



sarens
group

Annual Report 2013



nothing too heavy, nothing too high



Project Flamanville Nuclear Power Plant, France
Load 260t reactor dome, 43m diameter
Lift SGC-120 at 130m radius

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Message from the Chief Executive Officer

2013 highlighted some key differences compared with the previous year, which resulted in Sarens having to react and adjust its priorities. Regions such as Western Europe, Canada and the Middle East performed well, as expected, with continued strong market demand, particularly in Saudi Arabia. However markets experiencing macro-economic uncertainties, such as Northern Africa, Asia, Southern America and Eastern Europe, led to currency losses.

For the Sarens Group, 2013 saw a growth in turnover, rising from €560 million to €592 million. However, this top-line growth did not translate into an increase in operating profit. This was due mainly to the rise in the value of the euro against major currencies in the regions where Sarens operates, with South Africa, Australia and India being the most affected.

The Group's investment in equipment amounted to €120 million, focusing on the Middle East (29 cranes), Australia (32 cranes), Canada (8 cranes) and our Global Projects division (128 axle lines and 1 barge). In addition, part of our heavy-lift crawler fleet was relocated to Western Canada to work in oil sands and liquefied natural gas. These investments have provided Sarens with the tools needed to continue our growth and meet our customers' expectations by offering them crane rental services and tailor-made solutions for their heavy lifting and special transport challenges.

We also invested significantly in the monitoring of our worldwide fleet. This enables us to improve our safety and efficiency and ensures better maintenance follow-up, which in turn will result in an overall reduction in damages and improved operator behaviour.

Last year, we were all deeply touched by the tragic news of Jan Sarens passing away. Jan was a valuable member of our Board of Directors and in charge of managing our operations in Mexico. Our group also experienced a great loss with the death of one of our co-workers. This strengthens my firm belief that safety is and should remain our number one priority. I can assure you that lessons have been learned and all possible preventative actions have been implemented. Despite this unfortunate occurrence, we were able to reduce our frequency rate and maintain a stable and low severity rate. In 2014, the Sarens' Blue Safety policies and rules, and the Continuous Improvement Process, will be implemented further throughout the entire organization, reflecting the Board's and management's total commitment to safety.

In 2014, and in the years ahead, our challenge will be to keep adjusting our organization to the ever-shortening decision cycle of our customers. This demands greater proactivity and flexibility from us. As a world leader, Sarens always prefers to act rather than react, as this will provide us with the necessary foundations for further worldwide growth. We will do this through the continued decentralization of our equipment, the strengthening of our regional project hubs (e.g. Middle East, North America) and the enhancement of our sales management, using state-of-the-art tools.

Finally, I would like to express my greatest gratitude to all Sarens employees for their dedication and loyalty. Their knowledge and vast experience is what makes Sarens a worldwide leader in crane rental services, heavy lifting and special transport projects.

I look forward to facing the upcoming challenges in 2014 with great confidence.

Wim Sarens
Chief Executive Officer

Key figures (under BE GAAP)

Thousands EUR	2013	2012	2011
Consolidated balance sheet			
Fixed assets	842.973	834.330	722.444
Stocks and contracts in progress	5.592	5.497	5.532
Other current assets	226.443	216.661	202.904
Cash and cash equivalents	42.366	40.170	18.847
Total assets	1.117.374	1.096.658	949.727
Equity	230.641	254.106	228.364
Minority interests	4.204	4.309	4.893
Provisions and deferred taxes	98.133	89.485	77.973
Financial debts	601.100	585.911	505.576
Other current liabilities	183.296	162.847	132.921
Total liabilities	1.117.374	1.096.658	949.727
Statement of profit and loss			
Consolidated turnover	592.065	560.288	469.969
EBITDA	150.903	148.915	126.702
EBIT	45.975	51.987	31.889
Net result	-18.512	2.817	4.743
Ratios and other key figures			
Workforce (FTE)	4.262	3.826	3.502
Cash flow from operating activities	141.184	146.752	93.385
Cash flow from investing activities	-120.982	-174.568	-173.641
Net financial debt	516.847	504.891	436.386
EBITDA margin	25,5%	26,6%	27,0%
EBIT margin	7,8%	9,3%	6,8%
Gearing	2,2	2,0	1,9
Liquidity	91,3%	79,7%	82,7%
Solvability	20,6%	23,2%	24,0%

EBIT: operational result (earnings before interests and taxes)

EBITDA: operational result (EBIT) + amounts written off on trade debtors + provisions

Net working capital: current assets - current liabilities

Net financial debt: non subordinated financial debts - cash and cash equivalents

EBITDA margin: EBITDA/turnover

Gearing: Net financial debt/equity

Liquidity: Current assets/current liabilities

Solvability: Equity/balance sheet total



Group profile and activities

Sarens is a worldwide leader in crane rental services, heavy lifting and special transport projects. With state of the art equipment and value-added engineering, Sarens offers its customers creative solutions.

The company's activities include crane rental, projects and trading. Sarens' rental business serves thousands of customers in more than 50 countries worldwide. We also carry out projects in all regions for the largest EPC (Engineering, Procurement and Construction) contractors. Our trading activities include the purchase and sale of new and used cranes.

Core project work at Sarens includes turnkey lifting and transport operations, heavy lifting and multi-modal transport projects, maintenance and construction lifting projects.

Heavy lifting

We operate one of the largest worldwide fleets of lattice boom and mobile cranes, combined with strand jacks, towerlift and skidding systems. Crawler cranes can move on site and travel loaded while maintaining the highest safety standards. The capacity of these cranes ranges from 30 tons up to 3,200 tons. All lifting operations are conducted in accordance with international standards and lifting method statements, based on approved execution studies. These studies provide an in-depth analysis of the item to be lifted or transported, rigging arrangements and operational tolerances, as well as 3D and 2D drawings, which include dimensions or lifting gear (sling and shackle size), 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 ranging from 15 to 850 tons. 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.

Heavy transport

We specialize in transporting and handling heavy items. Our specialists deal with all types of oversized and overweight loads that cannot be transported in a conventional way. These turnkey operations are engineered and prepared in detail, including contacts 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 SPMTs are multi-axle trailers designed for moving heavy loads and capable of being coupled side by side and end to end. Remote SPMT units are radio-controlled.

Long-haul road transports are executed with the latest generation of Kamag K25s. These trailers are designed with component flexibility and building blocks similar to those of the SPMTs. Their major benefit lies in being able to run heavy, abnormal loads at road speeds over sustained long distances, pulled by multiple prime-movers.

Engineering

Sarens has a large specialized engineering department, headed in Belgium and 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 most suitable lifting techniques for the job.

We work as partners in projects from the feasibility stage onwards, identifying and cataloguing the equipment requirements and 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.

Mechanical maintenance services

As a 100% Sarens subsidiary, Samoco is a benchmark provider in the complex handling of industrial equipment. Samoco delivers high-quality, flexible and safe solutions from our solid Belgian base. We are the only full-service assembly company with multidisciplinary expertise. Many companies no longer have in-house technical specialists, so we work closely with our clients to find creative solutions. Our activities include assembly, disassembly and maintenance of factory installations and industrial equipment, as well as the mechanical maintenance and refurbishment of port and overhead cranes, both electrical and mechanical.



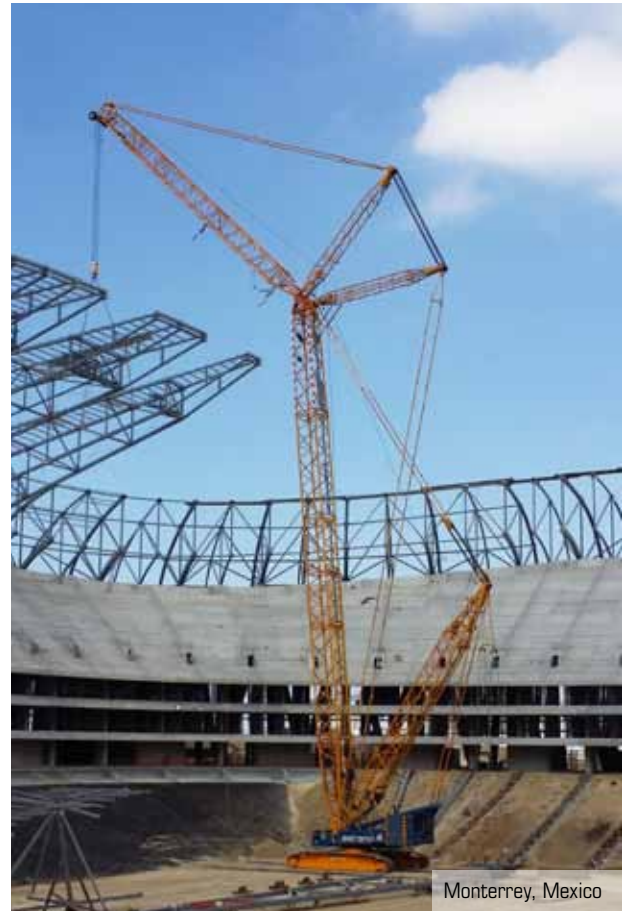
Markets

Civil Construction

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

Petrochemical, Oil and 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 tons lifted by a crawler crane, a 1,390 ton splitter column 125 metres in length lifted by a tower system, or even the transport of a topside module of 15,000 tons, Sarens provides tailor-made solutions for all your heavy lifting and heavy transport needs.



