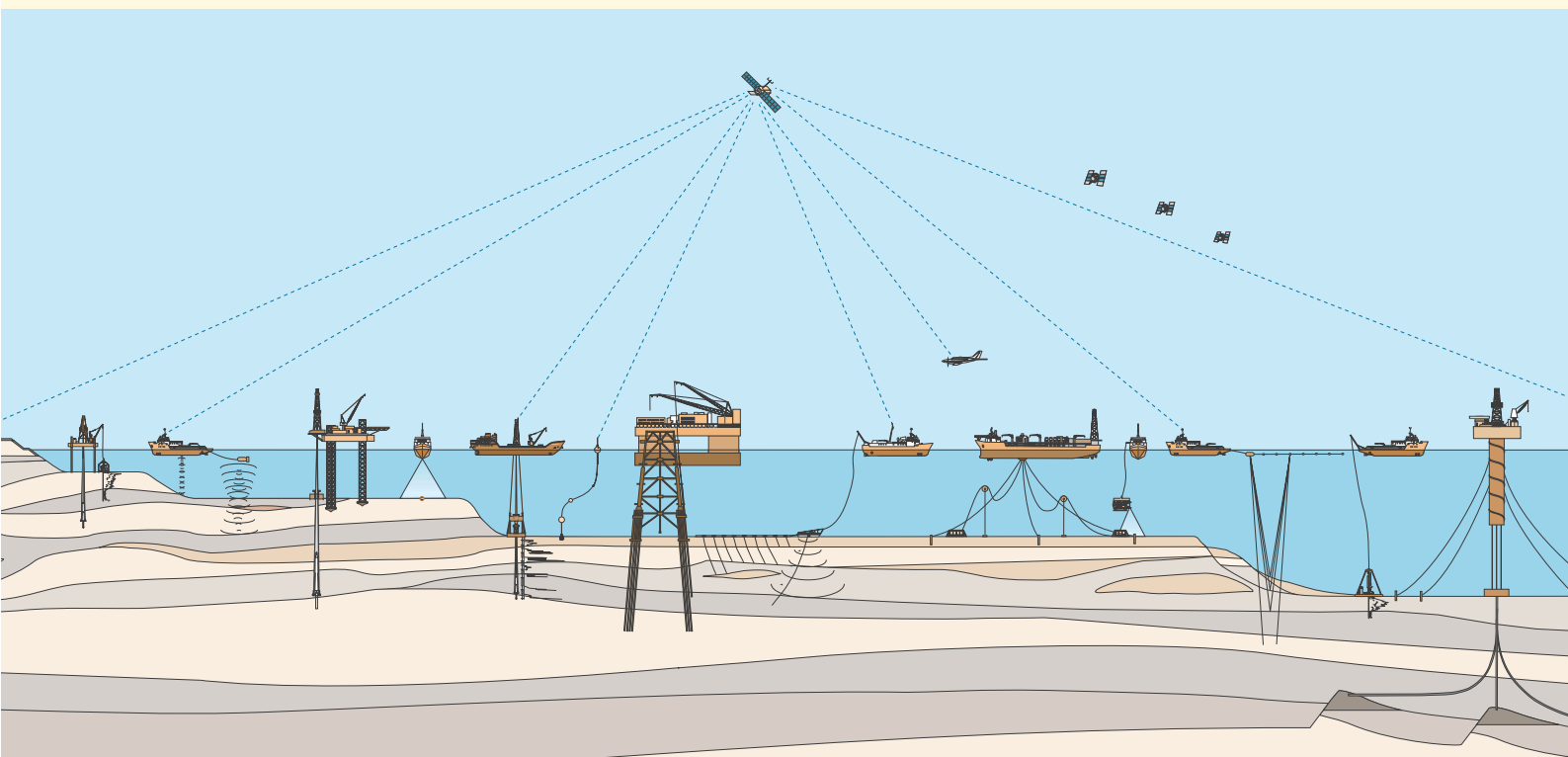




FUGRO N.V.

Half-yearly report 2005



Fugro's half-year result reached record high

- Net result for the first half of 2005 increases by 107% to EUR 32.1 million (2004: EUR 15.5 million)
- Turnover for the first half of 2005 increases by 7.9% to EUR 518 million (2004: EUR 480 million)
- Cost savings through integration of Thales GeoSolutions are clearly visible
- Fugro profits from excellent market position in a number of sectors, including oil, gas and mining

Outlook:

- Turnover for 2005 expected to comfortably exceed EUR 1 billion
- Net profit margin of 7.5 to 8% for the year 2005 likely
- Long term outlook remains positive

Turnover for the first six months of 2005 was EUR 518 million (2004: EUR 480 million), an increase of 7.9%. Of the increase, 11.2% was achieved through autonomous growth and 0.2% through acquisitions. The effect of

disposals was 1.9% negative and the effect of currency exchange rates was 1.6% negative. All divisions contributed to the strong autonomous growth. The net result for the first six months of 2005 was EUR 32.1 million, EUR 16.6 million higher than for the first six months of 2004. This is an increase of 107%. The net profit margin for the first half of 2005 was 6.2% (2004: 3.2%). This increase is among other things due to the improved market conditions in Offshore Survey and the successful integration of Thales GeoSolutions. Earnings per share amounted to EUR 0.50 (2004: EUR 0.27).

