



Q3 TRADING UPDATE 2016

Roermond, The Netherlands - 11 November 2016



Sif

Key figures and highlights

- > Contribution amounted to € 98.6 million (Q3 2015: € 69.6 million)
 - > Normalized EBITDA reached a level of € 54.9 million (Q3 2015: € 39.4 million)
 - Including non-recurring IPO costs, EBITDA Q3 2016 amounts to € 49.2 million
 - > Operating Working Capital amounted to € 16.0 million (YE 2015 19.3 million)
 - > Net Debt amounted to € 41.8 million
 - > Production expansion program on track; new facility Rotterdam delivers first monopiles
-

CEO Jan Bruggenthijs comments:

“Results remained strong in the third quarter. The high asset utilization of the Offshore Wind production lines continued to date. Revenue and tonnage in the third quarter 2016 were slightly lower compared to the same period last year, but Contribution and EBITDA were both higher due to the efficiency of the production lines and the effect of a good product mix. As anticipated, the production for the Offshore Wind business continued to run at high capacity throughout the third quarter. Oil & Gas performed in line with expectations, despite challenging market conditions.

The production expansion program is on track and the first monopiles were completed at our new assembly facility at Maasvlakte 2 in Rotterdam, late September. It is anticipated that the first load-out will take place before the end of this year.

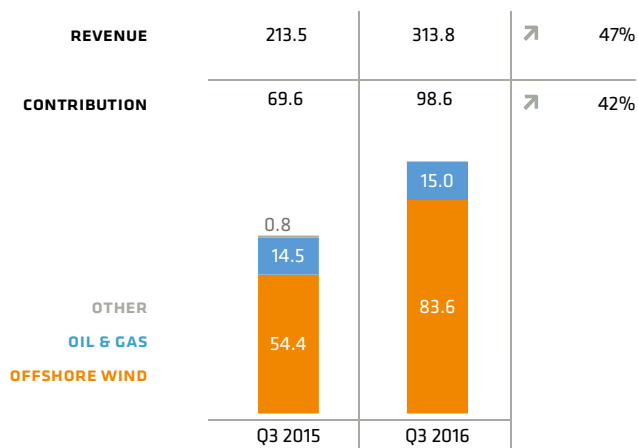
Planned maintenance in the second half of the year and the accelerated start of production at Maasvlakte 2 in Rotterdam are expected to have an impact on full year performance, resulting in a slightly lower EBITDA in the fourth quarter of this year.

Based on a full order book for Offshore Wind and the base loading of the Offshore Oil & Gas order book the projected production of 183 ktons for the entire year 2016 is reaffirmed.”



Financial Results (in EUR millions)

CONTRIBUTION

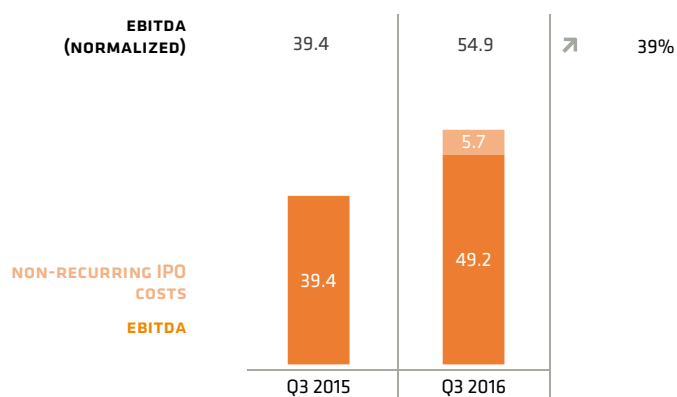


Revenue is impacted by fluctuations in the cost of steel and level of subcontractor services, which are both passed on to customers at no or a limited margin. Contribution is considered the leading indicator to measure financial performance.

Contribution amounted to € 98.6 million compared to € 69.6 million in the same period last year, an increase of 42%. The high production levels of the last four quarters were continued in the third quarter 2016. Together with a favorable product mix this has resulted in a strong growth in Contribution.

Contribution is calculated as revenues minus cost of sales which includes costs for raw materials, subcontracted work, logistics and other external project related charges.

EBITDA



Including non-recurring IPO related costs, EBITDA increased by 25% to € 49.2 million compared to the same period last year. Normalized EBITDA increased by 39% to € 54.9 million compared to € 39.4 million in the same period last year. This was primarily due to high utilization of all production lines and a favorable product mix.