Monterrey, Mexico



Wasit Inlet Gas project, Saudi Arabia



Maasvlakte, the Netherlands

Coal and Gas Power Plants

Sarens actively provides heavy lifting and special transport services in new-build gas-fired power plant projects. A dedicated team at Sarens has focused on its customers' needs and developed an efficient "From Factory to Foundation" solution. The Sarens engineering group also continues to assist in optimizing lift solutions and on-site transport appropriate to site conditions. New lifting and transport techniques are constantly being introduced to enable the modularisation and assembly of heavier components. These innovations result in cost and time-savings during installation.

Metals and Mining

Sarens has built up a strong reputation in cranes 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 that are manufactured around the world at module yards and shipped by heavy cargo ships to the site location. Sarens provides module handling, load-in services at the manufacturing yard, load-out, inland transport services, heavy lifting and installation works on site.



Hunter Valley, Australia

Offshore

Sarens has been a heavy lift partner on offshore projects for 30 years. To date we have successfully executed more than 200 larger projects, handling weights related to offshore activities of up to 18,000 tons. Over the coming years, we will keep pushing the limits so that we can continue to be your preferred heavy lift partner. We will always offer the best technical solutions in line with the highest offshore standards and by carrying out your projects in the safest and most efficient manner.

Nuclear Power Plants

Sarens is positioned to provide innovative and cost-effective solutions to meet the diverse needs of its nuclear clients. Sarens offers state-of-the-art planning and engineering support, has a crane fleet with capacities of up to 3,200 tons, over 1,000 axle lines of SPMTs and always makes the obvious choice of provider for alternative lifting and shifting systems.



Rostock, Germany



Jensen Beach, USA



Wind Onshore

As a modern worldwide heavy lift company, we are in a unique position to facilitate cost-effective solutions for the wind industry both on-shore and offshore. Sarens has the knowhow and the global and local presence to carry out any size of wind power project, anywhere. We also have the required expertise to implement uniquely designed solutions wherever needed. Sarens provides every level of lifting solution, from pure crane rental to turnkey projects with an all-in TCI service coverage (Transport, Craning and Installation).

Wind Offshore

Sarens provides lifting services for the construction of offshore windfarm turbines worldwide. We perform all on-shore and offshore logistics, including on-shore and offshore cranes, SPMTs, Sarens Multi Lift Tower, etc. Sarens has also created a dedicated department that specializes in offshore windfarms.



Mechanical Maintenance and Overhaul

Sarens provides assembly and mechanical work as part of a total solution package, executed by skilled, versatile and safety-conscious professionals. We have qualified personnel and special equipment for carrying out plant shutdowns and major industrial maintenance activities. We are able to react quickly to the needs of our clients and complete our assignments within the deadlines set.





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

Board of Directors

The Board of Directors, composed of 9 members, plays an active and prominent role in the development of the company. Supported by various advisory committees, the Board supports management in the operational activities and 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 monitors 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 until 2009.
- **Hendrik Sarens** (°1951) began in 1973 with the dispatch 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.
- **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 director of fleet management in 2002. Today, Marc 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 alternative lifting and heavy transport equipment at Sarens. 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 at Accenture UK, Citigroup Consumer Banking Europe and Tractebel's international energy division. He started his career at Fortis Bank in corporate finance and trade finance. He completed an 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, head of business development at ChemResult NV and co-founder and CFO of FastBidder NV. He started his career as a management consultant with Roland Berger Consultants for their Brussels, Frankfurt and Barcelona offices. He studied as a commercial engineer at the Université Libre de Bruxelles (Ecole de Commerce Solvay).

Guido Segers, Johan Beerlandt and **Beni Roos** are non-executive members of the board.

Audit Committee

The Audit Committee, which was established in 2011, 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 systems and oversees risks arising from the Group's activities.

Nomination and Remuneration Committee

On its own initiative the Sarens Board of Directors constituted a Nomination and Remuneration Committee in 2013. This Nomination and Remuneration Committee is attended by three board members and the Corporate HR Director.

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



Executive Committee

Sarens is managed through the 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 move to Sarens, first as a Commercial Manager for Sarens Netherlands, later as Country Manager. Since 2012, Rutger has been Regional Director Western Europe.
- **Jolanta Mirkowicz** (°1956) is a Polish national and holds a Master's Degree in Engineering. She started her career as Purchasing Manager, before creating her own business. In 1997, she became director of Sarens Polska and since 2011 she has been Regional Director for Eastern Europe.
- **Patrick Nègre** (°1959) is a French national who, after completing his degree in Mechanical Engineering, began working as a Project Engineer at Snig Sotemco. In 1991 he became Operational Manager at ADF, and 9 years later he moved to Secomat as General Manager. He has been working at Sarens in France since 2007. First he became Country Manager Sarens France and since 2012 he is 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. Afterwards he joined Sarens in the Netherlands, where he became Country Manager. At this moment he is 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 as Managing Director. He subsequently became Regional Director North America. He is currently Director Strategic Global Projects.
- **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. Since 2011 he is Regional Director Latin America.
- **James Suh** (°1965) was born in South Korea and studied International Business and Management Information System in the USA. After positions at PepsiCo Inc, Suntory Inc. and Site Operation Service, he joined Sarens in 1997. James Suh is Regional Director Asia.
- **Fred Auret** (°1964), an Australian national, holds a Commerce Degree and is a Chartered Accountant. He has experience in the following sectors: Mining, Aircraft Transport and Maintenance, Construction Equipment Manufacture and Distribution. Fred took on the role of Country Manager Sarens Australia in April 2014.
- **Malik Masroor** (°1961) was born in India, where he received his BA and MA degrees in Political Science and a Postgraduate Degree in Management. He worked for British Transport Corp., Patel Group of Companies and Al Suwaidi before joining Sarens Nass Middle East and becoming Regional Director Middle East.
- **Mike Hussey** (°1974) is a Canadian national who holds a Bachelor's Degree in Mechanical Engineering and an MBA. He started his career as an engineer in the pulp and paper industry before moving to the heavy lift/heavy haul industry in 2005. He joined Sarens in 2012 and is currently Regional Director North America.
- **Sameer Gupta** (°1971) is an Indian national with a degree in Mechanical Engineering. He started his career in the mechanical construction and heavy lift industry with Reliance Group of Companies, where he worked on major greenfield and shutdowns of petrochemical and refinery projects. In 2010, he made the transition to Sarens as a Managing Director for India. Since 2012 he has been Regional Director with responsibility for Operating Business Units in Asia.

The **Executive Committee** controls all operational and financial aspects of the Group and meets every two weeks. 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 the consultancy firm McKinsey in 2003. In 2006 he completed an MBA in INSEAD and continued his career as Associate Management Consultant at McKinsey until 2008. In 2008, Wim became head of Business Development at Sarens and in 2009 he was appointed CEO of the Sarens Group.
- **Roland De Wandel** (°1949), Corporate Business Support Director, joined Sarens in 1992. After his studies in Industrial Engineering Automation, he started his career 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), Corporate Technical Solutions Director, joined the group in 1995. He holds a Master Degree in Industrial Engineering (Electromechanics). Carl started as project engineer, became Director Technical Solutions in 2008 and in 2011 was appointed to Global Operations. He has carried out more than 100 complex projects for Sarens in all regions of the world.
- **Guy Frederickx** (°1959), Corporate Fleet Director, is a Belgian national who joined Sarens in 2008. 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. In 2007, he became Director Oil and Gas at Egemin, before joining Sarens.
- **Werner De Vos** (°1968), Corporate QEHS Director, joined Sarens in 2010. He holds a Master's Degree in Mechanics and Electromechanical Engineering and is a postgraduate in Safety Prevention Management level I. He began 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 ISO 14001 certification. He joined ELIA in 2007, where he worked in safety, quality and process management for the Engineering division.
- **Marc Verhaert** (°1969), Corporate Operations Manager, holds a degree in Industrial Engineering Architecture. His previous work experience at Jan De Nul Group includes several years in Project Management on various dredging projects in Latin America, the Caribbean and Australia.
- **Frans Vanwinkel** (°1956), Corporate Sales and Marketing Director, joined Sarens in 2014. As a Bachelor in Social Sciences, he started his career in Human Resources for Bell Telephone and Scott Continental, prior to moving into Sales and Marketing Management at Iveco-Fiat and Manitowoc SAS.
- **Leo Depestele** (1959), Corporate HR Director, is a Belgian national with a Master's degree in Economics. After working for Umicore, Cumerio and Rockwell Automation, he joined Sarens in July 2013.
- **Magnus Björkman** (°1968), CFO, started his career at ABB Asea Brown Boveri after gaining a Master's in Business Administration in Sweden, an INSEAD programme in France and Executive MBA in Belgium. Subsequently, he worked at Volvo Construction Equipment, Vestas Wind Systems and Aker Solutions before joining Sarens in April 2014.

