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Page
1 | 4

PRESS RELEASE

Boskalis Trading Update

Papendrecht, 13 May 2020

The first quarter of 2020 was above expectations for Royal Boskalis Westminster N.V. (Boskalis). In light of the worldwide developments of the COVID-19 virus, Boskalis closed a good first quarter. A modest increase in revenue was accompanied by a higher result compared to the same period last year. The order book decreased slightly at the end of the quarter compared to the record position held at the end of 2019. To date there have been no project cancellations of substance impacting the order book. The already very solid financial position improved further in the course of the first quarter.

HIGHLIGHTS FIRST QUARTER 2020

- COVID-19 impact on first quarter result relatively limited
- Increased revenue and higher EBITDA compared to the first quarter of 2019
- Fleet utilization: mixed picture within both Dredging and Offshore Energy
- Order book: EUR 4.6 billion
- Positive net cash position of EUR 57 million and a directly available financial headroom of approximately EUR 850 million

OPERATIONAL DEVELOPMENTS

With regard to the COVID-19 (corona) virus Boskalis has taken maximum precautions to ensure the health, safety and wellbeing of its employees. At the same time, all necessary steps are being taken to continue operating the business.

Projects are only affected to a limited extent by generic lockdown measures. The greatest operational challenge for Boskalis is to relieve the crews on the vessels and project personnel due to global travel restrictions. On a case by case basis tailored solutions are applied to ensure the continuity of business operations and the health of colleagues. A test procedure for COVID-19 has been developed in collaboration with the Travel Clinic, part of the Erasmus Medical Center in Rotterdam, the Netherlands. This procedure is being applied successfully since a couple of weeks for the relief of crews.

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Dredging & Inland Infra

Revenue at the Dredging & Inland Infra division decreased slightly with a lower result compared to the first quarter of last year. Noteworthy projects in progress included Duqm (Oman), Pulau Tekong and Tuas Terminal Phase 2 (Singapore), LNG Canada and various medium-sized projects in the Netherlands. Of the medium to large projects, only the Pulau Tekong project is currently on hold due to COVID-19 measures following a selective lockdown in Singapore. Pulau Tekong mainly comprises civil engineering activities and does not involve the deployment of large dredging vessels. As a consequence, the earnings impact is very limited.

The hopper fleet utilization was lower compared to last year. On the other hand, the utilization of the cutter fleet in the first quarter was exceptionally strong, partly due to the deployment of the mega cutter Helios in the Middle East.

The order book of Dredging & Inland Infra decreased slightly compared to the end of 2019. The portfolio in the Netherlands increased and includes the definitive award for the major maintenance of the N3 highway and maintenance dredging in the port of Rotterdam. Following the close of the quarter, the Council of State (*Raad van State*) made an important ruling in the context of the implementation of the project plan for the reinforcement of the Markermeer dikes. As a result of this ruling, the execution of all activities can proceed and the project will make an important revenue contribution in 2020 and 2021 for Boskalis in the Netherlands. In the second quarter, a follow-up project was also received for the construction of a second artificial island in the IJmeer lake, adjacent to the so-called beach island (*Strandeiland*), which is currently being reclaimed next to the existing IJburg islands in Amsterdam.

Offshore Energy

The first quarter at Offshore Energy went well given the circumstances. With a higher revenue level compared to the first quarter of 2019, the operating result was slightly negative, whereas the result in 2019 was strongly negative. The first quarter is traditionally weak due to seasonal effects.

The contracting part of the division consists of Installation & Intervention (I&I) and the Offshore Wind activities. At I&I, several pipeline-related and decommissioning projects contributed to revenue. At Offshore Wind, Subsea Cables had a relatively busy quarter with the projects Ostwind 2, Triton Knoll and Borssele Beta in progress.

The services part of the division consists of Marine Transport & Services, Subsea Services and Marine Survey. At Marine Transport, a part of the large vessels was well-occupied however part of the fleet is dependent on a challenging spot market. At Subsea Services and Marine Survey, the winter period in the North Sea is usually weak and sales were at a level comparable to the beginning of last year. As of the beginning of the year, the Marine Survey activities of Horizon Geosciences are fully consolidated. Horizon had a very busy first quarter and made a good contribution to both the first quarter revenue and the result.

