ANNUAL REPORT 2016

sarens

NOTHING TOO HEAVY, NOTHING TOO HIGH.

THE CROWN JEWEL OF OUR 2016 PROJECTS IS THE INSTALLATION OF THE FOOTINGS AT THE RIVERBED OF THE ST. LAWRENCE RIVER FOR THE NEW CHAMPLAIN BRIDGE. EACH FOOTING WEIGHS 900 METRIC TONNES. TO INSTALL THEM, SARENS DEVISED "POSEIDON": THE FLOATING FOUNDATION INSTALLER; A CUSTOM-MADE SOLUTION COMPRISING OF A GANTRY WITH A JACKING SYSTEM THAT SITS ON TWO BARGES WHICH MOVE IN PARALLEL. THE SITE CONSTITUTES ONE OF THE LARGEST CONSTRUCTION SITES IN NORTH AMERICA.

AT SARENS, WE HAVE THE NOBLE MISSION TO BE THE GLOBAL REFERENCE IN CRANE RENTAL SERVICES, HEAVY LIFTING, AND ENGINEERED TRANSPORT FOR OUR CLIENTS.

GENERAL INFORMATION

FINANCIAL INFORMATION

IN 2016, WE CONTINUED TO FOCUS ON "SETTING THE STANDARD" WHEN PROVIDING OUR CLIENTS WITH SAFE AND EFFECTIVE SOLUTIONS.

We remained true to our mission: to be the global reference in crane rental services, heavy lifting and engineered transport for our clients. To achieve this, we deployed our five unwavering values:

- Zeal for Excellence
- Love for Tradition
- Global Spirit
- Brilliant Solutions
- Dedication to Safety

Throughout 2016, we implemented innovative technology, strong safety principles and coherent operations in many challenging projects.

We embarked upon one of our history's most technically demanding projects: the installation of 38 footings for the New Champlain Bridge over the Saint Lawrence River in Montreal, Canada. Our solution was that of the Floating Foundation Installer. The conception and construction of this bespoke, marine heavy-lifting mechanism constitutes a landmark in the history of heavy lifting and engineering in general.

We performed the challenging task of erecting the massive ship loader at Convent Marine Terminal (CMT) in Convent, Louisiana, as well as the load-out of the world's largest stinger, weighing 4200t, atop the legendary Pioneering Spirit.

TO ADAPT TO THE 2016 MARKET CONDITIONS, WE SHIFTED OUR FOCUS TOWARDS THE CIVIL AND WIND INDUSTRIES.

We installed the 8400t railway bridge between Amsterdam and Almere, carried out the 80-hour replacement of the 860t East Shore Expressway in the USA, installed the roof of the Arena 92 stadium in Nanterre, Paris, transported roof sections for the Hong Kong Boundary Crossing Facilities project, hoisted two 30m-high bridge segments of the Maxima Bridge in the Netherlands, and installed two stator generator units (weighing 350t) at the Vĩnh Tân Power Station in Vietnam.

We lifted vessels at the Talara Refinery in Peru, lifted a 1500t reactor for the KNPC-led Clean Fuels Project at the Mina Abdullah Refinery in Kuwait, and undertook expansion activities at an oil refinery in Corpus Christi, Texas. We also erected nine free-on-foundation, heavy-refining columns at the Reliance Petroleum Refinery in India for the HPIB DTA, J3 project.

Additionally, we completed challenging tasks at the Luberf Yanbu Refinery in Saudi Arabia, the Ichthys Onshore LNG project in Australia, and the Yamal LNG project. Another noteworthy and prestigious project that we were entrusted to execute in 2016 was the movement of the NATO Star sculpture to its new headquarters.

Given the volatile state of global markets, our revenue saw a slight decrease from €593m to €560m due to sector-specific slowdowns in oil and gas, metals and mining in Australia, Southern Africa, and Latin America.

To adapt to the 2016 market conditions, we shifted our focus towards the civil and wind industries. An example of this shift has been our involvement in the Champlain Bridge and Smulders project, in which we deployed our SGC-120. To respond to market dynamics, we also moved towards upgrades and maintenance contracts such as the Vale Project in Brazil and the CNRL project in Canada.

To manage demand fluctuations, Sarens moved assets across the world to meet demand. More equipment was transported to North America, North Africa, and Central and South Asia.

On an organisational level, we implemented a hub management model to better face market complexity and variation. Applying this model empowered our regions. With the ever-increasing involvement of our Asian client base in African projects, we also merged business units to establish a solid Asian–African presence so as to meet client expectations more efficiently.

Safety and quality continued to be the key commitment in all of our projects and operations, with our Safety, Health, Environment and Quality (SHEQ) are still the very best the market has to offer. Our adherence to global SHEQ standards and evolving project management systems, method statements and group practices and procedures have, once again, set Sarens apart. To improve quality even further, we emphasised on the training and development of our operators and the competence management of our employees through the implementation of human resources best practices.

2016 also saw a number of technical innovations within our Group. Our Engineering and Operations teams developed benchmark technologies to customise our solutions. Some of the key product innovations included the CS1000 jacking system, modular barge system, co-design of the unique PC3800 in collaboration with our trusted partner Terex, advanced and upgraded LG1750SX, as well as improvements to the WT2405 tower cranes.

Last year's pivotal moment was the signing of the Tengizchevroil (TCO) Project — the largest project in our Group's history. We made a focused investment to prepare for the project's requirements by purchasing more SPMTs and barges. We also worked towards the construction of the second SGC-120 and finalised blueprints for the SGC-250. Throughout the year, we also selectively invested in the renewal and upgrade of the rental fleet in the Middle East, Northern Africa, and Western and Eastern Europe.

To fuel our growth and help bolster business outside of our current markets, we entered into strategic joint ventures with selected industry leaders. We joined forces with Omega Morgan in the northwest of the USA to cater to crane rental services. An agreement was also made with Mamut de Colombia to pursue projects in Latin America more dynamically. We began operations in Kuwait, starting with an access platform rental in the GCC markets.

In conclusion, 2016 was a year of historic decisions for Sarens. We exhibited an unprecedented capacity for flexibility and risk management which, once again, secured our leading position in the heavy-lifting industry.

For that, I would like to thank Sarens employees for their dedicated effort and commitment, as well as our clients, suppliers, and business partners for their continued loyalty.

WIM SARENS
CHIEF EXECUTIVE OFFICER

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WE HAVE BROADENED OUR EXPERTISE AND SERVICES TO BUILD STRONGER CLIENT RELATIONSHIPS AND CREATE LIFETIME CLIENT LOYALTY.

With a greater focus on client relationship management, we adapted our organisation and approach to provide our clients with the services they need, reliably and on time, to exceed their expectations.

For our existing main markets (energy, EPC, and civil), we have broadened our expertise and services to build stronger client relationships and create lifetime client loyalty.

We began to further explore other markets, such as offshore wind, unique complex civil projects, marine projects, and decommissioning projects. The decommissioning that we undertook this year is the first in Europe, and other continents are sure to follow.

WITH OUR ACTIONS, EFFORTS AND ORGANISATIONAL CHANGES, WE WILL CONTINUE TO MAKE OUR SALES ORGANISATION THE BEST-PERFORMING IN ITS SECTOR.

As a result, we managed to sign major contracts in the UK, Germany, and the Netherlands. Moreover, 2016 has been a success in the in-depth development of our HUB sales structure.

Moreover, 2016 has been a success owing to decisions we took on further refining our internal sales processes globally. As a result of these decisions, we saw an immediate improvements in all lifecycle phases of our projects.

- In Europe, besides countries with our own Sarens entities, we scored substantial project work in Sweden, Slovakia, and Greece
- On the African continent, success was mainly found in Egypt and Morocco (both power projects)
- For Asia Pacific, we saw substantial project work in Vietnam (offshore)
- Wind projects began to pick up again in Australia
- We continued development in the Middle East and were successful in Kuwait (Al-Zour Refinery, Oil and Gas)
- In South America, we managed to secure the maintenance contract for VALE in Brazil, which is the same mine site for which we did the new build in 2015 and 2016
- Elsewhere on the planet, we secured the iconic Champlain Bridge project (Montreal Canada as well as the biggest crane job on a barge in the USA (Convent, LA)
- Last but not least, we were awarded the Tengizchevroil (TCO) Project — the largest project in our Group's history

In 2016, we worked tirelessly and successfully overcame predicted and unpredicted challenges with which our sales organisation was faced. We addressed challenges immediately with simple yet sophisticated strategies that planted the seeds for 2017 and beyond.

