

# Press Release

Continued growth across the globe

Revenue Q2 2012 up by 40% , Ebit Q2 2012 up by 31%

Amsterdam, 17 August 2012

## Key points Q2 2012

- Revenue up 40% to € 303 million and gross profit up by 21% to € 53 million
- Gross margin at 17.4%, down from 20% as a result of changed revenue mix and fewer working days
- Operational costs continue to decrease as percentage of revenue
- One-off costs in respect of prior year operational taxes included in Ebit of € 0.9 million
- Ebit up 31% to € 16 million

## Brunel International (unaudited)

in € million

	Q2 2012	Q2 2011	Change %	H1 2012	H1 2011	Change %
Revenue	303.4	217.3	40%	593.8	444.7	34%
Gross Profit	52.7	43.5	21%	110.1	89.9	22%
Gross margin	17.4%	20.0%		18.5%	20.2%	
Ebit	15.6	11.9	31%	38.0	27.7	37%
Ebit %	5.1%	5.4%		6.4%	6.2%	

## Q2 2012 results

### Revenue

Brunel realised Q2 revenue of € 303 million, an increase of 40% compared to 2011. The majority of this increase is generated by the revenue increase of Oil & Gas (+57%) as a result of increased offshore projects revenue in Australia. Traditional Energy business increased its revenue by 19% as well.

Despite the volatile economic development in Europe we have been able to grow in most segments we are active in. Both in Germany (+19%) as well as in The Netherlands (+3%) we were able to continue revenue growth.

Due to varying growth rates, the revenue mix has changed. The share of the Energy revenue in the total revenue has increased from 62% in Q2 2011 to 70% this year. As a result of the weakening Euro against especially the American and Australian dollar 7% of the revenue increase in H1 is attributable to currency fluctuations.

#### *Gross Profit*

Q2 2012 gross profit amounts to € 53 million, an increase of 21% compared to 2011. The gross margin is 17.4% which is down 2.6 ppt compared to last year. The decrease in gross margin is largely caused by the increased share of Energy revenue and to a lesser extent by 1 working day less in Q2 2012 versus Q2 2011.

#### *Operating Costs*

The Q2 operating costs amount to € 37 million, up 17% compared to Q2 2011. The increase is mainly attributable to the increased number of commercial, recruitment and business support employees in the operating entities.

#### *One-off costs*

In Q2 2012 one-off costs in respect of prior years operational tax adjustments have been incurred amounting to € 1.5 million. The effect on Ebit amounts to € 0.9 million and € 0.6 million relates to interest expense.

#### *EBIT*

Q2 EBIT increased by 31% to € 16 million.

Jan Arie van Barneveld, CEO of Brunel International: *"I am pleased to note that all our divisions continue to excel in uncertain economic conditions. Positive developments in the Australian offshore projects were expected but have again exceeded our expectations. The traditional Energy business is clearly benefitting from the increased investment activities in the Oil & Gas industry and further revenue growth was realised by all regions we operate in. In Europe we also realised growth, despite economic headwind, primarily due to our strong commercial organisation that achieved growth both with existing as well as new customers."*

## Q2 2012 results by division

### Brunel Netherlands

in € million	Q2 2012	Q2 2011	Change %	H1 2012	H1 2011	Change %
Revenue	40.0	38.7	3%	82.6	76.5	8%
Gross Profit	12.8	12.6	1%	27.6	25.3	9%
Gross margin	31.9%	32.6%		33.5%	33.0%	
Ebit	3.9	3.5	12%	10.0	7.5	33%
Ebit %	9.7%	9.0%		12.1%	9.8%	

#### Revenue

Revenue in Q2 2012 has benefited from the increase in direct headcount (+8%) but, due to a small decrease on the average rates and the fact that this year's Q2 had one workable day less, the actual revenue increase in Q2 2011 is limited to +3%. Revenue H1 2012 is up 8% compared to H1 2011. The increase in the number of direct employees has largely been realised by Engineering and in the segment Insurance & Banking. The market conditions in IT remain challenging.

#### Gross profit

Year-on-year Q2 gross profit increased by 1%, which is slightly less than the increase in revenue. The slightly lower gross margin is directly related to the lower (-1) number of workable days in Q2 2012 compared to Q2 2011. The earlier mentioned lower rates are not effecting the gross margin due to an equal decline of new fee earners salary levels.

