PRESS RELEASE

CFE

First-half 2009 results

Limited slowdown of the activity and the order book given the circumstances of the current crisis

Good resistance of the results

Compagnie d'Entreprises CFE's Board of Directors examined and approved the financial statements for the first half of 2009 at its meeting on August 26, 2009.

Consolidated revenue for the first half of 2009 amounted to €777 million, down 7% on the €837 million reported for the first half of 2008.
Operating profit was €46.5 million, down 28% from the €64.9 million reported for the first half of 2008. Net profit, groupshare, was €34.3 million, down 22% from the €43.7 million reported for the first half of 2008.
The Group's order book remained high, with €2,116 million at July 1, 2009, against €2,327 million at January 1, 2009, despite the negative impact of €143 million due to the cancellation of the contract in Port Rashid, Dubai.

1. Order book, revenue and results by division

Construction division

The construction division's order book was €951.8 million at July1, 2009, against €1,109.7 million at January 1, 2009. This decline was due to the impact of the economic crisis on building business and difficulties in renewing the order book in Central Europe and Luxembourg, as well as to the execution of major civil engineering contracts won the previous year.
The division's sales fell 4% to €380 million (€397 million for the first half of 2008). This was attributable mainly to the level of private sector building activity, especially in Central Europe and Luxembourg. The decline was partially offset by growth in civil engineering business.
Operating profit was €15.2 million, against €8.8 million for the first half of 2008. This fine performance was attributable to the good results achieved by CFE Polska, MBG, BPC and CFE Brabant, as well as the favourable outcome of litigations in the Netherlands.
Net profit was €11.2 million, against €6.1 million for the same period in 2008.

Real estate development and management services division

Business remained brisk for this division despite the economic crisis. The main projects under construction are La Réserve (Knokke), Barbarahof (phase II) Leuven, Uccle Calevoet (housing projects), Arlon (serviced apartment residence) and Climmolux (offices) in Luxembourg. Given the current crisis, sales remained satisfactory and inventory is under control.
Net profit for the division amounted to €0.6 million, compared with €1.4 million for the first half of 2008.

Dredging and environment division

(The figures given below for DEME are at 100%; CFE owns 50% of that company's capital.)

DEME held its order book at a high level: €2,116 million (at 100%), compared with €2,192 million at the beginning of the year. The company achieved this despite the cancellation by the customer of the Port Rashid order in Dubai during the second half, with the resulting negative impact of €286 million (at 100%) on its order book.
DEME, which is pursuing a geographical and activity based diversification strategy, won many orders in Abu Dhabi, Oman, Brazil, Venezuela, Nigeria and Russia in its various activities: dredging, environment and marine works (installation of wind farms).
DEME continued to carry out its 2008-2012 investment plan and launched its jumbo jack-up platform, Goliath.
The company's revenue was down 10% to €647 million (at 100%), against €721 million at June 30, 2008. The decline was due to the cancellation of the Port Rashid contract, the postponement of the London Gateway contract until 2010 and the immobilisation of four vessels for major repairs.
For these same reasons, operating profit was down to €59.5 million (at 100%) from €100.8 million for the first half of 2008, but the EBITDA(*) margin was 19%, in line with that achieved in the second half of 2008.
DEME's net profit was €41.4 million.

Multitechnics division

The division's order book stood at €91.3 million at the end of June 2009, compared with €112.1 million at the beginning of the year. This reflects good resilience or progress in the railway signalling and electricity sectors but a slight downturn in the service sector, which is directly affected by the economic crisis.
Revenue remained stable at €64 million, against €65 million for the first half of 2008.
The operating profit of VMA and companies operating in the railway signalling and electricity sectors held up well. The HVAC company, however, encountered specific difficulties and actions were carried out to remedy the situation. Operating profit for the division fell to €0.2 million, against €4.2 million for the first half of 2008.
The division recorded a net loss of €0.6 million, compared with a net profit of €2.8 million for the first half of 2008.

PPP-Concessions division

Design and construction work started on the Liefkenshoek rail link in Antwerp and the Coentunnel in Amsterdam, while the car park developed in partnership with VINCI Park at Turnhout neared completion.
CFE continued to study new public-private partnership projects, in particular those involving schools in the German-speaking part of Belgium, and is prequalified for the A15 motorway project in Rotterdam as a member of the 'Poort van Europa' consortium comprising Royal BAM and VINCI Concessions.

Rent-A-Port continued to provide port services and facilities development.

The division recorded an operating loss, mainly due to the costs of studies under way. However, after recognition of a capital gain, the net loss was only €0.1 million.

