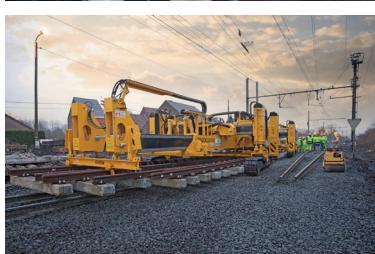


Results of financial year 2017





Results of financial year 2017

Increase of the revenue, EBITDA, EBIT, net result, order book and dividend

- **Revenue :** **€ 3,066.5 million**
- **Net income share of the group :** **€ 180.4 million**
- **Net financial debt :** **€ 351.9 million**
- **Order book :** **€ 4,850.8 million**
- **Gross dividend per share** **€ 2.40****

1. Key figures 2017

In million €	2017	2016	Change 2017/2016
Revenue	3,066.5	2,797.1	+9.6%
Self-financing capacity (EBITDA) (*) % of revenue	500.7 16.3%	465.9 16.7%	+7.5%
Income from operating activities (*) % of revenue	267.2 8.7%	227.6 8.1%	+17.4%
Operating income (EBIT) (*) % of revenue	249.4 8.1%	226.8 8.1%	+10.0%
Net income part of the group % of revenue	180.4 5.9%	168.4 6.0%	+7.1%
Earnings per share (in euro) Gross dividend per share (in euro) (**)	7.13 2.40	6.65 2.15	+7.2% +11.6%

(*) The definitions are included in the 'Consolidated financial statements' section of the financial report.

(**) Amount to be submitted for approval to the annual general meeting of 3 May 2018.

In million €	2017	2016	Change 2017/2016
Equity – share of the group	1,641.9	1,521.6	+7.9%
Net financial debt	351.9	213.1	+65.1%
Order book	4,850.8	4,756.7	+2.0%

General introduction

The CFE Group reported € 3,066.5 million revenue in 2017, which is up 9.6% compared to 2016. This increase was expected at DEME, which reported slower activity in 2016. On the other hand, CFE Contracting reported a slight decrease in revenue.

Thanks to the good performance of the three divisions of the group, the EBITDA slightly exceeded the threshold of € 500 million, or up 7.5%.

The operating income (EBIT) increased by 10% to € 249.4 million, while the net result, share of the group, topped the previous record of 2015 at € 180.4 million.

The Contracting and Real Estate Development divisions strongly increased their contribution to the group's net result, while the contribution of DEME remained stable.

The equity, share of the group, amounted to € 1,641.9 million, which is up 7.9%.

Despite the ambitious investment programme for the renewal and expansion of the fleet, and the acquisition of the company A2Sea, the increase in net financial debt was limited to € 138.8 million thanks to the significant improvement in DEME's working capital requirement.

The order book increased slightly to € 4,850.8 million. It remained at a high level for DEME and even grew substantially if we take into account the contracts signed but not yet included in the order book (approximately € 1.7 billion). In Contracting, the order book increased significantly due to, but not only, the acquisition of the Van Laere group.

2. Analysis by division

Dredging, Environment & Marine Engineering division

KEY FIGURES

In million €	2017			2016			Change 2017/2016
	DEME	Restatements DEME (*)	Total	DEME	Restatements DEME (*)	Total	
Revenue	2,356.0	0	2,356.0	1,978.2	0	1,978.2	+19.1%
EBITDA (**)	455.5	0	455.5	447.4	0	447.4	+1.8%
Operating income (EBIT) (**)	217.8	-10.5	207.3	213.7	-6.3	207.4	0.0%
Net income share of the group	155.1	1.4	156.5	155.3	0.1	155.4	+0.7%
Net financial debt	285.7	2.0	287.7	151.2	3.8	155.0	+85.6%
Order book	3,520.0	0	3,520.0	3,800.0	0	3,800.0	-7.4%

(*) Amounts restated to take account of the recognition at fair value of the identifiable assets and liabilities of DEME following the acquisition of an additional 50% of the DEME shares on 24 December 2013.

(**) The definitions are included in the 'Consolidated financial statements' section of the financial report.

KEY FIGURES ACCORDING TO THE ECONOMIC APPROACH

The key figures shown below are presented according to the economic approach whereby the jointly controlled companies are proportionally consolidated (accounting rules applicable before 1 January 2014).

In million €	2017	2016	Change 2017/2016
Revenue	2,365.7	1,978.2	+19.6%
EBITDA (*)	456.2	450.1	+1.4%
Operating income (EBIT) (*)	222.6	217.6	+2.3%
Net income share of the group	155.1	155.3	-0.1%
Net financial debt	296.2	154.6	+91.6%
Order book	3,520.0	3,800.0	-7.4%

(*) The definitions are included in the 'Consolidated financial statements' section of the financial report.

REVENUE (ECONOMIC APPROACH)

DEME's revenue amounted to € 2,365.7 million, which is up 19.6%.

Business was particularly buoyant in the renewable energy segment (GeoSea, Tideway, Dredging International), which reported a vigorous growth in revenue. Four major projects contributed to this performance, two of which (Rentel and Merkur) were co-developed by DEME Concessions:

- The Rentel project, situated off the Belgian coast, involves the design, procurement, transport and installation of 42 wind turbine foundations and transition pieces. The works were already well advanced by year-end 2017. GeoSea also won a second contract for the transport and installation of an offshore electrical substation for the Rentel wind farm.
- The Merkur project involves i) the design, procurement, transport and installation of 66 wind turbine foundations, 66 transition pieces and an offshore electrical substation, and ii) the transport and installation of the 66 wind turbines. The project is situated in the North Sea, off the German coast. By 31 December 2017, all the wind turbine foundations were installed, while the installation of the transition pieces is in progress. Installation of the wind turbines will begin in the first quarter of 2018.
- The Hohe See - Albatros project, situated off the German coast, involves the design, procurement, transport and installation of 87 wind turbine foundations and transition pieces, as well as an offshore electrical substation. Procurement of the foundations and transition pieces is in progress, while installation is due to begin in March 2018.
- The Galloper project, situated in the North Sea off the English coast, involves the design, procurement, transport and installation of 56 wind turbine foundations and transition pieces. The project, which started in mid-2016, is almost completed.

