

Trading update 9 months 2017



Royal BAM Group nv



Bunnik, 9 November 2017

BAM adjusted result up by 18% to €75.1 million, outlook full year result confirmed



Construction and Property: German turnaround on track and continued improvement Netherlands



Civil engineering: overall result driven by UK operations and held back by Netherlands and Belgium



PPP: stable result from portfolio



Order book increased whilst maintaining focus on quality

Revenue and results

<i>(in € million)</i>	9 months 2017		9 months 2016	
	Result	Revenue	Result	Revenue
Construction and Property	40.5	2,642	-4.1	3,017
Civil engineering	23.6	2,131	51.4	2,082
PPP	12.5	112	11.1	163
Eliminations and other	-	-191	-	-188
Total sectors	76.6	4,694	58.4	5,074
Group overhead	-0.7		7.0	
Group interest charge	-0.8		-1.8	
Adjusted result before tax	75.1	1.6%	63.6	1.3%

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 based on half year 2017

Updated strategy: Building the present, creating the future

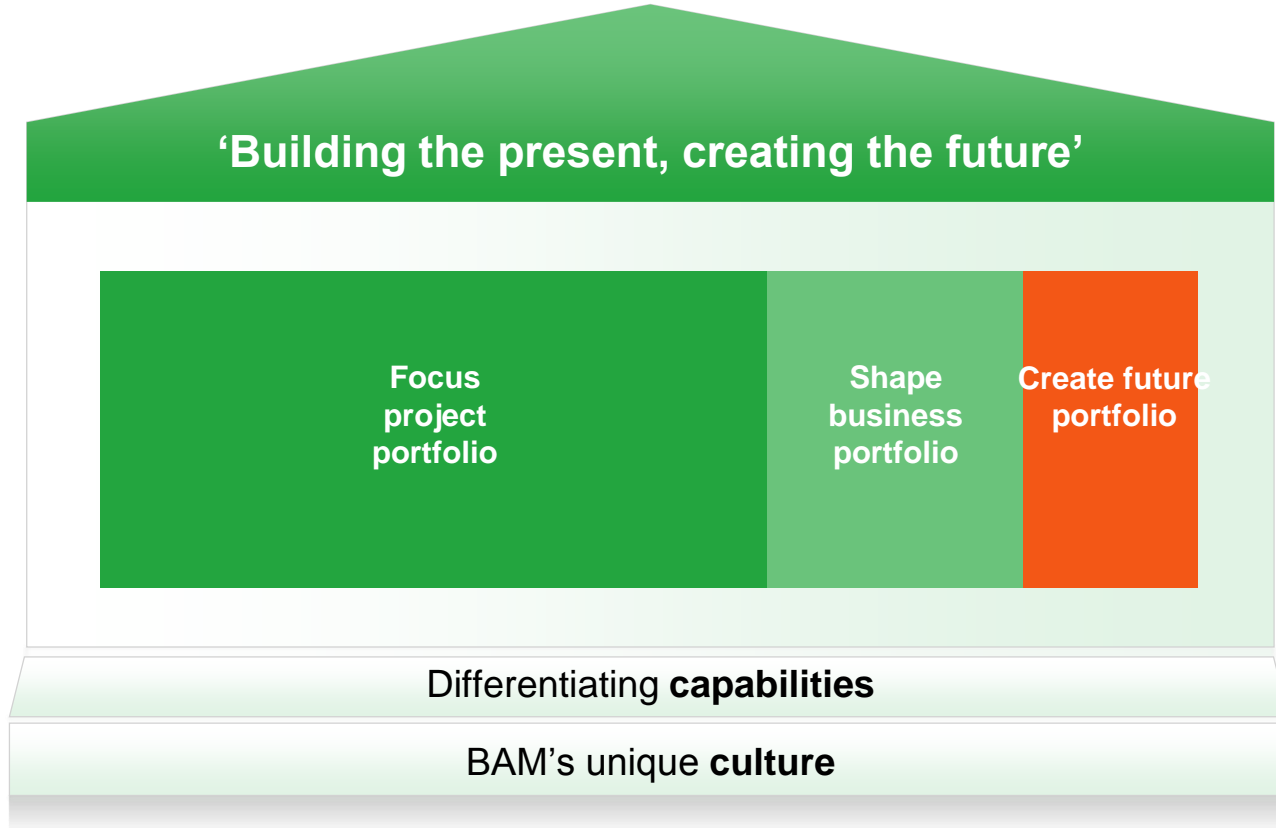
Property investments

PPP investments

Net cash analysis

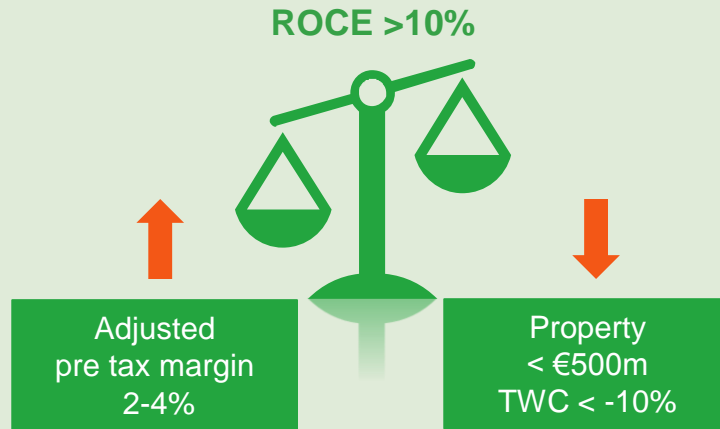
Revenue sector/country

Strategy 2016-2020



Targets 2020

Profit



People

Safety IF < 3.5



Planet

Net positive impact



Focusing project portfolio (1)

Scale



Expertise



Focusing project portfolio (2)

