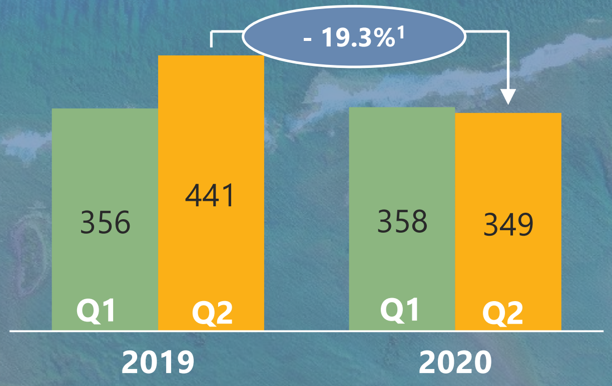
H1 2020 results

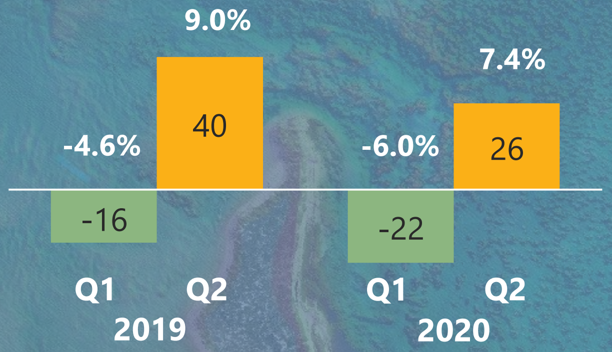
1. Introduction

Results reflect quick response to Covid-19

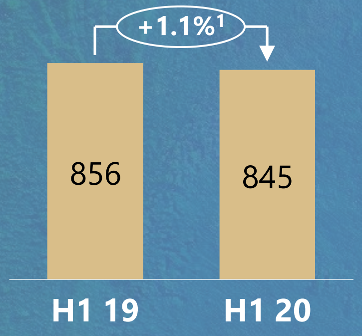
Revenue



Adjusted EBIT (margin)



12-month backlog



- Q2 revenue down 19.3% due to Covid and oil & gas downturn, partly offset by strong growth offshore wind
- Q2 margin 7.4% due to decisive and immediate cost reductions
- Recovery of order intake during Q2 results in backlog growth of 1.1%
- Outlook FY2020: H2 EBIT expected to improve compared to H1. Positive free cash flow for full year

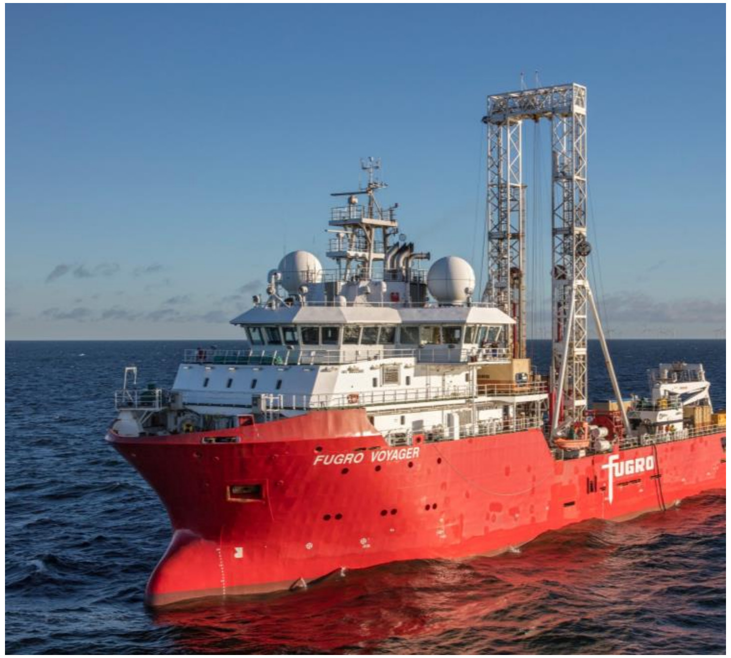
1 Figures in this presentation in million euro and from continuing operations, unless otherwise indicated; growth percentages corrected for currency effect

FUGRO

Quick response with comprehensive cost reduction plan

	annualised savings [x EUR million]	P&L impact H1 2020 [x EUR million]	P&L impact H2 2020 [x EUR million]
▪ Reduce workforce by up to 10% ▪ Reduce overhead costs ▪ Implement hiring and salary freeze ▪ Cut on executive pay	~60		
▪ Minimise use of short-term charters, 3rd party equipment and personnel	~20		
▪ Price reduction 3rd party cost	~20		
▪ Discretionary expense (travel, conferences, IT, communication, etc)	~15		
▪ Footprint rationalisation	~5		
P&L impact	~120	~25	~55

1 Capture growth in energy & infra



Hai Long offshore wind - Taiwan

- Third geotechnical site investigation for this development
- Showcasing Fugro's Geo-data expertise in in this quickly developing offshore wind region

Site characterisation for Maldives bridge

- Multidisciplinary project for Greater Male' connectivity bridge in midst of global pandemic and local lockdown
- Acquisition of Geo-data in challenging metocean conditions
- Data delivery platform enabling the client and engineer to monitor in real-time

Atlantic Shores offshore wind-New Jersey

- Extensive site characterisation program
- In support of safe design, permitting and installation of monopiles
- Demonstrates ability to evolve alongside long-time client Shell to serve new energy markets

FUGRO

2 Differentiate by integrated digital solutions

Pohokura remote operations

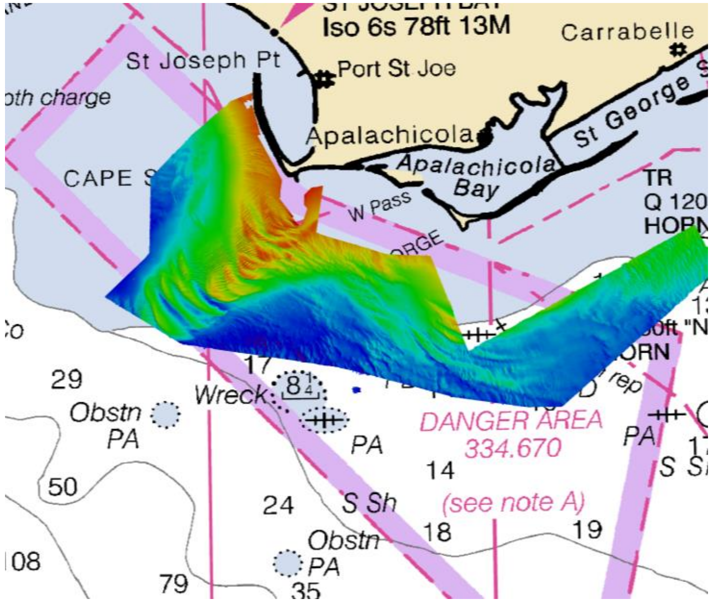
- Real-time interaction between on site team and facility onshore, through live streaming of ROV and diver interactions
- Each phase executed on time, despite Covid-19 and remoteness of region, allowing OMV to continue providing power to New Zealand

Expansion A9 highway in the Netherlands

- Geo-data integrated into geographic information system through analytics and cloud automation
- Creation of 3D ground model, facilitating efficient scenario analysis to mitigate ground risk in the design

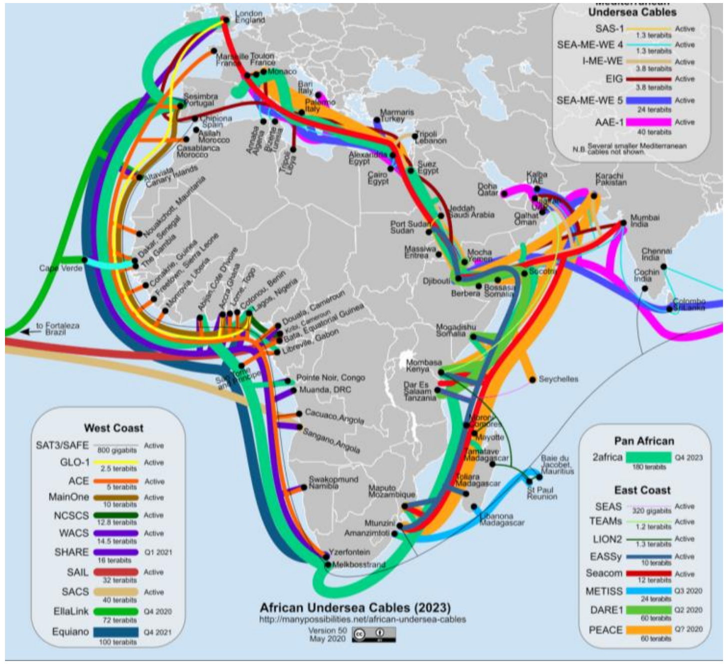
Hydrographic contract in US

- First task order, in Florida, under new multi-year contract for NOAA
- Using new autonomous surface vessel to increase rate of data acquisition ahead of hurricane season and to reduce health and safety exposure



