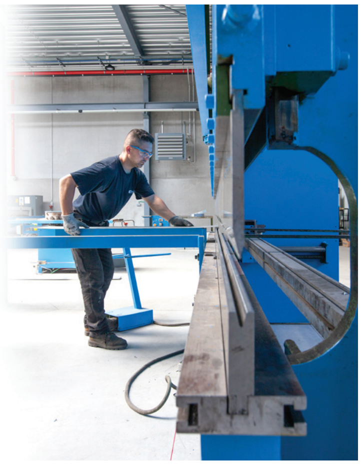
PRESS RELEASE

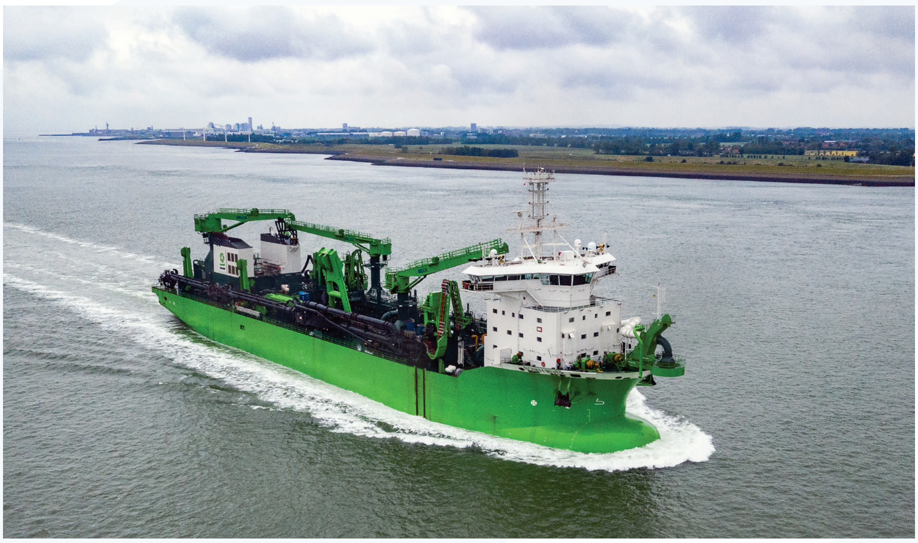
Friday 30 August 2019
regulated information

# First half results 2019









# First half results 2019

- **Revenue : € 1,847.7 million**
- **EBITDA : € 207.0 million**
- **EBIT : € 61.2 million**

The Board of Directors of CFE examined and approved the H1 2019 financial statements at its meeting on August 28, 2019.

## 1. Key figures in the first half of 2019

| In million € | 1st semester 2019 (**) | 1st semester 2018 | Variation |
|---|---|---|---|
| **Revenue** | **1,847.7** | 1,860.1 | **-0.7%** |
| **Self-financing capacity (EBITDA)** (*)<br>% of revenue | **207.0**<br>11.2% | 202.1<br>10.9% | **+2.4%** |
| **Operating income on activities** (*)<br>% of revenue | **50.5**<br>2.7% | 78.7<br>4.2% | **-35.8%** |
| **Operating income (EBIT)** (*)<br>% of revenue | **61.2**<br>3.3% | 77.5<br>4.2% | **-21.0%** |
| **Net income share of the group**<br>% of revenue | **42.7**<br>2.3% | 51.8<br>2.8% | **-17.6%** |
| **Net income share of the group per share (in EUR)** | **1.69** | 2.05 | **-17.6%** |

| In million € | 30 June 2019 (**) | 31 December 2018 (***) | Variation |
|---|---|---|---|
| **Equity share of the Group** | **1,673.6** | 1,720.9 | **-2.7%** |
| **Net financial debt** (*) | **957.9** | 747.1 | **+28.2%** |
| **Order book** (*) | **5,330.3** | 5,385.9 | **-1.0%** |

*(*) The definitions are included in the 'Consolidated financial statements' section of the interim report.*
*(**) Including the impact of the implementation of IFRS 16 - Leases.*
*(***) Amounts restated following the implementation of IFRS 16 - Leases.*

GENERAL INTRODUCTION

Revenue in the first half of 2019 amounted to € 1,847.7 million, comparable to revenue in the first half of 2018. Activity was virtually stable at DEME, while it grows at Contracting. The apparent drop in activity at the Real Estate Development division results from sales of residential units being primarily (and unlike in the first half of 2018) realized in jointly controlled and equity-accounted project companies.