Selection



Stage gate



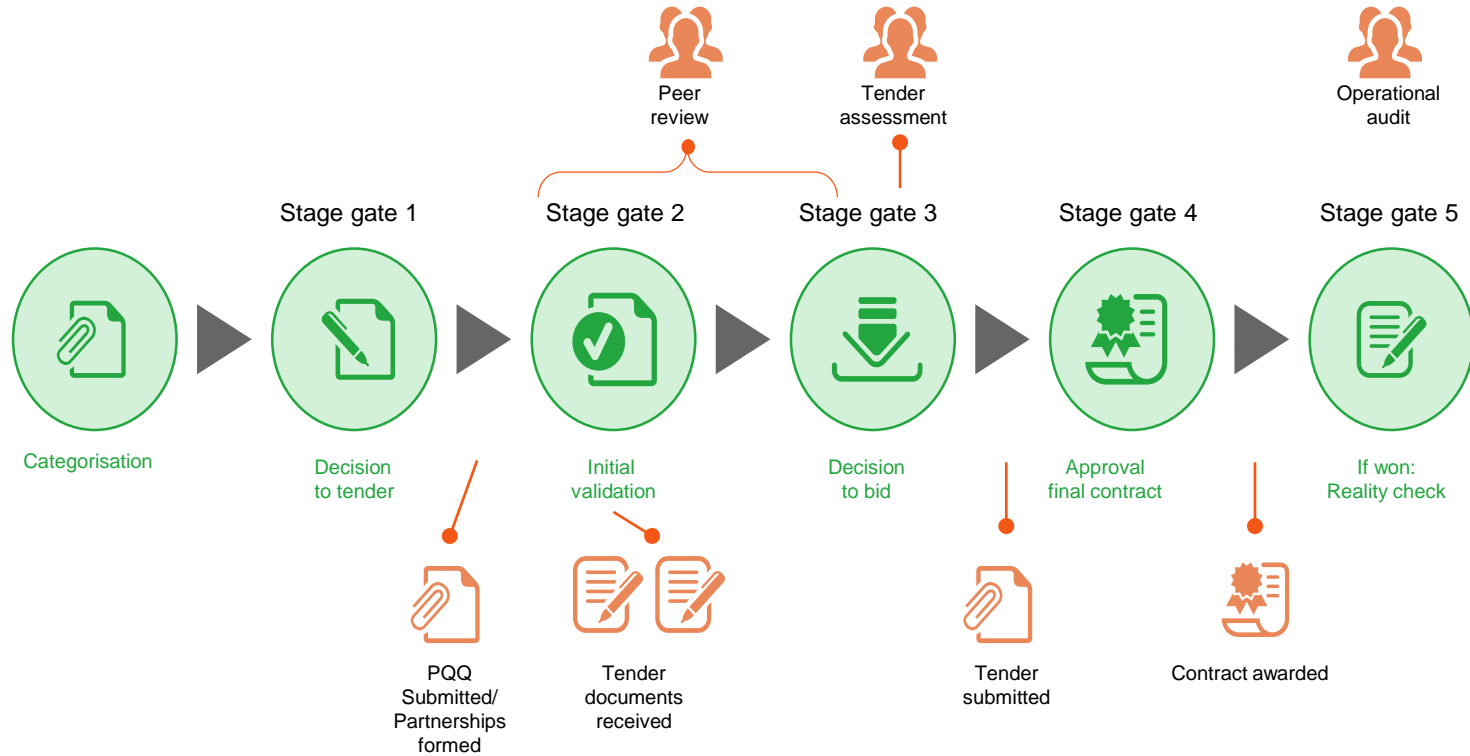
Peer review



