



H1 2006

Aalberts Industries N.V.



Agenda

- Highlights H1 2006
- Markets
- Strategy
- Financial review
- Operational review
- The Aalberts Industries share
- Outlook

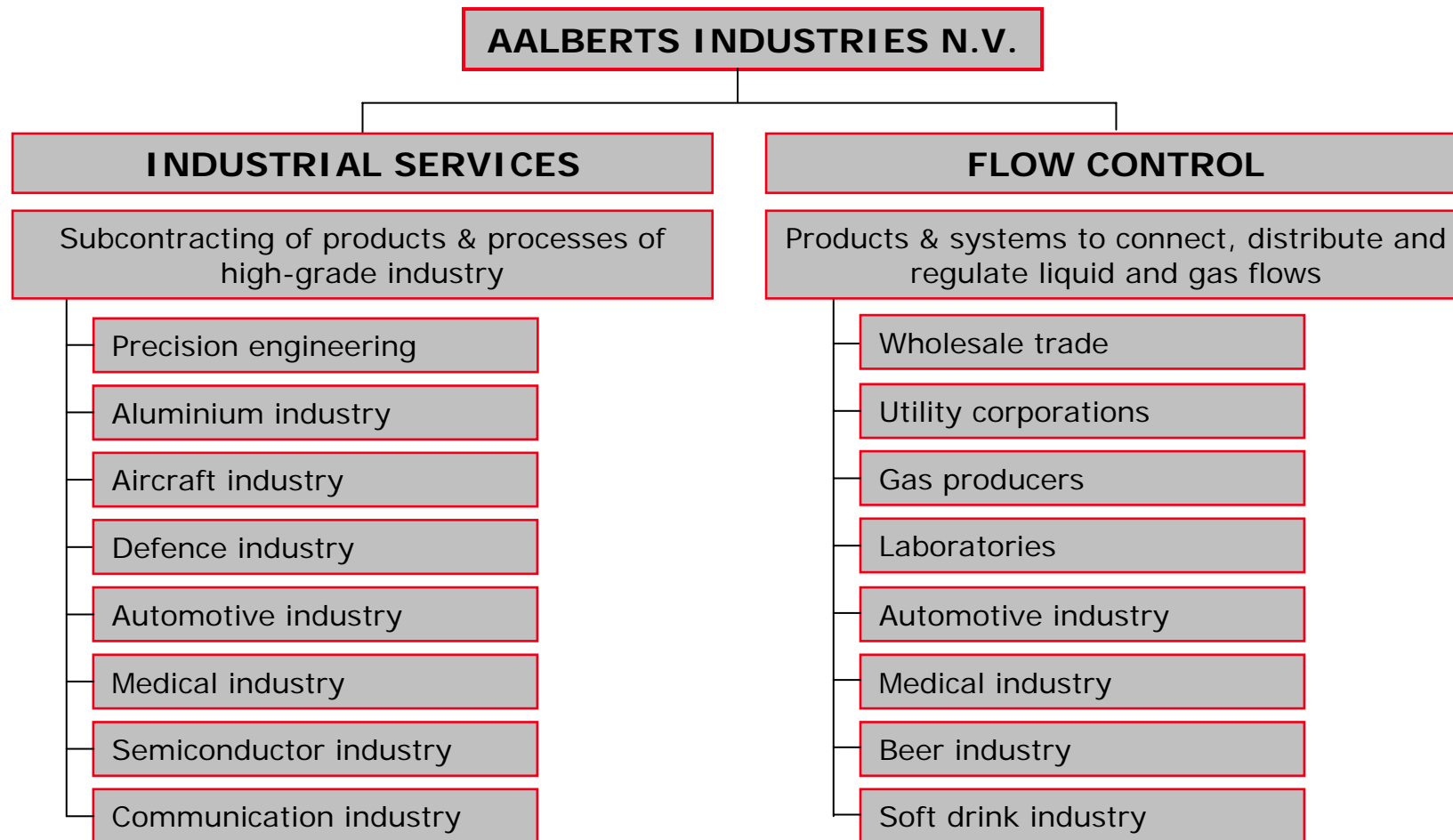


Highlights H1 2006

- Revenue increased by 40% to more than EUR 697 million
- Operating profit (EBITA) increased by 42% to more than EUR 80 million
- Organic revenue growth of 14%, part of which due to passing on raw material price increases
- Net profit increased by 34% to EUR 51 million
- Earnings per share increased by more than 33% to EUR 2.08
- Takeover of Comap, France



