



PRESS RELEASE

CFE

Results of financial year 2007

STRONG OVERALL INCREASE

- . Turnover : +26 %**
- . Order book : +30 %**
- . Operational result : +50%**
- . Net result : +53%**
- . Dividend: +50%**

The board of directors of the Compagnie d'Entreprises CFE examined and closed the accounts of the year 2007 in its session of 26th of February 2008.

1. Summary of the exercise

The consolidated turnover of the group is 1,468 million euro (1,164 million euro in 2006) representing a growth of 26% compared to last year.

The operational result amounts 99 million euro (65.9 million euro in 2006), an increase of 50%. This can be explained by the very favourable evolution of the results of the dredging and real estate divisions. The net profit, share of the group, attains 62.4 million euro (40,7 million euro in 2006).

The order book attains 1,855 million euro (1,425 million euro as of 1st January 2007), representing more than 14 months of activity.

Order book, revenue and profits of the business divisions

Construction division

The construction division's order book amounts to 880 million euro (573 million euro as of 1st January 2007). Especially within MBG, which obtained the Diabolo project (the raillink between Brussels Airport and the motorway E19), and Poland a substantial increase in orders can be noted. The order book of Bâtiments et Ponts Construction, Van Wellen and CFE Brabant has seen a significant increase while in Luxemburg and the Netherlands there is a decline. Amart, taken over in June 2007 and specialised in restoration and renovation works, entered into the group and represents a turnover of 25 million euro.

In Belgium, the Noriant consortium, in which CFE participates, has been notified preferred bidder for the "Oosterweel-liaison". The same happened in the Netherlands where the « Coentunnel Company », in which CFE is one of the partners, has been withheld as preferred bidder. The respective joint ventures will start up final negotiations for these design, build, finance and maintenance projects. If these negotiations would be successful, works could - in the best case - start end 2008 or early 2009.

The activity of the construction division increases with 30% and reaches 696 million euro. The operational result attains 11.2 million euro and improved for the majority of the entities. The increasing weight of the tendercosts engaged for the big infrastructure projects and the encountered difficulties on a major project in Luxemburg and within the company ABEB have had an impact on this result. The project in the Luxemburg will be delivered within the first semester of 2008 and it was decided to liquidate voluntarily ABEB.

The net result amounts to 7.1 million euro compared to 6.2 million euro in 2006.

Real Estate and associated services division

The real estate activity remains strong. Various projects are being studied, awaiting the required permits or are being pre-commercialized : Uccle Calevoet and Erasmus (residential), Sterpenich (shoppingmall), Gdansk (residential - Poland) and translate the implemented diversification strategy as well geographically as productwise. In the Grand Duchy of Luxemburg, CLi has concluded, subject to obtaining the necessary permits, an agreement with an investor, to realise a real estate project that will meet the requirements of the "HQE" label (high environmental quality). Other projects are either under construction or will be delivered : Laeken, Jette, Sandcourt, Brugmann (residential projects in Brusselss), the restoration of the Dominican monastery in Tournai (residential) and Grunwald (residential – Grand Duchy of Luxemburg). The commercialisation of these projects is satisfactory.

The operating result of the division, driven by the a pushed commercialisation, the sale of Crown Avenue (offices), an additional result on the Dôme project in Luxemburg and a surplus value realised on a minority stake in the Liège based Mediacité project, exceeds 14.8 million euro (12.1 million euro in 2006).

The net result amounts to 12 million euro (7.6 million euro in 2006).

The purchase of land foreseen during the capital increase has been realised for the greater part. CFE continues its policy with respect to the purchase or the control of new land.

Dredging & environment division

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

The growth of maritime traffic, the needs related to energy and tourism influence and push the current dredging cycle positively. DEME's order book followed this trend and attained 1.811 million euro at the end of December 2007, compared to 1.601 million euro in the beginning of the year. DEME obtained many substantial contracts; in the North Sea, the deeping of the River Scheldt, in the United Arab Emirates, in Brazil, in Australia, in India and in South Africa, its subsidiary DEC obtained an important contract related to the clean up of the future Olympic Park in London.

