SPIE 2016 Investor Day – Focus on SPIE Nederland
December 6th, 2016

SPIE, sharing a vision for the future
Today’s agenda

10:30 – 11:00  Registration & Coffee

11:00 – 11:15  Welcome and Introduction
               Gauthier Louette
               Chairman & CEO
               SPIE

11:15 – 12:00  SPIE Nederland Highlights
               Lei Ummels
               Managing Director
               SPIE Nederland

12:00 – 12:45  Finance
               Stephan Anzenhofer
               Chief Financial Officer
               SPIE Nederland

12:45 – 13:05  Q&A

13:05 – 14:05  Lunch over presentations
               Jan Arends – Infra
               Marco Feijen – e-fficient buildings
               SPIE Nederland

14:05 – 14:50  Focus on Industry services
               Eugène de Roodt
               Head of Industry services Division
               SPIE Nederland

14:50 – 15:05  Q&A

15:00 – 16:30  Port of Rotterdam boat tour

16:30

End of day
Transfer to airport & railway station
Introduction
**SPIE Nederland within SPIE**

**SPIE Nederland: the largest geography in the North-Western Europe segment…**

<table>
<thead>
<tr>
<th>Percentage</th>
<th>North-Western Europe Segment</th>
<th>SPIE Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>38%</td>
<td>9%</td>
</tr>
<tr>
<td>EBITA</td>
<td>48%</td>
<td>8%</td>
</tr>
<tr>
<td>Employees</td>
<td>37%</td>
<td>9%</td>
</tr>
</tbody>
</table>

2015 figures

…and the 3rd largest in the SPIE Group

<table>
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</table>
We built a leading Dutch player in 10 years

Entry in the Netherlands through a 1st acquisition

2006: #11 On the market

2006/2015:
- Revenue \( \times 3.9 \)
- EBITA margin \( \times 2.2 \)
- EBITA \( \times 8.6 \)

...by relentlessly implementing the SPIE model

2015:
- #2 On the market

Growth
- Total growth

Margins
- Operational Discipline
- Cash Conversion

Cash
- Dividends
- Deleveraging
- Bolt-on acquisitions

SPIE Nederland highlights
Key Figures (1/2)

2006:
- €127 m Revenue
- 2.7% EBITA margin
- 980 Employees
- 8 Local offices

2015:
- €501 m Revenue
- 5.8% EBITA margin
- 3,400 Employees
- 25 Local offices
Key Figures (2/2)

A balanced activity portfolio...

- Technical Facility Management: 38%
- Mechanical and Electrical Services: 31%
- Information & Communications Technology Services: 31%

...operated through 3 divisions...

- Industry Services: 43%
- Infra: 27%
- Efficient Buildings: 30%

...and focused on asset support

- New facilities: 7%
- Asset support: 93%

(2015 revenue)
#2 player on the Dutch market...

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Market share</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>Engie (Cofely Nederland)</td>
<td>9%</td>
</tr>
<tr>
<td>#2</td>
<td>SPIE</td>
<td>5%</td>
</tr>
<tr>
<td>#3</td>
<td>TBI</td>
<td>4%</td>
</tr>
<tr>
<td>#4</td>
<td>Stork</td>
<td>4%</td>
</tr>
<tr>
<td>#5</td>
<td>Heijmans</td>
<td>4%</td>
</tr>
<tr>
<td>#6</td>
<td>Vinci Energies</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>All others</td>
<td>71%</td>
</tr>
</tbody>
</table>

Top 6 players: c.30% cumulative market share (2015)
... combining fast growth and high margin

Source: latest publicly available information
Revenue has quadrupled between 2006 and 2015

- Significant growth from acquisitions
- Organic growth: c.2% p.a. on average
- Backdrop: market decline between 2008 and 2010
- Benefits from diversified activity mix and flexible workforce
- Market shares gains
13 bolt-on acquisitions since 2007

