

Press Release

Revenue growth full year 2012 of 26%
 Full Year EBIT of € 68 million, including exceptional items
 Proposed dividend € 1.00 per share (2011: € 0.90 per share)

Amsterdam, 1 March 2013

Key points Q4 2012

- Revenue up 7% to € 312 million.
- Gross margin at 16%, down from 19%.
- EBIT down by 56% to € 8.7 million.

Key points FY 2012

- Revenue up 26% to € 1,231 million and gross profit up by 14% to € 220 million.
- Gross margin at 18%, down from 20% last year.
- EBIT up 5% to € 67.9 million.
- Proposed dividend € 1.00 per share (2011: € 0.90 per share).

Brunel International (unaudited)

x € 1 million

	Q4 2012	Q4 2011	Change %	FY 2012	FY 2011	Change %
Revenue	311.6	291.0	7% *	1,230.6	979.9	26% **
Gross Profit	50.2	55.1	-9%	220.0	193.6	14%
Gross margin	16.1%	18.9%		17.9%	19.8%	
EBIT	8.7	20.1	-56%	67.9	64.4	5%
EBIT %	2.8%	6.9%		5.5%	6.6%	

* At constant currency 4%

** At constant currency 19%

Q4 2012 results

General

During 2012 year-end closing process we have been confronted with overstatements of revenue and cost of sales reported by local management of the American region. The overstatement for the full year amounted to revenue € 16.8 million and EBIT of € 9.7 million of which on EBIT-level € 6.2 million and € 3.5 million related to 2012 and 2011 respectively. The full amounts have been adjusted accordingly in the Q4 2012 results.

In total we have incurred during Q4 2012 and full year 2012 the following exceptional items.

x € 1 million	Q4 2012	Full year 2012
American region		
- of which relates to 2011	3.5	3.5
- of which relates to first three quarters of 2012	4.6	-
exceptional items		
- Germany	1.1	1.9
- Oil & Gas division	1.1	2.0
- Corporate	0.4	1.4

The exceptional items are further explained in the sections below of this press release.

Jan Arie van Barneveld, CEO of Brunel International: *“Brunel experienced a difficult quarter as a result of control issues and incidental costs. For me this is a disappointment. At the same time the business and the underlying trend of both revenue and profitability remained very good. There has been slight growth in The Netherlands. Our business in Germany and other European countries continued to grow strongly. According planning the Australian offshore projects activities decreased in Q4 and this has been more than offset by strong growth in the traditional Energy business. Despite all the issues Brunel’s business developed well.”*

Q4 2012 results by division

Brunel Netherlands (unaudited)

x € 1 million

	Q4 2012	Q4 2011	Change %	FY 2012	FY 2011	Change %
Revenue	40.6	41.5	-2%	161.9	156.2	4%
Gross Profit	13.4	14.2	-6%	53.9	52.6	2%
Gross margin	32.9%	34.1%		33.3%	33.7%	
EBIT	5.5	5.8	-6%	20.0	17.9	12%
EBIT %	13.5%	14.1%		12.4%	11.5%	

Revenue

Q4 2012 revenue amounts to € 40.6 million, down 2% compared to the same period last year which is mainly due to lower productivity. Q4 2012 revenue is down by € 0.9 million which is mainly the result of lower revenue generated by the business line IT. The market conditions in IT remain challenging.

FY 2012 revenue amounts to € 161.9 million, up 4% compared to last year. During 2012 Brunel Netherlands has continued to increase the number of fee earning employees. The average number of direct employees has increased with 8%. However, rates have been decreasing during 2012 and productivity in 2012 is lower than last year resulting in a full year growth of 4%.

Gross profit

Q4 2012 gross profit amounts to € 13.4 million, down 6% compared to last year. Gross margin in Q4 2012 has decreased with 1.2 ppt compared to the same period last year as a result of lower productivity and lower rates.

FY 2012 gross profit amounts to € 53.9 million, up 2% compared to last year. Gross margin in 2012 has decreased with 0.4 ppt compared to 2011. A decrease in actual gross margin was partly compensated by a changed revenue mix.

Operational Costs

The operational costs in FY 2012 amount to € 33.9 million, down 2% compared to last year. This is mainly due to lower staff costs as a result of lower salary levels of newly hired staff.

