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# Intermediary results 2014

# Headlines First Half 2014

- ❏ **Turnover increases with 12.4%<sup>(\*)</sup>** reaching 1.773 million Euro, resulting mainly from the growth with 9.5% in the dredging division and with 22.8% in the contracting divisions
- ❏ **EBIT increases with 90.9%<sup>(\*)</sup>** reaching 103 million Euro as a result from :
  - the dredging division outperforming expectations thanks to:
    - a good occupancy level of the fleet resulting from the execution of major projects in Australia, in Qatar and in West Africa, and from installation of off-shore wind farms in Germany and in the UK
    - ⇒ increased level of EBITDA reaching 16.5%<sup>(\*\*)</sup>, compared with 15.0%<sup>(\*\*)</sup> in 1HY 2013
  - the construction and the multitechnics divisions returning to profit
- ❏ **Net financial debt decreases reaching 553 million Euro**, compared with 605<sup>(\*\*\*)</sup> million Euro at year-end 2013.
- ❏ **The order book decreases with -10.6% reaching 3,921 million Euro**, remaining strong in the dredging division considering the high level of activity during 1HY2014.

*(\*) Variation in comparison with pro-forma consolidated financial statements of 1HY 2013*

*(\*\*) EBITDA Combined, including the share in the result of associated companies*

*(\*\*\*) Figure restated after impact of IFRS 11: joint ventures integrated based on equity method*

# Headlines First Half 2014

## Guidance

- Outlooks in the dredging division remain favorable.
- Recovery in construction and multitechnics divisions gets confirmed.
- Real estate division will have a positive contribution to net results of 2HY 2014.

## Key figures - consolidated

Key financials (in million EUR)	2013 (**)	1HY13 Pro-forma (***)	1HY14
Revenues	2,267.3	1,578.3	1,773.5
Growth rate	19.4%	-	12.4%
EBITDA	213.2	191.4	206.3
EBITDA margin	9.4%	12.1%	11.6%
EBIT	67.2 (*)	54.0	103.1
EBIT margin	3.0% (*)	3.4%	5.8%
Recurring net result	7.9 (*)	17.4	63.6
Net recurring margin	0.3% (*)	1.1%	3.6%
Net result	(81.2)	17.4	63.6
Order book	4,387.9 (**)	-	3,921.1
Net financial debt	605.1(**)	-	552.6

(\*) Before entries in 2013 specific to the business combination of DEME and remeasurement of the goodwill related to DEME

(\*\*) DEME integrated at 50%, except for the order book and net financial debt of DEME presented at 100%

(\*\*\*) Pro-forma figures 1HY2013 including 100% of DEME

EBIT = operating result on activity + share in the result of associated companies

EBITDA = operating result on activity + depreciations + other non cash items

# CFE : a multidisciplinary contractor

## Six cornerstones

Expressed in % of revenues

### Construction

- Civil Engineering
- Infrastructure projects - tunnels, bridges, roads
- Buildings – offices, industrial, commercial and residential
- Renovation & rehabilitation
- Bonded laminates

### Real Estate and Management services

- Real estate development
- Specific associated services:
  - Project management
  - Property management

### Rail & Road

- signalization and track-laying works
- railway works, railway overhead lines
- transport of energy high and low voltage lines
- road and rail works
- asphalt works

### PPP-Concessions

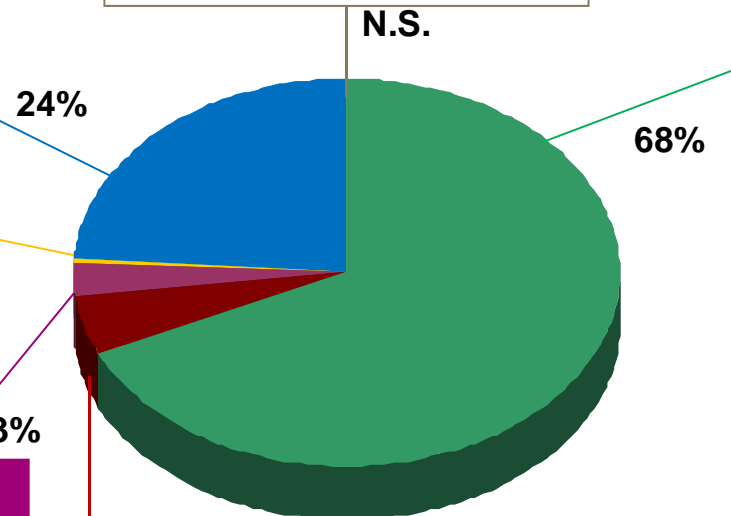
- 19% stake in PPP Schulen Eupen
- 45% stake in Rent-A-Port, Rent-A-Port Energy
- 25% stake in Locorail
- 18% stake in Coentunnel
- 25% stake in Bizerte

### Dredging and Environment

- Capital dredging
- Maintenance dredging
- Fallpipe & landfalls
- Environmental business
- Marine works

### Multitechnics

- Electrical contracting
- Railroad electrification and signalisation
- Installation of high tension lines
- Industrial & process automation
- HVAC



## Key facts First Half 2014

### January:

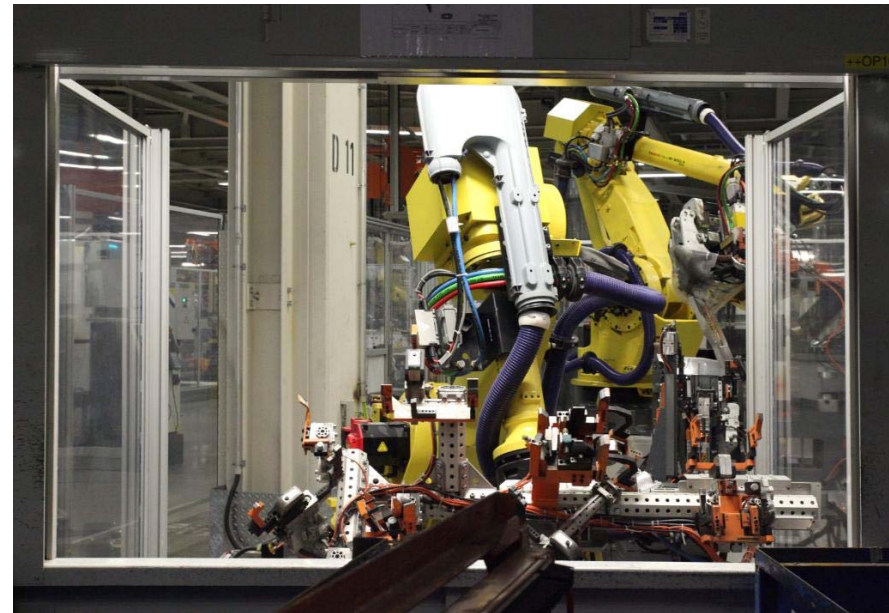
- CFE invested 20 million Euro over a period of 38 years in the PPP project Liefkenshoek rail tunnel.



