Royal HaskoningDHV
Enhancing Society Together

Financial Report 2014

Royal HaskoningDHV

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Introduction

Dear Reader,

I am delighted to present our Annual Report for 2014. It describes our progress in developing a strong, sustainable and profitable business: one that plays a leading role in our markets and makes a positive contribution to society through our projects.

We are pleased to announce that we achieved a significantly improved net result of €6.3 million for 2014, compared with a €3.4 million net loss in 2013. The operational result (EBITA recurring) remained stable at €14.7 million.

These results reflect our commitment to build on our strengths. We aligned investment and effort towards developing leading market positions and continue to be recognised as one of the world's top 50 international design firms.

We are evolving from a Europe-centric company to a transnational organisation. We have focused on excellence within our operations to deliver added value to clients and improve our bottom line success. During the year, we enjoyed positive and sustained support from clients and recorded our highest average score in client satisfaction surveys. This is a great achievement and I'm proud of the commitment and contribution of our teams across the world.

Our primary role is to provide expert services and products that support clients in achieving their objectives. Increasingly those objectives are intertwined with the wider challenges our world is facing. In 2014, our promise to Enhance Society Together came together around four global challenges: urban, water, transport and industry. You will see throughout this report examples of our smart, innovative and inspiring solutions. And how these relate to one or more of these challenges.

Throughout our activities and in partnership with our clients and other stakeholders, we are committed to contribute to a better world. To do so, we need a strong financial basis from which to operate; we need the best team working on our behalf; we need to develop our leading positions in markets in which we excel; and we need to operate efficiently and effectively on our clients' behalf. This remains our focus for the future.

Our strategy is starting to pay off and we intend to lead in our chosen areas of expertise and we look forward with confidence to the years ahead. We hope you enjoy reading about our progress and exploring the many ways in which our work is already making a positive difference in society.

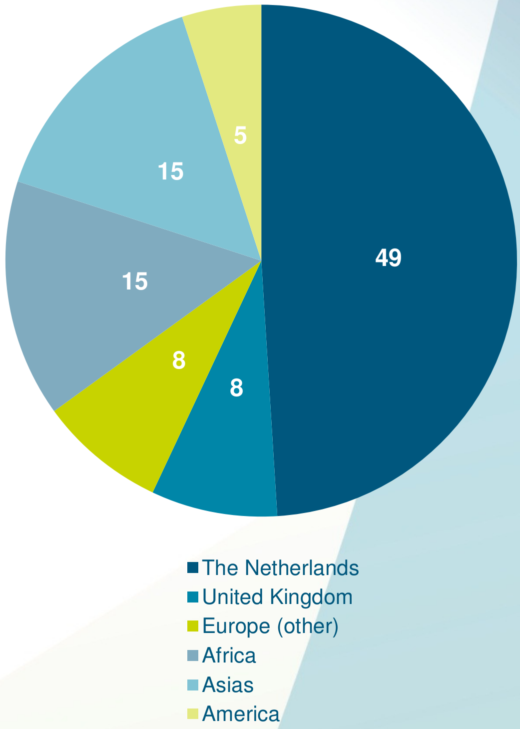
Erik Oostwegel
Chairman of the Executive Board

Key Figures

(€ millions, unless stated otherwise)

	2014	2013 restated
Net turnover	**654.7**	**650.1**
Operating income	**649.2**	**665.8**
Added Value	**493.5**	**507.0**
Results		
EBITA recurring	14.7	14.8
EBITA	12.9	4.8
Net result	6.3	(3.4)
Return on average shareholders' equity (%)	6.0	(3.2)
EBITA margin, recurring (%)	2.3	2.2
Earnings per share (€)	1.28	(0.68)
Balance Sheet		
Total assets	272.0	284.8
Shareholders' equity	106.6	103.6
Group equity	106.9	104.3
Group equity as percentage of total assets (%)	39.3	36.6
Financial Position		
Net working capital	24.7	34.5
Free cash flow	25.6	(16.9)

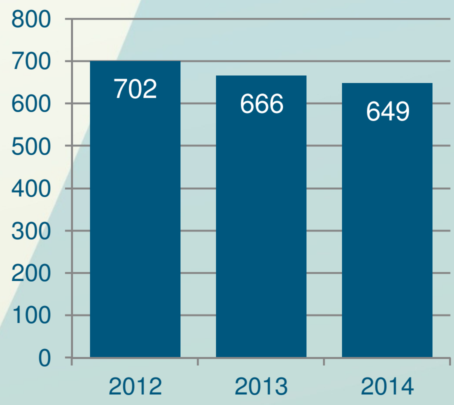
Turnover by region (in%)



DEFINITIONS

Net turnover	Amounts invoiced to clients (excluding VAT)
Operating income	Net turnover adjusted for change in work in progress
Added value	Operating income less cost of work subcontracted and other external charges
EBITA recurring	EBITA excluding non-operational items
EBITA margin	EBITA / Operating income
Earnings per share	Net result / Number of ordinary shares issued
Net working capital	Current assets less current liabilities (excluding cash and cash equivalents less amounts owed to credit institutions)
Free cash flow	Cash flow from operating and investing activities

Operating income (€Million)



649

Operating income
€ million

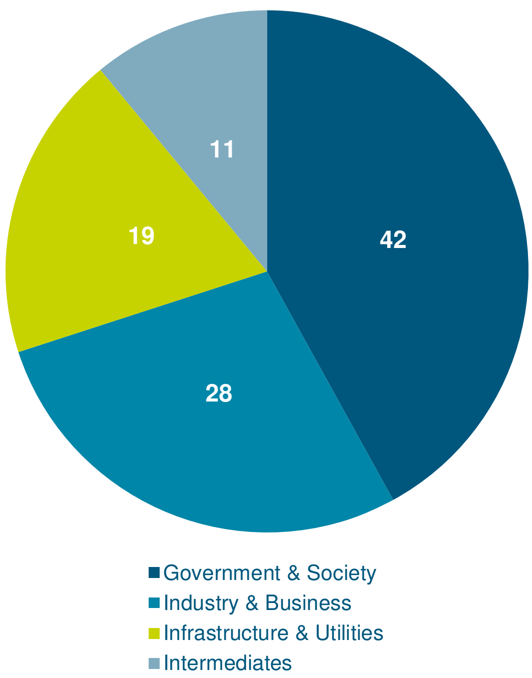
6,850

Average
workforce

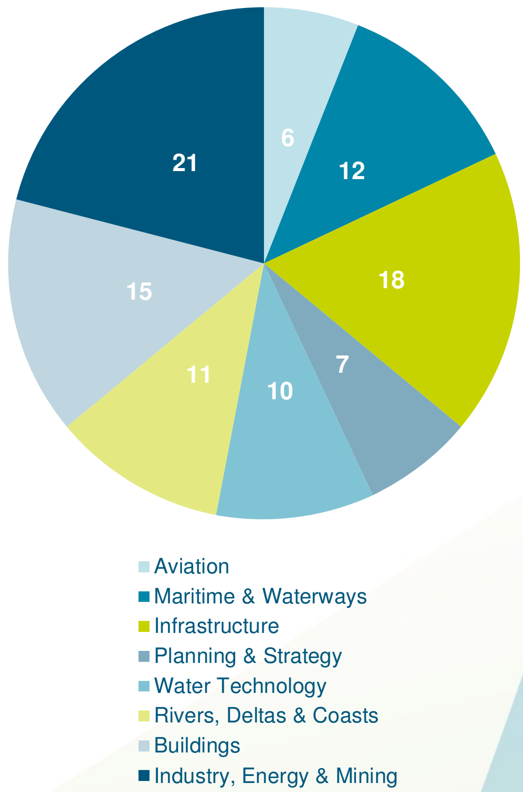
107

Shareholders' equity
€ million

Turnover by client group (in%)

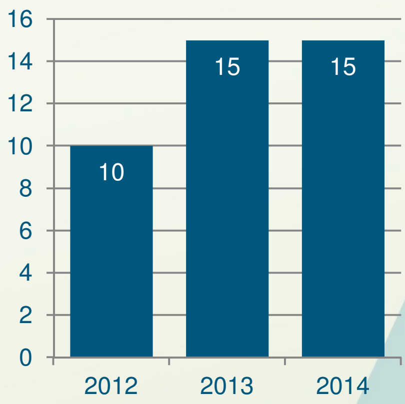


Turnover by market group (in%)

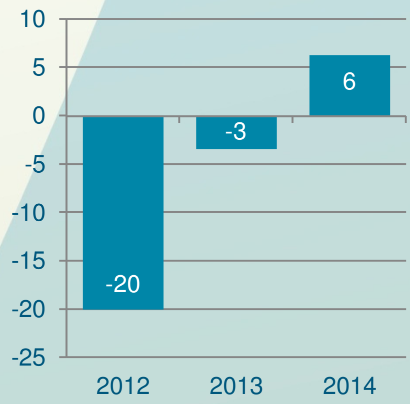


Added Value (€Million)

EBITA Recurring (€Million)



Net Result (€Million)



Company Profile

Royal HaskoningDHV is an independent, international engineering and project management consultancy with over 130 years of experience. Our professionals deliver services in the fields of aviation, buildings, energy, industry, infrastructure, maritime, mining, transport, urban and rural planning and water.

Backed by expertise and experience of nearly 7,000 colleagues across the world, we work for public and private clients in more than 130 countries.

We focus on delivering added value for our clients while at the same time addressing the challenges that societies are facing. These include the growing world population and the consequences for towns and cities; the demand for clean drinking water, water security and water safety; pressures on traffic and transport; resource availability and demand for energy and waste issues facing industry.

Context is critical. Every project we do exists within a changing and increasingly unpredictable environment. We understand the local context and deliver appropriate local solutions.

We believe in Enhancing Society Together. Stated simply, it means that in partnership with our clients and stakeholders we aim to contribute to a better world. 'Together' is important because we believe meaningful solutions for the future can no longer be created without collaboration.

Our mission outlines what we do and who we are. We are a people-to-people company. We envisage that our client relationships will evolve into partnerships which undertake collective initiatives. In collaboration, we create solutions for the sustainable interaction between people and their environment.

Our vision is to be a strong, global, independent engineering consultancy - sustainable and leading in our markets. Together we create an inspiring environment that we can be proud of and that others will want to join.

Our roots are in the Netherlands, the United Kingdom and South Africa. In addition, we are established in Asia and the Middle East, Africa and the Americas.

“We continue to work on major, exciting projects like Mexico’s new international airport and the stunning Sharq crossing in Doha. These will become historical features, bringing the best for generations to come,” says Erik Oostwegel, CEO. “We are proud too of projects like the introduction of early flood warning systems in South America contributing to the safety of the society, and the construction of a bridge making safe travel possible for communities in South Africa. In everything we do, we aim to go further by introducing smart sustainable solutions to generate positive impact. We add value by doing things better, faster and more efficiently.”

Our Values

Key to our existence as a company are our values. These form the basis of who we are and what we want to be. The following four words, which create the acronym Br I T E, explain these values:

Brightness

We keep an open mind to ideas that lead to the best solutions for our clients. We innovate and are eager to lead by inspiration.

Integrity

We care about our clients, our staff and society as a whole. We create integrated and pragmatic solutions for sustainable interaction with a high respect for people and their environment. We have zero tolerance for non-compliance with our integrity code.

Team spirit

Our way of working is pro-active, open and inclusive.

Excellence

We deliver on our promises and strive to continuously improve the added value of our services.

These Brite values underpin our mission and vision. Our stakeholders can expect from us solutions that are in line with these values and reflect our promise, Enhancing Society Together.

Our Clients and Markets

Our clients are private companies which range from major multi-nationals servicing a variety of sectors to small and medium-sized enterprises, government bodies (national, regional and local), international semi-governmental organisations, and not-for-profit organisations.

We frequently work in partnership with associated organisations, architects and consultants who bring additional expertise or capacity. We have long-standing links with academic and research institutions.

Our company operates through eight business lines, across which we share innovation and expertise. Our principal markets are described below:

Aviation

Wherever passengers are travelling, chances are our aviation engineers have already made their journey a little smoother. We develop inspired solutions and provide project management services for airport and airline developers. Our portfolio dates back 65 years and spans 550 airports.

Buildings
Whether office, factory, school or hospital, buildings need to be fit for purpose, cost effective to run, and offer comfort and adequate functionality to their occupants. Innovative technologies ensure the best use of space, materials and energy. Innovative design ensures our buildings enhance their environment.

Energy
Securing the world's energy supply is one of today's biggest challenges. Engineering and environmental solutions for the energy sector are our expertise. Our installations harness sun, wind, waves and tides. We are active in anaerobic, bio-fossil, biomass plants and thermal energy and power.

Industry
Innovation in industrial engineering is our forte across food and beverage, oil and gas, petro-chemical, production and assembly lines. Delivering all project phases from feasibility to full engineering, procurement and construction management (EPCM) services, we have the skills required to bring projects to completion.

Infrastructure
Partnering with clients to develop and design bridges, roads, tunnels and smart transport solutions, we understand the value for societies of effective infrastructure. We deliver innovative and sustainable solutions that transport people, goods and resources more quickly, more safely and with less negative impact.

Maritime
We are one of the world leaders in marine and port facilities (according to ENR). We understand transit challenges and provide fully integrated multidisciplinary solutions for the entire chain from pit to port and onwards.

Mining
Whatever the commodity, wherever the mine, we design and engineer solutions across the mining logistics chain. From feasibility studies to detailed design and review work to business support, our mining consultants deliver multi-commodity solutions worldwide.

Rural & Urban Planning
As cities become more populated and societies become more sophisticated, emphasis is placed on quality and sustainability. By bringing together all the important stakeholders, we forge better urban design and development. We apply our technical expertise and funding insight to develop rural and urban areas that deliver multiple long-term benefits to society.

Water
Due to the growing demand for water and flood protection we see the necessity to improve the management of the water cycle, from capture and storage, through abstraction and treatment, to flood risk management and coastal protection. Our innovations use technology and the power of natural forces to create sustainable solutions that safeguard the quality and security of our water, mitigate against flood risks and address water scarcity.

Report of the Supervisory Board

We have pleasure in presenting the 2014 Royal HaskoningDHV Annual Report. The annual accounts were prepared by the Executive Board, audited by the external accountant KMPG and signed following discussions with the Executive Board. Given the result of 2014, we support the proposal of the Executive Board to pay a dividend. We recommend that the annual accounts for 2014 be adopted and we call on you to discharge the Executive Board from liability for its management and the Supervisory Board for its supervision during the financial year 2014.

We supervise the company on behalf of shareholders but also have the interests of society as a whole in mind. The full Supervisory Board convened five times during 2014. Average attendance of our members was 93%. The development of the organisation in transferring from a 'company of professionals' to a 'professional company' received regular attention. In addition we paid attention to financial management and risk control, and the development and implementation of corporate responsibility, integrity and compliance. We have seen a positive development in the quality of the organisation, the cost awareness and client focus of all employees. Profitability however should be increased to ensure a healthy future for the company. Continuous review, reshaping, alignment and focus on the internal processes and costs at all levels of the company remain crucial to its healthy development. Other main items on the agenda included investments and divestments, remuneration philosophy and compliance. In particular, considerable attention was paid to the long-term restructuring programme to achieve cost reductions started in 2013.

In addition to the formal Supervisory Board meetings, various meetings between the Supervisory Board and the Executive Board took place. Members of the Supervisory Board participated in meetings with both the shareholder foundations and the Works Council.

Audit Committee Meetings

The Audit Committee of Royal HaskoningDHV is composed of Hessel Lindenbergh (Chairman), Jan Bout and Tjalling Tiemstra (from 1st September 2014). The committee met on five occasions.

Topics on the agenda were the annual accounts, the external auditor's report and finalisation of the budget. In addition, the auditor's Audit Plan, refinancing, compliance with bank covenants, tax planning, pensions, the financial impact of divestments, risk management, ICT/ERP developments and management information were discussed. The quarterly results and internal controls were on the agenda for all meetings.

Remuneration and Appointment Committee

The Remuneration and Appointment Committee convened six times. Members are Klaas de Vries (Chairman), Sybilla Dekker and Joop van Oosten. The main topic on the agenda of the Committee was the vacancies in the Supervisory Board in 2015.

Profile and Composition of the Supervisory Board

The Supervisory Board is properly constituted and its members possess the desired competencies in accordance with the profile of the Board. All members are 'independent' as provided in best practice provision III.2.2 of the Dutch Corporate Governance Code. Two of the members are financial experts as provided in best practice provision III.3.2 of the Code.
The current Board consists of six members. A reappointment and resignation scheme is agreed for the coming years. Background information on the Board is available on our website.

As per the resignation scheme, the terms of Mary de Gaay Fortman and Wim van Vonno ended in March 2014. Arthur van der Poel decided to voluntarily resign as member of the Supervisory Board. We thank them for their invaluable contributions. On 1 September 2014 Tjalling Tiemstra joined the Supervisory Board.

From 1 September 2014 Royal HaskoningDHV's Supervisory Board has consisted of Joop van Oosten (chairman), Jan Bout, Sybilla Dekker, Hessel Lindenbergh, Tjalling Tiemstra and Klaas de Vries.

In accordance with the resignation scheme, the terms of Jan Bout, Sybilla Dekker, Hessel Lindenbergh and Klaas de Vries ended in March 2015. Next to the reappointment of Jan Bout two new members will be appointed. The Board will consist of five members.

Diversity

The Supervisory Board has a diverse composition in terms of experience, gender and age, and consisted of one female and five male members, all from Dutch origin. We are of the opinion that the present composition reflects a broad selection of industry and markets.
Diversity and gender will be important drivers in the selection process for new members of the Supervisory Board as well as the Executive Board. During 2014 The Executive Board consisted of four members: one female and three male; three are of Dutch and one is of British nationality.

