Press release

CFE
Results of financial year 2010

- Growth in revenue : +10.7%
- Similar growth in operating profit : +11.8%
- Increase in net profit : +2.5%

The Compagnie d'Entreprises CFE Board of Directors examined and approved the 2010 financial statements at its meeting on February 23, 2011.

1. Overview of the year

The group's consolidated revenue rose 10.7% to €1,774 million from €1,603 million in 2009.

Operating profit from ordinary activities was €99.1 million, increasing 11.8% from €88.6 million in 2009. Net profit attributable to owners of the parent amounted to €63.3 million, compared with €61.7 million in 2009.

The order book declined to €1,939 million at December 31, 2010 from €2,024 million at January 1, 2010. However, it was improved significantly by the receipt of major orders at the beginning of 2011.

Order book, revenue and results of the business divisions

Construction division

The construction division's revenue declined 4.7% (7% on a constant consolidation scope basis) to €708 million from €742 million in 2009. This trend was, however, far from being homogeneous. In the Benelux countries, business declined for around 10%, the impact of the economic crisis being particularly strong in Luxembourg. In international business, on the other hand, revenue increased following the order received for the construction of a university in Chad. In terms of business lines, civil engineering revenue rose slightly, driven by major projects such as the Liefkenshoek rail tunnel, Coentunnel and Delft rail tunnel, while building revenue fell as a result of the impact of the crisis on private investors.

Operating profit fell 11.4% to €10.2 million from €11.5 million in 2009. This was attributable to the decline in revenue, augmented by the fact that this affected mainly those regions where margins are traditionally higher. MBG, CFE Brabant, Geka, BPC and Amart continued to generate satisfactory profit.

Net profit after tax amounted to €8.8 million, compared with €6.3 million in 2009.

The order book was slightly down to €826 million from €845 million at January 1, 2010. The decline was particularly significant in civil engineering. This was attributable to the execution of the aforementioned major infrastructure projects and the fact that no new major civil engineering order was received during the year, prices being under a great deal of pressure. The order book for the building business line increased thanks to new public-sector contracts. The order book increased substantially at the beginning of 2011 as a result of BPC winning the order for the Premium high-rise building in Brussels (CFE share €70 million).

In June 2010, CFE SA acquired 55% of the share capital of Groep Terryn NV, Belgian market leader for bonded laminates, for €10.86 million.

Real estate & associated services division

Overall, business in the real estate development and management services division remained steady.

In Belgium, the real estate business was focused primarily on the residential market where commercialisation of projects continued to be satisfactory. In the office sector, three projects located near Brussels South railway station, which were developed in partnership, were rented and then sold to investors.

New residential projects are under development. In Ostend, BPI won a public-private partnership contract to develop 55,000 sq. metres of housing and services.

In Poland, the Ocean's Four residential project was launched and commercialisation is proceeding in line with projections.

In Luxembourg, business was strongly impacted by the economic crisis. The Serenity project (Climmolux) was delivered at the beginning of the year. The local subsidiary acquired an interest in two major projects: the Greenhill project for 170 housing units launched during the third quarter of 2010 and an office building project.

Operating profit amounted to €7.2 million, comparable to €7.4 million in 2009, with Luxembourg contributing markedly less than Belgium.

Net profit amounted to €3.5 million, as against €5.2 million in 2009.

Dredging & environment division

(The DEME figures reported below are at 100%; CFE owns 50% of DEME's share capital.)

DEME's revenue was up sharply at €1,801 million, representing 28% growth over the €1,403 million recorded in 2009. The strong increase in revenue generated in Europe is attributable to the execution of major contracts, including the construction of the London Gateway container terminal in the United Kingdom and wind farms.

Operating profit increased 19% to €177 million, compared with €147 million in 2009. The slightly lower margin is due to the fact that some works were executed as a general contractor and therefore include supplies, and to the need to resort to renting vessels. The company's fleet occupation rate remained high.

Due to growth in financial expense related to its on-going investment programme and higher tax expense, DEME's net profit was €116.5 million, compared with €103 million in 2009.

DEME's order book remained high, standing at €1,935 million compared with €2,122 million at January 1, 2010. Significant orders were booked during the year in the group's various business lines and geographical locations, confirming the relevance of its diversification strategy.
In addition, at the beginning of 2011, DEME recorded new orders totalling €500 million.