# Key facts First Half 2014

## February:

- VMA strengthens its position in the automotive industry by gaining new significant contracts for Audi in Mexico.
- Additional contracts have been obtained during this first half year with other car manufacturers including Jaguar and Land Rover.





# Key facts First Half 2014

## April:

- BPC Brabant wins the contract for constructing a new commercial gallery ('Docks Brussel').



- ✓ This project includes 40,000m<sup>2</sup> of commercial space, leisure areas, 7,000m<sup>2</sup> office space and 1,700 parking spaces.
- ✓ Construction works started in March and will be finalized by the end of 2015.



## Key facts First Half 2014

### April:

- The shares of VM Office, the entity owning the office space (5,300 m<sup>2</sup>) in the Belview real estate project located in the EU area in Brussels have been sold to a German investor.



- ✓ This building has been delivered by BPC in March 2014.
- ✓ Office space has already been rented to the Japanese embassy.

## Key facts First Half 2014

### April/May:

- In Russia, a contract was signed between the Russian construction company OJSC 'USK MOST' and DEME's Russian subsidiary MORDRAGA for the construction of the approach channel and harbour basin of the service port of the new LNG terminal in Yamal Peninsula (Gulf of Ob, Siberia) and sea channel in Ob Bay, 2500 km North East of Moscow.



- ✓ This new port in the north of Russia is an export port for LNG carriers towards the East and the West.
- ✓ Works will be executed in different phases over the years 2014 till 2017.

## Key facts First Half 2014

### June/July:

- CLi in partnership with two other Belgian real estate developers sells the company that owns 'Galerie Kons' project in Luxembourg to AXA BELGIUM.
- The transfer of the company is subject to the delivery and acceptance of the building; this is scheduled for the second half of 2016. The transfer of the project to AXA Belgium represents a total investment volume in the order of 150 million euros.



- ✓ The project comprises 20,500 m<sup>2</sup> above ground, including +/- 14,600 m<sup>2</sup> of offices, 2,400 m<sup>2</sup> of retail space and 3,500 m<sup>2</sup> of housing.
- ✓ A surface of 10,000 m<sup>2</sup> offices has been pre-let to ING through a long-term lease. Works will be completed for the 2nd semester of 2016.

## Key facts First Half 2014

### June/July:

- GeoSea has finalized the installation of 77 foundations on the DONG Energy Borkum Riffgrund 1 offshore wind farm.



- ✓ The installation works, including transport from the fabrication yard to the marshalling harbor, have proceeded in record times and finished ahead of schedule.

## An eye on the divisions

-  Dredging & environmental division
-  Construction division
-  Real estate & management services division
-  Multitechnics division
-  Rail & Road division
-  PPP – Concessions division





## Dredging & environmental division



# Dredging & environmental division : DEME

*Figures of DEME at 100%*

Key financials (€m)	2013	1H13	2H13	1H14
Revenues (*)	2,361.2	1,106.7	1,254.5	1,212.3
Revenues Combined (**)	2,531.6	1,207.0	1,324.6	1,305.6
EBITDA (*)	475.4	199.3	276.1	191.7
EBITDA margin (*)	20.1%	18.0%	22.0%	15.8%
EBITDA Combined (**)	437.8	181.1	207.0	215.4
EBITDA Combined margin (**)	17.3%	15.0%	20.5%	16.5%
EBIT	216.5	71.9	144.6	100.4
EBIT margin	8.6%	6.0%	10.9%	8.0%
Net result	109.1	34.4	74.7	62.6
Net margin	4.3%	2.9%	5.6%	4.8%
Capex	99	71	28	45
Net Fin. Debt (*)	541.3	651.5	541.3	416.3
Order book (**)	3,049.0	2,954.0	3,049.0	2,805.5

(\*) After impact of IFRS 11: joint ventures integrated based on equity method (accounting view)

(\*\*) Before impact of IFRS 11: joint ventures integrated proportionally (economic view)

**Order book remains strong: 2,806 million EUR** (compared with 3,049 million EUR end 2013). Despite the high level of activity, DEME managed to maintain its order book at a fairly high level thanks to new orders, well spread worldwide across dredging, energy related and environmental activities including :

- a contract for the construction of the approach channel and harbour basin for new LNG terminal in Yamal (Russia). Works will be executed in different phases over the years 2014 till 2017.
- new contracts for installing windmill parks off the German North Sea coast.

**Activity remains strong (+10%)** and is growing in most areas. The “core” dredging activity keeps growing as a result of the execution of major projects in Australia, while the activity of GeoSea is boosted by windmill installation works in the North Sea.

**EBITDA Combined increases with +19% reaching 16.5% margin** as a result from the growing level of activity boosted by dredging projects in Wheatstone and in Doha, and by windmill farm installation in the German North sea (Borkum Riffgrund).

**Net financial debt decreases with -22%** due to the strong cash flow from operations and to the lower level of CAPEX during 1HY 2014. New investments are currently being considered.