DEME's turnover increased by 22% and reached 1.314 million euro compared to 1.077 million euro in 2006 .

The operational result of DEME increased significantly and amounts to 148.5 million euro compared to 82.1 million euro in 2006. This can be deducted from the high occupation rate of the fleet, an increased efficiency and an improvement of the prizes.

The net result amounts to 90.2 million EUR (50.4 million EUR in 2006).

DEME has continued its investment programme. The trailer suction hopper dredger Brabo, with a capacity of 11,650 m³ is operational as from November 2007 and the trailer suction hopper dredger Breydel with a capacity of 9,000 m³ has been launched at the end of the year and will be operational by May 2008.

Early 2008, DEME has made a decision related to a new investment plan in dredgers and other maritime equipment. This plan represents a total investment of about 460 million euro to be realised before 2012.

Multitechnics division

The orderbook of the multitechnical division amounts to 59 million euro compared to 45 million at the beginning of the year. This growth is due to the addition of the company VMA, purchased in June 2007, to the consolidation circle of the group. VMA realises total projects at the same time in the electrotechnical area for the service industry, business and industrial sector, as well as in the area of industrial and process automation. The turnover increases and attains 80 million euro (61 million euro in 2006), VMA is responsible for the greater part of this growth. The operational result remains satisfying and amounts to 3.9 million euro (3.5 million euro in 2006), the impact of the external growth is 1.1 million euro.

The net results amounts to 2.6 million euro (2.4 million euro in 2006).

PPP - Concessions

Taken into account the multiplication of public-private partnership projects, the positive evolution of the "Oosterweel-liaison" and the Coentunnel and the development of Rent-A-Port, CFE has decided, at the end of the year, to create a fifth division.

The turnover (2.1 million euro), the operational result (0.2 million euro) and the net result (0.5 million euro) represents on the one hand the stake of the group in the result of Rent-A-Port and its subsidiaries, in which CFE holds 45%, and on the other hand the expenses, related to this financial year, with respect to the concessionary part for the "Oosterweel-liaison".

Holding

The holding has an operational result of -5.7 million euro. This loss is only due to a depreciation on a historically acquired land and the simultaneous constitution of a risk provision related to this site, where an historic pollution has been discovered.

The net result amounts to -3,4 million euro (0.8 million euro in 2006).

Significant economic data by division

Order book (in million euro)	As of January 1, 2008	As of January 1, 2007
Construction	880.0	572.6
<u>Real estate and associated services</u>	<u>9.9</u>	<u>6.7</u>
Sub-total	889.9	579.3
Dredging and environment	905.6	800.5
Multitechnics	59.5	44.8
Total consolidated	1,855.0	1,424.6

Sales (in million euro)	2007	2006
Construction	695.6	537.2
Real estate and associated services	36.4	28.4
<u>Inventory effect</u>	<u>-2.1</u>	<u>-1.3</u>
Sub-total	729.9	564.3
Dredging and environment	656.9	538.7
Multitechnics	80.1	60.9
PPP-Concessions	2.1	
Holding (inter segment eliminations)	-1.4	
Total consolidated	1,467.6	1,164.0

Contribution to the operating result - part of the group (in thousand euro)	2007	2006
Construction	11,178	11,755
Real estate and associated services	14,843	12,121
<u>Stockeffect</u>	<u>1,719</u>	<u>411</u>
Sub-total	27,740	24,287
Dredging and environment	72,859	39,148
Multitechnics	3,921	3,489
PPP - Concessions	241	
Holding	-5,735	-1,030
Total consolidated	99,026	65,894

