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FIRST QUARTER 2018 TRADING UPDATE**BAM reports adjusted pre-tax result of €19 million, reiterates full year outlook**

- Revenue up 3.7% driven by civil engineering
- Adjusted pre-tax result ahead of first quarter 2017 in all sectors
- Order book up by €0.5 billion since end 2017
- Extension revolving credit facility of €400 million into 2023

<i>(in € million, unless otherwise indicated)</i>			
Key data	First quarter 2018	First quarter 2017	Full year 2017
Revenue	1,434	1,383	6,604
Adjusted* result before tax	19.0	4.9	63.3
Order book (period-end)	12,100	10,300	11,600
Trade working capital efficiency	-9.9%	-10.5%	-10.4%

Numbers do not reflect IFRS 9 and 15.

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

Rob van Wingerden, CEO of Royal BAM Group:

'Our markets developed according to our expectations in the first quarter of 2018. The improvement of the result came from all sectors, with good results particularly from Property in the Netherlands and UK, and at PPP. The order book growth came from the Netherlands and in the UK, with solid margins on new order intake. As at end-March, over 90 per cent of the planned revenue for 2018 had been secured.

I am delighted that Frans den Houter has been nominated to join BAM as CFO effective 1 August. His knowledge and experience with change management and with risk and contract management will help us to accelerate the execution of our strategy and deliver improved predictable performance.

Looking to the rest of the year, we see positive developments in most of our markets. At the same time we remain cautious about supply chain pressure and the development of labour costs especially in the Netherlands. We reiterate our guidance for full year 2018, that we expect a pre-tax adjusted result margin of around 2 per cent.'

Highlights

Construction and property made a strong contribution to the overall result of the quarter. Total Dutch house sales were 528, almost all to private buyers. The market for new houses remained constrained by a shortage of permitted locations. In the UK, revenue was lower, although the order book grew, including former Carillion projects for existing BAM clients and the Atlantic Square office development in Glasgow.

At Civil engineering, the result showed the usual seasonal pattern and was ahead of last year. The redesigned caissons of the still challenging Sea Lock IJmuiden project are currently under construction. There was significant revenue growth in the Netherlands, the UK, Germany and Ireland. The order book grew due to new projects won in the Netherlands and the UK. These included BAM's

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share in the Afsluitdijk project in the Netherlands and the London City Airport deck extension. BAM International's order book declined as some oil and gas investments were delayed; work has started on the onshore Yas Arena project in Abu Dhabi.

In PPP, there was again a good result from the portfolio as well as a gain on the transfer of the Irish Courts Bundle to the joint venture with PGGM. So far, one new project was won in 2018; the project pipeline remains healthy.

The trade working capital efficiency ratio was -9.9 per cent reflecting the delivery of some larger projects with pre-financing and recently awarded projects to be started up. Optimising working capital remains a key priority.

BAM extended its current revolving credit facility of €400 million into 2023, with an option for an additional year, underpinning the Group's solid financial position.

Change in accounting policies and standards

BAM will adopt IFRS 9 (Financial instruments) and IFRS 15 (Revenue from contracts with customers) in its financial statements for the half-year 2018. BAM is in the process of finalising the impact of both IFRS changes. BAM will provide restated financial data for comparative reporting periods in 2017 at the half year result 2018.

Live audio webcast

On 3 May 2018, 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 more than €6.5 billion, employs approximately 20,000 people and is listed on Euronext Amsterdam. www.bam.com

Next event

23 August 2018: announcement of results for the first half year 2018.

Further information

- Press: Arno Pronk, +31 (0)30 659 86 23, arno.pronk@bam.com;
- Analysts: Joost van Galen, +31 (0)30 659 87 07, joost.van.galen@bam.com.

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