With our actions, efforts and organisational changes, we will continue to make our sales organisation the best-performing in its sector.

GERT HENDRICKX
SALES DIRECTOR

Thousands EUR	2016	2015	2014
Consolidated balance sheet			
Fixed assets	883.334	907.368	844.205
Stocks and contracts in progress	19.607	10.691	10.871
Other current assets	222.952	245.510	255.373
Cash and cash equivalents	70.073	80.564	50.264
Total assets	**1.195.966**	**1.244.133**	**1.160.713**
Equity	208.373	249.525	248.939
Minority interests	4.674	4.219	4.482
Provisions and deferred taxes	123.496	108.681	107.209
Financial debts	677.265	692.664	602.824
Amounts payable within 1 year	182.158	189.044	197.259
Total liabilities	**1.195.966**	**1.244.133**	**1.160.713**
Statement of profit and loss			
Consolidated turnover	554.774	593.742	637.817
EBITDA	128.517	149.797	151.714
EBIT	25.570	48.628	50.822
Net result	-31.219	-17.361	-12.880
Ratios and other key figures			
Workforce (FTE)	4.195	4.452	4.275
Cash flow from operating activities	109.141	124.970	111.631
Cash flow from investing activities	-61.777	-152.718	-71.976
Net financial debt	607.192	612.100	509.502
EBITDA margin	23,2%	25,2%	23,8%
EBIT margin	4,6%	8,2%	8,0%
Gearing	2,9	2,5	2,0
Liquidity	106,4%	87,6%	98,9%
Solvability	17,4%	20,1%	21,4%
Net debt \ EBITDA	4,7	4,1	3,6
Net senior debt \ EBITDA	2,8	3,0	3,4
Interest coverage ratio	4,4	5,1	5,5

EBIT
Operational result (earnings before interests, taxes and extraordinary result)

EBITDA
Operational result (EBIT) + depreciations

NET WORKING CAPITAL
Current assets - current liabilities

NET FINANCIAL DEBT
Financial debts - cash and cash equivalents

NET SENIOR FINANCIAL DEBT
Financial debts excl. bonds - cash and cash equivalents

EBITDA MARGIN
EBITDA/turnover

GEARING
Net financial debt/equity

LIQUIDITY
Current assets/current liabilities

SOLVABILITY
Equity/balance sheet total

INTEREST COVERAGE RATIO:
EBITDA (Debt charges excl. capitalised interests on bonds - income from current assets)

OUR NEWLY INAUGURATED HALL X AT OUR HEADQUARTERS IN WOLVERTEM, BELGIUM. A FANTASTIC SPACE FOR US TO WORK IN AND STAY TRUE TO OUR NOBLE MISSION TO BE THE GLOBAL REFERENCE IN OUR FIELD.

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"ENGINEERING IS THE CLOSEST THING TO MAGIC THAT EXISTS IN THE WORLD." – ELON MUSK, CIRCA 2015

OVERVIEW
EQUIPMENT

CRANES	1.067 HYDRAULIC CRANES	413 LATTICE BOOM CRANES	31 HEAVY-LIFTING TOWER CRANES		
TRANSPORT	529 CONVENTIONAL TRAILERS	742 MECHANICAL STEERING	1.486 MODULAR TRAILERS ELECTRONIC STEERING		
TECHNICAL SOLUTIONS EQUIPMENT	14 BARGES	10 GANTRIES	140 JACKING SYSTEMS	175 STRAND JACKS	84 MODULAR BARGES

OVERVIEW
IN SUMMARY

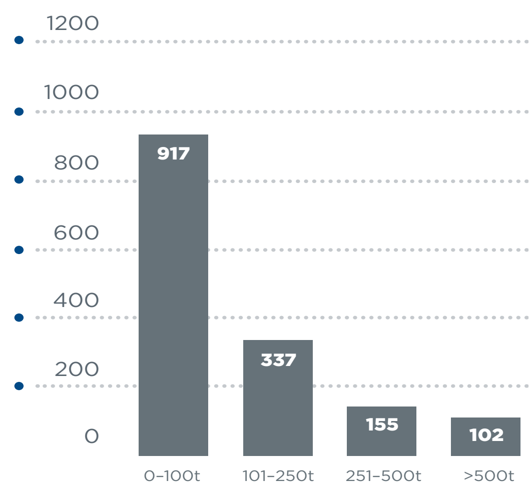
65 COUNTRIES

4195 EMPLOYEES (2016)

9 REGIONS

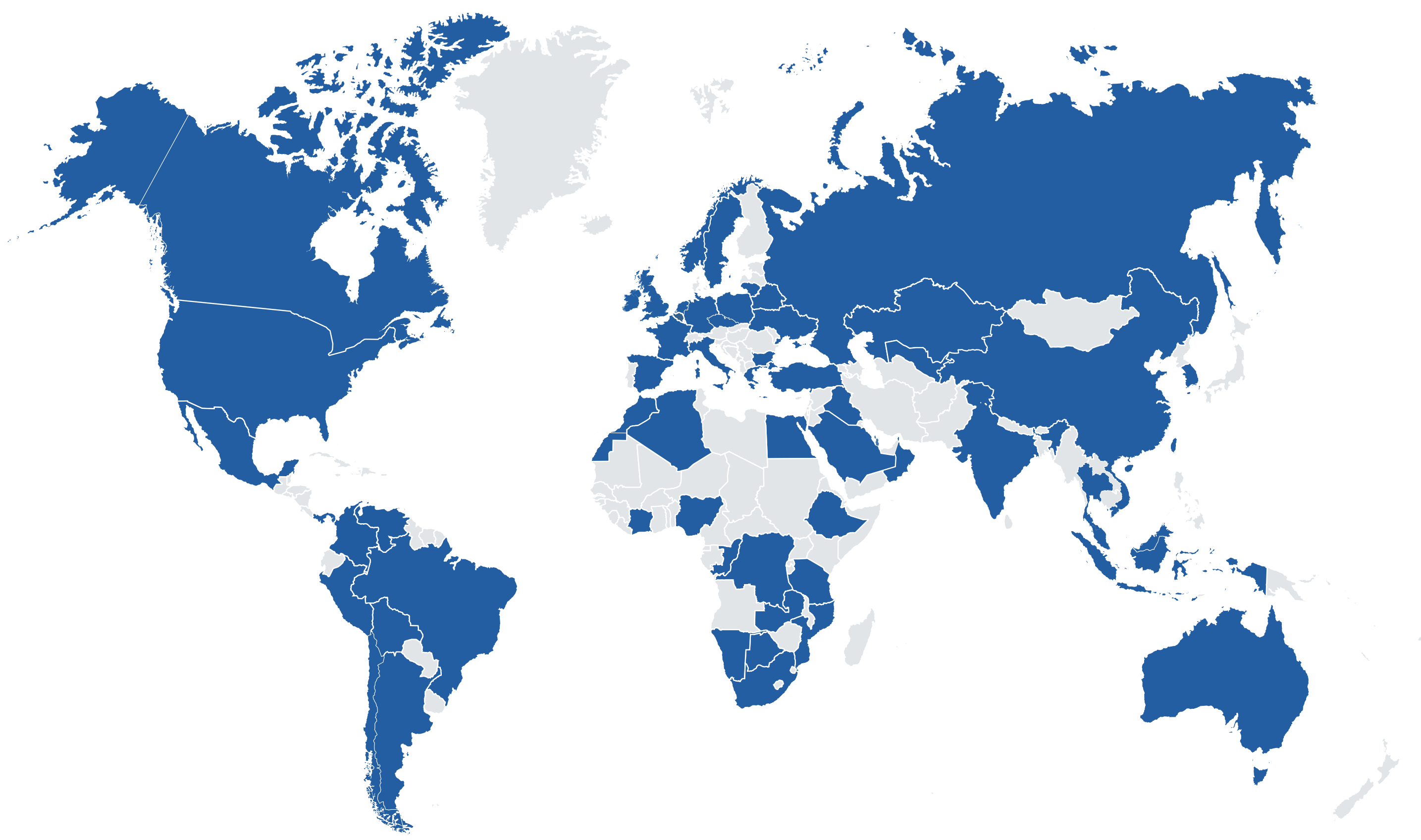
555 TURNOVER (2016, MIO EUR)

OVERVIEW
CRANES AND CAPACITY



WITH STATE-OF-THE-ART EQUIPMENT AND CUSTOMISED, COST-EFFECTIVE ENGINEERING, SARENS PROVIDES ITS CLIENTS WITH CREATIVE SOLUTIONS TO TODAY'S HEAVY-LIFTING AND SPECIALISED TRANSPORT CHALLENGES.

