Imagine the result

Third Quarter Results 2013

Neil McArthur, Chief Executive Officer
Renier Vree, Chief Financial Officer
Amsterdam, the Netherlands, 23 October 2013

Gardens by the Bay, Singapore.
(photo courtesy of Gardens by the Bay
Andy Kwek)
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• 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.
Agenda

ARCADIS NV
Results Third Quarter 2013

Neil McArthur, CEO
• Q3 overview
• Strategic progress
• Outlook

Renier Vree, CFO
• Financial results Q3 2013

Q&A
Strong margin increase

• North America helps drive organic net revenue growth to 4%
• Third quarter operating margin improves to 10.9%; supported by strong margin growth in Continental Europe on a significantly lower cost base
• Project Europe achieved cost savings of €9.8 million in first nine months; annual run rate now at €20.5 million with cost actions ahead of schedule
• Net income from operations up 11% in the quarter and 7% for the first nine months
• Strong quarterly operating cash flow of €78 million brings year-to-date to + €37 million
• 2013 profit outlook raised to between 3% to 6%, continued organic growth of revenues expected, barring unforeseen circumstances
Strategic progress continues

- Merger with EC Harris and Langdon & Seah, year-to-date booked synergies >€80 million
- Implementation new operating model Continental Europe on schedule
  - Number of prestigious projects won through European collaboration
  - Cost actions accelerated
  - Expected positive margin effect materialized
- Major wins in big urban centers include Grand Paris metro in France and Seaport City in New York
- M&A focus remains – strengthening our market leadership positions
ONEurope: implementation on track

- Return to market growth yet to materialize
- Market share growing for Multinational Clients
- Increased bookings for pan-European collaborative work
- Cost savings of €9.8 million contribute to margin improvement from 3.2% in H1 2013 to 7.0% in Q3 2013

### Cost savings

<table>
<thead>
<tr>
<th></th>
<th>Target</th>
<th>Realized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings target</td>
<td>25.0</td>
<td></td>
</tr>
<tr>
<td>YTD Q3 20131</td>
<td>9.8</td>
<td></td>
</tr>
<tr>
<td>Annual run rate2</td>
<td>20.5</td>
<td></td>
</tr>
</tbody>
</table>

### Restructuring charges

<table>
<thead>
<tr>
<th></th>
<th>Target</th>
<th>Realized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected 2013/2014</td>
<td>20.0</td>
<td></td>
</tr>
<tr>
<td>YTD Q3 2013</td>
<td>10.8</td>
<td></td>
</tr>
</tbody>
</table>

1. Effect on Q3 YTD result  
2. Annual run rate effect as a result of interventions realized Q3 YTD.
Examples European Collaboration

- Dragados – Construction of flood protection reservoir for Odra river - Wroclaw, Poland (PL/NL/BE/RO)
- Hugo Boss AG – sourcing and engineering consultancy – Germany (GE/US/Asia)
- Climate KIC, Eurbanlab – EU wide learning community for low-carbon, climate resilient cities (NL/BE/GE)
- NOVARTIS – Global Master Service Agreement (CH and global)
- Société du Grand Paris, "Grand Paris Express" metro line, Paris, France (FR/UK)
Third Quarter Results 2013

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Gardens by the Bay, Singapore.
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Andy Kwek)
**Income Q3 2013 EUR 29.3 M, up 11%**

amounts in € millions, unless otherwise stated

<table>
<thead>
<tr>
<th></th>
<th>Q3 2013</th>
<th>Q3 2012</th>
<th>△</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenues</td>
<td>633</td>
<td>647</td>
<td>-2%</td>
</tr>
<tr>
<td>Organic gross revenue growth</td>
<td>2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net revenues</td>
<td>475</td>
<td>478</td>
<td>-1%</td>
</tr>
<tr>
<td>Organic net revenue growth</td>
<td>4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITA</td>
<td>46.5</td>
<td>42.5</td>
<td>9%</td>
</tr>
<tr>
<td>Operating EBITA</td>
<td>51.8</td>
<td>47.1</td>
<td>10%</td>
</tr>
<tr>
<td>Operating margin</td>
<td>10.9%</td>
<td>9.9%</td>
<td></td>
</tr>
<tr>
<td>Net income from Ops 2)</td>
<td>29.3</td>
<td>26.5</td>
<td>11%</td>
</tr>
<tr>
<td>EPS (in €) 2,3)</td>
<td>0.40</td>
<td>0.37</td>
<td>8%</td>
</tr>
</tbody>
</table>

