PRESS RELEASE

Royal Boskalis
Westminster N.V.
P.O. Box 43
3350 AA Papendrecht
The Netherlands

Papendrecht
14 March 2013

Boskalis posts record revenue for 2012

HIGHLIGHTS OF 2012

- **Record revenue of EUR 3.1 billion**
- **Record order book of EUR 4.1 billion**
- **Net profit of EUR 250 million**
- **EBITDA of EUR 568 million**
- **Proposed unchanged dividend: EUR 1.24 per share**

OUTLOOK

- **Continued challenging market conditions in 2013**
- **Integration and consolidation of Dockwise from second quarter 2013**

Royal Boskalis Westminster N.V. (Boskalis) achieved a record revenue of EUR 3.1 billion in 2012 (2011: EUR 2.8 billion). Net profit amounted to EUR 250 million, thus remaining virtually stable compared to 2011 (EUR 254 million). Despite the slight decline in net profit and a substantial increase in the number of outstanding shares as a consequence of the recent equity issue in connection with the acquisition of Dockwise, Boskalis intends to pay-out an unchanged dividend of EUR 1.24 per share.

EBITDA dropped to EUR 568 million (2011: EUR 591 million) and the operating result (EBIT) fell to EUR 337 million (2011: EUR 354 million). The contribution from Dredging declined as a consequence of lower volume of work. Challenging market conditions in Inland Infra led to a lower result with an increase in revenue. The remaining activities, Offshore Energy and Towage & Salvage, achieved a respectively virtually stable and slightly higher operating result.

The order book increased to EUR 4.106 million as per end-2012 (end-2011: EUR EUR 3.489 million). Compared to the 2012 mid-year level the order book was also higher at the end of the year.

Peter Berdowski, CEO Boskalis:
"Despite the challenging market conditions we look back on a fine year in which we took major steps in further strengthening and expanding the company. 2012 was a year in which a broad recovery of the global economy failed to materialize. Against that background we turned in a good performance with record revenue and an all-time high order book of EUR 4.1 billion, evenly spread across all our activities.

While executing and acquiring works kept us busy, we continued to expand the business within the strategic framework of our business plan. In addition to completing the integration with SMIT we took an important step with the acquisition of Dockwise. The combination will sharply grow our position in the offshore energy sector and allow us to offer new perspectives to both our clients and our staff.

No material change is expected in market conditions in 2013, with volumes and margins remaining under pressure. Based on the current level of the order book we expect healthy utilization levels of the equipment, in particular the hoppers. Furthermore 2013 will revolve around the integration and consolidation of Dockwise. Together with the management of Dockwise we have already taken the first concrete steps in this direction."

FOR FURTHER INFORMATION

Investor Relations:
Martijn L.D. Schuttevâer
ir@boskalis.com

Press:
Arno Schikker
press@boskalis.com

T +31 78 6969310
F +31 78 6969020

PRESS RELEASE

Papendrecht
14 March 2013

MARKET DEVELOPMENTS

The markets in which Boskalis operates are driven in the long term by growth in global trade, energy consumption and the world's population, as well as by the effects of climate change.

The medium-term picture is mixed for the markets in which we operate. On the one hand we are seeing continued reluctance on the part of governments, particularly in Europe, to invest. On the other we are seeing private initiatives for new infrastructure projects being developed by clients in various regions of the world and across the different market segments. This applies in particular to energy and raw materials-related projects in South America, West Africa and Australasia as well as to port developments outside of Europe.

Market developments in the offshore energy market have a bearing on a substantial part of our business. We expect demand for and construction of new oil and LNG import and export terminals (Dredging and Dockwise) to lead to growth in terminal services (Smit Lamnalco).

For the rest, developments at Offshore Energy are strongly dependent on an upturn in demand from the energy markets, particularly those in North-West Europe, Brazil and Southeast Asia.

OUTLOOK

Capital expenditure for the coming year is expected to be around EUR 325 million, excluding Dockwise which can be funded form the cash flow. The acquisition financing for Dockwise and the refinancing of existing Dockwise and Boskalis bank facilities will push up the total debt position. Subsequent to the (re)financing, Boskalis will retain a solid financial position.

For 2013, we expect that the current market developments will once again have a dampening effect on the structurally positive trends that underpin our strategy. Current information suggests that the year ahead will bring little change to the market picture compared to 2012. At Dredging we expect to see healthy fleet utilization levels and a stable operating margin development. The same outlook also applies to the other activities Offshore Energy, Inland Infra and Towage & Salvage.

The project-based nature of a significant part of our activities tends to make it difficult to give a specific quantitative forecast of the full-year result early on in the year. In addition the 2013 result will be strongly influenced by the consolidation of Dockwise (from the beginning of the second quarter of 2013), the possible sale of our 40% stake in Archirodon and the customary exceptional (one-off) effects associated with an acquisition. In light of these factors we are currently unable to provide quantitative guidance with regard to the 2013 full-year result.

DIVIDEND POLICY AND PROPOSAL

The main principle underlying the Boskalis dividend policy is to distribute 40% to 50% of the net profit from ordinary operations as dividend, whereby Boskalis aims to achieve a stable development of the dividend for the longer term. The choice of dividend form (in cash and/or entirely or partly in shares) takes into account the company's desired balance sheet structure as well as the interests and wishes of the shareholders.

Despite the slightly lower net profit and a substantial increase in the number of outstanding shares due to the recent equity issue in connection with the acquisition of Dockwise, Boskalis intends to pay-out an unchanged dividend of EUR 1.24 per share. This equates to a profit payout of 58%. In light of this, Boskalis will propose to the Annual General Meeting of Shareholders on 8 May 2013 that a dividend of EUR 1.24 per share be distributed in the form of ordinary shares, unless the shareholder opts to receive a cash dividend. The dividend will be payable from 4 June 2013.