GLOBAL
PRESENCE



BELGIUM	ALGERIA	AUSTRALIA	BAHRAIN	BELARUS	BOTSWANA	BRAZIL	BULGARIA	CANADA	CHILE	CHINA	COLOMBIA	CONGO
CZECH REPUBLIC	EGYPT	FRANCE	GERMANY	GREECE	INDIA	INDONESIA	IRELAND	ITALY	KAZAKHSTAN	SOUTH KOREA	KUWAIT
LITHUANIA	MALAYSIA	MEXICO	MOROCCO	MOZAMBIQUE	NAMIBIA	NIGERIA	NORWAY	OMAN	PANAMA	PERU	PHILIPPINES	POLAND
QATAR	RUSSIA	SAUDI ARABIA	SOUTH AFRICA	SPAIN	TANZANIA	THAILAND	THE NETHERLANDS	TUNISIA	TURKEY	UAE	UKRAINE
UNITED KINGDOM	USA	UZBEKISTAN	VENEZUELA	VIETNAM	ZAMBIA

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OUR MARKETS

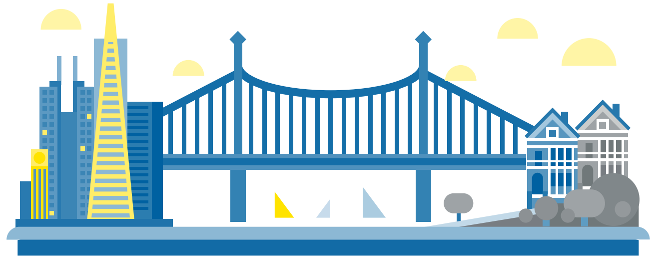
FORWARDING

With a vast array of global projects, Sarens has been the business partner of choice for land/marine forwarding since almost its very first steps as a Group.

CIVIL WORKS

RAPID MOBILISATION TO REDUCE ANY POSSIBLE DISRUPTION

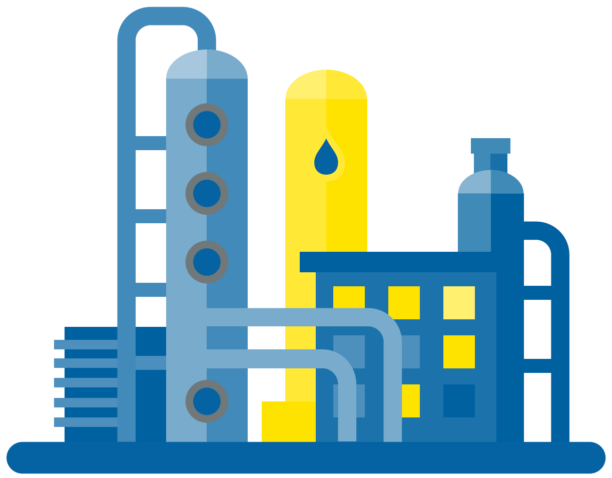
Over the past decade, Sarens has been involved in many civil construction projects around the globe, providing transport and lifting activities for steel assembly work and the installation of complex roof instructions for soccer stadiums, event arenas and industrial buildings. Sarens also has a rich history in accelerated bridge replacement and installation, using a combined set of alternative rapid replacement technologies. Quick mobilisation is our main challenge in avoiding disruption on your project. This is where Sarens stands out: flexibility and speed.



OIL AND GAS

MINIMISING DOWNTIME IS KEY

The oil and gas sector is one of the core markets for Sarens. It involves the construction, refurbishment and maintenance of oil and gas plants and refineries, as well as the modularisation and assembly of heavier components. Site conditions often vary so when executing the lift of a 1.300t reactor, a 125m splitter column or the transport of a 15.000t topside module, we always provide efficient and tailor-made solutions. Our continuous efforts in the technical development of lifting and transportation equipment enable us to further minimise the downtime of a plant.

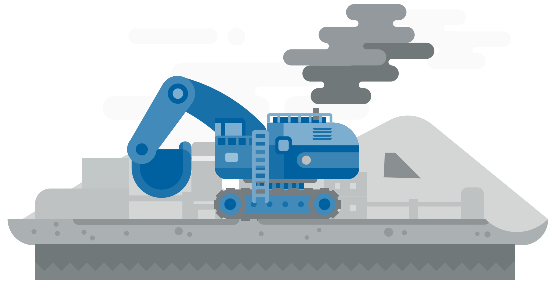


MINING

FULL-SCOPE PROJECT MANAGEMENT

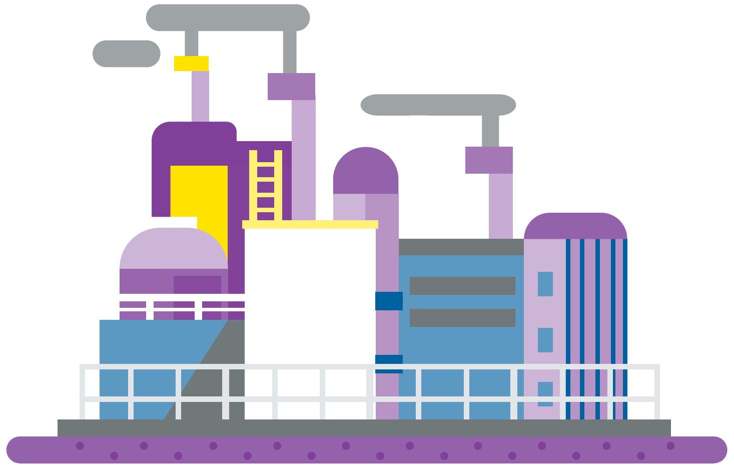
Today's large-scale metallurgic refineries are built by assembling process and pipe rack modules, which are manufactured at module yards around the world. These modules are shipped by heavy cargo ships to the site location. Sarens provides module handling and load-in services on the manufacturing yard, load-out and inland transport services to often remote locations, heavy lifting and installation works on site.

Sarens engineers work closely with the clients' project team during the FEED (Front End Engineering & Design), the pre-design and the engineering execution phases of the project. This ensures the most optimal approach and safeguards the project's targets. During project execution, Sarens provides on-site management, engineering and drawing capabilities, operators and installation teams, equipment maintenance and spare part logistics. Besides modularisation, Sarens also takes care of the mechanical maintenance of mining installations.



GENERAL INDUSTRY

Our broad experience across all sectors makes us the ideal partner for heavy lifting and engineered transport in the general industry.



OFFSHORE & MODULE YARDS

Sarens has been a partner of the offshore and module yards industry for many years. Our activities cover the load-in, load-out and assembly of oversized and heavyweight modules, including general lifting services on offshore construction yards and for the FPSO (floating, production, storage and offloading) industry.

