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Press release  
Antwerp, February 28, 2018

# ANNUAL RESULTS 2017



ACKERMANS & VAN HAAREN

- Good results reported by AvH's participations, coupled with capital gains, boost AvH's profit to 302.5 million euros (+35%).
- Increase of dividend per share by 8% to 2.20 euros (2016: 2.04 euros).

"Ackermans & van Haaren closed 2017 with a net profit of 302.5 million euros. This is an excellent result, which is not only 78.3 million euros (+35%) higher than last year, but also exceeds our own expectations.

AvH focuses on the development of its core participations: their contribution to the group profit in 2017 increased to 277.0 million euros (2016: 259.1 million euros, +7%). On top of that, 37.4 million euros in net capital gains and non-recurring results were realized a.o. on the sale of our holdings in NMP (AvH 75%) and in Ogeda (AvH 3%) and on a remeasurement at SIPEF.

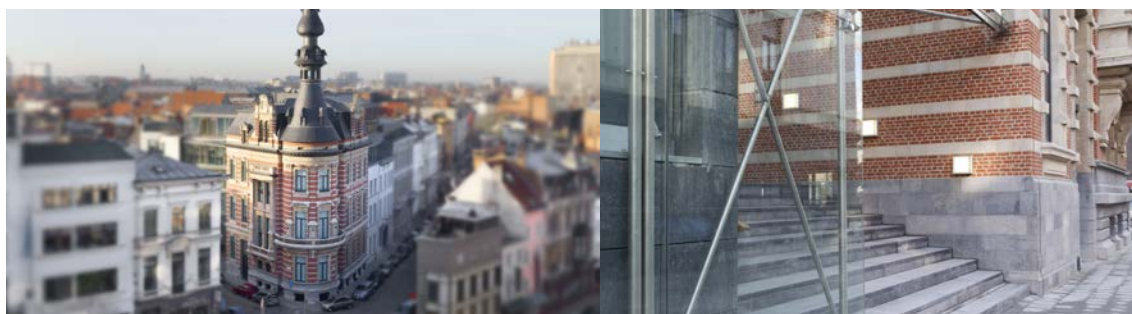
This result clearly reflects AvH's strategy of an increased focus on less participations and on a further development of its portfolio (incl. 'Growth Capital') aiming at recurring contribution to the group result. The 'Real Estate & Senior Care' and 'Energy & Resources' segments represented in 2017 26% of the contribution of core segments to the group result."

*Jan Suykens, CEO - Chairman of the executive committee*

- DEME equalled its good performance of 2016, while CFE confirmed with a solid increase in profit. The disappointing results of A.A. Van Laere and a less successful year for Rent-A-Port explain the decrease in contribution from **'Marine Engineering & Contracting'** compared with last year.
- **'Private Banking'** reported a record year. Both in terms of assets under management and net profit, Delen Private Bank reached new all-time highs. Bank J.Van Breda & C<sup>o</sup>, managed to slightly increase its profit in a challenging market environment.
- All the group companies in **'Real Estate & Senior Care'** equalled or increased their results in 2017. With a total contribution of 54.3 million euros to the group profit, they surpassed their strong performance of 2016.
- **'Energy & Resources'** nearly doubled its contribution to the group profit, driven mostly by SIPEF, which in 2017 reported far better production volumes which - in combination with higher market prices for palm oil - lay the foundations for an increasing operating result. The successful expansion of its plantations also led to the recognition of a (non-recurring) remeasurement gain, in which AvH's share amounts to 19.8 million euros.
- **'AvH & Growth Capital'** made a limited contribution to the group result. AvH continues to actively look out for new investment opportunities in 2018.
- In 2017, AvH **sold** its holdings in Nationale Maatschappij der Pijpleidingen (AvH 75%), in Ogeda (AvH 3%) and in Groupe Flo (AvH 23%). On balance, net capital gains/losses in 2017 resulted in a profit of 17.6 million euros, compared with a substantial loss of 26.8 million euros in 2016.

Breakdown of the consolidated net result (part of the group)

(€ million)	2017	2016
■ Marine Engineering & Contracting	90.6	105.2
■ Private Banking	113.9	98.5
■ Real Estate & Senior Care	54.3	46.2
■ Energy & Resources	18.2	9.2
<b>Contribution from core segments</b>	<b>277.0</b>	<b>259.1</b>
Growth Capital	-1.3	2.7
AvH & subholdings	-10.6	-10.8
Net capital gains(losses) / impairments	17.6	-26.8
<b>Result before remeasurement</b>	<b>282.7</b>	<b>224.2</b>
Remeasurement	19.8	-
<b>Consolidated net result</b>	<b>302.5</b>	<b>224.2</b>



## General comments on the figures

- The equity of AvH (group share) increased to 2,972.2 million euros as at December 31, 2017, which corresponds after correction for treasury shares to 89.70 euros per share. As at December 31, 2016, the equity stood at 2,783.1 million euros or 83.97 euros per share. In June 2017, a dividend of 2.04 euros per share was paid. Including dividend, the equity per AvH share increased by 9.3% over 2017.
- At year-end 2017, AvH (including subholdings) had a net cash position of 80.2 million euros, compared with 68.3 million euros at year-end 2016. Besides cash and short-term deposits, this cash position consisted of 75.5 million euros in short-term investments (including treasury shares), and 45.0 million euros in short-term debt in the form of commercial paper.

## Dividend

The board of directors proposes to the ordinary general meeting of May 28, 2018, to increase the dividend per share to 2.20 euros, a 8% increase compared to the dividend of 2.04 euros that was paid in 2017. This proposal amounts to a total dividend payment of 73.7 million euros.

### Key figures - consolidated balance sheet

(€ million)	31.12.2017	31.12.2016
Net equity (part of the group - before allocation of profit)	2,972.2	2,783.1
Net cash position of AvH & subholdings	80.2	68.3

## Outlook 2018

The board of directors believes that the key participations of Ackermans & van Haaren are well positioned for 2018:

- DEME's solid order backlog constitutes the basis for a further growth in turnover;
- Delen Private Bank and Bank J. Van Breda & Co have started 2018 with a record level of assets under management;
- All the companies in the 'Real Estate & Senior Care' segment are well positioned to repeat their success in 2018 in their respective lines of business;
- SIPEF's investments in the expansion of its plantations should lead to a further growth in total palm oil production.

### Key figures per share

	2017	2016
<b>Number of shares</b>		
Number of shares	33,496,904	33,496,904
<b>Net result per share (€)</b>		
Net result per share		
Basic	9.13	6.77
Diluted	9.09	6.74
Dividend per share		
Gross dividend	2.2000	2.0400
Net dividend	1.5400	1.4280
<b>Net equity per share (€)</b>		
Net equity per share	89.70	83.97
<b>Evolution of the stock price (€)</b>		
Highest (May 15)	156.20	132.10
Lowest (January 23)	125.75	100.50
Closing price (December 31)	145.15	132.10

# Ackermans & van Haaren

## Marine Engineering & Contracting

<b>DEME</b> 60%
<b>CFE</b> 60%
<b>Rent-A-Port</b> 72%
<b>Green Offshore</b> 80%

## Private Banking

<b>Delen Private Bank</b> 79%
<b>Bank J. Van Breda &amp; C°</b> 79%

## Real Estate & Senior Care

<b>Extensa</b> 100%
<b>Leasinvest Real Estate</b> 30%
<b>Anima Care</b> 93%
<b>HPA</b> 72%

## Energy & Resources

<b>SIPEF</b> 30%
<b>Sagar Cements</b> 18%

## AvH & Growth Capital

<b>Agidens<sup>(1)</sup></b> 86%
<b>Atenor</b> 11%
<b>Axe Investments</b> 48%

<b>Distriplus</b> 50%
<b>Euro Media Group</b> 22%
<b>Manuchar</b> 30%

<b>Mediahuis</b> 13%
<b>OncoDNA<sup>(2)</sup></b> 15%
<b>Telemond</b> 50%

<b>Turbo's Hoet Groep</b> 50%
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<sup>(1)</sup> Incl. participation via Axe Investments

<sup>(2)</sup> Not consolidated

31/12/2017



ACKERMANS & VAN HAAREN

# Marine Engineering & Contracting

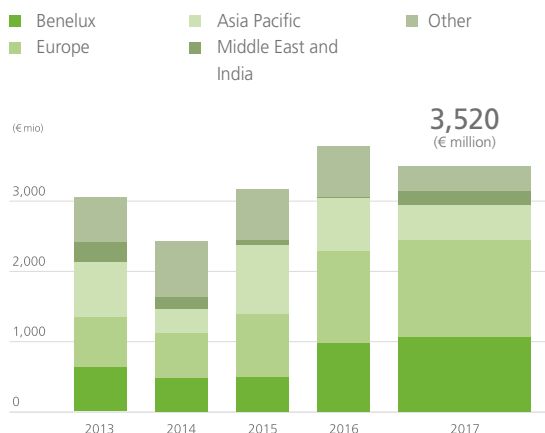
## Contribution to the AvH consolidated net result

(€ million)	2017	2016
DEME	94.5	93.9
CFE	17.4	7.2
A.A. Van Laere	-16.8	-2.5
Rent-A-Port	-4.3	6.9
Green Offshore	-0.2	-0.3
<b>Total</b>	<b>90.6</b>	<b>105.2</b>

## DEME

DEME (AvH 60.4%) realized a solid increase in (economic) turnover to 2,365.7 million euros in 2017, compared with 1,978.2 million euros in 2016. For the first time, GeoSea (DEME 100%) accounted for more than one billion euros of that figure. This favourable development is the result of DEME's strategic decision many years ago to focus fully on the development of offshore wind energy. This choice and the many years of sustained investment in human resources and equipment underpin the strong market position which GeoSea has acquired. DEME was able to offset the temporary downturn in its traditional dredging activity by its diversification into offshore wind energy, environmental activities, the extraction of sand and gravel at sea as building materials, marine civil engineering and concessions.

## DEME: Order backlog



Despite the change in its mix of activities, DEME realized an EBITDA of 456.2 million euros. This EBITDA margin of 19.3% is entirely in line with the historical average of 16-20%. The net result of 155.1 million euros equals that of 2016.

Besides maintenance dredging work in Belgium, Germany and Africa, the main dredging projects were in Singapore (extension of Jurong island/JIWE and construction of the first phase of the Tuas container terminal) and in the port of Port Louis (Mauritius). DEME continued work on the Panama Canal to widen and deepen the access channel on the Atlantic side. GeoSea reported buoyant activity in 2017 with a.o. the installation of 42 monopile foundations for the Rentel wind farm, as well as on the offshore wind farms Horns Rev (Denmark), Merkur and Hohe See (both in Germany), and Galloper in the United Kingdom.

Many major contracts were acquired in 2017 as well:

- the New Terneuzen Lock (in joint venture, of which approximately 300 million euros turnover for DEME),
- construction of the submarine power cable installation for Elia's Modular Offshore Grid, the 'Plug at Sea' (130 million euros),
- construction of the Rijnlandroute in the Netherlands (123 million euros),

## DEME

(€ million)	2017		2016	
	(1)	(2)	(1)	(2)
Turnover	2,356.0	2,365.7	1,978.3	1,978.2
EBITDA	455.5	456.2	447.4	450.1
Net result	155.1	155.1	155.3	155.3
Equity	1,321.8	1,321.8	1,220.6	1,220.6
Net financial position	-285.7	-296.2	-151.2	-154.6

<sup>(1)</sup> Following the introduction of the new accounting standards IFRS10/IFRS11, group companies jointly controlled by DEME are accounted for using the equity method with effect from January 1, 2015.

<sup>(2)</sup> In this configuration, the group companies that are jointly controlled by DEME are still proportionally integrated. Although this is not in accordance with the new IFRS10 and IFRS11 accounting standards, it nevertheless gives a more complete picture of the operations and assets/liabilities of those companies. In the equity accounting as applied under <sup>(1)</sup>, the contribution of the group companies is summarized on one single line on the balance sheet and in the income statement.



DEME - Innovation - Merkur

- redevelopment of the old port of Doha in Qatar (in joint venture, total value 100 million euros),
- land reclamation works for 10 islands on the Maldives for the development of tourism infrastructure and dredging works in India (total value 100 million euros),
- maintenance dredging contracts for the river Elbe in Germany, a gas terminal in Angola, the Freeport in Liberia, and the port of Abidjan in Ivory Coast,
- phase 2 of the Ayer Merbau land reclamation project in Singapore,
- installation of the offshore foundations for the EnBW offshore wind farm Albatros in Germany by GeoSea.

DEME's order backlog at year-end 2017 amounted to 3,520 million euros, compared with 3,800 million euros at year-end 2016. Several contracts (worth a total of 1,744 million euros) have not yet been included in this order backlog, pending their financial close or grant of final permits:

- the Fehmarnbelt project, which involves the construction of the world's longest immersed road and rail tunnel between Denmark and Germany. DEME is part of the consortium for the immersed tunnel and for its connection to the existing road infrastructure,
- the contract for the design, construction, management and maintenance for 20 years of the Blankenburgverbinding, the A24 link between the A20 and A15 motorways in the Netherlands,
- the EPCI contract for the development of the offshore wind farm Moray East in the United Kingdom. DEME will design, develop, transport and install 100 foundations and transport and install 3 electrical substation platforms, and
- the contract related to the transport and installation of 90 turbines at the Triton Knoll offshore wind farm in the United Kingdom.

In January 2018, the contract was signed for the deepening and maintenance dredging of the Martín García Canal in Uruguay and Argentina (in joint venture, total value 100 million euros).

DEME invested a total of 614.2 million euros in 2017, of which 447 million euros in the expansion and renewal of its fleet. The hopper dredger Minerva (capacity 3,500 m<sup>3</sup>) and the dredger Scheldt River (hopper capacity 8,400 m<sup>3</sup>) were ceremonially launched and brought into use in 2017. Both are dual fuel vessels that can also run on LNG to reduce the emission of sulphur, NOx and atmospheric particles. Six more vessels are under construction and will become operational in 2018-2020. The latest two new vessels which DEME

commissioned at the beginning of 2017 are worth a total of 500 million euros: the Spartacus, the most powerful and most advanced cutter suction dredger (44,180 kW) in the world, and the Orion, an offshore crane vessel (44,180 kW) with dynamic positioning and a lifting capacity of 5,000 tonnes.

At the end of August, GeoSea successfully closed the acquisition of A2SEA, a leading player in the installation of offshore wind turbines. With A2SEA, a team of 160 highly qualified staff have come to join the ranks of DEME, and two high-tech installation vessels, the Sea Installer and the Sea Challenger (built in 2012 and 2014) have been added to the fleet. As of June 30, 2017, A2SEA had an order backlog of 141 million euros. The transaction represents an investment of 167 million euros.

At the beginning of November, GeoSea also acquired 72.5% of G-tec, a Belgian firm specializing in offshore geotechnical and geological investigation, and in deep-sea engineering services. At the end of December, GeoSea signed a partnership agreement with CSBC Corporation for the development of offshore wind energy in Taiwan.

Even with the high level of investment in 2017 in the renewal and expansion of the fleet and in the acquisition of A2SEA, the net debt position was limited to 296.2 million euros (2016: 154.6 million euros).

## CFE

2017 was a good year for CFE (AvH 60.4%): both CFE Contracting and the Real Estate Development division reported a strong increase in their contribution to the group result. The high level of the order book also shows that CFE is on the right track. The new organization, which combines autonomy and synergy, proved its relevance more than ever in 2017. CFE (excl. DEME) realized a net profit of 23.9 million euros, compared with 13.0 million euros in 2016.

CFE Contracting reported a decrease in turnover to 717.6 million euros in 2017 (2016: 770.5 million euros). This decrease, which was expected, is primarily due to the delayed start-up of several major projects in Belgium and the difficult socioeconomic conditions in Tunisia. Internationally, the activities in Poland in particular saw a vigorous growth. The order book of CFE Contracting at year-end 2017 increased significantly to 1,229.7 million euros (+44.6%, or +15.1% on a like-for-like basis). This is the result of new contracts in the Construction segment in Brussels and Poland and in the Rail & Utility Networks segment. At the same time, the acquisition of the Van Laere group resulted in an increase in the order book by 241.8 million euros. CFE Contracting realized a net result of 15.4 million euros, compared with 10.4 million euros in 2016.

By this acquisition of Van Laere, the two construction groups, which will continue to operate under their existing names, will be able to work together optimally in Belgium and the market position of CFE Contracting will be strengthened. The consolidated results of Van Laere will be incorporated in the figures of CFE as from January 1, 2018. In December, CFE also acquired José Coghe-Werbrouck, a company specializing in railway works. Despite those



CFE - AZ Sint Maarten - Mechelen

acquisitions of Van Laere (17.1 million euros) and Coghe (7.7 million euros), the net financial position of CFE remained almost stable (-64.2 million euros).