- Targeted acquisitions:
  - Activity: Hofman + Jansen Venneboer = leader in technical wet infra
  - Geography: Alewijnse in central Nederland
- All financed by SPIE Nederland’s free cash flow
- Fragmented market with significant potential for consolidation

> €400 m
Revenue acquired 2007-2016
(o/w €50 m in 2016)

5.1x
Average EBITA multiple

€112 m
Total cash spent
Case study: acquisition of Gebr. Van Der Donk in 2012

SOURCING & EVALUATION
- Identification of the opportunity: a VD Donk manager approached us
- Seller looking to retire
- Strategic rationale: new activity (glass fiber) for SPIE Nederland, in a growing market
- Healthy business (> 5% margin)

EXECUTION
- Green light from Group acquisition committee
- Process lead jointly by local team and central M&A team
- Integration manager involved in due diligences
- SPIE was the only trade buyer; chosen despite a lower bid
- Multiple < 4x EBITA

INTEGRATION
- Dedicated integration manager
- Controlled transition into SPIE accounting and reporting system – plugged within 2 to 3 months
- All central departments involved (IT, HR, Finance, Legal)
- Smooth and well-prepared integration = no business disruption
EBITA margin has doubled between 2006 and 2015

- Diversification of service portfolio and move up towards high-value added activities
- Operational excellence, use of flexible cost structure
- Network densification
- Constant innovation and re-engineering of processes
- Project managers incentivised on margin, cash and safety

EBITA margin \( \times 2.2 \)

EBITA \( \times 8.6 \)
Focus on quality and high value-added services

Concentrate on higher-margin, mission-critical activities

Increased share of revenue from higher-margin activities

2006
- Infra: 27%
- Industry + Building: 73%

2015
- Infra + ICS: 50%
- Industry + Building: 50%

Increased share of technicians and supervisory staff

2006
- Technicians, supervisors, managers: 36%
- Workers: 64%

2015
- Technicians, supervisors, Managers: 47%
- Workers: 53%

SPIE NL revenue breakdown

SPIE NL workforce breakdown

Margin increase driver
Strong local presence, densified over time

SPIE Nederland local offices:
- 8 in 2006
- 12 in 2010
- 25 in 2015

The benefits of network densification:

✓ Better proximity with customers
✓ Quicker on-site response
✓ Geographic coverage = capability to serve client’s multi-locations
✓ Favours cross-selling
✓ Lower competitive intensity
✓ Lower travelling time = cost savings
✓ Better fixed costs absorption

Margin increase driver
Efficient risk management

### Keep projects size low
- Low order size: €35 k on average
- Core business only
- Strict contract approval process before bidding stage:
  - Contract value:
    - Over €6 m: SPIE Group CEO
    - €3 m to €6 m: SPIE NL executive committee
    - Up to €3 m: Division tender board
  - Required approval:

### Control contract progress closely
- Monthly project reviews performed by controllers on the field
- Strong central financial control department
- Profit recognition and regular invoicing closely monitored

### Focus on cash conversion
- Cash conversion is a powerful operational control tool
- Daily cash reporting against 3-month rolling forecast
- 100% cash conversion: a key objective
Finance
Strong focus on cash conversion

In this context:

- A pillar of the SPIE model
- Ensures quality of earnings
- Operational risk control
- Key to self-funding of bolt-on acquisitions
- ‘No cash = no future’

From 2006 to 2015:

| Revenue: x3.9 | EBITA margin: x2.2 | EBITA: x8.6 |

Target:

- 100% cash conversion
- 108% cumulative over 2007-2015
Structurally negative working capital

SPIE NL working capital in €m:

Dec. 2007: > €20 m
Dec. 2008: 10.5
Dec. 2009: 5.3
Dec. 2010: -4.2
Dec. 2011: -6.0
Dec. 2012: -20.3
Dec. 2013: -15.5
Dec. 2014: -14.9
Dec. 2015: -15.2

Improvement over the period:

- 10 days of revenue
- 12 days of revenue
How we achieved it: by focusing on the whole customer cycle

ORDER
- Focus on quality clientele
- Formalize order systematically
- Try and obtain advance payment
- Tender Board assessment of contract cash profile

