

The Report.

ANNUAL REPORT 2015

A close-up, slightly blurred photograph of a person's hand pointing with their index finger at a large-scale architectural or engineering blueprint. The hand is wearing a plaid shirt cuff and a gold ring. The blueprint shows detailed drawings of buildings and infrastructure. The background is a warm, orange-yellow color.

**Together shaping
tomorrow's world**

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ON THE ROAD TO EXCELLENCE



Widening and deepening of the approach channel of the Mersin International Port in Turkey

CFE ended the year with a net result after tax of €175 million, a marked improvement on the previous financial year. After having recorded its best economic performance in 2014, the group entered a new phase in its profit growth in 2015.

The success that was achieved in 2015 is above all that of DEME, which reported its best financial year as much by the high level of results as the low level of indebtedness, even though significant investments were launched in preparation for the future. With its rejuvenated fleet – one of the most modern fleets in the world for dredging and related services thanks to the investments that were made in recent years – DEME is now one of the leading companies in its line of business. The quality of the buoyant order book further confirms the company's capacity for growth. So it came as no surprise that DEME was voted 'Company of the Year'.

Real Estate Development also contributes to CFE's success. BPI in Belgium, Luxembourg and Poland reported its best performance since it was acquired by CFE in 2004. With a overall stable portfolio of real estate projects, the group's real estate development company managed to develop its residential activities and took significant stakes in several projects, particularly in Luxembourg, which will make it even stronger in the future. The stock of unsold built apartments remains very small, which shows that BPI chooses the right locations for its building projects.



Piet Dejonghe

Managing Director



Renaud Bentégeat

Managing Director

The Contracting division has made considerable progress during the year. A new entity was set up within CFE, CFE Contracting, which encompasses the Buildings operations in Belgium, Luxembourg, Poland and Tunisia, as well as the companies in the Multitechnics and Rail infra segments. Even though difficulties were still encountered on certain building projects in the Brussels region in 2015, the new structure put in place and led by a new CEO is well equipped and prepared for the coming years, especially as it can now focus on the Multitechnics and Rail infra segments, which were restructured in 2014 and showed a good profit in 2015, evidencing their excellent operational quality.

The holding activities and the operations that were not transferred – remaining in CFE SA – also underwent a thorough-going reorganization.



2015 ENDED WITH THE BEST RESULT IN THE HISTORY OF CFE



Safety remains a concern, and in 2015 fell short of expectations in the Contracting division. It is up to the new CEO of Contracting, assisted by two managing directors of the group, to ensure that efforts to improve site safety translate into true victories in the field.

2015 ended with the best result in the history of CFE. What will 2016 bring? The outlook in Dredging and Real Estate is definitely favourable, and as far as Contracting is concerned we are confident that the restructuring that was carried out in 2015 will be conducive to harmonious growth for its entities and that this division will make progress on the road to profit.

2015 HIGHLIGHTS

JANUARY

A second managing director

CFE's board of directors decided, in agreement with Renaud Bentégeat, to appoint Piet Dejonghe as second managing director.

Opening of the new wing of the prestigious Chapelle Musicale Reine Elisabeth. This project was carried out by Amart.



FEBRUARY

Focus on Singapore

DEMÉ won, in joint venture, the contract for the first phase of the Tuas Terminal project for the Maritime and Port Authority of Singapore. The joint venture is entrusted with the construction of an 8.6 km quay wall, the reclamation of around 300 hectares of land, and dredging the fairways. The construction of the quay wall involves manufacturing, floating, transporting and positioning 200 units weighing 15,000 tonnes each. The joint venture has six years to finish the project.

MARCH

Wind energy on the North Sea

DEMÉ Concessions entered into a partnership with Nordsee Offshore MEG I GmbH for the joint development of the MEG I offshore wind farm in the German North Sea.

MEG I will be one of the largest wind farms in Germany; it will be constructed in the German Bight, around 45 km north of Borkum. This 400 MW project will supply renewable energy to one million people. It will help to reduce carbon emissions by 1.5 million tonnes a year. DEMÉ takes part in the development stages of the wind farm until its financial closing. DEMÉ will subsequently be involved in the construction and maintenance of the wind farm, and in its long-term financing.

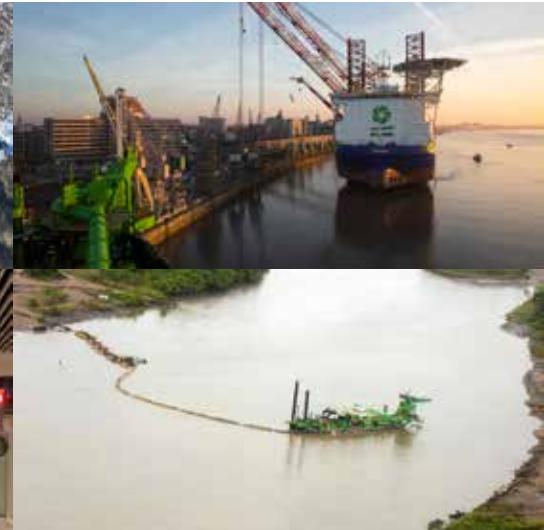


MAY

GeoSea, owner of the Innovation

GeoSea, DEMÉ's specialist in offshore foundations, finalized the financial closing of the transaction that was announced in October 2014 for the acquisition of the offshore assets of the German company HOCHTIEF, one of the biggest construction groups in the world.

Launch of the CHC MontLégia project, a new hospital that will bring together the activities of three big hospitals of Centre Hospitalier Chrétien in Liège. This project is carried out in joint venture by BPC Liège.



APRIL

Opening of the project Spoor & Stad Delft

Official opening of the first phase of the rail tunnel and technical installations, and the underground railway station in Delft. At the same time, launch of the second phase that will be completed in 2018.

Laying of the first foundation stone of the Galerie Kons project in Luxembourg. This mixed office, residential and retail project opposite the railway station is realized by CLE, in joint venture, for the developer BPI Luxembourg.

JUNE

A cleaner river in Papua New Guinea

Dredging International was awarded a five-and-a-half-year extension of its ongoing contract by Ok Tedi Mining Ltd. to remove mine-derived sediments from the lower Ok Tedi river system, situated in the Western province of Papua New Guinea.

DEMÉ and Windreich joined forces to develop the offshore wind project 'Merkur Offshore' (MEG I).

JULY

Acquisition of 2 new building lots

BPI, through its CLi branch, acquired, in joint venture, two new building lots for the development of a mixed residential, retail and office project of 40,000 m² above ground, and for the construction of 50 apartments and retail outlets of 2,350 m² above ground.

DEMÉ Environmental Contractors (DEC) won the contract for the remediation of the historical refinery site at Valløy, near Tønsberg (Norway), for Esso Norge AS.



AUGUST

The new Suez Canal twice as fast

DEMÉ celebrates the end of the works on the new Suez Canal by taking part in the opening ceremony in Egypt. The widening and deepening of the canal has halved waiting times on the shipping routes. This is the fourth time since the Second World War that the dredging and environment company DEMÉ has helped to improve this vital waterway for the Egyptian economy.

Belgian Land participates for 50% in the development of the second phase of the real estate project 'Les Hauts Prés' in Uccle. After having marketed the first phase of its residential project alone, BPI decided to go into partnership to speed up the marketing of the second phase of this project.

CLE won the contract, in joint venture, for the construction of the building for the future 'Lycée français' on Ban de Gasperich in Luxembourg.

SEPTEMBER

A new district in Ostend

Completion of the prestigious Baelskaai 12 project, the first building in the new Oosteroever district in Ostend. This emblematic project was realized by MBG and Atro Bouw for developer BPI.

Laying of the first foundation stone for two school projects as part of the 'Scholen van Morgen' contract: Onze-Lieve-Vrouwelourdes in Edegem and Octopus in Sint-Katelijne-Waver, built by Atro Bouw and MBG.

NOVEMBER

The Toison d'Or building graces Brussels

Completion of a fine mixed-use property – retail, crèche and apartments – in Brussels, called Toison d'Or. This prestigious project was realized by BPC Brabant and Amart.

The board of directors of CFE decided to entrust the daily management of CFE Contracting to an executive committee composed of four members. It will be led by Raymund Trost, who has been appointed CEO of CFE Contracting.

DEMÉ won another series of dredging contracts to dredge the side channel of Port Said in Egypt, to widen and deepen the Pacific entrance to the Panama Canal, and to widen and deepen the access to the Port of Mersin in Turkey.



OCTOBER

DEMÉ voted 'Company of the Year'

DEMÉ was voted 'Company of the Year 2015': a fine token of recognition for the company's innovative entrepreneurship.

On the economic visit of King Philippe and Queen Mathilde to Poland, CFE Polska signed the contract for the second phase of a residential project in Warsaw for Matexi.

DECEMBER

A new division, Infra Sea Solutions

DEMÉ set up a new division, Infra Sea Solutions, alongside its existing Dredging, Environment and Offshore divisions. This involved the formation of the company DEMÉ Infra Sea Solutions (DISS), comprising the company DEMÉ Infra Maritime Contractors (DIMCO) and firms specializing in earthworks and soil remediation.

The entities CFE Nederland BV and GEKA BV were repositioned under DIMCO along with the personnel of the division MBG Génie Civil.

This new division, Infra Sea Solutions, will enable DEMÉ to respond to market trends by projecting itself as a 'Total Solutions Provider', capable of realizing mixed projects combining civil engineering and dredging.

CFE IN FIGURES

CFE IS AN INDUSTRIAL BELGIAN GROUP ACTIVE IN

3 DIFFERENT ACTIVITIES:

DREDGING, MARITIME ENGINEERING AND ENVIRONMENT /
CONTRACTING / REAL ESTATE DEVELOPMENT

DEME HAS ALSO STARTED BUILDING



NEW VESSELS

WHICH WILL PROGRESSIVELY JOIN DEME'S FLEET
FROM 2017 ONWARDS

40

MILLION M³

OF MATERIAL WAS DREDGED FOR
THE DEEPENING AND THE WIDENING
OF THE NEW SUEZ CANAL



THE DRIVE PROGRAMME SET
A TARGET OF

7%



INCREASE IN ENERGY
EFFICIENCY BY 2022

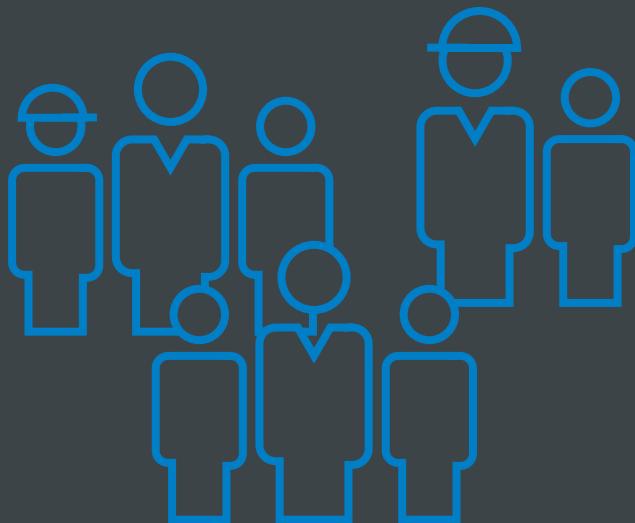
STRONG GROWTH IN NET RESULT OF BPI

+62.8%

+16.7%

GROWTH IN ORDER BOOK OF THE GROUP
CFE

8,160
EMPLOYEES



80%
OF THE HOUSING
UNITS

ALREADY SOLD FOR THE SECOND
PHASE OF THE OOSTEROEVER
PROJECT IN OSTEND



NET RESULT SHARE OF THE GROUP OF DEME

199.2

MILLION EURO



The retirement home of the Ernest Solvay project in Brussels



The luxury residential project Baelskaai 12 in Ostend

THE COMPANY CFE SA WILL FROM NOW ON FOCUS ON ITS HOLDING ACTIVITY.



REPOSITIONING, AUTONOMY AND SYNERGIES: A THREE-PRONGED WINNING STRATEGY

CFE RESOLUTELY CONTINUES THE PROCESS OF IMPLEMENTING A STRATEGY BASED ON THREE MAJOR THEMES: REFOCUSING ON THE GROUP'S STRENGTHS IN TERMS OF BUSINESS AND GEOGRAPHICAL LOCATION, REORGANIZATION OF THE ACTIVITIES TO STRENGTHEN THE AUTONOMY OF THE SUBSIDIARIES AND THE ACCOUNTABILITY OF THEIR MANAGEMENT TEAMS, AND OPTIMAL USE OF SYNERGIES AT ALL LEVELS. THIS STRATEGY SHOULD ALLOW THE GROUP AND EACH OF ITS ENTITIES TO MAKE THE MOST OF THEIR ASSETS.

REFOCUSING ON STRENGTHS

CFE continues the process of refocusing on its strengths in terms of business – dredging, construction and real estate development – and geographical location. This strategy of refocusing obviously does not mean cutting back on our activities! On the contrary, it goes hand in hand with developing those lines of business in which the group is strongest.

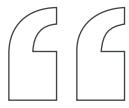
For that reason we want to further increase the power of DEME, which

continues to invest in a state-of-the-art fleet: two new green vessels have been commissioned for the offshore energy market, which will be delivered in 2017. More generally, DEME invests in innovative technologies in order to offer integrated solutions to meet the various global challenges such as the growing scarcity of natural resources, coastal erosion as a result of rising sea levels, and soil and water pollution. The same eagerness to offer integrated solutions and to meet the demand of a market in search of a total solutions provider led at the end

of 2015 to the transfer to DEME of the marine civil engineering activities which until then had been carried out by CFE. Practical measures are now being implemented to ensure a smooth integration within DEME of the entities involved and of their management and personnel.

Similarly, CFE continues to consolidate its position on the real estate market in Belgium, Poland and the Grand Duchy of Luxembourg, three countries offering positive development prospects. The group now positions itself everywhere under the name BPI, which thus becomes the brand name of a major Belgian player on the market of real estate development.

Construction activity is mainly concentrated in Belgium, Luxembourg, Poland and Tunisia. This decision to limit the number of geographical locations is in keeping with the aim of finding new opportunities in countries where the group is already present. CFE actually saw its presence being strengthened in those countries in 2015, and actions will be taken in 2016 to further intensify that very positive trend.



CONSTRUCTION ACTIVITY IS MAINLY CONCENTRATED IN BELGIUM, LUXEMBOURG, POLAND AND TUNISIA.



Parallel to those three major business lines, the group naturally maintains and continues to develop its multitechnics and rail infra activities within the Contracting division. Highly satisfactory results have been reported year by year for those activities, and the prospects look very good too.

REORGANIZATION OF ACTIVITIES

Designed to maximize efficiency and respond even better to market expectations, the internal reorganization of the CFE group is now complete and is reflected in a renewed dynamism within the new structures, which are characterized by greater autonomy and accountability. Those structures are more than ever capable of developing coherent strategies that are perfectly adapted to the particularities of their specific activities and markets.

The company CFE SA will from now on focus on its pure holding activity with a small number of staff in charge of general management and other group services, relations with the shareholders, consolidation of the accounts, and institutional communication at group level.

The operational activities will be carried out by three distinct legal structures: DEME, a wholly-owned subsidiary of CFE, for dredging and related services; CFE Contracting SA, for construction, multitechnics and rail infra, and BPI SA, for all real estate development activities.

This greater autonomy of the subsidiaries also means greater accountability of their management, and involves a transparent reporting and stricter monitoring of the operational and financial performances.

MORE AUTONOMY, MORE SYNERGIES

The greater autonomy of the different entities as a result of the reorganization goes hand in hand with greater synergies. Sharing experiences, working together on big or complex projects that require different kinds of skills, sharing opportunities according to the geographical situation: more and more opportunities for synergies arise between subsidiaries of the same division or between different divisions. One example is real estate development, where projects are preferably carried out by firms of the group.

More than ever, today and in the years to come, CFE will assert and put into practice its intention to 'build the future together'.



Lode Franken

CFE

PROCEDURES RELATING TO COMMITMENTS – RISK COMMITTEES

Given the specific nature of the business activities, strict upstream control procedures are applied. All binding offers involving an amount of over €50 million (Construction) or €10 million (Multitechnics and Rail Infra) must be approved by the Risk Committee.

The same is true of any project that requires an unusual level of financial resources from the group (including all PPP-type transactions), involves a new technology or a technology in which the group has insufficient skills, contains unusual workforce-related obligations, or will be performed in a country where the group does not yet operate.

CFE controls its dredging subsidiary primarily through:

- the Technical Committee, which monitors the main projects and pending lawsuits;
- the Risk Committee, which analyzes and approves all binding offers involving an amount of over €100 million (dredging works) or €25 million (non-dredging works);

On those three committees, Lode Franken represents the management of CFE.

BOARD OF DIRECTORS



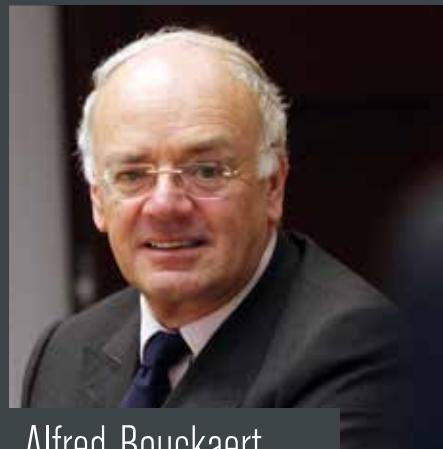
John-Eric Bertrand

Director - Member of the Audit Committee
as from 15 January 2015



Luc Bertrand

Director – Member of the Nomination
and Remuneration Committee



Alfred Bouckaert

SA Consuco, represented by Alfred Bouckaert
Independent director – Member of the Audit Committee -
Member of the Nomination and Remuneration Committee
Mandate expires after the AGM of 04/05/2016



Ciska Servais

BVBA Ciska Servais, represented by Ciska
Servais – Independent director – Chair of the
Nomination and Remuneration Committee



Jan Steyaert

Independent director -
Chair of the Audit Committee
Mandate expires after the AGM of 04/05/2016



Jan Suykens

Director



Renaud Bentégeat

Managing Director



Piet Dejonghe

Managing Director as from 15 January 2015



Alain Bernard

Director



Philippe Delusinne

Independant director –
Member of the Audit Committee



Koen Janssen

Director



Christian Labeyrie

Director –
Member of the Audit Committee



Philippe Delaunois

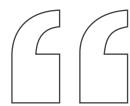
SA C.G.O., represented by Philippe Delaunois –
Chairman of the Board of Directors
Mandate expires after the AGM of 04/05/2016

PHILIPPE DELAUNOIS, OUR CHAIRMAN FOR MORE THAN TWENTY YEARS

Philippe Delaunois has been a Director and Chairman of CFE since 5 May 1994. For more than twenty years, he skilfully supported the group's development and successes alongside the Managing Directors, first Henri Taverne, then Renaud Bentégeat.

Philippe Delaunois, former Managing Director of the Cockerill Sambre group, was voted 'Manager of the Year' in 1989 and was Chairman of the Union Wallonne des Entreprises (Federation of Walloon Industries) from 1990 to 1993. A highly distinguished and esteemed figure in the French-speaking business community, and in Wallonia in particular, Philippe Delaunois still holds several other directorships in reputable companies, such as Sabca and Nethys.

His term of office as Director of CFE expired at the General Meeting of 4 May 2016. All members of the Board of Directors paid tribute to the work of Philippe Delaunois at their meeting of 24 February 2016.



SAFETY: MORE THAN EVER A PRIORITY

CFE ALWAYS SOUGHT TO PRIORITIZE SAFETY. NEVERTHELESS, THIS WAS NOT ENOUGH TO AVOID ACCIDENTS IN 2015. THE GROUP WILL THEREFORE STEP UP ITS SAFETY EFFORTS IN 2016 TO REVERSE THE TREND.

The safety figures for 2015 were slightly down on those for 2014. Some serious accidents occurred on sites of the Contracting division, on international sites, such as in Nigeria, but also in Belgium among personnel of CFE or of subcontractors.

This regrettable trend manifested itself despite intensive 'Safety Management' campaigns and training sessions being conducted in 2013, 2014 and the first half of 2015. Actions have been taken further to those training sessions, but so far they have not borne fruit.

2016 will see safety efforts being stepped up, in particular through targeted awareness campaigns.

As part of the reorganization of the CFE group, those awareness campaigns are presently conducted by the different

entities and subsidiaries, but there are a series of common safety requirements that are always relevant and will be further tightened by the new management of the Contracting division.

TARGET: ZERO ACCIDENTS

Employee safety, health and well-being are DEME's primary concerns. Risk elimination and control form part of the corporate management system and apply to each operational task.

The figures show the effectiveness of the proactive approach, with a marked improvement in the degree of seriousness of accidents in recent years. For the third year in a row, the offshore firm Tideway was proud to report zero lost-time accidents.

