

PRESS RELEASE

CFE

Quarterly information at 30 September 2016

- **Revenue :** €1,968.7 million for the first nine months of 2016
- **Order book:** €4,806.6 million at 30 September 2016
- **Net financial debt:** € 343.1 million at 30 September 2016

1. Key figures

Revenue In million €	30/09/2016	30/09/2015	
Dredging and Environment	1,358.0	1,818.2	
Contracting	580.2	506.2	(*)
Other divisions and eliminations	30.5	186.0	(*)
Total	1,968.7	2,510.4	

(*) Pro forma figures according to the new definition of the segment as of 1 January, 2016.

Order book In million €	30/09/2016	31/12/2015	
Dredging and Environment	3,855.0	3,185.0	
Contracting	841.2	836.3	(*)
Other divisions	110.4	139.0	(*)
Total	4,806.6	4,160.3	

(*) Pro forma figures according to the new definition of the segment as of 1 January, 2016.

Net financial debt In million €	30/09/2016	31/12/2015	
Dredging and Environment including restatements	269.3	275.0	
Other divisions & Holding	73.8	47.7	
Total	343.1	322.7	

2. Analysis by division

Dredging & Environment division

Key figures

In million €	30/09/2016	31/12/2015	30/09/2015
Revenue	1,358.0	2,286.1	1,818.2
Economic revenue (*)	1,369.1	2,351.0	1,852.3
Net financial debt (**)	265.1	269.5	358.5
Net economical financial debt (*)	266.2	266.7	362.3
Order book	3,855.0	3,185.0	3,230.0

(*) The economic approach consists in proportionally consolidating the jointly controlled companies (accounting rules applicable before 1 January 2014).

(**) Net financial debt excluding restatements linked to the valuation of the identifiable assets and liabilities at their fair value.

Revenue

DEME's revenue amounted to €1,369.1 million for the first nine months of 2016 (economic approach). As was expected, business in the third quarter was markedly better than in the first six months of 2016.

In Singapore, the two major projects in which DEME is involved (Jurong Island Westward Extension and Tuas Terminal Phase I) progressed well.

In Central America, DEME finished widening the access to the Panama Canal. There was also considerable activity in Europe and Africa.

GeoSea also reported a high level of activity in the United Kingdom (Galopper and Race Bank projects) and in Germany (Nordsee and Merkur projects, for which the work of designing and building 66 wind turbine poles has begun).

Order book

The order book grew by 21% during the first nine months of the year and is now at an all-time high.

In the third quarter, DEME won the order for laying intra-field cables and for the design, delivery, transport and installation of 42 foundations for the future Rentel offshore wind farm. This 309 MW wind farm is situated approximately 40 km off the Belgian coast. Installation work will start in 2017.

It should be pointed out that two major contracts (civil engineering works on the Fehmarnbelt tunnel linking Denmark and Germany, and the EPCI contract for 71 monopiles for the Hohe See offshore wind farm) are not yet included in the order book as at September 30, 2016, pending the fulfilment of certain conditions foreseen in the contract.

Investments and net financial debt

The net investments during the period amounted to €201 million. This figure primarily consists of down payments on the six vessels under construction, the capitalized maintenance costs, and the acquisition of a 12.5% stake in the Merkur offshore wind farm.

The net financial debt remained stable at €266 million (economic approach), thanks among other things to the receipt of several upfront investments.

In view of the injection of the rest of the capital and quasi-equity in the operating company Rentel, and the down payments that will have to be made before year-end on the vessels under construction, DEME's net financial debt is set to increase in the fourth quarter.

Outlook

Despite the high level of activity that is expected in the second half of the year, DEME's revenue for 2016 will be down on 2015. Nevertheless, the EBITDA margin is expected to remain above the historical average.

Contracting division

Revenue

In million €	30/092016	30/09/2015 (*)
Construction	418.7	357.6
<i>Buildings, Belgium</i>	313.9	287.9
<i>Buildings, International (**)</i>	104.8	69.7
Multitechnics and Rail infra & Utility networks	161.5	148.6
Total Contracting	580.2	506.2

(*) Pro forma figures according to the new definition of the segment as of 1 January, 2016.

(**) Luxembourg, Poland and Tunisia only.

The division's revenue increased by 14.6% to €580.2 million, with all entities reporting a growth in activity.

