Royal BAM Group nv

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BAM 2014 adjusted pre-tax result €62 million; Back in Shape programme on track

- Adjusted result supported by strong Q4 at PPP and first Back in Shape savings
- Positive cash flow 2014 driven by divestments and improving trade working capital
- Results in operational sectors down in a difficult year; strong results at investment sectors
- Order book stable, quality improving
- Non-cash impairments on Dutch Property land bank and two Irish PPP toll roads
- Back in Shape: good momentum in cost and working capital savings and better project control

(in € million, unless otherwise indicated)	**Full year 2014**	Full year 2013
Revenue	**7,314**	7,042
Adjusted result before tax*	**62.2**	75.2
Restructuring	**-68.8**	-25.4
Impairments	**-115.9**	-30.0
Pension one-off	**-**	24.6
Net result	**-108.2**	46.2
Order book (end of period)	**10,300**	10,000

* Before restructuring, impairments and pension one-off.

Rob van Wingerden, CEO of Royal BAM Group:

'The Back in Shape programme is making good progress. The simplified new structure to make us more effective on the outside and efficient on the inside is in place. New and improved processes are being implemented that will result in better project control. And we are strengthening our culture with a focus on balancing risks and rewards.

Although the investment sectors delivered very good adjusted results, the overall Group result was held back by a weak year at the operational sectors due to working through older contracts and under-recovery of overheads in the Netherlands. During 2014, Dutch house markets developed increasingly towards a 'twin track' with recovery in and around the major cities but continued decline in some regional areas and a shift to more affordable homes. This led to the impairment of some Dutch land positions. There were also impairments for two volume-related Irish PPP contracts, reflecting the development of the Irish economy. Because the net result for the year was negative we will not pay a dividend in respect of 2014.

On our targets for safety, emissions reduction, and waste management we achieved on average a 10% better performance compared to last year. Our 2014 Integrated Report will be the first to be prepared in line with the Integrated Reporting Framework which provides insight on both financial and non-financial value creation.

Looking ahead, we are on course to deliver cost savings of at least €100 million (annual run rate) and a reduction in trade working capital of at least €300 million by year-end 2015. There will be a restructuring charge for Back in Shape of approximately €30 million in 2015. We expect the Group adjusted result before tax for the year 2015 to be higher than the level of 2014, with a larger contribution coming from the operational sectors.'

Analysis by sector

(x € million)	**Full year 2014**		Full year 2013*	
Result and revenue	**Revenue**	**Result**	Revenue	Result
Construction and M&E services	**3,016**	**-5.5**	3,078	23.0
Civil engineering	**3,949**	**14.2**	3,970	61.4
Property	**477**	**19.6**	236	-15.1
Public Private Partnerships (PPP)	**258**	**38.6**	288	14.4
Eliminations and miscellaneous	**-386**	**1.4**	-530	-1.5
Total sectors	**7,314**	**68.3**	7,042	82.2
Group overhead		**-0.6**		-1.2
Group interest charge		**-5.5**		-5.8
Adjusted result before tax		**62.2**		75.2
Restructuring		**-68.8**		-25.4
Impairments		**-115.9**		-30.0
Pension one-off		**-**		24.6
Result before tax		**-122.4**		44.4

* Re-stated to show the restructuring charge separately.

(x € million)	**31 December**	31 December
Order book (end of period)	**2014**	2013
Construction and M&E services	**4,424**	4,013
Civil engineering	**5,129**	5,090
Property	**859**	983
PPP	**548**	547
Eliminations and miscellaneous	**-660**	-633
Total	**10,300**	10,000

Analysis by geography

(x € million)	**Full year 2014**		Full year 2013	
Results and revenue	**Revenue**	**Result**	Revenue	Result
The Netherlands	**2,705**	**13.7**	2,763	4.6
United Kingdom	**2,082**	**-3.4**	1,881	19.6
Belgium	**909**	**30.4**	887	12.1
Ireland	**353**	**5.6**	306	7.4
Germany	**904**	**-31.2**	873	10.1
PPP	**258**	**38.6**	288	14.4
International	**317**	**13.2**	367	15.4
Eliminations and miscellaneous	**-214**	**1.4**	-323	-1.4
Total for countries	**7,314**	**68.3**	7,042	82.2
Group overhead		**-0.6**		-1.2
Group interest charge		**-5.5**		-5.8
Adjusted result before tax		**62.2**		75.2

Full year 2014 results and order book

Revenue of €7,314 million was up by €272 million (4%) on the comparable revenue of 2013. The positive influence of the stronger Pound sterling was €105 million (1.5%); the rest of the increase was attributable to Property, mostly due to divestments of commercial properties.