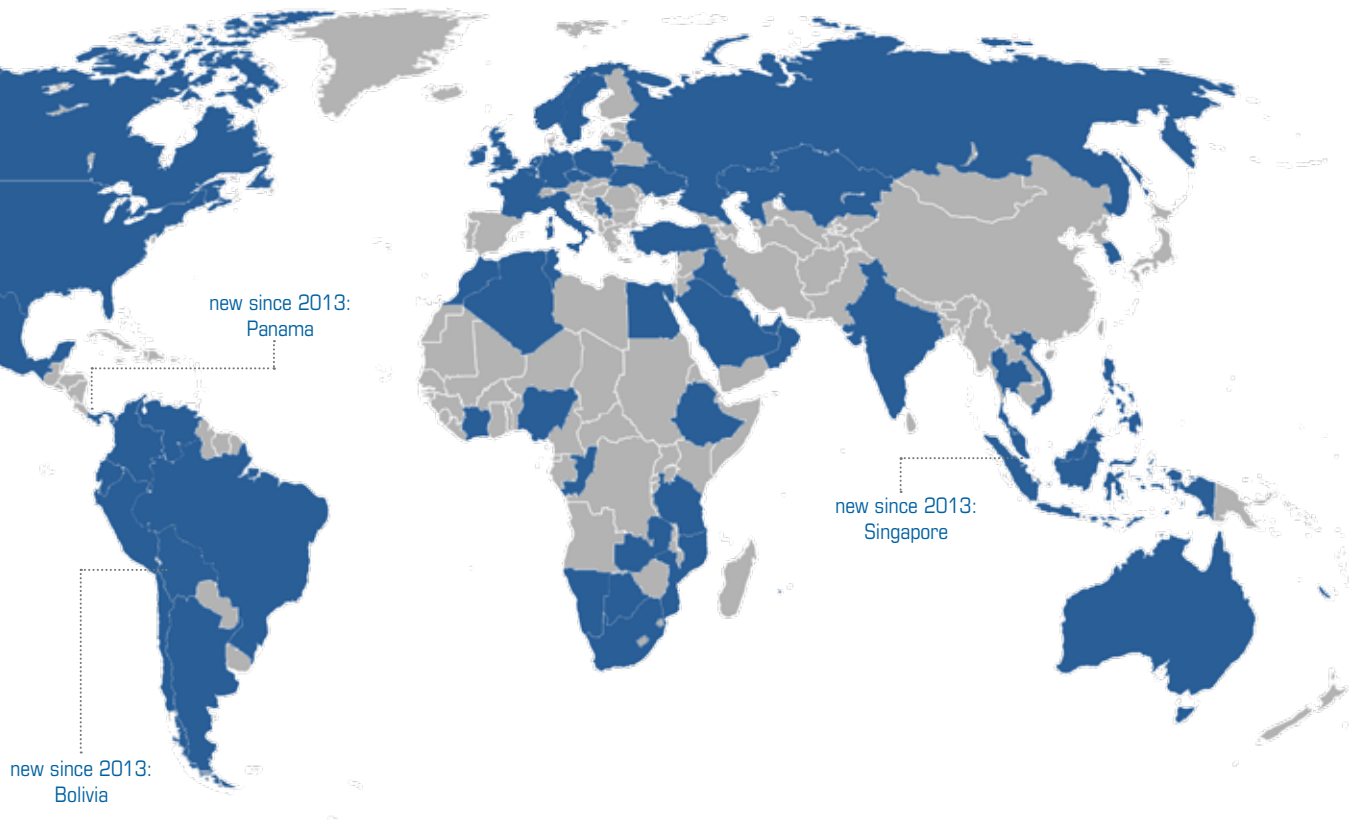
The Group foresees to add three departments on a corporate level at the beginning of 2014: communication, procurement and lean.

Statutory Auditor

Sarens Bestuur NV's 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 meeting of shareholders for a period of 3 years, ending with the presentation of its report to the annual general meeting for the financial year ending 31st December 2013.

Worldwide presence

Today Sarens operates in 60 countries on 6 continents. We now have an unequalled international reputation as worldwide leader in heavy lifting and special transport solutions.



Algeria
Argentina
Australia
Bahrain
Belgium
Bolivia
Botswana
Brazil
Canada
Chile
Colombia
Congo-Brazzaville
Czech Republic
Ecuador
Egypt
Ethiopia
France
Germany
India
Indonesia

Iraq
Ireland
Italy
Ivory Coast
Kazakhstan
Korea
Lithuania
Malaysia
Mauritius
Mexico
Morocco
Mozambique
Namibia
Netherlands
New Caledonia
Nigeria
Norway
Oman
Panama
Peru

Philippines
Poland
Qatar
Russia
Saudi Arabia
Serbia
Singapore
South Africa
Sweden
Tanzania
Thailand
Tunisia
Turkey
Ukraine
United Arab Emirates
United Kingdom
United States
Venezuela
Vietnam
Zambia



Key milestones

Sarens is the perfect example of how a family business has succeeded in carving out a position for itself on the world market in just a few decades. Since its creation, the group has carried out important projects and key milestones including:

1955 - 1970

- First crawler cranes and telescopic cranes
- Sarens contributed to assembling and dismantling numerous structures and buildings for the Brussels world fair in 1958

1970 - 1985

- First barge and SPMTs
- First bridge movements and load-out
- Entry into the Netherlands

1990 - 2000

- Move to new headquarters in Wolvertem (BE)
- Establishment of Sarens GmbH (DE) and Sarens UK
- Purchase of Demag PC 9600 (lifting capacity of 2,000 tons)
- First windmill erections
- Entry into Poland and Asia (Thailand)

1955

1960

1970

1980



2000 - 2005

- Entry into South Africa, North America, Australia, South America (Mexico and Venezuela)
- Creation of Sarens Nass Middle East (SNME), a joint venture with the NASS group of Bahrain
- Creation of Sarens Algeria
- World record for bridge erection at Millau (FR)
- Creation of training centre in Steenhuffel (BE)

2006 - 2008

- Goro Nickel Project (New Caledonia)
- Purchase of CC 9800 (lift capacity of 1,600 tons)

2009 - 2012

- New shareholder structure
- Largest SPMT load (NO), Koniambo nickel mine (New Caledonia)
- In-house development and construction of SGC-120
- In-house development and construction of CS5000 (Sarens Climbing System, capacity of 5,000 tons)
- Entry into USA, Canada, Colombia, Brazil, Chile, Morocco, Tunisia, Congo-Brazzaville, Namibia, Mozambique, Nigeria, India, Malaysia, Vietnam, Oman, Iraq, Russia, Ukraine and Lithuania

2013

- 1000th Kamag axle line delivered to Sarens
- Entry into Indonesia, Singapore, Panama and Bolivia
- In-house development of Sarens Modular Barge and Sarbogies

1990

2000

2010

2013



Our customers

When our customers 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.



Project Pont Raymond Barre, Lyon, France
Client Sytral

Sarens carried out the transport and installation of the Raymond Barre Bridge in Lyon, France. The bridge, destined to carry a tramway, bicycles and pedestrians, is 17,5 metres wide and 260 metres long. Sarens lifted the 2600 ton bridge structure on SPMTs and moved it on to a barge. The enormous steel arch bridge was then transported 1 km from its erection site to the destination in Lyon's city centre. Within one night, the bridge was floated into its final position.

“All staff involved showed professionalism, proactivity and team spirit”

Bernard Rivalta, President of Sytral: *“Today I would like to express my sincere gratitude to Sarens. All of the staff involved showed professionalism, proactivity and team spirit. Their knowledge and support in every area enabled us to overcome any difficulties. I am very glad and proud that we have reached this crucial stage successfully. I thank you sincerely for your commitment.”*



Project Shoibah Combined Cycle Power Plant Phase II, Kingdom of Saudi Arabia
Client Daelim

“Sarens is always the first to come up with solutions”

Sarens executed all of the heavy lifting and on-site transportation works for the Shoibah CCGT Phase II Project. This 18-month contract involved the lifting and installation of 10 gas turbines with the Sarlift, 10 HRSG bundles with Strand Jacks, as well as all generators, steam turbines and stacks with cranes.

Jong-Hoon Lim, Site Manager Daelim: *“Sarens is always the first team to come up with solutions. They are passionate about overcoming and working with site situations. These specialists not only operated the heavy equipment safely and effectively, but they also expedited the lifting works needed to be done, on time and with no delay. The Sarens management always made decisions quickly and understood how to meet their clients’ needs on a variety of issues. We would consider Sarens as the best partner and hope to work with them again in the future.”*



Project Narva Power Station, Estonia
Client Alstom

Sarens executed the heavy lifting and on-site transportation works at Narva Power Station in Estonia. Sarens' scope included receiving the generator from the vessel and transporting it with SPMTs on public roads over a distance of 30 km. The generator was then offloaded by gantry.

**“Successful co-ordination
and execution from Sarens”**

Antonio José Gallego Rico, STG Manager Narva Site, Alstom: *“On behalf of Alstom Power, I wish to express my appreciation to Sarens Group for a job well done. I congratulate and thank the team at Sarens for their successful coordination and execution and for the stringent quality and safety requirements covered under their scope of services.”*



People, our most important assets

Sarens' high-quality work is based on unrivalled technical know-how acquired over years of experience and applied on a daily basis in all our engineering projects. Sarens ensures that all its staff are well trained so that they can bring even the most difficult projects to a successful conclusion. We focus constantly on safety, quality and reliability for our operations, employees, equipment and our environment, providing services to our clients that meet the highest international standards.