Contribution to the net result - part of the group (*) (in thousand euro)	2007	2006
Construction	7,059	6,238
Real estate and associated services	12,023	7,591
<u>Stocheffect</u>	<u>1,240</u>	<u>268</u>
Sub-total	20,322	14,097
Dredging and environment	42,474	23,441
Multitechnics	2,557	2,392
PPP - Concessions	479	
Holding	-3,396	775
Total consolidated	62,436	40,705

(*) after appropriation of share in central costs

2. An overview of the results

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

For the period ending at December 31,
(in thousand euro)

	2007	2006
Revenue	1,467,640	1,164,019
Revenue from auxiliary activities	35,438	47,584
Purchases	-904,664	-704,771
Wages, salaries and social charges	-237,934	-207,534
Other operating charges	-194,569	-179,482
Depreciations	-66,885	-53,922
Operating result	99,026	65,894
Net finance cost	-11,133	-10,459
Other financial charges and income	-4,036	1,877
Financial result	-15,169	-8,582
Profit before taxes for the period	83,857	57,312
Income tax expense	-21,505	-15,663
Result of the period	62,352	41,649
Share in the result of associated companies	1,695	357
Profit (including minority interests) for the period	64,047	42,006
Minority interestss	-1,611	-1,301
Net profit of the group	62,436	40,705
Net profit per share (EUR) basic & diluted	4.77 (*)	3.44 (*)

(*) after the share split by 20

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

For the period ending at December 31 (in thousand euro)	2007	2006
Intangible assets	4,535	4,977
Goodwill	22,080	8,575
Property, plant and equipment	414,085	379,907
Property investments	14,314	24,493
Investments in associates	8,902	3,103
Other non current financial assets	6,870	8,712
Fair value of derivative instrument assets	1,284	1,930
Other non current assets	22,131	10,296
Non current deferred tax assets	1,181	1,181
Total non current assets	495,382	443,577
Inventories	77,704	98,190
Trade receivables and other operating receivables	617,609	520,380
Other current assets	17,091	12,185
Fair value of derivative instruments current	2,488	
Current deferred tax assets	1,442	1,342
Non current asset held for sale	0	1,052
Current financial assets	57	5,780
Cash and cash equivalents	141,470	140,724
Total current assets	857,861	779,653
Total assets	1,353,243	1,223,230
Issued capital	21,375	21,375
Share premium	61,463	61,463
Reserves	2,660	1,549
Retained earnings	236,580	184,618
Translation differences	-4,428	-3,542
Equity - part of the group	317,250	265,463
Minority interest	5,602	4,158
Equity	322,852	269,621
Pensions and employee benefits	16,865	16,269
Provisions	2,441	2,709
Other non current liabilities	11,496	9,519
Financial debts	151,360	137,027
Fair value of derivative instruments liabilities	756	1,016
Deferred tax liabilities	11,347	12,439
Total current liabilities	194,265	178,979

Provisions for termination losses	19,927	22,601
Provisions for other current risks	26,031	21,552
Trade payables & other operating liabilities	464,939	370,042
Tax liability due for payment	34,236	39,150
Current financial debts	93,189	151,182
Other current liabilities	197,804	170,103
Total current liabilities	836,126	774,630
Total Equity and liabilities	1,353,243	1,223,230

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

The net financial debt of the group CFE amounts to 103.1 million euro as of 31st of December 2007, an amelioration of 38.6 million euro compared to 31st December 2006. All divisions have a positive cash position. The net financial debt of DEME has slightly decreased compared to end 2006 and represents 181.2 million euro, share CFE, as of 31st December 2007 against 189.7 million euro, share CFE, as of 31st December 2006.

The financial structure of the group CFE has strengthened in 2007. Shareholder's equity increases with 53.2 million euro and amounts to 322.9 million euro, representing a gearing of 24% (22% end 2006).

The provisions for risks (current and non current) increased with 1,4 million euro and amounts to 48,3 million euro end 2007.

The return on equity (ROE), calculated on the opening consolidated shareholders equity (without minority stakes) amounts to 23.5% end 2007, an improvement compared to last year.