At present, the company does not fully comply with the Dutch Act on Management and Supervision, which – among others – aims at a representation of at least 30% of either gender in both boards. We strive to achieve a balanced composition of the Boards in terms of gender, while it will continue to select members primarily on the basis of expertise, experience, background and skills. Both Boards now have a composition of at least 20% of either gender.

Corporate Governance
The Royal HaskoningDHV Corporate Governance Report and further information concerning the remuneration policy, the Code of Conduct, the SpeakUp Line and regulations for the Executive Board, Supervisory Board, Audit Committee and Nomination and Remuneration Committee can be found on our website. The remuneration of the Supervisory Board and the Executive Board is reported in the Financial Statement, available on our website.

Works Councils
Various members of the Supervisory Board met several times with delegates of the Works Councils to discuss the general course of events of the company, in an open and constructive dialogue. Next to that the Works Council gave its advice on the appointment of the new Supervisory Board members.

In closing
The Supervisory Board is positive about the future of Royal HaskoningDHV. We have great respect for what has been achieved in 2014 and thank all staff for their commitment and loyalty. The company has a strong basis to build upon and we are confident that market leadership and profitability will increase.

Amersfoort, the Netherlands

March 12, 2015

Supervisory Board

J.A.P. van Oosten (Chairman)

J. Bout

S.M. Dekker

J.H.M. Lindenbergh

J.S.T. Tiemstra

K.G. de Vries

Report of the Executive Board

1. Strategy

Vision 2018 is our strategy for a strong sustainable future. In 2014 we launched this strategy which sets the agenda for the way we manage our business, providing more control and focus on the things at which we excel.

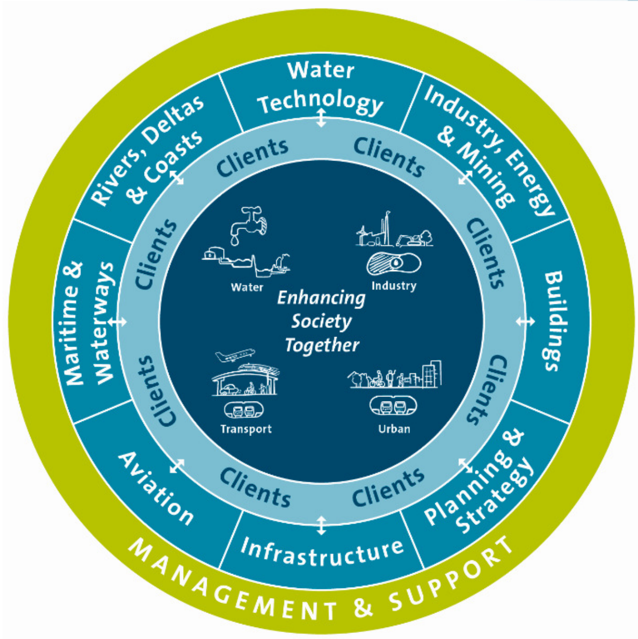
We focus on three areas that will help us achieve sustainable financial performance. We have further concentrated our business in certain countries and within markets in order to create and maintain leading positions. We have improved the quality and efficiency of our operations, particularly in the areas of project management and working capital. We are working to create the best team of people with the right skills and flexibility to deliver our services wherever they are needed in the world. Each part of our strategy is described in more detail in the pages which follow.

Through continuing cross-fertilisation between our business sectors, the whole becomes bigger than the sum of our individual parts. This allows us to offer integrated, innovative and sustainable solutions increasingly demanded from clients.

“We possess a range of expertise which few companies can match,” says Jaska de Bakker, CFO. “Our strategy strengthens our ability to excel in our markets and add value to society.”

“The Supervisory Board supervises the strategy of the organisation and its achievements. We have great respect for what has been achieved in 2014 and thank all staff for their commitment and loyalty,” says Joop van Oosten, Chairman of the Supervisory Board. “Although profitability needs to increase further, we have seen a positive development in the quality of the organisation, the cost awareness and client focus of all employees.”

Royal HaskoningDHV is an independent organisation owned by its employees. We are organised globally across eight business lines with market focus. Each Business Line Director has an integral responsibility and reports to the Executive Board, which is supervised by the Supervisory Board. The business is supported by Corporate Groups



2. Enhancing society together

Our brand promise, Enhancing Society Together, overarches our strategy representing what we stand for. It is the promise we make to our clients and our partners, to society and to our people.

2.1 Global Challenges

Our aim is to contribute to smart sustainable solutions to the challenges faced by society through our projects and innovations. Our activities are aligned across four global challenges which form the wider context of our work.

Urban challenge
Half of humanity lives in cities. By 2030, the proportion will rise to more than 70% according to the World Health Organisation. Congestion, pressures on housing, transport, health services and demand for energy, water and food will all grow accordingly, impacting the quality of life of billions of people. Cities are where all the challenges converge, requiring integrated solutions. Our multidisciplinary approach is designed to make cities enjoyable, safe and healthy places to live, work and learn. Stakeholder engagement and economy-driven master planning are key elements.

Water challenge
The urgency around water issues is growing. Nearly 1 billion people still lack access to safe drinking water and 2.6 billion to basic sanitation such as toilets or latrines. Heavy rainfall, sea level rise, climate variability and poor water management will increase the risks of disasters. Water resources need to be carefully managed to cater for growing urban populations, increased economic activity and to maintain our ecosystems. Our focus is on innovative solutions, for example in providing clean, fresh water or treating wastewater safely and economically so it can be reused and reintroduced into the water cycle, and protecting communities from flood and drought. We go for safe and clean water for all: not too little, and not too much.

Transport challenge
Transport creates social and economic value but has a large and growing impact on fossil energy consumption and CO2 emissions. Population growth places additional pressure on transport systems and growing global prosperity results in more traffic. We are contributing to local and international improvements which deliver cleaner, safer and more effective systems and solutions. They draw on our technical knowledge in areas like traffic management, mobility, air quality, noise, logistics and sustainability.

Industry challenge
Industry plays a vital role in the economic and social development of every country. Existing and future business models will need to focus on more sustainable industrial development to address to resource scarcity and energy demands. Improved environmental footprint, high standards of safety and societal embedding are key to addressing this. The challenge is to reinvent industrial processes, improve resource efficiency and include environmental and social value into our way of thinking. We are supporting our clients in making viable steps towards cleaner technology and responsible business solutions, including renewable energy, the circular economy, supply chains and management of water, energy and materials.

2.2 Adding value now and in the future

Our primary role within the value chain is to provide expert services and products that support clients in achieving theirs while guaranteeing our own company future. Increasingly those objectives are intertwined with the wider challenges our world is facing.

That is why we seek to add value not only in economic terms but in ecological and social terms too. It is not just good for clients; it is in the best long-term interests of our society as well.

“We create for the long-term so our projects need to be resilient to face future challenges. Whether it’s a bridge, an airport, a new factory or a water project, our solutions need to meet the requirements of today as well as those of the distant future. It is our strong belief that in answering the needs of stakeholders we should aim for using the least possible natural resources and energy should be used. In other words; reduce our footprint,” explains Marjolein Demmers, Corporate Responsibility Director. “Our clients share our vision and we are committed to looking for win, wins within each and every project which is good for our clients, good for society and good for our business.”

2.3 Highlights in sustainable development 2014

Our key contribution to support sustainable development is through our projects, creating value for clients and society while managing our business continuity. Every project contributes to solutions to the four global challenges and we are proud of the highlights selected from 2014 below.

Urban Challenge
Our master plans enable authorities to take an integrated approach to urban development to make the best possible use of space and infrastructure. In 2014, we were commissioned to undertake our first master plan in India for Bangalore, which will help this fast-growing city to become more liveable for people and businesses. In the Netherlands, we worked on the world’s largest underground cycle park in Utrecht. It provides safe and accessible parking for 12,500 bikes, and improves the sight of the city central station.

The new Markthal (Market Hall) was opened in Rotterdam, a new landmark for the city. Our internationally recognised structural glass design includes a 45m wide arch providing housing, underground parking and space for market stalls.

We are investigating how to strengthen primary health care in Kulon Progo in Indonesia, an underdeveloped urban district of Yogyakarta, home to 500,000 people. The main objective of the study is to identify all the health care solution components to give people access to basic care.

In Oman we delivered an integrated master plan to stimulate the regional economy and to provide direction to the spatial plans. The involvement of the local population is a key element; their voices will be heard as they participate in discussions about the future of their region.

Water challenge
Our experience shows that with the right skills and approach remarkable solutions can emerge. We celebrated the conclusion of a €220 million programme to alleviate the misery of flooding for communities and businesses across the Moray region of Scotland. Our unique technological approach to treating wastewater gained ground with Nereda® treatment plants to be constructed in Switzerland and India. Smaller and more cost-effective than traditional plants, these plants use less energy and require no chemicals.

We provide a range of services that are helping cities with the transition to become (more) resilient. For the city of Jakarta in Indonesia we provided a long-term strategy to restore flood safety as the city is experiencing annual floods. Jakarta is sinking and there are areas that are now 1.4m below sea level. The project will protect and develop North Jakarta while at the same time provide a model for other delta cities around the world.

As living standards improve and economic development increases in Indonesia, the need for clean water and a healthy environment grows. This year we completed a 5-year Urban Sanitation Development Programme advising the Indonesian government how to improve access to sanitation, a Programme which covers more than 400 cities in all districts.

We are involved in several projects along the Mekong Delta in Vietnam, which aim to mitigate the impacts of drought and flooding. These projects are extremely important to local farmers, as they not only help protect their precious crops, but safeguard their homes and property, and most importantly, their families' health and wellbeing.

We successfully completed restoration of the Ouse and Adur Rivers in the United Kingdom. The Environment Agency, rivers trusts, consultants and contractors worked closely together to deliver considerable environmental benefits improving fish passage and enabling a greater diversity of fish species. In addition flooding downstream of the Middle Ouse was reduced by restoring the natural river and its floodplain.

The year started with unprecedented levels of flooding in the United Kingdom which were followed later in the summer with flooding across Eastern Europe. Our experts were selected by the United Nations Disaster Assessment and Coordination (UNDAC) to join their emergency response teams deployed during and after natural disasters. Our response to a previous flooding disaster won the Rebuild by Design Competition – an initiative by the Hurricane Sandy Task Force to rebuild the areas of New York and New Jersey. Our solution will help the Hoboken community become more resilient to future flooding.

In Nigeria we are working on the transformation of irrigation management from government to private service providers and water associations. The integrated Water Resources Management Plan for the Hadejia River Basin includes irrigation and drainage infrastructure and management, flood risk reduction and river flow regulation. The project benefits more than a million people in the surrounding area safeguarding their homes, increasing farming and fishing and increase their health and welfare.

Transport Challenge
We believe integration of all transport modes is vital for smarter transport systems. We have been involved in the new Doha Metro Network which is part of a larger integrated railway project for Qatar. Once complete, it will encourage public transport as a viable alternative to private vehicles. In Saudi Arabia, we are working on the new world-class North-South railway. The benefits of our integrated approach are evident in the master plan created for Xiamen Airport in China. This extends beyond the airport boundaries to provide a comprehensive airport city model covering urban development, public transport and coastal design. It helps encourage economic growth, includes creation of high-quality living space and improves the local ecology and natural scenery.

We were appointed to conduct the Environmental Risk Assessments for the revitalisation and development of Jakarta's Soekarno-Hatta International Airport, one of the world's top 10 busiest airports in terms of passenger traffic. The airport delivers enormous benefit to the Indonesian economy so its ability to cope with growing numbers of travellers is vital for the country's prosperity.

We were appointed to work on the delivery of London's Quietways contract which will make a positive impact on cycling in the city. Another cycling project was won in India where we were awarded the design and supervision of the Cycle Tracks project for the Noida authority in the state of Uttar Pradesh. Both these projects bring benefits for society through increased mobility using a sustainable method of transport.

We validated the conceptual design of the Sharq crossing for Doha, Qatar, the first immersed tunnel project in the Middle East region. And we started working on a proposed 230km motorway across Turkey. This project involves a feasibility study, now complete, engineering studies for the selected route and site investigations. Improved transport systems boost connectivity and economic growth for the region.

In October, around 400 transport professionals joined us celebrating our company's 50th anniversary of Transportation Consultancy Services in the Netherlands. During the years we advised on solutions for several transport issues like increasing traffic, road safety for all users and future developments like self-driving cars.

We are involved with what is the largest investment in the Dutch railway network for the next 50 years. The existing Automatische Trein Beïnvloeding (ATB) signalling system is being replaced with the European Rail Traffic Management System (ERTMS) to make sustainable growth possible in the future. Currently a pilot project has been set up to gain better insight into all the possibilities of ERTMS.

In partnership with Witteveen+Bos, we were awarded an $18 million contract to design a new shipyard in Kazakhstan. Providing ship building, repair and maintenance to support the country's growing oil and gas exploration activities, the shipyard is of great strategic importance to the country's economy. We won and started work on a number of projects in ports across Peru and South and Central America including a major supervision project in Southern Peru of a mineral export facility. Where possible we have introduced innovative technologies, including electrically-powered cranes, to improve the sustainability of port operations.

Industry Challenge
We are designing factories that use water, energy and natural resources more efficiently. In Indonesia mini hydropower plants will provide sustainable energy to local communities and support increased economic activity.

We were involved in the launch of EcoProFabrics in 2014, the first circular economy initiative for the textile industry. Important steps were taken to broaden understanding and knowledge about Recover-E, our circular economy for ICT users, and we continued to make progress with our Take Back Chemicals initiative.

All these activities respond to issues of natural resource scarcity and handling waste.

We were awarded a contract for full engineering, procurement and construction management services for a new garment factory in Vietnam for TAL Group, one of the leading clothing manufacturers in the world. This requires the 75,000m2 plant to be designed in a sustainable way to achieving internationally recognized LEED Gold classification, as the premier mark of achievement in green building.

The Dutch Ministry of Foreign Affairs, announced in November that Royal HaskoningDHV had won the 'Public Private Partnership Award 2014' for the project 'Sugar, Make it Work' in Rwanda. The project uses Nature Driven Design to help drain the flood plains along the Nyabarongo River much faster, creating fertile grounds for safe sugar cane production.

PT. SOHO Industri Pharmasi is one of the leading and fastest growing pharmaceutical manufacturers in Indonesia. With growing demand for their existing products and plans to extend their production lines a new state-of-the-art production facility and office were constructed, both meeting the newest international industry requirements. The new Sterile Greenfield facility mirrors SOHO's mission to provide high quality health care products and services and to promote quality and long life.

2.4 Sustainability in our own operations

In our own operations, we seek to lead by example, mitigating the negative impact of travelling and related emissions due to our global scope through investing in IT infrastructure, virtual working and digital communication where possible.

Across our offices, there have been moves to reduce travel while promoting cycling, car sharing and public transport. Efforts are being made to reduce and recycle paper and cut energy and water use even further. In Australia, a system of car-pooling has been introduced for site visits and events. We have implemented virtual facilities for international collaboration, like the I-Room in several offices in the Netherlands and Indonesia. Across several countries, video conferencing is encouraged over travelling to meetings. And we introduced MS Lync in most offices to collaborate easily on an individual level. These are small adjustments but collectively they contribute to reduce the footprint of our operations.

Our CO_2 footprint is the key indicator of the impact of our activities on the environment and climate change. The footprint covers the CO_2 equivalent of greenhouse gas emissions directly caused by our operations and greenhouse gas emissions that relate to energy consumption in our offices and during business travel. Paper usage, waste, water and materials are also relevant, but on a much smaller scale. Therefore they are not included explicitly in our carbon footprint.

CO_2 footprint (tonnes per employee)

CO_2 footprint in office buildings (tonnes per employee)

CO_2 footprint for business travel by car (tonnes per employee)

CO_2 footprint for business travel by plane (tonnes per employee)

2.5 Community Engagement

Across our offices, our employees are involved in 'giving back' activities, providing time and expertise within the societies we work for.

Employees in the Netherlands raised money to donate 100 holidays to spend time providing technical expertise in the areas affected by typhoon Yolanda in the Philippines. We set up a construction planning and control department, project control system and provided guidance on building 20,000 new homes safely, sustainably and cost effectively.

Around 600 staff from the Infrastructure group have been involved with activities in the city of Utrecht, assisting with a range of projects, from painting a school to helping in a homeless shelter. Several Saturday Schools were organised for less fortunate children in South Africa and in the Netherlands.

In the United Kingdom, we set up a 12-month partnership with Brake to sponsor the charity's Zak the Zebra community road safety campaign. Joe Burns, spokesperson at Brake, said, "We're able to send Zak, our mascot, out to local campaigns throughout the country thanks to fantastic support from Royal HaskoningDHV, support that will bring real benefits to communities facing risks of dangerous roads. We look forward to working together through the Zak campaign, making the most of both expertise in transport planning, and the passion for making our roads safer for all."

In India volunteers from our office in Noida celebrated India's Independence Day with children at the Grace Care Children's Home. They organised games, singing and dancing activities and finished by flying kites with the children, an Independence Day tradition symbolising freedom.

Across the world, our offices have been involved in developing links with universities and creating opportunities for students. For example, five students worked at our Peruvian office in Lima. We supported two students from Oman by offering training on one of our project sites. We have been working closely with the Malaysian branch of Nottingham University, putting forward final year civil engineering projects for students to participate in. Our Maritime & Waterways business has provided traineeships to local students, including two from Myanmar studying at the Myanmar Maritime University who received training on structural engineering and master planning for port projects.