*Currency effect: Gross revenue +/- 6%; Net revenue +/- 6%; EBITA +/- 7%*

1) The 2012 figures have been restated for comparative reasons, as joint ventures are no longer proportionally consolidated, following the new accounting standard IFRS 11 ‘Joint Arrangements’.
2) Before amortization and non-operational items
3) In 2013 based on 72.6 M shares outstanding (2012: 70.9 M)
Income Q3 YTD 2013 EUR 78.8 M, up 7%

amounts in € millions, unless otherwise stated

<table>
<thead>
<tr>
<th></th>
<th>Q3 YTD 2013</th>
<th>Q3 YTD 2012(^1)</th>
<th>△</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenues</td>
<td>1,873</td>
<td>1,872</td>
<td>0%</td>
</tr>
<tr>
<td>Organic gross revenue growth</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net revenues</td>
<td>1,425</td>
<td>1,384</td>
<td>3%</td>
</tr>
<tr>
<td>Organic net revenue growth</td>
<td>3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITA</td>
<td>122.9</td>
<td>113.1</td>
<td>9%</td>
</tr>
<tr>
<td>Operating EBITA</td>
<td>138.0</td>
<td>128.6</td>
<td>7%</td>
</tr>
<tr>
<td>Operating margin</td>
<td>9.7%</td>
<td>9.3%</td>
<td></td>
</tr>
<tr>
<td>Net income from Ops (^2)</td>
<td>78.8</td>
<td>73.7</td>
<td>7%</td>
</tr>
<tr>
<td>EPS (in €) (^2,3)</td>
<td>1.09</td>
<td>1.05</td>
<td>4%</td>
</tr>
</tbody>
</table>

Currency effect: Gross revenue +/- 3%; Net revenue +/- 4%; EBITA +/- 5%

1) The 2012 figures have been restated for comparative reasons, as joint ventures are no longer proportionally consolidated, following the new accounting standard IFRS 11 ‘Joint Arrangements’.
2) Before amortization and non-operational items
3) In 2013 based on 72.0 M shares outstanding (2012: 70.1 M)
Organic growth driven by all business lines

Organic growth (NR)

- Infrastructure
- Water
- Environment
- Buildings
- Total

Operating EBITA Q3 2013, up 10%

• Acquisitions relate to SENES, ETEP, Geohidrología
• Higher profit contributions from Continental Europe and Emerging Markets
• Restructuring and integration charges €5.3 million (Q3 2012: €4.6 million)
Operating EBITA Q3 YTD 2013, up 7%

- Higher profit contributions from acquisitions, Continental Europe and Emerging Markets
- Restructuring and integration charges €14.0 million (Q3 YTD 2012: €11.3 million)
- Acquisition-related charges €1.1 million (Q3 YTD 2012: €4.2 million)
## Margin in Q3 stronger

<table>
<thead>
<tr>
<th></th>
<th>2011 1)</th>
<th>2012 1)</th>
<th>2013</th>
<th>2013-YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>9.4%</td>
<td>8.8%</td>
<td>9.2%</td>
<td>9.2%</td>
</tr>
<tr>
<td>Q2</td>
<td>9.6%</td>
<td>9.1%</td>
<td>9.0%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Q3</td>
<td>10.0%</td>
<td>9.9%</td>
<td>10.9%</td>
<td>9.7%</td>
</tr>
<tr>
<td>Q4</td>
<td>10.8%</td>
<td>12.1% 2)</td>
<td>11.1%</td>
<td>11.1%</td>
</tr>
<tr>
<td>year</td>
<td>9.7%</td>
<td>10.0%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Operating margin: EBITA as % of net revenue, adjusted for reorganization, integration and acquisition related charges

1) Operating margin 2011 and 2012 adjusted for IFRS 2013 (deconsolidation of joint ventures.)
2) Excluding impact lower overhead costs EC Harris related to Q1/Q3, margin in Q4 would have been 11.1%.
Net income from operations up 7%
Strong Cashflow in third quarter