FUGRO

3 Leverage core expertise in new growth markets



Telecom cable route survey 2Africa

- Pre-installation survey and permitting support Alcatel Submarine Networks, connecting 23 countries
- Supporting the growth of 4G, 5G and fixed broadband access for millions of people and businesses

Nautical charting in Bermuda

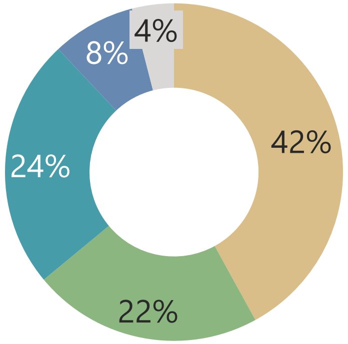
- Both onshore and offshore, including reef structures
- Using Fugro's easily mobilised airborne lidar bathymetric system
- Data for coastal defense modelling, in relation to rising sea levels

Dike research project Zuid-Holland

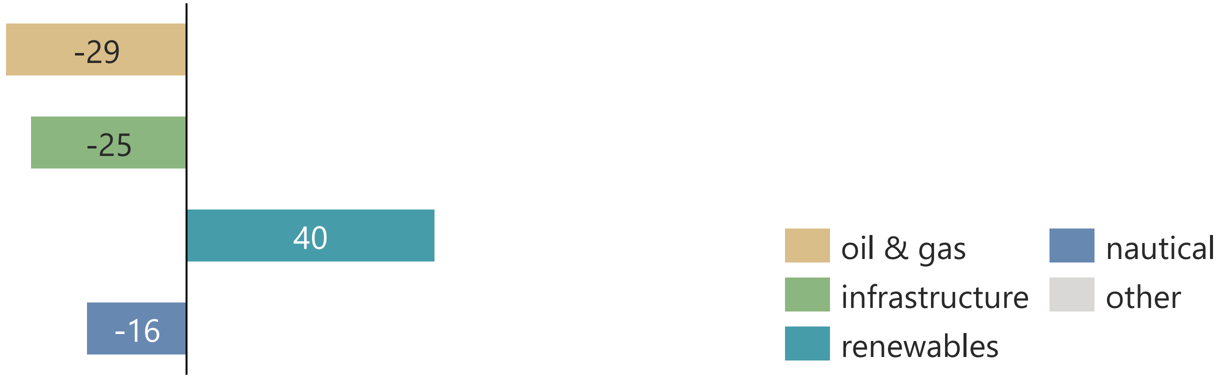
- Using new technology to measure variations in horizontal and vertical permeability
- Reducing construction cost, maintenance and risk of flooding
- In cooperation with local Water Board and knowledge institute Deltares

Further diversification through strong growth in renewables

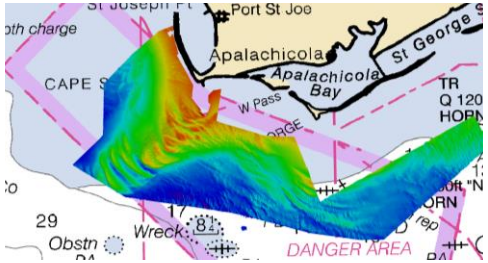
revenue by segment Q2 2020



revenue growth%[1] Q2 2020



- Offshore wind continues to grow, in line with strategy to further diversify into new energy and other growth markets
- Virtually all other markets impacted by Covid-19 disruptions: operational challenges, delays, postponements
- Impact of oil price decline on oil & gas market is expected to persist for some time
- Long term outlook for energy and infrastructure markets supported by population growth, urbanisation, technological change and climate change.



1. Corrected for currency effect

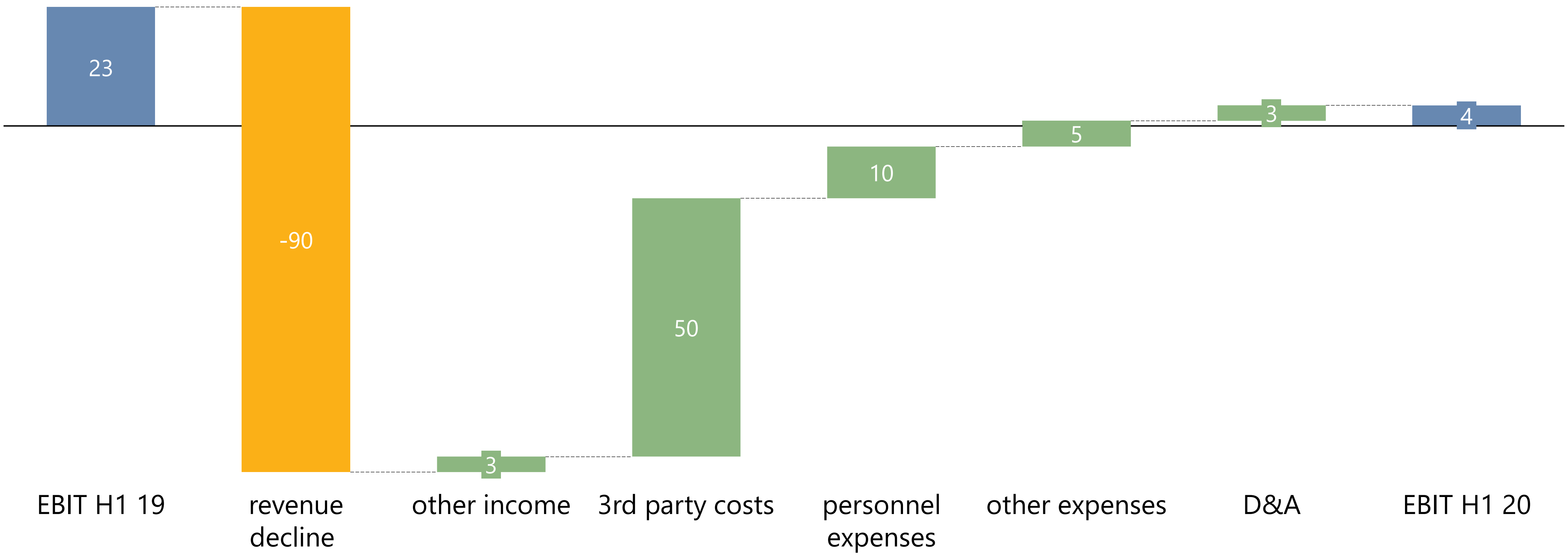
2. H1 2020 results

H1 2020 key messages

- Revenue strongly impacted by Covid-19 and lower oil price, partly countered by strong growth in renewables
- Decisive and immediate cost reductions contribute to 7.4% margin in Q2 despite revenue decline
- Significant margin decline in Europe-Africa due to steep revenue decline; Q2 significantly better than Q1
- Year-on-year margin improvement in Americas, Asia Pacific and Middle East & India
- Net result impacted by restructuring, impairments and Seabed S-79 termination costs
- EUR 49.9 million Global Marine divestment proceeds; another EUR 10-15 million expected in 2022
- Working capital 12.0% of revenue compared to 15.1% a year ago, supported by some non-recurring benefits
- Positive free cash flow of EUR 18 million
- Net debt/EBITDA improved to 1.7 from 1.9 at YE 2019 (excluding subordinated debt)
- Revolving credit facility extended to Sept 2021; review of refinancing options ongoing

