



sarens
group

Annual Report 2012



nothing too heavy, nothing too high



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General information



Message from the Chief Executive Officer

May I take this opportunity to thank our clients for their unreserved confidence in the Sarens organization. The company's services range from hiring the smallest of cranes up to handling the most complex and intricate heavy lifting and transportation projects. The group prides itself on its investment in the latest "state-of-the-art" lifting and transport equipment and software applications purposely designed to provide in-depth and detailed engineering services, together with comprehensive management systems which enable Sarens' dedicated and enthusiastic personnel to find solutions to the challenges of tomorrow.

Caring for customers is one of the foremost priorities within the Sarens organization. Therefore we at Sarens are only content when our customers are entirely satisfied that we have provided a service that meets their expectations, safely, economically and on schedule.

The group's substantial increase in growth during the past three years reflects a turnover in 2012 of €560 million, which indicates, despite the continuing economic uncertainty that Sarens has managed to increase its customer base and encourage many more customers to provide Sarens with continuity of business. Our clients have shown an expression of loyalty and support towards the future growth and prosperity of the Sarens Group.





SAFETY: everyone committed

INVOLVEMENT

- Doing a high quality job safely is your first concern

RETURN HOME SAFE AND SOUND

- Apply the STOP & CONSULT procedure
- Wear the prescribed Personal Protective Equipment
- Do a Last Minute Risk Assessment prior to starting a job
- Use the appropriate equipment and tools
- Report dangerous situations

MINDSET AND BEHAVIOUR

- Safety starts with yourself
- Rather lose 1 minute of your life on working safely than lose your life in 1 minute by working unsafe
- Be aware of the risks, take action to eliminate or reduce them
- Know and apply the procedures and instructions
- There are no good excuses to work in an unsafe way
- Never mistake "action" for "hurry"
- Good behaviour deserves a pat on the back

ORGANIZATION

- Tools and equipment are safe to use
- A neat and clean working environment is a must
- A proactive approach is required
- Take 5 minutes to prepare and prevent losing 5 hours to correct

nothing too heavy, nothing too high

SAR-P2EHS-442-001 E Safety: everyone committed v1.0

Secondly I would like to thank our employees for making this journey possible, while being part of an organization that has developed extremely rapidly from a mainly European entity to a major global leader, a process which has brought numerous changes for all of us. The increased demand and opportunities for international mobility and the implementation of ISO/OHSAS throughout the organization, ensures and reinforces our focus on safety and quality, as well as everything else that we do!

Over the past twelve months Sarens has continued to develop its international expansion programme with the aim of becoming one of the world leaders in heavy lifting and specialized transportation.

We are also pleased to announce further improvements in our operating standards, which has resulted in several new business units receiving ISO and OHSAS certification; indeed, many more business units are making excellent progress towards certification, which is a milestone in our continuing journey to ensure zero accidents.

Our "Blue Safety" programme is being implemented across all of our business units and reflects and reinforces the board's and management's total commitment to safety, with a responsibility to ensure that 'our safety is your safety.'

To enhance and strengthen our expertise the company is continuing to recruit enthusiastic and dedicated personnel, with the result that some 300 new staff were hired in 2012. This has increased the company's overall staffing level to 3,800 employees worldwide. Furthermore Sarens' recruitment and training program ensures that only the best individuals are selected and appointed, thereby supporting the group's commitment to providing their clients with the most experienced and qualified professionals available anywhere in the industry.

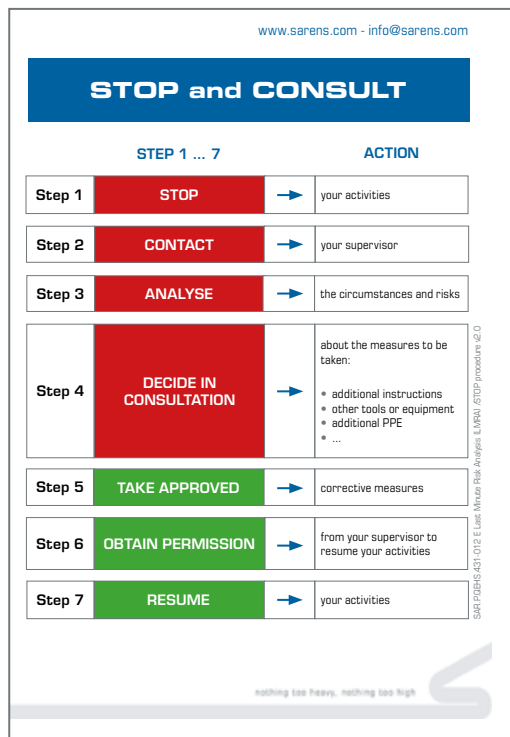
I would also like to thank our shareholders for their continued support and confidence in the Sarens Group. This has enabled further growth in 2012 and includes the purchase of three new crawler cranes with capacities over 1,000 t, an additional 100 axle lines of self-propelled modular trailers, as well as several new barges, lifting towers and telescopic cranes.

This means that the group's investment in new equipment in 2012 was in excess of €175 million, which we are confident will support the future demand for Sarens' worldwide operations and the group's expansion to become one of the most professional and recognized global leaders in the industry.

Consequently, with almost 100 operational business units in 54 countries, the group has generated a turnover of €560 million from 1,600 cranes and 1000 axle lines of SPMT's. Furthermore the group's order book includes a confirmed volume of work in excess of €400 million. Therefore we can say in confidence that we are making progress in our mission to become a global leader.

Our motto, 'Nothing too heavy, nothing too high', has remained at the forefront of our ambitious objectives. During 2012 we carried out many major and prestigious projects in many parts of the world, including Australia, Canada, USA, China, New Caledonia, Algeria, Saudi Arabia and South Africa.

In conclusion, 2012 was a year with a few disappointments in some regions, particularly Eastern and Western Europe which unfortunately experienced numerous project delays with revised schedules and new start dates. Other areas including the Middle East have recovered slowly from the earlier downturn, but demand is very high in some regions including Australia, fuelled by major investments in the region's LNG infrastructure.



Last Minute Risk Analysis (LMRA)

Before starting any task, check that:

- you have sufficient information and instructions to carry out the job safely (work instructions, hoisting plans, work permit, planning instruction sheet (PI-sheet), work order,...)
- you have the required knowledge and experience to carry out the task safely
- each team member knows his/her own specific task
- you have the appropriate PPE
- everyone knows the emergency procedure: emergency number, escape routes, fire fighting equipment
- the equipment is suitable for the task that is to be carried out and is in good working order
- the work place is neat and tidy
- sufficient measures were taken to avoid falling (working at heights!), slipping or tripping
- measures were taken to avoid falling objects
- the workplace is appropriately fenced off
- the work place is appropriately lit
- there is no risk of electrocution
- interactions with other contractors are under control

HAVE YOU ANSWERED NO TO ANY OF THESE QUESTIONS?

THEN USE THE STOP AND CONSULT PROCEDURE!

Happily, the outlook for 2013 is somewhat more positive; so Sarens has moved approximately €50 million worth of equipment to support these flourishing areas of growth.

However, the majority of the €175 million investments in 2012 was in the areas with the most economic growth and driven mainly by investments in the oil, gas and power sectors of the industry. This we believe places Sarens in a much stronger position than in 2012, giving us the opportunity to take advantage of widely different economic developments across the world.

I sincerely hope that the information contained in this report provides you with an insight into the continuing development and success of the group. I remain totally confident that we will continue to make progress in accordance with the group's overall corporate plan, which will indeed prove to be totally successful in future years.

We can look to the years ahead with the greatest confidence.

Wim Sarens
Chief Executive Officer

Key figures (under BE GAAP)

| Thousands EUR | 2012 | 2011 | 2010 |
|--------------------------------------|------------------|----------------|----------------|
| Consolidated balance sheet | | | |
| Fixed assets | 834,330 | 722,444 | 621,303 |
| Stocks and contracts in progress | 5,497 | 5,532 | 6,718 |
| Other current assets | 216,661 | 202,904 | 159,486 |
| Cash and cash equivalents | 40,170 | 18,847 | 23,362 |
| Total assets | 1,096,658 | 949,727 | 810,869 |
| Equity | 254,106 | 228,364 | 173,919 |
| Minority interests | 4,309 | 4,893 | 2,227 |
| Provisions and deferred taxes | 89,485 | 77,973 | 75,842 |
| Financial debts | 585,911 | 505,576 | 458,746 |
| Other current liabilities | 162,846 | 132,921 | 100,135 |
| Total liabilities | 1,096,658 | 949,727 | 810,869 |
| Statement of profit and loss | | | |
| Consolidated turnover | 560,288 | 469,969 | 383,916 |
| EBITDA | 148,915 | 126,702 | 120,573 |
| EBIT | 51,987 | 31,889 | 51,600 |
| Net result | 2,817 | 4,743 | 19,174 |
| Ratios and other key figures | | | |
| Workforce (FTE) | 3,826 | 3,502 | 2,740 |
| Cash flow from operating activities | 146,752 | 93,385 | 92,522 |
| Cash flow from investment activities | -174,568 | -173,641 | -119,865 |
| Net financial senior debt | 504,891 | 436,386 | 385,384 |
| EBITDA margin | 26.6 % | 27.0 % | 31.4 % |
| EBIT margin | 9.3 % | 6.8 % | 13.4 % |
| Gearing | 2.0 | 1.9 | 2.2 |
| Liquidity | 79.7 % | 82.7 % | 94.5 % |
| Equity ratio | 23.2 % | 24.0 % | 21.4 % |

EBIT : operational result (earnings before interests and taxes)

EBITDA : operational result (EBIT) + depreciation

Net working capital : current assets - current liabilities

Net financial debt : financial debts - cash and cash equivalents

EBITDA margin : EBITDA/turnover

Gearing: Net financial debt/equity

Liquidity: Current assets/current liabilities

Equity ratio: Equity/balance sheet total



Namur, Belgium

Group profile and activities

Sarens is recognized as a worldwide leader in heavy lifting and specialist engineering transport. With state of the art equipment and value engineering, Sarens offers its customers creative solutions to today's heavy lifting and transport challenges.

Sarens' success lies in its entrepreneurial spirit. Sarens was established in 1955 by the Sarens family, who had many years' experience in the lumber transport sector.

Over the following decades, our group specialized further and currently works with almost 100 organizations in 54 countries while remaining firmly rooted in Belgium and Western Europe.

Sarens' activities include crane rental, projects and trading. Sarens rental serves thousands of customers and the largest EPC (Engineering, Procurement and Construction) contractors, who primarily use our services. Trading activities include purchases and sales of new and used cranes.

Our core project work includes turnkey lifting and transport operations, heavy lifting and multi-modal transport projects, maintenance and construction lifting projects.

Our activities focus on the civil construction sector, petrochemical, oil and gas projects, metals and mining, coal, gas, nuclear and wind power plants as well as offshore work.

Our high-quality work is based on unrivalled technical know-how that we have acquired over years of experience and which we apply on a daily basis in all our engineering projects. In combination with a modern fleet of sometimes unique equipment, we handle highly difficult turnkey projects all over the world. Our fleet includes heavy lifting equipment (hydraulic cranes, lattice boom cranes and our giant crane), jacking and skidding systems, multi axle hydraulic modular trailers and barge mounted cranes.

Engineering

Sarens has a large specialized engineering department based in Belgium with experienced staff all over the world. We are able to make the most complex structural calculations and select the most effective technical solutions, using appropriate equipment and resources in order to find the appropriate lifting techniques.