The investment programme continued as planned. Several vessels are under construction: trailer suction hopper dredger *Breughel*, jack-up vessel *Neptune* and sea-going rock cutter dredgers *Ambiorix* and *Amazone*. Others are under construction and already launched: fall pipe vessel *Flintstone*, gravel trailer *Victor Horta*, the Next Generation Plus megatrailer *Congo River* (30,000 cubic metres) as well as the cutter suction dredger *Al Jarraf*. These vessels will all be operational in 2011-2012.

During the year, DEME continued to apply its strategy of early involvement in innovative projects such as wave and tidal energy.

Multitechnics division

The multitechnics division's business remained steady, generating revenue of €149 million, compared with €141 million in 2009. This growth is attributable to the full-year consolidation of Van De Maele Multi-Techniek.

Performance varied within the division. There was a sharp increase in business at VMA, driven by a successfully executed project in Hungary, while there was a downturn at Nizet. Railway electrification and signalling business was steady and comparable with that of 2009.

A new company, be.Maintenance, was created at the end of the year to be in charge of multitechnical maintenance business development.

Operating profit increased slightly to €6.3 million from €6 million in 2009. The performance of VMA, Engema and Van De Maele Multi-Techniek was particularly satisfactory and Druart, after a difficult 2009, returned to profit.

Net profit was €3.7 million, compared with €3.3 million in 2009.

The order book rose to €128 million, compared with €109 million at January 1, 2010.

In January 2010, CFE SA acquired the remaining share capital (37.5%) of Druart SA for €3.07 million. In December, for the sum of €146,340, CFE SA acquired 65% of the share capital of Brantegem NV, an air conditioning company.

PPP - Concessions division

The Coentunnel project in Amsterdam and the Liefkenshoek rail tunnel in Antwerp are under construction; the Turnhout car park concession is now in operation.
The year was therefore spent on new studies and proposal submissions. At the end of 2010, CFE, in partnership with a Dutch investment fund and VINCI subsidiary SKE Facilities, won the order for schools in the German-speaking Community of Belgium. CFE also prequalified for the "missing links" projects, as well as a tramway line in Antwerp and some bus depots.
The Noriant consortium, in which CFE is a member, continued to await the decision of the Flemish government on the closure of the Antwerp Ring.

Rent-A-Port consolidated its position in three port concessions (Vietnam, Nigeria and Oman). In December 2010, in partnership with Ackermans & van Haaren and the company's management, Rent-A-Port Energy was created, its purpose being to manage and coordinate sea wind farm concessions.

The division generated an operating loss of €-3.7 million, attributable to bearing the costs of studies directly and to the depreciation of the assets of a concession previously won by Rent-A-Port in Liberia.

The net loss was €-3.4 million, compared with a loss of €0.8 million in 2009.

Holding

The holding company ended the year with a small net profit; the interdivision transactions relating to real estate and concessions were eliminated.

Based on the political situation in Tunisia and the current stoppage of works, CFE decided to partially write down the assets, currently under construction, of the Port of Bizerte joint real estate development and concession. The write-down amounted to €6.2 million.

Significant economic data by division

Order book	**January 1st, 2011**	**January 1st, 2010**	**Variation %**
(in million €)			
Construction	826.4	845.0	-2.2
Real estate & associated services	17.0	9.4	n.s.
Sub-total	843.4	854.4	-1.3
Dredging & environment	967.5	1,061.0	-9.1
Multitechnics	128.2	108.7	17.9
Total consolidated	**1,939.1**	**2,024.2**	**-4.2**

Revenue	**2010**	**2009**	**Variation %**
(in million €)			
Construction	707.8	742.5	-4.7
Real estate & associated services	19.8	27.1	n.s.
Inventory effect	11.2	1.5	n.s.
Sub-total	738.8	771.1	-4.2
Dredging & environment	900.3	701.3	28.4
Multitechnics	148.6	140.7	5.6
PPP - Concessions	3.4	3.6	n.s.
Holding (inter division eliminations)	-16.7	-14.1	n.s.
Total consolidated	**1,774.4**	**1,602.6**	**10.7**

Contribution to the operating result	**2010**	**2009**	**Variation %**
(in thousands of €)			