Strong cost reductions mitigate revenue decline

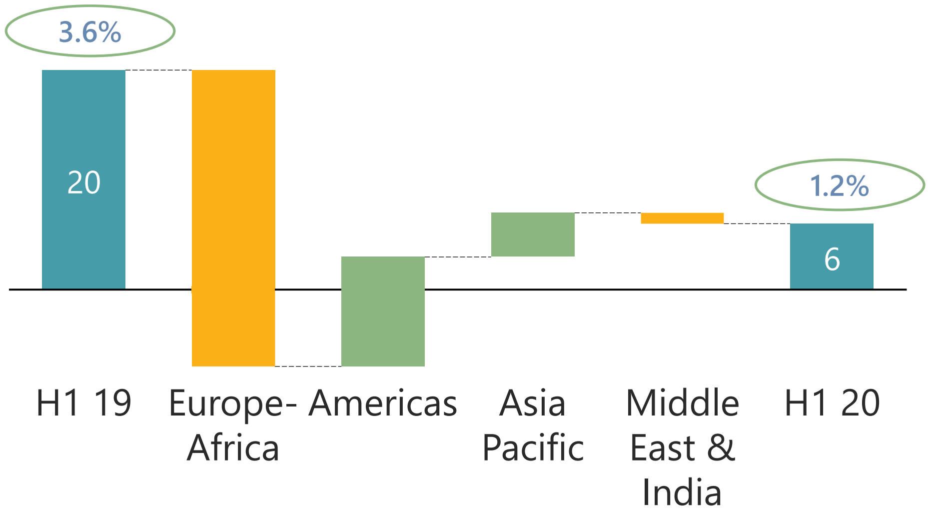
X EUR million, excl. specific items



EBIT impacted in both marine and land

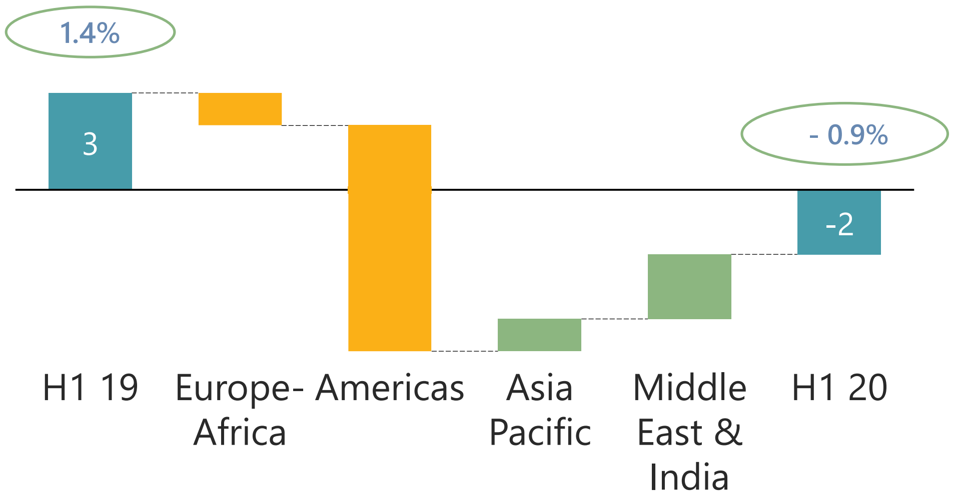
Adjusted EBIT Marine

X EUR million, excl specific items



Adjusted EBIT Land

X EUR million, excl. specific items



Marine

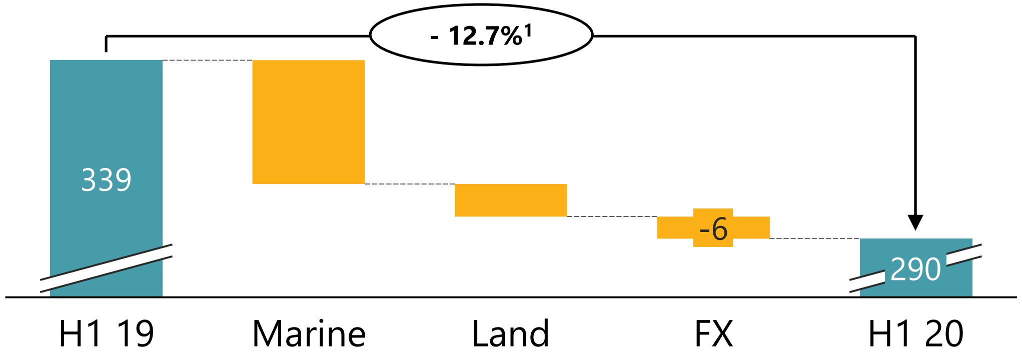
- Lower margin in Europe-Africa mainly due to adverse Q1 weather and impact of Covid-19 and related decline in O&G. Strong improvement in Q2 versus Q1 as result of cost measures

Land

- EBIT improved or in line with H1 2019 in Europe-Africa, Asia Pacific and MEI.
- In Americas, the margin declined due to lower revenue, mostly caused by Covid-19 related project delays

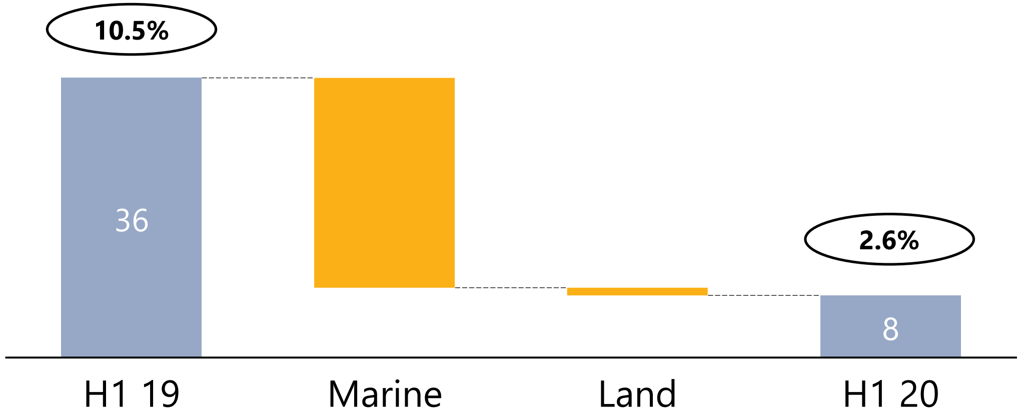
Europe-Africa: significant margin decline; recovery Q2

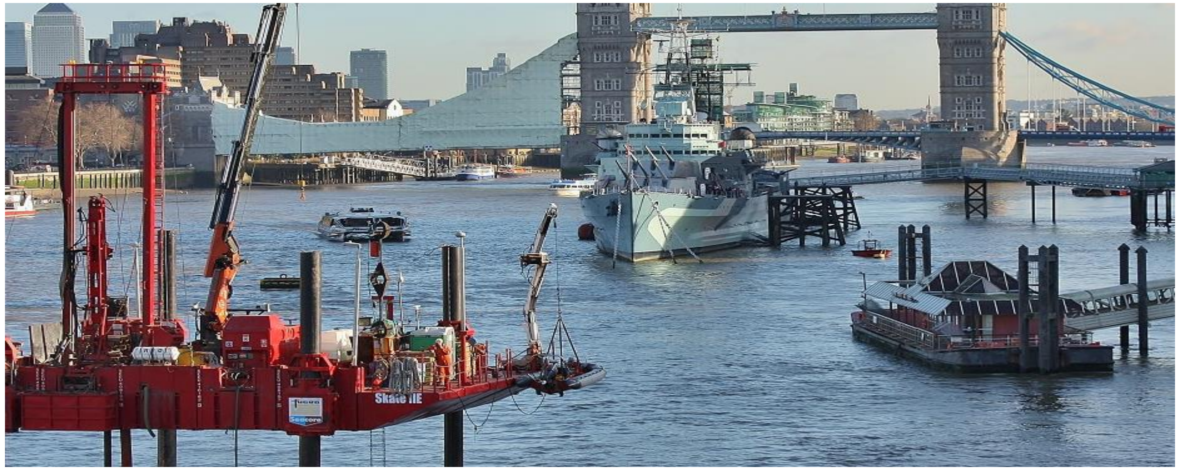
Revenue



- Marine margin impacted by storms in Q1, Covid-19 and O&G decline, partly compensated by growth offshore wind
- Land margin stable despite Covid-19 challenges
- After weak Q1, strong recovery in Q2 driven by cost reductions