Markets



Long term strategy

- Growth in earnings per share
 - Average well above market level
- Continuous growth in revenue
 - Organic growth and acquisitions
- Balanced distribution of revenue
 - Independence on developments in any one segment (lowering risk for shareholders)
- Leading positions in the market
 - One of the top 3 providers in all relevant markets
- Sound balance sheet ratios





Financial Review



Balance sheet

ASSETS

in EUR x million

	30-06- 2006	31-12- 2005	30-06- 2005
Goodwill	281.2	249.5	225.4
Other intangible assets	61.2	39.1	17.1
Property, plant and equipment	358.6	321.6	284.8
Investments in associated companies	0.1	0.1	0.2
Deferred tax assets	9.3	6.9	6.3
Non-current assets	710.4	617.2	533.8
Inventories	281.0	195.8	188.2
Trade receivables	261.4	146.3	169.8
Other current assets	23.3	18.5	20.3
Cash and cash equivalents	0.1	0.2	0.2
Current assets	565.8	360.8	378.5
TOTAL ASSETS	1,276.2	978.0	912.3

Balance sheet

EQUITY AND LIABILITIES

in EUR x million

	30-06- 2006	31-12- 2005	30-06- 2005
Total equity	332.5	302.2	258.5
Non-current borrowings	361.0	255.2	224.1
Cumulative preference shares	30.6	30.6	40.8
Employee benefit plans	32.1	28.2	28.3
Deferred tax liabilities	8.5	9.6	8.1
Other provisions	10.5	4.7	4.9
Non-current liabilities	442.7	328.3	306.2
Current borrowings	212.9	153.5	171.7
Trade and other payables	171.9	103.7	77.7
Other current liabilities	116.2	90.3	98.2
Current liabilities	501.0	347.5	347.6
TOTAL EQUITY AND LIABILITIES	1,276.2	978.0	912.3

Income statement

in EUR x million

	H1 2006	H1 2005
Revenue	697.4	499.5
Operating profit (EBITA)	80.3	56.7
Amortisation	3.7	1.4
Operating profit (EBIT)	76.6	55.3
Net finance cost	12.0	8.3
Taxes	16.9	10.2
Minority interest	0.4	0.2
Net profit for ordinary shareholders	47.3	36.6
Net profit before amortisation	51.0	38.0

Cash flow statement

in EUR x million

	H1 2006	H1 2005
Operating profit (EBIT)	76.6	55.3
Depreciation of property, plant and equipment	26.2	21.9
Amortisation of intangible assets	3.7	1.4
EBITDA	106.5	78.6
Changes in provisions	(1.1)	(0.3)
Changes in working capital	(68.2)	(37.6)
Cash generated from operations	37.2	40.7

Cash flow statement

in EUR x million

	H1 2006	H1 2005
Net finance cost	(12.0)	(8.3)
Income taxes paid	(13.7)	(1.5)
Acquisitions of subsidiaries	(119.5)	(20.0)
Capital expenditure	(37.9)	(24.8)
Proceeds from non-current borrowings	136.5	50.0
Repayment of non-current borrowings	(34.0)	(24.5)
Dividends paid	(12.1)	(10.0)
Other movements	(5.1)	7.0
Net increase/(decrease) in cash and current borrowings	(60.6)	8.6

