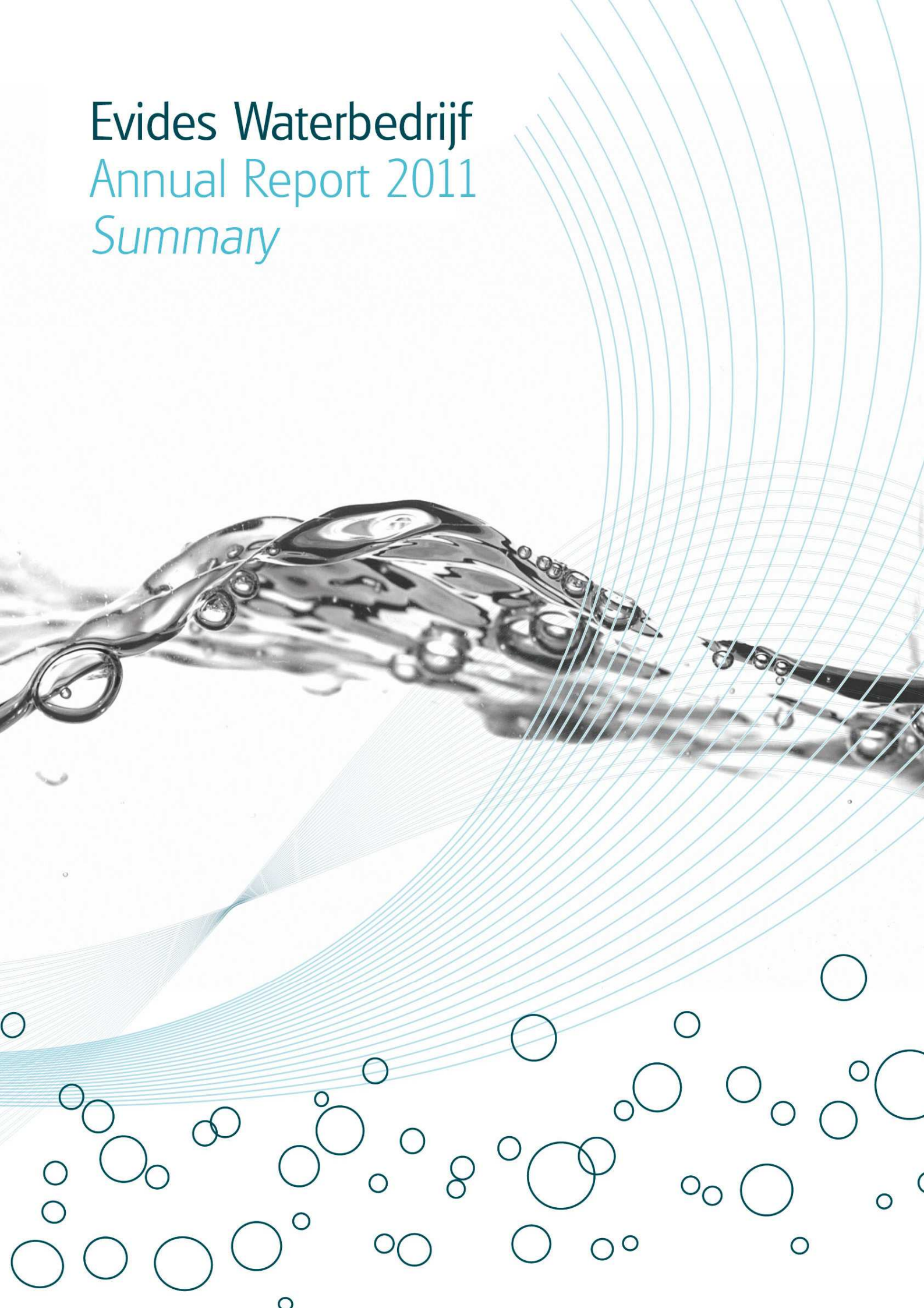


Evides Waterbedrijf  
Annual Report 2011  
*Summary*



## Annual Report 2011 – Summary

This is a summary of the Evides Waterbedrijf annual report for 2011. It includes information on the administrative and financial aspects of the company, such as the Supervisory Board, Corporate Governance and the most significant financial data.

General information in English about Evides Waterbedrijf can be found in our English-language corporate brochure and on our website. The full Dutch-language annual report for 2011 can be downloaded from our website: [www.evides.nl/jaarverslag](http://www.evides.nl/jaarverslag).

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## Introduction to Evides Waterbedrijf

Households, businesses, agriculture and industry all need water every day. The task of Evides Waterbedrijf is to supply that water, reliably and at the required quality.

### **Evides Waterbedrijf**

Evides Waterbedrijf delivers drinking water to the south western Netherlands. Around 2.5 million people rely on our pure and refreshing water, straight from the tap. Evides also offers "customised" industrial water services to large industrial clients in the Netherlands, Belgium, Germany and China. Evides produces approximately 240 million cubic metres of drinking and industrial water annually, making Evides the second largest drinking water supply company in the Netherlands and the largest supplier of water services to industry in the country. Evides is also active in waste water purification services and, making the circle round, the re-use of purified waste water (effluent). Its business operations in the drinking and industrial water sectors create synergy between the two and this makes Evides a versatile, reliable supplier of high quality water. The company's roots are in the pioneering water companies established in Rotterdam and Vlissingen around 1874. Today, 50% of the company is owned by Gemeenschappelijk Bezit Evides B.V. (the municipalities in the south west region of the province of Zuid-Holland) and 50% by DELTA N.V. (DELTA is owned by local authorities, primarily in the province of Zeeland).