In the Real Estate Development division, BPI worked a.o. on the Solvay (Elsene), Erasmus Gardens (Anderlecht), Les Hauts Prés (Ukkel), Voltaire (Schaarbeek) and Renaissance (Liège) projects in Belgium, Fussban (Differdange) and Kiem in Luxembourg, and Vilda Park (Poznan) in Poland. At the end of December 2017, the real estate projects amounted to 133 million euros (2016: 130 million euros). The net result of this division increased from 1.4 million euros at year-end 2016 to 22.3 million euros at year-end 2017 thanks to the capital gains on the sale of the stakes in the Oosteroever project in Ostend and the Kons project in Luxembourg.

In the Holding and Non-transferred Activities segment, the Brussels-South wastewater treatment plant project is progressing according to plan. This is one of the last projects as these activities are being phased out. In 2016, CFE realized substantial capital gains in this segment on the sale of 2 concession companies.

The operational management and maintenance of the Grand Hotel in N'Djamena were transferred in June 2017 to the hotel operator appointed by the Chadian government. The receivables on Chad remained unchanged compared with the end of December 2016.

## A.A. Van Laere

Algemene Aannemingen Van Laere closed a difficult year in 2017 with a net loss of 16.8 million euros. Van Laere was faced with delays and disappointing operating results on four major projects. Van Laere's car park activities (Alfa Park and Parkeren Roeselare) were successfully sold.

At the end of December 2017, AvH sold its 100% stake in AA Van Laere to CFE Contracting. The price (after a dividend of 7.8 million euros) was 17.1 million euros, which corresponds to the adjusted net asset value. On August 1, 2017, the management of A.A. Van Laere was taken over by Manu Coppens, who is also a member of the executive committee of CFE Contracting.

## Rent-A-Port

As in previous years, the activities of Rent-A-Port (AvH 72.2%) in Vietnam were profitable. However, since less land was available for sale, sales decreased. The results of Rent-A-Port (-6.0 million euros) were also impacted negatively by exchange losses and by costs from the development of new projects in renewable energy.

The infrastructure in the industrial zone of Dinh Vu (Vietnam) is largely developed. Already more than 60 industrial customers are making use of the facilities on a recurrent basis. Rent-A-Port has also acquired important positions for the development of additional neighbouring industrial zones.

## Green Offshore

At Green Offshore (AvH 80.2%), the offshore work on Rentel (12.5% directly and indirectly, 309 MW) went according to plan in 2017. The first power is expected to be injected into the Belgian grid around mid-2018. In October 2017, the Belgian federal government adopted an amended legislative framework that will apply to the offshore wind farms Seastar and Mermaid. This is expected to allow the further development of those wind farms (together generating approximately 500 MW) in the short term.

CFE: Breakdown by division (excl. DEME)

(€ million)	Turnover		Net result <sup>(1)</sup>	
	2017	2016	2017	2016
Construction	499.8	548.5		
Multitechnics	155.3	159.2		
Rail Infra	62.5	62.8		
Contracting	717.6	770.5	15.4	10.4
Real estate development	10.9	12.1	22.3	1.4
Holding, non-transferred items and eliminations	-18.1	36.3	-13.7	1.2
<b>Total</b>	<b>710.5</b>	<b>818.9</b>	<b>23.9</b>	<b>13.0</b>

<sup>(1)</sup> Including contribution from Rent-A-Port and Green Offshore



# Private Banking

## Contribution to the AvH consolidated net result

(€ million)	2017	2016
Finaxis	-0.9	-1.0
Delen Private Bank	83.3	69.2
Bank J. Van Breda & C°	30.8	29.7
BDM-Asco	0.7	0.6
<b>Total</b>	<b>113.9</b>	<b>98.5</b>

## Delen Private Bank

The assets under management of Delen Private Bank (AvH 78.75%) attained a record high of 40,545 million euros at year-end 2017 (37,770 million euros at year-end 2016).

This strong growth (+7.4%) is the result of the positive impact of the increasing value of the assets under management and of the biggest-ever gross inflow, from both existing and new private clients. All branches made a substantial contribution. The strategy of systematically opening new branches in areas where a certain critical presence has been attained is paying off. The UK asset manager JM Finn also reported an increase in assets under management from £ 8,331 million to £ 9,294 million thanks to a positive impact of the increasing value of the assets (expressed in GBP) and a net

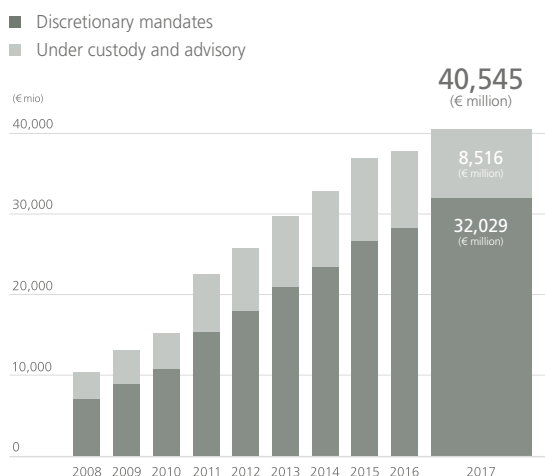
inflow of assets from existing and new private clients. This favourable development was diluted by the exchange rate development of pound sterling against the euro (-3.5%). The share of assets under discretionary management increased to 81% at Delen Private Bank (or 92% of the client accounts) and to 74% at JM Finn.

## Delen Private Bank: Assets under management

(€ million)	2017	2016
Delen Private Bank	29,410	27,383
JM Finn	10,475	9,730
Oyens & Van Eeghen	660	657
<b>Total</b>	<b>40,545</b>	<b>37,770</b>

The gross revenues of the Delen Private Bank group increased in 2017 by 17% to 366.9 million euros. This increase is primarily attributable to the higher level of assets under management. The cost-income ratio decreased to a highly competitive 53.7% (only 42.5% for Delen Private Bank, 83.7% for JM Finn). This ratio improved significantly in relation to 2016 (57.8%) as the increased income gave rise less than proportionally to an increase in costs. This expenditure on the constant developments in IT, recruitment of staff, rising labour costs in the UK and marketing are a direct result of the growing activity.

## Delen Private Bank: Assets under management



Delen Private Bank - Brussels

The net profit increased in 2017 to 105.8 million euros (compared with 87.9 million euros in 2016), which includes the contribution of JM Finn of 7.1 million euros.

The consolidated equity of Delen Private Bank stood at 678.8 million euros as at December 31, 2017 (compared with 621.2 million euros at year-end 2016). The Core Tier1 capital ratio of 29.3% is well above the industry average.



Delen Private Bank		
(€ million)	2017	2016
Gross revenues	366.9	313.1
Net result	105.8	87.9
Equity	678.8	621.2
Assets under management	40,545	37,770
Core Tier1 capital ratio (%)	29.3	30.9
Cost-income ratio (%)	53.7	57.8

## Bank J.Van Breda & C°

In 2017, Bank J.Van Breda & C° (AvH 78.75%) again reported a solid commercial performance. The client assets increased by 1.3 billion euros (+10%), to more than 13.7 billion euros, of which 4.6 billion euros client deposits (+8%) and 9.2 billion euros (+12%) entrusted funds (off-balance sheet investments). Of this amount, 5.4 billion euros is entrusted to Delen Private Bank in asset management. The total loan portfolio increased by 7% to more than 4.5 billion euros. The provisions for loan losses remained limited to 0.04% of the average loan portfolio, or 1.7 million euros. The net fee income today represents nearly 40% of the total revenues in an environment where interest income has been under pressure from a flat yield curve for a number of years.

The costs increased by 5% to 83.6 million euros, primarily as a result of forward-looking investments in commercial strength. Thanks to a high level of efficiency, the cost-income ratio decreased further

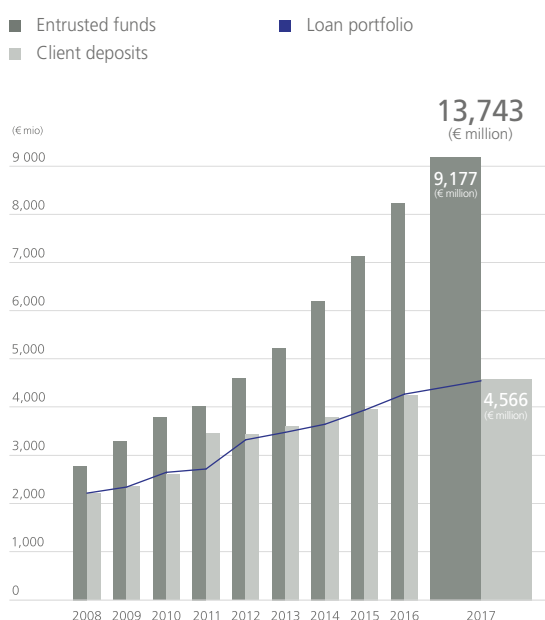
from 59.4% in 2016 to 59.1% in 2017.

The consolidated net profit amounted to 39.1 million euros (+4% compared with 2016), which is a good performance given the bank's conservative investment policy and the persistently low interest rates.

The equity (group share) increased from 518.3 million euros at year-end 2016 to 538.7 million euros, allowing the bank to sustain commercial growth without losing a healthy leverage, which is the best protection for the depositors. The solvency expressed as equity to assets (leverage ratio) stood at 8.9%, well above the 3% proposed under Basel III. The Core Tier1 capital ratio stood at 14.2%.

Bank J.Van Breda & C°		
(€ million)	2017	2016
Bank product	141.4	134.0
Net result	39.1	37.7
Equity	538.7	518.3
Entrusted funds	9,177	8,203
Client deposits	4,566	4,246
Loan portfolio	4,529	4,223
Core Tier1 capital ratio (%)	14.2	14.8
Cost-income ratio (%)	59.1	59.4

Bank J.Van Breda & C°: Client assets<sup>(1)</sup>



<sup>(1)</sup>Including ABK bank (since 2011) and Van Breda Car Finance

## BDM-Asco

At the end of December 2017, AvH and SIPEF, each 50% shareholder of BDM-Asco, reached an agreement with the Nasdaq-listed US insurance company The Navigators Group, Inc. on the sale of BDM-Asco. The acquisition price for 100% of the shares of BDM-Asco was set at 35 million euros. AvH will realize a capital gain for her share of around 6 million euros on the transaction, that is expected to be closed in 1H2018. The reorganization of BDM-Asco's portfolio in recent years paid off in 2017. The group reported an excellent result, underpinned by a good technical result in all branches.

# Real Estate & Senior Care

## Contribution to the AvH consolidated net result

(€ million)	2017	2016
Leasinvest Real Estate	14.9	10.1
Extensa Group	29.9	30.4
Anima Care	4.4	3.6
HPA	5.1	2.1
<b>Total</b>	<b>54.3</b>	<b>46.2</b>

## Leasinvest Real Estate

Leasinvest Real Estate (LRE, AvH 30.0%) closed 2017 markedly better than last year with a net result (group share) of 47.5 million euros (2016: 29.4 million euros), primarily thanks to substantial capital gains on the buildings portfolio.

LRE has decided to focus on two asset classes (retail and offices) and three countries (Belgium, Luxembourg and Austria).

At the beginning of May, LRE acquired for 35 million euros full ownership of the company Mercator Sàrl, which owns an office building in Luxembourg City. At the beginning of October, the Swiss retail portfolio (three shops) was entirely sold for 41.8 million euros. In mid-October, two major retail parks in Vienna (Austria) were acquired for 56.2 million euros. Finally, in H2 2017, four logistics properties were sold for 72 million euros.

At year-end 2017, the fair value of the consolidated real estate portfolio, including project developments, amounted to 903.0 million euros (compared with 859.9 million euros at year-end

2016). The total occupancy rate remained high at 94.80%. The slight decrease compared with year-end 2016 (96.77%) is mainly explained by the redevelopment of the Montoyer 63 office building and the sale during 2017 of the fully let logistics buildings and the properties in Switzerland. Following additional investments in Lux Airport real estate certificates, LRE increased its stake in Lux Airport to more than two-thirds of the outstanding certificates, so that the income from this could also be recognized as rental income (1.3 million euros), besides a non-recurring capital gain of 8.1 million euros that was recognised in the financial statements of 2017.

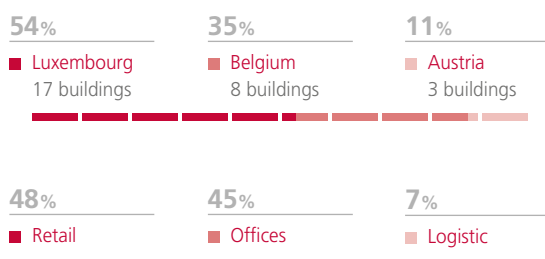
The rental yield decreased from 6.78% at year-end 2016 to 6.44% at year-end 2017. The rental income increased slightly to 56.9 million euros compared with last year (56.6 million euros). The loss of rental income resulting from the sale of several properties in 2017 was more than compensated by the acquisition of two new properties in Austria, the increased occupancy rate of several buildings in portfolio (primarily Mercator and Riverside), and the recognition of the coupon of the Lux Airport certificates as rental income.

At year-end 2017, the equity (group share) stood at 382 million euros (2016: 356 million euros). The debt ratio decreased to 57.1% (2016: 58.0%).

## LRE: Real estate portfolio

	2017	2016
Real estate portfolio fair value (€ mio)	903.0	859.9
Rental yield (%)	6.44	6.78
Occupancy rate (%)	94.80	96.77

## LRE: Real estate portfolio (% based on fair value)



## Leasinvest Real Estate - Lux Airport



## Extensa

Extensa Group (AvH 100%) equalled the good result of 2016 (30.4 million euros) with a net profit in 2017 of 29.9 million euros.

The special zoning plan for the whole Tour & Taxis site in Brussels was approved in June 2017, creating a clear legal framework for the further development of 270,000 m<sup>2</sup> residential units, retail and offices. The Herman Teirlinck office building was officially opened in September as the new Flemish Administrative Centre. In November, Extensa finalized the sale of the project company owning the building to Baloise Group. Extensa used the proceeds of this sale to repay the outstanding balance of the bridge loan of 75 million euros which it had taken out at the beginning of 2015 to increase its stake in Tour & Taxis by 50%. By year-end 2017, virtually all 115 residential units in the Gloria residence, the first apartment building on the Tour & Taxis site, were sold. Refurbishment works on the existing structure of the 'Gare Maritime' have started and will be completed in the second quarter of 2018. The commercialization of the office premises is going very well. On the site at the Willebroekkaai, Extensa successfully started the Riva project with 139 apartments overlooking the canal and the Royal Warehouse.

In Luxembourg, sales of apartments in the Cloche d'Or project are exceeding all expectations. 803 housing units were sold by the end of 2017. Construction work continued on the headquarters of Alter Domus (10,500 m<sup>2</sup>) and Deloitte Luxembourg (30,000 m<sup>2</sup>). Completion is scheduled for the third quarter of 2018. In December 2017, exclusive negotiations began with Ethias and Integrale on the sale of the Deloitte project.

## Anima Care

Anima Care (AvH 92.5%) reported a strong growth in its activities in 2017 with a turnover increase to 75.2 million euros (56.4 million euros in 2016). This is primarily attributable to the recent acquisitions of six residential care centres: 'La Roseraie' (72 beds) and 'Edelweiss' (67 beds) in Anderlecht, 'Arcade' (57 beds), 'Eden' (38 beds) and 'Neerveld' (100 beds) in Sint-Lambrechts-Woluwe, and 'Atrium' (47 beds) in Kraainem. The impact of those acquisitions

was reinforced by the full year's contribution of 'Le Birmingham' and 'Duneroze', two residences which have been reported since the fourth quarter of 2016. In addition, the 22 service flats in the newly built extension in Blegny were brought into use.

The EBITDAR increased to 16.1 million euros (2016: 14.0 million euros). The profit for 2017 amounted to 4.8 million euros (2016: 3.9 million euros).

At year-end 2017, Anima Care had 2,010 beds in operation: 1,728 retirement home beds, 77 convalescent home beds, and 205 service flats, spread over 20 care centres (8 in Flanders, 8 in Brussels, 4 in Wallonia).

At the beginning of 2018, Anima Care acquired the operation of the residential care centre 'Ark van Noé' in Bilzen. 'Ark van Noé' has 57 beds in operation, which by mid-2019 will be transferred to a newly built residence.

## HPA (Residalya + Patrimoine & Santé)

Early 2017, AvH's final tranche of 21.8% in Holding Groupe Duval was swapped against shares in Patrimoine & Santé. These shares were contributed into HPA in 2017, whose stake in Patrimoine & Santé increased to 100%.

HPA (AvH 71.7%) realized a turnover of 114.1 million euros in 2017, an 8% increase compared with 2016, thanks to the integration of the two residences that were acquired in 2017 ('Résidence de Pyla sur Mer' (Gironde) with 60 beds, and 'Villa Thalia' (Chalon-sur-Saône) with 95 beds) and the crèche and retirement home in Laval for the full year. The EBITDAR increased to 25.4 million euros and the net result to 7.1 million euros (2016: 2.9 million euros). The net profit of 2017 has been impacted for 4.2 million euros by a positive tax effect. The occupancy rate decreased slightly in 2017 to 96.6% as a result of the seasonal flu in early 2017.