EXECUTION
- Quality of execution – customer satisfaction is key!
- Quick execution also reduces timeline
- Milestones definition
- As soon as finished, obtain client’s formal approval of the work

INVOICING
- Raise correct invoice the first time to avoid delays
- Send out invoice timely
- Strict payment terms – all deviations have to be approved by CEO/CFO

CASH COLLECTION
- Responsibility of the project manager, directly incentivised
- Near-100% conversion of invoices to cash

Reduced timeline, improved quality
Simple methods, but constant focus is the key

KPI: ‘Customer Financing’
‘Quest 4 Cash’ training

The quest for cash

Cash Matrix

<table>
<thead>
<tr>
<th>Facturatie-management</th>
<th>Betaling-management</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Hoe sneller, hoe beter</td>
<td>2) Hoe trager, hoe beter</td>
</tr>
<tr>
<td>3) Hoe eerder, hoe beter</td>
<td>4) Hoe later, hoe beter</td>
</tr>
</tbody>
</table>

Klanten | Leveranciers

Facturatie

Doel Realisatie

2012: € 308,4 mln.
2013: € 423,6 mln.

Doel 2014: € 253,4 mln. 54,4%
Realisatie 2013: 53,5%
Realisatie 2014: € 252,8 mln. 54,2%

Lijkt op target maar wel bij een productie die €14 miljoen hoger is! In plaats van verbeterde I/P van €3 miljoen, nu slechter met €11 miljoen!
Case study: optimisation of Hofman’s WC

A company acquired by SPIE Nederland in 2010

At acquisition time

- Positive WC: €1.3 m
- Net borrower

A year later

- WC turned negative, to €(2.1) m
- Net lender

How we achieved this:

- Focus on strict payment conditions
- Re-negotiation of contractual agreements
- Be sharper on collection

Leveraged on our 4-year expertise in training technical people on cash aspects
**Cost awareness**

**Use of our flexible cost base**
- 20%-25% of headcount is external
- Maintain flexibility level over time
- Implement flexibility in acquired companies

**Overhead control**
- Overhead load significantly reduced between 2007 and 2015
- Holding staff increased marginally compared to activity growth by a factor 4 over 2006-2015
- SPIE Nederland is a cost leader in the branch per Uneto-VNI (Dutch branch organisation)

**SPIE Nederland 2015 operating costs breakdown:**
- Personnel costs: 39%
- Temporary staff: 12%
- Subcontracting: 16%
- Materials: 21%
- Others: 12%

**‘Faalkosten’: a constant point of attention**
- Do things right the first time
- Minimise re-work
- Standardisation of financial processes

**Central purchasing department**
- Professional team of 10+
- Framework agreements cover 75% of purchases
- Increasing share of Europe-wide framework agreements
Future opportunities

IMPROVING MARKET TRENDS
✓ Infra/energy: strong investment programs
✓ Building Systems: growing parts, new concepts on the market

IMPROVING COMPETITIVE LANDSCAPE
✓ Better price discipline among major competitors

GOOD ACQUISITION PIPELINE
✓ Highly fragmented market
Infra Division
Infra Division within SPIE Nederland

Revenue

27% of SPIE NL

Employees

14% of SPIE NL

(2015 figures)
Infra Division markets

- Mobility 39% 160 FTE
  - Traffic & Transport
  - Bridges & Locks
- Energy 31% 148 FTE
  - Substations Transmission & Distribution
  - High Voltage lines
- Networks 30% 210 FTE
  - FTTX / FTTH
  - Mobile
Bridges & locks – Essential for the Netherlands
Infra Division acquisitions

2008
Aviobridge

2011
Bridges & Locks

2012
Fiber networks

2015
Bridges & Locks & Barriers
Water Management by National Government

Water Management Centre (WMC) of Rijkswaterstaat manages the national control of the drainage, water distribution and water levels

4 objectives:

• Dry feet; a safe Delta, protecting our country against flooding

• Availability of sufficient clean and fresh water

• The availability of reliable and useful information

• A sustainable living environment
Assets we maintain

Flood-prone area

Within dyke rings
- Below NAP: 26%
- Above NAP: 29%

Areas outside dyke rings: 3%
Areas threatened by flooding along the river Meuse: 1% (*)

*) Flood-prone area along the river Meuse, within the 0.75m contour.