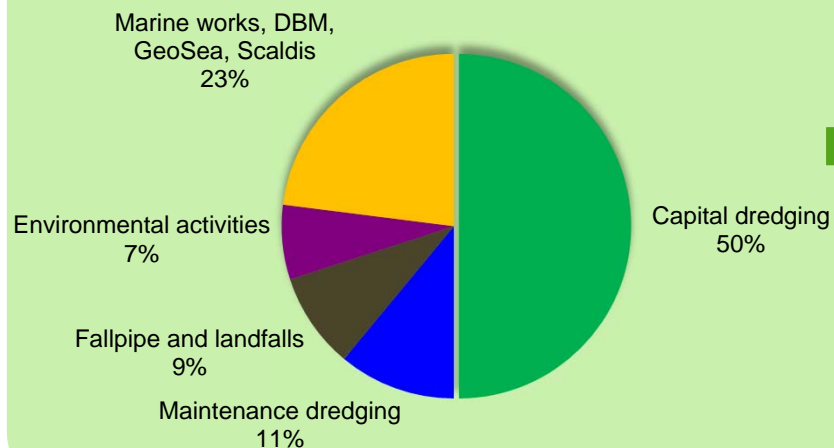
# Dredging & environmental division : DEME

## Worldwide activities

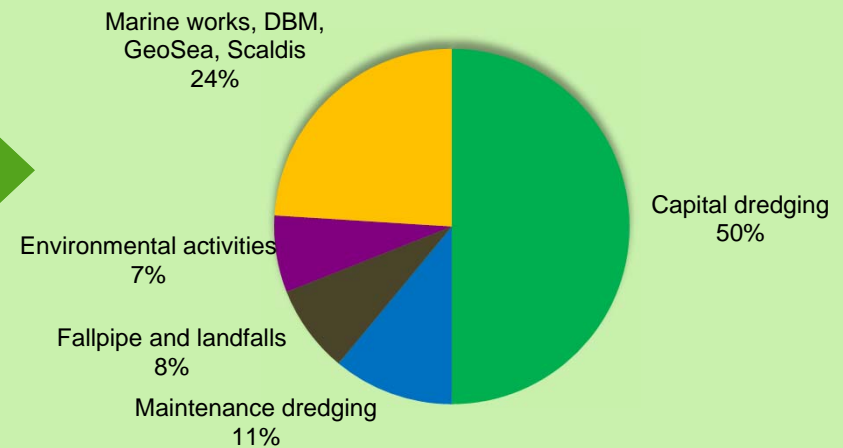
### Well balanced worldwide activity spread

- High level of Marine works
- Share of Capital dredging remains constant

2013



1HY 2014



# Dredging & environmental division : DEME

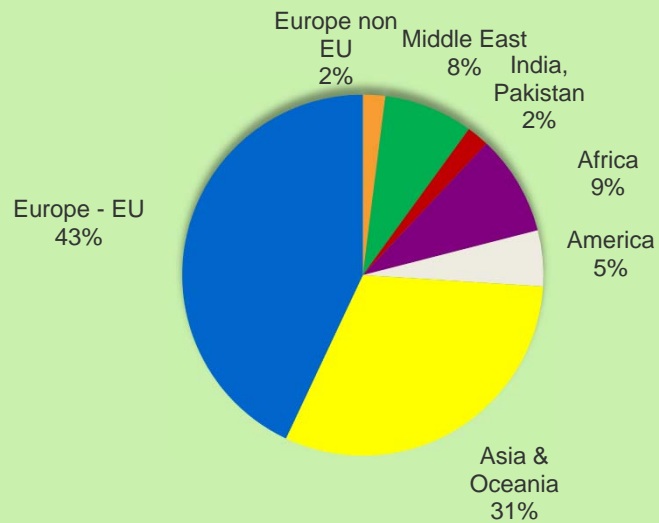
## Worldwide activities

### Well balanced worldwide region spread

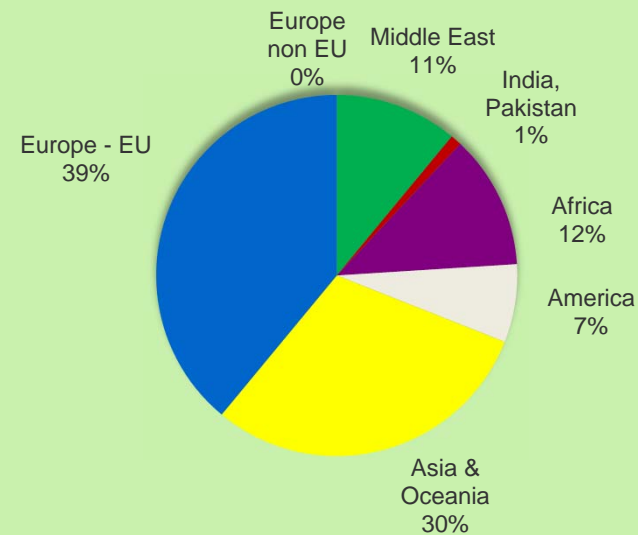
Share of activities in Europe and in Australia remains high



2013



1 HY 2014

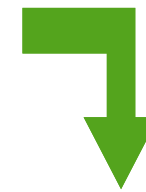
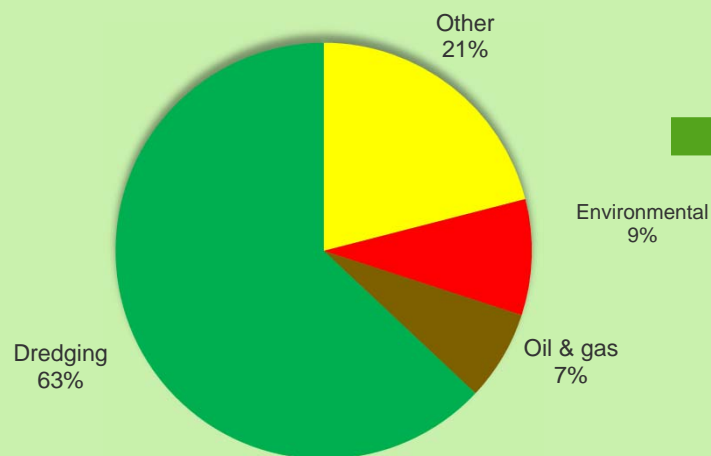


# Dredging & environmental division : DEME Worldwide order book

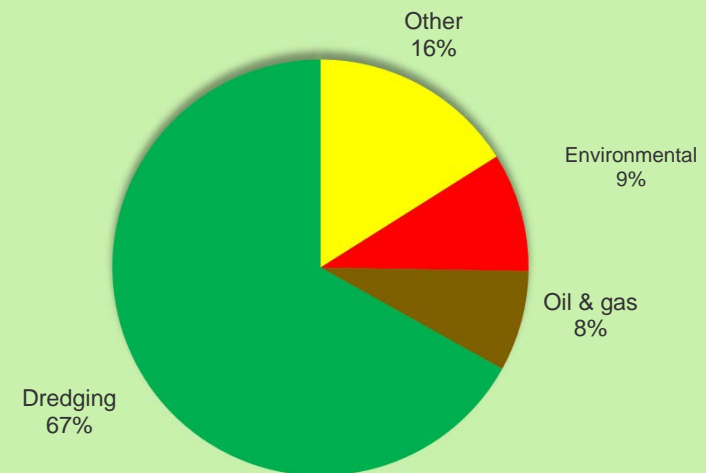
Well balanced worldwide activity spread of the order book