In 2013, Sarens continued to develop its HR organization by setting up a new Corporate HR department and clarifying roles and responsibilities at a Group, regional and country level.

Four major initiatives were undertaken at a Group level: the overall implementation of competence management; building a training and development portfolio; developing a single global HRIS system and introducing a uniform global recruitment tool.

The overall introduction of competence management and performance evaluation aimed not only at improving our overall performance, but is also a first step towards a structured approach in identifying learning needs, capturing future career possibilities and a way of identifying our high performers.

In the past year, Sarens invested further in its global learning and development portfolio, organizing a range of training sessions for Engineering, Key Account Managers, Sales Managers, Project Managers, Fleet Managers and Country Managers. New training modules will continue to be developed.

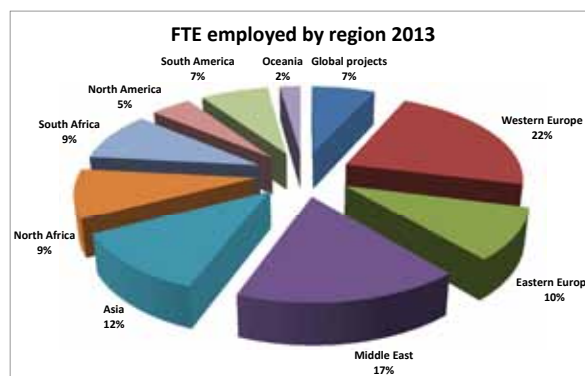
Starting with the basic data, Sarens invested in the setup of a global HRIS system in Axapta. New data and functionalities will be added in the near future as we make progress in structuring our HR processes.

To facilitate overall hiring and installing quality standards, a uniform recruitment tool was implemented in the 2nd quarter of 2013, streamlining the company's entire recruitment process from requisition approval through to hiring the new employee. This professional online recruiting tool has also enhanced the company's image as a forward-thinking company.

Headcount evolution

FTE by segment

	2012	2013	var.
Global projects	286	291	1,7%
Western Europe	889	940	5,7%
Eastern Europe	425	421	-0,9%
Middle East	612	724	18,3%
Asia	474	496	4,6%
North Africa	315	398	26,3%
South Africa	280	399	42,5%
North America	144	186	29,2%
Latin America	336	312	-7,10%
Oceania	65	95	46,2%
	3,826	4,262	11,4%





Safety and quality are key

At Sarens, safety and quality are paramount. Our goal is to have zero work accidents and incidents and we are committed to meeting our customers' expectations.

As part of their induction process on their very first day, new employees learn about how the corporate Quality, Environment, Health & Safety policy (QEHS) is implemented within the organization. This policy is part of Sarens' integrated QEHS management system which meets all the requirements of the internationally recognized safety standard OHSAS18001, as well as SCC-P and MASE. This management system is already certified in many companies within the Sarens Group. The other operational business units have been set the objective of obtaining OHSAS18001 certification by the end of 2014. All entities are periodically audited by third-party and/or internal auditors to ensure continuous improvements to the system, based on experience feedback, lessons learnt and trend analysis.

To deal with hazards and exclude risks, the company invests significantly in safety training and keeping everyone aware of the risks in the environment where they are working. Over the last years we were able to continuously decrease our frequency rate (see graph below).

BlueSafety

To achieve this aim, the BlueSafety programme was launched globally in early 2013. Multiple initiatives were introduced to place awareness of risks and safe behaviour continuously in the spotlight, with tools such as pre-job meetings, onsite safety toolbox sessions, safety cartoons, site inspection tours by supervisors, managers and directors as well as safety alerts. In addition, a single e-mail address was created and attached to all our equipment, enabling any individual to send us comments and complaints, as well as positive comments about our staff's safety conduct.

Sarens' management encourages staff on a daily basis to apply the 'STOP & CONSULT' procedure when conditions are such that safety may be compromised if operations continue unchecked. If this is the case, 'STOP & CONSULT' makes it mandatory for every employee to stop work and consult their supervisor or manager and to discuss the situation so that a solution can be found for continuing operations safely.

Quality is a must

Sarens is committed to meeting customers' expectations, as well as the obligations imposed 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 receive and respond to the best of our technical and managerial abilities.

Of equal importance to Occupational Health & Safety, Quality is also part of the integrated QEHS management system. In 2013, all major business units in the Sarens Group achieved ISO9001 certification or managed successfully to renew their certificate and/or to pass periodical third-party audits. The quality management system is based on a process approach and supported by performance indicators, objectives and targets.

In 2013, the initiative was taken to further improve our processes by creating a Corporate Lean department. This department has introduced the first Lean projects and will be focusing further on process improvements, process monitoring, quality control programmes and Lean initiatives in 2014.

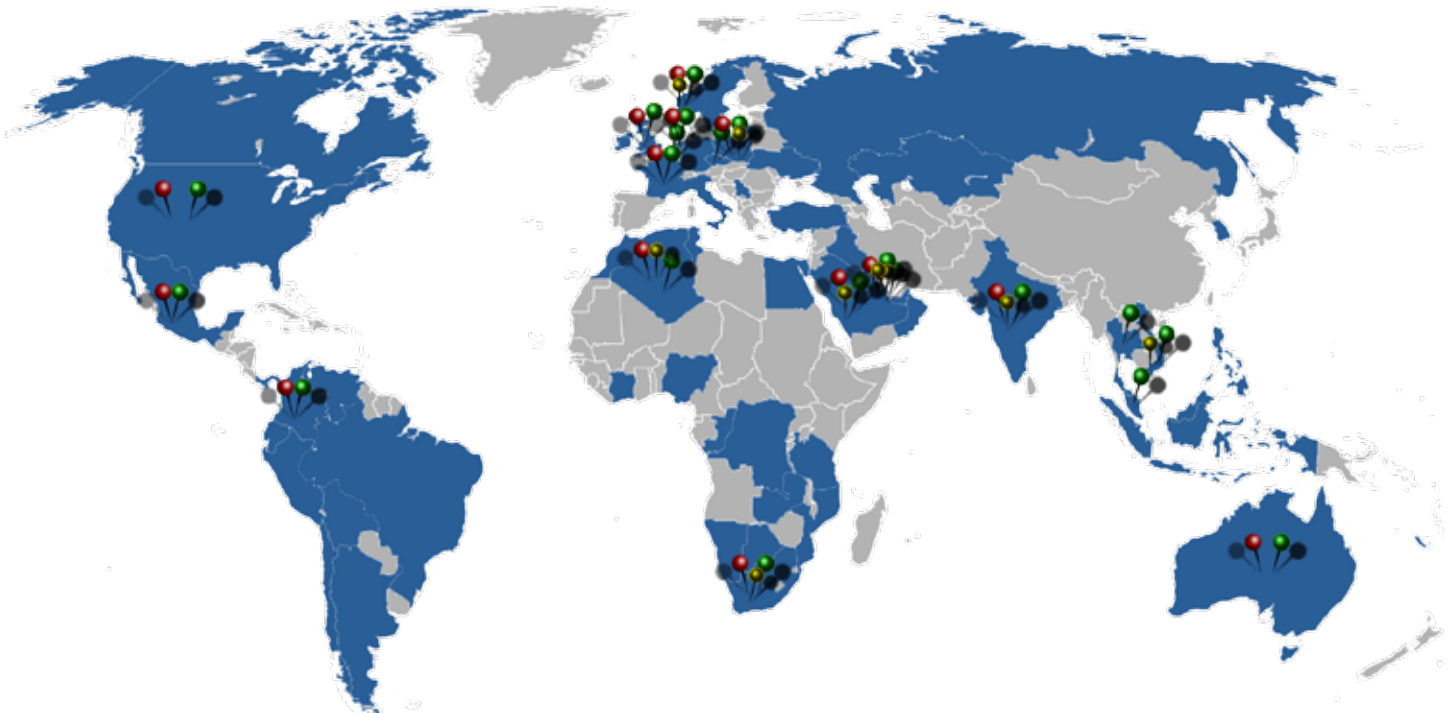
Sarens is committed to complete customer satisfaction by continually improving the quality performance of our services and processes.

To ensure the further harmonization and standardization of all local management systems, the corporate QEHS department will begin a multi-site certification project in 2014.





Global certifications



Sarens entity	ISO9001	OHSAS18001	ISO14001
Sarens Algeria	X	X	X
Sarens Alvian (Czech Republic)	X		
Sarens Australia	X	X	
Sarens NASS W.L.L. Bahrain	X	X	X
Sarens Belgium	X		
Sarens Columbia	X	X	
Sarens France	X	X	
Sarens Global Projects	X		
Sarens India	X	X	X
Sarens Malaysia	X		
Sarens Mexico	X	X	
Sarens Netherlands	X	X	
Sarens North-America (USA)	X	X	
Sarens Norway	X	X	X
Sarens Poland	X	X	X
Qatar Al Attiyah Int'l Group	X	X	X
Abdulla Nass & Partners Saudi Arabia	X	X	X
Sarens South-Africa	X	X	
Sarens Thailand	X		
Sarens UK	X	X	X
Sarens Vietnam	X		

Donations

It is a tradition at Sarens NV to donate the budget that would normally be used for Christmas or New Year presents to a carefully chosen charity benefiting children. For the end of 2013, Sarens opted to support Art for Africa, an organization aiming to give more opportunities to African children. Their motto: every child, anywhere in the world, has the right to have a future and a worthy life. Africa is a continent that struggles with poverty, a dramatically low life expectancy, poor literacy and AIDS. However, if the continent's children were given more opportunities, they could bring about real change.