In thousand EUR	2007	2006
Cash flow from operating activities	170,483	128,903
Cash flow from investing activities	-114,610	-134,929
Cash flow from financing activities	-52,656	59,404
Net increase /(decrease) of cash	3,217	53,378
Equity - part of the group on opening	265,463	190,449
Equity - part of the group on closing	317,250	265,463
Net result of the year	62,436	40,705
ROE	23.5%	21.4%

2.A.4 Consolidated statement of changes in equity as of December 31, 2007

(in thousand euro)	Issued Capital	Share premium	Retained earnings	Result directly recognized in equity	Reserves	Translation differences	Equity part of the group	Minority interests	Total
As per December 31, 2006	21,375	61,463	184,618	461	1,088	-3,542	265,463	4,158	269,621
Financial instruments : change in fair value on cash flow hedge				711			711		711
Translation differences for the period						-886	-886		-886
Net result for the period			62,436				62,436	1,611	64,047
Dividends paid to shareholders			-10,474				-10,474		-10,474
Change in the consolidation scope & dividends of minorities								-167	-167
As per December 31, 2007	21,375	61,463	236,580	1,172	1,088	-4,428	317,250	5,602	322,852

2.A.5 Key figures per share

	31.12.2007		31.12.2006	
	Pro forma (after split)	(before split)	Pro forma (after split)	(before split)
Total number of shares	13,092,260	654,613	13,092,260	654,613
Operating result after deduction of the net financial charges per share	6.41	128.1	4.38	87.6
Net profit of the group per share	4.77	95.4	3.11	62.2

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

(in thousand euro)	2007	2006
Turnover and other income	288,976	257,974
Turnover	260,735	223,463
Operational result	-4,639	1,773
Financial result	18,605	23,983
Current result	13,966	25,756
Exceptional revenues	0	56
Exceptional costs	-240	-5,524
Profit before taxes	13,726	20,288
Taxes	-34	135
Profit of the year	13,692	20,423

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

(in thousand euro)	2007	2006
Assets		
Fixed assets	213,969	180,820
Current assets	224,410	201,867
Total Assets	438,379	382,687
Equity and liabilities		
Equity	142,892	144,911
Provisions & deferred taxes	40,563	37,655
Non current liabilities	1,400	628
Current liabilities	253,524	199,493
Total equity and liabilities	438,379	382,687

3. **Outlook**

The high level of the order book, the good prospects in the different divisions authorize us to foresee an activity in 2008 that will be superior to 2007 and an operational result that will be of the same level or better than in 2007.

4. **Capital remuneration**

The Board of Directors of CFE SA proposes to the Ordinary General Meeting of 30th April 2008 to allocate a gross dividend of 1.2 euro (compared to 0.8 euro in 2006*) per share being a net dividend of 0.9 euro (compared to 0.6 euro in 2006*), corresponding to a distribution of 15,710,712 euro. After distribution, the profit carried forward amounts to 25,039,282 euro.

(*) comparable information based on a split of the share by 20.

5. **Shares information**

The extraordinary general meeting held on 8 October, 2007, approved the following:

- the Board of Directors' motion to abolish the company's bearer shares per 1 January, 2008
- the Board of Directors' motion per 1 January, 2008, to split by 20 the six hundred fifty four thousand six hundred and thirteen (654,613) company shares – without value listing, and fully paid up, and which represent the company capital of twenty one million three hundred seventy four thousand nine hundred seventy one EUR and forty three cent (21,374,971.43), as a result of which the said company capital shall from the stated date be represented by thirteen million ninety two thousand two hundred and sixty (13,092,260) shares.
- the motion to permit the company's Board of Directors to acquire 10% of the CFE company stocks over a period of eighteen months from publication of this resolution in the (Belgian Law Gazette) Belgisch Staatsblad, at a value representing the average of the last twenty closing rates of the CFE share on the Brussels Euronext stock exchange immediately preceding their acquisition, and increased by a maximum of ten percent (10%) or reduced by a maximum of fifteen percent (15%).