Construction	10,227	11,545	-11.4
Impairment of goodwill construction	-	-2,733	-
Real estate & associated services	7,205	7,370	-2.2
Inventory effect	-121	-242	n.s.
Sub-total	17,311	15,940	8.6
Dredging & environment (*)	86,489	72,820	18.8
Multitechnics	6,255	5,968	4.8
Impairment of goodwill multitechnics	-	-1,800	-
PPP - Concessions	-3,666	-1,885	-
Holding	-584	-1,448	-94.5
Inter divisions eliminations and consolidated adjustments	-521	-1,000	-
Depreciation joined operation Tunisia	-6,197	-	-
Total consolidated	**99,087**	**88,595**	**11.8**

Contribution to the net result - Part of the group (*)	**2010**	**2009**	**Variation %**
(in thousands of €)			
Construction	8,772	6,262	40.1
Impairment of goodwill construction	-	-2,733	-
Real estate & associated services	3,529	5,222	-32.4
Inventory effect	-65	-196	n.s.
Sub-total	12,236	8,555	43.0
Dredging & environment	57,109	53,800	6.1
Multitechnics	3,681	3,163	16.4
Impairment of goodwill multitechnics	-	-1,800	-
PPP - Concessions	-3,396	-824	-
Holding	385	-167	-
Inter division eliminations and consolidation adjustments	-522	-1,000	-
Depreciation joined operation Tunisia	-6,197	-	-
Total consolidated	**63,296**	**61,728**	**2.5**

(*) After appropriation of share in overheads

2. An overview of the results

2.A.1 Consolidated statement of comprehensive income

For the year ended 31 December (in thousands of €)	**2010**	**2009**
Revenue	**1,774,401**	**1,602,607**
Revenue from auxiliary activities	50,994	38,979
Purchases	-1,074,219	-942,664
Wages, salaries & social charges	-310,392	-298,774
Other operating charges	-243,412	-224,882
Depreciations	-98,285	-82,138
Impairment of goodwill	0	-4,533
Operating result	**99,087**	**88,595**
Gross financial cost	-13,254	-12,894
Financial income from cash investments	4,418	4,000
Other financial charges	-18,272	-15,695
Other financial incomes	13,205	12,816
Financial result	**-13,903**	**-11,773**
Result before taxes for the period	**85,184**	**76,822**
Incom tax expense	-19,747	-17,462
Result of the year	**65,437**	**59,360**
Share in the result of associated companies	-23	2,623
Result (including noncontrolling interests) for the period	**65,414**	**61,983**
Noncontrolling interests	-2,118	-255
Result of the group	**63,296**	**61,728**

For the year ended 31 December (in thousands of €)	**2010**	**2009**
Result for the period (including noncontrolling interests)	**65,414**	**61,983**
Financial instruments : change in fair values	-1,009	-2,480
Currency translation differences	6,794	105
Deferred taxes	501	892
Change in consolidation mode (net of deferred taxes)	0	11,108
Other elements of the comprehensive income	**6,286**	**9,625**

Comprehensive income	**71,700**	**71,608**
- attributable to the group	69,536	71,353
- attributable to noncontrolling interests	2,164	255
Net result per share (euro) (diluted and basic)	4.83	4.71
Comprehensive income per share (euro) (diluted and basic)	5.48	5.47

2.A.2 Consolidated statement of financial position

For the year ended 31 December (in thousands of €)	2010	2009
Intangible assets	8,752	6,913
Goodwill	27,893	25,791
Property, plant and equipment	750,470	600,858
Property investments	10,677	13,306
Investments in associated companies	14,100	8,432
Other non current financial assets	25,324	14,824
Non current derivative instruments	210	26
Other non current assets	9,859	6,774
Deferred tax assets	7,033	3,598
Total non current assets	**854,318**	**680,522**
Inventories	160,566	147,060
Trade receivables and other operating receivable	661,292	674,327
Other current assets	28,978	38,148
Current derivative instruments	257	154
Current financial assets	55	55
Cash and cash equivalents	175,518	170,546
Total current assets	**1,026,666**	**1,030,290**
Total assets	**1,880,984**	**1,710,812**
Issued capital	21,375	21,375
Share premium	61,463	61,463
Gain on revaluation	1,088	1,088
Hedging reserves	-4,075	-2,460
Retained earnings	384,390	336,805
Translation differences	1,820	-4,928
Equity - part of the group CFE	466,061	413,343
Noncontrolling interests	9,386	10,428
Equity	**475,446**	**423,771**
Pensions and employee benefits	17,784	18,601
Provisions	13,545	2,298
Other non current liabilities	57,998	32,798
Financial debts	284,104	228,092
Non current derivative instruments	16,560	4,082
Deferred tax liabilities	7,934	2,529