In recent years Art for Africa has set up various projects in Senegal, Gambia and Kenya, ranging from maintaining a hospital or supporting a school to the construction of an orphanage. All are local actions benefitting local children. More information about their projects can be found at: <http://www.artforafrica.be>

Comokra Training Center

Sarens attaches great importance to training and expertise. As no training facility existed previously in Flanders, in 2001, Sarens established a group-training centre in close collaboration with VZW Montage (federation of crane services suppliers), VDAB (Re-employment office), the Flemish Government and Antwerp Safety Institute.



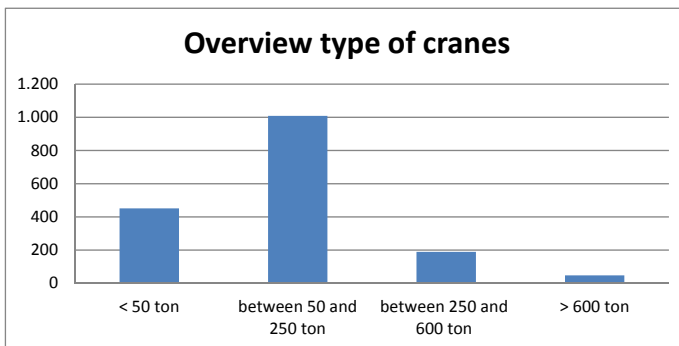
In 2004, Sarens replaced this facility by a second training centre named "Comokra" in Steenhuffel, Belgium, also in collaboration with VZW Montage and VDAB. Various courses can be attended throughout the year (e.g. crane operators, riggers, forklift operators, etc.), both for unemployed workers as well as for employees. The Comokra training centre has several mobile cranes, telehandlers, telescopic work platforms and other equipment and material available. More information can be found at the Comokra website: www.comokra.be (in Dutch).

Comokra's dedicated training team has the benefit of many years of industry and training experience, combined with a friendly, professional approach that creates an enjoyable and productive learning environment.

State-of-the-art equipment

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.

This is a task we don't take lightly. We acquire and develop state-of-the-art equipment and maintain it in excellent condition so that it is always ready to operate. With a total of nearly 1,700 cranes worldwide, Sarens has one of the largest fleets in the world. The fleet ranges from smaller telescopic cranes to crawler ringer cranes with a capacity ranging from 2 tons to over 3,200 tons. In addition to cranes, the Group has also invested in more than 1,000 items of specialized equipment, such as SPMTs, gantries, jacking and skidding equipment, barges, trailers, tower cranes, strand jacks and more.



The Sarens fleet is very young and has a net book value of over €800 million. Sarens maintains excellent relations with all major crane suppliers and its equipment is sourced from tier-1 crane suppliers.

1000th KAMAG K24 axle line

In June 2013, the one thousandth KAMAG K24 axle line SPMT was delivered to Sarens HQ. "Having reliable vehicles at our disposal is the most important thing for us as we have to rely 100% on our equipment," commented Ludo Sarens, Chairman of the Board. "For this reason, we continue to strengthen our fleet with KAMAG modular transporters." The high-performance K24 modular transporter from KAMAG is used for moving large industrial installations and for transporting complete bridges or other large components.



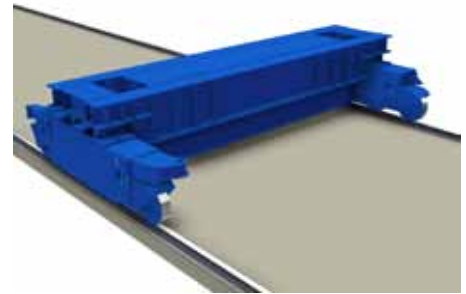
In-house development

As modules become larger, heavier and more complex, Sarens continues to develop in-house equipment and solutions to meet customer requirements. This makes Sarens stand out from other companies in its sector.

Sarens has also developed its own crane, the **SGC-120**. This is the only mobile third-generation crane in production with a lifting capacity of 3,200 metric tonnes. It is designed to accommodate the heavy lifting requirements of refineries, petrochemical plants, offshore platforms and third-generation nuclear power plants.

Another development in 2013 was the **Sarens Modular Barge (SMB)**. This modular barge consists of 20' and 40' units that can be interconnected. This means that the barge can first adjust to the size of a channel or the width of a lock and then afterwards connect other units to form a larger barge. The modular structure also allows for cost-effective mobilization thanks to the certified container-sized dimensions of the modules, which enables them to be stacked like containers. The Sarens Modular Barge is designed in-house by Sarens' engineering team for use in all types of inland water operations. The SMB makes it possible to perform barge operations in waters that are difficult to access by waterway, for example lakes or inland rivers. The Sarens Modular Barge also offers very high structural capabilities compared to other alternatives.

Another 2013 in-house innovation is **Sarbogies**. With its high concentrated capacity and nominal load of 600 tons, Sarbogies is a new alternative for skidding.



SMB, Abidjan, Ivory Coast





Financial information

Review of financial information

Income statement

The Group's turnover went up by 5,7% to € 592,1 million compared to € 560,3 million realized in 2012. The decrease in turnover of some regions was more than offset by the excellent performance of the regions Western Europe, Canada, Middle East and Oceania.

Group underlying EBITDA in 2013 amounts € 150,9 million compared to € 148,9 in 2012. Costs increased more than turnover as the Group made more use of subcontractors to achieve its growth and hired additional staff to operate the investments in its fleet park.

Operating profit declined to € 46,0 million compared to € 52,0 million in 2012. The decline in operating profit is caused by a higher depreciation as a result of the large investments made in previous years.

While financial income remained stable, financial charges raised to € 66,1 million (versus € 51,0 million in 2012) as a result of unfavourable currency movements.

Extraordinary income relates mainly to the gain realized on the sale of a building and the capitalization of previously expensed hoisting equipment.

The tax charge for the period amounted to € 16,7 million versus € 12,5 million last year.

Net profit for the year was negative.

Balance sheet

In 2013 the Group invested € 142 million in new fixed assets of which € 115 million in cranes and other lifting equipment. As a result the net book value of our tangible fixed assets grew to € 812,6 million compared to € 799,8 million at the end of 2012.

Trade debtors went up to € 159,7 million which is in line with the higher sales volume. Days sales outstanding improved slightly from 101 days in 2012 to 98 days in 2013.

The cash position remains stable and amounts € 42,4 million at 31 December 2013 versus € 40,1 million at the end of 2012.

As of 31 December 2013, equity represented 20,6% of balance sheet total which is slightly lower than previous year due to the loss realized in 2013 and an unfavourable impact currency translation adjustments.

The net senior financial debt (excluding non-subordinating loans) of € 516,8 million represents an increase of 2,4% compared with 2012. The accretion is lower than our year-on rate growth rate and is caused by the major investment program. The ratio net senior financial debt on EBITDA amounts 3,42 (versus 3,39 in 2012) and gearing ratio (net debt to equity) amounts 2,2 (versus 2,0 in 2013).

Cash flow statement

Cash flow from operating activities amounted to € 141,1 million (2012: € 146,7 million). The decrease in cash flow was due to higher paid income taxes and lower use of working capital. Cash flow from investing activities amounted € -120,9 million (2012: € -174,6 million) due to a reduction in capital expenditure. Cash flow from financing activities amounted € -19,5 million as the financing of new investments was lower and capital repayments loans higher.