We work as partners in projects from the feasibility stage onwards, identifying and cataloguing the equipment requirements and the methods to be used, with constant monitoring of technical specifications throughout the commercial and procurement phases. During the execution stage, our engineers support operations by drawing up documentation such as equipment lists, drawings, calculation sheets and operating procedures.

Heavy transport

We specialize in transporting and handling heavy items. Our specialists deal with all types of oversize and overweight loads which cannot be transported in a conventional way. These turnkey operations are engineered and prepared in detail, including contact with local authorities for infrastructure requirements. We have an extensive fleet of self-propelled modular trailers (SPMT and heavy haulage trailers, including hydraulic platforms, semi-trailers and low bed platform trailers. Our SPMT's are multi-axle trailers designed for moving heavy loads and designed to be coupled side by side and end to end. Remote units are radio controlled.

Heavy road transport

Sarens is taking advantage of the growing long haul road modularisation market with the introduction of the latest generation Kamag K25's into their Canadian fleet. These trailers are designed with component flexibility and building blocks similar to those of the SPMT's. Their benefit lies in being able to run heavy abnormal loads at motorway speeds over sustained long distances, pulled by multiple prime movers.

Wind turbine transport

Over the last 20 years the Sarens Group has installed more than 4000 Wind Turbine Generators, producing power up to 6700 MW. In addition to craning, (un)loading and mechanical and electrical installation, Sarens takes care of the transportation of all WTG components from the factory to site. All turbine types up to 100m can be transported.



K25, Canada

Heavy lifting

We operate one of the largest worldwide fleet of crawler and telescopic cranes, combined with strand jacks, towerlift and skidding systems. Crawler cranes can move on site and can travel loaded while maintaining the highest safety standards. Capacity ranges up to 3,200 t. Lifting operations are executed in accordance with international standards and lifting method statements based on approved execution studies. These studies provide an in-depth analysis of the structure to be lifted, rigging arrangements, operational tolerances, 3D and 2D drawings with dimensions, lifting gear, sling and shackle size and design, radius, counterweights, spreader beams and more.

Our operations can also use towerlift systems, developed for extreme heavy duty structural support, in combination with our Strand Jacks, which have capacities from 15 to 850 t.

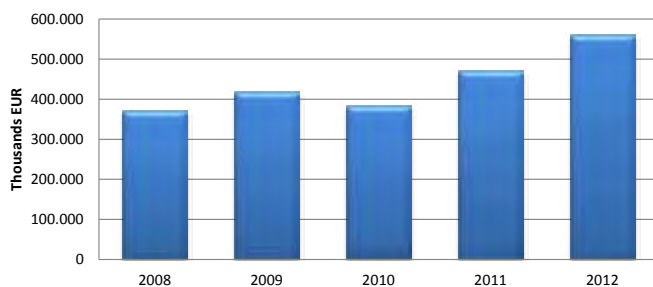
Jacks are used singly or in groups to give the required lifting capacity. Our skidding systems are developed to move heavy items on tracks horizontally.

Our staff around the world are known for their reliability, entrepreneurship and innovation, key skills for every large project. Sarens ensures that all its staff are well trained in order to be able to bring the most difficult projects to a successful conclusion.

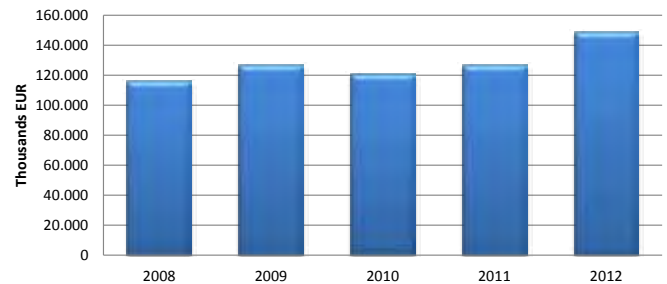
Sarens was the winner of the ESTA Awards of Excellence 2012 in the category 'Crane job of the year - telescopic cranes above 120 t lifting capacity' for the work on widening the floating dock in Hansweert (Netherlands). Our cranes were used to reposition the dock walls, making the dock 6 m wider.

Every day we focus on safety, quality and reliability for our operations, employees, equipment and our environment, providing services to our clients at the highest international standards.

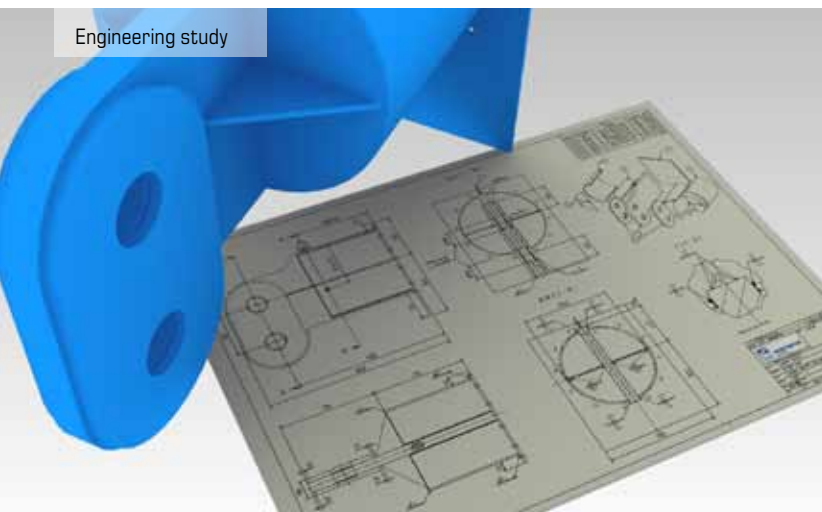
Evolution turnover



Evolution EBITDA



Engineering study



ESTA Award for the widening of a floating dock in Hansweert, the Netherlands



Since its creation, the group has carried out important projects and key milestones including:

| | |
|-------------|---|
| 1955 - 1970 | <p>First crawler cranes and telescopic cranes</p> <p>Sarens contributed in assembling and dismantling numerous constructions and buildings for the world fair in 1958</p> |
| 1970-1985 | <p>First barge and SPMT</p> <p>First bridge movements and load-out</p> <p>Entry into the Netherlands</p> |
| 1990 | <p>Move to new headquarters in Wolvertem</p> <p>Establishment of Sarens GmbH (DE)</p> <p>Purchase of Demag PC 9600 (lifting capacity of 2,000 t)</p> <p>First windmill erections</p> <p>Entry into Poland</p> <p>Entry into Asia (Thailand)</p> |
| 2000 - 2005 | <p>Entry into South Africa</p> <p>Entry into North America</p> <p>Entry into South America (Mexico & Venezuela)</p> <p>Entry into Australia</p> <p>Creation of Sarens Nass Middle East (SNME), a joint venture with the NASS group of Bahrain</p> <p>Creation of Sarens Algeria</p> <p>World record for bridge erection at Millau (FR)</p> <p>Creation of training center in Steenhuffel (BE)</p> |
| 2006 - 2008 | <p>Project Goro Nickel (New Caledonia)</p> <p>Purchase of CC 9800 (lifting capacity of 1,600 t)</p> |
| 2009 - 2012 | <p>New shareholder structure</p> <p>Largest SPMT load ever (NO), Koniombo nickel mine (New Caledonia)</p> <p>In-house development and construction of SGC-120 (Sarens Giant Crane, capacity of 3,200 t)</p> <p>In-house development and construction of CS5000 (Sarens Climbing System, capacity of 5,000 t)</p> <p>Entry into USA, Canada, Colombia, Brazil, Chile, Morocco, Tunisia, Congo-Brazzaville, Namibia, Mozambique, Nigeria, India, Malaysia, Vietnam, Oman, Iraq, Russia, Ukraine and Lithuania</p> |

Equipment 1960s, Belgium



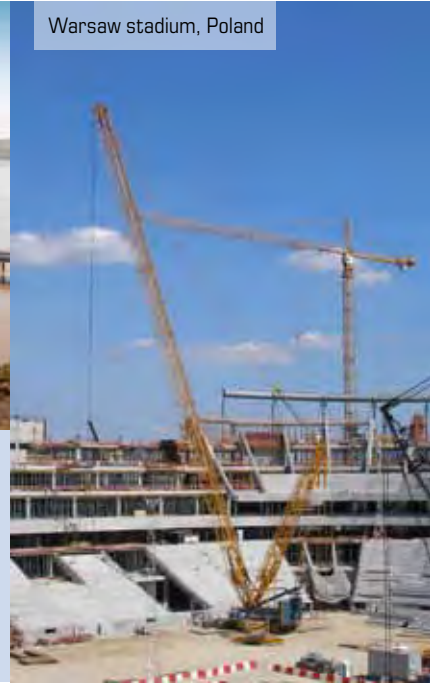
Tree transportation 1950s, Belgium



Pont Bacalan-Bastide, Bordeaux, France



Warsaw stadium, Poland



Civil construction

Over the last decade Sarens has been involved in many civil construction projects around the globe, providing cranes for steel assembly work and installation of complex roof structures for soccer and event stadiums and industrial buildings.

Skikda, Algeria



Tengiz, Kazakhstan



Petrochemical, oil & gas

Sarens' engineering, project and sales teams understand today's high standards in the petrochemical, oil and gas industry. We focus on providing efficient solutions "from factory to foundation". Whether it is a reactor of 1,300 t lifted by a crawler crane, a 1,390 t splitter column of 125 m in length lifted by a tower system or even the transport of a topside module of 15,000 t, Sarens provides tailor-made solutions for all your heavy lifting and heavy transport needs.

Alberta, Canada



Pointe Noire, Congo Brazzaville



Koniambo, New Caledonia



FMG Project, Australia



Metals & mining

Since mid-2000 Sarens has built a strong reputation in crane and heavy transport services in the mineral resources and mining industry. Today's large-scale metallurgical refineries are built by assembling process and pipe-rack modules which are manufactured around the world on module yards and shipped by heavy cargo ships to the site location. Sarens provides module handling and load-in services on the manufacturing yard, load-out and inland transport services, heavy lifting and installation works on site.

Vasilikos, Cyprus



Moorburg, Germany



Coal and gas power plants

Sarens actively provides heavy lift and special transport services in new build gas fired power plant projects. A dedicated sales and projects team has focused on its customer needs and developed an efficient "From Factory to Foundation" solution. The Sarens engineering group continues to assist in optimising crane solutions and on-site transport appropriate to site conditions. New lifting and transport techniques are being introduced to allow modularisation and assembly of heavier components leading to cost and time savings during installation.

Wilbert Tower Cranes

Since mid-2011 Sarens and Wilbert form a Joint Venture, WSV, to rent tower cranes with a range from 900 to 2,400 mt. The WSV fleet currently consists out of 13 tower cranes.



Belchatow, Poland

Mannheim, Germany



detail





San Clemente, USA



Ulchin, Korea

Nuclear power plants

Sarens is positioned to provide innovative and cost-effective solutions to meet the diverse needs of its nuclear clients. Sarens offers them state-of-the-art planning and engineering support, a crane fleet with capacities of up to 3,200 t, over 1,000 axle lines of SPMT's and alternative lifting and shifting systems.



Stord, Norway



Smit Salvage, the Netherlands

Offshore

Sarens has been a heavy lift partner for offshore projects for 30 years. Until now we successfully executed more than 200 larger projects handling weights related to offshore activities up to 18,000 t. During the coming years, we will keep on pushing ourselves as your preferred heavy lift partner, by offering the best technical solutions in accordance with the highest offshore standards and by performing your projects in the safest and most efficient way.



