

PRESS RELEASE

Embargoed until Tuesday 28 February 2017 – 07h00 CET

CFE

Results of financial year 2016

- **Revenue: €2,797.1 million**
- **Net income group share : €168.4 million**
- **Net financial debt : €213.1 million**
- **Order book up 14.3% thanks to the progression of DEME**
- **Gross dividend per share of €2.15**

CFE's board of directors met on 23 February 2017 to finalize the financial statements for the year ended 31 December 2016, which will be submitted to the forthcoming general meeting of shareholders on 4 May 2017.

1. 2016 key figures

In million €	2016	2015	Change 2016/2015
Revenue	2,797.1	3,239.4	-13.7%
Self-financing capacity (EBITDA) (*) % of revenue	465.9 16.7%	504.9 15.6%	-7.7%
Operating income on activities (*) % of revenue	227.6 8.1%	228.9 7.1%	-0.6%
Operating income (EBIT) (*) % of revenue	226.8 8.1%	265.7 8.2%	-14.6%
Net result part of the group % of revenue	168.4 6.0%	175.0 5.4%	-3.8%
Earnings per share (in €)	6.65	6.91	-3.8%
Gross dividend per share (in €) (**)	2.15	2.40	-10.4%

(*) The definitions are included in the 'Consolidated financial statements' section of the financial report.

(**) Amount to be submitted for approval to the annual general meeting of 4 May 2016.

In million €	2016	2015	Change 2016/2015
Equity – share of the group	1,521.6	1,423.3	6.9%
Net financial debt	213.1	322.7	-34.0%
Order book	4,756.7	4,160.3	14.3%

General introduction

The CFE Group reported €2,797.1 million revenue in 2016, which is down 13.7%. This decrease was expected at DEME, which saw vigorous activity in 2015.

Thanks to the substantial reduction of the operating losses of the non-transferred activities of CFE SA and DEME's strong performance, the EBITDA margin increased by 1.1% to 16.7%.

The net result, share of the group, amounted to €168.4 million, which is slightly down compared to the exceptional year 2015.

The equity, share of the group, increased by €98.3 million, despite the payment of a dividend of €60.75 million in respect of the 2015 financial year. For the first time in CFE's history, its consolidated equity exceeded the symbolic figure of €1.5 billion.

In view of the deferral of certain down payments on the vessels under construction and the effective control of the working capital requirement, the net financial debt decreased by 34.0% to reach €213.1 million.

The order book reached a record level of €4.76 billion, thanks to a large extent to the very high order intake at DEME.

2. Analysis by division

Dredging and Environment division

Key figures (*)

In million €	2016	2015	Change 2016/2015
Revenue	1,978.2	2,286.1	-13.5%
EBITDA (**)	447.4	489.2	-8.5%
Operating income (**)	207.4	298.2	-30.4%
Net result share of the group	155.4	201.3	-22.8%
Net financial debt	155.0	275.0	-43.6%
Order book	3,800.0	3,185.0	+19.3%

(*) Amounts restated to take account of the recognition at fair value of the identifiable assets and liabilities of DEME following the acquisition of an additional 50% of the DEME shares on 24 December 2013.

(**) The definitions are included in the 'Consolidated financial statements' section of the financial report.

Key figures according to the economic approach

The key figures shown below are presented according to the economic approach whereby the jointly controlled companies are proportionally consolidated (accounting rules applicable before 1 January 2014).

In million € (excluding restatements for DEME)	2016	2015	Change 2016/2015
Revenue	1,978.2	2,351.0	-15.9%
EBITDA (*)	450.1	558.4	-19.4%
Operating income on activities (*)	217.6	318.4	-31.7%
Net result share of the group	155.3	199.2	-22.0%
Net financial debt	154.6	266.7	-42.0%
Orderbook	3,800.0	3,185.0	+19.3%

(*) The definitions are included in the 'Consolidated financial statements' section of the financial report.

Revenue (economic approach)

DEME's revenue amounted to €1,978.2 million, i.e. down 15.9% compared to 2015. The previous year was marked by an exceptional level of activity in Africa with the widening and deepening of the Suez Canal.

During the year under review, DEME continued work on its two major projects in Singapore: the extension of Jurong Island (JIWE), and the Tuas Terminal - Phase 1 (TTP1) project.

