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press release

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Boskalis: 2007 was another peak year, outlook 2008 positive

Highlights 2007:

- **Net profit €204.4 million (+75%)**
- **Turnover €1,869 million (+38%)**
- **Record order book €3.6 billion (+40%)**
- **High fleet utilization, higher margins**
- **Earnings per share €2.38, dividend per share €1.19**

Outlook 2008

- **High turnover, high equipment utilization, healthy operating margins**

In 2007, Royal Boskalis Westminster realized a net profit of € 204.4 million, up 75% on 2006. Turnover rose 38% compared to 2006 to € 1,869 million. Growth was geographically widespread and across all market segments. Thanks to its selective contracting policy, Boskalis mainly worked on high-quality projects that generated healthy margins. Despite the high turnover level, a strong intake of new orders worth € 2.9 billion lifted the order book to an all-time high of € 3.6 billion. The outlook for 2008 is also positive.

Peter Berdowski, Boskalis CEO:

“2007 was an absolute stellar year. We benefited from the strong market demand. In addition, our strategy focused on selective contracting has enabled us to work on a number of particularly attractive projects that generated extra margins. For 2008 I expect again a high turnover level, a fully occupied fleet and healthy operating margins.”

Positive market developments in 2007

The upturn in the global dredging market that commenced in 2005 continued more pronouncedly in 2007. On almost all continents and in all sectors of relevance to us, demand for hydraulic engineering grew sharply over the past year.

The global dredging market is driven by long-term growth factors such as growth in world trade, the global population and energy consumption.

Container transportation by sea is showing strong growth, fuelled mainly by exports from China, which is developing its position more and more as the global production place. The demand for bulk materials such as iron ore and copper is increasing, also particularly from China, which means bulk transportation by sea is growing. Therefore, ports are deepened and expanded to absorb this growth.

Besides this, global urbanization is rapidly increasing due to both population growth and migration to cities in predominantly coastal areas, which as a result get overpopulated. This drives the demand for new land in sea, generating large-scale projects for the dredging industry.

Demand for energy also continues to grow steadily, prompting the oil and gas sector to develop new fields, often offshore. The dredging industry is part of these developments with the construction of new LNG ports, reclamation of new land for LNG plants and offshore pipeline protection.

Both the spread of our organization's operations around the world and the selective contracting policy we have pursued since 2005 enabled us to take maximum advantage of these positive developments. Boskalis was able to acquire new contracts for the record amount of €2,887 million.

Dividend

A proposal will be submitted to the Annual General Meeting of Shareholders on May 15, 2008 for a dividend, in line with the company's dividend policy, of €1.19 per share (pay-out 50%), to be paid in cash. The dividend will be payable from May 27, 2008 on.

Prospects for the coming year

2008 is expected to be another year with high turnover and equipment utilization and healthy operating margins. It is not yet possible to make firm statements about the net result expected for 2008.

Key figures (in millions of euros)	<u>2007</u>	<u>2006</u>
Turnover	1,869	1,354
Operating result	245.5	150.3
Net profit	204.4	116.6
Profit per share (in euros)	2.38	1.36

	<u>December 31, 2007</u>	<u>December 31, 2006</u>
Orderbook	3,562	2,543
Solvency	35.3%	39.4%

For more details and explanatory notes please see the following pages.

Financial agenda 2008

early April	Publication annual report 2007
May 15	Annual General Meeting of Shareholders
May 19	Share goes ex-dividend
May 21	Record date for dividend entitlement
May 27	Dividend for 2007 becomes payable
August 21	Announcement half year results 2008

Royal Boskalis Westminster nv is an international group with a leading position in the world market for dredging services. Its core activities are 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 8,500 employees.

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This press release can also be found on our website www.boskalis.com.

