



Operational Highlights and Key Figures for Q1 2018

Operational highlights:

- > Q1 strong commercial quarter
 - Contract award for Borssele III & IV for production 2018 (wind)
 - Deutsche Bucht Demonstrator Project for production in 2018 (wind)
 - 100 Kton exclusive negotiations for production in 2019 (wind)
- > Delivery of monopiles and transition pieces for Hohe See, Norther and Albatros offshore wind farms
- > Delivery of pin-piles for Johan Sverdrup jacket oil & gas project
- > Total throughput of approximately 52 Kton steel (66 Kton in Q4 2017)
 - 82% for offshore wind
 - 18% for offshore oil & gas

Financial key figures:

- > Contribution € 27.6 million (€ 30.9 million Q4 2017)
- > Normalized EBITDA € 10.1 million (€ 12.2 million Q4 2017)
- > Net Working Capital at the end of Q1 2018 € 34.8 million (€ 7.1 million at year-end 2017)
- > Net Debt at the end of Q1 2018 € 48.2 million (€ 25.1 million at year-end 2017)
- > Order book approximately 185 Kton for 2018 and 160 Kton for 2019

Jan Bruggenthijs, CEO of Sif Group, comments:

Postponement of several large wind projects, primarily in France, the Netherlands and Belgium, is resulting in a lower degree of capacity utilization at Sif in 2018. We informed the market in early 2017 that this would occur. In combination with a number of mechanical issues in the last month of the quarter, this led to more than 20% lower production in Kton compared to the preceding quarter. The machines have been repaired and are once again operational. The lower capacity utilization rate will still be evident in 2018, primarily in Q2 2018. We will use this period to carry out maintenance activities. Production will increase from July 2018 in connection with the commencement of projects including Borssele III & IV.

The offshore wind industry is noticeably preparing for the flow of projects for which production and installation activities will be carried out in the years ahead. For the near-term, next steps in the realization of projects were taken that include projects in the Netherlands, France, Belgium, UK and Denmark. Roadmaps for additional capacity in the mid-term were presented by the Dutch, French, English and Belgian Governments "Make Consultants" translates this into adding capacity averaging more than 4 gigawatt per annum over the coming years. The current installed capacity on the North Sea is 15.8 gigawatt. The continuing decrease in the costs of offshore wind energy will certainly support this development.

The total order book in 2018 is approximately 185 Kton. The order book for 2019 contains 60 Kton in signed contracts and 100 Kton in projects for which Sif is in exclusive negotiations. It is consequently already approximately half-filled. The tender pipeline is also well filled for projects in 2019 and 2020.

In € million	Q1 2018	Q4 2017	Change	
Contribution	27.6	30.9	-10.7%	
EBITDA (normalized)	10.1	12.2	-17.2%	
Production (in Kton)	52	66	-21.2%	
Order book in Kton (approximately) at 3 May 2018			For 2018	For 2019
Contracted			185	60
Exclusive negotiation			0	100
Total for the year			185	160

Q1 2018 Results development

Contribution

Production was lower in Q1 2018 than in the preceding quarter (52 Kton in Q1 2018 compared to 66 Kton in Q4 2017). The main causes were the lower level of work in the order book and various mechanical issues in the last month of Q1 2018.

Contribution in Q1 2018 amounted to € 27.6 million (€ 30.9 million in Q4 2017). Due to higher production volumes in Q4 2017 this results in contribution of € 468 per ton compared to € 531 per ton in Q1 2018.

Contribution is calculated as revenues minus cost of raw materials, subcontracted work, logistics and other external project-related charges and is a key financial indicator for Sif.

EBITDA (normalized)

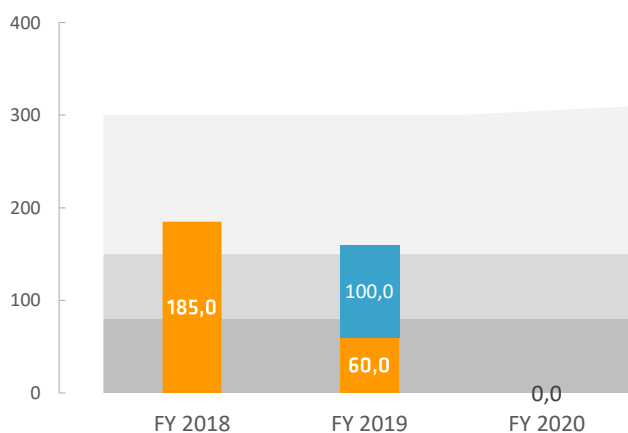
EBITDA (normalized) in Q1 2018 amounted to € 10.1 million compared to € 12.2 million in Q4 2017. EBITDA in any reporting period can be volatile since the order book of Sif contains a relatively limited number of projects that can have delivery dates just before or just after the end of a period under reporting.

EBITDA (normalized) is calculated as profit before finance expenses, tax, depreciation, amortization and IPO-related costs.

Net debt

Net debt increased from approximately € 25.1 million at the end of 2017 to approximately € 48.2 million at the end of Q1 2018. This is a snapshot and the difference is the result of temporarily greater use of working capital (changes in receivables and payables positions). Capex will amount to approximately € 8 million in 2018.

Outlook



Sif's production capacity is approximately 300 Kton a year and its coating facilities meet the latest market standards. XL monopile capacity is around 150 Kton, or 50% of the total capacity.

The order book for 2018 currently stands at approximately 185 Kton signed contracts. This means our capacity will not be fully utilized in 2018. We have drawn-up contingency plans that provide for a phasing out of temporary personnel. The flexible workforce decreased by nearly 150 FTEs compared to year-end

2017.

The expectation is that an average of approximately 4 GW a year will be added to the North Sea offshore wind capacity between 2019 and 2026. The outlook for 2019 and beyond is therefore good with the order book for 2019 already standing at 160 Kton of which 60 Kton in signed contracts and 100 Kton under exclusive negotiations.

Financial Calendar

3 May 2018	Annual General Meeting of Shareholders 2018
7 May 2018	ex-dividend date
8 May 2018	dividend record date
11 May 2018	payment date for dividend to intermediaries
24 August 2018	publication of 2018 interim results
8 November 2018	publication of Q3 2018 results

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