



PRESS RELEASE

CFE

First half-year 2008 results

Strong increase of revenue and results

The board of directors of the Compagnie d'Entreprises CFE examined and closed the accounts for the first half-year 2008 in its session of the 27th of August 2008.

The consolidated group revenue for the first half of 2008 is 837 million euro (623 million euro for the first half of 2007) representing a growth of 34% compared to the same period last year. The operating result amounts to 64.9 million euro (52.2 million euro for the first half 2007), which is a growth of 24%. The net profit share of the group is 43.7 million euro (35 million euro in the first half of 2007), representing a 25% increase. The order book amounts to 2,072 million euro representing more than 14 months of activity.

1. Order book, revenue and profits of the business divisions

Construction division

The construction division's order book amounts to 985.9 million euro at July 1, 2008 (880 million euro as of 1st January 2008). The civil infrastructure back log strengthened significantly. During the first half the consortium "Coentunnel Company" in which CFE participates, has obtained the order for the construction of a new tunnel and the renovation of the existing tunnel as part of a public private partnership.

Since the first of July CFE has also obtained, in partnership, the order for the construction of a rail tunnel in Delft. CFE's share represents 116 million euro.

The activity of the construction division increases with 33% and attains 397 million euro (298 million euro in first half 2007). The operating result progressed and amounts to 8.8 million euro (6.0 million euro for the first half of 2007) although it has been further negatively influenced by a major project in Luxemburg that has been delivered at the end of the first half.

The net profit amounts to 6.1 million euro compared to 2.8 million euro for the corresponding period in 2007.

Real Estate and associated services division

The real estate activity remains sustained. Various projects are being studied or in development, Gdansk (Poland), The Gallery (Budapest-Hungary), The Reserve (Knokke), Barbarahof (phase II) (Leuven) or are either under construction Uccle Calevoet (residential project), Arlon (residential – service flats), Climmolux (offices) Luxemburg. If we look at the commercialisation, the stock level remains limited.

On the investment side, a significant position has been obtained in Brussels due to an acquisition of an important piece of land situated nearby the South station.

As a result of the lack of significant operations the net profit amounts to 1.4 million euro (9.2 million euro in the first half of 2007 influenced by the sale of the project “Jardins de la Couronne bureaux”).

Dredging and environment division

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

DEME's order book continues its progress and attained 1,946 million euro (at 100%), compared to 1,811 million euro in the beginning of the year. During the first half DEME obtained many substantial contracts ; in particular the widening and deepening of the Panama canal, artificial islands in Ras-al-Khaimah (U.A.E.).

Since the first of July DEME has obtained the order of the extension and construction of "Port Rashid" in Dubai as well as the first phase of a new port at "London Gateway". Those two orders represent more than 400 million euro works (at 100 %).

DEME's revenue is in progress by 32% and reaches 721 million euro (at 100%) compared to 547 million euro at June 30, 2007.

DEME's operating result increased significantly and attains 100.8 million euro (at 100%) at the end of June 2008 compared to 67.1 million euro for the corresponding period in 2007. This reflects the improved market conditions as well as the mutual existence of increased capacity and high occupation rate.

The net profit follows the same evolution and amounts to 64.3 million EUR (at 100%) against 40.9 million euro at June 2007.

Finally, during the first half, DEME took into service the trailer suction hopper dredger Breydel with a capacity of 9,000 m³ and initiated the multi annual (2008-2012) investment plan of 500 million euro (at 100%).

Multitechnics division

The order book of the multitechnics division amounts to 99.8 million euro at the end of June 2008 compared to 59.5 million euro at the beginning of the year. This growth is predominantly due to the acquisition of the company Stevens NV and the consolidation by the global method of Druart SA. The back log of these companies amounts to 39.7 million euro.

The revenue shows a strong year-on-year increase due to the change in consolidation scope (entrance in the scope of Stevens NV, Druart SA and VMA NV) and exceeds the 65 million euro (31 million euro in the first half of 2007).

The operating result of the division remains satisfying and benefits from the favourable outcome of a claim. It attains 4.2 million euro (1.3 million euro in the first half of 2007). The net profit amounts to 2.8 million euro (0.8 million euro in the first half of 2007).