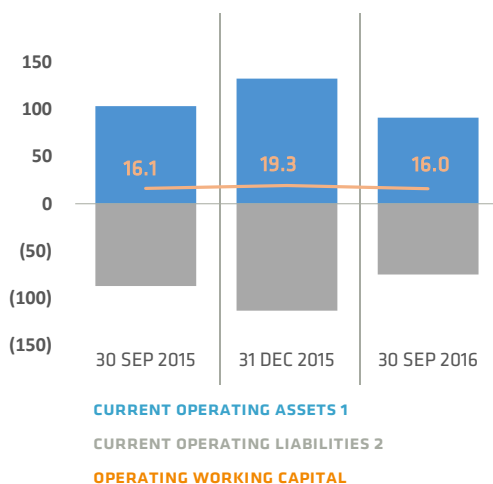
The total IPO related costs amounts to € 10.4 million, of which, to date, an amount of € 4.7 million is recorded as prepayment and will be amortized over the next 19 months in relation to the secured clawback arrangement for management.

NET DEBT

Net debt amounted to € 41.8 million by the end of Q3 2016.



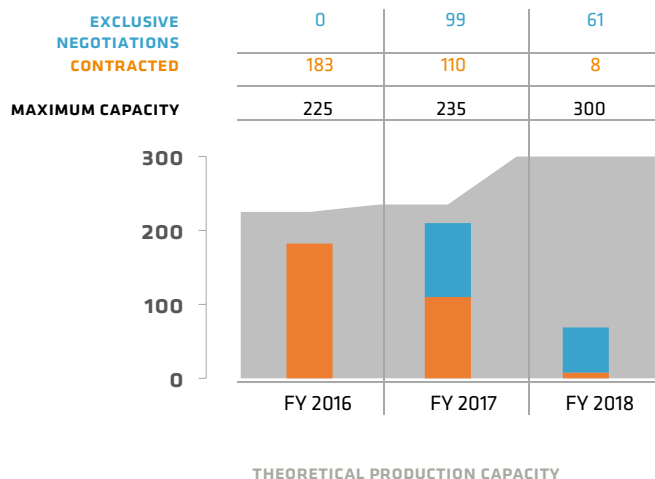
OPERATING WORKING CAPITAL



Operating Working Capital amounted to € 16.0 million, an improvement in relation to year end 2015 (€ 19.3 million) but an increase compared to H1 2016 (€ 2.7 million). This increase was mainly driven by the close out of two projects and the start of a new project.

1 Current operating assets include inventories, work in progress – amounts due from customers, trade receivables and prepayments
 2 Current operating liabilities include trade payables and work in progress – amount due to customers

ORDER BOOK IN KTONS



The order book for Offshore Wind in 2016 is full and the order book for Offshore Oil & Gas is filled to the base load level. For the entire year 2016 Sif reaffirms the projected production of 183 ktons.

For 2017 and Q1 2018, the order book is filled up to 118 ktons and an additional 160 ktons are under exclusive negotiation.

PRODUCTION EXPANSION PROGRAM

The production expansion program activities for both Rotterdam and Roermond are on schedule. With the new assembly facility at the Maasvlakte 2 in Rotterdam, the current production capacity will increase from 225 ktons to 300 ktons per annum in the course of 2017.



Total site overview at Maasvlakte 2

The first monopiles were assembled in September 2016 and the first load out is scheduled before the end of this year. The temporary coating facility at the Maasvlakte 2 is finished and in production.



Monopile assembly at Maasvlakte 2



Temporary coating hall at Maasvlakte 2

The accelerated delivery of the first 150 meters of the quay side with a draught of 16 meters by the Port of Rotterdam is scheduled to be ready on 23 December 2016.



Realization of the quay at Maasvlakte 2

FINANCIAL CALENDAR

29 MARCH 2017	FY 2016 Earnings
19 MAY 2017	AGM and Trading Update Q1 2017
24 AUGUST 2017	HY 2017 Earnings (to be confirmed)
10 NOVEMBER 2017	Trading Update Q3 2017

CONTACT INFORMATION

Investor relations Scato van der Goes

TELEPHONE	+31 (0)475 385 777
MOBILE	+31 (0)6 247 17 538
E-MAIL	s.vandergoes@sif-group.com

DISCLAIMER

Some of the statements contained in this release that are not historical facts are statements of future projections and other forward-looking statements based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those in such statements. Historical results are no guarantee for future performance. Forward-looking statements are subject to various risks and uncertainties, which may cause actual results and performance of Sif's business to differ materially and adversely from the forward-looking statements. Certain forward-looking statements can be identified by the use of forward-looking terminology such as "believes", "may", "will", "should", "would be", "expects" or "anticipates" or similar expressions, or the negative thereof, or other variations thereof, or comparable terminology, or by discussions of strategy, plans, or intentions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this release as anticipated, believed, or expected. Sif does not intend, and does not assume any obligation, to update any industry information or forward-looking statements set forth in this release to reflect subsequent events or circumstances. The content of this trading update is for information purposes only and not intended as investment advice, or offer or solicitations for the purchase or sale in any financial instrument. Sif does not warrant or guarantee the completeness, accuracy, or fitness for any particular purposes in respect of the information included in this release.



Sif

Leading in
offshore
foundations