PRESS RELEASE

ARCADIS NV
Gustav Mahlerplein 97-103
P.O. Box 7895
1008 AB Amsterdam
The Netherlands
Tel +31 20 2011 011
www.arcadis.com

ARCADIS REPORTS FULL YEAR RESULTS 2016

- Gross revenues €3.3 billion, 3% below 2015. Net revenues €2.5 billion, organically -4%
- Operating EBITA €175 million (-30%); EBITA €166 million (-20%), including €28 million restructuring cost and €19 million release of Hyder related provisions following settlement of litigation cases
- Net income from operations €91 million (2015: €137 million)
- Business conditions in Brazil led to goodwill impairment of €15 million and in Q4 provision for receivables was increased by €10 million related to Brazil and the Middle East
- Regional cost reductions in Q4 generated €20 million annualized cost savings; simplified operating model will lead to €10 million lower overhead costs in 2017
- Strong free cash flow in the 4th quarter of €102 million, free cash flow 2016 €80 million (2015: €121 million). Net debt €494 million, equal to year-end 2015. At 17.5% net working capital improved from 20.9% in Q3 (2015: 17.1%)
- Net debt/EBITDA at year-end 2.3 and 2016 average covenant ratio 2.5
- Backlog €2.2 billion representing 11 months of net revenues, a decline of 6% due to project cancellations in Brazil, Middle East and China
- Dividend proposal €0.43 per share (2015: €0.63); pay-out ratio 40%

Amsterdam, 16 February 2017 – Arcadis (EURONEXT: ARCAD), the leading global Design & Consultancy firm for natural and built assets, reports a 4% organic decrease in net revenues for 2016. Net income from operations was €91 million, a decrease of 34% versus 2015.

Arcadis interim CEO Renier Vree: “2016 was a challenging year for Arcadis, which required us to take action. I am pleased that we are making good progress on the priorities set in October. We are implementing a simplified operating model which enables us to better respond to market opportunities, combined with structurally reduced overhead costs.”

“Furthermore, we delivered a strong free cash flow in the fourth quarter, supported by significant cash collections in the Middle East. The market outlook starts to improve due to higher oil prices and increased Infrastructure spending in many countries. We also see higher demand from cities in Europe, North America and Asia for water resiliency, as well as for environmental consulting around the world. We continue to win large projects, such as a framework with US Army Corps of Engineers for environmental and remediation services across Europe, and for Construction Management Support Services in the $1.55 billion Regional Connector Transit Project to ease congestion around Downtown Los Angeles.”

“I am confident that our actions position us for profitable growth. We will continue to focus on our clients to increase our backlog and revenues, reduce our cost base, improve project management, expand our Global Excellence Centers, while reducing working capital.”

KEY FIGURES

in € millions Period ended December 31	FULL YEAR 2016	 2015	 change	FOURTH QUARTER 2016	 2015	 change
Gross revenues	3,329	3,419	*-3%*	854	873	*-2%*
Organic growth	*-1%*	*1%*		*-1%*	*-1%*	
Net revenues	2,468	2,597	*-5%*	608	636	*-4%*
Organic growth	*-4%*	*0%*		*-3%*	*-4%*	
EBITA	166.3	208.8	*-20%*	39.7	59.8	*-34%*
EBITA margin	*6.7%*	*8.0%*		*6.5%*	*9.4%*	
Operating EBITA[1)]	175.5	250.3	-30%	34.7	68.5	-49%
Operating EBITA margin	*7.1%*	*9.6%*		*5.7%*	*10.8%*	
Net income	64.2	98.7	-35%			
Net income per share (in €)	*0.76*	*1.19*	*-36%*			
Net income from operations	91.0	137.1	*-34%*			
Net income from operations per share (in €)	*1.08*	*1.66*	*-35%*			
Avg. number of outstanding shares (millions)	84.1	82.6	*2%*			
Net working capital %	17.5%	17.1%		17.5%	17.1%	
Free cash flow [2)]	80.0	120.6		102.4	113.2	
Backlog (organic growth)/ months	-6%/11	-7%/11		-3%	-5%	

[1)] Excluding acquisition, restructuring and integration-related costs and excluding the release of Hyder related litigation provisions of €19.4 million in 2016
[2)] Cash flow from operating activities minus investments in (in)tangible assets

REVIEW OF PERFORMANCE

Net revenues amounted to €2,468 million and declined organically by 4%. The decrease in net revenues was mainly due to a 37% organic decline in Brazil, and lower revenues in North America, Asia and CallisonRTKL. This was partly compensated by organic revenue growth in Continental Europe, the UK and Australia.