In Indonesia colleagues hosted a blood donation clinic at our office in Jakarta. Nearly 100 bags of blood were donated over a three-hour period. The event served to increase awareness about giving blood and encouraged people to become donors. We continue to respond to local events where we can.

3. Sustainable Financial Performance

Sustainable financial performance represents a healthy profitable business. It allows us to free up cash for investments in leading market positions, building the best team and Enhancing Society Together.

3.1 Financial performance

There has been an improvement in our profitability and cash flow in 2014, which is in line with our strategic focus on profitability before growth.

During 2014, there was a modest decline in operating income of 3%, mainly driven by difficult market conditions in South Africa and in our Industry, Energy & Mining business. Aviation, Maritime & Waterways and Rivers, Deltas & Coasts businesses achieved strong growth.

We have adapted our South African operation. Instead of being organised in a separate Business Line all operations are now integrated in our worldwide operating business lines, boosting collaboration and cross-business expertise to fulfil clients' needs for more integrated service offerings.

The operational result (EBITA recurring) ended at €14.7 million (€14.8 million in 2013). The corresponding operating EBITA margin stayed the same at 2.3% as percentage of operating income; improvements were visible in most of our sectors, with the exception of South Africa and parts of our Industry, Energy & Mining business. Utilisation rate remains an area of concern and we focus on continuous improvement in our operations. Restructuring and integration costs were considerably lower than in 2013.

We are very pleased to report our net result significantly improved and ended at €6.3 million, compared to a €3.4 million loss in 2013.

We have implemented best practices in our working processes to ensure we are paid promptly by our clients. Through a dedicated workforce on working capital management, we have been able to bring our days sales outstanding (including work in progress) from 100 to 90 days, with a positive impact on working capital. In line with our target, we increased sales added value from selected top clients across each market by 22% compared with 2013.

Overall for 2014 the free cash flow increased by €43 million to €26 million (€17 million negative in 2013). Decrease in working capital, especially during the second half of 2014, and lower restructuring costs were the main drivers for this improvement. Our financial position remains healthy with equity ratio improving to 39% and a net cash position at the end of the year. We have renewed our bank facility mid-year, securing our funding for the coming three years.

Our order portfolio has been stable over the year, albeit slightly decreased compared to 2013. We have achieved a significant growth of our order portfolio with existing clients, and received an average score yet from client satisfaction surveys, at 8.2, which is a reflection of their appreciation of our services.

3.2 Optimising our portfolio

We are focussing our business on our strengths, evaluating our market and geographical positions and building on success. In optimising our portfolio we have decided to transfer activities in Shanghai, China to strategic partner Century3 and divest our infrastructural activities in Poland. We have withdrawn from maritime operations in the Russian Federation and closed our office in St Petersburg due to decline in market demand. We will, however, continue our activities in these countries to maintain our market positions and to serve our clients locally from our offices in China (Beijing), in Poland (Warsaw) and in the Russian Federation (Moscow).

In countries where we have an established presence (particularly in the Netherlands, United Kingdom and South Africa) we have consolidated our business within main offices and closed smaller ones. This will boost collaboration in our business and bring cost and sustainability improvements through more energy efficient buildings situated close to public transport links. In the Netherlands our offices in Utrecht, Nijmegen and The Hague moved and the offices in the province of Overijssel were combined into one office in Zwolle. In the United Kingdom we closed our Glasgow and Birmingham offices and in South Africa we closed the offices in Kimberley, Mossel Bay, Knysna, Mafikeng, Mbombela and Northcliffe.

We are proud of NACO, Netherlands Airport Consultants, part of Royal HaskoningDHV, that celebrated their 65 years of existence. Our global provider of airport planning, airport design and airport engineering services was established in 1949, and since then NACO has been assisting clients with realising their goals for airport development at more than 550 airports around the world.

In association with our Saudi partner, we opened a new office in Jeddah for our joint venture SADECO (Saudi Dutch Engineering Consultancy). We celebrated 40 years of our partnership with Chuchawal in Thailand. Chuchawal Royal Haskoning (CRH) is a joint venture which provides services to international and local clients in markets including assembly and production, distribution centres and warehousing, and a wide range of industrial plants.

In Indonesia, we joined forces with BPPT (Agency for the Assessment and Application of Technology), an Indonesian government agency responsible for assessing the mining and minerals sector. We are collaborating with them to ensure greener mining practices and to enhance the value of the Indonesian mining sector. The team in Indonesia have successfully identified chances in the region and are turning the company from mainly maritime services into a business with a broad spread of expertise.

4. Achieving leading market positions

The strength of our business and our ability to deliver on our brand promise rests on three pillars, identified in our Vision 2018. One of these pillars is to achieve leading market positions in geographies, markets and clients. (see Strategy)

During the year we aligned investment and effort towards building and retaining our leading market positions.

We were proud to rank at number 40 in the list of Top 225 International Design Firms and at 49 in the Top Global Design Firms in 2014. The rankings are based on net turnover and compiled by Engineering News-Record.

4.1 Innovation

To stay ahead of the competition and maintain our leading market positions, we want to be recognised for our thought leadership and our innovations.

Innovation in Action programme that we ran throughout 2014, highlighted how our innovations benefit our clients and society, lowering costs, and helping the transition to a sustainable future. Examples included: the cost effective and simple solution to horticultural water storage in the Netherlands; the award-winning folding lock gate design which offers substantial savings in construction and maintenance; and floating islands, a unique solution to creating urban space in fast-growing cities across the world.

The pace of change in societies and in the environment requires flexibility both in the way we work and in our solutions. Through innovation we are constantly adapting and renewing to combine different approaches and to include resilience.

"Success comes from recognising different perspectives and competing problems and being able to bring stakeholders together behind the best solution," explains Lisette Heuer, Director of our Innovation Taskforce. "Doing it smarter – faster and within budget constraints – creates the pressure for out-of-the-box thinking and that is where we have been really successful."

4.2 Our Globally Leading Services

We are recognised globally for a range of services which occupy leading positions in the market place. It is through these services that we have established the reputation for excellence which underpins our global brand. These leading services form part of the broader integrated package we offer clients.

Airports
We are renowned for our multidisciplinary approach to airport planning, having a great understanding of all disciplines from air traffic forecasting, master and terminal planning to architecture, engineering, to financial and sustainability expertise. Our experts create innovative solutions, safeguarding your airport's future.

Flood risk reduction
We specialise in consultancy and design of appropriate strategies to reduce flood hazard and damage. Our services cover the whole flood risk management cycle, from concept to feasibility, impact assessment, design and tender process, site supervision, operation and asset management. We combine concrete adjustments like storm surge barriers, dykes and flood mappings with strategies to increase resilience of delta areas.

Immersed Tunnels
Our services include the planning, engineering design, construction and maintenance of immersed tunnels all around the world. Our expertise enables us to extend the limits of immersed tunnelling to make a reality of what may once have appeared an impossibility.

Light Industry
Across the globe, we provide consultancy services along the supply chain for clients in the manufacturing industry, most notably in the food and beverage, consumer products, automotive, electronics and pharmaceuticals sectors. We develop, design and deliver facilities and installations, with a range of services and solutions that cover all project phases from feasibility studies through to commissioning and start up.

Maritime ports, shipyards and terminals
Our activities range from market analysis and terminal operations evaluation through to detailed engineering design and construction supervision on site. We have a fully integrated, multidisciplinary port, shipyard and

terminal skill set providing services from concept to completion.

Wastewater treatment
Central to our role is optimising the balance between effluent water quality, preservation of the environment and enhancing the cost of ownership. Many decades of experience gained in the field of wastewater treatment and sludge management have resulted in ground breaking innovations and numerous process improvement solutions such as Nereda® and Carrousel®.

5. Excel in our operations

The second pillar which supports the success of our business is involved with excellence in our operations.

We identified professional project management as being crucially important to deliver added value for our clients and for our bottom line success. In 2014 we introduced a global project management tier structure to provide a grading system based on experience and results. We match the complexity and scope of projects with managers who have relevant experience.

In addition, we have set up an academy to provide training in project management and aim to introduce a mentor system for new managers. This will be piloted before being rolled out across the organisation.

During the year, we upgraded our customer relationship management system (CRM) and are globalising our financial systems.

Safe operations for our staff and contractors are integral to our activities. Across our group during 2014, 57 accidents or incidents in total were reported. Lost time injuries reduced during the year. A quarter of all reported accidents and incidents are travel related. We are introducing measures to decrease this, including the introduction of driving policies and use of risk assessments.

We are proud that our Anti-Corruption Compliance System Certificate was extended for a further two years. This prestigious certificate, managed by ETHIC Intelligence, indicates that our anti-corruption compliance programme is properly designed and implemented in line with international best practice. Royal HaskoningDHV is the first and only engineering consultancy that participates in this programme.

We are extremely happy with the continuous support from our clients. 2014 saw the highest average score from client satisfaction surveys, at 8.2. 92% of scores across all responses were 7 or higher. The total number of surveys sent out to clients increased by almost 50% and 60% were returned.

5.1 Risk profile 2014

Opportunities that are identified in the markets where Royal HaskoningDHV is operating undergo a process where risks are assessed, analysed, mitigated and monitored. A risk management system is in place where risks are identified on a corporate level and project level. Corporate risks are those risks which have to do with the company as a whole and project risks concern those risks which have to do with the thousands of projects the company is executing yearly.

Royal HaskoningDHV executes a large number of projects worldwide for both private and public sector clients. Our activities are spread over various geographical regions and clients.

Corporate risks
In 2014 the most important corporate risks as identified in our corporate risk log relate to the following categories: markets, organisational structure and culture, project management and working capital management.

Markets
During 2014 competition strengthened putting pressure on our profitability and growth. To mitigate the risk we introduced several measures which are in line with the actions defined in our strategy document 'Vison 2018': improved client satisfaction by dedicated account management, leverage of our global leading services and focused geographical growth. For the latter we implemented the country policy that gives direction which Business Line services we want to pursue actively in which countries. For initiating projects in countries with highest business or other risks (like unsafety for our staff) the approval of the Risk Assessment Board is required.

Organisation and culture
There are a number of process inefficiencies and there is room for improvement for staff to follow the corporate policies and procedures. The RHDHV Management System has been rolled out now which enforces our staff to act according to our policies and procedures. Monitoring controls (selective Key Performance Indicators and quality audits) have been introduced. Overall we have noticed better compliance with processes and procedures but it still requires management attention.

Project Management
We observed that a relative large number of our projects are closed with a negative execution result. An important differentiator to realise positive project results are project management skills. The worldwide rollout of the RHDHV Management Systems has already contributed to better project management. In addition,

the company started a program 'to Project Management (PM) as a profession' which includes a PM tier structure, PM career framework and project reviews. We trust that this program will improve our project results and that we will realise our objective that 70% of the closed projects at all levels in the organization achieve a positive execution result.

Working Capital Management

An important risk is that insufficient funds (both cash and bank facilities) are available to realise the ambitions of the company. We introduced a number of measures to ensure that the working capital position further improves. We have created awareness within our Business Lines and introduced Key Performance Indicators to ensure that the cash flow position of our projects improves by negotiating better payment conditions. In 2014 the cash flow was reversed from negative to positive.

Project risks

Important risks are related to the execution of our projects. Our (project) risk management procedures are integrated in the RHDHV management system and as such ensure that these procedures are executed in a uniform way throughout the organisation.

Important controls in our management system are the following:

- The authorisation matrix that defines who is allowed to approve commitments and transactions. For project proposals with the highest inherent risk for the company, the Risk Assessment Board, consisting of the Executive Board and Corporate Director Legal, reviews and decides.
- Each prequalification and proposal is going through a standardised risk assessment. Criteria have been set that define the level of detail of the risk assessment. Those with higher inherent risks are analysed by our risk managers. Dependent on the outcome of this assessment the authority to approve such risks is structured in our 'risk and approval matrix'. The project manager documents the result in a Project Risk Log that is used and updated throughout the project.
- A periodic project review document has to be prepared by the project manager which is discussed with line management. In addition, each project is discussed monthly between Business Line management and Business Line Controllers to ensure that risks are identified and reflected correctly in our accounting systems.

Other risks

Business integrity

We are a global company that operates in a variety of cultural, social and business contexts. We act ethically and with transparency in our business dealings, respecting the customs and laws of our working environments. Our commitment to decent behaviour and integrity is an integral part of our culture, rooted in our vision, mission and core values. This is communicated through our Global Code of Business Principles which, together with our Integrity Management System and Compliance Program, defines and assures our code of conduct. Yearly our integrity and compliance is audited and in 2014 our ETHIC intelligence anti-corruption certificate was extended for Royal HaskoningDHV.

Health & Safety

We are a people-to-people company. Therefore we commit to the highest standards of health & safety. Our health & safety vision and policies are implemented in our processes and procedures. One of the key risks that we identified is the personal safety risk for people who have to travel to countries and areas that have a high or extreme travel risk. Travel to extreme risk countries is not allowed while travel to high risk countries is only allowed after initial approval by the Risk Assessment Board and after approval of a detailed 'Travel Security Plan' by the Corporate Director HRM.

Systems

To ensure the reliable operation of our global ICT systems, we partially outsource the operation of these systems to an international and reputational ICT service provider. Service Level Agreements are in place and their performance is measured closely.

In 2014 Royal HaskoningDHV formulated a new Information Security Policy aligned with the principles defined by the internationally accepted standard for information security (Code of Practice). We prepared a multi-year action plan to implement and embed this security policy in the company.

We have two standardised ERP applications for project administration. These have been implemented now in most of our legal entities and implementation will continue throughout 2015.

Liquidity

It is important that the company has sufficient financial resources to fund our operations. There are two key controls that should ensure that sufficient funding is available: control over our working capital (mainly work in progress positions and debtors) and securing our bank facilities.

Before submitting a proposal we assess whether we expect that the client will be able to settle our invoices over the duration of the project. In addition, for each proposal a cash flow forecast is prepared and it is our objective to negotiate a positive cumulative cash position during the project.

With our banks we have agreed on facilities where loan covenants are applicable. Our Corporate Treasury manages and monitors that these loan covenants are met.

Currency
Royal HaskoningDHV runs the risk of currency differences on part of the turnover. This concerns a risk pertaining to common trade currencies like USD and GBP, but also less traded currencies are included in our portfolio. Our policy aims to cover the currency risk as much as possible during the execution of our projects.

Guarantees
A number of our clients require us to issue corporate guarantees for the execution of a project. It is our policy to limit the issue of these guarantees as much as possible. Because of this, the management of our internal balance sheet aims to ensure that solvency of our companies is sufficient to operate independently in the market.

Pensions
In principle, Royal HaskoningDHV operates pension plans under defined contribution pension schemes. However, at HaskoningDHV UK Limited there is a defined benefit scheme that was closed to future accrual during 2005. At this time all remaining active members became deferred members.

The defined benefit scheme deficit under Dutch GAAP in accordance with IAS19 'Retirement benefits' as at 31 December 2014 is € 21.7 million with an associated deferred tax asset of € 4.2 million.

6. Building the best team

The third pillar of our strategic focus is to build the best team. This is essential for us to take Royal HaskoningDHV forward to a strong and sustainable future. During 2014, we have focused on our evolution from a Europe-centric company to a transnational organisation with a performance-driven and collaborative culture.

The global workforce at the start of the year was 6,398 (excluding minorities) and a flexible workforce of 511. During the year 1,000 people joined Royal HaskoningDHV and 1,123 employees left the company. We ended the year with 6,275 employees and a flexible workforce of 393.

6.1 Composition of our Boards

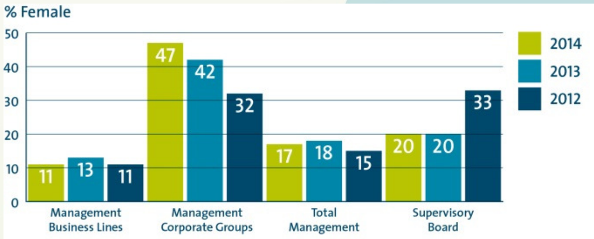
The year saw changes within our Supervisory Board. The terms of Marry de Gaay Fortman and Wim van Vonno ended in March 2014 in accordance with the resignation scheme, and Arthur van der Poel voluntarily resigned. We thank them for their invaluable contributions.

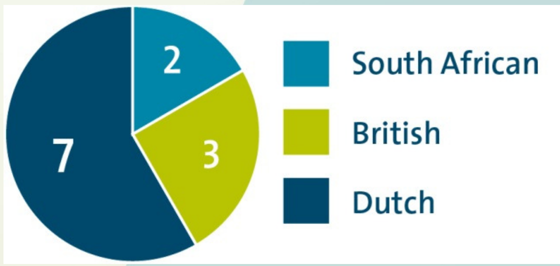
On 1 September 2014 Tjalling Tiemstra joined the Supervisory Board. Members from that date are Joop van Oosten (chairman), Jan Bout, Sybilla Dekker, Hessel Lindenbergh, Tjalling Tiemstra and Klaas de Vries. In March 2015 the terms of Jan Bout, Sybilla Dekker, Hessel Lindenbergh and Klaas de Vries will end. Jan Bout is due to be reappointed. Two new members will be appointed, taking the Supervisory Board to a total of five.

During 2014 the composition of the Executive Board remained unchanged, following significant change in 2013. It consisted of four members Erik Oostwegel (Chairman), Jaska de Bakker (CFO), Piet Besselink and Henry Rowe. We look into the diversity of our boards: the Executive Board consists of one female and three male; three Dutch and one British nationality.