PPP-Concessions division

The first half is characterized by the obtaining of the Coentunnel contract. Besides the construction and the renovation of an existing tunnel, "Coentunnel Company BV" in which CFE holds a stake of 18% has to ensure the financing and the maintenance of the works during a 30 year period. This company is accounted for under the equity method. Rent-A-Port develops its service activities and the development of harbour sites. The operating result of the division attains 1.9 million euro. The net profit amounts to 2.2 million euro.

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

The net financial debt of the group CFE as of June 30, 2008 amounts to 133 million euro, an increase of 30 million euro in comparison to 31 December 2007.

The cash flow from investing activities amounts to 92.7 million euro for the first half of 2008 in comparison to 68 million euro for the corresponding period in 2007. These investments concern, on the one hand, the continuation of the investment plan at DEME and, on the other hand, the acquisition prices paid for Stevens NV, Druart SA and the acquisition of entities holding land.

Working capital slightly increased with 8.5 million euro due to the working capital financing of the Diabolo works and the real estate investments.

The capitalization of the group continues to be reinforced with shareholders' equity in progress by 28.9 million euro which amounts to 351.8 million euro and a gearing of 28% (24% end 2007).

3. Outlook 2008

Considering the order book, the activity of the group should generate revenue of around 1,700 million euro, representing an increase of around 16%.

The operating result should show a year on year comparable increase as the one recognized for the revenue.

4. Corporate governance

CFE received from VINCI Construction a notification dated July 28, 2008, that was addressed to the Commission Bancaire, Financière et des Assurances, confirming that they hold 46,84% of CFE's capital. This percentage has not been changed since the previous declaration made on October 11, 2007.

5. Significant economic data by division

<u>Revenue</u> <i>(in million euro)</i>	June 30, 2008	June 30, 2007	Variation %
Construction	396.8	297.9	+33.2%
Real estate and associated services	17.0	34.7	-51.0%
<u>Inventory effect</u>	<u>-1.4</u>	<u>-14.9</u>	<u>n.s.</u>
Sub-total	412.4	317.7	29.8%
Dredging and environment	360.7	273.6	+31.8%
Multitechnics	65.2	31.2	+109.0%
PPP-Concessions	1.3	0.9	+44.0%
Inter divisions eliminations	-2.3		
Total consolidated	837.3	623.4	+34.3%
<u>Order book</u> <i>(in million euro)</i>	July 1st, 2008	January 1st, 2008	Variation %
Construction	985.9	880.0	12.0%
<u>Real estate and associated services</u>	<u>13.1</u>	<u>9.9</u>	<u>n.s.</u>
Sub-total	999.0	889.9	12.2%
Dredging and environment	973.0	905.6	-0.6%
Multitechnics	99.8	59.5	71.9%
PPP-Concessions	-	-	
Total consolidated	2,071.8	1,855.0	7.9%
<u>Contribution to the operating result</u> <i>(in thousands of euro)</i>	June 30, 2008	June 30, 2007	Variation %
Construction	8,750	5,974	+46.5%
Real estate and associated services	2,279	10,898	-79.1%
<u>Inventory effect</u>	<u>-58</u>	<u>1,622</u>	<u>n.s.</u>
Sub-total	10,971	18,494	-40.7%
Dredging and environment (*)	50,080	32,970	+51.9%
Multitechnics	4,179	1,311	+218.8%
PPP-Concessions	1,929	344	n.s.
Holding and others	-2,277	-537	n.s.
Total consolidated	64,882	52,238	24.2%

<u>Contribution to the net result</u> <i>(in thousands of euro)</i>	June 30, 2008	June 30, 2007	Variation %
Construction	6,061	2,846	+113.0%
Real estate and associated services	1,372	9,182	-85.1%
<u>Inventory effect</u>	<u>-41</u>	<u>+1,143</u>	<u>n.s.</u>
Sub-total	7,392	13,171	-43.9%
Dredging and environment (*)	31,825	19,335	+64.6%
Multitechnics	2,752	770	+257.4%
PPP-Concessions	2,184	332	n.s.
Holding and others	-424	1,378	n.s.
Total consolidated	43,729	34,986	25.0%