At year-end 2017, HPA's network numbered 2,597 beds, spread over 34 residences.



Extensa - Tour & Taxis - Brussels Environment and Herman Teirlinck



Anima Care - Vorst (artist impression)

# Energy & Resources

## Contribution to the AvH consolidated net result

(€ million)	2017	2016
SIPEF <sup>(1)</sup>	15.9	10.0
Sagar Cements	0.4	0.4
Oriental Quarries & Mines	-0.2	-3.1
NMP	2.1	1.9
<b>Total</b>	<b>18.2</b>	<b>9.2</b>

<sup>(1)</sup> Excluding a non-recurrent remeasurement gain of € 19.8 mio, which in the overview on page 2 is reported as a non-recurring element.

## SIPEF

SIPEF (AvH 30.3%) reported a very strong performance in 2017. Annual palm oil production increased by as much as 11.2% to 330,958 tonnes, compared with a fairly weak production year in 2016 (297,705 tonnes). After three strong quarters, the last quarter of 2017 was once more the time of year with the highest production volumes. In the mature plantations in North Sumatra and Bengkulu, the generally upward trend persisted until the year-end, but in Q4 2017, growth was less marked in the Indonesian plantations, with even a slight decrease in Papua New Guinea.

Market prices for palm oil increased in the first six months, subsequently remaining relatively constant in the second half of the year. The palm oil market was sold off in December on the back of

growing stocks, causing the price of palm oil to close the year at 660 USD per tonne.

Higher sales prices for palm oil, lower unit cost prices and the effect of the full consolidation of PT Agro Muko resulted in a significant increase (+61.7%) in the net result. This amounted to 64.5 million USD, before the remeasurement gain on PT Agro Muko. The acquisition of a controlling interest in PT Agro Muko resulted in a one-off IFRS remeasurement gain of 75.2 million USD, bringing the net IFRS result for 2017 to 139.7 million USD (2016: 39.9 million USD).

In 2017, SIPEF acquired exclusive control (95%) over PT Agro Muko for 144.1 million USD, and over PT Dendymarker Indah Lestari in South Sumatra for 52.8 million USD. These transactions were financed by a combination of a capital increase of 97.1 million USD with preferential subscription rights for the current shareholders, a long-term loan of 50.0 million euros and the free cash flow. AvH subscribed for 629,268 new ordinary shares, thereby increasing its stake to 30.25%.

The recent acquisitions in Agro Muko and Dendymarker and the expansion in Musi Rawas increased the planted areas (share of the group) in 2017 by 17,985 hectares (30.4%) to a total of 71,865 planted hectares.

## SIPEF: Production

(Ton) <sup>(1)</sup>	2017	2016
	<b>330,958</b>	297,705
	<b>8,179</b>	9,192
	<b>2,402</b>	2,940
	<b>29,772</b>	24,991

<sup>(1)</sup> Own + outgrowers

## SIPEF

(USD million)	2017	2016
Turnover	321.6	267.0
EBIT	90.3	47.5
Net result <sup>(1)</sup>	139.7	39.9
Equity	634.6	448.1
Net cash position	-83.7	-45.1

<sup>(1)</sup> Including USD 75.2 mio remeasurement gain on the PT Agro Muko acquisition



SIPEF - Freshly harvested palm fruit bunches



SIPEF - Young rubber plants

SIPEF - Immature palm

## Sagar Cements

Sagar Cements (AvH 17.6%) increased its turnover in 2017 by 27%, from 7,690 million INR in 2016 to 9,773 million INR in 2017. This increase was partly attributable to the expansion of the capacity of the Mattampally plant (from 2.75 million tonnes to 3.0 million tonnes) and of the grinding unit in Vizag (from 0.18 million tonnes to 0.3 million tonnes), thereby increasing Sagar's total capacity to 4.3 million tonnes. The turnover growth was also boosted by a higher average capacity utilization (from 54% in 2016 to 57% in 2017) and a modest increase in market prices. The EBITDA margin in 2017 was slightly below that of 2016 (14.8% versus 15.8%), primarily as a result of the sharp rise in coal prices (+25%). The net result amounted to 2.5 million euros (2016: 2.9 million euros).

## OQM

2017 was a challenging year for Oriental Quarries & Mines (AvH 50.0%), mainly on account of a number of changes in the regulations in India. While the challenging market and the changing regulations led to a temporary closure of the sites in Mau and Bilaua, the quarry in Bidadi remained operational throughout the year, albeit with lower output volumes and prices. Consequently, OQM reported a turnover of 318 million INR (4.2 million euros) in 2017, a 53% decrease compared with 2016, and a negative net result of 35 million INR (0.5 million euros).

AvH no longer considers this group company as a key participation, and accordingly reclassified it after impairment to 'Assets held for sale' at year-end 2017.

## NMP

At the end of December 2017, AvH sold its participation (75%) in Nationale Maatschappij der Pijpleidingen (NMP) to the Antwerp Port Authority. This contributes to the consolidation of the presence of this (petro)chemical industry in the port, which is of great economic importance to Belgium and Flanders. The sale earned AvH 45.4 million euros (including dividend) and a capital gain of approximately 21 million euros. This represents a cumulative return (IRR) of 11.4% since the participation was acquired in 1994.

NMP's result for the 2017 financial year is in line with expectations. It was higher than in previous years after the sale of a subsidiary in early January 2017, and amounted to 3.7 million euros (2016: 2.5 million euros).

# AvH & Growth Capital

## Contribution to the AvH consolidated net result

(€ million)	2017	2016
Contribution of participations	-1.3	2.7
AvH & subholdings	-10.6	-10.8
Capital gains(losses)/ impairments	17.6	-26.8
<b>AvH &amp; Growth Capital</b>	<b>5.7</b>	<b>-34.9</b>

**Agidens** (AvH 86.3%, incl. through Axe Investments) realized a turnover in 2017 of 71.3 million euros and reported a net loss of -0.4 million euros (2016: 1.6 million euros). This decrease is due to investments in new products and the postponement of several projects. The order book, however, increased by 20% to approximately 60 million euros at year-end 2017.

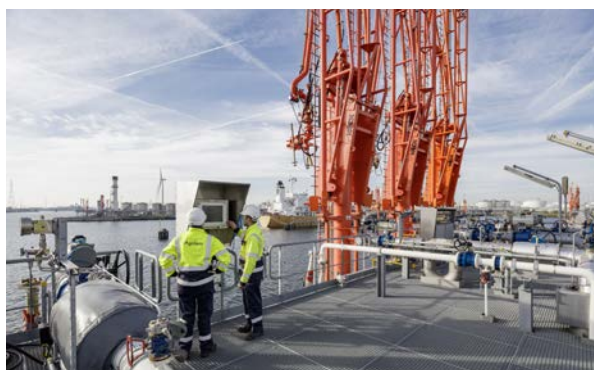
The net profit of **Atenor Group** (AvH 10.5%) was primarily the result of the sale of three buildings in the Vaci Greens project in Budapest. Atenor also received rental income from the office buildings in the HBC project in Bucharest and sales of the diversified residential projects. Atenor will announce its results on March 8, 2018.

**Axe Investments** (AvH 48.3%) sold its stake in the energy technology firm REstore in 2017 with a capital gain of 1.4 million euros. Together with the results of the participations in the IT firm Xylos and in Agidens, and with rental income, this determined the annual result of Axe Investments.

2017 was a difficult year for the retail sector. At **Distriplus** (AvH 50.0%), Planet Parfum and Di were confronted with declining numbers of tickets on a like-for-like basis. In combination with the net evolution of the number of stores, the total turnover decreased in 2017 by 4.8% to 193.9 million euros. The substantial investments made to enhance the customer experience confirm the chain's belief in the new market positioning. The net result, which was heavily distorted by a goodwill impairment of 19.5 million euros, came to -24.5 million euros (2016: -2.4 million euros).

**Euro Media Group** (AvH 22.2%) strengthened its market position in 2017 as a leading provider in Europe of audio-visual facilities and technical services for television with the acquisition of DB Video (active in Belgium and Luxembourg), EBD (Italy) and TV Data (Belgium). As a result, the decrease in turnover that is traditionally observed in the uneven years with less major sporting events turned out less substantial than expected. In 2017, a turnover of 303.5 million euros was reported, compared with 318.6 million euros in 2016. In the course of 2017, EMG disposed of its loss-making French studio activities. With the exception of EuroMedia and Netco Sports in France, all EMG companies (Videohouse in Belgium, United in the Netherlands, CTV in the UK, Nobeo in Germany, and 3ZERO2 in Italy) made a positive contribution to the group result, which nevertheless amounted to a loss of 4.4 million euros (2016: -4.4 million euros).

At **Manuchar** (AvH 30.0%), the difficult start-up of the production of sodium sulphate in Mexico (Somin) was due to technical challenges. This impacted the result of Manuchar. The other trading and distribution activities realized a nice turnover increase, despite the persistent difficult market conditions in countries such as Brazil, Colombia and Argentina. Manuchar realized a net profit of 0.2 million USD over the financial year (2016: 10.7 million USD).



Agidens - Automation of loading arms at Oiltanking Stolthaven Antwerp



Manuchar



Mediahuis - Telegraaf Media Groep



Turbo's Hoet Groep - Sofia - Bulgaria

**Mediahuis** (AvH 13.2%) developed in 2017 into a leading multi-channel company in Belgium and the Netherlands, thanks to the acquisition of Telegraaf Media Groep (TMG) at the end of April. Just before the year-end, an agreement was also reached on the sale of TMG's 23% interest in Talpa Radio Holding BV to Talpa, along with the sale of Talpa's 29.16% interest in TMG to Mediahuis. As a result, Mediahuis held 95.04% of the shares in TMG at year-end 2017, and the stock market exit came in sight. Despite a further decline in single issue newspaper sales and a Belgian advertising market under pressure from the growing international digital competition, Mediahuis in 2017 realized a consolidated turnover of 631.4 million euros, an EBITDA of 56.2 million euros, and a net result of 14.8 million euros (2016: 18.2 million euros). This takes into account 17.1 million euros of non-recurring costs.

**Telemond Group** (AvH 50.0%) reported a strong year. In the hoisting business, which saw a resumption of growth after two very difficult years, Telemond was able to substantially increase its market share with its traditional customers. Henschel Engineering Automotive realized a turnover increase of 30%, despite a difficult start-up of a new product line for VW. The turnover in the maritime segment also increased by more than 20%, despite a difficult market situation. The group recorded a net profit of 2.5 million euros (2016: 2.2 million euros).

**Turbo's Hoet Groep** (AvH 50.0%) sold a total of 4,745 trucks, trailers and light commercial vehicles, primarily of the brands DAF, Iveco and Kögel, through its sites in Belgium, France, Bulgaria, Russia and Belarus. The turnover increased by 19% to 467.7 million euros. After a few difficult years, the increasing sales of vehicles in Russia and Belarus made a substantial contribution to that growth. Turbo's Hoet Groep closed 2017 with a consolidated net profit of 9.7 million euros (2016: 9.3 million euros). In 2017, THG continued to invest heavily in its infrastructure: in Sofia, a brand-new DAF service point was opened, while investments were also made in Hooglede, Erembodegem, Le Havre (France) and Minsk (Belarus). The leasing and rental fleet was also expanded further, and consisted at year-end 2017 of 3,236 and 883 units respectively.

## Held for sale

**Transpalux**, which since its spin-off from Euro Media Group in 2014 has successfully repositioned itself as the leading provider of audio-visual facilities and technical services for film and fiction production in France, had a successful year in 2017. After nine months, the turnover reached 22.7 million euros, on which a net profit of 0.7 million euros was realized. In December 2017, AvH reached an agreement on the sale of its stake in Transpalux to the French controlling shareholder. The closing of this transaction is still subject to certain conditions precedent, which are expected to be fulfilled in 1H2018.

AvH reclassified this participation to 'Assets held for sale' in its consolidated financial statements at year-end 2017 and measured it at its expected realization value.

## Capital gains/losses and impairments

In the first half of the year, AvH sold its participation in Ogeda with a capital gain of 13.9 million euros and withdrew completely from the capital of Financière Flo/Groupe Flo, with a capital loss of 6.7 million euros.

At year-end 2017, AvH sold its 75% participation in NMP to the Antwerp Port Authority, with a capital gain of 21.1 million euros.

The remainder of this item results mainly from the transfer of the holdings in Oriental Quarries & Mines and Transpalux to 'assets held for sale' and from other impairments.



## Declaration by the auditor

The auditor has confirmed that his review of the consolidated annual accounts has been substantially completed and that no meaningful corrections have come to its attention that would require an adjustment to the financial information included in this press release.

Antwerp, February 27, 2018

Ernst & Young Bedrijfsrevisoren BCVBA  
represented by  
Patrick Rottiers<sup>(1)</sup> & Wim Van Gasse<sup>(1)</sup>  
Partners

(1) Acting on behalf of a BVBA/SPRL

**Ackermans & van Haaren** is a diversified group active in 4 core sectors: Marine Engineering & Contracting (DEME, one of the largest dredging companies in the world - CFE, a construction group with headquarters in Belgium), Private Banking (Delen Private Bank, one of the largest independent private asset managers in Belgium, and asset manager JM Finn & Co in the UK - Bank J. Van Breda & C<sup>o</sup>, niche bank for entrepreneurs and liberal professions in Belgium), Real Estate & Senior Care (Leasinvest Real Estate, a public regulated real estate company - Extensa, an important land and real estate developer focused on Belgium and Luxembourg) and Energy & Resources (SIPEF, an agro-industrial group in tropical agriculture).

In 2017, through its share in its participations, the AvH group represented a turnover of 5.4 billion euros and employed 22,749 people. The group concentrates on a limited number of strategic participations with significant potential for growth. AvH is quoted on Euronext Brussels and is included in the BEL20 index, the Private Equity NXT index and the European DJ Stoxx 600.

## Website

All press releases issued by AvH and its most important group companies as well as the 'Investor Presentation' can also be consulted on the AvH website: [www.avh.be](http://www.avh.be). Anyone who is interested to receive the press releases via email has to register to this website.

## Financial calendar

May 25, 2018	Interim statement Q1 2018
May 28, 2018	Ordinary general meeting
August 31, 2018	Half-year results 2018
November 23, 2018	Interimstatement Q3 2018

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# Condensed consolidated financial statements

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ACKERMANS & VAN HAAREN

## 1. Consolidated income statement

(€ 1,000)	2017	2016
<b>Revenue</b>	<b>3,950,575</b>	<b>3,649,117</b>
Rendering of services	206,973	179,897
Lease revenue	8,974	8,546
Real estate revenue	227,897	179,314
Interest income - banking activities	97,563	106,615
Fees and commissions - banking activities	55,637	48,011
Revenue from construction contracts	3,262,584	3,020,241
Other operating revenue	90,948	106,493
<b>Other operating income</b>	<b>14,484</b>	<b>9,782</b>
Interest on financial fixed assets - receivables	7,301	317
Dividends	6,864	9,292
Government grants	0	121
Other operating income	318	52
<b>Operating expenses (-)</b>	<b>-3,654,866</b>	<b>-3,347,785</b>
Raw materials and consumables used (-)	-2,005,126	-1,769,842
Changes in inventories of finished goods, raw materials & consumables (-)	22,932	25,780
Interest expenses Bank J.Van Breda & C° (-)	-25,869	-32,544
Employee expenses (-)	-765,902	-717,569
Depreciation (-)	-269,315	-262,910
Impairment losses (-)	-12,724	-30,230
Other operating expenses (-)	-587,750	-552,702
Provisions	-11,113	-7,766
<b>Profit (loss) on assets/liabilities designated at fair value through profit and loss</b>	<b>31,960</b>	<b>40,587</b>
Financial assets held for trading	0	0
Investment property	31,960	40,587
<b>Profit (loss) on disposal of assets</b>	<b>83,841</b>	<b>17,635</b>
Realised gain (loss) on intangible and tangible assets	10,868	3,514
Realised gain (loss) on investment property	-2,798	3,584
Realised gain (loss) on financial fixed assets	73,181	9,350
Realised gain (loss) on other assets	2,591	1,188
<b>Profit (loss) from operating activities</b>	<b>425,993</b>	<b>369,337</b>
<b>Finance income</b>	<b>55,645</b>	<b>31,433</b>
Interest income	10,830	11,423
Other finance income	44,815	20,010
<b>Finance costs (-)</b>	<b>-112,836</b>	<b>-90,491</b>
Interest expenses (-)	-42,237	-49,546
Other finance costs (-)	-70,599	-40,946
<b>Derivative financial instruments designated at fair value through profit and loss</b>	<b>633</b>	<b>122</b>
<b>Share of profit (loss) from equity accounted investments</b>	<b>140,859</b>	<b>108,660</b>
<b>Other non-operating income</b>	<b>2,385</b>	<b>1,785</b>
<b>Other non-operating expenses (-)</b>	<b>0</b>	<b>0</b>
<b>Profit (loss) before tax</b>	<b>512,680</b>	<b>420,847</b>
<b>Income taxes</b>	<b>-57,022</b>	<b>-54,794</b>
Deferred taxes	16,082	13,146
Current taxes	-73,104	-67,940
<b>Profit (loss) after tax from continuing operations</b>	<b>455,657</b>	<b>366,053</b>
<b>Profit (loss) after tax from discontinued operations</b>	<b>0</b>	<b>0</b>
<b>Profit (loss) of the period</b>	<b>455,657</b>	<b>366,053</b>
Minority interests	153,128	141,816
Share of the group	302,530	224,237
<b>Earnings per share (€)</b>		
<b>1. Basic earnings per share</b>		
1.1. from continued and discontinued operations	9.13	6.77
1.2. from continued operations	9.13	6.77
<b>2. Diluted earnings per share</b>		
2.1. from continued and discontinued operations	9.09	6.74
2.2. from continued operations	9.09	6.74

## 2. Consolidated statement of comprehensive income

(€ 1,000)	2017	2016
<b>Profit (loss) of the period</b>	<b>455,657</b>	<b>366,053</b>
Minority interests	153,128	141,816
<b>Share of the group</b>	<b>302,530</b>	<b>224,237</b>
<b>Other comprehensive income</b>	<b>-30,691</b>	<b>-24,305</b>
<b>Elements to be reclassified to profit or loss in subsequent periods</b>		
Changes in revaluation reserve: financial assets available for sale	-14,321	-3,444
Changes in revaluation reserve: hedging reserves	19,599	-6,702
Changes in revaluation reserve: translation differences	-30,190	-1,622
<b>Elements not to be reclassified to profit or loss in subsequent periods</b>		
Changes in revaluation reserve: actuarial gains (losses) defined benefit pension plans	-5,778	-12,536
<b>Total comprehensive income</b>	<b>424,966</b>	<b>341,748</b>
Minority interests	151,834	127,414
<b>Share of the group</b>	<b>273,132</b>	<b>214,335</b>

The revaluation reserve resulting from the accounting revaluation at fair value on closing date of financial assets still in portfolio but available for sale decreased by 14.3 million euros compared with last year.