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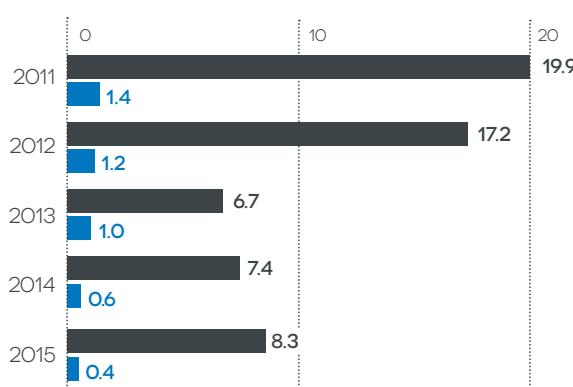
Gabriel Marijsse

CFE

In 2015, DEME identified eight key performance indicators in the area of safety. Four targets out of eight have been reached. The results at the end of this transitional year show that efforts must be kept up. For even though there has been an improvement, any lost-time accident (there were 14 in 2015) remains

CHART OF FREQUENCY RATE AND SERIOUSNESS RATE

CONSTRUCTION



MULTITECHNICS





unacceptable. There is only one target: zero accidents!

CHILD 5

Five years ago, DEME launched its safety awareness programme, called CHILD. The new version, CHILD 5, aims to draw attention to safety and ensure that it becomes second nature to each staff member. The new programme is based on the opinions and recommendations collected at all levels in the company.

Stop Work Authority

To increase individual responsibility for safety, DEME has a 'Stop Work Authority

Policy', which gives each member of staff the authority to stop, and arrange to stop, any person, task or operation that is poorly prepared, out of control or dangerous. All situations that might have justified the activation of this procedure were discussed at the DEME Safety Moment Day that was organized in 2015.

DEME: safety accoladed with several awards

DEME won the 'Bechtel's Safety Excellent Contractor Award', as well as five 'Safety Subcontractor of the Month' awards for the exemplary safety on the Wheatstone project in Australia, where the team worked 2.6 million hours without

lost-time accidents. DEME was also accoladed with the prestigious 'Contractor Recognition Award' of Chevron for its significant contribution to the 'Project's Safety Performance'.

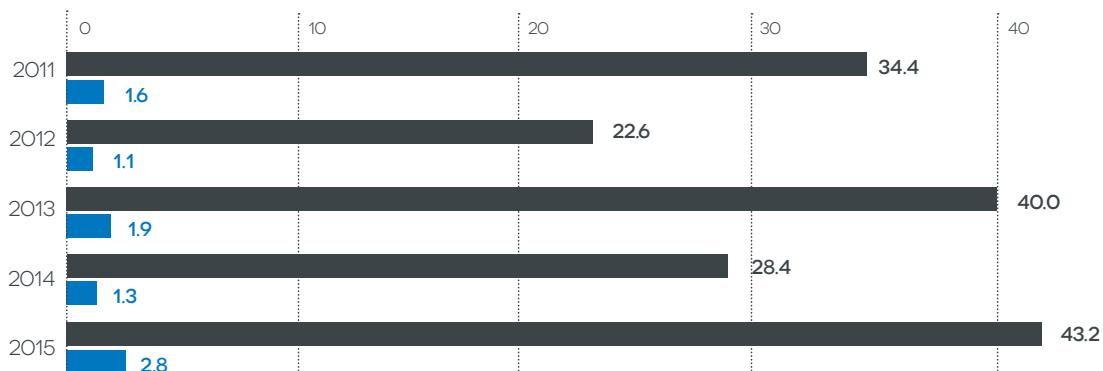
No safety without training

In each company, numerous safety training programmes are organized for each particular activity. Training sessions to meet the regulatory, normative (VCA) or customer-specific (ELIA, petrochemical industry, etc) requirements are organized as well, as are more general training sessions focusing on safety behaviour and awareness. Several group companies also organized a Safety Day.

DREDGING AND ENVIRONMENT



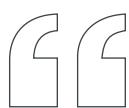
RAIL INFRA & UTILITY NETWORKS



SOCIAL INDICATORS

STAFF BY DIVISION

IN %	GROUP & CONCESSIONS	DEME	CONTRACTING	REAL ESTATE	TOTAL
2013	91	4,370	3,805	44	8,310
2014	78	4,264	3,634	45	8,021
2015	62	4,421	3,629	48	8,160



IN 2015, 36 EMPLOYEES RECEIVED THEIR CERTIFICATE OF JUNIOR CONSTRUCTION PROJECT LEADER.



WIDE RANGE OF TRAINING PROGRAMMES THROUGHOUT THE GROUP

Maximizing skills, sharing experience

Employee training and development has always been a priority for the CFE group. This year, too, numerous training courses were organized in a whole series of fields: technical training courses in various skills, language courses, courses in administration, accounting, legal aspects, ICT, management, environment, safety, health, etc.

Those courses give employees the opportunity to continuously hone their competencies, as well as to share their experiences with co-workers.

The spring of 2015 also saw the conferment of certificates to conclude the training sessions for junior construction project leaders that began in 2013. Themes include team leadership, planning and performing works, negotiations with suppliers, the quotation process,



formwork materials, legal and contractual aspects, new technologies, etc. 36 young staff members of the CFE group attended this training programme with enthusiasm.

Partnership with schools and universities

As part of the DEME group's internationalization and staff recruitment process, several partnership agreements have been concluded with schools and universities in France, Russia, Ghana, Singapore, etc. Those training modules may take on different forms: formal training sessions inside or outside DEME, distance learning, e-learning, on-site training or training on ship simulators, etc.

Practising on a simulator

Among the existing training modules, those organized on dredger simulators take place in Zwijndrecht, Zeebrugge and Northern France. Those simulators offer various possibilities to experience working on board for beginners, intermediates and highly experienced staff. The result is that they arrive on site already well trained and instructed!

Launched in 2014, the training sessions adapted to the latest requirements of the STCW Convention (Standards of Training, Certification & Watchkeeping) are still going on worldwide.

Several new training initiatives are being worked out, such as training programmes in risk management for increasingly complex contracts and programmes to enable crew members to obtain their STWC certificate and navigate all over the world.

STAFF BY CATEGORY

2015	LABOURERS	EMPLOYEES	TOTAL
GROUP & CONCESSIONS	2	60	62
DEME	2,001	2,420	4,421
CONTRACTING	2,280	1,349	3,629
REAL ESTATE	0	48	48
TOTAL CFE	4,283	3,877	8,160

STAFF BY TYPE OF CONTRACT

	CONTRACT INDEFINITE PERIODE	CONTRACT DEFINITE PERIODE	WORK & STUDY	TOTAL
2013	7,194	1,108	8	8,310
2014	6,727	1,285	9	8,021
2015	6,471	1,685	4	8,160

SAFETY: AN ONGOING EFFORT ALL YEAR ROUND

Various measures have been taken within the entities: training sessions and toolbox meetings on the different works carried out on site; regular monitoring of site safety by site supervisors and management, first-aid courses, fire drills, formulation and dissemination of on-site safety instructions, use of special equipment, morning meetings with site teams on safety measures to be taken, safety days, tightening contractual safety requirements, development of a self-assessment system, operational meetings with a health and safety adviser, preliminary analysis of on-site risks, tests on the use of personal protective equipment, QSE coordination committee between the different subsidiaries, etc.



AGE PYRAMID

	2013	2014	2015
< 25	617	549	584
26-30	1,332	1,159	1,182
31-35	1,287	1,249	1,320
36-40	1,154	1,114	1,164
41-45	1,158	1,083	1,087
46-50	1,082	1,112	1,055
51-55	849	834	861
56-60	581	644	641
> 60	250	277	266

SENIORITY

	2013	2014	2015
< 1	1,690	982	1,527
1-5	2,719	2,831	2,599
6-10	1,573	1,871	1,804
11-15	954	903	779
16-20	465	495	539
21-25	479	499	454
> 25	430	440	458

MEN / WOMEN

	2013	2014	2015
MALE EMPLOYEES	4,188	2,946	2,968
FEMALE EMPLOYEES	886	900	909
MALE LABOURERS	3,179	4,144	4,227
FEMALE LABOURERS	57	31	56

HEADCOUNT AND RECRUITMENT: SLIGHT INCREASE

Overall a slight increase in headcount

In the construction segment of the Contracting division, the number of manual workers in Belgium was down on the previous year, whereas in Tunisia there was an increase (more than 500 people recruited, mainly labourers), as well as in Poland, where employees accounted for most of the increase.

The other International Construction operations, managed by the holding company, reported a decrease in staff numbers in Algeria and Nigeria owing to shrinking construction activity. The same trend is observed in Central Europe following the cessation of activities in Hungary and Slovenia.

The sale of Aannemingen Van Wellen (road segment) is of course reflected in a headcount fall in what used to be the Rail & Road division. However, the companies active in the rail segment generally reported a stable employee headcount and a slight increase in the number of labourers, with some firms hiring and others laying off workers. The Multitechnics companies reported a substantial reduction in the labourer headcount and a slightly smaller reduction in staff numbers.

By contrast, the real estate activities were characterized by a slight increase in staff numbers.

Overall, based on incoming and outgoing staff numbers (excluding dredging), and taking into account the sale of the 'road' activities, the group's headcount increased by 150 labourers and decreased by 100 employees.

Nevertheless, those figures do not yet take into account the incorporation of the marine civil engineering activities in DEME, which took place at the end of 2015 with the sale of the companies GEKA and CFE Nederland to DEME and the transfer of the personnel of MBG Civil Engineering to DEME. In this way, a total of around 130 people joined the workforce of DEME.

Substantial recruitment in Belgium and internationally

In the Contracting division, the group recruited a substantial number of office workers, mainly in Tunisia and Poland, as well as in Belgium at CFE Buildings Brabant Wallonia, Druart and Voltis. Labourers were also recruited on a massive scale in Tunisia and also at Remacom, in the Rail Infra division.

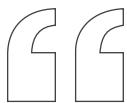
ABSENTEEISM

	2013	2014	2015
NUMBER OF DAYS ABSENCE DUE TO ILLNESS	60,021	75,695	71,604
NUMBER OF DAYS ABSENCE DUE TO WORK-RELATED ACCIDENTS	7,233	4,265	5,974
NUMBER OF DAYS ABSENCE DUE TO TRAVEL WORK/HOME ACCIDENT	250	129	430
NUMBER OF DAYS ABSENCE DUE TO OCCUPATIONAL ILLNESS	0	163	0
NUMBER OF DAYS WORKED	2,427,242	1,967,126	1,951,885
ABSENTEEISM RATE	2.78%	4.08%	4.00%



TRAINING

NUMBER OF HOURS BY TYPE OF TRAINING	TOTAL 2014	TOTAL 2015	MEN	WOMEN
TECHNICAL	49,736	57,265	55,593	1,672
HEALTH AND SAFETY	59,590	68,918	66,284	2,634
ENVIRONMENT	2,251	1,970	1,743	227
MANAGEMENT	15,574	22,800	20,691	2,109
IT	9,843	12,634	9,924	2,710
ADMIN/ACCOUNT/MANAGEMENT/LEGAL	11,255	5,827	3,202	2,625
LANGUAGES	2,584	4,931	3,497	1,434
DIVERSITY	18	0	0	0
OTHER	5,970	6,366	4,273	2,093
TOTAL	156,821	180,711	165,207	15,504



CERTAIN REGULATIONS THAT SUBJECT THE GRANTING OF PLANNING PERMISSION TO PASSIVE BUILDING CRITERIA CAME INTO FORCE IN THE BRUSSELS REGION ON 1 JANUARY 2015 AND WILL ALSO BE INTRODUCED IN FLANDERS AND WALLONIA IN THE NEXT FEW YEARS.



CFE CONTRIBUTES TO A HEALTHIER ENVIRONMENT

CFE HAS PURSUED A SUSTAINABLE DEVELOPMENT POLICY FOR MANY YEARS NOW, AND HAS BUILT UP A CONSIDERABLE KNOW-HOW IN THAT RESPECT IN THE VARIOUS ENTITIES.

carried out so far by the sustainable development department would from now on be taken over by the group companies themselves.

Sustainability rewarded in Belgium and internationally

Although public authorities are becoming increasingly mindful of the sustainable aspect of buildings, they still look for the most attractive offers. Certain regulations that subject the granting of planning permission to passive building criteria came into force in the Brussels Region on 1 January 2015 and will also be introduced in Flanders and Wallonia in the next few years. The group's sustainable development policy should therefore keep evolving in line with the long-term trend in demand, while at the same time maintaining the necessary profitability to pursue its activities.

Cultivating our environmental expertise

During 2015, the sustainable development department lent its experts to the group companies to help them win

contracts by looking for solutions that make it possible to put up a sustainable building without too many extra costs. In 2015, the department worked together with CFE Brabant to determine the energy flow of the wastewater treatment plant of Forest, for the BREEAM analysis of the ELIA project, and for energy management studies of large administrative buildings. Among numerous other studies, the department also worked on the Lycée Français project in Luxembourg, the BNP head office in Algiers, and on several projects of BPI.

Over the years, this regular consultancy work generated a valuable body of sustainability know-how at the different entities, which now possess their own expertise in environmental matters. It was therefore decided in the second half of 2015, as part of the general reorganization of the group, that the activities

CFE has more than one passive or low-energy building on its list of references in 2015! Passive building projects include 'Les Trèfles' school in Anderlecht, a crèche in Laeken (CFE Brabant), and the Data Centre of Ghent University (MBG). Many projects have also secured, or are in the process of securing, a BREEAM, even BREEAM Excellent certificate. Examples include the Docks and Toison d'Or projects in Brussels (BPC Brabant), Regent 35 (Amart), Mediasambre (BPC Wallonie), Orange Office Park and Galeria Copernicus (CFE Polska), the head office of BGL BNP bank in Luxembourg (CLE), the Red Cross head office in Mechelen, and the Youth Hostel in Brasschaat (Atro). Several projects developed by BPI Luxembourg (EdenGreen, Green Hill, Kons, G4S, Glesener, Differdange) obtained (or will obtain) sustainable certificates, while the Serenity building is the first HQE certified building in Luxembourg!



Youth Hostel in Brasschaat



A MORE THAN 55% REDUCTION IN ENERGY CONSUMPTION HAS BEEN ACHIEVED OVER 15 YEARS AT THE GROUP'S HEAD OFFICE!



A naturally positive impact on the environment

Certain activities are sustainable by their very nature. Examples include activities stimulating the use of less polluting means of transport, such as railways; wastewater treatment; the installation of heating or air-conditioning systems using heat recovery (Procool), and the installation and maintenance of solar panels (Nizet). Furthermore, be.Maintenance maintains buildings, involving fine-tuning of settings to limit energy consumption, and recommends energy-saving solutions to customers.

CFE reduces its energy consumption year by year

A more than 55% reduction in energy consumption has been achieved over fifteen years at the group's head office! New measures were taken this year, for instance in the area of lighting, with a

35% reduction in energy consumption. Those measures enable the group to meet its commitments under the ISO 14065 standard, which is an annual 3% reduction in energy consumption.

DEME: ACTIVITIES THAT RESPECT THE PLANET

DEME ENDEAVOURS TO DEVELOP ITS ACTIVITIES WORLDWIDE IN A SUSTAINABLE AND RESPONSIBLE MANNER, WITH RESPECT FOR THE ENVIRONMENT AND THE COMMUNITY

Innovation for the benefit of the environment

Innovation is an essential part of DEME's strategy. Research & Development is a multidisciplinary field and involves close collaboration not only between the sites,

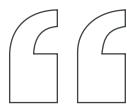
vessels and head office, but also between the design office, the project teams, the technical and engineering departments, the Central Competence Centre, the RMPE (Research, Methodology, Production and Engineering) department, and the ADE & I (Applied Development and Innovation) department.

Sustainable deep-sea mining of minerals

DEME IS ONE OF THE FORERUNNERS IN THE DEVELOPMENT OF INNOVATIVE APPROACHES IN OFFSHORE MINING CONTRACTS. THIS IS REFLECTED IN NUMEROUS PROJECTS.

Blue mining

DEME is one of the main industrial partners of the European 'Blue Mining' project, which aims to develop the best technical solutions for the exploration, evaluation and extraction of deep-sea (to a depth of 6,000 m) minerals in a precise and profitable way.



THE FUTURE VESSELS OF DEME WILL BE FITTED WITH SOLAR PANELS, WIND TURBINES, HEAT RECOVERY SYSTEMS, AND HYBRID ENGINES.



Blue Nodule

The European Commission supports innovation that guarantees the secure and sustainable supply of raw materials by financing a four-year project, called "Breakthrough Solutions for the Sustainable Harvesting and Processing of Deep Sea Polymetallic Nodules – Blue Nodule". DEME's Dredging International and Global Sea Mineral Resources subsidiaries take part in this project, which will be carried out by a consortium of 14 European cutting-edge research industries and organizations.

Midas

The MIDAS project (Managing Impacts of Deep Sea Resource Exploitation), of which DEME is also a partner, brings together experts in a wide range of disciplines to investigate the potential environmental impact of the extraction of deep-sea resources and to formulate recommendations on the best way to manage those impacts.

JPI Oceans

In 2015, the Joint Programming Initiative Healthy and Productive Seas and Oceans (JPI Oceans) organized a pilot project, 'Ecological Aspects of Deep-sea Mining', which assesses the potential environmental impact of commercial mining activities. Three expeditions have carried out such studies in several mining areas.

Green Passport & Clean Design: a green fleet

In December 2015, the keel was laid of the Living Stone, DEME's first green cable-laying and multipurpose vessel. Built in Bilbao (Spain), it will join DEME's fleet in 2017, as will the Apollo, which will be used by EverSea (subsidiary of GeoSea) to serve the oil and gas industry, and the 4,000-tonne Rambiz, of which the keel was laid in February 2015. Several vessels (Bonny River, Minerva, Scheldt River, Mattedoor) have been commissioned in 2015 to replace the older ones.

DUAL FUEL TECHNOLOGY

Dual fuel technology is both sustainable and future-oriented as it allows engines to run on diesel or on LNG, while limiting CO₂ (± 20% reduction), NO_x (± 90% reduction), SO_x (>95%) and particulate (>95%) emissions.

Those future vessels of DEME will be green ships. They will be fitted with solar panels, wind turbines, heat recovery systems, and hybrid (dual fuel) engines for the lowest possible fuel consumption, while keeping CO₂, NO_x and SO_x emissions to a strict minimum. Those vessels will be awarded a Green Passport and a Clean Design certificate. They perfectly illustrate DEME's respect for the environment.

The new UN programme as a source of inspiration

The new Sustainable Development Programme of the United Nations (UN SDG, 2015) gives DEME yet more inspiration as regards the effects of climate change, historical pollution, greenhouse gas emissions, and the growing scarcity of natural resources.



The Apollo, which will be used by EverSea (subsidiary of GeoSea) to serve the oil and gas industry

Less and less fuel and energy needed

The greenhouse gas and energy programme is translated into improvement actions emerging from DRIVE (DEME's Resolve on Innovation and Value Engineering) and into innovative fuel-saving solutions developed by the Fuel Efficiency Task Force that was set up in 2012. This task force is constantly searching for innovative ways to save energy and fuel. Today, all the vessels of DEME meet the strictest international emission standards.

Carbon emissions monitored and quantified

DEME's greenhouse gas emissions are quantified and reported in accordance with the ISO 14064-1 standard; they are included in the Carbon Performance Scale that was certified by Lloyd Register and obtained the highest level 5.

Carbon emission levels are constantly decreasing in relation to turnover, which demonstrates the effectiveness of DEME's initiatives under the DRIVE programme, which set a target of 7% increase in energy efficiency by 2022 (compared to 2011).

DRIVE: an integrated approach for better results

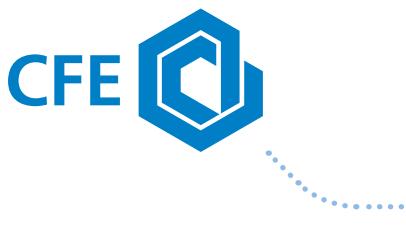
DRIVE, the programme for continuous improvement and operational excellence which DEME set up in 2011, has evolved into a more integrated approach that also covers the strategic planning of DEME's operational processes. The DRIVE approach rests on three pillars:

- **DRIVE Operational and Technical Innovation** offers a pragmatic approach to innovation that is easy to put into practice in the projects;

- **DRIVE Cost** focuses on identifying the types of critical costs and the use of levers such as the consolidation of suppliers or the management of supply and demand in order to cut costs;
- **DRIVE Transactional** focuses heavily on the processes that have a significant financial impact: supply chain, tax and insurance, etc.

All of this is the outcome of a control system and a wide sharing of experience between the different entities, allowing DEME to make sustainable progress in terms of productivity and results as well as in terms of environmental performance.

2015: A YEAR OF NEW SYNERGIES AND RESOLUTELY FOCUSED ON THE FUTURE



CFE HOLDING

CFE Infra, BAGECI, CFE International, CFE Algérie, CFE Tchad, Cobel Contracting (50 %), Bayer-CFE (50 %), CFE România

CFE CONTINUED THE EXTENSIVE REORGANIZATION OF ITS ACTIVITIES IN 2015 WITH A VIEW TO OPTIMIZING THEM THROUGH THE COMPLEMENTARITY AND SYNERGIES BETWEEN ITS VARIOUS ENTITIES. THE GROUP IS NOW ORGANIZED AROUND THREE DISTINCT MAJOR BUSINESS AREAS: DREDGING, MARINE AND ENVIRONMENTAL ENGINEERING ACTIVITIES, CARRIED OUT BY DEME; CONSTRUCTION, MULTITECHNICS AND RAIL INFRA ACTIVITIES, GROUPED UNDER CFE CONTRACTING (EXCEPT FOR PART OF THE INTERNATIONAL ACTIVITIES), AND REAL ESTATE DEVELOPMENT, BELONGING TO BPI.

