Press release

embargoed until 17.40 CET on Friday, February 24, 2012

CFE
Results of financial year 2011

- **Stable revenue**
- **Income in line with expectations**
- **Strong growth of the order backlog and favorable perspectives for 2012**
- **Development of the rail activity**

The Compagnie d'Entreprises CFE Board of Directors examined and approved the 2011 financial statements at its meeting on February 23, 2012.

1. Overview of the year

The group's consolidated revenue totalled €1,794 million in 2011, an amount slightly higher as in 2010 (€1,774 million).

Operating profit from ordinary activities fell by 14% from €99.1 million in 2010 to €84.9 million in 2011. Net profit attributable to owners of the parent amounted to €59.1 million, compared with €63.3 million in 2010.

The order backlog increased to €2,382 million at January 1, 2012 as opposed to €1,939 million at January 1, 2011. The order book has received a further substantial boost in early 2012 from major new contracts, in dredging and in construction activity.

Order book, revenue and results of the business divisions

Construction division

The construction division's revenue rose slightly (1.4%) to €718 million, from €708 million in 2010. However, the breakdown of revenue changed substantially. Civil engineering revenue fell by -17%. In Belgium, boring of the Liefkenshoek railway tunnels in Antwerp was completed mid-year and in the Netherlands, the components of the Coentunnel being built in Amsterdam were successfully immersed in April and May. Civil engineering work on these two major projects is now progressing at a slower pace.

The building business achieved strong revenue growth (+12%). Business levels in Belgium increased (+8%), with growth in Brabant and Flanders. International revenue also increased substantially (+79%), driven by contract wins in Chad. In Central Europe, revenue fell again (-18%).

Operating profit came in down 50% at €5.1 million (€10.2 million in 2010). However, there was no across-the-board decline, and operating profit increased significantly at BAGECI (Wallonia), CLE (Luxembourg), CFE Nederland, Aannemingen Van Wellen and in the internal segment internationally.

Nevertheless, profits were deferred and provisions set aside to reflect the risk that some statements of works would not be approved and the risk that some clients might become insolvent. These adjustments had an impact of around €9 million.

Net profit of the group for the division amounted to €1.3 million versus €8.8 million in 2010.

The order backlog grew strongly. It totalled €1,010 million at January 1, 2012 versus €826 million at January 1, 2011. Again, there were significant differencies between business areas. The civil engineering order backlog continued to fall, reflecting ongoing market pressure. The building order backlog increased in Benelux, where the group won major orders including the Up-Site apartment block in Brussels, the Light House office and residential complex in Brussels and a police station in Charleroi. The major export order book increased substantially after CFE won new orders in Chad, along with an order for an apartment block in Nigeria via a partnership.

Real estate & associated services division

The real estate & associated services division performed well again. In Belgium, the residential business remained buoyant and commercialisation levels were firm. Several projects, including the "Midi-Suède" residential building and the "Les Hauts Prés" retirement home were completed. In the office segment, the "South Cristal" building in Brussels was sold in the first half of the year by a company in which CFE held a minority stake.
BPI and CFE Immo won two tenders held by the city of Ostend for the development of 100,000m² of residential space. At the end of the year, through a partnership with a Brussels-based property developer, the two companies acquired the Solvay site in Ixelles, opening the way for a 50,000m² development consisting mainly of residential units.

In Luxembourg, CLi continued to develop and commercialise the Green Hill project. Commercialisation efforts were successful.

Operating profit for the division amounted to €9.4 million, higher than the 2010 figure of €7.2 million.

Net profit of the group for the division was €6.3 million, compared with €3.5 million in 2010.

Multitechnics division

Revenue in the multitechnics division continued to grow, coming in up 18% at €176 million as opposed to €149 million in 2010. At constant scope, the increase was 12.6%. Almost all of the division's companies saw growth.

Operating profit increased by more than 18% to €7.4 million in 2011, from €6.3 million in 2010. Growth was exclusively organic and particularly strong at Louis Stevens & Co, Nizet Entreprise and Druart, which recovered from problems experienced in the previous two years.

Net profit of the group for the division totalled €3.9 million versus €3.7 million in 2010.