G-J. Kramer, President and CEO: *'We are very pleased with the results. The strong market positions of all three divisions and the global spread of Fugro's activities have contributed to Fugro taking advantage of the good market developments in the oil, gas and mining industries. The strong autonomous turnover growth coupled with the improving net margin, amongst others due to*

(EUR x million)

Acquisitions up to 30 June 2005	Price	Goodwill	Country	Division	Annual turnover	Number of employees	Consolidation per
BTW Hydrographic Ltd	0.7	0.6	New Zealand	Survey	1.6	6	April
Comprehensive Geotechnical Investigation (Zhejiang) Co. Ltd	2.2	1.3	China	Geo-technical	1.4	70	March

(EUR x million)

Key figures	30 June 2005	'05 compared to '04	30 June 2004
Net result	32.1	107.1%	15.5
Turnover	518.2	7.9%	480.2
Cash flow	66.8	28.0%	52.2
Investments	43.5	32.6%	32.8
Per share (in EUR)			
Net result	0.50	85.1%	0.27
Net result diluted*	0.48	84.6%	0.26
Cash flow	0.97	15.5%	0.84

* After dilutive effect of the convertible loan and share option plan.

All figures are according to IFRS. (The reconciliation of IFRS to Dutch GAAP consolidated statements per 30 June 2004 can be found from page 18).

the successful integration of Thales GeoSolutions in Offshore Survey, has led to a doubling of the net result for the first half-year of 2005. Given the expected developments in Fugro's markets, combined with the continuously improving quality and technology of the services Fugro offers, the increasing operational efficiencies, and the market position Fugro's new Geosciences division has now obtained, the longer term prospects of further solid growth continue to remain positive.'

Outlook 2005

Oil and gas prices remain high. General expectations are that there will be no change in this situation in the foreseeable future. The margin between supply and demand is small and the depletion of existing fields continues. The oil industry is further increasing its investments. This has been confirmed by two external research reports, which indicate that in 2005 the expected investments by the oil companies will grow by 13% compared to 2004.

Prices for minerals also remain high and investments in exploration for new resources are increasing. In a number of countries, in particular in Europe, the economy appears to be stabilising. This is resulting in some improvement in infrastructure-related activities in these countries.

With its strong market positions and global footprint, Fugro is well positioned to profit optimally from the increasing demand of its clients. These trends give Fugro good reason to be optimistic regarding the second half of 2005. The demand for hydro carbons and minerals remains strong. These developments have led to a healthy

backlog for the second half of the year. Fugro expects to comfortably exceed its earlier forecast of EUR 1 billion turnover for the full year 2005.

Fugro also expects its 2005 net result to be significantly better than 2004 (EUR 49.3 million). A net profit margin of 7.5 - 8% for the full year 2005 is likely, barring unforeseen circumstances.

Developments in the first half of 2005

- Fugro Pelagos Inc. was selected as one of the best qualified companies to carry out Hydrographical Surveying and Related Support Services in US waters. (See also subsequent events further in this report).
- Fugro will carry out an airborne survey over regions of the Republic of Ghana. The value of the contract is over EUR 11 million. Another contract relates to an airborne survey over regions of Papua New Guinea. The value of this contract is EUR 15.5 million.
- Fugro McClelland Marine Geosciences Inc is carrying-out a seabed investigation off the coast of Brazil. The 'Fugro Explorer' is used to acquire data in water depths up to 2,100 meters. The information gathered during this programme will be used by the client for the design and construction of platforms, sub-sea structures and pipelines.
- Fugro's newest AUV (Autonomous Underwater Vehicle) is being used for a hydrographical and geophysical survey of the West Nile Delta (Egypt) for BP Exploration.
- In the first half of the year Fugro acquired all activities of the New Zealand company, BTW Hydrographic Ltd. This company had an annual turnover of EUR 1.6 million.

(Per 30 June for the next six months, EUR x million)

Backlog	2005	2004	2003	2002	2001
Certain orders	325.3	287.2	198.5	238.5	212.5
Probable orders	129.2	157.3	146.7	192.4	126.4
Total	454.5	444.5	345.2	430.9	338.9
US\$ exchange rate at report date	0.83	0.82	0.88	1.00	1.18

- Fugro acquired a 100% interest in Comprehensive Geotechnical Investigation (Zhejiang) Co. Ltd. This Chinese company, which is licensed to carry out geotechnical work throughout China, recorded a turnover of EUR 1.4 million in 2004.
- Fugro sold its 40% interest in ChartCo, United Kingdom (active in the field of nautic information for shipping).
- On 19 May 2005, the shareholders approved a dividend of EUR 1.90 per share over 2004. Approximately 51% of the optional dividend has been taken in (certificates of) shares.
- On 20 June 2005 the Fugro shares were split (one share was split into four new shares). On 30 June 2005 a total number of 68,825,192 shares were in issue.
- In March 2005, 95% of the 2000 subordinated convertible bond was converted into shares.
- In May 2005 a new convertible bond was issued (EUR 125 million). The loan has a term of five years and has a interest coupon of 2.375%. The conversion rate is EUR 24.25.
- Fugro also arranged a revolving credit facility of EUR 100 million (five year term and an interest rate of Euribor plus 35 basis points).
- The claims on Thales have been resolved. The (non-material) effect of the finalization will be corrected in goodwill in the second half of 2005.

Market developments

The oil and gas industry (including the national oil companies) are increasing their investments in order to be able to meet future demand. The difference between demand and supply of oil is very small. In addition, the declining production of existing fields has a structural impact on the global production. Clients are focusing on both onshore and offshore fields and there is considerable interest in deepwater fields especially in the Gulf of Mexico, West Africa and Brazil. Recent external publications indicate that the oil companies' 2005 investment level is expected to be 13% higher than in 2004. A strong growth is expected for 2006.

