

## PRESS RELEASE

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### Van Oord's results remain on good level

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- **Turnover on stable level at EUR 1,676 million**
- **Results on good level**
- **Order portfolio rising to EUR 1.9 billion**
- **Strategy based on dredging, offshore oil and gas and offshore wind**
- **Dredging market feels impact of worldwide economic crisis**
- **Excellent year for Offshore business unit**
- **EUR 1.3 billion invested in equipment in past five years**

#### Turnover and results

Van Oord's turnover for 2012 amounted to EUR 1.676 million (2011: EUR 1,715 million), and net profits for 2012 were EUR 98 million (2011: EUR 118 million). Its order portfolio is well filled, rising to EUR 1.9 billion at the end of 2012. 'Our net results are in line with our expectations', says CEO Pieter van Oord. 'Despite the difficult economic circumstances across much of the world, we've been able to maintain a good level of profitability. Our strategy is based on three foundations: dredging, offshore oil and gas, and offshore wind.'

#### Activities

##### Dredging

The dredging market is suffering the impact of the worldwide economic crisis. Construction activities in Europe have fallen to levels not seen since the mid-1990s. Marine transport activities have suffered as governments and port authorities downscale their investments. 'Projects in the dredging market are shifting to outside Europe,' says Pieter van Oord. 'The occupancy rate of our trailing suction hopper dredgers decreased somewhat in 2012, whereas the occupancy rate of our cutter suction dredgers increased. The Asian and Australian regions were particularly good this year.'

##### Offshore oil and gas

Van Oord is also active in segments less troubled by the economic crisis. Its activities in the offshore oil and gas industry were especially successful in 2012. Clients in the oil and gas industry continue to invest. The worldwide demand for energy, the relatively high price of oil and the need to keep reserve positions up mean that oil companies are continuing to invest in exploring onshore, offshore shallow water and offshore deep water reserves. 'We have been carrying out major Engineering, Procurement and Construction or EPC projects for the oil and gas industry for several years now. Our EPC capabilities offer clients

an integrated package of services. As a result, the occupancy rate of our flexible fallpipe vessels increased in 2012,' says Pieter van Oord.

### **Offshore wind**

The Offshore Wind Projects business unit continues to invest in people and equipment. 'Our work on the Luchterduinen wind farm has confirmed our solid position in this market,' says Pieter van Oord. 'Successful completion of the Princess Amalia, Belwind and Teesside EPC projects has given us an excellent track record. A number of other wind farm projects in Northwest Europe have run into delays owing to various problems, such as the availability of financing, connection to the national grid and uncertain funding schemes. The construction of our own wind turbine installation vessel, Aeolus, will enhance our position in this growth market.'

### **Van Oord's people**

The impact of the worldwide economic crisis on our markets forced us to reduce our workforce in 2012. We did so largely by letting ad hoc contracts lapse, in our branches outside the Netherlands. The workforce in the Netherlands remained stable. Recruiting and retaining highly qualified technical staff remains challenging in the Dutch labour market. In 2012, we continued our policy of recruiting qualified technical staff from abroad.

### **Safety, sustainability and the environment**

Our safety performance showed further improvement in 2012. The incident frequency index that we use for this purpose was once again well below our target.

In terms of the environment, we took further steps in 2012 to reduce our equipments' fuel consumption and CO<sub>2</sub> emissions. Such reductions also go to improve our CO<sub>2</sub> footprint and generate cost savings. At the start of this year, Van Oord Nederland was awarded certification in accordance with the strictest requirements of the CO<sub>2</sub> Performance Ladder. The CO<sub>2</sub> Performance Ladder is a procurement tool that encourages Dutch companies to be aware of their CO<sub>2</sub> footprint in their activities and in project execution. Van Oord Nederland's certification is an important milestone on the way to achieving energy reduction targets across the entire Van Oord organisation.

### **Investment**

Autumn 2012 saw the christening of the pipe lay vessel Stingray. The Stingray will allow Van Oord to install pipelines in shallow water.

The self-propelled cutter suction dredger Athena carried out a number of projects in 2012 and performed very well. Its sister ship, Artemis, was launched in June 2012. This second self-propelled cutter suction dredger will be operational in April 2013.