The adjusted result before tax of the Group for 2014 was €62.2 million, down by €13 million compared to last year. The combined adjusted results for the two operational sectors were down by €75.7 million; this was mainly due to losses on the two Civil engineering projects as announced on 7 July 2014, and to a lesser extent on Dutch construction activities during the year. This was mostly offset by higher results at Property and PPP, up by €34.7 million and €24.2 million respectively.

Looking at the adjusted result in 2014 by geography, the losses in the UK and Germany related to the two projects mentioned above. There were strong results in Belgium, PPP and BAM International.

The total restructuring costs in 2014 were €68.8 million, of which about €53 million related to the Back in Shape programme and €16 million was for capacity reduction. In 2013 there was a restructuring charge of €25 million for capacity reduction in the Netherlands of which the majority was in Construction and M&E services.

Total non-cash impairments in 2014 were €115.9 million. As described in the sector review below, €93.2 million of this related to residential land bank positions in the Netherlands, and €21 million was in respect of two Irish PPP toll road contracts. The impairment of €30 million in 2013 mainly related to Dutch retail property.

The closing order book of €10.3 billion was broadly stable compared to end-2013, with most of the reported increase of €300 million caused by the effect of the stronger Pound sterling on the UK order book. The year-end order books closed higher in the UK, Belgium, Germany and PPP. The Netherlands and BAM International were slightly down.

Sector review

At Construction and M&E services revenue was down by €62 million (2%) to € 3,016 million. Revenue in the Netherlands was down by 13%; most of this fall came in residential construction linked to low house sales to individuals in 2013 and ongoing reduced production for housing associations. This was partly offset by higher revenue in UK (mainly supported by exchange rate), Germany and Belgium.
The adjusted result of negative €5.5 million for the sector in 2014 was due to a loss in the Netherlands caused by executing lower quality order book and the under recovery of overheads. Compared to 2013 the result in the UK was lower due to market conditions and Belgium was ahead in 2014.
The order book rose by €411 million to €4,424 million at year end 2014. This was driven by the UK (including €127 million from currency movements), Germany and the Netherlands. The order book in Belgium was reduced by high production on one large project.

In Civil engineering revenue for year 2014 slipped by 1% to € 3,949 million. Within this total, there were increases in the UK (up by €92 million, of which €71 million was currency effect) and Ireland reflecting BAM's strong market position. Lower revenue was recorded in Belgium and the Netherlands. At BAM International revenue was lower due to order phasing.
The adjusted result of €14.2 million for 2014 was lower compared to €61.4 million in 2013 because of the losses on the two projects, which also led to losses for the year in the UK and in Germany. There was a small positive adjusted result in the Netherlands, and larger profits in Ireland and Belgium.
The total order book for the Civil engineering sector grew by 1% to €5.1 billion. The order book in the Netherlands was down because of a low book-to-bill ratio on large projects. The UK order book was lower due to order phasing. Offsetting this, orders in Belgium rose especially due to PPP.

In Property, BAM recorded a strong adjusted result for full year 2014 of €19.6 million, up from an adjusted result of negative €15.1 million in 2013. Both residential and non-residential contributed to the improvement, driven by three factors: First, there were significantly higher book profits on sales of commercial properties in Belgium, UK and the Netherlands in 2014, as markets picked up from the subdued levels of 2013.
Second, the adjusted result for 2013 had included operational losses related to non-prime offices in the UK and mainly retail property in the Netherlands, which were absent in 2014.
Third, BAM's Dutch residential business generated a modest profit in 2014 after a loss in 2013. This was due to full recovery of overheads after restructuring in earlier years and increasing house sales.
BAM sold 1,877 homes from its own development projects in the Netherlands in 2014, up by 38% from 1,365 in 2013. A large part of these sales were in the stronger areas in and around major Dutch cities, and of the more affordable type. The percentage of homes sold to private buyers increased from 55 to 70%. Revenue in 2014 also benefited from a higher proportion of homes sold from inventory, especially in the last quarter. Overall, revenue from Dutch house sales increased by 72% in 2014.

