Results second quarter and first half 2005

Harrie Noy, CEO ARCADIS NV
August 10, 2005
Strong performance H1-05 and good prospects

- Net income +43%; net income from operations +24%
- Gross revenue growth 6%, organic growth 6%
- Favorable market in U.S., Brazil and European countries
- Dutch market recovering; restructuring effective
- Acquisitions/divestments give increased focus
- Outlook: net income from operations 2005: +20 to 25%

Strategy to improve margins is paying off
Increased focus in portfolio

**Divestments**
- Detailed engineering buildings, U.S.  
  Per: April 1
- 50% interest in Grupo EP, Spain  
  Per: Mid-June
- Renardet/Sauti in donor-funded market  
  Per: End of June

Book profit in Q2: € 2.1 million (net)

**Acquisitions**
- SWK, Belgium; infrastructure  
  Per: Mid-May
- AYH, U.K.; project management  
  Per: Mid-June
- Greystone, U.S.; environment  
  Per: End of June

*Positive impact on margins and balance sheet*

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# Net income Q2 2005: € 9.0 million

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
<th>△ 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenue</td>
<td>233</td>
<td>223</td>
<td>4%</td>
</tr>
<tr>
<td>Ebita</td>
<td>15.0</td>
<td>9.2</td>
<td>64%</td>
</tr>
<tr>
<td>Net income</td>
<td>9.0</td>
<td>5.5</td>
<td>62%</td>
</tr>
<tr>
<td>Net income per share 1)</td>
<td>0.44</td>
<td>0.28</td>
<td>60%</td>
</tr>
<tr>
<td>Net income from operations 2)</td>
<td>7.4</td>
<td>5.6</td>
<td>31%</td>
</tr>
<tr>
<td>Ditto per share 1,2)</td>
<td>0.36</td>
<td>0.28</td>
<td>29%</td>
</tr>
</tbody>
</table>

1) 2005 based on 20.3 million shares outstanding (2004: 20.1 million)
2) Excluding amortization, pension adjustments and non-recurring items
3) Currency impact during the quarter was limited (negative 0 to 1%)

- Recurring Ebita +34%
## Net income H1 2005: € 14.5 million

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
<th>△ 3)</th>
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<tbody>
<tr>
<td>Gross revenue</td>
<td>457</td>
<td>431</td>
<td>6%</td>
</tr>
<tr>
<td>Ebita</td>
<td>25.4</td>
<td>17.2</td>
<td>48%</td>
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<tr>
<td>Net income</td>
<td>14.5</td>
<td>10.1</td>
<td>43%</td>
</tr>
<tr>
<td>Net income per share 1)</td>
<td>0.71</td>
<td>0.50</td>
<td>42%</td>
</tr>
<tr>
<td>Net income from operations 2)</td>
<td>13.3</td>
<td>10.7</td>
<td>24%</td>
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<tr>
<td>Ditto per share 1,2)</td>
<td>0.65</td>
<td>0.53</td>
<td>23%</td>
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</tbody>
</table>

1) 2005 based on 20.3 million shares outstanding (2004: 20.1 million)
2) Excluding amortization, pension adjustments and non-recurring items
3) Currency impact during the quarter was limited (negative 0 to 1%)

- Lower contributions from NCC’s Brazil
Organic growth increases

<table>
<thead>
<tr>
<th>Year</th>
<th>Currency</th>
<th>Divestments</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005-H1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>-2%</td>
<td>-3%</td>
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<td>-3%</td>
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<td>-2%</td>
<td>+2%</td>
<td>+0%</td>
<td>+1%</td>
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</table>

- Organic
- Acquisitions
- Total (excl. currency)
Gradual recovery Dutch market

- Stagnating gross revenue in Q2 caused by less subcontracting
- Backlog improved by 25% to date
- Local infrastructure is picking up, also artificial turf
- Facility management LOI signed with DSM
- Asset Rail for maintenance of rail infrastructure
- Restructuring has positive impact on profitability

**Dutch operations back on track**
Development Ebita first half year

In € million

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>18.0</td>
<td>6.3%</td>
</tr>
<tr>
<td>2002</td>
<td>20.3</td>
<td>7.2%</td>
</tr>
<tr>
<td>2003</td>
<td>14.8</td>
<td>5.2%</td>
</tr>
<tr>
<td>2004</td>
<td>17.2*</td>
<td>5.9%</td>
</tr>
<tr>
<td>2005</td>
<td>25.4*</td>
<td>7.0%</td>
</tr>
</tbody>
</table>

Increase: 11%, 13%, -27%, 15%, 48%

*) Adjusted according to IFRS

ARCADIS
Growth in EBITA first half 2005

- EBITA
- Non-recurring

2004 | 2005
---|---
18  | 24

+48% Reported
+26% On recurring basis

Organic: +16%
Acquisitions: +10%
Currencies: -0.5%
Growth achieved: +26%

Strong margin improvement from 5.9% to 7.0%
Net income from operations and EPS H-1

In € million

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Income (in €)</th>
<th>Earnings per Share (in €)</th>
</tr>
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<tbody>
<tr>
<td>2001</td>
<td>9.9</td>
<td>0.49</td>
</tr>
<tr>
<td>2002</td>
<td>10.7 (+13%)</td>
<td>0.52</td>
</tr>
<tr>
<td>2003</td>
<td>9.6 (-10%)</td>
<td>0.47</td>
</tr>
<tr>
<td>2004</td>
<td>10.7 (+12%)</td>
<td>0.53</td>
</tr>
<tr>
<td>2005</td>
<td>13.3* (+24%)</td>
<td>0.65</td>
</tr>
</tbody>
</table>