6.2 Diversity

Royal HaskoningDHV has embraced the ambition to increase the share of women in top positions as part of the 'Talent to the Top' chartership. A taskforce organised activities to increase awareness, provide coaching and to recognise and remove barriers, while Human Resources explicitly included gender aspects in succession and promotion procedures.





6.3 Building a transnational team

The year saw the introduction of processes to support us in becoming a transnational company, also reflecting the changing needs of our employees.

The new company-wide Global Positioning System defines all functions in terms of job families and the requirements at each level. This clarity helps with career planning, staff exchange and working in integrated teams.

A new Performance and Development process recognises that not only what we do is important, but also how we do it. The process is now employee initiated, giving more insight to an individual's understanding of how they are performing and their aspirations. This is particularly useful when working with different cultures and generations.

Strong internal personal networks across businesses and countries are critical to our success. Global training programmes such as the Accelerated Development Programme for younger talents and the Management Development Programme for middle managers taking a step to senior management help build these networks.

Regional programmes such as the Asia-based International Leadership Programme and international programmes including those on commercial acumen, and our Finance Academy all contribute to developing relationships and a common language that crosses boundaries.

Cross-fertilisation between our businesses is stimulated in various ways. For example, in October we ran a sustainability knowledge exchange where 30 people pitched their knowledge or initiative in 100 seconds. The 150-strong audience linked up with presenters who had knowledge they could use in their fields. The results were inspiring and help promote our sustainability programme.

We initiated a structured Management Development Review process and an Appointment Process which broadens the slate of candidates and looks critically at capabilities and development needs. These processes will be implemented in 2015 to further support management development, succession planning and diversity.

Employee safety remains a crucial point of attention. Activities have included global roll out of InternationalSOS emergency provider plus a global Travel Tracker to trace and track our employees worldwide. We are providing new training on travel security awareness – generally, and specifically for women - and a tool to share information and raise awareness about travel safety for all staff.

The Dutch Royal Institute for Engineers (KIVI) and the United Kingdom Engineering Council have signed a historic agreement to implement professional qualifications of Chartered Engineer and Incorporated Engineer in the Netherlands. Highly regarded and recognised across the world, we have embraced the initiative and are encouraging our staff to join the register. We expect to start the programme during 2015.

We were delighted that several of our staff were recognised by external authorities for their expertise and skills.

Antonis Megremis, advisor at Royal HaskoningDHV, was awarded second prize from the European Society of Construction Law for his Master's thesis Abnormally Low Tenders: Objectifying Detection.

Travers Blair, a graduate engineer from our United Kingdom offices, won the UK Institution of Civil Engineers Graduates and Students papers competition with his paper and presentation on Development in the Developing World.

7. Building on our success in 2015

We are proud of our achievements in 2014 and look forward to building on these during 2015. Together, we are on track to achieve our vision of a strong, independent engineering consultancy, sustainable and leading in our markets.

We are in a strong position for 2015 in spite of the unstable market outlook. This is the result of our work towards Vision 2018. We aim to extend the positive progress we have achieved across all our businesses and to meet our longer term goals of achieving an EBITA margin of well above 5% by 2018. Despite tendency of increased payment periods, it is our objective to reduce these by 5% in 2015.

To this end, we will invest further in developing leading market positions to build and maintain competitive advantage. Sales and Marketing will be a focus and we will be directing particular efforts towards large-scale projects that benefit from the breadth of our expertise and integrated multidisciplinary teams.

We will continue to develop our revenue sources in the countries we have identified as offering the most interesting potential for growth. We see opportunities across South East Asia to offer high-level strategic advice and services for major projects. In Indonesia we will build on the achievements made during 2014 in growing our service portfolio. We are involved with the significant infrastructure programmes under way in the Middle East. Specific mature markets, within which we operate, including the United Kingdom and the Netherlands, are beginning to show positive signs of growth and offer interesting prospects.

Enhancing Society Together continues to inspire and lead us. We put our mission into practice by grasping the opportunity in each project to contribute to a more sustainable future. This is where we can make the biggest positive impact. Therefore we will put a framework in place that will help us to measure the sustainable impact of our projects.

We have positioned our business to be flexible and adaptive to change. Innovation plays an important role in this and we are introducing plans to collect and share innovative ideas while further developing a pipeline to push innovation forward from concept to reality.

Our plans for staff development include an Executive Development Programme and opportunities for job rotation. These will advance the cross fertilisation of ideas and innovation. The chartered engineering qualifications provide a consistent and uniform system with global recognition and will assist us as we develop transnational teams. Overall we do not foresee significant changes in workforce.

As a global company attuned to applying global expertise in the context of local demands, we are structured to meet the needs of the market place. We intend to lead in our chosen areas of expertise and look forward with confidence to the years ahead.

Amersfoort, the Netherlands

March 12, 2015

Executive Board

E. Oostwegel (Chairman)

J.M. de Bakker (CFO)

P.W. Besselink

H.J.D. Rowe

Consolidated Financial Statements

Consolidated Balance Sheet at 31 December 2014

(before profit appropriation) (€ thousands)

Assets	Note	2014	2013
Fixed assets			
Intangible fixed assets	3	42,168	46,115
Tangible fixed assets	4	31,489	33,132
Financial fixed assets	5	17,754	14,339
		91,411	**93,586**
Current assets			
Work in progress	6	9,363	15,686
Receivables	7	137,448	153,478
Cash and cash equivalents	8	33,756	22,037
		180,567	**191,201**
		271,978	**284,787**

Shareholders' equity & liabilities	Note	2014	2013
Group equity			
Shareholders' equity	9	106,564	103,600
Minority interest	10	329	654
		106,893	**104,254**
Provisions	11	28,694	28,444
Non-current liabilities	12	9,048	8,267
Current liabilities	13	127,343	143,822
		271,978	**284,787**

Consolidated Income Statement 2014

(€ thousands)

	Note	2014	2013 restated
Net turnover	16	**654,708**	**650,064**
Change in work in progress		(5,486)	15,782
Operating income		**649,222**	**665,846**
Costs of work subcontracted and other external charges		155,759	158,853
Salaries and wages	17	292,094	300,991
Social security & pension charges	17	60,987	63,241
Depreciation and amortisation on tangible and intangible fixed assets		12,643	13,497
Impairment of intangible fixed assets		-	597
Other operating costs	19	118,508	127,759
Operating expenses		**639,991**	**664,938**
Operating result		**9,231**	**908**
Interest income		759	950
Interest costs		(3,117)	(3,898)
Net interest expense		**(2,358)**	**(2,948)**
Result from ordinary activities before tax		**6,873**	**(2,040)**
Income tax expense	20	(3,633)	(3,440)
Share of result of participating interests		2,832	2,121
Result after tax		**6,072**	**(3,359)**
Minority interest		249	(4)
Net result		**6,321**	**(3,363)**

Consolidated Statement of Comprehensive Income 2014

(€ thousands)

	Note	2014	2013
Result attributable to the Holders of equity		6,072	(3,359)
Minority interest		249	(4)
Result for the period of the legal entity		**6,321**	**(3,363)**
Translation differences on foreign participating interests	9	1,198	(5,434)
Remeasurement of defined benefit plan, net of income tax	9	(4,480)	3,410
Other movements	9	617	(235)
Total of items recognised directly in shareholders' equity of the company as part of the group entity		**(2,665)**	**(2,259)**
Total result of the legal entity		**3,656**	**(5,622)**

Consolidated Cash Flow Statement 2014

(€ thousands)

	Note	2014	2013 restated
Operating result		**9,231**	**908**
Adjusted for:			
- Amortisation and depreciation		12,643	14,094
- Other value adjustments		(704)	(2,525)
- Changes in provisions	5,11	(7,807)	(9,524)
- Changes in working capital		19,929	(10,598)
Cash flow from business operations		**33,292**	**(7,645)**
- Interest received		709	932
- Dividends received	5	3,092	883
- Interest paid		(2,954)	(3,722)
- Income tax paid		(1,889)	(1,178)
Cash flow from operating activities		**32,250**	**(10,730)**
Investments in:			
- Intangible fixed assets	3	(778)	(1,129)
- Tangible fixed assets	4	(6,939)	(6,272)
- Financial fixed assets	5	(1,149)	(831)
- Acquisition of group companies		-	(3,317)
Disposals of assets:			
- Intangible fixed assets	3	-	135
- Tangible fixed assets	4	1,851	4,297
- Deconsolidated		(1,147)	-
- Financial fixed assets	5	1,495	230
- Group companies		30	765
Cash flow from investing activities		**(6,637)**	**(6,122)**
Purchase of own shares	9	(663)	(863)
Repayment of borrowings	12	(21,194)	(13,007)
Proceeds from borrowings	12	8,036	2,936
Dividends paid	10	(113)	-
Cash flow from financing activities		**(13,934)**	**(10,934)**
Net cash flow		**11,679**	**(27,786)**
Exchange gains/losses		40	(249)
Changes in cash and cash equivalents		**11,719**	**(28,035)**
Cash and cash equivalents at 1 January		22,037	50,072
Movements during the year		11,719	(28,035)
Cash and cash equivalents at 31 December		**33,756**	**22,037**

Notes to the Consolidated Financial Statements

1. General information and basis of preparation

1.1 Operations

Royal HaskoningDHV is an independent, international engineering and project management consultancy with over 130 years of experience. Our professionals deliver their services in the fields of asset management, aviation, buildings, energy, industry, infrastructure, maritime, mining, strategy, transport, urban and rural planning, water management and water technology. Each year we contribute to the delivery of many projects around the world on behalf of their public and private sector clients.

1.2 Registered office & group structure

Koninklijke HaskoningDHV Groep B.V. having its legal address and corporate seat at Laan 1914 no. 35, 3818 EX Amersfoort, The Netherlands. Koninklijke HaskoningDHV Groep B.V. has two shareholders: the Stichting HaskoningDHV and the Stichting Administratiekantoor HaskoningDHV. For details regarding the shareholding structure we refer to page 80.

1.3 Consolidation

The consolidation includes the financial information of Koninklijke HaskoningDHV Groep B.V., its group companies and other entities in which it exercises control. Group companies are entities in which Koninklijke HaskoningDHV Groep B.V. exercises direct or indirect control based on a shareholding of more than one half of the voting rights, or whose financial and operating policies it otherwise has the power to govern.

Potential voting rights that can directly be exercised at the balance sheet date are also taken into account.

Group companies and other entities in which Koninklijke HaskoningDHV Groep B.V. exercises control are consolidated in full. Minority interests in group equity and group results are disclosed separately.

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Joint ventures are valued according to the equity method on the basis of net asset value. Joint ventures with a negative net asset value are valued at nil. If the Group fully or partially guarantees the debt of the joint venture, or has a constructive obligation to enable joint venture to pay its debts (for its share therein), a provision is recognised accordingly.

In preparing the consolidated financial statements intragroup debt, receivables and transaction are eliminated.

The main consolidated companies are listed below, stating the percentage of ownership. For a more extensive list of consolidated companies and participating interests we refer to page 77.

- HaskoningDHV Nederland B.V., Amersfoort, The Netherlands (100%)
- Haskoning UK Holdings Ltd, Peterborough, UK (100%)
- Haskoning International B.V., Nijmegen, The Netherlands (100%)
- Stewart Scott International Holdings Pty Ltd., Johannesburg, South Africa (76.95%)

Furthermore we have included DHV Education Foundation as a consolidated company, given the fact that we have control. In the company statements, DHV Education Foundation is not included.

1.4 Related party transactions

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also, entities which can control the company are considered a related party. In addition, statutory directors, other key management of Koninklijke HaskoningDHV Groep B.V. (or the ultimate parent company) and close relatives are regarded as related parties.

Significant transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is required for to provide the true and fair view.

1.5 Acquisitions and disposals of group companies

Identifiable assets acquired and liabilities assumed in a business combination are recognised in the consolidated financial statements from the acquisition date, being the moment that control can be exercised in the acquired company.

The acquisition price consists of the cash consideration, or equivalent, agreed for acquiring the company plus any directly attributable expenses. If the acquisition price exceeds the net amount of the fair value of the identifiable assets and liabilities, the excess is capitalised as goodwill under intangible fixed assets. If the acquisition price is lower than the net amount of the fair value of the identifiable assets and liabilities, the difference (i.e. negative goodwill) is recognised under accruals and deferred to income or will be recognised in the income statement directly. The capitalised goodwill is amortised on a straight line basis over the estimated useful live of 10 – 20 years.

Entities continue to be consolidated until they are sold; they are deconsolidated from the date that control ceases.

1.6 Notes to the cash flow statement

The cash flow statement has been prepared using the indirect method. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes paid and received are included in cash flow from operating activities. Dividends paid are recognised as cash used in financing activities. The purchase consideration paid for acquired group companies is recognised as cash used in investing activities as it is settled in cash. Any cash and cash equivalents in acquired group companies were deducted from the purchase consideration. Transactions not resulting in inflow or outflow of cash are not recognised in the cash flow statement. Payments of financial lease instalments qualify as repayments of borrowings under cash used in financing activities and as interest paid under cash generated from operating activities. Cash flows from derivatives are recognised in the cash flow statement in the same categories as those of the hedge item.

1.7 Estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. In general, the judgements, estimates and assumptions are based on market information, knowledge, historical experience and other factors that management believes to be reasonable under the circumstances. In the process of applying Company's accounting policies, management has made the following judgement which has the most significant impact on the amounts recognised I the consolidated financial statements.

Revenue recognition
The Group uses the percentage-of-completion method (POC) in accounting for its fixed-price contracts to deliver design services. Use of the POC method requires the Group to estimate the services performed to date as a proportion of the total services to be performed.

Project valuation
Valuation of project related work in progress and receivables require management estimations with respect to its recoverability.

Goodwill
Measurement of goodwill of an acquired company involves the use of estimates for determining the fair value at acquisition date. This mainly relates to the expected profits of the acquired company at the moment of acquisition. The fair value is based on discounted cash flows expected to be received. Goodwill and other intangibles are tested for impairment when an indicator exists that the carrying amounts may not be recoverable. In calculating the value in use management must estimate the expected enterprise value based on the expected cash flows of the cash generating unit.

Provisions
Provisions are measured at the best estimate of the amount that is necessary to settle the liability at the balance sheet date. Estimates by management and external advisors lead to an indication of the potential financial risk and whether the risk is covered by insurance policies. Please refer also to 2.16.

2. Accounting policies for the balance sheet and income statement

2.1 General information

The consolidated financial statements have been prepared in accordance with the statutory provision of Part 9, Book 2 of the Netherlands Civil Code and the financial reporting requirements as set forth in the Guidelines for Annual Reporting in the Netherlands.

These financial statements have been prepared on the basis of the going concern assumption.

Unless stated otherwise, assets and liabilities are shown at nominal value.

Assets and liabilities are recognised in the balance sheet when it is probable that the expected future economic benefits will flow to the Company and the cost or value can be measured with sufficient reliability. Income is recognised in the income statement when an increase in future economic potential related to an increase in an asset or a decrease of a liability has arisen, the size of which can be measured reliably. Expenses are recognised when a decrease in the economic potential related to a decrease in an asset or an increase of a liability has arisen, the size of which can be measured with sufficient reliability.

If a transaction results in a transfer of future economic benefits and or when all risks relating to assets and liabilities transfer to a third party, the asset or liability is no longer included in the balance sheet. Assets and liabilities are not included in the balance sheet if economic benefits are not probable and/or cannot be measured with sufficient reliability.

Revenues and expenses are allocated to the period to which they relate. Revenues are recognised using the percentage of completion method.

All amounts shown in the financial statements are in thousands of euros unless stated otherwise.

2.2 Change in accounting principles

The principle accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New insights have led to an adjustment of last year's comparable figures. It concerns the following changes:

Consolidated Financial Statements

- Share in result of joint ventures has been reclassified from operating income to share of result in participating interests (€ 1.3 million) in the income statement 2013.
- Amounts owed to credit institutions has been reclassified to working capital (€ 9.1 million) in the cash flow statement 2013.

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- DHV Education Foundation has been excluded from the participating interests because it is no group company. The impact on equity per 1-1-2013 is -/- € 0.6 million and result of 2013 -/- € 0.4 million.
- The intercompany loans have been valued at amortised cost on the basis of the effective interest method. This resulted in a reclassification from loans to participating interests to participating interests (€ 3.0 million) on the balance sheet per end of 2013. In the income statement 2013 this resulted in a reclassification from company result to share of result in participating interests (-/- € 1.7 million).

2.3 Foreign currencies

Functional currency
The consolidated financial statements are presented in euros, which is the functional and presentation currency of Koninklijke HaskoningDHV Groep B.V.
All amounts shown in the financial statements are in thousands of euros unless stated otherwise.

Transactions, receivables and debts
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Translation differences on non-monetary assets held at cost are recognised using the exchange rates prevailing at the dates of the transactions.

Translation differences on intra group long term loans that effectively constitute an increase or decrease in net investments in a foreign operation are directly recognised in equity as a component of the legal reserve for translation differences. If a foreign operation is fully or partially sold, the respective amount is transferred from the reserve for translation difference to the income statement.

Group companies
The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet.

- Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions).
- All resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity so far the hedge is effective. The non-effective part is recognised as expenditure in the income statement.

2.4 Intangible fixed assets

Intangible fixed assets are stated at historical cost less amortisation. Allowance is made for any impairment losses expected; a loss qualifies as an impairment loss if the carrying amount of the asset (or of the cash-generating unit to which it belongs) exceeds its recoverable amount. For details on how to determine whether an intangible fixed asset is impaired, please refer to note 2.7.

