



PRESS RELEASE

ABO-Group announces half-year figures

23 September 2014 – 8 p.m. – Regulatory Information

- **Strong 7.5 % autonomous turnover growth**
8.6 % total operating income growth
- **45 % EBITDA growth and 20 % operating profit growth, despite integration and reverse takeover costs**
- **Ambitious growth and investment plan for future years**
- **Financial support of growth plan by main shareholder Frank De Palmaer through a unique capital increase transaction**

ABO-Group is an aggregate of integrated engineering and testing companies operating in soil, environment, geotechnics, energy, groundwater management and waste and has grown into an international player over the years. Since March 2014, the consultancy has been listed on Euronext Brussels following a reverse takeover of stock-exchange listed Thenergo NV when the name changed to ABO-Group.

2014 half-year figures ABO-Group

Strong 7.5 % autonomous turnover growth
8.6 % total operating income growth

In spite of a difficult macro-economic context, in which the budgets of such customers as those in the building sector and government continue to be under pressure, ABO-Group succeeded in reporting strong turnover figures in the first six months of 2014. The growth was taken primarily by France (+15 %).

In € 000	H1 2013	H1 2014	Growth
France	6,816	7,869	15,4%
Belgium	6,108	6,139	0,5%
Belgium – Consulting	5,624	5,253	-6,6%
Belgium - M&T	429	658	53,4%
Belgium – Others	55	228	314,5%
Netherlands	625	555	-11,2%
Total turnover	13,549	14,563	7,5%



France

ABO-ERG, the French division of ABO-Group, is known as one of the top performing French companies in its specialities of geotechnics and the environment, which allows it ample access to major national French projects in energy transport, transport routes, industrial projects, nuclear power stations, polluted sites and more.

Despite France's negative economic situation, in the first half year of 2014, ABO-ERG saw a significant 15 % turnover growth. The expansion of the Rijsel and Lyons offices met with great success. In the meantime, geotechnical engineering in France has adapted to the new standards, so that ABO-ERG is able to grow in the most complex of geotechnical assignments.

As regards its environmental department, despite a very difficult market, ABO-ERG has been able to retain its position mainly thanks to new important framework contracts. Attaining MASE certification within the area of polluted sites and soil has attracted new industrial customers. Recent developments in regulations are creating a rise in activities. However, the exact date when this new legislation is to come into force is not yet known.

ABO-ERG is pursuing its investment plan in high quality plant and equipment, with integration of new safety standards. In this way, ABO-ERG hopes to preserve its reputation in quality and safety of paramount importance. ABO-ERG continues to diversify into related activities, such as water and sediment studies. This enables the division to advance its growth and development within its areas of expertise in France.

Consulting Belgium

In the first six months, Consulting Belgium, operating under the brand names ABO and Ecorem, was confronted with fewer orders from government and large private customers alike. This was mainly caused by delay at local political levels and principals' adequate funding not becoming available in time. For instance, several large contract works for which ABO has submitted the most advantageous tender were ultimately not awarded because of the procedure being stopped. In addition, some government subsidised projects were put on hold because of inadequate funding. Lastly, within a number of specific framework contracts, fewer services were actually taken up than contractually provided for. For these reasons, Consulting Belgium posted a 6.6 % fall in turnover compared to the first half of 2013. However, the expectation for the second half is positive, so that the fall in turnover will be partly eliminated in the first six months. In addition to the historical principal activity of environmental decontamination, more consultancy and engineering services are being provided increasingly. New studies are presenting themselves within such climate-related themes as energy efficiency, energy buffering, renewable sources and waste management. These studies are not only being performed in the European markets, but also in the international market, especially in the Asian growth markets.

Sustainability in the built environment is creating new opportunities for ABO, which now also offers project developers consultancy at the BREEAM level and linked products.



Monitoring & Testing Belgium

Under the brand name Geosonda, ABO-Group profiles itself both in geotechnical activities/CPT, and in environmental drilling and sampling. The reported rise in turnover is a direct consequence of the fact that more external customers are calling on Geosonda's services, in line with the chosen strategy.

The rise in turnover of the soil mechanics studies comes primarily from the wind energy sector. Within the framework of the construction of windmills, the division works for most of the major players in the Belgian market. Investing in equipment and training the employees are increasing the speed at which new techniques are applied. Conducting specific soil permeability tests on site can mean a big saving on the dimensioning of foundations.