Operational and financial developments

Turnover by segments (in millions of euros)	<u>2007</u>	<u>2006</u>
Home markets in Europe	445	396
Home markets outside Europe	55	132
International projects ("hit and run")	942	544
Specialist niche markets	<u>187</u>	<u>98</u>
Total Dredging and Earthmoving	1,629	1,170
Maritime Infrastructure	188	141
Maritime and Terminal services	<u>52</u>	<u>43</u>
Group	<u>1,869</u>	<u>1,354</u>

Turnover by region (in millions of euros)	<u>2007</u>	<u>2006</u>
Netherlands	240	230
Rest of Europe	340	271
Australia / Asia	224	173
Middle East	788	402
Africa	145	120
North and South America	<u>132</u>	<u>158</u>
Group	<u>1,869</u>	<u>1,354</u>

Orderbook by segments (in millions of euros)	<u>31 December 2007</u>	<u>31 December 2006</u>
Home markets in Europe	543	363
Home markets outside Europe	76	24
International projects ("hit and run")	1,954	1,537
Specialist niche markets	<u>121</u>	<u>96</u>
Total Dredging and Earthmoving	2,694	2,020
Maritime Infrastructure	649	344
Maritime and Terminal services	<u>219</u>	<u>179</u>
Group	<u>3,562</u>	<u>2,543</u>

Turnover

In the year under review, turnover amounted to € 1,869 million (2006: € 1,354 million). This 38% rise was spread widely across the segments: Dredging and Earthmoving (+39%), Maritime Infrastructure (+33%) and Maritime and Terminal Services (+21%).

Dredging and Earthmoving - Home markets (turnover € 500 million)

Turnover in the home markets equaled € 500 million (2006: € 528 million). In Europe, turnover rose on a wide front in the Netherlands, Scandinavia and the United Kingdom. Outside Europe, turnover was lower in Nigeria and Mexico, as well as in the United States, where we ended our cooperation with a local partner mid 2007.

The turnover achieved in large-scale international projects meant that the share of the home markets in overall turnover fell to 27% (2006: 39%). The Boskalis home markets are:

The Netherlands	Nigeria
Northwestern Europe (Germany, United Kingdom, Nordic)	Mexico
	United States

Dredging and Earthmoving - International projects market (turnover € 942 million)

On the international projects market, turnover from dredging rose to €942 million (2006: €544 million). While the activities were geographically widespread, growth was mainly achieved in the Middle East, where expansion of the Ras Laffan LNG harbor in Qatar generated turnover of around €400 million (2006: about €100 million). The majority of turnover was related to the construction of breakwaters and concerned non-dredging works. In addition to the numerous small and medium-sized projects that Boskalis undertook on every continent, it was also involved in major dredging projects in Brazil, Russia, Bahrain and Angola.

Dredging and Earthmoving - Specialist niche markets (turnover € 187 million)

Turnover from specialist offshore services for the oil and gas industry rose to €187 million (2006: €98 million). These activities consisted mainly of the construction and protection of offshore oil and gas pipelines in countries including Taiwan, Thailand, India and Russia, and in the North Sea.

Maritime Infrastructure (turnover € 188 million)

Turnover from Maritime Infrastructure - mainly generated in the Middle East by our 40%-owned affiliate Archirodon - equaled €188 million (2006: €141 million). Archirodon focuses mainly on specialist projects that generate attractive margins.

Maritime and Terminal Services (turnover € 52 million)

Energy-driven turnover from maritime service provider Lamnalco continued to grow in the past year. Boskalis' 50% share in turnover amounted to €52 million (2006: €43 million).

Order book

The high order intake in 2007 (€2,887 million) involved many projects and was spread broadly across the world and the various market segments. The order book grew to a record level of €3,562 million (year end 2006: €2,543 million). Growth was particularly strong in the Dredging and Earthmoving and Maritime Infrastructure segments.

Noteworthy new dredging orders included Port Khalifa in Abu Dhabi (together with our affiliate Archirodon), a new part of the St. Petersburg Flood Protection Barrier in Russia, the Port of Melbourne and Pluto LNG (both in Australia), PPC Container Terminal in Panama, Soyo LNG in Angola, Godavari Krishna in India, Brass LNG in Nigeria, and Harderwijk Waterfront in the Netherlands. In addition, the Port Authority of Rotterdam announced in December its intention to award a contract for construction work on Maasvlakte 2 to the consortium in which Boskalis has a 50% interest. The contract was signed at the end of February 2008.

Archirodon (Maritime Infrastructure segment) also took on a great deal of work and Boskalis' 40% share in the order book rose to €649 million (year end 2006: €344 million). A key order was the Port Khalifa harbor project in Abu Dhabi.