Shutdown execution IBR, Antwerp



Engineering, measuring and design



Certified welding

Mechanical maintenance and overhaul

At Sarens we provide device assembly and mechanical work in a total solution package, executed by skilled, flexible and safety-aware professionals. We have qualified personnel and suitable equipment to execute plant shutdowns and major industrial maintenance activities. Thanks to our flexible organisation, we are able to react quickly to the needs of the client and complete our assignments within the set deadlines.

Wind turbine transport, Poland



Suzlon, Australia



Wind onshore

At Sarens we take green energy very seriously. As a worldwide contemporary heavy-lift company, we are in a unique position to facilitate cost-effective solutions for the wind industry both on- and offshore. Sarens has the knowhow and the global and local presence to realize any size of wind project anywhere as well as the required expertise to implement uniquely designed solutions wherever required. Sarens provides every level of craning solution: from pure crane rental to turnkey projects with an all-in TCI-service coverage (Transport, Craning and Installation).

Q7, IJmuiden, the Netherlands



Thornton Bank I, Ostend, Belgium



Wind offshore

In 2008 Sarens supplied lifting services for GeoSea to build the first offshore windfarm of 5MW turbines in the world: the Thornton Bank I (Ostend, Belgium), with 6 Repower 5M turbines mounted on Gravity Based Foundations of 3,000 t each. We performed all on- and offshore logistics including on- and offshore cranes, SPMT's, Sarens Multi Lift Tower, etc. Since that first project Sarens created a dedicated department specialized in offshore windfarms.

Sarens' cranes on GeoSea's jack-up barges

Sarens owns, operates and maintains the cranes and performs engineering for all lifting activities on board of two of GeoSea's jack-up barges. This close cooperation between Sarens and DEME exists for Sarens' Favelle Favco crane on GeoSea's barge Goliath and for the Huisman crane on board of the Neptune. The latter is a 600 mt Pedestal Crane, especially well-suited for the offshore installation of wind turbines. The Favelle Favco PC 300 is most suited for offshore pre-piling and general offshore maintenance activities.

Huisman Crane



Favelle Favco



© Roland François

Mission and Vision

OUR MISSION

Our goal is to be the global leader in heavy lifting and special transport.

OUR VISION

CUSTOMERS - When THEY are satisfied, we are satisfied

We listen to our customers. In short, we know them, understand their needs and take care of their concerns. This leads to long-lasting relationships based on trust, safety and reliability.

PEOPLE - Our most important assets

The strength of our company is measured by our people. Highly skilled and qualified, well trained and motivated, our employees know results matter. That's why they take full responsibility for every action and why solutions are based on technical knowledge and expertise.

CULTURE - An entrepreneurial spirit

Our company is built on an entrepreneurial spirit, something we strongly encourage. So we place a great deal of emphasis on entrepreneurial skills and applaud an open mind, as well as a no-nonsense and down-to-earth attitude. While this environment sparks ideas and innovation, we never lose sight of the importance of quality, safety and environmental standards, all of which we strictly adhere to.

QEHS - Better safe than sorry

For Sarens, safety is most important. In fact, our goal is to have zero work accidents and incidents. Therefore, we're doing everything possible to prevent them from happening in the first place. Learning from accidents/incidents is a must. Furthermore all of our processes meet ISO/OHSAS standards and are continuously improved on the basis of experience, feedback and lessons learned.

EQUIPMENT - Rely on us

As a technically innovative, technology-driven company, we understand that customers rely on our leading-edge technology for their heavy lifting and special transport requirements. That's something we don't take lightly. We acquire and develop state-of-the-art equipment and maintain it in excellent condition so it's always ready to work.

FINANCE - Growth based on profits

The company's fundamental objective is to create shareholder value through profitable growth.

Noumea, New Caledonia



Svinesund, Sweden



Ras Laffan, Qatar



International network

Today Sarens operates in 54 countries on 6 continents. We now have an unequalled international reputation as worldwide excellent heavy lifting specialists in all of these countries.



Sarens has offices in the following countries:

| | | |
|-------------------|---------------|----------------------|
| Algeria | Iraq | Qatar |
| Argentina | Ireland | Russia |
| Australia | Italy | Saudi Arabia |
| Bahrain | Japan | Serbia |
| Belgium | Kazakhstan | South Africa |
| Botswana | Korea | Sultanate of Oman |
| Brazil | Lithuania | Sweden |
| Canada | Malaysia | Tanzania |
| Chile | Mexico | Thailand |
| China | Morocco | Tunisia |
| Colombia | Mozambique | Turkey |
| Congo-Brazzaville | Namibia | Ukraine |
| Czech Republic | Netherlands | United Arab Emirates |
| Ecuador | New-Caledonia | United Kingdom |
| Egypt | Nigeria | United States |
| France | Norway | Venezuela |
| Germany | Philippines | Vietnam |
| India | Poland | Zambia |

Corporate governance



Board of Directors

Sarens has drawn up guidelines to ensure good governance, both within individual companies and in the Group as a whole.

The Board of Directors, composed of 7 members, plays an active and prominent role in the development of the company. Supported by various advisory committees, the Board supports the management in the operational activities and the financial control of the Group.

The board meets at least quarterly, in practice monthly, and discusses the operational and financial situation of the company and follows the execution of the Group's strategic business plan.

The Board Members:

- **Ludo Sarens** (°1952) is Chairman of the board of directors. He joined the company in 1979 as head of accounting and was later assistant to the general manager. He was CEO of the group from 1987 till 2009.
- **Hendrik Sarens** (°1951) started in 1973 at the dispatching of cranes and transport at Sarens. Subsequently, Hendrik became responsible for HR, sales and heavy lifting operations. At present he is still active within the sales department, where he has a worldwide advisory role.
- **Jan Sarens** (°15/05/1953 - †23/02/2013) started in 1975 as maintenance manager and was in 1978 appointed managing director of Laroy NV. Jan was managing operations of Sarens Mexico after more than 20 years of international travel to the Sarens subsidiaries either as crisis manager or to start up business abroad. Previously, Jan was active in France, Algeria, South Africa, Middle East and Latin America.
- **Marc Sarens** (°1956) joined the group in 1978 in the maintenance department, responsible for repairs to the crane and transport fleet. In 1992 he became maintenance director and as of 2002 director fleet management. Today he has an advisory role in purchasing equipment, fleet assets and assisting the subsidiaries with specific technical issues.
- **Benny Sarens** (°1952) has been responsible since 1972 for all the alternative lifting and heavy transport equipment of Sarens, such as self-propelled modular trailers, jacking and skidding equipment, lifting towers, barges etc. As director of load outs and special operations, his function includes sales, engineering and operational execution of these particular projects worldwide.
- **Frank Vlayen** (°1965) is managing principal of Waterland Private Equity NV, responsible for all Waterland activities in Belgium. Before joining Waterland, he worked as engagement partner at Accenture UK. Before that, he was director of business development at Citigroup Consumer Banking Europe and vice-president of Tractebel's international energy division, where he held a number of senior positions in several functional areas. He started his career at Fortis Bank (at the time Generale Bank) in corporate finance and trade finance. He studied MBA at Vlerick Leuven Ghent Management School and is Business Engineer at the Catholic University of Leuven. 
- **Cedric Van Cauwenberghe** (°1975) is principal for Waterland Private Equity NV in Belgium. Previously, Cedric was Investment Director at Rendex Partner, a venture capital fund. Before, he was head of business development at ChemResult NV, an enterprise software company, and co-founder and CFO of FastBidder NV, a technology start-up. He started his career as management consultant with Roland Berger Consultants for their Brussels, Frankfurt and Barcelona offices. He studied commercial engineer at the Université Libre de Bruxelles (Ecole de Commerce Solvay). 

On its own initiative the board of directors set up an audit committee in 2011 which is attended by two board members, the Chief Executive Officer and the Chief Financial Officer.

The audit committee oversees the consolidated financial statements and the annual report, working closely together with the Group's auditor. It also monitors the internal control system and the main risks arising from the Group's activities.

The board of directors has also set up several advisory committees, including an audit and a remuneration committee, to review specific operational and strategic Group matters.



Sarens family Members of the Board, depicted FLTR: Hendrik Sarens, Benny Sarens, Jan Sarens, Marc Sarens and Ludo Sarens

Sarens NV has established successful joint ventures in several countries. In the Middle East (SNME), the quarterly board meetings are attended by Mr Sami Nass, Managing Director and provide a forum to discuss the multiple growth opportunities in the region. In Sarens Algeria, frequent strategic meetings are held between Sarens board members and Mr Hamid Batata, Managing Director.

Executive Committee

Sarens is managed through a combination of an executive committee at the Group's headquarters and **regional directors**:

- **Rutger Kouwenhoven** (°1974) is a Dutch national who started his career in the transport and heavy lift industry with Smit. In 2006 he made the transition to Sarens, first as a Commercial Manager for Sarens the Netherlands, later as Country Manager. Since 2012 Rutger has been a Regional Director responsible for Western Europe.
- **Jolanta Mirkowicz** (°1956) is a Polish national holding a Master's Degree in Engineering. She started her career as Purchase Manager before creating her own business. In 1997 she became director of Sarens Polska and since 2011 she is Regional Director for Eastern Europe.
- **Patrick Nègre** (°1959) is a French national who, after his degree in Mechanical Engineering, started work as a Project Engineer at Snig Sotemco. In 1991 he became Operational Manager at ADF, and 9 years later he changed to Secomat as General Manager. Since 2007 he is working at Sarens in France, where he is currently Regional Director for North Africa.
- **Martin Verzijl** (°1949) was born in the Netherlands. After finishing technical high school he worked for 20 years as an equipment administrator with a large Dutch contractor before becoming an employee of Sarens in the Netherlands. He is now Regional Director for South Africa.
- **Bev Bentley** (°1954) is a British national who worked for various companies in the crane sector before joining Sarens in 1997. He is currently Regional Director North America.
- **Bernard Chèvremont** (°1971) is a Belgian national with a Master's Degree in Business and Finance. After working for Geodis in Mexico and Los Sabores De Europa, he joined Sarens in 2004. He is Regional Director responsible for Latin America.
- **James Suh** (°1965) was born in South Korea but studied in the USA. After positions at PepciCo Inc, Suntory Inc. and Site Operation Service he joined Sarens in 1997. James Suh is now Regional Director Asia.
- **Gert Hendrickx** (°1973) is a Belgian national with Master's Degrees in Engineering, Business Administration and Marketing Management. He worked as a Sales Engineer at SKP and OTIS, and started his Sarens career in 2003. Gert Hendrickx is currently Country Manager at Sarens Australia.

- **David Muylaert** (°1975) is a Belgian national who holds a Master Degree in Civil Engineering. He started his career at BASF as a Maintenance and later Purchase Manager, before becoming Global Purchase Manager at Sarens. Since 2011 he is Director Global Projects.
- **Malik Masroor** (°1961) was born in India, where he received BA and MA degrees in Political Science and a Postgraduate Degree in Management. He first worked for British Transport Corp. as a Regional Manager. Later he held the position of General Manager at Patel Group of Companies and Al Suwaidi, before joining Sarens Nass Middle East and becoming Regional Director Middle East.