Netherlands Environmental Assessment Agency
Past performance and audits

- Know-how
- Knowledge
- Past performance
- Financial strength
- Organisation
- Certificated
Most Valuable Economical Bid

- How it can go in the public market:

<table>
<thead>
<tr>
<th></th>
<th>SPIE</th>
<th>Competitor A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bid</td>
<td>€ 4,500,000</td>
<td>€ 2,990,000</td>
</tr>
<tr>
<td>Fictive</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality</td>
<td>€ -2,500,000</td>
<td>€ 425,000</td>
</tr>
<tr>
<td>CO2 5%</td>
<td>€ -225,000</td>
<td>€ -149,500</td>
</tr>
<tr>
<td>Winner</td>
<td>€ 1,775,000</td>
<td>€ 3,265,500</td>
</tr>
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</table>
e-fficient buildings
e-efficient buildings Division within SPIE Nederland

Revenue

30% of SPIE NL

Employees

34% of SPIE NL

(2015 figures)
Our targets

- Improvement of the energy-efficiency
- Create connected buildings
- Improvement of user comfort

### User comfort and resident services
- Electrical and HVAC-systems
- Building management systems
- Equipment maintenance
- Concierge services
- Lifts and moving walkways
- Access to high-speed networks
- Management of building areas

### Health and environment
- Cleaning and maintenance
- Sterilization
- Cold chain management
- Fluid distribution and management
- Water and waste treatment

### Safety and security
- Fire protection
- Video surveillance
- Access control

### Communications and other networks
- Data security
- IT infrastructure
- Telemedicine

### Energy-efficiency
- Energy-saving equipment
- Hyper vision and centralized technical solutions
- Monitoring energy consumption
KPN datacenter – First CO$_2$ negative datacenter with Tier IV certification in the Netherlands
Dutch Mountains - Interactive working and living environnement
Focus on Industry services
Industry services division within SPIE Nederland

Revenue

43% of SPIE NL

Employees

52% of SPIE NL

(2015 figures)
Sustainable industrial activities

Electro mechanical installations
- Electrical: substations, panels, cabinets, etc.
- Heating, ventilation and air conditioning
- Mechanical: piping, fabrication, rotating equipment, etc.

Industrial processes and automation
- Industrial power sources
- Industrial information systems
- Robotics
- Hydraulics and pneumatics
- Control and supervision

Industrial buildings
- Technical building management
- Communications and other networks
- Safety, security and standards compliance
- Industrial Facility Management

Energy efficiency
- Energy exchange, repair and storage
- Cogeneration and Renewable Energy
- Energy optimization for utilities and processes

TARGETS
- Optimization of industrial processes
- Maintain facilities
- Increase competitiveness
We offer the complete range from A to Z

NEW FACILITIES

Support & design  →  Engineering & contract management  →  Installation  →  Maintenance & services  →  Upgrading & modification  →  Replacement & de-commissioning

ASSET SUPPORT
Certificates essential for the business

**GENERAL**

- ISO 9001
- VGM Checklist
- OHSAS 18001
- Petrochemie
- ISO 14001
- CO2-Prestatieladder
- NEN 4400-1

**TECHNICAL**

- ISO 3834-2
- CPR 305/EN 1090
- PED mod. H/H1
- ASME ‘U’ Stamp
- BRL6000
- BORG
- BMI
- CvT
- cUL Certification
Our guiding principles

- Policy: only SAFE, HEALTHY ENVIRONMENT and RESPONSIBILITY work
- Nationally Integrated + certified management system According to SCC Petrochemical, OHSAS 18001, ISO 14001 and ISO 9001
- Our programs help identify preventive potential risks and to take action (eg. SHEQ focus)
Diversified end-markets