### **Versatile with water**

Safe, clean and sweet drinking water, at an attractive price and with a good level of service. This is what consumers must be able to rely on, 24 hours a day, 365 days a year. In order to make good on that promise we continuously invest in the latest treatment technologies, quality control and the maintenance and expansion of a distribution grid extending over some 14,000 kilometres. Industrial clients see Evides as an ideal partner when it comes to the supply of specialist water services in the fields of process water, waste water treatment and effluent reuse. As a partner, Evides is willing and able to take responsibility for the complete realisation of plants based on DBFO contracts (Design, Build, Finance & Operate). With a workforce of more than 600, we at Evides endeavour to excel in all our processes at all times. Our operation is highly efficient, environmentally aware and transparent. Because of this we continue to rank among the top 3 water companies in the Netherlands in all aspects of water production and supply.

In order to maintain this position we are working on:

- effective responses to developments in the sector and the society;
- continued innovation in the interests of efficiency, customer service, quality and cost control;
- cooperation with public and private partners in our sector and throughout the water chain;
- improving and expanding drinking water facilities in developing countries;
- sustainable and socially responsible enterprise;
- favourable terms of employment;
- a socially acceptable return for our shareholders.

## The Supervisory Board

The Supervisory Board oversees the policy promoted by the Board of Directors and the general course of affairs, as well as supporting the Board by providing advice.

### **Composition and profile**

The Supervisory Board consists of seven members appointed by the General Meeting of Shareholders. As far as the composition of the Supervisory Board is concerned, Evides Waterbedrijf, guided by the Supervisory Board Profile, seeks to achieve a balance between the expertise, experience and background of the individual members and their affinity with the nature and culture of the company.

Members of the Supervisory Board provide professional expertise in the following areas:

- finance, risk management, treasury and auditing;
- drinking water supply and a sound understanding of the water supply chain;
- entrepreneurship in a capital intensive sector and a knowledge of national and international customers for industrial water as well as the related industrial service provision (including waste water treatment);
- knowledge of and networks within public administration;
- customer relations and consumer interests, taking account of the natural monopoly in drinking water;
- HRM policy, company organisation and change management;
- legal affairs and corporate governance;
- socially responsible enterprise.

## Corporate Governance

The new Drinking Water Act came into force on 1 July 2011, bringing about the mandatory application of the so-called "mitigated structure regime" to Evides Waterbedrijf. Against this background it was decided to implement an amendment to the statutes, which came into effect on 30 December 2011. The company's governance did already meet most of the requirements of the mitigated structure regime. Efforts were made in the amendment to the statutes to tie in as closely as possible with the existing governance.

Evides Waterbedrijf voluntarily complies with the basic principles and best practices set out in the Corporate Governance Code for the Netherlands. These are included or incorporated in the charter of the Board of Directors and the Supervisory Board.

In line with the "comply or explain" principle, Evides Waterbedrijf will explain below the points on which we deviate from these requirements:

- Rules explicitly formulated for listed companies have not been applied.
- The shareholders and groups of shareholders are entitled to nominate members of the Supervisory Board, to determine their period of office and to appoint the Chair. The Vice-Chairs jointly fill the role provided for in the Code.
- In view of the size of the business, Evides has not appointed an internal auditor. The Audit Committee agreed to this.
- The Evides website does not function as a means of communication with the shareholders because the company enjoys a direct relationship with its shareholders.

Evides Waterbedrijf is a public limited company. A number of important decisions are subject to the approval of the shareholders, such as the drinking water tariffs and the allocation of profits. The General Meeting of Shareholders is also responsible for the appointment, dismissal and remuneration policy of the Management Board. The Supervisory Board is responsible for the specifics of remuneration and the terms and conditions of employment.

The Supervisory Board consists of seven members and an independent chairman and there is an audit committee, a remuneration committee and an (ad hoc) selection and appointment committee.

The Evides General Meeting of Shareholders includes representatives of DELTA NV – which holds 50% of the shares - and representatives of Gemeenschappelijk Bezit Evides BV, which is a joint venture involving the municipalities in the south western part of Zuid-Holland, holding the other 50% of the shares.

## Internal risk management and monitoring systems

In view of the societal significance of the water company, the reduction and management of risk are high on the agenda for Evides. In 2011 Evides continued to invest in its internal risk management and monitoring systems. For example, we made a start this year on the arrangements for our tax control framework in the context of a horizontal supervisory covenant agreed with the tax authorities. Our project management system was also further professionalised.

Continuing risks are associated with Evides operational activities, in the strategic, operational, financial and compliance fields.

The Board of Directors is responsible for the structure and the efficient functioning of the internal risk management and monitoring system. This system is designed to provide a timely awareness of the extent to which Evides has achieved its strategic, operational and financial objectives, in order to ensure reliable financial reporting and actions complying fully with the applicable legislation.

