ARCADIS Design & Consultancy for natural and built assets

FIRST QUARTER 2017

TRADING UPDATE

Amsterdam 20 April 2017

IMPROVING QUALITY OF LIFE

DISCLAIMER

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The forward looking statements are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward looking statements.

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FINANCIAL HIGHLIGHTS FIRST QUARTER

- Gross revenues €818 million, -3% vs. Q1 2016. Net revenues €628 million, organically -1%
- EBITDA €52 million (Q1 2016: €56 million); operating EBITA €47 million, higher than in previous three quarters (Q1 2016: €51 million)
- Net working capital 19.9% (Q1 2016: 18.9%); net debt €556 million (Q1 2016: €541 million); impacted by a stronger US dollar and working capital in the Middle East where important milestones are expected to be reached in Q2 and Q3 leading to cash collections in 2017
- Backlog €2.3 billion, representing 11 months of net revenues. Strong order intake in Q1 led to a 5% year-to-date increase (Q1 2016: 3%)
- New CEO Peter Oosterveer nominated; appointment subject to approval by shareholders at the AGM to be held on 26 April 2017

FIRST QUARTER OPERATING RESULTS

In € millions	Q1 2017	Q1 2016	Change
Gross revenues	818	846	-3%
Organic growth	***-4%***	***3%***	
Net revenues	628	634	-1%
Organic growth	***-1%***	***-3%***	
EBITDA	51.9	55.6	-7%
EBITA	42.2	46.6	-9%
EBITA margin	***6.7%***	***7.4%***	
Operating EBITA[1)]	46.7	51.4	-9%
Operating EBITA margin	***7.4%***	***8.1%***	
Net working capital %	*19.9%*	*18.9%*	
Net debt	556	541	
Backlog net revenues (billion)	2.3	2.4	

[1)] *Acquisition, restructuring and integration- related costs*

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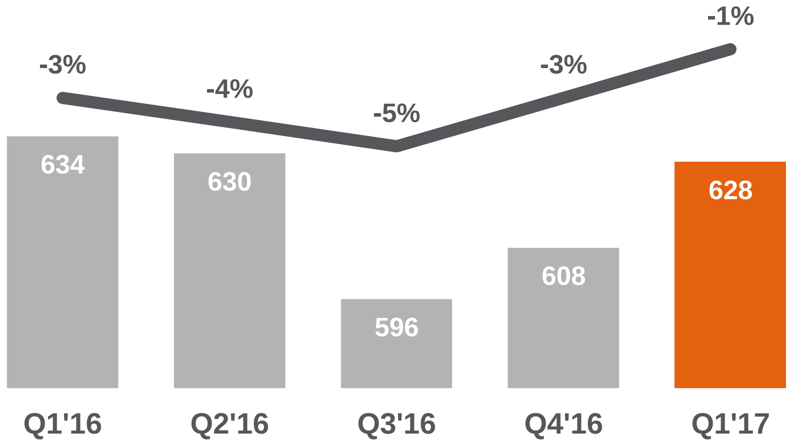
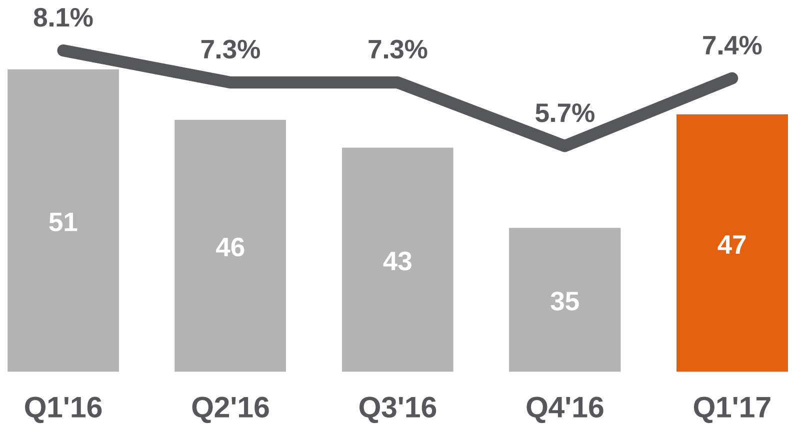
REVENUE AND OPERATING EBITA Q1 2017

Net Revenues
(€ millions & organic growth %)



Operating EBITA
(€ millions & in margin %)



- **Net Revenues:**
  - Continental Europe, UK and Australia recorded good organic growth
  - North America was nearly flat
  - Decline in Latin America, the Middle East, Asia and CallisonRTKL
  - A stronger US Dollar, Brazilian Real, and a weaker British Pound had a small positive impact on revenues.