EBIT

As a result of the small increase in gross profit and lower overhead costs EBIT in 2012 is up 12% compared to 2011. EBIT% has increased with 0.9 ppt to 12.4%.

**Brunel Germany
(unaudited)**

x € 1 million

	Q4 2012	Q4 2011	Change %	FY 2012	FY 2011	Change %
Revenue	47.5	39.7	20%	183.7	152.3	21%
Gross Profit	16.4	15.6	5%	67.4	59.2	14%
Gross margin	34.5%	39.2%		36.7%	38.8%	
EBIT	4.1	5.4	-23%	22.0	21.6	2%
EBIT %	8.7%	13.6%		12.0%	14.2%	

Revenue

Brunel Germany has increased its revenue compared to the same period last year both in Q4 2012 (+20%) as well as in FY 2012 (+21%).

During 2012 Brunel Germany has continued to increase the number of fee earning employees. Direct headcount has increased from 1,815 at the end of 2011 to 2,198 at the end of 2012.

The headcount development in the contributing sectors remains unchanged. The Automotive and Mechanical engineering segments are still the largest contributing sectors and have attributed to 73% of the growth in this year.

Non productive employees (bench) has increased slowly and is 4.7% as per the end of December 2012.

Gross Profit

FY 2012 gross profit amounts to € 67.4 million, up 14% compared to last year. FY 2012 gross margin is 2.1 ppt lower than last year which is mainly due to lower margins generated in Q4 2012.

Q4 2012 gross margin is 4.7 ppt lower than the same period last year which is mainly due to lower productivity. In addition the competence centres have generated lower margins as a result of a incidental provision made for onerous contracts (€ 0.3 million).

Operational Costs

FY 2012 operational costs have increased with 21% compared to last year. The majority of this increase is due to more staff costs as a result of investments in the commercial organisation. During 2012 the number of account managers has grown resulting in higher staff costs. In addition to this, staff costs in Q4 2012 include severance payments for an amount of € 0.8 million.

In our Q3 trade update we already reported a € 0.8 million loss incurred on a bankruptcy case.

EBIT

The lower margins which have been generated during the fourth quarter and the earlier mentioned severance payments have resulted in a Q4 2012 EBIT for an amount of € 4.1 million which is 23% down compared to the same period last year.

FY 2012 EBIT amounts to € 22.0 million, up 2% compared to last year.

Brunel Europe Other (Belgium, Austria, Poland, Denmark, Switzerland and Czech Republic)
(unaudited)

x € 1 million

	Q4 2012	Q4 2011	Change %	FY 2012	FY 2011	Change %
Revenue	8.7	8.2	6%	33.3	30.9	8%
Gross Profit	1.9	1.9	3%	7.5	7.0	8%
Gross margin	21.8%	22.6%		22.5%	22.5%	
EBIT	-0.3	-0.2	37%	-0.5	-0.1	381%
EBIT %	-3.8%	-2.9%		-1.4%	-0.3%	

Revenue

Brunel Europe Other has increased its revenue compared to the same period last year both in Q4 2012 (+6%) as well as in FY 2012 (+8%).

Brunel Belgium is still faced with challenging market conditions due to their high exposure to the banking sector. As a result Belgium's revenue is down 3% compared to last year.

All other countries within the region Europe Other have been able to generate double digit growth compared to last year as a result of an increase of their average number of direct employees.

Gross profit

Gross profit in FY 2012 amounts to € 7.5 million, up 8% compared to last year.

Belgium's gross profit is 7% down compared to last year as a result of lower productivity and a decrease in the average number of direct employees.

All other countries within this region have generated more gross profit as a result of increased sales activity.

Operating Costs

The operating costs in FY 2012 have increased compared to last year in order to facilitate growth.

EBIT

The above mentioned developments have resulted in a loss for FY 2012 for an amount of € 0.5 million.