THERMAL AND NUCLEAR POWER PLANTS

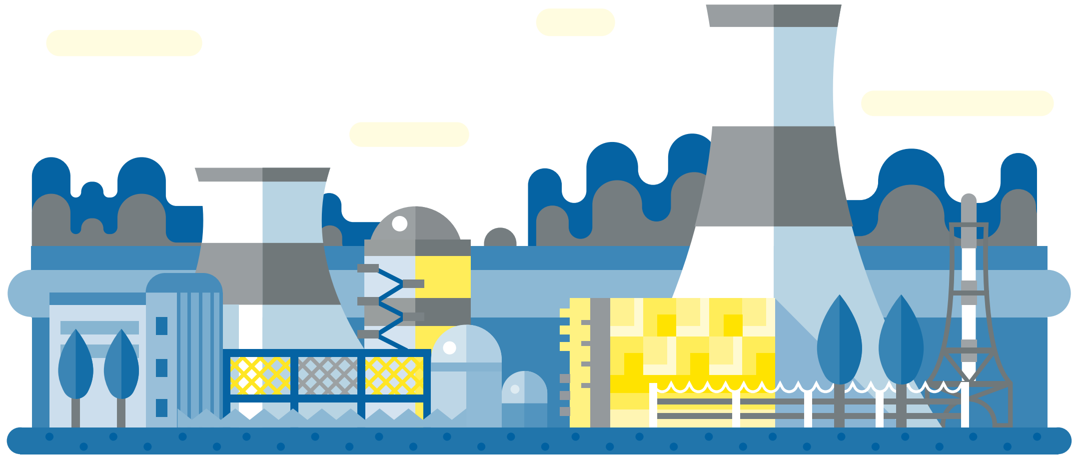
NUCLEAR POWER

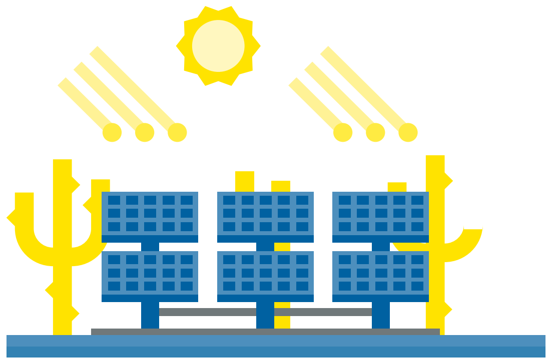
For nearly 40 years, Sarens has been a valued partner of nuclear power plant owners and operators around the world, supporting contractors and critical plant component manufacturers throughout plant life cycle activities. From new construction to major component replacements, plant upgrades through to facility decommissioning, Sarens has safely executed the most challenging of projects. With industry-leading engineering expertise, specialised rigging equipment and a highly skilled workforce, Sarens continues to offer the nuclear power sector creative and cost effective solutions, delivering high-quality results under demanding time and operational constraints.

THERMAL POWER

MAXIMISING SAFETY WHILST
MINIMISING PROJECT RISKS AND COSTS

For many years, Sarens has been providing a total concept approach for gas- and coal-fired power plant projects, including heavy lifting, engineered transport and maintenance services. New lifting and transport techniques are constantly being introduced to enable the transportation, removal, assembly and installation of large and heavy components. Sarens is also experienced in the installation of rotating equipment such as turbines, generators and transformers.





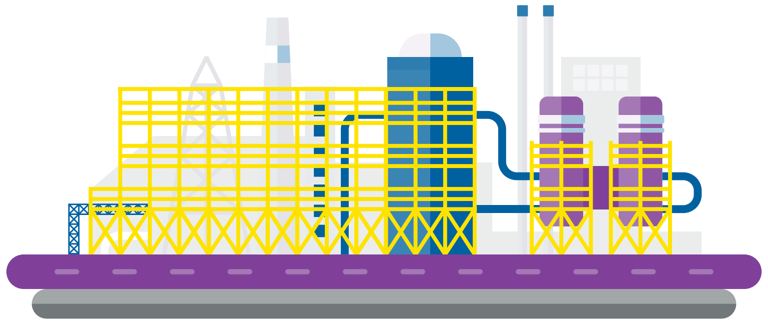
SOLAR

INCREASED HEIGHT, COUPLED
WITH A REDUCED GROUND AREA

Although the solar industry is still in its development stage, Sarens has already gained profound experience in the construction of solar towers. For the construction of these towers, Sarens uses its heavy luffing tower, cranes which consist of a modular system that can reach up to considerable freestanding heights with different jib lengths. As these types of cranes only require a small ground area, it makes them an ideal solution for solar projects.

MAINTENANCE AND MONTAGE

A large volume of our business comes from the maintenance and montage industry. We serve all sectors on all continents with the varied capacities of our different cranes and special trailers.



ONSHORE AND OFFSHORE WIND

OFFSHORE WIND

LIFTING SERVICES, COMBINED WITH
ONSHORE AND OFFSHORE LOGISTICS

Sarens Offshore Wind participates strongly in the development and continuous growth of the renewable energy industry. Both onshore and offshore Sarens operates important equipment. Our cranes are continuously working at sea, installing offshore wind farms on board jack-up barges.

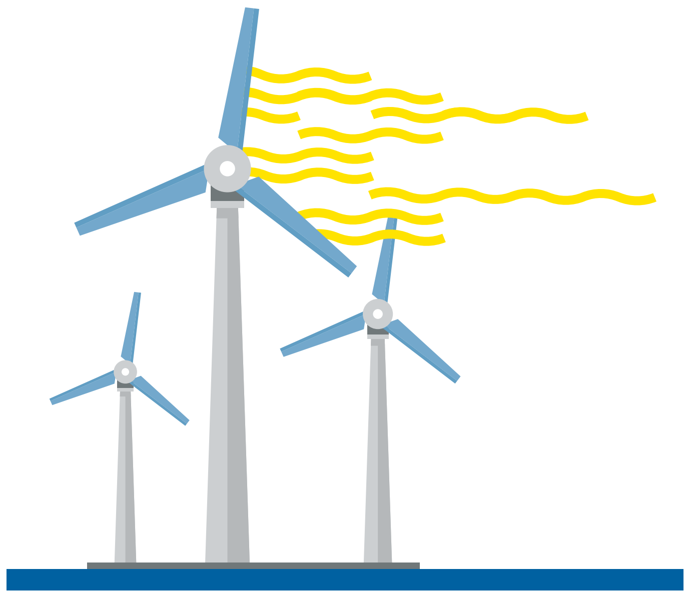
For the offshore wind industry, we complement our full-scope project management with onshore and offshore logistics such as the loading and unloading of extremely heavy wind turbine parts, logistics management and timely delivery of the different parts to the offshore site.

ONSHORE WIND

LEVERAGING OUR WORLDWIDE
EXPERIENCE

Sarens' global presence, its large fleet and its broad experience in the transportation, lifting and installation of wind turbine generators make it a valuable partner of the onshore and offshore wind industry.

Onshore, Sarens provides every level of lifting solutions, from pure crane rental to turnkey projects with an all-in TCI (Transport, Craning, Installation) service coverage.



TECHNICAL SOLUTIONS IS A TEAM OF SPECIALISED ENGINEERING DEPARTMENTS, WITH EXPERIENCED AND DEDICATED STAFF DELIVERING FULL TECHNICAL SUPPORT AND SOLUTIONS ALL OVER THE WORLD.

The Technical Solutions Department is able to make complex structural calculations and select the most effective technical solutions. This is supported by out-of-the-box thinking and usage of appropriate equipment and resources in order to find the most suitable lifting and transport techniques for the project.

From a 2D lifting drawing to entire 3D animated operations — from a standard transport calculation to full-out F.E.M. calculations of tower gantry systems or lashing and stability plans for marine operations — all tasks are executed in house by Sarens staff.

The experience and dedication that our team of draftsmen and engineers have ensure the correct and thorough technical evaluation and preparation of projects, as well as the ability to conceive, design and validate new equipment for the Group. In achieving this, they are supported by the tools and software which Sarens software development engineers have designed over the years.

Project operations are supported by senior project staff with a key focus on operational excellence. That is why each project is carefully and excellently prepared.

We strongly believe that the planning phase is the foundation for successful implementation. With extensive expertise incorporated in this early stage of the project, it ensures efficient planning and excellent project management to allow projects to be carried out in the shortest possible time without losing sight of safety and quality.