The order backlog was substantial, amounting to €162 million at January 1, 2012, up 27% in comparison with €128 million at January 1, 2011. At constant scope, the increase was 14%. Growth was driven mainly by VMA, which achieved further international expansion through new contracts in Hungary and Turkey.

The multitechnics division further bolstered its positions at the end of 2011 by acquiring a 100% stake in ETEC SA. This company specialises in public lighting and the laying of underground networks.

Dredging & environment division

(The DEME figures reported below are at 100%; CFE owns 50% of DEME's share capital.)

DEME's revenue totalled €1,766 million in 2011, in line with the figure for 2010 (€1,801 million). There was a substantial decline in the environmental business (DEC-Ecoterres), while GeoSea acheived strong growth in its offshore activities.

Operating profit fell by 29% to €137 million, compared with €177 million in 2010. As announced in the interim statement of May 18, 2011, this decline was due mainly to an exceptional loss on a remediation project in Santos, Brazil.

Net profit for the division was €104.2 million versus €116.5 million in 2010.

The order book is of good quality and diversified in terms of both business and geographical exposure. It amounted to €2,404 million at year-end, as opposed to €1,935 million at January 1, 2011. Furthermore, at the beginning of 2012, DEME has won a new order in Australia totalling €916 million.

DEME's 2008-2012 investment plan is on track. Seven vessels were delivered in 2011: Flintstone (fallpipe vessel), Victor Horta (gravel trailer), Al Jarraf and Amazone (12,860kW cutter suction dredgers), Breughel (11,000m³ trailer suction hopper dredger) and Congo River (30,000m³ megatrailer). Four other vessels are under construction and will be delivered in 2012: Peter the Great (backhoe dredger), Ambiorix (rock cutter dredger) and Neptune and Innovation I (jack-up vessels).

DEME continued its R&D efforts, particularly in renewable energies and rare earth exploitation techniques.

PPP - Concessions division

Coentunnel in Amsterdam, the Liefkenshoek railway tunnel in Antwerp and schools in Belgium's German-speaking community are under construction.

The division therefore focused in 2011 on new studies and proposal submissions. At the start of the year, CFE won the contract for a police station in Charleroi, for which building permits are currently being obtained. CFE is currently looking at a project to build a tram line between Deurne and Mortsel (Antwerp) and a project to improve the A11 road between Bruges and Knokke ("Missing Links"). However, the Aorta consortium, which includes CFE, was not selected for the A1-A6 project (Diemen-Almeren section).

Rent-A-Port, which handles port developments, successfully developed its business through Vietnam-based subsidiary Ipem, which signed a major contract with a Japanese tyre manufacturer.

Rent-A-Port Energy, an entity recently set up to develop offshore wind power activities, obtained its first North Sea concession through a partnership.

The division continued to make an operating loss, although it has been reduced considerably to €2.2 million. The loss was due to the cost of studies at CFE and Rent-A-Port, since CFE does not make a profit on projects in the construction phase.

The net loss part of the group of the division amounted to €-1.9 million, compared with a loss of €3.4 million in 2010.

Acquisitions

On 22 February 2012, CFE acquired Remacom SA. This company, which is based in the Ghent region, specialises in laying rail tracks and generated during the latest years an average annual revenue of €4 million. The acquisition expands CFE's activities in the rail industry, joining Engema and Louis Stevens & Co, which specialise in electrification (catenaries) and signalling.

Through this acquisition, CFE intends to develop synergies between its rail and roads businesses, along with Aannemingen Van Wellen, which specialises in road and portuary infrastructures. This will give the opportunity to CFE to offer customers a comprehensive solution for the construction and maintenance of transport networks.

Significant economic data by division

Order book	**January 1st, 2012**	**January 1st, 2011**	**Variation %**
(in million €)			
Construction	1,009.9	826.4	22.2%
Real estate & associated services	8.4	17.0	n.s.
Sub-total	1,018.3	843.4	20.7%
Dredging & environment	1,202.0	967.5	24.2%
Multitechnics	162.0	128.2	26.4%
Total consolidated	2,382.3	**1,939.1**	**22.9%**

