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PRESS RELEASE

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CFE

- . Turnover increased (+19 %)
- . **Significant improvement of operational (+26 %) and net result (+60 %)**
- . Gross dividend: 16 euro (+52 %)

The board of directors of the Compagnie d'Entreprises CFE examined and closed the accounts of the year 2006 in its session of 6th of March 2007.

1. Summary of the exercise

The year 2006 is characterized by a strong activity increase and a significant growth of the results driven by the four segments.

The group's 2006 consolidated revenue amounts 1,164 million euro representing a growth of 19,3% compared to last year. The operational result amounts 65.9 million euro compared to 52.2 million euro in 2005, a growth of 26%. The net profit share of the group amounts 40.7 million euro compared to 25.5 million euro in 2005. The order book attained 1,425 million euro (1,272 million euro as of January 1th 2006), representing more than 13 months' activity.

Order book, revenue and profits of the business segments

Construction segment

The construction segment's order book amounts to 573 million euro (529 million euro on January 1th 2006). The order book has been significantly reinforced in Wallonia (Bageci), in Luxemburg (CLE) in Central Europe (CFE Polska & CFE Hungary), while there is a decline at Bâtiments et Ponts Construction (the end of the Dexia Tower site in Brussels), as well as at Van Wellen. The order books in the Netherlands (CFE Nederland) and in Flanders (MBG) still suffer from the lack of important orders in civil engineering.

MBG is actively following the current tenders for large projects in public private partnership. The "Noriant" partnership, at which CFE participates actively, has been invited to propose its best offer.

Revenue as a whole has been maintained at a correct level and reaches 537 million euro (490 million euro in 2005), the incidence of the modification of the participation in Van Wellen amounts to 49 million euro.

Segment's operational result, positively influenced by MBG, Bâtiments et Ponts Construction, Van Wellen and CFE Polska, is in progress (11.8 million euro compared to 10.2 million euro in 2005), whereas Bageci and CFE Nederland still suffer from the insufficient activity level and some site losses. The previously experienced occasional difficulties on an important building site are resolved. The study costs for large projects in public private partnership have, consistent with the past, been expensed as incurred. The net profit amounts to 6.2 million euro compared to 5 million euro for the same period 2005.

Real Estate and associated services segment

The extent of the order book doesn't translate the activity intensity of the real estate and associated services segment. Several projects are either in study phase, waiting for a permission, in development (Uccle Calevoet, Brugmann, Erasmus, Arlon) or in progress ("Sandcourt" in Brussels, "Réduit des Dominicains" in Tournai, the "Dôme" and "Greenwood" in Grand Duchy Luxembourg). The commercialisation of these projects progresses favourably. The net profit of the segment amounts to 7.6 million euro against 3.1 million euro in 2005. In the first half 2006 it was positively influenced by the sale of the building on the "Place de la Reine" in Brussels and the finalisation of the "Tower B Porte de L'Europe" at Grand Duchy Luxembourg, and in the second half 2006 by the disposal of the project "Dôme" to an investor. This project needs to be accomplished before the end of the first quarter 2007. In associated services, Sogesmaint and CB Richard Ellis merged their property management activities in May 2006. Sogesmaint-CBRE's revenue and net result increase.

Dredging & environment segment

(The amounts concerning DEME in this chapter are expressed at 100 %, CFE owning 50 % of this company.)

DEME's order book is in expansion and amounts to 1,600 million euro compared to 1,390 million euro at the beginning of the year. This growth is due to different orders (Middle East, South America, India and China) and also due to the contract obtained in joint-venture for the maintenance of "The River Scheldt".

Revenue is up to more than 27% and amounts 1,077 million euro compared to 845 million euro at the end of 2005. Operating result increases and amounts 82.1 million euro compared to 78.6 million euro end 2005, and this unless temporary difficulties encountered on a site in the Middle East and the consequences of a river-tsunami in India. The occupation rate of the dredges remains high.

The net result of DEME increased by 24 % and amounts to 50.4 million euro compared to 40.7 million euro in 2005.

Deme continues with its investment efforts. The production capacity increases due to the acquisition of the dredge Melina (3.550 m³) and by the launching into operation of the dredge Marieke (5.600 m³). The dredge Reynaert (5.600m³) is under construction (delivery expected in March 2007) and the construction of the dredges Brabo (11.650 m³) and Breydel (9.000 m³) were launched in November 2006.

