Boskalis
Dredging & Marine Experts

HALF YEAR
REPORT 2012

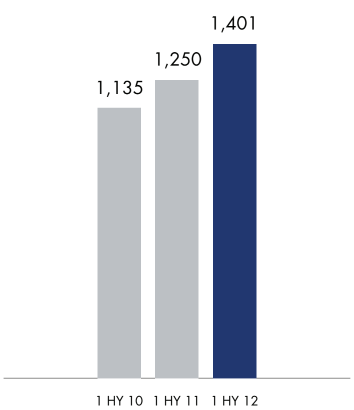
HALF YEAR REPORT 2012

KEY FIGURES

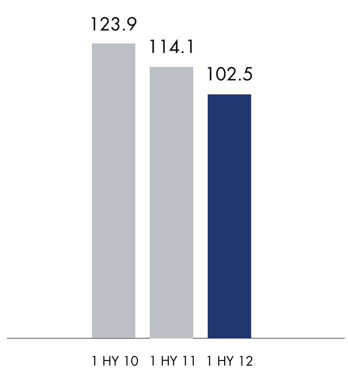
KEY FIGURES	1ST HY 2012	1ST HY 2011
(in millions of euros)		
Revenue	**1,401**	1,250
EBITDA	**255.0**	276.8
Operating result (EBIT)	**145.8**	162.9
Result from associates	**1.3**	0.7
Net profit	**102.5**	114.1
Earnings per share (in euros)	**0.99**	1.13

	End 1ST HY 2012	31 DEC 2011
Order book	**3,753**	3,489

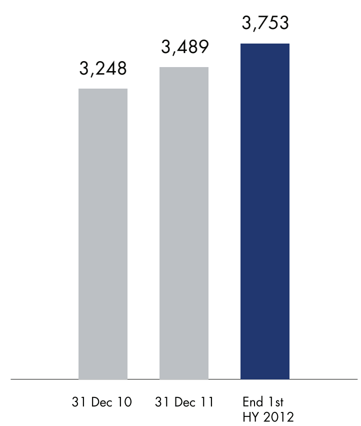
REVENUE (in millions of euros)



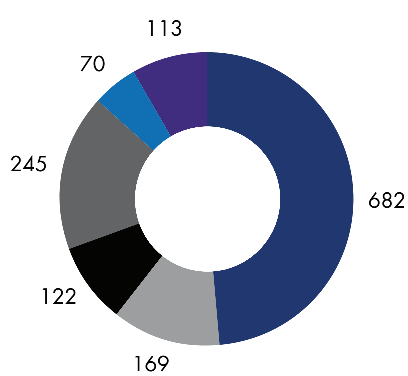
NET PROFIT (in millions of euros)



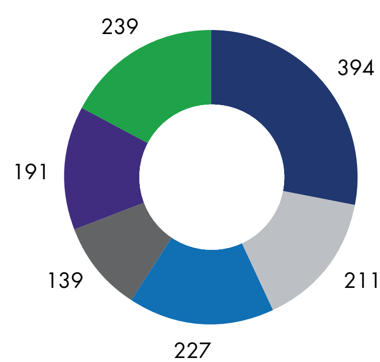
ORDER BOOK (in millions of euros)



REVENUE BY SEGMENT (in millions of euros)



REVENUE BY GEOGRAPHICAL AREA (in millions of euros)



REVENUE BY SEGMENT	1ST HY 2012	1ST HY 2011
(in millions of euros)		
Dredging	**682**	771
Dry Infrastructure	**169**	-
Harbour Towage	**122**	111
Salvage, Transport & Heavy Lift	**245**	182
Terminal Services	**70**	79
Maritime Infrastructure	**113**	104
Non-allocated group revenue	**–**	3
Total	**1,401**	1,250

REVENUE BY GEOGRAPHICAL AREA	1ST HY 2012	1ST HY 2011
(in millions of euros)		
The Netherlands	**394**	297
Rest of Europe	**211**	220
Australia / Asia	**227**	292
Middle East	**139**	129
Africa	**191**	164
North and South America	**239**	148
Total	**1,401**	1,250

HALF YEAR REPORT 2012

This half year report contains forward-looking statements. These statements are based on current expectations, estimates and projections of Boskalis' management and information currently available to the company. These forecasts are not certain and contain elements of risk that are difficult to predict and therefore Boskalis does not guarantee that its expectations will be realized. Boskalis has no obligation to update the statements contained in this half year report. Unless stated otherwise, all amounts in this half year report are in euros (EUR). Some of the projects referred to in this report were carried out in joint venture or in a subcontractor role. This is an English translation of the Dutch half year report. In the event of any disparity between the Dutch original and this translation, the Dutch text will prevail. This half year report as well as the Annual Report 2011 can be read on www.boskalis.com.

Diving support vessel Constructor carries out inspection, repair and maintenance work on the North Sea

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CHAIRMAN'S STATEMENT

"In the prevailing market we had a fine performance in the first half of the year with record revenue and an all time high order book. In addition, the utilization level of the dredging fleet was good. We are clearly reaping the benefits of the addition of SMIT – both in terms of the financial contribution and with respect to new market initiatives, particularly in the field of Offshore Energy.

For the remainder of the year our well-filled order book bodes well for the utilization of the vessels. Market conditions are not expected to change substantially in the short term. We see opportunities particularly in the offshore energy market and in port developments."

Peter Berdowski, CEO

Royal Boskalis Westminster N.V. reported a 12% increase in revenue in the first half of the year to EUR 1.4 billion (first half of 2011: EUR 1.25 billion). Net profit declined to EUR 102.5 million (first half of 2011: EUR 114.1 million). Compared to year-end 2011 the order book increased and stood at EUR 3,753 million (end-2011: EUR 3,489 million).

The first half year EBITDA amounted to EUR 255 million and the operating result (EBIT) equaled EUR 146 million (first half of 2011: EBITDA: EUR 277 million, EBIT: EUR 163 million). The decline was largely due to lower results at the Dredging, Maritime Infrastructure and Dry Infrastructure segments. Conversely, Harbour Towage and Salvage, Transport & Heavy Lift had a good first half of the year with a high level of activity and a rise in operating result.