The **Executive Committee** controls all operational and financial aspects of the Group and meets bi-weekly. The members of the Executive Committee are:

- **Wim Sarens** (°1979), CEO, is a Belgian national. After his studies in Electronic Engineering and Business Economics at the University of Leuven, he joined consulting firm McKinsey in 2003. In 2006 he completed an MBA in INSEAD and continued his career as Associate Management Consultant at McKinsey till 2008. In 2008 Wim became head of Business Development at Sarens and in 2009 he became CEO of the group.
- **Kris Geysels** (°1967), CFO, is a Belgian national who joined Sarens in 2012. After his studies in economics at the University of Leuven in 1989, he joined Coopers & Lybrand where he qualified as a chartered accountant in 1995. In 2001 he joined ABX LOGISTICS, an international logistics company, as CFO. The company was restructured and, after a management buy out operation in 2006, sold to a quoted Danish group in 2008. In 2008, Kris moved to Aviaparter, a European ground handling group, as CFO and subsequently as CEO. The group was restructured and will be sold in 2013.
- **Roland De Wandel** (°1949), HR Director Sarens Group, is a Belgian national who joined Sarens in 1992. After his studies in Industrial Engineering Automation, he started in 1972 at Colruyt, Food Distribution, to start up the automation department within the technical division. In 1975 he joined the Gates Rubber Company as an Application Engineer for Germany and Scandinavia and 3 years later he became Key Account Sales Manager OEM Benelux. In 1985 he joined the Frank Lerno International Group as General Manager of the Hydrogen Division.
- **Carl Sarens** (°1973), Director Global Operations and Technical Solutions, joined the group in 1995. He holds a Master Degree in Industrial Engineering (Electromechanics). Carl started as project engineer, became in 2008 Director Technical Solutions and in 2011 Global operations was added to his function. He carried out more than 100 complex projects for Sarens in all regions of the world.
- **Guy Frederickx** (°1959), Fleet Director, is a Belgian national who joined Sarens in 2008 as Director Fleet Services. After completing his Master's in Industrial Engineering in 1982, Guy joined Sundstrand International as Service and Sales Manager. In 2001, he became Global Account Manager at Asea Brown Boveri, the worldwide electric power company. In 2007 he became Director Oil and Gas at Egemin, an automation solutions provider, before joining Sarens.
- **Marcel Roovers** (°1965), Group Sales and Marketing Director, is a Belgian national who joined Sarens in 2011. After studying Applied Economics at the University of Sao Paulo in 1989, Marcel worked for AT&T Corporation from 1994 to 2000 in various sales roles. Subsequently Marcel was responsible for the start-up Sonera SmartTrust after which he joined in 2002 the KPN Group as Director Sales KPN Belgium and Head of Sales Base Mobile (2004). During the period 2005-2011, Marcel carried out different sales assignments in telecom, ICT and high-tech companies.
- **Werner De Vos** (°1968), Group Director Quality, Environment, Health and Safety, is a Belgian national who joined Sarens in 2010. He holds a Master Degree in Mechanics and Electromechanical Engineering and a postgraduate in Safety Prevention Management level I. He started at Continental Printing in 1992 as Technical Manager Prepress, where he later became General Manager of the printing business unit. In 1997 he became Airline Support Manager at DHL and prepared the company for the ISO14001 certification. He joined the Belgian transmission system operator ELIA in 2007, where he was active in safety, quality and process management for the Engineering division.

Statutory Auditor

Sarens Bestuur NV annual accounts are audited by KPMG Bedrijfsrevisoren, Prins Boudewijnlaan 24d, 2550 Kontich, Belgium, represented by Filip De Bock. The statutory auditor was appointed by the general shareholders meeting for a period of 3 years ending with the presentation of its report to the annual general meeting for the financial year ending 31 December 2013.

Quality and safety



Quality, health, safety & environment are vital to Sarens. We are committed to responsible working practices and safety is paramount. "Better safe than sorry", a mindset applicable to every human being (Client, Sarens and Third Party personnel) and to equipment and processes. Sarens' goal is to become the global leader in heavy lifting and special transport and the specialist in the extraordinary: 'Nothing too heavy, nothing too high'.

Better safe than sorry

For Sarens, safety is most important. We aim to provide a safe and healthy working environment for our employees, contractors and visitors. In fact, our goal is to have zero work accidents and incidents. Therefore we're doing everything possible to prevent them from happening in the first place.

Improving our health and safety performance requires a consistent and holistic approach. We ensure that there is effective involvement and open communication on all health and safety matters at all levels in our organization. We believe that working safely is the responsibility of every individual who works at our facilities or on customers' sites.

As there are operational hazards linked to our activities, we actively work to continuously improve our safety performance based on experience, feedback and lessons learned.

We identify, monitor and manage risks arising from our operations and have formal safety management systems

externally certified to OHSAS18001 and SCC standards to ensure appropriate focus and integration of health and safety issues in our business.

Delivering high quality

We at Sarens are committed to meeting our customers' expectations, as well as our obligations under every contract awarded to us.

A focus on quality underlies every decision, every interdisciplinary team, every service provided and every customer contact.

We listen to the feedback that we get and respond to the best of our technical and managerial abilities. We are committed to complete customer satisfaction by continually improving our quality performance of services and processes.

These improvement programs are based on the applicable requirements of ISO 9001 international standard for quality management systems.

Preserving the environment

As part of its commitment to being a good corporate citizen and community member, Sarens is committed to a set of environmental principles.

It is our policy to minimize the environmental impact that may be associated with any of our activities; we work constantly with our customers, contractors and suppliers to improve efficiency, conserve natural resources and reduce waste and emissions.

Human resources

2012 was a busy year for HR. A significant number of new projects in new countries has led us to a strong focus on recruitment and training. During the year, almost 300 new people joined the Sarens world!

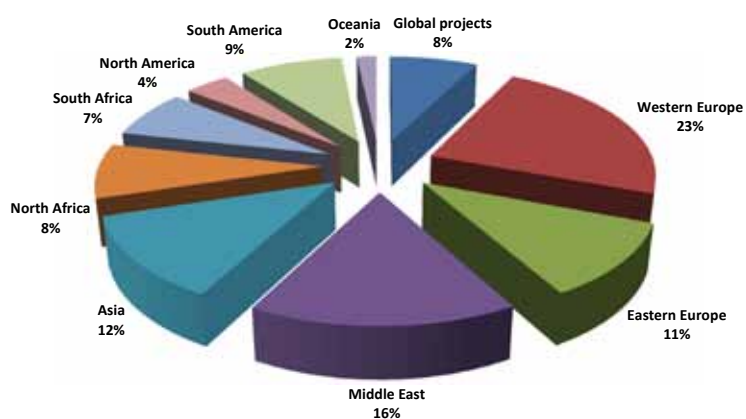
The HR department has developed the procedures and policies needed to attract, train and retain talented people. This will remain a key focus in future years since talented, competent and motivated employees are the cornerstone in our quest for excellence.

We can offer new hires a wide range of attractive jobs, international opportunities and fast promotion chances. Local and groupwise managed training programs are in place and are permanently developed. Existing employees are permanently monitored and career promotion and job rotation are embedded in our daily work.

FTE by segment

| | |
|-----------------|--------------|
| Global projects | 286 |
| Western Europe | 889 |
| Eastern Europe | 425 |
| Middle East | 612 |
| Asia | 474 |
| North Africa | 315 |
| South Africa | 280 |
| North America | 144 |
| Latin America | 336 |
| Oceania | 65 |
| | 3,826 |

FTE employed by region



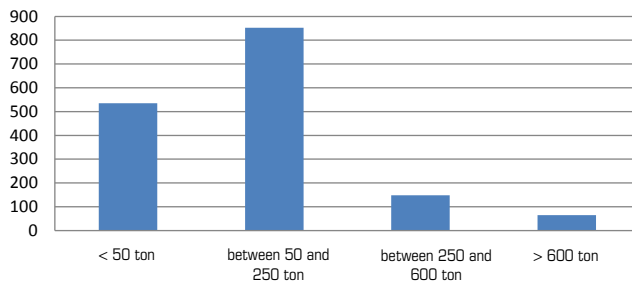
Bremerhaven, Germany



Fleet

With a total of 1,600 cranes worldwide, Sarens disposes one of the largest fleet in the world. The fleet is diversified from the smaller telescopic cranes to crawler cranes with a capacity ranging from 2 to over 3,200 t. As well as cranes, the Group has invested in more than 1,000 pieces of specialized equipment.

Overview type of cranes



The Sarens fleet is very young and has a net book value of over €0,8 billion. Sarens maintains excellent relations with all major crane suppliers and its equipment is sourced from tier 1 crane suppliers.

Sarens has developed its own giant crane, the SGC-120 which is the product of the combined engineering efforts of Sarens and Rigging, its 100% US subsidiary. The crane is the only mobile third generation crane with a lifting capacity of 3,200 mt in production. It is designed to accommodate the heavy lifting requirements of refineries, petrochemical plants, offshore platforms and third generation nuclear power plants.

Burgas, Bulgaria



Bordeaux, France





Financial information

Message from the Chief Financial Officer

The Group's turnover of €560.3 million represents an increase of 19% on 2011. All regions, except Eastern Europe and Global projects, have contributed to this excellent sales growth.

EBITDA increased from €126.7 million to €148.9 million while our operational profit reached €52.0 million with a positive net result. The EBITDA margin of 26.6% demonstrates that we are implementing our vision of profitable growth.

Intangible assets (€26.5 million) consist mainly of capitalized 2012 financing costs. In March 2012 the Group successfully restructured existing credit facilities and concluded new senior credit facilities to fund further international expansion.

This expansion resulted in a major new capital expenditure program. In 2012 the Group invested over €175 million in new fixed assets, an amount in line with the investments made in 2011. As a result the net book value of our fixed assets at 31.12.2012 stood at €800 million.

The trade debtors, €155.0 million as of 31.12.2012, increased by only 7.3 % on 2011, which highlights our improved Days' Sales Outstanding, decreasing from 112 days in 2011 to 101 days in 2012.

The cash position of the Group remains very healthy with €40.2 million cash and cash equivalents at 31.12.2012.

Our equity was further strengthened by a €25 million capital injection from the private equity group Waterland in July 2012, following their previous €50 million increase in 2011. Our equity ratio remained strong at 23.2 %.

The net financial non-subordinated debt of €504.9 million represents an increase of 15.7 % on 2011, lower than our year-on-year growth rate and caused by the major investment program. The senior debt coverage ratio decreased to below 3.4.

During 2013 we will prepare our migration to IFRS standards and continue to improve our international treasury and hedging tools. We plan to invest again over €120 million and our order book continues to expand. A clear sign that a challenging new year lies ahead of us, with excellent prospects for our ambitious group.



