasonal patterns. Revenue and contribution margins fluctuate per quarter in items such as the number of working days, public holidays and holiday periods. The business in Europe usually generates its strongest revenue and profits in the second half of the year.

Income tax charge

The effective tax rate for the six-month period ended on 30 June 2017 is 75.6% (H1 2016: 37.9%), and is based on the estimated average annual tax rate for the whole year 2017 (actual effective tax rate for FY 2016: 56.2%).

Share capital

The authorised share capital is EUR 5,998,000, divided into one priority share with a nominal value of € 10,000 and 199.6 million ordinary shares with a nominal value of EUR 0.03. The subscribed capital consists of 50,429,624 ordinary shares.

Number of shares issued as at 31 December 2016	50,413,624
Shares issued in period ended 30 June 2017	16,000
Number of shares issued as at 30 June 2017	50,429,624

Dividend

During the interim period, an ordinary dividend of EUR 0.20 per share and an additional dividend of EUR 0.20 per share was paid to the shareholders.

Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	H1 2017	H1 2016
Weighted average number of ordinary shares for the purpose of basic earnings per share	50,421,624	50,185,624
Effect of dilutive potential ordinary shares from share based payments	699,000	302,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	51,120,624	50,487,624

Segment reporting (unaudited)

Reportable segments

(EUR '000)

	<u>Revenue</u>		<u>EBIT</u>		<u>Total assets</u>	
	H1 2017	H1 2016	H1 2017	H1 2016	H1 2017	H1 2016
Global Business *	163,182	248,343	(3,948)	2,318	194,651	246,215
Europe						
Germany	108,349	102,484	10,073	11,260	68,886	63,360
Netherlands	94,511	100,919	3,159	7,714	47,166	45,417
Other regions	19,280	17,900	59	147	49,642	62,762
Total Europe	222,140	221,303	13,291	19,121	165,694	171,539
Unallocated	-	-	(4,789)	(4,826)	-	-
Total	385,323	469,646	4,555	16,613	360,345	417,754

*Included in Global Business revenue is EUR 6 million (2016: EUR 6 million) revenue generated in The Netherlands.

Employees

The total number of direct and indirect employees with the group companies is set out below:

Average workforce

	H1 2017		H1 2016	
	Direct	Indirect	Direct	Indirect
Global Business	4,351	507	4,911	613
Europe				
Germany	2,265	412	2,160	416
Netherlands	2,153	437	2,224	381
Other regions	324	72	334	73
Total Europe	4,742	921	4,718	870
Unallocated	-	50	-	43
Total	9,093	1,478	9,629	1,526
Total workforce	10,571		11,155	

Workforce at 30 June

	2017		2016	
	Direct	Indirect	Direct	Indirect
Global Business	4,463	507	4,511	596
Europe				
Germany	2,280	427	2,210	408
Netherlands	2,181	434	2,144	384
Other regions	336	71	341	74
Total Europe	4,797	932	4,695	866
Unallocated	-	53	-	47
Total	9,260	1,492	9,206	1,509
Total workforce	10,752		10,715	

Other segment information (unaudited)

(EUR '000)

	<u>Revenue</u>		<u>EBIT</u>	
	H1 2017	H1 2016	H1 2017	H1 2016
Engineering	161,434	149,278	11,814	14,060
Global Business	163,182	248,343	(3,948)	2,318
IT	33,794	34,680	11,814	3,047
Unallocated	26,913	37,346	(15,125)	(2,812)
Total	385,323	469,646	4,555	16,613

Employees

The total number of direct and indirect employees with the group companies is set out below:

Average workforce

	H1 2017		H1 2016	
	Direct	Indirect	Direct	Indirect
Engineering	3,328	597	3,127	574
Global Business	4,351	507	4,911	613
IT	770	116	780	112
Unallocated	644	258	811	227
Total	9,093	1,478	9,629	1,526

Workforce at 30 June

	2017		2016	
	Direct	Indirect	Direct	Indirect
Engineering	3,365	609	3,181	571
Global Business	4,463	507	4,511	596
IT	763	118	780	114
Unallocated	669	258	734	228
Total	9,260	1,492	9,206	1,509