During 2014, the Dutch residential market developed increasingly along a 'twin track'. The 'strong track' applies to the areas in and around the major cities and to smaller and more affordable houses and apartments, where volumes and prices rose. Conversely, the 'weak track' is evident in some regional areas.. The trend towards affordable homes is driven by the tightening criteria for loan-to-value and loan-to-income and the reduction of interest deductibility. These factors more than offset the benefit of low interest rates.
This twin track development led to a total non-cash impairment charge of €93.2 million in Q4, representing about 15% of the value of the Dutch land portfolio on 18% (by number) of the positions.
Total investment in the stock of property declined from €1,028 million at the end of 2013 to €823 million at the end of 2014. These investments are financed in part by recourse and non-recourse project-related property loans. As at 31 December 2014, the recourse property loans stood at €57 million (year-end 2013: €71 million) and the non-recourse property loans at €161 million (year-end 2013: €271 million).

PPP had an excellent year, with a particularly strong fourth quarter. The adjusted result for 2014 of €38.6 million was up from €14.4 million in 2013.

The 2014 result was driven by asset management profits on transfers of existing projects to the joint venture with PGGM, notably in the fourth quarter. Going forward, the focus will be on transferring newly completed projects. The success of the joint venture is reflected by PGGM's decision in 2014 to increase its commitment, with a further increase in February 2015. The total committed funding for the joint venture is now €600 million.

In addition to the result from asset management, PPP generated a robust result from its growing portfolio. PPP won six accommodation and infrastructure projects in 2014, a hit rate of 50%. These represent approximately €1 billion of construction revenues for the operational sectors in the coming years. The pipeline of active bids is healthy.

PPP changed its policy in 2009 to focus on availability-based projects which have a better risk profile than volume-based projects. At the start of 2014, the PPP portfolio included three volume-based Irish road concessions dating from before 2009. One of these concessions was transferred to the PGGM joint venture in the fourth quarter. The other two were impaired by a total of €21 million, reflecting the development of the Irish economy.

The total directors' valuation of the PPP portfolio as at the end of 2014 was €222 million, which included €78 million of unrealised value.

Cash flow analysis[1]

(x € million)	**Full year 2014**	Full year 2013
Group: net cash result[2]	**11**	46
Investments tangible fixed assets	**-42**	-65
Trade working capital[3]	**-15**	-50
Investment sectors: net investment		
Property	**83**	-26
PPP	**68**	16
Other changes in working capital	**15**	-4
Business cash flow	**120**	-83
Dividend	**-7**	-10
Equity issue	**-**	85
Pensions (additional)	**-24**	-28
Change in Group loan	**-40**	40
Other	**27**	-8
Increase/decrease in cash position	**76**	-4

[1] These metrics are not directly compatible with the IFRS-based condensed cash flow statement.
[2] Net cash result is net result excluding depreciation, impairments, movements of provisions and book profit on sale of PPP projects.
[3] Working capital excluding property positions, PPP receivables, assets and liabilities held for sale, derivatives, provisions, taxes, other receivables and other payables.

The business cash flow improved significantly compared to 2013. This was mainly driven by successful divestments of property and PPP projects to the joint venture with PGGM.

The net cash result in 2014 was impacted by the low results and the cash outflow on the restructuring provisions taken in 2013.

The net investments in tangible fixed assets reduced due to significant lower investments in civil engineering equipment across the company.

The movement in trade working capital was negative for the year 2014, however improved significantly in the second half of 2014 (€281 million) supported by the working capital programme. The development of trade working capital in the operational sectors showed a mixed picture: the significant cash outflow for the major loss making projects in Civil engineering was offset by the improvement in Construction and M&E services. Trade working capital efficiency (defined as average four quarter-end trade working capital as a percentage of rolling four quarters revenue) bottomed out in the second half of 2014 at -6%.