EBITA decreased 20% and included a release of provisions of €19.4 million related to legacy Hyder claims and €28 million in restructuring, acquisition and integration charges (2015: €41.5 million). Our global workforce came down by 2% versus December 2015 (~400 FTEs). The number of employees in the regions fell by ~1,100 FTEs (-4%), while the Global Excellence Centers added ~700 FTEs (+50%).

Operating EBITA decreased by 30% mainly due to an operating loss in Brazil, lower results in North America, Europe and CallisonRTKL and a negative currency effect of the British Pound. Results were stable in the Middle East and in Asia Pacific, where a higher result in Australia compensated for a lower result in Asia. The operating EBITA margin was 7.1% (2015: 9.6%).

The income tax rate was 19.3% (2015: 23.0%). Financing charges were slightly higher at €29.0 million (2015: €26.1 million) due to foreign exchange effects. Income from associated companies was a loss of €2.6 million (2015: loss of €3.2 million), related to non-core energy assets in Brazil.

Net income declined 35% to €64.2 million or €0.76 per share, compared to €98.7 million or €1.19 per share in 2015. Net income from operations decreased 34% to €91.0 million (2015: €137.1 million) or €1.08 per share (2015: €1.66).

CASH FLOW, WORKING CAPITAL AND BALANCE SHEET

Working capital as a percentage of gross revenues was 17.5% (Q4 2015: 17.1%). Strong free cash flow in the fourth quarter supported by significant cash collections in the Middle East improved this ratio from 20.9% in Q3 2016. The days sales outstanding decreased from 101 days in Q3 to 91 days in Q4 2016 (2015: 84 days). The increase compared to last year is mainly due to the Middle East. Net debt at the end of December was €494 million (2015: €494 million).

Based on the average net debt for June 2016 and December 2016, the covenant leverage ratio was 2.5 (2015: 2.2). Return on invested capital was 6.8% (2015: 9.3%).

BACKLOG

Backlog at the end of 2016 stood at €2.2 billion, representing 11 months of net revenues. Backlog at the end of December decreased by 6% compared with December 2015, due to project cancellations in Brazil, Qatar and China.

REVIEW OF PERFORMANCE FOR THE FOURTH QUARTER

Net revenues were €608 million, an organic decline of 3%. Revenues in the Americas were organically lower by 5% due to a 2% decrease in North America and a continued decline in Brazil. Organic growth in Continental Europe and the United Kingdom compensated for a decline in the Middle East. Revenues in Asia Pacific were almost in line with last year. CallisonRTKL revenues declined organically due to Asia. The currency effect was -2%.

Operating EBITA was €34.7 million (Q3 2016: €43.3 million), 49% lower than in the same quarter last year (Q4 2015: €68.5 million). The operating EBITA margin was 5.7% (Q4 2015: 10.8%), due to lower revenues in Brazil and CallisonRTKL, less favorable business mix in the United Kingdom, capacity imbalances in France and an addition to provisions for receivables in Brazil and the Middle-East of € 10 million. EBITA decreased by 34% to €39.7 million and includes a release of provisions of €19.4 million related to legacy Hyder claims and a restructuring charge in the quarter of €13.9 million, mainly related to capacity adjustments in France and Brazil and to reduce overhead costs.

REVIEW BY SEGMENT

Reflecting the simplified operating model and to align reporting to the responsibilities of the members of the Executive Board, Arcadis will now report in four segments: (1) Americas, (2) Europe and Middle East, (3) Asia Pacific and (4) CallisonRTKL.

