

## PRESS RELEASE

embargoed until Tuesday, 18 November, 2014 - 7H00 CET

### CFE

#### Quarterly information 30 September, 2014

- **Cumulative Revenue for the first nine months of 2014: €2,641 million (+6.3%)**
- **Order book: €3,523.2 million at 30 September, 2014 (-10.9% compared with 30 September, 2013)**
- **Net financial debt at 30 September, 2014: €378 million (-227 million compared with 31 December, 2013)**
- **Confirmed favourable outlook for the Dredging and Environment division**
- **Continuing reorganization of Contracting**

#### Preliminary note

As of 1 January, 2014, DEME's revenue is included at 100% in CFE's consolidated financial statements. For the sake of readability, DEME's revenue for the first nine months of 2013 is also shown at 100%.

#### Consolidated revenue at 30 September by division

In € millions	September, 30		% change
	2014	2013(**)	
<b>Dredging and Environment (*)</b>	1,853.6	1,757.7	+5.5%
<b>Contracting</b>	792.2	709.0	+11.7%
- Construction	591.6	517.5	+14.3%
- Rail-Road	76.9	68.0	+13.1%
- Multitechnics	123.7	123.5	+0.0%
<b>Real Estate Development and Management Services</b>	6.7	12.7	n.s.
<b>PPP – Concessions</b>	0.2	0.5	n.s.
<b>Adjustments and consolidation</b>	-11.7	3.9	n.s.
<b>Total</b>	<b>2,641.0</b>	<b>2,483.8</b>	<b>+6.3%</b>

(\*) DEME at 100%, including for 2013.

(\*\*) Amounts restated in accordance with changes in accounting methods linked to the implementation of IFRS 10 (Consolidated financial statements) and IFRS 11 (Partnerships).

**Consolidated order book by division**

In € millions (*)	September 30, 2014	December 31, 2013	September 30, 2013
<b>Dredging and Environment (**)</b>	2,490.0	3,049.0	2,615.0
<b>Contracting</b>	1,021.1	1,310.3	1,316.8
- Construction	822.6	1,077.4	1,074.3
- Rail-Road	69.1	86.9	75.4
- Multitechnics	129.4	146.0	167.1
<b>Real Estate Development and Management Services</b>	12.1	28.6	20.7
<b>Total</b>	<b>3,523.2</b>	<b>4,387.9</b>	<b>3,952.5</b>

(\*) Amounts also including the order book of equity accounted companies as of 1 January, 2014 following the implementation of accounting standard IFRS 11, Partnerships.

(\*\*) DEME at 100%, including at 30 September, 2013.

**Analysis of activity in the first nine months of 2014 by division**

**Dredging & Environment division**

**Revenue**

DEME's revenue for the first nine months of the year amounted to €1,853.6 million, i.e. up 5.5% on the previous year. According to the accounting rules that applied before 1 January, 2014 (economic approach), the revenue would have been €1,978.6 million (+4.0% on comparable basis).

**Evolution of activity by business area (economic approach)**

In %	End 9/2014	End 9/2013 (*)
<b>Capital dredging</b>	51%	51%
<b>Maintenance dredging</b>	11%	10%
<b>Oil &amp; gas</b>	10%	8%
<b>Environment</b>	7%	7%
<b>Marine works</b>	21%	24%

(\*) DEME at 100%

**Evolution of activity by geographical area (economic approach)**

In %	End 9/2014	End 9/2013 (*)
<b>Europe (EU)</b>	35%	44%
<b>Europe (non EU)</b>	8%	1%
<b>Africa</b>	11%	10%
<b>Americas</b>	6%	4%
<b>Asia-Pacific</b>	30%	29%
<b>Middle East</b>	9%	11%
<b>India and Pakistan</b>	1%	1%

(\*) DEME at 100%

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During the first nine months of 2014, DEME's business operations were driven in particular by the major New Doha Port (Qatar) and Wheatstone (Australia) projects.

In Yamal, in northern Russia, the first phase of the dredging works was successfully completed at the beginning of October.