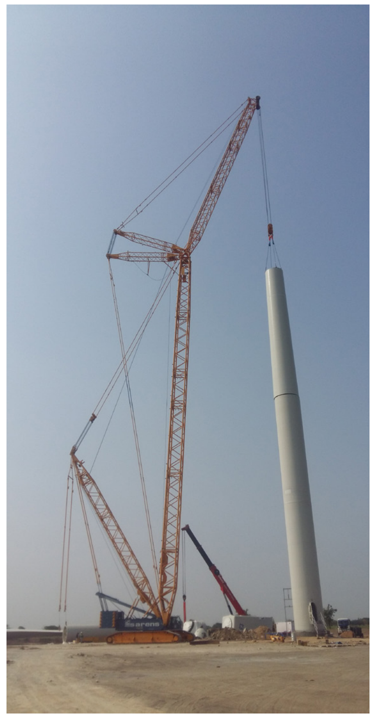
All projects are executed, and our staff and equipment efficiently deployed, in compliance with the Sarens Project Management System, underpinned by our SHEQ policy and standards.

2016 has been an interesting year for Sarens Project:

2017 Priorities:
- Meet our targets with regard to safety, revenue and profit
- Maintain safety and quality awareness at all levels
- Reinforce the TS team
- Tengizchevroil (TCO) preparation

2017 Key Projects:
- Second part of the Champlain project
- Logistics for offshore-wind-related projects in Western Europe
- Heavy tower crane project in Israel, giving access to solar energy
- Air Products, Jizan Project
- Start of initial activities related to the Johan Sverdrup project, Norway
- Start of the first onsite activities for TCO
- Get the SGC120/1 tested and ready for TCO

CARL SARENS
DIRECTOR of TECHNICAL SOLUTIONS, PROJECTS & ENGINEERING



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SARENS' COMMITMENT TO UPHOLDING STANDARDS FOR OUR CLIENTS IS WHAT MAKES US THE VERY BEST IN THE MARKET.

We are the very best. We have known that for 60 years. But, you see, it makes us proud to work for an organisation that in 2016 reached a 0,5 frequency rate (EU) and severity rate of 0,1 (EU). This constitutes a historic record of excellence for Sarens which we are committed to improving every working day. Our commitment is towards our people and our clients and it is one we do not take lightly.

2016 marked a turning point for us; We changed our department title from Quality, Environment, Health, and Safety (QEHS) to Safety, Health, Environment, and Quality (SHEQ). This shift reflects the importance Sarens places on safety. This is, therefore, not a mere change of name but a change of philosophy and focus as we believe that a Safe, Healthy, and sustainable Environmental path can only lead to Quality.

In 2017, we will continue taking a proactive approach to tackling and neutralising unsafe situations and conditions much before any incident occurs.

To achieve consistency in our low rates that are progressively tending to zero, we will implement auditing tools in our pursuit for excellence.

With the dedicated support of senior management, we will concentrate our efforts on raising SHEQ awareness across all levels of our organisation and ensure new employees understand that Safety, Health, Environment, and Quality are our first priority at Sarens. Our main tool in raising awareness will be the implementation of our 10 Life Saving Rules. These rules will be our mantra in anything we undertake across the globe.

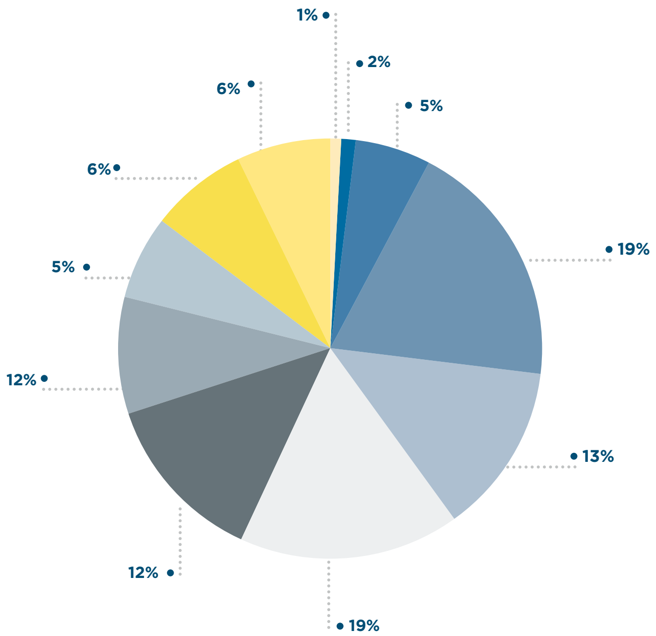
JORIS MAREELS
GROUP SHEQ MANAGER

WITH OVER 2500 FIELD PEOPLE ACROSS THE WORLD, OUR OPERATORS ARE AT THE HEART OF OUR BUSINESS.

FTE EVOLUTION

FTE EMPLOYED BY REGION

	2016	2015	Var.
Group Overhead	101	40	152,5%
Sarens Projects	227	246	-7,7%
Western Europe	788	850	-7,3%
Eastern Europe	555	576	-3,6%
Middle East	788	741	6,3%
Asia	518	581	-10,8%
North Africa	482	410	-17,6%
South Africa	210	359	-41,5%
North America	249	262	-5,0%
Latin America	245	320	-23,4%
Oceania	32	67	-52,2%
	4.195	**4.452**	**-5,8%**



WE ARE PROUD TO WORK IN AN INTERNATIONAL AND MULTICULTURAL ENVIRONMENT WHERE TALENT IS DEVELOPED, NURTURED, AND CHERISHED.

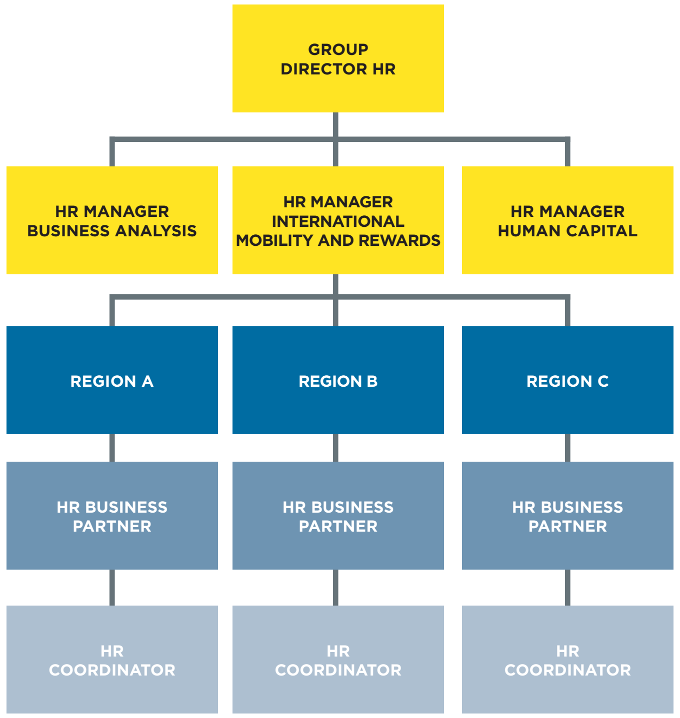
HR is a creative thinker and strategic business partner across all key regions.

Each division interacts with both our headquarters and the other divisions securing that exchange of talent and knowledge runs smoothly.

Employees with high potential are shared among regions and our more experienced employees are sent all over the world to optimise development. At HR, we see ourselves as the link between the different departments and regions; through continuous effort and consultation, both our human assets and the Group itself can grow.

We achieve our goals by staying in constant contact with our people. To that end, in 2016, we continued to hold Strategic International HR Days: workshop-style events in which we shared our knowledge with local HR personnel and compared the processes of each country to optimise and harmonise our structure and workforce.

How we are structured:



Talent Development

Sarens is well known for the quality of its engineers and overall technical expertise. This is why we aim at developing, nurturing and cherishing our technical talent. We promote a company culture based on accountability, loyalty, integrity, trust and respect.

For that purpose, in 2016, we introduced a new training programme for our operators. In 2017, this will continue and expand across our entire organisation through training programmes and our personalised Sarens training manual.