Revenue	**2011**	**2010**	**Variation %**
(in million €)			
Construction	717.8	707.8	1.4%
Real estate & associated services	26.0	19.8	n.s.
Inventory effect	0.6	11.2	n.s.
Sub-total	744.4	738.8	0.8%
Dredging & environment	882.9	900.3	-1.9%
Multitechnics	175.6	148.6	18.2%
PPP - Concessions	2.9	3.4	n.s.
Holding (inter division eliminations)	-12.0	-16.7	n.s.
Total consolidated	**1,793.8**	**1,774.4**	**1.1%**

Contribution to the operating result (*)	**2011**	**2010**	**Variation %**
(in thousands of €)			
Construction	5,068	10,227	-50.4%
Real estate & associated services	9,391	7,205	30.3%
Inventory effect	-1,197	-121	n.s.
Sub-total	13,262	17,311	-23.4%
Dredging & environment	67,565	86,489	-21.9%
Multitechnics	7,398	6,255	18.3%
		-	
PPP - Concessions	-2,150	-3,666	n.s.
Holding	-458	-583	n.s.
Inter divisions eliminations and consolidated adjustments	-686	-522	n.s.
Depreciation joined operation Tunisia	-	-6,197	n.s.
Total consolidated	**84,931**	**99,087**	**-14.3%**

(*) After appropriation of share in overheads

Contribution to the net result - Part of the group (*)	**2011**	**2010**	**Variation %**
(in thousands of €)			
Construction	1,272	8,772	-85.5%
Real estate & associated services	6,276	3,529	77.8%
Inventory effect	-864	-65	n.s.
Sub-total	6,684	12,236	-45.4%
Dredging & environment	51,031	57,109	-10.6%
Multitechnics	3,945	3,681	7.2%
PPP - Concessions	-1,877	-3,396	n.s.
Holding	-16	385	n.s.
Inter division eliminations and consolidation adjustments	-686	-522	n.s.
Depreciation joined operation Tunisia		-6,197	n.s.
Total consolidated	**59,081**	**63,296**	**-6.7%**

(*) After appropriation of share in overheads

2. An overview of the results

2.A.1 Consolidated statement of comprehensive income

For the year ended 31 December (in thousands of €)	**2011**	**2010**
Revenue	**1,793,834**	**1,774,401**
Revenue from auxiliary activities	72,078	50,994
Purchases	-1,093,169	-1,074,219
Wages, salaries & social charges	-317,926	-310,392
Other operating charges	-268,536	-243,412
Depreciations	-101,350	-98,285
Impairment of goodwill	0	0
Operating result	**84,931**	**99,087**
Gross financial cost	-16,301	-13,254
Financial income from cash investments	4,299	4,418
Other financial charges	-18,569	-18,272
Other financial incomes	14,838	13,205
Financial result	**-15,733**	**-13,903**
Result before taxes for the period	**69,198**	**85,184**
Incom tax expense	-13,056	-19,747
Result of the year	**56,142**	**65,437**
Share in the result of associated companies	868	-23
Result (including noncontrolling interests) for the period	**57,010**	**65,414**
Noncontrolling interests	2,071	-2,118
Result of the group	**59,081**	**63,296**

For the year ended 31 December (in thousands of €)	**2011**	**2010**
Result for the period (including noncontrolling interests)	**57,010**	**65,414**
Financial instruments : change in fair values	14,462	-1,009
Currency translation differences	1,812	6,794
Deferred taxes	5,785	501
Change in consolidation mode (net of deferred taxes)	0	0

Other elements of the comprehensive income	**-6,865**	**6,286**
Comprehensive income	**50.145**	**71.700**
- attributable to the group	52,006	69,536
- attributable to noncontrolling interests	-1,861	2,164
Net result per share (euro) (diluted and basic)	4.51	4.83
Comprehensive income per share (euro) (diluted and basic)	3.83	5.48