The supply of new work also grew at Lamnalco, which executes long-term oil and gas contracts in the Maritime and Terminal Services segment. Boskalis' 50% share in the order book rose to €219 million (year end 2006: €179 million). Lamnalco won new contracts mainly in West Africa and the Middle East.

The order book includes an amount of €231 million for land reclamation work that has yet to be carried out in Singapore (year end 2006: €271 million). The timing of full resumption of this work is still uncertain due to the unclear sand supply situation.

Results

Net profit rose to €204.4 million (2006: €116.6 million). Group earnings before the result of associated companies, interest, taxes, depreciation and amortization (EBITDA) rose to €348.1 million (2006: €236.8 million), largely on the back of higher turnover and good margins in our key Dredging and Earthmoving activities.

A higher profit contribution from our Dredging and Earthmoving segment was a major factor in the increase in earnings. In addition, Maritime Infrastructure and Maritime and Terminal Services also increased their contributions to earnings:

Results by segment (in millions of euros)

	2007	2006
Dredging and Earthmoving	226.6	135.2
Maritime Infrastructure	15.9	11.7
Maritime and Terminal Services	10.8	9.6
Non-allocated group costs	<u>- 7.8</u>	<u>- 6.2</u>
EBIT (operating result)	245.5	150.3

Dredging and Earthmoving

The result in this segment rose to €226.6 million (2006: €135.2 million), with the rise mainly due to underlying growth in turnover and good operating margins. In addition, various attractive projects achieved above-average margins.

The sharp rise in turnover was achieved with a high rate of equipment utilization. The average utilization rate of the hopper fleet hit a historic high of 44 weeks on an annual basis (2006: 43 weeks). After a relatively weak first half of the year, utilization of the cutter fleet was strong in the second half, resulting in an average utilization rate of 33 weeks (2006: 34 weeks).

Since the collision in March 2007, the mega hopper WD Fairway has not been deployed and is therefore no longer included in utilization reporting.

Maritime Infrastructure

The result from the Maritime Infrastructure segment (40% stake in Archirodon) rose to €15.9 million (2006: €11.7 million), in line with the rise in turnover. Despite sharp rises in the costs of personnel, building materials and subcontractors in the Middle East, the margin remained at a good level. This was due to Archirodon's selective contracting policy and good project execution.

Maritime and Terminal Services

The result in this segment (50% stake in Lamnalco) grew to €10.8 million (2006: €9.6 million), largely due to increased turnover and the strong operational performance also achieved in this segment.

Other

Depreciation amounted to €102.5 million, compared to €86.6 million in 2006. The rise was largely the result of higher depreciation costs for project-related equipment which has relatively short depreciation periods.

The result from associated companies rose to €7.5 million (2006: €2.8 million), mainly due to the one-off effect in the first half of the year of the termination of our partnership in the United States.

The higher result led to an increase in taxes to €43.3 million (2006: €35.3 million). The tax rate fell to 17.3% (2006: 23.2%), mainly due to the impact in the first half of the year of favorable settlements of various foreign tax returns.

The return on equity was 29.5% (2006: 20.1%).

Capital expenditure and balance sheet

Net investments amounted to €249 million. While this also included investment in small equipment and modifications for specific projects and general application, it mainly concerned the construction of the jumbo cutter Phoenix, the mid-section for the extension of the jumbo hopper Queen of the Netherlands, the construction of a number of new hoppers and the purchase of the backhoe Wodan. To take advantage of the strong market growth in

the Maritime and Terminal Services segment, Lamnalco executes an ambitious expansion plan and it invested again in several ships in 2007.

As a result of the further implementation of the long-term investment program, capital commitments rose to €360 million as at December 31, 2007.

The cash flow rose to €310 million (2006: €204 million).

Despite the relatively high level of investment and the distribution of an amount of €58 million as dividend for the 2006 financial year, the cash position rose to €352 million (year end 2006: €216 million) as a result of the sharp rise in cash flow and improved working capital position. In the year under review an initial amount of €40 million related to the damage to the WD Fairway was received from insurers. Of the cash position, €198 million was freely available (year end 2006: €110 million) and €154 million was tied up in associated companies and projects being executed with third-parties (year end 2006: €106 million).