December 2013



June 2014





Project Chambon in Brussels (BPC Brabant)

## Construction division

# Construction division

Key financials (€m)	2013 (*)	1H13 (*)	2H13 (*)	1H14
Revenues	705.3	337.7	367.6	427.3
EBITDA	(15.0)	(4.4)	(10.6)	13.6
EBITDA margin	(2.1%)	(1.3%)	(2.9%)	3.2%
EBIT (**)	(23.7)	(7.5)	(16.2)	1.7
EBIT margin	(3.4%)	(2.2%)	(4.4%)	0.4%
Net result	(28.8)	(9.0)	(19.8)	0.1
Net margin	(4.1%)	(2.7%)	(5.4%)	0.0%
Order book	1,077.4	992.1	1,077.4	876.6

(\*) Restated figures after impact of IFRS 11

(\*\*) Including the share in the result of associated companies

## Breakdown orderbook

	1/07/14		1/01/14		Variance	
	Value	%	Value	%		
Civil Engineering	163	19%	200	19%	-37	-19%
Buildings Benelux	584	66%	640	59%	-56	-9%
Buildings International	130	15%	237	22%	-107	-45%
	<b>877</b>		<b>1,077</b>		<b>-200</b>	<b>-19%</b>

Of which Buildings

	1/07/14		1/01/14		Variance	
	Value	%	Value	%		
International	84	12%	162	18%	-78	-48%
Central Europe	46	6%	75	9%	-29	-39%
Luxembourg	56	8%	72	8%	-16	-22%
Belgium	528	74%	568	65%	-40	-7%
	<b>714</b>		<b>877</b>		<b>-163</b>	<b>-19%</b>

🔍 The **order book decreased with -19%** amounting to 877 million EUR

- After a strong growth in 2013 (+21%), the order book in the building segment in Belgium and in Luxembourg remains strong, exceeding its level of June 2013 (550 million EUR).
- Orders in civil engineering segment are slowing down.
- Orders in the international segment decrease significantly (-45%) resulting mainly from transfer of the Toukra II contract in Chad to a local associate.

🔍 **Activity yoy increases with 26.5% (+90 million EUR).**

- Activity in building segment in Benelux increased significantly (+44 million EUR)
- High level of activity in Chad boosts the activity in the International area (+29 million EUR), while the activity in Central Europe (+11 million EUR) is driven by significant growth in Poland

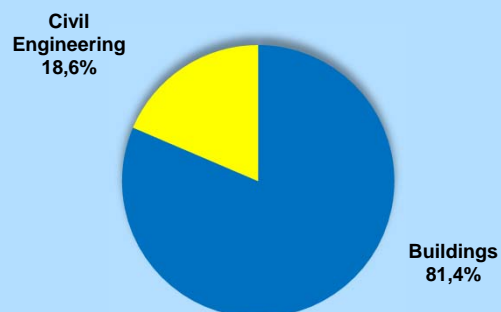
🔍 **EBIT yoy increases with +9.2 million EUR** namely due to:

- Elimination of sources of losses incurred in 1HY 2013 on several projects.
- Profit generated by the successful finalization of the Coentunnel project, before the contractual delay.

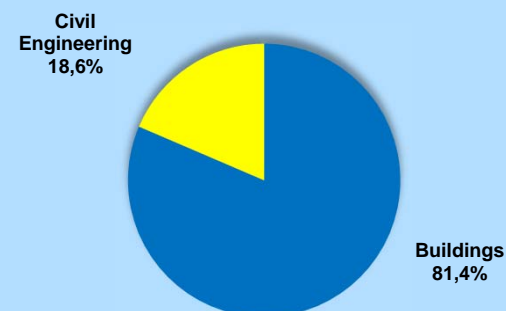


# Construction division

Order book breakdown 2013



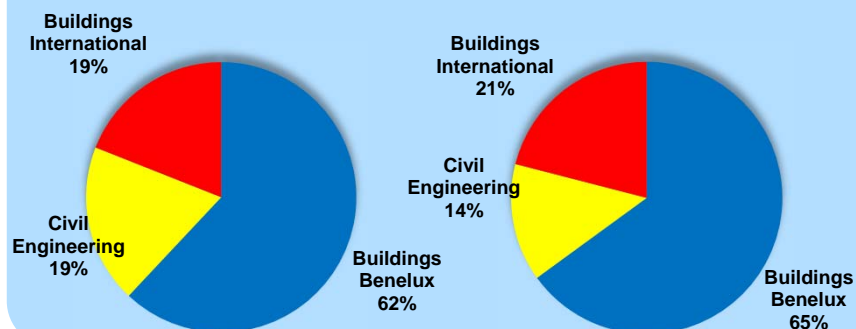
Order book breakdown 1HY 2014



Breakdown of revenues construction *by activity*

FY2013

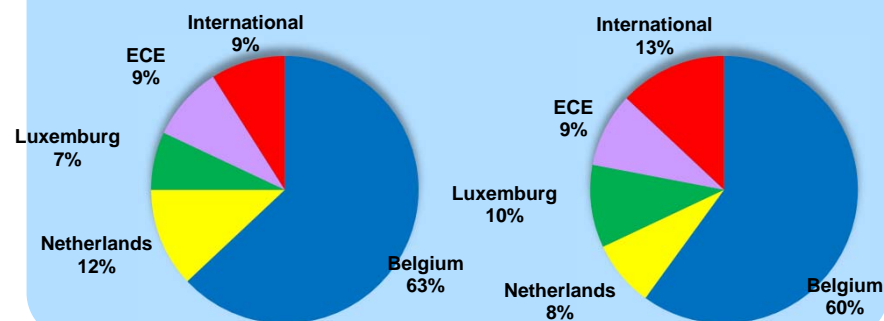
1HY 2014



Breakdown of revenues construction *by region*

FY2013

1HY 2014





Project Calvoet (Brussels)

## Real Estate and management services

# Real Estate and management services

Key financials (€m)	2013 (*)	1H13 (*)	2H13 (*)	1H14
Revenues	11.9	3.7	8.2	3.9
EBIT (**)	3.7	1.3	2.4	0.7
EBIT margin	31.1%	36.5%	29.3%	17.3%
Net result	1.8	0.0	1.8	(0.1)
Net margin	15.1%	0.0%	22.0%	(2.3%)
Capital employed	156	161	156	147
Order book	28.6	20.5	28.6	30.0

(\*) Restated figures after impact of IFRS 11

(\*\*) Including the share in the result of associated companies



Project Eden Green (Bettembourg, Luxembourg)

Real estate activity remains mainly focussed on residential projects, a market that remained steady during 1HY 2014.