EBITDA stood at € 207.0 million, or 2.4 % up on the first six months of 2018.

The operating income (EBIT) amounted to € 61.2 million, compared to € 77.5 million in the first half of 2018. The decrease in EBIT reported by the three operating divisions is explained primarily by two factors:

- non-recurring charges at DEME
- highly competitive market conditions in the Construction segment in Belgium

The net result, share of the group, equals € 42.7 million.

The equity, share of the group, amounted to € 1,673.6 million at 30 June 2019. The slight decrease in equity is attributable to the payment of a dividend of € 60.8 million in respect of the 2018 financial year.

The group's net financial debt amounted to € 957.9 million, compared to € 747.1 million at 31 December 2018. This increase is explained primarily by DEME's investment programme.

## 2. Analysis by division of the activity, results and order book

### Dredging, Environmental, Offshore and Infra division

KEY FIGURES (*)

| In million € | 1st semester 2019 (**) | 1st semester 2018 | Variation |
|---|---|---|---|
| Revenue | 1,349.3 | 1,329.4 | +1.5% |
| EBITDA | 199.1 | 187.1 | +6.4% |
| Operating income | 58.5 | 67.0 | -12.7% |
| Net income share of the group | 44.3 | 48.4 | -8.5% |

| In million € | 30 June 2019 (**) | 31 December 2018 (***) | Variation |
|---|---|---|---|
| Order book | 3,940.0 | 4,010.0 | -1.7% |
| Net financial debt | 805.7 | 639.5 | +26.0% |

*(*) Excluding 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.*
*(**) Including the impact of the implementation of IFRS 16 - Leases.*
*(***) Amounts restated following the implementation of IFRS 16 - Leases.*

REVENUE

DEME's revenue amounted to € 1,349.3 million, which is slightly up on the first half of 2018.

Business was particularly buoyant for the Dredging segment. Apart from the TTP1 project in Singapore, which is entering its final phase, the projects that are currently in progress are mostly medium-sized and are essentially situated in Western Europe, Africa and the Middle East.

In its Offshore segment, DEME has virtually completed two major projects in the course of the first six months: the offshore wind farms Hohe See in Germany and Hornsea One in the UK.

Production of the monopile foundations and transition pieces for the offshore wind farm SeaMade (Belgium) is already well underway; the installation of the foundations is set to begin in September and will be carried out by the vessel 'Innovation'. Also in Belgium, the vessel 'Living Stone' has completed the installation of the submarine power cables connecting the Offshore Switch Yard platform to the land-based power grid in Zeebrugge in record time.

In May, the vessel 'Apollo' began installing the pinpiles on which the foundations (jackets) will be placed for the wind turbines of the Moray East offshore wind farm in Scotland.

At DIMCO (Infra segment), activity on the three Dutch projects (Terneuzen lock, RijnlandRoute and Blankenburg connection) is building up: revenue has virtually doubled compared to the first half of 2018.

## EVOLUTION OF ACTIVITY BY BUSINESS AREA

| In % | 1st semester 2019 | 1se semester 2018 |
| --- | --- | --- |
| Capital dredging | 32% | 24% |
| Maintenance dredging | 10% | 11% |
| Offshore | 43% | 54% |
| Infra / marine civil works | 7% | 4% |
| Environment | 6% | 5% |
| Others | 2% | 2% |
| Total | 100% | 100% |

## EVOLUTION OF ACTIVITY BY GEOGRAPHICAL AREA

| In % | 1st semester 2019 | 1st semester 2018 |
| --- | --- | --- |
| Europe (EU) | 66% | 70% |
| Europe (non-EU) | 2% | 3% |
| Africa | 10% | 8% |
| Americas | 4% | 2% |
| Asia-Pacific | 9% | 13% |
| Middle East | 5% | 1% |
| Indian subcontinent | 4% | 3% |
| Total | 100% | 100% |

## EBITDA AND OPERATING INCOME

Given a satisfactory fleet utilization rate, DEME's EBITDA increased by 6.4% to € 199.1 million, of which € 8.6 million represents the impact of the implementation of IFRS 16 - Leases.