(*) Operating result + depreciation and impairements

2. Notes to the condensed consolidated financial statements, cash flow and CAPEX tables

Good control has been maintained over CFE's cash position and its net financial debt at the end of June 2009 was €197 million, against €134 million at the end of December 2008. The net financial debt is made up of long-term debt of €219 million offset by net short-term cash of €23 million.
Cash flows from investing activities for the half year amounted to €101 million, compared with €93 million for the first half of 2008. The investments are related mainly to DEME, which is following the plan adopted at the beginning of 2008.
Working capital requirement rose to €34.7 million, driven among other things by the ongoing partial financing of the Diabolo project.
The Group's financial structure was thus further strengthened, with equity up €27.3 million to €395.5 million (€368.2 million at the end of 2008) and 23.6% gearing, compared with 22% at the end of 2008.
CFE, meanwhile, has confirmed long-term credit facilities totalling more than €140 million, of which €105 million were unused at June 30, 2009.
DEME's investments in dredgers and other marine works equipment are financed under separate arrangements.

3. 2009 outlook

The evolution of the turnover and the operational result recorded during the first half of 2009, compared to the same period in 2008, should be confirmed for the whole year.

4. Shareholder base

On May 7, 2003, CFE received notification from Grantham, Mayo, Van Otterloo & Co LLC, whose registered office is at 40 Rowes Wharf, Boston MA 02110, USA, that it owned 388,815 CFE shares as of May 1, 2009, giving it 2.97% of the voting rights. The company previously had 4.98% of the voting rights, conferred through 652,442 shares (notification of January 26, 2009).

5. Corporate governance

The Ordinary Shareholders' Meeting on May 7, 2009 appointed Jan Steyaert and Philippe Delusinne as independent directors for four years.
During that same session, the CFE Shareholders' Meeting renewed the appointments of Renaud Bentégeat, Richard Francioli and Christian Labeyrie for four years.
Renaud Bentégeat's appointment as Managing Director was renewed at the Board Meeting that followed the Shareholders' Meeting.

6. Significant economic data by division

Revenue *(in million euro)*	**June 30, 2009**	**June 30, 2008**	**Variation %**
Construction	380.1	396.8	-4.2%
Real estate and associated services	12.9	17.0	n.s.
Inventory effect	1.8	-1.4	n.s.
Sub-total	394.9	412.4	-4.2%
Dredging and environment	323.6	360.7	-10.3%
Multitechnics	63.9	65.2	-2.0%
PPP-Concessions	1.7	1.3	n.s.
Inter divisions eliminations	-7.5	-2.3	n.s.
Total consolidated	**776.6**	**837.3**	**-7.3%**

Order book *(in million euro)*	**July 1st, 2009**	**January 1st, 2009**	**Variation %**
Construction	951.8	1,109.7	-14.2%
Real estate and associated services	9.5	8.5	n.s.
Sub-total	961.3	1,118.2	-14.0%
Dredging and environment	1,063.4	1,096.3	-3.0%
Multitechnics	91.3	112.1	-18.6%
PPP-Concessions		-	
Total consolidated	**2,116.0**	**2,326.6**	**-9.0%**

Contribution to the operating result *(in thousands of euro)*	**June 30, 2009**	**June 30, 2008**	**Variation %**
Construction	15,244	8,750	+74.2%
Real estate and associated services	2,357	2,279	+3.4%
Inventory effect	10	-58	n.s.
Sub-total	17,611	10,971	+60.5%
Dredging and environment (*)	29,310	50,080	-41.5%
Multitechnics	194	4,179	-95.4%
PPP-Concessions	-656	1,929	n.s.
Holding and others	-6	-2,277	n.s.
Total consolidated	**46,453**	**64,882**	**-28.4%**

Contribution to the net result *(in thousands of euro)*	**June 30, 2009**	**June 30, 2008**	**Variation %**
Construction	11,197	6,061	+84.7%
Real estate and associated services	582	1,372	-57.6%
Inventory effect	-4	-41	
Sub-total	11,775	7,392	+59.3%
Dredging and environment (*)	23,171	31,825	-27.2%
Multitechnics	-569	2,752	n.s.
PPP-Concessions	-146	2,184	n.s.
Holding and others	54	-424	n.s.
Total consolidated	**34,284**	**43,729**	**-21.6%**

(*) after appropriation of quote-part central costs and other corrections

7. Condensed consolidated interim statement of financial position :

(in thousand euro)	**June 30, 2009**	**December 31, 2008**
Intangible assets	6,235	5,929
Goodwill	28,265	27,917
Property, plant and equipment	547,217	500,844
Property investments	7,736	5,655
Investments in associates	7,293	5,831
Other non current financial assets	12,970	14,881
Fair value of derivative instrument assets	29	8
Other non current assets	10,659	22,533
Deferred tax assets	2,666	9,143
Total non current assets	**623,070**	**592,741**
Inventories	137,879	127,153
Trade receivables and other operating receivables	687,795	710,462
Other current assets	56,170	36,828
Fair value of derivative instruments current	4,065	15,855
Current deferred tax assets	-	-
Non current asset held for sale	-	-
Current financial assets	56	18
Cash and cash equivalents	167,650	201,164
Total current assets	**1,053,615**	**1,091,480**
Total assets	**1,676,685**	**1,684,221**
Issued capital	21,375	21,375
Share premium	61,463	61,463
Consolidated reserves and directly registered results and equity	-1,407	-10,892
Retained earnings	309,361	290,788
Translation differences	-4,423	-5,033
Equity - part of the group	386,369	357,701
Minority interest	9,183	10,516