Kris Geysels
Chief Financial Officer

Consolidated balance sheet

| Thousands EUR | 2012 | 2011 | 2010 |
|--|------------------|----------------|----------------|
| Fixed assets | | | |
| Intangible fixed assets | 26,510 | 7,617 | 8,103 |
| Positive consolidation differences | 4,362 | 5,347 | 8,120 |
| Tangible fixed assets | 799,844 | 706,543 | 602,310 |
| Financial fixed assets | 3,614 | 2,937 | 2,770 |
| Total fixed assets | 834,330 | 722,444 | 621,303 |
| Current assets | | | |
| Stocks and contracts in progress | 5,497 | 5,532 | 6,718 |
| Trade debtors | 155,002 | 144,437 | 107,598 |
| Other amounts receivable | 44,313 | 44,410 | 41,256 |
| Cash at bank and in hand | 40,170 | 18,847 | 23,362 |
| Deferred charges and accrued income | 17,346 | 14,057 | 10,632 |
| Total current assets | 262,328 | 227,283 | 189,566 |
| Total assets | 1,096,658 | 949,727 | 810,869 |
| Equity | | | |
| Issued capital | 80,000 | 55,000 | 4,982 |
| Revaluation surplus | 7,328 | 7,627 | 7,740 |
| Consolidated reserves | 168,433 | 166,021 | 162,992 |
| Negative consolidation differences | 2,151 | 2,133 | 2,133 |
| Translation differences | -3,806 | -2,417 | -3,928 |
| Total equity | 254,106 | 228,364 | 173,919 |
| Non-controlling interests | 4,309 | 4,893 | 2,227 |
| Provisions and deferred taxes | | | |
| Provisions for liabilities and charges | 12,983 | 8,973 | 6,255 |
| Deferred taxes | 76,502 | 69,000 | 69,587 |
| Total provisions and deferred taxes | 89,485 | 77,973 | 75,842 |
| Amounts payable over 1 year | | | |
| Subordinated loans | 40,849 | 50,343 | 50,000 |
| Leasing and similar other obligations | 246,444 | 237,503 | 227,971 |
| Credit institutions | 130,692 | 74,248 | 79,142 |
| Other loans | 1,452 | 1,419 | 1,214 |
| Total financial debts | 419,437 | 363,513 | 358,327 |
| Amounts payable within 1 year | | | |
| Financial debts - credit institutions | 166,473 | 142,063 | 100,419 |
| Trade debts | 102,880 | 71,503 | 51,154 |
| Other amounts payable | 43,556 | 51,842 | 31,941 |
| Advances received | 6,106 | 1,705 | 3,163 |
| Accruals and deferred income | 10,305 | 7,871 | 13,875 |
| Total current liabilities | 329,320 | 274,984 | 200,552 |
| Total liabilities | 1,096,658 | 949,727 | 810,869 |



Consolidated profit and loss statement

| Thousands EUR | 2012 | 2011 | 2010 |
|---|-----------------|-----------------|-----------------|
| Turnover | 560,288 | 469,969 | 383,916 |
| Stock of finished goods and contracts in progress | 21 | -1,867 | 2,148 |
| Own work capitalised | 5,131 | 9,511 | 19,998 |
| Other operating income | 10,141 | 11,059 | 25,433 |
| Total operating income | 575,581 | 488,672 | 431,495 |
| Raw materials and consumables | -39,064 | -47,992 | -46,975 |
| Services and other goods | -219,250 | -174,972 | -145,299 |
| Remuneration, social security costs and pensions | -155,144 | -131,907 | -111,433 |
| Depreciations and amounts written off on fixed assets | -86,274 | -76,641 | -70,646 |
| Amounts written off stocks, contracts in progress and trade debtors | -6,656 | -15,736 | 3,076 |
| Provisions for liabilities and charges | -3,998 | -2,436 | -1,404 |
| Other operating charges | -13,209 | -7,099 | -7,214 |
| Total operating charges | -523,594 | -456,783 | -379,895 |
| Operating profit (EBIT) | 51,987 | 31,889 | 51,600 |
| Income from financial fixed assets | 0 | 12 | 0 |
| Income from current assets | 657 | 555 | 649 |
| Other financial income | 15,116 | 24,405 | 14,033 |
| Financial income | 15,773 | 24,972 | 14,682 |
| Debt charges | -28,490 | -23,645 | -22,404 |
| Other financial charges | -22,534 | -21,455 | -10,033 |
| Financial charges | -51,024 | -45,100 | -32,437 |
| Profit on ordinary activities before taxes | 16,736 | 11,761 | 33,845 |
| Extraordinary income | 717 | 132 | 235 |
| Extraordinary charges | -2,283 | -525 | -323 |
| Profits for the period before taxes | 15,170 | 11,368 | 33,757 |
| Transfer to/from deferred taxes | -7,553 | 192 | -12,159 |
| Income taxes | -4,933 | -6,814 | -2,445 |
| Income tax expenses | -12,486 | -6,622 | -14,604 |
| Profit of the period | 2,684 | 4,746 | 19,153 |
| Share in result of the companies using the equity method | 133 | -3 | 21 |
| Consolidated net result for the period | 2,817 | 4,743 | 19,174 |
| Share of the group | 2,302 | 3,498 | 16,811 |
| Share of third parties | 515 | 1,245 | 2,363 |

Consolidated cash flow statement

| Thousands EUR | 2012 | 2011 | 2010 |
|---|-----------------|-----------------|-----------------|
| Operating profit | 51,987 | 31,889 | 51,600 |
| Depreciations, amortization and impairment | 86,274 | 76,641 | 70,645 |
| Write-offs on inventories and trade debtors | 6,656 | 15,736 | -3,076 |
| Provisions for liabilities and charges | 3,998 | 2,436 | 1,404 |
| EBITDA | 148,915 | 126,702 | 120,573 |
| Non cash-adjustments | -3,881 | 2,323 | 1,143 |
| Changes in working capital | 8,852 | -28,826 | -26,749 |
| Income tax paid | -7,134 | -6,814 | -2,445 |
| Cash flow from operating activities | 146,752 | 93,385 | 92,522 |
| Net investments in intangible fixed assets | -1,006 | -438 | -5,403 |
| Net investments in tangible fixed assets | -168,951 | -177,989 | -106,987 |
| Net investments in financial fixed assets | 104 | 4,219 | -8,042 |
| Acquisition of subsidiaries | -2,278 | - | - |
| Acquisition of interest from minorities | -2,349 | - | - |
| Disposal of subsidiaries | -87 | - | - |
| Dividends received/(paid) | - | 567 | 567 |
| Cash flow from investing activities | -174,568 | -173,641 | -119,865 |
| Net cash used in extraordinary activities | 64 | -393 | -88 |
| Consolidated free cash flow | -27,752 | -80,649 | -27,431 |
| Capital increase | 25,000 | 50,000 | - |
| Financial results | -35,251 | -23,645 | -22,404 |
| Net debt movements | 79,668 | 46,830 | 45,590 |
| Costs debt rescheduling | -20,353 | - | - |
| Cash flow from financing activities | 49,064 | 73,185 | 23,186 |
| Changes in consolidation scope | 12 | 2,950 | 5,081 |
| Net change in cash and cash equivalents | 21,323 | -4,515 | 836 |
| Cash and cash equivalents at the beginning of the year | 18,847 | 23,362 | 22,526 |
| Cash and cash equivalents at the end of the year | 40,170 | 18,847 | 23,362 |



Notes to the consolidated financial statements

1. General
2. Basis of preparation
3. Basis of consolidation
4. Accounting policies
5. Consolidation entities
6. Turnover
7. Goodwill and intangible fixed assets
8. Tangible fixed assets
9. Financial fixed assets
10. Stocks and contracts in progress
11. Trade and other receivables
12. Provisions
13. Statement of changes in equity
14. Financial debts
15. Trade and other payables
16. Risk management policies
17. Financial instruments
18. Finance and lease agreements
19. Commitments
20. Events after balance sheet date

1. General

Sarens Bestuur NV is a naamloze vennootschap/société anonyme (company with limited liability) incorporated under Belgian law. The company has its registered offices at Autoweg 10, 1861 Meise/Wolvertem and was incorporated on 10 November 1993 with company registration number 0451.416.125. The company's share capital is € 80,000,000, represented by 12,244 shares.

The company's financial year begins on January 1st and ends on December 31st of each year.

Sarens Bestuur NV is the ultimate parent company of the Sarens Group and the consolidating entity.

2. Basis of preparation

The consolidated financial statements are prepared in accordance with Belgian Generally Accepted Accounting Principles (GAAP) and the specifications of Chapter III, Title II of the Royal Decree of 30 January 2001 on the consolidated accounts of trading companies.

The consolidated financial statements are presented in thousand euro which is the company's operating and reporting currency.

Under the Belgian GAAP, the historical cost principle is applied as a measurement basis.

Unless explicitly stated, accounting policies are applied consistently from year to year.

3. Basis of consolidation

The consolidated financial statements include the financial data of the company and its subsidiaries, jointly controlled entities and associates.

a. Subsidiaries

Subsidiaries are all entities over which the company has the power, directly or indirectly, to control the financial and operating policies so as to obtain gains from them, generally implying that the company holds 50% +1 of the voting rights. The financial statements of the subsidiary are included in the consolidated financial statements from the date on which the Group acquires control until the date that the control ceases. Subsidiaries are consolidated by use of the full consolidation method.

Note 5 lists all the subsidiaries at reporting date.

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated; unrealized losses are also eliminated unless such losses are permanent.

b. Investments in jointly controlled entities

Jointly controlled entities are all entities over which the company has, directly or indirectly, joint control, meaning that strategic, financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control. The proportionate consolidation method is applied to all jointly controlled entities. This method combines on a line by line basis the company's share of each of the assets, liabilities, income and expenses of the jointly controlled entity with similar items in the company's consolidated financial statements.

Intercompany transactions, balances and unrealized gains on transactions between the jointly controlled entity and Group entities are eliminated to the extent of the interests held by the Group. Unrealized losses are also eliminated unless such losses are permanent.

c. Investments in associates

Associates are all entities over which the company has, directly or indirectly, a significant influence and which are neither subsidiaries nor jointly controlled entities. This is presumed if the company holds at least 20% of the voting rights. Associates are consolidated by application of the equity method. The equity method is a method whereby the investment is initially recognized at cost and adjusted thereafter for any post-acquisition change in the Group's share of the net assets of the associate.

4. Accounting policies

a. General

The accounting information disclosed in the consolidated financial statements of Sarens Bestuur NV provides a true and fair view of its statement of financial position and income statement, in compliance with Belgian GAAP. However, financial statements do not provide all the information that users may need to make economic decisions since they represent the financial effects of past events and do not necessarily present non-financial information.

Assets are recognized in the statement of financial position when it is considered probable that future economic benefits will accrue to the entity and the cost of the asset can be measured reliably. Liabilities are recognized in the statement of financial position when it is probable that the settlement of the liability will result in an outflow of resources embodying economic benefits and the amount at which the settlement will take place can be measured reliably. In both circumstances probable means more likely than not.

Income is recognized in the income statement when an increase in future economic benefits related to an increase in an asset, or a decrease of a liability, has arisen which can be measured reliably. Expenses are recognized in the income statement when a decrease in future economic benefits related to a decrease in an asset, or an increase of a liability, has arisen which can be measured reliably.

If a transaction results in the termination of future economic benefits or when all risks relating to an asset or a liability are transferred to a third party, the asset or liability is derecognized in the statement of financial position.

b. Use of estimates

In the preparation of the financial statements, management is required to form judgments, assumptions and estimates about the carrying amounts of assets and liabilities. The judgments, estimates and assumptions are reviewed on an ongoing basis. Changes in estimates are recognized in the period in which the revision is made and in future periods for which the revision has consequences. However the resulting estimates will not always equal the related actual results.

c. Foreign currencies

The consolidated financial statements are presented in thousand euro which is the company's operating and the Group's reporting currency.

Each Group entity reports in their operating currency which is the currency of the primary economic environment in which the entity operates. If a foreign operation reports in an operating currency different from the Group's reporting currency, the financial statements of the foreign operation are translated as follows:

- Assets and liabilities are translated at the closing exchange rate published by the European Central Bank
- Income and expenses are translated at the average exchange rate for the year
- Shareholder's equity and its components are translated at the historical exchange rate

The resulting translation adjustments are recorded in shareholder's equity under the heading "currency translation reserve". When a foreign operation is partially disposed of or sold, exchange differences recorded under the heading "currency translation reserve" are recognized in the income statement as part of the gain or loss on sale.

Foreign currency transactions are recognized during the period in the operating currency of each entity at the exchange rate applicable at the date of the transaction. The transaction date is the date at which the transaction first qualifies for recognition.

Subsequently monetary assets and liabilities denominated in foreign currencies are translated at the closing rate on the balance sheet date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets (see above) are recognized in the income statement as a financial result.