Despite the expensing of part of the costs of major repairs to the vessel 'Innovation' (€ 8.2 million) and an impairment loss of € 10.8 million on receivables from the German company Senvion, the operating income (EBIT) amounted to € 58.5 million.

Also worth mentioning is that DEME Concessions invests very substantial sums (€ 11.2 million in the first half of 2019) in prototypes and campaigns for the harvesting of polymetallic nodules in the Clarion Clipperton Zone in the Pacific Ocean. As long as the operating licences have not been obtained and the environmental impact assessments, the development of the industrial processes and the economic feasibility have not been established, all those investments are expensed.

## ORDER BOOK

The order book amounted to € 3.94 billion at 30 June 2019, which is virtually stable compared to 31 December 2018.

During the first six months, DEME won several major contracts, such as:

- the extension of its dredging contract in Papua New Guinea (Lower Ok Tedi River project)
- the contract for the widening and deepening of the Elbe over a length of 116 km between Cuxhaven and Hamburg in Germany. Those works, worth € 200 million excluding VAT, have just begun and are expected to finish by the beginning of 2021.
- the contract for the transport and installation of the 165 monopiles, transition pieces and wind turbines for the Hornsea Two offshore wind farm in the United Kingdom. Work is expected to begin in the first quarter of 2021.
- extension for two years (2020-2021) of the maintenance dredging contract for the river Scheldt and the Belgian coast.

Two major orders are not included in the order book at 30 June 2019, notably

- the contract for the Fehmarnbelt link between Denmark and Germany, worth € 710 million;
- the EPCI contract for the design, fabrication and installation of 80 steel foundations at the Saint-Nazaire offshore wind farm in France. The first foundations will be installed offshore during spring 2021.The contract awarded in August 2019 to the consortium including DEME and Eiffage Métal has a total value of more than EUR 500 million.

## INVESTMENTS

Investments in the first six months amounted to € 252.9 million, and consist essentially of down payments on the vessels ‘Bonny River’, ‘Meuse River’, ‘Orion’ and ‘Spartacus’.

The trailing suction hopper dredger ‘Bonny River’ joined DEME’s fleet on 18 June 2019. With a capacity of 15,000 m³, this vessel is capable of dredging very hard soil at great depths (more than 100 metres). Its first assignments will be in the North Sea.

The last four vessels in the ambitious investment programme (the Smart Mega Cutter ‘Spartacus’, the DP3 ‘Orion’, and the ‘Meuse River’ and ‘River Thames’ hopper dredgers) will be operational in 2020.

## NET FINANCIAL DEBT

DEME’s net financial debt amounted to € 805.7 million at 30 June 2019 (of which € 81.5 million arises from the implementation of IFRS 16 - Leases).

The increased debt is explained by the investments during the six-month period, the dividend payment of € 55 million, and a slight increase in working capital requirement, partly offset by the operating cash flows.

DEME has redeemed its € 200 million bond, which matured in February 2019.

## Contracting division

KEY FIGURES

| In million € | 1st semester 2019 (*) | 1st semester 2018 | Variation |
|---|---|---|---|
| **Revenue** | **501.4** | 468.1 | +7.1% |
| **Operating income** | **1.4** | 7.2 | -80.6% |
| **Net Income share of the group** | **-2.9** | 4.1 | n.s. |

| In million € | 30 June 2019 (*) | 31 December 2018 (**) | Variation |
|---|---|---|---|
| **Order book** | **1,336.8** | 1,320.3 | +1.2% |
| **Net cash position** | **53.9** | 90.0 | -40.1% |