This trend is explained by several elements. Leasinvest Real Estate, following the increase in its stake in Lux Airport, henceforth included this participation in its consolidation scope. Consequently, these Lux Airport securities are no longer part of the financial assets available for sale, nor does the 7.1 million euros revaluation reserve relating thereto at year-end 2016. Mediahuis also reclassified certain assets in its consolidated balance sheet following the acquisition of Telegraaf Media Group. This reserve also changed as a result of the sale of financial assets where the unrealized capital gains/losses are effectively realized, and as a result of changes in the value of financial assets in portfolio on the closing date.

Hedging reserves arise from fluctuations in the fair value of hedging instruments used by several group companies to hedge against risks. Several group companies have hedged against a possible rise in interest rates. Generally, the value of those hedging instruments has increased during 2017, allowing part of the negative value adjustments that were previously recognized under this item to be reversed (such as at Leasinvest Real Estate and DEME).

Translation differences arise from fluctuations in the exchange rates of group companies that report in foreign currencies. In 2017, the euro increased in value against most currencies (USD, GBP, INR,...), which is reflected in negative translation differences a.o. regarding Sipef, DEME, Rent-A-Port and Manuchar.

With the introduction of the amended IAS 19 accounting standard in 2013, the actuarial gains and losses on certain pension plans are recognized directly in the other comprehensive income.

### 3. Consolidated balance sheet - Assets

(€ 1,000)	2017	2016
<b>I. Non-current assets</b>	<b>9,255,476</b>	<b>8,523,262</b>
Intangible assets	179,567	166,832
Goodwill	349,523	342,539
<b>Tangible assets</b>	<b>2,572,877</b>	<b>2,134,639</b>
Land and buildings	479,686	475,433
Plant, machinery and equipment	1,615,815	1,488,867
Furniture and vehicles	28,822	31,411
Other tangible assets	4,713	4,364
Assets under construction and advance payments	443,558	134,301
Operating lease - as lessor (IAS 17)	283	263
<b>Investment property</b>	<b>945,488</b>	<b>1,010,754</b>
<b>Participations accounted for using the equity method</b>	<b>1,240,746</b>	<b>1,153,300</b>
<b>Financial fixed assets</b>	<b>267,186</b>	<b>289,146</b>
Available for sale financial fixed assets	102,335	113,043
Receivables and warranties	164,851	176,103
<b>Non-current hedging instruments</b>	<b>5,649</b>	<b>3,576</b>
<b>Amounts receivable after one year</b>	<b>177,109</b>	<b>160,669</b>
Trade receivables	6,958	4,230
Finance lease receivables	160,765	129,272
Other receivables	9,386	27,167
<b>Deferred tax assets</b>	<b>109,219</b>	<b>134,236</b>
<b>Banks - receivables from credit institutions and clients after one year</b>	<b>3,408,112</b>	<b>3,127,572</b>
<b>II. Current assets</b>	<b>4,192,378</b>	<b>4,247,159</b>
Inventories	329,400	250,265
<b>Amounts due from customers under construction contracts</b>	<b>74,292</b>	<b>112,074</b>
<b>Investments</b>	<b>467,882</b>	<b>621,408</b>
Available for sale financial assets	467,879	621,405
Financial assets held for trading	3	3
<b>Current hedging instruments</b>	<b>4,553</b>	<b>3,551</b>
<b>Amounts receivable within one year</b>	<b>1,321,413</b>	<b>1,405,260</b>
Trade debtors	1,066,152	1,166,164
Finance lease receivables	55,139	47,850
Other receivables	200,122	191,245
<b>Current tax receivables</b>	<b>19,030</b>	<b>24,429</b>
<b>Banks - receivables from credit institutions and clients within one year</b>	<b>1,304,957</b>	<b>1,041,064</b>
Banks - loans and advances to banks	88,863	74,156
Banks - loans and receivables (excluding leases)	908,056	931,915
Banks - cash balances with central banks	308,038	34,993
<b>Cash and cash equivalents</b>	<b>637,027</b>	<b>754,315</b>
Time deposits for less than three months	35,152	156,773
Cash	601,875	597,542
<b>Deferred charges and accrued income</b>	<b>33,824</b>	<b>34,793</b>
<b>III. Assets held for sale</b>	<b>21,159</b>	<b>104,637</b>
<b>Total assets</b>	<b>13,469,013</b>	<b>12,875,059</b>

The breakdown of the consolidated balance sheet by segment is shown on page 28-29 of this report. This reveals that the full consolidation of Bank J.Van Breda & C° (Private Banking segment) has a significant impact on both the balance sheet total and the balance sheet structure of AvH. Bank J.Van Breda & C° contributes 5,425 million euros to the balance sheet total of 13,469 million euros, and although this bank is solidly capitalized with a Core Tier1 ratio of 14.2%, its balance sheet ratios, as explained by the nature of its activity, are different from those of the other companies in the consolidation scope. To improve the readability of the consolidated balance sheet, certain items from the balance sheet of Bank J.Van Breda & C° have been summarized in the consolidated balance sheet.

## Consolidated balance sheet - Equity and liabilities

(€ 1,000)	2017	2016
<b>I. Total equity</b>	<b>4,195,272</b>	<b>3,916,348</b>
<b>Equity - group share</b>	<b>2,972,208</b>	<b>2,783,083</b>
<b>Issued capital</b>	<b>113,907</b>	<b>113,907</b>
Share capital	2,295	2,295
Share premium	111,612	111,612
<b>Consolidated reserves</b>	<b>2,905,611</b>	<b>2,682,090</b>
<b>Revaluation reserves</b>	<b>-17,482</b>	<b>11,915</b>
Financial assets available for sale	23,579	31,145
Hedging reserves	-10,204	-18,635
Actuarial gains (losses) defined benefit pension plans	-15,083	-11,569
Translation differences	-15,774	10,974
<b>Treasury shares (-)</b>	<b>-29,828</b>	<b>-24,830</b>
<b>Minority interests</b>	<b>1,223,064</b>	<b>1,133,265</b>
<b>II. Non-current liabilities</b>	<b>2,477,286</b>	<b>2,675,375</b>
<b>Provisions</b>	<b>86,381</b>	<b>105,989</b>
<b>Pension liabilities</b>	<b>58,134</b>	<b>56,021</b>
<b>Deferred tax liabilities</b>	<b>212,268</b>	<b>256,685</b>
<b>Financial debts</b>	<b>1,388,177</b>	<b>1,413,303</b>
Bank loans	877,470	892,811
Bonds	435,327	434,049
Subordinated loans	5,354	3,344
Finance leases	66,147	79,446
Other financial debts	3,880	3,654
<b>Non-current hedging instruments</b>	<b>50,397</b>	<b>84,352</b>
<b>Other amounts payable after one year</b>	<b>26,761</b>	<b>54,346</b>
<b>Banks - non-current debts to credit institutions, clients &amp; securities</b>	<b>655,168</b>	<b>704,680</b>
Banks - deposits from credit institutions	0	0
Banks - deposits from clients	607,368	647,175
Banks - debt certificates including bonds	0	0
Banks - subordinated liabilities	47,800	57,505
<b>III. Current liabilities</b>	<b>6,796,455</b>	<b>6,277,332</b>
<b>Provisions</b>	<b>59,166</b>	<b>37,865</b>
<b>Pension liabilities</b>	<b>289</b>	<b>214</b>
<b>Financial debts</b>	<b>499,467</b>	<b>560,632</b>
Bank loans	163,833	299,610
Bonds	99,959	0
Finance leases	15,230	52,202
Other financial debts	220,445	208,819
<b>Current hedging instruments</b>	<b>8,405</b>	<b>25,147</b>
<b>Amounts due to customers under construction contracts</b>	<b>235,704</b>	<b>222,816</b>
<b>Other amounts payable within one year</b>	<b>1,641,461</b>	<b>1,573,372</b>
Trade payables	1,352,745	1,270,310
Advances received	2,505	3,814
Amounts payable regarding remuneration and social security	186,022	183,864
Other amounts payable	100,189	115,384
<b>Current tax payables</b>	<b>64,691</b>	<b>51,989</b>
<b>Banks - current debts to credit institutions, clients &amp; securities</b>	<b>4,191,182</b>	<b>3,727,271</b>
Banks - deposits from credit institutions	27,458	24,422
Banks - deposits from clients	3,898,145	3,532,914
Banks - debt certificates including bonds	253,114	161,693
Banks - subordinated liabilities	12,465	8,242
<b>Accrued charges and deferred income</b>	<b>96,089</b>	<b>78,027</b>
<b>IV. Liabilities held for sale</b>	<b>0</b>	<b>6,004</b>
<b>Total equity and liabilities</b>	<b>13,469,013</b>	<b>12,875,059</b>

#### 4. Consolidated cash flow statement (indirect method)

(€ 1,000)	2017	2016
<b>I. Cash and cash equivalents, opening balance</b>	<b>754,315</b>	<b>704,987</b>
Profit (loss) from operating activities	425,993	369,337
Reclassification 'Profit (loss) on disposal of assets' to cash flow from divestments	-83,841	-25,102
Dividends from participations accounted for using the equity method	62,392	65,608
Other non-operating income (expenses)	2,385	1,785
Income taxes	-47,135	-65,173
<b>Non-cash adjustments</b>		
Depreciation	269,315	262,910
Impairment losses	12,881	30,171
Share based payment	1,915	-1,618
Profit (loss) on assets/liabilities designated at fair value through profit and loss	-31,960	-40,587
(Decrease) increase of provisions	11,226	1,342
(Decrease) increase of deferred taxes	-16,082	-13,146
Other non-cash expenses (income)	4,186	1,391
<b>Cash flow</b>	<b>611,275</b>	<b>586,920</b>
<b>Decrease (increase) of working capital</b>	<b>-62,693</b>	<b>71,291</b>
Decrease (increase) of inventories and construction contracts	-31,726	115,994
Decrease (increase) of amounts receivable	93,961	-37,227
Decrease (increase) of receivables from credit institutions and clients (banks)	-553,537	-265,930
Increase (decrease) of liabilities (other than financial debts)	9,621	7,038
Increase (decrease) of debts to credit institutions, clients & securities (banks)	419,257	261,979
Decrease (increase) other	-268	-10,563
<b>Cash flow from operating activities</b>	<b>548,583</b>	<b>658,211</b>
<b>Investments</b>	<b>-1,165,097</b>	<b>-1,168,089</b>
Acquisition of intangible and tangible assets	-491,841	-217,138
Acquisition of investment property	-126,121	-114,766
Acquisition of financial fixed assets	-304,012	-222,562
New amounts receivable	-27,820	-81,695
Acquisition of investments	-215,302	-531,929
<b>Divestments</b>	<b>724,102</b>	<b>701,601</b>
Disposal of intangible and tangible assets	20,459	9,275
Disposal of investment property	113,502	66,146
Disposal of financial fixed assets	214,987	51,563
Reimbursements of amounts receivable	13,344	35,527
Disposal of investments	361,809	539,090
<b>Cash flow from investing activities</b>	<b>-440,994</b>	<b>-466,488</b>
<b>Financial operations</b>		
Interest received	10,820	11,142
Interest paid	-47,945	-57,421
Other financial income (costs)	-24,519	-20,366
Decrease (increase) of treasury shares	-6,993	-801
(Decrease) increase of financial debts	-9,743	53,279
Distribution of profits	-67,638	-64,980
Dividends paid to minority interests	-56,548	-64,717
<b>Cash flow from financial activities</b>	<b>-202,566</b>	<b>-143,863</b>
<b>II. Net increase (decrease) in cash and cash equivalents</b>	<b>-94,978</b>	<b>47,859</b>
Change in consolidation scope or method	-21,890	1,814
Capital increases (minority interests)	150	275
Impact of exchange rate changes on cash and cash equivalents	-570	-620
<b>III. Cash and cash equivalents - ending balance</b>	<b>637,027</b>	<b>754,315</b>



## 5. Statement of changes in consolidated equity

(€ 1,000)

Revaluation reserves

	Issued capital & share premium	Consolidated reserves	Financial assets available for sale	Hedging reserves	Actuarial gains (losses) defined benefit pension plans	Translation differences	Treasury shares	Equity - group share	Minority interests	Total equity
<b>Opening balance, 1 january 2016</b>	<b>113,907</b>	<b>2,496,006</b>	<b>32,153</b>	<b>-17,821</b>	<b>-3,912</b>	<b>11,397</b>	<b>-24,392</b>	<b>2,607,339</b>	<b>1,208,273</b>	<b>3,815,612</b>
Profit		224,237						224,237	141,816	366,053
Non-realised results			-1,007	-814	-7,658	-423		-9,902	-14,402	-24,305
<b>Total of realised and unrealised results</b>	<b>0</b>	<b>224,237</b>	<b>-1,007</b>	<b>-814</b>	<b>-7,658</b>	<b>-423</b>	<b>0</b>	<b>214,335</b>	<b>127,414</b>	<b>341,748</b>
Distribution of dividends of the previous financial year		-64,980						-64,980	-64,717	-129,696
Operations with treasury shares							-438	-438		-438
Other (a.o. changes in consol. scope / beneficial interest %)		26,827						26,827	-137,705	-110,878
<b>Ending balance, 31 december 2016</b>	<b>113,907</b>	<b>2,682,090</b>	<b>31,145</b>	<b>-18,635</b>	<b>-11,569</b>	<b>10,974</b>	<b>-24,830</b>	<b>2,783,083</b>	<b>1,133,265</b>	<b>3,916,348</b>

(€ 1,000)

Revaluation reserves

	Issued capital & share premium	Consolidated reserves	Financial assets available for sale	Hedging reserves	Actuarial gains (losses) defined benefit pension plans	Translation differences	Treasury shares	Equity - group share	Minority interests	Total equity
<b>Opening balance, 1 january 2017</b>	<b>113,907</b>	<b>2,682,090</b>	<b>31,145</b>	<b>-18,635</b>	<b>-11,569</b>	<b>10,974</b>	<b>-24,830</b>	<b>2,783,083</b>	<b>1,133,265</b>	<b>3,916,348</b>
Profit		302,530						302,530	153,128	455,657
Non-realised results			-7,566	8,431	-3,514	-26,748		-29,397	-1,294	-30,691
<b>Total of realised and unrealised results</b>	<b>0</b>	<b>302,530</b>	<b>-7,566</b>	<b>8,431</b>	<b>-3,514</b>	<b>-26,748</b>	<b>0</b>	<b>273,132</b>	<b>151,834</b>	<b>424,966</b>
Distribution of dividends of the previous financial year		-67,638						-67,638	-56,548	-124,186
Operations with treasury shares							-4,998	-4,998		-4,998
Other (a.o. changes in consol. scope / beneficial interest %)		-11,371						-11,371	-5,487	-16,858
<b>Ending balance, 31 december 2017</b>	<b>113,907</b>	<b>2,905,611</b>	<b>23,579</b>	<b>-10,204</b>	<b>-15,083</b>	<b>-15,774</b>	<b>-29,828</b>	<b>2,972,208</b>	<b>1,223,064</b>	<b>4,195,272</b>

For comments on the unrealized results, see Note 2 on page 19 of this report.