In the dredging segment, DEME continued work on the TTP1 (Tuas Terminal – phase 1) project in Singapore, along with many other projects in Africa, India and South America. Maintenance dredging activity was buoyant in Belgium, Germany and Africa.

In Panama, DEME successfully completed the widening and deepening of the Atlantic access channel.

EVOLUTION OF ACTIVITY BY BUSINESS AREA (ECONOMIC APPROACH)

In %	2017	2016
Capital dredging	21%	34%
Maintenance dredging	14%	12%
Fallpipe and landfalls	8%	7%
Environment	7%	10%
Civil works	3%	3%
Marine works	47%	34%

EVOLUTION OF ACTIVITY BY GEOGRAPHICAL AREA (ECONOMIC APPROACH)

In %	2017	2016
Europe (EU)	69%	56%
Europe (non-EU)	2%	4%
Africa	10%	12%
Americas	3%	8%
Asia-Pacific	12%	13%
Middle East	0%	3%
India and Pakistan	4%	4%

EBITDA AND OPERATING INCOME (ECONOMIC APPROACH)

DEME realized an EBITDA of € 456.2 million in 2017, which is slightly up compared to 2016 (€ 450.1 million).

The EBITDA margin came to 19.3% of revenue.

ORDER BOOK

The order book shrank by 7.4% to € 3,520 million. This decrease needs to be qualified, since several major orders won in 2017 have not yet been included in the order book, as they are conditional upon the financial close of the project by the customer. They are:

- the contract for the design, construction, financing and 20-year maintenance of the A24 Blankenburg link between the A20 and A15 motorways in the Netherlands;
- the EPCI contract for the design, procurement, transport and installation of 100 wind turbine foundations and the transport and installation of three electrical substations for the future Moray East offshore wind farm in the United Kingdom;
- the contract for the transport and installation of 90 wind turbines for the Triton Knoll offshore wind farm, also situated in the United Kingdom.

Another project not yet included in the order book is the contract for the design and construction of the Fehmarnbelt Link, the tunnel linking Denmark and Germany. Work on this project, worth an estimated € 700 million (DEME share), will only begin once the German authorities have delivered the necessary building permits.

The orders not yet included in the order book totalled approximately € 1.7 billion at 31 December 2017.

Order intake reached € 2.1 billion in 2017. The main commercial successes during the financial year include (i) the EPCI contract for the Hohe See offshore wind farm and its extension Albatros, (ii) the contract for the design, construction and two-year maintenance of the new Terneuzen lock in the Netherlands, (iii) the contract for the supply, installation and maintenance of three submarine power cables that will connect the MOG (*Modular Offshore Grid*, an offshore platform to which four Belgian wind farms will be connected), and (iv) the DBFM (Design Build Finance Maintain) contract for the new *Rijnlandroute* link in the Netherlands.

INVESTMENTS

Investments amounted to € 614.2 million in 2017, and primarily consist of down payments on the vessels under construction, the capitalization of maintenance costs, and the acquisition of the companies A2Sea and G-Tec.

On 31 August 2017, DEME closed the acquisition of A2Sea (Danish company owning two vessels specialized in the installation of offshore wind turbines: the Sea Installer and the Sea Challenger). The impact of this acquisition on DEME's net financial debt amounted to € 166.9 million.

On 7 November 2017, GeoSea acquired the majority of the shares (72.5%) of G-Tec. This company, based in the Liège area, specializes in offshore geotechnical and geological site investigations, marine geophysical and environmental surveys, and deep-sea engineering services. G-Tec owns an offshore geotechnical investigation vessel: Omalius.

Of the eight vessels commissioned in 2015 and 2016, worth a total of € one billion, two have already been delivered: the trailing suction hopper dredgers Minerva and Scheldt River, with a capacity of 3,500 m³ and 8,400 m³ respectively. Those two vessels are the first of DEME's fleet to run on LNG (Liquefied Natural Gas), thereby substantially reducing the emission of greenhouse gases.

The multipurpose vessel Living Stone, the self-propelled jack-up vessel Apollo, and the crane vessel Gulliver are due for delivery in 2018.

The last three vessels - the dredger Bonny River (capacity of 15,000 m³), the *Smart Mega Cutter Suction Dredger* Spartacus, and the dynamic positioning crane vessel Orion - are expected to become operational during 2019-2020.

NET FINANCIAL DEBT (ECONOMISCHE BENADERING)

DEME's net financial debt amounted to € 296.2 million. This low level of debt in relation to the level of investment in 2017 is explained by the operating cash flows and the significant improvement in the working capital requirement.

Contracting division

KEY FIGURES

In million €	2017	2016	Change 2017/2016
Revenue	717.6	770.5	-6.9%
Operating income (EBIT) (*)	27.2	20.0	+36.0%
Net income share of the group	15.4	10.4	+48.1%
Net financial debt	90.5	92.0	-1.6%
Order book	1,229.7	850.5	+44.6%

(*) The definitions are included in the "Consolidated Financial Statements" section of the financial report..