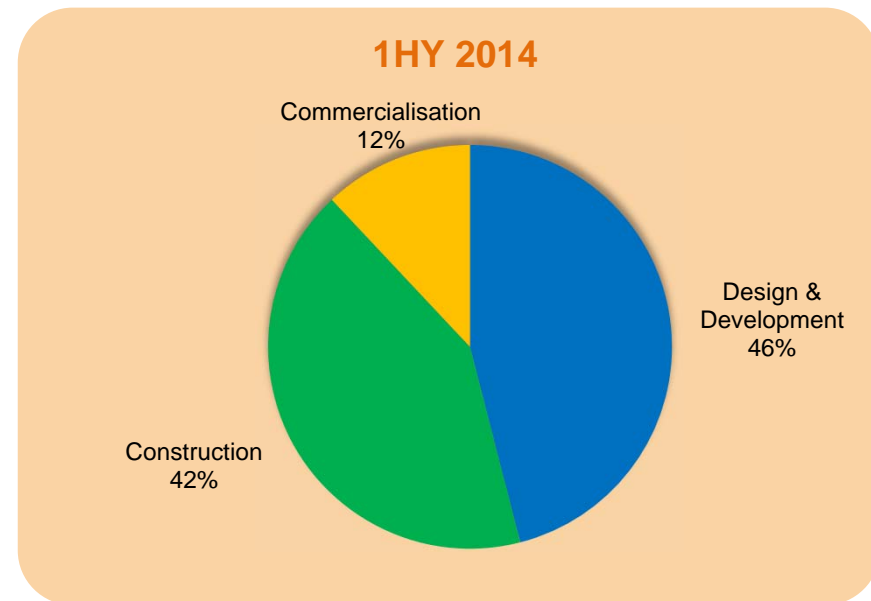
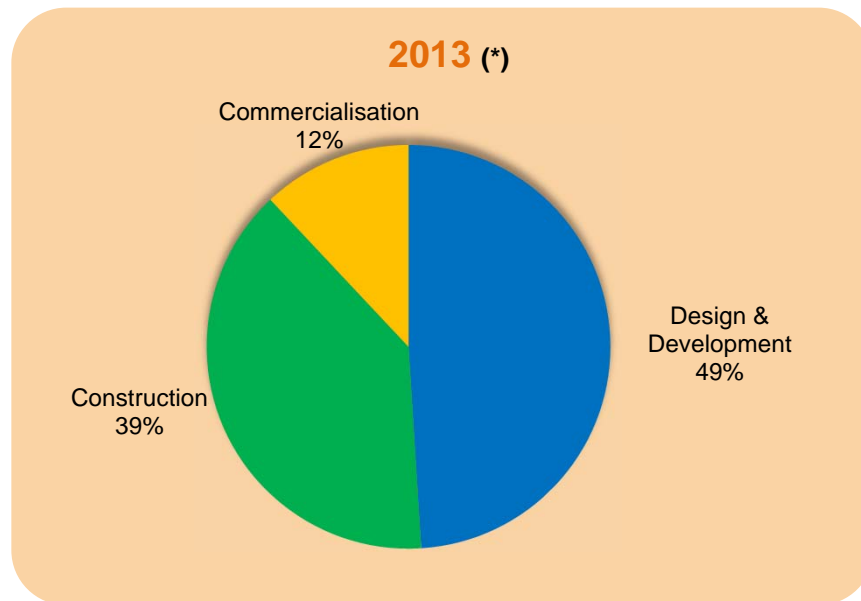
**EBIT amounts to 0.7 million EUR** (compared to 1.3 million EUR in 1HY2013). This lower level of EBIT is mainly explained by the impairment recorded on a land located in Luxembourg.

**Capital employed** is decreasing (reaching 147 million EUR) mainly resulting from:

- The sale of all office space in the “Belview” project (Brussels).
- The successful commercialization of residential projects Bettembourg (Luxembourg), Oosteroever (Belgium) and Gdansk II (Poland).

# Real Estate and management services

## Breakdown of capital employed 2013 - 1HY 2014



(\*) Restated figures after impact of IFRS 11

- Percentage of capital employed related to finalized estates not yet sold remains low (12%) and unchanged compared to December 31, 2013.



HVAC system in hospital (Procool)

## Multitechnics division



# Multitechnics division

Key financial (€m)	2013	1H13	2H13	1H14
Revenues	170.1	77.7	92.4	86.2
EBITDA	(4.2)	(3.8)	(0.4)	2.1
EBITDA margin	(2.5%)	(4.9%)	(0.4%)	2.4%
EBIT	(10.3)	(6.1)	(4.2)	1.9
EBIT margin	(6.1%)	(7.8%)	(4.5%)	2.2%
Net result	(11.8)	(6.9)	(4.9)	0.9
Net margin	(6.9%)	(8.9%)	(5.3%)	1.1%
Order book (*)	146.0	153.7	146.0	129.4

(\*) Figure excluding the order book of ETEC as this entity has been transferred to the Rail & Road division as from 2014.



Project Tour & Taxis (VMA)

📌 **Order book decreased with -11.4%** during 1HY 2014 reaching 129 million EUR due to falling orders at Nizet, VMA West and in the HVAC business, partly compensated by the growing order book of VMA resulting from the expansion of its industrial and infrastructure department.

📌 **Revenue increased with 10.9%** reaching 86 million EUR

- Growth of the activity at VMA and Ariadne both continuing to expand their international activities in the UK, Sweden and Hungary for car manufacturers.
- Growth of the activity of Nizet, stimulated by international activities in Vietnam.

📌 **EBIT increased to +1.9 million EUR** compared to -6.1 million EUR during 1HY 2013 resulting from :

- Downsizing measures at VMA West to cope with elements having generated significant losses in 2013.
- Performance of VMA remaining very good.