Dredging International, a subsidiary of DEME, resumed work in Panama with the widening and deepening of the Pacific access channel of the Panama Canal.

2016 was an exceptional year for GeoSea, DEME's subsidiary specializing in offshore marine engineering. In the UK, the Race Bank project (transport and installation of 91 wind turbine foundations) is being finalized, while at the end of December GeoSea successfully installed the first foundation for the 56 wind turbines of the Galloper wind farm, situated 27 km off the Suffolk coast (EPCI contract). In Germany, the production of the 66 wind turbine foundations for the Merkur project (EPCI contract) is progressing according to plan.

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Evolution of activity by business area (economic approach)

In %	2016	2015
Capital dredging	34%	48%
Maintenance dredging	12%	11%
Fallpipe and landfalls	7%	9%
Environment	10%	9%
Civil works	3%	0%
Marine works	34%	23%
Total	1,978.2	2,351.0

Evolution of activity by geographical area (economic approach)

In %	2016	2015
Europe (EU)	56%	33%
Europe (non-EU)	4%	10%
Africa	12%	30%
Americas	8%	4%
Asia-Pacific	13%	12%
Middle East	3%	7%
India and Pakistan	4%	4%
Total	1,978.2	2,351.0

EBITDA and operating income (economic approach)

The decrease in revenue inevitably weighed on the EBITDA and operating income, which are down compared to 2015. Nevertheless, it should be noted that the EBITDA margin, which amounts to 22.8% of revenue, remains well above the historical average.

It should be remembered that 2015 was marked by exceptional results generated by the project for the widening of the Suez Canal and the finalization of other important projects.

Order book

The order book (€3,800 million as of 31 December 2016) shows a 19.3% growth compared to 2015, which in turn was up 31.6% on year-end 2014.

This all-time high order book owes much to the commercial successes of DEME resulting in an order intake of €2,593.3 million in 2016.

The main new orders in 2016 include:

- The EPCI contract for the Merkur wind farm in Germany
- The EPCI contract for the Rentel wind farm, situated 40 km off the Belgian coast and involving 42 wind turbine foundations and the laying of intra-field cables
- The design and installation of the power cables for the world's largest offshore wind farm situated off the Yorkshire coast in the UK (Hornsea One project). The work will be carried out by Tideway, DEME's subsidiary specializing in the laying and protection of subsea cables and pipelines.
- Renewal of the maintenance dredging contract for the river Scheldt for a five-year period.

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Moreover, as was announced earlier, two substantial orders won in 2016 are not yet included in the order book, notably:

- The EPCI contract for the Hohe See wind farm, situated 90 km north of Borkum Island in the North Sea. The order involves 77 monopiles and transition pieces. The project will be included in the order book in February 2017 as the financial close has been reached.
- The design and construction of the world's longest road tunnel (18 km), the Fehmarnbelt link between Denmark and Germany. This project, worth an estimated €700 million, will only begin once the German authorities have delivered the necessary planning permissions.

Finally, DEME has landed several major contracts since the beginning of 2017, such as new dredging contracts in India and the Maldives, and the DBM contract for the design, construction and 15-year maintenance of the first section of the RijnlandRoute in the Netherlands. The project, which will be realized by DIMCO (DEME's subsidiary specializing in civil engineering works) and its partners, involves the construction of a 2.2 km bored tunnel, building a new 4 km road, and widening 12 km of motorway.

Investments and net financial debt

DEME's investments are twofold: those connected with the upgrading and renewal of the fleet, and those connected with the activities of DEME Concessions.

Investments in the fleet

Investments in 2016 amounted to €194.7 million according to the economic approach. This low level of investment is explained by the deferral of certain down payments on the vessels under construction.

As a reminder, in 2015, DEME had started building six new vessels:

- The self-propelled jack-up vessel 'Apollo'
- The multipurpose vessel 'Living Stone'
- The crane vessel 'Gulliver' (in joint venture)
- The trailing suction hopper dredger 'Scheldt River' (8,000 m³)
- The trailing suction hopper dredger 'Minerva' (3,500 m³)
- The trailing suction hopper dredger 'Bonny River' (15,000 m³)

Those vessels will progressively strengthen DEME's fleet from 2017 onwards.