Goodwill

Goodwill at acquisition of subsidiaries and non-consolidated participations as calculated in accordance with note 1.6 is capitalised and amortised on a straight-line basis over its estimated useful life of no more than 20 years. The Group's policy to amortise the goodwill in more than 5 year is based on the assumption that the acquisitions are expected to be a permanent and integral part of the Group.

Software

Software licences acquired are capitalised at acquisition cost and amortised over their estimated future useful lives (3 to 8 years). Expenditures that are attributable to the production of identifiable and unique software products controlled by the Group are capitalised. Costs associated with maintaining computer software and research and development costs of internally developed software expenditure are recognised in the income statement.

2.5 Tangible fixed assets

Land and buildings are stated at historical cost plus expenditure that is directly attributable to the acquisition of the items, less straight-line depreciation over their estimated future useful lives. Land is not depreciated. Allowance is made for any impairment losses expected on the balance sheet date. For details on how to determine whether property, plant or equipment is impaired, please refer to note 2.7.

Other non-current assets are valued at historical cost or manufacturing price including directly attributable expenditure, less straight-line depreciation over their estimated useful lives and impairment losses.

The manufacturing price is comprised of the cost of raw materials and consumables, and also includes expenditure directly attributable to an asset's manufacturing, including installation costs.

The estimated average useful life by category is as follows:

- Buildings 10 to 30 years
- Computer hardware 3 to 5 years
- Other fixed assets 3 to 5 years

The cost of major repairs to buildings is capitalised and depreciated over 5 to 10 years if such repairs extend the life of a building.

2.6 Financial fixed assets

Investments in group companies and other minority interests with which the company can exert significant influence are valued according to the net asset value method as derived from the latest available financial data from these investments and interests. Significant influence is in any case defined as a shareholder's interest of more than 20%. Net asset value is calculated using the accounting policies applied in these financial statements. Associates whose financial information cannot be aligned to these policies are valued based on their own accounting policies.

Associates with an equity deficit are carried at nil. A provision is formed if and when Koninklijke HaskoningDHV Groep B.V. is fully or partially liable for the debts of the associate, or has the firm intention to allow the associate to pay its debts.

Associates acquired are initially measured at the fair value of the identifiable assets and liabilities upon acquisition. Any subsequent valuation is based on the accounting policies that apply to these financial statements, taking into account the initial valuation.

Associates in which no significant influence can be exercised are recognised at cost. If an asset qualifies as impaired, it is measured at its impaired value; any write offs are disclosed in the income statement.

Amounts owed by associates disclosed under financial fixed assets are recognised initially at fair value of the amount owed, which normally consists of its face value, net of any provisions considered necessary. These receivables are subsequently measured at amortised cost.

A provision for deferred tax liabilities is recognised for taxable temporary differences.

For deductible temporary differences, unused loss carry forwards and unused tax credits, a deferred tax asset is recognised, but only in so far as it is probable that taxable profits will be available in the future for offset or compensation.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

For taxable temporary differences related to group companies, foreign branches, associates and interests in joint ventures, a deferred tax asset is recognised unless the company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

For deductible temporary differences regarding group companies, foreign branches, associates and interests in joint ventures, a deferred tax asset is only recognised in so far as it is probable that the temporary difference will reverse in the foreseeable future and that taxable profit will be available to offset the temporary difference.

Deferred tax assets and liabilities are stated at face value and are only offset when they relate to the same entity and taxation authority

Other receivables disclosed under financial assets include issued loans and other receivables as well as purchased loans that will be held to their maturity date. These receivables are initially measured at fair value and subsequently carried at amortised cost.

2.7 Impairment of assets

At each balance sheet date, the Company tests whether there are any indications of assets being subject to impairment. If any such indications exist, the recoverable amount of the asset is determined. If this proves to be impossible, the recoverable amount of the cash generating unit to which the asset belongs is identified.

An asset or cash generating unit is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss is directly expensed in the income statement. In case of an impairment loss of a cash generating unit, the loss is first allocated to goodwill that has been allocated to the cash generating unit. Any remaining loss is allocated to the other assets of the unit in proportion to their carrying values.

In addition an assessment is made on each balance sheet date whether there is any indication that an impairment loss that was recorded in previous years has decreased. If there is such indication, then the recoverable value of the related asset (or cash generating unit) is estimated.

An impairment loss for goodwill is not reversed in a subsequent period, unless the previous impairment loss was caused by an extraordinary specific external event that is not expected to recur and if there are successive external events that undo the effect of the earlier event.

Financial assets are impaired if there is objective evidence of impairment as a result of events that occurred after the initial recognition, with negative impact on the estimated future cash flows, which can be estimated reliable. Objective evidence that financial assets are impaired includes delinquency by a debtor, indications that a debtor or issuer will enter or approaching bankruptcy, adverse changes in the payment status of borrowers or issuers, or disappearance of an active market for a security. Impairment losses are recognised in the income statement. In assessing impairment, the Company uses historical trends of the probability of default, the timing of collections and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested historical trends.

When, in a subsequent period, the amount of an impairment loss on financial assets decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the decrease in the impairment loss is reversed through income statement (up to the amount of the original cost).

2.8 Work in progress

Work in progress is carried at contract revenue generated, which is comprised of contract costs incurred and attributable profits, based on percentage of completion. Contract costs are costs which directly relate to the specific project (for example, personnel costs for employees whose activities relate directly to the project, costs of materials used) and the costs which are attributable to contract activity in general and can be allocated to the project (including insurance, costs of design and technical assistance, construction overhead) as well as other costs chargeable to the customer under the terms of the project.. The percentage of completion, used for calculation of work in progress is determined based on the services performed to date as a percentage of the total services to be performed.

Where appropriate, expected losses are recognised as exposure in the income statement. In addition, progress invoices and payments received in advance are also credited against work in progress.

2.9 Financial instruments

A financial instrument is a contract that gives rise to a financial asset or liability or equity instrument. Financial instruments contain the following measurement categories:

- Receivables.
- Derivatives.

- Cash and cash equivalents.
- Non-current- and current liabilities.

Financial instruments also include derivative financial instruments embedded in contracts. In this respect, no derivatives have been separated from the host contract.

Financial instruments are initially recognised at fair value, including discount or premium and directly attributable transaction costs. Subsequent measurement depends on its classification of the financial instrument. However, if financial instruments are subsequently measured at fair value through the income statement, then directly attributable transaction costs are directly recognised in the income statement. After initial recognition, the financial instruments are valued in the way as described below.

2.10 Receivables

Trade receivables are recognised at fair value and subsequently measured at amortised costs, net of any provision for doubtful debts. When a receivable is uncollectable, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited to the income statement.

2.11 Derivatives

Derivatives are carried after their initial recognition at the lower of cost or market value, except if the cost model for hedge accounting is applied.

If the cost model for hedge accounting is applied, then no revaluation of the derivative instrument takes place, as long as the derivative hedges the specific risk of a future transaction that is expected to take place. As soon as the expected future transaction leads to recognition in the profit and loss account, then the profit or loss that is associated with the derivative is recognised in the profit and loss account. If the hedged position of an expected future transaction leads to the recognition in the balance sheet of a non-financial asset or a non-financial liability, then the cost of the asset is adjusted by the hedge results that have not yet been recognised in the profit and loss account.

If forward exchange contracts are concluded to hedge monetary assets and liabilities in foreign currencies, cost hedge accounting is applied. This is done to ensure that the gains or losses arising from the translation of the monetary items recognised in the profit and loss account are offset by the changes in the value of forward exchange contracts arising from the difference between their forward and spot rates as at reporting date. The difference between the spot rate agreed at the inception of the forward exchange contract and the forward rate is amortised via the profit and loss account over the term of the contract.

When a derivative expires or is sold, the accumulated profit or loss that has not yet been recognised in the profit and loss account prior to that time must then be included as a deferral in the balance sheet until the hedged transactions take place. If the transactions are no longer expected to take place, then the accumulated profit or loss is transferred to the profit and loss account. If a derivative no longer meets the conditions for hedge accounting, but the financial instrument is not sold, then the hedge accounting is also terminated. Subsequent measurement of the derivative instrument is then at the lower of cost or market value.

The company documents its hedging relationships in specific hedging documentation and regularly checks the effectiveness of the hedging relationships by establishing whether the hedge is effective or that there is no over-hedging.

At each balance sheet date, the company assesses the degree of ineffectiveness of the combination of the hedge instrument and the hedged position (the hedging relationship). The degree of ineffectiveness of the hedging relationship is determined by comparing the critical features of the hedging instrument against the hedged position.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks and. Bank overdrafts are disclosed as current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

2.13 Equity

The consideration paid for the repurchase of shares is deducted from other reserves, until such time that these shares are cancelled or sold. If shares are sold, any proceeds are added to the other reserves.

Costs directly related to the purchase, sale and/or issue of new shares are recognised directly in shareholders' equity net of any relevant tax effects. Other direct movements in shareholders' equity are also recognised net of any relevant tax effects.

2.14 Minority interest

The minority interests as part of the group equity are stated at nominal value at the amount of the net participation in the relevant group companies. Where the group company in question has an equity deficit, the negative value and any other losses are not allocated to the minority interest, unless the minority interest holders have a constructive obligation, and are able, to clear the losses. As soon as the group company manages to post an equity surplus, profits are allocated to the minority interest.

2.15 Dividends

Dividend distribution to shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the company's shareholders.

2.16 Provisions

General information
Provisions are measured at the best estimate of the amount that is necessary to settle the liability at the balance sheet date. With the exception of the long-term employee benefits, provisions are stated at face value and charged against project result as much as possible. Unless otherwise stated, provisions are of a long-term nature.

Pension benefits
Pension premiums are recognised as personnel costs when they are due. Prepaid contributions are recognised as deferred assets if these lead to a refund or reduction of future payments. Contributions that are due but have not been paid yet are presented as liabilities.

The Group operates a number of defined contribution pension schemes and one defined benefit pension scheme. The fact whether a scheme is classified as defined contribution or defined benefit is assessed based upon the pension agreement with the staff and the administration agreement with the pension fund or insurance agreement with the insurance company.

All schemes except one are defined contribution pension schemes, whereby based upon the agreements with the staff, the pension fund or the insurance company no additional commitments for the Group exists beyond the payment of the pension premium due in respect of the financial year.

In the United Kingdom the Group operates a defined benefit pension scheme, whereby the actuarial risk and the investment risk lay with the Company. This scheme has been closed for new entries and future accrual in 2005. The assets of the scheme are held separately from those of the Company in an independently administered fund.

As allowed in RJ 271.101 the Group uses IAS19R 'Employee Benefits' for the accounting treatment of this scheme:

- The difference between the present value of the accrued pension liabilities and the market value of the assets of the scheme (the net pension deficit) is recorded as a provision on the balance sheet. The liabilities are calculated as the present value of the estimated future cash flows using the accumulated benefit obligation method based upon actuarial assumptions which are annually set by The Board of Management of the UK operating entity. The liabilities are calculated by an independent actuary.
- A net interest expense is calculated as the difference between the expected increase of the accrued pension liabilities at the beginning of the reporting period and the expected return on the scheme's assets at the beginning of the period , and is charged to income statement account under 'interest costs'.
- The difference between the actual and expected increase of the liabilities and the actual and expected return on assets is directly charged to equity.
- Any gains or losses arising from experience or assumption changes are directly credited or charged to equity.

Reorganisation
Provision for reorganisation is directly related to initiated reorganisations. The provision is made as soon as a detailed plan has been drawn up for a reorganisation and this plan has been communicated to those affected. The provision for restructuring costs includes the costs that are directly associated with the restructuring, which are not associated with the ongoing activities of the company.

Long-term employee benefits
The long-term employee benefit provision is the provision for future long-service awards. The provision is recognised for the present value of the future long-service awards, which is calculated on the basis of the commitments made, the likelihood of the staff concerned remaining with the company, and their age.

Other provisions
Provisions for professional indemnity claims, and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions for long-term sickness is measured at the fair value of excepted amounts payable, which is based on commitments made, known cases and likelihood of recovery.

For deferred income tax we refer to 2.6 on page 40.

2.17 Non-current liabilities

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, being the amount received taking account of any premium or discount, less transaction costs.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.18 Leases

Financial lease
If the Group acts as lessee in a financial lease, the leased property (and the related liability) is recognised in the balance sheet at the start of the lease period at its fair value or, if lower, at the present value of the minimum lease payments. Both amounts are determined at the start of the lease. The interest rate applied for the calculation of present value is the implicit interest rate. If it is not practically possible to determine this interest rate, then the marginal interest rate is used. The initial direct costs are included in the initial measurement of the leased property.

The accounting principles for the subsequent measurement of the leased property are described in 2.5. If there is no reasonable certainty that the company will become the owner of a leased property at the end of the lease period, the property is depreciated over the shorter of the lease period or the economic life of the property.

The minimum lease payments are split into interest expense and redemption of the lease liability. The interest charges are allocated during the lease term to each period in such a way that this results in a constant periodic interest rate over the remaining net liability with regard to the financial lease. Conditional lease payments are recorded as an expense in the period in which the conditions for payment are being met.

Operational leases
If the Group acts as lessee in an operating lease, then the leased property is not capitalised. Lease payments regarding operating leases are charged to the income statement on a straight-line basis over the lease period.

2.19 Revenue recognition

General
Profit represents income from services rendered less expenses and other costs attributable to the financial year. Gains or losses on transactions are recognised in the year in which they are posted.

Profit on orders is recognised in accordance with the percentage-of-completion (POC) method. It includes profit on orders executed entirely for the Group's own account and risk as well as a share of the profit on orders executed together with partners.

Revenue from time and material contracts, typically from delivering design services, is recognised at the contractual rates, as labour hours are delivered and direct expenses incurred.

Revenue from fixed-price and percentage fee based contracts for delivering design services is recognised under the POC method. Under the POC method, revenue is generally recognised based on assessments of the services performed to date as a percentage of the total services to be performed. As soon as the outcome of a contract can be estimated reliably, project revenue and project costs associated with the project are recognised as revenue and expenses respectively in proportion to the amount of work performed as at balance sheet date. Revenue from projects includes the contractually agreed revenue plus any revenue from variations in project work, claims and reimbursements, in so far as and to the extent that it is probable that these revenues will be realised and can be reliably determined.

Expected losses and known risks are provided for in the period in which they become known and are credited against work in progress.

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the income statement in the period that they arise, unless they are hedged.

Revenues on license based contracts are recognised at the time the significant risks and rights of the licences are transferred to the buyer.

2.20 Net turnover

Turnover comprises the fair value of the consideration for the sale of goods and services to third parties, net of discounts and exclusive of value added tax attributable to activities performed during the reporting period.

2.21 Movement work in progress

At the balance sheet date, the invoicing of projects does not equal project costs or project results. The difference between these two amounts at 1 January and 31 December is shown separately as a part of total operating income.

2.22 Operating costs

Operating costs are allocated to the reporting period to which they relate.

2.23 Amortisation and depreciation

Intangible fixed assets, including goodwill, are amortised and property, plant and equipment depreciated over their estimated useful lives as from the inception of their use. Land and investment property are not depreciated. Future depreciation and amortisation is adjusted if there is a change in estimated future useful life.

2.24 Government grants

Operating grants are recognised as an income item in the income statement in the year in which the subsidised costs are incurred, income is lost or a subsidised operating deficit has occurred. Grants are recognised as soon as it is likely that they will be received and the Group will comply with all attached conditions.

2.25 Employee benefits

Benefits payable on a regular basis
Wages, salaries and social security contributions payable pursuant to employment conditions are incorporated in the income statement to the extent that these are payable to employees.

Pensions
For the Dutch and comparable foreign defined contribution pension schemes the pension charge to be recognised for the reporting period equals the pension premium due to the pension fund or insurance company in respect of the reporting period. Changes in provisions for additional liabilities are also charged to the result in the period in which they arise.

In The Netherlands the Group operated two different collective defined contribution pension schemes until the end of 2014 in which the majority of the staff was participating. The schemes were administered through two independent pension funds. With each fund a separate administration agreement was in place until the end of 2014. Under the terms of these agreements the Group's obligations were limited to the payment of the actual pension premium due, and the Group was not liable for additional payments to or deficits arising in any of the pension funds. Both schemes were based upon average pay during the employment period with conditional indexation based upon the applicable Pension Law and the financial position of the pension funds. One pension fund had fully reinsured its obligations with a life insurance company whereby the major risks were transferred to this company. The contract with the insurance company expired at the end of 2014 and the legal successor of the fund is currently negotiating with the insurance company about the administrative winding-up of this insurance. It is not expected that the financial position of the pension fund will be substantially affected by this. The Group has no liabilities of whatever nature in respect of the expiration of this contract. At the end of 2014 the provisional coverage rate of this fund was 117. The other pension fund is fully self-managed and has a provisional coverage rate at the end of 2014 of 106.

In line with new fiscal laws regarding pensions applicable from 2015 the Group has introduced a new collective defined contribution pension scheme in 2015 with comparable characteristics as the two schemes that were in place until the end of 2014. The two former pension funds have merged with effect from 1 January 2015 and the new fund will administer the new scheme as well as the existing liabilities of the 2 former funds. The Group has entered into an administration agreement with the new fund whereby the premium is fixed for 5 years and its liabilities are limited to the payment of the actual premiums due without any liability for additional payments to or deficits arising in the fund.

In addition, for a limited number of staff, a number of defined contribution pension schemes are directly insured with life insurance companies.

In the UK the current pension arrangements are to be considered as defined contribution schemes and are directly insured with insurance companies. In addition the Group operates a defined benefit pension scheme which has been closed for new entries and future accrual in 2005. Further reference is made to note 11.