## Rail & Road division

## Rail & Road division

Key financials (€m)	2013	1H13	2H13	1H14(*)
Revenues	95.5	44.2	51.3	51.1
EBITDA	8.0	3.2	4.8	2.8
EBITDA margin	8.4%	7.1%	9.4%	5.4%
EBIT	4.5	1.4	3.1	2.2
EBIT margin	4.8%	3.2%	6.0%	4.4%
Net result	2.9	0.8	2.1	1.2
Net margin	3.0%	1.8%	4.1%	2.3%
Order book	86.9	90.8	86.9	79.6



Liefkenshoek rail tunnel (Stevens)

❖ **Order book decreasing slightly** reaching 80 million EUR mainly driven by decreasing orders in road activity and in railway signaling activity at Stevens.

There are however still some large rail contracts at tender stage.

❖ **Revenues increased with 15.6%** (+1.8% taking into consideration the transfer of ETEC to the Rail & Road division as from 2014) reaching 51 million EUR mainly driven by the growth of railway activity at ENGEMA.

❖ **EBIT increased with 57%** from 1.4 million EUR in 1HY 2013 to 2.2 million EUR in 1HY 2014 mainly due to additional works and claims having been approved by clients during 1HY 2014 in both the railway activity as in the road activity.



## PPP-Concessions division

# PPP-Concessions division

Key financials (€m)	2013(*)	1H13 (*)	2H13 (*)	1H14
Revenues	0.7	0.6	0.1	0.3
EBIT (**)	0.7	2,1	(1.4)	(1.2)
EBIT margin	-	-	-	-
Net result	0.9	2.1	(1.2)	0.0
Net margin	-	-	-	-

(\*) Restated figures after impact of IFRS 11

(\*\*) Including the share in the result of associated companies



Project HDP Charleroi

Net result reaches break-even compared to 0.9 million EUR in 2013.

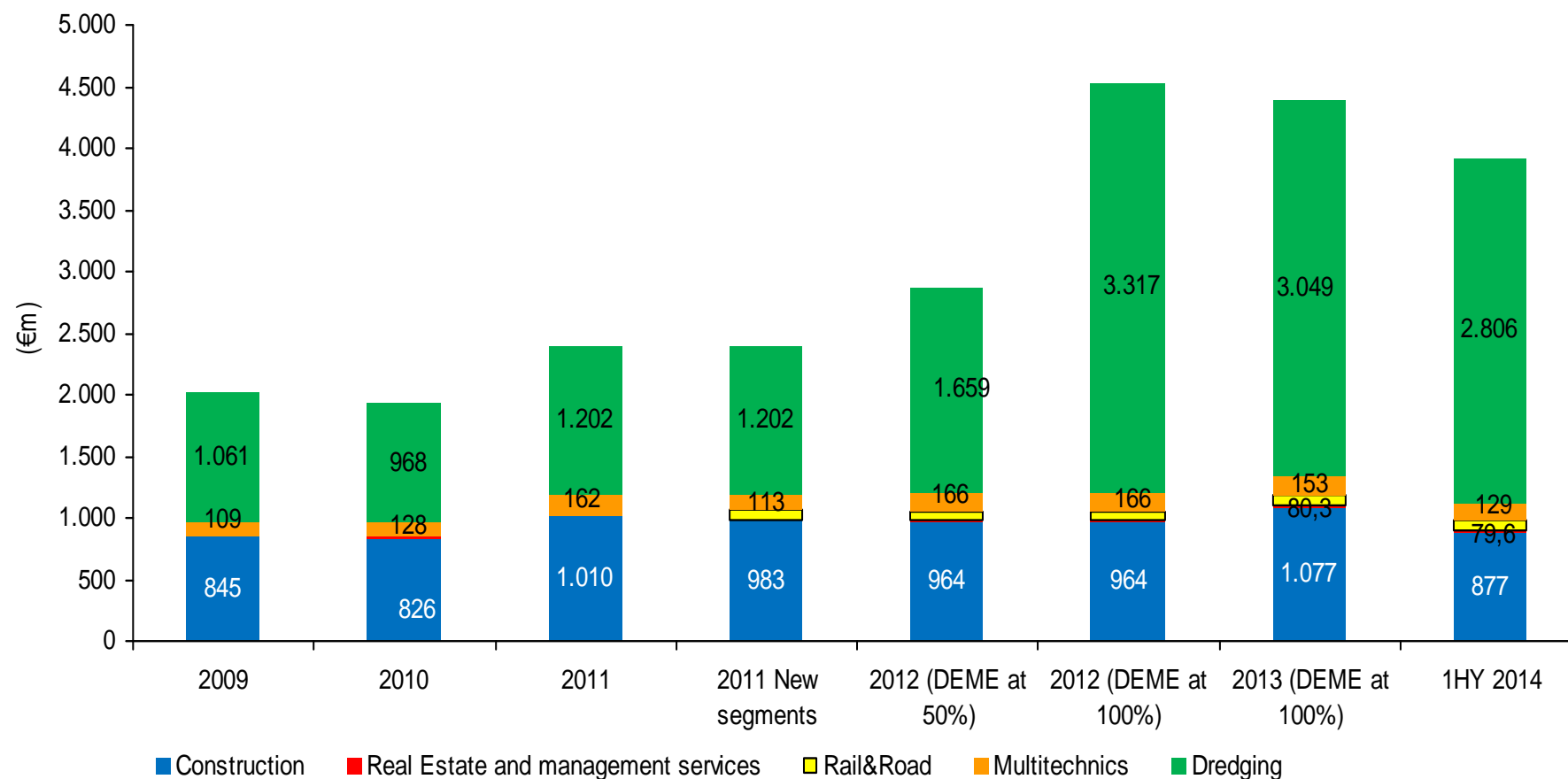
- Rent-A-Port generates a net result close to break-even due principally to the absence of land handovers in Vietnam during 1HY 2014.

New PPP projects are currently in tender phase.