REVENUE

The revenue of the Contracting division amounted to € 717.6 million, down 6.9%.

This decrease, which was expected, is primarily attributable to the Belgian entities of the Construction segment, due to the delayed start of several major projects.

Internationally, the vigorous growth of the Polish activities is worth mentioning, while the deterioration of the socioeconomic situation in Tunisia obliged the Tunisian subsidiary to scale down its activities.

The main projects under construction include the Lycée Français in Luxembourg, the ZNA and AZ Sint Maarten hospitals in Flanders, and the real estate complex AGORA in Louvain-la-Neuve.

The Multitechnics and Rail Infra & Utility Networks segments reported a slight fall in revenue (-2.0%).

In million €	2017	2016	Change in %
Construction	499.8	548.5	-8.9%
Buildings, Belgium	346.7	405.6	-14.5%
Buildings, International	153.1	142.9	+7.1%
Multitechnics	155.3	159.2	-2.4%
Rail Infra & Utility Networks	62.5	62.8	-0.5%
Total Contracting	717.6	770.5	-6.9%

OPERATING INCOME

For the second year in a row, operating income increased substantially to € 27.2 million, or 3.8% of revenue.

All segments made a positive contribution to the division's operating income. Unlike in previous years, it was the Construction segment that reported the most vigorous growth in income, particularly BPC (branch of CFE BBW operating in Brussels and in Walloon Brabant).

ORDER BOOK

In million €	31 December 2017	31 December 2016	Change in %
Construction	978.8	648.7	+50.9%
<i>Buildings, Belgium</i>	767.3	505.0	+51.9%
<i>Buildings, International</i>	211.5	143.7	+47.2%
Multitechnics	152.6	143.4	+6.4%
Rail Infra & Utility Networks	98.3	58.4	+68.3%
Total Contracting	1,229.7	850.5	+44.6%
Total Contracting (excl. Van Laere and excl. Coghe)	978.5	850.5	+15.1%

The order book increased significantly to € 1,229.7 million. This represents a 44.6% increase (+15.1% on a like-for-like basis), which is explained by the incorporation of the Van Laere group (€ 241.8 million order book as at 31 December 2017) and by a high order intake reported by the entities of the Construction segment operating in Brussels and in Poland, as well as by the entities of the Rail Infra & Utility Networks segment.

ACQUISITION OF THE VAN LAERE GROUP

On 21 December 2017, CFE Contracting acquired 100% of the shares of Aannemingen Van Laere.

This acquisition had been approved beforehand by the boards of directors of CFE and CFE Contracting after obtaining the opinion of the committee of independent directors.

The Van Laere group, composed of Aannemingen Van Laere and its subsidiaries, Thiran Group and Arthur Vandendorpe, is a general contractor operating in the three regions of Belgium. In 2017, it reported € 138.1 million consolidated revenue.

The acquisition price was € 17.1 million, or an initial price of € 18.4 million reduced by € 1.3 million to take account of the evolution of the adjusted net asset value of the Van Laere group at year-end 2017.

Given that the Van Laere group had a net cash position of € 6.9 million at 31 December 2017, the transaction had an impact of € -10.2 million on the division's net cash position.

The consolidated results of the Van Laere group will be incorporated in the group's financial statements as from 1 January 2018.

ACQUISITION OF THE COMPANY JOSÉ COGHE-WERBROUCK

On 19 December 2017, CFE Contracting acquired José Coghe-Werbrouck for € 7.7 million; this company, based in West Flanders, specializes in railway works (laying railway tracks). The company is now part of the Rail Infra & Utility Networks segment. It owns an extensive machinery, including a Tracklayer machine for replacing railway switches.

NET CASH POSITION

Despite the acquisitions of the Van Laere group and the company Coghe, CFE Contracting was able to maintain a virtually stable net cash position in relation to 31 December 2016. This good performance is explained by solid operating cash flows and an improved working capital requirement.

Real Estate division

KEY FIGURES

In million €	2017	2016	Change 2017/2016
Revenue	10.9	12.1	-9.9%
Operating income (EBIT) (*)	23.4	4.3	n.s.
Net income share of the group	22.3	1.4	n.s.
Net financial debt	68.8	87.6	-21.5%

(*) The definitions are included in the "Consolidated Financial Statements" section of the financial report.

EVOLUTION OF REAL ESTATE PROJECTS (*)

BREAKDOWN BY STAGE OF PROJECT DEVELOPMENT

In million €	31 December 2017	31 December 2016
Unsold units post completion	6	17
Properties under construction	69	35
Properties in development	58	78
Total capital employed	133	130

BREAKDOWN BY COUNTRY

In million €	31 December 2017	31 December 2016
Belgium	82	78
Luxembourg	20	31
Poland	31	21
Total	133	130

(*) Real estate projects is the sum of the equity and net financial debt of the real estate division.

NEW DEVELOPMENTS

In the first half of 2017, BPI Luxembourg won the tender launched by the City of Differdange for the development of a mixed-use real estate complex with a total gross floor area of 25,500 m² ('Entrée de ville' project).

During the third quarter of 2017, BPI Polska acquired a majority stake (90%) in a company owning a building plot in Poznan on which a residential property of 13,000 m² above ground (Vilda Park project) will be built.

In December 2017, BPI Luxembourg acquired a real estate company owning a building plot on Route d'Arlon in Luxembourg. It involves an office development of around 4,000 m² (demolition and rebuilding).

