Annual Results 2012

Neil McArthur, Chief Executive Officer
Renier Vree, Chief Financial Officer
Amsterdam, the Netherlands, 27 February 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

Results Full Year 2012, ARCADIS NV
Neil McArthur, CEO
• Annual overview
• Strategic progress

Renier Vree, CFO
• Financial results

Friedrich Schneider, Member EB
• Continental Europe

Q&A
ARCADIS strongly grows revenue and profit in 2012

- Gross revenues were a record €2.5 billion, up 26%
- Net revenues, €1.9 billion, were up 30%; organic growth reaches 4%
- Strong growth from Acquisitions, Emerging Markets and Multinational Clients
- Operational margin improved again, achieving 10% target for year
- Net income from operations was a record €105.1 million, up 29%
- Dividend proposal €0.52 per share, an increase of 11% over last year
- For 2013 a further increase of revenues and profit expected
Strategic progress continues

• Merger with EC Harris
  − Transitioned January 1st 2013 to new set-up for UK, Europe
  − Total synergy wins 2012 €58 million; strong pipeline; good growth
  − Performance improved, EBITA >9%

• Merger with Langdon & Seah
  − Alignment to ARCADIS operating model on-going
  − Synergy wins 2012 over €10 million; strong growth
  − EBITA >10% maintained

• ETEP and BMG integrated and already delivering above expectations

• New operating model for Europe and path to improved performance defined

• Rebalancing client portfolio (private/public, developed/emerging markets) continues

• M&A focus remains – emerging markets and selected other geographies
Three focus areas are delivering results

- Moving higher in the value chain
  - Deepen capabilities that differentiate ARCADIS in key market sectors
  - Built Asset Consultancy delivered in all regions

- Improve organic growth
  - Organic growth net revenues improves to 4%
  - Synergies EC Harris and Langdon & Seah mergers ~ €70 million bookings in 2012
  - Enhance client focus + account management
    - Multi national clients
    - Large national clients

- Being the best
  - Strengthened corporate team
  - Better working capital with more discipline
  - Clear path for margin improvement Europe
  - Enhancing performance culture
Rebalancing to private sector continues

Gross Revenue (€ M)

2010: 2,003
- Private sector: 46%
- Public sector: 35%
- Utilities: 19%

2011: 2,017
- Private sector: 52%
- Public sector: 29%
- Utilities: 19%

2012: 2,544
- Private sector: 55%
- Public sector: 25%
- Utilities: 20%
Strong organic growth and mergers double revenue in Emerging Markets …

Gross Revenue 12 months (€ M)

CAGR¹ = 13%

- 2010: 2,003
- 2011: 2,017
- 2012: 2,544

Netherlands: -12%
Other Europe: +31%
United States: +3%
Emerging Markets: +61%

¹) Compound Annual Growth Rate
... making Emerging Markets our largest region by headcount

Headcount at December 31

<table>
<thead>
<tr>
<th>Region</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Netherlands</td>
<td>15,900</td>
<td>18,400</td>
<td>21,600</td>
</tr>
<tr>
<td>Other Europe</td>
<td>20%</td>
<td>14%</td>
<td>11%</td>
</tr>
<tr>
<td>United States</td>
<td>24%</td>
<td>29%</td>
<td>24%</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>39%</td>
<td>34%</td>
<td>36%</td>
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</table>
Results Fourth Quarter and Full Year 2012

Renier Vree, Chief Financial Officer

Amsterdam, 27 February 2013

Imagine the result
Income Q4 2012 €31.4 million, up 19%

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>△</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenue</td>
<td>667</td>
<td>576</td>
<td>16%</td>
</tr>
<tr>
<td>Net revenue</td>
<td>489</td>
<td>402</td>
<td>22%</td>
</tr>
<tr>
<td>EBITA</td>
<td>52.4</td>
<td>36.9</td>
<td>42%</td>
</tr>
<tr>
<td>Recurring EBITA</td>
<td>52.4</td>
<td>41.7</td>
<td>26%</td>
</tr>
<tr>
<td>Operational EBITA</td>
<td>59.3</td>
<td>40.0</td>
<td>48%</td>
</tr>
<tr>
<td>Income(^1)</td>
<td>31.4</td>
<td>26.4</td>
<td>19%</td>
</tr>
<tr>
<td>EPS(^1,2)</td>
<td>0.44</td>
<td>0.39</td>
<td>13%</td>
</tr>
</tbody>
</table>

- Currency effect: +2% on revenue and EBITA
- Operational EBITA Q4 2012 excludes restructuring & integration costs of €6.9 million, mostly for UK/EC Harris integration.