Brunel Oil & Gas
(unaudited)

x € 1 million

	Q4 2012	Q4 2011	Change %	FY 2012	FY 2011	Change %
Revenue	215.5	202.0	7%	852.7	642.3	33%
Gross Profit	18.6	23.5	-21%	91.3	74.8	22%
Gross margin	8.6%	11.6%		10.7%	11.6%	
EBIT	1.8	12.6	-86%	35.5	30.1	18%
EBIT %	0.8%	6.2%		4.2%	4.7%	

Revenue

Brunel Oil & Gas has increased its revenue compared to the same period last year both in Q4 2012 (+7%) as well as in FY 2012 (+33%). This growth is mainly driven by increased project revenue on the large offshore projects in Australia and continued growth of the traditional Energy business in the regions Americas, South East Asia and again Australia.

Total offshore project revenue of € 269 million in FY 2012 is mainly driven by the projects Kipper Tuna, Gorgon and Domgas. Total offshore project revenue as a percentage from Oil & Gas' revenue has increased from 25% at the end of 2011 to 32% at the end of 2012.

FY 2012 Oil & Gas revenue growth excluding foreign currency effect amounts to 21%.

Gross profit

Q4 2012 gross profit is 21% less than the same period last year which is mainly due to lower margins generated in the region America's as a result of adjustments. As a result Q4 2012 gross margin has decreased with 3.0 ppt compared to Q4 2011.

FY 2012 gross profit decreased with 22% which is 0.9 ppt less than the increase in revenue. As a result gross margin has decreased from 11.6% in 2011 to 10.7% in 2012.

Operational Costs

Q4 2012 operational expenses have increased compared to the previous quarters in 2012 and are 54% higher than the same period last year.

FY 2012 operational costs increased with € 11 million compared to last year (increase at constant currencies is € 7.5 million).

The majority of the increase in operational costs is a result of investments made in the commercial organisation. The average number of indirect employees in FY 2012 is 6% up compared to 2011 resulting in more staff costs. In addition the establishment of the Global Recruitment Centre has resulted in € 1.8 million more costs compared to last year. During FY 2012 investments have been made in our Global IT infrastructure resulting in more IT costs compared to last year. Finally FY 2012 includes an incidental increase in bad debts for an amount of € 1.1 million which is a result of a provision taken in Thailand and also includes the incidental costs reported previously in Q2 2012 in respect of an operational tax claim for an amount of € 0.9 million.

Despite the cost increases, overhead costs as a percentage of revenue has decreased from 7% at the end of 2011 to 6.5% at the end of 2012.

EBIT

The above mentioned developments have resulted in a Q4 2012 EBIT of € 1.8 million which is 86% lower than the same period last year.

FY 2012 EBIT excluding incidentals amounts to € 41.0 million which is an increase of 36% compared to last year. Due to the lower margins reported in Q4 2012 EBIT% has decreased from 4.7% at the end of 2011 to 4.2% at the end of 2012.

An amount was incurred in respect of crisis tax in Q4 and FY 2012 of € 0.4 million and € 1.4 million respectively.

Effective tax rate

The tax rate of 39.5% for FY 2012 is 5.6 ppt higher than last year (33.9%) which is mainly due to increased profits in countries with higher tax rates and for 3.9 ppt previous year's tax adjustments.

Cash position

The cash position at the end of December 2012 is € 13 million higher than at the beginning of the year. Working capital increased as a result of the higher revenue levels.

Outlook for 2013

Although the activity level for Offshore projects will be significantly lower in 2013 than in 2012, we expect the traditional Energy business growth will compensate and subsequently the total Oil & Gas division will generate low single digit growth. For The Netherlands we expect a flat revenue development and for Germany high single digit growth.

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 11,000 employees and an annual revenue of € 1,2 billion (2012). The company is listed at Euronext Amsterdam N.V. For more information on Brunel International visit our website www.brunel.net.