LNG (Liquefied Natural Gas) appears to be developing into a global market. The high gas prices make transport over long distances profitable. This development demands a great deal of site investigation for the construction of new facilities. Fugro is involved in several of these projects at various locations worldwide.

Due to the continuing high demand for minerals, Fugro envisages a considerable demand for activities related to this market.

The economic conditions continue to show a mixed picture. Thanks to its broad geographical spread Fugro can respond well to this trend. The interest in environmental planning remains large and the market is improving. In the Middle East, but also in other regions where the economic climate is improving, Fugro sees an increase in infrastructure-related activities.

Divisional developments

Geotechnical


The onshore activities made a positive contribution to the result over the first half of 2005 in line with expectations. The Middle East continued to generate good results and the activities in the USA developed well. In Hong Kong the infrastructure market stabilised, although with lower margins than in the past. The activities in Europe overall showed a slight improvement. The offshore market is good all over the world and activities are increasing.

Survey

As expected the offshore activities of this division achieved far better results than in the first half of 2004. This was due to improved market conditions in the offshore industry, for example for construction support and ROV activities (Remotely Operated Vehicles) and the integration of TGS which lead to considerable cost savings.

(In %)

Growth of turnover	
Autonomous	11.2
Acquisitions	0.2
Disposals	(1.9)
Exchange rate effects (average over period)	(1.6)
	<hr/>
	7.9



The onshore Survey activities came under some pressure but contributed as expected. The Positioning activities once again made a good contribution to the result.

Geoscience

The result of Development & Production improved in accordance with expectations. Better contract conditions could be secured for some projects mainly in the seismic market. The various business units are cooperating more and more.

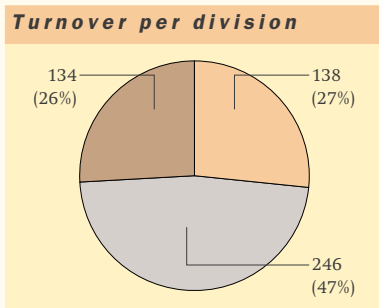
The Airborne Survey activities are continuing to profit from the favourable market conditions.

On 25 November 2005 Fugro will report on developments in the second half of 2005. On 10 March 2006 Fugro will publish the annual figures in the full 2005 Annual Report.

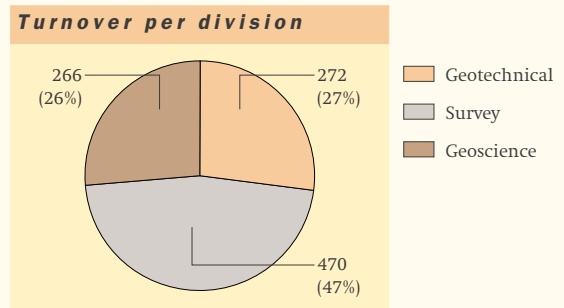
Leidschendam, the Netherlands 12 August 2005