DEME is led by Alain Bernard and is a remarkable success, acknowledged by the entire press and financial analysts. DEME was voted 'Company of the Year 2015', a title that is amply justified by its worldwide operations, its dynamism and its capacity for innovation. DEME, a wholly-owned subsidiary of CFE, represents 75% of the group's activity.

CFE Contracting, set up in the second half of 2015, is led by an executive committee headed by Raymund Trost and including Frédéric Claes, Fabien De Jonge and Yves Weyts. CFE Contracting comprises the construction, multitechnics and rail activities in the Benelux countries, Poland and Tunisia; the other international activities are managed by the holding company. The activities of CFE Contracting remained healthy in 2015 despite stiff competition on several markets, and hold out good prospects for 2016 and the following years.

BPI is led by Jacques Lefèvre and currently comprises all the real estate activities of the group in Belgium, Luxembourg and Poland. Those activities continue to flourish, and have the additional benefit of generating business for CFE Contracting.

Finally, still as part of the reorganization, the marine civil engineering activities have been incorporated under DEME in order to better ensure their continuity while at the same time answering DEME's needs in that area. DEME thus became a shareholder of CFE Nederland and GEKA at the end of the year, and took over a large part of the workforce of the former MBG Génie Civil and the engineering firm on 1 January 2016.

Nevertheless, it should be pointed out that while marine and river civil engineering are now carried out by DEME, other civil engineering activities

will continue to be developed by CFE Contracting. Apart from the continuation of current projects, a contract was won at the end of the year for the construction of a bridge in Luxembourg.

CFE INTERNATIONAL: FROM NIGERIA TO SRI LANKA

EXCEPT FOR THE CONTRACTS CARRIED OUT IN POLAND AND TUNISIA, THE INTERNATIONAL CONSTRUCTION ACTIVITIES ARE NOW RUN BY CFE SA.

2015 saw the completion of several projects in Chad, Sri Lanka, Nigeria and Algeria, but was also a year of consolidation and winding up of operations, particularly in Central Europe. 2016 will see activities continue in Romania, Nigeria and Algeria. For its new contracts, CFE International now adopts a strategy based exclusively on setting up operations with a view to ensuring the profitability of the projects and the quality of their execution. The formation of the company BAYER-CFE, which emerged from CFE Hungary and a major local SME, for the development of operations in Hungary and Romania should be seen in this light.

Algeria: a new head office for BNP

In August, CFE completed 30,000 m² office space for the headquarters of BNP in Algiers, in Algeria. This fine building



Patrick Bonnetain

CFE International



2015 SAW THE
COMPLETION
OF SEVERAL
PROJECTS IN
CHAD, SRI LANKA,
NIGERIA AND
ALGERIA.



won the Building Quality and technical conformity certificate from the city's Construction Department. A maintenance contract and additional works requested by BNP will be carried out in 2016.

Sri Lanka: drinking water supply

In Sri Lanka, the drinking water supply systems for Kolonna and Balangoda, designed and realized by CFE, were completed in September 2015 to the satisfaction of the customer, the National Water Supply & Drainage Board. For the two water treatment stations, with their 80-km transportation and distribution networks, the teams of CFE International and Nizet Enterprise worked together. The project involved civil engineering works and the supply and installation of electromechanical equipment for treatment and control.

Nigeria: the tallest building of Lagos

In Nigeria, CFE continued in 2015 to execute the construction contract for the Eko Energy Estate project in the form of



Headquarters of BNP in Algiers, in Algeria

a supply contract that will develop until 2017. As for the Eko Tower II project, the structural work of this ambitious project involving a 120-metre-high building (the tallest building in Lagos) was finished at the end of the year, and completion is planned for the third quarter of 2016. During negotiations with the customer, a contractual framework was redefined for the finishing works and the electrical installation.

Chad: a top-class hotel

In Chad, the company has a substantial claim against the State in respect of the works on the Ministry of Finance building and N'Djamena Grand Hotel. CFE continues, in full agreement with the Chadian authorities, to search for financing to allow the Hotel to open, which will be operated under the name Radisson.

N'Djamena Grand Hotel is a building of high standing with a congress centre to host big international meetings of heads of State that take place in the capital city. The building was completed in December, and the furniture was delivered in January 2016 under a special contract.

CIVIL ENGINEERING: STRONG PRESENCE IN THE NETHERLANDS

SEVERAL MAJOR PROJECTS IN PROGRESS FOR CFE NEDERLAND IN 2015

CFE Nederland continued work on several major projects in 2015, such as the Spoor & Stad Delft project involving the construction of a rail tunnel. The first phase of the tunnel is finished, so that trains can use two tracks. Preparations are under way for the second phase of the tunnel, which will eventually have four tracks. In Alkmaar, work on the Nelson Mandela moveable bridge has also made good progress: the concrete access ramps and the mounting of the bridge are finished, and the test phase is in preparation. The viaducts over the A13 motorway are also finished, so the new junction is now in use. The Kademuur Shtandart project in Rotterdam was cancelled as the prospective operator eventually wound up its activities. At the end of 2015, CFE Nederland and GEKA were incorporated in the entity DIMCO of DEME's new Infra Sea Solutions division, where the two firms will have opportunities for international growth.



Construction of the car park and bypass at Mechelen railway station

GEKA'S STRONG PRESENCE IN ROTTERDAM AND AMSTERDAM

GEKA realized numerous marine engineering projects in the two big Dutch ports, including a 'two-in-one' pier in the Botlek Tank Terminal of Rotterdam, accessible to seagoing vessels and river barges. This original project, realized for Rubis Terminal, was designed entirely by the engineers of GEKA. The company also carried out various works in the Rotterdam Maasvlakte on the seawalls of the LBBR terminal and the dock of the SIF group. Several private-sector customers such as ETT, Damen Shiprepair, Chemtrade in Rotterdam, as well as ETA and Nustar in Amsterdam also awarded contracts to GEKA. Among many other projects for the Port of Rotterdam, the company built the P66 mooring infrastructure in the Botlek terminal. Nevertheless, the year was marked by the cancellation of the Shtandart project for the Port of

Rotterdam. However, GEKA ended 2015 with a positive result, despite a decrease in revenue, and started 2016 within DEME with an already well-filled order book.

STILL A DIFFICULT YEAR FOR CFE INFRA IN 2015

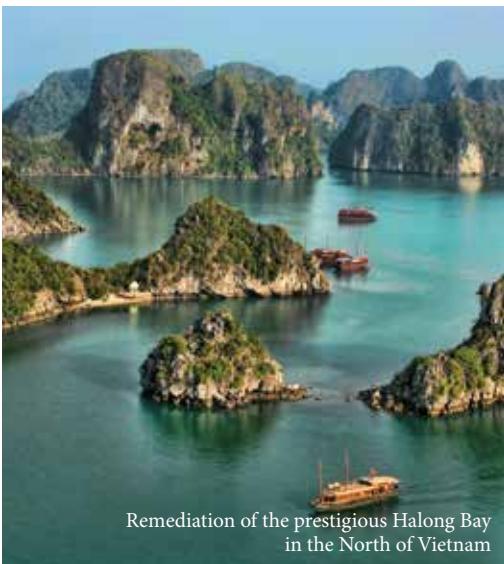
After several very busy years, CFE Infra, formerly MBG Civil Engineering, has seen a consistent fall in revenue since 2013, prompting it to look for synergies with DEME, which in turn was on the lookout for civil engineering skills. Those synergies took definite shape in January 2016 when DEME took over the workforce of CFE Infra. Besides the hope of seeing several contract award procedures come to a successful conclusion in 2016, new opportunities should lead to a recovery of activity, primarily internationally. In 2015, CFE Infra carried out maintenance work on the Diabolo rail tunnel (Zaventem), continued the construction of the car park and

bypass at Mechelen railway station, and renovation works on the Brussels-South wastewater treatment plant (STEP) and on the Kennedy tunnel in Antwerp. Several projects were completed in 2015: the installation of storage facilities for Oil-Tanking in Antwerp, the car park of Gasthuisberg Hospital in Leuven, and the renovation of a bridge in Machelen for Tuc Rail.

BAGECI

BAGECI continued work on contracts in progress, such as the wastewater treatment plant in Welkenraedt and the water pumping station in Jemeppe (Liège). Those works will be completed in 2016, unlike the work on the dam of Kain, which will continue until 2018.

IN OMAN, THE DUQM PORT CONCESSION WAS OFFICIALLY APPROVED BY HIS MAJESTY THE SULTAN IN JULY 2015.



Remediation of the prestigious Halong Bay in the North of Vietnam

PPP-CONCESSIONS: FROM THE MIDDLE EAST TO VIETNAM

Design, Build, Finance, Maintenance

The PPP division underwent a thorough-going reorganization. The operational team was drastically reduced in order to cut overheads. Four major projects are in the maintenance phase: two infrastructure projects (the Liefkenshoek rail tunnel in Antwerp and the Coentunnel in Amsterdam) and two building projects (schools in Eupen and Charleroi police station), allowing the PPP-Concessions division to consolidate its experience in the field of long-term maintenance, including life cycle, in joint venture with the be.Maintenance branch.

The objective in 2016 is to optimize the maintenance of the various projects and to get up to cruising speed after the transition from the construction phase to the maintenance phase.

Port development and management

In general, one can say that 2015 and 2016 are two years of transition and that, as from 2017, the profitability will improve significantly.

In the field of Consultancy, various consultancy works for Middle East clients in Qatar and Oman have been carried out and will be completed in 2016.

The topics are mainly related to the feasibility, the design, the operations and optimization of loading and unloading of gas, liquids and bulk (cement, aggregates, coal and iron ore)

As from mid-2015 several new offers for port consultancy have been introduced with several clients in Nigeria, Gabon, Guinea, Namibia, Kuwait and Qatar.

Regarding port investments, there is a double axis of growth: in Oman, the concession of the Port of Duqm has been approved officially by His Majesty the Sultan in July 2015. This concession is awarded to P.D.C. a common daughter of the Oman Government and Consortium Antwerp Port, an integrated joint company of Rent A Port and the Port of Antwerp. The usufruct agreement to equip and operate industrial land has then been confirmed in September 2015.

In Vietnam, since the end of 2014, a total surface of 2,000 hectares of industrial land and the adjacent terminals and jetties have been given in several 50 year concessions to I.A.I. (Infra Asia Investment), a common daughter company of Rent-A-Port, BMI (Belgian Government) and financial partners. This project will be fully operational as from mid-2017 onwards, as soon the protective dyke of Nam Dinh Vu, the bridge to Lach Huyen and the first two port terminals are completed. Once these 3 milestones are reached in 2017, the Vietnam concessions will contribute significantly to the results of Rent-A-Port.

Power generation and storage

Besides managing a participation in three offshore wind parks in Belgium, the company Rent- A-Port Energy is focussing on several projects of electric storage, utilizing a mix of two techniques: pump/hydro, coupled with high performance batteries.

The 2 first projects are in the Province of Luxembourg (Belgium) and in Oman, in the vicinity of the Port of Duqm. In Vietnam, in October 2015, the Province of Quang Ninh awarded a contract for a feasibility study to "Rent A Port Energy" to evaluate the methods and the budgets needed for the clean-up of the prestigious Halong Bay in the North of Vietnam. The floating waste has to be collected, brought on land transformed into energy. Such operation of 'waste to energy' may become a 10 year concession agreement.

This contract, and the first reports are now attracting attention (and funds) from several international entities.

Operational Chart

January 2016 – main entities



DEME

Dredging, Environmental & Marine Engineering

DREDGING, ENVIRONMENTAL & MARINE ENGINEERING



DREDGING & MARINE SOLUTIONS



Baggerwerken Decloedt & Zn
Baggerwerken & Waterbouw



Dredging International
Marine & Waterway Contractor



Dredging International ALA PACIFIC
Marine & Waterway Solutions



Dragabras
Baggeren, Importeren, Exporteren en Monteren



Mordraga
Marine & Waterway Solutions



Nordsee
Wasserbau & Wasserstraßenbau



MIDDLE EAST DREDGING COMPANY LLC
شركة المشرق الأوسط لل浚渫



SDI
Travaux maritimes & fluviaux



SIDRA
Dredging, Marine & Environmental Contractor

DREDGING-PLUS SOLUTIONS

Marine & Offshore Solutions



GeoSea
Geotechnical Offshore Contractor



Tideway
Offshore Contractors



OWA
Offshore Wind Assistance



Highwind

Fluvial & Marine Solutions



DBM
Building Materials



Oceanflore
Ocean Resource Extraction

Environmental Solutions



DEC
Environmental Contractor



Terranova



de Vries & van de Wiel
Milieu, GWW- & baggerwerken



Ecoterres
Travaux Environnementaux

Infra Marine Solutions



DIMCO
Infra Marine Contractors

DEME CONCESSIONS



DBE
DEME Blue Energy



MULTITECHNICS

HVAC



CFE HOLDING

CFE Infra, BAGECI, CFE International, CFE Algérie, CFE Tchad, Cobel Contracting (50%), Bayer-CFE (50%), CFE România

CFE CONTRACTING

REAL ESTATE DEVELOPMENT

CFE Bouw Vlaanderen



CFE Bâtiment Brabant Wallonie



International



RAIL INFRA & UTILITY NETWORKS

Electro



Rail Infra & Utility Networks





Dredging, marine engineering and environment

Interview CEO



Alain Bernard Director - CEO DEME



2015: THE BEST YEAR IN THE HISTORY OF DEME!

DEME saw its success in the pursuit of excellence rewarded by being voted 'Company of the Year' in October 2015. That pursuit is reflected in its strategy of continuous operational improvement, in its philosophy based on team spirit and internal synergies, and in its constant search for innovative solutions. The results are in the same vein: in 2015, DEME realized 2.35 billion euros in revenue and reported an EBITDA up 23.8% on the previous year! The company invested 373 million euros in the renewal and expansion of its fleet. The order book remains well-filled with numerous new contracts signed throughout the world and covering the different business activities. Nevertheless, DEME's top priority remains the health and well-being of its employees. Accordingly, the firm keeps up its efforts to achieve the 'zero accident' target, and a fresh impetus will be given to the CHILD safety campaign.

2015 saw the realization and/or successful completion of several major projects in Australia (Wheatstone LNG project), Qatar (port of Doha) and Egypt (Suez Canal). In Singapore, DEME won a new substantial contract which, along with the projects in progress, will assure it of a high level of activity at least until 2020. 2015 was also a good year in the Indian subcontinent and in Africa. Several dredging contracts were also signed in Egypt, Panama and Turkey.

2015 was another particularly active year in the sector of offshore renewable energy, and this is also expected to be the case in 2016 and 2017. DEME is involved in most European countries that use offshore wind energy. DEME's environmental entities are also playing an increasingly proactive role in remediation projects.

Through Public-Private Partnerships, DEME Concessions, whose operations directly foster the development of synergies within the group, carries out essential projects in marine and river infrastructure and renewable energy. In this connection, GSR, a subsidiary of DEME Concessions, conducted a second expedition to explore the Pacific seabed and continued research into innovative solutions for sustainable deep-sea mining. More than ever before, innovation for environmental protection is part and parcel of DEME's vision.

In 2016, DEME will continue to invest in the enlargement of its fleet and in the expansion of its 'dredging-plus' activities. New opportunities also present themselves in the offshore energy market, marine civil engineering and maritime concessions.

MANAGEMENT TEAM DEME



Alain Bernard

Chief Executive Officer



Wim Biesemans

Chief Executive Officer DEME Concessions



Lucas Bols

General Manager Tideway



Philip Hermans

Area Director Asia and Oceania,
General Manager Dredging International



Tom Lenaerts

Chief Legal Officer



Harry Mommens

Human Resources Manager



Pierre Potvliege

Area Director Indian Subcontinent



Eric Tancré

Area Director North Europe



Luc Vandenbulcke

Deputy Chief Operating Officer
Managing Director GeoSea



Hugo Bouvy

General Manager Tideway



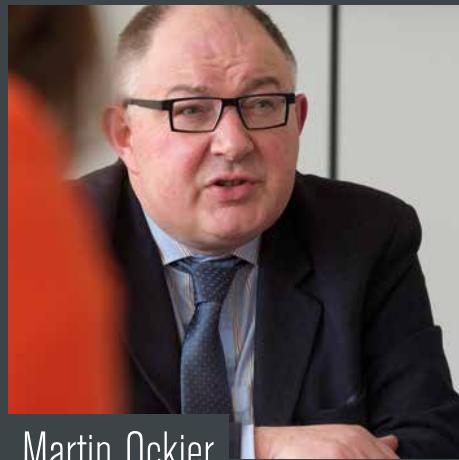
Pierre Catteau

Area Director Mediterranean,
South and Middle Americas



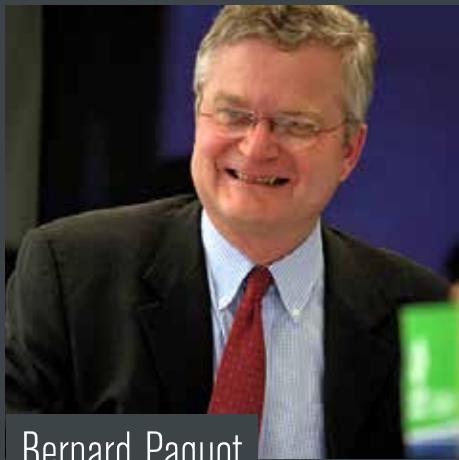
Lieven Durt

Area Director Africa
Chief QHSE-S & Communications Officer



Martin Ockier

Area Director Benelux



Bernard Paquot

Area Director Middle East



Dirk Poppe

Area Director Eastern Europe and Russia
Managing Director Ecoterres Holding



Theo Van De Kerckhove

Chief Operating Officer



Bart Verboomen

Director Technical Department



Els Verbraecken

Chief Financial Officer



24+
HOURS AT
SEA



The world is a sandbox



Residents of the Turkish coastal town of Mersin gazing across the water surface from the seafront promenade last winter will certainly have noticed two green vessels of dredging company DEME. Since November 2015, the 'Amazone' and the 'Uilenspiegel' of the Zwijndrecht-based firm have been busy widening and deepening the access to the port.

Mersin is a large city with more than 843,000 inhabitants in Southern Turkey. Mersin is the country's largest port and also Turkey's main gateway to the Mediterranean. This gives it an important role in the local economy. Mersin has terminals for oil, bulk cargo, containers, and roll-on-roll-off for fast truck transport by sea.

"THESE ARE QUITE LARGE-SCALE WORKS FOR MERSIN INTERNATIONAL PORT"

The container terminal is currently being expanded to accommodate more and bigger ships in the future. DEME was awarded this contract. Until mid-April, the dredging company is working to improve the port's accessibility by widening and deepening the approach channel, the turning basin and the dock itself. The route to the port is not only being deepened, but shifted on its axis as well. "These are quite large-scale works for Mersin International Port (MIP)" says **Filip**. He is the Project Manager with final responsibility for the contract. **Filip** not only leads the DEME team on site, he also represents the company there. Not only with the customer, but also with third parties.



The team is working hard to get everything ready on time. The people work long twelve-hour days, for seven days at a stretch during busy periods according to a crew shift system of six weeks on, six weeks off. Staff members remain on site for two months at a stretch, and then have one month off. During the first few months, the project fleet had a twelve to fifteen-strong project management team and a crew of 75 working. Once the cutter suction dredger 'Amazone' had finished its job in February, the manpower was reduced to eight staff members and forty crew members.

'WORKING IN SUCH A BUSY PORT IS A CHALLENGE'

While DEME is busy improving access to MIP, it's business as usual in the port. That presents a challenge. It is a very busy port, so traffic has to be carefully guided from and to the port in consultation with the customer. As not many people there speak

good English, there is someone on the team who speaks Turkish, Dutch and English.

Working in Turkey is also a special experience when it comes to administration. The country goes to extreme lengths to protect its own employment. To start with, there is a very strict cabotage law that makes it virtually impossible to work with foreign ships in Turkey. Only the government can grant an exception, or you can use a roundabout and time-consuming reflagging procedure, which also requires you to exclude your own crew.



“

As not many people there speak good English, there is someone on the team who speaks Turkish, Dutch and English



”

'THE HARDEST CLAY IS LIKE SOFT ROCK'

There are plenty of challenges in operational terms too. The port of Mersin has a clayish subsoil, ranging from stiff to very stiff and hard clay. **Filip**: "The hardest clay is like soft rock. Because of the hardness of that clay underneath, the trailing suction hopper dredger 'Uilenspiegel' cannot dredge up the whole volume in one go. That is why we deployed an additional cutter suction dredger to break the hard clay, the 'Amazone'."