KEY FIGURES	**2012**	**2011**
(in millions of EUR)		
Revenue	**3,081**	**2,801**
EBITDA	**568**	**591**
Operating profit	**337**	**354**
Result of associated companies	**0.3**	**2.0**
Net profit	**250**	**254**
Dividend per share (in EUR)	**1.24**	**1.24**
	31-12-2012	**31-12-2011**
Order book	**4,106**	**3,489**

LIVE AUDIO WEBCAST

The Board of Management of Royal Boskalis Westminster will comment on the 2012 full-year results at the analyst meeting (11.15 am - 12.30pm CET) on 14 March 2013. This meeting can be followed by means of a live audio webcast (Dutch spoken with a simultaneous translation), details of which can be found on the homepage (www.boskalis.com).

Publication of Annual Report

Royal Boskalis Westminster N.V. will publish both its 2012 Annual Report and its 2012 Corporate Social Responsibility (CSR) report today. These reports are being released in both Dutch and English and will be available at www.boskalis.com from 11.00 CET.

PRESS RELEASE

Papendrecht
14 March 2013

FINANCIAL AGENDA	2013
14 March	Publication of 2012 Annual Report
14 March	Publication of 2012 CSR Report
8 May	Trading update on first quarter 2013
8 May	General Meeting of Shareholders
10 May	Ex-dividend date
14 May	Record date for dividend entitlement (after market close)
27 May	Final date for stating preference for dividend in cash or shares
30 May	Determination and publication of conversion rate for stock dividend based on the volume-weighted average share price on 28, 29 and 30 May (after market close)
4 June	Date of dividend payment and delivery of shares
15 August	Publication of 2013 half-year results
15 November	Trading update on third quarter of 2013

This is an English translation of the Dutch press release. In the event of any disparity between the Dutch original and this translation, the Dutch text will prevail.

Royal Boskalis Westminster N.V. *is a leading global services provider operating in the dredging, maritime infrastructure and maritime services sectors. The company provides creative and innovative all-round solutions to infrastructural challenges in the maritime, coastal and delta regions of the world through the construction and maintenance of ports and waterways, land reclamation, coastal defense and riverbank protection. In addition Boskalis executes projects and offers a wide variety of marine services for the offshore energy sector including subsea, transport, heavy lift and installation services (carried out by Boskalis Offshore) and performs towage services and marine salvage work (carried out by SMIT). Boskalis also has strategic partnerships in the Middle East (Archirodon) and in terminal services (Smit Lamnalco). Boskalis has a versatile fleet of over 1,100 units and operates in around 75 countries across six continents. Including its share in partnerships, Boskalis has approximately 15,600 employees.*

This press release can also be found on our website www.boskalis.com.

Boskalis
Dredging & Marine Experts

OPERATIONAL AND FINANCIAL DEVELOPMENTS

REVENUE

During the year under review revenue rose by 10% to EUR 3.08 billion (2011: EUR 2.80 billion), with the increase being mainly attributable to the effect of the consolidation of MNO Vervat, acquired at the end of 2011. Adjusted for this and for the effect of transferring the terminal activities to Smit Lamnalco in October 2011, the increase in revenue was just over 1%.

Revenue in the Dredging segment declined by 15%, impacted by the conclusion of large projects in the Netherlands and Australia. The Offshore Energy segment saw revenue increase by 30%, with growth spread broadly across the activities in this segment. The Inland Infra segment recorded a sharp rise in revenue, mainly as a result of the aforementioned acquisition of MNO Vervat. Revenue in the Towage & Salvage segment rose slightly, mainly as a result of the increased revenue of the harbour towage activities.

BY SEGMENT	**2012**	**2011**
(in millions of EUR)		
Dredging	**1,290**	**1,525**
Offshore Energy	**481**	**371**
Inland Infra	**777**	**382**
Towage & Salvage	**533**	**519**
Non-allocated group revenue	**-**	**4**
Total	**3,081**	**2,801**

BY GEOGRAPHIC AREA	**2012**	**2011**
(in millions of EUR)		
Netherlands	**763**	**633**
Rest of Europe	**570**	**494**
Australia / Asia	**484**	**690**
Middle East	**341**	**318**
Africa	**428**	**296**
North and South America	**495**	**370**
Total	**3,081**	**2,801**

Boskalis
Dredging & Marine Experts

RESULT

The operating result excluding the result of associated companies and before interest, taxes, depreciation, amortization and impairments (EBITDA) was EUR 568 million (2011: EUR 591 million).

The operating result (EBIT) in 2012 was EUR 337 million (2011: EUR 354 million).

RESULT BY SEGMENT	**2012**	**2011**
(in millions of EUR)		
Dredging	**200.6**	**216.6**
Offshore Energy	**60.3**	**62.1**
Inland Infra	**38.1**	**47.7**
Towage & Salvage	**74.0**	**69.1**
Non-allocated group costs	**-36.1**	**-41.4**
Total	**336.9**	**354.1**

The decline in the operating result was mainly attributable to the lower results in the Dredging and Inland Infra segments.

NET PROFIT

The operating profit (EBIT) was EUR 337 million. Net of financing expenses of EUR 34.5 million and EUR 0.3 million in results from associated companies, pretax profit came to EUR 303 million. Net profit attributable to shareholders totaled EUR 250 million (2011: EUR 254 million).

ORDER BOOK

In the course of 2012 Boskalis acquired, on balance, EUR 3,436 million worth of new contracts, broadly spread across the world and the various segments. At the end of 2012 the total order book stood at EUR 4,106 million, setting a new record high (end-2011: EUR 3,489 million).