Non-monetary assets and liabilities which are carried at historical cost denominated in a foreign currency are measured using the exchange rate at the date of the transaction.

d. Goodwill

Goodwill arising in a business combination represents the positive difference between the acquisition cost and the proportional share in the net assets of the acquired entity, at the date of acquisition. Goodwill is amortized on a straight-line basis over 5 years (20% each year). Goodwill is subject to impairment if economic conditions or technological developments have a negative impact on the entity's future business.

e. Formation expenses

Formation expenses are recorded at cost and depreciated at 100%. Specific costs on loan agreements are recorded at cost and depreciated on a straight-line basis over the period of the loan agreement.

f. Intangible fixed assets

Intangible fixed assets comprise research and development costs, patents and other similar rights as well as customer lists and other intangible commercial assets such as brand names.

Intangible assets are recognized if and only if: (i) the asset is identifiable, (ii) the Group has control over the asset, (iii) it is probable that future economic benefits attributable to the asset will flow to the entity and (iv) the cost of the asset can be measured reliably.

Intangible assets are initially measured at their purchase price, including any import duties and non-refundable purchase taxes and any directly attributable expenditure on preparing the assets for its intended use. The cost of intangible assets acquired through a business combination is the fair value of the acquired asset at the acquisition date. Internally generated intangible assets are measured as the sum of expenditure incurred from the date on which the intangible assets meet the recognition criteria.

After initial recognition an intangible asset is carried at its cost less any accumulated amortization and impairment loss. Intangible assets are amortized over their useful estimated economic life using a straight line method. The Group has determined the following annual depreciation rates for intangible assets:

- | | |
|---|-----|
| • Research and development costs | 20% |
| • Concessions, patents and other similar rights | 20% |
| • Software | 33% |
| • Customer lists and other intangible commercial assets | 20% |

An impairment loss will be recorded if the carrying amount of the intangible asset exceeds its recoverable amount, which is the higher of its value in use or its sales value.

g. Property, plant and equipment

Property, plant and equipment is recognized if and only if: (i) the Group has control over the asset, (ii) it is probable that future economic benefits associated with the asset will flow to the entity, (iii) the cost of the item can be measured reliably.

Property, plant and equipment are recognized initially at cost. Cost is defined as the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its acquisition or construction. Cost include all expenditure directly attributable to bringing the asset to the location and condition necessary for its intended use (e.g. import duties and non-refundable purchase taxes, directly attributable costs of bringing the assets ex works to the location, etc.) Costs incurred for significant upgrades to property, plant and equipment or to extend their lifetime shall be capitalized up to the maximum market value and written off over the remaining lifetime of the asset. Any costs in excess of market value of the equipment shall be expensed.

The cost of property, plant and equipment with a limited useful life is reduced to its estimated residual value by the systematic allocation of depreciation over the asset's useful life. The Group applies depreciation on a straight-line basis and has determined the following annual depreciation rates:

- | | |
|----------------------------------|----------------|
| • Buildings | 3% - 10% |
| • Plant, machinery and equipment | 20% |
| • Cranes | 6.67% - 14.29% |
| • Furniture and other vehicles | 5% - 20% |
| • Other tangible fixed assets | 20% |

Assets held under finance leases are depreciated on the same basis as owned assets.

An impairment loss will be recorded if the carrying amount of the tangible asset exceeds its recoverable amount, which is the higher of its value in use or its sales value.

Gains and losses on disposal of cranes are included in operating results while all other gains and losses on disposal are included in extraordinary results.

h. Financial fixed assets

The Group classifies its financial assets in the following categories:

(i) Investments in associates

Associates are all entities over which the Group has significant influence but no control over strategic, financial and operating policies. This is presumed if the company holds at least 20% of the voting power. Investments in associates are accounted for using the equity method. If the Group's share of losses of an associate equals or exceeds its interest, the Group discontinues recognizing its share of further losses. After the Group's interest has been reduced to zero, the Group recognizes a liability if the Group incurs legal or constructive obligations or makes payment on behalf of the associate.

The Group's share in the yearly profit or loss of the associate is included in the income statement under the heading "share of results in associates".

(ii) Participating interests in other entities

Participating interests in other entities arise for all entities over which the Group has no significant influence but with which the Group intends to maintain or build a long term relationship. Participating interests in other entities are initially recognized at acquisition cost and are subsequently measured at the lower of their acquisition value or fair value, which is the amount at which the interest could be bought or sold in a transaction between knowledgeable and willing parties in an arm's length transaction.

(iii) Other financial assets

Other financial assets comprise mainly long-term paid guarantees. Other financial assets are measured at their nominal value. The Group does not discount any interest-free long term receivable included in other financial assets.

i. Inventories

The Group classifies its inventories in the following categories:

- stocks: covering tyres, spare parts, fuel, tackle equipment, consumables and tools
- goods purchased for resale: covering all assets purchased with an intention to resell
- contracts in progress

(i) Stocks and goods purchased

Stocks and goods purchased for resale are measured at the lower of their purchase cost and their net realizable value. Cost of purchase is based on the FIFO method, on the assumption that goods purchased first are sold first. If the net realizable value is lower than the cost of purchase, the Group writes off the excess immediately in profit or loss.

(ii) Contracts in progress

Because of the nature of the activities (construction contracts) in which the Group is involved, the date on which the contractual activity is started and the date on which the activity is completed usually fall in different accounting periods. The Group uses the percentage of completion method in order to allocate contract revenue and contract costs to the accounting period in which the work is performed.

Therefore, the Group recognizes a gross sum in inventories for all contracts in progress for which costs incurred plus recognized profits (or less recognized losses) that exceed the progress billing.

j. Trade receivables

Trade receivables are measured at nominal value, less the appropriate impairments for amounts considered as unrecoverable. At each reporting date the Group assesses whether there are indications that a trade receivable should be impaired. A trade receivable is impaired if it is probable that the entity will not collect or collect only part of the amount due.

k. Non-controlling interests

Non-controlling interests represent the shares of minority shareholders in the equity of subsidiaries which are not fully owned by the Group. Non-controlling interests are initially measured at the non-controlling shareholders' share of the net assets of the acquired subsidiary. Subsequently they are adjusted by the appropriate non-controlling interest share of profits or losses.

l. Provisions

Provisions are recognized when and only when:

- the Group has a current legal or constructive obligation as a result of a past event
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation
- a reliable estimate can be made of the amount of the obligation

Provisions are reviewed each balance sheet date and are adjusted to reflect the best estimate of the minimum expenditure required to settle the present obligation.

m. Deferred taxes

Deferred taxes are the amounts of income taxes recoverable or payable in future periods in respect of:

- deductible or taxable temporary differences
- the carry forward of unused tax losses
- the carry forward of unused tax credits

In accordance with Belgian GAAP the Group recognizes only deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rate to which the Group company is subject.

If a Group company has deferred tax assets and liabilities, it offsets the deferred tax assets to the extent of the deferred tax liabilities and derecognizes any remaining deferred tax asset.

n. Pensions

The Group has various post-employment benefit schemes in accordance with the practices of the countries in which it operates.

(i) Defined contribution plans

The majority of the pension plans in the Group are defined contribution plans whereby the Group pays fixed contributions into a separate fund (e.g. insurance fund). Obligations in respect of contributions to the fund are recognized as an expense in the income statement as they fall due. Although most defined contribution plans guarantee a minimum return to the employee, the Group does not account for any complementary provisions, since the minimum returns are mostly guaranteed by the fund itself.

(ii) Defined benefit plans

The Group recognises a provision for the expected cost of early retirement. The expected cost is measured as the sum of the possible future payments that the Group would have to make in order to comply with local legislation. The provision for early retirement is not based on actuarial calculations.

o. Recognition of income

If the outcome of a project can be estimated reliably, the operating income from such a project is recognized using the percentage of completion method. Progress is measured for each contract on the proportion of the expected total cost for the contract incurred to date, excluding cost of subcontracted work. An expected loss on a project is recognized immediately in the income statement. Crane rental income is recognized over the rental period. Profits on trading of equipment and profits on sale of fixed assets are accounted for at the time of transfer of economic ownership.

5. Consolidation entities

List of consolidated entities

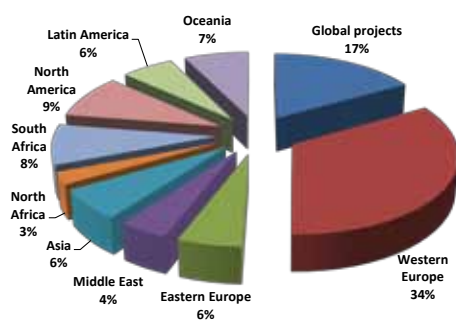
| Entity | Country of incorporation | % of ownership | consolidation method |
|---|--------------------------|----------------|----------------------|
| Sarens Bestuur NV | Belgium | 100 | Full consolidation |
| Sarens NV | Belgium | 100 | Full consolidation |
| Sarens SARL (branch) | Algeria | 100 | Full consolidation |
| Sarens GmbH | Germany | 100 | Full consolidation |
| Sarens Italia Srl | Italy | 100 | Full consolidation |
| Sarkran NV | Belgium | 100 | Full consolidation |
| Sarens France (Branch) Nouvelle Calédonie | New-Caledonia | 100 | Full consolidation |
| Sarens NV - Ogranak (Branch) | Serbia | 100 | Full consolidation |
| Sarens Transport and Heavy Lift DOO | Serbia | 100 | Full consolidation |
| Sarens BE NV | Belgium | 100 | Full consolidation |
| Sarens France SAS | France | 100 | Full consolidation |
| Sarens Normandie sarl | France | 100 | Full consolidation |
| Sarens Nord Ouest SAS | France | 100 | Full consolidation |
| Sarens Sud sarl | France | 100 | Full consolidation |
| Eurolevage SARL | France | 100 | Full consolidation |
| Holding Sarens Nederland BV | Netherlands | 100 | Full consolidation |
| Management Sarens Nederland BV | Netherlands | 100 | Full consolidation |
| Sarens Montage BV | Netherlands | 100 | Full consolidation |
| Sarens Materieel BV | Netherlands | 100 | Full consolidation |
| Sarens Nederland BV | Netherlands | 100 | Full consolidation |
| Sarens Steel Erectors BV | Netherlands | 100 | Full consolidation |
| Sarens A/S | Norway | 100 | Full consolidation |
| Sarens Kranservice AS | Norway | 100 | Full consolidation |
| Sarens UK Ltd | United Kingdom | 100 | Full consolidation |
| Sarens Construction Ltd | United Kingdom | 100 | Full consolidation |
| G.E. Curtis Ltd | United Kingdom | 100 | Full consolidation |
| Ververmeer Materieel BV | Netherlands | 100 | Full consolidation |
| Sarens Polska Spzoo | Poland | 100 | Full consolidation |
| Sarens Atyrau GmbH (Branch) | Kazakhstan | 100 | Full consolidation |
| Sarens Russia LLC | Russia | 100 | Full consolidation |
| Sarens KM Ltd | Russia | 100 | Full consolidation |
| UAB Sarens Balticum | Lithuania | 100 | Full consolidation |
| Sarens Qatar LLC | Qatar | 100 | Full consolidation |
| Sarens Thailand Co. Ltd. | Thailand | 100 | Full consolidation |
| Sarens Asia (ROH) Ltd. | Thailand | 100 | Full consolidation |
| Sarens Korea (Branch) | Korea | 100 | Full consolidation |
| Sarens Korea Ltd. | Korea | 100 | Full consolidation |
| Sarens Vietnam Co. Ltd. | Vietnam | 100 | Full consolidation |
| Sarens Heavy Lift India Private Limited | India | 100 | Full consolidation |
| Sarens (Malaysia) SDN. BHD. | Malaysia | 100 | Full consolidation |
| Sarens Algérie Sarl | Algeria | 60 | Full consolidation |
| Sarens Maroc | Morocco | 100 | Full consolidation |
| Sarens Tunisie sarl | Tunisia | 70 | Full consolidation |
| Sarens South Africa Limited | South Africa | 100 | Full consolidation |
| Sarens Cranes Services Nigeria Limited | Nigeria | 100 | Full consolidation |
| Zuraw Gdansk Spzoo | Poland | 100 | Full consolidation |