On May 31, 2017, AvH paid a dividend of 2.04 euros per share.

In 2017, AvH bought 71,000 treasury shares to hedge the stock option obligations to its staff. During that same period, beneficiaries of the stock option plan exercised options on 66,000 AvH shares. As at December 31 2017, AvH had granted options on a total of 311,000 AvH shares. To hedge these and future option obligations, AvH had a total 357,000 treasury shares in portfolio on that same date.

In addition, 120,338 shares were purchased and 117,359 shares sold in 2017 as part of the agreement that AvH has concluded with Kepler Cheuvreux to support the liquidity of the AvH share. Kepler Cheuvreux acts entirely autonomously in those transactions, but as they are carried out on behalf of AvH, the net purchase of 2,979 AvH shares in this context has an impact on AvH's equity. This net purchase of 2,979 shares in 2017 puts the total number of shares held by AvH as part of this liquidity agreement at 5,257.

The item "Other" in the statement of changes in equity includes a.o. the eliminations of results on sales of treasury shares, the impact of the acquisition of minority interests and the impact of the measurement of the purchase obligation resting on certain shares.

## 6. Segment reporting

### Changes in H1 2017

In 1H2017, AvH increased its shareholding percentage in Sipef from 27.83% at year-end 2016 to 30.25%. This increase was realized by the purchase of 80,000 shares on the stock exchange in 1Q2017 (increase in the stake to 28.72%) and by the subscription for new Sipef shares that were publicly issued with maintenance of preferential subscription rights (increase to 30.25%). AvH acquired 629,268 new Sipef shares under this public capital increase (by exercising its own Sipef subscription rights and subscription rights purchased on the stock market). The new shareholding percentage of 30.25% was applied in the income statement as of July 1, 2017.

In accordance with the agreements, AvH's 21.80% stake in Holding Groupe Duval, which was reported under 'held for sale' at year end 2016, was swapped in January 2017 against 23.5% in the capital of Patrimoine & Santé. In the course of 2017, those Patrimoine & Santé shares, along with those held by members of the management of Residalya, were subsequently contributed into HPA; consequently, as of December 31, 2017, HPA owns 100% of the capital of Patrimoine & Santé as well as of Residalya. As a result of these contributions, AvH's shareholding percentage in HPA has increased further to 71.7%.

AvH's stake in Sagar Cements has decreased from 19.91% to 17.57% as a result of a capital increase subscribed to by institutional investors, after the shareholding percentage had first increased at year-end 2016 by subscribing to another part of the capital increase.

In 2Q2017, GIB (AvH 50%) transferred its entire participation in Financière Flo (controlling shareholder of the listed company Groupe Flo) to Groupe Bertrand, which became the new controlling shareholder of Groupe Flo. The participation in Financière Flo was already reported as 'held for sale' at year-end 2016.

On March 31, 2017, AvH acquired the interests in Leasinvest Real Estate and Leasinvest Real Estate Management from Extensa. Since Extensa is wholly owned by AvH, this transaction does not change the group's shareholding percentage in those companies.

### Changes in H2 2017

In December 2017, AvH sold its 100% stake in AA Van Laere to CFE. Since this transaction is a sale to a fully consolidated group company, no result is recognized in the 2017 consolidated financial statements of AvH. The 2017 results of AA Van Laere are still fully recognized (at the 100% shareholding percentage) up to the end of December 2017. As of 1 January 2018, the financial statements of AA Van Laere (through CFE) will still be recognized in the consolidation of AvH, albeit at the new shareholding percentage (60.40%).

In December 2017, AvH and Sipef announced that they concluded an agreement with the US insurance company The Navigators Group Inc. on the sale of 100% of the capital of BDM-Asco. The closing of this transaction is still subject to certain conditions precedent, such as the approval by the National Bank of Belgium. Pending this approval, the stake in BDM-Asco was reclassified in the accounts at 31/12/2017 to 'Assets held for sale', on the basis of the carrying value of the stake at year-end 2017. In the income statement, the contributions of BDM-Asco to the group result are still recognized over a full year.

At the end of December 2017, AvH sold its 75% stake in Nationale Maatschappij der Pijpleidingen to the Antwerp Port Authority for 45.4 million euros, including dividend. Consequently, this participation is no longer part of the consolidation scope at year-end 2017.

As of year-end 2017, OQM (50%) is no longer part of the consolidation scope following AvH's decision to prepare for an exit from this group company. Consequently, after impairment the participation has been reclassified to 'Assets held for sale'.

### Segment 1

#### Marine Engineering & Contracting:

DEME (global integration 60.40%), CFE (global integration 60.40%), Rent-A-Port (global integration 72.18%), Green Offshore (global integration 80.2%), and AA Van Laere (global integration 100%, as of December 31, 2017, 60.40% through CFE)

### Segment 2

#### Private Banking:

Delen Investments CVA (equity method 78.75%), Bank J. Van Breda & C° (global integration 78.75%), Finaxis (global integration 78.75%) and BDM-Asco (reclassified to Assets held for sale at year-end 2017)

### Segment 3

#### Real Estate & Senior Care:

Extensa (global integration 100%), Leasinvest Real Estate (global integration 30%), Leasinvest Real Estate Management (global integration 100%), Anima Care (global integration 92.5%) and HPA (global integration 71.7%). HPA is the structure that owns 100% of Residalya (operation of retirement homes) and 100% of Patrimoine & Santé (which owns real estate operated by Residalya). Both Residalya and Patrimoine & Santé are fully consolidated by HPA.

### Segment 4

#### Energy & Resources:

Sipef (equity method 30.3%), NMP (full consolidation 75% until sale at the end of December 2017), AvH India Resources (global integration 100%), Sagar Cements (equity method 17.6%) and Oriental Quarries and Mines (reclassified to Assets held for sale at year-end 2017).

### Segment 5

#### AvH & Growth Capital:

- AvH, Sofinim & subholdings (global integration 100%)
- Participations accounted for using global integration: Agidens (86.2%)
- Participations accounted for using the equity method: Atenor (10.5%), Axe Investments (48.3%), Amsteldijk Beheer (50%), Corelio (26.2%), Mediahuis (13.2%), MediaCore (49.9%), Distriplus (50%), Financière EMG (22.2%), Manuchar (30.0%), Transpalux (45.0% - reclassified to Assets held for sale at year-end 2017), Turbo's Hoet Groep (50%), Consortium Telemond (50%) and GIB (50%)
- Non-consolidated participations: OncoDNA (15%)

## 6. Segment information - consolidated income statement 2017

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	2017
<b>Revenue</b>	<b>3,279,471</b>	<b>163,256</b>	<b>420,694</b>	<b>13,197</b>	<b>76,362</b>	<b>-2,405</b>	<b>3,950,575</b>
Rendering of services	4,459		189,296	13,156	2,324	-2,262	206,973
Lease revenue		7,407	1,567				8,974
Real estate revenue	10,900		216,997				227,897
Interest income - banking activities		97,563					97,563
Fees and commissions - banking activities		55,637					55,637
Revenue from construction contracts	3,191,328				71,255		3,262,584
Other operating revenue	72,783	2,649	12,834	41	2,783	-143	90,948
<b>Other operating income</b>	<b>7,093</b>	<b>2,637</b>	<b>3,405</b>	<b>-3</b>	<b>1,622</b>	<b>-271</b>	<b>14,484</b>
Interest on financial fixed assets - receivables	7,093		134		275	-201	7,301
Dividends	1	2,637	3,271	-3	959		6,864
Government grants							0
Other operating income					388	-70	318
<b>Operating expenses (-)</b>	<b>-3,083,651</b>	<b>-111,323</b>	<b>-344,696</b>	<b>-9,987</b>	<b>-107,684</b>	<b>2,475</b>	<b>-3,654,866</b>
Raw materials and consumables used (-)	-1,818,638		-148,606	-6,411	-31,471		-2,005,126
Changes in inventories of finished goods, raw materials & consumables (-)	13,306		9,466		161		22,932
Interest expenses Bank J.Van Breda & C° (-)		-25,869					-25,869
Employee expenses (-)	-574,152	-43,981	-111,674	-1,059	-35,035		-765,902
Depreciation (-)	-240,747	-5,248	-18,644	-1,920	-2,755		-269,315
Impairment losses (-)	9,734	-1,660	-2,398		-18,400		-12,724
Other operating expenses (-)	-462,909	-33,581	-73,013	-596	-20,125	2,475	-587,750
Provisions	-10,245	-984	173		-57		-11,113
<b>Profit (loss) on assets/liabilities designated at fair value through profit and loss</b>	<b>0</b>	<b>0</b>	<b>31,960</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>31,960</b>
Financial assets held for trading							0
Investment property			31,960				31,960
<b>Profit (loss) on disposal of assets</b>	<b>47,657</b>	<b>1,484</b>	<b>-2,758</b>	<b>355</b>	<b>37,103</b>	<b>0</b>	<b>83,841</b>
Realised gain (loss) on intangible and tangible assets	10,845			3	20		10,868
Realised gain (loss) on investment property			-2,798				-2,798
Realised gain (loss) on financial fixed assets	36,812	2	23	352	35,992		73,181
Realised gain (loss) on other assets		1,483	17		1,090		2,591
<b>Profit (loss) from operating activities</b>	<b>250,570</b>	<b>56,054</b>	<b>108,605</b>	<b>3,562</b>	<b>7,403</b>	<b>-201</b>	<b>425,993</b>
<b>Finance income</b>	<b>51,106</b>	<b>13</b>	<b>3,615</b>	<b>13</b>	<b>1,660</b>	<b>-762</b>	<b>55,645</b>
Interest income	7,906	13	2,664	9	1,000	-762	10,830
Other finance income	43,199		951	4	661	0	44,815
<b>Finance costs (-)</b>	<b>-83,653</b>	<b>0</b>	<b>-27,867</b>	<b>-88</b>	<b>-2,190</b>	<b>963</b>	<b>-112,836</b>
Interest expenses (-)	-25,198		-17,469	-88	-446	963	-42,237
Other finance costs (-)	-58,456		-10,399		-1,744	0	-70,599
<b>Derivative financial instruments designated at fair value through profit and loss</b>	<b>0</b>	<b>-85</b>	<b>718</b>	<b>0</b>	<b>0</b>		<b>633</b>
<b>Share of profit (loss) from equity accounted investments</b>	<b>-13,639</b>	<b>106,921</b>	<b>10,979</b>	<b>37,560</b>	<b>-962</b>		<b>140,859</b>
<b>Other non-operating income</b>	<b>1,231</b>	<b>1,154</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>2,385</b>
<b>Other non-operating expenses (-)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Profit (loss) before tax</b>	<b>205,614</b>	<b>164,057</b>	<b>96,050</b>	<b>41,047</b>	<b>5,911</b>	<b>0</b>	<b>512,680</b>
<b>Income taxes</b>	<b>-45,067</b>	<b>-19,526</b>	<b>8,689</b>	<b>-1,035</b>	<b>-83</b>	<b>0</b>	<b>-57,022</b>
Deferred taxes	5,112	-3,281	13,882	-10	379		16,082
Current taxes	-50,179	-16,245	-5,194	-1,024	-462		-73,104
<b>Profit (loss) after tax from continuing operations</b>	<b>160,547</b>	<b>144,531</b>	<b>104,739</b>	<b>40,013</b>	<b>5,828</b>	<b>0</b>	<b>455,657</b>
<b>Profit (loss) after tax from discontinued operations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Profit (loss) of the period</b>	<b>160,547</b>	<b>144,531</b>	<b>104,739</b>	<b>40,013</b>	<b>5,828</b>	<b>0</b>	<b>455,657</b>
Minority interests	69,959	30,608	50,392	2,087	82		153,128
Share of the group	90,588	113,923	54,347	37,925	5,746		302,530

## Comments on the consolidated income statement

The consolidated revenue increased by 301.5 million euros to 3,950.6 million euros in 2017, which is 8.3% up on the previous year. This increase is primarily attributable to DEME (+ 389.6 million euros), which grew as a result of GeoSea's buoyant activity in the construction of new offshore wind farms, as well as to Anima Care and Residalya, which increased their turnover by 27.3 million euros thanks to the addition of eight residential care centres to their network, and vigorous sales of real estate, primarily on the Cloche d'Or project in Luxembourg. The revenue of CFE (excluding DEME), however, decreased by 105.7 million euros as a result of a lower turnover in construction and the phasing out of non-strategic international activities.

For most items, the evolution of the operating expenses should be seen in relation to the evolution of the revenue.

Impairment losses of 12.7 million euros (2016: 30.2 million euros) were charged to the 2017 consolidated income statement. In the 'AvH & Growth Capital' segment 6.7 million euros of that amount relates to the exit from Financière Flo (Groupe Flo) in 1H2017; the remainder relates to the participations in Oriental Quarries & Mines and Transpalux, which were both reclassified to 'Assets held for sale' at year-end 2017, and to receivables and goodwill within the group. Anima Care recognized an impairment of 2.2 million euros on several small assets. CFE was able to reverse previously recognized impairment losses after receiving payments on receivables on which impairment losses had been recognized in previous periods, but also constituted new provisions. Bank J.Van Breda & C° recognized in 2017 impairment losses of 1.7 million euros on its credit portfolio (2016: 0.8 million euros), which is still very limited (4bps) considering the total volume of loans.

At 32.0 million euros, the profit on assets/liabilities designated at fair value through profit and loss was lower than in 2016 (40.6 million euros) and, like the previous year, relates solely to certain real estate assets of LRE and Extensa that are recognized at fair value. Of this profit, 8.0 million euros relates to the real estate of Lux Airport, which until 30/09/2017 was not included in the consolidation scope, but on which an unrealized capital gain had already been recognized through 'other comprehensive income' in the consolidated equity (see note 2).

DEME was able to realize a capital gain of 8.2 million euros on the sale of a building lot in Ghent and the sale of a vessel. LRE, on the other hand, realized on balance a minor capital loss on the disposal of certain non-strategic assets.

The capital gains realized on financial assets in 'Marine Engineering & Contracting' are explained by the sale by CFE of companies that developed real estate projects in Ostend (Oosteroever) and Luxembourg (Kons). In 'AvH & Growth Capital', the capital gains on the sale of the 3.0% participation in Ogeda and on the sale of the 75% participation in Nationale Maatschappij der Pijpleidingen are reported.

The net interest cost remained limited in 2017 and was in fact lower than in 2016, thanks in part to a lower financing cost at DEME. The evolution of other finance income should be seen in conjunction with other finance costs. On balance, the cost increased by 4.8 million euros, primarily as a result of exchange differences.

The contribution of the equity accounted companies increased by 32.2 million euros to 140.9 million euros. This reflects, among other things, the good results of Delen Investments and Sipef (including a non-recurring remeasurement gain). 'Marine Engineering & Contracting' made a negative contribution to this item due to losses of certain participations over which DEME has no exclusive control (such as Medco in Qatar and certain concession companies). Extensa develops two projects on the Cloche d'Or site in a joint venture with a partner. The equity accounted participations in the 'AvH & Growth Capital' segment made, on balance, a limited negative contribution as a result of a negative contribution of 12.3 million euros by Distriplus (AvH 50%), which recognized a goodwill impairment of nearly 20 million euros.

The income taxes increased slightly in 2017 to 57.0 million euros. Since the contribution from the equity accounted companies of 140.9 million euros

net (after tax) is shown under one item, this tax cost does not give a true picture of the total taxes paid by the group companies. If the income tax is calculated on the result excluding the profit of equity accounted companies and excluding capital gains realized on participations, the tax cost amounts to 19.1%.