For the year ended 31 December (in thousands of €)	**2010**	**2009**
Total non current liabilities	**397,925**	**288,400**
Provisions for termination losses	17,817	18,890
Provisions for other current risks	26,970	34,916
Trade payables & other operating liabilities	543,299	548,172
Tax liability due for payment	32,862	22,245
Current financial debts	139,663	94,753
Current derivative instruments	4,787	8,594
Other current liabilities	242,215	271,072
Total current liabilities	**1,007,613**	**998,642**
Total equity and liabilities	**1,880,984**	**1,710,812**

2.A.3 Notes to the consolidated financial statements, cash flow and CAPEX tables

Net financial debt (*) at the end of December stood at €248 million, compared with €152.3 million at the end of 2009. This figure breaks down into long-term debt of €284 million, offset by net short-term cash of €36 million.

Cash flow from investing activities amounted to €242.6 million for the year, compared with €174.9 million in 2009. The investments concerned mainly DEME's investment programme (€215.1 million) and CFE (€27.5 million) which, apart from investments in equipment, acquired the remaining share capital of Druart and a majority interest in Groep Terryn NV and Brantegem NV.

Working capital declined by €10 million. The increase in working capital requirement is located mainly in the real estate business and is attributable to the position taken in two property projects in Luxembourg.

Shareholders' equity increased by €51.8 million to €475.5 million, against €423.8 million at the end of 2009.

CFE holds confirmed long-term credit lines of almost €135 million, of which €85 million are unused. DEME's acquisition of dredgers and other maritime equipment is the subject of separate financing arrangements linked to these assets.

(*) Net financial debt does not include the fair value of derivative instruments, which represented an expense of € -20.9 million.

In thousands of €	2010	2009
Cash flow from operating activities	169,097	172,184
Cash flow from investing activities	-242,585	-174,927
Cash flow from financing activities	77,976	-27,024
Net increase/(decrease) of cash	4,488	-29,768
Equity - part of the group on opening	413,343	357,701
Equity - part of the group on closing	466,061	413,343
Net result of the year	63,296	61,728
ROE	**15.3%**	**17.3%**

2.A.4 Consolidated statement of changes in equity as of December 31, 2010

(in thousands of €)	Issued capital	Share premium	Retained earnings	Hedging reserves	Gain on revalua-tion	Translation differences	Equity part of the group	Minority interests	Total
As per December 31, 2009	**21,375**	**61,463**	**336,805**	**(2,460)**	**1,088**	**(4,928)**	**413,343**	**10,428**	**423,771**
Global result for the period			**63,296**	**(508)**		**6,748**	**69,536**	**2,164**	**71,700**
Dividends paid to shareholders			(15,711)				(15,711)		(15,711)
Business combinations (note 5)								476	476
Modification in the interest percentage of controlled entities and dividends from noncontrolling interests			(1,107)				(1,107)	(3,682)	(4,789)
As per December 31, 2010	**21,375**	**61,463**	**383,283**	**(2,968)**	**1,088**	**1,820**	**466,061**	**9,386**	**475,447**

2.A.5 Key figures per share

	31.12.2010	31.12.2009
Total number of shares	13,092,260	13,092,260
Operating result after deduction of the net financial charges per share	6.51	5.87
Net profit of the group per share	4.83	4.71

2.B.1 Profit and loss account CFE SA (Belgian standards)

(in thousands of €)	2010	2009
Turnover and other income	434,947	394,464
Turnover	374,627	341,131
Operational result	-3,710	-12,795
Financial result	28,547	33,664
Current result	24,837	20,869
Exceptional revenues		
Exceptional costs	-5,007	-3,969
Result before taxes	19,830	16,900
Taxes	-138	-62
Result of the year	**19,692**	**16,838**

2.B.2 Balance sheet CFE SA after appropriation (Belgian standards)

(in thousands of €)	2010	2009
Assets		
Fixed assets	299,121	279,918
Current assets	296,119	279,281
Total Assets	**595,240**	**558,199**
Equity and liabilities		
Equity	146,911	143,584
Provisions & deferred taxes	64,128	50,919
Non current liabilities	58,073	60,584
Current liabilities	326,128	303,112
Total equity and liabilities	**595,240**	**558,199**

3. Outlook

Based on the order book, the Group's revenue is expected to remain at a similar level to that of 2010. Under these circumstances, the Group aims to attain a result which is at least equivalent to the one obtained in 2010.