Filip Dredging

Age 38

Job title Project Manager at DEME

Motto 'The world is our sandbox'



Although Mersin is just 150 km from the Syrian border, the men of DEME notice very little of the bitter war that is raging there. **Filip**: "You know that you are close to the conflict zone and also that you are in a Muslim country. Special attention is paid to that fact. It's about how our people behave in public: the best thing is not to adopt too high a profile and to avoid busy places and commotion. Once you keep that in mind, life is not too bad here. Turkey and Mersin have everything you need, and they have a properly functioning infrastructure. You can safely say that it is a modern city."

'THIS JOB IS ANYTHING BUT ROUTINE'

The international character and the variation is what Filip likes about working for DEME. You get the opportunity to travel around the world. On each assignment you work with different people, and every project you work on is different. "This job is anything but routine," says **Filip**. "When you get up in the morning you don't know what surprises the day may have in store for you. You also come into contact with many different people and

cultures. You soon build a more profound relationship with those people than when you come as a tourist. 'Le monde est notre bac à sable' (The world is our sandbox) is what I sometimes used to say when I worked in a French-speaking environment and people asked me where I would move on to after the project. And that's what it feels like at times."



As you also spend part of your time outside work with your colleagues, you know them more intimately than you would normally. It reminds me of my time at boarding school.





Dredging

DREDGING & LAND RECLAMATION

BENELUX

2015 was characterised by several, ongoing long-term dredging contracts, coupled with intense tendering activity. In the Benelux, like elsewhere, clients are increasingly turning to DEME to provide a total solutions package. DEME believes that its ability and capacities will put the company in a strong position to be successful in the coming years with regards to these more demanding projects.

Belgium: the port of Antwerp handles large vessels

In Belgium, dredging contracts continued in the port of Zeebrugge and in the marinas of Ostend, Blankenberge and Zeebrugge. In January 2015, a new five-year contract for maintenance dredging works on the River Scheldt was awarded. The CSD 'D'Artagnan' was deployed to dredge 2.5 million m³ of material from the entrance channel of the new Kieldrecht sea lock at the left bank of the port of Antwerp. DEME dredged the lock to -19 m at its lowest point, enabling it to handle the largest vessels entering

2015 WAS CHARACTERISED BY SEVERAL, ONGOING LONG-TERM DREDGING CONTRACTS, COUPLED WITH INTENSE TENDERING ACTIVITY.

the port. The backhoe dredger 'Peter the Great' and the crane pontoon 'De Bever' were also deployed. Work started in November 2015 and will be completed in February 2016.

In the port of Antwerp, DEME's subsidiaries Dredging International (DI) and DEME Environmental Contractors (DEC) continued - under its 15-year contract - the operation of 'AMORAS', Europe's largest mechanical dewatering plant for dredged material. This facility received a multi-million euro upgrade in 2015, which enables it to treat sandy material in addition to pure silt. It can now handle dredged material with a sand content of up to 50%.

Netherlands: tulip-shaped archipelago

In the Netherlands, 2015 was dominated by ongoing coastal protection works with the 290 ha Waterdunen project in Breskens. DEME has strengthened the dykes to combat rising sea levels together with a 1 million m³ reclamation and beach replenishment job. The new area will be developed for nature (bird habitat) and recreation (eco-tourism centre). This large project saw nearly 50 of DEME's dry equipment units utilised and will be completed early 2016.

For the municipality of Zeewolde, DEME's Dutch subsidiary de Vries & van de Wiel (DVW) created a tulip-shaped archipelago. This unique new land is

The dredging and stone works on the main dyke for the construction of the 'Nouvelle Route du Littoral' were successfully completed in 2015



Artist impression of the 'Nouvelle Route du Littoral'

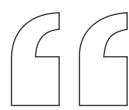


positioned in the Wolderwijd, a shallow lake in the centre of the Netherlands. The 'stem' of the tulip consists of three elongated islands. These will provide a natural habitat for wildlife. A dam of 200 metres connects the island with the mainland.

DEME is around halfway through a campaign to widen and deepen the 23km Juliana Canal in the Netherlands. In September 2015, DEME's pioneering new 'Mattedoor' pontoon, which was specifically designed to lay bentonite mattresses for the Juliana Canal project, started work and she will continue in 2016 and 2017.

In the port of Rotterdam, De Vries & van de Wiel replaced the existing jetty of the Rubis Terminal with a new one, suitable for both seagoing and inland vessels. The works included the installation of a new embankment, dredging and protecting against erosion. DEME's new marine infrastructure company, DIMCO (formerly known as GEKA BOUW and CFE Nederland) was in charge of the design and construction of the jetty.

A second project in the port of Rotterdam was the dredging of the 'Donauhaven'. Because the works at the Rubis jetty had to be done in two stages, the Donauhaven dredging could be fitted in between. Both projects were realised in 2015.



IN BRESKENS, DEME HAS STRENGTHENED THE DYKES TO COMBAT RISING SEA LEVELS



NORTHERN EUROPE

DEME was able to maintain a satisfactory level of activity in the Northern Europe area, particularly in France, Germany and the United Kingdom. The most spectacular DEME projects in the area are actually situated on La Réunion, an insular region of France.

Germany: extension of contracts

In Germany, Nordsee Nassbagger- und Tiefbau (Nordsee) was confronted with a decreasing market in the German dredging sector in 2015 due to postponements or judicial disputes against planned projects.

Nordsee Nassbagger- und Tiefbau (Nordsee) was awarded a two-year maintenance contract for TSHDs on the Weser (North Sea – Bremerhaven – Brake). Existing water injection maintenance contracts on the Elbe (Hamburg – Cuxhaven) and on the Kiel-Canal (Nord-Ostsee-Kanal) were both extended for an additional year.

UK: rebirth of the Port of Belfast

In the UK, 2015 has been a transition year in many respects. The finishing touches for the capital works on London Gateway marked the end of this megaproject, which has dominated DEME's activities in the UK since 2009. Nevertheless, the UK team successfully booked several assignments for dredging projects in ports and estuaries around the British Isles. The Belfast maintenance dredging project started in December 2015 and DEME's versatile 5,000 m³ dredger 'Marieke' carried out the maintenance dredging works in the access channel, berths and docks of Port of Belfast to the full satisfaction of the client. With the Medway Access Channel project, DEME consolidated its long-term presence in the Thames Estuary.

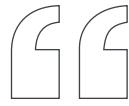
Two jumbo TSHDs, 'Nile River' and 'Congo River', were deployed for the second contract from the Suez Canal Authority



France: a new coastal road on La Réunion

On the French mainland, DEME executed maintenance dredging works in Bayonne and Gravelines. A water injection dredging campaign was realised on the Gironde for the Grand Port Maritime de Bordeaux. Additionally in France, the contract for the dredging, reclaiming and treatment of contaminated sediments for the Grand Port Maritime de Dunkerque was successfully completed. The dredging campaign for the third phase was realised in October 2015.

The most spectacular DEME projects that were awarded in the region are actually situated on La Réunion, an insular region of France. The projects involved the extension of Port Est and two contracts for the construction of the 'Nouvelle Route du Littoral', a 13 km coastal road built offshore. The extension of Port Est and the dredging and stone works on the main dyke for the construction of the 'Nouvelle Route du Littoral' were successfully completed in 2015. In the first quarter of 2016, DEME will start with the execution of the third one, namely the contract for dredging, gravel bed installation and backfilling works for the 48 gravity base foundations of a 5.4 km maritime viaduct.



THE NEW SUEZ CANAL PROJECT SUCCESSFULLY CONCLUDED WELL AHEAD OF TIME.

MEDITERRANEAN



MEDITERRANEAN

Overall the Mediterranean was impacted by the economic crisis, particularly in DEME's traditional markets such as Italy, where activity was lower than usual. Despite the economic dip, DEME still managed to have an extremely busy year thanks to the historic Suez Canal extension project and an additional contract to dredge the east entrance channel of Port Said.

Egypt: the new Suez Canal completed on time

The New Suez Canal project successfully concluded well ahead of time. A consortium comprising DEME's Dredging International (DI) and the Great Lakes Dredge & Dock Company was awarded the highly prestigious Suez Canal Lot N°. 6 contract in October 2014. The Suez Canal Authority tasked the Consortium (in which DI had a 75% share) with deepening and widening the western branch of the Canal to facilitate the passage of the largest vessels in the world.

The Suez Canal project started immediately after the contract award in 2014 and was in full swing early 2015. Right from the beginning the pressure was on as the Consortium had to complete the extension of the Suez Canal in a very tight deadline of just 10 months! The project was finished well ahead of time and some 40 million m³ of material was dredged.

The New Suez Canal was inaugurated on August 6 2015.

The Consortium was awarded a second contract from the Suez Canal Authority in October 2015, to dredge the Port Said east entrance channel. A side channel of 9.5 km long, 250 m wide and 18.5 m deep will provide access to the eastern part of Port Said's port. Port Said is one of Egypt's most important ports on the Mediterranean. Thanks to the new eastern side canal, ships sailing to and from Port Said will no longer interfere with the maritime convoys of the Suez Canal. This contract involves DEME's two jumbo TSHDs, the 'Nile River' and 'Congo River'. In early 2016 work was progressing smoothly. Completion is expected well ahead of schedule.

Turkey: more and bigger ships

Mersin International Port Management INC. awarded DEME an important project in southern Turkey for the widening and deepening of the approach channel, the turning circle, as well as the basin and berth approach channel. The container terminal in Mersin International Port is currently under expansion. As a result, the port will receive more and bigger ships with deeper draughts. Mersin International Port Management INC. is a partnership between the Port of Singapore Authority and the Turkish infrastructure investment holding Akfen. The TSHD 'Uilenspiegel' and the CSD



Mordraga, DEME's Russian subsidiary secured a second contract in Sabetta

'Amazone' have been mobilised. Around 4 million m³ were dredged during the project, which finished early 2016.

Algeria: maintenance of the Port of Annaba

In Algeria, DEME carried out maintenance dredging in the Port of Annaba. At the end of the year, DEME was awarded a contract at Jijel as a subcontractor for Meditram. Works began in December with a grab dredger.

RUSSIA

The geopolitical context, added to the worldwide economic downturn and low oil prices, turned the huge and promising Russian market into a challenging place to navigate in. Despite this however, many infrastructure works are being planned and Russia still has huge potential for development.

Thanks to its large 4-year Sabetta contract on the Yamal Peninsula, DEME's Russian subsidiary Mordraga ensured work for a large fleet of DEME vessels over the summer. An additional

and strategically important contract for Yamal LNG confirmed Mordraga's presence in Russia.

The scope of this year's contract included the widening and deepening of a sea channel in the Ob River and the deepening of the access channel and port basin for the new LNG terminal in Sabetta. In early 2015 Mordraga secured a second contract in Sabetta, as the Russian general contractor working directly for the private developer YAMAL LNG. The scope of works involved the capital dredging for the creation of two new berths and the extension of the existing berth 1.

In November, Mordraga successfully completed a maintenance dredging project in St Petersburg. The project was executed at Bolshoy Port Sankt-Peterburg in the last quarter of 2015. This involved dredging the access channel outside the flood protection barrier at Kronstadt for a stretch of more than 10 km, and was executed with the TSHD Lange Wapper that had just left the Sabetta project.

ASIA

As elsewhere in the world, Asia was marked by slow economic growth in 2015. Low oil prices further reinforced this trend and led to weaker investment levels in marine infrastructure.

Nonetheless, DEME's local subsidiary Dredging International Asia Pacific (DIAP) managed to buck the general trend in Asia by acquiring a gigantic project in Singapore, Tuas Terminal Phase 1. In combination with the ongoing Jurong Island Westward Extension project, this will guarantee a high level of activity in Singapore until at least 2020.

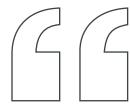
Additionally, these projects reaffirm DIAP's position as a market leader in soft soil reclamations, a highly complex discipline that is becoming increasingly relevant throughout Asia, as the availability of sand resources for reclamation use is finite. As well as this, environmental regulations frequently mandate the reuse of all dredged materials at the reclamation site.



The Jurong Island Westward Extension (JIWE) project is proceeding on schedule for completion in 2018

In February 2015, DEME's local subsidiary Dredging International Asia Pacific (DIAP) was awarded the Tuas Terminal Project - Phase 1 (TTP1), in a joint venture with Daelim Industrial of South-Korea. This huge project, which is on behalf of Singapore's Maritime Port Authority (MPA), entails the construction of an entirely new logistics hub, and is scheduled for completion in 2021. The Jurong Island Westward Extension (JIWE) project is proceeding on schedule for completion in 2018. It comprises the reclamation of approximately 38 million m³ of new land at Singapore's petrochemical hub, Jurong Island, for Singapore's largest industrial landlord, Jurong Town Corporation (JTC).

In Papua New Guinea, OK Tedi Mining Ltd. (OTML) awarded DEME a five-year extension of a long-running contract to remove mine-derived sediments from the Lower Ok Tedi River system. The main objectives of the Lower Ok Tedi Dredging Project are to minimise over-bank flooding by reducing riverbed levels and alleviating floodplain dieback downstream by dredging a section of the river



DEME REAFFIRMS ITS POSITION AS A MARKET LEADER IN SOFT SOIL RECLAMATIONS, A HIGHLY COMPLEX DISCIPLINE THAT IS BECOMING INCREASINGLY RELEVANT THROUGHOUT ASIA.

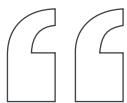
ASIA



at Bige, which is approximately 100 km from the mine. OTML has assigned DEME's CSD Cap Martin to this remediation dredging project since 1997, and the program has led to long-term positive outcomes: there has been a remarkable improvement in the environmentally sensitive river system downstream of Bige.

OCEANIA

The Australian macro-economic outlook indicates a few years of sharply reduced investment in port infrastructure. However, Dredging International Australia (DIAU) will continue to follow up on the opportunities that arise, including projects that have been postponed.



DEME HAS BEEN ACTIVE IN AUSTRALIA ALMOST CONTINUOUSLY SINCE 1974 AND EXPECTS TO PUT ITS VAST BANK OF LOCAL KNOWLEDGE AND EXPERIENCE TO GOOD USE WHEN THE AUSTRALIAN ECONOMY GATHERS TRACTION ONCE AGAIN.

OCEANIA



DEME's local subsidiary Dredging International Australia (DIAU) completed the Wheatstone LNG Marine Facilities Dredging Project for Chevron's LNG export facility in Onslow, Western Australia. DIAU had the opportunity to act as subcontractor to Bechtel (EPCM) for the marine dredging package. This comprised dredging 27 million m³ of materials.

The works were situated in an environmentally sensitive area and as such executed under strict environmental requirements. Even with these tight controls, works were completed one year ahead of schedule, illustrating DEME's expertise in undertaking very large dredging projects without harming the surrounding marine ecology.

AFRICA

A chronic lack of modern infrastructure in many countries in Africa and the demands of the oil & gas industry before the current crisis, let to DEME experiencing its busiest year ever on the continent. Virtually every port is being upgraded, deepened or extended.

Nigeria: the Manhattan of Africa

DEME is involved in a historic project in Nigeria - the prestigious development of EKO Atlantic City in Lagos, dubbed the 'Manhattan of Africa'. This represents the largest land reclamation works ever performed on the continent.

In early 2015, DEME was awarded the remaining three phases of the Atlantic City project. Some 500 hectares (50 million m³ of sand) have been created under Phase 1 & 2 and building started immediately. Phase 3 got underway in June with the TSMD 'Breughel' and is on schedule.

Another major long-term contract in Nigeria is carried out via a PPP agreement under the Bonny Channel Company (BCC), a JV with the National Ports Authority. Annual maintenance dredging was performed in 2015 to

DEME's local subsidiary Dredging International Australia (DIAU) completed the Wheatstone LNG Marine Facilities Dredging Project in Onslow, Western Australia



ensure the channel to the LNG terminal in Bonny and the ports of Onne and Port Harcourt remains accessible. Onne has one of the biggest oil service ports in the world, owned and operated by Intels.

GeoSea's jack-up barge, 'Vagrant', is also working in the area. The jack-up barge of the DEME subsidiary was contracted in 2015 by NLNG to assist with the overhaul of the loading arms at the gas export terminal located in Bonny Island.

Furthermore, end-2015 BCC was awarded a long-term contract for harbor and towing services subcontracted to CTOW. As such, BCC will provide a total solution on the Bonny River for dredging, towing, wreck removal, navigation and jack-up services.

In Cotonou (Benin), the deepening works for the port extension and access channel were completed. In Lomé (Togo), DEME realised a 6 million m³ capital dredging contract for the extension of the TIL Lomé Container Terminal (MSC). In Abidjan, Ivory Coast, DEME and a consortium formed by Sogea Satom and EMCC successfully built a new fishing port.



The prestigious development of EKO Atlantic City in Lagos, dubbed the 'Manhattan of Africa'



Underwater breakwaters in Ghana

The ADA coastline protection works in Ghana, involving specially designed underwater breakwaters, were successfully completed in August. This project highlights how DEME provides solutions to global challenges. The in-house innovative breakwater design reduced the amount of rock being used substantially, as well as the transport of the materials. Overall it is a cheaper method and a more ecological solution. In April, DEME completed its latest maintenance dredging campaign in Conakry (Guinea), In June, DEME and its partner won a 3-year extension on its existing maintenance dredging contract for the access channel to the Sonangol LNG export terminal in Angola.

MIDDLE EAST

DEME has a wealth of experience in the Middle East and a significant presence with offices in several countries of the Gulf, including Qatar, the Emirates, Saudi Arabia and Bahrain. Although times are more challenging and intense competition is expected, DEME will be able to demonstrate its wide-ranging and innovative capabilities to prospective clients.

FOR THE LAST DECADE DEME HAS BEEN WORKING NON-STOP ACROSS THE MIDDLE EAST ON MANY PRESTIGIOUS PROJECTS.

MIDDLE EAST



Qatar: a new port in Doha

Two huge projects dominated DEME's portfolio in 2015. The New Port Project in Doha, Qatar, has almost been completed in 2015 allowing the first commercial vessels to enter the port in December 2015. This ambitious project, which MEDCO, DEME's partnership in Qatar, was awarded in March 2012, included the dredging of the navigation channel as well as the reclamation of the economic zone and of an island forming the new naval base.

A swift delivery was vital as the New Port is urgently needed to replace the existing one in the heart of the city of Doha, which became too small and too congested in view of the exponential increase of the marine traffic expected in the years leading up to the 2022 FIFA World Cup.

Months ahead of the original schedule, the first vessel brought the cranes in for the container terminal in August 2015 and commercial traffic started from December. The New Port was officially handed over in January 2016.

The other important project in the region that started in 2015 is for the 'La Mer' real estate development, owned by Dubai-based Meraas Development. This new, mixed-use reclaimed area of 2.9 million m² will comprise prestigious residential, commercial and leisure areas and is largely situated on the three peninsulas reclaimed by DEME along Dubai's Jumeirah beachfront district. Completion of the project is expected around mid-May 2016.



THE IMPACT OF THE HISTORIC PANAMA CANAL EXPANSION PROJECT IS BEING FELT THE LENGTH AND BREADTH OF LATIN AMERICA, AS MANY PORTS GEAR UP TO ENSURE THEY WILL BE ABLE TO HANDLE POST-PANAMAX VESSELS.

LATIN AMERICA



LATIN AMERICA

Oil and vast mineral resources are the bedrock of the Latin American economy and there is no doubt that the troubles these sectors are experiencing are having a knock-on effect in many countries. However, on the positive side, the impact of the historic Panama Canal Expansion project is being felt the length and breadth of Latin America, as many ports gear up to ensure they will be able to handle post-Panamax vessels.

Brazil: maintenance of the Rio Grande

The main dredging project to be completed in 2015 was Porto Sudeste, Brazil. DEMÉ dredged the turning basin and access channel in Sepetiba Bay. This included some 3.5 million m³ of silt and clay. Hard soils also had to be removed. DEMÉ carried out the drilling and blasting of 80,000 m³ of rock.

The annual maintenance dredging campaign in Vale's Port of Tubarão was completed deploying the TSHD 'Reynaert' which went on to work in

Sepetiba Bay for ThyssenKrupp. Despite the considerable sailing distances, technical challenges for the handover and strict, environmental requirements, the project was successfully delivered ahead of schedule just days before Christmas.

DEMÉ was awarded the Rio Grande Project in a joint-venture. The TSHD 'Pearl River' will be deployed as from March 2016. The total project is expected to last 11 months and covers the maintenance dredging for the inner and outer channel of Rio Grande.

Panama: wider access road to the Pacific

DEMÉ returned to Panama to work on the historic Panama Canal project for the further widening and deepening of the Pacific access channel. This work started in March 2016 and is estimated to take 12 months.

DEMÉ was previously working there between 2009 and 2012. The existing entrance southbound of the Americas Bridge will be widened over a distance of 7 km by 37 m on both sides, making the total width 300 m.



For the first time, ISD was working in Mumbai

INDIAN SUBCONTINENT

With its huge population of 1.26 billion and an economy of 2 trillion dollars, India is experiencing the strongest growth of all the BRICS countries. As its people become wealthier and the demand for consumer products and energy climbs, this is being reflected in new prospects.