1) Net income from operations before amortization and non-operational items
2) In 2012 based on 71.3 million shares outstanding (2011: 68.1 million)
Organic growth net revenue improves to 4%
Main developments 2012

• Emerging markets drive growth, both organically and through acquisitions
• South America sees increased market for public sector investments
• Mature markets have soft economic conditions
• Revenue growth across all global business lines
• Continued strong organic net revenue growth in infrastructure
• Improved organic net revenue growth in H2 in water, buildings and environment
• Integration of acquisitions progressing well – strong client synergies
• Increased performance focus starting to pay off
## Income FY 2012 €105.1 million, up 29%

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>∆</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenue</td>
<td>2,544</td>
<td>2,017</td>
<td>26%</td>
</tr>
<tr>
<td>Net revenue</td>
<td>1,878</td>
<td>1,443</td>
<td>30%</td>
</tr>
<tr>
<td>EBITA</td>
<td>166.4</td>
<td>144.4</td>
<td>15%</td>
</tr>
<tr>
<td>Recurring EBITA</td>
<td>170.6</td>
<td>141.8</td>
<td>20%</td>
</tr>
<tr>
<td>Operational EBITA</td>
<td>188.8</td>
<td>139.0</td>
<td>36%</td>
</tr>
<tr>
<td><strong>Net Income</strong>&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>105.1</td>
<td>81.6</td>
<td>29%</td>
</tr>
<tr>
<td><strong>EPS</strong>&lt;sup&gt;1,2)&lt;/sup&gt;</td>
<td>1.49</td>
<td>1.23</td>
<td>22%</td>
</tr>
</tbody>
</table>

- Currency effect +4% on revenues and +6% on EBITA
- Recurring EBITA 2012 excluding €4.2 million merger costs Langdon & Seah
- Operational EBITA 2012 is excluding €18.2 restructuring & integration costs

<sup>1)</sup> Net income from operations before amortization and non-operational items  
<sup>2)</sup> In 2012 based on 70.4 million shares outstanding (2011: 66.5 million)
Acquisitions were main growth driver

Growth Gross Revenue

- Organic
- Acquisitions
- Total (excl. currency effect)
Ongoing positive trend in EBITA

Operational EBITA: recurring EBITA, adjusted for:
- Impact energy business Brazil
- Reorganization and Integration charges
Recurring EBITA 2012, up 20%

- Restructuring & integration charges €18.2 million (2011: €12.7 million)
- Portfolio of Energy projects in Brazil were deconsolidated as of Dec 31, 2011
- In Q2 one-off non-cash charge in Poland of €5.3 million (including €0.5 million restructuring)
- Higher profit contributions from Brazil, US and Chile
Operational EBITA 2012, up 36%

- Strong performance emerging markets
- Lower results Europe due to crisis and uncertainty
Operational margin higher, target 10% achieved

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>9.8%</td>
<td>9.3%</td>
<td>8.9%</td>
</tr>
<tr>
<td>Q2</td>
<td>10.4%</td>
<td>9.6%</td>
<td>9.2%</td>
</tr>
<tr>
<td>Q3</td>
<td>10.3%</td>
<td>10.0%</td>
<td>9.9%</td>
</tr>
<tr>
<td>Q4</td>
<td>11.5%</td>
<td>10.0%</td>
<td>12.1%*</td>
</tr>
<tr>
<td>year</td>
<td>10.5%</td>
<td>9.7%</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

Operational margin: recurring EBITA as % of net revenue, corrected for:
- Impact energy projects Brazil
- Reorganization & integration charges

*) Excluding impact lower overhead costs EC Harris related to Q1/Q3, Q4 margin would have been 11.1%.
Record net income from operations, EPS improves to €1.49
Before amortization and non-operational items
## Operating Cash Flow doubles