The Board of Management

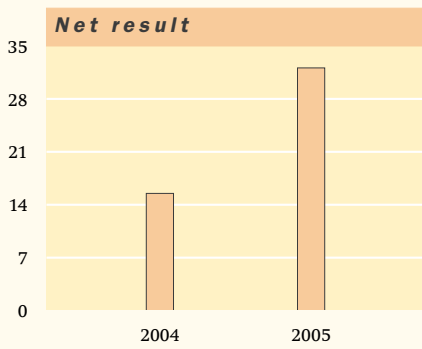
(EUR x million) at 30 June 2005



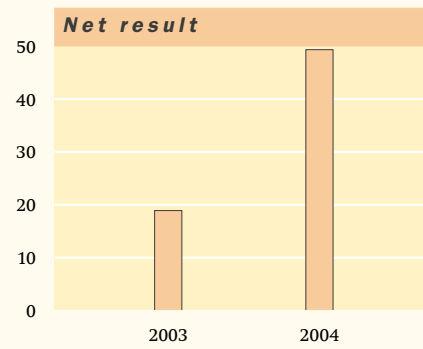
(EUR x million) at 31 December 2004



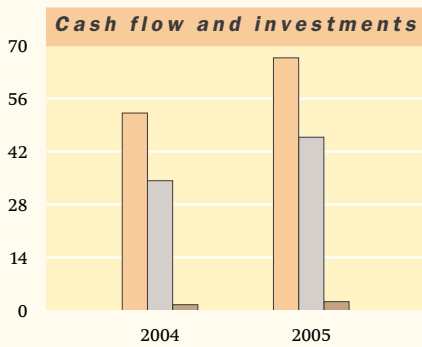
(EUR x million) at 30 June



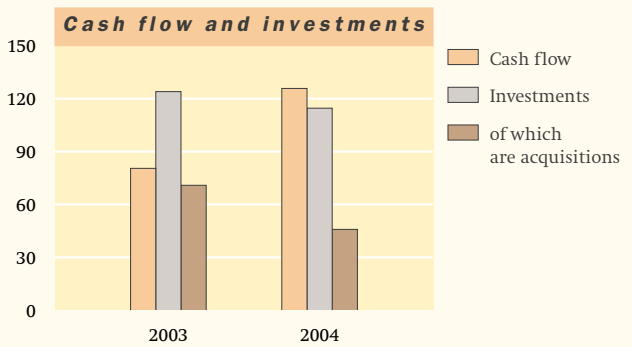
(EUR x million) at 31 December



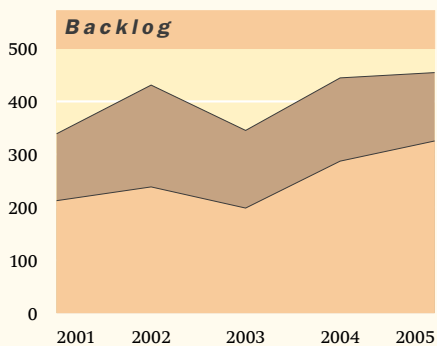
(EUR x million) at 30 June



(EUR x million) at 31 December

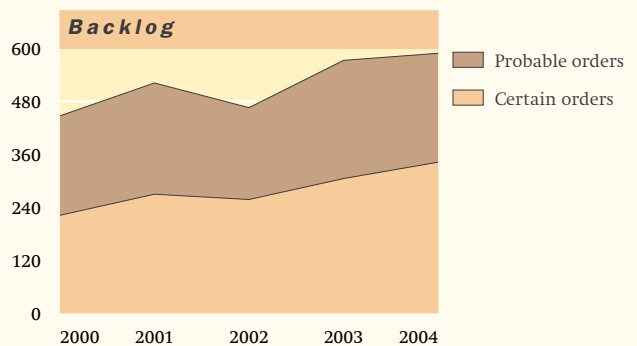


(EUR x million) at 30 June*



* for the second half of the year

(EUR x million) at 31 December*



* for the following year

Consolidated interim income statement

(EUR x million)	Six months ending 30 June*		Twelve months ending 31 December	
	2005	2004	2004	2003
Turnover	518.2	480.2	1,008.0	822.4
Third party costs	(187.1)	(176.5)	(364.6)	(273.4)
Net revenue own services	331.1	303.7	643.4	549.0
Other income	3.1	6.7	16.5	16.9
Personnel expenses	(168.9)	(166.2)	(331.6)	(297.8)
Depreciation	(31.1)	(32.3)	(66.2)	(54.0)
Amortisation	(2.6)	(3.5)	(7.1)	(6.8)
Other operating expenses	(82.1)	(74.4)	(150.8)	(144.0)
Operating profit before financing costs	49.5	34.0	104.2	63.3
Financing income	0.6	0.2	2.4	0.2
Financing expenses	(5.1)	(13.5)	(34.2)	(32.6)
Net financing costs	(4.5)	(13.3)	(31.8)	(32.4)
Share of profit for non-consolidated subsidiaries	-	0.1	0.1	0.2
Profit before tax	45.0	20.8	72.5	31.1
Income tax expense	(11.9)	(4.4)	(19.9)	(11.4)
Profit for the period	33.1	16.4	52.6	19.7
Profit for the period attributable to:				
Equity holders of the parent	32.1	15.5	49.3	18.9
Minority interest	1.0	0.9	3.3	0.8
Profit for the period	33.1	16.4	52.6	19.7
Basic earnings per share (EUR)	0.50	0.27	0.83	0.33
Diluted earnings per share (EUR)	0.48	0.26	0.82	0.37

* The figures for 30 June are unaudited.

Consolidated interim statement of total result for the period

(EUR x million)	Six months ending 30 June*		Twelve months ending 31 December	
	2005	2004	2004	2003
Foreign exchange translation differences	37.0	9.6	(23.8)	(43.7)
Option costs (net of tax)	1.2	1.2	2.3	1.3
Actuarial gains and losses on pensions (net of tax)	(1.5)	(1.1)	(2.1)	0.8
Cash flow hedges:				
Effective portion of changes in fair value	6.3	(2.3)	(6.3)	(5.5)
Other movements	5.6	(4.5)	(2.2)	(1.6)
Net result recognised directly in equity	48.6	2.9	(32.1)	(48.7)
Net result for the period	33.1	16.4	52.6	19.7
Total result for the period	81.7	19.3	20.5	(29.0)
Attributable to:				
Equity holders of the parent	80.7	18.4	17.2	(29.8)
Minority interest	1.0	0.9	3.3	0.8
Total recognised income and expenses for the period	81.7	19.3	20.5	(29.0)

* The figures for 30 June are unaudited.

Consolidated interim balance sheet

(EUR x million)	30 June*		31 December	
	2005	2004	2004	2003
Assets				
Property, plant and equipment	263.1	278.9	233.0	268.8
Intangible assets	304.1	273.6	294.0	273.9
Financial fixed assets	5.6	9.4	9.3	14.7
Deferred tax assets	24.4	24.8	24.6	20.4
Total non-current assets	597.2	586.7	560.9	577.8
Inventories	69.3	53.6	51.8	37.0
Trade and other receivables	361.0	382.7	336.1	370.8
Income tax receivable	7.9	7.2	8.2	5.2
Cash and cash equivalents	79.6	38.2	26.3	65.2
Total current assets	517.8	481.7	422.4	478.2
Total assets	1,115.0	1,068.4	983.3	1,056.0

* The figures for 30 June are unaudited.