The Docks shopping centre (Brussels) was completed in the third quarter ahead of schedule and to the customer's satisfaction. In Flanders, the AZ Sint Maarten and 'Schools of Tomorrow' projects made swift progress. In Luxembourg, the 'Galerie Kons' project has entered its final stages.

In the Rail Infra & Utility networks segment, ENGEMA and Louis Stevens & Co, two subsidiaries of CFE Contracting, launched the pilot projects of the ETCS-2 programme (automatic braking system for trains).

Order book

In million €	30/092016	31/12/2015 (*)
Construction	644.9	671.2
<i>Buildings, Belgium</i>	485.8	494.6
<i>Buildings, International (**)</i>	159.1	176.6
Multitechnics and Rail infra & Utility Networks	196.3	165.1
Total Contracting	841.2	836.3

(*) Pro forma figures according to the new definition of the segment as of 1 January, 2016.

(**) Luxembourg, Poland and Tunisia only.

For the first time since the beginning of the year, the division's order book has grown in relation to December 31, 2015 as a result of a buoyant order intake in the Multitechnics (particularly at VMA) and Rail Infra & Utility networks segments. The Construction segment in Flanders is also seeing a satisfactory growth in its order book. As a reminder, at the beginning of the year, CFE Bouw Vlaanderen won the contract for a new hospital in Antwerp (ZNA).

Outlook

The division's revenue and operating result are expected to be up on 2015.

Real Estate division

Evolution of real estate projects

In million €	30/09/2016	31/12/2015
Properties being marketed	17	14
Properties under construction	34	34
Properties in development	74	71
Total	125	119

The book value of real estate projects stood at €125 million at September 30, 2016.

In Belgium, the 'Ernest' project (Ixelles) is under completion, with 110 apartments almost entirely sold. Planning permission for phase 2 (Ernest - The Park) is due to be granted shortly. On the site of 'Erasmus Gardens', construction and marketing of the first buildings continued at a steady pace.

In Luxembourg, good progress was made with the construction of the real estate complex 'Kons'. The completion and sale to the investor should occur prior to year-end or at the beginning of 2017.

In Poland, four residential projects are currently in the construction and marketing phase: Ocean Four in Gdansk (phases 3 and 4), Wola Libre in Warsaw, and Bulwary Ksiazec in Wroclaw, of which the early marketing stages look highly promising.

The capital of BPI SA was increased by €20 million in September 2016.

Outlook

In case the sale of the Kons building were to be postponed until early 2017, the division's net result is expected to come close to break-even point.

Holding, Non-transferred Operations, Interdivisional Eliminations

In million €	30/09/2016	30/09/2015 (*)
Revenue	22.2	170.5

(*) Pro forma figures according to the new definition of the segment as of 1 January, 2016.

The revenue of the Holding division amounted to €22.2 million, or an 87% decrease. This development was expected following the transfer of the marine civil engineering activities to DEME and the completion of the last major projects in Africa (except Tunisia).

As far as the PPP-Concessions segment is concerned, CFE disposed of its 25% stake in the company operating the Liefkenshoek rail tunnel last June. CFE acquired 50% of the shares which the management held in the company Green Offshore (formerly Rent-A-Port Energy). This company, which holds minority interests in the Belgian wind projects Rentel, Seastar and Mermaid, is now equally owned with Ackermans & van Haaren.

Receivables from Chad

The exposure to this country remains unchanged at €60 million. Negotiations between the Chadian authorities and financial institutions are continuing.

Outlook

Unlike in 2015, the non-dredging activities are expected to make a positive contribution to the group's net result.

3. Shareholders' agenda

Publication of annual results 2016	28 February, 2017 <i>(before opening of the stock market)</i>
Ordinary General Shareholders Meeting	4 May, 2017
Publication of intermediary results 2017	19 May, 2017 <i>(before opening of the stock market)</i>
Publication of half-yearly results 2017	31 August, 2017 <i>(before opening of the stock market)</i>
Publication of intermediary results 2017	22 November, 2017 <i>(before opening of the stock market)</i>

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CFE is an industrial Belgian Group active in 3 different activities : Dredging, marine engineering and environment, Contracting and Real Estate Development.

The group is worldwide active, mainly across its dredging and marine activities executed by DEME, a 100% subsidiary, one of the world's leading dredging contractors. CFE is listed on Euronext Brussels and is 60.40% owned by Ackermans & van Haaren.

This press release is available on our website at www.cfe.be

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Note to editors

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