Adjusted EBIT (margin)

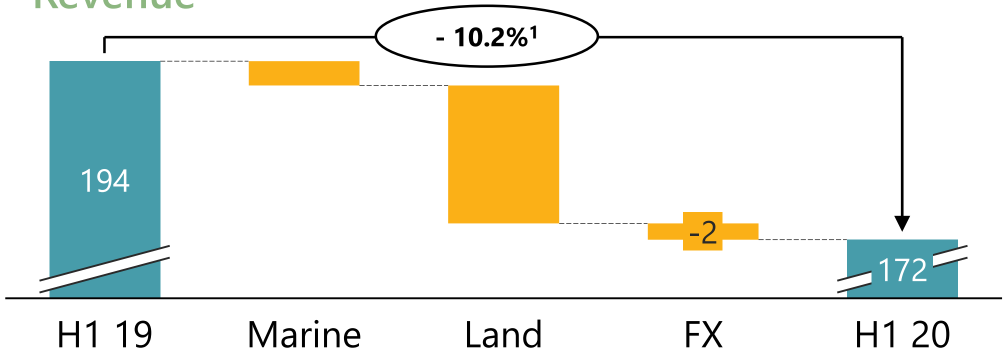




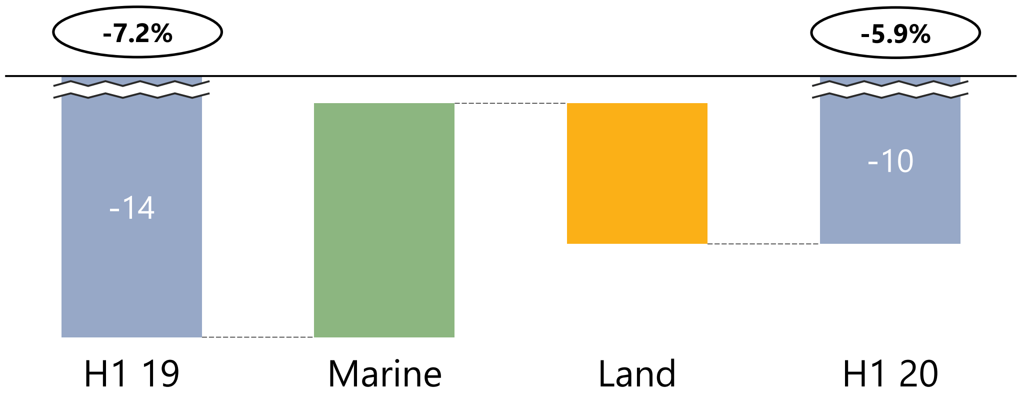
1: amounts in EUR million, revenue growth corrected for currency effect

Americas: margin in marine up, ongoing Land restructuring

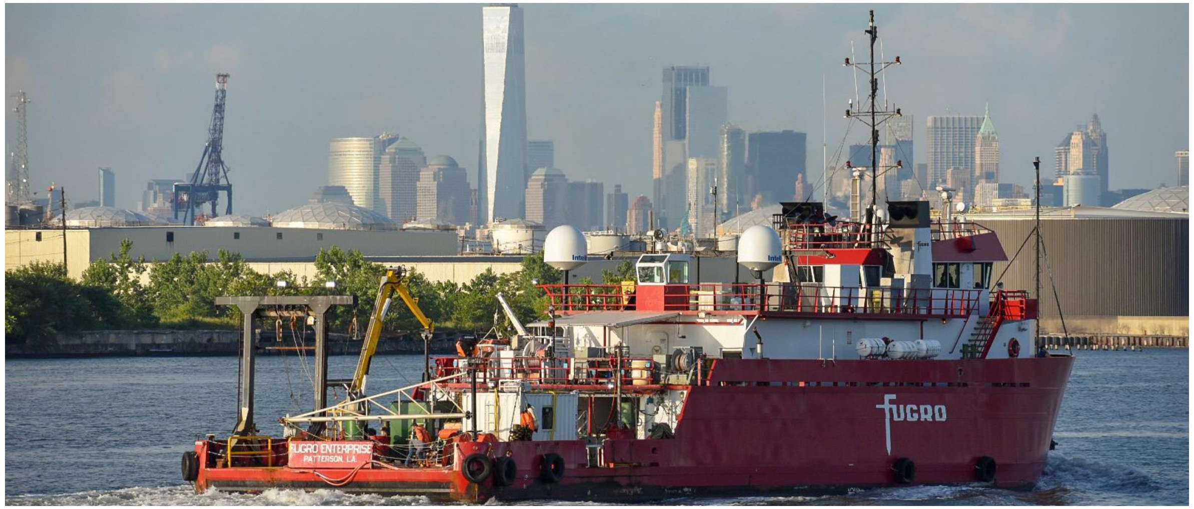
Revenue



Adjusted EBIT (margin)



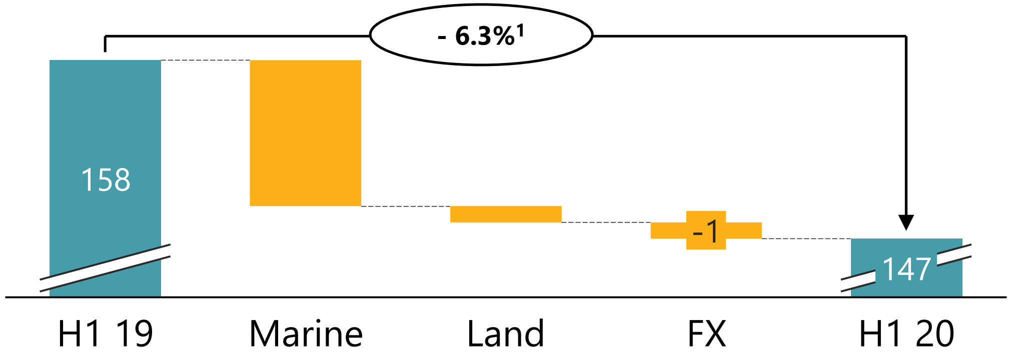
- Revenue decline in all business lines except MSC due to Covid-related project postponements and cancellations, and portfolio rationalisation
- Growth MSC thanks to high offshore wind activity levels
- Improved marine results versus last year's poor performance, due to strong performance on East Coast and Mexico projects
- Reorganisation land ongoing to structurally improve margins



1: amounts in EUR million, revenue growth corrected for currency effect

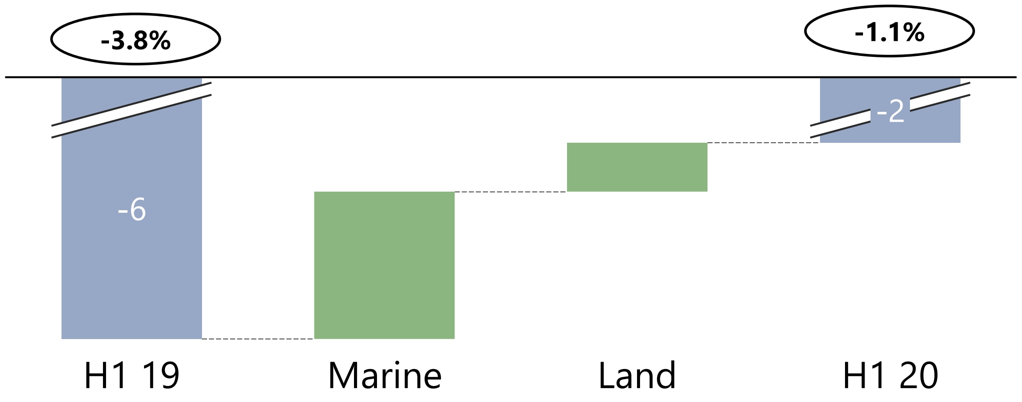
Asia Pacific: ongoing margin recovery

Revenue



- After strong increase in Q1, Q2 revenue was down as result of Covid restrictions and projects being deferred, specifically impacting marine
- Margin improved as result of stringent cost management measures and government support