MARKETING

In 2017, BPI sold three important stakes which it held in the Kons (Luxembourg), Oosteroever (Ostend, Belgium) and Ronndriesch (Luxembourg) projects.

During the year, several major projects were launched (construction and marketing):

- phase 2 of the Ernest project (former Solvay site in Ixelles) with 198 residential units;
- the Voltaire project in Schaerbeek (84 residential units);
- the Renaissance project in Liège, an office complex with a total floor area of 13,000 m², of which just under half has been let to a public institution on an 18-year lease;
- the Domaine de l'Europe-Kiem project on the Kirchberg plateau in Luxembourg, of which all 99 apartments have already been sold;
- the Fussbann project in Differdange (Luxembourg), comprising 48 apartments; the Vilda Park project in Poznan, Poland.

New phases were also initiated on the sites of Erasmus Gardens in Anderlecht, Hauts Prés in Uccle, and Bulvary Ksiazce in Wroclaw.

On the whole, sales of residential units are going ahead in a satisfactory way.

REAL ESTATE PROJECTS

The capital employed related to real estate projects increased slightly to € 133 million at 31 December 2017. BPI's projects have a development potential of 630,000 m², BPI's share (mainly residential projects).

During the year, BPI managed to substantially reduce its stock of unsold units post completion, which now just represent 5% of the real estate projects.

NET FINANCIAL DEBT

The net financial debt of the division amounted to € 68.8 million, down € 18.8 million compared with 31 December 2016.

In December 2017, BPI successfully issued its first bond of € 30 million with a maturity of five years and an interest rate of 3.75% per annum.

NET RESULT

BPI's net result amounted to € 22.3 million, an all-time high performance and primarily the result of capital gains on the sale of the Oosteroever project in Ostend (residential development sold to its partner) and the Kons project in Luxembourg (office building sold to an institutional investor).

Holding, non-transferred activities and inter division eliminations

In million €	2017	2016	Change 2017/2016
Revenue	-18.1	36.3	n.s.
Operating income (EBIT) (*)	-8.4	-4.9	+71.4%
Net income share of the group	-13.7	1.2	n.s.
Net financial debt	85.9	62.4	+37.7%

(*) Definitions are listed under sections "Consolidated Financial Statements" of the financial report.

REVENUE

Revenue, adjusted for inter-division eliminations (€ -52.2 million), amounted to € 34.1 million. In accordance with the strategy that was outlined earlier, the operational activities of the Holding division will be progressively phased out. The main project still in progress is the Brussels-South wastewater treatment plant, which is progressing according to the revised planning.

OPERATING INCOME

The operating income amounted to € -8.4 million, compared to € -4.9 million in 2016.

The division's operating income was adversely affected by the operating costs of the Grand Hotel in N'Djamena during the first six months of 2017 and the negative contribution of Rent-A-Port.

2017 was a year of transition for Rent-A-Port, marked by shrinking sales of industrial land in Vietnam. This situation is attributable to delays in the construction of a dyke that would allow the development and marketing of a new area of several hundred hectares in the industrial zone of Nam Dinh Vu in North Vietnam. The dyke is due for completion before the end of 2018. Rent-A-Port was also affected by the weakening of the US dollar against the euro, which was reflected in the recognition of unrealized exchange losses.

NET RESULT

The net result amounted to € -13.7 million (€ +1.2 million in 2016).

The 2016 financial year had been marked by the recognition of capital gains realized on the sale of CFE's stakes in two companies owning concessions in infrastructure projects. No disposals took place in 2017.

RISK ON CHAD

There has been no change in the amount of the receivables since 31 December 2016.

3. Overview of the financial statements

3.A.1 Consolidated statement of income

Year ended 31 December In thousands €	2017	2016
Revenue	3,066,525	2,797,085
Revenue from auxiliary activities	116,588	85,794
Purchases	-1,726,761	-1,504,685
Remuneration and social security payments	-546,699	-533,200
Other operating charges	-404,180	-384,649
Depreciations and amortization	-238,316	-232,775
Goodwill Impairment	0	0
Income from operating activities	267,157	227,570
Earnings from associates and joint ventures	-17,710	-784
Operating income	249,447	226,786
Cost of financial debt	-14,362	-31,521
Other financial expenses and income	-7,904	7,567
Net financial income/expense	-22,266	-23,954
Pre-tax income	227,181	202,832
Income tax expense	-48,430	-30,580
Net income for the period	178,751	172,252
Attributable to owners of non-controlling interests	1,691	-3,841
Net income – share of the group	180,442	168,411
Year ended 31 December In thousands €	2017	2016
Net income for the period	178,751	172,252
Change in fair value related to hedging instruments	6,463	2,230
Currency translation differences	-4,754	-340
Deferred taxes	-1,583	1,143
Other elements of the comprehensive income to be reclassified to profit or loss in subsequent period	126	3,033
Remeasurement on defined benefit plans	-2,227	-18,901
Deferred taxes	-3,382	6,510
Other elements of the comprehensive income not to be reclassified to profit or loss in subsequent period	-5,609	-12,391
Total elements of the comprehensive income directly accounted in equity	-5,483	-9,358
Comprehensive income	173,268	162,894
- attributable to owners of the parent	174,771	159,178
- attributable to owners of non-controlling interests	-1,503	3,716
Net income per share (€) (basic and diluted)	7.13	6.65
Comprehensive income per share (€) (basic and diluted)	6.90	6.29
ROE (*)	11.9%	11.8%

(*) Definitions are listed under sections "Consolidated Financial Statements" of the financial report.