### Internal risk management and monitoring

Our aim at Evides is to use the internal risk management and monitoring system to reduce the probability of error, bad decisions and unforeseen circumstances to a practical minimum. This cannot however be fully guaranteed. It is possible that Evides may be exposed to as-yet unrecognised risks, or risks which are not (yet) deemed to be significant. No system of internal risk management and monitoring can provide absolute assurance against the failure to achieve the objectives of the business, neither is it possible to entirely prevent all inaccuracies, losses, fraud or breaches of acts and regulations.

Managing people, holding individuals responsible and short lines of communication are key elements for Evides as an organisation. These elements are therefore also at the heart of the risk management and monitoring system for all parts of the business. Important mechanisms in the internal risk management and monitoring system include:

- Risk management: this refers to the identification and analysis of risks as well as the implementation and monitoring of the control measures introduced to control these risks. The risk management system is based in part on the COSO Enterprise Risk Management-Integrated Framework (COSO-ERM). Responsibility for the management of risk lies with managers, who report quarterly on this subject in the Management Team Meeting. The most significant risks were reviewed in close collaboration with the various departments of the business during 2011. A project risk management system is in place.
- Planning and monitoring cycle: Evides make use of annual and long-term budgets, quarterly reports including annual forecasts and risk management, and monthly financial and operational management reports. A quarterly treasury report is also compiled for the Management and Supervisory Boards.
- Financial reporting: a structured financial monthly and annual closing process is in place. The external auditor assesses the internal control measures relating to financial reporting for the purpose of the annual audit of accounts. The external auditor reports his findings to the Board of Directors, the audit committee and the Supervisory Board in his annual Management Letter and Auditor's Report. Evides reports to the audit committee on the follow-up to the external auditor's recommendations.
- Security of water supply and quality: important elements of this are the quality system for the supplied water, the system to ensure security of supplies, safety and the personnel selection policy (including Certification of Good Conduct).
- Security and crisis management: measures including crisis management organisation, procedures, training courses and the evaluation of training.
- Other, such as: a Code of Conduct and House Rules, a whistle-blower system, the description of the administrative organisation and internal audit of significant financial processes and the treasury statute. The tax monitoring system was partly organised and implemented during 2011, while various improvements were introduced to strengthen risk management and the monitoring systems in use.

Regular audits are carried out on the essential elements of the control mechanisms in order to assess whether they are performing as intended. The Board of Directors' report to the audit committee and the Supervisory Board on the arrangements for and the effective performance of the internal risk management and monitoring system.

On the basis of their assessment and in accordance with best practice as set out in section II.1.5 of the Dutch Corporate Governance Code, the opinion of the Evides Board of Directors is that their risk control and monitoring system performed well in terms of financial reporting risks in 2011, and that it provides a reasonable degree of certainty that the 2011 annual accounts do not contain any material inaccuracies. The Board of Directors of Evides will also maintain their commitment to the further strengthening and professionalisation of the internal risk management and monitoring system, with continuing attention paid to potential efficiency gains within these processes.

## Financial results

### General

Evides NV (ENV) is 100% shareholder of Evides Drinkwater B.V. (EDW) and Evides Industrierwater B.V. (EIW). Financial transparency is achieved through the delegation of Evides activities to EDW and EIW. The services and costs of ENV and the subsidiaries EDW and EIW are set down in service agreements. These also include agreements relating to the associated charges (Internal Transfer Price) used in calculations involving the parties. The system applied and the cost calculations have also been assessed by specialist firms. The chapter "Investments" sets out the interests of EDW and EIW. Because of the structure of the Evides group consolidated annual accounts have been compiled. The legal entities in which Evides NV has a direct or indirect controlling interest are consolidated in this.

The summarised balance sheet before profit appropriation at year's end 2011 and the 2011 profit and loss account for the drinking water and non-drinking water activities is:

(in € million)	Drinking water activities	Non-drinking water activities	Total Evides NV
<b>Assets</b>			
<i>Fixed assets</i>			
Intangible fixed assets	0,0	2,3	2,3
Tangible fixed assets	800,1	90,7	890,8
Financial fixed assets	7,7	133,9	141,6
<b>Total fixed assets</b>	<b>807,8</b>	<b>226,9</b>	<b>1.034,7</b>
<i>Current assets</i>			
Inventories	2,3	0,0	2,3
Receivables	37,3	13,1	50,4
Cash and cash equivalents	0,0	4,9	4,9
<b>Total current assets</b>	<b>39,6</b>	<b>18,0</b>	<b>57,6</b>
<b>Total assets</b>	<b>847,4</b>	<b>244,9</b>	<b>1.092,3</b>
<b>Equity and liabilities</b>			
Equity	284,3	163,5	447,8
Minority interest	6,1	0,0	6,1
Provisions	4,0	1,3	5,3
Long-term loans	359,4	9,0	368,4
Current liabilities	257,0	7,7	264,7
Intercompany receivable and liabilities	- 63,4	63,4	0,0
<b>Total equity and liabilities</b>	<b>847,4</b>	<b>244,9</b>	<b>1.092,3</b>



Based on the ENV consolidated balance sheet before profit appropriation, solvency is 41.0%. Following payment of the proposed 2011 final dividend of €32.7 million, solvency stands at 38.0%.