2015 was a good year for DEME in the region, particularly when it came to port expansion projects in India. DEME's Indian subsidiary, International Seaport Dredging (ISD) saw a record turnover in 2015. And this is despite the fierce competition in the market from both local and international competitors and the Indian authorities giving preferential treatment to local dredging companies.

Maldives: reclamation of the island of Hulhumalé

DEME returned to The Maldives in January, after receiving a contract award for the second phase of the reclamation of the island of Hulhumalé. In 2002 DEME executed the first phase of the project, including reclamation and coastal protection works. Phase II represents 244 hectares of land, which is expected to be able to house around 100,000 people eventually. Both phases are meant to be able to accommodate people from the heavily overcrowded capital island



FOR THE FIRST TIME ISD IS WORKING IN MUMBAI AS THE COMPANY IS INVOLVED IN THE PRESTIGIOUS JAWAHARLAL NEHRU PORT PROJECT.

INDIAN SUBCONTINENT



of Male, situated just one mile from Hulhumalé. DEME was borrowing sand from depths of 50-60 metres to create the new land, which has doubled the island's footprint.

Mumbai: India's largest container port

For the first time, ISD was working in Mumbai. The company dredged and deepened the turning basin and berth pocket of the fourth container terminal at Jawaharlal Nehru Port. Jawaharlal Nehru Port is the largest container port in India, with half of all containers handled there. When completed in 2017, the project will double the number of containers handled by the port in 2014. The project was completed ahead of schedule in December 2015.

In August, a contract was signed for the Kamarajar port project, near Chennai. This large-scale project involves dredging work for a new container terminal, two coal berths, a multi-cargo terminal and turning basin. Site preparation works have been disrupted by adverse weather in December 2015, with exceptionally heavy monsoon rains and flooding, the worst for 100 years.

Meanwhile, ISD is conducting a two-year maintenance dredging campaign in the port of Dhamra and executed reclamation works in the port of Kakinada.

Dredging-plus



MARINE & OFFSHORE SOLUTIONS

ENGINEERING & CONSTRUCTION

In general, 2015 can be marked as the year of the shift towards Engineering, Procurement, Construction, Installation & Maintenance (EPCIM) or Design, Build, Finance & Maintenance (DBFM) contracts.

DEME is being asked to carry out more of these 'balance of plant' contracts for example in marine construction and offshore works, whereby the full scope for the development is awarded including: project engineering, installing and procurement of foundations, installing turbines, building and installing the substations, providing marine equipment, the auxiliary works and even providing financing and maintenance.

DEME's subsidiaries Dredging International, Tideway and GeoSea have experienced a similar rise in the number of total solution contracts and have worked together in JV on many EPCIM contracts in 2015.

RENEWABLES

DEME is active in most of the main European offshore wind countries.

2015 saw a substantial boost in DEME's presence and fleet in Germany. In May, DEME officially acquired the assets and personnel of its former long-term partner Hochtief Solutions, including the world's largest offshore heavy lift jack-up vessel 'Innovation', which has been successfully and continuously working in the harsh

environment of the German Bight since 2012.

With its unique characteristics, especially its high-performance 1,500 ton crane, its high-tech jacking system and its loading capacity of up to 8,000 tons, the vessel has made its mark on the industry. Other assets include the jack-up vessel 'Thor' and 3 heavy duty transport pontoons, which have 10,000 tons payload each.

DEME carried out the transport & installation (T&I) contract for the foundations for the Godewind offshore wind farms which are located in the German Bight, for DONG Energy. The contract included installing the monopile foundations, as well as transporting them from the manufacturer to the base port of Eemshaven. DEME also completed the scour protection works for this project. Upon demobilisation at Godewind, 'Innovation' was then prepared for the Nordsee One project for RWE Innogy. Here, DEME is transporting and installing the monopiles and carrying out the scour protection. Work commenced in December 2015 and is expected to be finished in April 2016.

In February 2015, the EPCI foundations contract of Baltic2 was completed after four years for EnBW Erneuerbare Energien GmbH.

The UK market is largely driven by the timing of the Contracts for Difference (CfD) auctions. DEME has been successful and will be participating in several of the offshore wind farms. And even though the UK market is slowing down, DEME is very pleased to have been awarded major projects such as Galloper and Race Bank.

DEME was awarded the EPCI foundation package for the Galloper offshore wind farm from RWE Innogy. Furthermore, DONG Energy awarded DEME the transport & installation contract for the Race Bank offshore wind farm. The preparation works for the 97 foundations are fully underway and DEME will proceed offshore in the second half of 2016 after completion of the Nordsee One Offshore Wind Farm in Germany. DEME will also execute the scour protection works.

The EPCI contract for the Kentish Flats Extension offshore wind farm from Vattenfall was completed in 2015. This involved the installation of 15 Vestas 3.3MW turbines. The contract had a very broad scope and included the collection and installation of the turbines.

Belgium is well on track to achieve its ambitious target of reaching 2,000MW produced from offshore wind by 2020. There is more certainty in the market following decisions on the subsidy mechanism and the Stevin project, which will upgrade the high-voltage grid between Zomergem and Zeebrugge, ensuring that offshore wind energy will be brought to the mainland and distributed throughout the country.

DEME is preparing for the offshore installation works of the Rentel offshore wind farm, which is partly owned by DEME Concessions. Works are expected to get underway in 2017. The other two offshore wind projects, Mermaid and SeaStar, in which DEME Concessions has a stake, are currently being prepared following on from the Rentel project.



The EPCI contract for the Kentish Flats Extension offshore wind farm from Vattenfall was completed in 2015



IN BELGIUM, DEME IS PREPARING FOR THE OFFSHORE INSTALLATION WORKS OF THE RENTEL OFFSHORE WIND FARM.



OIL & GAS

DEME's daughter company Tideway has been active in the Oil & Gas industry for almost 25 years. In 2014 GeoSea additionally established the company EverSea which focuses on the use of their jack-up platforms in the Oil & Gas industry.

In the Netherlands, DEME's subsidiary EverSea successfully completed the execution of a T&I project on two gas platforms for GDF Suez E&P Nederland BV (part of the ENGIE Group), the leading gas operator in the Netherlands. The main scope of the project was the transportation and installation of a 330-tonne gas compression module on the E17a-A platform, approximately 100 km northwest of Den Helder. DEME's self-propelled jack-up vessel 'Neptune' also installed a new crane on the L10-E platform in the manner requested by the client in order to reduce transportation costs.

DEME was also awarded a T&I contract for the P11-E unmanned minimum facility gas platform on behalf of Oranje-Nassau Energie BV (ONE), the largest privately owned Dutch oil and gas exploration and production company.

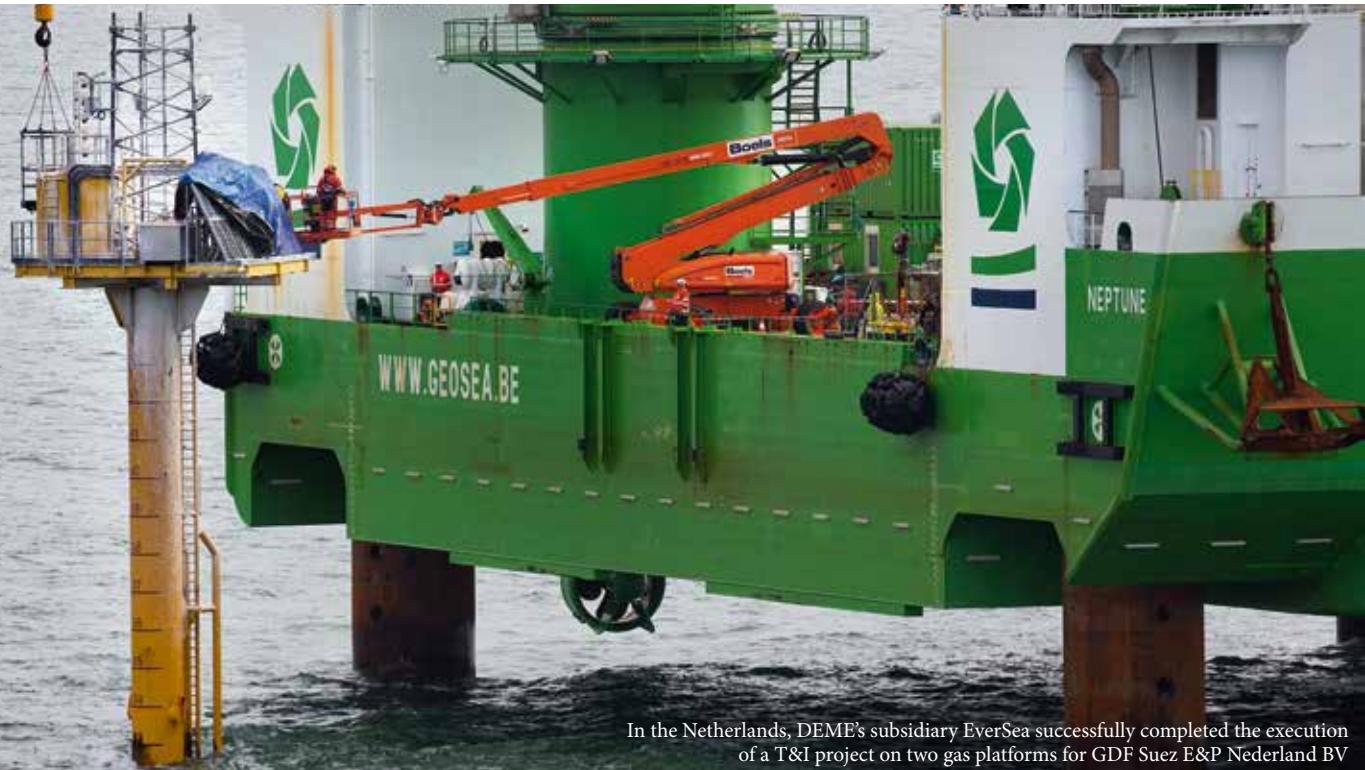
The P11-E platform is a natural gas processing offshore facility that will treat the gas feed from the nearby P11-E field on the Dutch continental shelf. The pre-sweeping and rock placement works will be undertaken by Tideway. Installation works are scheduled for mid-2016.

DEME carried out the seabed levelling and erosion protection works for the Wheatstone project's gas export pipeline (Australia). In Ireland, DEME obtained a contract for remedial rock installation for the Shell Corrib project. In the summer 'Rollingstone' arrived in Mexico and started rock placement works for different PEMEX pipe lay installation contractors. Right at the beginning of the year DEME signed a contract with Saipem for a second project in Venezuela - the 'PDVSA Dragon project'. Works included building a stone platform, which will be used as a landing base for the pipeline. The pipe was pulled to shore and backfilling works were completed.

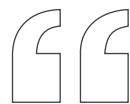
CABLE LAYING & ROCK PLACEMENT WORKS

In 2016, DEME will perform rock placement works on the Lower Churchill Project for the power company Nalcor in Canada. This is for a huge hydro-power project in Muskrat Falls. The site is situated in Labrador, in a very remote location, where the company can only work in the spring and summer because of the extreme conditions. Three 18-kilometre power cables are being placed to transport electricity through to Nova Scotia. Construction of the rock load out facilities and rock crushing was executed in the summer of 2015.

In another historic project, DEME signed a contract with ABB for the rock placement works of the NordBalt project which involves the supply of a new electricity transmission system between Sweden and Lithuania. The 700MW ±300 kV transmission system will link



In the Netherlands, DEME's subsidiary EverSea successfully completed the execution of a T&I project on two gas platforms for GDF Suez E&P Nederland BV



DEME'S DAUGHTER COMPANY TIDEWAY HAS BEEN ACTIVE IN THE OIL & GAS INDUSTRY FOR ALMOST 25 YEARS.



the electricity networks in the Baltic and Nordic regions. It is believed to be the world's longest HVDC Light underground and subsea cable.

In December 2015, DEME was awarded, in a joint-venture, the remedial rock placement works in the Strait of Gibraltar in Spain for Enagas. Meanwhile, the same joint-venture was also busy with rock placement works up to 600 metres on the Norwegian plateau. This three-year contract was awarded by Statoil.

Additionally, DEME's subsidiary Tideway worked on several infrastructure projects during 2015 such as a contract from Evides for the protection of a water pipeline crossing over the River Scheldt in Belgium and the Netherlands.

MAINTENANCE

Offshore & Wind Assistance (OWA), DEME's specialist offshore wind maintenance company, had a number of ongoing projects during 2015. OWA executed a maintenance campaign for Senvion at the offshore wind farms Thorntonbank

(BE), Ormonde (UK), Alpha Ventus (GER) and NorseOst (GER). OWA has executed monitoring and inspection services on the Thorntonbank, as part of the long-term service framework agreement with C-Power. OWA continued to provide marine logistical services along the Belgian and German coast, operating the two crew transport vessels Aquata and Arista, as well as a fleet of up to four chartered vessels to complement temporary demand. OWA will operate and maintain the Balance of Plant for the future Gemini offshore wind farms in the Dutch North Sea. In addition to providing marine logistics, the scope of works includes the maintenance of all foundations above and below water as well as the maintenance of the cable and scour protection. The contract covers a period of 5 years, starting in 2016.

RELATED SERVICES

CTOW

Combined Marine Terminal Operations Worldwide (CTOW) offers a full package of professional assistance for the operation of dedicated maritime terminals and related services. For example, CTOW can carry out everything from maintenance services of a jetty or a fairway, including handling of navigation aids, to towing services at a terminal.

CTOW is a joint venture company owned by DEME, Herbosch-Kiere and Multraship. The company seeks early involvement and an integrated and turnkey approach to the development, management and operation of terminals and ports.



Combined Marine Terminal Operations Worldwide (CTOW) offers a full package of professional assistance for the operation of dedicated maritime terminals and related services.

In 2015, the drop in oil prices meant that CTOW decided to focus its activities on Africa. In order to serve the growing client base, CTOW took the milestone decision to invest in its first two vessels, which are due to start operations in March 2016.

The two, 60-tonne bollard pull ASD tugs will be deployed at the mouth of the Bonny River in Nigeria to provide towage assistance to LNG carriers. Currently, the company is training local crew to grow its local roots and prepare for future growth in Nigeria and Africa.

Meanwhile, CTOW continued its contract to provide harbor towage in Onne port in Nigeria. In Luanda, Angola, CTOW installed temporary navigation aids to mark the navigation channels in Baia de Luanda and Baia de Mussulo.

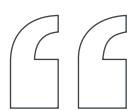
SCALDIS

Scaldis Salvage & Marine Contractors celebrated its 20th anniversary in 2015.

As a specialist heavy lift contractor, operating on a worldwide basis, SCALDIS concentrates on marine heavy lifting with its vessel 'RAMBIZ 3000' for civil construction works, oil & gas projects (installing jackets/topsides), renewables



THE MAIN FOCUS OF SCALDIS IS CURRENTLY ON OFFSHORE WIND AND DECOMMISSIONING OF OIL & GAS PLATFORMS.



(jackets/topsides), decommissioning (oil & gas/ renewables) and salvage.

Due to the dip in the oil & gas industry, the main focus of SCALDIS is currently on offshore wind (transportation and installation works for Luchterduinen, Gemini, Nordsee One, Rampion & Nobelwind) and decommissioning of oil & gas platforms. The company's heavy lift crane vessel 'RAMBIZ 3000' will remove three platforms from the Southern North Sea on behalf of Perenco and 11 platforms for ConocoPhillips over the next three years in a joint venture.



ENVIRONMENTAL SOLUTIONS



DEMÉ'S ENVIRONMENTAL COMPANIES ARE
TAKING AN INCREASINGLY PROACTIVE
ROLE IN SOURCING AND DEVELOPING
POTENTIAL REMEDIATION PROJECTS.



DEMÉ Environmental Contractors (DEC), de Vries & van de Wiel, Ecoterres and Extract-Ecoterres are all part of Ecoterres Holding, DEMÉ's environmental group of companies.

Their activities include soil decontamination, treatment of polluted soil and dredged sediments, as well as high-tech cleaning of water, with a focus on design, build and exploitation using innovative techniques.

With the plummet in the oil price and decline in mining activity, 2015 was characterised by fewer remediation projects, unless they were deemed absolutely critical.

Meanwhile, in some countries where space is particularly limited, there was an increase in tendering activity as local governments look to build new housing on brownfield sites, which need to be remediated before construction can start.

DEMÉ's environmental companies are taking an increasingly proactive role in sourcing and developing potential remediation projects. As local authorities face a squeeze on their budgets they cannot afford to take on the risk and expense of these remediation projects.

Along with a development partner, DEMÉ's environmental companies identify old, polluted industrial sites and approach owners regarding the possibility of redeveloping the site into industrial, housing and community recreational areas.

With several soil and sediment recycling centres in Belgium and the Netherlands, DEC, de Vries & van de Wiel and Ecoterres treated about 1.25 million tonnes of polluted soil and dredged sediments in 2015, making them the leading companies in this specialised activity in Belgium and the Netherlands.

In addition to DEMÉ's soil and sediment recycling centres in Belgium and the Netherlands, Ecoterres opened a new treatment centre in France (Bruyères-sur-Oise). The 30,000 m² site can be reached by road or by water as it has its own 200m quay on the Oise River. It is designed to treat 300,000 tons a year.

DEC was awarded several brownfield development projects in Belgium: Bekaert in Zwevegem and Hemiksem with private developers Vanhaerents and Vooruitzicht. These sites were previously used for the manufacture of steel wiring. In a similar arrangement, DEC and its joint-venture partner have acquired an 8-hectare brownfield site from Bayer in Ghent. The contract was awarded in January 2016 and work is expected to complete before the year-end.

In Balen, DEC is involved in an ongoing project involving the dehydration of Nyrstar process residue.

Nyrstar has awarded two additional contracts for the capping of a dump site and the installation of a pump infrastructure network to capture and treat polluted groundwater. Here, DEC has been working on the tailing management, dewatering and making filter cakes from the material.



DEC was awarded its first contract from ExxonMobil

Ecoterres carried out depollution work for ArcelorMittal in Liège, the world's leading integrated steel and mining company. Ecoterres also completed depollution work for Erachem in Tertre. Starting in 2014, this project included soil stabilisation, water treatment and capping of the site.

Ecoterres has nearly finished the construction of a new sediment centre for the Service Public de Wallonie (SPW) in Obourg. This project started in 2011 and is due to complete in 2016. Ecoterres carried out depollution works in Kain, acting as a subcontractor of BAGECI (CFE), which is replacing a dam adjacent to the lock at Kain on the River Scheldt.

For the second year, DEC has been working for the NV Waterwegen en Zeekanaal (Flemish inland waterway authority) as part of a 7-year contract. DEC treats the dredged sediments at its sediment centres throughout Belgium.

Ecoterres and its specialised dredging subsidiary Kalis, finished a four-year maintenance contract of the Walloon waterways. Sediments from the dredging operations were handled by Ecoterres on the Vraimont site (Tubize) (A-type sediments) and then Sedisol (Farceniennes) handled the more polluted, B-type sediments. Some 60,000 m³ were treated in Sedisol in 2015.

De Vries & van de Wiel performed a soil remediation project at the location of the former Feijenoord gas factory in Rotterdam, the Netherlands. The gas plant was in operation between 1879 and 1968, when it was demolished with the exception of the chimney and water tank. To prevent any pollution seeping through to the groundwater de Vries & van de Wiel remediated the site. After the remediation, the municipality will redevelop the site as a city park.

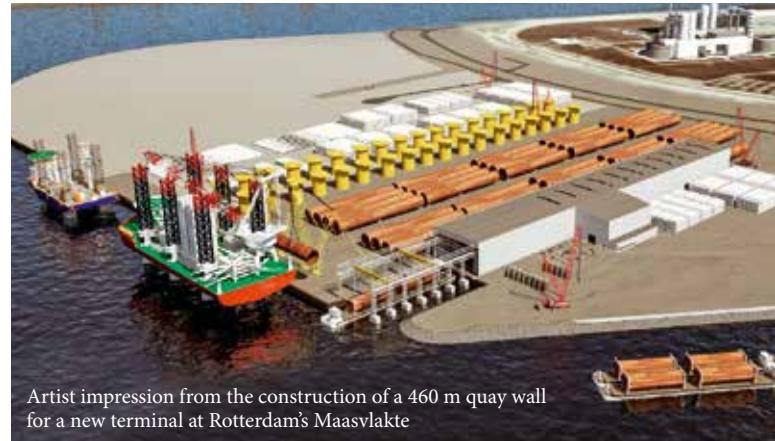
In an important milestone for the company, DEC was awarded its first contract from ExxonMobil. Together with Norway's Veidekke Entreprenør AS, DEC will remediate a former refinery site, which is located at Valløy near Tønsberg, on behalf of Esso Norge AS. Preparation work on the ExxonMobil site infrastructure in Norway started in November 2015, and the roads, platforms, mixing facilities, offices and warehouses were in place by end-January 2016. DEC has to excavate the acid tar, then treat it on-site ready for reuse. The Esso Norge AS site has to be restored to meet the Norwegian Environment Agency's criteria for a future mix of commercial and residential use. DEC expects to treat around 45,000 tons of acid tar and more than 250,000 tons of contaminated soil.

