BAM records 1Q17 adjusted result of €4.9 million and further improved financial position

- **Construction and Property**: good results at Dutch property and turnaround in Germany
- **Civil engineering**: result in Germany lower (strong 1Q16); held back by the Netherlands and oil & gas
- **PPP**: steady result from existing portfolio
- **Order book**: quality continues to improve; slightly higher level
- **Strong recourse net cash position reflecting ongoing progress in trade working capital efficiency**
Revenue and results

<table>
<thead>
<tr>
<th></th>
<th>Q1 2017</th>
<th>Q1 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Result</td>
<td>Revenue</td>
</tr>
<tr>
<td>Construction and Property</td>
<td>12.6</td>
<td>825</td>
</tr>
<tr>
<td>Civil engineering</td>
<td>-11.4</td>
<td>591</td>
</tr>
<tr>
<td>PPP</td>
<td>3.5</td>
<td>32</td>
</tr>
<tr>
<td>Eliminations and other</td>
<td>-</td>
<td>-65</td>
</tr>
<tr>
<td>Total sectors</td>
<td>4.7</td>
<td>1,383</td>
</tr>
<tr>
<td>Group overhead</td>
<td>0.1</td>
<td>8.3</td>
</tr>
<tr>
<td>Group interest charge</td>
<td>0.1</td>
<td></td>
</tr>
<tr>
<td>Adjusted result before tax</td>
<td>4.9</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

(in € million)
Outlook

For 2017, BAM expects the revenue to be slightly lower and the adjusted result before tax to be higher than the level of 2016. BAM anticipates a significantly lower restructuring charge compared to 2016.
Annexes

Updated strategy: ‘Building the present, creating the future’

Property investments

PPP investments

Net cash analysis

Revenue sector/country
Strategy 2016-2020

‘Building the present, creating the future’

Focus project portfolio
Shape business portfolio
Create future portfolio

Differentiating capabilities
BAM’s unique culture
Targets 2020

**Profit**
- ROCE >10%
- Adjusted pre tax margin 2-4%
- Property < €500m
- TWC < -10%

**People**
- Safety IF < 3.5

**Planet**
- Net positive impact
Focusing project portfolio (1)

**Scale**

**Expertise**
Focus project portfolio (2)

Stage gate 1: Categorisation
Stage gate 2: Decision to tender
Stage gate 3: Validation to Tender
Stage gate 4: Decision to bid
Stage gate 5: Approval final contract
If won: Reality check
Shape business portfolio

- **Inside**
  - **High** level of competition: Fix or exit
  - **Low** level of competition: Develop new propositions along lifecycle

- **Outside**
  - **High** level of competition: Stay out
  - **Low** level of competition: Leverage high-margin specialisms
Create future portfolio

Digital construction process

Digital built environment
Culture

**Predictable performance**
“"I deliver what I promise”

**Pro-active ownership**
“"I take initiative to prevent rather than fix”

**Open collaboration**
“"I share, so we all gain”

**Scalable learning**
“"I ask, listen, and support, so that we learn collectively”

Trading update Q1 2017 | 11 May 2017
Capabilities

Operating companies

- Project selection
- Project execution

Group

- Synergies in selected specialisms
- Smart engineering
- Controls & systems
- Talent development and exchange
- Best in industry digital
- Financial strength

BAM value
## Property investments

### Total investments (Q4 2016) (in € million, unless stated otherwise)

<table>
<thead>
<tr>
<th></th>
<th>Q4 2016</th>
<th>Q4 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and building rights</td>
<td>387</td>
<td>429</td>
</tr>
<tr>
<td>Property development</td>
<td>243</td>
<td>311</td>
</tr>
<tr>
<td>Total investments (a)</td>
<td>630</td>
<td>740</td>
</tr>
<tr>
<td>Non-recourse loans</td>
<td>86</td>
<td>116</td>
</tr>
<tr>
<td>Recourse loans</td>
<td>69</td>
<td>80</td>
</tr>
<tr>
<td>Total loans (b)</td>
<td>155</td>
<td>196</td>
</tr>
<tr>
<td>Property associates/JV/AHFS (c)</td>
<td>146</td>
<td>100</td>
</tr>
<tr>
<td>Net investments (a)–(b)+(c)</td>
<td>621</td>
<td>644</td>
</tr>
</tbody>
</table>