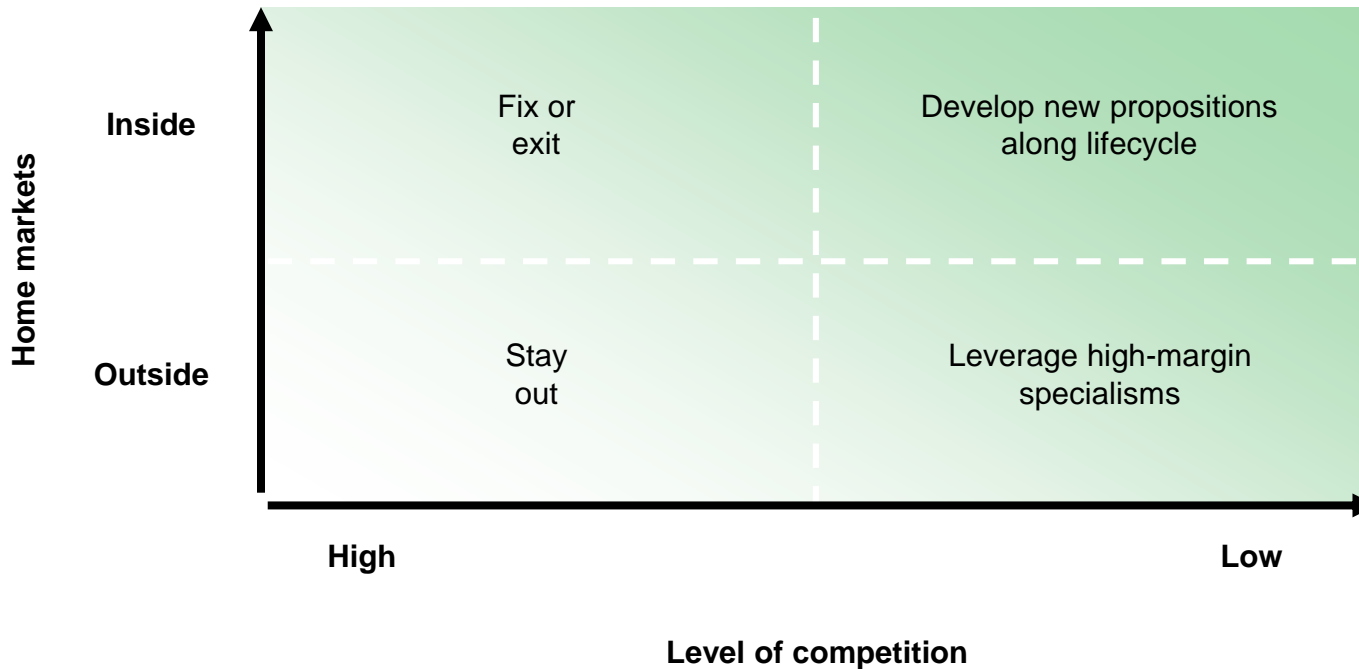
Operational audit



Focusing project portfolio (3)