AMERICAS

(31% of net revenues)

in € millions	FULL YEAR			FOURTH QUARTER		
Period ended December 31	**2016**	**2015**	change	**2016**	**2015**	change
Gross revenues	1,227	1,282	*-4%*	323	324	*0%*
Net revenues	769	832	*-8%*	187	188	*-1%*
Organic growth	*-9%*			*-5%*		
EBITA	26.3	53.5	*-51%*			
Operating EBITA[1)]	36.1	64.1	*-44%*			
Operating EBITA margin	*4.7%*	*7.7%*				
Backlog organic growth	*-4%*	*-6%*		*-4%*	*-1%*	

[1)] Excluding acquisition, restructuring and integration-related costs

The decrease in net revenues in the Americas was mainly due to a 37% organic decline in Brazil driven by the economic recession. The decline in operating EBITA relates to an operating loss in Brazil of €9 million (2015: +€12 million), including an increase in provisions for trade receivables of €6 million. The operating results in North America were slightly lower than in 2015.

NORTH AMERICA

In North America revenues declined organically driven by Environment and Water.

- The Environmental Market saw lower prices caused by reduced oil & gas spending and increased competition from regional competitors
- Buildings and Infrastructure generated high organic growth
- In the second half year, the region started to benefit from the improved backlog, including strong order intake from Arcadis FieldTech Solutions (AFS) and in Canada
- The performance improvement program that began in 2015 contributed to an almost stable operating margin despite lower revenues

LATIN AMERICA

The deep recession in Brazil caused project postponements across a range of private and public clients.

- Due to the significant revenue decline, the number of employees dropped to 1,250 (2015: 1,950)
- In order to maintain our leadership position and to be able to respond when the market recovers we have kept our core capabilities in place

EUROPE & MIDDLE EAST

(45% of net revenues)

in € millions Period ended December 31	FULL YEAR 2016	2015	change	FOURTH QUARTER 2016	2015	change
Gross revenues	1,398	1,406	*-1%*	353	367	*-4%*
Net revenues	1,117	1,151	*-3%*	279	299	*-6%*
Organic growth	*1%*			*0%*		
EBITA	67.0	99.0	*-32%*			
Operating EBITA[1)]	83.9	116.3	*-28%*			
Operating EBITA margin	7.5%	10.1%				
Backlog organic growth	*-2%*	*-13%*		*1%*	*-8%*	

[1)] Excluding acquisition, restructuring and integration-related costs and excluding the release of Hyder related litigation provisions in 2016

The organic growth in net revenues of 1% consists of 4% growth in Continental Europe, 1% increase in the UK, compensating for a 5% decrease in the Middle East. Operating EBITA was impacted by lower results in France and Belgium, lower margins in Buildings in the UK and a negative currency impact of the British Pound.

CONTINENTAL EUROPE

Net revenues increased organically by 4% mainly driven by private sector clients, whilst the public sector is slowly returning to growth after several years of decline. Arcadis continued to perform strongly in the Netherlands and Germany, while facing challenges especially in Belgium and France. In France we have launched an action program to streamline operations.

- In Buildings Arcadis generated double digit growth in all countries
- In Infrastructure we maintained our leading position, despite a sharp decline in the French local infrastructure market
- In Environment Arcadis further expanded its service offering, while facing price pressure in remediation programs for the oil & gas sector
- Despite various significant project wins in water management and flood protection in the Netherlands, Germany and Poland the Water business slightly declined in 2016

UNITED KINGDOM

Net revenues grew slightly.

- Buildings revenues declined due to Brexit related delays in investment decisions, which especially impacted the commercial development sector in and around London
- Sustained government spending drove strong organic growth in Infrastructure
- In Water Arcadis expanded its position with the large water utilities
- After a slower first half-year in Environment, performance improved for site remediation solutions, supported by the use of FieldTech Solutions

MIDDLE EAST

The low oil price impacted government spending across the Middle East.