(in thousand euro)	June 30, 2009	December 31, 2008
Equity	**395,552**	**368,217**
Pensions and employee benefits	18,930	18,005
Provisions	2,542	2,194
Other non current liabilities	37,188	37,108
Financial debts	218,963	223,926
Fair value of derivative instruments liabilities	8,926	17,053
Deferred tax liabilities	5,159	5,341
Total current liabilities	**291,708**	**303,627**
Provisions for termination losses	21,295	18,572
Provisions for other current risks	29,973	31,581
Trade payables & other operating liabilities	470,918	542,630
Tax liability due for payment	39,712	33,210
Current financial debts	145,690	110,774
Other current liabilities	251,385	249,620
Fair value financial derivatives current liabilities	30,453	25,990
Total current liabilities	**989,425**	**1,012,377**
Total Equity and liabilities	**1,676,685**	**1,684,221**

8. Condensed consolidated interim statement of comprehensive income :

(in thousands of euro)	June 30, 2009	June 30, 2008
Revenue	**776,555**	**837,329**
Revenue from auxiliary activities	27,251	21,847
Purchases	(455,466)	(499,034)
Wages, salaries and social charges	(153,950)	(151,255)
Other operating charges	(109,674)	(109,582)
Depreciations	(38,263)	(34,423)
Operating result	**46,453**	**64,882**
Net financial cost	(5,157)	(3,882)
Other financial charges and income	(1,031)	(2,943)
Financial result	**(6,188)**	**(6,824)**
Profit before taxes for the period	**40,265**	**58,058**
Income tax expense	(7,022)	(13,890)
Share of the group in the results of associated companies	1,161	995
Minority interests	(120)	(1,434)
Net profit of the group	**34,284**	**43,729**

Other elements of comprehensive income

(in thousands of euro)	**2009**	**2008**
Net result for the period (including minority interests)	**34,404**	**45,163**
Financial instruments : change in fair values including :	15,204	167
- Cash flow hedge (effective part)	(1,623)	167
- Change in consolidation method	16,827	-
Currency translation differences	610	(1,957)
Deferred taxes - change in consolidation method	(5,719)	-
Income and expenses recognised directly in equity	**10,095**	(1,790)
Comprehensive income	**44,499**	**43,373**
- Attributable to the group	44,379	41,939
- Attributable to minority interests	120	1,434

9. Key figures per share

	June 30, 2009	**June 30, 2008**
Total number of shares	13,092,260	13,092,260
Operating result after deduction of the net financial charges per share	3.08	4.43
Net profit of the group per share	2.62	3.34

10. Share information

At June 30, 2009, there were 13,092,260 shares, each conferring one voting right. No convertible bonds or warrants had been issued. The financial institutions through whom owners of financial instruments may exercise their financial rights are Fortis Banque, Banque Degroof and ING Belgique.
Banque Degroof has been designated Main Paying Agent.

11. 2009–2010 calendar

- 17 November 2009: interim statement for the second half of 2009
- Week of 22 to 26 February 2010: publication of 2009 annual results
- 6 May 2010: Ordinary Shareholders’ Meeting

12. Comments

The notes to the condensed interim consolidated financial statements were prepared in accordance with IAS 34 and published on www.cfe.be at 17.40 on Thursday, August 27, 2009.

Auditor’s report

The Auditor, Deloitte Reviseurs d'Entreprises, represented by Rik Neckebroeck, has confirmed that the full audit, now completed, revealed no material corrections to be made to the accounting information presented in this press release.

CFE is a multidisciplinary group of companies active in construction and associated services, quoted on Euronext Brussels and of which VINCI holds 47% of the capital. CFE is one of the important actors in the construction industry in Belgium and is also present in the Netherlands, Luxemburg and in Central Europe. CFE owns 50% of DEME, one of the world’s leading dredging contractors.

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

More info :

- *Renaud Bentégeat, Managing Director, tel. +32.(0)2.661.13.27 or mobile +32.(0)0497/514.445, rbentegeat@cfe.be*
- *or Jacques Ninanne, Deputy general manager corporate - Chief Financial Officer, tel. +32.(0)2.661.17.28, jninanne@cfe.be*
- *or Yves Weyts, Manager sustainable development, synergies and communication tel. +32.(0)2.661.14.52 or mobile: +32.(0)497.514.411, yweyts@cfe,be*