At the end of the year, CFE and AvH decided to create a new subsidiary Rent A Port active in consultancy and the development of harbour sites.

Multitechnical segment

The order book increased slightly and amounts 45 million euro. The revenue has raised by almost 33 % and amounts 61 million euro (46 million euro in 2005).

The redressing of Vanderhoydoncks has been achieved and the company turned out to be profitable again. The redressing of this company, the good performances of Nizet, Voltis and Engema allow the segment to draw a net result of 2.4 million euro in comparison to a net result of 1.1 million euro for 2005.

At the end of 2007 the decision was taken to open a second Voltis warehouse in Waterloo, the opening is scheduled in autumn 2007.

Significant economic data by segment

| Order book (in million euro) | As of January 1, 2006 | As of January 1, 2005 |
|--|------------------------------|------------------------------|
| Construction | 572.6 | 529.3 |
| <u>Real estate and associated services</u> | <u>6.7</u> | <u>4.3</u> |
| Sub-total | 579.3 | 533.6 |
| Dredging and environment | 800.5 | 695.0 |
| Multitechnical | 44.8 | 43.9 |
| Total consolidated | 1,424.6 | 1,272.5 |

| Sales (in million euro) | 2006 | 2005 |
|-------------------------------------|----------------|--------------|
| Construction | 537.2 | 489.6 |
| Real estate and associated services | 28.4 | 22.8 |
| <u>Inventory effect</u> | <u>(1.3)</u> | <u>(5.2)</u> |
| Sub-total | 564.3 | 507.2 |
| Dredging and environment | 538.7 | 422.6 |
| Multitechnical | 60.9 | 45.6 |
| Total consolidated | 1,164.0 | 975.4 |

| Contribution to the operating result - part of the group (in thousands of euro) | 2006 | 2005 |
|--|---------------|----------------|
| Construction | 11,755 | 10,150 |
| Real estate and associated services | 12,121 | 4,513 |
| <u>Stockeffect</u> | <u>411</u> | <u>(1,740)</u> |
| Sub-total | 24,287 | 12,923 |
| Dredging and environment (*) | 39,148 | 36,713 |
| Multitechnical | 3,489 | 2,340 |
| Holding | (1,030) | 206 |
| Total consolidated | 65,894 | 52,182 |

| Contribution to the net result - part of the group (in thousand euro) | 2006 | 2005 |
|--|---------------|----------------|
| Construction | 6,238 | 5,020 |
| Real estate and associated services | 7,591 | 3,128 |
| <u>Stockeffect</u> | <u>268</u> | <u>(1,167)</u> |
| Sub-total | 14,097 | 6,981 |
| Dredging and environment (*) | 23,441 | 17,386 |
| Multitechnical | 2,392 | 1,049 |
| Holding | 775 | 86 |
| Total consolidated | 40,705 | 25,502 |

(*) after appropriation of quote-part central costs

2. The results

2.A.1 The consolidated profit and loss account (IFRS)

| For the period ending at In thousands of euro | 2006 | 2005 |
|---|------------------|-----------------|
| Revenue | 1,164,019 | 975,406 |
| Revenue from auxiliary activities | 47,584 | 30,296 |
| Purchases | (704,771) | (580,351) |
| Wages, salaries and social charges | (207,534) | (185,460) |
| Other operating charges | (179,482) | (144,954) |
| Depreciations | (53,922) | (42,755) |
| Operating result | 65,894 | 52,182 |
| Net finance cost | (10,459) | (7,967) |
| Other financial charges and income | 1,877 | (4,284) |
| Financial result | (8,582) | (12,251) |
| Profit before taxes for the period | 57,312 | 39,931 |
| Income tax expense | (15,663) | (13,377) |
| Result of the period | 41,649 | 26,554 |
| Share in the result of associated companies | 357 | 329 |
| Profit (including minority interests) for the period | 42,006 | 26,883 |
| Minority interestss | (1,301) | (1,381) |
| Net profit of the group | 40,705 | 25,502 |
| Net profit per share (EUR) basic & diluted | 68.9 | 43.8 |