The occupation of the different types of offshore vessels showed a mixed picture. Whilst the transport vessels and AHTs were better utilized, the cable-laying vessels and diving support vessels had more downtime, in line with the normal seasonal pattern.

A large number of smaller projects were acquired during the quarter and the order book remained virtually stable compared to the end of 2019.

Towage & Salvage

Salvage had a fairly normal first quarter marked by two salvage assignments in Brazil. Salvage's turnover was lower than the exceptionally busy first quarter of 2019. The contribution of the Towage joint ventures, adjusted for the divestment of Kotug Smit Towage early 2019, was virtually stable.

Financial position

Boskalis has further sharpened its strong focus on cash management since the outbreak of COVID-19. Various initiatives have been taken aimed at limiting non-project-related expenditure, optimizing working capital and to preserve the financially strong position. In light of this, it was announced in early April that the capital expenditure for 2020 would be halved to EUR 200 million, that there will be no dividend pay-out for the financial year 2019 and that the share buyback program was suspended. The combined effect of these measures results in a positive cash flow effect of approximately EUR 320 million in 2020.

Boskalis' financial position remains strong. The company closed 2019 with a positive net cash position, which doubled during the first quarter to EUR 57 million. The company thereby comfortably meets its financial covenants.

Mid-April, Boskalis announced the successful refinancing of its Revolving Credit Facility until April 2025. This new committed facility of EUR 500 million also has improved conditions compared to the previous one. With the available cash in hand together with its banking facilities, Boskalis has a directly available financial headroom of approximately EUR 850 million.

OUTLOOK

With the publication of the 2019 annual results early March, we already stated that it is difficult to make a specific quantitative statement early in the year about the projected annual result for 2020 given the project-based nature of a significant part of our activities and given the uncertain circumstances. It seems inevitable that the COVID-19 crisis combined with the low oil price will have a negative impact on our business. The market picture drawn in the Corporate Business Plan 2020-2022 presented at the beginning of March has become obsolete. Nevertheless, given the extreme circumstances, we are not outspokenly negative for the rest of the year. Thanks in part to the record order book with which we started the year, the precautionary measures taken and the first signs that the COVID-19 restrictions appear to be stabilizing worldwide, we are cautiously confident about the rest of the year.

Capital expenditure in 2020 is expected to amount to approximately EUR 200 million, including dry dockings, but excluding any acquisitions such as the acquisition of the remaining shares in Horizon (EUR 35 million) acquired late January.

2020	FINANCIAL AGENDA
30 June	Annual General Meeting of Shareholders
20 August	Publication of 2020 half-year results
6 November	Trading update on third quarter of 2020

Consensus Estimates

Boskalis collects earnings estimates from those sell-side analysts that follow Boskalis prior to the publication of the (semi-)annual figures and planned trading updates. The average of these estimates (consensus estimates) can be consulted on the Boskalis website boskalis.com/IR/estimates.

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This is a Boskalis press release on the grounds of article 17 paragraph 1 of the European Market Abuse Regulation (596/2014).

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.

Royal Boskalis Westminster N.V. is a leading global services provider operating in the dredging, maritime infrastructure and maritime services sectors. The company provides creative and innovative all-round solutions to infrastructural challenges in the maritime, coastal and delta regions of the world. With core activities such as coastal defense, riverbank protection and land reclamation Boskalis is able to provide adaptive and mitigating solutions to combat the effects of climate change, such as extreme weather conditions and rising sea levels, as well as delivering solutions for the increasing need for space in coastal and delta regions across the world. The company facilitates the development of offshore energy infrastructure, including renewable wind energy. Boskalis is furthermore active in the construction and maintenance of ports, waterways, access channels and civil infrastructure, thus helping to facilitate trade flows and regional socio-economic development. In addition, Boskalis is a global marine salvage expert and has a number of strategic partnerships in harbor towage and terminal services (Keppel Smit Towage and Smit Lamnalco). With a versatile fleet of more than 700 vessels and floating equipment and 9,600 employees, including associates, Boskalis is creating new horizons around the world.

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