## Segment information - consolidated income statement 2016

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	2016
<b>Revenue</b>	<b>3,051,586</b>	<b>164,381</b>	<b>341,397</b>	<b>13,600</b>	<b>80,826</b>	<b>-2,673</b>	<b>3,649,117</b>
Rendering of services	4,290		162,016	13,539	2,585	-2,533	179,897
Lease revenue		6,956	1,590				8,546
Real estate revenue	12,186		167,128				179,314
Interest income - banking activities		106,615					106,615
Fees and commissions - banking activities		48,011					48,011
Revenue from construction contracts	2,945,215				75,026		3,020,241
Other operating revenue	89,895	2,799	10,663	62	3,215	-140	106,493
<b>Other operating income</b>	<b>3,452</b>	<b>1,940</b>	<b>3,505</b>	<b>3</b>	<b>1,265</b>	<b>-383</b>	<b>9,782</b>
Interest on financial fixed assets - receivables	117		61		243	-104	317
Dividends	3,213	1,940	3,445	3	691		9,292
Government grants	121						121
Other operating income					332	-280	52
<b>Operating expenses (-)</b>	<b>-2,824,699</b>	<b>-113,145</b>	<b>-282,660</b>	<b>-13,784</b>	<b>-116,448</b>	<b>2,953</b>	<b>-3,347,785</b>
Raw materials and consumables used (-)	-1,630,999		-102,500		-36,343		-1,769,842
Changes in inventories of finished goods, raw materials & consumables (-)	25,515		91		175		25,780
Interest expenses Bank J.Van Breda & C° (-)		-32,544					-32,544
Employee expenses (-)	-552,777	-39,275	-91,692	-689	-33,137		-717,569
Depreciation (-)	-235,293	-5,586	-17,456	-1,911	-2,664		-262,910
Impairment losses (-)	242	-795	-4,527	-3,090	-22,059		-30,230
Other operating expenses (-)	-430,449	-32,289	-66,359	-8,095	-18,463	2,953	-552,702
Provisions	-937	-2,656	-216		-3,957		-7,766
<b>Profit (loss) on assets/liabilities designated at fair value through profit and loss</b>	<b>22</b>	<b>0</b>	<b>40,565</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,587</b>
Financial assets held for trading							0
Investment property	22		40,565				40,587
<b>Profit (loss) on disposal of assets</b>	<b>12,842</b>	<b>835</b>	<b>3,877</b>	<b>102</b>	<b>-21</b>	<b>0</b>	<b>17,635</b>
Realised gain (loss) on intangible and tangible assets	3,420		-32	102	24		3,514
Realised gain (loss) on investment property			3,584				3,584
Realised gain (loss) on financial fixed assets	9,422		325		-398		9,350
Realised gain (loss) on other assets		835			353		1,188
<b>Profit (loss) from operating activities</b>	<b>243,202</b>	<b>54,011</b>	<b>106,685</b>	<b>-79</b>	<b>-34,378</b>	<b>-104</b>	<b>369,337</b>
<b>Finance income</b>	<b>26,948</b>	<b>14</b>	<b>3,874</b>	<b>20</b>	<b>765</b>	<b>-187</b>	<b>31,433</b>
Interest income	8,280	14	2,801	20	496	-187	11,423
Other finance income	18,668		1,073		269		20,010
<b>Finance costs (-)</b>	<b>-63,687</b>	<b>0</b>	<b>-24,995</b>	<b>-124</b>	<b>-1,976</b>	<b>291</b>	<b>-90,491</b>
Interest expenses (-)	-33,130		-16,092	-111	-503	291	-49,546
Other finance costs (-)	-30,557		-8,904	-13	-1,472		-40,946
<b>Derivative financial instruments designated at fair value through profit and loss</b>	<b>0</b>	<b>-649</b>	<b>771</b>	<b>0</b>	<b>0</b>		<b>122</b>
<b>Share of profit (loss) from equity accounted investments</b>	<b>1,636</b>	<b>88,679</b>	<b>5,664</b>	<b>10,793</b>	<b>1,889</b>		<b>108,660</b>
<b>Other non-operating income</b>	<b>0</b>	<b>1,429</b>	<b>356</b>	<b>0</b>	<b>0</b>		<b>1,785</b>
<b>Other non-operating expenses (-)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Profit (loss) before tax</b>	<b>208,100</b>	<b>143,483</b>	<b>92,354</b>	<b>10,609</b>	<b>-33,700</b>	<b>0</b>	<b>420,847</b>
<b>Income taxes</b>	<b>-30,250</b>	<b>-18,479</b>	<b>-4,631</b>	<b>-645</b>	<b>-789</b>	<b>0</b>	<b>-54,794</b>
Deferred taxes	15,862	-3,932	1,080	78	58		13,146
Current taxes	-46,112	-14,547	-5,710	-723	-847		-67,940
<b>Profit (loss) after tax from continuing operations</b>	<b>177,850</b>	<b>125,005</b>	<b>87,723</b>	<b>9,964</b>	<b>-34,489</b>	<b>0</b>	<b>366,053</b>
<b>Profit (loss) after tax from discontinued operations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Profit (loss) of the period</b>	<b>177,850</b>	<b>125,005</b>	<b>87,723</b>	<b>9,964</b>	<b>-34,489</b>	<b>0</b>	<b>366,053</b>
Minority interests	72,658	26,498	41,547	731	382		141,816
Share of the group	105,192	98,506	46,176	9,234	-34,872		224,237

## Segment information - consolidated balance sheet 2017 - Assets

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	2017
<b>I. Non-current assets</b>	<b>2,839,219</b>	<b>4,410,084</b>	<b>1,565,916</b>	<b>204,048</b>	<b>242,594</b>	<b>-6,385</b>	<b>9,255,476</b>
Intangible assets	91,363	2,930	84,670		605		179,567
Goodwill	186,821	134,247	28,455				349,523
Tangible assets	2,126,568	41,578	378,527		26,204		2,572,877
Investment property			945,488				945,488
Participations accounted for using the equity method	154,177	679,973	28,204	204,048	174,344		1,240,746
Financial fixed assets	167,868	818	75,144		29,740	-6,385	267,186
Available for sale financial fixed assets	18,003		74,550		9,781		102,335
Receivables and warranties	149,865	818	594		19,959	-6,385	164,851
Non-current hedging instruments	921	3,662	1,066				5,649
Amounts receivable after one year	7,737	138,029	23,024		8,319		177,109
Trade receivables	2,418				4,540		6,958
Finance lease receivables		138,029	22,736				160,765
Other receivables	5,320		288		3,779		9,386
Deferred tax assets	103,763	735	1,338		3,382		109,219
Banks - receivables from credit institutions and clients after one year		3,408,112					3,408,112
<b>II. Current assets</b>	<b>1,843,121</b>	<b>1,828,829</b>	<b>371,492</b>	<b>424</b>	<b>169,859</b>	<b>-21,347</b>	<b>4,192,378</b>
Inventories	148,260		180,744		396		329,400
Amounts due from customers under construction contracts	46,077		20,359		7,856		74,292
Investments	3	427,712	153		40,013		467,882
Available for sale financial assets		427,712	153		40,013		467,879
Financial assets held for trading	3						3
Current hedging instruments	4,154	399	0				4,553
Amounts receivable within one year	1,082,719	84,743	114,901		59,907	-20,857	1,321,413
Trade debtors	1,007,332		46,560		14,750	-2,490	1,066,152
Finance lease receivables		54,568	571				55,139
Other receivables	75,387	30,175	67,770		45,156	-18,367	200,122
Current tax receivables	13,783		4,411	22	813		19,030
Banks - receivables from credit institutions and clients within one year		1,304,957					1,304,957
Banks - loans and advances to banks		88,863					88,863
Banks - loans and receivables (excl. finance leases)		908,056					908,056
Banks - cash balances with central banks		308,038					308,038
Cash and cash equivalents	524,994	3,762	48,930	402	58,939		637,027
Time deposits for less than three months	35,107	1	3		41		35,152
Cash	489,887	3,761	48,927	402	58,898		601,875
Deferred charges and accrued income	23,131	7,256	1,993		1,935	-491	33,824
<b>III. Assets held for sale</b>		<b>11,686</b>	<b>3,613</b>		<b>5,860</b>		<b>21,159</b>
<b>Total assets</b>	<b>4,682,340</b>	<b>6,250,598</b>	<b>1,941,021</b>	<b>204,472</b>	<b>418,314</b>	<b>-27,732</b>	<b>13,469,013</b>

## Segment information - consolidated balance sheet 2017 - Equity and liabilities

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	2017
<b>I. Total equity</b>	<b>1,626,817</b>	<b>1,351,777</b>	<b>707,868</b>	<b>204,466</b>	<b>304,344</b>		<b>4,195,272</b>
Shareholders' equity - group share	981,360	1,095,291	389,692	204,466	301,400		2,972,208
Issued capital					113,907		113,907
Share capital					2,295		2,295
Share premium					111,612		111,612
Consolidated reserves	1,006,643	1,093,851	387,336	202,778	215,003		2,905,611
Revaluation reserves	-25,283	1,439	2,356	1,688	2,317		-17,482
Financial assets available for sale		1,860	8,804		12,916		23,579
Hedging reserves	-743	-183	-9,302	20	4		-10,204
Actuarial gains (losses) defined benefit pension plans	-15,262	33	-21	-644	810		-15,083
Translation differences	-9,278	-271	2,876	2,312	-11,412		-15,774
Treasury shares (-)					-29,828		-29,828
Minority interests	645,457	256,487	318,176		2,944		1,223,064
<b>II. Non-current liabilities</b>	<b>928,196</b>	<b>684,166</b>	<b>867,427</b>		<b>3,882</b>	<b>-6,385</b>	<b>2,477,286</b>
Provisions	76,843	4,572	3,545		1,421		86,381
Pension liabilities	53,149	3,995	790		200		58,134
Deferred tax liabilities	129,641	704	80,410		1,513		212,268
Financial debts	656,857		737,232		474	-6,385	1,388,177
Bank loans	366,402		511,068				877,470
Bonds	231,378		203,948				435,327
Subordinated loans	5,354						5,354
Finance leases	45,427		20,247		474		66,147
Other financial debts	8,296		1,969			-6,385	3,880
Non-current hedging instruments	7,209	8,572	34,616				50,397
Other amounts payable after one year	4,497	11,155	10,834		274		26,761
Banks - debts to credit institutions, clients & securities		655,168					655,168
Banks - deposits from credit institutions							0
Banks - deposits from clients		607,368					607,368
Banks - debt certificates including bonds							0
Banks - subordinated liabilities		47,800					47,800
<b>III. Current liabilities</b>	<b>2,127,327</b>	<b>4,214,655</b>	<b>365,726</b>	<b>7</b>	<b>110,087</b>	<b>-21,347</b>	<b>6,796,455</b>
Provisions	59,047	12	108				59,166
Pension liabilities		289					289
Financial debts	235,162		223,352		51,560	-10,607	499,467
Bank loans	116,042		47,791				163,833
Bonds	99,959						99,959
Finance leases	7,921		2,342		4,967		15,230
Other financial debts	11,241		173,218		46,593	-10,607	220,445
Current hedging instruments	7,445	800	160				8,405
Amounts due to customers under construction contracts	224,657				11,047		235,704
Other amounts payable within one year	1,491,839	13,252	100,206	3	46,411	-10,250	1,641,461
Trade payables	1,277,741	10	68,028	3	8,177	-1,213	1,352,745
Advances received			2,505				2,505
Amounts payable regarding remuneration and social security	152,612	8,177	17,565		7,669		186,022
Other amounts payable	61,487	5,065	12,108		30,565	-9,036	100,189
Current tax payables	42,538	3,437	18,429	4	283		64,691
Banks - debts to credit institutions, clients & securities		4,191,182					4,191,182
Banks - deposits from credit institutions		27,458					27,458
Banks - deposits from clients		3,898,145					3,898,145
Banks - debt certificates including bonds		253,114					253,114
Banks - subordinated liabilities		12,465					12,465
Accrued charges and deferred income	66,639	5,683	23,472		786	-491	96,089
<b>IV. Liabilities held for sale</b>							<b>0</b>
<b>Total equity and liabilities</b>	<b>4,682,340</b>	<b>6,250,598</b>	<b>1,941,021</b>	<b>204,472</b>	<b>418,314</b>	<b>-27,732</b>	<b>13,469,013</b>



## Comments on the segment information - balance sheet

The balance sheet total of Ackermans & van Haaren increased further in 2017, reaching 13,469.0 million euros at year-end 2017, an increase by 594 million euros compared with year-end 2016. This increase is primarily accounted for by the 'Private Banking' segment (491.1 million euros). The successful commercial development of Bank J.Van Breda & C° was reflected in the balance sheet in an increase in loans and receivables (on the assets side) and in deposits received (liabilities). In general terms, it should be pointed out that the fully consolidated financial statements of Bank J.Van Breda & C°, which due to its specific (banking) activity has a significantly greater balance sheet total than the other activities of the Group as well as a different balance sheet structure, represent a considerable weight in AvH's consolidated financial statements. Of the consolidated balance sheet total of 13,469.0 million euros, Bank J.Van Breda & C° accounts for 5,424.6 million euros. Certain items from that balance sheet are summarized under separate items for distinction purposes.

In the 'Real Estate & Senior Care' segment, both Anima Care in Belgium and Residalya in France increased their capacity: Anima Care acquired six new residential care centres in 2017, Residalya two. This expansion is reflected in an increase in intangible assets, more particularly in the number of beds in operation and additional licences.

The tangible assets increased by 438.2 million euros to 2,572.9 million euros. In 2017, DEME invested as much as 441.6 million euros in the expansion, renewal and maintenance of its fleet. DEME's subsidiary GeoSea strengthened its presence in the offshore wind energy industry by acquiring the Danish company A2Sea, adding two comparatively new vessels to its fleet. Investments in the residential care centres of Anima Care and Residalya also led to an increase (net, after depreciation) in tangible assets. Following the sale by AvH of its stake in Nationale Maatschappij der Pijpleidingen, virtually the entire contribution of the 'Energy & Resources' segment to the consolidated balance sheet now consists of equity-accounted companies.

Of the investment property at year-end 2017, 885.1 million euros represents the real estate portfolio (excluding leases) of Leasinvest Real Estate, while the remainder consists of real estate assets (primarily the various buildings in operation on the Tour & Taxis site) of Extensa. In 2017, Extensa sold the Herman Teirlinck office building, also situated on the Tour & Taxis site, to an institutional investor.

The total of the equity accounted companies increased by 87.4 million euros to 1,240.7 million euros, and reflects the equity growth of those companies, along with the effect of additional investments (such as the increase of the stake in Sipef) or divestments by AvH.

The non-consolidated participations consist primarily of the stakes held by Green Offshore in the offshore wind companies Rentel and Otary, the participation of Leasinvest Real Estate in Retail Estates, and a few minor non-consolidated participations of AvH, such as Koffie Rombouts (8%) and Onco DNA (15%).

At Extensa, the land at Tour&Taxis for which no concrete projects have yet been started in 2017 was included under inventories. For the sake of comparability, this reclassification was also done for the 2016 figures of AvH (reclassification from 'construction contracts' to 'inventories' for an amount of 135 million euros).

The solid commercial growth of Bank J.Van Breda & C° is reflected in increased lending, primarily long-term loans. The current low interest income from low-risk investments explains why, compared with the previous year, Bank J.Van Breda & C° held more cash with the National Bank of Belgium rather than investing it in government bonds.

Besides a limited amount of real estate of Extensa and Anima Care, the assets held for sale at year-end 2017 consisted primarily of the participations in BDM-Asco and Transpalux, for which sales agreements were signed in 2017.

For an explanation of the changes in the consolidated equity of AvH, see Note 5 on page 23 of this report.

Despite substantial investments throughout the group companies of AvH, the (total short-term and long-term) financial debts decreased by 86.3 million euros compared with the situation at year-end 2016. The decrease is reported in particular in the 'Real Estate & Senior Care' segment at Extensa, where the disposal of the Herman Teirlinck office building on the Tour & Taxis site and of other developments in Belgium and Luxembourg outstripped the new investments. Since the retail bond of 100 million euros issued by CFE in 2012 is due to mature in 2018, this debt was reclassified to short-term debts. In 2017, Extensa secured financing in the market by issuing a bond of 75 million euros with a maturity of more than one year, while BPI, CFE's real estate development branch, issued medium-term bonds worth 30 million euros.

Of the other amounts payable, AvH in September 2017 paid the penultimate instalment of 28 million euros on the deferred payment in connection with the acquisition in 2016 of the 26% minority interest in Sofinim.

The growth of Bank J.Van Breda & C° can also be seen on the liabilities side of the balance sheet: the deposits received from clients and other credit institutions increased by 463.9 million euros in the short term, and decreased by 49.5 million euros for more than one year, which on balance amounts to an increase of 414.4 million euros.

