

Decision on Article 10 Takeover Directive

The following information and explanation relate to the provisions of the Decree of 5 April 2006, implementing Article 10 of Directive number 2004/25/EU from the European Parliament and the Council of the European Union dated 21 April 2004.

Capital structure

Table 9 may be used as a reference for the company's capital structure.

No rights apart from those arising under statute are attached to the shares into which the company's capital is divided, apart from the scheme specified in Article 32 of the Articles of Association concerning the application of the profit in relation to Class B and Class F preference shares. A brief summary of Article 32 of the Articles of Association is provided below.

From the profit realised in any financial year, an amount will first be distributed, where possible, on the class B cumulative preference shares, calculated by applying the percentage stated below to the amount mandatorily paid up on those shares as at the start of the financial year for which the distribution is made. The percentage referred to above will be equal to the average of the EURIBOR rates for money market loans with a maturity of twelve months – weighted according to the number of days for which these rates prevailed – during the financial year for which the distribution is made plus one percentage point. EURIBOR refers to the Euro Interbank Offered Rate as determined and published by the European Central Bank.

Subsequently, if possible, a dividend will be distributed on each financing preference share of a certain series and sub-series, with due consideration of the following provisions of this paragraph, equal to an amount calculated by applying a percentage to the nominal amount of the financing preference share concerned at the start of that financial year, plus the amount of share

premium paid in on the financing preference share issued in the series and sub-series concerned at the time of initial issue of the financing preference shares of that series and sub-series, less the amount paid out on each financing preference share concerned and charged to the share premium reserve formed at the time of issue of the financing preference shares of that series and sub-series prior to that financial year.

If and to the extent that a distribution has been made on the financing preference shares concerned in the course of the year and charged to the share premium reserve formed at the time of issue of the financing preference shares of the series and sub-series concerned, or partial repayment has been made on such shares, the amount of the distribution will be reduced pro rata over the period concerned according to the amount of the distribution charged to the share premium reserve and/or the repayment with respect to the amount referred to in the preceding sentence. The calculation of the dividend percentage for the financing preference shares of a certain series will be made for each of the series of financing preference shares, referred to below, in the manner set forth for the series concerned.

Series FP1 to FP4

The dividend percentage will be calculated by taking the arithmetic mean of the yield to maturity on euro government loans issued by the Kingdom of the Netherlands with a remaining term matching as closely as possible the term of the series concerned, as published in the Euronext Prices Lists, plus two percentage points.

Series FP5 to FP8

The dividend percentage will be equal to the average of the EURIBOR rates for money market loans with a maturity of 12 months – weighted according to the number of days for which these rates prevailed – during the financial year for which the distribution is made, plus two percentage points. The above percentages may be increased or reduced by an amount of no more than three hundred basis points.

Table 9 Number of outstanding shares in 2009

	Ordinary shares	Preference shares convertible	Preference shares non-convertible	Total
Shares in issue as at 1 January	135,192,833 (99.4%)	350,122 (0.3%)	473,275 (0.3%)	136,016,230 (100%)
Conversion of preference shares	3,846	(3,846)	–	–
Shares in issue as at 31 December	135,196,679 (99.4%)	346,276 (0.3%)	473,275 (0.3%)	136,016,230 (100%)

The above percentages apply for the following periods: series FP1 and FP5: five years; series FP2 and FP6: six years; series FP3 and FP7: seven years and series FP4 and FP8: eight years. After a period expires, the percentage will be modified in accordance with the rules laid down in Article 32 paragraph 6(c) of the Articles of Association.

The Supervisory Board shall determine, on the basis of a proposal by the Executive Board, what part of the profit remaining after application of the provisions referred to above should be added to reserves. The part of the profit that remains after application of the provisions referred to above shall be at the disposal of the General Meeting of Shareholders, subject to the provision that no further dividends may be distributed on the preference shares.

Limitation on the transfer of shares

The company has no limitation, in terms of the Articles of Association or by contract, on the transfer of shares or depositary receipts issued with the company's co-operation, apart from the restriction on the transfer of preference shares contained in the Articles of Association. Article 13 of the company's Articles of Association stipulates that approval is required from the company's Supervisory Board for the transfer of Class B and Class F preference shares, excluding those Class F preference shares already in issue. The scheme is included in order to offer the company the facility – because of the specific purpose of issuing these shares, namely the acquisition of finance or achieving protection – of offering the holders of these shares an alternative in the event that they wish to dispose of their shares.

As regards the Class B preference shares, the company and Stichting Aandelenbeheer BAM Groep have agreed the company will not proceed to issue these shares or to grant any rights to purchase them to anyone other than the said foundation without the foundation's permission. The foundation will not dispose of or encumber any Class B preference shares, nor renounce the voting rights relating to them, without permission from the company. Reference is made to page 181 et

seq. of the annual report in relation to the reasons behind protecting the company and the manner in which this is done.