Property had successful non-residential divestments in the Netherlands, Belgium and the UK. The cash inflow for BAM was reduced by the redemption of the loans on these properties.

The positive PPP cash flow in 2014 was driven by the transfer of projects to the joint venture with PGGM.

Financial position

(x € million)	**31 December 2014**	31 December 2013
Cash position	**624**	548
Interest-bearing debts	**664**	931
Net debt position	**40**	383
Recourse net debt/(cash) position	**-336**	-187
Fixed assets	**1,469**	1,632
Net operating capital (excl. cash and cash equivalents and current loans)	**-223**	2
Shareholders’ equity	**827**	929
Capital base	**952**	1,053
Balance sheet total	**4,956**	5,316
Capital ratio	**19.2%**	19.8%

The significant improvement in 2014 of the recourse net cash position by €149 million is mainly due to the substantial divestments of non-residential property and PPP projects. This is also reflected in the reduction of interest-bearings debts and for property as well in the significant improvement in the net operating capital. At year end 2014 the use of the revolving credit facility is nil.

The net operating capital improved by €225 million compared to year end 2013 predominantly due to the divestments and impairments on property. Net operating capital in the operational sectors was almost stable. Within this there was an improvement at Construction and M&E services and worsening in Civil engineering.

Shareholders’ equity fell mainly due to the loss for the year 2014. The balance sheet total also decreased reflecting predominately divestments. As a result the capital ratio at the year-end was 19.2%, down from 19.8%.

The Group was within the limits of all its banking covenants as at 31 December 2014; the recourse leverage ratio was negative 2.78 (limit ≤ positive 2.75), the recourse interest coverage ratio 6.84 (≥ 4.0) and the recourse solvency ratio 28.3% (≥ 15%).

Back in Shape programme

In July 2014, BAM initiated a comprehensive change programme that will run until end-2015. This programme, which is called ‘Back in Shape’, will improve BAM’s operational and financial performance by strengthening its culture, simplifying its structure and sharpening its processes. There are specific programmes in four areas: cost reduction, projects better in control, working capital reduction and divestments. An update on these areas is set up below.

The cost reduction programme is targeted at overheads, mainly in the Netherlands. The largest part of the savings will come from the FTE reductions resulting from the implementation of the simplified business line structure. This structure and the new Management Board were in place per 1 January 2015. The Dutch social plan for FTE reduction has been agreed with the unions and received a positive advice from the Works Council.
The programme is on course to deliver its targeted cost savings of at least €100 million annual run rate by the end of 2015. As at the end of 2014, the cost saving achieved was approximately €8 million.
The estimated total costs of the Back in Shape programme are approximately €80 million, which includes the relatively low cost of FTE reductions achieved by vacancy optimisation (retirees and leavers not replaced and temporary contractors not renewed). Of this, €53 million was taken as an exceptional restructuring cost in 2014; the expected charge in 2015 is approximately €30 million. The cash outflow related to Back in Shape in 2014 was about €9 million.

In the area of projects in control, BAM is making good progress in sharpening its processes for project tendering and execution. All tenders are now subject to the stage gate process, and with peer reviews for larger or more complex tenders. There is more focus on contractual awareness and cost forecasting as well as a mandatory evaluation of the financing of each potential tender. The Operational Audit 2.0 team that will monitor compliance with the stage gate process is being established.
As well as improving its processes for new orders, BAM continues to work through the backlog of orders which were tendered using the old procedures before mid-2013. Out of the total order book of €10.3 billion at end-2014, approximately €3 billion related to these older items; the majority of these will be completed in 2015.