3.A.2 Consolidated statement of financial position

Year ended 31 December In thousands €	2017	2016
Intangible assets	91,343	95,441
Goodwill	184,930	175,169
Property, plant and equipment	2,138,208	1,683,304
Investments in associates and joint ventures	140,510	141,355
Other non-current financial assets	147,719	153,976
Non-current derivative instruments	921	510
Other non-current assets	7,798	23,518
Deferred tax assets	104,022	126,944
Total non-current assets	2,815,451	2,400,217
Inventories	138,965	94,836
Trade receivables and other operating receivables	1,132,306	1,160,306
Other current assets	32,963	38,430
Current derivative instruments	4,156	2,311
Current financial assets	34	48
Assets held for sale	0	19,916
Cash and cash equivalents	523,018	612,155
Total current assets	1,831,442	1,928,002
Total assets	4,646,893	4,328,219
Share capital	41,330	41,330
Share premium	800,008	800,008
Retained earnings	840,543	714,527
Defined benefits plans	-25,268	-19,464
Hedging reserves	-2,457	-7,337
Translation differences	-12,252	-7,505
Equity – part of the group CFE	1,641,904	1,521,559
Non-controlling interests	14,421	14,918
Equity	1,656,325	1,536,477
Retirement benefit obligations and employee benefits	53,149	51,215
Provisions	30,183	43,085
Other non-current liabilities	4,497	5,645
Bonds - non current	231,378	303,537
Financial debts	419,093	367,147
Non-current derivative instruments	7,209	18,475
Deferred tax liabilities	130,023	151,970
Total non-current liabilities	875,532	941,074
Current provisions	82,530	65,113
Trade payables & other operating liabilities	1,276,446	1,138,288
Tax liability due for payment	43,275	69,398
Bonds - current	99,959	0
Current financial debts	124,497	154,522
Current derivative instruments	7,445	23,515
Liabilities held for sale	0	6,004
Other current liabilities	480,884	393,828
Total current liabilities	2,115,036	1,850,668
Total equity and liabilities	4,646,893	4,328,219

3.A.3 Consolidated statement of cash flows

For the period ended 31 December In thousands €	2017	2016 (*)
Operating activities		
Income from operating activities	267,157	227,570
Depreciation and amortisation of intangible assets, property, plant & equipment and investment property	238,316	232,775
Net provision expense	4,986	-3,941
Impairment on current and non-current assets and other non cash items	-9,725	9,459
Sales of non-current assets	-9,662	-10,341
Dividends from associates and Joint Ventures	6,507	15,221
Cash flow from operating activities before changes in working capital	497,579	470,743
Decrease/(increase) in trade receivables and other current and non current receivables	107,002	101,564
Decrease/(increase) in inventory	-8,466	-19,113
Increase/(Decrease) in trade payables and other current and non current payables	75,012	-162,691
Income tax paid/received	-42,282	34,111
Cash flow from operating activities	628,845	424,614
Investing activities		
Sales of non-current assets	18,322	7,138
Purchases of non-current assets	-458,210	-188,873
Acquisition of subsidiaries net of cash acquired	-181,370	0
Change in percentage held in associates	0	36,456
Capital increase in investments in associates	-32,323	-19,883
Sales of subsidiaries	574	0
Loans granted	-9,926	-49,342
Cash flow from investing activities	-662,933	-214,504
Financing activities		
Interests paid	-29,347	-40,498
Interests received	13,970	11,125
Other financial expenses and income	-12,218	-10,854
Borrowings	240,289	216,045
Rebursements of borrowings	-212,271	-203,758
Dividends paid	-54,426	-60,755
Cash flow from financing activities	-54,003	-88,695
Net Increase/(Decrease) in cash position	-88,091	121,415
Cash and cash equivalents at start of the year	612,155	491,952
Exchange rate effects	-1,046	-1,212
Cash and cash equivalents at end of period	523,018	612,155

(*) Amounts restated in accordance with changes in the accounting presentation of the consolidated cash flow statement as adapted by the group with effect from 1 January 2017.

3.A.4 Notes to the consolidated financial statements, cash flow and capex tables

The tangible assets increased by € 454.9 million to € 2,138.2 million. This increase is primarily attributable to DEME, which continued its construction programme of new vessels and acquired the company A2Sea in 2017.

Following the sale of the company Ronndriesch, there are no longer any assets or liabilities held for sale at 31 December 2017.

Taking into account the payment of a dividend of € 54.4 million in May 2017, the consolidated equity amounted to € 1,656.3 million at 31 December 2017.

The net financial debt breaks down into a short-term and long-term financial debt of € 650.5 million and € 224.4 million respectively, and a positive net cash position of € 523.0 million.

CFE SA has confirmed medium-term credit facilities for its general financing needs totalling €115 million. Those facilities had not been drawn down at year-end 2017.

CFE, DEME, CFE Contracting and BPI are all in compliance with the banking covenants.

