

CFE

Quarterly information at 31 March 2017

- **Revenue Q1 2017:** €674.2 million (+10.6%)
- **Order book:** €5,125.5 million at 31 March 2017 (+29.1%) (*)
- **Net financial debt:** €314.4 million at 31 March 2017 (€-59.2M) (*)

1. Key figures

Revenue In million €	31/03/2017	31/03/2016	Change
Dredging and Environment	510.3	401.3	+109.0
Contracting	159.1	196.2	-37.1
Other divisions and eliminations	4.8	12.2	-7.4
Total	674.2	609.7	+64.5

Order book In million €	31/03/2017	31/12/2016	31/03/2016
Dredging and Environment	4,130.0	3,800.0	3,098.0
Contracting	872.0	850.5	749.8
Other divisions	123.5	106.2	122.6
Total	5,125.5	4,756.7	3,970.4

Net financial debt In million €	31/03/2017	31/12/2016	31/03/2016
Dredging and Environment including restatements	278.7	155.0	326.1
Other divisions & Holding	35.7	58.1	47.6
Total	314.4	213.1	373.7

(*) compared to 31/03/2016

2. Analysis by division

Dredging & Environment division

Key figures

In million €	31/03/2017	31/12/2016	31/03/2016
Revenue	510.3	1,978.2	401.3
Economic revenue (*)	512.1	1,978.2	402.2
Net financial debt	278.7	155.0	321.0
Net economical financial debt (*)	277.0	154.6	334.9
Order book	4,130.0	3,800.0	3,098.0

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

Revenue

DEME's revenue (€510.3 million) increased by more than 27% compared with the first quarter of 2016.

This growth is primarily attributable to the significant development of the offshore wind projects realized by GeoSea. During the first quarter of 2017, the 'Innovation', flagship of GeoSea's fleet, completed the installation of the 56 foundations for the Galloper wind farm, situated 27 km off the UK coast. In the German North Sea, the installation of the foundations and transition pieces for the 66 wind turbines of the Merkur project began in April 2017, while in Belgium the design and production of the 42 monopiles for the Rentel project continued.

In dredging, apart from the continuation of two major projects in Singapore (extension of Jurong Island (JIWE) and extension of the Tuas Terminal - Phase 1), DEME had a busy first quarter in Africa.

Order book

DEME's order book was worth €4.13 billion, up 8.7% on 31 December 2016.

These are some of the major contracts that were won in the first quarter of 2017:

- EPCI contract for the Hohe See wind farm (497 MW capacity), situated 90 km off the German island of Borkum in the North Sea, for which the financial close was reached in February 2017. Production of the 71 monopiles and transition pieces will start in 2017, and installation is scheduled for 2018;
- Contract for the design, construction and maintenance (DBM) of the first section of the Rijnland Route in the Netherlands;
- Dredging contract for Phase 2 of the Seabird project for the Indian Navy;
- Contract for land reclamation works in South Male Atoll in the Maldives.

As was pointed out previously, the contract for the Fehmarnbelt link (€700 million euros, DEME share) will only be included in the order book once the necessary building permits have been delivered by the German authorities.

Capital Expenditure

Capital expenditure in the first quarter of 2017 amounted to €193 million, consisting primarily of the down payments made on the eight vessels under construction. Some of those down payments already had to be made at the end of 2016, but were deferred to the beginning of 2017 because of delays at the shipyards.

At the beginning of March, DEME announced the construction of two new vessels:

- The 'Spartacus', a cutter suction dredger with an installed power of 44,180 kW, which will be the world's most powerful vessel in its class (Smart Mega Cutter Suction Dredger). This vessel, which will be able to dredge to a depth of 45 metres, will be particularly suited for dredging works on rocky beds and in the hardest types of soil out at sea. It is due for completion in 2019;
- The 'Orion', a new-generation offshore installation vessel which GeoSea will use for the construction of offshore wind farms, for works in the oil and gas industry, and for the dismantling of offshore installations. It is due for completion in 2019.