To achieve operational excellence, we continuously make an effort to develop our personnel through:

- Technical training
- Mentorship
- On-the-job learning
- Cooperation with governmental institutes

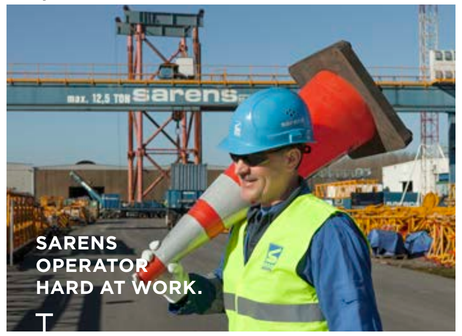
Thus, we can create a healthy work environment which is focused upon safety, excellence, and personal development. To us, it's paramount that Sarens remain the reference in heavy lifting and engineering transport. Therefore, we work **tirelessly** to build a corporate environment in which **great professionals are working for a great cause.**

MACHTELD LEYBAERT
GROUP DIRECTOR OF HUMAN RESOURCES

"IF YOU LACK TECHNIQUE, YOU LOSE YOUR FREEDOM TO CREATE."
– PACO DE LUCIA, CIRCA 1993.

"HUMAN RESOURCES IS WHAT RUNS OUR BUSINESS; IT'S THE CORE OF SARENS."

LUDO SARENS
CIRCA 2016



SARENS OPERATOR HARD AT WORK.

ERWIN LEMAIRE AND MARC JACOBS WITH THEIR 3D MODEL OF "POSEIDON": THE FLOATING FOUNDATION INSTALLER.

OUR GROUP HR TEAM.

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WE WORK WITH THE PROFESSIONAL ELITE OF THE MARKET AND KNOW HOW TO KEEP IT.

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THEO GOSSENS, FLEET ADMINISTRATION AUDITOR (LEFT), WITH GUY FREDERICKX, GROUP FLEET DIRECTOR

WE SEE THE SARENS FLEET AS THE LUNGS OF OUR GROUP.

To meet today's challenges, we have 290 technicians maintaining the Sarens fleet in over 53 countries worldwide. For our core fleet products, we handle all maintenance issues ourselves. Combined with training, the goal is to raise the bar with regard to the quality of our technicians whilst balancing the required technical competences across the company.

We have moved from a reactive service organisation to a proactive one and are increasingly using early warning systems and predictive maintenance.

Telematics technology — such as blackboxes mounted on the fleet — enables us to monitor maintenance performance data for each of our business units in real time. The new generation of blackboxes provides additional data processed at CANBUS level, which will provide an insight into operator behaviour whilst operating, for example, a crane.

All human and blackbox recordings are an integral part of our ERP system. IoT technology is evolving, which will allow us to also track separate components of the fleet in the future, e.g. the boom section.

It also allows us to automate several processes with live data. Augmented Reality (AR) is another IoT domain that we want to explore, e.g. help being provided to technicians with the help of AR tools.

Combining empowered local teams, in-depth telematics, and preventive and predictive maintenance, we will continue to maximise fleet reliability, safety and availability.

GUY FREDERICKX
GROUP FLEET DIRECTOR

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WATCH #HOWWEDOIT VIDEO

THIS IS HOW WE MOVED A 2.922T LOAD IN HOBOKEN, BELGIUM.

SARENS IS HARNESSING THE ADVANTAGES OF THE CLOUD.

With technology evolving faster than ever before, it can be difficult to predict future ICT needs. The technological evolution offers many advantages, but also many risks. This is why it's becoming increasingly important to have a flexible ICT environment managed by experienced ICT team members in order to stay on a level footing.

Our ICT cannot remain at the same level as that of 10 years ago.

Sarens was a forerunner in the IoT, but today's challenges require further innovation.

Utilising our broad internal experience, we are now working on our own IoT v2, which will put some major improvements in place.

We will shift away from 2G/3G communication to 4G communication (and 5G-ready) with our telemetry system. Alongside this basic form of telemetry, which has been in place since 2007, we also will enable the devices for more advanced usage, such as secured 'hotspot' connectivity.

This new platform will be completely cloud-based, utilising the expertise of our specialised external partners.

At Sarens, the cloud is never far away. We continuously evaluate this when choosing new systems.

Currently, we are migrating to a new finance consolidation tool which will be fully cloud-based. Being an international organisation, the cloud provides us with the best possible options:

Subscription-based pricing: Unlike conventional on-premises systems, "pay as you go" pricing eliminates major upfront investment in licences, hardware and software. We benefit from better cash flow and far greater IT flexibility.

Using cloud solutions significantly lowers ICT overheads: Upgrades, maintenance, and system administration take place in the cloud and are managed by the vendor. The internal teams no longer have to spend nights or weekends supervising a new version upgrade or fixing a failed server.

High availability: Cloud software architectures are designed from the ground up for maximum network performance. Therefore, we expect better application-level availability than with conventional on-premises solutions — critical for Sarens' worldwide, 24/7 presence.

ICT security: A continuous concern for every organisation, including Sarens. Our dual-vendor email-scanning system is rejecting approximately 60% of all incoming emails. While these results are good, we have to be continuously aware of every malicious email that isn't stopped. Not only does the technology keep the Sarens ICT environment safe, but people also play an important role, so we strive to educate all employees about the potential risks attached to such technological solutions.

Awareness is not limited to email. We also need to be mindful of the continuous threat of 'free' Wi-Fi connections, surfing, cookies and phishing.

Harnessing the latest technology, ICT strives to create a fluid, intuitive workplace for Sarens employees to ensure that our clients continue to receive a cutting-edge service.

STEVE VOSSEN
GROUP INFORMATION & COMMUNICATION TECHNOLOGY MANAGER (ICT)

NOW WITH OVER 400 STRONG, OUR OPERATIONS IN INDIA ARE STILL GROWING, MAKING US A KEY PLAYER IN THE REGION.

WHEN A JOB REQUIRES SERVICE AT THE HIGHEST LEVEL, THEY CALL SARENS. ALWAYS.

At Sarens, we ensure efficient planning and excellent project management. Our Sarens Project Management methodology provides us with **a clear view of several roles and responsibilities** during each of the different stages through which a project goes. As a result, we obtain **full transparency and efficiency** of the working model. Sarens Project Management is built around five milestones which act as a checklist before transferring the project to its next phase.

M0: A project becomes visible within the organisation and the Sarens sales team ask for support from their colleagues in Operations.

M1: Official launch and operational start of a project.

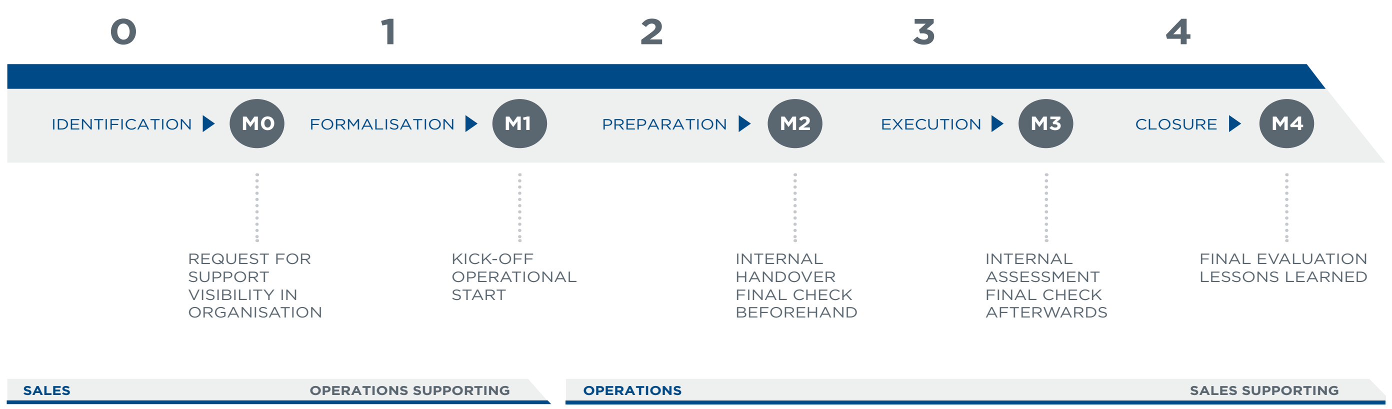
M2: Final check before the actual execution.

