

Date 9 May 2019

No. of pages 2

FIRST QUARTER 2019 TRADING UPDATE**BAM reports adjusted pre-tax result of €17 million, reiterates full year outlook**

- Revenue up by 11%, driven by a 20% increase in Construction and Property
- Construction and Property: strong quarter supported by high number of Dutch homes sold
- Civil engineering: result held back by the Netherlands and Belgium
- PPP: solid performance, but lower contribution in absence of project transfers
- Trade working capital efficiency improved, driven by a strong first quarter

<i>(in € million, unless otherwise indicated)</i>			
Key financials	First quarter 2019	First quarter 2018**	Full year 2018
Revenue	1,590	1,430	7,208
Adjusted* result before tax	16.8	23.7	153.2
Order book (period-end)	12,800	12,100	12,700
Trade working capital efficiency	-9.0%	-10.6%	-8.8%

First quarter 2019 based on IFRS 16. The adoption of IFRS 16 has no material effect on the key financials above.

* Before restructuring costs, impairments and pension one-offs.

** Restated for the adoption of IFRS 15.

Rob van Wingerden, CEO of Royal BAM Group:

'In the first quarter of 2019, conditions in our markets developed according to expectations. The result reflected a slow start of the year in Civil engineering and the absence of PPP project divestments, against strong results at Construction and Property in the Netherlands. At the sea lock IJmuiden OpenIJ project, there were €3.8 million additional costs for BAM. Preparations are on track for the immersion of the second caisson later in the year.

We continued to focus on the risk and reward balance in our project portfolio and the quality of the order book improved further. Meanwhile, we saw the benefits of our revitalised trade working capital programme, and our financial position remains solid. With the Executive Committee now in place we are accelerating the execution of our strategy and enhancing the rigour and scrutiny over our operations. Regarding Brexit, BAM continues to monitor developments closely.

We reiterate our guidance for full year 2019, that we expect revenue to be around €7 billion and aim to further improve the adjusted result before tax margin within the strategic target range of 2 to 4 per cent.'

Highlights

Construction and Property made a strong contribution. In the Netherlands the number of homes sold, rose to 951 (Q1 2018: 528), mainly due to institutional sales. BAM expects a modest increase in homes sold for full year 2019. Steps are being taken to improve the performance in Belgium. The operations in the UK and Ireland are performing well.

At Civil engineering, the seasonally low result was held back by the Netherlands, which includes sea lock IJmuiden, and Belgium. At BAM International the project pipeline strengthened. The UK had a robust quarter.

Press release of 9 May 2019, page 2 of 2

In PPP, the portfolio delivered a good result, without any projects transferred to the joint venture with PPGM. In April, the Pulse consortium which includes BAM was selected by the Cross River Rail Delivery Authority as the preferred proponent for the Cross River Rail project in Brisbane, Australia.

The trade working capital efficiency ratio improved to -9.0% (end-December 2018: -8.8%). Optimising working capital is a key priority and the momentum is positive. As expected, funding of the project sea lock IJmuiden by the banking syndicate restarted in March.

Change in accounting standard

BAM adopted IFRS 16 (Leases) with effect from 1 January 2019 using the modified retrospective approach. The adoption has no material effect on the key financials in the first quarter 2019. BAM will report the impact of adopting IFRS 16 on its balance sheet for the first half of 2019.

Live audio webcast

On 9 May 2019, at 10.00 hrs CET, there will be a conference call in English for analysts. This can be followed via live audio webcast (www.bam.com).

About Royal BAM Group

Royal BAM Group nv is a construction company with ten operating companies, active in Construction and Property, Civil engineering, as well as in Public-private partnerships. BAM has leading positions in five European home markets: the Netherlands, Belgium, the United Kingdom, Ireland and Germany. Furthermore, the Group delivers projects in Denmark, Luxembourg and Switzerland, while BAM International operates in niche markets worldwide. Sustainability and innovation are major drivers of BAM's design, construction and facility management solutions. The Group has an aspiration to become the market leader in the use of digital technology to ensure that clients receive the highest possible standards of quality. BAM has annual revenues of approximately €7 billion, employs more than 20,000 people and is listed on Euronext Amsterdam. www.bam.com

Next event

22 August 2019: announcement of results for the first half year 2019.

Further information

- analysts: Michel Aupers, michel.aupers@bam.com, +31 (0)30 659 87 07;
- press: Niels van Dongen, niels.van.dongen@bam.com, or Arno Pronk, arno.pronk@bam.com, +31 (0)30 659 86 23.

This press release contains inside information within the meaning of article 7(1) of the EU Market Abuse Regulation.