4. Capital remuneration

At the Shareholders Meeting of May 5, 2011, CFE SA's Board of Directors will propose a gross dividend per share of €1.25, corresponding to a net dividend of €0.9375, representing a total pay-out of €16,365,325. Profit carried forward will amount to €29,057,821.

5. Share information

At December 31, 2010, CFE's share capital was represented by 13,092,260 shares.

The extraordinary shareholders meeting of October 8, 2007 approved:

- the Board of Directors' proposal to dematerialise the company's shares at January 1, 2008;
- the Board of Directors' proposal to divide by 20 the six hundred and fifty four thousand six hundred and thirteen (654,613) shares – without nominal value, fully paid up and representing the company's total capital of twenty one million three hundred and seventy four thousand nine hundred and seventy one euros and forty three centimes (€21,374,971.43) at January 1, 2008. Accordingly, since that date, the company's capital is represented by thirteen million and ninety two thousand two hundred and sixty (13,092,260) shares.

The share dematerialisation and splitting process is still under way.

The split of the registered shares has been carried out automatically and shareholders have been automatically recognised as the owners of the appropriate number of split shares in the share register.

The split of bearer shares recorded in the share register at January 1, 2008 has been carried out automatically and shareholders have been automatically allocated the appropriate number of split shares.

For the exchange and split of bearer shares still physically held, shareholders must either hand these in to a financial institution of their choice for registration in a stock account or to the company's registered offices for recording in the shareholders' register. The number of split shares will be recorded in the stock account or in the shareholders' register.

Since January 1, 2008, the exercise of any right attached to bearer shares has been suspended for as long as they are physically held. Since that date, to participate in a shareholders meeting, the holders of such bearer shares must apply to have the shares exchanged for registered shares or have them dematerialised.

Bearer shares issued by the company, which are neither registered nor recorded in the shareholders' register, will be converted legally into dematerialised shares on December 31, 2013.

Euroclear Belgium has been appointed as the executor.
Registered shares are held in electronic form and Euroclear Belgium (CIK SA) is in charge of managing them.

There has been no issue of convertible bonds or warrants.

Degroof bank has been appointed as the "Main Paying Agent".

Financial institutions with whom holders of financial instruments may exercise their financial rights are Banque Degroof, BNP Paribas Fortis and ING Belgique.

6. Corporate governance

At the next ordinary shareholders meeting, it will be proposed that the appointment of SPRL Ciska Servais, represented by Mrs Ciska Servais, which reaches its term at the ordinary shareholders meeting of May 5, 2011, be renewed for a period of four years after the conclusion of the ordinary shareholders meeting of 2015. SPRL Ciska Servais, represented by Mrs Ciska Servais, meets the independence criteria defined in Article 526c of Belgium's Company Code (law of December 17, 2008) and in the country's Corporate Governance Code.

During the year under review, the Board of Directors changed the composition of its Remuneration and Nomination Committee. This committee now comprises SPRL Ciska Servais, represented by Mrs Ciska Servais, independent director (chair), SA Consuco, represented by Mr Alfred Bouckaert, independent director, and Mr Richard Francioli.

7. Shareholder's diary

- Ordinary shareholders meeting: May 5, 2011
- Publication of the interim statements: May 18, 2011 (after the close of the stock market)
- Dividend payment: May 18, 2011 (dematerialised coupon no. 4)
- Publication of half-year financial statements: August 25, 2011 (after the close of the stock market)
- Publication of interim statements: November 15, 2011 (after the close of the stock market).

The Statutory Auditor, Deloitte, Reviseurs d'Entreprises, represented by Pierre-Hugues Bonnefoy, has confirmed that he has no reservations as to the accounting information reported in this press release and that it is in line with the financial statements as approved by the Board of Directors.

CFE is a multidisciplinary group of companies active in construction and associated services, quoted on Euronext Brussels and of which VINCI holds 47% of the capital. CFE is one of the important actors in the construction industry in Belgium and is also present in the Netherlands, Luxemburg and in Central Europe. CFE owns 50% of DEME, one of the world's leading dredging contractors.

This press release is also disposable on www.cfe.be.

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