- The UAE was the most active market in 2016, particularly in Dubai where Arcadis is delivering a number of large projects linked to Expo 2020
- Revenues decreased in Qatar after a number of projects were cancelled or deferred, with priority given to schemes that are key for the 2022 FIFA World Cup. Significant payments were received in the fourth quarter related to large milestone driven contracts
- In Saudi Arabia payments for completed projects for public sector clients were delayed

ASIA PACIFIC
(14% of net revenues)

in € millions Period ended December 31	FULL YEAR 2016	 2015	 change	FOURTH QUARTER 2016	 2015	 change
Gross revenues	378	371	*2%*	97	88	*9%*
Net revenues	338	342	*-1%*	84	80	*5%*
Organic growth	*-3%*			*-1%*		
EBITA	30.7	25.7	*19%*			
Operating EBITA[1)]	31.3	32.8	*-5%*			
Operating EBITA margin	*9.3%*	*9.6%*				
Backlog organic growth	*-12%*	*3%*		*-5%*	*-1%*	

1) Excluding acquisition, restructuring and integration-related costs and excluding the release of Hyder related litigation provisions in 2016

ASIA
Net revenues declined organically by 10%, especially in Buildings due to less commercial development in Singapore and Hong Kong, while China performed strong.

- Growth in Infrastructure, Water and Environment contributed to a further diversification of our business in Asia
- Due to lower revenues in commercial Buildings the operating EBITA margin was slightly lower

AUSTRALIA PACIFIC
Australia Pacific performed well on the back of stronger end markets and an effective diversification of the former Hyder business into the full Arcadis offering

- Organic net revenue growth was 16%, and the operating margin was well above last year
- The strong performance resulted largely from the delivery of major infrastructure and buildings projects across all major urban areas of Australia and a strong usage of Global Excellence Centers

CALLISONRTKL

(10% of net revenues)

in € millions Period ended December 31	FULL YEAR 2016	 2015	 change	FOURTH QUARTER 2016	 2015	 change
Gross revenues	326	360	*-9%*	81	93	*-13%*
Net revenues	244	272	*-10%*	58	69	*-16%*
Organic growth	*-9%*			*-15%*		
EBITA[1)]	22.9	30.6	*-25%*			
Operating EBITA[1)]	24.3	37.1	-35%			
Operating EBITA margin	*9.9%*	*13.6%*				
Backlog organic growth	*-10%*	*-9%*		*-7%*	*-11%*	

[1)] Excluding acquisition, restructuring and integration-related costs

CallisonRTKL is active in four distinct practice groups: Commercial, Retail, Workplace and Healthcare, across the geographies North America, Asia Pacific, Europe and the Middle East.

- While the markets for Commercial and Healthcare were under pressure and formed a challenging environment for CallisonRTKL, Retail offered positive opportunities in 2016.
- The organic revenue decline was mainly due to lower activity levels in the commercial sector in Asia and the Middle East
- Revenues in North America were stable, while there was growth in Europe.
- The operating EBITA margin came down due to lower revenues and price pressure across the practice groups, except for Retail, where margins grew

MARKET OUTLOOK 2017

- In general positive business sentiment with private sector clients, with uncertainty in Asia
- Higher oil prices contribute to an improved business climate in the oil & gas sector
- New US Administration sends positive signals for Infrastructure and Buildings. Large corporations and cities/states continue to support sustainability goals
- Increased Infrastructure spending planned in many countries
- Uncertainty around Brazil remains, improvement in economy expected for 2nd half 2017

LEADERSHIP PRIORITIES 2017

Our leadership priorities are geared towards improving our financial performance:

- Focusing on Clients, leading to growth in backlog and revenues
- Reducing costs by simplifying organization structure, strengthening project management and expanding Global Excellence Centers
- Reducing working capital
- Finalizing the strategy, including innovation through digitalization

APPOINTMENT OF CEO

The process to appoint a new CEO is well advanced, and we are hopeful that we will be able to make an announcement on this topic in the near future.

