

PRESS RELEASE

Boskalis trading update

Papendrecht, 12 May 2015

The developments at Royal Boskalis Westminster N.V. (Boskalis) in 2015 to date have been positive and in line with the company's expectations.

- **Revenue level stable**
- **High utilization of the Dredging and Offshore vessels**
- **Order book slightly lower**

DEVELOPMENTS

Boskalis had a good first quarter of 2015. Reported revenue increased compared to the same period in 2014. Revenue was stable when adjusted for acquisitions, divestments and currency effects. In the course of the quarter the order book fell slightly compared to the end of 2014.

Revenue in the **Dredging & Inland Infra** segment was comparable to the first quarter last year despite the divestment of road maintenance company De Jong in early February. Large projects in progress include the expansion of the Suez Canal in Egypt, port developments in India, Brazil and Qatar and the reinforcement of the Hondsbossche and Pettemer Sea Defense in the Netherlands. The operational performance of the projects was generally good and the reported margins were at a comparable level as in the year-earlier period.

The utilization of the hopper fleet was good and the utilization of the cutter fleet was exceptionally strong due in part to the Suez Canal project. The order book of the Dredging & Inland Infra segment fell slightly compared to the end of 2014. The decline was largely attributable to the Inland Infra activities and is partly due to the deconsolidation of De Jong.

Offshore Energy had a good first quarter with revenue rising. Adjusted for the Fairmount activities which were acquired at the end of March 2014 and currency effects, revenue was slightly lower year-on-year.

Subsea Contracting had a busy first quarter with projects in countries such as Australia (Ichthys Offshore), the Philippines (Malampaya) and Azerbaijan (Shah Deniz). Marine Contracting, which includes Dockwise's long-term Heavy Marine Transport activities since 2015, had a good quarter with activities including transporting the Goliat FPSO (Floating Production, Storage and Offloading unit) and installing an FPSO in Equatorial Guinea. Marine Services, which also includes Fairmount and Dockwise's short-term Heavy Marine Transport activities since 2015, had a good quarter under the circumstances. The level of utilization at wet towage was under pressure but the utilization of other equipment, including the floating sheerlegs and Dockwise vessels, was good in the first quarter. Subsea Services showed a mixed picture in the first quarter. These activities are under significant pressure in the North Sea due to deteriorated market conditions, whereas the

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utilization level in Africa and the Middle East was good.

In the first quarter the utilization level of the Dockwise vessels was high and the utilization of N class vessels and fallpipe vessels was also good. The Offshore Energy order book fell slightly compared to the end of 2014.

Towage & Salvage had a good first quarter. Revenue at Towage fell due to the sale of the harbor towage activities in Central and South America. As of the third quarter of 2014 these activities are recognized as results of joint ventures and associated companies, in accordance with IFRS11. At the end of December Boskalis signed a Memorandum of Understanding (MoU) with Kotug International B.V. to merge their European harbor towage operations. The companies will establish a 50/50 joint venture for this purpose, combining the European harbor towage activities of SMIT and Kotug. This merger is the concluding step in Boskalis' strategy aimed at establishing regional partnerships for its harbor towage activities. The transaction is expected to be completed in the course of 2015.

Salvage had a quiet first quarter with regard to emergency response contracts. A large part of revenue concerned wreck removal projects for the Baltic Ace car carrier in the North Sea and a jack-up rig off the coast of Angola. The order book of Towage & Salvage was stable compared to the end of 2014.

In the course of the first quarter Boskalis increased its interest in Fugro N.V. by 5.2% to 25.1%. Boskalis' strategy is aimed at the offshore and (maritime) infrastructure markets, leveraging the company's combination of high-end know-how and maritime assets. Survey and geotechnical services, Fugro's core activities, form a good fit. The two companies have much in common in terms of assets, knowledge, capital intensity, global spread and customer base, and are both global leaders in niche markets.

There was no material change in the financial position of Boskalis compared to the end of 2014. The balance sheet ratios and liquidity remain strong and Boskalis is operating well within the covenants agreed with its debt providers.

MARKET DEVELOPMENTS

The markets in which Boskalis operates are driven by growth in the world's population and prosperity, pushing up global trade and energy consumption. In addition there are the irreversible effects of climate change. Boskalis responds to these trends. The extent to which these trends show positive development in the coming years will be strongly dependent on geopolitical stability and macro-economic growth. Positive investment decisions in relation to large maritime infrastructure projects, which generate work for Boskalis, are closely linked to this.

We see a stable market picture in terms of large-scale maritime infrastructure projects and the developments in and around ports. The tender pipeline with capital dredging projects for the expansion and deepening of ports and waterways, land reclamation projects and tunnel developments looks positive, while maintenance work has a strong recurring nature. In large ports the development of the number of shipping movements and thus the demand for towage services is likely to remain stable in the coming years. Based on this market assessment, conditions in the Dredging & Inland Infra and Towage markets are expected to remain stable.

In terms of developments in the offshore energy market we can see a difference between the short and the long term. The short term is strongly impacted by the low oil price, which is causing oil majors to postpone investment decisions relating to complex and costly offshore projects. However, in the medium to long term the development of prosperity and economic growth will drive the demand for energy.

In the short term activities aimed at the capacity-driven spot markets such as Marine and Subsea Services are expected to be hit hardest. The picture at Marine Contracting and Subsea Contracting is more favorable, fuelled by developments in the areas of offshore wind, the decommissioning of old oil and gas platforms and LNG, for example in Western Canada.

OUTLOOK

For this year and based on current insights, no major changes are expected in the Dredging & Inland Infra and Towage markets relative to 2014. Based on the current order book, the Dredging fleet utilization levels are expected to be good. The outlook for Offshore Energy is mixed, with long-term contracts and work already contracted expected to provide an important degree of stability, whilst the spot market-related Marine and Subsea Services are experiencing pressure on utilization levels and margins.

The project-based nature of a significant part of our activities makes it difficult to give a specific quantitative forecast for the full-year result early on in the year. In light of this we are currently unable to provide quantitative guidance with regard to the 2015 full-year result. However, it is already clear that the contribution from possible exceptional items will be substantially lower in 2015 than the EUR 200 million contributed to EBIT in 2014.

Capital expenditure in 2015 is expected to be EUR 250-275 million and will be financed from the company's own cash flow.

2015	FINANCIAL AGENDA
12 May	Annual General Meeting of Shareholders
14 May	Ex-dividend date
15 May	Record date for dividend entitlement (after market close)
1 June	Final date for stating preference for dividend in cash or shares
4 June	Determination and publication of conversion rate for stock dividend based on the volume-weighted average share price on 2, 3 and 4 June (after market close)
9 June	Dividend payment and delivery of shares
20 August	Publication of 2015 half-year results
13 November	Trading update on third quarter of 2015

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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 services including the construction and maintenance of ports and waterways, land reclamation, coastal defense and riverbank protection. In addition, Boskalis offers a wide variety of marine services and contracting for the offshore energy sector including subsea, heavy transport, lifting and installation (through Boskalis, Dockwise and Fairmount) and towage and salvage (through SMIT). Furthermore, Boskalis has a number of strategic partnerships in harbor towage and terminal services (Keppel Smit Towage, SAAM SMIT Towage and Smit Lamnalco). With a versatile fleet of 1,000 units Boskalis operates in around 75 countries across six continents. Excluding its share in partnerships, Boskalis has approximately 8,500 employees.

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