Key figures

in EUR x million

	H1 2006	H1 2005	Change
Operating profit (EBITA) as a % of revenue	11.5	11.4	
Tax rate in %	24.8	20.9	
Earnings per ordinary share (EUR x 1)	2.08	1.56	+ 33%
Average number of shares (in million)	24.6	24.4	+ 1%
Number of employees (x 1)	9,472	7,610	+ 24%
Capital expenditure	35.5	25.2	+ 41%
Interest cover (EBITA / Net finance cost)	6.7	6.9	
Total equity	332.5	258.5	+ 29%
Capital base as a % of total assets	28.5	32.8	
Net debt	604.5	436.4	+ 38%
Net debt / Total equity (Gearing)	1.8	1.7	



Operational Review



Geographic spread of revenue

	H1 2006 in EUR million	Change	H1 2006 as a % of revenue	H1 2005 as a % of revenue
Germany	137.0	+ 12%	19.7	24.5
United Kingdom	110.5	+ 70%	15.8	13.0
Benelux	96.7	+ 26%	13.9	15.4
France	87.1	+ 48%	12.5	11.8
United States	85.4	+ 47%	12.2	11.7
Spain & Portugal	43.6	+ 70%	6.3	5.1
Eastern Europe	40.5	+ 50%	5.8	5.4
Scandinavia	30.9	+ 12%	4.4	5.5
Other	65.7	+ 74%	9.4	7.6
TOTAL	697.4	+ 40%	100.0	100.0



Industrial Services

Industrial Services highlights

- Substantial orders for oil, semi-conductor and automotive industries
- Start of new facilities in Poland
- Improved market conditions
- Ongoing rise in energy prices
- Streamlining of organisation



Industrial Services

EUR x million	H1 2006	H1 2005	Change
Revenue	227.9	209.2	+ 9%
Operating profit (EBITA)	26.4	24.9	+ 6%
EBITA as a % of revenue	11.6	11.9	
Capital expenditure	12.4	15.9	- 22%
Depreciation	13.3	12.5	+ 6%
Average number of employees (x 1)	4,086	3,905	+ 5%



Flow Control

Flow Control acquisitions



France **COMAP**
Consolidation: March
Annual turnover EUR 180 million



 Spain
Consolidation: April
Annual turnover EUR 4 million



Poland
Consolidation: When formalities are finalised
Annual turnover EUR 20 million

Flow Control highlights

- Start of integration of Comap
- Ongoing rise in raw material prices
- Successful introduction of products in US
- Improvements in Germany
- Significant increase in Eastern Europe
- Streamlining of organisation





Flow Control

EUR x million	H1 2006	H1 2005	Change
Revenue	469.5	290.3	+ 62%
Operating profit (EBITA)	53.9	31.8	+ 70%
EBITA as a % of revenue	11.5	11.0	
Capital expenditure	23.1	9.3	+ 148%
Depreciation	12.2	8.9	+ 37%
Average number of employees (x 1)	4,835	3,395	+ 42%

The Aalberts Industries share



The Aalberts Industries share

	2006 to date (approx)	2005	2004	2003	2002	2001	2000
Average trading volume <i>(number of shares)</i>	80,540	58,157	67,565	33,411	34,997	24,958	34,766
Closing share price <i>(in EUR)</i>	57.00	44.85	35.70	20.53	14.80	22.05	26.00
Earnings per share*	-	3.41	2.93	2.26	2.15	1.94	1.83
Share price / Earnings per share*	-	13.2	12.2	9.1	6.9	11.4	14.2
Shares in issue <i>(in million)</i>	24.6	24.4	24.2	23.7	23.2	19.5	19.2
Market capitalisation <i>(in EUR million)</i>	1,400	1,095	865	488	344	429	500

*2000-2003 based on Dutch GAAP

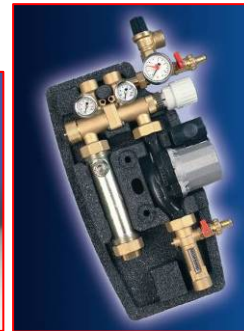


Outlook



Long term target

- Continuity of growth in revenue and profits in our core businesses
 - Organic
 - Acquisitions



Outlook for the entire year 2006

Barring unforeseen circumstances, the Management Board of Aalberts Industries expects earnings per share in 2006 to increase in line with the average growth of the past years.