2.A.2 The consolidated balance sheet (IFRS)

| At In thousands of euro | 31 December 2006 | 31 December 2005 |
|--|---------------------|---------------------|
| Intangible assets | 4,977 | 2,784 |
| Goodwill | 8,575 | 7,595 |
| Property, plant and equipment | 379,907 | 305,904 |
| Property investments | 24,493 | 24,667 |
| Investments in associates | 3,103 | 6,042 |
| Other non current financial assets | 8,712 | 13,975 |
| Fair value of derivative instrument assets | 1,930 | 1,948 |
| Other non current assets | 10,296 | 16,912 |
| Deferred tax assets | 2,926 | 5,758 |
| Total non current assets | 444,919 | 385,585 |
| Inventories | 98,190 | 95,252 |
| Trade receivables and other operating receivables | 520,380 | 465,553 |
| Other current assets | 12,185 | 19,050 |
| Non current asset held for sale | 1,052 | 1,286 |
| Current financial assets | 5,780 | 55 |
| Cash and cash equivalents | 140,724 | 88,356 |
| Total current assets | 778,311 | 669,552 |
| Total assets | 1,223,230 | 1,055,137 |
| Issued capital | 21,375 | 19,000 |
| Share premium | 61,463 | 18,213 |
| Reserves | 1,549 | 2,786 |
| Retained earnings | 184,618 | 150,023 |
| Translation differences | (3,542) | 427 |
| Equity - part of the group | 265,463 | 190,449 |
| Minority interest | 4,158 | 8,688 |
| Equity | 269,621 | 199,137 |
| Pensions and employee benefits | 16,269 | 17,049 |
| Provisions | 2,709 | 2,224 |
| Other non current liabilities | 9,519 | 7,326 |
| Financial debts | 137,027 | 153,890 |
| Fair value of derivative instruments liabilities | 1,016 | 3,845 |
| Deferred tax liabilities | 12,439 | 20,646 |
| Total current liabilities | 178,979 | 204,980 |

| | | |
|--|------------------|------------------|
| Provisions for termination losses | 22,601 | 15,421 |
| Provisions for other current risks | 21,552 | 23,012 |
| Trade payables & other operating liabilities | 370,042 | 367,115 |
| Tax liability due for payment | 39,150 | 25,053 |
| Current financial debts | 151,182 | 114,430 |
| Other current liabilities | 170,103 | 105,989 |
| Total current liabilities | 774,630 | 651,020 |
| Total Equity and liabilities | 1,223,230 | 1,055,137 |

2.A.3 Comments on the balance sheet, cash flow and investments

The net financial debt of the group CFE amounts 141.7 million euro as of December 31, 2006, an amelioration of 32.6 million euro compared to December 31, 2005, while Demes net financial debt, driven by the current investment program, increases with 62,9 million euro (share CFE) (net financial debt Deme as of December 31, 2006 share CFE: 189.7 million euro against 127.2 million euro as of December 31, 2005 share CFE).

The other segments have a positive cash position of 48 million euro, being 95.1 million euro in progress compared to 2005. This amelioration is explained by the commercialisation of the project Dôme at Grand Duchy Luxemburg and by less need in working capital by all segments. In addition the cash position of the group was positively influenced by the capital increase at CFE SA for 46.8 million euro.

Consequently the financial structure of the group strengthened significantly in 2006. Shareholder's equity increases with 70.5 million EUR and amounts 269.6 million euro, representing a gearing of 22% (18% end 2005).

The provisions for risks (current and non current) increased with 6.2 million euro and amounts 46.9 million euro as of 2006.

The return on equity (ROE), calculated on shareholders' equity (end of 2006) amounts 15.3 %, an increase compared with last year.

| <u>In thousand EUR</u> | <u>2006</u> | <u>2005</u> |
|-------------------------------------|--------------------|--------------------|
| Cash flow from operating activities | 128,903 | 30,548 |
| Cash flow from investing activities | (134,929) | (95,814) |
| Cash flow from financing activities | 59,404 | 54,238 |
| Net increase /(decrease) of cash | 53,378 | (11,027) |
| Equity – part of the group | 265,463 | 190,449 |
| Net result of the year | 40,705 | 25,502 |
| ROE | 15,3% | 13,4% |