For foreign pension schemes that are not comparable in design and functioning to the Dutch pension system a best estimate is made of the obligation at the balance sheet date using generally accepted actuarial valuation principles. Changes of the obligation are charged to the result in the period in which they arise.

2.26 Finance income and costs

Interest
Interest income and expenses are recognised in the income statement as it accrues using the effective interest method.

Dividends
Dividend income is recognised when the right to receive payment is established.

2.27 Income tax expense

Income tax is calculated on the profit/(loss) before tax in the income statement, taking into account any losses carried forward from previous financial years (where not included in deferred income tax assets) and tax-exempt items and non-deductible expenses. Account is also taken of changes in deferred income tax assets and liabilities owing to changes in the applicable tax rates.

3. Intangible fixed assets

Movements in intangible fixed assets can be broken down as follows:

	Goodwill	Computer Software	Total
At 1 January 2014			
Cost	73,953	17,743	91,696
Accumulated impairment and amortisation	(32,766)	(12,815)	(45,581)
Book value	**41,187**	**4,928**	**46,115**
Movements			
Investments	-	778	778
Exchange rate differences	844	2	846
Amortisation	(3,675)	(1,896)	(5,571)
Subtotal	**(2,831)**	**(1,116)**	**(3,947)**
At 31 December 2014			
Cost	74,629	14,240	88,869
Accumulated impairment and amortisation	(36,273)	(10,428)	(46,701)
Book value	**38,356**	**3,812**	**42,168**
Amortisation rate in %	5 – 7	12 - 33	

The book value of Goodwill is geographically divided as follows:

	2014	2013
The Netherlands	10,446	11,848
United Kingdom	5,575	5,801
Europe (other)	2,017	2,172
Africa	9,532	10,223
Asia	3,265	3,535
Americas	7,521	7,608
	38,356	**41,187**

4. Tangible fixed assets

Movements in tangible fixed assets can be broken down as follows:

	Land and buildings	Furniture and fixtures	Hardware	Other fixed assets	Total
At 1 January 2014					
Cost	39,556	25,711	20,905	11,942	98,114
Accumulated impairment and depreciation	(22,499)	(20,470)	(15,240)	(6,773)	(64,982)
Book value	**17,057**	**5,241**	**5,665**	**5,169**	**33,132**
Movements					
Investments	2,743	1,209	2,378	609	6,939
Disposals	(1,302)	(132)	(91)	(46)	(1,571)
Reclassification	19	205	61	(285)	-
Exchange rate differences	139	76	20	26	261
Newly consolidated / deconsolidated	-	-	(5)	(194)	(199)
Depreciation	(1,184)	(1,777)	(3,364)	(748)	(7,073)
Subtotal	**415**	**(419)**	**(1,001)**	**(638)**	**(1,643)**
At 31 December 2014					
Cost	39,880	23,296	16,956	11,216	91,348
Accumulated impairment and depreciation	(22,408)	(18,474)	(12,292)	(6,685)	(59,859)
Book value	**17,472**	**4,822**	**4,664**	**4,531**	**31,489**
Depreciation rate in %	0 – 10	20 – 33	20 – 33	20 – 33	

Land and Buildings mainly consist of the headquarters in Amersfoort.

The book value of assets under financial lease is as follows:

	Land and buildings	Furniture and fixtures	Hardware	Other fixed assets	Total
Financial lease	-	127	230	18	**375**

5. Financial fixed assets

Movements in financial fixed assets can be broken down as follows:

	Partici-pating Interests	Loans to associates	Deferred income tax assets	Other financial fixed assets	Total
At 1 January 2014	**4,551**	**20**	**9,164**	**604**	**14,339**
Investments / additions	1,148	-	3,158	-	4,306
Disposals / utilisation	(704)	(20)	(1,698)	(346)	(2,768)
Remeasurement of defined benefit plan	-	-	1,084	-	1,084
Share of result in participating interests	2,832	-	-	-	2,832
Exchange differences	26	-	352	3	381
Newly consolidated	672	-	-	-	672
Dividends	(3,092)	-	-	-	(3,092)
At 31 December 2014	**5,433**	**-**	**12,060**	**261**	**17,754**

Participating interests
All joint ventures are accounted based on net equity value, resulting in a change of € 0.7 million as 'newly consolidated'.

We refer to page 77 for the company's participating interests.

Deferred income tax assets
Deferred income tax assets relate amongst others to unused tax losses.

Recognised and unrecognised deductible temporary differences and tax losses can be broken down as follows:

	2014 Deferred income tax assets	2013 Deferred income tax assets
Deductible temporary differences related to UK pensions	4,159	3,023
Other deductible temporary differences	3,881	1,262
Total deductible temporary differences	**8,040**	**4,285**
Tax losses	4,020	4,879
	12,060	**9,164**

An amount of € 1.2 million of the € 12.1 million deferred tax asset is anticipated to be settled within 1 year.

The known tax losses not valued amount to € 21.7 million (2013: € 23.5 million).

The deferred tax asset for tax losses includes a deferred tax benefit of € 2.6 million for the liquidation of the entities in Portugal (liquidation expected to be finalised in 2015).

Movement in deferred tax on the UK pensions is related to the actuarial loss on post-employment benefit obligations on the UK pension plan (defined benefit). In 2014 € 1.1 million is recognised directly in equity (2013: € -1.5 million).

Other deductible temporary differences include timing differences from participating interests.

6. Work in progress

Cost and estimated earnings on uncompleted contracts are as follows:

	2014	2013
Costs incurred and estimated earnings	1,637,628	1,859,680
Billings to date	(1,611,566)	(1,828,343)
Total	**26,062**	**31,337**

	2014	2013
Costs incurred and estimated earnings in excess of billings	94,069	92,752
Billings in excess of cost incurred and estimated earnings	(68,007)	(61,415)
	26,062	**31,337**
Less:		
Provision for expected losses	(13,353)	(12,425)
Payments in advance	(3,346)	(3,226)
	9,363	**15,686**

Change work in progress in the income statement is not equal to the movement in the balance sheet amongst others due to exchange rate differences and deconsolidation.

7. Receivables

	2014	2013
Trade receivables	121,078	135,085
Amounts owed from participating interests	5,126	3,599
Corporate income tax	-	233
Employee advances	713	794
Prepaid expenses	6,270	7,802
Other receivables	4,261	5,965
	137,448	**153,478**

Amounts owed from participating interests, like joint ventures, are treated similar to trade receivables; no interest is charged.

All receivables fall due in less than one year.

	2014	2013
Trade receivables	139,712	152,685
Less: provision for bad debts	(18,634)	(17,600)
	121,078	**135,085**

8. Cash and cash equivalents

The cash and cash equivalents balance includes an amount of € 0.9 million (2013: € 0.8 million) that is not immediately accessible. This relates to funds that are in an escrow account with the Dutch Tax Authorities in line with the Dutch Sequential Liability Act.

9. Shareholders' equity

	Issued share capital	Foreign currency translation reserve	Legal and statutory reserves	Other reserves	Unappropriated result	Total	2013
At 1 January 2014	**5,000**	**(8,832)**	**4,724**	**106,071**	**(3,363)**	**103,600**	**110,085**
Movements							
Legal and statutory reserves			(534)	534		-	-
Exchange rate differences		1,198				1,198	(5,434)
Unappropriated result					6,321	6,321	(3,363)
Transfer result last year to other reserves				(3,363)	3,363	-	-
Repurchase of shares				(692)		(692)	(863)
Other movements in reserves				(3,863)		(3,863)	3,175
Subtotal	**0**	**1,198**	**(534)**	**(7,384)**	**9,684**	**2,964**	**(6,485)**
At 31 December 2014	**5,000**	**(7,634)**	**4,190**	**98,687**	**6,321**	**106,564**	**103,600**

Group equity comprises the equity of Koninklijke HasKoningDHV Groep BV, which also includes the DHV Education Foundation. The equity of Koninklijke HaskoningDHV Groep BV as well as reconciliation with the consolidated equity is part of note 28 of the Company Financial Statements.

Exchange gains and losses arising from the translation of foreign operations from functional to reporting currency are accounted for in the foreign currency translation reserve.

The legal and statutory reserves consist of a statutory reserve for unappropriated income of participating interests of € 3.9 million and a legal reserve of € 0.3 million in Portugal and Belgium.

10. Minority interest

Movements in the minority interest can be broken down as follows:

	2014	2013
At 1 January	**654**	**4,456**
Newly de- / consolidated	28	(3,298)
Profit for the year	(249)	4
Dividends	(113)	-
Exchange differences	9	(508)
At 31 December	**329**	**654**

11. Provisions

Movements in provisions were as follows:

	Pensions	Re-organisation	Long-term employee benefits	Other provisions	Total
At 1 January 2014	**16,004**	**8,707**	**2,255**	**1,478**	**28,444**
Additions	862	1,808	254	379	3,303
Withdrawals	(1,584)	(7,584)	(60)	(280)	(9,508)
Remeasurement of defined benefit plan	5,421	-	-	-	5,421
Exchange differences	1,044	(32)	-	22	1,034
At 31 December 2014	**21,747**	**2,899**	**2,449**	**1,599**	**28,694**

Of the provisions € 25.6 million (2013: € 19.5 million) qualifies as long-term (in effect for more than one year).

Pensions

The pensions mainly relate to the Defined Benefit Pension Plan in the United Kingdom.

Obligations are recognised as at balance sheet date for unfunded obligations resulting from contractual arrangements with pension funds and from obligations to employees in the United Kingdom. These obligations are based on actuarial calculations.

The balance as at 31 December comprises the following:

	2014	2013
UK closed defined benefit plan	20,796	15,116
Other	951	888
	21,747	**16,004**

UK closed defined benefit plan

This plan is a funded defined benefit arrangement; a separate trustee administered fund holding the pension plan assets to meet the long-term pension liabilities.

Accruals for new benefits in the plan ceased on 30 June 2005 at which time all remaining active members became deferred members.

Movement in net defined benefit liability

	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability	2013
At 1 January 2014	**(60,798)**	**45,682**	**(15,116)**	**(20,357)**
Included in income statement				
Interest	**(2,933)**	**2,225**	**(708)**	**(878)**
Included in equity				
Actuarial loss (gain) arising from				
- Scheme experience	67		67	2,736
- Demographic assumptions				4,159
- Financial assumptions	(8,053)		(8,053)	(3,017)
Return on plan assets (excluding interest income)		2,566	2,566	1,081
Exchange differences	(3,928)	2,952	(976)	478
	(11,914)	**5,518**	**(6,396)**	**5,437**
Other				
Contributions paid by employer		1,424	1,424	682
Benefits paid	1,957	(1,957)	**-**	-
	(1,957)	**(533)**	**1,424**	**682**
At 31 December 2014	**(73,688)**	**52,892**	**(20,796)**	**(15,116)**

The interest is taken up in the income statement in the line interest costs.

Plan assets
Plan assets comprise of the following:

	2014 amount	%	2013 amount	%
Corporate bonds	18,556		15,556	
Index-linked bonds	2,141		1,739	
Total matching assets	**20,697**	**39.1**	**17,295**	**37.9**
UK equities	6,737		6,457	
Overseas equities	7,815		6,246	
Diversified growth funds	15,104		13,632	
Property	2,530		2,015	
Cash	9		37	
Total growth assets	**32,195**	**60.9**	**28,387**	**62.1**
Total invested assets	**52,892**	**100.0**	**45,682**	**100.0**

None of the fair values of the assets shown above include any of the UK Company's own financial instruments or any property occupied by, or other asset used by, the company. All of the scheme assets have a quoted market price in an active market with the exception of the Trustee's bank account balance.

Defined benefit obligations

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (in % per annum):

	2014	2013
Discount rate	3.6	4.6
Inflation (Retail Price Index)	3.0	3.4
Inflation (Customer Price Index)	2.0	2.4
Allowance for commutation of pension for cash at retirement	80% of Post A day	80% of Post A day

The discount rate is based on the iBoxx AA-rated UK 15-year corporate bond index.
The mortality assumptions adopted at 31 December 2014 are 100% of the standard tables S1PxA, year of birth, no aging for males and females, projected using CMI_2013 converging to 1.0% per annum. These imply the following life expectancies at age 65 years:

	2014	2013
Longevity at age 65 for current pensioners		
- Males	22.0	21.9
- Females	24.2	24.1
Longevity at age 65 for current members aged 45		
- Males	23.3	23.3
- Females	25.7	25.6

Sensitivity analysis

Reasonably possible changes at reporting date to one of the relevant actuarial assumptions, holding other consumptions constant, would have affected the defined benefit obligation by the percentages shown below:

		2014	2013
Discount rate	Decrease of 0.25% per annum	4.3	4.1
Rate of inflation	Increase of 0.25% per annum	3.3	3.2
Rate of mortality	Increase of life expectancy of 1 year	2.9	2.8
Commutations	Members commute extra 10% of Post A Day pension on retirement	(1.2)	(1.0)

The average duration of the defined benefit obligation at the period ending at 31 December 2014 is 17 years (2013: 17 years).

The plan typically exposes the Company to actuarial risks such as investment risk, interest rate risk, mortality risk and longevity risk. A decrease in corporate bond yields, a rise in inflation or an increase in life expectancy would result in an increase to plan liabilities. This would detrimentally impact the balance sheet position and may give rise to increased charges in future income statement accounts. This effect would be partially offset by an increase in the value of the plan's bond holdings. Additionally, caps on inflationary increases are in place to protect the plan against extreme valuation.

Following the completion of the triennial valuation of the scheme as at 31 October 2012, the level of regular deficit funding increased to £1.1 million per annum from the start of 2014 and increased thereafter by 3% per annum, plus additional annual contributions of £0.02 million per year to a maximum of £0.1 million per annum thereafter, until completion of the next review.

Reorganisation
The movements in 2014 are mainly related to the reorganisation of the Netherlands and Poland based business.The largest withdrawal has been within the Netherlands as a result of finalising the restructuring plans**.**

Other provisions
Other provisions relate mainly to claims and obligations for long-term sickness. The expected utilisation period of these provisions is between one and five years.

12. Non-current liabilities

	2014			2013
	At 31 December 2014	Repayment obligation in 2015	Remaining term > 1 year	Remaining term > 1 year
Mortgage loans	-	-	-	7,231
Loans	8,738	-	8,738	500
Financial lease liabilities	415	105	310	536
	9,153	**105**	**9,048**	**8,267**

Koninklijke HaskoningDHV Groep B.V. has amended the secured loan/guarantee facility per 1 July 2014. It is a loan/guarantee facility with two banks in the Netherlands and consists of:

- revolving credit facility: € 35.5 million
- overdraft facility: € 20 million
- multipurpose facility: € 30 million
- guarantee facility: € 50 million

As security there is a mortgage on the real estate in Amersfoort and a pledge on the receivables of the borrowers. A mortgage loan of € 7.4 million has been repaid after the availability of the amended loan/guarantee facility. A part of the revolving credit facility of € 1.9 million has been cancelled in the second half of 2014.

The facility has an Euribor denominated interest rate (1-month Euribor for the draft facility and 3/6 – month Euribor for the revolving credit facility). An amount of € 21 million is capped to a rate of 0.25% with three option contracts with an underlying value of € 7 million each. The three option contracts mature in December 2015, December 2016 and December 2017 respectively. The fair value of the three option contracts per balance date is € 0.01 million.

The credit margin on the loans is based on the leverage ratio (net debt/EBITDA); a lower leverage ratio results in a lower credit margin. The debt covenant for this facility states that the leverage ratio must not exceed 2.0 at 31 December 2014 and the interest coverage ratio shall not be lower than 4.0. At 31 December 2014, the leverage ratio (net debt/EBITDA) is -0.5 and the interest coverage ratio is 10.2.

Parallel to the loan/guarantee facility the group has loan facilities with banks in a.o. South Africa (€ 3.2 million Prime Rate denominated overdraft facility; € 1.4 million guarantee facility; € 1.1 asset finance) and the United Kingdom (€ 3.2 million Bank of England Base Rate denominated overdraft facility; € 3.2 million guarantee facility). There are no securities given for the facility in South Africa. In the UK banking facilities are secured with a debenture; a written agreement between lender and borrower, filed at Companies House. The debenture holder has the rights to any and all assets should the company become insolvent

In total the company has € 151 million banking facilities. Within these facilities € 61.9 million can be used for loans, € 59.1 million can be used for guarantees and € 30.0 million can be used for both loans and guarantees. At 31 December 2014 the Group had contingent liabilities in respect of guarantees provided to third parties in the ordinary course of business to the value of € 62 million.

13. Current liabilities

	2014	2013
Amounts owed to credit institutions	5,239	9,125
Short term part of non-current liabilities	105	12,997
Trade payables	39,684	44,311
Corporate income tax	2,969	-
Other taxes & social security charges	24,767	24,199
Holliday allowance	7,411	7,345
Amounts owed to participating interests	46	311
Pension premiums	1,897	1,633
Leave entitlements	14,489	16,238
Accrued expenses	18,215	20,111
Other short term liabilities	12,521	7,552
	127,343	**143,822**

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to their short-term character.

Other taxes & social security charges include payroll taxes of € 9.8 million (2013: € 7.1 million) and VAT of € 15.0 million (2013: € 17.1 million).

Included in accrued expenses are accruals for accommodation, ICT costs and project related costs of € 6.8 million (2013: € 6.5 million), staff related accruals of € 4.5million (2013: € 3.1 million) and other of € 6.9 million (2013: € 10.5 million).