Substantial interests

The company is aware of the following interests in its equity, which are now reported under the provisions concerning the reporting of controlling interests under the Disclosure of Major Holdings Act ('Wmz Act'), which has now been subsumed within the Financial Supervision Act. See table 10.

Special control rights

The shares into which the company's equity is divided are not subject to any special control rights.

Employee share plan or employee option plan

The company does not have any employee share or employee option plans.

Voting rights

Each share in the company provides entitlement to the casting of one vote at shareholders' meetings. There are no restrictions on the exercise of voting rights. The company's Articles of Association contain the usual provisions in relation to intimation for the purpose of being acknowledged as a proxy at shareholders' meetings.

Where the company's Articles of Association mention holders of depositary receipts or depositary receipt holders, whether named or bearer, this is understood to mean holders of depositary receipts issued with the company's co-operation and also individuals who, under the terms of articles 88 or 89, Book 2 of the Dutch Civil Code, have the rights accorded to holders of depositary receipts for shares issued with the company's co-operation.

Shareholders' agreements

The company is not aware of any agreements involving one of the company's shareholders and which might provide reasons for (i) restricting the transfer of shares

Table 10 Interests of 5 percent or more according to the AFM register of substantial shareholdings

<i>(in percentages)</i>	Interest more than	
	Total	5 percent since
A. van Herk	9.4	October 2005
Delta Lloyd Levensverzekering (Aviva)	6.0	December 2002
ING Group	10.2	February 1992

or of depositary receipts issued with the company's co-operation, or (ii) restricting the voting rights.

Appointment and dismissal of members of the Executive Board and of members of the Supervisory Board

The company is obliged by law to operate the two-tier structure.

The General Meeting of Shareholders appoints the members of the Supervisory Board, on a recommendation from the Supervisory Board. The Supervisory Board appoints the members of the Executive Board. The Supervisory Board notifies the General Meeting of Shareholders of its intended appointments to the Executive Board.

The section headed 'Corporate governance' on page 41 et seq. of the report by the Executive Board provides a more detailed explanation of the appointment and dismissal of members of the Supervisory Board and members of the Executive Board.

Powers of the Executive Board

The company is managed by an Executive Board. The Executive Board's powers are those arising from legislation and regulations. Reference is made to page 41 et seq. of the Executive Board's report, in the section headed 'Corporate Governance', for a more detailed description of the Executive Board's duties. The Executive Board was authorised by the General Meeting of Shareholders held on 21 April 2009 to issue ordinary shares and Class F preference shares and/or to grant options to purchase these shares, subject to approval from the Supervisory Board. This authorisation is limited in duration to eighteen months. It is also limited in scope to 10 percent of the issued capital, plus an additional 10 percent, which additional 10 percent may be used exclusively for mergers and acquisitions by the company or by operating companies.

The Shareholders' Meeting held on 21 April 2009 also granted authority to the Executive Board for a period of eighteen months to repurchase shares in the company, within the limitations imposed by the Articles of Association in this respect.

The General Meeting of Shareholders is asked to grant these authorisations each year.

Resolutions for amendment of the Articles of Association, or for the dissolution of the company, may only be taken by the General Meeting of Shareholders on the basis of a proposal from the Executive Board, approved by the Supervisory Board.

Change of control provisions in important agreements

A change of control clause relating to Royal BAM Group is included in the agreement concluded among the shareholders of the dredging company Van Oord nv, in which the company has a 21.5 percent indirect holding. This clause specifies that Royal BAM Group will be obliged to offer the ordinary shares in Van Oord held by the Group to the other shareholders of Van Oord if there is a transfer of control over Royal BAM Group to a third party as defined in article 1.1.d of the SER decree on merger rules, in terms of which that third party has a direct or indirect majority of the control in a business regarded as a significant competitor of Van Oord. In such a case, Royal BAM Group would no longer be able to exercise rights of control in Van Oord and would not be entitled to dividends relating to the ordinary shares in Van Oord.

A similar rule applies as soon as it comes apparent that any third party, not being an institutional investor, is directly or indirectly holding more than 15 percent of the ordinary shares or depositary receipts for the shares in the equity of Royal BAM Group, and is at the same time a direct or indirect holder of, and/or otherwise has an economic interest in and/or control of more than 15 percent of the issued shares or depositary receipts for the shares in the equity of a company whose business is regarded as a significant competitor of Van Oord.

The Group's most important financial rules state that in the event of a change of control (including in the event that more than 50 percent of the shares in Royal BAM Group are deemed to be held by one party), the banks may terminate further financing and the Group can be obliged to repay outstanding loans under these arrangements and to extend the capital base provided for outstanding bank guarantees.

A change of control clause is not unusual in important collaboration agreements over a longer period, where the parties include parts of the Group. Partly because of the total size of the Group, these clauses are not considered significant within the meaning of the Decision on Article 10 Takeover Directive.

Change of control provisions in employment agreements

No agreement has been concluded with directors or employees of the company, providing for a severance payment on termination of employment resulting from a public bid for the company.