Outlook

Thanks to the development of its offshore activities, DEME will see a substantial growth in revenue in 2017.

Based on the latest forecasts, the EBITDA margin (as a percentage of revenue) is expected to range between 16 and 20%.

Contracting division

Key figures

In million €	31/03/2017	31/12/2016	31/03/2016
Revenue	159.1	770.5	196,2
Order book	872.0	850.5	749,8

Revenue

In million €	31/03/2017	31/03/2016
Construction	107.5	146.4
<i>Buildings, Belgium</i>	78.3	117.6
<i>Buildings, International</i>	29.2	28.8
Multitechnics	36.8	35.2
Rail Infra & Utility Networks	14.8	14.6
Total Contracting	159.1	196.2

CFE Contracting reported a decrease in activity during the first quarter of 2017 (€159.1 million as against €196.2 million in the first quarter of 2016).

The decrease in revenue only affected the Belgian construction entities, whereas the other activities (International Buildings, Multitechnics and Rail Infra & Utility Networks) recorded a slight increase.

Order book

In million €	31/03/2017	31/12/2016
Construction	658.5	648.7
<i>Buildings, Belgium</i>	495.3	505.0
<i>Buildings, International</i>	163.2	143.7
Multitechnics	152.4	143.4
Rail Infra & Utility Networks	61.1	58.4
Total Contracting	872.0	850.5

The order book came in at €872 million, up 2.5% on 1 January 2017.

Order intake was particularly high in Luxembourg and Poland. In Belgium, however, the order book for construction shrank slightly: even as volumes increase, particularly in Brussels and Wallonia, prices remain competitive.

On the other hand, there was a growth in the order book for Multitechnics and Rail Infra & Utility Networks.

Real Estate division

Evolution of real estate projects

In million €	31/03/2017	31/12/2016
Properties being marketed	17	17
Properties under construction	33	35
Properties in development	74	78
Total	124	130

In March 2017, BPI concluded two major transactions, namely the sale to an institutional investor of its stake in the Kons building (20,600m² project situated opposite Luxembourg station) and the sale to its partner of its stake in the residential project Oosteroever in Ostend, Belgium.

Those two transactions have a very favourable impact on the consolidated net result of BPI.

Holding, Non-transferred Operations, Interdivision Eliminations

In million €	31/03/2017	31/03/2016
Revenue	1.8	10.6

The division's revenue includes €-6.3 million inter-division eliminations. Adjusted for this item, the revenue of the non-transferred activities amounted to €8.1 million in the first quarter of 2017 (as against €11.8 million in the first quarter of 2016). Activity is primarily concentrated on the Brussels-South wastewater treatment plant project, where work is progressing according to schedule.

In Chad, no progress has been recorded in the collection of CFE's account receivables. CFE's exposure remains unchanged at €60 million.

Perspectives – CFE excluding DEME

Excluding potential non-recurring items, the non-dredging activities are expected to increase their contribution to the Group's net result in 2017.

3. Corporate governance

The general meeting of 4 May 2017 renewed the director's mandates of Luc Bertrand, John-Eric Bertrand, Piet Dejonghe, Jan Suykens, Alain Bernard and Koen Janssen for a period of four years. Luc Bertrand was reappointed as chairman of the board of directors.

The general meeting also renewed the director's mandate of Renaud Bentégeat for a period of three years. He and Piet Dejonghe were both reappointed as managing directors.

Finally, the general meeting approved the appointment of Pas de Mots SPRL, having as its permanent representative Leen Geirnaerd, for a period of three years. Pas de Mots SPRL and its permanent representative, Leen Geirnaerd, meet the independence criteria defined in Article 526c of the Companies Code and in the 2009 Belgian Corporate Governance Code.

4. Shareholders' agenda

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| - Dividend payment: | 24 May 2017 |
| - Publication of half-year financial statements: | 31 August 2017 <i>(before opening of the stock market)</i> |
| - Publication of interim statements: | 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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