There were delays in the construction of the Aeolus, the offshore wind turbine installation vessel, in 2012 because the shipyard that is building it went into administration. The terms of the building contract have been renegotiated and Van Oord expects to take receipt of the Aeolus in the second half of 2013. These investments conclude Van Oord's EUR 1.3 billion five-year equipment investment plan. In 2013, the company will be reviewing its projected investments for the 2014-2018 period.

### **Financing and shareholdings**

The company has a solid financial position. There were no changes in its financing in 2012. Shareholdings also remained unchanged in 2012. MerweOord B.V., the holding company owned by the Van Oord family, holds 78.5% of the shares. The two investment companies, ConsOord B.V. and Cobepa (Nederland) N.V., have a joint stake of 21.5%.

### **Prospects for 2013**

Van Oord is not pessimistic about 2013. The company expects the world economy to show signs of recovery in the course of the year. It will proceed with caution, however, as there can be major local and regional differences. The company does not expect the European market to recover. Its order portfolio is well filled for 2013. Van Oord is less susceptible to the worldwide economic crisis because it has spread its activities over different market segments and across various parts of the world. The pressure on prices and occupancy rates in the dredging market will remain. The offshore oil, gas and wind energy markets offer the best opportunities for expansion.

The General Meeting of Shareholders will be held on 25 April 2013.

Appendices:

- Van Oord in operation
- Facts and figures 2012

Film clip showing 2012 highlights available at [www.vanoord.com](http://www.vanoord.com).

### **Note for editors, not for publication**

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This press release is based on the annual accounts as prepared and pending approval by the General Meeting of Shareholders. In accordance with a statutory rule, the annual accounts have not yet been published. An external auditor will issue an opinion on the annual accounts.

## Enclosure: Van Oord in operation

### Dredging

- Maasvlakte 2, the Netherlands  
On 11 July 2012, around neap tide when the current was at its weakest, Her Majesty Queen Beatrix of the Netherlands gave the signal to close the gap in the eleven-kilometre-long seawall. From that moment onwards, a 2,000-hectare piece of new land in the Netherlands was protected against the sea. In November, the temporary structure separating Yangtze harbour from the new harbour basin was dredged. Since then, Maasvlakte 2 can be accessed by vessels. The Maasvlakte 2 project will be completed in April 2013. The Port of Rotterdam will be 20% bigger and the Dutch coastline will extend approximately 3.5 km farther into the North Sea. The first container terminals will become operational in 2014.
- In Suape, Brazil, Van Oord continued its work under two contracts, one to deepen an access channel at sea and the other to carry out land reclamation work for a new shipyard. The work being carried out in the access channel is a shining example of *Marine Ingenuity*, with Van Oord using ripper technology on trailing suction hopper dredger HAM 318 and deploying its new WaveWalker 1 walking platform. These projects will continue in 2013.
- Gas produced in the Ichthys Field in the Browse Basin – located approximately 200 km off the coast of Western Australia – will be transported in an 889-kilometre-long subsea pipeline to an LNG processing plant in Darwin. To ensure that large tankers can access the new LNG plant at Blaydin Point, Van Oord has been contracted to expand the access channel and deepen the moorings. It will dredge approximately 15 million cubic metres of mostly hard ground with its new self-propelled cutter suction dredger Athena and two backhoes, the Simson and the Hippopotoes.

### Offshore oil and gas

- The Van Oord-Sovcomflot Joint Venture has successfully installed a Gravity Based Structure (GBS) in the Arkutun Dagi field. The field is located 25 km off the northeast coast of Sakhalin Island. After being towed 1,900 kilometres, the GBS was installed in the gas field, ballasted and furnished with scour protection. Van Oord performed its work quickly and to the client's full satisfaction.
- In Canada, Van Oord deployed trailing suction hopper dredger HAM 318 to dredge an Excavated Drilling Center at 90 metres depth. The excavation is meant to protect sub-sea oil and gas installations.
- In 2012, Van Oord constructed a Single Point Mooring system (SPM) in Fujairah, United Arab Emirates, for the Fujairah Asia Power Company. The project involves engineering, constructing, delivering, installing, testing and commissioning the SPM and the three-kilometre-long sub-sea pipeline. It provides for a new back-up fuel system at the client's power and desalination plant. The project will be completed in 2013.

### Offshore wind

- Van Oord brought the EPC project for the UK's Teesside offshore wind farm to a successful conclusion in early 2013. The project involved the construction and installation of 27 wind turbines and the infrastructure network for the offshore wind farm.