In February 2017, DEME confirmed an order for two additional vessels with an overall budget of around €500 million:

- 'SPARTACUS', a stationary cutter suction dredger with a total power of 44,180 kW; it will be the world's most powerful and most state-of-the-art vessel in its class, and will be particularly suited for dredging works on rocky beds and in the hardest and most compact types of soil, far from the shore ('Smart Mega Cutter Suction Dredger')
- 'ORION', a dynamic positioning crane vessel with a total power of 44,180 kW; with a lifting capacity of 3,000 tonnes up to a height of more than 50 metres, it will be deployed on offshore construction work, such as for the construction of the largest offshore wind farms, offshore services for customers in the oil and gas industry, and the dismantling of old offshore structures.

Investments and divestments by DEME Concessions

During the year, DEME - through its subsidiary DEME Concessions - injected its share in the equity and quasi-equity of the operating companies of two offshore wind farms: Merkur in Germany (12.5% stake) and Rentel in Belgium (18.9% stake). It should be pointed out that CFE also holds a 6.25% stake in Rentel through its 50% subsidiary, Green Offshore.

The improvement in working capital requirement thanks to, among other things, the receipt of new advances, coupled with a relatively low level of investment and solid operating cash flows, contributed to a substantial reduction in DEME's net financial debt, which now stands at €154.6 million (economic approach), or €112.1 million down compared to the previous year. In view of the investments planned in 2017, DEME's net financial debt is set to increase over the next financial year.

Contracting division

Key figures

In million €	2016	2015 (*)	Change 2016/2015
Revenue	770.5	718.9	7.2%
Operating income (**)	20.0	7.5	166.7%
Net result share of the group	10.4	9.7	7.2%
Net treasury	92.0	74.8	23.0%
Order book	850.5	836.3	1.7%

(*) Including pro-forma figures according to the new definition of the segment applicable as of 1 January, 2016.

(**) The definitions are included in the "Consolidated Financial Statements" section of the financial report

Revenue

Revenue amounted to €770.5 million, up 7.2%.

Construction activity in Belgium shrank slightly in a competitive market.

In the third quarter, the Docks shopping centre (Brussels) was completed ahead of schedule. In Flanders, the structural work on AZ Sint Maarten hospital (Mechelen) has been completed and the finishing works have begun, while several 'Schools of Tomorrow' have been completed.

The Luxemburg and Polish subsidiaries reported a marked increase in revenue, buoyed by a favourable economic situation.

The activity of the Multitechnics segment benefited from the vigorous growth of VMA, which won numerous contracts in Belgium and abroad.

2016 was a year of transition for the Rail Infra & Utility Networks segment before the ETCS Level 2 project (automatic braking system for trains) gathers momentum in 2017.

In million €	2016	2015 (*)	Change in %
Construction	548.5	516.9	6.1%
<i>Buildings, Belgium</i>	405.6	419.1	-3.2%
<i>Buildings, International (**)</i>	142.9	97.8	46.1%
Multitechnics	159.2	140.5	13.3%
Rail Infra & Utility Networks	62.8	61.5	2.1%
Total Contracting	770.5	718.9	7.2%

(*) Including pro-forma figures according to the new definition of the segment applicable as of 1 January, 2016.

(**) Exclusively Luxemburg, Poland and Tunisia.

Operating income

Despite certain setbacks at a limited number of subsidiaries, there was a substantial increase in the division's operating income: €20.0 million as against €7.5 million in 2015.

Unlike in 2015, the Construction segment made a positive contribution to the operating income of the Contracting division, thanks to the recovery of CFE Bâtiment Brabant Wallonie and the good performance of CFE Bouw Vlaanderen, CFE Polska and CLE in Luxembourg. The efforts made in the area of operational excellence and selectivity in order intake have begun to bear fruit.

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In the Multitechnics segment, the excellent results of VMA should be noted, whereas the HVAC segment had to contend with several very difficult projects that were completed in 2016.