14. Financial instruments

General

During the normal course of business, the company uses various financial instruments that expose it to market, currency, interest, cash flow, credit and liquidity risks. To control these risks, the company has instituted a policy including a code of conduct and procedures that are intended to limit the risks of unpredictable adverse developments in the financial markets and thus for the financial performance of the company.

The company applies derivatives, including forward exchange contracts and purchased interest rate options to control its risks. The company does not trade in financial derivatives.

Credit risk

Credit risk arises principally from the company receivables presented under trade and other receivables and cash. The maximum amount of credit risk that the company incurs is € 191 million, consisting of trade receivables (€ 140 million excluding the provision for bad debts), other receivables (€ 17 million) and cash (€ 34 million). The credit risk is concentrated at a large number of counterparties, the highest receivable amounts to € 5 million. A long standing relationship exists with this counterparty.

The company exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. Geographically, on the other hand, the credit risk is for more than 50% concentrated in the Netherlands.

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before, preferably, the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available and purchase limits are established for each customer, which represent the maximum open amount without requiring approval from the management. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

A large part of the Group's customers have been transacting with the Group for over four years, and impairment loss has been recognised against these customers. At balance date the provision for bad debts amounted to € 18.6 million.

Interest rate risk

In order to mitigate the interest risk the company faces on the usage of the central loan facility, the company has purchased an interest rate cap option. The option protects the company from a rising interest rate. The purchased options have a strike rate of 0.25%.
If market interest (3 month EURIBOR) rises above 0.25% the option will start to pay out. Below the strike level, the company pays the prevailing market rate.

All derivatives are option contracts that cap the interest to a fixed rate, and have duration between 88 to 94 days. At balance date the market value of the interest rate cap option is € 0.01 million.

At year end the outstanding instrument is as follows:

	Outstanding amount	Maximum interest payable cap	Start date	End date
1	21,000	0.25%	29-12-2014	28-12-2015
2	14,000	0.25%	28-12-2015	27-12-2016
3	7,000	0.25%	27-12-2016	27-12-2017

Currency risk

The Group is exposed to currency risk on sales denominated in a currency other than the respective functional currencies of Group entities, primarily the Euro, but also Pound Sterling (GBP). The currencies in which these transactions primarily are denominated are USD and SAR. The group aims to mitigate as much as possible of its foreign currency exposure in respect of contracted sales.

The currency risk of net investments in foreign subsidiaries is not hedged. The current view on this translation exposure is that our investments are long term and as such are not hedged through short term instruments as Foreign Exchange derivatives.

The net currency position (EUR) as at 31 December is specified below:

	2014		2013	
	Estimated fair value	Contract value/fictitious principal amounts	Estimated fair value	Contract value/fictitious principal amounts
EUR/USD	(221)	3,015	270	8,970
EUR/SAR	(411)	12,020	-	-
EUR/GBP	-	-	(23)	920
EUR/COP	(185)	3,264	-	-
EUR/other	(301)	8,301	527	8,688
GBP/other	(414)	3,300	239	6,291
USD/other	-		9	5,365
	(1,532)	**29,900**	**1,022**	**30,234**

The contracts expire in the next three years.

Liquidity risk

The management ensures that the cash position is sufficient to meet the company's financial obligations towards creditors and to stay within the limits of its loan covenants. For further details regarding our bank facility we refer to note 12.

15. Commitments and contingencies not included in the balance sheet

Long-term financial commitments

	2014				2013
	Less than 1 year	Between 1 and 5 years	More than 5 years	**Total**	**Total**
Equipment/ utilities	9,116	7,442	-	16,558	11,375
Buildings rental / lease	10,899	27,844	3,996	42,739	37,697
Car lease	4,653	6,337	-	10,990	11,772
	24,668	**41,623**	**3,996**	**70,287**	**60,844**

In 2014, the commitments ensuing from this recognised in the profit and loss account amounted to € 29 million.

Contingent liabilities
The Company in the Netherlands is liable for any obligations arising under the Dutch Sequential Liability Act.

The Company executes certain projects in partnership with other parties. Based on contractual agreements, the Company bears joint and several liabilities for the contractual obligations of the partnership resulting from these projects.

Tax group liabilities
The Company forms a tax entity for VAT and income tax in the Netherlands with a number of group companies (see page 73). Under the standard conditions, the Company and its fellow members of the tax group are jointly and severally liable for any taxes owed by the group.

By virtue of its operations in various countries, the Company incurs operational and/or tax claims. Where their effect is more likely than not and can be reasonably estimated, such claims are provided for as soon as they arise. The existing provisions are considered sufficient to cover the potential consequences of pending claims.

Contingencies
The Company is involved in certain legal proceedings relating to its projects. Provisions have been created for these in so far as these are necessary based on the management's best estimate.

Share Plan
For details about the company's share plan we refer to page 80.

16. Net turnover

The breakdown by geographical region is as follows:

	2014	**2013** restated
The Netherlands	320,089	349,881
United Kingdom	50,086	38,975
Europe (other)	50,351	47,841
Africa	100,427	103,709
Asia	99,431	83,281
Americas	34,324	26,377
	654,708	**650,064**

The breakdown by market group is as follows:

	2014	2013
Aviation	40,728	30,193
Maritime & Waterways	77,741	70,309
Infrastructure	114,987	127,582
Planning & Strategy	49,173	55,155
Rivers, Deltas & Coasts	62,007	62,611
Water Technology	67,045	77,999
Buildings	98,866	97,985
Industry, Energy & Mining	144,161	128,230
	654,708	**650,064**

See key figures on page 7 for % segmentation of turnover by client group, market group and region.

17. Short-term employee benefits

	2014	2013
Salaries and wages	292,094	300,991
Social security charges	30,936	30,967
Pension costs	30,051	32,274
	353,081	**364,232**

Included in salaries and wages is an amount of € 0.1 million (2013: € 0.3 million) for the Dutch crisis levy.

18. Director’s remuneration

Current and former managing directors	**Base salary**	**Social premiums / other allowances**	**Variable**	**Pensions**	**2014 Total**	**2013 Total**
E. Oostwegel, chairman	375	16	80	63	534	460
J.M. de Bakker, CFO	325	15	69	62	471	437
P.W. Besselink	325	42	69	62	498	434
H.J.D. Rowe	332	53	69	53	507	461
Former members						1,134
					2,010	**2,926**

The remuneration of the directors is excluding the Dutch crisis levy of € 0.1 million (2013: € 0.2 million).

Current and former Supervisory board members:	2014	2013
J.A.P. van Oosten, chairman	45	45
J. Bout	35	35
S.M. Dekker	34	30
J.H.M. Lindenbergh	35	35
J.S.T. Tiemstra (member since 01-09-2014)	12	-
K.G. de Vries	35	35
W. van Vonno (member until 27-03-2014)	10	40
A.P.M. van der Poel (member until 27-03-2014)	9	35
M.T.H. de Gaay Fortman (member until 27-03-2014)	7	30
	222	**285**

19. Other operating costs

	2014	2013
Temporary staff	22,099	23,197
Office expenses	25,853	28,425
Travel and accommodation	23,092	23,954
Occupancy costs	22,354	22,849
Work by third parties	8,745	9,075
Additional personnel expenses	8,194	8,115
Other operating expenses	6,336	2,166
Restructuring costs and other one-off items	1,835	9,978
	118,508	**127,759**

Restructuring costs include provisions for staff redundancy.

Included in other operating costs is a loss on exchange rate differences of € 0.3 million (2013: loss € 2.7 million).

Auditor’s fees

The following auditor’s fees were expensed in the income statement in the reported period (included in Work by third parties) to the statutory auditor of the Group.

	2014			2013
	KPMG Accountants N.V.	Other KPMG network	Total KPMG	Total PwC
Audit of the financial statements	136	119	255	450
Other audit engagements	1	11	12	138
Tax-related advisory services	-	-	-	208
Other non-audit services	1	17	18	46
	138	**147**	**285**	**842**

20. Income tax expense

The major components of the tax expense are as follows:

	2014	2013
Tax liability for current financial year	7,108	1,290
Movement in temporary differences	(3,582)	(288)
Adjustment in valuation of deductible losses	(489)	2,667
Adjustment for prior periods	(24)	(434)
Other adjustments	620	205
Tax expense	**3,633**	**3,440**

The applicable weighted average tax rate is 20.1% (2013: 21.5%), whereby the weighted average has been calculated based on the results before taxes in the various tax jurisdictions. The tax expense recognised in the income statement for 2014 amounts to € 3.6 million, or 37.4% of the result before tax and share in result of participating interests. The numerical reconciliation between the applicable and the effective tax rate is as follows:

	2014	2013
Result before tax	6,873	(1,656)
Share in result of participating interests	2,832	1,737
	9,705	**81**
Income tax using the applicable tax rate in the Netherlands	2,426	20
Tax effect of:		
• Other applicable tax rates abroad	(476)	(170)
• Results under the participation exemption	(361)	(120)
• Non-deductible expenses	1,937	1,272
Recognition of previously not recognised tax losses	(489)	2,667
Adjustment for prior periods	(24)	(434)
Other adjustments	620	205
Tax expense	**3,633**	**3,440**

Other adjustments relate to amongst others unrecoverable taxes, withholding taxes and additions to the tax provision.

21. Number of employees

During the year 2014 on average 6,337 (2013: 6,652) employees were employed by the Group.

The headcount* per end of year is split by the following regions:

	2014	2013
The Netherlands	3,131	3,237
United Kingdom	569	561
Europe (other)	359	434
Africa	1,172	1,187
Asia	972	920
Americas	72	59
	6,275	**6,398**

The headcount* per end of year is split by the following business lines:

	2014	2013
Aviation	176	181
Maritime & Waterways	641	596
Infrastructure	1,048	1,186
Planning & Strategy	513	584
Rivers, Deltas & Coasts	548	535
Water Technology	768	645
Buildings	765	823
Industry, Energy & Mining	1,096	1,147
Corporate Groups	720	701
	6,275	**6,398**

*Numbers are excluded flexible workforce and minorities

22. Changes in consolidated investments

The following investments and divestments were made in 2014:

	Country	Holding at 01-01-2014	Acquired / divested	Holding at 31-12-2014
Change in ownership %:				
Haskoning Engineering Consultants Ltd.	Nigeria	100.0%	-13.6%	86.4%
Deconsolidated:				
Braamhoek JV	South-Africa	33.3%	-33.3%	-
N12 Gilloolys	South-Africa	50.0%	-50.0%	-
N12 Bloemhof	South-Africa	50.0%	-50.0%	-
Naco SSI (RSA)	South-Africa	50.0%	-50.0%	-
Naco SSI (Bot)	Botswana	50.0%	-50.0%	-
Merged:				
Haskoning Advies Beheer B.V.	The Netherlands			
Raadgevend Technies Buro Van Heugten B.V.	The Netherlands			
Van Heugten Engineering B.V.	The Netherlands			
NACO Holding B.V.	The Netherlands			
Liquidations				
Haskoning Ireland Ltd.	Ireland	100.0%	-100.0%	-

23. Related party transactions

The Group's related parties comprise joint ventures, the Executive Board, the Supervisory Board, Stichting HaskoningDHV and Stichting Administratiekantoor HaskoningDHV. An extensive list of subsidiaries and joint ventures is disclosed on page 77. All transactions with related parties are at arm's length basis.

Royal HaskoningDHV

Enhancing Society Together

Company Financial Statements

Company Balance Sheet per 31 December 2014

(before profit appropriation) (€ thousands)

Assets

	Note	2014	2013 restated
Fixed assets			
Intangible fixed assets	25	15,129	16,463
Financial fixed assets	26	151,346	142,051
		166,475	**158,514**
Current assets			
Receivables	27	8,778	11,809
Cash and cash equivalents		196	7
		8,974	**11,816**
		175,449	**170,330**

Shareholders' equity & liabilities

	Note	2014	2013 restated
Shareholders' equity			
Issued share capital	28	5,000	5,000
Share premium		-	-
Foreign currency translation reserve		(7,629)	(8,873)
Legal and statutory reserves		4,190	4,724
Other reserves		99,185	106,307
Unappropriated result		7,587	(2,966)
		108,333	**104,192**
Provisions	29	862	972
Non-current liabilities	30	8,000	-
Current liabilities	31	58,254	65,166
		175,449	**170,330**

Company Income Statement 2014

(€ thousands)

	Note	2014	2013 restated
Share of result of participating interests after tax		11,735	3,699
Company result after tax		(4,148)	(6,665)
Net result		**7,587**	**(2,966)**

Notes to the Company Financial Statements

24. General information

The company financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Netherlands Civil Code and the financial reporting requirements as set forth in the Guidelines for Annual Reporting in the Netherlands.

Since the income statement for 2014 of Koninklijke HaskoningDHV Groep B.V. is included in the consolidated financial statements, an abridged income statement has been disclosed (in the company financial statements) in accordance with Section 402, Book 2, of the Netherlands Civil Code.

The accounting policies for the company financial statements and the consolidated financial statements are the same.

Group companies are stated at net asset value in accordance with note 2.7 to the consolidated financial statements.

For accounting policies for the company balance sheet and income statement, reference is made to the notes to the consolidated balance sheet and income statement on pages 37 to 45.

25. Intangible fixed assets

Movements in intangible fixed assets can be broken down as follows:

	Goodwill
At January 2014	
Cost	28,319
Accumulated impairment and amortisation	(11,856)
Book value	**16,463**
Movements	
Amortisation	(1,334)
Subtotal	**(1,334)**
At 31 December 2014	
	28,319
Accumulated impairment and amortisation	(13,190)
Cost	**15,129**
Amortisation rate in %	5

26. Financial fixed assets

Movements in financial fixed assets can be broken down as follows:

	Group companies	Loans to group companies	Deferred income Tax assets	Other financial fixed assets	Total
At 1 January 2014 - restated	**101,021**	**36,571**	**4,035**	**424**	**142,051**
Investments / additions	3,567	154	800	-	4,521
Merger	2,853	(3,100)			(247)
Repayments / utilisation	-	(2,666)	(1,435)	(187)	(4,288)
Share of result in participating interests	11,735	-	-	-	11,735
Exchange differences	1,245	14	-	-	1,259
Other movements	(4,043)	358	-	-	(3,685)
At 31 December 2014	**116,378**	**31,331**	**3,400**	**237**	**151,346**

Participating interests
Three of the participating interests have a negative equity value with a total value of € 3.0 million.

In 2014 a loan of € 2.8 million has been converted into share capital for one of the participating interests.

Haskoning Advies Beheer B.V. has been merged into Koninklijke Haskoning DHV Groep B.V. per 1st of January 2014.

In the other movements the remeasurement of the UK pension fund is included.

The participating interests are 100% related to group companies. For an extensive list of participating interests we refer to page 77.

Loans to participating interests
Receivables from participating interests include a loan to HaskoningDHV Nederland B.V. amounting to € 15.0 million and to Haskoning International B.V. amounting to € 12.7 million. The loans are provided for funding and cash management purposes. Most of the loans have a remaining duration of 1 year or less. Nothing has been agreed in respect of securities.

The interest income on loans to associates amounted to € 1.5 million (2013: € 1.3 million).

27. Receivables

	2014	2013
Amounts owed from group companies / subsidiaries	7,671	8,202
Corporate income tax	671	2,395
Receivables Stichting STAHD	56	-
Other receivables, prepayments and accrued income	380	1,212
	8,778	**11,809**

28. Shareholders' equity

The authorised and issued share capital amounts to € 5,000,000, divided into ordinary shares of € 1.00 each, split by A- and B class shares (with equal voting rights), which are distributed as follows:

	2014		2013	
	A shares	B shares	A shares	B shares
Stichting HaskoningDHV	4,717,359	-	4,717,359	-
Stichting Adminstratiekantoor HaskoningDHV	-	218,607	-	248,322
Koninklijke HaskoningDHV Groep B.V.	-	64,034	-	34,319
Total	**4,717,359**	**282,641**	**4,717,359**	**282,641**

For further information regarding the shareholding structure we refer to page 80.

Certificates of the B class shares are sold to employees during an annual trade round. In the event that more certificates are offered than requested by employees in any future year, there is an intention to buy back certificates by Stichting Administratiekantoor HaskoningDHV. The maximum number of certificates that can be purchased each year, in principle, does not exceed 2.5% of the total number of A and B shares in Koninklijke HaskoningDHV Groep B.V. Each year the Executive Board, with the approval of the Supervisory Board, decides which percentage can be purchased for that specific year by the Stichting Administratiekantoor HaskoningDHV on behalf of Koninklijke HaskoningDHV Groep B.V.

During the trade round in August 2014, 22,605 depositary receipts (DR's) were traded. More DR's were offered than subscribed during the trade round. The summary of the trade round is as follows:

	2014	2013
Balance at 1 January	248,322	282,641
Trade round (bought)	30,050	-
Sold	(59,765)	(34,319)
Total	**218,607**	**248,322**

The balance of the trade round, bought and sold DR's (29,715) was repurchased by the company (total value of € 0.7 million – share price € 23.30).