Consolidated balance sheet

Thousands EUR	2013	2012	2011
Fixed assets			
Intangible fixed assets	23.681	26.510	7.617
Positive consolidation differences	3.978	4.362	5.347
Tangible fixed assets	812.648	799.844	706.543
Financial fixed assets	2.666	3.614	2.937
Total fixed assets	842.973	834.330	722.444
Current assets			
Other amounts receivable after more than 1 year	8.717	4.392	5.370
Stocks and contracts in progress	5.592	5.497	5.532
Trade debtors	159.651	155.002	144.437
Other amounts receivable within 1 year	39.150	39.921	39.040
Cash at bank and in hand	42.366	40.170	18.847
Deferred charges and accrued income	18.925	17.346	14.057
Total current assets	274.401	262.328	227.283
Total assets	1.117.374	1.096.658	949.727

Thousands EUR	2013	2012	2011
Equity			
Issued capital	80.000	80.000	55.000
Revaluation surplus	7.725	7.328	7.627
Consolidated reserves	151.831	168.434	166.021
Negative consolidation differences	2.151	2.151	2.133
Translation differences	-11.066	-3.807	-2.417
Total equity	230.641	254.106	228.364
Minority interests	4.204	4.309	4.893
Provisions and deferred taxes			
Provisions for liabilities and charges	14.961	12.983	8.973
Deferred taxes	83.172	76.502	69.000
Total provisions and deferred taxes	98.133	89.485	77.973
Amounts payable over 1 year			
Subordinated loans	41.887	40.849	50.343
Leasing and other similar obligations	219.248	246.444	237.503
Credit institutions	219.698	130.692	74.248
Other loans	3.055	1.452	1.419
Total financial debts	483.888	419.437	363.513
Amounts payable within 1 year			
Financial debts - credit institutions	117.212	166.473	142.063
Trade debts	121.076	102.880	71.503
Other amounts payable	47.888	43.556	51.842
Advances received on contracts in progress	4.219	6.106	1.705
Accruals and deferred income	10.113	10.305	7.871
Total current liabilities	300.508	329.320	274.984
Total liabilities	1.117.374	1.096.658	949.727

Consolidated profit and loss statement

Thousands EUR	2013	2012	2011
Turnover	592.065	560.288	469.969
Stocks of finished goods and contracts in progress	-742	21	-1.867
Own work capitalised	2.172	5.131	9.511
Other operating income	15.570	10.141	11.059
Total operating income	609.065	575.581	488.672
Raw materials and consumables	-38.954	-39.064	-47.992
Services and other goods	-243.462	-219.250	-174.972
Remuneration, social security costs and pensions	-167.159	-155.144	-131.907
Depreciations and amounts written off on fixed assets	-96.963	-86.274	-76.641
Amounts written off stocks, contracts in progress and trade debtors	-6.900	-6.656	-15.736
Provisions for liabilities and charges	-1.065	-3.997	-2.436
Other operating charges	-8.587	-13.209	-7.099
Total operating charges	-563.090	-523.594	-456.783
Operating profit (EBIT)	45.975	51.987	31.889
Income from financial fixed assets			12
Income from current assets	959	657	555
Other financial income	14.600	15.116	24.405
Financial income	15.559	15.773	24.972
Debt charges	-30.975	-28.490	-23.645
Other financial charges	-35.168	-22.534	-21.455
Financial charges	-66.143	-51.024	-45.100
Profit on ordinary activities before taxes	-4.609	16.736	11.761
Extraordinary income	2.645	717	132
Extraordinary charges	-59	-2.283	-525
Profit for the period before taxes	-2.023	15.170	11.368
Transfer to/from deferred taxes	-7.569	-7.553	192
Income taxes	-9.107	-4.933	-6.814
Income tax expenses	-16.676	-12.486	-6.622
Profit of the period	-18.699	2.684	4.746
Share in result of the companies using the equity method	187	133	-3
Consolidated net result for the period	-18.512	2.817	4.743
Share of the group	-18.414	2.302	3.498
Share of third parties	-98	515	1.245

Consolidated cash flow statement

Thousands EUR	2013	2012	2011
Operating profit	45.975	51.987	31.889
Depreciation, amortization and impairment	96.963	86.274	76.641
Write-offs on inventories and trade debtors	6.900	6.656	15.736
Provisions for liabilities and charges	1.065	3.998	2.436
EBITDA	150.903	148.915	126.702
Non cash-adjustments	-3.215	-3.881	2.323
Changes in working capital	2.949	8.852	-28.826
Income tax paid	-9.453	-7.134	-6.814
Cash flow from operating activities	141.184	146.752	93.385
Net investments in intangible fixed assets	-453	-1.006	-438
Net investments in tangible fixed assets	-117.843	-168.951	-177.989
Net investments in financial fixed assets	481	104	4.219
Acquisition of subsidiaries	-3.078	-2.278	
Acquisition of interest from minorities		-2.349	
Disposal of subsidiaries	61	-87	
Dividends received/(paid)	-150		567
Cash flow from investing activities	-120.982	-174.568	-173.641
Net cash used in extraordinary activities	1.548	64	-393
Consolidated free cash flow	21.750	-27.752	-80.649
Capital increase		25.000	50.000
Financial results	-33.445	-35.251	-23.645
Net debt movements	13.891	79.668	46.830
Costs debt rescheduling		-20.353	
Cash flow from financing activities	-19.554	49.064	73.185
Changes in consolidation scope		12	2.950
Net change in cash and cash equivalents	2.196	21.323	-4.515
Cash and cash equivalents at the beginning of the year	40.170	18.847	23.362
Cash and cash equivalents at the end of the year	42.366	40.170	18.847



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
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17. Financial instruments
18. Finance and lease agreements
19. Commitments
20. Events after balance sheet date

1. General

Sarens Bestuur NV is a limited liability company incorporated under Belgian Law. The company has its registered offices at Autoweg 10, 1861 Meise/Wolvertem and was incorporated on 10th November 1993 with 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 1st January and ends on 31st December of each year.

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

2. Basis of preparation

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

The consolidated financial statements are presented in thousands of EUR, which is the company's functional and presentation currency.

According to Belgian GAAP, the historical cost principle is applied as the measurement basis.

Unless expressly stated otherwise, the accounting policies are applied consistently from year to year.

The consolidated companies undertake the necessary consolidation audits themselves in order to apply the valuation rules of the group and to ensure they are consistent with the accounting regulations applicable in Belgium.

The following audits were undertaken primarily for this purpose: recalculation of depreciation as a result of the expected economic lifespan of the assets, inclusion of off-balance sheet leasing agreements and the inclusion of off-balance sheet social obligations.

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 govern the financial and operating policies in order to obtain benefits from them, generally involving 50% +1 of the voting rights. The financial statements of each subsidiary are included in the consolidated financial statements from the date on which the group acquires control until the date that control ceases. Subsidiaries are consolidated by the full consolidation method.

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 direct or indirect joint control. This means 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, line by line, the company's share of each of the assets, liabilities, income and expense 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 a significant direct or indirect 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 the equity method. The equity method is a method whereby the investment is initially recognized at cost and adjusted subsequently for the 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 of 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 the company's financial position when it is considered that probable future economic benefits will flow to the entity and the cost of the asset can be measured reliably. Liabilities are recognized in the financial statement when it is probable that the settlement of those liabilities will result in an outflow of resources bringing 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 decrease of a liability has arisen that 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 that 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 no longer recognized in the statement of financial position.

b. Use of estimates

The principal of substance over form is applied, whereby the ultimate goal is to include all details of any importance to form an opinion on the assets, financial position and results of the company.

In preparing the financial statements, management is required to form judgments, assumptions and estimates about the assets and liabilities carried forward. 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 be equal to the actual corresponding results.

c. Foreign currencies

The consolidated financial statements are presented in thousands of EUR, which is the company's functional and the group's reporting currency.

(i) Foreign currency conversion

Each group entity reports in its own functional currency, which is the currency of the primary economic environment in which the entity operates. If a foreign operation reports in a functional currency that is different to the group's reporting currency, the financial statements of the foreign operation will be converted as follows:

- Assets and liabilities are converted at the closing exchange rate published by the European Central Bank;
- Income and expenses are converted at the average exchange rate for the year;
- Shareholder's equity and its components, consolidation goodwill and participations are converted at the historical exchange rate.

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

(ii) Foreign currency transactions

Foreign currency transactions are recognized during the period in the functional 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 converted at the closing rate on the balance sheet date. Gains and losses resulting from the settlement of foreign currency transactions and from the conversion of monetary assets (see above) are recognized in the income statement as a financial result.

From 2013 onwards the group presents unrealized exchange differences on intercompany loans of a permanent nature and for which the group has the intention to incorporate these in the capital of the subsidiary, no longer as a financial result, but directly under the heading "currency translation reserve" in equity.

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

d. Consolidation differences

(i) Negative consolidation differences (liabilities)/badwill

The negative difference between the purchase price of a new participating interest and the net book value of the net assets obtained upon the acquisition (the negative price when it comes to the acquisition of shares) is included under this heading.

The initial consolidation differences with respect to participating interests are offset as long as a negative balance remains for the liabilities on the balance sheet.

(i) Positive consolidation differences/goodwill

The positive difference between the purchase price of a new participating interest and the net book value of the net assets obtained upon the acquisition (the additional price when it comes to the acquisition of shares) is included under this heading.

The positive consolidation differences are amortized on a straight-line basis over a period of 5 years.

Positive consolidation differences are 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 100%. Specific transaction-related costs on debt issuance are capitalized 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:

- the asset is identifiable;
- the group has control over the asset;
- it is probable that future economic benefits that are attributable to the asset will flow to the entity and;
- 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, plus 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 on the acquisition date. Internally generated intangible assets are measured as the sum of expenditures incurred from the date when 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% - 33,33% |
| • 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 are recognized if and only if:

- the group has control over the asset;
- it is probable that future economic benefits associated with the asset will flow to the entity;
- 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.

Costs include all expenditures 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 to upgrade property, plant and equipment significantly or to extend their lifetime will 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 will be entered as expenses.

The cost of property, plant and equipment with a limited service life is reduced to its estimated residual value by the systematic allocation of depreciation over the assets service life.