MARKET DEVELOPMENTS

The markets in which Boskalis operates are driven in the long term by growth in global trade, energy consumption and the world's population, as well as by the effects of climate change. In various regions around the world and in different market segments we are currently seeing clients develop initiatives for new infrastructure projects. This applies particularly to energy and commodity-related projects in South America, West Africa and Australasia, and to port developments outside of Europe.

Developments in the offshore energy market are important for a substantial part of our business. Following on from demand for and the construction of new oil and LNG import en export terminals, the terminal activities (Smit Lamnalco) are expected to grow. In addition, developments at Transport, Heavy Lift and Subsea largely depend on an upturn in demand from energy markets, in particular from the offshore energy market in Northwest Europe, Brazil and Southeast Asia.


Trailing suction hopper dredger Oranje during the construction of Maasvlakte II

OPERATIONAL AND FINANCIAL PERFORMANCE

HIGHLIGHTS FIRST HALF YEAR 2012

- Record revenue of EUR 1.4 billion
- EBITDA of EUR 255 million
- Net profit of EUR 102.5 million
- Record order book of EUR 3.75 billion

OUTLOOK FOR 2012

- Stable market conditions
- Expected net profit 2012 of EUR 210 – 230 million

ROYAL BOSKALIS WESTMINSTER N.V.

REVENUE

In the first half of the year revenue increased by 12% to EUR 1.4 billion (first half of 2011: EUR 1.25 billion). The increase was partly attributable to the acquisition of MNO Vervat's dry infrastructure activities at the end of 2011, and was also due to a strong half year for Harbour Towage and Salvage, Transport & Heavy Lift. Revenue from Dredging was down slightly as a result of lower revenue from the international project market. Revenue from Terminal Services decreased due to the sale of SMIT's terminal activities to Lamnalco. Organic revenue growth for the group was 5%.

BY SEGMENT	1ST HY 2012	1ST HY 2011
(in EUR million)		
Dredging	**682**	771
Dry Infrastructure	**169**	54
Harbour Towage	**122**	111
Salvage, Transport & Heavy Lift	**245**	182
Terminal Services	**70**	79
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Non-allocated group revenue	**–**	3
Total	**1,401**	1,250

BY GEOGRAPHICAL REGION	1ST HY 2012	1ST HY 2011
(in EUR million)		
The Netherlands	**394**	297
Rest of Europe	**211**	220
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Middle East	**139**	129
Africa	**191**	164
North and South America	**239**	148
Total	**1,401**	1,250

RESULT

The operating result (EBIT) equaled EUR 146 million in the first half of the year (first half of 2011: EUR 163 million).

SEGMENT RESULTS	1ST HY 2012	1ST HY 2011
(in EUR million)		
Dredging	**84.0**	105.8
Dry Infrastructure	**3.7**	6.8
Harbour Towage	**20.2**	16.4
Salvage, Transport & Heavy Lift	**38.9**	23.9
Terminal Services	**10.8**	10.4
Maritime Infrastructure	**7.1**	14.3
Non-allocated group costs	**-18.9**	-14.7
Total	**145.8**	162.9

The decline in operating result was mainly attributable to lower results in the Dredging, Maritime Infrastructure and Dry Infrastructure segments. Harbour Towage and Salvage, Transport & Heavy Lift, on the other hand, had a good first half of the year resulting in an increase of the operating result.

The operating result excluding the result of associated companies and before interest, tax, depreciation, amortization and impairments (EBITDA) totaled EUR 255 million (first half of 2011: EUR 277 million).

NET PROFIT

The operating result was EUR 145.8 million. Net of financing expenses of EUR 17.4 million and EUR 1.3 million in results from associated companies, pretax profit amounted to EUR 129.7 million. Net profit attributable to shareholders totaled EUR 102.5 million (first half of 2011: EUR 114.1 million).

ORDER BOOK

At the end of the first half of the year the order book stood at a historic high of EUR 3,753 million (end-2011: EUR 3,489 million). In the course of the first half of 2012 Boskalis acquired, on balance, EUR 1,544 million of new contracts, broadly spread around the world and across the various market segments. Demand for infrastructure from the offshore energy sector (wind, oil and gas) continues to be a key factor behind the influx of new orders.

ORDER BOOK	END 1ST HY 2012	31 DEC 2011
(in EUR million)		
Dredging	**1,681**	1,629
Dry Infrastructure	**651**	678
Harbour Towage	**–**	–
Salvage, Transport & Heavy Lift	**225**	182
Terminal Services	**602**	590
Maritime Infrastructure	**594**	410
Total	**3,753**	3,489

DREDGING

Construction and maintenance of ports and waterways, land reclamation, coastal defense and riverbank protection, offshore services for the oil and gas industry and underwater rock fragmentation.

	1ST HY 2012	1ST HY 2011	2011
(in EUR million)			
Revenue	**682**	717	1,696
Operating result	**84.0**	105.8	250.7
Order book	**1,681**	1,612	1,629

At the start of 2012 the Dredging & Earthmoving segment was split up to provide more insight into both of these sizeable activities. Based on the large differences in capital employed, the two segments also have different margin profiles. The dredging activities make up the Dredging segment while the dry earthmoving activities, along with the new road construction and concrete construction activities of MNO Vervat, comprise the new Dry Infrastructure segment.

REVENUE

Revenue in the Dredging segment amounted to EUR 682 million (first half of 2011: EUR 717 million).

REVENUE BY MARKET	1ST HY 2012	1ST HY 2011	2011
(in EUR million)			
European home markets	**186**	219	450
Non-European home markets	**101**	70	191
International projects	**305**	353	881
Specialist niche services	**90**	75	174
Total	**682**	717	1,696

HOME MARKETS

Revenue in the European home markets (the Netherlands, Germany, United Kingdom, Nordic countries) declined to EUR 186 million (first half of 2011: EUR 219 million). The drop was mainly attributable to a lower level of activity in the Netherlands. Projects that contributed to revenue in the Netherlands included the Maasvlakte 2 and coastal defense projects along the Wadden islands (Texel). In the other European home markets Boskalis worked on various port and waterway maintenance projects. Germany in particular experienced a busy first half of the year, mainly with regard to a number of maintenance projects.