*(*) Including the impact of the implementation of IFRS 16 - Leases.*
*(**) Amounts restated following the implementation of IFRS 16 - Leases.*

REVENUE

| In million € | 1st semester 2019 | 1st semester 2018 | Variation |
|---|---|---|---|
| **Construction** | **383.6** | **343.3** | +11.7% |
| *Buildings, Belgium* | *289.8* | *255.9* | *+13.2%* |
| *Buildings, International* | *93.8* | *87.4* | *+7.3%* |
| **Multitechnics** | **79.8** | **86.2** | -7.4% |
| **Rail & Utilities** | **38.0** | **38.6** | -1.6% |
| **Total Contracting** | **501.4** | **468.1** | +7.1% |

Revenue for CFE Contracting in the first half of 2019 amounted to € 501.4 million, which is up 7.1% on the first half of 2018.

In Construction, the increase in revenue is primarily noticeable in Flanders where several major projects are in progress, such as the ZNA hospital in Antwerp and the interior modules of the Gare Maritime and the adjoining car park (Tour & Taxis site in Brussels). In Louvain-la-Neuve, BPC finished work on the AGORA building complex.

In Poland, too, business was buoyant thanks to several projects in the logistics sector.

In Luxembourg, CLE delivered the Naos office building to the customer’s satisfaction.

In the Multitechnics (VMA cluster) and Rail & Utilities (MOBIX cluster) segments, there was a slowdown in activity compared to the first half of 2018, although this situation is expected to be reversed during the second half of the year, since several major projects are being started up.

## OPERATING INCOME

During the first half of 2019, CFE Contracting reported an operating income of € 1.4 million, which is € 5.8 million less than in the first half of 2018.

Market conditions remain highly competitive for the Construction segment in Belgium, despite a substantial volume of business. The current prices on the market do not always make it possible to pass on the full extent of the substantial increase in the costs of materials, subcontracting and labour. Furthermore, several projects experienced a deterioration in their results. Part of this deterioration is not attributable to CFE Contracting and is therefore the subject of claims against customers. However, in accordance with accounting policies, the expected recovery was not yet valued at 30 June 2019. Likewise, significant engineering costs have been incurred in respect of large-scale design & build or PPP projects that have not yet entered the execution phase.

In the Rail & Utilities segment (MOBIX), a small number of projects in the Signalling department are confronted with operational difficulties. Reorganization measures are currently being implemented.

Conversely, the good performance of the MBG, CFE Polska and VMA entities bears witness to the quality of their market positioning and their operational teams.

Apart from one project, the activities in Tunisia should come to an end in the second half of 2019, as planned.

## ORDER BOOK

| In million € | **30 June 2019** | 31 December 2018 | **Variation** |
|---|---|---|---|
| **Construction** | **967.7** | **1,069.1** | **-9.5%** |
| *Buildings, Belgium* | *776.4* | *870.9* | *-10.9%* |
| *Buildings, International* | *191.3* | *198.2* | *-3.5%* |
| **Multitechnics** | **197.6** | **168.4** | **+17.3%** |
| **Rail & Utilities** | **171.5** | **82.8** | **+107.1%** |
| **Total Contracting** | **1,336.8** | **1,320.3** | **+1.2%** |

The market conditions in Construction in Belgium have led to a greater selectivity in order intake, which is reflected in a 10.9% decrease in the order book.

In Poland, CFE Polska won several orders for the construction of warehouses and depots, while in Luxembourg CLE landed the contract for the construction of a mixed-use real estate complex of more than 25,000 m² above ground (retail and office space) near the airport.

Order intake was high in Multitechnics and Rail & Utilities, thanks in particular to the contract for the design, modernization, finance, management and 20-year maintenance of the public lighting of the Walloon region's main road network.

NET CASH POSITION

The division had a financial surplus of € 53.9 million, a decrease compared to 31 December 2018. The negative impact of IFRS 16 - Leases amounted to € 13.8 million at 30 June 2019 (compared to € 12.5 million at 31 December 2018).