FINANCIAL CALENDAR 2017

20 April 2017	First quarter results 2017
26 April 2017	Annual General Meeting of Shareholders
27 July 2017	Half year results 2017
25 October 2017	Third quarter results 2017

FOR FURTHER INFORMATION PLEASE CONTACT:

ARCADIS INVESTOR RELATIONS
Jurgen Pullens
Telephone: +31 20 2011083
Mobile: +31 6 51599483
E-mail: jurgen.pullens@arcadis.com

ARCADIS GROUP COMMUNICATIONS
Jeremy Cohen
Mobile: +31 6 21639411
E-mail: jeremy.cohen@arcadis.com

CONFERENCE CALL

Arcadis will hold an analyst meeting and webcast to discuss its full year 2016 results on February 16, 2016. The analyst meeting will be held at 10.00 hours CET today. The webcast can be accessed via the investor relations section on the company's website at www.arcadis.com.

ABOUT ARCADIS

Arcadis is the leading global Design & Consultancy firm for natural and built assets. Applying our deep market sector insights and collective design, consultancy, engineering, project and management services we work in partnership with our clients to deliver exceptional and sustainable outcomes throughout the lifecycle of their natural and built assets. We are 27,000 people active in over 70 countries that generate €3.3 billion in revenues. We support UN-Habitat with knowledge and expertise to improve the quality of life in rapidly growing cities around the world. www.arcadis.com.

REGULATED INFORMATION

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

FORWARD LOOKING STATEMENTS

Statements included in this press release that are not historical facts (including any statements concerning investment objectives, other plans and objectives of management for future operations or economic performance, or assumptions or forecasts related thereto) are forward looking statements. These statements are only predictions and are not guarantees. Actual events or the results of our operations could differ materially from those expressed or implied in the forward looking statements. Forward looking statements are typically identified by the use of terms such as "may," "will," "should," "expect," "could," "intend," "plan," "anticipate," "estimate," "believe," "continue," "predict," "potential" or the negative of such terms and other comparable terminology. The forward looking statements are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward looking statements.

-TABLES FOLLOW-

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December

In € thousands	2016	2015
GROSS REVENUES	**3,328,762**	**3,419,295**
Materials, services of third parties and subcontractors	(860,790)	(822,541)
NET REVENUES	**2,467,972**	**2,596,754**
Personnel costs	(1,897,323)	(1,961,631)
Other operational costs	(367,929)	(388,851)
Depreciation and amortization	(41,078)	(43,342)
Amortization other intangible assets	(37,668)	(47,362)
Impairment charges	(15,000)	–
Other income	4,669	5,895
TOTAL OPERATIONAL COSTS	**(2,354,329)**	**(2,435,291)**
OPERATING INCOME	**113,643**	**161,463**
Finance income	9,122	7,905
Finance expenses	(36,597)	(45,669)
Fair value change of derivatives	(1,564)	11,682
NET FINANCE EXPENSES	**(29,039)**	**(26,082)**
Result from investments accounted for using the equity method	(2,641)	(3,218)
PROFIT BEFORE INCOME TAX	**81,963**	**132,163**
Income taxes	(16,367)	(31,137)
PROFIT FOR THE PERIOD	**65,596**	**101,026**

PROFIT ATTRIBUTABLE TO:

Equity holders of the Company (net income)	64,154	98,740
Non-controlling interests	1,442	2,286
PROFIT FOR THE PERIOD	**65,596**	**101,026**

EARNINGS PER SHARE (IN €)

Basic earnings per share	0.76	1.19
Diluted earnings per share	0.76	1.15

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December

In € thousands	2016	2015
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX		
PROFIT FOR THE PERIOD	65,596	101,026
ITEMS THAT MAY BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS:		
Exchange rate differences for foreign operations	(42,495)	43,106
Effective portion of changes in fair value of cash flow hedges	(852)	(131)
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS:		
Changes related to post-employment benefit obligations	(13,108)	11,226
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX	**(56,455)**	**54,201**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**9,141**	**155,227**

TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Equity holders of the Company	8,048	153,308
Non-controlling interests	1,093	1,919
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**9,141**	**155,227**

NON-GAAP PERFORMANCE MEASURE

In € thousands	2016	2015
NET INCOME FROM OPERATIONS[1]		
Profit for the period attributable to equity holders (net income)	64,154	98,740
Amortization identifiable intangible assets, net of taxes	30,605	36,341
Impairment charges, net of taxes	15,000	–
Valuation changes of acquisition-related provisions, net of taxes	(20,985)	923
M&A costs	482	–
Lovinklaan employee share purchase plan[2]	1,700	1,059
NET INCOME FROM OPERATIONS	**90,956**	**137,063**