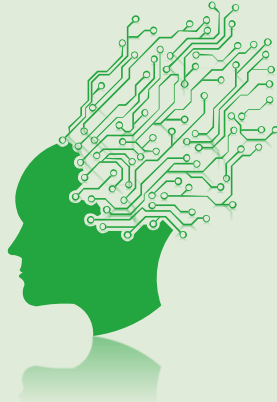


Shape business portfolio



Create future portfolio





Digital construction process

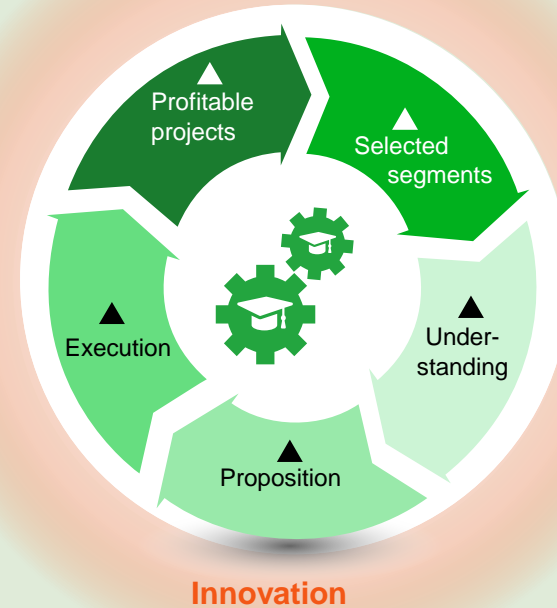


Digital built environment

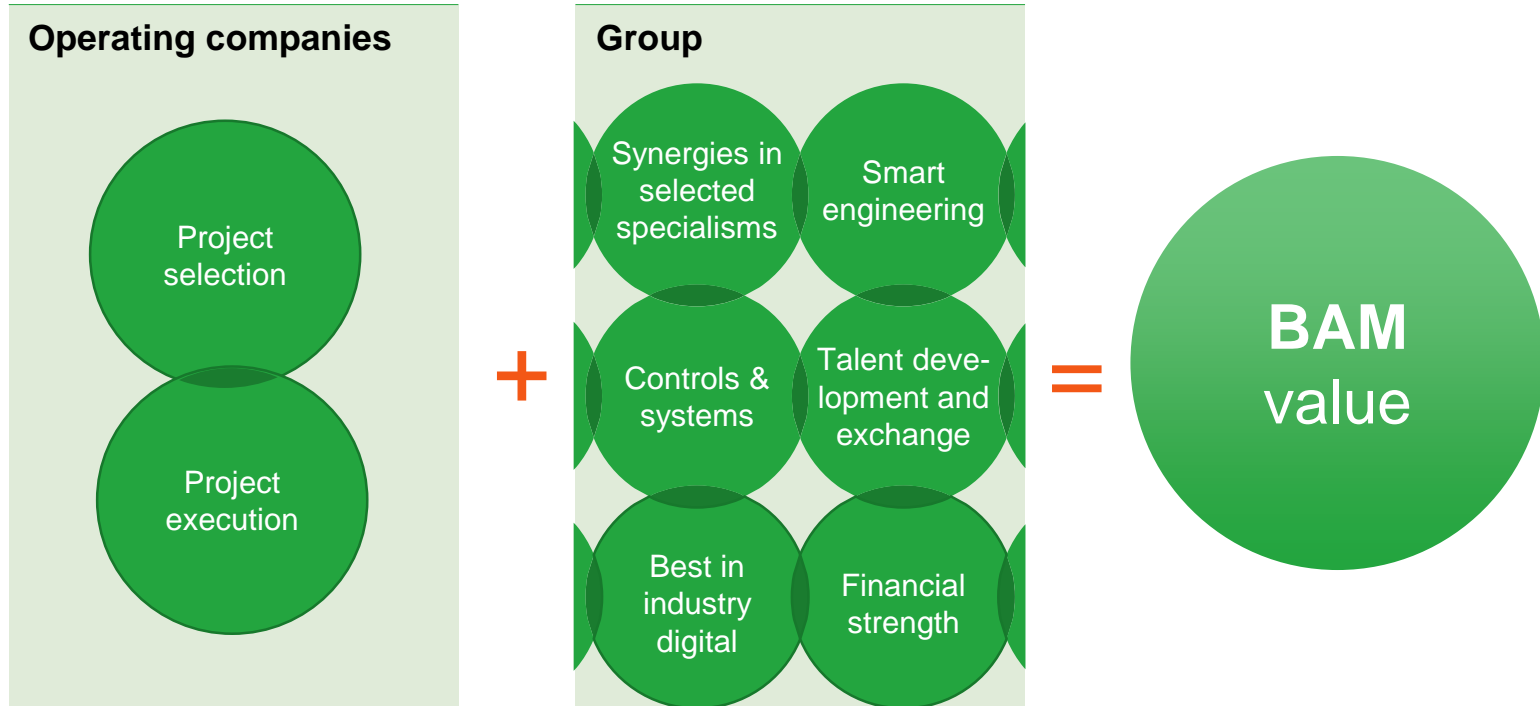


Culture

-  Predictable performance
-  Pro active ownership
-  Open collaboration
-  Scalable Learning



Capabilities

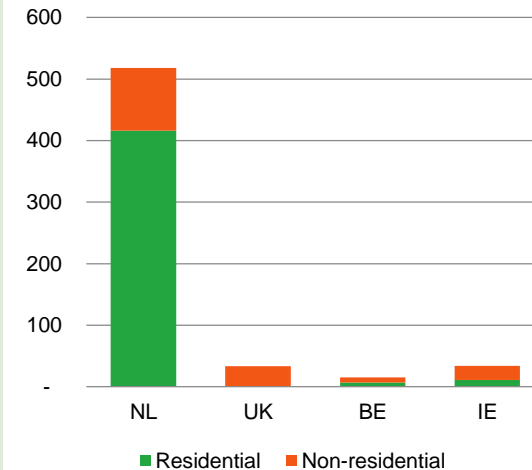


Property investments

<i>(in € million)</i>	Q2 2017	Q4 2016
Land and building rights	427	387
Property development	174	243
Total investments (a)	601	630
Non-recourse loans	81	86
Recourse loans	77	69
Total loans (b)	158	155
Property ass./JV/AHFS (c)	106	146
Net investments (a)–(b)+(c)	549	621

(in € million)

Total investments (Q2 2017)



PPP investments

<i>(in € million, unless stated otherwise)</i>	Q2 2017	Q4 2016
Investment equity ¹⁾	65	66
Committed equity ²⁾	120	120
Total invested & committed equity	185	186
NPV Total invested & committed equity (A)	168	165
NPV Future equity cash inflows (B)	240	238
Estimated unrealised value (B) – (A)	72	73

¹⁾ BAM share invested in equity of PPP contracts

²⁾ Excluding contracts in preferred bidder stage

Net cash analysis

<i>(in € million)</i>	Q2 2017	Q4 2016
Non recourse PPP loans	271	274
Non recourse project financing	88	94
Other project financing	127	119
Total 'project related'	486	487
Subordinated bank loan		-
Subordinated convertible bonds	114	113
Financial lease liabilities	8	7
Bank overdrafts and other loans	5	5
Total interest-bearing debts	613	612
Less: cash	603	739
Net debt / (cash) position	10	-127
Recourse net cash position	349	495

Revenue sector/country

	Construction and Property	Civil engineering	PPP	Total
Netherlands	20%	17%	2%	39%
United Kingdom	18%	11%	0%	29%
Belgium/L'bourg	7%	4%	0%	11%
Germany/Swiss	6%	5%	1%	12%
Ireland	4%	1%	0%	5%
International	2%	2%	-	4%
Total	57%	40%	3%	100%
Revenue per sector/country 2016 as a percentage of gross total revenue 2016				

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