#### Operational Costs

The operational costs in Q2 2012 of € 9 million are of the same level as in Q1 2012 and slightly lower versus Q2 2011. Operational costs as a percentage of revenue decreased from 24% in Q2 2011 to 22% in Q2 this year.

#### EBIT

As a result of the small increase in gross profit and lower overhead costs the Ebit in Q2 2012 is up 12% compared to the same period in 2011.

## Brunel Germany

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in € million	Q2 2012	Q2 2011	Change %	H1 2012	H1 2011	Change %
Revenue	43.5	36.5	<b>19%</b>	87.5	71.9	<b>22%</b>
Gross Profit	14.6	13.1	<b>11%</b>	32.1	27.3	<b>18%</b>
Gross margin	33.6%	35.8%		36.7%	38.0%	
Ebit	3.6	3.9	<b>-8%</b>	10.7	9.4	<b>14%</b>
Ebit %	8.3%	10.7%		12.2%	13.1%	

### *Revenue*

In Q2 2012 Brunel Germany increased its revenue compared to the same period in 2011, both in the quarter (+19%) as well as for H1 (+22%). This increase is fully attributable to the increase in the average number of direct employees. The number of fee earning employees continued to grow. Direct headcount increased from 1,896 at the end of Q1 to 2,036 at the end of the second quarter of this year.

The largest contributing sectors are the Automotive and Mechanical engineering segments which attributed 70% of the growth in the first half of this year. Growth is realised by almost all of our branches and in addition further growth in our customer base has been realised, providing an excellent position for the future.

### *Gross Profit*

The gross profit increase in Q2 2012, compared to last year, is 11% which is slightly less than the revenue increase. The main reason is that Q2 2012 has one less working day less compared to the same period in 2011.

### *Operational Costs*

Q2 2012 operational costs are up 20% in comparison to the same period last year. This increase is fully attributable to the costs related to the increase of the commercial organisation. The average number of indirect staff in H1 2012 is up 24% compared to H1 2011.

### *EBIT*

EBIT in Q2 2012 is 8% less than realised in 2011 as a result of the lower margin, caused by 1 less working day and the increased overhead costs. When corrected for the impact of the one less working day effect, the Ebit increase amounts to +13%.

H1 2012 EBIT is up 14% compared to the same period last year.

**Brunel Europe Other (Belgium, Austria, Poland and Denmark )**

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in € million	Q2 2012	Q2 2011	Change %	H1 2012	H1 2011	Change %
Revenue	8.3	7.7	8%	16.5	14.9	10%
Gross Profit	1.7	1.7	2%	3.7	3.4	10%
Gross margin	20.6%	21.9%		22.8%	22.4%	
Ebit	-0.2	0.0		-0.1	0.0	
Ebit %	-0.2%	0%		4.0%	0%	

*Revenue*

Brunel Belgium and Brunel Austria are the main revenue contributors to Europe Other and account for over 90% of the Q1 and H1 revenue. The market conditions in Belgium remain difficult, especially in the banking segment where a large share of its business is generated. Both Q2 and H1 2012 revenue are down 5% compared to the same periods in 2011.

Brunel Austria develops well with a H1 revenue increase of 65% compared to last year.

A new office has been opened in Zurich, Switzerland, and we expect first placement of fee earners in Q3 2012.

*Gross profit*

Gross profit in Q2 is almost equal to last year also influenced by 1 working day less this year.

*Operating Costs*

The operating costs are up in all entities to facilitate growth.

*EBIT*

In line with expectation a small loss is incurred in the first half of this year. We anticipate to reach break even level this year.

## Brunel Oil & Gas

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in € million	Q2 2012	Q2 2011	Change %	H1 2012	H1 2011	Change %
Revenue	212.0	134.9	<b>57%</b>	407.8	282.1	<b>45%</b>
Gross Profit	23.6	16.2	<b>46%</b>	46.6	34.0	<b>37%</b>
Gross margin	11.1%	12.0%		11.4%	12.1%	
Ebit	10.5	5.3	<b>97%</b>	21.0	12.0	<b>75%</b>
Ebit %	4.9%	3.9%		5.1%	4.2%	

### *Revenue*

Brunel Oil & Gas realised a revenue of € 212 million in Q2 2012, the division's highest ever quarterly revenue.