The lower net cash position is explained by the investments made during the first six months (in particular the construction of a new head office for the entity VMA-Druart), the payment of a dividend of € 8.8 million, and the increased working capital requirement driven in part by a change in the customer mix (higher percentage of public contracts compared to contracts for private customers).

## Real Estate division

### KEY FIGURES

| In million € | 1st semester 2019 (*) | 1st semester 2018 | Variation |
|---|---|---|---|
| Revenue | 24.0 | 75.5 | -68.2% |
| Operating income | 5.7 | 11.7 | -51.3% |
| Net income share of the group | 4.5 | 7.8 | -42.3% |

*(*) Including the impact of the implementation of IFRS 16 - Leases*

### EVOLUTION OF REAL ESTATE PROJECTS (*)

The capital employed amounted to € 144 million at 30 June 2019, which is slightly up on 31 December 2018.

There was a further decrease in unsold units post completion, which now represent only 1.3% of the total capital employed.

### BREAKDOWN BY STAGE OF PROJECT DEVELOPMENT

| In million € | 30 June 2019 | 31 December 2018 |
|---|---|---|
| Unsold units post completion | 2 | 4 |
| Properties under construction | 75 | 70 |
| Properties in development | 67 | 65 |
| Total capital employed | 144 | 139 |

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

### BREAKDOWN BY COUNTRY

| In million € | 30 June 2019 | 31 December 2018 |
|---|---|---|
| Belgium | 98 | 89 |
| Luxembourg | 22 | 23 |
| Poland | 24 | 27 |
| Total | 144 | 139 |

### NEW DEVELOPMENTS

During the first half of 2019, BPI acquired a building plot in Tervuren (Belgium) for the construction of a mixed-use real estate complex of 6,000 m² for housing, co-working and a crèche (GITO project).

In the second half of 2019, BPI will acquire, in joint venture, a building plot in Antwerp, near the Spoor Noord park, for the development of 9,500 m² for housing units and 5,200 m² for co-working spaces and workshops.

On the near outskirts of Luxembourg city, BPI will develop, in joint venture, a 9,500 m² office building whose timber frame façade and floors in CLT (Cross Laminated Timber) will catch the eye.

## MARKETING

BPI is developing some forty real estate projects totalling 568,000 m² (BPI share), of which approximately 130,000 m² are in the construction and marketing phase.

**BELGIUM**
All the residential programmes continue to show highly satisfactory take-up rates.

During the first half of the year, BPI delivered several residential properties in the Erasmus Gardens (Anderlecht) and Les Hauts Prés (Uccle) projects.

Planning applications have been filed for the De Brouckère project (Brussels) and the Key West project (Anderlecht canal district), while planning permission has been obtained for the Samaya Nord and Oisquercq projects (Walloon Brabant).

In Liège, the Renaissance office complex, which is under construction, has been fully let and sold: in 2018, 5,500 m² was let to a public body (Le Forem), while the rest of the office space (7,500 m²) has been sold off-plan to the Province of Liège at the beginning of July 2019.

**LUXEMBOURG**
BPI delivered two fully sold residential projects during the first half of the year: Domaine de l'Europe - Kiem (Kirchberg) and Fuussbann (Differdange). BPI continued to develop the residential project Livingstone (Luxembourg) and initiated the development of the Domaine des Vignes project (Mertert).

Permission was obtained for the demolition and reconstruction of the 'Arlon 23' office building; the works are due to start in the next few months.

**POLAND**
In Poland, construction and marketing of the residential projects Bulwary Ksiazce – Phase 2 (Wroclaw), Vilda Park (Poznan), Wola Ostroroga (Warsaw) and Barska (Warsaw) are making satisfactory progress. The four projects will be delivered in 2020.

## NET FINANCIAL DEBT

The net financial debt of the Real Estate division amounted to € 74.2 million, which is slightly up on 31 December 2018. The impact of IFRS 16 - Leases was limited to € 1.3 million at 30 June 2019.

During the first six months of the year, BPI for the first time drew down € 8 million on its commercial paper programme.