Revenue in the non-European home markets (Nigeria and Mexico) rose to EUR 101 million (first half of 2011: EUR 70 million). In Mexico it was mainly the Cuyutlán project

New fallpipe vessel Rockpiper in operation on the North Sea

(LNG import terminal) and activities relating to the construction of a tunnel in Coatzacoalcos which contributed to revenue. Most of the growth was achieved in Nigeria, where the level of activity continues to be strong, with the main ongoing projects being the Gbaran-Ubie riverbank protection project, maintenance activities at a water station in Olero Creek and a land reclamation project at Onne Port. The growth prospects in Nigeria are good, although the general stability of the country remains an important point of attention for oil and gas companies when it comes to major investment decisions.

INTERNATIONAL PROJECT MARKET

Revenue from the international project market declined to EUR 305 million (first half of 2011: EUR 353 million). The projects in progress are widely spread across the market segments and the world, with the Gorgon (LNG project in Western Australia), Superporto do Açu (port development in Brazil) and Lelydorp (bauxite mining project in Suriname) projects making an important contribution to revenue.

SPECIALIST NICHE SERVICES

Revenue from specialist niche services amounted to EUR 90 million (first half of 2011: EUR 75 million). As in previous years Boskalis Offshore worked on the Nordstream project, while various projects using fallpipe vessels were carried out in Australasia, Brazil and Northwest Europe. A few cable-laying projects, particularly in Northwest Europe and South America, commenced. The new fallpipe vessel 'Rockpiper' was taken into service in April and has since been widely deployed in Northwest Europe.

FLEET DEVELOPMENTS

The utilization of the hopper fleet was strong in the first half of the year, achieving an effective annual utilization rate of 43 weeks (first half of 2011: 34 weeks). The effective annual utilization rate of the cutter fleet was 25 weeks (first half of 2011: 22 weeks).

SEGMENT RESULT

The operating result (EBIT) of the dredging segment totaled EUR 84.0 million (first half of 2011: EUR 105.8 million). Besides the lower revenue level, this development is largely attributable to the lower average project margin in line with the current market conditions which have been prevailing for quite some time.

ORDER BOOK

In the first half of the year Boskalis acquired, on balance, EUR 738 million worth of new contracts, resulting in a slight rise in the order book.

ORDER BOOK BY MARKET	END 1ST HY 2012	31 DEC 2011
(in EUR million)		
European home markets	**355**	416
Non-European home markets	**46**	108
International projects	**776**	815
Specialist niche services	**504**	290
Total	**1,681**	1,629

Construction of artificial island off Punta Pacifica in Panama

In the oil and gas market various notable projects were acquired. Several cable-laying projects and various stone-dumping orders were awarded in Northwest Europe for both oil and gas projects and wind farms. Furthermore the important Ichthys Offshore project was acquired in Australia.

In the ports market segment Boskalis acquired several port and waterway maintenance projects in the various home markets, as well as a long-term maintenance project for the port of Bahia Blanca (Argentina). At the end of the first half of the year the order book stood at EUR 1,681 million (end-2011: EUR 1,629 million).

Two notable projects in India and Kenya were acquired following the close of the first half of the year. A sizeable project to deepen and widen the access channel and port of Mumbai was awarded in India and Boskalis will expand the container terminal in the port of Mombasa (Kenya) by reclaiming land.

DRY INFRASTRUCTURE

Dry earthmoving and the construction and maintenance of roads and railways, overpasses, tunnels and bridges.

	1ST HY 2012	1ST HY 2011	2011
(in EUR million)			
Revenue	**169**	54	139
Operating result	**3.7**	6.8	16.2
Order book	**651**	110	678

The dry earthmoving activities as well as the road construction and concrete construction activities included in the acquisition of MNO Vervat are reported in the new Dry Infrastructure segment as of 2012.

REVENUE

Revenue in the Dry Infrastructure segment amounted to EUR 169 million (first half of 2011: EUR 54 million). The activities of MNO Vervat, which were acquired mid-December 2011, contributed EUR 110 million to revenue.

SEGMENT RESULT

The operating result (EBIT) of the Dry Infrastructure segment was EUR 3.7 million (first half of 2011: EUR 6.8 million). On balance the first half of the year was weak due to difficult conditions in local and regional infra markets in the Netherlands and unfavorable weather conditions in the first quarter. In 2011, the first half of the year was exceptionally good and included the results of previously completed projects and payment for a project that was prematurely terminated.

ORDER BOOK

In the first half of the year a total of EUR 143 million worth of new contracts was acquired and the order book stood at EUR 651 million at the end of the first half (end-2011: EUR 678 million).

HARBOUR TOWAGE

Berthing and unberthing of oceangoing vessels, providing assistance to special objects and port services.

	1ST HY 2012	1ST HY 2011	2011
(in EUR million)			
Revenue	**122**	111	233
Operating result	**20.2**	16.4	29.3

REVENUE

Boskalis is active in this segment through SMIT Harbour Towage at locations including Rotterdam, Belgium, Brazil, Panama, Canada, Australia and Singapore. In the first half of the year revenue, including the proportional consolidation of associates, was EUR 122 million (first half of 2011: EUR 111 million). This increase was partly the result of a strong contribution from the well-utilized fleet of the KST joint venture in Singapore.

SEGMENT RESULT

The operating result, including the proportional consolidation of associates, equaled EUR 20.2 million (first half of 2011: EUR 16.4 million). The rise in the operating result was partly due to a strong first half of the year in Singapore and Brazil and partly relating to costs for the termination of activities in Argentina in the first half of 2011.