Amortization is applied on the grounds of linear economic percentages calculated on the basis of the duration of the depreciation and taking into account the residual value, namely:

	Amortized Period	Residual Value
Industrial Buildings	10 Years	0%
Barges	20 years	20%
Office Buildings	33 Years	0%
Plant, Machinery and Equipment	5 Years	0%
Furniture	10 Years	0%
Vehicles		
• Mobile cranes up to 200 ton	7 Years	10%
• Mobile cranes more than 200 ton	10 Years	15%
• Lattice Boom Cranes	15 Years	20%
• Hydraulic Trailers	15 Years	20%
• Other Vehicles	5 Years	5%
Leasing and Similar Rights	According to category	
Other Tangible Assets	5 Years	0%

Assets held under finance lease 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 equipment used in the ordinary course of business are included in operating results, while all other gains and losses on disposal are included in extraordinary results.

Additional expenses are debited at the same percentage as the principal sum.

All gains arising from an internal group transaction since 2009 have been eliminated.

Losses arising from internal group sales have been eliminated and impairment is accounted on the corresponding fixed asset.

h. Leasings

Rights-of-use on goods are classified as finance leases when the following conditions are met:

- The contractual agreed lease terms, increased by the amount to be paid upon exercising the purchase option, in addition to the interest and the costs of the transaction, should recover the full capital invested by the lessor;
- The amount of the purchase option may not exceed 15% of the invested capital;
- The agreement must stipulate the transfer of ownership and the purchase option.

The group has only rights-of-use on movable assets.

Rights-of-use on movable assets under which substantially all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as an expense.

i. Financial fixed assets

The Group classifies its financial assets in the following categories:

- investments in associates;
- participating interests in other entities
- other financial fixed assets

(i) Investments in associates

Associates are all entities over which the group has significant influence but no control over the strategic, financial and operating policies. This is presumed if the company holds at least 20% of the voting rights. Investments in associates are accounted for using the equity method.

If the group's share of losses of an associate equals or exceeds its interests, the group will discontinue recognizing its share of further losses. After the group's interest is reduced to nil, the group recognizes a liability if the group has incurred legal or constructive obligations or made payments on behalf of the associate.

The group's share in the annual profit or loss of the associate is included in the income statement under the caption "share of results in associates".

(ii) Participating interests in other entities

Participating interest in other entities are all entities over which the group has no significant influence, but in which the group wants to hold or build a long-term relationship.

Participating interests in other entities are initially recorded at acquisition cost and are subsequently measured at the lowest 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 receivables included in other financial assets.

j. Inventories

The Group classifies its inventories in the following categories:

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

(i) Raw materials, consumables and goods purchased

Raw materials, consumables and goods purchased for resale are measured at the lower of cost of purchase and net realizable value. Cost of purchase is based on the FIFO method, assuming that the 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 contract activity begins and the date at which the activity ends usually falls in a different accounting period. The group uses the percentage of completion method in order to allocated contract revenue and contract costs to the accounting period in which the work is performed.

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

k. Trade receivables

Trade receivables are measured at nominal value, less the appropriate impairments for amounts regarded 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 the amounts due or only partially.

l. Cash and cash equivalents

The other investments are valued at nominal value.

m. Prepayments and accrued income

The accrued income and deferred charges are reported pro rata temporis on the balance sheet date, based on the facts known.

n. Investment grants

Investment grants are reported after deduction of deferred taxes, which are included under the caption "Provisions and deferred taxes".

o. Revaluation surplus

Until 2008, gains realized on the sale of tangible fixed assets within the group were not eliminated because these transactions take place at arm's length. The gains realized through these transactions were eliminated from the result of the year and reported as a revaluation surplus (included in equity). Despite the fact that these gains are taxed in the statutory accounts of the subsidiaries involved, no deferred tax asset was accounted for. At the moment that the fixed asset item is sold to a third party, the revaluation surplus will be released through the income statement.

From 2009 onwards, all gains realized on the sale of tangible fixed assets have been eliminated in the income statement.

p. Amounts payable

These debts are valued at nominal value.

q. Accrued charges and deferred income

The accrued charges and deferred income are reported pro rata temporis on the balance sheet date, based on the facts known.

r. Non-controlling interests

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

s. Provisions

Provisions are systematically created on the basis of the principals of prudence, honesty and good faith.

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; and
- a reliable estimate can be made of the amount of the obligation.

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

t. Deferred taxes

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

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

In accordance with Belgian GAAP rules, the group recognizes only deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rate the group's company is subject to.

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 ceases to recognize any remaining deferred tax asset.

u. Pensions

The group has various post-employment benefits schemes in accordance with the practices of the countries it operates in.

(i) Defined contribution plans

The majority of the pension plans within the group are defined contribution plans whereby the group pays fixed contributions into a separate fund (e.g. an insurance fund). Obligations in respect of contributions to the fund are recognized as an expense in the income statement as they fall due.

Supplementary pensions plans in Belgium are legally subject to a minimum guaranteed return to the employee, and hence they are accounted for as defined contribution plans since the minimum legally required return is sufficiently guaranteed by the insurance company.

(ii) Defined benefit plans

In case of early retirement, the group records a provision for the expected cost of early retirement. The expected cost is measured as the sum of the possible future payments the group has to make in order to comply with local legislation. The provision for early retirement is not based on actuarial calculations.

v. 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 the 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

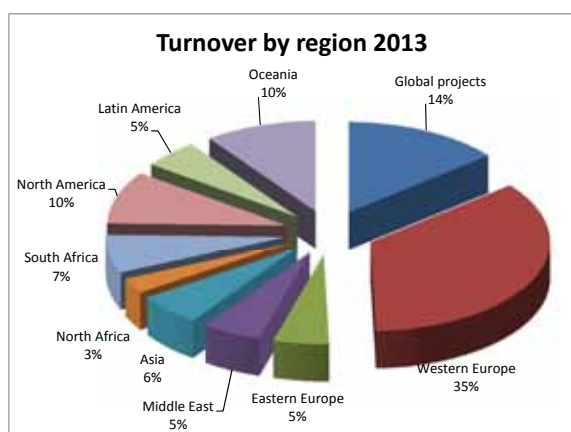
Entity	Country of incorporation	% of ownership	Consolidation method
Sarens Bestuur NV	Belgium	100	Full consolidation
Sarens NV	Belgium	100	Full consolidation
Sarens SARL (branch)	Algeria	100	Full consolidation
Sarens GmbH	Germany	100	Full consolidation
Sarens Italia Srl	Italy	100	Full consolidation
Sarkran 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
Sarens Polska Spzoo	Poland	100	Full consolidation
Zuraw Gdansk 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 for General Trading and Contracting WLL	Iraq	100	Full consolidation
Sarens for General Trading and Contracting LLC	Iraq	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

Entity	Country of incorporation	% of ownership	Consolidation method
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
Sarens Heavy Lift Namibia (Pty Ltd)	Namibia	100	Full consolidation
Sarens North America Holding, Inc.	United States	100	Full consolidation
Sarens USA, Inc.	United States	100	Full consolidation
Sarens Heavy Lift Canada Ltd.	Canada	100	Full consolidation
Sarens Canada 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	100	Full consolidation
Servicios para Maquinaria, S.A.	Chile	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 SZR LLC	Russia	100	Full consolidation
Sarens Tunglyft AB	Sweden	100	Full consolidation
Sarens Ukraine LLC	Ukraine	100	Full consolidation
Sarens Gulf Heavy Lift LLC	Sultanate of Oman	100	Full consolidation
Sarens Saudi Arabia Ltd	Saudi Arabia	100	Full consolidation
Sarens Agir Yük Kaldırma Tic. Ltd. Sti	Turkey	100	Full consolidation
Sarens Heavy Lift Egypt LLC	Egypt	95	Full consolidation
Sarens Mozambique LDA	Mozambique	100	Full consolidation
Sarens Zambia Ltd.	Zambia	100	Full consolidation
Sarens Botswana (Pty) Ltd	Botswana	100	Full consolidation
Sarens Tanzania Limited	Tanzania	100	Full consolidation
Sarens Congo SARL	Congo	70	Full consolidation
Samoco NV	Belgium	100	Full consolidation
Sarens JWS (M) Sdn Bhd	Malaysia	75	Full consolidation
U.E.S. Logistics (Malaysia) Sdn Bhd	Malaysia	75	Full consolidation
Sarens JWS (S) Pte. Ltd.	Singapore	75	Full consolidation
Sarens Transport (Pty) Ltd.	South Africa	100	Full consolidation
Sarbra 1750 NV	Belgium	50	Proportional consolidation
WS Vermietung GmbH	Germany	50	Proportional consolidation

Entity	Country of incorporation	% of ownership	Consolidation method
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
BSM Sarens Serviços Técnicos De Engenharia E Locação Ltda	Brazil	50	Proportional consolidation
EOLE Overseas NV	Belgium	33,33	Equity method
Alvian Most s.r.o	Czech Republic	25	Equity method
TAGI Logistics	Vietnam	49	Equity method
Betonbouw Nederland Holding	Nederland	25	Equity method
Sarens - Abu Dhabi (Branch)	United Arab of Emirates	100	Not consolidated
Sarens Argentina SA	Argentina	100	Not consolidated
PT Sarens OCS Indonesia	Indonesia	49	Not consolidated
Sarens Panama S.A.	Panama	100	Not consolidated
Transportes y servicios especializados de izamiento Sarens Bolivia S.A.	Bolivia	100	Not consolidated