3.A.5 Consolidated statement of changes in equity as of 31 December 2017

In thousands €	Share capital	Share premium	Retained earnings	Defined benefits plans	Reserves related to hedging instruments	Translation differences	Equity attributable to owners of the parent	Non-controlling interests	Total
31 December 2016	41,330	800,008	714,527	-19,464	-7,337	-7,505	1,521,559	14,918	1,536,477
Comprehensive income for the period			180,442	-5,804	4,880	-4,747	174,771	-1,503	173,268
Dividends paid to shareholders			-54,426				-54,426		-54,426
Dividends paid to non-controlling interests								-528	-528
Change in consolidation scope and other movements								1,534	1,534
31 December 2017	41,330	800,008	840,543	-25,268	-2,457	-12,252	1,641,904	14,421	1,656,325

3.A.6 Key figures per share

	31 December 2017	31 December 2016
Total number of shares	25,314,482	25,314,482
Net result part of the group per share (in €)	7.13	6.65
Equity part of the group per share (in €)	64.86	60.11

3.A.7 Segment information

CONSOLIDATED STATEMENT OF INCOME

	Revenue		Income from operating activities				Operating income (EBIT)				Financial income	
	In thousands €	2017	2016	2017	% Revenue	2016	% Revenue	2017	% Revenue	2016	% Revenue	2017
Dredging and environment	2,356,014	1,978,250	230,507	9.78%	226,956	11.47%	217,775	9.24%	213,677	10.80%	-21,117	-33,797
Correction DEME			-5,468		-5,276		-10,510		-6,253		4,218	7,029
Contracting	717,649	770,491	27,212	3.79%	19,987	2.59%	27,212	3.79%	19,984	2.59%	-134	-694
Real Estate	10,900	12,075	21,799	199.99%	-1,469	-12,17%	23,388	214.5%	4,263	35.30%	-902	-2,799
Holding and non-transferred activities	34,141	60,264	-7,704		-12,770		-9,229		-5,027		-4,331	6,307
Eliminations between segments	-52,179	-23,995	811		142		811		142			
Total consolidated	3,066,525	2,797,085	267,157	8.71%	227,570	8.14%	249,447	8.13%	226,786	8.11%	-22,266	-23,954

	Taxes		Net income of the group				Non-cash items		EBITDA			
	In thousands €	2017	2016	2017	% Revenue	2016	% Revenue	2017	2016	2017	% Revenue	2016
Dredging and environment	-43,269	-20,416	155,055	6.58%	155,334	7.85%	224,993	220,400	455,500	19.33%	447,356	22.61%
Correction DEME	7,739	-670	1,448		106		5,468	5,276				
Contracting	-11,726	-9,228	15,351	2.14%	10,351	1.34%	406	12,758	27,618	3.85%	32,745	4.25%
Real Estate	-256	-18	22,255	204.17%	1,446	11.98%	1,860	2,034	23,659	217.06%	565	4.68%
Holding and non-transferred activities	-856	-201	-14,416		1,079		850	-2,175	-6,854		-14,945	
Eliminations between segments	-62	-47	749		95				811		142	
Total consolidated	-48,430	-30,580	180,442	5.88%	168,411	6.02%	233,577	238,293	500,734	16.33%	465,863	16.66%

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2017 In thousands €	Dredging and Environment	Contracting	Real Estate	Holding & non-transferred activities	Eliminations between divisions	Consolidated total
ASSETS						
Goodwill	163,370	21,560	0	0	0	184,930
Property, plant and equipment	2,073,436	63,736	526	510	0	2,138,208
Non-current loans to consolidated group companies	0	0	0	20,000	-20,000	0
Other non-current financial assets	94,138	754	34,981	17,846	0	147,719
Other non-current assets	278,749	10,894	32,889	1,267,880	-1,245,818	344,594
Inventories	15,714	24,020	99,216	1,640	-1,625	138,965
Cash and cash equivalents	434,687	59,234	3,324	25,773	0	523,018
Internal cash position - cash pooling - assets	0	47,985	0	1,928	-49,913	0
Other current assets	727,178	290,454	26,723	136,074	-10,970	1,169,459
Total assets	3,787,272	518,637	197,659	1,471,651	-1,328,326	4,646,893

EQUITY AND LIABILITIES						
Equity	1,570,503	74,226	64,433	1,194,605	-1,247,442	1,656,325
Non-current borrowings from consolidated group companies	0	0	20,000	0	-20,000	0
Bonds - non current	201,900	0	29,478	0	0	231,378
Non-current financial liabilities	401,559	11,134	6,400	0	0	419,093
Other non-current liabilities	177,604	18,241	8,846	20,370	0	225,061
Bonds - current	0	0	0	99,959	0	99,959
Current financial liabilities	118,889	5,608	0	0	0	124,497
Internal cash position - cash pooling - liabilities	0	0	16,293	33,620	-49,913	0
Other current liabilities	1,316,817	409,428	52,209	123,097	-10,971	1,890,580
Total equity and liabilities	3,787,272	518,637	197,659	1,471,651	-1,328,326	4,646,893

31 December 2016 In thousands €	Dredging and Environment	Contracting	Real Estate	Holding & non-transferred activities	Eliminations between divisions	Consolidated total
ASSETS						
Goodwill	155,960	19,209	0	0	0	175,169
Property, plant and equipment	1,648,984	33,409	224	687	0	1,683,304
Non-current loans to consolidated group companies	0	0	0	20,000	-20,000	0
Other non-current financial assets	98,860	160	32,913	22,043	0	153,976
Other non-current assets	318,519	4,586	44,424	1,266,368	-1,246,129	387,768
Inventories	25,261	15,855	53,645	1,676	-1,601	94,836
Cash and cash equivalents	527,733	43,481	5,574	35,367	0	612,155
Internal cash position - cash pooling - assets	0	61,005	0	60,714	-121,719	0
Other current assets	790,584	253,355	54,552	154,630	-32,110	1,221,011
Total assets	3,565,901	431,060	191,332	1,561,485	-1,421,559	4,328,219