SALVAGE, TRANSPORT & HEAVY LIFT

Salvage:	*emergency response, wreck removal, environmental care and consultancy*
Transport & Heavy Lift:	*maritime projects, transport services (chartering, rental of work vessels, heavy transport and (ocean) towage services) and lifting work*
Subsea:	*inspections, repair and maintenance of subsea structures*

	1ST HY 2012	1ST HY 2011	2011
(in EUR million)			
Revenue	**245**	182	376
Operating result	**38.9**	23.9	43.2
Order book	**225**	186	182

REVENUE

In the first half of the year revenue, including the proportional consolidation of associates, amounted to EUR 245 million (first half of 2011: EUR 182 million).

Salvage began the year with a contract to provide assistance to the Costa Concordia, the cruise ship that had run aground off the Italian island of Giglio. In an operation widely followed by the media SMIT successfully removed the bunkers from the ship. Work to remove the Hyundai H105 car carrier off the coast of Indonesia was operationally concluded in the first half of the year. SMIT was also involved in the wreck removal of part of the Rena container ship that had run aground on a reef west of New Zealand last year and had broken up and partially sunk.

The utilization level of the transport vessels, which are mainly used for the oil and gas industry, was good in the first half of the year. Conversely, in Europe the level of utilization of the floating sheerleg cranes (Heavy Lift) was below par, while the level of activity at the Asian Lift joint venture was normal. The Subsea diving activities experienced a busy first half of the year, with an upturn in demand for inspection, repair and maintenance services from the oil and gas industry.

SEGMENT RESULT

The operating result, including the proportional consolidation of subsidiairies, totaled EUR 38.9 million (first half of 2011: EUR 23.9 million).

ORDER BOOK

The order book increased to EUR 225 million at the end of the first half of the year (end-2011: EUR 182 million) and currently consists mainly of long-term transport and subsea contracts.

TERMINAL SERVICES

Towage and mooring services, surface and subsurface maintenance and related maritime and management services to offshore and onshore oil and gas terminals.

	1ST HY 2012	1ST HY 2011	2011
(in EUR million)			
Revenue	**70**	79	156
Operating result	**10.8**	10.4	25.0
Order book	**602**	710	590

Since October 2011 this segment has mainly consisted of Boskalis' 50% stake in the activities of Smit Lamnalco. SMIT's terminal services, which were sold to Lamnalco at the end of the third quarter of 2011, were fully consolidated in the first half of 2011.

REVENUE

In the first half of 2012 revenue from Terminal Services was EUR 70 million (first half of 2011: EUR 79 million). The decline was fully attributable to the effect of the sale of SMIT Terminals to Lamnalco. Revenue did grow somewhat organically, however, mainly as a result of a stronger US dollar.

SEGMENT RESULT

The operating result rose slightly, despite the deconsolidation of SMIT Terminals, to EUR 10.8 million (first half of 2011: EUR 10.4 million).

ORDER BOOK

In the first half of the year Smit Lamnalco was awarded a ten-year contract from a subsidiary of ExxonMobil to provide terminal services at the Papua New Guinea LNG export terminal near Port Moresby. This contributed to a rise in the order book to EUR 602 million (end-2011: EUR 590 million).

MARITIME INFRASTRUCTURE

Maritime Infrastructure-related services and projects, including the construction of quay walls, jetties, breakwaters, water purification systems, sewer systems, dams and bridges. Industrial construction including power stations and desalination plants.

	1ST HY 2012	1ST HY 2011	2011
(in EUR million)			
Revenue	**113**	104	197
Operating result	**7.1**	14.3	30.4
Order book	**594**	360	410

REVENUE

Revenue from the Maritime Infrastructure segment is realized through strategic partner Archirodon, in which Boskalis holds a 40% stake. Archirodon is primarily involved in maritime and civil engineering works, including for clients in the oil and gas sectors and electricity industry, in the Middle East and North Africa, with Saudi Arabia being a main market. Archirodon's revenue rose to EUR 113 million in the first half of the year (first half of 2011: EUR 104 million).

SEGMENT RESULT

The contribution of Archirodon to the operating result was EUR 7.1 million in the first half of 2012 (first half of 2011: EUR 14.3 million). Competition has increased in a number of the countries in which Archirodon operates, resulting in downward pressure on margins. As a consequence, and due to delays in the start-up or completion of several projects, the result was substantially lower than in the first half of 2011.

ORDER BOOK

In the first half of the year Archirodon was awarded a number of large orders including in Abu Dhabi (offshore work on Zirku Island), Oman (several projects) and Morocco. Partly as a result of these developments our 40% share in the order book rose to EUR 594 million (end-2011: EUR 410 million).

HOLDING

Non-allocated head office activities.

	1ST HY 2012	1ST HY 2011	2011
(in EUR million)			
Revenue	**–**	3	4
Operating result	**-18.9**	-14.7	-40.7

SEGMENT RESULT

The operating result for the reporting period mainly includes the usual non-allocated head office costs, as well as various non-allocated non-recurring costs relating mainly to the integration of SMIT.

Boskalis subsidiary MNO Vervat builds overpass in the Netherlands

Project Gorgon LNG,
Barrow Island in Australia

OTHER FINANCIAL INFORMATION

Depreciation, amortization and impairments amounted to EUR 109 million in the first half of the year (first half of 2011: EUR 114 million).

The result from associated companies was EUR 1.3 million (first half of 2011: EUR 0.7 million). Because of the lower result the tax burden also declined in the first half of the year, to EUR 25.8 million (first half of 2011: EUR 27.4 million). The relative tax burden rose slightly to 19.9% (first half of 2011: 18.6%).

CAPITAL EXPENDITURE AND BALANCE SHEET

In the first half of the year a total amount of EUR 121 million was invested. Important investments in Dredging concerned the completion of the 'Rockpiper', the new fallpipe vessel that will cater to the oil and gas industry and the offshore wind energy market. In the past six months the company also invested in the conversion of the Taurus II mega cutter, which has now been taken into commission, reconstruction work on the Fairway (mega hopper) and a replacement investment in two small hoppers. Other investments concerned two new multifunctional cable-laying/offshore vessels, the construction of the Asian Hercules III (5,000 MT floating sheerleg crane for the Asian Lift JV) and the acquisition of a number of tugs at Terminal Services and Harbour Towage.