(EUR x million)	30 June*		31 December	
	2005	2004	2004	2003
Equity				
Issued and paid-in capital	3.4	3.1	3.1	3.0
Share premium	301.6	207.2	207.2	207.2
Reserves	52.1	3.9	(35.7)	(17.9)
Retained earnings	32.1	15.5	49.3	18.9
Total equity attributable to equity holders of the parent	389.2	229.7	223.9	211.2
Minority interests	3.4	2.4	4.3	2.5
Total equity	392.6	232.1	228.2	213.7
Liabilities				
Interest-bearing loans and borrowings	297.7	177.0	184.3	431.9
Employee benefits	52.3	47.2	48.2	45.0
Provisions	1.5	1.2	1.1	0.6
Deferred tax liabilities	4.4	1.5	3.7	1.5
Total non-current liabilities	355.9	226.9	237.3	479.0
Bank overdraft	87.2	72.5	41.0	44.4
Interest-bearing loans and borrowings	1.0	241.5	227.9	2.3
Trade and other payables	246.3	262.3	219.6	269.4
Provisions	0.8	8.0	0.9	22.4
Other taxes and social securities	17.5	18.0	16.8	15.3
Income tax payable	13.7	7.1	11.6	9.5
Total current liabilities	366.5	609.4	517.8	363.3
Total liabilities	722.4	836.3	755.1	842.3
Total equity and liabilities	1,115.0	1,068.4	983.3	1,056.0

* The figures for 30 June are unaudited.

Consolidated interim statement of cash flows

(EUR x million)	Six months ending 30 June*		Twelve months ending 31 December	
	2005	2004	2004	2003
Cash flow from operating activities	49.5	34.0	104.2	63.3
Operating profit before financing costs (EBIT)				
Adjustments for:				
Depreciation	31.1	32.3	66.1	54.0
Amortisation	2.6	3.5	7.1	6.8
Foreign exchange losses	13.6	3.9	(19.3)	(17.2)
Difference in third party interests	(1.9)	(1.0)	(1.4)	(1.6)
Share of profit of non-consolidated subsidiaries	-	0.1	0.1	0.2
Gain on sale of property, plant and equipment	0.7	0.6	0.7	3.5
Cost of granted option rights	1.8	1.8	3.5	1.9
Operating profit before changes in working capital and provisions	97.4	75.2	161.0	110.9
Decrease in trade and other receivables	(24.2)	(11.9)	29.4	18.0
In(de)crease in inventories	(17.5)	(16.6)	(18.6)	24.8
In(de)crease in trade and other payables	25.1	(7.3)	(49.9)	(20.7)
In(de)crease in provisions and employee benefits	3.6	(10.0)	(19.7)	14.9
Cash generated from the operations	84.4	29.4	102.2	147.9
Interest paid	(10.0)	(12.9)	(25.6)	(22.7)
Income tax paid (received)	(7.4)	(12.0)	(19.5)	(6.9)
Net cash from operating activities	67.0	4.5	57.1	118.3
Cash flow from investing activities				
Proceeds from sale of plant and equipment	4.2	0.4	27.1	4.2
Proceeds from sale of investments	3.9	5.9	6.9	0.3
Interest received	0.6	0.2	2.1	0.1
Dividends received	-	-	0.3	0.1
Acquisition of subsidiary, net of cash acquired	(2.9)	(2.7)	(4.6)	(63.0)
Acquisition of property, plant and equipment	(43.4)	(31.6)	(81.0)	(44.1)
Development intangible fixed assets	(2.3)	(2.2)	(4.4)	(4.5)
Acquisition of other investments	(0.2)	(0.8)	(1.6)	(2.3)
Net cash from investing activities	(40.1)	(30.8)	(55.2)	(109.2)

* The figures for 30 June are unaudited.

(EUR x million)	Six months ending 30 June*		Twelve months ending 31 December	
	2005	2004	2004	2003
Cash flow from financing activities				
Proceeds from the issue of share capital	98.7	1.0	8.0	0.9
Proceeds from other non-current borrowings	125.0	-	-	37.9
Repurchase of own shares	-	(0.8)	(0.8)	(5.1)
Repayment of borrowings	(232.6)	(19.1)	(33.8)	(12.1)
Dividends paid	(14.1)	(9.5)	(9.4)	(14.6)
Net cash from financing activities	(23.0)	(28.4)	(36.0)	7.0
Net increase in cash and cash equivalents	3.9	(54.7)	(34.1)	16.1
Cash and cash equivalents at 1 January	(14.7)	20.8	20.8	5.9
Effects of exchange rate fluctuations on cash held	3.2	(0.4)	(1.4)	(1.2)
Cash and cash equivalents at 30 June/31 December	(7.6)	(34.3)	(14.7)	20.8
Presentation in balance sheet				
Cash and cash equivalents	79.6	38.2	26.3	65.2
Bank overdrafts	(87.2)	(72.5)	(41.0)	(44.4)
	(7.6)	(34.3)	(14.7)	20.8

* The figures for 30 June are unaudited.

Notes to the consolidated interim financial statements

General

Fugro N.V. is a company domiciled in Leidschendam, The Netherlands. The consolidated IFRS financial statements of the Company for the six months ended 30 June 2005 comprise the Company and its subsidiaries (together referred to as the 'Group') and the Group's interest in associates and jointly controlled entities.

The consolidated interim financial statements have been prepared by the Board of Management and were authorised for issuance on 12 August 2005. The consolidated interim financial statements have not been audited.

Statement of compliance

The interim report has been prepared in accordance with IAS 34 'Interim Financial reporting'. This is the Group's first consolidated interim report in accordance with IFRS.

First time adoption

The Group has issued the annual financial statements 2004 in compliance with IFRS. The condensed consolidated interim financial report does not include all of the information required for full financial statements. An explanation of how the transition to IFRS in 2004 has effected the reported financial position, financial performance and cash flows of the Group as at 30 June 2004 is provided in this report on page 18 through 20.