6. Turnover

The group's turnover for 2013 and 2012 can be detailed as follows:



Thousands EUR	2013	2012
Global projects	83.657	93.440
Western Europe	208.957	187.961
Eastern Europe	29.564	30.634
Middle East	31.532	24.179
Asia	34.204	35.549
North Africa	16.293	14.144
South Africa	41.343	46.437
North America	55.954	50.901
Latin America	30.005	33.410
Oceania	59.489	41.041
Leasing and trading	1.067	2.592
	592.065	560.288

7. Goodwill and intangible fixed assets

Thousands EUR	Positive consolidation differences	Research & development	Concessions, patents and similar rights	Customer lists and other intangible commercial assets	Formation expenses and loan issue expenses	Total intangible fixed assets
Acquisition value						
Balance at 1 January 2012	24.730	1.453	4.710	1.183	4.955	12.301
Additions	2.182	70	166	789	20.360	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
Additions	2.714	9	254		43	306
Disposals and retirements		-23	-9			-32
Effect of foreign currency exchange differences	301	-75		-1	-1	-77
Other movements					-3	-3
Balance at 31 December 2013	28.813	1.366	5.121	1.970	25.360	33.817
Accumulated depreciation and impairment losses						
Balance at 1 January 2012	-19.383	-763	-1.772	-1.183	-966	-4.684
Depreciation expense recorded	-2.885	-204	-887	-161	-1.214	-2.466
Effect of foreign currency exchange differences	70	-6		1		-5
Other movements	761	9			-6	3
Transfer to other assets categories				40		40
Balance at 31 December 2012	-21.437	-964	-2.659	-1.303	-2.187	-7.113
Depreciation expense recorded	-3.331	-223	-892	-209	-1.748	-3.072
Disposals and retirements		7	9			16
Effect of foreign currency exchange differences	-67	50			2	-15
Other movements			-22		3	-19
Balance at 31 December 2013	-24.835	-1.130	-3.564	-1.512	-3.930	-10.136
Carrying amount						
At 31 December 2013	3.978	236	1.557	458	21.430	23.681

8. Tangible fixed assets

Thousands EUR	Land and buildings	Plant, machinery and equipment	Cranes & rolling equipment	Cranes under capital lease	Other leasings and similar rights	Other tangible fixed assets	Assets under construction and advance payments	Total tangible fixed assets
Acquisition value								
Balance at 1 January 2012	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 assets 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
Additions	424	12.861	108.813	6.192	5.170	1.410	7.135	142.005
Disposals and retirements	-555	-2.304	-1.668	-23.940	-970	-20	-1.321	-30.778
Effect of foreign currency exchange differences	-518	-1.412	-19.824	-2.110	-409	-183	-66	-24.522
Transfer to other assets categories	146	-225	-13.785	4.527	1.177	-79	-6.104	-14.343
Other movements		3.127						3.127
Balance at 31 December 2013	9.389	67.564	613.034	518.395	58.145	6.614	5.740	1.278.881
Revaluation surplus								
Balance at 1 January 2012	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

Thousands EUR	Land and buildings	Plant, machinery and equipment	Cranes & rolling equipment	Cranes under capital lease	Other leasings and similar rights	Other tangible fixed assets	Assets under construction and advance payments	Total tangible fixed assets
Balance at 31 December 2012	0	0	3.982	0	0	0	0	3.982
Additions	-	-	3	-	-	-	-	3
Disposals and retirements			-24					-24
Effect of foreign currency exchange differences			-223					-223
Transfer to other assets categories			533					533
Balance at 31 December 2013	0	0	4.271	0	0	0	0	4.271
Accumulated depreciation and impairment losses								
Balance at 1 December 2012	-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 assets 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	2.178		-26		-3.568
Balance at 31 December 2012	-2.682	-29.884	-238.164	-118.734	-14.695	-3.371	0	-407.530
Depreciation expense recorded	-397	-8.296	-41.905	-36.737	-4.287	-682		-92.304
Acquisitions from third parties		-1.561	-545	-2.501	-426	-35		-5.068
Disposals and retirements	318	2.398	923	8.136	70	14		11.859
Transfer to other assets categories		-485	-6.027	18.588	1.918	-47		13.947
Effect of foreign currency exchange differences	75	886	8.480	1.202	226	79		10.948
Other movements		-2.356						-2.356
Balance at 31 December 2013	-2.686	-39.298	-277.238	-130.046	-17.194	-4.042	0	-470.504
Carrying amount								
At 31 December 2013	6.703	28.266	340.067	388.349	40.951	2.572	5.740	812.648

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 2012	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		-88		-88
Share in the result of the period	133			133
Balance at 31 December 2012	1.162	1.645	807	3.614
Acquisitions		49	238	287
Disposals		-65		-65
Change in consolidation scope	79	-670		-591
Repayments			-417	-417
Effect of foreign currency exchange differences	-75	-23	-5	-103
Other movements		-246		-246
Share in the result of the period	187			187
Balance at 31 December 2013	1.353	690	623	2.666

10. Stocks and contracts in progress

Thousands EUR	2013	2012
Raw materials and consumables	4.622	3.109
Goods purchased for resale		28
Contracts in progress	970	2.360
Stocks and contracts in progress	5.592	5.497

11. Trade and other receivables

Thousands EUR	2013	2012
Trade debtors	185.129	176.281
Write-offs trade receivables	-25.478	-21.279
Trade debtors	159.651	155.002
Other receivables after more than 1 year	8.717	4.392
VAT and other tax receivables	18.178	18.354
Other receivables within 1 year	20.972	21.567
Other amounts receivable	47.867	44.313

12. Provisions

Thousands EUR	2013	2012
Provisions for post-employment benefits	2.695	2.852
Provisions for claims	3.349	1.563
Other provisions	8.917	8.568
Provisions for liabilities and charges	14.961	12.983



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 2012	55.000	7.627	166.022	2.133	-2.417	228.365
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			11	18	-1.389	-1.360
Balance at 31 December 2012	80.000	7.328	168.433	2.151	-3.806	254.106
Profit for the period			-18.414			-18.414
Revaluation surplus		397				397
Change in consolidation scope			31		-162	-131
Other movements			1.781		-7.098	-5.317
Balance at 31 December 2013	80.000	7.725	151.831	2.151	-11.066	230.641

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 2013				
Subordinated loans		41.887		41.887
Leasing and other similar obligations	70.823	169.023	50.225	290.070
Credit institutions	46.389	172.578	47.120	266.087
Other loans			3.055	3.055
	117.212	383.488	100.400	601.100

15. Trade and other payables

Thousands EUR	2013	2012
Trade debts	121.076	102.880
Advances received on contracts in progress	4.219	6.106
VAT and other tax payable	29.100	26.215
Remuneration and social security payable	13.291	13.537
Other amounts payable	5.497	3.804
Other amounts payable	47.888	43.556



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

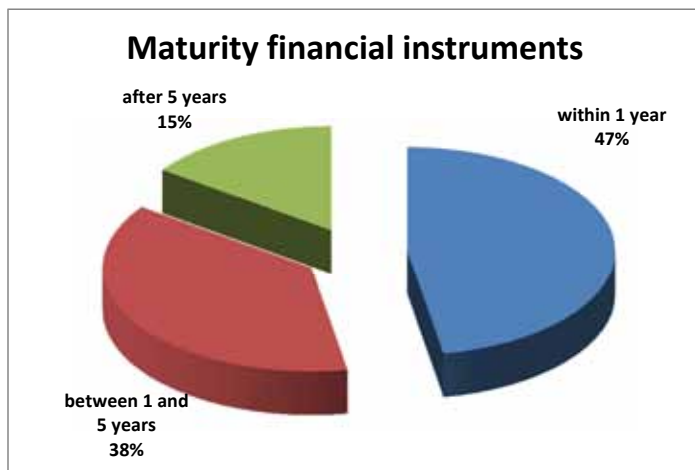
Sarens has entered into financial debt and leasing debt for the financing of its intensive capital expenditure plan 2011-2014. Due to these financial debts, Sarens is required to fulfill major financial obligations which may lead to liquidity risks. These financial obligations, and the capital expenditure 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 € 7.8 million and have following maturities as of 31.12.2013 (in m€):



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 €42.1 million. Their maturity as per 31 December can be broken down as follows (in %):



Guarantees

In the course of its business, Sarens is required to issue bank guarantees (performance bonds etc.). As of 31.12.2013, the total value of these guarantees is €30.2 million.

Claims

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

20. Events after balance sheet date

- In January 2014 a new company was founded in Kazakhstan, named Sarens Kazakhstan LLP.
- In February 2014 a new branch of Sarens NV was founded in Erbil, in Iraq.
- In March 2014 two new companies were founded, one in Peru and one in Ivory coast.
- As from January 2014 onwards Sarens has sold 15% of its interests in Sarens for General Trading and Contracting WLL in Iraq.

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 2013 Annual Report has been extracted from the consolidated financial statements of Sarens Bestuur NV for the year ending 31 December 2013. 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).

All data are up to date on April 18, 2014.



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





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