One reason this project is particularly challenging is because the acid tar has to be turned into a good quality, usable, secondary fuel. The fuel will then be used by cement kilns as an alternative to using coal or other primary fuels. DEC has to ensure that every part of the operation meets the strict Health & Safety requirements imposed by ExxonMobil and the Norwegian environmental authorities. DEC has brought its international team of specialists together for this unique project. Completion is slated for Q2 2019.

Another international project concerns Phase 3 of the remediation of a 100 ha coking site near Chesterfield, in the United Kingdom. Having started the remediation in 2009, DEC finished the landscaping of the site in January 2015. This had been a heavily polluted site with black tars, cyanide and many contaminants present, totaling some 1 million m³.

With the remediation complete, the site will be used for residential purposes, with sports centres, a school and even possibilities for fishing.

INFRA MARINE SOLUTIONS



Artist impression from the construction of a 460 m quay wall for a new terminal at Rotterdam's Maasvlakte

A NEW BUSINESS LINE

In late 2015 DEME established a specialist marine infrastructure company named DEME Infra Sea Solutions (DISS) NV with two subsidiaries DEME infra Marine Contractors (DIMCO) NV and DIMCO BV active in the Benelux and on the international market respectively. In this context DEME took over the assets and personnel of the marine civil works division of CFE Infra NV, CFE Nederland BV as well as GEKA BV.

Having this infrastructure capability in-house follows demand from clients for integrated solutions. More and more clients prefer not to deal with several contractors (and hereby avoid interface management) but just a single contract party, as projects get increasingly complex. The trend is increasingly for EPC solutions.

IN-HOUSE INFRA MARINE SOLUTIONS

DIMCO will be involved in marine infrastructure/civil works projects that complement DEME's activities. The company has a very large engineering and design department, which can assist DEME clients. The new marine infrastructure company employs around 150 people in Belgium and the Netherlands.

IN LATE 2015 DEME ESTABLISHED A SPECIALIST MARINE INFRASTRUCTURE COMPANY NAMED DEME INFRA SEA SOLUTIONS (DISS) NV.

DIMCO completed several important projects in 2015. The huge 'Spoorzone Delft' project reached an important milestone in 2015 when DIMCO, as consortium partner, completed the first phase of the 2,400 m 'Willem van Oranje' rail tunnel, which opened on schedule. Under Phase 2, which has already got underway and is due to be completed in 2018, two more rail tracks will be added. An underground station and parking area was also completed last year.

DIMCO delivered a jetty for the new LNG Terminal in Dunkerque, France. A new jetty suitable for both seagoing and inland vessels was also realised for the Rubis Terminal in Botlek, Rotterdam and DIMCO finished a large pile-driving project for a quay wall at the LBBR terminal in Rotterdam.

And 2016 got off to a good start when DIMCO and its local partner received a contract for the construction of a 460 m quay wall for a new terminal at Rotterdam's Maasvlakte. Work got underway in January and is due for completion in June 2017.

Under the contract, awarded by the Port of Rotterdam Authority, DIMCO is carrying out the detailed engineering, sheet piling and construction of the quay wall, while DEME is responsible for the dredging to a depth of -16.4 metres.

In recognition of its efforts, DIMCO has won two prestigious awards.

An international jury awarded the annual 'Betonprijs' award in the category 'execution' for a creative, useful and exceptional design made from concrete. The company also won the Schreuder study prize, which was given for innovative building techniques and a creative underground solution.

FLUVIAL & MARINE RESOURCES



DEME BUILDING MATERIALS

DEME Building Materials (DBM) is DEME's specialist subsidiary for dredging, transporting, processing (washing, crushing and grading) and supplying marine aggregates in the European market.

The aggregates originate from DEME's various marine sand and gravel concessions and from 3rd party licences in Belgium, the Netherlands, France, Poland and the UK.

Thanks to an optimal combination of its marine sand and gravel resources, combined with a high production capacity both on- and offshore, DBM can offer a reliable and constant supply both in terms of quantity and quality.

Over the last decade, DBM has secured a reserve of over 300 million tonnes of marine aggregates containing sand and gravel up to 100 mm.

Despite the ongoing recession in the construction industry in Europe, 2015 was far from a quiet year for DBM. Some important projects in the Benelux were successfully completed. Furthermore the London construction market was again particularly strong and demand is expected to continue in 2016.

In the mid to long-term, DBM is expecting demand for marine aggregates to strengthen as tougher European environmental laws impact both traditional quarries and river dredging activities. With strong future demand expected, DEME will bring extra capacity into its fleet of sand and gravel trailers to further strengthen its position as one of the major aggregate dredging companies in Europe.

NEW PROCESSING INSTALLATION IN BOULOGNE-SUR-MER, FRANCE

DBM has marine aggregate processing installations and distribution facilities in Belgium (Ostend) and the Netherlands (Flushing and Amsterdam). Additionally in France, DBM in partnership with Carrières du Boulonnais, constructed a new treatment facility in Boulogne-sur-Mer.

The new processing installation is unique as it uses only dry screening and crushing technology for the production of calibrated sand and gravel from the dredged marine aggregates. This technique is both cost and energy-efficient and environmentally friendly.

“

A MAJOR PROJECT IN 2015 WAS THE DELIVERY OF MARINE AGGREGATES FOR THE CONSTRUCTION OF THE LARGEST SEA LOCK IN THE WORLD, IN THE PORT OF ANTWERP.

”



ACTIVITY OVERVIEW

DBM experienced full occupancy of its two state-of-the-art gravel trailers 'Charlemagne' and 'Victor Horta'.

In Belgium, DBM sold 400,000 tonnes to the local construction market from its own facility in Ostend. A major project in 2015 was the delivery of marine aggregates for the construction of the new sea lock, 'Kieldrechtsluis' in the Port of Antwerp which is the largest sea lock in the world. Over a 2-year period, DBM supplied some 1.3 million tonnes of sand and gravel for the production of concrete for this megastructure.

In the Netherlands, DBM supplied very coarse gravel for scour protection works on the Dutch part of the river Scheldt, which was executed by another DEME subsidiary.

The long-term supply contract with Eurovia in France for deliveries in Dieppe and Le Havre marked the south-western limit of DBM's activities in 2015. The north-eastern limit was formed by the regular supplies into Gdansk in Poland where both the 'Charlemagne' and the 'Victor Horta' carried out several supply campaigns.

OCEANFLORE

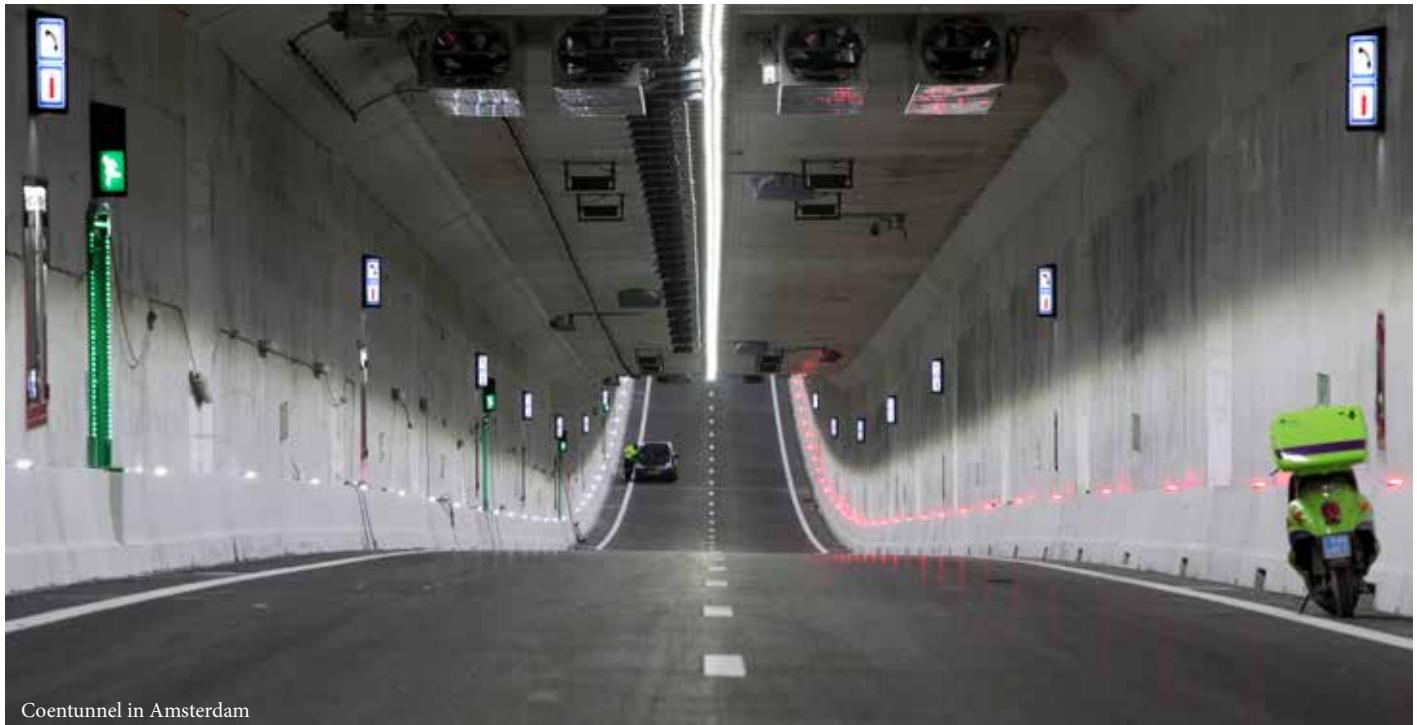
OceanfLORE is a 50/50 JV between IHC Merwede and DEME focusing on valuable offshore contract mining solutions. The company brings ground-breaking and innovative solutions to ocean floor harvesting, which are efficient, cost effective and sustainable and always focus on the environment.

In 2015, OceanfLORE conducted research and design work with regard to excavation of the deposits, vertical transport to the surface, power supply and on board processing.

OceanfLORE has been engaged in direct discussions with mining groups and government bodies to explore synergies for the exploitation of iron sands, diamonds, seafloor massive sulphides (SMS), manganese nodules and other rare earth minerals.



DEMIE Concessions



Coentunnel in Amsterdam

A PARTNERING PHILOSOPHY

DEME Concessions aims to provide resources including venture capital and project-specific knowledge to realise DEME's marine activities, by supporting the various companies in the Group.

For example, in the context of public infrastructure, DEME Concessions contributes to the successful procurement and financing of Design, Build, Finance and Maintain (DBFM) contracts. These are increasingly in demand in the public sector, enabling essential infrastructure projects to go ahead although only limited public funds are available.

DEME Concessions gets involved as early as possible, contributing to the successful structuring and financing of the developments it participates in. DEME Concessions' investment in any project is always linked to DEME's scope of work in the project.

The investment runs from the early development phase, up until the operational phase of the project. DEME Concessions places a great deal of emphasis on transparency with its partners.

DEME Concessions focuses on three major sectors:

DBFM CONTRACTS ARE INCREASINGLY IN DEMAND IN THE PUBLIC SECTOR.

INFRASTRUCTURE (DREDGING & MARINE INFRA)

DEME Concessions holds a participation in the second Coentunnel project in Amsterdam, which was successfully realised in 2014 and has entered its operating phase. DEME is involved in the maintenance for the next 24 years.

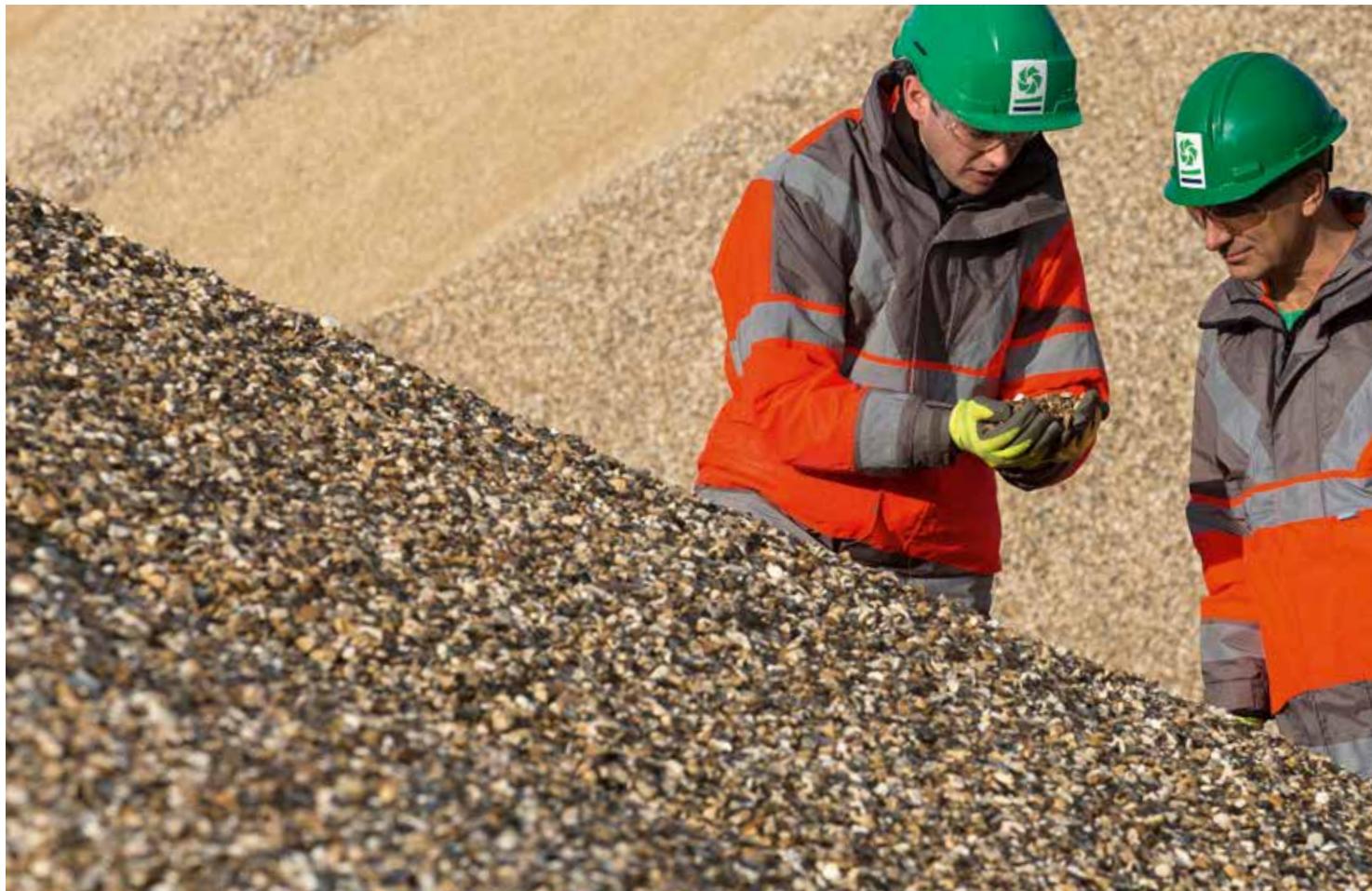
Zuiderzee Harbour, in the Netherlands, was realised under a PPP agreement. The scope included the technical realisation and construction of the harbor, the construction of the site and infrastructure, as well as access roads, the sale of the developed areas, the management and maintenance for a period of 15 years.

In the Democratic Republic of Congo, a PPP agreement has been signed with the Congolaise des Voies Martimes for a 10-year dredging concession on the Congo River, whereby DEME has to dredge to 26 feet (2.9 m) to keep the river accessible to traffic all year round.

RENEWABLES

Power@Sea (a JV of DEME and SRIW/SOCOFIE) is one of the founding partners of the first Belgian offshore wind farm C-Power. C-power (325MW) was delivered in 2013-2014. Production levels are in line with the budget. Power@Sea specialises in providing support for environmental permitting, procurement procedures, assistance with regulation, tendering, construction, distribution, operation and life cycle maintenance.

Together with the other shareholders of OTARY, DEME holds a participation in three further concessions for offshore wind farms in Belgium: Rentel, SeaStar and Mermaid. Rentel, which has a 294MW capacity, is set to complete its project financing by summer 2016.



DEME Concessions has a stake in the 400MW Merkur Offshore Wind Farm, in the German part of the North Sea.

DEME Blue Energy (DBE) focuses mainly on the development of tidal and wave energy projects and is involved in pioneering projects in Scotland and Ireland. Again, DEME Concessions gets involved as early as possible to ensure the success of the projects. DBE (70% DEME & 30% Participatie Maatschappij Vlaanderen) closely cooperates with

academic centres of knowledge and strategic industry partners to further enhance its position in the emerging ocean energy market.

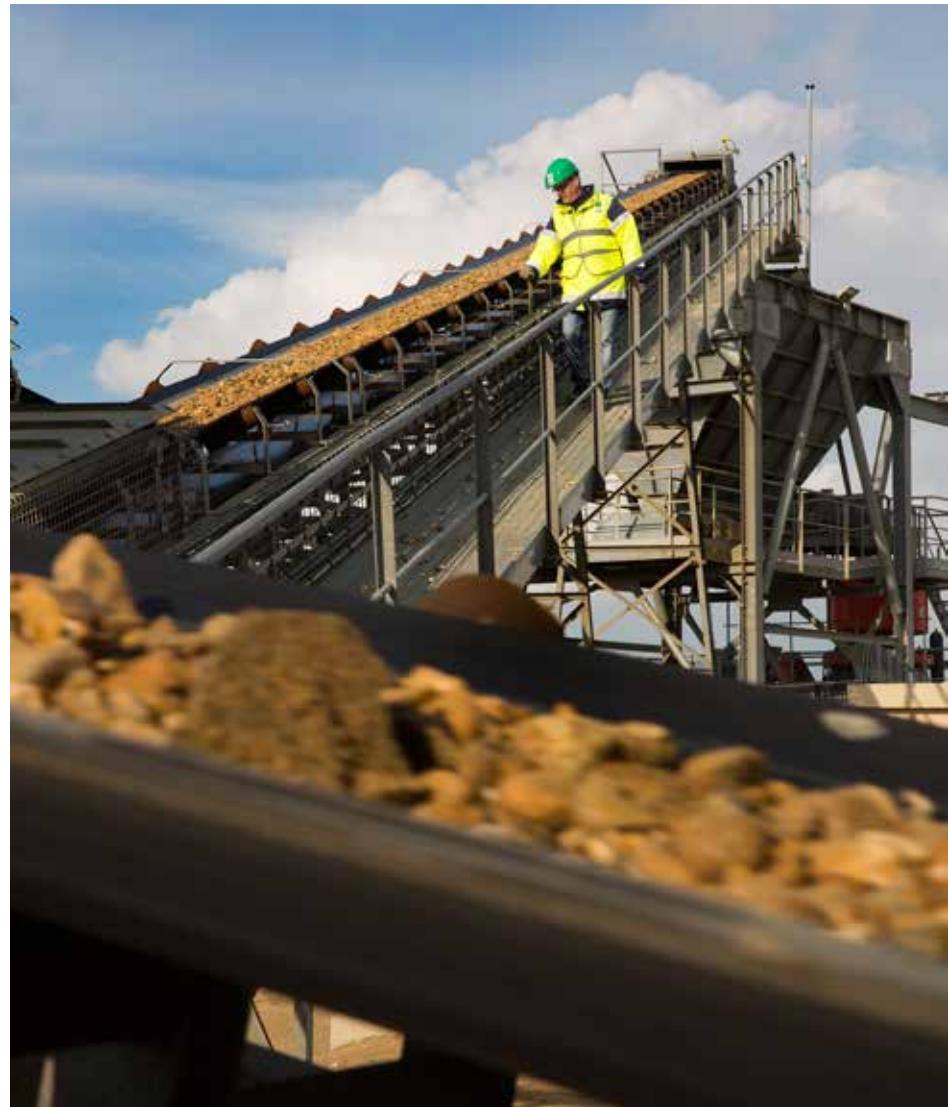
In Scotland and Ireland DBE in a 50/50 JV with NUHMA, (DEME's partner in C-Power and OTARY), owns two concessions for tidal energy together with a local partner: West Islay Tidal Energy Project (WITEP) and Fair Head Tidal Energy Park (FHTEP).

MARINE RESOURCES

Gravel and sand concessions of DBM

Together with its subsidiary DEME Building Materials, DEME continues to invest in new and existing nearshore concessions for sand and gravel, of up to 100 metres depth.

DBM has built up a strong position in many countries based on long-term relationships and agreements with major European industrial partners.



DEME BLUE ENERGY FOCUSES MAINLY ON THE DEVELOPMENT OF TIDAL AND WAVE ENERGY PROJECTS IN SCOTLAND AND IRELAND.



Mineral concessions of GSR

Global Sea Mineral Resources (GSR) NV is a subsidiary of DEME focused on the development of a sustainable marine harvesting industry. On the 14th of January 2013, the International Seabed Authority and GSR signed a 15-year contract for prospecting and exploration for polymetallic nodules.

Under the contract, GSR has exclusive rights for exploration over 76,728 square kilometers of seabed in the eastern part of the Clarion Clipperton Zone (CCZ) of the Central Pacific Ocean.