As from the financial year 2004, Fugro has adopted IFRS for financial reporting. The full set of significant accounting policies under IFRS and effects on equity and result of the first-time adoption on the transition date (1 January 2003) and the financial year 2004 have previously been provided in the annual report 2004 dated 10 March 2005. Consequently this condensed consolidated interim financial report should be read in conjunction with the annual report 2004.

Significant accounting policies

The accounting policies applied in this consolidated interim financial report are the same accounting policies and methods of computation applied in the annual report 2004.

The interim financial report 2005 is prepared in accordance with IAS 34, which requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Segment reporting

Segment information is presented in respect of the Group's business and geographical segments. The format business segments, is based on the Group's management and internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period. The Group defines a segment as a division in its report. Inter-segment pricing is determined on an arm's length basis.

Business segments

The Group recognises three groups of services as business segments (divisions):

The **Geotechnical** division provides a group of related services. This concerns investigations and advises regarding the physical characteristics of the soil, foundation design and materials for construction.

The **Survey** division provides a group of related services. This concerns positioning services, geological advice, topographic, hydrographical and geological mapping and support services for construction projects and data management.

The **Geoscience** division provides a range of related services. These concern gathering and interpreting of geophysical data, quantitative and qualitative estimation of oil, gas, mineral and water resources leading to advise on the optimisation of their exploration and production.

Business segments (EUR x million)	Geotechnical		Survey		Geoscience		Unallocated/ Eliminations		Consolidated	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
	Turnover	137.8	127.9	246.0	231.6	134.4	120.7	-	-	518.2
Segment result	17.7	13.5	35.4	23.4	17.1	13.6	(20.7)	(16.5)	49.5	34.0
Profit from operations									49.5	34.0
Net financing costs									(4.5)	(13.3)
Income from non-consolidated subsidiaries									-	0.1
Income tax expense									(11.9)	(4.4)
Minority interest									(1.0)	(0.9)
Net profit									32.1	15.5

Seasonality of operations

Fugro's turnover is weighted towards the second half of the calendar year. There can be no assurance that a significant downturn in turnover during this period of the calendar year would not adversely affect the results of Fugro.

Acquisitions of subsidiaries

In March, the Group acquired all business activities and assets of BTW Hydrographic Ltd. in New Zealand for an amount of EUR 0.7 million in cash. The company's main activity is Offshore Survey. The company had a turnover of EUR 1.6 million. In the 3 months to 30 June 2005 the subsidiary contributed EUR 0.2 million to the consolidated profit for the interim period.

On 28 February, the Group acquired all the shares in Comprehensive Geotechnical Investigation (Zhejiang) Co. Ltd in China for an amount of EUR 2.2 million in cash. The company's main activity is Onshore Geotechnical. In the 4 months to 30 June 2005 the subsidiary contributed no significant result to the consolidated profit for the interim period.

If and to the extent that the acquisition date for all business combinations effected during the first six months of 2005 had been the beginning of that period, the combined turnover of the Group for the first six months of 2005 would have hardly changed.

Effect of acquisitions

The acquisitions had the following effect on the Group's assets and liabilities:

(EUR x million)	Recognised values	Fair value adjustments	Carrying amounts
Property, plant and equipment	2.4	-	2.4
Trade and other receivables	0.7	-	0.7
Trade and other payables	(1.6)	-	(1.6)
Net identifiable assets and liabilities	1.5	-	1.5
Goodwill/(negative goodwill) on acquisition	1.9		
Consideration paid/(received), satisfied in cash	3.4		
Cash (acquired)/disposed of	0.5		
Net cash outflow/(inflow)	2.9		

Divestments

Fugro agreed to sell its diving activities in Mexico and its 40% interest in ChartCo, located in the United Kingdom (active in nautical information for the shipping industry).

Impairment tests

During the first six months of 2005 Fugro has evaluated whether during this period there have been indications for impairment of assets. No indications for impairment of assets or reasons to recalculate the impairments tests have been noted.

Write down of inventory

There were no write-downs of inventory recognised neither during the six months ended 30 June 2005 nor during the six months ended 30 June 2004.

Income taxes

Current tax

Current tax expense for the interim periods presented is the expected tax payable on the taxable income for the period, calculated as the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

Current tax for current prior periods is classified as a current liability to the extent that it is unpaid. Amounts paid in excess of amounts owed are classified as a current asset.

Deferred tax

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities.

The primary components of the entity's recognised deferred tax assets are temporary differences related to employee benefits and the tax value of recognised loss carry-forward.

The primary components of the entity's deferred tax liabilities are temporary differences related to intangible assets and property, plant and equipment.

Total deferred tax recognised direct in equity was EUR 1.2 million for the six months ended 30 June 2005 (six months ended 30 June 2004: EUR 1.4 million).

Property, plant and equipment

Acquisitions and disposals

During the six months ended 30 June 2005, the Group acquired assets with a cost of EUR 43.4 million (six months ended 30 June 2004: EUR 31.6 million) excluding assets acquired through business combinations. Assets with a net book value of EUR 4.9 million were disposed of during the six months ended 30 June 2005 (six months ended 30 June 2004: EUR 1 million), resulting in a gain/loss on disposal of EUR 0.7 million (six months ended 30 June 2004: gain of EUR 0.6 million).

Capital commitments

On 30 June 2005, the Group has no contracts to purchase property, plant and equipment (six months ended 30 June 2004 also none).