(in € million)	Drinking water activities	Non-drinking water activities	Total Evides NV
Net sales*	223,9	104,1	309,5
Cost of sales*	23,0	46,9	51,4
Gross profit	200,9	57,2	258,1
Operating expenses	144,5	29,1	173,6
Operating result	56,4	28,1	84,5
Interest expense and income	- 16,6	4,2	- 12,4
Income before taxes	39,8	32,3	72,1
Income taxes	0,0	- 0,5	- 0,5
Result on investment	- 0,1	- 0,9	- 1,0
Income after taxes	39,7	30,9	70,6
Third-party result	0,1	0,0	0,1
<b>Net result</b>	<b>39,6</b>	<b>30,9</b>	<b>70,5</b>

\* In the consolidation internal revenue relating to internal supplies between the drinking water and non-drinking water activities is set off against the purchase value of this internal revenue.

### Equity ratio

Evides operates in a tied client market with an associated monopoly through EDW, and in a competitive market of industrial customers through EIW. The share of turnover in industrial water amounts to 92.7 million m<sup>3</sup>, or 37% of total water-related turnover. The risk profile for non-drinking water activities is higher than that for the drinking water activities. This difference in risk profile is expressed in the target solvency ratios for EIW and EDW, 55% and 30% respectively. Based on the share of turnover of the two activities, the target solvency ratio for ENV has been set at 38% following appropriation of profit.

## Prospects

It is anticipated that turnover relating to drinking water and industrial water will see a very minor increase in 2012. Evides has succeeded in maintaining its tariffs at the same level as in previous years. The scrapping of the ground water tax as of 1 January 2012 led to an average reduction in user charges of € 0.037 per cubic metre (4%) in 2012.

### Investment

Investment in drinking water will total €280 million over the coming five years. €60 million will be invested during 2012, including a phased doubling of the transport system for Biesboschwater, improvements in security of supply in mid-Zeeland and a connecting pipeline between Terneuzen and Hulst. Estimated investment in industrial water will amount to €79 million. €6 million will be invested during 2012, including spending on mobile RO installations and regular replacements. In 2012 Evides will focus on essential medium and long term investment in relation to the replacement programme for transport and distribution pipelines.

### Developments

The following developments are anticipated by Evides in the course of 2012:

- The implementation of the client policy currently being worked on by the Client Processes Management Team will give a boost to quality in the areas of client satisfaction and client processes.
- Continuing attention to cost control.
- Replacement and revision of ICT applications, to improve support of operational processes.
- Further improvements to the resilience of operations, to deliver a further reduction of the CO<sub>2</sub> footprint and sustainable purchasing. Additionally, the re-use of water will continue to be a major aspect of Evides Industriewater's efforts to achieve sustainable water supplies.
- The realisation of efficiencies in the water chain by means of joint actions with other public and private parties, as agreed in the Bestuursakkoord Water (Administrative Agreement on Water).
- Evides will continue to collaborate on improvements in drinking water supplies in the third world via Vitens Evides International. This will be implemented in concrete terms by means of new projects in Africa and Asia.
- Evides will continue to work on the protection of (fresh) water sources and will contribute actively to the further development of the Delta programme with the aim of securing the interests of drinking water.
- Evides will draw up agreements with the Safety Regions of Haaglanden and Central and West Brabant concerning collaboration in crisis situations. There will also be work on operational coordination with all relevant Safety Regions.
- As a Founding Father, Evides will continue to collaborate on the creation of the Netherlands Water Center in Rotterdam, an initiative of the water sector in the Netherlands. This will facilitate the positioning of Evides as a multifaceted and innovative business, both nationally and internationally.
- Evides will also invest in further improvements in the security of supply of drinking and industrial water during 2012.

The financial and economic situation in Europe is uncertain, which will mean that production volume for the industry will fall short of expectations for 2012. The number of new industrial supply contracts and the construction of new individually designed installations will therefore probably be limited. Evides Industriewater will respond to new market opportunities with novel product/market combinations, such as the mobile RO installations and re-use of water. Noord-Nederland, Belgium and Germany are also markets with potential. The entire Evides workforce will once again in 2012 make the maximum effort to provide a dependable supply of our valuable products, water and water services, to households, business and industry.

## **Financial Statements Summary 2011**

## Consolidated balance sheet as of 31 December 2011

(before profit appropriation)

(in € million)	31 December 2011		31 December 2010	
<b>ASSETS</b>				
<b>Fixed assets</b>				
Intangible fixed assets	2.3		2.7	
Tangible fixed assets	890.8		903.9	
Financial fixed assets	141.6		106.1	
<b>Total fixed assets</b>		<b>1,034.7</b>		<b>1,012.7</b>
<b>Current assets</b>				
Inventories	2.3		2.4	
Work in progress	0.0		20.2	
Receivables	50.4		49.2	
Cash and cash equivalents	4.9		5.0	
<b>Total current assets</b>		<b>57.6</b>		<b>76.8</b>
<b>Total assets</b>		<b>1,092.3</b>		<b>1,089.5</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>		<b>447.8</b>		<b>419.1</b>
<b>Minority interest</b>		<b>6.1</b>		<b>6.0</b>
<b>Provisions</b>		<b>5.3</b>		<b>6.6</b>
<b>Long-term loans</b>		<b>368.4</b>		<b>421.4</b>
<b>Current liabilities</b>		<b>264.7</b>		<b>236.4</b>
<b>Total equity and liabilities</b>		<b>1,092.3</b>		<b>1,089.5</b>