NET INCOME FROM OPERATIONS PER SHARE[1] (IN €)		
Basic earnings per share	1.08	1.66
Diluted earnings per share	1.07	1.59

1 Non-GAAP performance measure, to provide transparency on the underlying performance of our business.
2 The Lovinklaan employee share purchase plan is controlled by the Lovinklaan Foundation, and the Company has no influence on this scheme. Accordingly, the Company treats the related share-based expenses as non-operational

CONSOLIDATED BALANCE SHEET

as at 31 December - before allocation of profit

In € thousands	2016	2015
ASSETS		
NON-CURRENT ASSETS		
Intangible assets and goodwill	1,170,364	1,252,921
Property, plant & equipment	100,427	90,821
Investments accounted for using the equity method	24,730	33,061
Other investments	656	1,779
Deferred tax assets	30,332	32,464
Pension assets for funded schemes in surplus	–	2,385
Other non-current assets	30,683	30,458
TOTAL NON-CURRENT ASSETS	**1,357,192**	**1,443,889**
CURRENT ASSETS		
Inventories	235	234
Derivatives	6,156	2,722
Trade receivables	621,601	606,931
Work in progress (unbilled receivables)	518,491	466,446
Corporate tax receivables	26,222	21,690
Other current assets	78,559	65,707
Cash and cash equivalents	260,032	221,088
TOTAL CURRENT ASSETS	**1,511,296**	**1,384,818**
TOTAL ASSETS	**2,868,488**	**2,828,707**