Order book

In million €	31 December 2016	31 December 2015 (*)	Change in %
Construction	648.7	671.2	-3.4%
<i>Buildings, Belgium</i>	505.0	494.7	2.1%
<i>Buildings, International (**)</i>	143.7	176.5	-18.6%
Multitechnics	143.4	115.9	23.7%
Rail Infra & Utility Networks	58.4	49.2	18.7%
Total Contracting	850.5	836.3	1.7%

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

(**) Exclusively Luxemburg, Poland and Tunisia

The order book grew slightly to €850.5 million as of 31 December 2016.

The order book of the Buildings segment in Belgium remained at a high level as a result of winning the ZNA project (new hospital in Antwerp in joint venture), the STIB (Brussels public transport) depot in Anderlecht (Brussels Region), and several residential buildings in Anderlecht on the site of Erasmus Gardens for BPI.

The order book of CLE (Luxemburg) and CFE Polska is down compared to 2015 given the very high level of activity in 2016. In view of orders that are expected to materialize shortly, the outlook remains favourable for these two entities.

On the other hand, a high order intake was reported by Multitechnics and Rail Infra & Utility Networks, in particular at VMA, which landed its first contract in the United States.

Cash flow

The division's net cash position stood at €92 million as of 31 December 2016, up 23%. The improvement is explained by the operating cash flows generated by the Contracting entities, while the working capital requirement remained stable.

Organization of the Electro Cluster

As of 1 January 2017, the subsidiaries VMA West, Vanderhoydonks and Nizet are integrated operationally in VMA.

Real Estate division

Key figures

In million €	2016	2015	Change 2016/2015
Revenue	12.1	27.2	-55.5%
Operating income (*)	4.3	7.7	-44.2%
Net result share of the group	1.4	7.0	-80.0%
Net financial debt	87.6	90.3	-3.1%
Order book	5.0	6.7	-25.4%

(*) The definitions are included in the "Consolidated Financial Statements" section of the financial report

Evolution of real estate projects (*)

In million €	31 December 2016	31 December 2015
Properties being marketed	17	14
Properties under construction	35	34
Properties in development	78	71
Total	130	119

(*) The capital employed of the real estate projects is defined as the sum of shareholders equity and net financial debt of the real estate division

New developments

During the financial year, several building lots were successfully acquired in Poland ('Barska' residential project in Warsaw totalling 3,500 m²) and in Belgium, where BPI will develop the 'Joyeuse Entrée' residential project in the European district of Brussels (5,400 m²).

In 2020, once the conditions precedent have been fulfilled, BPI will redevelop, in joint venture, the present headquarters of Allianz in the heart of Brussels. It is a mixed-use project of 55,000 m².

In Luxemburg, BPI won the contract issued by the Kirchberg fund for the development of a hundred moderately priced residential units (Kiem project).

Marketing

In Belgium, BPI successfully continued to develop and market its three principal projects: 'Erasmus Gardens' in Anderlecht, 'Ernest' in Ixelles, and 'Oosteroever' in Ostend.

In Luxemburg, construction of the 'Kons' building has entered its final stages: the completion and transfer to the institutional investor is scheduled for March 2017.

In Poland, the third phase of the 'Ocean Four' project was completed at year-end, while phase four is due for completion by mid-2017. Virtually all apartments have been sold. In Warsaw and Wroclaw, the two residential projects under construction are progressing according to plan.

Projects under study

Planning permission has been obtained for three residential buildings on the Hauts-Prés site in Uccle and for the second phase of the 'Ernest' project in Ixelles (The Park). Marketing and construction of those two projects are due to start in 2017.

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Real estate projects and net financial debt

The value of real estate projects stood at €130 million as of 31 December 2016, which is an €11 million increase, while the division's net financial debt reached €87.6 million.

Net result

In the absence of major transactions during the year, the net income of the division amounted to €1.4 million (compared to €7.0 million in 2015).

Holding, non-transferred activities and inter division eliminations

In million €	2016	2015 (*)	Change 2016/2015
Revenue	36.3	207.2	-82.5%
Operational result (**)	-4.9	-47.8	ns
Net result share of the group	1.2	-43.0	ns
Net financial debt	62.4	33.4	86.8%
Order book	101.2	132.3	-23.5%

(*) Including pro-forma figures according to the new definition of the segment applicable as of 1 January, 2016

(**) Definitions are listed under sections "Consolidated Financial Statements" of the financial report

Revenue

Revenue amounted to €60.3 million for the non-transferred activities of CFE SA (€229.0 million in 2015) and €-24.0 million for interdivision eliminations.