The working capital reduction programme made a strong start in 2014. Training has been completed for 1,300 staff, new procedures using scorecards and bilateral meetings have been adopted by the first wave of companies, and supplier terms are being conformed. Substantial savings were already achieved in the first wave of business units by the end of 2014, coming from all components of trade working capital.
BAM’s trade working capital improved by €281 million in the second half of 2014, versus improvements of €143 million and €76 million in the second half years 2013 and 2012, respectively. The trade working capital efficiency ratio which had deteriorated since 2012, bottomed out in the last two quarters of 2014 at negative 6%.
Over the rest of 2015, BAM will extend the scope of the programme to cover all companies, and will embed awareness of cash flow as an operational priority in the culture and behaviour throughout the Group. Dedicated ‘cash champions’ are being appointed to drive this process forward, who will report to the Group Chief Operating Officer. BAM expects to achieve its target of a sustainable reduction of trade working capital of at least €300 million by the end of 2015.

BAM’s divestment programme aims to achieve at least €100 million proceeds per year from the sale of property and other assets. In 2014 the programme realised about €170 million, mainly from commercial property sales in the Netherlands, the UK and Belgium. BAM also divested some small non-core activities in Belgium in 2014.

Dividend

Since the net result for the year was negative there will be no dividend in respect of 2014.

Sustainability

BAM continuously aims to improve the Group's safety performance. In 2014 BAM succeeded in reducing the Incident Frequency IF to 5.0 (2013: 5.8) which reflects the number of lost-time incidents per million worked hours. The Group intensified the Safety Awareness Audits (SAA) conducted across and between operating companies. Several companies received awards for their safety efforts, for example BAM Contractors (2014 National Irish Safety Awards) and the OV SAAL project team in Amsterdam which was the first to achieve level 4 on ProRail's safety ladder.

BAM managed to reduce absolute carbon emissions with 11% compared to 2013. Total emissions reduced from 272 kTon to 242 kTon. Adjusted for increased turnover, the emission intensity reduced 15% compared to 2013. BAM's efforts to adapt to climate change and mitigate emissions have helped it enter the Carbon Performance Leader Index of CDP for performance in 2014.

In 2014 the resource efficiency further improved. The waste recycled or converted into energy increased to 91.8% (2013: 89.2%). Compared to 2013, construction and office waste was reduced by 9%; adjusted for the increased turnover it reduced by 12%.
All reductions and improvements are in line with BAM's 2015 sustainability targets.

In 2014 BAM published a self-declared commitment to ISO 26000 on CSR and BAM achieved the 4th position (2013: 5th) on the leading Dutch Sustainability Index, the annual Transparency Benchmark.

BAM's 2014 Integrated Report will be the first report that is prepared in line with the Integrated Reporting <IR> Framework. Integrated Reporting provides insight on financial and non-financial value creation. By adopting the principles of Integrated Reporting and by application of the highest standard of the Global Reporting Initiative, GRI 4 `comprehensive', BAM will provide more relevant information to all stakeholders.

Outlook 2015

BAM is on course to deliver cost savings of at least €100 million (annual run rate) and a reduction in trade working capital of at least €300 million by year-end 2015. There will be a restructuring charge for Back in Shape of approximately €30 million in 2015. BAM expects the total Group adjusted result before tax for the year 2015 to be higher than the level of 2014, with a larger contribution coming from the operational sectors.

Bunnik, the Netherlands, 18 February 2015

Executive Board, Royal BAM Group nv:
R.P. van Wingerden, CEO
T. Menssen, CFO
E.J. Bax, COO

Live webcast

The Executive Board of Royal BAM Group will present the full year results 2014 on 19 February 2015 during a (Dutch) press meeting from 10 a.m. to 11 a.m. and during an (English) analysts' meeting from 11.30 a.m. to 1 p.m. Both meetings can be followed via live audio webcast (www.bam.eu). The press meeting will be audio webcasted and the analysts' meeting will be video webcasted.