The company's shares are currently nominal, bearer or dematerialised shares. As a result of the split of the shares, on the one hand, and the dematerialisation, on the other hand, the shares have to be exchanged. The annual general meeting decided on the following modalities of exchange.

The exchange of the stated shares as a consequence of the splitting of shares and the conversion of the bearer shares into dematerialised shares shall simultaneously take place on 1 January, 2008.

The exchange of nominal shares shall automatically take effect. The number of partial shares for which they qualify shall be automatically allocated in the share register.

The exchange of existing bearer shares, as already listed in the stock account per 1 January, 2008, shall automatically take effect, and the number of partial shares for which they qualify shall be automatically allocated.

To exchange any existing bearer shares still physically held on 1 January, 2008, shareholders must either hand these in to a financial institution of their choice for registration in a stock account, or at the company's registered offices for recording in the shareholders' register. The number of partial shares shall then be offset or recorded in the register.

The exchange of the shares listed in the stock account with Fortis Bank and the exchange of such shares as are physically handed in over the counter to Fortis Bank shall take place free of charge to the share holder, except in the case of non Fortis clients where the cost of opening and of administrating accounts shall be at the shareholder's expense. In respect of exchanging shares registered with or handed in to any other financial institution, the shareholders concerned are requested to enquire about any possible costs chargeable by such institutions.

From 1 January, 2008, the exercise of any title in connection with bearer shares shall be suspended whilst they continue to be physically held. It is emphasized hereby that from 1 January, 2008, any holders of such material bearer shares must apply to have their shares dematerialised or exchanged for nominal shares in order to be entitled to attend an annual general meeting.

Any such material bearer shares issued by the company as are neither listed in a stock account nor recorded in the share register shall on 31 December, 2013, be legally converted into dematerialised shares.

Euroclear Belgium has been appointed as the executor. The split of the shares shall be carried out by Euroclear Belgium on the basis of the company's accounts.

The financial institutions with whom holders of financial instruments may assert their financial titles are the following: Bank Degroof, Fortis Bank and ING België.

6. **Corporate governance**

In the course of the 2007 financial year, the annual general meeting of 3 May, 2007, ratified the procedure to appoint Mr. Richard Francioli as director.

The annual general meeting of 3 May, 2007, appointed company bvba Ciska Servais, represented by Mrs. Ciska Servais, as director for a period of 4 years up to the annual general meeting to be held in May, 2011. The company bvba Ciska Servais, represented by Mrs. Ciska Servais, complies with the criteria of independence as laid down by the law and by the Belgian Corporate Governance code.

The annual general meeting of 3 May, 2007, has extended the mandate given to company auditors Deloitte Bedrijfsrevisoren BV o.v.v.e. CVBA, represented by Mr. Rik Neckebroek, for a period of 3 years. This candidacy was approved by the company's supervisory board at a fee of 111,500 euros per annum.

7. **Shareholders agenda**

- Ordinary General meeting : April 30, 2008
- Settlement of dividend : May 14, 2008
- Publication half year result : August 28 2008 after closing of the stock exchange

The Statutory Auditor, Deloitte Bedrijfsrevisoren/Reviseurs d'Entreprises, represented by Rik Neckebroek, 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 active in construction and associated services, quoted on Euronext Brussels in Brussels and of which VINCI holds 47% of the capital. CFE is one of the important players in the construction industry in Belgium and is also very present in the Netherlands, Luxemburg and in Central Europe. CFE is a shareholder in DEME (50%), one of the leading dredging contractors worldwide.

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



More info :

For more information, please contact one of the following persons at CFE :

- *Renaud Bentégeat, Managing Director, tel. 02/661.13.27 or mobile 0497/514.445, rbentégeat@cfe.be*
- *or Jacques Ninanne, Deputy General Manager Corporate – Chief Financial Officer, tel. 02/661.17.28, jninnan@cfe.be*