| Entity | Country of incorporation | % of ownership | consolidation method |
|---|--------------------------|----------------|----------------------------|
| Sarens Heavy Lift Namibia (Pty Ltd) | Namibia | 100 | Full consolidation |
| Sarens North America Holding, Inc. | United States | 100 | Full consolidation |
| Rigging International, Corp. | United States | 100 | Full consolidation |
| Sarens Heavy Lift Canada Ltd. | Canada | 100 | Full consolidation |
| Canada Crane Services Inc. | Canada | 90 | Full consolidation |
| Servicios Corporativos Latino-americanos SA de CV | Mexico | 100 | Full consolidation |
| SRNS Latinoamérica SA de CV | Mexico | 100 | Full consolidation |
| Sarens de Colombia S.A.S. | Colombia | 100 | Full consolidation |
| Sarens Brasil Locação de Equipamentos para Construção Ltda. | Brazil | 100 | Full consolidation |
| Groep Sarens de Venezuela C.A. | Venezuela | 100 | Full consolidation |
| SarensEcuador SA | Ecuador | 100 | Full consolidation |
| Sarens Chile SA | Chile | 99 | Full consolidation |
| Servicios para Maquinaria, S.A. | Chile | 99 | Full consolidation |
| Perth Crane Hire Pty Ltd | Australia | 100 | Full consolidation |
| Sarens (Australia) Pty Ltd | Australia | 100 | Full consolidation |
| Sarens Cranes Ltd | Ireland | 100 | Full consolidation |
| Sarens N. Middle East Holding Ltd. | Bahrein | 100 | Full consolidation |
| Epequip SPC | Bahrein | 100 | Full consolidation |
| Sarens Mauritius | Mauritius | 100 | Full consolidation |
| Sarens for General Trading and Contracting WLL | Iraq | 100 | Full consolidation |
| Sarens for General Trading and Contracting LLC | Iraq | 100 | Full consolidation |
| Sarbra 1750 NV | Belgium | 50 | Proportional consolidation |
| EOLE Overseas NV | Belgium | 50 | Proportional consolidation |
| WS Vermietung GmbH | Germany | 50 | Proportional consolidation |
| Sarens Nass Middle East w.l.l. | Bahrein | 50 | Proportional consolidation |
| Sarens Buildwell Nigeria Ltd | Nigeria | 50 | Proportional consolidation |
| Nebem BV | Netherlands | 50 | Proportional consolidation |
| Alvian Most s.r.o | Czech Republic | 25 | Equity method |
| Tagi Logistics | Vietnam | 49 | Equity method |
| Betonbouw Nederland Holding | Nederland | 25 | Equity method |
| BSM Sarens Serviços Técnicos De Engenharia E Locação Ltda | Brazil | 50 | Not consolidated |
| Sarens SZR LLC | Russia | 100 | Not consolidated |
| Sarens Tunglyft AB | Sweden | 100 | Not consolidated |
| Sarens Ukraine LLC | Ukraine | 85 | Not consolidated |
| Sarens Gulf Heavy Lift LLC | Sultanate of Oman | 70 | Not consolidated |
| Sarens - Abu Dhabi (Branch) | United Arab of Emirates | 100 | Not consolidated |
| Sarens Gulf Equipments Trading LLC | United Arab of Emirates | 49 | Not consolidated |
| Sarens Saudi Arabia Ltd | Saudi Arabia | 100 | Not consolidated |
| Sarens Agir Yük Kaldırma Tic. Ltd. Sti | Turkey | 100 | Not consolidated |
| Sarens Argentina SA | Argentina | 100 | Not consolidated |
| Sarens Heavy Lift Egypt LLC | Egypt | 95 | Not consolidated |
| Sarens Mozambique LDA | Mozambique | 100 | Not consolidated |
| Sarens Zambia Ltd. | Zambia | 100 | Not consolidated |
| Sarens Botswana (Pty) Ltd | Botswana | 100 | Not consolidated |
| Sarens Tanzania Limited | Tanzania | 100 | Not consolidated |
| Sarens Congo SARL | Congo | 70 | Not consolidated |
| PT Sarens OCS Indonesia | Indonesia | 49 | Not consolidated |

6. Turnover

The group's turnover for 2012 and 2011 can be detailed as follows:

Turnover by region 2012



| Thousands EUR | 2012 | 2011 |
|---------------------|----------------|----------------|
| Global projects | 93,440 | 113,418 |
| Western Europe | 187,961 | 174,294 |
| Eastern Europe | 30,634 | 37,258 |
| Middle East | 24,179 | 16,050 |
| Asia | 35,549 | 18,631 |
| North Africa | 14,144 | 13,479 |
| South Africa | 46,437 | 27,586 |
| North America | 50,901 | 25,796 |
| Latin America | 33,410 | 15,193 |
| Oceania | 41,041 | 21,478 |
| Leasing and trading | 2,592 | 6,786 |
| | 560,288 | 469,969 |



7. Goodwill and intangible fixed assets

| Thousands EUR | Positive conso- lidation differences | Research & Development | Concessi- ons, patents and similar rights | Custo- mer lists and other intangible commercial assets | Formation expen- ses and loan issue expenses | Total intan- gible fixed assets |
|---|---|---------------------------|--|--|--|---------------------------------------|
| Acquisition value | | | | | | |
| Balance at 1 January 2011 | 24,823 | 952 | 4,968 | 1,532 | 3,773 | 11,225 |
| Additions | 314 | | 75 | 24 | 1,236 | 1,335 |
| Disposals and retirements | | | -153 | | | -153 |
| Effect of foreign currency exchange differences | -407 | 31 | -3 | -5 | -53 | -30 |
| Other movements | | | -177 | | | -177 |
| Transfer to other asset categories | | 470 | | -368 | | 102 |
| Balance at 31 December 2011 | 24,730 | 1,453 | 4,710 | 1,183 | 4,955 | 12,301 |
| Additions | 2,182 | 70 | 166 | 789 | 20,359 | 21,385 |
| Disposals and retirements | | -83 | | | | -83 |
| Effect of foreign currency exchange differences | -353 | 14 | | -1 | | -13 |
| Other movements | -761 | | | | 6 | 6 |
| Balance at 31 December 2012 | 25,798 | 1,455 | 4,876 | 1,971 | 25,321 | 33,623 |
| Accumulated depreciation and impairment losses | | | | | | |
| Balance at 1 January 2011 | -16,704 | -187 | -1,012 | -1,497 | -376 | -3,072 |
| Depreciation expense recorded | -3,086 | -193 | -898 | 18 | -591 | -1,664 |
| Disposals and retirements | 407 | | 96 | | | 96 |
| Effect of foreign currency exchange differences | | -6 | | 9 | | 3 |
| Other movements | | | 42 | | | 42 |
| Transfer to other assets categories | | -377 | | 287 | | -90 |
| Balance at 31 December 2011 | -19,383 | -763 | -1,772 | -1,183 | -966 | -4,684 |
| Depreciation expense recorded | -2,885 | -204 | -887 | -161 | -1,214 | -2,467 |
| Effect of foreign currency exchange differences | 70 | -6 | | 1 | | 65 |
| Other movements | 761 | 9 | | 40 | -6 | 43 |
| Balance at 31 December 2012 | -21,437 | -964 | -2,659 | -1,303 | -2,187 | -7,113 |
| Carrying amount | | | | | | |
| At 31 December 2012 | 4,362 | 491 | 2,217 | 668 | 23,134 | 26,510 |

8. Tangible fixed assets

| Thousands EUR | Land and buildings | Plant, machinery and equipment | Cranes & rolling equipment | Cranes under capital lease | Other leasing and similar rights | Other tangible fixed assets | Assets under construction and advance payments | Total tangible fixed assets |
|---|--------------------|--------------------------------|----------------------------|----------------------------|----------------------------------|-----------------------------|--|-----------------------------|
| Acquisition value | | | | | | | | |
| Balance at 1 January 2011 | 11,764 | 32,258 | 403,080 | 385,528 | 40,257 | 4,097 | 22,720 | 899,704 |
| Additions | 636 | 10,045 | 87,484 | 57,844 | 4,853 | 558 | 11,333 | 172,753 |
| Disposals and retirements | -1,002 | -691 | -783 | -134 | | -75 | | -2,685 |
| Effect of foreign currency exchange differences | -427 | 92 | -969 | -1,676 | -1,601 | -40 | 28 | -4,593 |
| Transfer to other asset categories | | 8 | 12,756 | 15,274 | -306 | | -29,014 | -1,282 |
| Other movements | -27 | | -1,616 | 38 | | | | -1,605 |
| Balance at 31 December 2011 | 10,944 | 41,712 | 499,953 | 456,874 | 43,203 | 4,540 | 5,067 | 1,062,293 |
| Additions | 402 | 11,220 | 125,283 | 18,647 | 10,636 | 1,277 | 12,450 | 179,915 |
| Disposals and retirements | -1,640 | -1,242 | -25,319 | | -926 | -277 | -8,120 | -37,524 |
| Effect of foreign currency exchange differences | 186 | -178 | -1,428 | 2,153 | 264 | 10 | 6 | 1,013 |
| Transfer to other asset categories | | 4,006 | -56,692 | 56,052 | | -63 | -3,308 | -5 |
| Other movements | | -1 | -2,299 | | | -1 | 1 | -2,300 |
| Balance at 31 December 2012 | 9,892 | 55,517 | 539,498 | 533,726 | 53,177 | 5,486 | 6,096 | 1,203,392 |
| Revaluation surplus | | | | | | | | |
| Balance at 1 January 2011 | 900 | 0 | 2,232 | 0 | 0 | 0 | 0 | 3,132 |
| Disposals and retirements | | | -16 | | | | | -16 |
| Effect of foreign currency exchange differences | | | -67 | | | | | -67 |
| Transfer to other asset categories | | | -96 | | | | | -96 |
| Other movements | -900 | | | | | | | -900 |
| Balance at 31 December 2011 | 0 | 0 | 2,053 | 0 | 0 | 0 | 0 | 2,053 |
| Disposals and retirements | | | -337 | | | | | -337 |
| Effect of foreign currency exchange differences | | | -33 | | | | | -33 |
| Other movements | | | 2,299 | | | | | 2,299 |
| Balance at 31 December 2012 | 0 | 0 | 3,982 | 0 | 0 | 0 | 0 | 3,982 |
| Accumulated depreciation and impairment losses | | | | | | | | |
| Balance at 1 December 2011 | -2,064 | -18,724 | -185,785 | -81,505 | -10,318 | -2,131 | 0 | -300,527 |
| Depreciation expense recorded | -419 | -5,046 | -40,332 | -23,356 | -2,114 | -681 | - | -71,948 |
| Written back because superfluous | - | 251 | -253 | - | - | 2 | - | 0 |
| Acquisitions from third parties | - | - | -29 | - | - | -104 | - | -133 |
| Disposals and retirements | 96 | 182 | 3,062 | 9,006 | 1,025 | 26 | - | 13,397 |
| Transfer to other asset categories | 32 | -8 | 4,066 | -2,661 | -271 | - | - | 1,158 |
| Effect of foreign currency exchange differences | 54 | -66 | 56 | 880 | 112 | 29 | - | 1,065 |
| Other movements | | | -2,477 | 1,312 | 350 | 1 | - | -814 |
| Balance at 31 December 2011 | -2,301 | -23,411 | -221,692 | -96,324 | -11,216 | -2,858 | 0 | -357,802 |
| Depreciation expense recorded | -393 | -6,877 | -38,630 | -36,314 | -4,490 | -887 | - | -87,591 |
| Written back because superfluous | | 138 | 3,883 | 1,509 | | | | 5,530 |
| Disposals and retirements | 72 | 347 | 26,388 | 7,284 | 1,127 | 408 | - | 35,626 |
| Transfer to other asset categories | | -99 | -3,609 | 3,702 | | | - | -6 |
| Effect of foreign currency exchange differences | -59 | 48 | 1,185 | -769 | -116 | -8 | - | 281 |
| Other movements | -1 | -30 | -5,689 | 1,932 | | -26 | - | -3,814 |
| Balance at 31 December 2012 | -2,682 | -29,884 | -238,164 | -118,734 | -14,695 | -3,371 | 0 | -407,530 |
| Carrying amount | | | | | | | | |
| At 31 December 2012 | 7,210 | 25,633 | 305,316 | 414,993 | 38,482 | 2,115 | 6,096 | 799,844 |