## Consolidated profit and loss account of 2011

(in € million)	2011		2010	
<b>NET SALES</b>				
Water revenues	266.2		261.3	
Other turnover	43.3		33.4	
<b>Total net sales</b>		<b>309.5</b>		<b>294.7</b>
<b>COST OF SALES</b>				
Raw materials and consumables	25.9		28.8	
Other cost of sales	25.5		28.1	
<b>Total cost of sales</b>		<b>51.4</b>		<b>56.9</b>
<b>Gross profit</b>		<b>258.1</b>		<b>237.8</b>
<b>OPERATING EXPENSES</b>				
Personnel costs	42.6		37.4	
Other operating costs	65.8		70.3	
Depreciations	65.2		64.6	
<b>Total operating expenses</b>		<b>173.6</b>		<b>172.3</b>
<b>OPERATING RESULT</b>		<b>84.5</b>		<b>65.5</b>
<b>FINANCIAL INCOME AND EXPENDITURE</b>				
Interest expense and income		-12.4		-15.4
<b>Income before taxes</b>		<b>72.1</b>		<b>50.1</b>
Income taxes		0.5		0.4
Result on investments		-0.1		-1.0
<b>RESULT AFTER TAXES</b>		<b>70.5</b>		<b>48.7</b>
Third-party result		0.1		0.0
<b>NET RESULT</b>		<b>70.5</b>		<b>48.7</b>

## Cash flow statement

(indirect method)

(in € million)	2011		2010	
<b>Cash flow from operating activities</b>				
Operating result		84.5		65.5
Adjustments for:				
Depreciation		65.3		64.5
Movements in provisions		-1.3		-1.4
Changes in working capital:				
Movements in receivables	-1.2		-9.7	
Movements in inventories	0.1		-0.7	
Movements in work in progress	20.2		-13.9	
Movements in current liabilities	-3.2		-6.6	
		15.9		-30.9
<b>Operating cash flow</b>		<b>164.4</b>		<b>97.7</b>
Interest charges and income	-12.4		-15.4	
Dividends received	0.8		0.4	
Income taxes paid	-0.5		-0.4	
		-12.1		-15.4
<b>Cash flow from operating activities</b>		<b>152.3</b>		<b>82.3</b>
<b>Cash flow from investment activities</b>				
Investments in financial fixed assets	-42.4		-10.1	
Received payments on investments	5.1		4.5	
Investments in tangible fixed assets	-52.1		-58.9	
Des-investments in tangible fixed assets	0.3		0.0	
<b>Cash flow from investing activities</b>		<b>-89.1</b>		<b>-64.5</b>
<b>Cash flow from financing activities</b>				
Dividend paid	-41.8		-33.4	
Dividend paid to minority stakeholders	0.0		-0.2	
Proceeds from loans	0.0		10.0	
Repayments of loans	-80.0		-37.2	
<b>Cash flow from financing activities</b>		<b>-121.8</b>		<b>-60.8</b>
<b>Increase/decrease net cash flow*</b>		<b>-58.6</b>		<b>-43.0</b>
*including movements in short-term cash loans and bank overdrafts.				
		<b>2011</b>		<b>2010</b>
<b>The reconciliation of the cash flow is as follows</b>				
Opening balance as of January 1 <sup>st</sup>		-97.7		-54.7
Movement financial year		-58.6		-43.0
<b>Closing balance on December 31<sup>st</sup></b>		<b>-156.3</b>		<b>-97.7</b>

## Appendices

## Appendix 1 Key figures

		Unit	2011	2010	2009	2008
<b>Financial</b>						
1.	Liquidity ratio	%	21,8	32,7	32,9	36,7
2.	Solvency ratio	%	41,0	38,5	37,9	38,1
3.	Average credit term receivables	Days	27,4	27,1	28,2	33,8
4.	Net working capital	€ million	- 207,1	- 159,6	- 104,7	- 103,2
5.	Return on equity	%	7,6	6,0	5,9	7,9
6.	Cash flow	€ million	135,7	113,3	106,6	114,6
7.	Cash flow ratio	%	20,6	17,0	16,1	18,2
8.	Internal financing ratio	x 1	0,7	0,6	1,1	0,9
9.	Purchase of drinking water	million m <sup>3</sup>	8,7	8,3	6,6	6,5
10.	Sales of drinking water	million m <sup>3</sup>	156,2	160,7	158,7	158,2
11.	Sales of industrial water	million m <sup>3</sup>	92,7	81,2	78,5	80,6
12.	Treatment of waste water (excl. Delfluent)	p.e.*x 1.000	65,1	63,0	52,6	74,3
13.	Turnover	€ miljoen	309,5	294,7	307,7	299,8
<b>Operating assets</b>						
14.	Number of consumer addresses	x 1	1.019.684	1.007.449	1.003.053	992.138
15.	Number of water meters	x 1	965.803	960.157	950.029	933.440
16.	Length of transport and distribution pipes	km	13.013	12.969	12.906	12.844
17.	Length of desti pipes	km	67	52	52	50
18.	Length of source/raw/industrial water pipes	km	844	833	829	810
19.	Number of disruptions	x 1	9.599	10.940	11.124	10.690
20.	Numer of qualitative complaints	x 1	146	144	198	190
<b>Personnel</b>						
21.	Number of members of staff (as at year-end)	x 1 fte	583,6	592,0	552,2	562,7
22.	Average wage costs per member of staff	x € 1.000	71,4	70,3	67,4	64,5
23.	Sickness absence	%	3,2	4,2	3,7	3,4