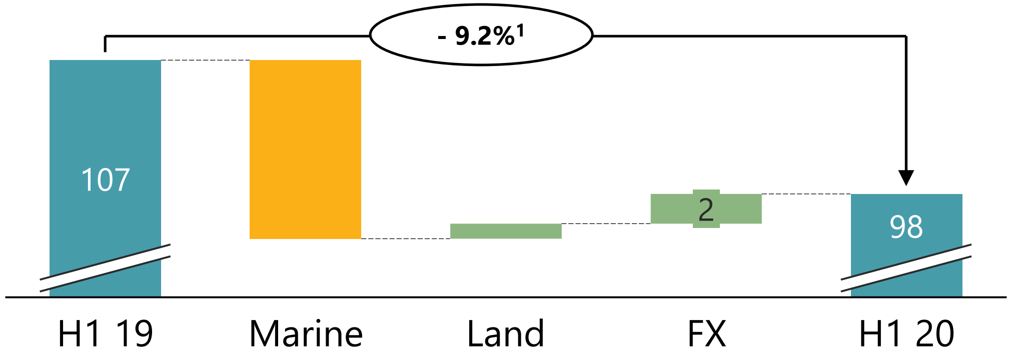
Adjusted EBIT (margin)



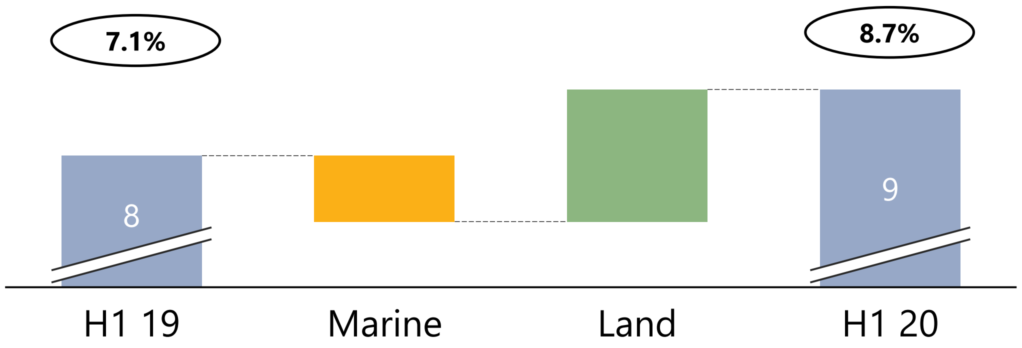
1: amounts in EUR million, revenue growth corrected for currency effect

Middle East & India: margin up slightly

Revenue



Adjusted EBIT (margin)



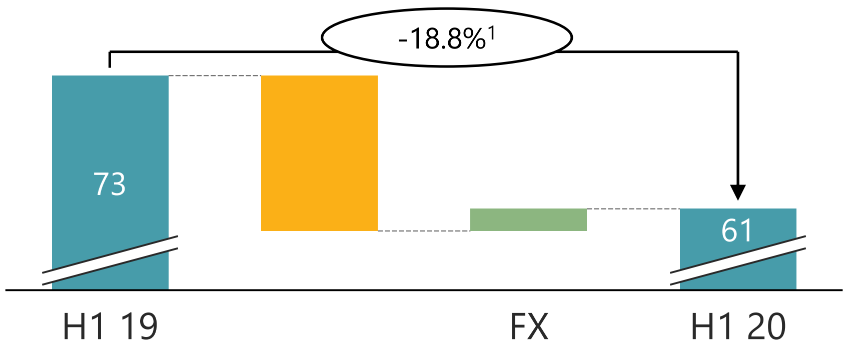
- Revenue down due to low vessel utilisation in MSC and restructuring of diving services in MAI
- Lower marine EBIT due to lower activity in MSC, partially compensated by improved MAI performance as result of cost cutting and portfolio rationalisation
- Higher land EBIT in particular in LSC from increased revenue, good operational performance and restructuring

1: amounts in EUR million, revenue growth corrected for currency effect

FUGRO

Seabed Geosolutions: EBIT impacted by impairment and S-79 termination

Revenue



Adjusted EBIT (margin)

- Activity levels severely affected by Covid-19, including sudden termination of S-79 project and delay of project in Brazil
- Work force reduced by around 50%. Restructuring costs amounted to EUR 4.2 million
- Non-cash asset impairment of EUR 40.3 million
- Termination S-79 project triggered one-off charges of EUR 24.8 million and earlier than anticipated buy back of Manta nodes
- Adjusted EBIT improved as result of good project execution and gain of around EUR 5 million related to shallow water cable assets
- Depending on revenue development, EBIT(DA) could turn negative up to EUR 10 million in the second half year

1. amounts in EUR million, revenue growth corrected for currency effect

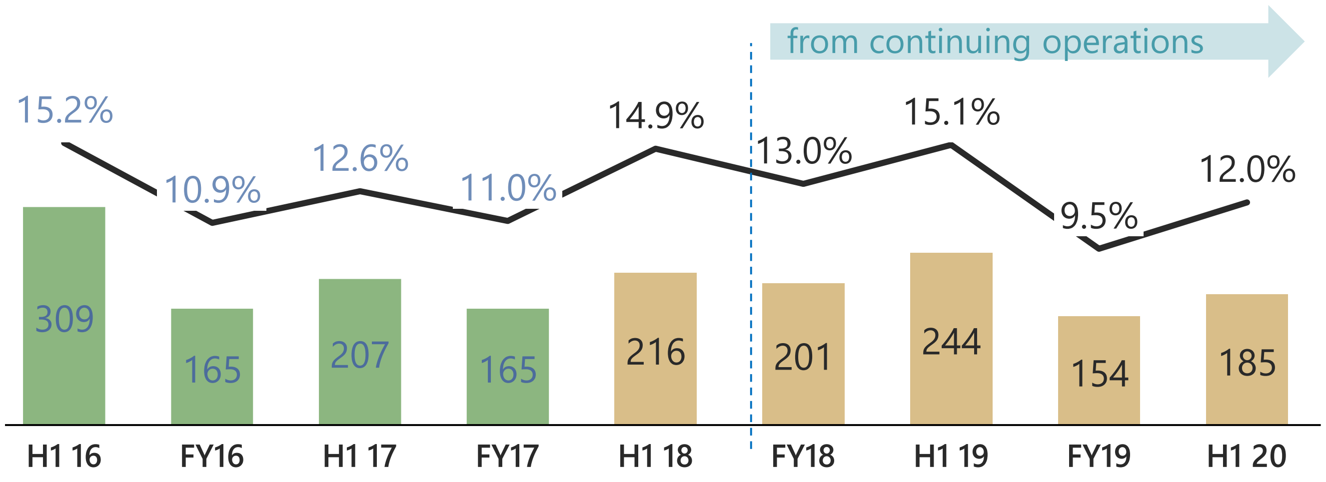
Results impacted by specific items

x EUR million	H1 2020	H1 2019
Adjusted EBIT	4.3	23.3
Specific items	(15.0)	(6.5)
EBIT	**(10.7)**	**16.8**
Finance income	0.3	2.2
Interest expenses	(21.6)	(26.8)
Exchange rate variances	(4.0)	(4.3)
Equity accounted investees	3.9	1.5
Income tax expense	(18.7)	(5.4)
Gain on non-controlling interests from continuing operations	(0.8)	(1.6)
Net result from continuing operations	**(51.6)**	**(17.6)**
Result from discontinued operations *of which specific items*	*(61.5)* *(69.4)*	(79.4) *(61.4)*
Gain on non-controlling interests from discontinued operations	-	11.0
Net result incl discontinued operations	**(113.1)**	**(86.0)**