Capital expenditure commitments at the end of the first half of the year decreased to EUR 134 million (end-2011: EUR 193 million). These commitments mainly concern the aforementioned investments.

SMIT's terminal activities were sold to Lamnalco at the end of last year. Lamnalco financed half of the transaction amount by means of a capital contribution (which generated cash proceeds of EUR 83 million for Boskalis), with the remainder being financed through a bridge loan provided by Boskalis. Lamnalco is expected to repay the bridge loan in September 2012, after which Boskalis on balance will receive more than EUR 80 million in cash.

Cashflow from operating activities in the first half of the year declined to EUR 213 million (first half of 2011: EUR 233 million). The cash position was EUR 321 million at the end of the first half of the year (end-2011: EUR 383 million) and the company's solvency ratio rose slightly to 37.9% (end-2011: 37.4%).

Interest-bearing debt totaled EUR 723 million at the end of the first half of the year and the net debt position stood at EUR 402 million (end-2011: EUR 410 million). The majority of the debt position consists of long-term US Private Placement (USPP) loans and drawings on the three- and five-year bank facility taken out, partly in connection with the financing of the SMIT acquisition. Boskalis must comply with various covenants as agreed with the syndicate of banks and the USPP investors. These agreements were comfortably met as at the end of the first half of the year. The main covenants relate to the net debt : EBITDA ratio, with a limit of 3, and the EBITDA : net interest ratio, with a minimum of 4. The net debt : EBITDA ratio stood at 0.8 and the EBITDA : net interest ratio at 19.1 at the end of the first half of the year.

PRINCIPAL RISKS AND UNCERTAINTIES

The 2011 Annual Report of Royal Boskalis Westminster N.V. provides an account of Boskalis' risk management and describes the five main risk categories: strategic and market risks, operational risks, financial risks, internal risk management and control systems and risks related to financial reporting. More information can be found on pages 49-53 of the 2011 Annual Report and in the online annual report at http://www.boskalis-annualreports.com.

The principal risks as described also apply to the current financial year. In the second half of 2012 the extent to which new projects are granted and the accompanying commercial conditions will largely be determined by current economic circumstances. It is expected that the uncertain economic prospects, difficult funding markets and decreasing government spending, particularly in European countries, will persist. Financial market developments, mainly with regard to the problems in the European banking sector and developments surrounding the euro, are closely monitored and additional specific control measures are or will be taken if necessary, mainly with regard to cash flow management.

OTHER DEVELOPMENTS

CHATHAM RISE

Boskalis has taken a 15% shareholding in New Zealand-based Chatham Rock Phosphate Limited (CRP) with an intention to expand it to 19.99% in the short term. Last year Boskalis was exclusively selected by CRP to provide a detailed design of its offshore rock phosphate nodule project at Chatham Rise, 450 km east of Christchurch, New Zealand, at a depth of 400 meters. Since then good progress has been made on the design activities and production testing. Boskalis' stake consists of the investments being made to develop and improve the technologies for extracting the rock phosphate. The next phase of the project will focus on the optimization of the operational aspects and more research into the possible impact on the environment.

SUPERVISORY BOARD

Mr. M.P. Kramer has been re-appointed as member of the Supervisory Board for a period of four years.

BOARD OF MANAGEMENT

After notifying the Annual General Meeting of Shareholders, the Supervisory Board appointed Mr. F.A. Verhoeven as member of the Board of Management with effect from 10 May 2012 for a period of three years.

FINANCIAL AGENDA

16 November 2012	Trading update on third quarter of 2012
14 March 2013	Publication of 2012 annual results
8 May 2013	Trading update on first quarter of 2013
8 May 2013	Annual General Meeting of Shareholders
15 August 2013	Publication of 2013 half-year results
15 November 2013	Trading update on third quarter of 2013

OUTLOOK

The Board of Management expects the company's development in the second half of the year to be in line with the first half of the year, barring unforeseen circumstances. Net profit for 2012 is estimated at around EUR 210-230 million.

The financial position of Boskalis is very solid. Capital expenditure is expected to exceed EUR 325 million in 2012 and to be financed from the company's own cash flow.

SMIT tug assists the world's largest bulk carrier in the Port of Rotterdam

Construction of coastal defense for artificial island Punta Pacifica in Panama

INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR FIRST HALF YEAR 2012

CONDENSED CONSOLIDATED INCOME STATEMENT

(in millions of euros)	1ST HALF YEAR 2012	1ST HALF YEAR 2011
OPERATING INCOME		
Revenue	**1,401.0**	1,250.3
Other income	**8.7**	1.8
	1,409.7	1,252.1
OPERATING EXPENSES		
Raw materials, consumables, services and personnel expenses	**-1,154.8**	-975.3
Depreciation, amortization and impairment losses	**-109.1**	-113.9
	-1,263.9	-1,089.2
OPERATING RESULT	**145.8**	162.9
Finance income and expenses	**-17.4**	-16.7
Share in result of associated companies, after taxation	**1.3**	0.7
	-16.1	-16.0
PROFIT BEFORE TAXATION	**129.7**	146.9
Taxation	**-25.8**	-27.4
NET GROUP PROFIT FOR THE REPORTING PERIOD	**103.9**	119.5
NET GROUP PROFIT FOR THE REPORTING PERIOD ATTRIBUTABLE TO:		
Shareholders	**102.5**	114.1
Non-controlling interests	**1.4**	5.4
	103.9	119.5
Earnings per share (in euros)	**0.99**	1.13
Diluted earnings per share (in euros)	**0.99**	1.13
Average number of shares (x 1,000)	**103,995**	101,292
Number of shares at end of reporting period (x 1,000)	**107,284**	103,472
EBITDA	**255.0**	276.8