Manufacturing industry
- Manufacturing
- Animal and compound
- Feed
- Pharma
- Paper & Cardboard
- Nutrition
- Drink and wastewater
- Machinery

Heavy industry
- Energy
- Chemical
- Steel
- Oil & Gas
- Tank Terminals
- Storage and transportation
Strong local presence: proximity

Number of subsidiaries: 20

Manufacturing industry

Heavy industry
The customer

- DSM Sinochem Pharmaceuticals is the global leader in sustainable antibiotics, next generation statins and antifungals
- DSP develops, produces and sells raw materials, intermediates, active pharmaceutical ingredients and drug products
- Their location in Delft is the only antibiotics factory in Europe

The customer’s challenge

- Competing against low cost producers of (chemical) antibiotics in China
- Keeping knowledge and R&D in Europe
- Continuously lowering their unit production cost
Maintenance: DSM Sinochem (2/2)

SPIE’s solution

- Unique combination of engineering, maintenance and execution of small projects
- Integrated maintenance and operation organization
- Maintenance contract developed over the years from an hourly rate basis to a complete asset management contract

Outcome

- Successful partnership allowed the plant to continue operations. Otherwise it would have been closed in the beginning of 2000
- SPIE developed ‘F1 pit stop’ strategies to obtain maximum availability of the plant
- SPIE hired some DSM technical specialists to employ them on other chemical sites
- Social innovation was more important than technical innovation to lower the maintenance costs
- SPIE’s remuneration determined based on the plant’s output and the achievement of targeted savings

The route towards higher added value for maintenance contracts

- Added value / Risk level
- Tactical: do we do the things correct
- Operational
- Savings
- 15%
- 10%
- 5%
- Unit Rate Contract
- Performance Contract
- Asset Management Contract
Maintenance: Heineken

The customer

HEINEKEN is the number one brewer in Europe and the number three brewer in the world

The customer’s challenge

- Need technical maintenance solution for all Heineken distribution centers in the Netherlands, ensuring full reliability of the production process
- Sustainability, keep up with green agenda
- Cost efficiency

SPIE’s solution

- Preventive maintenance stops: fillings lines & conveyors
- Corrective Maintenance: All-round technicians planning & competence management, flex pool for corrective maintenance
- Maintenance engineering: development maintenance, reference plans of all filling lines
- Job Preparation: Support Technical department

Outcome

- Right skills on the right time and place: Flex partner in highly skilled all round corrective maintenance technicians
- Cost reduction: by flexible PM stops
- Increase availability & reliability of production facilities: by consistent and high quality preventive maintenance

One stop shopping: one SPIE approach
Innovation: Smart Industry
Innovation: Assets@YourDesk

Starts as an engineering tool:
- 3D scanning as built situation
- High quality engineering
- 3D model reviews
- 3D viewers for communication

Time & cost efficiency – Data collection
Innovation: **Assets@YourDesk**

Turn Around and Maintenance visualising tool for:

- 3D animations and visualisation of the plant
- 3D work preparation
- 3D task risk analysis
- 3D work permits
- 3D data collection for:
  - Predictive maintenance
  - Knowledge assurance

**Time & cost efficiency – Data collection**
Innovation: Drones

SPIE has an official license in The Netherlands to use drones for inspections and metering, including above the 120 meters official limit.
By using drones, SPIE inspections and measurements can be performed in a safe, reliable and cost effective manner.
Vision on engineering/inspection/maintenance

- Hard to reach places
- Thermal images
- Exact repetition possible
- Less manpower
- High detail photo/video images
- Reduce inspection time
- Safer
- Targeted inspection
- Less material
- Cost reduction
- Time & cost efficiency – Data collection
Virtual reality 3D glasses
Conclusion

SPIE Nederland Industry services division is a:

- Multi technical service provider
- Market leader in maintenance activities
- Innovator, to create value for our customers
- Recurring business partner because of our knowledge and data of customers assets