

Fugro Resumes US Hydrocarbon and LNG Projects Amidst Shifting Political Landscape

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Fugro, a Dutch geological data company, has announced the resumption of several US hydrocarbon and liquefied natural gas (LNG) projects following recent policy shifts. CEO Mark Heine stated that licenses previously held under the Biden administration have been reinstated, signaling a renewed focus on traditional energy sectors.

This development coincides with Fugro's continued optimism regarding offshore wind development in Asia and Europe, with its Americas offshore wind projects contributing 7% to overall turnover. However, uncertainty persists for US renewable projects lacking necessary permits or power purchase agreements, potentially prompting operators to redirect investments towards Europe.

"It comes at the right time because operators will move their investment capacity to Europe and it will boost the renewable energy in Europe," Heine commented.

The company's strategic shift follows recent policy changes, including a pause on new federal offshore wind leasing aimed at maximizing US oil and gas production. Fugro anticipates that the EU Clean Industrial Deal will bolster offshore wind development within the European Union, supporting the region's transition to cleaner energy sources.

Fugro's fourth-quarter adjusted earnings before interest and taxes (EBIT) exceeded expectations, reaching €71.8 million, despite a slight revenue shortfall attributed to US political uncertainties. "Our financial performance in 2024 was good, as we delivered well against the mid-term targets of our strategy Towards Full Potential," Heine stated, highlighting significant improvements in EBIT margin and operating cash flow.

While the Europe-Africa and Asia-Pacific regions drove revenue growth, the Americas, contributing 22% of

Fugro's revenue, experienced an 11.5% organic sales decrease in the fourth quarter, primarily impacting the geophysical business line. The company anticipates further headwinds in the Americas during the first half of the year.

Fugro has also announced an increased dividend of €0.75 per share, reflecting its strong financial performance and commitment to shareholder value.