# GROUP CFE



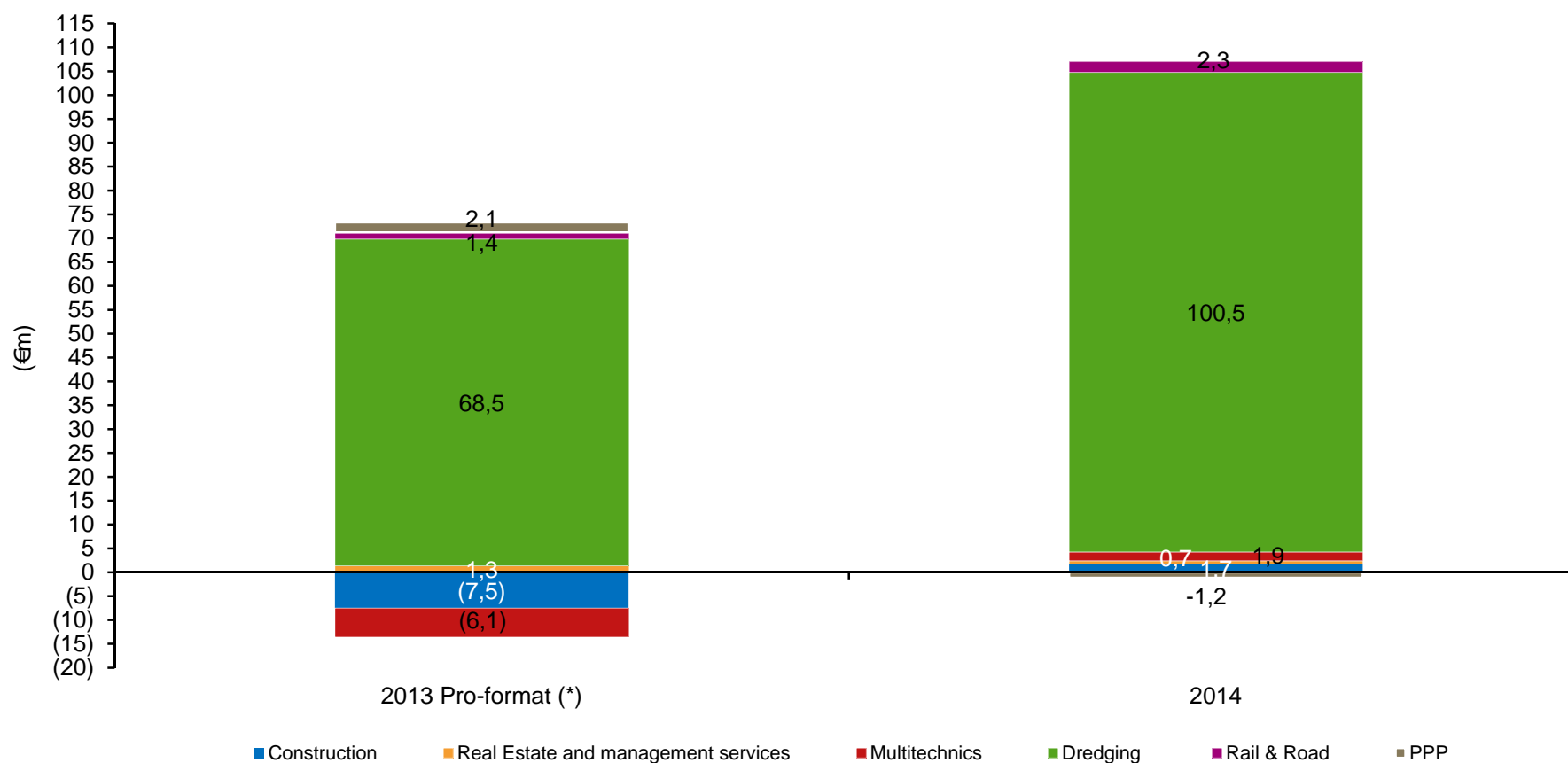
# Order book evolution



*As from December 31, 2013 the order book includes 100% of the order book of DEME*



# Recurring operational result (EBIT) Segment breakdown



(\*) Pro-forma figures considering 100% of the result from DEME during 1HY2013

# Statement of financial position-consolidated

Key financials (€m)	2013 (3)	1HY 2014
Non-current assets	2,194.8	2,121.1
Current assets	1,766.6	1,911.4
<b>Total assets</b>	<b>3,961.4</b>	<b>4,032.5</b>
Shareholders equity	1,201.2	1,237.0
Non-current liabilities	971.2	925.4
Current liabilities	1,789.0	1,870.1
<b>Total equity and liabilities</b>	<b>3,961.4</b>	<b>4,032.5</b>
Capital employed <sup>(1)</sup>	1,806.3	1,789.6
ROCE (REBIT/CE)	10% <sup>(4)</sup>	11.5%
Net financial debt <sup>(2)</sup>	605.1	552.6

Notes : (1) Capital employed is defined as net financial debt + shareholders equity

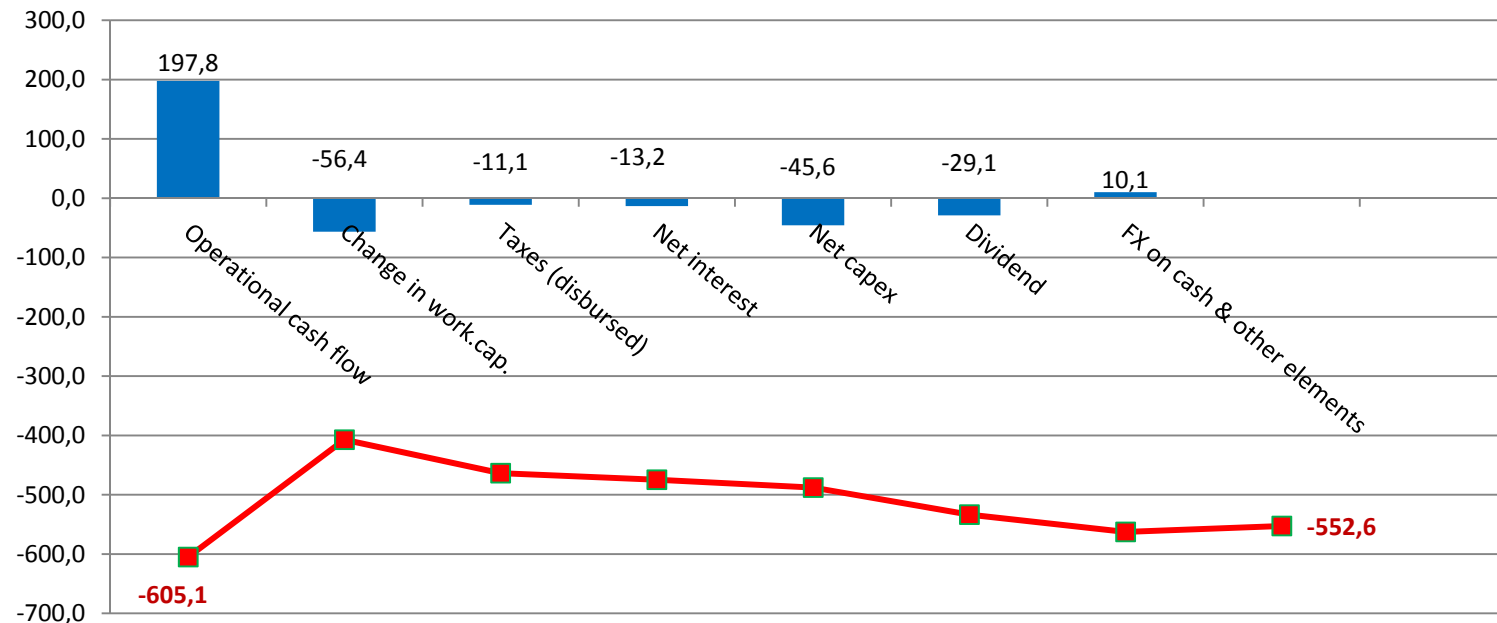
(2) The net financial debt excludes the fair values of financial investments