2.A.4 Consolidated statement of changes in equity as of December 31, 2006

| (In thousand euro) | Issued Capital | Share premium | Retained earnings | Reserves | Translation differences | Equity Part of the Group | Minority interests | Total |
|---|----------------|---------------|-------------------|--------------|-------------------------|--------------------------|--------------------|----------------|
| As per December, 31 2005 | 19,000 | 18,213 | 150,023 | 2,786 | 427 | 190,449 | 8,688 | 199,137 |
| Capital increase | 2,375 | 44,392 | | | | 46,767 | | 46,767 |
| Capital increase related costs | | (1,142) | | | | (1,142) | | (1,142) |
| Gain on investments available for sale & cash flow hedge | | | | (1,237) | | (1,237) | | (1,237) |
| Translation differences for the period | | | | | (3,969) | (3,969) | | (3,969) |
| Net result for the period | | | 40,705 | | | 40,705 | 1,301 | 42,006 |
| Dividends paid to shareholders | | | (6,110) | | | (6,110) | | (6,110) |
| Change in the consolidation scope & dividends of minorities | | | | | | | (5.831) | (5.831) |
| As per December 31, 2006 | 21,375 | 61,463 | 184,618 | 1,549 | (3,542) | 265,463 | 4,158 | 269,621 |

2.A.5 Key figures per share

| | 31/12/2006 | 31/12/2005 |
|---|------------|------------|
| Total number of shares | 654,613 | 581,879 |
| Operating result after deduction of the net financial charges per share | 87,6 | 68,6 |
| Net profit of the group per share (as of end 2006) | 62,2 | 43,8 |

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

| (in thousand EUR) | 2006 | 2005 |
|---------------------------|---------------|---------------|
| Turnover and other income | 257,974 | 252,982 |
| Turnover | 223,463 | 227,016 |
| Operational result | 1,773 | 2,266 |
| Financial result | 23,983 | 12,553 |
| Current result | 25,756 | 14,818 |
| Exceptional revenues | 56 | 11 |
| Exceptional costs | -5,524 | -914 |
| Profit before taxes | 20,288 | 13,915 |
| Taxes | 135 | 245 |
| Profit of the year | 20,423 | 14,161 |

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

| (in thousand EUR) | 2006 | 2005 |
|-------------------------------------|----------------|----------------|
| Assets | | |
| Fixed assets | 180,820 | 182,041 |
| Current assets | 201,867 | 190,523 |
| Total Assets | 382,687 | 372,564 |
| | | |
| Equity and liabilities | | |
| Equity | 144,911 | 88,194 |
| Provisions & deferred taxes | 37,655 | 34,256 |
| Non current liabilities | 628 | 561 |
| Current liabilities | 199,493 | 249,553 |
| Total equity and liabilities | 382,687 | 372,564 |

3. Outlook

The high order book level, the increased production capacity in dredging and the outlook that the real estate development project "Jardins de la Couronne Offices" might be sold, permits to foresee a well balanced growth of revenue and result in 2007.

4. Capital remuneration

The board of directors of CFE SA proposes to the Ordinary General Meeting of May 3th 2007 to allocate a gross dividend of 16 euro (against 10,5 euro in 2005) per share being a net dividend of 12 euro (compared to 7,87 euro in 2005) corresponding to a distribution of 10,473,808 euro. After distribution, the profit carried forward amounts to 27.057.924 euro.

5. Shares information

As of December 31, 2007, 654,613 shares had been issued. Each share carries the right of one vote. There has been no issue of convertible obligations or warrants. The financial institutions through which the holders of financial instruments can exercise their financial rights are : Banque Degroof, Fortis Banque and ING Belgique.

CFE's board of directors has decided to initiate the process allowing the split of CFE's share to make it effective as from January 1st, 2008.

Hereto a general meeting will be convened during the second semester.

6. Corporate governance

It is proposed to the general meeting :

- the nomination of Richard Francioli as director
- the renewal of the mandate of auditor Deloitte, Reviseurs d'Entreprises, represented by Rik Neckebroeck.

7. Shareholders agenda

- Ordinary General meeting : May 3, 2007
- Settlement of dividend (coupon 123): May 30, 2007
- Publication half year result : week from August 27 to 31, 2007

The Statutory Auditor, Deloitte Bedrijfsrevisoren/Reviseurs d'Entreprises, represented by Rik Neckebroeck, confirmed not to have any reservation with respect to the accounting information included in this press release and that it corresponds with the financial statements as approved by the board of directors.

CFE is a group of companies dealing with construction and associated services, quoted on Euronext in Brussels and of which VINCI holds 47% of the capital. CFE is at the forefront of the construction trade in Belgium and is also very active in the Netherlands, Luxembourg and in Central Europe. CFE is a shareholder in DEME, one of the primary entrepreneurs in the field of dredging globally.

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

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