### Key Figures

<table>
<thead>
<tr>
<th>€ M</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit for the period</td>
<td>90.2</td>
<td>83.5</td>
</tr>
<tr>
<td>Depreciation &amp; amortization</td>
<td>47.5</td>
<td>33.0</td>
</tr>
<tr>
<td>Working Capital</td>
<td>11.5</td>
<td>(32.6)</td>
</tr>
<tr>
<td>Other</td>
<td>8.8</td>
<td>(4.3)</td>
</tr>
<tr>
<td>Net cash from Operations</td>
<td>158.0</td>
<td>79.6</td>
</tr>
</tbody>
</table>

- **Net working capital as % of gross revenue**: 14.9% (Q4-2011: 15.1%)
- Successful Receivable improvement program implemented across ARCADIS
- Reduced days receivables outstanding to 73 days at end of 2012 (2011: 79 days)
Balance sheet remains healthy

- Net debt €282 million (2011: €268 million)
- Net debt/EBITDA year-end: 1.3 (1.8 in Q3)
- Average Net debt/EBITDA: 1.5 (2011: 1.4)

- Diversified sources of funding
- Good spread of maturity of loans
- Renewal 2013 debt in progress
ROIC maintained despite acquisitions, 11% increase in dividend proposed

- Return: Earnings before interest after taxes before goodwill amortization (EBIA) + Net Income from Associates
- Invested capital: shareholders equity + net interest bearing debt

- Dividend proposal is 11% over last year
- This year cash or stock will be offered
- Dividend each year equal or higher since listing in Amsterdam in 1995

1) Amounts adjusted for the share split of May 2008
Business lines

INFRASTRUCTURE
WATER
ENVIRONMENT
BUILDINGS
Strong growth across three business lines

Gross Revenue 12 months (€ M)

- Infrastructure: +13%
- Water: -1%
- Environment: +8%
- Buildings: +32%

1) Compound Annual Growth Rate
Revenue growth in all segments in 2012

Total growth 26% (3%)

In gross revenues € million; ( ) = organic

Infrastructure +18% (+9%)

Water +16% (+1%)

Environment +11% (+4%)

Buildings +78% (-5%)
Operational margin improved

Total margin 10.0% (9.7%)

In % of net revenue; ( ) = 2011

* Until 2008 including water

Infrastructure 8.1% (9.2%)

Water 9.3% (9.4%)

Environment 12.6% (12.2%)

Buildings 9.9% (7.0%)
GUARULHOS AIRPORT, BRAZIL, SYNERGY WITH EC HARRIS, PROGRAM MANAGEMENT

NORTH SOUTH METRO LINE, AMSTERDAM, ENGINEERING AND SYSTEMS INTEGRATION

METRO SYSTEM EXPANSION IN SANTIAGO, CHILE – ENGINEERING

HARBOR INSTALLATIONS FOR VALE IN BRAZIL, OMAN, MALAYSIA, AND MOZAMBIQUE
Infrastructure (26% of revenues)

2012: +18%
organic: +9%; acquisitions: +10%

• Organic growth net revenue 16%
• Acquisition growth is EC Harris
• Revenue pressure in Europe continued resulting from austerity measures
• Strong growth South America, increased public sector investments
• Large projects continue and caused growth in France
• Polish business adjusted after road market collapsed
• Operational margin 8.1% (2011: 9.2%) due to lower margins in continental Europe which were in part compensated by improvements in EC Harris and South America
DEVELOPING WATER NETWORKS FOR OMAN, TAPS IN STEAD OF WATER TRUCKS

INDUSTRIAL WATER IS TAKING OFF. FORD MOTOR COMPANY WORKS ON REDUCTION GLOBALLY

HELPING NEWTOWN CREEK WWTP RECOVER FROM SANDY; NEXT IS ADAPTATION

GLOVERSVILLE, US: FIRST C02-NEUTRAL WASTE WATER TREATMENT FACILITY IN THE COUNTRY
Water (15% of revenues)

2012: +16%
organic: 1%; acquisitions: +6%

- Organic decline net revenue 2%
- US market stabilizing supported by industrial water projects
- Organic growth strong in South America, Middle East, UK
- Netherlands sees growth in water treatment
- Fourth quarter spike in emergency projects due to Sandy
- ETEP significantly strengthens Brazilian position
- Operational margin 9.3% (2011: 9.4%)
CLEANING UP FORMER REESE AIR FORCE BASE; SAVING $22 MILLION THROUGH INNOVATION