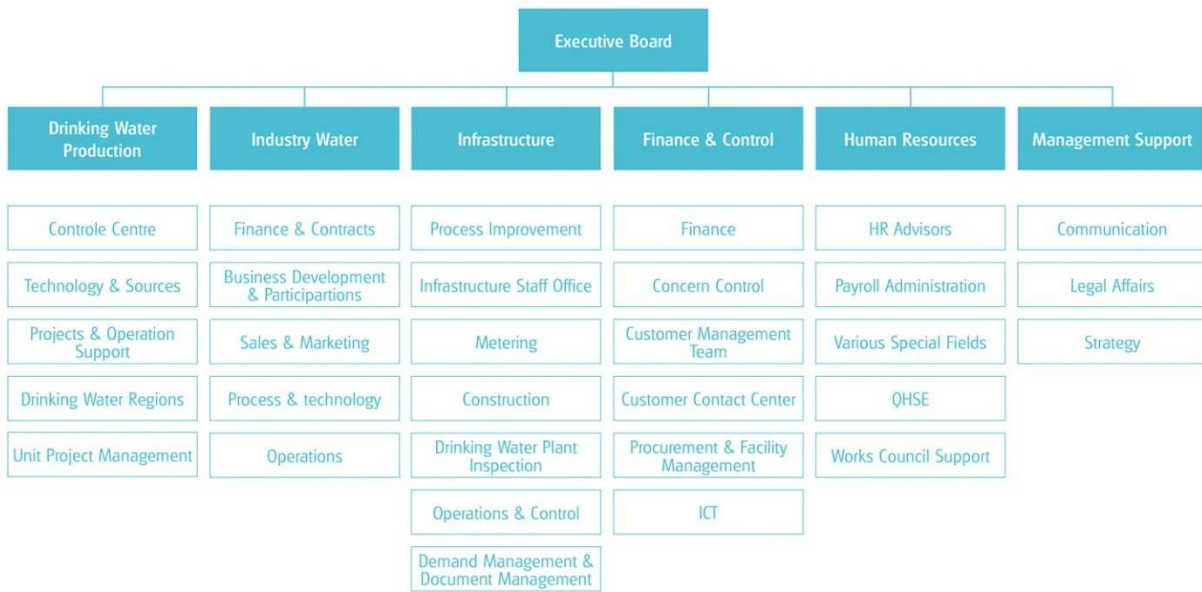
\* Pollution equivalents

### Explanation key figures

- |                                    |   |
|------------------------------------|---|
| 1. Liquidity ratio                 | = (current assets : current liabilities) x 100% |
| 2. Solvency ratio                  | = (equity capital : total assets) x 100%        |
| 3. Average credit term receivables | = (receivables : turnover) x 365 days           |
| 4. Net working capital             | = current assets - current liabilities          |
| 5. Return on total equity          | = ((profits + interest) : total equity) x 100%  |
| 6. Cash flow                       | = profits + depreciations                       |
| 7. Cash flow ratio                 | = (cash flow : liabilities) x 100%              |
| 8. Internal financing ratio        | = investments : cash flow                       |



## Appendix 2 Organisational structure



## Appendix 3 Investments

Evides NV is the holding company of the Evides group of companies. The most significant activities are carried out by two businesses grouped under the two major elements Evides Drinkwater B.V. and Evides Industriewater B.V. Evides Drinkwater B.V. concentrates on activities related to the sourcing, production and distribution of drinking water. The subsidiary companies falling under Evides Industriewater B.V. focus on the sourcing, production and distribution of industrial water and the treatment of waste water. The Evides group has various premises around the Netherlands.

### **Evides N.V. participating interests**

Apart from Evides Drinkwater B.V. and Evides Industriewater B.V. which are 100% owned by Evides N.V., Evides N.V. has participating interests in the following:

#### *Facturatie B.V.*

Evides and Vitens participate on a 50/50 basis in a joint venture concerned with the invoicing and collection of monies relating to water from consumers and small business water clients.

#### *KWH Water B.V.*

KWH Water provides Evides with access to research and development projects relating to drinking water and other water types, primarily in the context of Vewin. Evides shareholding is 13.3%.

#### *Reststoffenunie Waterleidingbedrijven B.V.*

In December 2011 Evides once again became a shareholder in Reststoffenunie Waterleidingbedrijven B.V. This organisation was established by the drinking water companies in the Netherlands with the aim of jointly identifying good destinations for residual substances generated in the production of drinking water. The Evides shareholding is 12.6%.