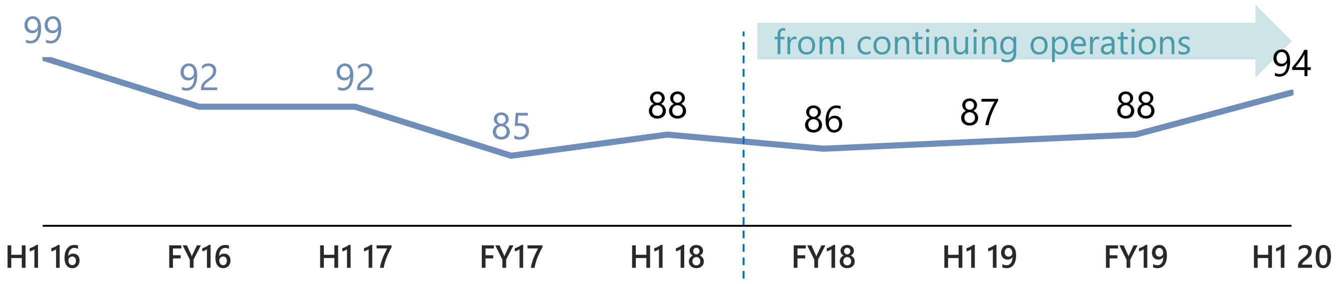
- Specific items:
  - restructuring costs (EUR 8.2 million)
  - impairment (EUR 3.4 million)
  - certain other costs (EUR 3.4 million).
- Increase income tax mainly due to EUR 14.6 million DTA write down in Americas.
- Result from discontinued operations contains specific items
  - EUR 40.3 million impairment
  - EUR 24.8 million onerous contract provision, bad debt and impairment in relation to S-79 project
  - EUR 4.2 million restructuring costs

Year-on-year working capital improvement

Working capital (as % of revenue)



Days of revenue outstanding



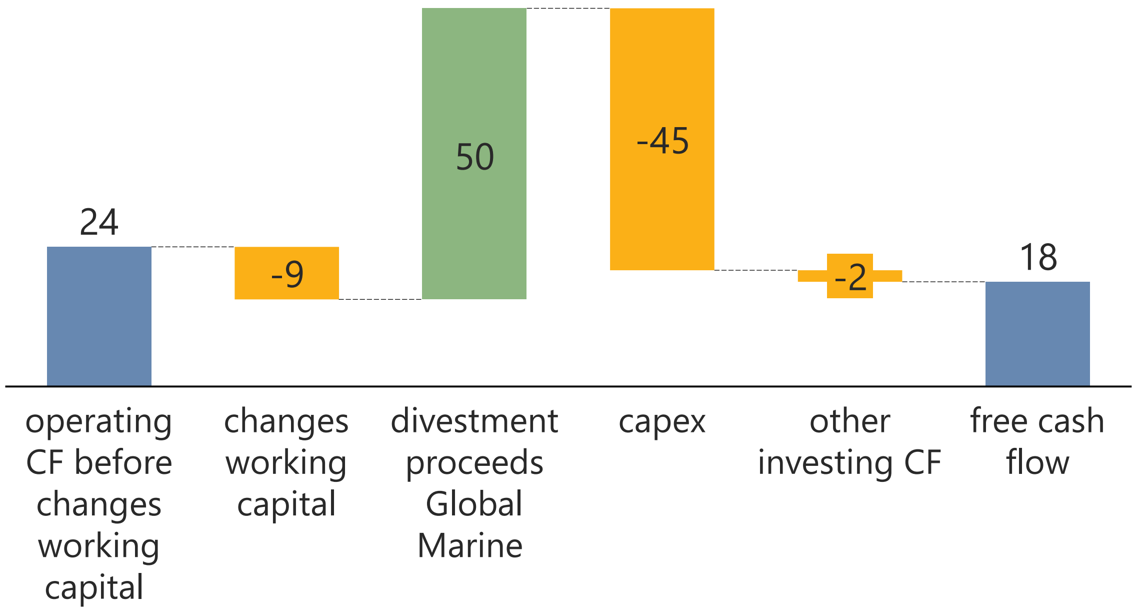
- End of June 2020, working capital favourably impacted by around EUR 20 million deferred tax payments as a result government support programs
- End of December 2019, working capital favourably impacted by EUR 24 million related to Southern Star arbitration (paid in January)

2018 figures have been adjusted to reflect Seabed Geosolutions as held for sale (discontinued)