2.A.2 Consolidated statement of financial position

For the year ended 31 December (in thousands of €)	**2011**	**2010**
Intangible assets	9,839	8,752
Goodwill	28,725	27,893
Property, plant and equipment	899,618	750,470
Property investments	7,067	10,677
Investments in associated companies	15,128	14,100
Other non current financial assets	30,631	25,324
Non current derivative instruments	0	210
Other non current assets	10,923	9,859
Deferred tax assets	11,412	7,033
Total non current assets	**1,013,343**	**854,318**
Inventories	158,850	160,566
Trade receivables and other operating receivable	761,407	661,292
Other current assets	60,242	28,978
Current derivative instruments	148	257
Current financial assets	1,759	55
Cash and cash equivalents	208,347	175,518
Total current assets	**1,190,753**	**1,026,666**
Total assets	**2,204,096**	**1,880,984**
Issued capital	21,375	21,375
Share premium	61,463	61,463
Gain on revaluation	1,088	1,088
Hedging reserves	-11,646	-2,968
Retained earnings	425,999	383,283
Translation differences	3,423	1,820
Equity - part of the group CFE	501,702	466,061
Noncontrolling interests	7,059	9,385
Equity	**508,761**	**475,446**
Pensions and employee benefits	14,720	17,784
Provisions	10,613	13,545
Other non current liabilities	82,833	57,998
Financial debts	434,896	284,104

For the year ended 31 December (in thousands of €)	**2011**	**2010**
Non current derivative instruments	24,694	16,560
Deferred tax liabilities	12,630	7,934
Total non current liabilities	**580,386**	**397,925**
Provisions for termination losses	16,040	17,817
Provisions for other current risks	31,547	26,970
Trade payables & other operating liabilities	635,159	543,299
Tax liability due for payment	24,975	32,862
Current financial debts	124,268	139,663
Current derivative instruments	5,646	4,787
Other current liabilities	277,314	242,215
Total current liabilities	**1,114,949**	**1,007,613**
Total equity and liabilities	**2,204,096**	**1,880,984**

2.A.3 Notes to the consolidated financial statements, cash flow and CAPEX tables

Net financial debt (*) at the end of December 2011 stood at €351 million, compared with €248 million at the end of 2010. This figure breaks down into long-term debt of €435 million, offset by net short-term cash of €84 million.

Cash flow from investing activities amounted to €179 million for the year, compared with €243 million in 2010. Investments mainly arose from DEME's capital expenditure programme.

Working capital deteriorates by €38 million.

Shareholders' equity increased by €33.3 million to €508.8 million, as opposed to €475.5 million at the end of 2010.

CFE has €50 million of unused middle-term credit facilities. DEME's purchases of dredgers and other maritime equipment are subject to separate financing arrangements linked to these assets.

(*) Net financial debt does not include the fair value of derivative instruments, which amounts to € -30.2 million.

In thousands of €	**2011**	**2010**
Cash flow from operating activities	102,592	169,097
Cash flow from investing activities	-179,124	-242,585
Cash flow from financing activities	111,450	77,976
Net increase/(decrease) of cash	34,918	4,488
Equity - part of the group on opening	466,061	413,343
Equity - part of the group on closing	501,702	466,061
Net result of the year	59,081	63,296
ROE	**12.7%**	**15.3%**

2.A.4 Consolidated statement of changes in equity as of December 31, 2011

(in thousands of €)	Issued capital	Share premium	Retained earnings	Hedging reserves	Gain on revalua-tion	Translation differences	Equity part of the group	Minority interests	Total
As per December 31, 2010	**21,375**	**61,463**	**383,283**	**(2,968)**	**1,088**	**1,820**	**466,061**	**9,385**	**475,446**
Global result for the period			**59,081**	**(8,678)**		**1,603**	**52,006**	**(1,861)**	**50,145**
Dividends paid to shareholders			(16,365)				(16,365)		(16,365)
Paid to non-controlling shareholders								(465)	(465)
As per December 31, 2011	**21,375**	**61,463**	**425,999**	**(11,646)**	**1,088**	**3,423**	**501,702**	**7,059**	**508,761**

2.A.5 Key figures per share

	31.12.2011	**31.12.2010**
Total number of shares	13,092,260	13,092,260
Operating result after deduction of the net financial charges per share	5.29	6.51
Net profit of the group per share	4.51	4.83

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

(in thousands of €)	2011	2010
Turnover and other income	431,649	434,947
Turnover	361,506	374,627
Operational result	663	-3,710
Financial result	30,762	28,547
Current result	31,425	24,837
Exceptional revenues	696	0
Exceptional costs	-175	-5.007
Result before taxes	31,946	19,830
Taxes	190	-138
Result of the year	**32,136**	**19,692**

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

(in thousands of €)	2011	2010
Assets		
Fixed assets	306,139	299,121
Current assets	316,370	296,119
Total Assets	**622,509**	**595,240**
Equity and liabilities		
Equity	163,991	146,911
Provisions & deferred taxes	53,020	64,128
Non current liabilities	42,945	58,073
Current liabilities	362,553	326,128
Total equity and liabilities	**622,509**	**595,240**

3. Outlook

Taking into consideration the orderbook, the turnover of the group should exceed the level of 2011. The group therefore aims for an increase of the income compared to the figure of 2011.