Compared to the Q2 2011 revenue in Q2 2012 increased by € 77 million or 57%. The main developments driving this growth are the increased project revenue on the large offshore projects in Australia and continued growth in the regions South East Asia and the America's. Currency effect accounts for some € 15 million (+11%) of the increase.

The main projects driving the offshore revenue in the first half of this year are Kipper Tuna, Gorgon, North Rankin Bay (NRB), Montara and Domgas. The Montara project as well as the NRB project have been completed in the second quarter of this year. The total revenue generated from these projects in H1 2012 amount to € 131 million.

### *Gross profit*

Gross profit increased in line with revenue growth by 46%. Gross margins achieved in both the Energy segment as well as with the Offshore projects are up compared to 2011 but total gross margin is slightly down resulting from the increased proportion of the offshore project revenue.

### *Operational Costs*

Operational expenses amounted to € 13 million in Q2 which is 20% up compared to the same period last year. This increase is explained by the earlier mentioned one-off tax claim but also for some € 0.5 million by the establishment of the Global recruitment Centre in Manchester as well as a currency effect of € 0.5 million.

Despite the cost increases, overhead costs as a percentage of revenue have decreased from 7% in H1 2011 to just over 6% in H1 2012.

### **EBIT**

At € 10.5 million Q2 2012 EBIT has almost doubled the Ebit achieved in the same period last year. The increase realised, when comparing H1 2012 with H1 2011 is 75%, +€ 9 million. The EBIT margin improved both for Q2 as well as for H1 with 1 ppt to 5%.

### **Effective tax rate**

The effective tax rate of 33.4% for H1 2012 is slightly higher than in the same period last year (32.4%) due to higher than average profitable growth in countries with high effective tax rates (e.g. USA) and higher share in results from countries with minimum tax regimes (e.g. Angola and Iraq).

### **Cash position**

The cash position at the end of June 2012 is € 10 million higher compared with June 2011 despite the investment in working capital resulting from the higher revenue level.

### **Risk profile**

Reference is made to our 2011 Annual Report (pages 24 – 28). Reassessment of earlier identified risks and the potential impact on occurrence has resulted in not requiring changes in our Internal Risk management and Control systems.

### **Outlook for 2012**

We do not expect the European markets to improve this year but we remain positive that further growth for Brunel will be realised during the remainder of 2012, although at a lower pace.

As indicated earlier we do envisage for the remainder of this year a reduced activity level in the Australian offshore market with the KipperTuna project nearing completion but with the upcoming secured work for the Wheatstone and Ichthys projects and several other upcoming prospects we expect higher activity level in 2013.

Based on the current performance and the aforementioned developments we increase our expectations for the full year 2012 to a revenue increase of at least 15%.

### **Interview with J.A. van Barneveld on the website**

A recorded interview in which Jan Arie van Barneveld provides comments in relation to this press release is available on [www.brunel.net](http://www.brunel.net).

Not for publication

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Brunel International N.V. is an international service provider specialising in the flexible deployment of knowledge and capacity in the fields of Engineering, Oil & Gas, Aerospace, Automotive, ICT, Finance, Legal and Insurance & Banking. Services are provided in the form of Project Management, Secondment and Consultancy. Incorporated in 1975, Brunel has since become a global company with some 10,000 employees and an annual revenue of € 980 million (2011). The company is listed at Euronext Amsterdam N.V. For more information on Brunel International visit our website [www.brunel.net](http://www.brunel.net).

### **Financial Calendar**

November 2, 2012      Trading update for the third quarter 2012

Certain statements in this document concern prognoses about the future financial condition and the results of operations of Brunel International NV as well as plans and objectives. Obviously, such prognoses involve risks and a degree of uncertainty since they concern future events and depend on circumstances that will apply then. Many factors may contribute to the actual results and developments differing from the prognoses made in this document. These factors include general economic conditions, a shortage on the job market, changes in the demand for (flexible) personnel, changes in employment legislation, future currency and interest fluctuations, future takeovers, acquisitions and disposals and the rate of technological developments. These prognoses therefore apply only on the date on which the document was compiled.