HELPING 150 CITIES ADAPT TO CLIMATE CHANGE ON BEHALF OF THE EUROPEAN UNION

GERMANY. D4, TURNING CLEANED UP INDUSTRIAL WASTELAND BACK OVER TO THE COMMUNITY

FLORIDA, GIVING A SCHOOL A BASEBALL FIELD ON A REMEDIATED AREA
Environment (33% of revenues)

2012: +11%
organic: +4%; acquisitions: 0%

- Organic increase net revenue 2%
- Initially good growth in US from private sector demand, later tapered off. Government work in decline
- Mining and energy drive growth in Chile
- Growth with Multinational clients in Europe
- BMG offers access to Pharma and Chemical clients
- Operational improved to 12.6% (2011: 12.2%) due to strong cost management
MODA HEALTHCARE FACILITY IN SAUDI ARABIA WITH 4,000 BEDS – RTKL DESIGN

ZUELLIG BUILDING – THE FIRST LEED GOLD BUILDING IN THE PHILIPPINES – Langdon & Seah

INTERIOR ARCHITECTURE
CHINA LIFE HEADQUARTERS
SHENZHEN, CHINA

PARKSON DEPARTMENT STORE
TIANJIN, CHINA
Buildings  (26% of revenues)

2012: 78%
organic: -5%; acquisitions: +78%

- Net revenue grew 82%, due to EC Harris and Langdon & Seah
- Organic decline net revenue 4% mainly in the Netherlands
- Growth RTKL in Middle East health care market and commercial US
- Large Middle East program wins for EC Harris
- Excellent results in synergy wins totaling ~€70 million
- Operational margin increased to 9.9% (2011: 7.0%) mainly through performance improvements and successful acquisitions
Regional developments

United States
Emerging Markets
Europe excluding the Netherlands
The Netherlands
Strong growth Emerging Markets, now 21% of gross revenues

Total growth 26% (3%)
In gross revenue € million; ( ) = organic
Geographical mix pays off, margin at target 10%

Total operational margin 10.0% (2011: 9.7%)

Operational EBITA in € million; ( ) = 2011
Priorities and Outlook
Leadership priorities for 2013

- Implement pan-European operating model
- 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
Outlook per business line

Infrastructure – growth continues at lower pace
• Large social infrastructure projects, but slower growth South America
• Europe and US stagnant due to government austerity

Water – recovery gaining pace
• Capitalize on opportunities in South America and Middle East
• Industrial water and Flood protection offer opportunities

Environment – momentum returning
• Continued expansion of market share due to strong technology
• Private sector demand in mature markets creates growth

Buildings – stronger organic growth
• EC Harris, Langdon & Seah positioned in high growth regions
• Involvement in large scale investment programs

Overall
• Backlog developed in line with revenue growth; steady at 11 months of revenue
• For 2013 further increase of revenues and profit expected (barring unforeseen circumstances)
Continental Europe
Amsterdam, 27 February 2013
Friedrich Schneider
Member, Executive Board
Continental Europe is an important market for ARCADIS

- 25% of ARCADIS total net revenue
- Source of great experience and expertise
- Important capability transfer to emerging markets: Middle East, Asia, South America
- International, large national and local clients demand global best practices
- Challenging market conditions in Europe expected to continue
- Requiring a revised strategy and new operating model for Continental Europe
A revised strategy and operating model will better serve our clients

ONE GOAL: BEING THE BEST IN EUROPE
• Better and more cost effectively serve all our clients in Europe
• Drive innovation and growth in our services
• Enhanced career growth and opportunities for employees

THREE STRATEGIC LEVERS FOR CHANGE
• Areas of excellence – to drive top line growth
• Best in class core processes – to improve order intake and project profitability
• Pan-European shared services – to provide more cost efficient support

ONE MODEL FOR EUROPE
• Create European operating model to leverage capabilities and best practices for all clients
• European management team and governance structure to drive performance
• Country-level steering to deliver client proximity and operational control
• Pan-European Shared Services for: HR, Finance, IT, Real Estate Management
Plains are in place to deliver 10% operational EBITA by Q4 2014

- Initiatives to deliver annual cost savings of €25M+
- Total implementation costs in 2013/14 of ~ €20M
- 10% Operational EBITA to be achieved by fourth quarter 2014 (compared with 5% in 2012)
- Implementation has commenced
Imagine the result

Thank you