Financial Calendar

May 2, 2013	Annual General Meeting of Shareholders
May 2, 2013	Trading update Q1 2013
May 6, 2013	Ex-dividend listing
May 29, 2013	Dividend available for payment
August 16, 2013	Half year results 2013
November 1, 2013	Trading update Q3 2013

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 1 March 2013
Full Year 2012**

***Financial Highlights
for the period ended 31 December (unaudited)***

(x € 1,000)	FY 2012	FY 2011	
Revenue	1,230,600	979,868	25.6%
Gross profit	220,005	193,566	13.7%
Operating profit (EBIT)	67,909	64,403	5.4%
Result after tax	40,745	43,143	-5.6%
Minority interest	-362	-291	
Net income	40,383	42,852	-5.8%
Gross profit as % of Revenue	17.9%	19.8%	-1.9
Net result as % of Revenue	3.3%	4.4%	-1.1

Workforce

Direct employees (average)	9,869	8,320	18.6%
Indirect employees (average)	1,350	1,225	10.2%
Total	11,219	9,545	17.5%
Direct employees (period end)	10,384	9,132	13.7%
Indirect employees (period end)	1,391	1,254	10.9%
Total	11,775	10,386	13.4%

Earnings per share (in euro)

Earnings per share for ordinary shareholders	1.69	1.83
Diluted earnings per share	1.69	1.82
Weighted average number of ordinary shares for the purpose of basic earnings per share	23,856,687	23,388,812
Weighted average number of ordinary shares for the purpose of diluted earnings per share	23,901,437	23,545,312

**Condensed consolidated income statement
for the period ended 31 December (unaudited)**

(x € 1,000)	FY 2012	FY 2011
Revenue	1,230,600	979,868
Direct personnel expenses	<u>1,010,595</u>	<u>786,302</u>
Gross profit	220,005	193,566
Indirect personnel expenses	95,953	81,743
Depreciation	4,452	3,710
Other general and administrative expenses	<u>51,691</u>	<u>43,710</u>
Total operating costs	152,096	129,163
Operating profit	67,909	64,403
Financial income and expense	<u>-562</u>	<u>865</u>
Result before tax	67,347	65,268
Tax	26,602	22,125
Net income	<u>40,745</u>	<u>43,143</u>
 <u>Attributable to :</u>		
Net income for ordinary shareholders	40,383	42,852
Minority interests	<u>362</u>	<u>291</u>
Net income	<u>40,745</u>	<u>43,143</u>

**Condensed consolidated statement of comprehensive income
for the period ended 31 December (unaudited)**

(x € 1,000)	2012 FY	2011 FY
Net income	40,745	43,143
Other comprehensive income		
Exchange differences arising on translation of foreign operations	-1,741	4,102
Income tax relating to components of other comprehensive income	61	-286
Other comprehensive income (net of tax)	-1,680	3,816
Total comprehensive income	39,065	46,959
<u>Attributable to:</u>		
Ordinary shareholders	38,714	46,639
Minority interests	351	320
Total comprehensive income	39,065	46,959

Condensed consolidated balance sheet (unaudited)

(x € 1,000)	2012 December 31	2011 December 31
Fixed assets		
Goodwill	6,985	7,003
Other intangible assets	12,101	8,789
Property, plant and equipment	9,124	8,719
Deferred income tax assets	<u>7,682</u>	<u>5,712</u>
	35,892	30,223
Current assets		
Trade and other receivables	277,475	260,995
Income tax receivables	5,588	11,483
Cash	<u>98,628</u>	<u>86,034</u>
Total current assets	381,691	358,512
Current liabilities	144,875	135,329
Income tax payables	<u>6,856</u>	<u>15,525</u>
Total current liabilities	151,731	150,854
Working capital	229,960	207,658
Non-current liabilities		
Deferred income tax liabilities	1,692	1,263
	<u>264,160</u>	<u>236,618</u>
Group equity		
Shareholders' equity	263,853	236,424
Minority interest	<u>307</u>	<u>194</u>
	<u>264,160</u>	<u>236,618</u>
Balance sheet total	417,583	388,735
<u>Other balance sheet items / key figures</u>		
Current assets / current liabilities	2.52	2.38
Shareholders' equity / Balance sheet Total	63.2%	60.8%
Issued ordinary shares (x 1,000)	24,182	23,531