ORDER BOOK	**31 Dec 12**	**31 Dec 11**
(in millions of EUR)		
Dredging	**1,260**	**1,333**
Offshore Energy	**820**	**411**
Inland Infra	**1,416**	**1,149**
Towage & Salvage	**610**	**596**
Total	**4,106**	**3,489**

Boskalis
Dredging & Marine Experts

DREDGING

Construction, maintenance and deepening of ports and waterways, land reclamation, coastal defense and riverbank protection, underwater rock fragmentation and the extraction of minerals using dredging techniques.

The composition of the Dredging segment changed in 2012. Previously (up to and including the 2012 half-year results) a sub-category of specialist niche services was presented within this segment, comprising the energy-related activities of Boskalis Offshore and the dry earthmoving-related activities of Boskalis Environmental and Cofra. With effect from 2012 Boskalis Offshore is part of the Offshore Energy segment and the dry earthmoving-related activities are part of the Inland Infra segment. The comparative figures for 2011 have been adjusted to reflect this new segment structure.

	2012	2011
(in millions of EUR)		
Revenue	**1,290**	1,525
EBITDA	**286.0**	301.9
Operating result	**200.6**	216.6
Order book	**1,260**	1,333

REVENUE

Revenue in the Dredging segment totaled EUR 1,290 million (2011: EUR 1,525 million).

REVENUE BY MARKETS	2012	2011
(in millions of EUR)		
European home markets	**468**	523
Non-European home markets	**143**	191
International projects	**679**	811
Total	**1,290**	1,525

European home markets

Revenue in the European home markets (the Netherlands, Germany, United Kingdom, Nordic countries) declined by 11% to EUR 468 million (2011: EUR 523 million). The decline was mainly attributable to the lower activity level in the Netherlands as a result of the conclusion of work on the Maasvlakte 2 project and a lower volume of coastal defense projects. The Maasvlakte 2 project will be technically concluded in the course of 2013, followed by a 10-year maintenance period for the soft sea defense. Projects contributing to revenue in the Netherlands included coastal defense work along the Wadden islands (Texel) and maintenance work on the access channel to Europoort in the Port of Rotterdam. In the other European home markets work took place on a large number of maintenance projects in ports and waterways, as well as on a number of coastal defense projects in the United Kingdom. In addition in Germany Boskalis Hirdes, with its expertise in the area of onshore ordnance clearance, was engaged in a lot of offshore ordnance clearance work by combining its own expertise with that of Subsea Services, part of the Offshore Energy division (formerly SMIT Subsea).

Non-European home markets

Revenue in the home markets outside Europe (Nigeria and Mexico) fell by 25% to EUR 143 million (2011: EUR 191 million). The decline in revenue is attributable to a lower activity level in Mexico, where the sizable Cuyutlán project came to an end. In Nigeria the activity level was comparable to 2011, with a strong contribution coming from the Onno Port project, which involves expanding the port for the offshore industry. While the prospects for further growth in Nigeria remain good, decision-making processes at oil and gas companies with regard to major investment decisions are proving to be slower than has tended to be the case in the past.

Boskalis
Dredging & Marine Experts

International project market
Revenue from the international project market was EUR 679 million (2011: EUR 811 million). The second half of the year saw the technical conclusion of the sizable Gorgon project in Western Australia, but it is expected that the financial settlement of this project will take at least the rest of 2013. It was a busy year in Central and South America, with work including the port development at Complex Superporto do Açu in Brazil and the Lelydorp total mining project in Suriname.

Fleet developments
Good utilization of the hopper fleet in the second half of the year resulted in an annual utilization rate of 41 weeks (2011: 39 weeks). The utilization rate of the cutter fleet was in line with the first half of the year and stood at 25 weeks for the whole of 2012 (2011: 19 weeks).

SEGMENT RESULT
The operating result (EBIT) of the Dredging segment totaled EUR 201 million (2011: EUR 217 million). The decline in the result was less than the drop in revenue; this was due to good results on a number of large projects reaching completion as well as results from the financial settlement of projects that had previously been technically completed and which do not make a substantial contribution to revenue.

ORDER BOOK
In 2012 on balance EUR 1,217 million of new work was acquired.

ORDER BOOK BY MARKETS	31 Dec 2012	31 Dec 2011
(in millions of EUR)		
European home markets	**354**	469
Non-European home markets	**51**	108
International projects	**855**	756
Total	**1,260**	1,333

In addition to a large number of smaller ports and waterways maintenance projects, several noteworthy contracts were acquired. These included a substantial project acquired in India for the deepening and widening of the access channel of the port of Mumbai and one in Kenya for the expansion of the container terminal by reclaiming land in the port of Mombasa.

At the end of 2012 the order book stood at EUR 1,260 million (end-2011: EUR 1,333 million).

OFFSHORE ENERGY

Offshore dredging and rock installation projects, heavy transport, lift and installation work, diving and ROV services in support of the development, construction, maintenance and decommissioning of oil and LNG import/export facilities, offshore platforms, pipelines and cables and offshore wind farms.

The Offshore Energy segment is a new segment, established in 2012 to combine all the existing activities that directly and indirectly support the offshore industry. The segment comprises services in the areas of subsea contracting (formerly the specialist niche activity Boskalis Offshore, part of the old Dredging segment), subsea services (formerly SMIT Subsea, part of the old Transport & Heavy Lift segment) and marine contracting & marine services (formerly SMIT Marine Projects and SMIT Transport, both part of the former Transport & Heavy Lift segment). Since the end of 2012 all these activities are marketed under the name Boskalis Offshore. The comparative figures for 2011 have been adjusted to reflect this new segment structure.