After GSR's initial expedition in 2014, a second survey campaign in 2015 was dedicated to a high-resolution study of three smaller areas, based on information collected during the previous campaign and historical data.



Contracting

Interview CEO



Raymund Trost

CEO CFE Contracting nv

CFE Contracting was set up in 2015 after a thoroughgoing reorganization of operations in order to arrive at a simplified structure to improve our efficiency externally and to reduce our structural costs internally. The division now comprises the construction activities in Belgium, Luxembourg, Poland and Tunisia, as well as the multitechnics and rail infra & utility networks activities. With an equity capital of more than 100 million euros and great potential in terms of competencies, employee commitment and positions on our target markets, CFE Contracting constitutes a solid basis which we will strengthen in 2016 with improvement programmes in various areas.

Safety is in our DNA

The constant reinforcement of a real safety culture ranks more than ever at the top of our priority list in a high-risk business. There is no excuse for injuries at any of our building sites.

Our efforts in 2016 will be focused on three fronts with the implementation of various specific measures:

- A strong corporate culture based on entrepreneurship, transparency, accountability and harmonious development of the teams;
- Operational excellence with optimized internal processes focused on customer satisfaction and improved risk management;
- Synergies within the business divisions by sharing best practices

The reorganization of the division and the good overall health of the activities make for a positive outlook on the future. We therefore predict a slight growth in revenue coupled with increasing profitability in 2016.

In construction, we should witness buoyant activity in Belgium with the start-up of several projects. In the Grand Duchy of Luxembourg, the situation is favourable on the real estate market, which will be marked by growing activity. 2016 is also off to a promising start in Poland, where CFE is becoming a recognized player by international investors and local customers alike. In Tunisia, the order book has reached a satisfactory level despite an uncertain economic climate.

Business in the multitechnics segment will generally remain stable. The entities that are active in rail infra projects will experience 2016 as a year of transition with the implementation of a signalling modernization programme for the railway lines that will start in 2017.



THE ICONIC TOISON D'OR BUILDING, WHICH COMPRISES 70 LUXURY APARTMENTS AND ACCOMMODATES SEVERAL INTERNATIONALLY RENOWNED STORES, SUCH AS MARKS & SPENCER AND APPLE.



EXECUTIVE COMMITTEE



Raymund Trost

CEO CFE Contracting SA



Frédéric Claes

Managing Director CFE Bâtiment Brabant Wallonie



Fabien De Jonge

Chief Financial Officer of the CFE group



Yves Weyts

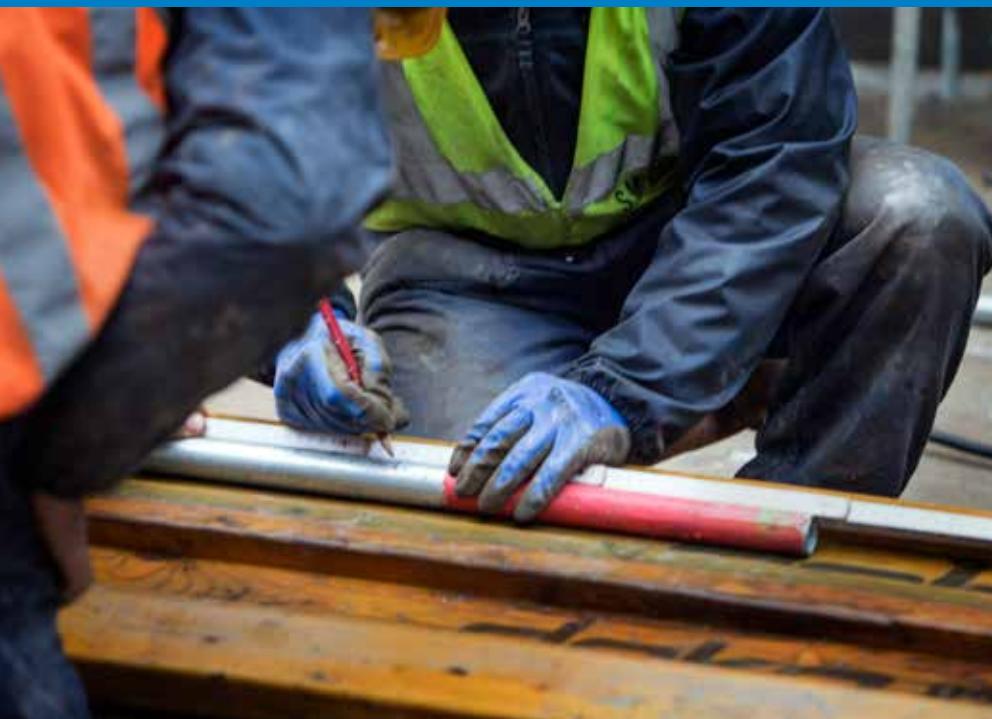
Managing Director CFE Bouw Vlaanderen and General Manager of the multitechnics activity and rail infra & utility networks



24
HOURS ON
SITE



A new hospital on the heights of Liège



BPC Liège is currently involved in the construction of the new Centre Hospitalier Chrétien (CHC) in Liège. By the end of 2018, three Liège hospitals will occupy that site.

The building site is huge. The works, which began in May 2015, are for the future Centre Hospitalier Chrétien (CHC) in Liège, also called "CHC MontLégia", referring to the river after which the Principality is named. Scheduled for completion in September 2018, this state-of-the-art hospital will employ 2,000 people and will have a capacity of 764 hospital beds in addition to 120 outpatient beds. It will have no fewer than 20 operating theatres equipped with cutting-edge technology.



The structure, which is due for completion in October 2016, has a floor area of 119,000 m², of which 34,000 m² below ground level. Nine cranes are active on this site, for which 2,000 foundation piles had to be driven into the ground.

Stany coordinates the building site which BPC Liège is in charge of: "My job is to ensure that everything goes smoothly in accordance with the specifications, schedules and safety regulations. The labourers work from 7am to 7pm. I arrive at six in the morning, and I leave when I can."

'COLOSSAL BUILDING SITE'

The building site of CHC MontLégia is immense and looks like an anthill, where each person is working away to put up the future hospital. While the labourers pick up the dozens of wooden beams that will be used to put the concrete slabs in place, the engineers of the site preparation unit are in the office already validating the plans for the floors.

The coordinator does his round of the different work areas. Armed with his plans, he inspects the progress of the work with the labourers. On one side, the pillars are being put in place that

will support an additional storey. On the other side, half a dozen workers are handling long metal rods which they align to make a perfect grid. "Making the framework for a concrete slab like this does not take more than half a day," Stany explains. "After that, the concrete is poured on directly."

'MAXIMUM SAFETY'

Stany is in constant touch with all his colleagues over the hands-free kit of his mobile phone, firmly attached to his ear. Every detail counts. It takes a trained eye to spot the smallest grain of sand that

could hamper this huge undertaking. On his round, the coordinator notices a faulty socket on a terminal that supplies part of the building site with electricity. He immediately calls a technician and asks him to make the necessary repairs on the spot.

The team has acquired a drone that regularly flies over the site. It films and photographs the progress of the various works. The coordinators then view the images to check whether everything is proceeding according to plan.

It should be said that this is not an easy building site. *“Just in terms of safety, we have to coordinate nine cranes that are working simultaneously within a very dense area. A passive anti-collision system prevents accidents. This project is very special at the technical level too. For example, we work with different types of concrete requiring special characteristics. For the future radiology department, we use special radiation-proof concrete with a density of 3,600 kilos per cubic metre!”*

Situated along the motorway, the site is perfectly visible and accessible. Its symbolic impact is also very important to the people of Liège. *“It’s simply the most important project for the city of Liège since the Gare des Guillemins,”* Stany sums up.



Stany
Project Manager

Age 38

Job Title **Overseeing the orderly progress of the works in accordance with the specifications, schedule and safety regulations**

Motto: **‘Anticipating work means prevention for better action.’**





Construction

Contracting



Several DB(F)M projects were completed in 2015 to the customer's satisfaction such as the school of Bocholt as part of the 'Scholen van Morgen' project

2015 TURNS OUT TO BE A GENERALLY POSITIVE YEAR, MARKED BY REVENUE GROWTH OR STABILITY FOR MOST COMPANIES ACTIVE IN BUILDINGS, INDUSTRIAL CONSTRUCTIONS AND RENOVATION, BOTH IN BELGIUM AND INTERNATIONALLY.

BENELMAT: TECHNICAL ASSISTANCE TO OPERATIONAL TEAMS

BENELMAT provides technical assistance to the operational teams in the choice, study, supply and selection of the equipment needed on the group's construction projects. The new warehouse in Gembloux will allow a better streamlining of BENELMAT's hardware resources.

BUILDINGS, INDUSTRIAL CONSTRUCTIONS AND RENOVATION

BELGIUM

FLANDERS

Strong revenue growth for MBG

At the beginning of the year, the group's Building activities in Flanders, known as MBG and Atro, were transferred to the legal entity CFE Bouw Vlaanderen, while the civil engineering activities were taken over by DEME. MBG reported another good year in 2015 with a strong growth in revenue, and completed several high-profile projects: a Data Center for Ghent University, the luxury residential project Baelskaai 12 in the Oosteroever district of Ostend, residential tower block 3 of the Kattendijkdok project in Antwerp, the building for Dossche Mills in Merksem, and the Optara project for Total in Antwerp. Construction work on the new hospital complex AZ St-Maarten in Mechelen continued in 2015, while

several projects were started up, such as the construction of several schools for the 'Scholen van Morgen' contract for AG Real Estate in Herentals, 's Gravenwezel, Edegem; a property named 'Sas in Vilvoorde - 4 Fonteinen (138 apartments, retail space and a large underground car park), and the realization in joint venture of different concrete works for ExxonMobil in Antwerp.

Atro forges ahead

At the beginning of 2015, Atro (the former Construction division of Aannemingen Van Wellen) moved into its new offices in Brasschaat, and in July it was integrated, like MBG, into the newly formed company CFE Bouw Vlaanderen. Several DB(F)M projects were completed in 2015 to the customer's satisfaction and that of the design team: the schools of Bocholt and Lennik (DBM) as part of the 'Scholen van Morgen' project, and the youth hostel in Brasschaat (DBFM) for Toerisme Vlaanderen. These kind of projects will make up a substantial part of Atro's future activities. Several projects have been completed: 66 student rooms for Vlaeynatie in Antwerp, a blood donor centre and laboratory for Flanders Red Cross in Mechelen, and new offices for ENGEMA in Mechelen.



Sustainable apartments Les Closières in Charleroi



BPC BRABANT COMPLETED THE NEW DISTRIBUTION CENTRE FOR NIKE IN HAM IN RECORD TIME: 100,000 M² IN FIVE MONTHS.



Atro ended the year with 36 million euros in revenue, up 6%. By year-end 2015, the order book had already surpassed the 45 million euro mark (+22%), primarily thanks to new orders from existing customers, who thereby confirm their confidence in the company.

Groep Terryn refocuses on its core activities

After a difficult year in 2014, 2015 was a year of transition for Groep Terryn: at the end of June, two of the four minority shareholders acquired the Terryn Houthandel and Ecotimber divisions. This allowed Groep Terryn to concentrate on its core activities, laminated timber and products in Cross Laminated Timber (CLT), through its firms Terryn Timber Products, Lamcol and Korlam, and on industrial and semi-industrial construction through Spanbo.

There is a growing interest in sustainable building in wood. Given the fine buildings in CLT that have been put up in Namur, Maillen and Estaimpuis – which can have up to five storeys – this construction technique proves to be a

high-quality alternative to the traditional products in concrete or steel, coupled with considerable time saving.

BRUSSELS AND BRABANT

BPC Brabant: large-scale prestigious private-sector projects

For BPC Brabant, 2015 was marked in particular by the completion of the iconic Toison d'Or building, which comprises 70 luxury apartments and accommodates several internationally renowned stores, such as Apple and Marks & Spencer. The firm also completed the new distribution centre for Nike in Ham in record time: 100,000 m² in five months! BPC has two other major projects under way in the heart of Brussels, Chambon and Solvay, comprising new buildings and extensive renovations. Several phases were completed in the course of the year. 2015 also saw the completion of the project that was started the year before on the site of the former paper mill in Genval.

BPC Brabant maintained its revenue at €95 million in 2015, which is virtually identical to the figure in 2014.

Unfortunately, the year was marked by difficulties on the project for the Museum of European History in Brussels. Given the size of the order book, 2016 looks promising with revenue at a constant level and the completion, among others, of the large shopping centre (100,000 m²) Docks Bruxsel, at Pont Van Praet.

Amart: going strong in medium-sized projects

Amart completed several prestigious projects this year to the customers' full satisfaction, such as the 'W34' projects for Cofinimmo, Gribaumont 1 and Marks & Spencer. The year also saw the firm secure the order for the Twice project for the property developer Eaglestone. The company, which can boast some very fine references, such as the extension of the Chapelle Musicale Reine Elisabeth, reported around 36 million euros worth of revenue, which is slightly down on the previous year. What will 2016 bring? Amart, which was integrated in CFE Bâtiment Brabant Wallonie on 1 July 2015, started 2016 with a well-replenished order book worth 34 million euros. The firm has set itself the target of surpassing the 40 million euro revenue mark, thus returning in 2016 to the level of business achieved in 2014!

Slight downturn, but good prospects in 2016 for CFE Brabant

In 2015, CFE Brabant worked on public and private-sector projects of varying size, both in new construction and renovation. The projects that marked the



Renovation of the Arts-Loi metro station in Brussels



year include the hospitals of Chirec and Bordet, the renovation of the Eastman Museum (Museum of European History) and of the workshops of the Monnaie Theatre, which includes the construction of a tunnel to transport the sets, creation of the 'Ecopôle' site in Anderlecht, the extension of AXA's new head office, the renovation of the Arts-Loi metro station, as well as the construction of the Railway Museum in Schaerbeek.

CFE Brabant reported a fall in revenue to 84 million euros in 2015 and results below expectations due mainly to losses on several projects (Eastman, renovation projects, losses on after-sales service, etc) and the costs connected with the restructuring of the company. Nevertheless, optimism remains paramount: the order book is stable, and 2016 looks promising. The finalization in 2016 of several projects in progress will enable CFE Brabant to return to growth, while in general its business is moving in the right direction.

Solid growth for LELOUP ENTREPRISE GENERALE

LELOUP ENTREPRISE GENERALE reported a 40% growth in revenue in 2015, as well as a strengthening of the administrative, financial and project teams. In 2015, the company started up a prestigious project on the GSK site in Wavre, and completed the Sainte Ursule project in Forest and the Viaduct project. Other projects in progress include the

IN WALLONIA, BPC IS NOW ONE OF THE LEADING BUILDING FIRMS IN BOTH THE PUBLIC AND PRIVATE SECTORS.



construction of apartments on the Stroobant and Georges Henri sites, the steel structure and structural work of the Passage Saint Honoré, the construction of the reception building of the William Lennox centre, several renovation projects, etc.

WALLONIA

BPC Hainaut-Liège-Namur consolidates its position in Wallonia

With 67 million euros in revenue, almost 50% up on 2014, the year was marked by further growth in business for BPC Hainaut-Liège-Namur in Wallonia. Projects include the contract award for and start of the CHC-'Mont Légia' hospital project in Liège, the completion of the two data centres of BNP in Bastogne and Vaux-Sur-Sûre, the completion of 'Port du Bon Dieu' (a residential property for Atenor) in

Namur, the extension of the 'Les Grands Prés' shopping centre in Mons for City Mail/Union, and the renovation of the 'Ol Fosse d'Outh' holiday resort for CSC. Several other construction and renovation projects are still in progress: Banque Delen, MédiaSambre, the car park of Huy railway station, Shape, Campus Garden, etc. All those projects today make BPC Hainaut-Liège-Namur one of the leading building firms in Wallonia in both the public and private sectors. With an already well-filled order book, the outlook for 2016 is positive. Furthermore, several contracts may still be awarded soon, allowing the company to consolidate the vigorous growth experienced in 2015.

CLE also completed large-scale projects such as 'Green Hill'

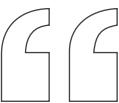


INTERNATIONAL

LUXEMBOURG

A far more favourable market for CLE

CLE benefited from the recovery of activity in 2015 in Luxembourg. After being hit by the financial crisis, the offices segment experienced an upturn, giving CLE a substantial order book. CLE completed three projects in that particular segment: the extension of the BGL building on the Kirchberg, the prestigious Royal20 project of Leasinvest in Luxembourg City centre, designed by the architect Christian de Portzamparc, and the head office of G4S. The company also continued construction work on two other large office buildings: the Kons project, the new head office of ING opposite the railway station, and the European Parliament. CLE also completed large-scale projects such as 'Green Hill' (174 apartments divided over 14 residences) and 'EdenGreen', a serviced residence for



IN LUXEMBOURG, CLE CONTINUED CONSTRUCTION WORK ON SEVERAL LARGE OFFICE BUILDINGS, SUCH AS THE KONS PROJECT, THE NEW HEAD OFFICE OF ING, AND THE EUROPEAN PARLIAMENT.

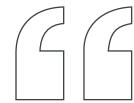


the elderly, as well as the new maintenance workshop for the Luxembourg national railway company (CFL) and the structural work for a school in Luxembourg City. The firm also won the contract for the Lycée Français du Luxembourg. In view of the considerable investments planned by the Luxembourg government in the education and housing sectors, and several projects planned by private-sector property developers, CLE predicts for 2016 a similar volume of business to what it had before the crisis.

POLAND

CFE Polska holds its own very well

Despite a highly competitive construction market in Poland, CFE Polska can look back on a year marked by highly satisfactory margins and cash position. The company has won the confidence and loyalty of several high-profile customers, such as Atrium Real Estate (fourth contract) and Valeo (fifth contract). For



CTE WON SEVERAL SUBSTANTIAL CONTRACTS, SUCH AS THE CONSTRUCTION OF THE MARRIOTT HOTEL IN TUNIS.



Valeo, CFE Polska completed an office building in Skawina (Cracow), while for Atrium Real Estate, the extension of the Galeria Copernicus shopping centre was finished in the spring of 2015. Other completed projects include the first phase of the industrial complex for Tube City IMS Poland on the sites of Arcelor Mittal in Dabrowa Gornicza, and the first phase of the residential complex 'Kolska od Nowa' in Warsaw for Matexi Polska. Several other projects are under way, such as the residential project 'Marina Royale' in Darlowo for the Belgian property developer POC Partners, a hotel with 149 rooms in Lodz for the French group B&B Hotels, and the 'Den Haag' office building in Cracow. This office building is the third of four buildings of the 'Orange Office Park' complex realized for East West Development. The first two buildings were completed in 2014 and 2015.

What will 2016 bring? With a well-filled order book, CFE Polska can look forward to a substantial growth in revenue.

TUNISIA

CTE and CFE Tunisie in a healthy position in Tunisia

Compagnie Tunisienne d'Entreprises (CTE), set up by CFE with a Tunisian partner, worked on several projects in different parts of the country. In the Korba region, the first of two buildings was completed, the second being due for completion in March 2016. Near the port of Sidi Bou Said, CTE renovated a hotel for the Ritz Carlton chain. In Tunis, the

construction of the American School is in the start-up phase, while a minor extension to the logistics platform of Maersk (completed in 2014) was begun. CTE also won several substantial contracts, such as the construction of 300 apartments (Mena project) and the Marriott Hotel in Tunis, the construction of a waste processing plant for Koica, and a residential building for Promotion Eltaeif. With an order book that is already full for the coming year, CTE clearly projects a continuing growth with a 25% increase in revenue.



Multitechnics

Contracting



Nizet completed the installations for the new CHwapi hospital in Tournai

ELECTRICITY

VMA: diversified activities in Belgium and internationally

VMA carried out a wide range of activities in 2015, primarily in the healthcare service and industries sector, and in the sector of infrastructures. The division installed facilities in Groeninge General Hospital in Kortrijk, and started up the St-Maarten General Hospital projects in Mechelen. VMA also handled many technical installations in the service industries, more particularly in Brussels for De Meander on the Tour&Taxis site and for AXA's new head office at Place du Trône, and in Zwijnaarde for the new data centre of Ghent University, in partnership with MBG. The teams were also busily engaged on school construction sites and continued work on the electromechanical installations in the R11 tunnel in Deurne. In partnership with Vanderhoydoncks, the electrical works were carried out for the new Nike distribution centre in Ham.

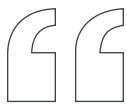
AFTER A PERIOD OF TRANSITION IN 2014, VMA WEST REPORTED A GOOD YEAR IN 2015 BY REFOCUSING ON ITS CORE ELECTRICITY BUSINESS.

In automation, business was buoyant with the installation of equipment for an Audi plant in Mexico and for Jaguar in the United Kingdom, as well as complex works for a new cabin production plant for Scania in Sweden. Several projects were also carried out in Belgium in preparation for new investments by Volvo in Ghent and Audi in Brussels.

After a period of transition in 2014, VMA West reported a good year in 2015 alongside VMA by refocusing on its core electricity business. VMA therefore continues its strategy of diversification into new industries and products.