CONDENSED CONSOLIDATED STATEMENT OF RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSES

(in millions of euros)	**1ST HALF YEAR 2012**	1ST HALF YEAR 2011
NET GROUP PROFIT FOR THE REPORTING PERIOD	**103.9**	119.5
UNRECOGNIZED INCOME AND EXPENSES FOR THE REPORTING PERIOD		
Currency translation differences on foreign operations, after taxation	**14.6**	-35.7
Actuarial gains (losses) and asset limitation on defined benefit pension schemes, after taxation	**-0.3**	-0.1
Effective cash flow hedges, after taxation	**-6.9**	20.4
Unrecognized income and expenses for the reporting period, after taxation	**7.4**	-15.4
TOTAL RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSES FOR THE REPORTING PERIOD	**111.3**	104.1
ATTRIBUTABLE TO:		
Shareholders	**109.8**	99.6
Non-controlling interests	**1.5**	4.5
TOTAL RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSES FOR THE REPORTING PERIOD	**111.3**	104.1

CONDENSED CONSOLIDATED BALANCE SHEET

(in millions of euros)	END 1ST HALF YEAR 2012	31 DECEMBER 2011
NON-CURRENT ASSETS		
Intangible assets	**599.1**	595.6
Property, plant and equipment	**2,221.1**	2,206.0
Other non-current assets	**187.9**	164.5
	3,008.1	2,966.1
CURRENT ASSETS		
Inventories and receivables	**1,429.6**	1,309.6
Cash and cash equivalents	**363.9**	398.0
	1,793.5	1,707.6
TOTAL ASSETS	**4,801.6**	4,673.7
GROUP EQUITY		
Shareholders' equity	**1,804.1**	1,732.8
Non-controlling interests	**14.9**	14.5
	1,819.0	1,747.3
NON-CURRENT LIABILITIES		
Interest-bearing borrowings	**565.6**	679.7
Provisions	**28.6**	27.0
Other liabilities and borrowings	**178.4**	187.8
	772.6	894.5
CURRENT LIABILITIES		
Interest-bearing borrowings	**156.9**	112.6
Provisions	**6.6**	11.2
Other liabilities and borrowings	**2,046.5**	1,908.1
	2,210.0	2,031.9
TOTAL GROUP EQUITY AND LIABILITIES	**4,801.6**	4,673.7
Solvency	**37.9%**	37.4%

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(in millions of euros)	**1ST HALF YEAR 2012**	1ST HALF YEAR 2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Net group profit	**103.9**	119.5
Depreciation, amortization and impairment losses	**109.1**	113.9
Cash flow	**213.0**	233.4
Adjustments for:		
Finance income and expenses, taxation, results from disposals, share in result of associated companies	**37.0**	41.6
Movement other non-current assets	**6.9**	-3.4
Movement non-current liabilities (including direct equity movements)	**0.1**	-9.3
Movement in working capital (including inventories, excluding taxation and interest)	**-79.5**	-11.8
Cash generated from operating activities	**177.5**	250.5
Dividends received	**1.4**	-
Interest paid and received	**-15.7**	-14.8
Income taxes paid	**-10.5**	-57.5
Net cash from operating activities	**152.7**	178.1
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Net investments in intangible assets and property, plant and equipment	**-93.2**	-96.7
Investments in group companies, net of cash acquired	**-**	-26.1
Net investments in associated companies	**-4.3**	2.2
Net cash used in investment activities	**-97.5**	-120.6
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans (after deduction of borrowing costs)	**158.2**	251.9
Repayment of loans	**-242.0**	-293.1
Acquisition of non-controlling interests	**-**	-19.9
Dividends paid	**-39.6**	-47.0
Net cash used in financing activities	**-123.4**	-108.1
NET INCREASE / (DECREASE) IN CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS	**-68.2**	-50.6
Net cash, cash equivalents and bank overdrafts as at 1 January	**382.6**	356.3
Net increase / (decrease) in cash, cash equivalents and bank overdrafts	**-68.2**	-50.6
Currency translation differences	**6.3**	-6.0
NET CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS AS AT END OF THE REPORTING PERIOD	**320.7**	299.7

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	1ST HALF YEAR 2012			1ST HALF YEAR 2011		
(in millions of euros)	SHARE-HOLDERS' EQUITY	NON-CONTROLLING INTERESTS	GROUP EQUITY	SHARE-HOLDERS' EQUITY	NON-CONTROLLING INTERESTS	GROUP EQUITY
Balance as at 1 January	**1,732.8**	**14.5**	**1,747.3**	1,565.0	34.3	1,599.3
TOTAL RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSE FOR THE REPORTING PERIOD						
Net group profit for the reporting period	**102.5**	**1.4**	**103.9**	114.1	5.4	119.5
Unrecognized income and expenses for the reporting period	**7.3**	**0.1**	**7.4**	-14.5	-0.9	-15.4
Total recognized and unrecognized income and expenses for the reporting period	**109.8**	**1.5**	**111.3**	99.6	4.5	104.1
TRANSACTIONS WITH SHAREHOLDERS						
Distributions to shareholders						
Cash dividend	**-38.5**	**-1.1**	**-39.6**	-44.7	-2.3	-47.0
Movements in interests in subsidiaries						
Non-controlling interest in SMIT	**–**	**–**	**–**	–	-19.9	-19.9
Total transactions with shareholders	**-38.5**	**-1.1**	**-39.6**	-44.7	-22.2	-66.9
Balance as at end of the reporting period	**1,804.1**	**14.9**	**1,819.0**	1,619.9	16.6	1,636.5

EXPLANATORY NOTES TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION

1. GENERAL

Royal Boskalis Westminster N.V. is a leading global services provider in the dredging, maritime infrastructure and maritime services sectors. Royal Boskalis Westminster N.V. (the "Company") has its statutory residence in Sliedrecht, the Netherlands, and its head office in Papendrecht, the Netherlands. The Interim Consolidated Financial Information for the first half year of 2012 of Royal Boskalis Westminster N.V. includes the Company and its group companies (together referred to as the "Group") and the interests of the Group in associated companies and entities over which it has joined control.

The Group's consolidated financial statements for 2011 are available at www.boskalis.com.

2. STATEMENT OF COMPLIANCE

The Interim Consolidated Financial Information is prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 Interim Financial Reporting. This Interim Consolidated Financial Information does not include all the information required for full financial statements and are to be read in combination with the audited 2011 consolidated financial statements of the Group.