	2012	**2011**
(in millions of EUR)		
Revenue	**481**	371
EBITDA	**95.4**	107.8
Operating result	**60.3**	62.1
Order book	**820**	411

REVENUE

Revenue in the Offshore Energy segment rose by 30% compared to 2011 to EUR 481 million (2011: EUR 371 million).

At subsea contracting there was a high activity level with offshore dredging projects in various countries in addition to rock installation work to protect pipelines in for example Norway and on the Macedon project in Australia. At marine contracting, preparations started in the second half of the year for the West of Duddon Sands offshore wind farm in the Irish Sea as well as for the installation of an FPSO in Brazil.
The transport division of marine services experienced good capacity utilization in both Europe and Singapore. Capacity utilization of the floating sheerleg cranes showed a mixed picture, with Europe underperforming but the Asian Lift joint venture in Singapore performing well by contrast. With regard to the diving and inspection activities (subsea services) a busy year drew to a close including a strong capacity utilization of the diving support vessels on the North Sea.

SEGMENT RESULT

The operating result could not match the growth in revenue, totaling EUR 60.3 million (2011: EUR 62.1 million). Difficult working conditions on a number of projects in progress had a negative impact on the result.

ORDER BOOK

Compared to the end of 2011 the order book doubled to EUR 820 million (end-2011 EUR 411 million). A large number of projects were acquired in 2012, including the West of Duddon Sands offshore wind farm project, various rock installation works for companies including Statoil, subsea inspection and maintenance contracts for companies including Maersk Oil and a substantial offshore contract from Impex for the Ichthys project in Australia.

INLAND INFRA

Construction of roads and railways, bridges, dams, overpasses and terminals including earthmoving, soil improvement and remediation. Through a strategic partner also civil infrastructure projects such as quay walls, breakwaters, water purification plants, sewer systems and the industrial construction of facilities such as power plants and desalination plants.

The former Dry Infrastructure and Maritime Infrastructure segments were combined in 2012 to create the new Inland Infra segment, in light of the fact that their activities, margin profile and capital requirement are similar. The dry earthmoving-related activities of Boskalis Environmental and Cofra have also been added to this segment. Previously these activities were part of the specialist niche services within the Dredging segment.

	2012	**2011**
(in millions of EUR)		
Revenue	**777**	382
EBITDA	**78.8**	68.0
Operating result	**38.1**	47.7
Order book	**1,416**	1,149

REVENUE

Revenue in the Inland Infra segment more than doubled to EUR 777 million (2011: EUR 382 million). The activities acquired from MNO Vervat at the end of 2011 contributed EUR 324 million to revenue in the year under review, thus accounting for a major part of the revenue growth. The remaining growth was evenly spread between the dry earthmoving activities in the Netherlands and the civil activities of our strategic partner Archirodon, in which Boskalis holds a 40% stake.

SEGMENT RESULT

The operating result in the Inland Infra segment, including the proportionate consolidation of joint venturess, was EUR 38.1 million (2011: EUR 47.7 million). Results in the Netherlands were under pressure from the difficult market conditions, particularly in the local and regional infra markets. Despite the addition of MNO Vervat the result came in lower than in 2011, when an exceptionally good result which included the results of previously completed projects and payment for a project that was prematurely terminated.
Following careful preparation in 2012 the Boskalis-MNO Vervat integration process began in earnest in early 2013. The integration is aimed at phasing out the regional/local activities of MNO Vervat in the Netherlands and merging the operational support and staff departments. In addition to taking on smaller projects in the western part of the Netherlands the new organization's main focus will be on contracting complex projects capitalizing on the combined strength and distinctive capabilities of both organizations.

Archirodon, which mainly operates in Saudi Arabia and a number of other countries in the Middle East and North Africa, experienced increased competition in several countries, resulting in lower margins in these countries. This meant that a lower result was achieved on increased revenue compared to 2011.

ORDER BOOK

In line with the strategic focus of the new Boskalis-MNO Vervat organization on the Dutch market the SAAone project was successfully acquired in late 2012. This project, which takes the form of a DBFM (Design, Build, Finance & Maintain*)* contract*,* concerns the reconstruction, widening and maintenance of the A1 and A6 motorways between Diemen and Almere in the Netherlands. The capital works of the project amounting EUR 187 million has been included in the order book.

On balance EUR 1,044 million worth of new work was acquired in 2012, boosting the order book by EUR 267 million. At the end of 2012 outstanding orders totaled EUR 1,416 million (end-2011: EUR 1,149 million). This includes our 40% share in the order book of Archirodon, which amounted to EUR 579 million.

TOWAGE & SALVAGE

Towage: towage services and berthing and unberthing of oceangoing vessels in ports and at offshore terminals, management and maintenance both above and below the surface of onshore and offshore oil and gas terminals and associated maritime and management services.
Salvage: providing assistance to vessels in distress, wreck clearance, environmental care services and advice.

In the year under review the former Harbour Towage and Terminal Services segments were combined under the name Towage. The nature of these activities and the type of equipment deployed is very similar. The salvage activities, which were formerly a part of the Transport, Heavy Lift & Salvage segment, were also added to this segment. Salvage relies on a close-knit global network of contacts for tugboats and other equipment so as to be able to provide rapid assistance to a vessel in distress. Equipment from the Harbour Towage and Terminal Services activities of this segment is also regularly deployed.

	2012	2011
(in millions of EUR)		
Revenue	**533**	519
EBITDA	**142**	149
Operating result	**74.0**	69.1
Order book	**610**	596

REVENUE

Revenue in the Towage & Salvage segment rose to EUR 533 million in 2012 (2011: EUR 519 million).