The substantial decrease in revenue is explained by the transfer of the marine civil engineering operations to DEME at year-end 2015 and by a sharply reduced level of activity in Africa following the completion in 2015 of several large-scale projects, more specifically in Algeria and Chad.

Operating income

The operating income (€-4.9 million) was adversely affected by the recognition of additional losses on the project of the Mechelen railway station surroundings and on the Brussels-South wastewater treatment plant project, of which the first of three phases was completed in July 2016. It should be pointed out that a settlement was reached with the customer in the second half of 2016 with regard to turnaround times, additional billing and claims for the first two phases of the Brussels-South wastewater treatment plant project.

At the year-end, CFE was also able to finalize the Eko-Tower project in Lagos, Nigeria, and obtain the final settlements of several older building projects in Belgium, such as the schools project in Eupen and the CPAS (Welfare Office) in Brussels. These elements had a favourable impact on the results of the division.

Rent-A-Port, a 45% subsidiary of CFE, reported a satisfactory year thanks to the positive contribution from its activities in Vietnam. Besides the continuing sale of industrial land in the port area of Dinh Vu, Rent-A-Port succeeded, together with its partners, in securing a new port concession of 1,200 hectares in the province of Quang Ninh in North Vietnam.

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Net result

The net result of the division Holding and non-transferred activities made a spectacular recovery to + €1.2 million (compared to a net loss of €43.0 million in 2015).

The operating loss was offset by the capital gain on the disposal of CFE's stake in two DBFM (Design, Build, Finance, Maintain) type operating companies, namely 25% in Locorail NV, responsible for maintaining and financing the Liefkenshoek rail link in Antwerp, and 18% in Coentunnel Company BV, responsible for maintaining and financing the second Coentunnel in Amsterdam.

Risk on Chad

Negotiations are continuing with the Chadian authorities to find a solution to refinance the remaining outstanding debts. Progress has been made, but to date nothing tangible has been acquired.

CFE's net exposure to that country amounts to €60 million.

3. Overview of the results

3.A.1 Consolidated statement of financial position

Year ended 31 December (in thousands €)	2016	2015
Revenue	2,797,085	3,239,406
Revenue from auxiliary activities	85,794	109,005
Purchases	-1,504,685	-1,831,454
Wages, salaries & social charges	-533,200	-547,043
Other operating charges	-384,649	-482,581
Depreciations	-232,775	-255,312
Goodwill Impairment	0	-3,116
Operating income on activities	227,570	228,905
Earnings from associates and joint ventures	-784	36,759
Operating income	226,786	265,664
Gross financial cost	-31,521	-31,720
Other financial expenses and income	7,567	-869
Financial result	-23,954	-32,589
Result before taxes	202,832	233,075
Income tax expense	-30,580	-59,051
Result of the year	172,252	174,024
Non-controlling interests	-3,841	937
Result – share of the group	168,411	174,961
Year ended 31 December (in thousands €)	2016	2015
Result of the year	172,252	174,024
Financial instruments – change in fair values	2,230	-6,366
Currency translation differences	-340	-4,088
Deferred taxes	1,143	1,783
Other elements of the comprehensive income to be reclassified to profit or loss in subsequent period	3,033	-8,671
Remeasurement on defined benefit plans	-18,901	-197
Deferred taxes	6,510	1,099
Other elements of the comprehensive income not to be reclassified to profit or loss in subsequent period	-12,391	902
Total elements of the comprehensive income directly accounted in equity	-9,358	-7,769
Comprehensive income	162,894	166,255
- attributable to the group	159,178	166,489
- attributable to non-controlling interests	3,716	-234
Net result per share (€) (basic and diluted)	6.65	6.91
Comprehensive income per share (€) (basic and diluted)	6.29	6.58