**Appendix to the press release 17 August 2012**  
**Interim figures 1<sup>st</sup> half 2012**

***Financial Highlights***  
***for the period ended 30 June (unaudited)***

(X € 1,000)	<b>2012 H1</b>	<b>2011 H1</b>	<b>%</b>
Revenue	593,808	444,693	33.5%
Gross profit	110,103	89,932	22.4%
Operating profit (ebit)	37,954	27,652	37.3%
Result after tax	25,218	18,967	33.0%
Minority interest	-167	-105	
Net income	25,051	18,862	32.8%
Gross profit as % of Revenue	18.5%	20.2%	-1.7
Net result as % of Revenue	4.2%	4.2%	0.0

**Workforce**

Direct employees (average)	9,412	7,843	20.0%
Indirect employees (average)	1,327	1,170	13.4%
<b>Total</b>	<b>10,739</b>	<b>9,013</b>	<b>19.2%</b>
Direct employees (period end)	9,903	8,180	21.1%
Indirect employees (period end)	1,325	1,194	11.0%
<b>Total</b>	<b>11,228</b>	<b>9,374</b>	<b>19.8%</b>

**Earnings per share (in euros)**

Earnings per share for ordinary shareholders	1.06	0.81
Diluted earnings per share	1.04	0.80
Weighted average number of ordinary shares for the purpose of basic earnings per share	23,675,687	23,388,812
Weighted average number of ordinary shares for the purpose of diluted earnings per share	24,085,437	23,600,312

**Condensed consolidated income statement  
for the period ended 30 June (unaudited)**

(X € 1,000)	<b>2012 H1</b>	<b>2011 H1</b>
Revenue	593,808	444,693
Direct personnel expenses	483,705	354,761
<b>Gross profit</b>	<b>110,103</b>	<b>89,932</b>
Indirect personnel expenses	47,425	39,924
Depreciation	1,944	1,765
Other general and administrative expenses	22,780	20,591
<b>Total operating costs</b>	<b>72,149</b>	<b>62,280</b>
<b>Operating profit</b>	<b>37,954</b>	<b>27,652</b>
Financial income and expense	-92	397
<b>Result before tax</b>	<b>37,862</b>	<b>28,049</b>
Tax	12,644	9,082
<b>Net income</b>	<b>25,218</b>	<b>18,967</b>
 <b><u>Attributable to :</u></b>		
Net income for ordinary shareholders	25,051	18,862
Minority interests	167	105
<b>Net income</b>	<b>25,218</b>	<b>18,967</b>

**Condensed consolidated statement of comprehensive income  
for the period ended 30 June (unaudited)**

(X € 1,000)	<b>2012 H1</b>	<b>2011 H1</b>
<b>Net income</b>	<b>25,218</b>	<b>18,967</b>
<b>Other comprehensive income</b>	<hr/>	<hr/>
Exchange differences arising on translation of foreign operations	4,035	-7,101
Income tax relating to components of other comprehensive income	<hr/> -219	<hr/> 328
Other comprehensive income (net of tax)	<hr/> 3,816	<hr/> -6,773
<b>Total comprehensive income</b>	<hr/> <b>29,034</b> <hr/>	<hr/> <b>12,194</b> <hr/>
<b><u>Attributable to:</u></b>		
Ordinary shareholders	28,856	12,108
Minority interests	<hr/> 178	<hr/> 86
<b>Total comprehensive income</b>	<hr/> <b>29,034</b> <hr/>	<hr/> <b>12,194</b> <hr/>