### Chart:

- **Total investments (Q4 2016)**
- **Residential**
- **Non-residential**

<table>
<thead>
<tr>
<th>Region</th>
<th>Residential</th>
<th>Non-residential</th>
</tr>
</thead>
<tbody>
<tr>
<td>NL</td>
<td>500</td>
<td>200</td>
</tr>
<tr>
<td>UK</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>BE</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>IE</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

*Trading update Q1 2017 | 11 May 2017*
## PPP investments

<table>
<thead>
<tr>
<th>(in € million, unless stated otherwise)</th>
<th>Q4 2016</th>
<th>Q4 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment equity¹</td>
<td>66</td>
<td>72</td>
</tr>
<tr>
<td>Committed equity²</td>
<td>120</td>
<td>114</td>
</tr>
<tr>
<td>Total invested &amp; committed equity</td>
<td>186</td>
<td>186</td>
</tr>
<tr>
<td>NPV Total invested &amp; committed equity (A)</td>
<td>165</td>
<td>162</td>
</tr>
<tr>
<td>NPV Future equity cash inflows (B)</td>
<td>238</td>
<td>239</td>
</tr>
<tr>
<td>Estimated unrealised value (B) – (A)</td>
<td>73</td>
<td>77</td>
</tr>
</tbody>
</table>

¹) BAM share invested in equity of PPP contracts
²) Excluding contracts in preferred bidder stage
## Net cash analysis

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non recourse PPP loans</td>
<td>274</td>
<td>195</td>
</tr>
<tr>
<td>Non recourse project financing</td>
<td>94</td>
<td>124</td>
</tr>
<tr>
<td>Other project financing</td>
<td>119</td>
<td>133</td>
</tr>
<tr>
<td><strong>Total ‘project related’</strong></td>
<td>487</td>
<td>452</td>
</tr>
<tr>
<td>Subordinated bank loan</td>
<td>-</td>
<td>124</td>
</tr>
<tr>
<td>Subordinated convertible bonds</td>
<td>113</td>
<td>-</td>
</tr>
<tr>
<td>Financial lease liabilities</td>
<td>7</td>
<td>14</td>
</tr>
<tr>
<td>Bank overdrafts and other loans</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total interest-bearing debts</strong></td>
<td>612</td>
<td>597</td>
</tr>
<tr>
<td>Less: cash</td>
<td>739</td>
<td>637</td>
</tr>
<tr>
<td><strong>Net cash position</strong></td>
<td>127</td>
<td>40</td>
</tr>
<tr>
<td><strong>Recourse net cash position</strong></td>
<td>495</td>
<td>359</td>
</tr>
</tbody>
</table>
### Revenue sector/country

<table>
<thead>
<tr>
<th></th>
<th>Construction and Property</th>
<th>Civil engineering</th>
<th>PPP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Netherlands</td>
<td>20%</td>
<td>17%</td>
<td>2%</td>
<td>39%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>18%</td>
<td>11%</td>
<td>0%</td>
<td>29%</td>
</tr>
<tr>
<td>Belgium/L'bourg</td>
<td>7%</td>
<td>4%</td>
<td>0%</td>
<td>11%</td>
</tr>
<tr>
<td>Germany/Swiss</td>
<td>6%</td>
<td>5%</td>
<td>1%</td>
<td>12%</td>
</tr>
<tr>
<td>Ireland</td>
<td>4%</td>
<td>1%</td>
<td>0%</td>
<td>5%</td>
</tr>
<tr>
<td>International</td>
<td>2%</td>
<td>2%</td>
<td>-</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57%</strong></td>
<td><strong>40%</strong></td>
<td><strong>3%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Revenue per sector/country 2016 as a percentage of gross total revenue 2016
Contact details

BAM Investor Relations

Joost van Galen
+31(0) 30 659 87 07
ir@bam.nl