## NET RESULT SHARE OF THE GROUP

The net result, share of the group, amounted to € 4.5 million. The main contributors to the result are the Ernest The Park (Ixelles), Livingstone (Luxembourg) and Domaine de l'Europe - Kiem (Luxembourg) projects. Unlike in the first half of 2018, no properties have been delivered in Poland; consequently, no margin has been recognized on the Polish projects that are under construction.

Since the sale of office space in the Renaissance project took place at the beginning of July, this transaction was not taken into account in BPI's financial statements at 30 June 2019, but will be recognized according to the percentage of completion at the end of the financial year.

## Holding, non-transferred activities and inter division eliminations

KEY FIGURES

| In million € | 1st semester 2019 (*) | 1st semester 2018 | Variation |
|---|---|---|---|
| **Revenue** | **12.9** | 13.8 | -6.5% |
| **Inter-divisions eliminations** | **-39.9** | -26.7 | n.s. |
| **Total** | **-27.0** | -12.9 | n.s. |
| **Operating income** | **-1.8** | -5.8 | n.s. |
| **Net income share of the group** | **-1.5** | -7.5 | n.s. |

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

REVENUE

The revenue amounted to € 12.9 million, down 6.5% on the first half of 2018.

The last project still in progress is the Brussels-South wastewater treatment plant, which has entered its last phase. Delivery is scheduled for the first quarter of 2021.

OPERATING INCOME

The net result, share of the group, amounted to € -1.5 million. There has been a substantial reduction in the losses compared to the first half of 2018 thanks to a decrease in overheads and interest expense.

RENT-A-PORT

Rent-A-Port made a negative contribution to the division's results (€ -0.7 million) due to the absence of significant sales of industrial land in Vietnam. The great majority of those sales are scheduled for the end of the year.

The capital of Rent-A-Port was increased by € 18 million (of which 50% by CFE) to allow it to continue the development of the industrial port zones of Dinh Vu and Tien Phong in Northern Vietnam.

GREEN OFFSHORE

The net result of Green Offshore (+ € 0.7 million) was favourably impacted by the good performance of the Belgian offshore wind farm Rentel.

RECEIVABLES ON CHAD

In Chad, no payments have been received since July 2018. The refinancing by the Afrexim Bank of the receivables relating to the Grand Hotel is not in place yet.

The exposure therefore remains unchanged compared to 31 December 2018.

# 3. An overview of the results

## 3.A.1 Consolidated statement of income

| Year ended at 30 June<br>In thousands € | 2019 | 2018 |
|---|---|---|
| **Revenue** | **1,847,714** | **1,860,146** |
| Revenue from auxiliary activities | 48,376 | 31,123 |
| Purchases | (1,083,566) | (1,117,770) |
| Wages, salaries & social charges | (347,962) | (334,784) |
| Other operating charges | (256,755) | (233,825) |
| Depreciations and amortization | (157,265) | (126,150) |
| | | |
| **Operating income on activities** | **50,542** | **78,740** |
| Earnings from associates and joint ventures | 10,614 | (1,211) |
| | | |
| **Operating income** | **61,156** | **77,529** |
| | | |
| Cost of gross financial debt | (1,044) | (7,091) |
| Other financial expenses and income | (4,185) | 29 |
| **Financial result** | **(5,229)** | **(7,062)** |
| | | |
| **Result before taxes** | **55,927** | **70,467** |
| Income tax expense | (14,297) | (20,199) |
| | | |
| **Net income for the period** | **41,630** | **50,268** |
| | | |
| Attributable to owner of non-controlling interest | 1,106 | 1,581 |
| | | |
| **Net income share of the group** | **42,736** | **51,849** |