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

(x € 1,000)	2012			2011		
	Shareholders' equity	Minority Interest	Group equity	Shareholders' equity	Minority Interest	Group equity
Balance at 1 January	236,424	194	236,618	201,965	229	202,194
Net income	40,383	362	40,745	42,852	291	43,143
Exchange differences arising on translation of foreign operations	-1,730	-11	-1,741	4,073	29	4,102
Income tax relating to components of other comprehensive income	61		61	-286		-286
Total comprehensive income	38,714	351	39,065	46,639	320	46,959
Cash dividend	-21,412	-238	-21,650	-18,816	-355	-19,171
Appropriation of result						
Share based payments	2,609		2,609	1,493		1,493
Option rights exercised	7,518		7,518	5,143		5,143
Issue of share capital						
Acquisition of minority interest						
Balance at December 31, 2012	263,853	307	264,160	236,424	194	236,618

**Condensed consolidated cash flow statement
for the period ended 31 December (unaudited)**

(x € 1,000)	FY 2012	FY 2011
Result before tax	67,347	65,268
Adjustments for:		
Depreciation	4,452	3,710
Interest received	-258	-701
Other non-cash expense	2,387	897
Share based payments	2,609	1,493
Changes in:		
Receivables	-31,994	-64,627
Current liabilities	9,243	48,288
Cash flow from operations	53,786	54,328
Taxes	-19,445	-13,622
Cash flow from operational activities	34,341	40,706
Additions to property, plant and equipment	-2,814	-2,651
Additions software	-4,568	-4,477
Disposals of property, plant and equipment	10	235
Interest received	258	701
Cash flow from investments	-7,114	-6,192
Issue of new shares	7,518	5,143
Dividend Minority interest	-238	-355
Dividend	-21,412	-18,816
Cash flow from financial operations	-14,132	-14,028
Net cash flow	13,095	20,486
Cash position at start of financial period	86,034	63,924
Net cash flow	13,095	20,486
Exchange rate fluctuations	-501	1,624
Cash position at end of financial period	98,628	86,034

Segment reporting (unaudited)

Reportable segments

(x € 1,000)	Revenue		Operating profit		Total Assets	
	FY 2012	FY 2011	FY 2012	FY 2011	FY 2012	FY 2011
Netherlands	161,894	156,171	20,026	17,925	55,693	64,087
Germany	183,697	152,294	21,992	21,567	50,296	45,215
Energy	583,316	477,055	16,100	19,133	215,307	174,233
Projects	269,314	165,264	18,731	10,965	72,794	76,407
Other regions	32,379	29,084	99	50	23,493	28,793
Unallocated			-9,039	-5,237		
	1,230,600	979,868	67,909	64,403	417,583	388,735

* Including in Energy revenue is € 10.7 mln (2011: € 11.0 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

	FY 2012		FY 2011	
	Direct	Indirect	Direct	Indirect
Netherlands	1,810	326	1,674	316
Germany	2,035	384	1,672	315
Energy	4,875	495	4,086	465
Projects	762	28	514	24
Other regions	387	117	374	105
	9,869	1,350	8,320	1,225
Total workforce	11,219		9,545	

Workforce at 31 December

	2012		2011	
	Direct	Indirect	Direct	Indirect
Netherlands	1,823	312	1,820	322
Germany	2,198	406	1,815	340
Energy	5,381	528	4,133	452
Projects	588	29	991	28
Other regions	394	116	373	112
	10,384	1,391	9,132	1,254
Total workforce	11,775		10,386	

Segment reporting (unaudited)

Professional specialisation (x € 1,000)	Revenue		Operating profit	
	FY 2012	FY 2011	FY 2012	FY 2011
Engineering	288,510	248,174	34,287	32,981
Energy	852,692	642,319	35,531	30,098
ICT	46,836	52,393	3,859	4,977
Unallocated	42,562	36,982	-5,768	-3,653
	1,230,600	979,868	67,909	64,403

Employees

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

Average workforce

	FY 2012		FY 2011	
	Direct	Indirect	Direct	Indirect
Engineering	3,231	562	2,762	473
Energy	4,875	495	4,086	465
ICT	530	75	559	76
Unallocated	1,233	218	913	211
	9,869	1,350	8,320	1,225
Total workforce	11,219		9,545	

Workforce at 31 December

	2012		2011	
	Direct	Indirect	Direct	Indirect
Engineering	3,407	580	3,006	508
Energy	5,381	528	4,133	452
ICT	539	67	570	80
Unallocated	1,057	216	1,423	214
	10,384	1,391	9,132	1,254
Total workforce	11,775		10,386	