The Interim Consolidated Financial Information is prepared by the Board of Management and cleared for publication on 16 Augustus 2012.

3. ACCOUNTING PRINCIPLES APPLIED FOR THE PREPARATION OF THE INTERIM CONSOLIDATED FINANCIAL INFORMATION

The accounting principles applied to the valuation of assets and liabilities and the determination of results are the same as the valuation principles applied to the 2011 consolidated financial statements.

Unless stated otherwise, all amounts are reported in millions of euros.

4. ESTIMATES

The preparation of Interim Consolidated Financial Information requires management to make judgements, estimates and assumptions that affect the application of accounting principles and the recognized amounts under assets, liabilities, revenue and costs. Actual results may differ from these estimates. Judgements made by management in applying the Group's accounting principles and the key sources for making estimates were the same as the judgements and sources applied when preparing the consolidated financial statements for the 2011 financial year, with the exception of:

TAXATION

Tax on profits is accounted for in the Interim Consolidated Financial Information based on the rates that would apply to expected pre-tax profit for the full year.

IMPAIRMENT LOSS ON GOODWILL AND OTHER INTANGIBLE ASSETS

The Group makes an annual judgement of impairment losses on goodwill and other intangible assets with an infinite useful life in the fourth quarter.

5. CHANGE IN REPORTING STANDARD REGARDING EMPLOYEE BENEFITS

IAS 19 Employee Benefits is amended in June 2012 (IAS 19R) and will be effective as from 1 January 2013. Key change to the financial reporting of the Group will be the replacement of the interest on the obligation and expected rate of return on plan assets by a net interest on the net defined liability (asset) using the IAS 19 discount rate.

IAS 19R will be applicable for reporting periods starting on or after 1 January 2013 with retrospective application, meaning that the comparative figures should be based on IAS 19R. The potential impact of IAS 19R for the first half of 2012 on the result after taxation is EUR 0.5 million negative, due to a lower expected result on plan assets.

6. OPERATIONAL SEGMENTS

The Group recognizes six operational segments which, as described below, constitute the strategic business units of the Group. These strategic business units offer different products and services and are managed separately because they require different strategies. Each of the strategic business units is reviewed by the Board of Management based on internal management reporting at least once every quarter. The following is a brief summary of the activities of the operational segments:

DREDGING

The main operational segment is Dredging, which also includes port development, pipeline intervention activities, land reclamation, and coastal and riverbank protection. This segment is active around the world and can be divided into home markets (inside and outside Europe) and international project markets.

DRY INFRASTRUCTURE

The second operational segment in which the Group operates, is Dry Infrastructure. The activities in this segment concern earthmoving and the construction and maintenance of (rail) roads, viaducts, tunnels and bridges.

HARBOUR TOWAGE

The third operational segment in which the Group operates is Harbour Towage. The activities concern assisting incoming and departing seagoing vessels and other vessels, including large container ships, roll-on roll-off ships, tankers carrying oil or chemicals, other bulk carriers and cargo ships, as well as offshore oil and gas drilling platforms.

SALVAGE, TRANSPORT & HEAVY LIFT

This segment provides transport services with an array of different seaworthy transport vessels, some of which are self-propelled. With its specialist technical know-how, Heavy Lift carries out specialist activities around the world using floating sheerlegs. Marine project operations are included in this segment (including various types of transport, hoisting and installation activities carried out offshore) and subsea (underwater activities with divers and remote control equipment). Finally, this segment also includes the salvage activities, consisting of providing wreck removal and emergency response services.

TERMINAL SERVICES

The fifth operational segment in which the Group operates is Terminal Services. Within this segment the company is one of the world's leading suppliers of maritime and terminal services to the oil and gas industry, mainly through a 50% interest in Smit Lamnalco.

MARITIME INFRASTRUCTURE

The sixth operational segment is Maritime Infrastructure. the Group is involved in this segment through its 40% interest in Archirodon, a leading contractor in this sector.

INFORMATION ON OPERATIONAL SEGMENTS AND RECONCILIATION TO GROUP RESULTS

(in millions of euros)	DREDGING	DRY INFRA-STRUCTURE	SALVAGE, TRANSPORT & HEAVY LIFT	HARBOUR TOWAGE	TERMINAL SERVICES	MARITIME INFRA-STRUCTURE	HOLDING & ELIMINA-TIONS	GROUP
1st half year 2012								
Revenue	682.0	169.4	245.0	122.0	69.4	113.2	—	1,401.0
Segment result	84.0	3.7	38.9	20.2	10.8	7.1	-18.9	145.8
Operating result								145.8
Share in result of associated companies	0.3	0.3	—	0.6	0.1	—	—	1.3
Non-allocated finance income and expenses								-17.4
Non-allocated taxation								-25.8
Net group profit								103.9
Investments in property, plant and equipment	66.3	11.7	16.5	11.8	5.3	8.5	1.0	121.1
Depreciation, amortization and impairment losses	45.3	6.6	15.6	20.6	13.5	6.8	0.7	109.1

(in millions of euros)	DREDGING	DRY INFRA-STRUCTURE	SALVAGE, TRANSPORT & HEAVY LIFT	HARBOUR TOWAGE	TERMINAL SERVICES	MARITIME INFRA-STRUCTURE	HOLDING & ELIMINA-TIONS	GROUP
1st half year 2011								
Revenue	717.5	53.7	182.5	111.0	78.8	103.6	3.2	1,250.3
Segment result	105.8	6.8	23.9	16.4	10.4	14.3	-14.7	162.9
Operating result								162.9
Share in result of associated companies	-1.0	0.1	1.0	-0.1	0.7	—	—	0.7
Non-allocated finance income and expenses								-16.7
Non-allocated taxation								-27.4
Net group profit								119.5
Investments in property, plant and equipment	55.5	0.5	19.3	7.4	15.7	6.4	0.9	105.7
Depreciation, amortization and impairment losses	46.1	1.4	22.3	22.5	15.2	5.7	0.7	113.9

The operational segments are monitored based on the segment result before finance income and expenses and taxation. The segment result is used for performance measurement of operational segments, both between segments and compared to other companies in the same industries. Inter-operational segment services, if any, take place at arm's length basis. In the reporting period there were no material inter-operational segment services.

