

---

## Press Release

Leidschendam, The Netherlands, 6 April 2020

### Fugro's response to COVID-19 pandemic

- First priority is to protect the health and safety of employees, partners and clients
- The company is taking appropriate measures to ensure business continuity
- Current liquidity is strong with over EUR 400 million in cash and available facilities
- A cost and capex reduction programme is being implemented
- Fugro withdraws earlier guidance for 2020

Fugro is taking appropriate measures during the COVID-19 pandemic to keep its employees, partners and clients safe and healthy while ensuring service delivery. Restrictions are in place regarding non-essential travel and international travel has almost come to a standstill. For those working at operating sites, the company has put additional health and safety measures in place. Offshore work is generally subject to quarantine prior to mobilisation. Furthermore, Fugro is reaching out to its clients and partners on a regular basis in order to understand their plans, challenges and measures, and is available to support them where possible.

Mark Heine, CEO, commented: *"Our priorities in this complex environment are clear: preserve the health and wellbeing of our people and those of other stakeholders, ensure business continuity and reduce costs and capex in order to protect liquidity and profitability. We have a strong and committed team in place that is dealing with this unprecedented situation. I am impressed by the professional behaviour and dedication of all our colleagues, especially those who work in the field or onboard one of our vessels. Although our backlog is still solid, our business operations will be impacted, especially given the combination of the pandemic with the recent sharp decline in the oil price. We are continuously analysing scenarios and are implementing mitigating measures."*

#### **Business impact**

Despite strong efforts to keep operations going, some projects cannot be executed as originally planned due to increasing travel restrictions and country lockdowns, which are impacting the business, particularly in the Europe-Africa region. The impact of the virus is compounded by oil and gas companies' recently announced spending cuts due to the sharp decline in the oil price. At the same time, offshore wind is anticipated to show continued growth, though somewhat less than assumed at the start of this year. The pandemic may result in a decline in building and infrastructure activities, which could be partly compensated by government initiatives for additional infrastructure investment programmes.

#### **Mitigating measures**

Fugro is taking decisive and immediate action to mitigate the impact of the above factors on its business. The company is implementing a programme to significantly reduce costs and capital expenditure, with the aim of realising cash savings. This includes minimising the hire of short-term charters, implementing a hiring and salary freeze and measures to reduce our workforce. These are painful measures that are necessary as a result of the dual impact of the COVID-19 pandemic and the



low oil price environment. Furthermore, we are assessing all available possibilities for government support to bridge this difficult period. Current liquidity is good with over EUR 400 million available in cash and committed facilities.

### **Guidance**

At this stage, it is impossible to forecast the magnitude and duration of the impact of the virus and oil price development given the limited visibility on how this global crisis will unfold. Therefore, Fugro withdraws its earlier guidance for 2020 and will provide further information on 30 April, with the publication of its first quarter trading update.

### **Regulated Information**

This press release contains information that qualifies, or may qualify as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

### **For more information please contact**

#### **Media**

Martine Langerak  
[m.langerak@fugro.com](mailto:m.langerak@fugro.com)  
+31 70 31 11147  
+31 6 5313 1604

#### **Investors**

Catrien van Buttingha Wichers  
[c.vanbuttingha@fugro.com](mailto:c.vanbuttingha@fugro.com)  
+31 70 31 15335  
+31 6 1095 4159

### **About Fugro**

Fugro is the world's leading Geo-data specialist, collecting and analysing comprehensive information about the Earth and the structures built upon it. Adopting an integrated approach that incorporates acquisition and analysis of Geo-data and related advice, Fugro provides solutions. With expertise in site characterisation and asset integrity, clients are supported in the safe, sustainable and efficient design, construction and operation of their assets throughout the full lifecycle.

Employing approximately 10,000 talented people in 65 countries, Fugro serves clients around the globe, predominantly in the energy and infrastructure industries, both offshore and onshore. In 2019, revenue amounted to EUR 1.6 billion. The company is listed on Euronext Amsterdam.