	2016	2015
EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	**999,069**	**1,007,970**
Non-controlling interests	2,647	3,365
TOTAL EQUITY	**1,001,716**	**1,011,335**
NON-CURRENT LIABILITIES		
Provisions for employee benefits	70,234	64,004
Provisions for other liabilities and charges	23,331	59,031
Deferred tax liabilities	79,055	95,214
Loans and borrowings	700,464	687,310
Derivatives	2,565	1,095
TOTAL NON-CURRENT LIABILITIES	**875,649**	**906,654**
CURRENT LIABILITIES		
Work in progress (billing in excess of cost)	286,932	265,711
Current portion of provisions	23,739	15,039
Corporate tax liabilities	26,225	29,750
Current portion of loans and (short-term) borrowings	55,279	31,758
Derivatives	8,037	6,131
Bank overdrafts	865	–
Accounts payable, accrued expenses and other current liabilities	590,046	562,329
TOTAL CURRENT LIABILITIES	**991,123**	**910,718**
TOTAL LIABILITIES	**1,866,772**	**1,817,372**
TOTAL EQUITY AND LIABILITIES	**2,868,488**	**2,828,707**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In € thousands	Share capital	Share premium	Hedging reserve	Translation reserve	Retained earnings	Shareholders' equity	Non-controlling interests	Total equity
	Attributable to equity holders of the Company							
BALANCE AT 1 JANUARY 2015	**1,662**	**372,619**	**(2,302)**	**(1,400)**	**521,540**	**892,119**	**3,812**	**895,931**
Profit for the period	–	–	–	–	98,740	98,740	2,286	101,026
OTHER COMPREHENSIVE INCOME:								
Exchange rate differences	–	–	–	43,473	–	43,473	(367)	43,106
Effective portion of changes in fair value of cash flow hedges	–	–	625	–	–	625	–	625
Taxes related to effective portion of changes in fair value of cash flow hedges	–	–	(756)	–	–	(756)	–	(756)
Re-measurements on post-employment benefit obligations	–	–	–	–	12,354	12,354	–	12,354
Taxes related to re-measurements on post-employment benefit obligations	–	–	–	–	(1,128)	(1,128)	–	(1,128)
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAXES	–	–	**(131)**	**43,473**	**11,226**	**54,568**	**(367)**	**54,201**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	–	–	**(131)**	**43,473**	**109,966**	**153,308**	**1,919**	**155,227**
TRANSACTIONS WITH OWNERS OF THE COMPANY:								
Acquisitions	–	–	–	–	–	–	(68)	(68)
Dividends to shareholders	–	(21,058)	–	–	(28,182)	(49,240)	(2,298)	(51,538)
Issuance of shares	16	21,042	–	–	–	21,058	–	21,058
Share-based compensation	–	–	–	–	10,089	10,089	–	10,089
Taxes related to share-based compensation	–	–	–	–	(6,947)	(6,947)	–	(6,947)
Purchase of own shares	–	–	–	–	(41,650)	(41,650)	–	(41,650)
Share options exercised	–	–	–	–	29,233	29,233	–	29,233
TOTAL TRANSACTIONS WITH OWNERS OF THE COMPANY	**16**	**(16)**	–	–	**(37,457)**	**(37,457)**	**(2,366)**	**(39,823)**
BALANCE AT 31 DECEMBER 2015	**1,678**	**372,603**	**(2,433)**	**42,073**	**594,049**	**1,007,970**	**3,365**	**1,011,335**
Profit for the period	–	–	–	–	64,154	64,154	1,442	65,596
OTHER COMPREHENSIVE INCOME:								
Exchange rate differences	–	–	–	(39,466)	(2,680)	(42,146)	(349)	(42,495)
Effective portion of changes in fair value of cash flow hedges	–	–	(722)	–	–	(722)	–	(722)
Taxes related to effective portion of changes in fair value of cash flow hedges	–	–	(130)	–	–	(130)	–	(130)
Re-measurements on post-employment benefit obligations	–	–	–	–	(14,031)	(14,031)	–	(14,031)
Taxes related to re-measurements on post-employment benefit obligations	–	–	–	–	923	923	–	923
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAXES	–	–	**(852)**	**(39,466)**	**(15,788)**	**(56,106)**	**(349)**	**(56,455)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	–	–	**(852)**	**(39,466)**	**48,366**	**8,048**	**1,093**	**9,141**
TRANSACTIONS WITH OWNERS OF THE COMPANY:								
Acquisitions	–	–	–	–	–	–	–	–
Dividends to shareholders	–	(30,514)	–	–	(21,673)	(52,187)	(1,811)	(53,998)
Issuance of shares	43	30,471	–	–	–	30,514	–	30,514
Share-based compensation	–	–	–	–	11,384	11,384	–	11,384
Taxes related to share-based compensation	–	–	–	–	6,169	6,169	–	6,169
Purchase of own shares	–	–	–	–	(14,951)	(14,951)	–	(14,951)
Share options exercised	–	–	–	–	2,122	2,122	–	2,122
TOTAL TRANSACTIONS WITH OWNERS OF THE COMPANY	43	(43)	–	–	**(16,949)**	**(16,949)**	**(1,811)**	**(18,760)**
BALANCE AT 31 DECEMBER 2016	**1,721**	**372,560**	**(3,285)**	**2,607**	**625,466**	**999,069**	**2,647**	**1,001,716**

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December

In € thousands	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
PROFIT FOR THE PERIOD	65,596	101,026
ADJUSTMENTS FOR:		
Depreciation and amortization	41,078	43,342
Amortization other identifiable intangible assets	37,668	47,362
Impairment charges	15,000	–
Income taxes	16,367	31,137
Net finance expense	29,039	26,082
Result from Investments accounted for using the equity method	2,641	3,218
ADJUSTED PROFIT FOR THE PERIOD (EBITDA)	**207,389**	**252,167**
Change in Inventories	(15)	68
Change in Work in progress (unbilled receivables)	(37,282)	(7,886)
Change in Trade receivables	(6,010)	(38,487)
Change in Work in progress (billing in excess of cost)	14,406	14,909
Change in Accounts payable	27,917	22,277
CHANGE IN NET WORKING CAPITAL	**(984)**	**(9,119)**
Change in Other receivables	561	(2,127)
Change in Current liabilities	(6,249)	(13,437)
CHANGE IN OTHER WORKING CAPITAL	**(5,688)**	**(15,564)**
Change in Provisions	(25,295)	(21,243)
Share-based compensation	11,384	10,089
Change in operational derivatives	731	447
Settlement of operational derivatives	(465)	(337)
Dividend received	1,274	2,013
Interest received	8,816	7,922
Interest paid	(32,928)	(32,997)
Corporate tax paid	(24,961)	(22,504)
NET CASH FROM OPERATING ACTIVITIES	**139,273**	**170,874**