EQUITY AND LIABILITIES						
Equity	1,470,050	66,869	42,745	1,204,291	-1,247,478	1,536,477
Non-current borrowings from consolidated group companies	0	0	20,000	0	-20,000	0
Bonds - non current	203,578	0	0	99,959	0	303,537
Non-current financial liabilities	327,193	9,916	38	30,000	0	367,147
Other non-current liabilities	214,909	12,472	14,792	28,467	-250	270,390
Current financial liabilities	151,947	2,575	0	0	0	154,522
Internal cash position - cash pooling - liabilities	0	0	73,185	48,582	-121,767	0
Other current liabilities	1,198,224	339,228	40,572	150,186	-32,064	1,696,146
Total equity and liabilities	3,565,901	431,060	191,332	1,561,485	-1,421,559	4,328,219

CONSOLIDATED STATEMENT OF CASH FLOWS

31 December 2017 In thousands €	Dredging and Environment	Contracting	Real Estate	Holding and non-transferred activities	Consolidated total
<i>Cash flow from operating activities before change in working capital</i>	449,832	24,904	29,056	-6,213	497,579
Net cash flow from (used in) operating activities	595,170	44,895	24,272	-35,492	628,845
Cash flow from (used in) investing activities	-632,851	-21,773	-2,583	-5,726	-662,933
Cash flow from (used in) financing activities	-53,178	-8,412	-24,152	31,739	-54,003
Net increase/(decrease) in cash position	-90,859	14,710	-2,463	-9,479	-88,091

31 December 2016 In thousands €	Dredging and Environment	Contracting	Real Estate	Holding and non-transferred activities	Consolidated total
<i>Cash flow from operating activities before change in working capital</i>	445,608	36,663	6,522	-18,050	470,743
Net cash flow from (used in) operating activities	438,036	27,857	24,243	-65,522	424,614
Cash flow from (used in) investing activities	-224,867	-8,612	1,294	17,681	-214,504
Cash flow from (used in) financing activities	-63,218	-12,136	-24,361	11,020	-88,695
Net increase/(decrease) in cash position	149,951	7,109	1,176	-36,821	121,415

3.A.8 Acquisitions and disposals of subsidiaries

A. Acquisition of Algemene Aannemingen Van Laere NV

On 21 December 2017, CFE Contracting, a subsidiary of CFE, acquired 100% of the shares of the fully consolidated Belgian company Algemene Aannemingen Van Laere. Its assets and liabilities were recognized at the carrying value determined according to the accounting methods of the CFE group. The fair value of the identifiable assets and liabilities was provisionally assessed on 31 December 2017.

The fair values provisionally assigned to the assets and liabilities that were acquired are summarized as follows:

In thousands €	
Intangible assets	64
Tangible assets	19,451
Cash and cash equivalents	12,027
Provisions	-3,216
Current and non current financial debts	-5,117
Deferred taxes	2,632
Other current and non current assets and liabilities	-8,757
Net assets acquired	17,084
Goodwill	0
Purchase price	17,084

The following valuation methods were applied to determine the fair value of the main identifiable assets and liabilities:

- tangible assets (primarily the head office and the cranes): the fair value was determined based on a valuation report by an independent expert;
- other assets and liabilities: the fair value was based on the market value at which those assets or liabilities may be sold to a non-related third party.

B. Acquisition of José Coghe – Werbrouck NV

On 12 December 2017, CFE Contracting, a subsidiary of CFE, acquired 100% of the shares of the fully consolidated Belgian company José Coghe-Werbrouck NV. Its assets and liabilities were recognized at the carrying value determined according to the accounting methods of the CFE group. The fair value of the identifiable assets and liabilities was assessed on 31 December 2017.

The fair values assigned to the assets and liabilities that were acquired are summarized as follows:

In thousands €	
Tangible assets	4,415
Cash and cash equivalents	2,585
Current and non current financial debts	-1,316
Deferred taxes	-355
Other current and non current assets and liabilities	21
Net assets acquired	5,350
Goodwill	2,350
Purchase price	7,700

The following valuation methods were applied to determine the fair value of the main identifiable assets and liabilities:

- tangible assets (primarily track-laying equipment): the fair value was determined based on an estimate of the market value at which that equipment may be acquired from a non-related third party, taking into account its current state;
- other assets and liabilities: the fair value was based on the market value at which those assets or liabilities may be sold to a non-related third party.

Taking into account the consideration transferred, the residual goodwill has been estimated at € 2,350 thousand.

The recognition of a residual goodwill is justified by the fact that the CFE group expands its set of competencies and skills in the railway business by incorporating the track-laying activity of the acquired company.

C. Acquisition of A2Sea A/S

On 31 August 2017, GeoSea, a subsidiary of DEME, acquired 100% of the shares of the fully consolidated company A2Sea A/S. Its assets and liabilities were recognized at the carrying value determined according to the accounting methods of the CFE group. The fair value of the identifiable assets and liabilities was provisionally assessed on 31 December 2017.

The fair values provisionally assigned to the assets and liabilities that were acquired are summarized as follows:

In thousands €	
Tangible assets	165,888
Other non current assets	185
Cash and cash equivalents	37,891
Other current and non current assets and liabilities	734
Net assets acquired	204,698
Goodwill	0
Purchase price	204,698

The following valuation methods were applied to determine the fair value of the main identifiable assets and liabilities:

- tangible assets (primarily two vessels): the fair value was provisionally determined based on an estimate of the value in use of that equipment;
- other assets and liabilities: the fair value was based on the market value at which those assets or liabilities may be sold to a non-related third party.

The fair value assessment of the identifiable assets and liabilities could not be completed within the time limits set by the annual closing. The values assigned to the assets and liabilities that were acquired may still be changed during a period of 12 months after the acquisition date.