Positive free cash flow

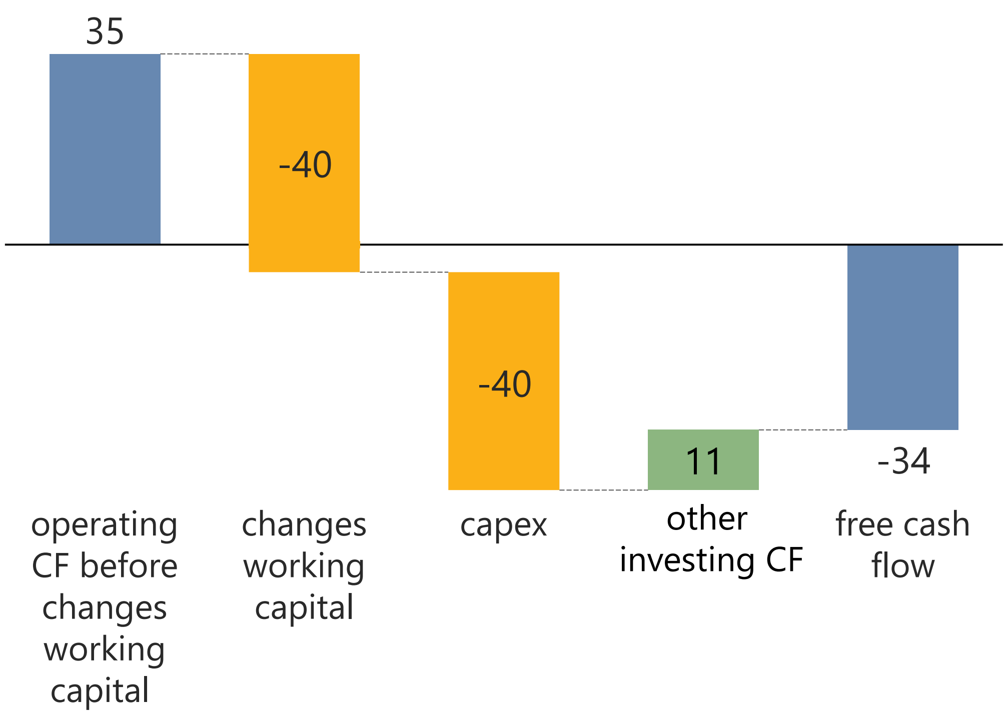
H1 2020 Free cash flow

X EUR million, from continued operations



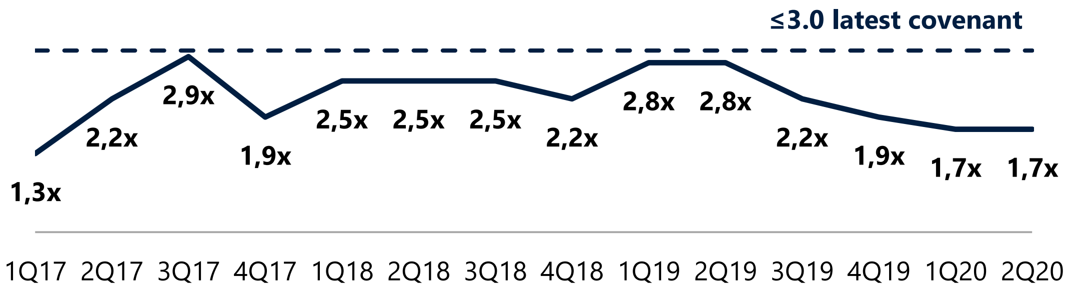
H1 2019 Free cash flow

X EUR million, from continued operations

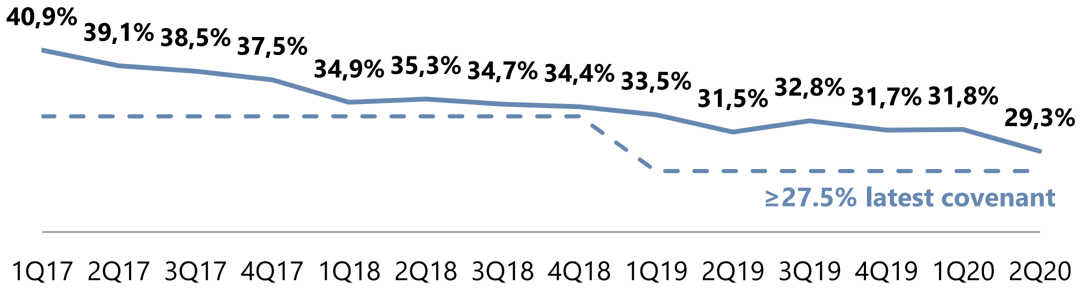


All covenants met

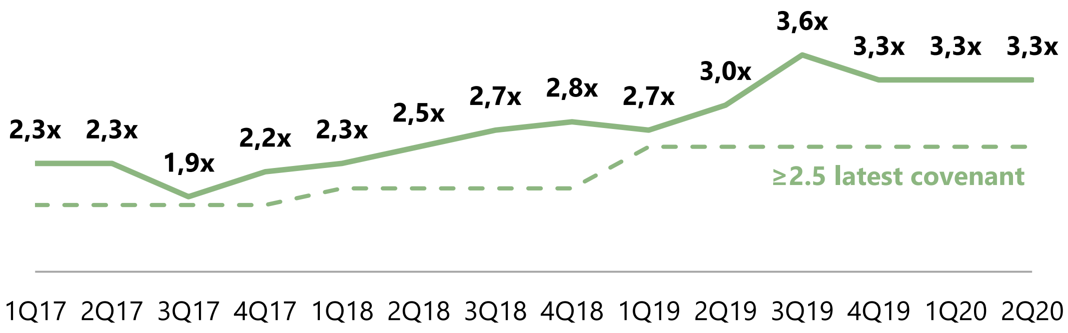
Net debt/EBITDA



Solvency



Fixed charge cover

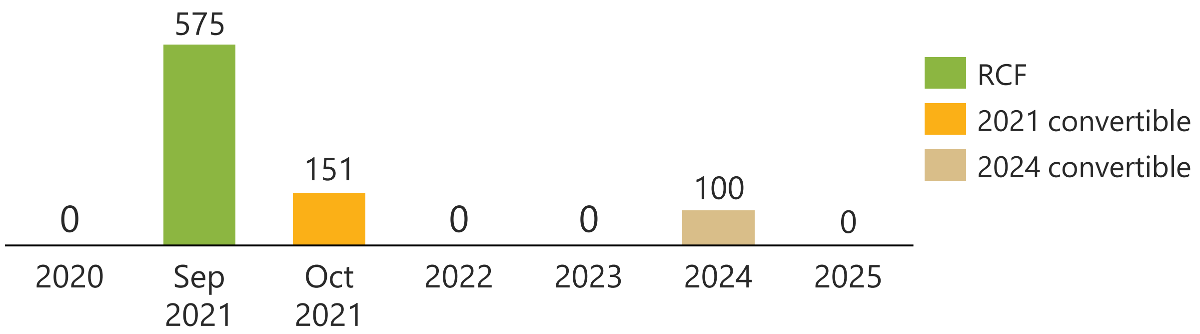


- Net debt/EBITDA covenant excluding subordinated debt
- Solvency reduced due to net operational loss and impairments

Note: numbers include Seabed unless stated otherwise

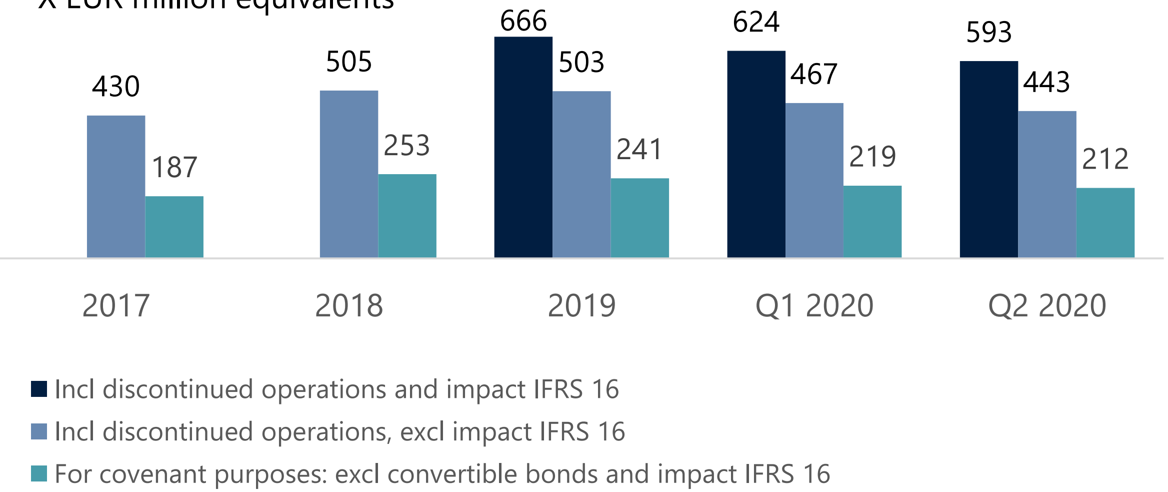
Debt maturity profile, RCF extended to Sep 2021

Maturity profile



Net debt

X EUR million equivalents



- Maturity revolving credit facility extended to Sept 2021, enabling increased refinancing flexibility
- Liquidity is good with EUR 370 million in cash and available facilities
- Repurchase of nominal EUR 39 million of 2021 convertible, at a discount
- Company is assessing refinancing options and expects to make significant progress in next 3-6 months

3. Outlook and management agenda

Oil & gas: enduring impact of Covid-19 demand disruption

Global oil and gas market

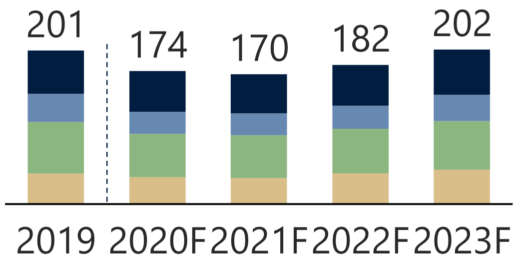
- Brent oil has recovered to $40 since April; partial rebound of price and demand in recent months
- OPEC+ has reduced supply to match demand disruptions and prevent market imbalance
- Market expected to remain volatile in 2020
- Accelerated shift towards more efficient solutions and renewable sources

Growth drivers

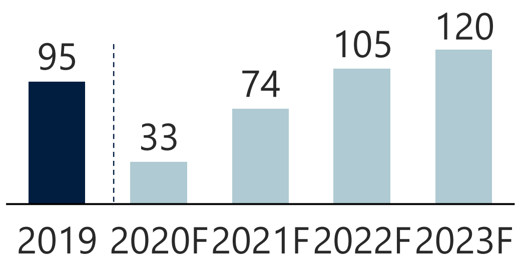
Final investment decisions (FID)	▪ Rystad expect gradual recovery in 2021-23
Non-conventional technologies	▪ Reduced production (up to 2mbpd/-20%) and consolidation (18 producers filed for bankruptcy)
Covid-19	▪ Market imbalance followed by fragile recovery
Technology	▪ Increased opportunity for remote and autonomous operations

Oil price 2020[1] (US$/bbl)

Offshore O&G market spend[2] (US$bn)



Number of offshore projects FIDs



Americas APAC Europe & Africa MEI

1: Up to 16.07.2020, source: uk.investing.com 2: Global OFS (oilfield services) spend. Source: Rystad Energy (July 2020)

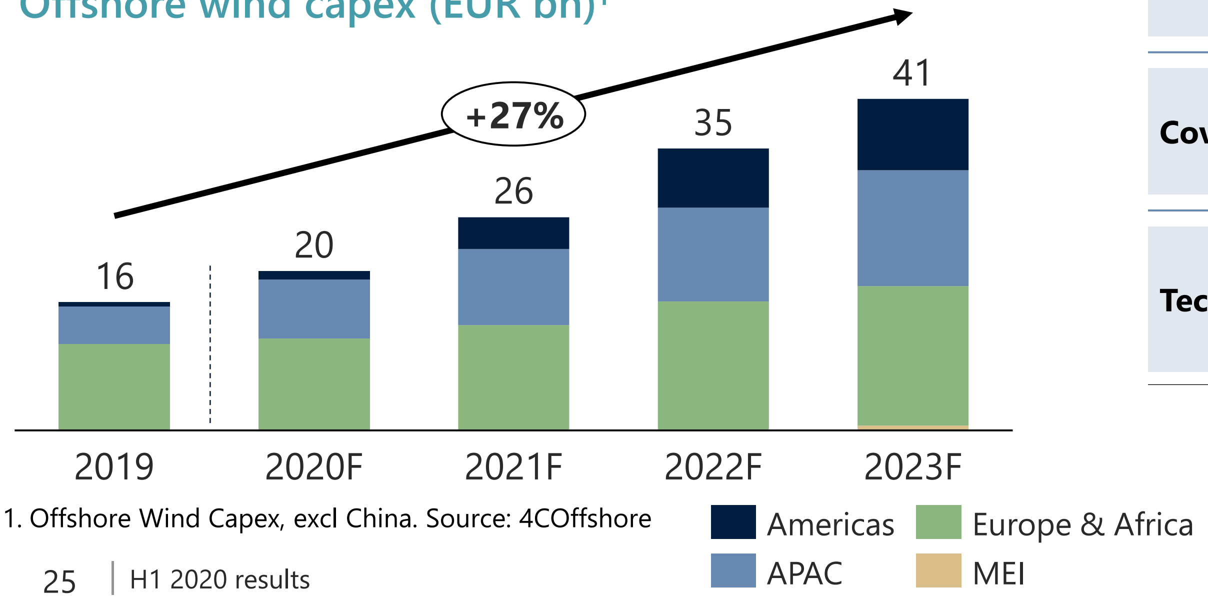
FUGRO

Offshore wind: continued strong outlook, some delays

Global offshore wind market

- Global drive for renewable energy supports outlook
- Europe remains main market
- Accelerating growth APAC and Americas