Boskalis is active in providing towage services through SMIT Harbour Towage in the port of Rotterdam and in countries including Belgium, Brazil, Panama, Canada, Australia and Singapore. Revenue from the harbour towage activities rose in 2012, mainly as a result of growth in a number of specific maritime transport segments, such as agribulk in South America, offshore shipbuilding activities in Singapore and the deployment of equipment in connection with salvage projects.

Boskalis is also active, mainly through its 50% stake in Smit Lamnalco, in providing towage and additional services around offshore terminals, often under long-term contracts. At the end of 2011 the SMIT Terminals activities were sold to (Smit) Lamnalco, in which Boskalis already held a 50% interest. In 2012 the terminal activities experienced a slight decline in revenue, wholly attributable to the SMIT Terminals deconsolidation effect. Organically Smit Lamnalco experienced strong revenue growth.

In spite of a few high-profile successful salvage operations 2012 was a relatively quiet year for Salvage. Noteworthy projects which were successfully completed include the salvage of a VLOC (Very Large Ore Carrier), the cruise ship Costa Concordia (oil removal and environmental protection work, Italy), the Sep Orion (oil removal from a capsized jack-up, Brazil), the Ocean Eclipse (refloating a diving support vessel at the yard in Singapore), the Stolt Valor (extinguishing a fire on a chemical tanker and preparing the vessel for towage) and the MSC Flaminia (firefighting on the Atlantic Ocean, towage and delivery to Wilhelmshaven, Germany as port of refuge).

SEGMENT RESULT

The operating result, including the proportionate consolidation of associates, was EUR 74.0 million (2011: EUR 69.1 million).

ORDER BOOK

The order book grew slightly to EUR 610 million (end-2011: EUR 596 million) and contains only terminal contracts. In the first half of 2012 Smit Lamnalco won a 10-year contract for the provision of terminal services to an ExxonMobil LNG terminal in Papua New Guinea. Later in the year another sizeable contract was acquired in Iraq.

HOLDING

Non-allocated head office activities

	2012	2011
(in millions of EUR)		
Revenue	-	4.0
Operating result	**-36.1**	-41.4

SEGMENT RESULT

The operating result for the reporting period mainly includes the usual non-allocated head office costs, as well as various non-allocated (mainly non-recurring) costs. The latter include costs connected with the integration and relocation of most of the SMIT organization from Rotterdam to the head office in Papendrecht. In 2011 the result was also affected by costs connected with the integration and reorganization of the (former) SMIT activities.

OTHER FINANCIAL INFORMATION

Depreciation, amortization and impairments totaled EUR 231 million in 2012 (2011: EUR 236 million). The decline was largely attributable to the Smit Lamnalco transaction.
From the fourth quarter of 2011 the depreciation charge relating to the (former) SMIT Terminals activities was recognized for 50% compared to 100% in the first three quarters of 2011. In 2012 a net impairment charge of EUR 4.1 million was taken on several units of equipment (2011: EUR 6.4 million).

The result from associated companies was EUR 0.3 million (2011: EUR 2.0 million).

The tax burden declined in 2012 to EUR 49.5 million (2011: EUR 54.7 million). The effective tax rate fell to 16.4% (2011: 17.3%), mainly owing to the use of unrecognized tax losses.
In 2012 the return on equity was 13.8% (2011: 15.4%).

CAPITAL EXPENDITURE AND BALANCE SHEET

In the year under review a total amount of EUR 314 million was invested. Important investments in the Dredging segment concerned the conversion of the Taurus II mega cutter, reconstruction work on the Fairway, a 36,000 m^3 mega hopper, and two 4,500 m^3 hoppers to replace smaller hoppers already taken or to be taken out of service. The Taurus was taken back into service in early 2012 and the Fairway and the Causeway (the first of the 4,500 m^3 hoppers) are expected to enter service in the second half of 2013.
Investments in the Offshore Energy segment included the Rockpiper (a new fallpipe vessel), the Ndurance and Ndeavor (new multifunctional cable laying/offshore vessels), the purchase of two AHTS vessels (the Union Princess and the Union Sovereign) and the Asian Hercules III (a 5,000 MT floating sheerleg crane in the Asian Lift JV). The Rockpiper entered service in early 2012; delivery of the Ndurance and Ndeavor is expected in the second half of 2013 with the Asian Hercules III following late 2013. Towage & Salvage made various smaller investments in the past year, for example in six new tugs for SMIT Brasil. Four of these are scheduled for delivery in 2013.

Working capital increased relative to the end of 2011 i.e. became less negative. On a number of larger projects nearing completion with above-average favorable payment conditions, the item ‘due to customers’ fell during the year under review. Furthermore, less favorable payment conditions applied to a number of projects in progress at the end of 2012, resulting in an increase in amounts due from customers. Boskalis operates a strict risk acceptance and hedging policy for credit risks. Insofar as they are not fully covered by credit insurance, guarantees and such like, these risks are taken into proper consideration in valuing amounts receivable.

Capital expenditure commitments as at 31 December 2012 declined to EUR 126 million (end-2011: EUR 193 million). These commitments mainly concern the aforementioned investments.

In the fourth quarter of 2012 a 33.3% stake in Dockwise Ltd was acquired for a consideration of EUR 225 million (with the average purchase price per share amounting to EUR 17.07). This interest has been recognized as an 'associated company.' The acquisition of the shares was funded from existing cash resources and bank facilities.

In 2011 Boskalis provided a bridging loan in connection with the sale of the SMIT Terminal activities to Smit Lamnalco. The second half of 2012 saw the successful conclusion of a complete refinancing of Smit Lamnalco. The refinancing included full repayment of the bridging loan, resulting in receipts of EUR 77 million.