3.A.2 Consolidated statement of financial position

Year ended 31 December (in thousands €)	2016	2015
Intangible assets	95,441	97,886
Goodwill	175,169	175,222
Property, plant and equipment	1,683,304	1,727,679
Associates and joint ventures	141,355	151,377
Other non-current financial assets	153,976	129,501
Non-current derivative instruments	510	1,381
Other non-current assets	23,518	19,280
Deferred tax assets	126,944	103,345
Total non-current assets	2,400,217	2,405,671
Inventories	94,836	77,946
Trade receivables and other operating receivables	1,160,306	1,192,977
Other current assets	38,430	125,029
Current derivative instruments	2,311	8,514
Current financial assets	48	70
Assets held for sale	19,916	0
Cash and cash equivalents	612,155	491,952
Total current assets	1,928,002	1,896,488
Total assets	4,328,219	4,302,159
Issued capital	41,330	41,330
Share premium	800,008	800,008
Retained earnings	714,527	607,012
Defined benefits plans	-19,464	-7,448
Consolidated reserves and reserve related to hedging instruments	-7,337	-10,710
Translation differences	-7,505	-6,915
Equity – part of the group CFE	1,521,559	1,423,277
Non-controlling interests	14,918	11,123
Equity	1,536,477	1,434,400
Pensions and employee benefits	51,215	41,054
Provisions	43,085	44,854
Other non-current liabilities	5,645	17,145
Bond	303,537	305,216
Financial debts	367,147	398,897
Non-current derivative instruments	18,475	33,359
Deferred tax liabilities	151,970	150,053
Total non-current liabilities	941,074	990,578
Provisions for other current risks	65,113	64,820
Trade payables & other operating liabilities	1,138,288	1,184,886
Tax liability due for payment	69,398	88,215
Current financial debts	154,522	110,558
Current derivative instruments	23,515	35,146
Liabilities held for sale	6,004	0
Other current liabilities	393,828	393,556
Total current liabilities	1,850,668	1,877,181
Total equity and liabilities	4,328,219	4,302,159

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

CFE's equity stood at €1,536.5 million compared to €1,434.4 million at year-end 2015.

The net financial debt amounted to €213.1 million, which is €109.6 million down compared to 31 December, 2015. This debt breaks down into a long-term financial debt of €821.4 million and a positive net cash position of €608.3 million.

CFE SA has, for its part, confirmed medium-term credit facilities for its general financing needs totalling €115 million, of which €85 million had not been drawn down at year-end 2016. Both CFE and DEME are in compliance with the banking covenants.

Year ended 31 December (in thousands €)	2016	2015
Cash flows relating to operating activities	384,386	334,981
Cash flows relating to investing activities	-214,504	-258,879
Cash flows relating to financing activities	-48,467	-288,024
Net increase/decrease in cash position	121,415	-211,921
Shareholders' equity (excluding non-controlling interests) at start of period	1,423,277	1,313,627
Shareholders' equity (excluding non-controlling interests) at end of period	1,521,559	1,423,277
Net result share of the group for the period	168,411	174,961
ROE	11.8%	13.3%

3.A.4 Consolidated statement of changes in equity as of 31 December 2016

(Thousands €)	Share capital	Share premium	Retained earnings	Defined benefits plans	Reserves related to hedging instruments	Translation differences	Equity attributable to owners of the parent	Equity attributable to non-controlling interests	Total
December 2015	41,330	800,008	607,012	-7,448	-10,710	-6,915	1,423,277	11,123	1,434,400
Comprehensive income for the period			168,411	-12,016	3,373	-590	159,178	3,716	162,894
Dividends paid to shareholders			-60,755				-60,755		-60,755
Dividends paid to non-controlling interests								-794	-794
Change in consolidation scope			-141				-141	873	732
December 2016	41,330	800,008	714,527	-19,464	-7,337	-7,505	1,521,559	14,918	1,536,477

3.A.5 Key figures per share

	31 December 2016	31 December 2015
Total number of shares	25,314,482	25,314,482
Operating result after deduction of the net financial charges per share (in €)	8.01	9.21
Net result part of the group per share (in €)	6.65	6.91

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

(in thousands €)	2016	2015
Turnover	46,911	203,188
Operational result	-8,040	-9,445
Net financial result excluding non-recurring financial income	58,969	66,910
Non-recurring financial income	9,487	108,529
Non-recurring financial charges	-1,541	-41,606
Result before taxes	58,875	124,388
Taxes	-17	-374
Result of the year	58,858	124,014

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There was a substantial decline in the revenue of CFE SA. This is explained by the transfer of the 'Buildings Flanders' segment on 1 July 2015 and by the shrinking international activity and the decrease in civil engineering and building activity in the Brussels Region.