Geosonda is one of the first fieldwork/research firms in Belgium to provide applied asbestos studies in accordance with the new regulations. Detecting explosive substances also represents a new niche for Geosonda to focus on. External demand for this is rising in response to problems surrounding safety. Lastly, archaeological drilling studies is the third diversification pillar to which Monitoring & Testing is dedicated.

The Netherlands

The market is still difficult in the Netherlands. The ABO companies provide resistance through ongoing cost control to ensure a cash breakeven situation. Despite this tough market, we are actively looking to strengthen our market position.

45 % EBITDA growth and 20 % growth in operating profit growth, despite integration and reverse takeover costs

The good turnover figures also translate into a strong rise in both EBITDA (*Earnings Before Interest and Taxes, Depreciation and Amortisation*) and operating result.

In € 000	H1 2013	H1 2014	Growth	Per share
Total operating income	13,731	14,913	8.6%	
EBITDA	708	1,027	45.1%	0.10
Depreciation	590	711	20.5%	
Operational profit	165	197	19.4%	0.02
Net profit	-17	5		

The figures above include costs incurred for:

- The unique reverse takeover of Thenergo NV, which gave ABO-Group a stock exchange listing for the least possible cost. The cost amounted to € 250 K in consultancy costs, IFRS adjustment, and costs for convening an extraordinary general meeting. However, successful implementation of IFRS does take ABO-Group to another level, so that contracts of IFI's (International Financial Institutions) can be won more easily and more quickly.



- A substantial structural and organisational adaptation of internal functioning:
 - o accelerated integration of consultancy firms ABO and Ecorem
 - o consolidating all IT processes
 - o implementing corporate adaptations directly related to the market flotation.
 - o commissioning/centralising a new warehouse in Aartselaar.

The full set of figures (consolidated profit and loss account, consolidated balance sheet and cash flow summary) is attached as appendix.

Ambitious investment and growth plan

ABO-Group has an ambitious investment and growth plan with two primary objectives. ABO-Group plans to continue expanding its environmental and energy consultancy, engineering and testing activities by opening up new growth markets in such regions as Central and South East Asia, Africa and the former Eastern bloc countries. In this way, the group wants to position itself as European player with international ambitions. On the other hand, the group wishes to continue building on its existing expertise in Consultancy and Engineering with a view to exporting service provision both inside and outside Europe.

In order to achieve these objectives, ABO-Group will focus on internal organic growth by recruiting additional experienced specialists for international projects. In addition, the group plans to develop its acquisition strategy in the home markets of Belgium, the Netherlands and France.

Participation in Translab NV

Within the framework of this investment and growth plan, ABO-Group is taking a participation in Translab NV, an air and asbestos laboratory based in Zele. With this participation, ABO-Group is broadening its palette of activities and the group is able to call on Translab NV for asbestos air measurements and analyses. In view of the statutory obligations on asbestos inventories for buildings (Royal Decree 2006), an employer is obliged to be able to present an asbestos safety certificate for buildings in compliance with the General Health and Safety Regulations (ARAB). When demolishing buildings too, it is obligatory to have a demolition inventory in compliance with the Flemish public waste regulations (OVAM). Translab NV has experience in both these fields.

Financial support for the growth plan by main shareholder Frank De Palmenaer through unique capital increase transaction

ABO-Group acknowledges the plan and commitment of main shareholder Frank De Palmenaer, on the one hand, to increase the liquidity of the share, and on the other, to reinvest 90% of the proceeds from this share offering in the company. A separate press release will be circulated simultaneously.

About ABO-Group

ABO-Group is an aggregate of integrated engineering and testing companies operating in soil, environment, geotechnics, energy, groundwater management and waste. ABO-Group has the ambition to increase its turnover through internal growth and acquisitions and to expand its palette of activities inside and outside Europe.



Lastly, we would refer to the ABO-Group listing document released on 31 July and available on the ABO-Group website (www.abo-group.eu), which amply describes all the risks and activities of the ABO-Group.

For more information:

Chris Beliën
VP ABO-Group NV

chris.belien@abo-group.eu

T +32 (0)496 59 88 99

Derbystraat 255, Maaltecenter Blok G, B-9051 Gent (SDW), Belgium

Johan Reybroeck

CFO ABO-Group NV

johan.reybroeck@abo-group.eu

This press release is available on our website www.abo-group.eu