## Segment information - consolidated balance sheet 2016 - Assets

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2016
<b>I. Non-current assets</b>	<b>2,456,874</b>	<b>4,050,951</b>	<b>1,598,499</b>	<b>174,483</b>	<b>248,792</b>	<b>-6,336</b>	<b>8,523,262</b>
Intangible assets	95,516	5,179	66,136		1		166,832
Goodwill	177,060	134,247	31,232				342,539
Tangible assets	1,697,794	40,054	359,876	9,231	27,683		2,134,639
Investment property			1,010,754				1,010,754
Participations accounted for using the equity method	159,540	633,263	15,933	165,113	179,450		1,153,300
Financial fixed assets	172,125	625	88,952		33,780	-6,336	289,146
Available for sale financial fixed assets	16,578	3	88,237		8,225		113,043
Receivables and warranties	155,547	622	715		25,554	-6,336	176,103
Non-current hedging instruments	510	1,481	1,584				3,576
Amounts receivable after one year	26,143	105,906	23,623		4,997		160,669
Trade receivables	1,884				2,346		4,230
Finance lease receivables		105,906	23,366				129,272
Other receivables	24,259		256		2,651		27,167
Deferred tax assets	128,184	2,624	409	138	2,881		134,236
Banks - receivables from credit institutions and clients after one year		3,127,572					3,127,572
<b>II. Current assets</b>	<b>2,013,435</b>	<b>1,708,521</b>	<b>375,617</b>	<b>32,522</b>	<b>155,094</b>	<b>-38,029</b>	<b>4,247,159</b>
Inventories	96,613		153,245		407		250,265
Amounts due from customers under construction contracts	56,019		54,012		2,042		112,074
Investments	3	582,069	317		39,019		621,408
Available for sale financial assets		582,069	317		39,019		621,405
Financial assets held for trading	3						3
Current hedging instruments	2,324	1,227					3,551
Amounts receivable within one year	1,174,961	71,569	98,247	26,416	71,848	-37,781	1,405,260
Trade debtors	1,105,991		34,373	4,781	22,583	-1,563	1,166,164
Finance lease receivables		47,303	547				47,850
Other receivables	68,970	24,266	63,327	21,635	49,265	-36,218	191,245
Current tax receivables	18,954		4,515	26	933		24,429
Banks - receivables from credit institutions and clients within one year		1,041,064					1,041,064
Banks - loans and advances to banks		74,156					74,156
Banks - loans and receivables (excl. finance leases)		931,915					931,915
Banks - cash balances with central banks		34,993					34,993
Cash and cash equivalents	639,458	5,857	63,191	6,046	39,762		754,315
Time deposits for less than three months	124,658	1	4,853		27,261		156,773
Cash	514,801	5,856	58,338	6,046	12,501		597,542
Deferred charges and accrued income	25,101	6,734	2,089	34	1,083	-248	34,793
<b>III. Assets held for sale</b>	<b>21,416</b>		<b>75,191</b>		<b>8,031</b>		<b>104,637</b>
<b>Total assets</b>	<b>4,491,724</b>	<b>5,759,472</b>	<b>2,049,307</b>	<b>207,005</b>	<b>411,917</b>	<b>-44,366</b>	<b>12,875,059</b>

## Segment information - consolidated balance sheet 2016 - Equity and liabilities

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2016
<b>I. Total equity</b>	<b>1,550,265</b>	<b>1,277,714</b>	<b>633,966</b>	<b>194,112</b>	<b>260,290</b>		<b>3,916,348</b>
Shareholders' equity - group share	947,977	1,036,961	354,349	186,609	257,186		2,783,083
Issued capital					113,907		113,907
Share capital					2,295		2,295
Share premium					111,612		111,612
Consolidated reserves	968,111	1,032,278	354,278	167,855	159,568		2,682,090
Revaluation reserves	-20,133	4,683	71	18,754	8,541		11,915
Financial assets available for sale		4,053	11,446	-9	15,656		31,145
Hedging reserves	-4,939	-337	-13,282		-77		-18,635
Actuarial gains (losses) defined benefit pension plans	-11,878	-49	-19	-664	1,041		-11,569
Translation differences	-3,317	1,016	1,926	19,427	-8,079		10,974
Treasury shares (-)					-24,830		-24,830
Minority interests	602,287	240,753	279,617	7,503	3,104		1,133,265
<b>II. Non-current liabilities</b>	<b>1,003,847</b>	<b>732,951</b>	<b>897,578</b>	<b>8,354</b>	<b>38,981</b>	<b>-6,336</b>	<b>2,675,375</b>
Provisions	91,968	3,588	6,297		4,135		105,989
Pension liabilities	51,544	3,404	606	407	60		56,021
Deferred tax liabilities	153,792	283	97,957	2,940	1,713		256,685
Financial debts	681,798		727,785	5,008	5,049	-6,336	1,413,303
Bank loans	315,577		572,227	5,008			892,811
Bonds	303,537		130,512				434,049
Subordinated loans	1,294		2,050				3,344
Finance leases	51,808		22,589		5,049		79,446
Other financial debts	9,583		407			-6,336	3,654
Non-current hedging instruments	18,988	14,148	51,215				84,352
Other amounts payable after one year	5,756	6,848	13,717		28,024		54,346
Banks - debts to credit institutions, clients & securities		704,680					704,680
Banks - deposits from credit institutions							0
Banks - deposits from clients		647,175					647,175
Banks - debt certificates including bonds							0
Banks - subordinated liabilities		57,505					57,505
<b>III. Current liabilities</b>	<b>1,931,608</b>	<b>3,748,807</b>	<b>517,763</b>	<b>4,538</b>	<b>112,645</b>	<b>-38,029</b>	<b>6,277,332</b>
Provisions	37,758	34	74				37,865
Pension liabilities		206	8				214
Financial debts	170,021		370,673	1,440	54,715	-36,218	560,632
Bank loans	107,246		190,924	1,440			299,610
Bonds							0
Finance leases	48,122		2,583		1,498		52,202
Other financial debts	14,653		177,166		53,218	-36,218	208,819
Current hedging instruments	23,515	1,632					25,147
Amounts due to customers under construction contracts	218,377				4,439		222,816
Other amounts payable within one year	1,393,472	13,511	112,534	2,839	52,578	-1,563	1,573,372
Trade payables	1,200,026	4	57,964	1,568	12,311	-1,563	1,270,310
Advances received			2,638	1,176			3,814
Amounts payable regarding remuneration and social security	149,279	7,947	17,378	95	9,165		183,864
Other amounts payable	44,168	5,560	34,554		31,102		115,384
Current tax payables	32,885	1,070	17,509	156	369		51,989
Banks - debts to credit institutions, clients & securities		3,727,271					3,727,271
Banks - deposits from credit institutions		24,422					24,422
Banks - deposits from clients		3,532,914					3,532,914
Banks - debt certificates including bonds		161,693					161,693
Banks - subordinated liabilities		8,242					8,242
Accrued charges and deferred income	55,579	5,083	16,966	103	544	-248	78,027
<b>IV. Liabilities held for sale</b>	<b>6,004</b>						<b>6,004</b>
<b>Total equity and liabilities</b>	<b>4,491,724</b>	<b>5,759,472</b>	<b>2,049,307</b>	<b>207,005</b>	<b>411,917</b>	<b>-44,366</b>	<b>12,875,059</b>

## Segment information - consolidated cash flow statement 2017

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	2017
<b>I. Cash and cash equivalents - opening balance</b>	<b>639,458</b>	<b>5,857</b>	<b>63,191</b>	<b>6,046</b>	<b>39,762</b>		<b>754,315</b>
Profit (loss) from operating activities	250,570	56,054	108,605	3,562	7,403	-201	425,993
Reclassification 'Profit (loss) on disposal of assets' to cash flow from divestments	-47,657	-1,484	2,758	-355	-37,103		-83,841
Dividends from participations accounted for using the equity method	7,863	46,594		375	7,561		62,392
Other non-operating income (expenses)	1,231	1,154					2,385
Income taxes	-35,180	-19,526	8,689	-1,035	-83		-47,135
<b>Non-cash adjustments</b>							
Depreciation	240,747	5,248	18,644	1,920	2,755		269,315
Impairment losses	-9,734	1,751	2,463		18,400		12,881
<b>Share based payment</b>		1,057	57		801		1,915
<b>Profit (loss) on assets/liabilities designated at fair value through profit and loss</b>			-31,960				-31,960
(Decrease) increase of provisions	9,641	1,615	-87		57		11,226
(Decrease) increase of deferred taxes	-5,112	3,281	-13,882	10	-379		-16,082
Other non-cash expenses (income)	-938	5,220	3	2	-101		4,186
<b>Cash flow</b>	<b>411,431</b>	<b>100,964</b>	<b>95,291</b>	<b>4,480</b>	<b>-689</b>	<b>-201</b>	<b>611,275</b>
<b>Decrease (increase) of working capital</b>	<b>152,296</b>	<b>-179,168</b>	<b>-6,217</b>	<b>22,657</b>	<b>-31,097</b>	<b>-21,163</b>	<b>-62,693</b>
Decrease (increase) of inventories and construction contracts	-34,321		1,790		805		-31,726
Decrease (increase) of amounts receivable	158,341	-45,296	-17,233	22,645	1,114	-25,611	93,961
Decrease (increase) of receivables from credit institutions and clients (banks)		-553,818	281				-553,537
Increase (decrease) of liabilities (other than financial debts)	29,543	3,260	5,071	-294	-32,407	4,448	9,621
Increase (decrease) of debts to credit institutions, clients & securities (banks)		419,257					419,257
Decrease (increase) other	-1,267	-2,571	3,874	305	-610		-268
<b>Cash flow from operating activities</b>	<b>563,727</b>	<b>-78,203</b>	<b>89,074</b>	<b>27,137</b>	<b>-31,787</b>	<b>-21,364</b>	<b>548,583</b>
<b>Investments</b>	<b>-687,533</b>	<b>-219,797</b>	<b>-204,727</b>	<b>-44,261</b>	<b>-8,779</b>		<b>-1,165,097</b>
Acquisition of intangible and tangible assets	-459,968	-4,531	-21,596	-3,837	-1,909		-491,841
Acquisition of investment property			-126,121				-126,121
Acquisition of financial fixed assets	-205,814		-51,286	-40,425	-6,488		-304,012
New amounts receivable	-21,751	-195	-5,724		-150		-27,820
Acquisition of investments		-215,071			-231		-215,302
<b>Divestments</b>	<b>92,430</b>	<b>357,989</b>	<b>213,067</b>	<b>10,578</b>	<b>50,039</b>		<b>724,102</b>
Disposal of intangible and tangible assets	19,402	6	1,001	3	47		20,459
Disposal of investment property	1,500		112,002				113,502
Disposal of financial fixed assets	58,528	4	97,574	10,574	48,308		214,987
Reimbursements of amounts receivable	13,001		95		248		13,344
Disposal of investments		357,979	2,395		1,435		361,809
<b>Cash flow from investing activities</b>	<b>-595,103</b>	<b>138,192</b>	<b>8,340</b>	<b>-33,683</b>	<b>41,260</b>		<b>-440,994</b>
<b>Financial operations</b>							
Interest received	7,878	13	2,681	9	1,000	-762	10,820
Interest paid	-30,330		-18,044	-88	-446	963	-47,945
Other financial income (costs)	-13,354		-10,140	4	-1,029		-24,519
Decrease (increase) of treasury shares					-6,993		-6,993
(Decrease) increase of financial debts	32,413		-54,150	-1,440	-7,730	21,163	-9,743
Distribution of profits					-67,638		-67,638
Dividends paid intra group	-43,932	-48,825	-166,544	-13,678	272,979		0
Dividends paid to minority interests	-21,554	-13,253	-17,073	-4,559	-109		-56,548
<b>Cash flow from financial activities</b>	<b>-68,879</b>	<b>-62,066</b>	<b>-263,269</b>	<b>-19,752</b>	<b>190,035</b>	<b>21,364</b>	<b>-202,566</b>
<b>II. Net increase (decrease) in cash and cash equivalents</b>	<b>-100,255</b>	<b>-2,078</b>	<b>-165,855</b>	<b>-26,299</b>	<b>199,508</b>		<b>-94,978</b>
Transfer between segments	-11,334		151,218	40,425	-180,309		0
Change in consolidation scope or method	-234	-18	-1,894	-19,744			-21,890
Capital increases (minorities)			150				150
Impact of exchange rate changes on cash and cash equivalents	-2,642		2,120	-25	-22		-570
<b>III. Cash and cash equivalents - ending balance</b>	<b>524,994</b>	<b>3,762</b>	<b>48,930</b>	<b>402</b>	<b>58,939</b>		<b>637,027</b>

## Comments on the segment information - consolidated cash flow statement

The higher profit from operating activities (+ 56.7 million euros) which AvH realized on a consolidated basis compared with 2016 constitutes the basis for a higher cash flow (+ 24.4 million euros). We refer to page 26 for the factors that explain the evolution of the profit from operating activities.

The fact that, compared with last year, the increase in cash flow turned out lower than the increase in operating profit is partly explained by the fact that in 2017 a substantial part of the operating profit (37.1 million euros) in the "AvH & Growth Capital" segment was generated by the sale of its participations (Nationale Maatschappij der Pijpleidingen, Ogeda) and was therefore reclassified to cash flow from investing activities. In "Marine Engineering & Contracting", too, the increased operating profit, more so than in 2016, is explained by capital gains realized on the sale of participations, more particularly those in the companies that developed the real estate of the Kons project in Luxembourg and the Oosteroever project in Ostend.

The adjustment for depreciation amounted to 269.3 million euros, which is more than in 2016 (262.9 million euros, in line with the additional investments in tangible assets at DEME, Anima Care and HPA).

Impairment losses, which have an impact on the results but are neutral with regard to cash flow, remained on balance limited to 12.9 million euros in 2017 (2016: 30.2 million euros). In 2016, AvH recorded substantial losses on its participations in Groupe Flo and CKT Offshore, which were both transferred to 'Assets held for sale'. The exit in H1 2017 from Groupe Flo led to an additional impairment of 6.7 million euros. In H2 2017, impairments were recognized on the participations in Oriental Quarries & Mines and Transpalux (both transferred to 'Assets held for sale' in 2017), along with an impairment on goodwill and on a receivable for a total amount of 11.7 million euros. The collection of two old receivables by CFE, on which impairments had been recognized in previous years, led to an opposite adjustment.

As in 2016, the profit (32.0 million euros) on assets/liabilities designated at fair value is to be found entirely in the "Real Estate & Senior Care" segment (Leasinvest Real Estate and, to a lesser degree, Extensa).

The lower corporate income tax rates that were adopted in 2017 in Belgium and France contributed to a decrease in deferred taxes.

The (non-cash) evolution of provisions contains a reversal of 2 million euros worth of provisions for contingent liabilities which AvH had identified in 2013 on the acquisition of control over CFE.

Despite a 24.4 million euro increase in cash flow, the cash flow from operating activities over 2017 turned out lower than in the previous year. This is entirely due to an increase in working capital by 62.7 million euros in 2017, as opposed to a decrease by 71.3 million euros in 2016. The main reason for this is to be found in increased lending by Bank J. Van Breda & C°, which in 2017 exceeded the growth of deposits (and debt certificates).

The high level of investment in 2017 fell but slightly short of that in 2016. Nevertheless, a strong increase in investments is reported at "Marine Engineering & Contracting", where investments in the expansion and renewal of the fleet, as well as the acquisition of A2Sea, boosted the level of investments for the year to an all-time high.

Bank J. Van Breda & C° disposed of more portfolio investments in 2017 than it acquired. In the low interest environment of 2017, and in line with its conservative ALM policy, the bank opted to deposit more funds with the National Bank rather than investing them in low-interest securities.

AvH acquired additional Sipef shares in 2017 and subscribed to the public capital increase. At year-end 2017, Ackermans & van Haaren owned 30.25% of the shares of Sipef.

Divestments (724.1 million euros) increased with 22.5 million euros compared to 2016 (701.6 million euros). The breakdown of that figure although is very different: in 2017, only 358.0 million euros worth of investments was disposed of as part of the ALM policy of Bank J. Van Breda & C° (see above).

The divestments in the other segments, however, were far higher than in 2016: the most noteworthy divestments were the sale of a number of assets by Leasinvest Real Estate (logistics properties, Switzerland), the sale by Extensa of the company owning the office building Herman Teirlinck on the Tour & Taxis site, and the sale by CFE of companies developing real estate projects. As was already mentioned earlier, the 48.3 million euros worth of divestments in 'AvH and Growth Capital' relate primarily to the sale of the interests in Nationale Maatschappij der Pijpleidingen and Ogeda.

The cash flow from financial activities amounted to 58.7 million euros less than in 2016. Nevertheless, the interest paid decreased by approximately 9.5 million euros. Despite the substantial investments, the financial debts decreased slightly. In 2016, 53.3 million euros additional financial debts were recognised.

The main transfers between segments in 2017 were the acquisition by AvH of the 30% stake in Leasinvest Real Estate (previously held by Extensa), the acquisition of a larger stake in Sipef (by AvH) and the sale of AA Van Laere to CFE. The impact of changes in consolidation scope relates to cash and cash equivalents of companies that were sold, in particular NMP and an affiliate of NMP.