4. Capital remuneration

At the Shareholders Meeting of May 3, 2012, CFE SA's Board of Directors will propose a gross dividend per share of €1.15, corresponding to a net dividend of €0.8625 representing a total pay-out of €15,056,099. Profit carried forward will amount to €46,137,589.

5. Share information

At December 31, 2011, CFE's share capital consisted of 13,092,260 shares.

The extraordinary shareholders meeting of October 8, 2007 approved:

- the Board of Directors' proposal to dematerialise the company's shares at January 1, 2008
- the Board of Directors' proposal to divide by 20 the six hundred and fifty four thousand six hundred and thirteen (654,613) shares – without nominal value, fully paid up and representing the company's total capital of twenty one million three hundred and seventy four thousand nine hundred and seventy one euros and forty three centimes (€21,374,971.43) at January 1, 2008. Accordingly, since that date, the company's capital has been represented by thirteen million and ninety two thousand two hundred and sixty (13,092,260) shares.

The share dematerialisation and splitting process is still under way.

The split of the registered shares has been carried out automatically and shareholders have been automatically recognised as the owners of the appropriate number of split shares in the share register.

The split of bearer shares recorded in the share register at January 1, 2008 has been carried out automatically and shareholders have been automatically allocated the appropriate number of split shares.

For the exchange and split of bearer shares still physically held, shareholders must either hand these in to a financial institution of their choice for registration in a stock account or to the company's registered offices for recording in the shareholders' register. The number of split shares will be recorded in the stock account or in the shareholders' register.

Since January 1, 2008, the exercise of any right attached to bearer shares has been suspended for as long as they are physically held. Since that date, to participate in a shareholders meeting, the holders of such bearer shares must apply to have the shares exchanged for registered shares or have them dematerialised.

Bearer shares issued by the company, which are neither registered nor recorded in the shareholders' register, will be converted by operation of law into dematerialised shares on December 31, 2013.

Euroclear Belgium has been appointed as the settlement organisation.
Registered shares are held in electronic form and Euroclear Belgium (CIK SA) is in charge of managing them.

There has been no issue of convertible bonds or warrants.

Banque Degroof has been appointed as the "Main Paying Agent".

Financial institutions with whom holders of financial instruments may exercise their financial rights are Banque Degroof, BNP Paribas Fortis and ING Belgique.

6. Corporate governance

In the ordinary shareholders meeting of May 5, 2011, shareholders renewed the appointment of SPRL Ciska Servais, represented by Mrs Ciska Servais, for a period of four years ending at the conclusion of the ordinary shareholders meeting in 2015.
SPRL Ciska Servais, represented by Mrs Ciska Servais, meets the independence criteria defined in Article 526c of Belgium's Company Code and in the country's Corporate Governance Code.

On November 28, 2011 the Board of Directors, taking into account the consequences of the act of December 20, 2010 (published on April 5, 2011 and coming into force on January 1, 2012), convened a shareholders' meeting in order to amend the articles of association as required by the act. Shareholders in the meeting approved the amendment of the articles of association.

7. Shareholder's diary

- Ordinary shareholders meeting: May 3, 2012
- Publication of the interim statements: May 14, 2012 (after the close of the stock market)
- Dividend payment: May 16, 2012 (dematerialised coupon no. 5)
- Publication of half-year financial statements: August 24, 2012 (after the close of the stock market)
- Publication of interim statements: November 14, 2012 (after the close of the stock market).

The Statutory Auditor, Deloitte, Reviseurs d'Entreprises, represented by Pierre-Hugues Bonnefoy, has confirmed that he has no reservations as to the accounting information reported in this press release and that it is in line with the financial statements as approved by the Board of Directors.

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.

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