### Consolidated statement of comprehensive income

| Year ended 30 June<br>In thousands € | 2019 | 2018 |
|---|---|---|
| **Net income for the period – Share of the group** | **42,736** | **51,849** |
| **Net income for the period** | **41,630** | **50,268** |
| Change in fair values related to the hedging instruments | (39,120) | (4,505) |
| Currency translation differences | 276 | 1,904 |
| Deferred taxes | 9,615 | 630 |
| **Other elements of the comprehensive income to be reclassified to profit or loss in subsequent period** | **(29,229)** | **(1,971)** |
| Remeasurement on defined benefit plans | 0 | 0 |
| Deferred taxes | 0 | 0 |
| **Other elements of the comprehensive income not to be reclassified to profit or loss in subsequent period** | **0** | **0** |
| **Total elements of the comprehensive income directly accounted in equity** | **(29,229)** | **(1,971)** |
| | | |
| **Comprehensive income** | **12,401** | **48,297** |
| - attributable to the group | 13,474 | 50,016 |
| - attributable to non-controlling interests | (1,073) | (1,719) |
| Net result share of the group per share (€) (basic and diluted) | 1.69 | 2.05 |
| Comprehensive income per share (€) (basic and diluted) | 0.53 | 1.98 |

## 3.A.2 Consolidated statement of financial position

| Year ended<br>In thousands € | 30 June 2019 | 31 December 2018 (*) |
|---|---|---|
| Intangible assets | 89,151 | 89,588 |
| Goodwill | 177,127 | 177,127 |
| Tangible assets | 2,570,492 | 2,390,236 |
| Associates and joint ventures | 148,765 | 155,792 |
| Other non-current financial assets | 104,121 | 171,687 |
| Non-current derivative instruments | 8 | 9 |
| Other non-current assets | 5,324 | 5,501 |
| Deferred tax assets | 108,998 | 99,909 |
| **Total non-current assets** | **3,203,986** | **3,089,849** |
| | | |
| Inventories | 146,157 | 128,889 |
| Trade receivables and other operating receivables | 1,174,985 | 1,261,298 |
| Other operating current assets | 85,604 | 67,561 |
| Other non operating current assets | 16,465 | 12,733 |
| Current derivative instruments | 615 | 275 |
| Assets held for sale | 49,388 | 0 |
| Cash and cash equivalents | 646,097 | 388,346 |
| **Total current assets** | **2,119,311** | **1,859,102** |
| **Total assets** | **5,323,297** | **4,948,951** |
| | | |
| Issued capital | 41,330 | 41,330 |
| Share premium | 800,008 | 800,008 |
| Retained earnings | 905,749 | 923,768 |
| Defined benefits plans | (25,521) | (25,521) |
| Hedging reserves | (36,671) | (7,153) |
| Translation differences | (11,298) | (11,554) |
| **Equity – part of the group CFE** | **1,673,597** | **1,720,878** |
| Non-controlling interests | 13,216 | 13,973 |
| **Equity** | **1,686,813** | **1,734,851** |
| | | |
| Retirement benefit obligations and employee benefits | 57,689 | 57,553 |
| Provisions | 35,040 | 35,172 |
| Other non-current liabilities | 3,212 | 5,725 |
| Bonds - non-current | 29,636 | 29,584 |
| Financial debts - non-current | 1,206,662 | 656,788 |
| Non-current derivative instruments | 12,943 | 9,354 |
| Deferred tax liabilities | 109,003 | 119,386 |
| **Total non-current liabilities** | **1,454,185** | **913,562** |
| | | |
| Current provisions | 64,703 | 65,505 |
| Trade & other operating payables | 1,343,024 | 1,410,944 |
| Income tax payable | 45,879 | 44,543 |
| Bonds - current | 0 | 200,221 |
| Current financial debts | 367,738 | 150,075 |
| Current derivative instruments | 11,062 | 10,990 |
| Other operating current liabilities | 129,610 | 201,609 |
| Other non operating current liabilities | 220,283 | 216,651 |
| **Total current liabilities** | **2,182,299** | **2,300,538** |
| **Total equity and liabilities** | **5,323,297** | **4,948,951** |

*(*) Consolidated statement of financial position as published on 31 December 2018 (before the implementation of IFRS 16 - Leases).*

### 3.A.3 Condensed consolidated cash flow statement

| **Year ended 30 June**<br>In thousands € | **2019** | 2018 |
|---|---|---|
| **Cash flows relating to operating activities** | **132,832** | 9,133 |
| **Cash flows relating to investing activities** | **-258,662** | -235,832 |
| **Cash flows relating to financing activities** | **382,988** | 132,341 |
| **Net increase/decrease in cash position** | **257,158** | -94,358 |