The strong rise in turnover resulted in a considerable increase in the balance sheet total. As a result, solvency declined to 35.3% as at December 31, 2007 (2006: 39.4%).

Post balance sheet events

In february 2008 Boskalis and the Saudi Rezayat Group, as shareholders of Lamnalco, issued a bid of US\$ 300 million for the Terminals division of Smit Internationale nv. Smit has rejected this bid. The shareholders of Lamnalco remain convinced of the advantages of a merger of the mutual terminals businesses.

In March 2008 Boskalis reached agreement with all insurers on the compensation for the damage to the WD Fairway. The insurers have decided that there is a constructive total loss and they compensate Boskalis for a total amount of €167 million of which €40 million was already received in 2007. The financial settlement will lead to a positive result for Boskalis of approximately €100 million before taxation, that will be recognized in the results in 2008.

Summarized profit and loss account	2007	2006
(in millions of euros)		
Turnover	1,868.5	1,353.6
Other operating revenue	<u>8.5</u>	<u>12.5</u>
Total operating revenue	1,877.0	1,366.1
Operational costs	(1,529.0)	(1,129.2)
Depreciation	(<u>102.5</u>)	(<u>86.6</u>)
Total operating costs	(1,631.5)	(1,215.8)
Operating result	<u>245.5</u>	<u>150.3</u>
Net interest income and expenses	(2.6)	(0.7)
Result associated companies	<u>7.5</u>	<u>2.8</u>
Profit before taxation	<u>250.4</u>	<u>152.4</u>
Taxation	(43.3)	(35.3)
Net group profit	<u>207.1</u>	<u>117.1</u>
Profit attributable to minority interests	(2.7)	(0.5)
Profit attributable to shareholders	<u>204.4</u>	<u>116.6</u>
Profit per share (in euros)	2.38	1.36
Diluted profit per share (in euros)	2.38	1.36
Average number of outstanding shares (x 1,000)	85,799	85,799
EBITDA	348.1	236.8

Consolidated statement of recognized income and expense

(in millions of euros)	2007	2006
Results recognized directly in group equity (after taxation)		
Currency translation differences on foreign operations	(12.3)	(14.3)
Actuarial gains and losses and asset limitation on defined benefit pension schemes	(1.9)	(5.4)
Movement in fair value effective cash flow hedges	<u>18.1</u>	<u>9.9</u>
	3.9	(9.8)
Net group profit	<u>207.1</u>	<u>117.1</u>
Total recognized income and expense for the year	<u>211.0</u>	<u>107.3</u>
Total recognized income and expense for the year attributable to:		
Shareholders	207.8	107.3
Minority interests	<u>3.2</u>	<u>—</u>
	<u>211.0</u>	<u>107.3</u>