Capital and reserves

Share capital and share premium

The Group recorded the following amounts within shareholder's equity as a result of the issuance of ordinary shares related to the conversion of the convertible loan and the stock dividend 2004.

For the six months ended 30 June

(EUR x million)

	Share capital		Share premium	
	2005	2004	2005	2004
Issuance of ordinary shares	0.3	0.1	94.4	-

Own shares acquired

The cost of the Company's shares held by the Group is recorded as a reserve within shareholder's equity.

During the six months ended 30 June 2005 no own shares were acquired. In the same period 87,900 (before share split) shares were sold, leading to an increase of the own shares reserves of EUR 4.0 million. During the six months ended 30 June 2004, the Group acquired 15,219 of the Company's shares and recorded an increase in the own shares reserves of EUR 0.8 million, in the same period 31,980 shares were sold, leading to an increase of the own shares reserves of EUR 1.0 million.

Dividends

Following the approval of the proposed dividend 2004 of EUR 1.90 per share in cash or in a (depository receipt of) share with a nominal value of EUR 0.20 the following dividends were paid by the Group:

For the six months ended 30 June

(EUR x million)	2005	2004
EUR 1.90 per qualifying ordinary share (2004: EUR 1.85)	28.9	28.8

Approximately 51 per cent of the shareholders has decided for stock dividend over 2004. Therefore Fugro issued 183.935 new shares.

Effects of share split

With a view to increase the marketability of its depository receipts of shares, Fugro N.V. proposes to its shareholders to split each Fugro share (par value EUR 0.20) into four shares with a par value of EUR 0.05 each. On 19 May 2005 the Annual General Meeting of Shareholders agreed to the proposal. The share split was effective as from 20 June 2005.

Employee benefit provisions

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant events.

Interest-bearing loans and borrowings

This note provides information about interest-bearing loans and borrowings issued and repaid during the periods presented.

Convertible notes

(EUR x million)	2005	2004
Proceeds from issue of convertible notes	225.0	100.0
Redemption of convertible loan	(5.3)	-
Converted into ordinary shares	(94.7)	-
Transaction costs	(3.2)	(2.5)
Net proceeds	121.8	97.5
Amount classified as equity	(8.4)	(1.9)
Transaction costs amortised	0.1	2.1
Carrying amount of liability at 30 June	113.5	97.7

From 12 May 2000 till 21 March 2005 the holders of the EUR 100 million convertible loan had the option to convert notes held for share certificates at a conversion price of EUR 64.21 per treasury share of nominal EUR 0.20 each. During the six months ended 30 June 2005 the holders converted EUR 94.7 million of notes into 1,474,451 share certificates.

From 6 June 2005 up to and including 20 April 2010 the holders of the EUR 125 million convertible loan have the option to convert notes held for share certificates at a conversion price of EUR 24.25 per depository receipt of share of nominal EUR 0.05 each. The Group has the right to redeem the convertible notes if, as from 11 May 2008, the closing price of depository receipts of shares shall on 20 out of 30 consecutive trading days at least equal 130% (EUR 31.53) of the conversion price. Notes that are not converted to ordinary shares will be redeemed at face value on 27 April 2010.

Subsequent events

- After balance sheet date, Fugro completed the sale of two laboratory activities in Wales, United Kingdom (a.o. environmental analysis).
- Fugro Pelagos Inc has successfully negotiated a contract with the National Oceanic and Atmospheric Administration (NOAA-NOS), a bureau of the U.S. Department of Commerce, to provide Hydrographic Surveying and Related Support Services. The contract is for five years, and not-to-exceed USD 50 million. Fugro has begun with an initial Task Order valued at just under USD 6 million.
- Fugro Survey (Middle East) Ltd has been awarded a geophysical, geotechnical and environmental project in the United Arab Emirates for client Fluor Mideast Ltd.
- Fugro and Oceansatpeg of Brazil have signed a Memorandum of Agreement to form a joint venture organization for the provision of marine survey, positioning, oceanographic, metocean, ROV (Remotely Operated Vehicles) and diving services in Brazil.

Statements of reconciliation on the first time adoption of IFRS

Fugro has chosen to adopt IFRS as its accounting basis as from 2004 onwards. As a result, Fugro prepared the financial statements 2004 dated 10 March 2005 under IFRS, applying first time adoption at transition date 1 January 2003. As the interim financial reporting as per 30 June 2004 has been reported under Dutch GAAP only, the effects of the transition on the financial position, financial performance and cash flows has been shown below. For narrative and details on the effects of transition to IFRS we refer to the annual report 2004 (pages 122 up to 132).

Reconciliation of IFRS consolidated income statement 30 June 2004*

(EUR x million)	Dutch GAAP 2004	Effect of transition to IFRS 2004	IFRS 2004
Turnover	484.0	(3.8)	480.2
Third party costs	(182.4)	5.9	(176.5)
Net revenue own services	301.6	2.1	303.7
Other income	-	6.7	6.7
Personnel expenses	(165.9)	(0.3)	(166.2)
Depreciation	(31.0)	(1.3)	(32.3)
Amortisation	(8.0)	4.5	(3.5)
Other operating expenses	(64.7)	(9.7)	(74.4)
Operating profit before financing costs	32.0	2.0	34.0
Financing income	0.2	-	0.2
Financing expenses	(11.5)	(2.0)	(13.5)
Net financing costs	(11.3)	(2.0)	(13.3)
Share of profit of non-consolidated subsidiaries	-	0.1	0.1
Profit before tax	20.7	0.1	20.8
Income tax expense	(5.1)	0.7	(4.4)
Profit after tax	15.6	0.8	16.4
Minority interest	(1.0)	0.1	(0.9)
Net profit for the year	14.6	0.9	15.5
Basic earning per share (EUR)	0.25	0.02	0.27
Diluted earnings per share (EUR)	0.25	0.02	0.26

* The figures for 30 June are unaudited.