### **Evides Drinkwater B.V. has shares in:**

#### *N.V. Waterwinningbedrijf Brabantse Biesbosch (WBB)*

WBB owns the reservoirs in which pre-treatment of water from the Maas takes place and from where it is distributed to Evides purification installations. This water is the most significant source of drinking and industrial water in the Evides supply area. Evides is far and away the largest customer (97%) and operates WBB in line with a market-level multi-year contract. WBB is owned 60% by Evides and 40% by Brabant Water.

#### *Aqualab Zuid B.V.*

Aqualab Zuid is an accredited laboratory carrying out water analyses on behalf of shareholders and external customers. Aqualab Zuid is owned 50% by Evides, while Brabant Water N.V. holds 32.5% and N.V. Waterleiding Maatschappij Limburg holds 17.5%.

#### *Vitens Evides International B.V.*

Evides shares the joint venture 50/50 with Vitens. Vitens Evides International concentrates on the acquisition and implementation of international drinking water projects.

### **Evides Industriewater B.V. holds shares in:**

#### *Evides Afvalwater B.V.*

Evides Afvalwater purifies waste water from clients connected with the sewage treatment works at Sloe and Schiphol. Evides Industriewater owns 100% of this business.

#### *Brielse Meer water B.V.*

The water extracted from the Brielse Meer and supplied via Brielse Meer Water B.V. is an important source of industrial water for the Rotterdam port area. Evides Industriewater owns 100% of this company.

#### *Evides Terneuzen Water B.V.*

Evides Terneuzen supplies industrial water to Dow Terneuzen via local installations. Evides Industriewater owns 100% of this business.

*Evident Industriewater B.V.*

Evident Industriewater collaborates with Vitens on activities relating to the acquisition and operation of projects in the process and waste water market in the provinces of Flevoland, Utrecht, Overijssel, Gelderland and Friesland. Evides Industriewater owns 100% of this business.

*Delfluent B.V. (DBV) and Delfluent Services B.V. (DSBV)*

The DBV consortium has obtained DBFO contracts (design, build, finance and operate) from the Delfland Water Board for the construction of the Harnaschpolder waste water treatment plant, modifications to the existing Houtrust waste water treatment plant and the operation of both these waste water treatment plants and the associated transport systems. DBV is owned by Evides (54.5%), Veolia Water (11%), Heijmans/Strukton (10%) and Rabobank (24.5%). The operating company DSBV will manage the Houtrust and Harnaschpolder waste water treatment plants, with charges in line with market forces and over a 30 year period. DSBV is a 50/50 joint venture of Evides and Veolia Water.

*North Water B.V.*

Evides has worked with Waterbedrijf Groningen on the joint venture North Water B.V. since 2006. The objective of the venture is to combine forces to acquire and complete projects in the industrial and waste water markets in the northern provinces. Evides has a 50% participating interest in North Water B.V.