Further information

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Annexes

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1. Condensed consolidated income statement
(x € million)

	Full year 2014	Full year 2013
Revenue	**7,314**	7,042
Operating result before depreciation, amortisation, impairments and restructuring costs	**114.5**	172.0
Depreciation and amortisation	**-82.8**	-88.6
Restructuring costs	**-68.8**	-25.5
Impairments	**-67.6**	-42.0
Operating result	**-104.7**	15.9
Finance income	**46.0**	45.3
Finance expense	**-33.9**	-41.9
Result from associates and joint ventures	**18.5**	13.1
Impairments in associates and joint ventures	**-48.3**	12.0
Result before tax	**-122.4**	44.4
Income tax	**15.5**	-5.8
Net result	**-106.9**	38.6
Net result from discontinued operations	**-**	8.5
Net result for the period	**-106.9**	47.1
Non-controlling interest	**-1.3**	-0.9
Net result attributable to shareholders	**-108.2**	46.2

2. Consolidated statement of comprehensive income
(x € million)

	Full year 2014	Full year 2013
Net result for the period	**-106.9**	47.1
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Fair value cash flow hedges	**37.6**	55.2
Actuarial gains and losses pensions	**-49.5**	37.8
Exchange rate differences	**25.3**	-11.6
Total items that will not be reclassified to profit or loss	**13.4**	81.4
Total comprehensive income	**-93.5**	128.5
Attributable to:		
Non-controlling interest	**0.7**	1.4
Shareholders of the company	**-94.2**	127.1

3. Consolidated balance sheet

(x € million)

	31 December 2014	31 December 2013
Property, plant and equipment	**315.8**	356.4
Intangible assets	**409.3**	403.3
PPP receivables	**303.9**	406.5
Associates and joint ventures	**94.6**	134.9
Other financial assets	**84.9**	121.6
Derivative financial instruments	**0.2**	1.3
Pension plan assets	**17.8**	7.5
Deferred tax assets	**242.5**	200.3
Non-current assets	**1,469.0**	1,631.7
Inventories	**843.1**	1,049.5
Trade and other receivables	**1,878.8**	1,937.2
Current income tax receivable	**10.4**	7.0
Derivative financial instruments	**3.4**	2.0
Cash and cash equivalents	**624.3**	548.3
Non-current assets held for sale	**127.0**	140.7
Current assets	**3,487.0**	3,684.7
Total assets	**4,956.0**	5,316.4
Share capital	**839.3**	833,3
Reserves	**-397.4**	-411.5
Retained earnings	**385.5**	507.3
Equity attributable to the Company's shareholders	**827.4**	929.1
Non-controlling interest	**3.3**	3.5
Group equity	**830.7**	932.7
Borrowings	**538.8**	706.5
Derivative financial instruments	**47.7**	43.2
Employee benefit obligations	**187.2**	148.8
Provisions	**114.7**	103.1
Deferred tax liabilities	**25.9**	22.6
Non-current liabilities	**914.3**	1,024.2
Borrowings	**125.3**	224.8
Trade and other payables	**2,853.4**	2,889.9
Derivative financial instruments	**8.3**	2.1
Provisions	**72.1**	59.6
Income tax payable	**23.1**	22.2
Liabilities non-current assets held for sale	**128.8**	161.0
Current liabilities	**3,211.0**	3,359.6
Total equity and liabilities	**4,956.0**	5,316.4
Capital base	**951.9**	1,053.1

4. Condensed cash flow statement

(x € million)