Cash flow amounted to EUR 484 million (2011: EUR 497 million).

The cash position was EUR 390 million at the end of 2012 (end-2011: EUR 383 million). Of the total cash position, EUR 264 million was freely available and EUR 126 million was tied up in associated companies and projects being executed in conjunction with third parties.

The company's solvency ratio was 39.2% at 31 December 2012. At the end of 2011 the solvency ratio was 37.4%.

After the company pledged a wholly voluntary one-off capital contribution of EUR 30 million to the Smit pension fund at the end of 2010, payable in four annual installments, of which the last in 2013, in early 2012 the company pledged another one-off, wholly voluntary capital contribution of EUR 25 million to the Boskalis pension fund. This contribution will be effected in the first quarter of 2013. Under IFRS accounting principles, as applied, the contributions do not have an effect on the earnings.

Interest-bearing debt totaled EUR 988 million at 31 December 2012 and the net debt position stood at EUR 598 million (end-2011: EUR 410 million). This increase in the net debt position was largely attributable to the 33.3% stake in Dockwise acquired in 2012 (EUR 225 million). The majority of the debt position consists of long-term US Private Placement (USPP) loans and drawings on the three- and five-year syndicated bank facility. In connection with the funding of the offer for all the remaining outstanding shares in Dockwise the bank facility will be repaid in 2013 and replaced with a new facility taken out as part of the Dockwise acquisition financing package.

Boskalis must comply with various covenants as agreed with the syndicate of banks and the USPP investors. These agreements were comfortably met as at 31 December 2012. The main covenants relate to the net debt : EBITDA ratio, with a limit of 3, and the EBITDA : net interest ratio, with a minimum of 4. At 31 December 2012, the net debt : EBITDA ratio stood at 0.9 and the EBITDA : net interest ratio at 24.4.

OTHER DEVELOPMENTS

DOCKWISE

On 26 November 2012 Boskalis announced its intention to launch an offer for Dockwise Ltd, which provides maritime services including heavy transport services to the offshore and onshore industry. The combination of the two companies offers new strategic opportunities for accelerated growth in the offshore market. The new combination will be even better placed to cater to its clients under increasingly complex circumstances.

During the fourth quarter of 2012 Boskalis accumulated a 33.3% stake in Dockwise. In order to finance the offer for all the remaining outstanding shares in Dockwise, at an offer price of EUR 18.50, on 10 January 2013 Boskalis issued EUR 320 million worth of new shares. A total of 9,696,969 new Boskalis shares were placed at a price of EUR 33.00 per share with parties including existing large shareholders. HAL Investments B.V. (33.88%) maintained its existing interest by participating pro rata in the issue. Furthermore at the end of January 2013 Boskalis signed the funding agreements for the necessary debt financing. The credit facilities comprise a syndicated bank facility consisting of a combination of a three-year loan (USD 525 million) and a five-year revolving credit facility (EUR 500 million). In addition Boskalis concluded a one-year bridging loan (USD 525 million), which will be replaced with a debt capital markets instrument in the course of 2013.

Backed by 92% of the share capital Boskalis launched a mandatory offer for the remaining shares in Dockwise on 8 February 2013. The offer period ended on 13 March 2013 and 99% of the share capital was tendered. On formal settlement of the offer on 20 March Boskalis will acquire decisive control over Dockwise with effect from that same date.

ARCHIRODON

At the end of 2012 Boskalis was approached by a party from the Middle East interested in acquiring our 40% stake in Archirodon. Follow-up talks have been taking place since November. Further details will be announced as and when these talks result in an actual transaction.

SAAM

In late 2011 Boskalis and Sudamericana Agencias Aereas y Maritimas S.A. (SAAM) announced they were exploring the possibilities and opportunities for a joint towage operation in North and South America. These talks recently intensified again, with the structure of a potential combination having been revised: instead of a full 50/50 joint venture the possibility of Boskalis being assigned a leading role in Brazil and SAAM in Central and North America is now under consideration. The combination of SMIT and SAAM will create a leading provider of towage services in Central and South America. Besides producing operational synergies, the joint operation will also significantly strengthen the partners' combined market positions.

APPENDIX: FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

(in thousands of EUR)	**2012**	2011
OPERATING INCOME		
Revenue	**3,080,862**	2,801,037
Other income	**14,460**	8,780
	3,095,322	2,809,817
OPERATING EXPENSES		
Raw materials, consumables, services and subcontracted work	**- 1,947,497**	- 1,669,675
Personnel expenses	**- 579,658**	- 549,661
Depreciation, amortization and impairment losses	**- 231,310**	- 236,388
	- 2,758,465	- 2,455,724
OPERATING RESULT	**336,857**	354,093
FINANCE INCOME AND EXPENSES		
Finance income	**14,968**	22,987
Finance expenses	**- 49,448**	- 63,355
	- 34,480	- 40,368
Share in result of associated companies (after taxation)	**252**	2,020
PROFIT BEFORE TAXATION	**302,629**	315,745
Taxation	**- 49,502**	- 54,735
NET GROUP PROFIT	**253,127**	261,010
NET GROUP PROFIT ATTRIBUTABLE TO:		
Shareholders	**250,193**	254,254
Non-controlling interests	**2,934**	6,756
	253,127	261,010
Average number of shares	**105,644,024**	102,390,642
Earnings per share	**EUR 2.37**	EUR 2.48
Diluted earnings per share	**EUR 2.37**	EUR 2.48

Boskalis
Dredging & Marine Experts

CONSOLIDATED STATEMENT OF RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSES

(in thousands of EUR)	**2012**	2011
NET GROUP PROFIT FOR THE PERIOD	**253,127**	261,010
UNRECOGNIZED INCOME AND EXPENSES FOR THE PERIOD		
Currency translation differences on foreign operations	**- 2,976**	- 823
Actuarial gains and losses and asset limitation on defined benefit pension schemes	**- 34,322**	- 58,789
Movement in fair value of cash flow hedges	**- 18,988**	6,074
Income tax on unrecognized income and expenses	**11,601**	10,847
Unrecognized income and expenses for the period, net of income tax	**- 44,685**	- 42,691
TOTAL RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSES FOR THE PERIOD	**208,442**	218,319
ATTRIBUTABLE TO:		
Shareholders	**203,686**	212,528
Non-controlling interests	**4,756**	5,791
TOTAL RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSES FOR THE PERIOD	**208,442**	218,319

CONSOLIDATED BALANCE SHEET

	DECEMBER 31	
(in thousands of EUR)	**2012**	2011
ASSETS		
Non-current assets		
Intangible assets	**596,013**	595,596
Property, plant and equipment	**2,260,968**	2,206,038
Investments in associated companies	**255,838**	23,428
Non-current receivables	**23,959**	112,064
Derivatives	**819**	155
Deferred income tax assets	**25,712**	28,813
	3,163,309	2,966,094
Current assets		
Inventories	**105,150**	97,717
Due from customers	**239,253**	234,353
Trade and other receivables	**953,036**	949,171
Derivatives	**15,571**	7,080
Income tax receivable	**14,350**	21,298
Cash and cash equivalents	**398,102**	397,957
	1,725,462	1,707,576
TOTAL ASSETS	**4,888,771**	4,673,670
Group equity		
Issued capital	**85,827**	82,777
Share premium	**229,452**	230,360
Other reserves	**201,499**	230,175
Retained earnings	**1,381,227**	1,189,500
Shareholders' equity	**1,898,005**	1,732,812
Non-controlling interests	**18,147**	14,503
TOTAL GROUP EQUITY	**1,916,152**	1,747,315
LIABILITIES		
Non-current liabilities		
Interest-bearing borrowings	**605,473**	679,696
Employee benefits	**113,084**	83,864
Deferred income tax liabilities	**78,038**	93,483
Provisions	**26,402**	26,996
Derivatives	**18,771**	10,462
	841,768	894,501
Current liabilities		
Due to customers	**352,893**	488,881
Interest-bearing borrowings	**382,317**	112,572
Bank overdrafts	**8,120**	15,364
Income tax payable	**138,114**	149,816
Trade and other payables	**1,223,254**	1,233,125
Derivatives	**20,247**	20,853
Provisions	**5,906**	11,243
	2,130,851	2,031,854
TOTAL LIABILITIES	**2,972,619**	2,926,355
TOTAL GROUP EQUITY AND LIABILITIES	**4,888,771**	4,673,670

Boskalis
Dredging & Marine Experts

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of EUR)	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Net group profit	**253,127**	261,010
Depreciation, amortization and impairment losses	**231,310**	236,388
Cash flow	**484,437**	497,398
Adjustments for:		
Finance income and expenses	**34,480**	40,368
Taxation	**49,502**	54,735
Results from disposals of property, plant and equipment	**- 11,094**	- 4,101
Movement non-current receivables	**10,959**	5,488
Movement provisions (including direct equity movements)	**- 7,899**	- 20,712
Movement in inventories	**- 5,647**	- 4,635
Movement trade and other receivables	**10,093**	- 64,014
Movement trade and other payables	**- 57,588**	72,505
Movement due from and due to customers	**- 149,833**	- 14,390
Result of associated companies	**- 252**	- 2,020
Cash generated from operating activities	**357,158**	560,622
Dividends received	**2,109**	729
Interest received	**8,576**	8,324
Interest paid	**- 38,842**	- 44,578
Income taxes paid	**- 50,181**	- 75,915
Net cash from operating activities	**278,820**	449,182
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of intangible assets and property, plant and equipment, excluding capitalized borrowing costs	**- 313,893**	- 293,326
Proceeds from disposals of property, plant and equipment	**39,447**	35,831
Investment in group companies, net of cash acquired	**—**	- 105,256
Disposal of (a part of) group companies, net of cash disposed and loans issued	**—**	82,953
Repayment of outstanding loan by joint venture	**77,299**	—
Net investments in associated companies	**- 232,664**	1,772
Net cash used in investing activities	**- 429,811**	- 278,026
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans	**696,403**	529,088
Repayment of loans	**- 495,413**	- 607,195
Transaction costs paid relating to the arrangement of credit facilities	**- 2,226**	- 2,149
Net investment in non-controlling interests	**10**	- 19,939
Dividends paid to the Company's shareholders	**- 38,493**	- 44,686
Dividends paid to non-controlling interests	**- 1,122**	- 5,673
Net cash used in / from financing activities	**159,159**	- 150,554
NET INCREASE IN CASH AND CASH EQUIVALENTS	**8,168**	20,602
Net cash and cash equivalents as at January 1	**382,593**	356,269
Net increase in cash and cash equivalents	**8,168**	20,602
Currency translation differences	**- 779**	5,722
MOVEMENT IN NET CASH AND CASH EQUIVALENTS	**7,389**	26,324
NET CASH AND CASH EQUIVALENTS AS AT DECEMBER 31	**389,982**	382,593