In the area of renewable energy, GeoSea completed the Borkum Riffgrund project in Germany in the third quarter, and continued work on the installation of wind turbines for the Baltic II project.

GeoSea also concluded an agreement with the German company Hochtief for the acquisition of its offshore assets. The transaction, which is due to take place at the beginning of 2015, will give GeoSea full ownership of 'Innovation I', one of the biggest jack-up vessels in the world. GeoSea has also committed to take over some other obligations with regard to assets and personnel. These obligations however have negligible impact on the consolidated balance sheet of DEME.

**Order book**

In October, the consortium in which DEME holds a 75% stake was awarded the contract to deepen and widen the Suez Canal over a length of 25 km at Great Bitter Lake. The contract, which involves a sum of 540 million US dollars, is not yet included in the order book at 30 September, 2014.

**Net financial debt**

DEME's net financial debt amounts to 284 million euros, or a substantial decrease by 249.5 million euros in relation to 31 December, 2013. According to the economic approach, the net financial debt stands at 394.5 million euros (- 44.5%).

This positive trend is explained by the high level of operating cash flow, coupled with a significant improvement in working capital requirement.

**Contracting**

Revenue in the Construction division (€591.6 million) was up 14% on the first nine months of 2013. BPC Brabant, BPC Wallonia, CLE (Luxembourg), CFE Polska and CFE Chad accounted for most of this increase.

The unfavourable economic conditions in the Benelux countries with respect to civil engineering projects and the declared intention of CFE to cut back the operations of certain loss-making entities have weighed on order intake.

However it should be noted that the Buildings' entities in Benelux obtained some important orders in October.

On 20 October, 2014, an agreement was concluded between the Noriant consortium and Beheersmaatschappij Antwerpen Mobiel NV (BAM), under the terms of which part of the works on the bypass of the Antwerp ring road will be awarded to the consortium or, alternatively, BAM undertakes to pay compensation to Noriant.

### **Real Estate & Management Services division**

#### Evolution of real estate projects

In € millions	September 30, 2014	December 31, 2013(*)
<b>Properties at marketing stage</b>	16	18
<b>Properties at construction stage</b>	71	61
<b>Properties at development stage</b>	57	77
<b>Total</b>	<b>144</b>	<b>156</b>

(\*) Amounts restated in accordance with changes in accounting methods linked to the implementation of IFRS 10 (Consolidated financial statements) and IFRS 11 (Partnerships).

Sales continue to be buoyed in Poland where two major projects are in the acceptance stage. New developments are also under study.

In Belgium, BPI launched the first marketing stage of the Erasmus Gardens project in Anderlecht in the third quarter.

In Luxembourg, CLi and its partners started work on the 'Galerie Kons' project. This project, partly pre-let to ING, will be transferred to an institutional investor in 2016.

### **PPP-Concessions division**

Best and Final Offers for the 'Tram de Liège' and Brabo II (Antwerp) projects have been submitted and are being examined by the public authorities.

The Charleroi police headquarters were completed ahead of schedule and to the customer's satisfaction. The long-term receivables which CFE held on the City of Charleroi have been sold to a financial institution. The project has now entered the maintenance phase.

### **Financial information**

The net financial debt amounted to €377.8 million at 30 September, 2014 or, on a like-for-like basis, down €227.2 million on 31 December, 2013. As mentioned above, this decrease is attributable to DEME's diminished level of indebtedness.

CFE also has €125 million long-term credit facilities for its general financing needs. At 30 September 2014, those credit facilities were drawn down by €65 million.

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CFE is an industrial Belgian Group active in six different activities : Dredging and Maritime Engineering, Construction, Rail and Road, Multitechnics, Real Estate Development and Management Services and Public-Private Partnership and Concessions.

Based in Belgium, the group is very active worldwide. Its first activity, dredging and maritime engineering, is executed by DEME, one of the world's leading dredging contractors. The Group CFE is listed on Euronext Brussels and 60.40% owned by Ackermans & van Haaren.

This press release is available on our website at [www.cfe.be](http://www.cfe.be).

**Note to editors**

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