<table>
<thead>
<tr>
<th>€ millions</th>
<th>Q3 2013</th>
<th>Q3 2012</th>
<th>YTD 2013</th>
<th>YTD 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit for the period</td>
<td>27.0</td>
<td>23.3</td>
<td>69.5</td>
<td>61.6</td>
</tr>
<tr>
<td>Depreciation &amp; amortization</td>
<td>13.2</td>
<td>12.6</td>
<td>36.7</td>
<td>34.2</td>
</tr>
<tr>
<td>Working Capital</td>
<td>33.9</td>
<td>25.7</td>
<td>-75.7</td>
<td>-29.2</td>
</tr>
<tr>
<td>Other</td>
<td>3.5</td>
<td>1.3</td>
<td>6.5</td>
<td>1.0</td>
</tr>
<tr>
<td>Net cash from Operations</td>
<td>77.6</td>
<td>62.9</td>
<td>37.0</td>
<td>67.7</td>
</tr>
</tbody>
</table>

- Net working capital as % of gross revenue: 17.9% (Q3 2012: 16.7%). Improvement from 18.4% of second quarter.
- Cash flow affected by slow payments of public sector
- Focus on working capital reduction program continues
Balance sheet remains healthy

- Net debt Q3 2013: €320 million (Q3 2012: €377 million)
- Average net debt/EBITDA Q3 2013: 1.6 (Q3 2012: 1.7) \(^1\)
- End of Q3 net debt/EBITDA 2013: 1.4 (Q3 2012: 1.8) \(^2\)

\(^1\) Average Net Debt Mar & Sep conform bank covenants

\(^2\) Net Debt end of Q3 (Sep) conform bank covenants

- Diversified sources of funding
- Improved spread of maturity of loans
- $90 million US private placement completed to replace maturing bank debt in Q2 2013
Business lines

INFRASTRUCTURE
WATER
ENVIRONMENT
BUILDINGS
Growth across all business lines

Gross Revenue Q3 YTD (€ million)

CAGR\(^1\) = +14%

<table>
<thead>
<tr>
<th>Year</th>
<th>Buildings</th>
<th>Environment</th>
<th>Water</th>
<th>Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>1,441</td>
<td>38%</td>
<td>17%</td>
<td>28%</td>
</tr>
<tr>
<td>2012</td>
<td>1,872</td>
<td>33%</td>
<td>15%</td>
<td>26%</td>
</tr>
<tr>
<td>2013</td>
<td>1,873</td>
<td>33%</td>
<td>15%</td>
<td>24%</td>
</tr>
</tbody>
</table>

1) Compound Annual Growth Rate

2) The 2012 figures have been restated for comparative reasons, as joint ventures are no longer proportionally consolidated, following the new accounting standard IFRS 11 ‘Joint Arrangements’.
Infrastructure

• World class intelligent and integrated road and rail transport solutions
• Specialties: ports, airports, tunnels, bridges, large projects

Metro line expansion
Santiago, Chile
Infrastructure (24% of revenues)

- Reduced subcontracting and low demand Continental Europe
- Emerging Markets (except Chile) and North America contribute to growth
- In net revenue, Continental Europe stabilized in third quarter
- Projects won:
  - Grande Paris metro project in France
  - Management and modernization of locks and pump stations, Ijsselmeer, the Netherlands

Q3 Revenues YTD in € million

Gross revenue\(^1\) -6%
  Organic -2%
  Acquisitions 0%
  Currency -4%

Net revenue\(^1\) -2%
  Organic 3%

Backlog\(^2\) -4%

1) Rounding and reclassifications may impact totals
2) Organic development compared to year end 2012
Water

- World class water supply and waste water treatment system consultancy and design, also for industry
- Leading heritage in water management
Water (15% of revenues)

- Return of organic growth in North America
- Several significant project wins in Emerging Markets and growth from ETEP
- Revenues Continental Europe still under pressure
- Water for Industry successful globally
- Projects won:
  - Seaport City project, New York
  - Nassau County, NY waste water treatment plant, climate change resiliency project