Nizet Entreprise develops its business

Nizet broke even in 2015. The tertiary department completed the projects for the new NATO school in Mons and the photovoltaic installation for AXA in Brussels. The installations for the new CHwapi hospital in Tournai were completed, and several other projects are in progress, such as for Sain-Jean hospital in Brussels and Saint-Vincent hospital in Dinant. Business was thriving for the 'medium-voltage' workshop, which requires reinforcement to sustain its growth.



THE TERTIARY DEPARTMENT COMPLETED THE PROJECT OF THE PHOTOVOLTAIC INSTALLATION FOR AXA IN BRUSSELS.



The infrastructure department is still active in Belgium as well as internationally. In Belgium, the Brussels-South wastewater treatment plant project continued, while work was resumed for Infrabel. In Sri Lanka, provisional acceptance was obtained for the drinking water production plant of Balangoda and Kolonna (in partnership with CFE International). In Vietnam, two water pumping stations in Hanoi were completed in 2015. The third is due for 2016.

Third warehouse for Voltis

After Louvain-La-Neuve and Waterloo, Voltis successfully opened its third warehouse in Nivelles in September 2015. This new warehouse will allow Voltis to serve new customers in the southwestern part of Brussels and to continue its development in 2016.

HVAC

Druart holds up well in a difficult environment

On 1 January 2015, Druart took over the staff of the firm Brantegem, allowing it to develop its business in the northern part of Belgium as well, more particularly on the 'Scholen van Morgen' project. Nevertheless, the company saw a downturn in activity at the beginning of 2015.

Druart carried out several major HVAC and sanitation assignments, such as the installation of a new steam heater for Sonaca in Gosselies, the renovation of Nestlé's Belgian head office in Anderlecht, and the replacement of cooling installations at CHR hospital in Namur. The firm also worked on various

projects, such as the Vandervalk Hotel in Mons and Notre-Dame Hospital in Gosselies.

Positive outlook for Procool

Procool, which specializes in cooling systems, saw buoyant activity at the beginning of 2015, primarily in air-conditioning, with installation contracts for Sonaca offices and Home Lenoir in Gerpinnes. Business in industrial cold storage took the upper hand in the second half of the year with the extension of the site of CHwapi, the new hospital in Tournai, the renewal of the refrigerating equipment in the Research & Development department on the GSK site in Rixensart, and the installation of cold storage rooms for IFAPME in Mons.



Druart carried out the installation of a new steam heater for Sonaca in Gosselies

be.Maintenance: a major player on the maintenance and technical services market

2015 saw be.Maintenance consolidate its good financial health and continue its development in sectors such as the tertiary sector, manufacturing, logistics, hotels, schools and hospitals. This is borne out by major assignments for maintenance and management of the technical installations of buildings for the Brussels Welfare Office (CPAS), the City of Charleroi, Charleroi police station, Saint-Jean Hospital, and Fedex. The synergies developed with other branches of the CFE group allowed be.Maintenance to consolidate its position on long-term concession contracts for 25 to 30 years. Emphasis will be on the development of partnerships to consolidate its good position.



THE SYNERGIES DEVELOPED WITH OTHER BRANCHES OF THE CFE GROUP ALLOWED BE.MAINTENANCE TO CONSOLIDATE ITS POSITION ON LONG-TERM CONCESSION CONTRACTS FOR 25 TO 30 YEARS.



24 HOURS IN THE TUNNEL



Dirk
Electro

Age 46 jaar

Job title Project manager at VMA. VMA is one of the biggest players on the Belgian market in the field of technology

Motto It is crucial to strive for a high quality finish

A technological tour de force of a tunnel



A vintage aircraft with its landing gear folded out is flying over the new tunnel under the Krijgsbaan of Antwerp Airport. But bigger Boeing and Airbus type planes can now land there as well. That is made possible by the tunnel which VMA is currently working on.

'THIS TUNNEL IS BUILT USING THE MOST STATE-OF-THE-ART TECHNOLOGIES'

In the past, road traffic had to wait when a plane took off or landed. This meant, however, that the airport no longer met the international safety standards of the International Civil Aviation Organization (ICAO). Those standards require that the approach paths to the airport runways must be free of obstacles, so that aircraft can halt there in emergencies. Antwerp

Airport now has such an obstacle-free zone with the construction of the 420-metre tunnel.

The tunnel is built according to an entirely new concept using the latest technologies in the area of safety: fireproof inner walls, security cameras, pressure boosting group for the fire-extinguishing system, wide escape tunnels and barriers at the tunnel exits, and a sensor system to monitor the temperature and carbon dioxide levels in the tunnel. The fire brigade can use synoptic panels showing the status of the whole safety system.



“

People from other firms came to look at VMA's techniques and said, "This is really amazing". That gives a good feeling.

‘EVERYTHING VMA DOES IS TEAMWORK’

All engineering, software development, visualization and execution of the works are the achievement of VMA. The execution time was just nine months, which was quite a challenge as the whole tunnel design had to be engineered all over again to meet the requirements of the European legislation on tunnels which

had since come into force. Our project execution team and software engineers worked very hard to meet the targets. Everything VMA does is the work of a team, from the engineering department to the people here on the spot.

The finish is of a high quality and starkly symmetrical in design. The cables are concealed to give the structure an attractive look.

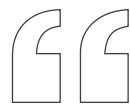
A plane is just flying over as the workday draws to a close.





Rail infra & Utility Networks

Contracting



REMACOM CONTINUED TO INVEST IN NEW EQUIPMENT, ENABLING IT TO BOOST ITS REVENUE.

‘’

RAIL INFRA & UTILITY NETWORKS

ENGEMA faces a temporary slowdown in rail business

After several years of growth, ENGEMA Rail Signallisation was confronted in 2015 with a downturn in business due mainly to the lower investment level at Infrabel. The department carried out several projects as part of the ETCS Level 1 rail signalling programme, continued work on the concentration of signal boxes (Dendermonde zone), and successfully completed the works at Germoir Station in Ixelles. 2015 was a chequered year with work on small projects being postponed and lower investments in new lines.

ENGEMA Rail Caténaires finished or continued various projects around Bruges, and also began or resumed several projects for electrification, replacement of cables or overhead contact lines at the railway stations of Brussels-South, Ronet and Ostend, as well as in the Ghent area.

ENGEMA Montage reported a high level of activity after its involvement in the Stevin project in the Bruges area. New high-voltage power lines need to be installed to transport electricity from the coastal wind farms.

A new management for ETEC

Under its new management team, ETEC consolidated its market position in Hainaut and carried out several projects in 2015: aboveground low and high-voltage cables, street lighting, installation of underground electric cables and gas mains, etc.

Stable business for Louis Stevens & Co

The volume of business in 2015 remained stable compared with 2014. The firm modernized the rail signalling in the Châtelet-Tamines area, and carried out various works connected with the concentration of signal boxes in the NW-Dendermonde zone. It renovated the runway lighting system and carried out work on low and high-voltage cables and connections at Brussels Airport; it also installed the wiring of cell phone masts for Infrabel and the electrical connection of several wind farms.

The Telecom & Security department of Louis Stevens & Co carried out several contracts for Infrabel, the Belgian railway company (SNCB), the Brussels public transport company (STIB) and Tuc Rail: ICT cabling including the installation of fibre optic cables, installation of video surveillance systems (CCTV), systems for

fire detection, access control, intrusion detection, installation of telephone cables in tunnels, traveller information appliances, installation, cabling and connection of ticket dispensers, etc.

Consolidated growth for Remacom

Despite the reduced budgets at Infrabel, its principal customer, Remacom continued to grow in 2015 and was able to strengthen its position on the Belgian market. The company continued to invest in new equipment, enabling it to boost its revenue. The teams worked on several projects, such as the renovation of the P railway line in Mouscron, the railway lines between Ghent and Sint-Niklaas, the laying of a STRAIL type railway level crossing and for a private line on the 'Kluizendok', as well as laying railway sleepers on a bridge in Dudsele. Remacom started 2016 with a solid order book and good prospects for new contracts.

24 HOURS ON THE RAILS



Benny Rail infra

Age 45 jaar

Job title Project manager at Remacom, which builds and maintains railway tracks

Motto 'We are Gauls'

The kick of getting the job done on time

The weather is foggy and the ground is damp. It's seven or eight degrees, but the wind chill factor makes it feel like three degrees. On the railway track to Ghent, a group of men in yellow suits is busy handling sleepers, rails, joints and bolts. They are working hard, because the job has to be finished by early Monday morning.

'YOU GET A CONSTANT ADRENALINE KICK'

One of them is **Benny**. Benny has just finished the night shift, but he still looks fresh and lively. He and his colleagues have been busy since October 2015 renewing the points and crossings on the Antwerp-Ghent railway line. They have been busy every night for a whole month now doing the preliminary work in this spot. This is the second weekend they have been doing the actual replacement work. Benny himself started on the paperwork last year.

"This weekend, we are renewing two rail points and replacing 700 metres of rail. The tracks we have now laid are two centimetres below the original position. Once the section has been filled up with ballast, a train comes to raise and position the whole track," Benny explains. "The ballast then automatically goes under the sleepers. Once 100,000 tonnes has run over the rails, final tamping can take place."

Railway work is a round-the-clock job, day after day. It also involves a lot of night and weekend work. *"Night work is sometimes demanding, both physically and mentally,"* Benny feels. Yet he couldn't live without it anymore. *"The railway world is a special one. You get a constant adrenaline kick from making sure that everything is ready on time. This job has to be finished by Monday morning, so that trains can start running again. There is no room for delay. Our workers belong to the top in our line of business; they are ready for the job, day and night. We are Gauls. We work together and stimulate each other. We are one big family."*

'COME RAIN, HAIL OR SNOW, WE ARE READY'

Whatever the weather, the work goes on. "Railway infrastructure manager, Infrabel, plans the decommissioning of the rails we are working on long in advance. Come rain, hail or snow, we are ready," Benny says. "Even during a thunderstorm, we have to work. Because of the overhead

lines, we are well-protected against lightning strikes. But often, we have to blow the snow off the rails first before we can see the fasteners."

Benny derives satisfaction from getting the job done on time. "It's like a mathematician trying to solve a difficult problem. We try to fix complex connections in one weekend."



The railway men who are at work all the time, day and night, are the ones who deserve full praise. But we must not forget the people behind the scenes. They work miracles to ensure that all the works can go ahead. So thanks to all the administrative staff behind Remacom.



Real estate development



Interview CEO



Jacques Lefèvre CEO BPI nv

BPI STANDS FOR REAL ESTATE DEVELOPMENT!

While characterized by continuity, 2015 for the Real Estate Development division was marked by BPI's intention to project itself as a property developer on the Belgian, Luxembourg and Polish markets. All entities of the division now bear the name BPI – BPI Polska, BPI Luxembourg, BPI Belgium – and all projects are developed under the BPI logo. The objective for 2016 will therefore be to reinforce the corporate communication and image under the BPI label.

This important development is connected with the restructuring process, but it also injects a new dynamic into the teams of the three countries, who are now working in synergy on various aspects such as the management of the residential sales teams, for example. The more advanced teams – in this case that of Poland – give the others the benefit of their skills. In Belgium, BPI launched the first residential programme comprising the marketing of residential units by its own teams, in this case the Plaza project on the Erasmus Garden site in Anderlecht, which of course has a significant impact in terms of marketing communication.

As far as projects are concerned, BPI disposed of certain assets which no longer corresponded to the company's development strategy. BPI will now focus on the development of projects that are

most relevant to BPI and on the search for new projects, mainly in Poland and Belgium.

In Luxembourg, BPI Luxembourg recently landed three major projects in 2015 and early 2016: route d'Esch in Luxembourg City, Differdange, and on the Kirchberg plateau. BPI Luxembourg hopes to get planning permission in 2016 to be able to launch those projects in 2017. The Kons project, which has been pre-let to ING and has already found a buyer, is due for completion in 2016. The outlook in Luxembourg is therefore favourable.

The same goes for Poland, where the projects initiated in Gdansk (4 Oceans) and in Warsaw (Wola Libre) augur well for 2016 and 2017. An exceptional project in Wroclaw is also expected to be launched at the end of 2016, which will firmly position BPI Polska on the Polish market.

In Belgium, the year should see planning permission being obtained for several projects in Ostend, Brussels, Liège, Hasselt, etc.

Those projects may then be started up during 2016 and create favourable prospects for 2017. BPI also shortly expects to win one or two mixed-use urban projects that are perfectly in line with its Belgian strategy.

STEERING COMMITTEE



Fabien De Jonge

Chief Financial Officer of the CFE group



Frederik Lesire

Manager BPI Polska



Eric Van Crombrugge

Technical & Quality Control Director



Catherine Vincent

Secretary General



Jacques Lefèvre

Managing Director BPI



Nathalie Bastogne

Administration and Finance Manager



Philippe Sallé

Project Development Manager



Arnaud Regout

Manager BPI Luxembourg

A close-up photograph of a construction worker's face. He is wearing a white hard hat with the letters "BPI" printed on it in red and black. He has short, light-colored hair and is wearing glasses. He is looking down at a large sheet of paper, likely a blueprint or drawing, which is partially visible at the top of the frame. The background is blurred, showing what appears to be a construction site with scaffolding and other workers.

BPI

24
HOURS ON
A PROJECT



A new mixed project in Luxembourg

BPI Luxembourg develops the Kons project in Luxembourg. Located opposite the station, this mixed-use project, which is due for completion by the end of 2016, will accommodate office, residential and retail space. As one of the tenants, ING will have its Luxembourg headquarters there.

The project rises up in the heart of the City of Luxembourg, cheek by jowl with the station on the other side of the square. The location is ideal. “AXA owns the building, but ING will be the principal tenant there with its Luxembourg headquarters,” says Grégoire, Development Manager at BPI Luxembourg. “We are in charge of renting out the space according to a leaseback arrangement. In practice, this means that we have to pay rent to the owner for the space that remains vacant. Having said that, in view of the ideal location, this kind of space is in great demand. Every week we receive at least three

spontaneous proposals from prospective tenants for retail space.”

The station district is highly sought after in Luxembourg. With around 150,000 cross-border workers, the town is not free from busy traffic. Employers are well aware of this, and they know that an office building in the immediate vicinity of the railway station is highly attractive to employees, who as a consequence arrive at work less stressed, and therefore more efficient. The district also has a certain charm: it has kept its historical roots and its typical retail stores with



Grégoire Development Manager

Age 45

Job Title Overseeing relations with all stakeholders (customers, tenants, neighbours), finding sites, coordinating feasibility studies, advising tenants on their choice.

Motto 'Promises are only binding on those who receive them.'



their regular customers. It is not unusual to bump into the mayor at the butcher's or at the baker's. Here you are at the heart of the real Luxembourg.

'EARLY INVOLVEMENT'

In this type of projects, BPI Luxembourg is already involved in the early stages.

"Traditionally, we already become involved in the search for sites. We study the planning regulations, prepare an estimate of the costs, and make a feasibility study. In the case of the Kons project, we took over an existing project and then coordinated the architects and the engineering firms. The aim of our mission is eventually to guarantee full occupancy of the building once it has been completed," Grégoire continues.

As project manager, BPI Luxembourg closely monitors all stages of the project from the moment the construction contracts have been signed. This includes the validation of the choice of materials proposed by the architects and the construction companies.

'COMMERCIAL FOLLOW-UP'

The Kons project comprises 14,600 m² office space, 2,400 m² retail space, and 3,500 m² residential space. The property also has 235 parking places. By the end of February, only 2,500 m² office space was still vacant. BPI Luxembourg is to launch the procedure to commission estate agents to rent out the property. The same goes for the management of the building, which is also entrusted to a third party.

"The residential part consists mainly of one-bedroom apartments. We are waiting until the last quarter before completion of the building to start looking for occupants," says Grégoire. "There is a very big demand for this type of apartments. In Luxembourg it is not rare to find consultancy firms renting entire buildings to accommodate their interns. The exceptional location of this property should attract many prospective tenants."

Among the retail outlets you will find a supermarket, several sandwich bars, a bookshop and a hairdresser's. This is in fact the purpose of the site meeting that



The exceptional location of this property should attract many prospective tenants.

we are attending: a prospective tenant wants to set up a wellness centre with a spa and whirlpool tub. The different parties confer with each other to find the best solutions to meet the customer's wishes, for instance in the matter of water drainage.

“



2015 was marked by the success of the Erasmus project, one of the biggest private-sector initiatives in the Brussels-Capital Region

DEVELOPMENT

BELGIUM

BPI more than ever a value creator

Following the reorganization of the CFE group, BPI reinforced its financial structure and visibility, and currently holds all the real estate assets. The company has set up an internal sales team to expand its residential market. Its current projects meet standards of quality, sustainability and integration in their environment that create value for both the investors and the neighbourhoods concerned. The outlook is positive with the launch in 2016 of construction work on several new projects and the continuation of projects under development.

Successful residential projects in Brussels and Ostend

The redevelopment of the old Ernest Solvay office site in Ixelles into a mixed-use project that is perfectly integrated in its urban environment is undoubtedly a success: the retirement home was delivered to Orpea, the 95 student rooms were delivered to private investors, and nearly 75% of the 110 apartments are already sold. 2015 was also marked by the success of the Erasmus project, one of the biggest private-sector initiatives (150,000 m²) in the Brussels-Capital Region. Sales agreements were finalized with different investors, the pre-marketing of the first residential phase was launched, and site



2015 WAS MARKED BY THE SUCCESS OF THE ERASMUS PROJECT, ONE OF THE BIGGEST PRIVATE-SECTOR INITIATIVES IN THE BRUSSELS-CAPITAL REGION.



preparation works have started on the whole site.

In Ostend, the Oosteroever project involving the redevelopment of a former port area into a residential area took an important step with the construction of the first building and the completion of the first apartments (90% housing units sold). The construction of the second phase continues (80% housing units sold), while the third phase is set to begin in the spring of 2016. Several other residential projects also made good progress, such as the 'Chaudron' project in Anderlecht and 'Les Hauts Prés' in Uccle.

A mixed-use mega project in Brussels and low-energy offices in Liège

After the agreement for the huge mixed-use Mall of Europe project was signed with the City of Brussels, the planning and environmental certificates were filed within the agreed timeframe for the realization of the biggest shopping centre of Brussels and 590 housing units. The planning process continues for the

Victor project in Anderlecht, and planning permission has been granted for the Ernest office project (13,000 m²), which will be the first low-energy office building in the Liège area.

LUXEMBOURG

A year of consolidation for BPI Luxembourg

In 2015, BPI Luxembourg completed the Green Hill, EdenGreen and G4S projects, and also acquired several new building lots, while construction work on the Kons project continued. So 2015 was a year of consolidation of the foundations. The firm intends to further strengthen its position by making new acquisitions in 2016, a year which should see the completion of the Kons building for ING and AXA, and the marketing of the last Bettembourg lots.

2015 WAS A YEAR OF CONSOLIDATION OF THE FOUNDATIONS FOR BPI LUXEMBOURG.



BPI Luxembourg completed in 2015 the EdenGreen project

Green Hill, G4S and EdenGreen projects fully completed

The last of the 174 apartments of the large-scale residential complex Green Hill, under construction since 2011, have been completed. This is also the case with the new offices and workshops of G4S in Gasperich, including the surroundings and car parks, and the serviced residence EdenGreen with 72 apartments and 4 retail outlets in Bettembourg.

Continuation of the prestigious Kons complex

Construction work continued on the Kons project, comprising offices, housing units and retail outlets, located opposite Luxembourg railway station. 12,500 m² office space has been pre-let to ING, which will have its head office there. 2015 was devoted to the construction works and the rental of retail space.

Substantial new acquisitions

Two major acquisitions were made by the company M1, comprising BPI, Immobel and the Giorgetti Group:

- A site situated on Route d'Esch in Luxembourg City for the construction of 35,000 m² housing units, retail outlets and offices. An architectural

design contest was launched, and construction work is expected to begin in 2017;

- A site situated in Differdange for the construction of 5,000 m² housing units and 2,000 m² retail outlets. Construction work is expected to begin at the end of 2016.

POLAND

BPI Polska scores many successes

BPI Polska launched or continued work on several attractive projects, mainly on the residential market. The firm successfully launched the marketing phase of the new Wola Libre project in Warsaw, comprising 274 apartments and 3,000 m² retail space. The site preparation is in progress, and construction work is set to begin in the first quarter of 2016. The marketing of the third tower block in the 4 Oceans project in Gdansk was also a great success: CFE Polska started construction work in the spring of 2015, and 120 of the 190 apartments have already been sold. Construction work on the fourth and final tower block began in October.

BPI Polska develops a mixed-use residential and retail project on the 1-hectare site that was acquired the previous year in the centre of Wroclaw. A planning application has been filed for the first phase of this prestigious project, so that sales can begin next spring.

BPI Polska sold the 185 apartments of the second tower block in the 4 Oceans project in Gdansk and has also virtually completed the sale of the 159 apartments in the Wola Tarasy project in Warsaw.

In 2016, the firm will launch or continue the marketing and construction of various projects in progress while searching very actively for new acquisitions.

PROPERTY, FACILITY AND PROJECT MANAGEMENT

Sogesmaint and its Luxembourg branch continued their property management contracts. The beginning of 2016 was marked by the retirement of Sogesmaint's founder and manager, Michel Guillaume.