The operating result was adversely affected by the losses on civil engineering projects in Brussels and Flanders.

The financial result primarily consists of the dividend paid by DEME in respect of the 2015 financial year.

The capital gains on the disposal of Locorail and Coentunnel Company are shown under non-recurring financial income. In 2015, the income statement was favourably influenced by the internal capital gains resulting from the legal reorganization of the group.

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

(in thousands €)	31 December 2016	31 December 2015
Assets		
Fixed assets	1,323,520	1,332,944
Current assets	236,408	327,577
Total assets	1,559,928	1,660,521

(in thousands €)	31 December 2016	31 December 2015
Equity and liabilities		
Equity	1,197,582	1,193,150
Provisions	57,272	58,923
Non-current liabilities	132,580	152,580
Current liabilities	172,494	255,868
Total equity and liabilities	1,559,928	1,660,521

4. Information on business trends

Given the high level of its order book, DEME expects its revenue to increase strongly in 2017.

The Contracting division is expected in 2017 to confirm the positive trend observed in 2016.

The real estate division should markedly increase net result in 2017.

The result of the Holding and non-transferred activities division will be strongly dependent on how the CFE Group's situation in Chad evolves.

5. Dividend

At the general meeting of shareholders on 4 May 2017, CFE's board of directors will propose a gross dividend of €2.15 per share, representing a net dividend of €1.505, or a total distribution of €54,426,136.

6. Share information

At the end of the financial year, CFE's share capital amounted to €41,329,482.42, divided into 25,314,482 shares, with no declared par value. The Company's shares are registered or in electronic form.

CFE's equity base as of 31 December 2016 was as follows:

Shares with no par value	25,314,482
- registered shares	18,405,021
- shares in electronic form	6,909,461

Shareholders owning 3% or more of the voting rights relating to the shares they hold:

Ackermans & van Haaren NV Begijnenvest 113 B-2000 Antwerp (Belgium)	15,289,521 shares or 60.40%
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VINCI Construction SAS 5, cours Ferdinand-de-Lesseps F-92851 Rueil-Malmaison Cedex (France)	3,066,460 shares or 12.11%
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There has been no issue of convertible bonds or warrants.

Banque Degroof has been appointed as the 'Main Paying Agent'.

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

7. Corporate governance

The board of directors will propose to the general meeting to renew the director's mandates of Luc Bertrand, Piet Dejonghe, Jan Suykens, John-Eric Bertrand, Koen Janssen and Alain Bernard for a period of four years, ending after the annual general meeting of May 2021.

The board of directors will also propose to the general meeting to renew the director's mandate of Renaud Bentégeat for a period of three years ending after the annual general meeting of May 2020, and to appoint Pas de Mots SPRL, represented by Leen Geirnaerd, for a period of three years, ending after the annual general meeting of May 2020. Pas de Mots SPRL was co-opted by the board of directors on 7 October 2016.

8. Shareholders' agenda

- ordinary shareholders meeting: 4 May 2017
- publication of interim statements: 19 May 2017 *(before opening of the stock market)*
- dividend payment: 25 May 2017
- publication of half-year financial statements: 31 August 2017 *(before opening of the stock market)*
- publication of interim statements: 22 November 2017 *(before opening of the stock market)*

The statutory auditor, Deloitte, Reviseurs d'Entreprises, represented by Michel Denayer and Rik Neckebroek, has confirmed that it 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. Nevertheless, without qualifying its opinion, the auditor draws attention to the uncertainties as to the payment of the outstanding debts due by the Chadian government and the actions undertaken to facilitate their settlement.

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CFE is an industrial Belgian Group active in 3 different activities : Dredging, marine and environmental engineering, 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

For further information, please contact, at CFE:

- *Renaud Bentégeat, Chief Executive Officer, tel.: +32 2 661 13 27, mobile: +32 497 514 445, rbentégeat@cfe.be; or*
- *Fabien De Jonge, Chief Financial Officer, tel. +32 2 661 13 12 - Mobile +32 497 514 406 - fabien_de_jonge@cfe.be*