**Condensed consolidated balance sheet (unaudited)**

(X € 1,000)	2012 June 30	2011 December 31
<b>Fixed assets</b>		
Goodwill	7,027	7,003
Other intangible assets	10,603	8,789
Property, plant and equipment	8,757	8,719
Deferred income tax assets	7,734	5,712
	34,121	30,223
<b>Current assets</b>		
Trade and other receivables	271,309	260,995
Income tax receivables	11,611	11,483
Cash	66,048	86,034
Total current assets	348,968	358,512
Current liabilities	120,040	135,329
Income tax payables	12,764	15,525
Total current liabilities	132,804	150,854
<b>Working capital</b>	<b>216,164</b>	<b>207,658</b>
<b>Non-current liabilities</b>		
Deferred income tax liabilities	1,460	1,263
	248,825	236,618
<b>Group equity</b>		
Shareholders' equity	248,559	236,424
Minority interest	266	194
	248,825	236,618
<b>Balance sheet total</b>	<b>383,089</b>	<b>388,735</b>
<b><u>Other balance sheet items / key figures</u></b>		
Current assets / current liabilities	2.63	2.38
Shareholders' equity / Balance sheet Total	64.9%	60.8%
Issued ordinary shares (x 1,000)	23,820	23,531

**Condensed consolidated statement of changes in shareholders' equity (unaudited)**

	2012			2011		
	Shareholders' equity	Minority Interest	Group equity	Shareholders' equity	Minority Interest	Group equity
<b>Balance at 1 January</b>	<b>236,424</b>	<b>194</b>	<b>236,618</b>	<b>201,965</b>	<b>229</b>	<b>202,194</b>
Net income	25,051	167	25,218	18,862	105	18,967
Exchange differences arising on translation of foreign operations	4,024	11	4,035	-7,082	-19	-7,101
Income tax relating to components of other comprehensive income	-219		-219	328		328
Total comprehensive income	28,856	178	29,034	12,108	86	12,194
Cash dividend	-21,412	-106	-21,518	-18,816	-195	-19,011
Appropriation of result						
Share based payments	1,123		1,123	645		645
Option rights exercised	3,568		3,568	5,142		5,142
Issue of share capital						
<b>Balance at 30 June</b>	<b>248,559</b>	<b>266</b>	<b>248,825</b>	<b>201,044</b>	<b>120</b>	<b>201,164</b>

**Condensed consolidated cash flow statement  
for the period ended 30 June (unaudited)**

(X € 1,000)	<b>2012</b>	<b>2011</b>
	<b>H1</b>	<b>H1</b>
Result before tax	37,862	28,049
<b>Adjustments for:</b>		
Depreciation	1,944	1,765
Interest received	61	-345
Other non-cash expense	97	213
Share based payments	1,123	645
<b>Changes in:</b>		
Receivables	-11,172	-19,695
Current liabilities	<u>-12,171</u>	<u>12,109</u>
Cash flow from operations	17,744	22,741
Taxes	-17,518	-11,353
<b>Cash flow from operational activities</b>	<b>226</b>	<b>11,388</b>
Additions to property, plant and equipment	-3,718	-3,324
Disposals of property, plant and equipment	8	18
Interest received	-61	345
<b>Cash flow from investments</b>	<b>-3,771</b>	<b>-2,961</b>
Issue of new shares	3,568	5,142
Acquisition Minority interest		-195
Dividend Minority interest	-106	
Dividend	-21,412	-18,816
<b>Cash flow from financial operations</b>	<b>-17,950</b>	<b>-13,869</b>
<b>Net cash flow</b>	<b>-21,495</b>	<b>-5,442</b>
Cash position at start of financial period	86,034	63,924
Net cash flow	-21,495	-5,442
Exchange rate fluctuations	1,509	-2,112
<b>Cash position at end of financial period</b>	<b>66,048</b>	<b>56,370</b>

**Notes to the condensed consolidated financial statements  
for the period ended 30 June (unaudited)**

***Basis of preparation***

The condensed financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

***Significant accounting policies***

The condensed financial statements have been prepared under the historical cost convention. The same accounting policies, presentation and methods of computation have been followed in these condensed financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 December 2011.

***Seasonality***

The Group's activities are only marginally affected by seasonal patterns.

***Income tax charge***

H1 2012 income tax is accrued based on the estimated average annual effective income tax rate of 33.4% (period ended 30 June 2011: 32.4%)

***Share capital***

The authorised share capital is € 5,000,000, divided into one priority share with a nominal value of € 10,000 and 99.8 million ordinary shares with a nominal value of € 0.05. The subscribed capital consists of 23,820,062 ordinary shares.