Following the acquisition of MNO Vervat late 2011 and the addition, at first, to the operational segment Dredging & Earthmoving, it is decided to make a split of 'Dredging & Earthmoving' to the operational segments 'Dredging' and 'Dry Infrastructure'.

A large part of the Group's projects that have been executed or are currently in progress within the operational segments Dredging, Dry Infrastructure and Maritime Infrastructure is directly or indirectly with state controlled authorities and (contractors of)oil and gas producers in various countries and geographical areas. Because of the spread of the contracts none of these clients qualifies as a material client in relation to total Group revenue.

7. SEASONAL OPERATIONS

The Group's operations are mainly project-based and therefore influenced by the timing of commencement and completion of these projects. Projects are executed all over the world. There is no clear seasonal influence on operations.

8. INTANGIBLE ASSETS

Movements in intangible assets in the reporting period can be explained as follows (in millions of euros):

	GOODWILL	OTHER	TOTAL
Book value as at 1 January 2012	481.2	114.4	595.6
Amortization	–	-3.6	-3.6
Currency translation differences and other movements	5.5	1.6	7.1
Book value as at end of first half year 2012	486.7	112.4	599.1

Other intangible assets mainly include brand names, concessions and client bases that have been identified and recognized at fair value in the context of the business combination. Brand names that have been capitalized are not amortized.

9. PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment in the reporting period can be explained as follows (in millions of euros):

Book value as at 1 January 2012	**2,206.0**
Additions	121.1
Disposals	-23.0
Depreciation and impairment losses recognized	-105.5
Currency translation differences and other movements	22.5
Book value as at end of first half year 2012	**2,221.1**

10. PROVISIONS

Movements in provisions in the reporting period can be explained as follows (in millions of euros):

Book value as at 1 January 2012	**38.2**
Provisions made	1.3
Provisions used	-1.3
Currency translation differences and other movements	-3.0
Book value as at end of first half year 2012	**35.2**
Non-current	28.6
Current	6.6
Book value as at end of first half year 2012	**35.2**

11. INTEREST-BEARING BORROWINGS

The main changes concern drawdowns and repayments of loans within the existing combination of three and five-year bank facility, which are shown in the Condensed consolidated statement of cash flows.

The applicable financial ratios and negative pledge clause requirements were met at the end of the first half of 2012.

12. RELATED PARTIES

IDENTITY OF RELATED PARTIES

The parties related to the Group are Group companies, its joint ventures, its associated companies, its shareholders with significant influence and its pension funds that are classified as funded defined benefit pension schemes in accordance with IAS 19, and the members of the Supervisory Board and Board of Management. There were no significant changes to the companies and people related to the Group other than the following:

- Mr. F.A. Verhoeven was appointed as a member of the Board of Management with effect from 10 May 2012.

TRANSACTIONS WITH GROUP COMPANIES

Transactions with Group companies are eliminated in the consolidation.

TRANSACTIONS WITH JOINT VENTURES

Transactions with joint ventures take place at arm's length basis. At the end of the first half year of 2012 the joint Group companies had amounts receivable from and payable to joint ventures amounting to EUR 92 million and EUR 355 million, respectively (year-end 2011: EUR 106 million and EUR 286 million, respectively).

TRANSACTIONS WITH OTHER RELATED PARTIES

There were no material transactions with associated companies, pension funds and members of the Supervisory Board and the Board of Management.

13. TAXATION

In respect of the profit realized in the first half year of 2012 an amount of EUR 25.8 million is recognized as taxation (first half of 2011: EUR 27.4 million).

The applicable tax rate in the Netherlands is 25.0%. The effective tax rate for the first half year of 2012 was 19.9% (first half of 2011: 18.6%).

14. DIVIDEND PAYMENTS TO SHAREHOLDERS OF ROYAL BOSKALIS WESTMINSTER N.V.

In the first half year of 2012 a dividend of EUR 1.24 per share was distributed with regard to the 2011 financial year.

In the first half year of 2012 a total dividend of EUR 128.3 million was distributed with regard to the 2011 financial year.

70% of the shareholders opted for a stock dividend in the form of ordinary shares. In view of this 3,811,937 new Royal Boskalis Westminster N.V. shares were issued and the number of outstanding shares was 107,283,679 at the end of the first half year of 2012.

The remaining shareholders (30%) opted for a cash dividend. An amount of EUR 38.5 million was distributed and the associated tax on the dividend was paid in July 2012.

15. COMMITMENTS AND CONTINGENT LIABILITIES

The total of outstanding guarantees, mainly relating to projects in progress, was almost the same as at year-end 2011 (EUR 1.0 billion). Compared to 31 December 2011 there were no material changes to the other commitments, including operational lease commitments and investment commitments, and contingent liabilities were not recognized in the balance sheet.

16. AUDITOR'S REVIEW

The consolidated interim financial statements for the first half year of 2012 have not been audited by the external auditor.

17. BOARD OF MANAGEMENT DECLARATION

The Board of Management of Royal Boskalis Westminster N.V. hereby declares that, to the best of its knowledge, the Interim Consolidated Financial Information for the first half year of 2012 as prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 Interim Financial Reporting gives a true and fair view of the assets, liabilities, financial position and the profit or loss of Royal Boskalis Westminster N.V. and its jointly consolidated companies included in the consolidation as a whole, and that the semi-annual report gives a fair view of the information required in accordance with Section 5:25d subsections 8 and 9 of the Dutch Financial Supervision Act (Wet op het financieel toezicht).

Papendrecht / Sliedrecht, the Netherlands, 16 August 2012

Board of Management
Dr. P.A.M. Berdowski, CEO
T.L. Baartmans
J.H. Kamps, CFO
F.A. Verhoeven

Installation of monopile for offshore
wind farm in North Sea

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