Q3 Revenues YTD in € million

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross Revenue</th>
<th>Net Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>175</td>
<td>130</td>
</tr>
<tr>
<td>2010</td>
<td>250</td>
<td>200</td>
</tr>
<tr>
<td>2011</td>
<td>220</td>
<td>180</td>
</tr>
<tr>
<td>2012</td>
<td>270</td>
<td>220</td>
</tr>
<tr>
<td>2013</td>
<td>280</td>
<td>230</td>
</tr>
</tbody>
</table>

2013

Gross revenue 1) 2%
  Organic 0%
  Acquisitions 5%
  Currency -3%

Net revenue 1) 2%
  Organic 0%

Backlog 2) 1%

1) Rounding and reclassifications may impact totals
2) Organic development compared to year end 2012
Environment

- World class remediation consulting and technologies
- Compliance management, impact assessments, climate adaptation
### Environment (33% of revenues)

#### Q3 Revenues YTD in € million

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross Revenue</th>
<th>Net Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>450</td>
<td>300</td>
</tr>
<tr>
<td>2010</td>
<td>500</td>
<td>350</td>
</tr>
<tr>
<td>2011</td>
<td>550</td>
<td>400</td>
</tr>
<tr>
<td>2012</td>
<td>600</td>
<td>450</td>
</tr>
<tr>
<td>2013</td>
<td>630</td>
<td>480</td>
</tr>
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</table>

#### 2013

<table>
<thead>
<tr>
<th>Component</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenue</td>
<td>-1%</td>
</tr>
<tr>
<td>Organic</td>
<td>-2%</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>3%</td>
</tr>
<tr>
<td>Currency</td>
<td>-3%</td>
</tr>
<tr>
<td>Net revenue</td>
<td>5%</td>
</tr>
<tr>
<td>Organic</td>
<td>3%</td>
</tr>
<tr>
<td>Backlog</td>
<td>-6%</td>
</tr>
</tbody>
</table>

1) Rounding and reclassifications may impact totals
2) Organic development compared to year end 2012

- Federal market decline has industry-wide effects
- MNC/Private sector demand in oil & gas, mining remains strong
- Growth and better prices in Emerging Markets
- Acquisition of SENES also contributed to growth
- Projects won:
  - AkzoNobel framework contract extended and expanded
  - Master services contracts for global chemical and pharmaceutical clients
Buildings

- Plan, design, create, operate and regenerate buildings
- Sustainability by Design, Built Asset Consultancy, large scale Program, Project and Cost Management

Hospital design, Middle East
Buildings (28% of revenues)

- Strong revenue growth in Emerging Markets
- Declines in North America and Continental Europe
- RTKL growth in commercial market North America and Asia, but declines in healthcare and workplace
- Projects won:
  - Philips: project management contract for Global Workplace Innovation
  - Major oil & gas client: global workplace transformation

2013

<table>
<thead>
<tr>
<th></th>
<th>Gross revenue</th>
<th>Net revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenue</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Organic</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Acquisitions</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Currency</td>
<td>-3%</td>
<td></td>
</tr>
<tr>
<td>Net revenue</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Organic</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Backlog^2) 13%

1) Rounding and reclassifications may impact totals
2) Organic development compared to year end 2012
Priorities and Outlook
Leadership priorities for 2013

- Implement pan-European operating model, accelerate cost actions
- Stimulate improved organic growth and capture revenue synergies from recent acquisitions
- Evolve performance culture: margin improvement; working capital; project management
- Acquisitions to strengthen our positions both in emerging and selected mature markets
- Strategic review and target setting for 2014-2016 period

Strategy roll-out and start of implementation from December 2013
Outlook per business line

Infrastructure – growth continues
• Good potential Emerging Markets; higher spend in big urban centers
• Continental Europe to remain stable

Water – further improvement anticipated
• N America has picked up; growth in Emerging Markets; Continental Europe lower
• Water for Industry offers growth opportunities

Environment – maintain organic growth
• Driven by private sector demand, especially MNC clients; public sector lower
• Low growth North America; upside Emerging Markets and UK

Buildings – continued organic growth
• BAC creates global growth, synergy bookings >€80 million
• Growth in Emerging Markets and UK; Continental Europe, North America stable

Overall
• Backlog: seasonal quarterly decline; year-to-date up 3% since year-end 2012
• Higher margin from cost improvements Continental Europe and North America
• 2013 profit outlook raised to between 3% to 6%, continued organic growth of revenues expected, barring unforeseen circumstances
Imagine the result