Reconciliation of IFRS opening balance sheet as at 30 June 2004*

(EUR x million)	Dutch GAAP 2004	Effect of transition to IFRS 2004	IFRS 2004
Assets			
Property, plant and equipment	247.2	31.7	278.9
Intangible assets	289.5	(15.9)	273.6
Financial fixed assets	19.3	(9.9)	9.4
Deffered tax assets	-	24.8	24.8
Total non-current assets	556.0	30.7	586.7
Inventories	90.4	(36.8)	53.6
Trade and other receivables	347.8	34.9	382.7
Income tax receivable	0.9	6.3	7.2
Cash and cash equivalents	38.6	(0.4)	38.2
Total current assets	477.7	4.0	481.7
Total assets	1,033.7	34.7	1,068.4
Equity			
Issued and paid-in capital	3.1	-	3.1
Share premium	207.2	-	207.2
Reserves	33.3	(29.4)	3.9
Retained earnings	14.6	0.9	15.5
Total equity	258.2	(28.5)	229.7
Minority interests	3.0	(0.6)	2.4
Liabilities			
Interest-bearing loans and borrowings	410.5	(233.5)	177.0
Employee benefits	4.6	42.6	47.2
Provisions	2.6	(1.4)	1.2
Deferred tax liabilities	3.0	(1.5)	1.5
Total non-current liabilities	420.7	(193.8)	226.9
Bank overdraft	72.5	-	72.5
Interest-bearing loans and borrowings	1.3	240.2	241.5
Trade and other payables	251.4	10.9	262.3
Provisions	8.6	(0.6)	8.0
Other taxes and social securities	18.0	-	18.0
Income tax payable	-	7.1	7.1
Total current liabilities	351.8	257.6	609.4
Total liabilities	772.5	63.8	836.3
Total equity, minority interest and liabilities	1,033.7	34.7	1,068.4

*

The figures for 30 June are unaudited.

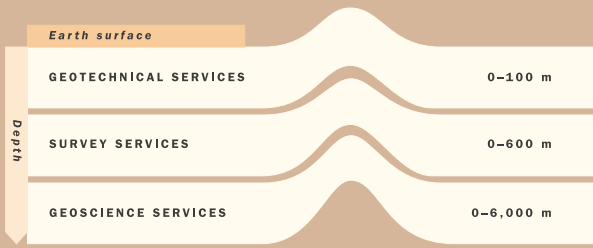
Explanation of material adjustments to the cash flow statement

The approach to framing the cash flow under Dutch GAAP is to look mainly at the difference of items on the balance sheet in a certain period. Under IFRS, these amounts are adjusted for effects of acquisition and non-cash changes throughout the period. On balance, IFRS has no impact on the total cash flow.

Reconciliation of retained earnings

(EUR x million)	30 June 2004
Total retained earnings in accordance with Dutch GAAP	258.2
Release of provisions	6.6
Re-allocation goodwill/introduction depreciated software	(13.7)
Lapsing of amortised goodwill under IFRS	20.7
Reorganisation costs in equity	(22.7)
Introduction of DB plan (net) obligation	(38.1)
Long-term service leave obligations	(1.2)
Equity component in convertible loan	1.9
Valuation of financial instruments in connection with foreign currency cash flow hedges	(9.8)
Valuation of short-term foreign currency exchange contracts	1.2
Capitalisation of partnership asset minus liabilities	5.1
Adjustments on accounts receivables	(0.3)
Adjustments on inventory	(0.4)
Tax effect IFRS adjustments to equity	21.7
Exchange rate variance	0.5
<hr/> Total retained earnings in accordance with IFRS	<hr/> <u>229.7</u>

Profile



Fugro N.V.

P.O. Box 41
2260 AA Leidschendam
The Netherlands
Tel: +31 70 3111422
Fax: +31 70 3202703
holding@fugro.com
www.fugro.com

Fugro collects and interprets data related to the earth's surface and the soils and rocks beneath. On the basis of this the Company provides advice, generally for purposes related to the oil and gas industry, the mining industry and the construction industry.

Fugro operates around the world at sea, on land and from the air, using professional, highly specialised staff supported by advanced technologies and systems, many of which have been developed in-house. Fugro has 28 vessels and owns 75 CPT trucks and 40 aircraft.

Fugro's objective is to occupy a leading market position by providing high-quality services supported by technological developments. This requires a strong international or regional market position. Fugro was founded in 1962, has been listed on Euronext N.V. in Amsterdam since 1992 and has been included in the Amsterdam Midkap Index since March 2002. Fugro has approximately 8,000 staff permanently stationed in over 50 countries.

Organisationally Fugro comprises three divisions: Geotechnical, Survey and Geoscience.

Geotechnical division

Investigation of and advice regarding the physical characteristics of the soil, foundation design and construction materials.

Survey division

Precise positioning services, geological advice, topographic, hydrographic and geological mapping and support services for construction projects and data management.

Geoscience division

Gathering and interpreting geophysical and geological data, quantitative and qualitative estimation of oil, gas, mineral and water resources and the optimisation of their production.