Summarized consolidated balance sheet (before profit appropriation) (in millions of euros)	31 December 2007	31 December 2006
Intangible assets	3.5	2.2
Tangible fixed assets	857.4	721.9
Financial fixed assets	<u>17.6</u>	<u>20.7</u>
Fixed assets	<u>878.5</u>	<u>744.8</u>
Inventory and receivables	969.7	623.3
Cash and cash equivalents	<u>351.9</u>	<u>215.8</u>
Current assets	<u>1,321.6</u>	<u>839.1</u>
Total assets	<u><u>2,200.1</u></u>	<u><u>1,583.9</u></u>
Shareholders' equity	768.1	618.6
Minority interests	<u>8.7</u>	<u>6.0</u>
Group equity	<u>776.8</u>	<u>624.6</u>
Long-term loans	59.4	47.5
Long-term liabilities and provisions	54.5	70.6
Short-term liabilities and provisions	<u>1,309.4</u>	<u>841.2</u>
Group equity and liabilities	<u><u>2,200.1</u></u>	<u><u>1,583.9</u></u>
Solvency	35.3%	39.4%
 Summarized cash flow statement (in millions of euros)	 2007	 2006
Net group profit	207.1	117.1
Depreciation	<u>102.5</u>	<u>86.6</u>
Cash flow	309.6	203.7
Movement in non-cash items (interest, taxation, book results, results associated companies)	29.8	21.9
Movement in other financial assets	1.6	0.4
Movement in long-term liabilities and provisions (including direct equity movements)	5.7	1.3
Movement in working capital (including inventory, excluding taxation and interest)	88.3	(37.2)
Interest received and paid	(2.6)	(0.7)
Income taxes paid	(<u>15.8</u>)	(<u>12.5</u>)
Net cash from operational activities	<u>416.6</u>	<u>176.1</u>
Net investments in tangible fixed assets	(242.1)	(153.8)
Net payment and withdrawal associated companies	0.7	0.9
Dividends received	<u>6.2</u>	<u>6.1</u>
Net cash used in investing activities	(<u>235.2</u>)	(<u>146.8</u>)
Proceeds from loans	34.0	65.9
Repayment of loans	(10.2)	(46.9)
Dividends paid	(<u>58.3</u>)	(<u>31.5</u>)
Net cash used in financing activities	(<u>34.5</u>)	(<u>12.5</u>)
Net increase / (decrease) in cash and cash equivalents	<u><u>146.9</u></u>	<u><u>16.8</u></u>
Net cash and cash equivalents as at 1 January	206.1	191.9
Movement in net cash and cash equivalents (including currency translation differences)	<u>144.3</u>	<u>14.2</u>
Net cash and cash equivalents as at 31 December	<u><u>350.4</u></u>	<u><u>206.1</u></u>

Summarized equity movement statement (in millions of euros)	2007			2006		
	Shareholders' equity	Minority interests	Group equity	Shareholders' equity	Minority interests	Group equity
Group equity as at 31 December previous year	618.6	6.0	624.6	542.8	6.3	549.1
Cash dividend previous book year	(58.3)	(0.5)	(58.8)	(31.5)	(0.3)	(31.8)
Group equity after dividend payment	560.3	5.5	565.8	511.3	6.0	517.3
Net group profit	204.4	2.7	207.1	116.6	0.5	117.1
Currency translation differences	(12.8)	0.5	(12.3)	(13.8)	(0.5)	(14.3)
Actuarial gains and losses on defined benefit pension schemes	(1.9)	—	(1.9)	(5.4)	—	(5.4)
Movement in fair value of cash flow hedges	18.1	—	18.1	9.9	—	9.9
Total result	207.8	3.2	211.0	107.3	—	107.3
Group equity as at 31 December	768.1	8.7	776.8	618.6	6.0	624.6

Company segments (in millions of euros)

	Dredging and Earth-moving	Maritime infrastructure	Maritime and Terminal services	Group
2007				
Turnover	1,628.8	187.4	52.3	1,868.5
Segment result	226.6	15.9	10.8	253.3
Non-allocated group costs				(7.8)
Operating result				245.5
Result associated companies	6.1	—	1.4	7.5
Non-allocated interest				(2.6)
Non-allocated taxes				(43.3)
Net group profit				207.1
2006				
Turnover	1,170.4	140.6	42.6	1,353.6
Segment result	135.2	11.7	9.6	156.5
Non-allocated group costs				(6.2)
Operating result				150.3
Result associated companies	0.6	—	2.2	2.8
Non-allocated interest				(0.7)
Non-allocated taxes				(35.3)
Net group profit				117.1

Reporting principles

Royal Boskalis Westminster nv draws up its financial reports in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union. These reporting principles are applied throughout the group.

Dividend payments to the shareholders of Royal Boskalis Westminster nv

During 2007, a cash dividend was distributed for the 2006 financial year of €0.68 per share (2006: cash dividend of €0.37).

Commitments and contingent liabilities

The total for outstanding guarantees, mainly relating to projects in progress, was €747 million as at December 31, 2007 (December 31, 2006: €635 million). Investment commitments increased in 2007 by €233 million to €360 million (year end 2006: €127 million). There were no substantial changes compared with 31 December 2006 in the other commitments and contingent liabilities.

This press release is based on the prepared financial statements on 2007 to be adopted by the Annual General Meeting of Shareholders, which have not yet been published under statutory provisions. The external auditor has issued an unqualified auditors' report on the prepared financial statements on 2007.

Papendrecht, The Netherlands, March 18, 2008
Board of Management