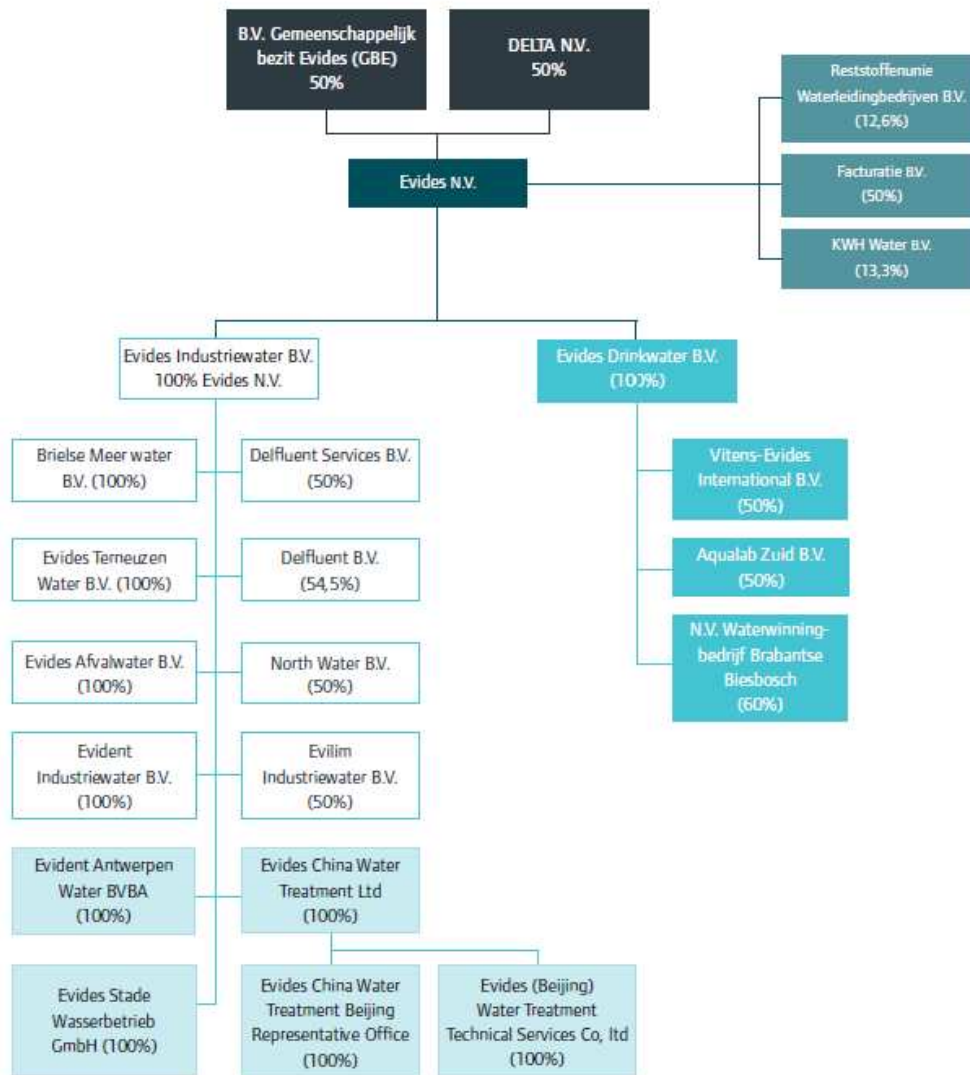
*Evilim B.V.*

Evides established the Evilim Industriewater B.V. joint venture in collaboration with Waterleiding Maatschappij Limburg with the aim of combining forces to acquire and complete projects in the process and waste water markets in the south of the Netherlands. Evides has a 50% participating interest in Evilim.

*Other subsidiaries*

Evides has the following 100% subsidiaries handling the company's international industrial water projects: Evides Stade Wasserbetrieb GmbH, Evides Antwerpen Water BVBA and Evides China Water Treatment Ltd (with premises in Beijing and Shanghai).

Appendix 4 **Structure of investments**



## **Members of the Supervisory Board**

### **Mr G.H.N.L. van Woerkom (1955), Chairman**

Nationality: Dutch

Profession/principal position: Director of ANWB

Date of first appointment: 28 June 2004

Current term of appointment: until 28 June 2012

#### *Ancillary positions*

- Vice Chair of the Institute for Road Safety Research (SWOV)
- Board Member FIA Management Council and FIA World Council
- Vice President Euroboard FIA
- Member of the Supervisory Board of the Hotel Management School in The Hague
- Member of the Governing Board of the Confederation of Netherlands Industry and employers (VNO-NCW)
- Member of the Executive Committee of AWVN
- Treasurer of 'Nederland Schoon'
- Chair of the Board of Commissioners for the Ymere Housing Corporation

### **Mr R.P. Binnendijk (1957)**

Nationality: Dutch

Profession/principal position: Director/owner of Zeffiro-advies

Date of first appointment: 28 June 2004

Current term of appointment: until 28 June 2012

#### *Ancillary positions*

- Member of the Rawi Foundation
- Member of the Supervisory Board of the Regional Institute for Outpatient Mental Healthcare North-West
- Chair of the MARE Foundation
- Chair of the Board of the Sorghdrage Foundation
- Secretary of the International Huscie Foundation
- Board Member of the Nico Adriaans Foundation

### **Mr J.P. de Kreij CMA, CA (1959)**

Nationality: Dutch

Profession/principal position: Member of the Board of Directors and CFO Koninklijke Vopak N.V.

Date of first appointment: 28 June 2006

Current term of appointment: until 28 June 2014

#### *Ancillary positions*

- Member of the Advisory Council for Security Issuing Institutions Euronext Amsterdam
- Member of the Board of Commissioners for CSM N.V.

### **Mrs M.W. Lubbi (1954)**

Nationality: Dutch

Profession/principal position: independent advisor

Date of first appointment: 30 September 2004

Current term of appointment: until 30 September 2012

#### *Ancillary positions*

- Member of the Board of Commissioners for the Social Housing Construction Security Fund
- Member of the Association for Housing Corporation Supervisors (until November 2011)
- Chair of the Dutch Migration Institute
- Chair of the Greenwish Foundation
- Chair of the UAFC International Steering Group

**Mr J. Haijkens (1943)**

Nationality: Dutch

Profession/principal position: none

Date of first appointment: 30 September 2004

Current term of appointment: until 30 September 2012

*Ancillary positions*

- none

**Mr S. J. Heijning (1952)**

Nationality: Dutch

Profession/principal position: Member of the Zeeland Provincial Executive

Date of first appointment: 1 June 2011

Current term of appointment: until 1 June 2015

*Ancillary positions*

- none

**Mr F. Verhagen (1961)**

Nationality: Dutch

Profession/principal position: CFO of DELTA N.V.

Date of first appointment: 24 June 2009

Current term of appointment: until 24 June 2013

*Ancillary positions*

- Member of the Supervisory Board of DELTA Netwerkbedrijf
- Member of the Board of Directors of Indaver N.V.

**Directors****Mr P. Vermaat (1965)**

Nationality: Dutch

Profession/principal position: General Director, Evides Waterbedrijf

Date of appointment: March 2008

*Ancillary positions*

- Member of the Board of Commissioners for KWH Water B.V.
- Member of the Board of Commissioners for Delfluent B.V.
- Board Member of the Water Training Institute
- Board Member of Water for Life