## Segment information - consolidated cash flow statement 2016

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	2016
<b>I. Cash and cash equivalents - opening balance</b>	<b>519,386</b>	<b>7,292</b>	<b>58,691</b>	<b>4,984</b>	<b>114,633</b>		<b>704,987</b>
Profit (loss) from operating activities	243,202	54,011	106,685	-79	-34,378	-104	369,337
Reclassification 'Profit (loss) on disposal of assets' to cash flow from divestments	-20,309	-835	-3,877	-102	21		-25,102
Dividends from participations accounted for using the equity method	15,205	45,477		409	4,518		65,608
Other non-operating income (expenses)		1,429	356				1,785
Income taxes	-40,629	-18,479	-4,631	-645	-789		-65,173
<b>Non-cash adjustments</b>							
Depreciation	235,293	5,586	17,456	1,911	2,664		262,910
Impairment losses	-244	902	4,364	3,090	22,059		30,171
Share based payment	-20	-2,567	186		784		-1,618
Profit (loss) on assets/liabilities designated at fair value through profit and loss	-22		-40,565				-40,587
(Decrease) increase of provisions	-5,838	2,955	269		3,957		1,342
(Decrease) increase of deferred taxes	-15,862	3,932	-1,080	-78	-58		-13,146
Other non-cash expenses (income)	-1,518	3,631	-139	16	-598		1,391
<b>Cash flow</b>	<b>409,256</b>	<b>96,041</b>	<b>79,025</b>	<b>4,521</b>	<b>-1,821</b>	<b>-104</b>	<b>586,920</b>
<b>Decrease (increase) of working capital</b>	<b>29,221</b>	<b>-34,342</b>	<b>39,265</b>	<b>3,346</b>	<b>39,332</b>	<b>-5,531</b>	<b>71,291</b>
Decrease (increase) of inventories and construction contracts	79,790		31,103		5,101		115,994
Decrease (increase) of amounts receivable	11,503	-21,115	-18,105	3,447	-21,111	8,154	-37,227
Decrease (increase) of receivables from credit institutions and clients (banks)		-265,930					-265,930
Increase (decrease) of liabilities (other than financial debts)	-57,528	-996	23,446	-61	55,862	-13,685	7,038
Increase (decrease) of debts to credit institutions, clients & securities (banks)		261,979					261,979
Decrease (increase) other	-4,544	-8,280	2,822	-40	-521		-10,563
<b>Cash flow from operating activities</b>	<b>438,477</b>	<b>61,699</b>	<b>118,290</b>	<b>7,867</b>	<b>37,511</b>	<b>-5,634</b>	<b>658,211</b>
<b>Investments</b>	<b>-299,596</b>	<b>-537,371</b>	<b>-206,388</b>	<b>-4,858</b>	<b>-119,875</b>		<b>-1,168,089</b>
Acquisition of intangible and tangible assets	-192,042	-5,313	-16,992	-268	-2,522		-217,138
Acquisition of investment property			-114,766				-114,766
Acquisition of financial fixed assets	-31,196		-72,618	-4,590	-114,158		-222,562
New amounts receivable	-76,358	-262	-2,012		-3,062		-81,695
Acquisition of investments		-531,796			-133		-531,929
<b>Divestments</b>	<b>74,707</b>	<b>536,288</b>	<b>82,040</b>	<b>102</b>	<b>8,465</b>		<b>701,601</b>
Disposal of intangible and tangible assets	8,604		509	102	59		9,275
Disposal of investment property	1,291		64,855				66,146
Disposal of financial fixed assets	33,551		14,875		3,137		51,563
Reimbursements of amounts receivable	31,260		767		3,500		35,527
Disposal of investments		536,288	1,033		1,769		539,090
<b>Cash flow from investing activities</b>	<b>-224,890</b>	<b>-1,083</b>	<b>-124,349</b>	<b>-4,756</b>	<b>-111,410</b>		<b>-466,488</b>
<b>Financial operations</b>							
Interest received	7,999	14	2,801	20	496	-187	11,142
Interest paid	-40,610		-16,487	-111	-503	291	-57,421
Other financial income (costs)	-12,101		-7,049	-13	-1,203		-20,366
Decrease (increase) of treasury shares					-801		-801
(Decrease) increase of financial debts	12,626		43,418	-1,444	-6,852	5,531	53,279
Distribution of profits					-64,980		-64,980
Dividends paid intra group	-37,295	-48,825	-175	-1,055	87,350		0
Dividends paid to minority interests	-24,060	-13,240	-16,293	-352	-10,773		-64,717
<b>Cash flow from financial activities</b>	<b>-93,441</b>	<b>-62,051</b>	<b>6,215</b>	<b>-2,954</b>	<b>2,734</b>	<b>5,634</b>	<b>-143,863</b>
<b>II. Net increase (decrease) in cash and cash equivalents</b>	<b>120,146</b>	<b>-1,435</b>	<b>156</b>	<b>157</b>	<b>-71,165</b>		<b>47,859</b>
Transfer between segments	456		2,335	922	-3,713		0
Change in consolidation scope or method			1,814				1,814
Capital increases (minorities)	88		188				275
Impact of exchange rate changes on cash and cash equivalents	-618		8	-18	7		-620
<b>III. Cash and cash equivalents - ending balance</b>	<b>639,458</b>	<b>5,857</b>	<b>63,191</b>	<b>6,046</b>	<b>39,762</b>		<b>754,315</b>

## 7. Notes to the financial statements

### 7.1. Business combinations

At the end of August, GeoSea (wholly-owned subsidiary of DEME) successfully closed the acquisition of A2SEA, a leading player in the installation of offshore wind turbines. With A2SEA, a team of 160 highly qualified staff have come to join the ranks of DEME, and two high-tech installation vessels, the Sea Installer and the Sea Challenger (built in 2012 and 2014) have been added to the fleet. The transaction represents a net investment of 167 million euros.

At the beginning of November, GeoSea also acquired 72.5% of G-tec, a Belgian firm specializing in offshore geotechnical and geological investigation, and in deep-sea engineering services. The transaction represents an investment of 5.6 million euros.

Since for both these acquisitions the fair value measurement of the assets/liabilities (such as the two vessels of A2Sea) is not yet final, the purchase price allocation is provisional.

In December, CFE acquired José Coghe-Werbrouck, a company specializing in railway works, for the sum of 7.7 million euros. After allocation of the

acquisition price to tangible assets (specialized equipment), the goodwill amounts to 2.4 million euros.

The business combinations in the Senior Care segment totalling 32.8 million euros net are attributable to Anima Care and HPA.

Spread over 2017, Anima Care realized the acquisition of six residential care centres: 'La Roseraie' (72 beds) and 'Edelweiss' (67 beds) in Anderlecht, 'Arcade' (57 beds), 'Eden' (38 beds) and 'Neerveld' (100 beds) in Sint-Lambrechts-Woluwe, and 'Atrium' (47 beds) in Kraainem.

HPA finalized two acquisitions at the beginning of 2017: the residences 'Pyla sur Mer' (60 beds, to be extended to 83 beds) and 'Villa Thalia' (95 beds). In both cases, the operation as well as the real estate were acquired.

After allocation of the acquisition price to intangible and tangible assets, the goodwill amounts to 4.5 million euros.

Business combinations (€ 1,000)	A2SEA	GTEC & Coghe	Senior Care	2017
Non current assets	166,073	25,202	33,522	224,797
Current assets	51,958	11,999	8,277	72,234
<b>Total assets</b>	<b>218,031</b>	<b>37,201</b>	<b>41,798</b>	<b>297,030</b>
Equity - group share	204,698	3,500	30,959	239,157
Minorities		-699	0	-699
Non current liabilities		15,660	2,465	18,125
Current liabilities	13,333	18,740	8,374	40,448
<b>Total equity &amp; liabilities</b>	<b>218,031</b>	<b>37,201</b>	<b>41,798</b>	<b>297,030</b>
Non current assets	218,031	37,201	41,798	297,030
Current assets	<b>-13,333</b>	<b>-34,400</b>	<b>-10,839</b>	<b>-58,572</b>
<b>Net assets (100%)</b>	204,698	2,801	30,959	238,458
Non-acquired minorities	0	699	0	699
<b>Net assets (group share)</b>	204,698	3,500	30,959	239,157
Goodwill post allocation		9,760	4,510	14,270
<b>Purchase price</b>	<b>204,698</b>	<b>13,260</b>	<b>35,469</b>	<b>253,427</b>
Cash from the acquired companies	-37,891	-3,639	-2,678	-44,209
Cash flow statement	<b>166,807</b>	<b>9,621</b>	<b>32,791</b>	<b>209,218</b>

### 7.2. Seasonality or cyclicity of operations

Ackermans & van Haaren is active in several segments, each (more or less) cyclically sensitive : dredging & infrastructure, oil & energy markets (DEME, Rent-A-Port), construction (CFE, Van Laere), evolution on the financial markets and interest rates (Delen Private Bank, JM Finn & Co and Bank J.Van Breda & C°), real estate and interest rates evolution (Extensa & Leasinvest Real Estate) and the evolution of commodity prices (Sipef, Sagar Cements). The segments in which the Growth Capital participations are active, are also confronted with seasonal or cyclical activities. Distriplus in particular is affected by consumer confidence.



## 7.3. Earnings per share

	2017	2016
<b>I. Continued and discontinued operations</b>		
Net consolidated profit, share of the group (€ 1,000)	302,530	224,237
Weighted average number of shares (1)	33,138,637	33,140,199
Basic earnings per share (€)	<b>9.13</b>	<b>6.77</b>
Net consolidated profit, share of the group (€ 1,000)	302,530	224,237
Weighted average number of shares (1)	33,138,637	33,140,199
Impact stock options	125,089	110,619
Adjusted weighted average number of shares	33,263,725	33,250,818
Diluted earnings per share (€)	<b>9.09</b>	<b>6.74</b>
<b>II. Continued activities</b>		
Net consolidated profit from continued activities, share of the group (€ 1,000)	302,530	224,237
Weighted average number of shares (1)	33,138,637	33,140,199
Basic earnings per share (€)	<b>9.13</b>	<b>6.77</b>
Net consolidated profit from continued activities, share of the group (€ 1,000)	302,530	224,237
Weighted average number of shares (1)	33,138,637	33,140,199
Impact stock options	125,089	110,619
Adjusted weighted average number of shares	33,263,725	33,250,818
Diluted earnings per share (€)	<b>9.09</b>	<b>6.74</b>

<sup>(1)</sup> Based on number of shares issued, adjusted for treasury shares in portfolio.

## 7.4. Number of treasury shares

In 2017, AvH bought 71,000 treasury shares to hedge the stock option obligations to its staff. During that same period, beneficiaries of the stock option plan exercised options on 66,000 AvH shares. As at 31 December 2017, AvH had granted options on a total of 311,000 AvH shares. To hedge that obligation, AvH had a total 357,000 treasury shares in portfolio on that same date.

In addition, 120,338 shares were purchased and 117,359 shares sold in 2017 as part of the agreement that AvH has concluded with Kepler Cheuvreux to support the liquidity of the AvH share. Kepler Cheuvreux acts entirely autonomously in those transactions, but as they are carried out on behalf of AvH, the net purchase of 2,979 AvH shares in this context has an impact on AvH's equity. This net purchase of 2,979 shares during 2017 puts the total number of shares held by AvH as part of this liquidity agreement at 5,257.

	2017	2016
Treasury shares as part of the stock option plan		
Opening balance	<b>352,000</b>	<b>357,000</b>
Acquisition of treasury shares	71,000	15,000
Disposal of treasury shares	-66,000	-20,000
<b>Ending balance</b>	<b>357,000</b>	<b>352,000</b>
Treasury shares as part of the stock option plan		
<b>Opening balance</b>	<b>2,278</b>	<b>2,132</b>
Acquisition of treasury shares	120,338	341,058
Disposal of treasury shares	-117,359	-340,912
<b>Ending balance</b>	<b>5,257</b>	<b>2,278</b>

## 7.5. Impairments

On April 25, 2017, AvH announced that an agreement was reached on the disposal of its participation (through GIB - AvH share 50%) in Financière Flo, the principal shareholder of the French listed restaurant group Groupe Flo. That agreement was implemented on June 16, 2017 after the approval of all the parties involved was obtained. The agreement also provided for the conversion of part of the financing granted by GIB in previous years into a new debenture loan to Groupe Flo, which at 30/6/2017 was valued at 1.65 million euros in the financial statements of AvH. The exposure to Financière Flo (Groupe Flo) resulted in an impairment loss of K€ 6,730 in the financial statements at 30/6/2017.

Bank J. Van Breda & C° follows strict procedures to recognize impairments on outstanding receivables. The total cost of loan losses increased in relation to last year to 1.7 million euros, which is still very low.

Since CFE received payments in 1H2017 on receivables on which impairments were recognized in previous periods, a net amount of 9.7 million euros could be reversed on impairment losses that had been recognized in previous periods.

CFE's exposure to the risk of non-payment of receivables from the Chadian government remained unchanged in 2017. Those receivables originated from the construction by CFE in previous years of the Grand Hotel and a building for the Ministry of Finance. The operational management and maintenance of the Grand Hotel were transferred in June 2017 to the hotel operator appointed by the Chadian government.

There has been some progress in the tripartite negotiations between CFE, the Chadian government and the African import/export bank Afreximbank to refinance the outstanding receivables relating to the Grand Hotel, without however a final agreement having been reached. The deterioration of the socio-economic situation in Chad is not conducive to a quick resolution.

## 7.6. Contingent liabilities or contingent assets

In 2017, AvH reversed 2 million euros of the contingent liabilities recognized in previous periods in connection with its stake in CFE, since the risks were reported in CFE's own financial statements. Consequently, there remains a provision of 44.3 million euros (AvH share 26.8 million euros) for such contingent liabilities.

## 8. Main risks and uncertainties

For a description of the main risks and uncertainties, please refer to our annual report for the financial year ended 31/12/2016. The composition of Ackermans & van Haaren's portfolio changed only slightly during the year; accordingly, the risks and the spread of those risks have not changed fundamentally in relation to the situation at the end of the previous year.

Several group companies of AvH (such as DEME, CFE, Rent-A-Port, Sipef, Telemond, Manuchar, Turbo's Hoet Groep, Agidens, Atenor,...) are also internationally active and are therefore exposed to related political and credit risks. In this context, reference is also made to section 7.5 Impairments with regard to CFE's exposure to the risk of non-payment in Chad.

When disposing of participating interests and/or activities, AvH and its subsidiaries are regularly required to provide certain warranties and representations. These may give rise to claims - legitimate or otherwise - from buyers for compensation on that basis. AvH received no such claims in 2017, and an old case involving a sale in 2015 was settled for a sum that was lower than the provision that was constituted in 2016, and considerably lower than the claim that was filed.

In May 2017, DEME reached an agreement with the Swiss authorities to end a legal procedure over a case more than 10 years ago where two subsidiaries of DEME were reproached for having insufficiently effective internal control systems. In addition to the action that had already been taken in that regard, DEME tightened its compliance programmes to help prevent such risks.

AvH did not acquire any new major participations in 2017. It increased its stakes in Sipef and HPA, among others, while several subsidiaries such as DEME, Leasinvest Real Estate, Anima Care, HPA and Sipef invested in the further development of their activities. AvH believes that those investments do not fundamentally alter the risk profile; they are follow-up investments in or by companies in which the Group has been a shareholder for some time now.

AvH actively participates in audit & risk committees in its participations.

Several group companies of AvH (such as DEME, CFE, Agidens,...) are actively involved in the execution of projects. This always entails a certain operational risk, but also means that certain estimates of profitability at the end of such a project need to be made. This is inherent in such activity, as is the risk of disagreements with customers over divergent costs or changes in execution and the collection of these receivables.

In December 2017, AvH sold its stake in AA Van Laere to CFE. Since CFE (AvH 60.4%) is fully consolidated, the activities of AA Van Laere continue to form part of the AvH Group. Following the transaction, however, they are now directed and monitored by CFE, both in operational and financial terms.

In the current market context, AvH is focusing more than ever on its role as proactive shareholder in the companies in which it has a stake. By participating in risk committees, audit committees, technical committees etc. at DEME, CFE, Van Laere and Rent-A-Port, AvH specifically monitors the risks in its contracting division from a very early stage.

As regards the risk of value adjustments on assets, reference is made to section 7.5 Impairments.

## 9. Events after balance sheet date

Not applicable.

# Lexicon

- **Cost-income ratio:** The relative cost efficiency (cost versus income) of the banking activities.
- **Core Tier1 capital ratio:** A capital ratio of the liquidity buffers held by banks to offset any losses, seen from the regulator's perspective. The equity of a bank consists of share capital and undistributed profits. This equity is necessary to offset losses on loans.
- **EBIT:** Earnings before interest and taxes.
- **EBITDA:** EBIT plus depreciation and amortisation on fixed assets.
- **EBITDAR:** EBITDA plus rent cost.
- **EPRA profit:** Net result excluding the portfolio result and variations in the fair value of the non-effective interest rate hedges, previously net current result. Only used in the sector of regulated real estate companies.
- **Net financial position:** Cash & cash equivalents and investments minus short and long term financial debt.
- **REBITDA** (Recurring Earnings Before Interest Taxes Depreciation and Amortisation): Profit earned on the active (recurring) items.
- **Rental yield based on fair value:** Rental yield is only calculated on buildings in operation, excluding the projects and the assets held for sale.
- **Return on equity (ROE):** The relative profitability of the group, more particularly the amount of net income returned as a percentage of shareholders' equity.
- **Economic turnover DEME :** Following the introduction of the new accounting standards IFRS10/IFRS11, group companies jointly controlled by DEME are accounted for using the equity method with effect from January 1, 2015. In this configuration, the group companies that are jointly controlled by DEME are still proportionally integrated. Although this is not in accordance with the new IFRS10 and IFRS11 accounting standards, it nevertheless gives a more complete picture of the operations and assets/liabilities of those companies.