Offshore wind capex (EUR bn)[1]



1. Offshore Wind Capex, excl China. Source: 4COffshore

Growth drivers

Economic growth	▪ GDP outlook impacts short term energy demand ▪ Economic recovery in 2021 can stimulate increased renewable investments
Energy transition	▪ Oil majors' investment budgets increasingly focused on renewable sources
Covid 19	▪ Some delay of tenders/projects (Beatrice, Rampion, Hornsea, East Anglia One)
Technology	▪ More deepwater and floating projects

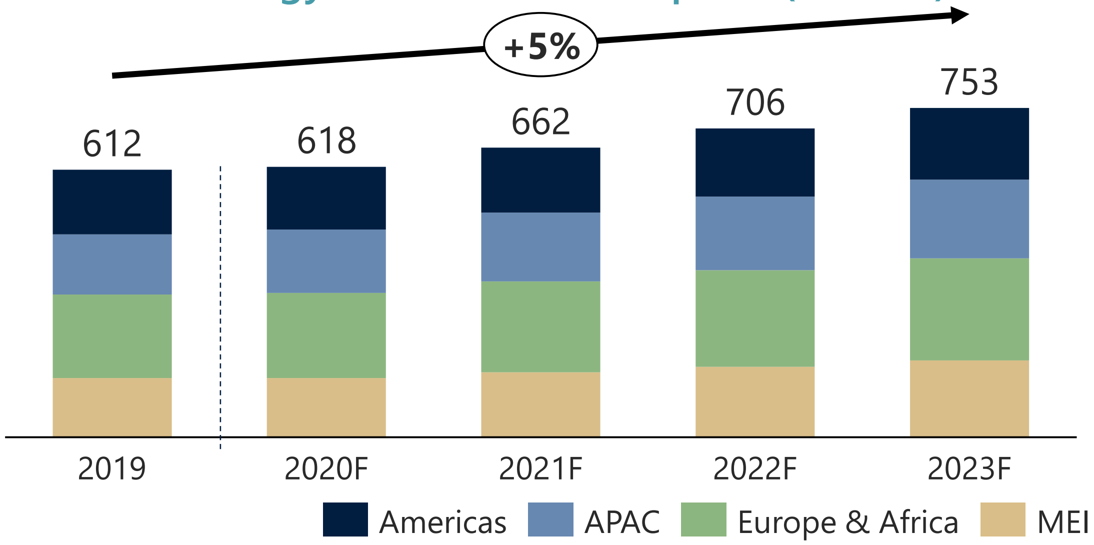
FUGRO

Sustainable growth in infrastructure markets

Global infrastructure market

- Expenditure for construction services continues to grow in medium/longer term
- Slightly reduced growth outlook in 2020, no prolonged impact expected

Onshore energy & infrastructure spend (US$ bn)[1]



Growth drivers

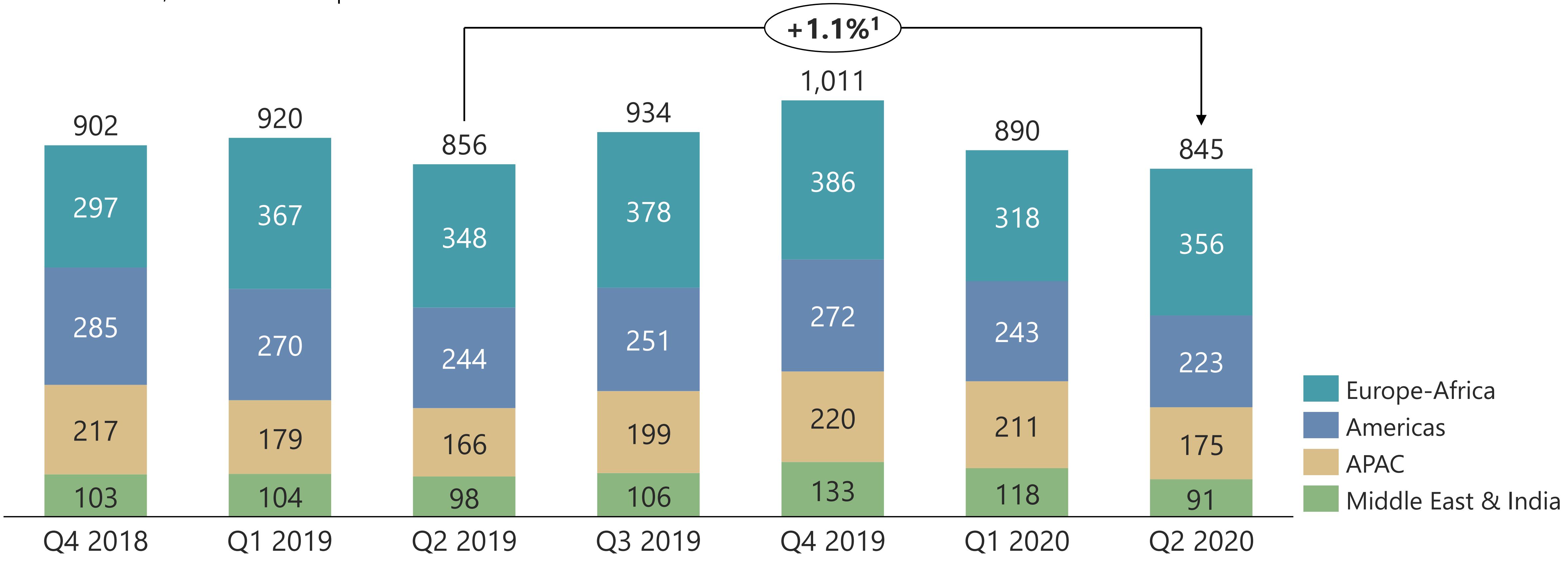
Economic growth	Negative GDP growth 2020, with strong recovery in 2021
Major infrastructure developments	Government incentives announced to support infrastructure developments
Covid 19	Lowered short term growth outlook
Urbanisation	Continued global trend requiring multiple investments in infrastructure, energy and water

1. Source: Global Data Construction Intelligence Centre (CIC), Capex/opex for construction services in oil & gas, electricity & power, rail, road and other infrastructure, excl. China.

Growth 12-month backlog

Backlog increase in Europe-Africa and Asia Pacific

X EUR million, from continued operations



1 Corrected for currency effect

Outlook

- Visibility has improved, even though it is impossible to forecast magnitude and duration of the pandemic
- Offshore wind anticipated to show continued growth
- Infrastructure and nautical markets strongly dependent on governmental budgets; expected to benefit from numerous incentive programs as of 2021
- Oil & gas market expected to remain volatile during remainder of 2020 and likely into 2021

- Outlook 2020, assuming no material impact from additional Covid-19 developments
  - H2 EBIT(DA) expected to improve compared to H1
  - For the full year, Fugro expects positive free cash flow

Management agenda

- Preserve health and wellbeing of our employees and other stakeholders
- Ongoing implementation of cost & capex reduction program to protect liquidity and profitability
- Complete turnaround of underperforming land business
- Ensure refinancing
- Divest non-core interest in Seabed Geosolutions

Q&A