M3: Internal assessment of the project immediately after completing work on site.

M4: Final evaluation, including clear and structured communication of the lessons learned.

MINIMISING TIME

MAXIMISING EFFICIENCY



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THERE IS A GOOD REASON WHY SAMOCO´S MOTTO IS “SOLVE IT WITH SKILL. TACKLE IT WITH PASSION”.

CUSTOMERS KNOW THEY CAN RELY ON US.

SAMOCO IS OUR TECHNICAL “PARAMEDIC”.

Samoco, a Belgian-based Sarens subsidiary, is a full-service assembly company with multidisciplinary expertise. It provides a wide range of services to companies in need of technical expertise in assembly, disassembly, maintenance and shutdowns of factory installations and industrial equipment, as well as the mechanical maintenance and refurbishment of port and overhead cranes. Samoco has extended this range of activities with the introduction of industrial relocation services.

Flexibility and quality is what we are renowned for.

Many companies no longer have in-house technical specialists. They prefer to work with an external partner like Samoco to provide them with creative, efficient and qualitative technical solutions. Our profound customer focus, combined with a skilled, versatile and safety-conscious workforce, is what earns us customer trust. Clients appreciate our flexibility, accessibility and availability. They rely on us because they know we continue until the job is done, no matter where or when.

Our multidisciplinary employees are unique.

Versatility is our guiding principle. Throughout their Samoco career, our employees work in different industries, on different sites, performing different tasks. As a result, they are able to cover multiple disciplines. A Samoco worker who can perform both crane lifts and rigging and maintenance activities is not an exception, but, on the contrary, the standard.

Continuous training is an essential part of our success.

Skilled employees require skilled training. At Samoco, we’ve developed an in-house factory simulator where our employees receive both technical and safety training from experienced project leaders.

samoco

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EXECUTIVE BOARD MEMBERS

The Board of Directors is composed of nine members of the Group. Supported by various advisory committees, the Board meets on a quarterly basis — in practice, it meets monthly — to discuss the operational and financial situation of the Group and to monitor the execution of the Strategic Business Plan.

LUDO SARENS

Is Chairman of the Board of Directors. He joined the company in 1979 as Head of Accounting and was later Assistant to the General Manager. He was CEO of the Group from 1987 until 2009.

HENDRIK SARENS

Joined in 1973 with the dispatch of cranes and transport at Sarens. Subsequently, he became responsible for HR, sales and heavy–lifting operations. At present, he is still active within the sales department, where he has a worldwide advisory role.

MARC SARENS

Joined the Group in 1978 in the Maintenance Department, responsible for repairs to the crane and transport fleet. In 1992, he became Maintenance Director and then Director of Fleet Management in 2002. Today, Marc has an advisory role in purchasing equipment, fleet assets and assisting the subsidiaries with specific technical issues.

BENNY SARENS

Has been responsible since 1972 for all alternative lifting and heavy transport equipment at Sarens. As Director of Load-outs and Special Operations, his function includes sales, engineering and operational execution of these particular projects worldwide.

GUIDO SEGERS

Started his career at Kredietbank in 1974 as a Financial Analyst. From 1986 to 2002, he was active in the Belgian and international credit sector as Director of Risk and Compliance, Commercial Representative for small and medium-sized enterprises, and as Member of the Accounting Committee. In 2003 he joined the Executive Committee of the KBC, where, until 2009, he was responsible for corporate and market activities. Since July 2010 Guido Segers has had an Advisory Role at Sarens Board and in May 2013 he was appointed Board Member.

FRANK VLAYEN

Is Managing Principal of Waterland Private Equity NV, responsible for all Waterland activities in Belgium. Before joining Waterland, he worked at Accenture UK, Citigroup Consumer Banking Europe, and Tractebel's international energy division. He started his career at Fortis Bank in corporate finance and trade finance. He completed an MBA at Vlerick Leuven Ghent Management School and is Business Engineer at the Catholic University of Leuven.

CEDRIC VAN CAUWENBERGHE

Is Principal of Waterland Private Equity NV in Belgium. Previously, Cedric was Investment Director at Rendex Partners, Head of Business Development at ChemResult NV and co-founder and CFO of FastBidder NV. He started his career as a Management Consultant with Roland Berger Consultants for their Brussels, Frankfurt and Barcelona offices. He studied as a commercial engineer at the Université Libre de Bruxelles (Ecole de Commerce Solvay).

NON-EXECUTIVE BOARD MEMBERS

JOHAN BEERLANDT

Is CEO and Managing Director of BESIX Group, where he also serves as Chairman of BESIX and Chairman of the Executive Board. Previously, he served as Deputy General Manager and General Manager. From 1975 to 1993, Johan Beerlandt worked with a variety of companies in the United Arab Emirates, Iraq and Cameroon, and was involved in a variety of projects.

BENI ROOS

Started with Interbrew (currently Inbev) in 1969 in the HR Department. Successively, he was HR Manager for Interbrew Belgium, Executive Vice President HR of Interbrew Group, and a Member of the Executive Committee. Beni Roos worked and lived in many geographical locations and for the last 10 years at interbew Group, he was a Member of the Due Diligence Committee. After leaving Interbrew Group due to retirement, Beni Roos remained active as a Belgian Senior Consultant. He sits as Vice Chair of the Board of Governors of the British School in Brussels.

NOMINATION AND REMUNERATION COMMITTEE

The Charter of the Nomination and Remuneration Committee was formally approved during the meeting of the Board of Directors on 30 April 2014. The members of the Committee are Hendrik Sarens, Guido Segers, Cedric Van Cauwenberghe and Beni Roos.

The Nomination and Remuneration Committee advises the Board of Directors on the following matters:

- Proposing and supervising of the nomination procedures for Board members and Senior Management
- Proposing adequate rewards and benefits packages for Senior Management and compensation for Board Members
- Advising the Board about the yearly assessment of Senior Managers and proposed bonus packages

AUDIT COMMITTEE

The Audit Committee, as acted in the Corporate Governance Charter of the Audit Committee of 30 April 2014, **has four board members** and the Chief Financial Officer. The Chief Executive, the Internal Audit Manager and the Statutory Auditor may be invited to **attend meetings of the Audit Committee**. The Audit Committee assists the Board of Directors in fulfilling its supervisory duty with a view to control in the broadest sense. This entails advising on internal financial reporting, **monitoring the effectiveness of the Group's** internal control and risk management, advising on the internal audit and its effectiveness, monitoring the statutory **audit of the financial statements and annual reports** of the Group, and assessing and monitoring the independence of the Statutory Auditor.

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GROUP DIRECTORS

Group Directors are leading various Business Units across the Group. They report to Executive Committee and the Executive Board and manage Human Resources, our Fleet, Purchasing and ICT, as well as matters of QEHS.

JORIS MAREELS

Holds a Master in OH&S along with various certificates and training in Safety, Environmental and Quality Management. Joris has 25 years of SHEQ Manager experience in different industries, such as the Belgian Railways, airport services, and renowned organisations, such as Imperial Tobacco where he implemented integrated SHEQ Management systems. In 2014, Joris joined Sarens as SHEQ Manager before taking over the role of Group SHEQ Manager.

MACHTELD LEYBAERT

Holds a Master of Law from the University of Ghent. She later completed specializations in Export Management, International European Social Law, and English Legal Methods at the Universities of Antwerp, Ghent and Cambridge. Began as Legal Counsel, specialised in International Contracts, which she later combined with the function of HR Manager Europe. She was appointed Group HR Director of Sarens in 2015.

GERT HENDRICKX

Holding a Master in Industrial Engineering, together with an MBA and a Post Academic degree in Marketing Management, Gert has over 20 years of professional experience in leading organisations such as including OTIS. Began as Key Account Manager in 2003 and was progressively promoted to Sarens Project Sales Director, including a four-year Regional Director role based in Australia. Has successfully led sales strategies while heading major joint ventures, acquisitions, and the setup of new offices globally.