	Full year 2014	Full year 2013
Net result for the period	**-106.9**	47.1
Adjustments for:		
- Taxation	**-15.5**	5.8
- Depreciation and amortisation	**82.8**	88.5
- Impairment of property, plant and equipment	**1.2**	0.5
- Impairment of intangible assets	**0.5**	-
- Property impairment	**54.5**	35.9
- Impairment long term receivables property	**11.4**	5.6
- Share in impairments associates and joint ventures	**48.2**	-12.0
- Result on sale of PPP projects	**-24.5**	-8.8
- Result on sale of property, plant and equipment	**-5.5**	-2.8
- Result from associates and joint ventures	**-18.5**	-13.1
- Result discontinued operations	**-**	-8.5
- Result on sale of subsidiaries	**-1.2**	-
- Finance income and expense	**-12.1**	-3.4
Changes in provisions	**-11.7**	-82.9
Changes in working capital (excl. net cash position)	**189.6**	-148.0
Cash flow from operations	**192.3**	-96.1
Interest paid	**-47.0**	-58.5
Income tax paid	**-10.3**	-6.4
Net cash flow from ordinary operations	**135.0**	-161.0
Investment ppp-receivables	**-248.7**	-262.9
Repayments ppp-receivables	**33.0**	126.4
Net cash flow from operating activities	**-80.7**	-297.5
Investment fixed assets	**-140.9**	-116.5
Divestment fixed assets	**83.9**	56.4
Sale PPP projects	**108.9**	49.0
Sale of subsidiaries	**10.2**	-
Received interest	**46.2**	45.1
Received dividend	**11.5**	13.0
Other investment activities	**-0.7**	-1.7
Net cash flow from investing activities	**119.1**	45.3
Share issue	**-**	84.5
New long-term loans	**318.5**	464.6
Redemption long-term loans	**-275.3**	-277.5
Paid dividend (incl. non-controlling interest)	**-8.4**	-10.4
Other financing activities	**-**	0.2
Net cash flow from financing activities	**34.8**	261.4
Increase/decrease in net cash position	**73.2**	9.2
Net cash position at beginning of the year	**548.1**	552.4
Change net-liquidities assets and liabilities held for sale	**-5.7**	-10.0
Exchange rate differences on net cash position	**8.7**	-3.5
Net cash position at period-end	**624.3**	548.1
Cash position	**624.3**	548.2
Bank overdrafts	**-**	-0.1
Net cash position at period-end	**624.3**	548.1
Of which in construction consortiums and other partnerships	**163.2**	132.0

5. Consolidated statement of equity

(x € million)

	Full year 2014	Full year 2013
Position as at 1 January	**932.7**	732.2
Net result for the period	**-106.9**	47.1
Fair value cash flow hedges	**37.6**	55.2
Actuarial gains and losses pensions	**-49.5**	37.8
Exchange rate differences	**25.3**	-11.6
Total comprehensive income	**-93.5**	128.5
Equity issue	**-**	84.5
Dividend paid	**-8.3**	-10.3
Other changes	**-0.2**	-2.2
Total change	**-102.0**	200.5
Position as at period-end	**830.7**	932.7

6. Statement by sector

(x € million)

	Full year 2014		Full year 2013	
Results and revenue	**Revenue**	**Result**	Revenue	Result
Construction and M&E services	**3,016**	**-5.5**	3,078	23.0
Civil engineering	**3,949**	**14.2**	3,970	61.4
Property	**477**	**19.6**	236	-15.1
Public Private Partnerships (PPP)	**258**	**38.6**	288	14.4
Eliminations and miscellaneous	**-386**	**1.4**	-530	-1.5
Total for continuing sectors	**7,314**	**68.3**	7,042	82.2
Group overhead		**-0.6**		-1.2
Group interest charge		**-5.5**		-5.8
Adjusted result before tax		**62.2**		75.2
Restructuring		**-68.8**		-25.4
Impairment		**-115.9**		-30.0
Pension one off		**-**		24.6
Income tax		**15.5**		-5.8
Net result		**-106.9**		38.6
Net result from discontinued operations		**-**		8.5
Net result for the period		**-106.9**		47.1
Non-controlling interest		**-1.3**		-0.9
Net result attributable to shareholders		**-108.2**		46.2

7. Figures per ordinary share with par value of €0.10

(x €1, unless indicated otherwise)

	Full year 2014	Full year 2013
Net result attributable to shareholders	**-0.40**	0.19
Net result attributable to shareholders (fully diluted)	**-0.40**	0.19
Cash flow (net result + depreciation + impairments)	**0.33**	0.67
Equity attributable to shareholders	**3.05**	3.45
Highest closing share price	**4.50**	4.73
Lowest closing share price	**1.65**	2.99
Closing share price at period-end	**2.58**	3.78
Number of shares ranking for dividend (x 1,000)	**270,999**	269,424
Average number of shares ranking for dividend (x1,000)	**270,395**	245,952

8. Explanatory notes

The financial summaries on pages 11 to 14 inclusive are drawn from the consolidated financial statements of Royal BAM Group nv for 2014. The financial summaries must be read in conjunction with the consolidated financial statements from which they are derived. The financial statements will be available on the company's website (www.bam.eu) in digital format by 11 March 2015 at the latest.