Statement of changes in shareholders' equity

	Issued share capital	Foreign currency translation reserve	Legal and statutory reserves	Other reserves	Unappropriated result	Total	2013
At 1 January 2014 - restated	**5,000**	**(8,873)**	**4,724**	**106,307**	**(2,966)**	**104,192**	**110,085**
Movements							
Legal and statutory reserves			(534)	534		-	-
Exchange rate differences		1,244				1,244	(5,475)
Unappropriated result					7,587	7,587	(2,966)
Transfer result last year to other reserves				(2,966)	2,966	-	-
Repurchase of shares				(692)		(692)	(863)
Other movements in reserves				(3,998)		(3,998)	3,411
Subtotal	**-**	**1,244**	**(534)**	**(7,122)**	**10,553**	**4,141**	**(5,893)**
At 31 December 2014	**5,000**	**(7,629)**	**4,190**	**99,185**	**7,587**	**108,333**	**104,192**

The reconciliation of the statutory and consolidated equity of Koninklijke HaskoningDHV Groep B.V. is as follows:

	2014	2013
Equity Koninklijke HaskoningDHV Groep B.V. (following the company financial statements)	108,333	104,192
Equity DHV Education Foundation	(1,769)	(592)
Equity Koninklijke HaskoningDHV Groep BV (following the consolidated financial statements)	**106,564**	**103,600**

The reconciliation of the statutory and consolidated result of Koninklijke HaskoningDHV Groep B.V. is as follows:

	2014	2013
Result Koninklijke HaskoningDHV Groep B.V. (following the company financial statements)	7,587	(2,966)
Result DHV Education Foundation	(1,266)	(397)
Result Koninklijke HaskoningDHV Groep BV (following the consolidated financial statements)	**6,321**	**(3,363)**

Foreign currency translation reserve
Exchange gains and losses arising from the translation of foreign operations from functional to reporting currency are accounted for in this statutory reserve.

Legal and Statutory reserves
The legal and statutory reserves consist of a statutory reserve for unappropriated income of participating interests of € 3.9 million and a legal reserve of € 0.3 million in Portugal and Belgium.

Other reserves
Included in other movements is the Defined Benefit Pension Plan UK. The movement relates to the net balance of actuarial gains and losses, after deduction of deferred tax, in respect of the closed pension scheme in the UK, which has been directly charged to the reserves. Further reference is made to note 11.

29. Provisions

The provisions are mainly related to claims and obligations.

30. Non-current liabilities

For terms and conditions of the loan and guarantee facility, refer to note 12 of the consolidated notes on page 54.

31. Current liabilities

	2014	2013
Amounts owed to credit institutions	48,946	43,025
Short term part of non-current liabilities	-	9,000
Amounts owed to group companies / subsidiaries	8,549	12,317
Other taxes & social security contributions	31	25
Other debts, accruals and deferred income	728	799
	58,254	**65,166**

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to their short-term character.

32. Commitments and contingencies not included in the balance sheet

At 31 December 2014 the company had contingent liabilities in respect of guarantees provided to third parties in the ordinary course of business to the value of € 12.4 million.

33. Tax group liabilities

The company forms a corporate income tax group with HaskoningDHV Nederland B.V., HaskoningDHV Asset Management B.V., Haskoning International B.V., Haskoning International Services B.V., Haskoning B.V., De Weger Adviesgroep B.V., De Weger Architecten en Ingenieursbureau B.V., IWACO B.V., DHV China B.V., DHV Global Engineering Center B.V., NACO Netherlands Airport Consultants B.V. NACO Holding B.V. Iraco B.V., IBZH B.V., Bierhaus Konstrukteurs B.V. and DHV NPC B.V. Under the standard conditions, the members of the tax group are jointly and severally liable for any taxes payable by the group.

34. Joint and several liabilities and guarantees

The company has issued no declarations of joint and several liabilities for debts arising from legal acts of Dutch consolidated participating interests.

Amersfoort, the Netherlands

March 12, 2015

Executive Board

E. Oostwegel (Chairman)

J.M. de Bakker (CFO)

P.W. Besselink

H.J.D. Rowe

Supervisory Board

J.A.P. van Oosten, chairman

J. Bout

S.M. Dekker

J.H.M. Lindenbergh

J.S.T. Tiemstra

K.G. de Vries

Other information

Other information

Independent auditor's report

To: the General Meeting of Shareholders of Koninklijke HaskoningDHV Groep B.V.

Report on the financial statements
We have audited the accompanying financial statements 2014 of Koninklijke HaskoningDHV Groep B.V., Amersfoort, which comprise the consolidated and company balance sheet as at 31 December 2014, the consolidated and company profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Executive Board's responsibility
The Executive Board is responsible for the preparation and fair presentation of these financial statements and for the preparation of the report of the Executive Board, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, the Executive Board is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Executive Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements give a true and fair view of the financial position of Koninklijke HaskoningDHV Groep B.V. as at 31 December 2014 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements
Pursuant to the legal requirements under Section 2:393 sub 5 at e and f of the Netherlands Civil Code, we have no deficiencies to report as a result of our examination whether the report of the Executive Board, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b - h has been annexed. Further, we report that the report of the Executive Board, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Netherlands Civil Code.

Amstelveen, March 12, 2015

KPMG Accountants N.V.

J. van Delden RA

Subsequent events

On 12 February RHDHV has announced its intention to transfer its group delivering specialised industrial engineering services for the Dutch chemicals, oil and gas markets to KH Engineering.

Effective 1 March 2015, all 113 employees and ongoing activities of this group will be transferred to KH Engineering

Profit appropriation

Summary of the articles of association provisions governing profit appropriation

Summary of the articles of association provisions governing profit appropriation Articles 23 and 24 of the articles of association contain (in summary) the following relevant provisions of profit appropriation and dividend:

- The A shares and the B shares shall have equal rights to the profit. Insofar as the general meeting does not reserve the profit otherwise, and insofar as no replenishment, takes place out of the profit in any one financial year, this profit shall be added to the retained A surplus and the retained B surplus, and this in the same ratio as that in which the nominal amounts of all the issued A shares and B shares, respectively, stand to the issued capital.
- Shares and depositary receipts issued therefore held by the company or a subsidiary thereof, from which no rights to distributions can be derived, shall not be included in the determination of the ratio referred to in the preceding sentence.
- Any addition and replenishment shall take place after the adoption of the annual accounts from which it appears that there is profit available for such addition or replenishment.
- The company may make distributions to the holders of B shares and any other persons entitled to the distributable retained B surplus only insofar as the shareholders' equity exceeds the amount which must be maintained under the law. No distributions may be made out of the retained A surplus or out of any reserves other than the retained B surplus.

Subject to provisions of article 23.3, distributions out of a retained B surplus as referred to in paragraph 1, may be made at all times pursuant to a resolution of the general meeting. The general meeting cannot resolve to discontinue a retained surplus.

A resolution of the general meeting to proceed to a distribution out of the retained B surplus shall be subject to the approval of the Executive Board. The Executive Board may withhold its approval only if it knows or reasonably ought to have foreseen that the company, after such distribution, will be unable to continue to pay its due debts.

- No losses may be offset against a retained surplus, unless it concerns losses which cannot be defrayed out of a reserve – not being a retained surplus – or offset in any other way and the general meeting resolves, with the approval of all the holders of the shares corresponding with the retained surplus in question, to charge losses against the balance of the retained surplus in question. If and insofar as such is possible, losses shall be charged against the retained surpluses pro rata to the number of issued A shares and B shares at the time of the adoption of the aforementioned resolution.
- If a loss has been charged against one or both retained surpluses, as referred to in the preceding sentence, the profits made in the subsequent years shall be applied first of all in replenishing the amount that was charged against the retained surplus or surpluses.
- The general meeting may resolve that dividends will be paid in whole or in part in a form other than cash, but then only in the form of B shares of the company itself.
- The general meeting can, on a proposal thereto from the Executive Board, decide, an interim addition shall be made to the retained surpluses, either chargeable against the profit or chargeable against a reserve other than a retained surplus.

Proposed profit appropriation

Given the profit over 2014, the Executive Board proposes that a dividend of € 0.64 per B-share will be distributed to holders of B shares, representing a value of € 140.000. Due to the depositary receipts Rules and Regulations this dividend will be distributed to the depositary receipt holders on a one-to-one basis. The Executive Board proposes that no dividend will be distributed to the A shares and B shares held by Koninklijke HaskoningDHV Groep. The remaining profit of € 6.181.000 will be added to the other reserves.

Group companies

The following is a list of the main consolidated participating interests of Koninklijke HaskoningDHV Groep B.V., Amersfoort, The Netherlands (unless stated otherwise, all interests are 100%):

HaskoningDHV Nederland B.V.,	Amersfoort, The Netherlands
Haskoning B.V.,	Nijmegen, The Netherlands
HaskoningDHV Asset Management B.V.,	Amersfoort, The Netherlands
NACO, Netherlands Airport Consultants B.V.,	The Hague, The Netherlands
DHV NPC B.V.,	Amersfoort, The Netherlands
Consorcio Dique,	Bogota, Colombia (51%)
Stewart Scott International Holdings Pty Ltd.,	Johannesburg, South Africa (76.95%)
Royal HaskoningDHV (Pty) Ltd.,	Johannesburg, South Africa
Steward Scott Investments (Pty) Ltd.,	Johannesburg, South Africa
SSI Botswana (Pty) Ltd.,	Gaborone, Botswana
Steward Scott International (Pvt) Ltd.,	Harare, Zimbabwe
Steward Scott NCL Ltd.,	Cayman Islands
Steward Scott Swaziland (Pty) Ltd.,	Mbabane, Swaziland
Mancon (Pty) Ltd.,	Johannesburg, South Africa
HaskoningDHV UK Holdings Ltd.,	Peterborough, United Kingdom
HaskoningDHV UK Ltd.,	Peterborough, United Kingdom
Integrated Project Management Services Ltd.,	Peterborough, United Kingdom
Haskoning International B.V.,	Nijmegen, The Netherlands
Haskoning International Services B.V.,	Nijmegen, The Netherlands
Haskoning Consultants, Architects and Engineers O.O.O.,	Moscow, Russia
PT Haskoning Indonesia,	Jakarta, Indonesia
HaskoningDHV India PvT Ltd.,	Delhi, India
Haskoning Caribbean Ltd.,	Port of Spain, Rep. of Trinidad and Tobago
Haskoning Libya JSC,	Tripoli, Libya (80%)
HaskoningDHV (Malaysia) Sdn Bhd.,	Kuala Lumpur, Malaysia
Royal Haskoning Consulting (Shanghai) Co. Ltd.,	Shanghai, China
Royal Haskoning Consulting (Beijing) Co. Ltd.,	Beijing, China
Haskoning Sénégal S.A.R.L.,	Dakar, Senegal
Haskoning Singapore Pte. Ltd.,	Vista, Singapore
Haskoning Australia Pty Ltd.,	Sydney, Australia
Haskoning Brasil Participaões Ltda.,	Rio de Janeiro, Brasil (99%)
Haskoning Consultaria E. Projectos Ltda.,	Rio de Janeiro, Brasil (99%)
Haskoning Engineering Consultants Ltd.,	Abuja, Nigeria (86.36%)
Haskoning Cambodia Ltd.,	Phnom-Penh, Cambodia
HaskoningDHV Vietnam Ltd.,	Ho Chi Minh City, Vietnam
Royal Haskoning Qatar WLL,	Doha, Qatar
ELC Grup Müşavirlik ve Mühendislik Anonim Şirketi,	Istanbul, Turkey (90%)
Haskoning Cameroun S.A.R.L.,	Douala, Cameroun
Haskoning Philippines Inc.,	Manila, Philippines

DHV Global Engineering Center B.V.	Amersfoort, The Netherlands
PT Mitra Lingkungan Dutaconsult	Jakarta, Indonesia (77.4%)
HaskoningDHV Belgium N.V.	Mechelen, Belgium
HaskoningDHV Consulting Private Ltd.	New Delhi, India
DHV Vietnam Company Ltd.	Hanoi, Vietnam
HaskoningDHV CR, spol s.r.o.	Prague, Czech Republic
DHV Polska Sp. z o.o.	Warsaw, Poland
Hydroprojekt Sp. z o.o.	Warsaw, Poland
Prokom Sp. Z.o.o.	Czeladz, Poland
DHV SGPS, S.A.	Algés, Portugal
DHV, S.A.	Algés, Portugal
DHV China B.V.	Amersfoort, The Netherlands
DHV Beijing Environmental Engineering Co. Ltd.	Beijing, China
DHV Engineering Consultancy Co. Ltd.	Shanghai,China
DHV Lda.	Maputo, Mozambique
Turgis Technology Pty Ltd.	Johannesburg, South Africa
Turgis Consulting (Pty) Ltd.	Johannesburg, South Africa
Turgis Consulting Ltd.	London, United Kingdom
InterVISTAS Holding Inc.	Vancouver, Canada
InterVISTAS Consulting Inc.	Vancouver, Canada
InterVISTAS B.V.	The Hague, The Netherlands
InterVISTAS Consulting UK Ltd.	London, United Kingdom
DHV Holdings USA Inc.	Wilmington, Delaware, United States of America
InterVISTAS Consulting LLC	Washington D.C., United States of America
InterVISTAS Servicos de Consultoria do Brasil	Sao Paulo, Brasil
InterVISTAS GA2 Consulting Inc.	Washington D.C., United States of America

Non-group companies

Joint Ventures

VOF Ketel Deerns Raadgevende Ingenieurscomb. Schiphol 2000	Schiphol, The Netherlands
VOF Tunnel Engineering Consultants	Nijmegen, The Netherlands
VOF Brede AAA	Utrecht, The Netherlands
VOF Railinfra Solutions	Utrecht, The Netherlands
VOF Royal Haskoning – Arup MC Renovatie Bruggen	Amsterdam, The Netherlands
VOF Mecanoo Haskoning New Premises Eurojust	Rotterdam, The Netherlands
VOF D3BN/PBT	Rotterdam, The Netherlands
VOF Segmeer	Capelle a/d IJssel, The Netherlands
VOF Adviesbureau Noord/Zuidlijn	Amsterdam, The Netherlands
VOF Grontmij – De Weger	Rotterdam, The Netherlands
VOF Arup / Van Heugten Het Nieuwe Rijksmuseum	Amsterdam, The Netherlands
VOF UWAYGO	Amersfoort, The Netherlands
VOF Ontwikkeling Laurentius Ziekenhuis	Maastricht, The Netherlands
VOF Ontwikkeling Maaslandziekenhuis van Heugten/Huygen I.A.	Maastricht, The Netherlands
VOF Ontwerpteam Bernhoven	Rotterdam, The Netherlands
VOF EGM - Deerns - Corsmit	Rotterdam, The Netherlands
VOF Deerns Haskoning CSNS	Rijswijk, The Netherlands
VOF Ontwikkeling Atrium Sante HaskoningDHV/Huygen I.A.	Nijmegen, The Netherlands
Maatschap Benthem Crouwel NACO	The Hague, The Netherlands
Team van Oord Ltd.	Newbury, United Kingdom
Braamhoek JV	Johannesburg, South Africa

Other non-group companies

Chuchawal – Royal Haskoning Ltd.	Bangkok, Thailand	48.925%
Design 103 International Ltd.	Bangkok, Thailand	48.97%
DHV MED Ltd.	Netanya, Israel	50%
SADECO	Jeddah, Saudi Arabia	49%

Shareholding structure

Koninklijke HaskoningDHV Groep B.V. has two shareholders: the Stichting (foundation) HaskoningDHV and the Stichting Administratiekantoor HaskoningDHV ("the Trust Office"), which was incorporated by demerger from the Stichting HaskoningDHV. Stichting HaskoningDHV holds all A shares (being min. 75.5% of the entire issued share capital) and the Trust Office that holds the B shares (max. 24.5% of the entire issued share capital) equal to the issued certificates.

The B shares allow for the issue of certificates (the depository receipts) to eligible HaskoningDHV staff. The Board of the foundation exists of five members. One member has been appointed by (not out of) the Supervisory Board, the Executive Board and the combined Works Councils respectively. One member has been appointed by and out of the depositary receipts holders (candidate must meet certain qualifications). The fifth member is the Board's chair and is an independent external individual appointed by the four other members.

Trust Office

The scope of the Trust Office will be to manage the B shares and to issue and administer the depositary receipts for shares issued to HaskoningDHV staff. Its Board currently consists of 3 members. The next Board of the Trust Office will be appointed out of and by the depositary receipt holders.

Stichting HaskoningDHV (Foundation HaskoningDHV)

Objective: to manage the A shares.

This foundation currently holds 4,717,359 A shares.

Composition of the Board:

P.G. Boumeester (Chairman)
J.P. Kool
J.J.M. Veraart
R.O.T. Zijlstra
H. Zwarts

Stichting Administratiekantoor HaskoningDHV

Objective: to manage the B shares in Koninklijke HaskoningDHV Groep B.V., and to issue and administer the depositary receipts for shares to eligible HaskoningDHV staff members.

This foundation currently holds 218,607 B shares.

Koninklijke HaskoningDHV Groep B.V. has bought back and currently holds 64,034 B shares.

Composition of the Board:

T.F. Huber (Chairman)
F.T. van der Molen (vice chair)
J.D. van Eden

Royal HaskoningDHV is an independent, international engineering and project management consultancy with over 130 years of experience. Our professionals deliver services in the fields of aviation, buildings, energy, industry, infrastructure, maritime, mining, transport, urban and rural planning and water.

Backed by expertise and experience of nearly 7,000 colleagues across the world, we work for public and private clients in more than 130 countries. We understand the local context and deliver appropriate local solutions.

We focus on delivering added value for our clients while at the same time addressing the challenges that societies are facing. These include the growing world population and the consequences for towns and cities; the demand for clean drinking water, water security and water safety; pressures on traffic and transport; resource availability and demand for energy and waste issues facing industry.

We aim to minimise our impact on the environment by leading by example in our projects, our own business operations and by the role we see in “giving back” to society.
By showing leadership in sustainable development and innovation, together with our clients, we are working to become part of the solution to a more sustainable society now and into the future.

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Royal HaskoningDHV
Enhancing Society Together