PRESS RELEASE

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NEW YEAR'S SPEECH 2012

The past year was quite turbulent. The final figures are not yet known but Fugro confirms that the earlier forecast of more than EUR 260 million net profit and about EUR 2.5 billion turnover will be achieved. About EUR 6 million from the EMGS shareholding comes on top of the aforementioned profit. The turnover increase of about 10% compared to 2010 comes from the growth in the Survey and Geoscience divisions. The turnover in Geotechnics will be about equal to 2010. This was reported by Mr. Wester, President, in his New Year's speech to the Fugro employees today.

If we look at what happened in the world in 2011, a few things stand out.

- the Arab spring: within one year a complete turnaround in the political power structures in Tunisia, Egypt and Libya. Such political unrest leads to postponement of projects in the countries concerned.
- the earthquake in Japan with a devastating tsunami. Besides many casualties and great damage it has led to a global reflection on the use of nuclear energy and changes in the related policies, as in Germany.
- increase in piracy in areas where our vessels are operating.
- the ongoing effects of the global financial crisis that started in 2008. It looks as if the measures that governments took, have had little effect and are now starting to boomerang, especially in the United States and Europe, which are facing huge deficits in public budgets. This led to fierce discussions about public funding in the United States and particularly in Europe, about the aid to Greece and the implications for the Euro.

The result is that the expected global economic recovery in early 2011 has not materialised. This has also affected our activities, though more indirectly. A significant difference for Fugro compared to the situation in 2008 is the fact that the oil price has remained relatively stable at around USD 90-100 per barrel (WTI) and has not dropped to USD 30-40 as at the end of 2008, with the result that investments in the oil and gas sector continued over the past year and even increased significantly.

For many years our strategy has been aiming to provide a good geographic spread of operations and a wide range of services to various clients. This is helping us under the present circumstances. Most of the activities depending on government spending such as infrastructure, construction, aerial mapping etc. are under pressure in the Old Economies, but are compensated by growth in upcoming regions such as Brazil, China (Hong Kong) and West Australia. New Economies exhibiting strong growth, like China and India, are holding up the demand for energy. This is reflected in the demand for oil and gas, but also in the growing demand for renewable energy such as offshore wind farms, in which we are involved.

In the previous year, these factors resulted in the following for Fugro:

After a difficult start for the Geotechnical division, especially for the offshore group, the rest of the year went well both for onshore and offshore activities.

The Survey division had again a strong year in traditional offshore survey work and during the year, the offshore construction related services recovered somewhat. A major part of government related geospatial work is under pressure, but on balance it made a positive contribution.

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In the Geoscience division, the Information Services business line did very well. The same goes for General Geophysical Surveys which showed a strong recovery after the difficult past few years. Most of the turnover of the division comes from marine seismic surveys. The course of events here, has been twofold. Continuous price pressure in the so-called contract work caused by the oversupply of vessels and also because the demand for seismic work in the Gulf of Mexico did not recover after the Macondo spill in 2010. In contrast, like last year, the so-called multi-client activities showed a strong performance. Also processing activities delivered a strong increase in profit and turnover.

In the past year, we have managed to keep broadening our base and securing the financial solidity of the company for the long term. The latter is thanks to the so-called private placement of more than USD 900 million. The loans have a maturity of 7-12 years. As well, the bank facilities of approximately EUR 775 million were extended for the next five years.

Despite difficult circumstances, organic growth in sales has occurred in 2011 and together with revenue from some major acquisitions, this forms a solid basis for the coming years. With respect to acquisitions, 2011 was a record year, with a total amount of about EUR 245 million. The larger acquisitions of TSMarine in the Survey Division and of De Regt Marine Cables, and at the end of the year of OBN (Ocean Bottom Nodes seismic exploration) in the Geoscience Division, resulted in a further expansion of our services. There was also room for further investments in expansion and renewal of our vessel fleet. Orders were placed for three (smaller) survey vessels, for, amongst other applications, work on offshore wind farms and for an ROV support vessel that will be built in Brazil to fulfil the increasing demand for ‘local content’ in this country.

We can conclude that the past year was not easy in a number of sectors and countries where we operate, but we still managed to lay the basis for further growth, including broadening our commercial offering.

Fugro celebrates its 50th anniversary this year and we will pay due attention, said Mr. Wester.

The new organisation structure with a Board of Management has been implemented.

Mr. Steenbakker, the chairman of the new board as of 1 January continued explaining the prospects.

Given what we know today, 2012 will continue to be an uncertain year with respect to the recovery of the world economy, the financial sector and the refinancing of government debt. Cost control and the efficient execution of projects remains a priority for Fugro.

With the recently issued permits for the Gulf of Mexico and increasing activity in the North Sea, a re-balancing of the global seismic fleet capacity is expected in the course of 2012, which may lead to better utilisation and possibly create room for price recovery in this sector.

In general the outlook for the oil and gas industry continues to be positive which is supported by a relatively stable oil price of around USD 100 per barrel. This price level is generally considered well above the threshold required to continue investing in the development of new fields, including in deep water.

With growing energy demand, mainly coming from emerging economies, and increasing depletion rates of existing fields, the industry is estimating 2012 investments of close to USD 600 billion for the development of new oil and gas fields. This is an increase of 10% relative to the actual 2011 investments. Investments in renewable energy (predominantly offshore wind farms) will continue to grow mainly driven by Europe, with Asia and the United States following. Fugro is in a good position to benefit from these investments.

This is supported by a number of recent awards for Fugro, like:

- the AUD 100 million subsea installation contract from Woodside Energy Limited
- a number of long term contracts with a total value of around USD 75 million for the provision of ROV and air diving services for Petrobras in Brazil
- Fugro has also been awarded a three-year survey and positioning contract from Oceaneering to support Oceaneering's contract with BP Angola. Fugro will perform all surface and subsea positioning tasks, including inspection surveys on board of two ROV vessels.

The activities related to the minerals market have shown growth in 2011 and it is expected that this will continue in 2012 as a result of demand for natural resources for energy, construction and manufacturing. However, this market may be more vulnerable as a result of potential economic stagnation. The market for infrastructure is amongst other things, dependent on government policies to implement budget cuts versus investing in employment, said Mr. Steenbakker.

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