### 3.A.4 Figures per share

| | **30 June 2019** | 30 June 2018 |
|---|---|---|
| **Total number of shares** | **25,314,482** | 25,314,482 |
| Operating result after deduction of the net financial charges per share (in €) | 2.21 | 2.78 |
| **Net result share of the group per share (in €)** | 1.69 | 2.05 |

### 3.A.5 IFRS 16 - Leases

The implementation of the new IFRS 16 standard for leases as of 1 January 2019 was reflected in CFE's consolidated balance sheet by an increase in tangible assets and in the net financial debt of € 98.8 million (of which € 83.5 million at DEME).

At 30 June 2019, the impact of the implementation of the new standard on CFE's consolidated balance sheet and income statement can be summed up as follows:

| In million € | DEME | Contracting | Other divisions | **Total** |
|---|---|---|---|---|
| **Consolidated statement of financial position** | | | | |
| Property, plant and equipment | 81.0 | 13.8 | 2.6 | **97.4** |
| Financial debt | 81.5 | 13.8 | 2.6 | **97.9** |
| **Consolidated statement of income** | | | | |
| EBITDA | 8.6 | 3.1 | 0.4 | **12.1** |
| Operating income (EBIT) | 0.3 | 0.2 | 0.0 | **0.5** |
| Net financial result | -0.8 | -0.2 | 0.0 | **-1.0** |
| Net income share of the group | -0.5 | 0.0 | 0.0 | **-0.5** |

## 4. Information on business trends

2019 is a transition year for DEME: revenue is expected to remain stable and the EBITDA margin expressed as a percentage of revenue is expected to be close to the previous financial year.

The Contracting division should record a moderate growth of activity in 2019, although the operating income is expected to be close to that of 2018.

The operating income and net result of the Real Estate Development division are expected to be higher than in the previous financial year.

At year-end, the situation of the receivables due from the Chadian government will be reassessed in light of the progress made in the negotiations between the Chadian authorities and the Afrexim Bank.

## 5. Information related to the share

At 30 June 2019, CFE's share capital was divided into 25,314,482 shares.

Each share confers one vote. There has been no issue of convertible bonds or warrants. Financial institutions with which holders of financial instruments may exercise their financial rights are: BNP Paribas Fortis, Banque Degroof Petercam and ING Belgium.

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

## 6. Corporate Governance

The general meeting of shareholders of 2 May 2019 approved the renewal of the mandate of Ciska Servais SPRL, represented by Ciska Servais, for a period of four years, ending after the annual general meeting of May 2023. Ciska Servais SPRL no longer meets the independence criteria defined in Article 526 ter of the Companies Code and in the 2009 Belgian Corporate Governance Code.

The Board of Directors has taken note of the resignation of Alain Bernard as director of CFE with effect from 2 May 2019. Alain Bernard remains a director of DEME and some of its subsidiaries.

## 7. Shareholders' agenda

| | |
|---|---|
| Publication of interim statements | 22 November 2019 (before opening of the stock market) |
| Publication of year results | 28 February 2020 (before opening of the stock market) |

**The auditor, Deloitte Reviseurs d'Entreprises, represented by Michel Denayer and Rik Neckebroeck, has confirmed that its limited review revealed no material corrections to be made to the accounting information disclosed in this press release. Without modifying the unqualified opinion expressed above, the auditor draws the attention to the uncertainties regarding the amount due by the State of Chad and the undertaken actions in order to facilitate its payment.**

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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 and Poland. The third, Real Estate Development, covers the real estate projects developed by BPI in Belgium, Luxembourg and Poland.

Sustainability and innovation are important themes for which the CFE group is willing to accept responsibility, among other things by the use of digital technology in the areas of productivity, safety, employee well-being and customer satisfaction. The CFE group currently employs more than 8,000 people and is active on every continent. CFE is listed on Euronext Brussels and is 60.82% owned by Ackermans & van Haaren.

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

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Note to editors

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