

## Grontmij reports further increased profitability in first quarter 2008

- **Result after tax increased with 12% to € 9.3 million (2007: € 8.3 million).**
- **Net revenue increased to € 157.6 million (2007: € 151.1 million). Organic growth amounts to 5.9% (2007: 5.0%). Without the effect of the British pound the organic growth would have been 7.5%.**
- **Total revenue on 2007 first quarter level (€ 195 million).**
- **Outlook for 2008 remains unchanged: further growth in revenue and profitability as compared to 2007, excluding unforeseen circumstances.**

Comments Sylvo Thijsen, CEO Grontmij N.V.:

"Grontmij has achieved a good first quarter. Net result increased to € 9.3 million. All countries contributed positively. Due to an early Easter the season was relatively short. Net revenue (own production), rose organically by 5.9%. Without the effect of the British pound the organic growth would have been 7.5%.

The market developments in all regions are resulting in good order books. Despite general signs of economic slowing down, we see lots of investments in (public) transport, energy, water take place in Europe.

Grontmij acquired three businesses in the UK, one in the Netherlands and one in Hungary. Whitelaw Turkington, Roger Preston & Partners, Trett Consulting, Stoel & Partners and Canor will add more than 450 professionals. As of the second quarter, these acquisitions will contribute positively to the revenue and result. These acquisitions strengthen our market positions in built and natural environment especially within the leading design and project management competences.

Our ambition is to continue to grow with sustained profitability by more intensively targeting the home markets in Northwest Europe and expanding operations in our growth markets. The outlook for the remainder of 2008 is unchanged positive: growth in turnover and profit. We expect to approach an operational margin of 8% (EBITA based on revenue including third-party project expenses) over the full year 2008".

In the publication of its 2007 results Grontmij announced that it will no longer distinguish continuing activities and activities held for sale. If necessary figures are adjusted for comparison reasons. As explained at the presentation of the full year figures of 2007, Grontmij will present its group results including geography and market segments in its half year and full year reports. In the first and third quarter releases the group results will be presented together with an update on the countries and market segments.

### Revenue and net result first quarter 2008

The key financial figures for the group are summarized below:

(in € million or %)	2008 Q1	2007 Q1	Amount of Difference	Difference %
Revenue	195.9	195.1	0.8	0.4%
Net revenue	157.6	151.1	6.5	4.3%
EBIT	13.1	10.7	2.4	22.4%
<b>EBIT (% of revenue)</b>	<b>6.7%</b>	<b>5.5%</b>		
EBIT (% of net revenue)	8.3%	7.1%		
EBITA	14.0	12.5	1.5	12.0%
<b>EBITA (% of revenue)</b>	<b>7.2%</b>	<b>6.4%</b>		
EBITA (% of net revenue)	8.9%	8.3%		
<b>Result after tax</b>	<b>9.3</b>	<b>8.3</b>	<b>1.0</b>	<b>12.0%</b>
<b>Result after tax (% of revenue)</b>	<b>4.7%</b>	<b>4.2%</b>		

Grontmij includes the results of joint ventures and associates in the calculation of EBIT and EBITA.

Earnings per share in the first quarter of 2008 amount to € 0.52 (2007: € 0.46).

### Markets

In the first quarter Grontmij enjoyed a powerful demand for its services. Both in home markets and in Central & Eastern Europe. The overall opinion of management is that all area's of operation will continue to benefit from the market demands in the second quarter.

### Environment, Water & Energy

The demand for sustainable design and engineering drives a major part of the daily operations in all countries. The demand is rising in these segments, we see no indication of slowing down.

The market for consultancy services for Building and Industry show a rising investment in plants, facilities and installations for process optimising and reducing use of water and energy. In residential and commercial building, although a small part of our business some indication of slowing down are noticed in the market.

### Transportation

The European market on (public) transportation is sustainably strong. Volumes of studies, planning, design remain strong and estimated to continue on a high level. We expect that the demand will stay high in the coming period.

### Countries

#### *Belgium*

Grontmij's position in Belgium remains strong, especially in the industry and transportation sectors. The following assignments were added to our order book in the first quarter of 2008:

- mobility plan for Flanders: improvement of the public transportation facilities with the construction of three new rapid tram lines and the reconstruction and extension of bus lines;
- development of new office buildings for Umicore and Volvo based on the green building concept.

#### *Denmark*

Although the economic growth is slowing down in Denmark Grontmij has a strong position in the Building, Transportation, Water and Environment sectors which supports organic growth. Grontmij received the following assignments in Denmark:

- consultancy services for the realisation of the five-star Gilleleje Spa & Wellness Resort;
- consultancy services for the expansion of the private hospital Hamlet including five operating rooms and x-ray rooms.