Number of shares issued as at December 31, 2011	23,531,312
Shares issued in period ended June 30, 2012	288,750
Number of shares issued as at June 30, 2012	<u>23,820,062</u>

***Dividend***

During H1 2012, a dividend of € 0.90 (2011: € 0.80) was paid to the shareholders.

***Earnings per share***

The calculation of the basic and diluted earnings per share is based on the following data:

<b>Number of shares</b>	<b>2012</b>	<b>2011</b>
Weighted average number of ordinary shares for the purpose of basic earnings per share per January 1	23,675,687	23,388,812
Effect of dilutive potential ordinary shares from share based payments	409,750	211,500
Weighted average number of ordinary shares for the purpose of diluted earnings per share per June 30	24,085,437	23,600,312

***Approval of H1 2012 financial statements***

The H1 2012 financial statements were approved by the Board of Directors on August 16, 2012.



### Segment reporting (unaudited)

#### Geographical

	Revenue		Operating profit		Total Assets	
	2012	2011	2012	2011	2012	2011
	H1	H1	H1	H1	H1	H1
(X € 1,000)						
Worldwide Oil & Gas	407,758	282,071	20,974	11,965	251,725	185,464
Germany	87,489	71,851	10,682	9,380	52,665	41,493
Netherlands	82,597	76,529	9,959	7,481	54,805	60,297
Other Europe	16,473	14,947	-88	23	23,894	9,829
Unallocated	-509	-705	-3,573	-1,197		
	<b>593,808</b>	<b>444,693</b>	<b>37,954</b>	<b>27,652</b>	<b>383,089</b>	<b>297,083</b>

\* Included in Worldwide Oil & Gas revenue is € 3.6 mln (H1 2011: € 4.6 mln) revenue generated in The Netherlands

#### Employees

The total number of direct and indirect employees with the group companies is set out below:

#### Average workforce

	2012		2011	
	H1		H1	
	Direct	Indirect	Direct	Indirect
Worldwide Oil & Gas	5,330	524	4,313	488
Netherlands	1,791	332	1,610	310
Germany	1,917	371	1,567	300
Other Europe	374	100	353	72
	<b>9,412</b>	<b>1,327</b>	<b>7,843</b>	<b>1,170</b>
<b>Total workforce</b>	<b>10,739</b>		<b>9,013</b>	

#### Workforce at 30 June

	2012		2011	
	Direct	Indirect	Direct	Indirect
	Worldwide Oil & Gas	5,656	520	4,429
Netherlands	1,820	323	1,681	325
Germany	2,036	382	1,681	305
Other Europe	391	100	389	72
	<b>9,903</b>	<b>1,325</b>	<b>8,180</b>	<b>1,194</b>
<b>Total workforce</b>	<b>11,228</b>		<b>9,374</b>	

**Segment reporting (unaudited)**

Professional specialisation (X € 1,000)	Revenue		Operating profit	
	2012	2011	2012	2011
	H1	H1	H1	H1
Worldwide Oil & Gas	407,758	282,071	20,974	11,965
Engineering	140,220	120,585	17,282	15,585
ICT	24,803	26,095	1,835	2,167
Unallocated	21,027	15,942	-2,137	-2,065
	<b>593,808</b>	<b>444,693</b>	<b>37,954</b>	<b>27,652</b>

**Employees**

The total number of direct and indirect employees with the group companies is set out below:

**Average workforce**

	2012		2011	
	H1		H1	
	Direct	Indirect	Direct	Indirect
Worldwide Oil & Gas	5,330	524	4,313	488
Engineering	3,089	549	2,611	448
ICT	529	78	552	76
Unallocated	464	176	367	158
	<b>9,412</b>	<b>1,327</b>	<b>7,843</b>	<b>1,170</b>
<b>Total workforce</b>	<b>10,739</b>		<b>9,013</b>	

**Workforce at 30 June**

	2012		2011	
	Direct	Indirect	Direct	Indirect
Worldwide Oil & Gas	5,656	520	4,429	492
Engineering	3,221	558	2,778	463
ICT	536	74	572	77
Unallocated	490	173	401	162
	<b>9,903</b>	<b>1,325</b>	<b>8,180</b>	<b>1,194</b>
<b>Total workforce</b>	<b>11,228</b>		<b>9,374</b>	