In € thousands	2016	2015
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in (in)tangible assets	(64,768)	(53,368)
Proceeds from sale of (in)tangible assets	5,530	3,100
Investments in consolidated companies	(9,685)	(9,266)
Proceeds from sale of consolidated companies	3,374	–
Investments in associates and joint ventures	(25,179)	(9,333)
Proceeds from sale of associates and joint ventures	19,479	–
Investments in other non-current assets and other investments	(5,395)	(3,570)
Proceeds from (sale of) other non-current assets and other investments	7,416	3,799
NET CASH (USED IN)/ FROM INVESTING ACTIVITIES	**(69,228)**	**(68,638)**

CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from exercise of options	2,122	29,233
Proceeds from issuance of shares	–	–
Purchase of own shares	(14,951)	(41,640)
Settlement of financing derivatives	(3,207)	15,502
New long-term loans and borrowings	1,000	284,186
Repayment of long-term loans and borrowings	(27,192)	(116,260)
New short-term borrowings	53,210	108,682
Repayment of short-term borrowings	(4,255)	(297,480)
Dividends paid	(23,484)	(30,480)
NET CASH (USED IN)/ FROM FINANCING ACTIVITIES	**(16,757)**	**(48,257)**

NET CHANGE IN CASH AND CASH EQUIVALENTS LESS BANK OVERDRAFTS	**53,288**	**53,979**
Exchange rate differences	(15,209)	5,099
Cash and cash equivalents less Bank overdrafts at 1 January	221,088	162,010
CASH AND CASH EQUIVALENTS LESS BANK OVERDRAFTS AT 31 DECEMBER	**259,167**	**221,088**

SEGMENT INFORMATION

Amounts in € millions	2016	2015
GROSS REVENUES		
Americas	1,227	1,282
Europe and Middle East	1,398	1,406
Asia Pacific	378	371
CallisonRTKL	326	360
TOTAL	**3,329**	**3,419**
NET REVENUES		
Americas	769	832
Europe and Middle East	1,117	1,151
Asia Pacific	338	342
CallisonRTKL	244	272
TOTAL	**2,468**	**2,597**
EBITA		
Americas	26	53
Europe and Middle East	67	99
Asia Pacific	31	26
CallisonRTKL	23	31
Unallocated[1]	19	-
TOTAL EBITA	**166**	**209**
Non-recurring[2]	9	41
TOTAL OPERATING EBITA	**175**	**250**
OPERATING EBITA[3]		
Americas	36	64
Europe and Middle East	84	116
Asia Pacific	31	33
CallisonRTKL	24	37
TOTAL OPERATING EBITA	**175**	**250**

1 Net changes in acquisition-related litigation provisions
2 Acquisition, restructuring, integration-related costs and changes in acquisition-related litigation provisions
3 Operating EBITA is EBITA adjusted for non-recurring costs

Amounts in %	2016	2015
SEGMENT MIX (GROSS REVENUES)		
Americas	37	37
Europe and Middle East	42	41
Asia Pacific	11	11
CallisonRTKL	10	11
TOTAL	**100**	**100**
SEGMENT MIX (NET REVENUES)		
Americas	31	32
Europe and Middle East	45	44
Asia Pacific	14	13
CallisonRTKL	10	11
TOTAL	**100**	**100**
EBITA MARGIN		
Americas	3.4	6.4
Europe and Middle East	6.0	8.6
Asia Pacific	9.1	7.5
CallisonRTKL	9.4	11.2
TOTAL	**6.7**	**8.0**
OPERATING EBITA MARGIN		
Americas	4.7	7.7
Europe and Middle East	7.5	10.1
Asia Pacific	9.3	9.6
CallisonRTKL	9.9	13.6
TOTAL	**7.1**	**9.6**