#### *Germany*

The economical development in Germany has supported our improved market position. Especially in the services related to energy, transportation and building project management an increased level of activity could be seen. Grontmij was able to acquire the following consultancy assignments:

- the planning and engineering of a new urban railway (including a tunnel) in Frankfurt which is situated in a former residential area of the US Air Force. This area will be redeveloped in a large scale commercial and office building site;
- the design and engineering of a geothermal energy power plant near Munich.

#### *United Kingdom/Ireland*

Especially in the sector Water Grontmij has a strong position with respect to asset management. Its position in the transportation market is less substantial but strong. The three acquisitions mentioned above will contribute to the revenue and result from the second quarter of 2008. Important assignments in the UK and Ireland:

- extension of the framework contract with East Riding of Yorkshire Council for the construction, inspection and maintenance of the main road network and its civil constructions. Key factor for the extension assignment was Grontmij's performance on safety initiatives;
- investigation of the flooding risks of 4,000 above ground facilities of Thames Water followed by prioritisation of actions and detailed studies regarding these actions.

#### *The Netherlands*

The market position in the Netherlands has increased due to the sectors Energy, Water and Transportation. The repositioning of the business mix which started in 2007 will also be profitable in the next period. In the Netherlands Grontmij gained the following consultancy assignments:

- the construction of 35 kilometre of the four lanes provincial highway N356, called the Central Axis Friesland. The assignments includes both by-passes around Hurdegaryp and Garyp, an aqueduct crossing under the Prinses Margriet Canal and some twenty flyovers and (bicycle) tunnels;
- design and supervision of the construction of coastal protection constructions at Noordwijk. In an extent of 1,100 metres dunes will be improved by extension and by introducing a dike within the dunes.

#### *Sweden*

The market in Sweden continues to be favourable for services Grontmij provides, although some indications of decreasing growth are shown (deteriorating Building market). The improvement in the business mix leads to a decrease of low profitable engineering segments. For the remainder of 2008 we focus on more profitable activities with a higher revenue and result per employee.

Important consultancy assignments in Sweden are:

- the construction of RTU's (Remote Terminal Units) at 634 substations of the high power transportation network, assigned by Vattenvall Eldistribution AB. The RTU's will allow adequate communication between the substations and central command. The remote control function will be improved and more secure;
- Nordic Airport Properties (market leader on facility management and services at airports) assigned Grontmij to develop a large range of activities, varying from setting up rental contracts to inspections of real estate property and facility equipment.

**Focus countries**

In our focus countries Ireland, Hungary, Poland, Czech Republic, the Baltic's and Turkey we see a continuing demand for our services. The recent acquisition in Hungary and the Polish office of Roger Preston and Partners enforced our position in these two countries by adding more than 100 employees. The acquisition of KPI Systems in Poland will enhance our position in the (substantial) transportation market as of the second quarter of 2008.

**Scope of the group: divestments and acquisitions**

In the first quarter of 2008 no significant divestments were completed. A number of acquisitions were completed in the first quarter which will substantially contribute to the revenues and result as from the second quarter of 2008. It concerns the acquisition of all of the shares of Roger Preston & Partners, Trett Consulting and Whitelaw Turkington in the United Kingdom, Canor International in Hungary and Stoel & Partners in the Netherlands and in addition some small scale acquisitions spread over the different countries.

With the acquisitions realised the number of staff of the group has increased on a yearly basis by 450 and total revenue by € 50 mln.

**Outlook 2008**

Grontmij is focussed on increasing its results and adding value on the long term. With respect to this the company does not provide targets for earnings per share per quarter or per year. The target for 2010 aims at realising a 8-9% operational margin (EBITA based on revenue including third-party project expenses).

Taking into account the development of revenue and result in the first quarter of 2008 and the developments of the order book, the outlook for the full year 2008 remains unchanged positive: barring unforeseen circumstances, we anticipate a further increase in revenues and profitability in 2008 as compared to 2007. We expect to approach an operational margin of 8% (EBITA based on revenue including third-party project expenses) over the full year 2008.

**Invitation to attend audio webcast of the Annual General Meeting of Shareholders**

We are pleased to invite you to listen in to the audio webcast of Grontmij's General Meeting of Shareholders today, 15 May at 15:00 hrs ([www.grontmij.com](http://www.grontmij.com) or via [www.companywebcast.nl](http://www.companywebcast.nl)).

**Financial calendar**

15 May 2008	General Meeting of Shareholders
21 August 2008	Publication of half-year results for 2008
13 November 2008	Publication of third-quarter results for 2008
12 March 2009	Publication of annual results for 2008
14 May 2009	Publication of first-quarter 2009 results
14 May 2009	General Meeting of Shareholders
20 August 2009	Publication of half-year 2009 results
12 November 2009	Publication of third-quarter 2009 results

**For further information, please contact:**

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[www.grontmij.com](http://www.grontmij.com)

*Grontmij intends to be the best local service provider for design, consultancy, management, engineering and contracting of projects in environment, water, energy, building, industry and transportation. Our employees thus create value for our clients and shareholders and contribute to a sustainable living and working environment.*