(3) Consolidated statement of financial position restated after impact of IFRS 11 (joint ventures integrated based on equity method)

(4) ROCE taking into account 100% of REBIT from DEME, as capital employed as of December 31, 2013 includes 100% of the equity and net financial debt of DEME

# Cash flow Breakdown

In million EUR



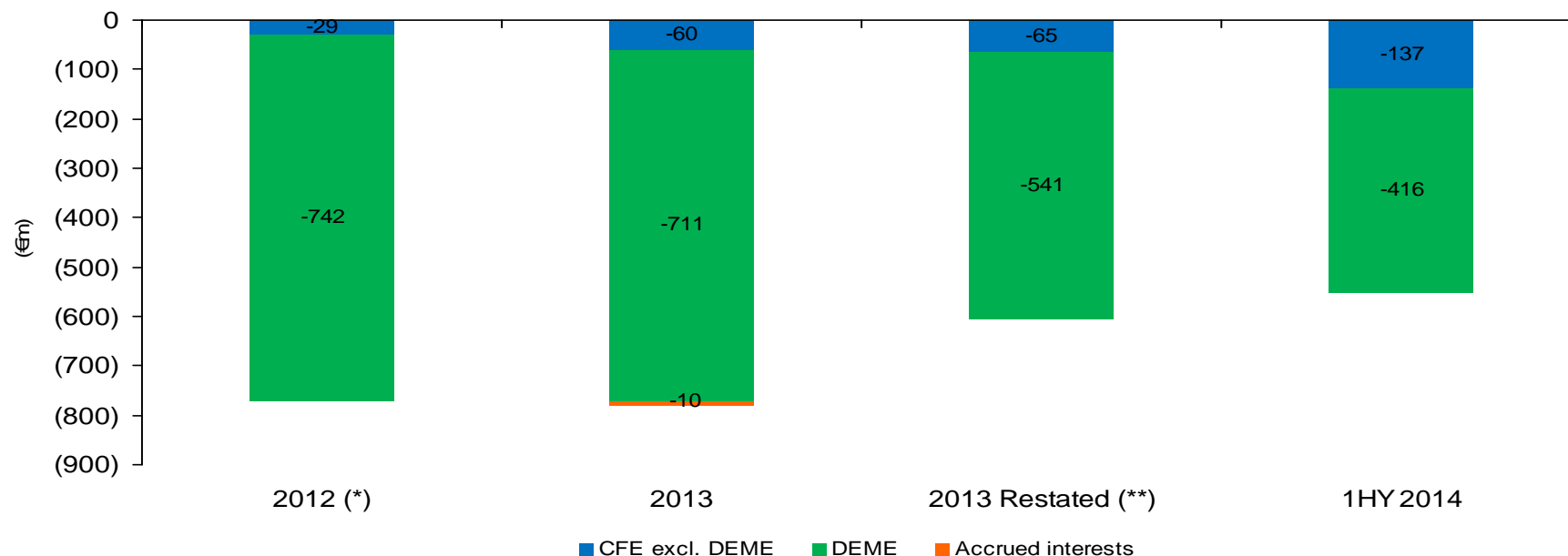
⚙ Main contributors in **operational cash flow** (+198 million EUR) are :

- DEME (+183.2 million EUR)
- Construction division (13.1 million EUR)

⚙ **CAPEX at low level** (46 million EUR)

⚙ **Increase in working capital** of 56 million EUR

## Net financial debt evolution



(\*) Including 100% of the NFD of DEME

(\*\*) After impact of IFRS 11 (joint ventures integrated based on equity method)

🔑 **On a comparable basis, the NFD decreased with -53 million EUR** compared to December 31, 2013 (from 605 million EUR to 553 million EUR) as a result of :

- DEME (-125 million EUR) : decrease due to the strong cash flow from operations in 1HY 2014 and to the absence of major investments in new vessels during 1HY 2014.
- CFE-excl. DEME (+72 million EUR) resulting mainly from :
  - financing of PPP projects Liefkenshoekspoortunnel (20 million EUR) and HDP Charleroi (5 million EUR), and
  - Increase of the working capital especially in the construction division.

# Shareholders and share performance

## Shareholders :

AvH : 60.40%  
VINCI : 12.11%  
Free float : 27.49%

## Share price performance:

	1M	3M	12M
CFE	+6.0%	-1.4%	+79.7%

## No of shares:

25,314,482

## Share price





(26-Aug-14) : 78.07 EUR

## Market Cap

(26-Aug-14) : 1,976,302 KEUR



# Shareholders agenda

- |  |                                 |
|--|---------------------------------|
|  <b>August 29, 2014</b>                           | Financial analyst's meeting     |
|  <b>November 18, 2014 (before stock exchange)</b> | Intermediary publication Q3     |
|  <b>February 27, 2015 (before stock exchange)</b> | Publication annual results 2014 |
|  <b>May 7, 2015</b>                               | Ordinary Shareholders' meeting  |





Women, men, ONE GROUP