*) Adjusted according to IFRS
Balance sheet remains healthy

Impact IFRS (per end of 2004)
- Balance sheet total + € 42.2 M
- Group equity +/- € 9.2 M

Net debt limited
- 30-6-04: € 22.3 M
- 30-6-05: € 34.0 M

Ample room for further acquisitions
Gross revenue market segments H-1

Infrastructure +10% (+3%)

Environment +5% (+9%)

Facilities +4% (+10%)
Infrastructure +10% (+3%)

- Acquisitions contributed 7% (U.S., Poland, Belgium)
- Strong growth in U.S. land development
- Continued market recovery in Brazil (a.o. mining)
- Roads and rail drive growth in France
- German market remains weak; gradual recovery in NL
Environment +5% (+9%)

- Continued growth in the United States based on GRiP®
- Solid pipeline GRiP®; $320 M framework contract U.S. Army
- Acquisition Greystone good addition
- Europe strong in Germany, Belgium, France and Poland
- Brazil grows rapidly with multinational clients
Facilities +4% (+10%)

- U.S. detailed engineering divested → revenue +/- 5%
- Project management driver for growth in NL and Germany
- ARCADIS AQUUMEN selected by DSM for facility management
- Acquisition AYH to transition to management services
Strategy: Choices for growth

Global trends favorable to ARCADIS

Strategy focused on market segments
- Infrastructure
- Environment
- Facilities
Our ambition in Infrastructure

- Be a recognized leader in rail infrastructure
- Grow unique positions in tunnels and bridges
- Build/grow strong local infra positions
- Organic growth target 4-6%

ARCADIS
Transnational Growth Platform
Rail Infrastructure

- Global business team with accountability and budget
- To manage sales, technical resources and activities
- Focus: Netherlands, France, Poland, United Kingdom, China
- Acquire additional expertise

France: Track studies Dijon and Angoulême

Poland: 52 km from 2 tracks to 4 tracks
Transnational Growth Platform
Tunnels & Bridges

Tunnels based on competence network (France, NL, Chile)
• Emphasis on local entrepreneurship for early involvement

Large bridges based on competence center in France
• Use local positions as entrance and contributor in execution

Netherlands: Tunnel Pannerdensch Canal
Antwerp, Belgium: Lange Wapper
Build/grow strong local infra positions

• Key strength of ARCADIS
• Strong local connections with customers
• Use these networks to sell TGP’s (eg light rail, bridges, …)
• Strengthen local positions by acquisitions (eg SWK)

U.S.: World Golf Village, Florida  
Netherlands: Industrial estate development
Our ambition in Environment

- Be the world leader in remediation services
- Leverage this position to create strong stepping stones in new environmental services
- Organic growth target: 8-12%
This ambition implies:

In the United States
- Grow GRiP® and develop Reclaim
- Expand front-end consultancy services

In Europe
- Focus on remediation for industrial clients
- Expand to asset management

In Brazil
- Focus on remediation for industrial clients

Develop innovation pipeline for new products & services

Explore (major) acquisitions in US/Europe/Brazil
Transnational Growth Platform Environment

- Regional business teams with accountability and budget
- In Europe central team (manager, deal maker, technical expert)
- MNC program to push sales
- Leverage U.S. GRiP® approach

First GRiP® in Europe

Former NASA site in California
Our ambition in Facilities

- Be the benchmark program/project management firm for international private sector clients
- Strong player in facility management market
- Outsource or exit detailed engineering
- Organic growth target for management services: 5-10%
This ambition implies:

Transnational Growth Platform Worldwide Project Consulting
• Project and cost management for real estate projects
• For private sector clients with international property portfolios
• Seamless global delivery through ARCADIS PM firms
• Leverage current multinational clients

Continued growth in Facility Management
• Build strong position in Dutch market
• Gradual expansion to other home markets
We have turned the corner in facilities

Growing revenues at improving margins
Shifting to services with higher added value

To increase margins we will expand services with higher added value and outsource or exit services with low added value.
Summary strategic goals

We push organic growth in three market segments by:
• Strong efforts in Transnational Growth Platforms
• Growing local positions based on Opco portfolio studies
• Business driven innovation resulting in new products and services

Our margin will be improved by:
• Focusing on services with higher added value
• Exit or outsource detailed engineering (in- or external)

Portfolio and home markets to be strengthened by acquisitions
• Expansion into Asia
Our financial targets remain the same

- Average revenue growth ≥ 10%, half organic
- EBITA-margin 8% (on net revenue)
- Average EPS growth ≥ 10% (based on net income from operations)
- Return on capital invested ≥ 15%

- Excluding amortization
- Excluding exchange rate effects

**Pay-out ratio dividend:** 30-40% of net income from operations
Where do we want to be in 2008

Markets
- World leader in remediation services
- Recognized leader in rail infrastructure
- Benchmark project/program management firm
- Infra: 50%; Environment: 35%; Facilities: 15%

Geography
- 50% Europe; 40% US; 10% LA/SA

Services
- Solid track record in GRiP®/Reclaim™
- Substantial business in FM
- MNC clients produce > 100 mln revenue
- Margins higher than 8%

Culture
- Strong entrepreneurial, agile, client focused culture
- >30% of staff is shareholder
Outlook full year 2005

Most markets are favorable
- European market solid particularly Central Europe
- Dutch market gradually recovering
- U.S. and Brazilian market strong

Most units perform well
Outlook 2005 remains positive

- ARCADIS well positioned in growing markets
- Synergy will contribute to growth
- Persistent focus on margin improvement
- Acquisitions will continue
- Net income from operations 20 to 25% higher (barring unforeseen circumstances)

ARCADIS is well on track
Thank you