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in thousands of EUR)	ISSUED CAPITAL	SHARE PREMIUM	OTHER RESERVES	RETAINED EARNINGS	TOTAL	NON-CONTROLLING INTEREST	TOTAL GROUP EQUITY
Balance as at January 1, 2012	82,777	230,360	230,175	1,189,500	1,732,812	14,503	1,747,315
TOTAL RECOGNIZED AND UNRECOGNIZED INCOME AND EXPENSES FOR THE PERIOD							
Net group profit for the period				250,193	250,193	2,934	253,127
Unrecognized income and expenses for the period							
Foreign currency translation differences for foreign operations, after taxation			- 4,974	–	- 4,974	1,822	- 3,152
Effective cash flow hedges, after taxation			- 14,239	–	- 14,239	–	- 14,239
Defined benefit plan actuarial gains (losses) and asset limitation, after taxation			- 27,294	–	- 27,294	–	- 27,294
Realization through sale of underlying asset			- 716	716	–	–	–
Movement other legal reserve			18,547	- 18,547	–	–	–
Total unrecognized income and expenses for the period			- 28,676	- 17,831	- 46,507	1,822	- 44,685
Total recognized and unrecognized income and expenses for the period			- 28,676	232,362	203,686	4,756	208,442
TRANSACTIONS WITH SHAREHOLDERS, RECOGNIZED DIRECTLY IN EQUITY							
Distributions to shareholders							
Cash dividend	–	–	–	- 38,493	- 38,493	- 1,122	- 39,615
Stock dividend	3,050	- 908	–	- 2,142	–	–	–
Movements in interests in subsidiaries							
New in consolidation	–	–	–	–	–	10	10
Total transactions with shareholders	3,050	- 908	–	- 40,635	- 38,493	- 1,112	- 39,605
Balance as at December 31, 2012	85,827	229,452	201,499	1,381,227	1,898,005	18,147	1,916,152

Boskalis
Dredging & Marine Experts

INFORMATION ON OPERATIONAL SEGMENTS AND RECONCILIATION TO THE GROUP RESULTS

2012	DREDGING	OFFSHORE ENERGY	INLAND INFRA	TOWAGE & SALVAGE	HOLDING & ELIMINATIONS	GROUP
Revenue	1,289,718	480,545	777,454	533,145	–	3,080,862
Segment result	200,604	60,310	38,100	74,012	- 36,169	336,857
Operating result						336,857
Share in result of associated companies	- 1,209	- 40	440	658	403	252
Non-allocated finance income and expenses						- 34,480
Non-allocated taxation						- 49,502
Net group profit						253,127
Segment assets	1,512,259	888,710	714,172	1,507,422	- 46,082	4,576,481
Investments in associated companies	2,564	3,981	4,982	24,851	219,460	255,838
Non-allocated assets						56,452
Total assets						4,888,771
Segment liabilities	1,126,877	213,807	358,179	134,680	- 112,004	1,721,539
Non-allocated liabilities						1,251,080
Total liabilities						2,972,619
Investments in property, plant and equipment	94,296	114,976	45,885	49,239	9,497	313,893
Depreciation on property, plant and equipment	83,580	31,599	39,498	60,974	2,838	218,489
Amortisation on intangible assets	–	1,208	1,152	7,036	- 673	8,723
Impairment losses on property, plant and equipment	1,792	2,306	–	–	–	4,098
						231,310
EBITDA	285,976	95,423	78,750	142,022	- 34,004	568,167

2011	DREDGING	OFFSHORE ENERGY	INLAND INFRA	TOWAGE & SALVAGE	HOLDING & ELIMINATIONS	GROUP
Revenue	1,525,392	370,860	382,067	518,604	4,113	2,801,037
Segment result	216,547	62,105	47,730	69,136	- 41,425	354,093
Operating result						354,093
Share in result of associated companies	- 467	1,161	145	1,181	—	2,020
Non-allocated finance income and expenses						- 40,368
Non-allocated taxation						- 54,735
Net group profit						261,010
Segment assets	1,437,017	860,766	739,810	1,471,492	83,811	4,592,896
Investments in associated companies	5,070	955	4,102	12,664	637	23,428
Non-allocated assets						57,346
Total assets						4,673,670
Segment liabilities	1,117,303	205,026	387,712	235,645	- 101,577	1,844,109
Non-allocated liabilities						1,082,246
Total liabilities						2,926,355
Investments in property, plant and equipment	73,159	124,924	21,883	61,346	10,583	291,895
Depreciation on property, plant and equipment	86,095	37,309	20,231	73,362	2,120	219,118
Amortisation on intangible assets	—	1,225	—	6,687	2,927	10,839
Impairment losses on property, plant and equipment	- 759	7,190		—	—	6,431
						236,388
EBITDA	301,883	107,829	67,961	149,185	- 36,378	590,481

ACCOUNTING PRINCIPLES

Royal Boskalis Westminster NV prepares its financial reports in accordance with the International Financial Reporting Standards (IFRS) as adopted within the European Union. For the main principles of financial reporting reference is made to the 2012 financial statements.

DIVIDEND PAYMENTS TO SHAREHOLDERS OF ROYAL BOSKALIS WESTMINSTER NV

During 2012 a dividend for the 2011 financial year was distributed of EUR 1.24 per share in the form of ordinary shares, unless the shareholder chose to receive a dividend in cash.

COMMITMENTS AND CONTINGENT LIABILITIES

The total outstanding guarantee commitments, which are mainly for ongoing projects, were EUR 991 million as at 31 December 2012 (31 December 2011: EUR 960 million). The capital commitments declined to EUR 126 million (end-2011: EUR 193 million). The operational lease obligations were EUR 80 million as at 31 December 2012 (31 December 2011: EUR 65 million). There have been no material changes to the other commitments and contingent liabilities since 31 December 2011.

This press release is based on the prepared financial statements of 2012 to be adopted by the Annual General Meeting of Shareholders. The external auditor has issued an unqualified auditor's report on the prepared financial statements of 2012.