(*) after appropriation of quote-part central costs

6. **Consolidated balance sheet**

<i>(in thousands of euro)</i>	June 30, 2008	December 31, 2007
Intangible assets	4,692	4,535
Goodwill	27,865	22,080
Property, plant and equipment	462,279	414,085
Property investments	7,828	14,314
Investments in associates	7,204	8,902
Other non current financial assets	8,757	6,870
Fair value of derivative instrument assets	2,886	1,284
Other non current assets	21,424	22,131
Non current deferred tax assets	1,613	1,181
Total non current assets	544,548	495,382
Inventories	120,662	77,704
Trade receivables and other operating receivables	684,349	617,609
Other current assets	28,498	17,091
Fair value of derivative instruments current	5,609	2,488
Current deferred tax assets	1,894	1,442
Non current asset held for sale	0	0
Current financial assets	53	57
Cash and cash equivalents	172,913	141,470
Total current assets	1,013,977	857,861
Total assets	1,558,525	1,353,243
Issued capital	21,375	21,375
Share premium	61,463	61,463
Reserves	2,427	2,260
Retained earnings	264,598	236,580
Translation differences	-6,385	-4,428
Equity - part of the group	343,478	317,250
Minority interest	8,286	5,602
Equity	351,764	322,852

<i>(in thousands of euro)</i>	June 30, 2008	December 31, 2007
Pensions and employee benefits	17,285	16,865
Provisions	2,016	2,441
Other non current liabilities	21,618	11,496
Financial debts	179,558	151,360
Fair value of derivative instruments liabilities	2,026	756
Deferred tax liabilities	14,212	11,347
Total current liabilities	236,715	194,265
Provisions for termination losses	14,928	19,927
Provisions for other current risks	26,693	26,031
Trade payables and other operating liabilities	539,506	464,939
Tax liability due for payment	30,685	34,236
Current financial debts	126,345	93,189
Other current liabilities	231,634	197,804
Fair value of derivative instruments current	255	
Total current liabilities	970,046	836,126
Total equity and liabilities	1,558,525	1,353,243

7. Consolidated profit and loss account

<i>(in thousands of euro)</i>	June 30, 2008	June 30, 2007
Revenue	837,329	623,390
Revenue from auxiliary activities	21,847	20,384
Purchases	(499,034)	(353,070)
Wages, salaries and social charges	(151,255)	(115,898)
Other operating charges	(109,582)	(92,856)
Depreciations	(34,423)	(29,712)
Operating result	64,882	52,238
Net financial cost	(3,882)	(5,641)
Other financial charges and income	(2,943)	(1,565)
Financial result	(6,824)	(7,206)
Profit before taxes	58,058	45,032
Income tax expense	(13,890)	(10,981)
Share of the group in the results of associated companies	995	1,422
Minority interests	(1,434)	(487)
Net profit of the group	43,729	34,986

8. Key figures per share

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
<u>Total number of shares</u>	13,092,260	(*) 654,613
Operating result after deduction of the net financial charges per share	4.43	(**) 3.44
Net profit of the group per share	3.34	(**) 2.67

(*) 654,613 shares corresponding to 13,092,260 shares after a 1/20 split

(**) equivalent after split by 20

9. Shares information

As of June 30, 2008 13.092.260 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 : Fortis Banque, Banque Degroof and ING Belgique.

10. Calendar 2008 – 2009

- week from February 23 to 27, 2009 : publication FY08 results
- May 7, 2009 : ordinary shareholders' meeting.

11. Comments

The notes to the interim condensed financial statements have been prepared in accordance with IAS 34 and are published on the website www.cfe.be as from Thursday August 28, 2008 at 17:40.

Report of the Auditor

The statutory auditor, Deloitte Reviseurs d'Entreprises represented by Rik Neckebroeck, has confirmed that his audit procedures, which have been substantially completed, have not revealed material adjustments which would have to be made to the accounting information disclosed in this press release.

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 :

- *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, tél. 02/ 661.17.28, jninanne@cfe.be*

CFEB
LISTED
NYSE
EURONEXT