D. Acquisition of 72.5% of the shares of G-tec

In the fourth quarter of 2017, GeoSea, a subsidiary of DEME, acquired 72.5% of the shares of the fully consolidated Belgian company G-tec. Its assets and liabilities were recognized at the carrying value determined according to the accounting methods of the CFE group. The fair value of the identifiable assets and liabilities was provisionally assessed on 31 December 2017.

The fair values provisionally assigned to the assets and liabilities that were acquired are summarized as follows:

In thousands €	
Tangible assets	20,442
Other non current assets	274
Cash and cash equivalents	1,054
Non current liabilities	-14,279
Other current and non current assets and liabilities	-10,040
Net assets (100%)	-2,549
% share acquired	72.5%
Net assets - group share	-1,850
Goodwill	7,410
Purchase price	5,560

The fair value assessment of the identifiable assets and liabilities could not be completed within the time limits set by the annual closing. The values assigned to the assets and liabilities that were acquired may still be changed during a period of 12 months after the acquisition date.

3.A.9 Events after balance sheet date

No significant changes have occurred in the financial and commercial situation of the CFE Group since 31 December 2017.

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

In thousands €	2017	2016
Turnover	29,578	46,911
Operating income	-31,507	-8,040
Net financial result excluding non-recurring financial income	57,681	58,969
Non-recurring financial income	518	9,487
Non-recurring financial charges	0	-1,541
Result before taxes	26,692	58,875
Taxes	-170	-17
Result of the year	26,522	58,858

The gradual delivery of the latest projects realized by CFE SA mechanically leads to a decrease in its revenue.

The operating income was adversely affected by increases of provisions.

The financial result consists mainly of € 55.0 million and € 6.0 million worth of dividends paid by DEME and CFE Contracting respectively.

In 2016, the non-recurring financial income included the capital gains realized on the disposal of Locorail and Coentunnel Company.

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

In thousands €	31 December 2017	31 December 2016
Assets		
Fixed assets	1,325,005	1,323,520
Current assets	155,489	236,408
Total assets	1,480,494	1,559,928

In thousands €	31 December 2017	31 December 2016
Equity and liabilities		
Equity	1,163,350	1,197,582
Provisions	81,998	57,272
Non-current liabilities	248	132,580
Current liabilities	234,898	172,494
Total equity and liabilities	1,480,494	1,559,928

The financial assets for the most part consist of the stakes in DEME, CFE Contracting and BPI.

The bond of € 100 million matures at the end of June 2018. On 31 December 2017, it was reclassified from long-term debts to short-term debts.

4. Information on business trends

The CFE Group will report a substantial revenue growth in 2018, in view of the high order book for both DEME and Contracting.

5. Dividend

At the general meeting of shareholders on 3 May 2018, CFE's board of directors will propose a gross dividend of € 2.40 per share, representing a net dividend of € 1.68, or a total distribution of € 60,754,757.

6. Share information

At the end of the financial year, CFE's share capital amounted to €41,329,482.42, divided into 25,314,482 shares, with no declared par value. The Company's shares are registered or in electronic form.

CFE's equity base as of 31 December 2016 was as follows:

Shares with no par value	25,314,482
registered shares	18,552,334
shares in electronic form	6,762,148

Shareholders owning 3% or more of the voting rights relating to the shares they hold:

Ackermans & van Haaren NV Begijnenvest 113 B-2000 Antwerp (Belgium)	15,289,521 shares or 60.40%
VINCI Construction SAS 5, cours Ferdinand-de-Lesseps F-92851 Rueil-Malmaison Cedex (France)	3,066,460 shares or 12.11%

There has been no issue of convertible bonds or warrants.

Degroof-Petercam has been appointed as the 'Main Paying Agent'.

Financial institutions with which holders of financial instruments may exercise their financial rights are:
Degroof-Petercam, BNP Paribas Fortis and ING Belgium.

7. Shareholders' agenda

Ordinary shareholders meeting	3 May 2018
Publication of interim statements 2018	25 May 2018 (before opening of the stock market)
Publication of half-year financial statements 2018	31 August 2018 (before opening of the stock market)
Publication of interim statements 2018	23 November 2018 (before opening of the stock market)

The statutory auditor, Deloitte, Reviseurs d'Entreprises, represented by Michel Denayer and Rik Neckebroeck, has confirmed that it has no reservations as to the accounting information reported in this press release and that it is in line with the financial statements as approved by the board of directors. Nevertheless, without qualifying its opinion, the auditor draws attention to the uncertainties as to the payment of the outstanding debts due by the Chadian government and the actions undertaken to facilitate their settlement.

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About CFE

CFE, founded in 1880 is a Belgian industrial group active in three different divisions. The first, Dredging, Environment, Offshore and Infra, is carried out by its wholly owned subsidiary DEME, one of the world leaders in the field. DEME has a modern fleet of multipurpose vessels equipped with the latest technologies. The second, Contracting, encompasses the group's construction, multitechnics and rail activities in Belgium, Luxembourg, Poland and Tunisia. The third, Real Estate Development, covers the real estate projects developed by BPI in Belgium, Luxembourg and Poland.

The CFE group currently employs more than 8,000 people and is active on every continent. CFE is listed on Euronext Brussels and is 60.40% owned by Ackermans & van Haaren.

This press release is available on our website at www.cfe.be.

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Note to editors

For further information, please contact, at CFE:

- Renaud Bentégeat, Chief Executive Officer, tel.: +32 2 661 13 27, mobile: +32 497 514 445, rbentegeat@cf.e.be; or
- Fabien De Jonge, Chief Financial Officer, tel. +32 2 661 13 12, mobile +32 497 514 406, fabien_de_jonge@cf.e.be