- **Operating EBITA:**
  - Operating EBITA higher than in previous three quarters
  - Higher results in Europe and Australia and lower in Latin America, Asia and the Middle East
  - The operating EBITA margin was 7.4% (Q1 2016: 8.1%)
  - The non-operating costs were €4.5 million (Q1 2016: €4.8 million) and mainly related to restructuring costs in Brazil and Europe

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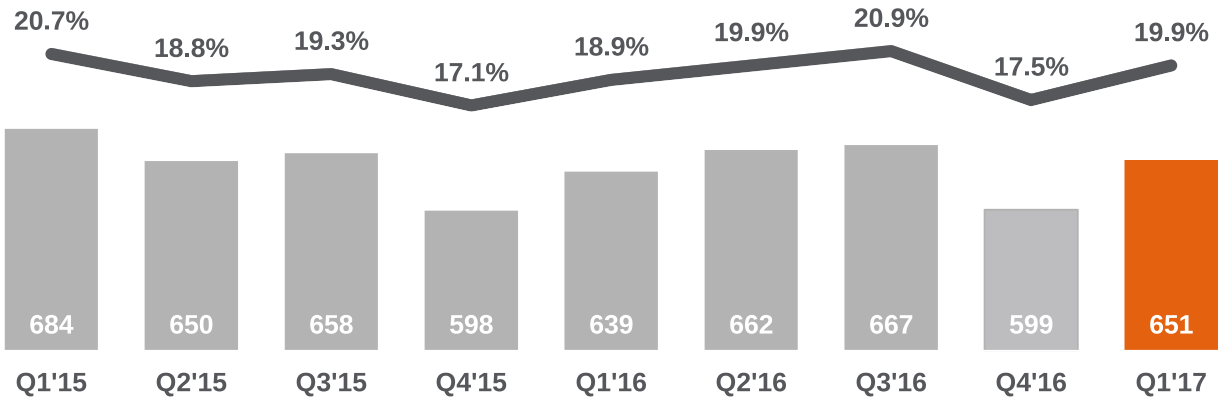
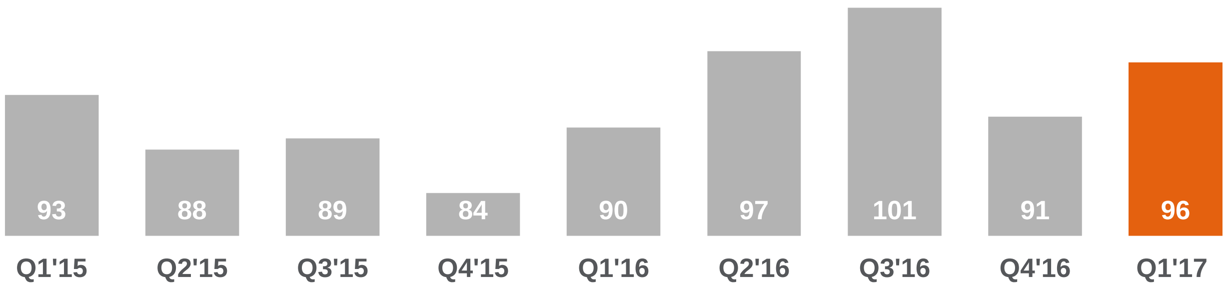
REDUCTION WORKING CAPITAL AND DSO REMAINS PRIORITY

Working capital
(€ millions & as % of gross revenues)



DSO
(number of days)



- The EBITDA in Q1 was €51.9 million (Q1 2016: €55.6 million).
- Net debt in the first quarter was €556 million (Q1 2016: €541 million), due to a stronger US Dollar and working capital in the Middle East
- Important milestones are expected to be reached in Q2 and Q3, leading to cash collections in 2017 in the Middle East

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FIRST QUARTER SEGMENT RESULTS

Net revenues first quarter	2017	2016	Organic growth
Americas	196	198	-6%
Europe & Middle East	288	292	3%
Asia Pacific	83	80	-2%
CallisonRTKL	61	64	-6%
Total	**628**	**634**	**-1%**

Q1 performance

- In North America, organic growth was nearly flat after a sustained period of declining revenues
- Revenues in Brazil decreased significantly, leading to operating loss and additional restructuring costs

- Organic growth consists of 7% growth in Continental Europe, 8% increase in the UK and 12% decrease in the Middle East
- Net revenues impacted by currency translation effect in GBP

- 10% organic decline in Asia mainly due to a fall in commercial development in Singapore and Hong Kong
- 13% growth in Australia, where we delivered major infrastructure projects

- Lower activity levels in commercial real estate
- Revenues in retail were up, while activities in workplace and healthcare were in line with last year

LEADERSHIP PRIORITIES

Market outlook 2017:

- In general, positive business sentiment with private sector clients; some uncertainty in Asia
- Higher oil prices contribute to an improved business climate in the Oil & Gas sector
- US Administration sends positive signals for Infrastructure and Buildings. Large corporations and cities/states continue to support sustainability goals
- Increased Infrastructure spending planned in many countries
- Uncertainty around Brazil remains; improvement in economy expected for 2nd half 2017

Our leadership priorities to improve our financial performance:

- Focusing on Clients, leading to growth in backlog and revenues
- Reducing costs by simplifying the organization structure, strengthening project management and Global Excellence Centers
- Reducing working capital
- Finalize the strategy, including innovation through digitalization

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