9. Financial fixed assets

| Thousands EUR | Investments in associates | Participating interests in other entities | Other financial fixed assets | Total financial fixed assets |
|---|---------------------------|---|------------------------------|------------------------------|
| Balance at 1 January 2011 | 806 | 1,354 | 609 | 2,769 |
| Acquisitions | | 276 | | 276 |
| Effect of foreign currency exchange differences | -19 | 19 | | 0 |
| Other movements | | | -105 | -105 |
| Share in the result of the period | -3 | | | -3 |
| Balance at 31 December 2011 | 784 | 1,649 | 504 | 2,937 |
| Acquisitions | 237 | 317 | 540 | 1,094 |
| Disposals | | -223 | | -223 |
| Repayments | | | -240 | -240 |
| Effect of foreign currency exchange differences | 8 | -10 | 3 | 1 |
| Other movements | | -89 | | -89 |
| Share in the result of the period | 133 | | | 133 |
| Balance at 31 December 2012 | 1,162 | 1,645 | 807 | 3,614 |

10. Stocks and contracts in progress

| Thousands EUR | 2012 | 2011 |
|---|--------------|--------------|
| Raw materials and consumables | 3,109 | 1,961 |
| Goods purchased for resale | 28 | 62 |
| Contracts in progress | 2,360 | 3,509 |
| Stocks and contracts in progress | 5,497 | 5,532 |

Alberta, Canada



11. Trade and other receivables

| Thousands EUR | 2012 | 2011 |
|---------------------------------|----------------|----------------|
| Trade receivables | 176,281 | 167,364 |
| Write-offs trade receivables | -21,279 | -22,927 |
| Trade debtors | 155,002 | 144,437 |
| VAT and other tax receivables | 18,354 | 15,977 |
| Other receivables | 25,959 | 28,433 |
| Other amounts receivable | 44,313 | 44,410 |

12. Provisions

| Thousands EUR | 2012 | 2011 |
|---|---------------|--------------|
| Provisions for post-employment benefits | 2,852 | 2,673 |
| Provisions for claims | 1,563 | 942 |
| Other provisions | 8,568 | 5,358 |
| Provisions for liabilities and charges | 12,983 | 8,973 |

Melbourne, Australia



13. Statement of changes in equity

| Thousands EUR | Share capital | Revaluation surplus | Retained earnings | Consolidation badwill | Currency translation reserve | Total equity |
|------------------------------------|---------------|---------------------|-------------------|-----------------------|------------------------------|----------------|
| Balance at 1 January 2011 | 4,982 | 7,740 | 162,993 | 2,133 | -3,928 | 173,919 |
| Profit for the period | | | 3,498 | | | 3,498 |
| Issue of capital | 50,018 | | | | | 50,018 |
| Revaluation surplus | | -113 | | | | -113 |
| Other movements | | | -469 | | 1,511 | 1,042 |
| Balance at 31 December 2011 | 55,000 | 7,627 | 166,022 | 2,133 | -2,417 | 228,364 |
| Profit for the period | | | 2,302 | | | 2,302 |
| Issue of capital | 25,000 | | | | | 25,000 |
| Revaluation surplus | | -299 | -38 | | | -337 |
| Change in consolidation scope | | | 136 | | | 136 |
| Other movements | | | 12 | 18 | -1,389 | -1,359 |
| Balance at 31 December 2012 | 80,000 | 7,328 | 168,433 | 2,151 | -3,806 | 254,106 |

Mexico



14. Financial debts

| Thousands EUR | < 1 year | 1 - 5 years | > 5 years | Total |
|---------------------------------------|----------------|----------------|----------------|----------------|
| 31 December 2012 | | | | |
| Subordinated loans | 10,000 | 40,849 | | 50,849 |
| Leasing and other similar obligations | 67,180 | 186,790 | 59,655 | 313,625 |
| Credit institutions | 89,068 | 90,466 | 40,226 | 219,760 |
| Other loans | 225 | 772 | 680 | 1,677 |
| | 166,473 | 318,877 | 100,561 | 585,911 |
| 31 December 2011 | | | | |
| Subordinated loans | | 10,000 | 40,343 | 50,343 |
| Leasing and other similar obligations | 68,818 | 236,622 | 881 | 306,321 |
| Credit institutions | 73,078 | 74,249 | | 147,327 |
| Other loans | 166 | 740 | 680 | 1,586 |
| | 142,062 | 321,611 | 41,904 | 505,577 |

15. Trade and other payables

| Thousands EUR | 2012 | 2011 |
|---|----------------|---------------|
| Trade debts | 102,880 | 71,503 |
| Advances received on contracts in progress | 6,106 | 1,705 |
| VAT and other tax payable | 26,215 | 23,204 |
| Remuneration and social security payable | 13,537 | 12,316 |
| Other amounts payable | 3,804 | 16,322 |
| Other amounts payable | 43,556 | 51,842 |

16. Risk management policies

Sarens, like any other company, is exposed to market, operational and financial risks because of its activities. These risks are mitigated by the group's business controls, organizational structure, management methods and internal control systems.

Country risks

Sarens is active worldwide and therefore subject to inherent market risks which may include unfavourable political, regulatory, labour and tax conditions in each of the countries where it renders its services.

Competitive risks

The majority of Sarens' activities are subject to competitive pressure from both local and international competitors. The development of new technologies by competitors or the entry on a market of any new or existing competitor may have a negative impact on Sarens' earnings.

Activity risks

Sarens is subject to risks associated with the proper execution of its projects. These risks include amongst others, the risk of errors or omissions in the project planning and engineering, delays occurring in the completion of projects, worksite accidents, etc.

Sarens maintains a coherent health and safety policy and organizes proper training for its personnel. The group has insurance coverage for the operating risks associated with its activities, such as property insurance, property damage insurance, machinery breakdown, liability insurance, comprehensive third party product liability insurance, D&O liability, fleet insurance, marine liability, suretyship insurance, accident insurance, etc. However, we may be subject to liability against which Sarens has not been insured or cannot insure itself.

Currency risks

Due to the worldwide activities that Sarens' carries out, it is subject to currency risks, mainly on the USD and USD related currencies. Hedging instruments are in place when deemed necessary.

Liquidity risk

Sarens has entered into financial debt and leasing debt for the financing of its intensive capital expenditure plan 2011-2014. Due to these financial debts, Sarens is required to fulfill major financial obligations which may lead to liquidity risks. These financial obligations, and the capital expenditure plan, are monitored on a monthly basis. The vast majority of the financial debts have a long term nature.

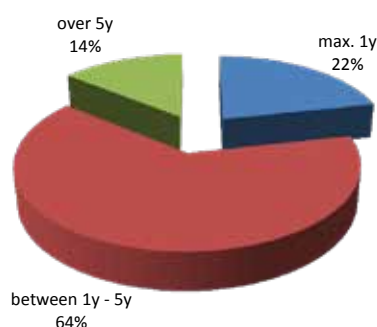
Credit risk

The risk of non-recoverability is small in view of the reputation and solvability of its clients, the diversification of its client portfolio and the constant monitoring of its outstanding receivables. One can however not exclude a risk of insolvency of such counterparties and any adverse effects on Sarens' earnings.

17. Financial instruments

The company uses financial instruments to hedge itself against unfavourable currency and interest movements. The financial instruments have a negative mark-to-market value of € 12.7 million and have following maturities as of 31.12.2012 (in m€):

Maturity of hedging instruments



18. Finance and lease agreements

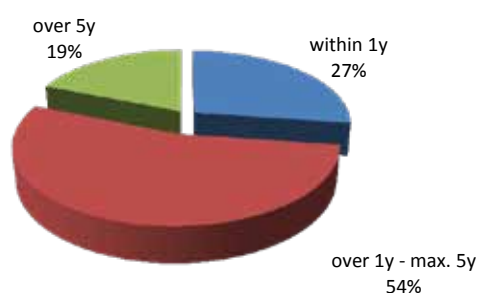
Sarens has used financial and operating lease agreements to finance its fleet of cranes. These lease agreements are largely long term in nature and are recognized in accordance with Belgian GAAP. Because of the longevity of its cranes, the company is able to conclude sale and lease back agreements on cranes which are free of lease obligations. This provides a great deal of flexibility for financing and refinancing.

19. Commitments

Operating leases

Long term commitments in connection with rental and operating lease agreements total €45.8 million. Their maturity as per 31 December can be broken down as follows (in %):

Maturity of operating lease commitments



Guarantees

In the course of its business, Sarens is required to issue performance bonds for contracts. As of 31.12.2012, the total value of these guarantees is €38.5 million.

Claims

The company is not aware of any material litigation pending which is not adequately provided for in the balance sheet.

Purchase commitments

Sarens and its group companies have entered into commitments to purchase equipment in 2013 for a total value of €39 million.

20. Events after balance sheet date

In February 2013, Sarens Malaysia acquired 75% of the Malaysian company JWS Engineered Transport Sdn Bhd. This company will be consolidated from 2013 onwards.

Auditor's report

Sarens Bestuur NV has prepared consolidated financial statements in accordance with the Belgian Company's Act articles 108 to 121 and the Royal Decree of 30 January 2001 and 17 July 1975. Sarens publishes these consolidated financial statements under Belgian GAAP and they include a consolidated balance sheet and consolidated income statement.

The financial information included in the 2012 Annual Report has been extracted from the consolidated financial statements of Sarens Bestuur NV for the year ending 31 December 2012. The statutory auditor, KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises, represented by Filip De Bock, has issued an unqualified audit opinion on these financial statements. The audited consolidated financial statements have been filed and are available on the website of the National Bank (www.balanscentrale.be).



Arizona, USA



Glossary

Sarens Group

The limited company under Belgian law Sarens Bestuur NV and all its fully consolidated subsidiaries

BE GAAP

Generally Accepted Accounting Principles in Belgium

EBIT

Earnings before interest and taxes

EBITDA

Earnings before interest, taxes, depreciation and amortization

IFRS

International Financial Reporting Standards



Sarens Bestuur nv
Autoweg 10
1861 Wolvertem - Belgium

T +32 (0) 52 319 319
F +32 (0) 52 319 329

Wim Sarens, CEO
Kris Geysels, CFO

info@sarens.com
www.sarens.com