

Press release

Boskalis and Smit announce merger

Papendrecht, Rotterdam
12 November 2009

- **Merger creates world class maritime service provider**
- **Continuity of Smit strategy and its four divisions secured**
- **Intended cash offer of EUR 60 per Smit share**

Royal Boskalis Westminster N.V. (**Boskalis**) and Smit Internationale N.V. (**Smit**) have in principle reached agreement on a full merger of the two companies, whereby all the activities of Smit will be continued in the combined company (**the Group**). Boskalis and Smit aim to reach a transaction through a public offer of EUR 60 in cash by Boskalis for all outstanding shares in Smit (**the Offer**).

The business combination will create a world class maritime service provider offering an excellent platform for further growth. Boskalis and Smit have agreed that the existing business plans will serve as the basis for the further expansion of the Group and that further growth and development of all current activities will be supported.

In view of the strong reputational and brand value, the activities of Smit will be continued under the Smit name operating out of the current head office in Rotterdam.

The terminals activities of Smit and Boskalis' associate Lamnalco will be integrated thereby creating the best positioned global leader in the maritime oil and gas terminal arena. These activities being part of the Group including Harbour Towage will create synergies in the area of exchanges, procurement and crewing of vessels.

Peter Berdowski, CEO Boskalis

"I am very enthusiastic about this merger. Combining our companies creates a Dutch maritime player of a global scale. The merger fits excellently with our strategy aimed at reinforcing and expanding our maritime services. I see significant opportunities for synergies between our companies complemented with a close competence and cultural fit. I support the strategy of Smit, which aligns and complements well with our strategy. Moreover, the merger offers an excellent platform for the further growth of our combined activities."

Ben Vree, CEO Smit

"Our discussions and shared vision have also made me enthusiastic for this merger. We are very thrilled with the support from Boskalis for the Smit strategy and its four divisions. This is a good basis for the further development of our combined activities. We have a clear agreement regarding the continuity of Smit's identity and its strategy thereby securing the continuity of Smit's activities. This merger offers an excellent opportunity for Smit."

Boskalis and Smit are of the opinion that the intended merger is in the best interest of both companies. The strategic rationale of the transaction is supported by the Board of Management and Supervisory Board of both Boskalis and Smit. In light of the recent nature of discussions, the Board of Management and Supervisory Board of Smit will take a view on the level of the intended Offer at a later date. The Board of Management and Supervisory Board will review the level of the Offer in light of the current situation. The Supervisory Board has appointed RBS as its financial advisor.

The large shareholders in Smit, Delta Lloyd Groep and Janivo Beleggingen have already confirmed an irrevocable undertaking to support and accept the intended offer, subject to customary offer conditions. Together with Boskalis' own shareholding in Smit, this accounts for approximately 44% of the outstanding shares in Smit.

Any direct implications for the workforce will be limited as a consequence of the complementary nature of the merger. Boskalis and Smit will make best efforts to avoid any forced redundancies. Looking ahead, the merger will lead to a stronger company with more opportunities for the personal development of its employees.

Ben Vree, CEO of Smit will become a member of the Board of Management of the Group. Smit will also have a representative within the Supervisory Board of the new combination. In its new composition the Supervisory Board will in part ensure the agreements regarding the further growth and development of the Group activities are met.

Boskalis and Smit strive to sign a merger protocol shortly and to obtain all the necessary approvals and statements from regulators and competition authorities as soon as possible and to complete the required recommendation and consultation procedures with the workers council and unions before launching a formal Offer. The transaction is expected to be fully completed in the first half of 2010. The completion is subject to satisfying a number of customary conditions (including approval from the competition authorities and complete the above mentioned recommendation and consultation procedures).

The intended capital structure of the Group will continue to be strong. The financing of the Offer will consist of a combination of senior debt and approximately €300 million of equity / junior debt. Part of the financing is expected to include the issuance of €200 million new Boskalis shares. share issue will be supported by HAL Investments, as large shareholder in Boskalis, has indicated that they will partake in the share issue.

<p>At 12:00 today, a press conference will be held in Amsterdam. Interested parties from the press can register with CFF Event Management: eventmanagement@citigateff.nl / 020 - 5754028</p>

This is a joint announcement by Royal Boskalis Westminster N.V. and Smit Internationale N.V., as referred to in Section 5:25i paragraph 2 of the Dutch Financial Supervision Act (Wet op het Financieel Toezicht) and Section 5 paragraph 1 of the Public Offers Decree (Besluit Openbare Biedingen Wft). This announcement does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities in Smit Internationale N.V.

This is an English translation of the Dutch press release. In the event of any disparity between the Dutch original and this translation, the Dutch text will prevail.

Profile:

Royal Boskalis Westminster N.V. is a leading global services provider operating in the dredging, maritime infrastructure and maritime services sectors. Boskalis provides creative and innovative all-round solutions to infrastructural challenges in the maritime, coastal and delta regions of the world including the construction and maintenance of ports and waterways, land reclamation, coastal defense and riverbank protection. The company holds important home market positions in and outside of Europe and targets all market segments in the dredging industry. It also has positions in strategic partnerships in the Middle East (Archirodon) and in offshore services (Lamnalco). Boskalis has a versatile fleet of over 300 units and operates in over 50 countries across five continents. Including its share in partnerships, Boskalis has approximately 10,000 employees.

SMIT has a proud tradition of nearly 170 years of service in the maritime sector. The company has earned an excellent reputation by combining expertise and experience with high-quality materials and equipment in the nearly 50 locations around the world where SMIT is active. SMIT aims to provide its worldwide services in the main to shipping companies, producers in the oil and LNG industries, (offshore) construction companies, insurers, governments and shipyards. SMIT maintains the highest standards in respect of Safety, Health, the protection of the Environment and Quality.

SMIT's services are organised into four Divisions:

- **Harbour Towing:** harbour towing services and related maritime services.
- **Terminals:** towage services and related maritime and management services to offshore and onshore terminals.
- **Salvage:** salvage, wreck removal, environmental protection and consultancy.
- **Transport & Heavy Lift:** chartering, barge rental & transport, ocean, coastal and river towage, heavy lifting and marine support to a variety of civil and offshore projects and subsea services.

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