GUY FREDERICKX

Group Fleet Director, is a Belgian national who joined Sarens in 2008 as Director of Fleet Services. After completing his Master in Industrial Engineering in 1982, Guy joined Sundstrand International as Service and Sales Manager. In 2001, he became Global Account Manager at Asea Brown Boveri. In 2007, he became Director of Oil and Gas at Egemin, before joining Sarens.

EXECUTIVE COMMITTEE

Sarens is managed through the combination of an Executive Committee and a team of Regional Directors. The Executive Committee controls all operational and financial aspects of the Group and meets every two weeks.

WIM SARENS

CEO, is a Belgian national. After his studies in Electronic Engineering and Business Economics at the University of Leuven, he joined the consultancy firm McKinsey in 2003. In 2006, he completed an MBA in INSEAD and continued his career as Associate Management Consultant at McKinsey until 2008. In the same year he became Head of Business Development at Sarens and in 2009, he was appointed CEO of Sarens Group.

LUDO VERRIJKEN

Chief Financial Officer, joined the company in 1988. Holds a BA in Accounting from Thomas More University College and a postgraduate in Corporate Finance from the University of Louvain. In 2008, he formed the treasury function at Sarens, focusing on cash management and corporate finance. He was appointed CFO in January 2017.

CARL SARENS

Director of Global Operations and Technical Solutions, joined the Group in 1995. He holds a Master's Degree in Industrial Engineering (Electromechanics) and started as Project Engineer becoming Director of Technical Solutions in 2008. In 2011 he was appointed Group Technical Solutions and Engineering Director. He has carried out more than 100 complex projects for Sarens, in all regions of the world.

JAMES SUH

James was born in South Korea and studied in the USA. After positions at PepsiCo Inc., Suntory Inc. and Site Operation Service, he joined Sarens in 1997. James Suh is now Regional Director - Asia.

RUTGER KOUWENHOVEN

Rutger is a Dutch national who started his career in the transport and heavy-lifting industry with Smit. In 2006, he made the move to Sarens, first as a Commercial Manager for Sarens Netherlands, and later as Country Manager. Since 2012, Rutger has been a Regional Director with responsibility for Western Europe.

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PATRICK NÈGRE

Patrick is a French national who, after completing his degree in Mechanical Engineering, began working as a Project Engineer at Snig Sotemco. In 1991, he became Operational Manager at ADF, and nine years later he moved to Secomat as General Manager. He has been working at Sarens in France since 2007, where he is currently Regional Director for North Africa.

JAMES SUH

James was born in South Korea and studied in the USA. After positions at PepsiCo Inc., Suntory Inc. and Site Operation Service, he joined Sarens in 1997. James Suh is now Regional Director Asia.

JOLANTA MIRKOWICZ

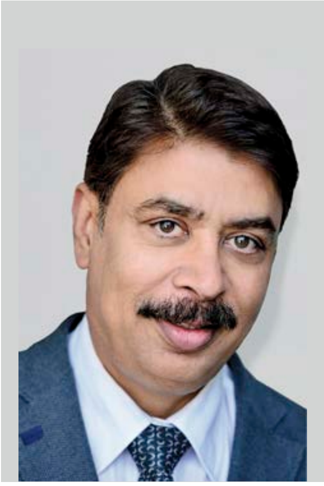
Jolanta is a Polish national and holds a Master Degree in Engineering. She started her career as Purchasing Manager, before creating her own business. In 1997, she became Director of Sarens Polska and since 2011 she has been Regional Director for Eastern Europe.

† THORSTEN GRAMM

A German national, Thorsten held an MBA. Before joining Sarens, he worked in Germany and the Middle East for Lavendon Group plc Thorsten Gramm served as Regional Director of Latin America until June 2017, when he passed away.

MARIUS CILLIERS

With over 15 years' experience in construction as Project Planner and Project Manager, he holds a Postgraduate Degree in Project Management from Cranefield College. Joined Sarens in South Africa in 2010 as Project Manager. Promoted to Regional Sales Manager in 2012, and to Country Manager of Sarens in South Africa in 2015. Appointed Head of Region in 2016.



MALIK MASROOR

Malik was born in India, where he received his BA and MA Degrees in Political Science and a Postgraduate Degree in Management. He worked for British Transport Corp., Patel Group of Companies and Al Suwaidi before joining Sarens Nass Middle East and becoming Regional Director for the Middle East.

MIKE HUSSEY

Mike is a Canadian national who holds a Bachelor in Mechanical Engineering and an MBA. He started his career as an engineer in the pulp and paper industry before moving to the heavy-lifting/heavy-haul industry in 2005. He joined Sarens in 2012 and is currently Regional Director for North America.

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Rutger is a Dutch national who started his career in the transport and heavy-lifting industry with Smit. In 2006, he made the move to Sarens, first as a Commercial Manager for Sarens Netherlands, and later as Country Manager. Since 2012, Rutger has been a Regional Director with responsibility for Western Europe.

CARL SARENS

Director of Global Operations and Technical Solutions, joined the Group in 1995. He holds a Master in Industrial Engineering (Electromechanics) and started as Project Engineer, becoming Director of Technical Solutions in 2008. In 2011 he was appointed Group Technical Solutions and Engineering Director. He has carried out more than 100 complex projects for Sarens in all regions of the world.

STATUTORY AUDITOR

Sarens Bestuur NV's annual accounts are audited by KPMG Bedrijfsrevisoren, 24d Prins Boudewijnlaan, 2550 Kontich, Belgium, represented by Filip De Bock. The statutory auditor was appointed by the General Meeting of Shareholders for a period of four years, ending with the presentation of its report to the Annual General Meeting for the financial year ending 31 December 2016.

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FINANCIAL REPORT 2016

THE GROUP'S CAPITAL STRUCTURE WAS FURTHERMORE STRENGTHENED AND DIVERSIFIED BY THE BOND TAP OF 125 MILLION IN THE AUTUMN OF 2016

INCOME STATEMENT

Group revenue income has decreased by 5%, from €615,1 million in 2015 to €584,1 million in 2016. Despite a very weak start in Q1-2016, the Group managed to realise a stable quarter-on-quarter performance in the remainder of the year. The decrease is mainly explained by the weak performance in some challenging regions, particularly South Africa, Australia and Latin America, that suffered from a substantial reduction in activity. Sarens realised stable performance in Europe and continued to grow in the Middle East, North Africa and Canada.

EBITDA amounted to €128,5 million in 2016 on a pro-forma basis, compared to €149,8 million reported for EBITDA in 2015. The organisational downsizing in challenging regions led to a reduction of personnel costs in line with revenues. Fluctuation in currency exchange rates had an estimated negative impact on EBITDA of €5,1m in 2016.

Operating Profit decreased from €48,6 million in 2015 to €25,6 million in 2016, mainly resulting from a decline in operating income. Depreciations on fixed assets remained relatively high in line with 2015 as a result of the accelerated depreciation rules applied.

The net financial result improved as a result of less unfavourable currency exchange differences compared to 2015, both realized and unrealised. Financing costs remained stable despite the refinancing that took place in the autumn of 2016.

The downsizing of business units in the challenging regions and the strategic reallocation plan have resulted in non-recurring costs of €11,2 million, which negatively impacted the 2016 net result.

Income tax expenses increased to €18,6 million in 2016 versus €14,2 million in 2015, mainly as a result of the exceptional relocation of cranes in the context of the strategic re-allocation plan.

Reported net results came in at a loss of €31,4 million in 2016 compared to a loss of €17,4 million in 2015.

BALANCE SHEET

Tangible Fixed Assets amounted to €856,7 million at the end of 2016 compared to €883,7 million at the end of 2015 as a result of lower net investments in Tangible Fixed Assets ad. €56,7 million. Market value of Tangible Fixed Assets, as estimated by management and used as a benchmark by insurance companies to determine premia, amounted to €1,1 billion on 31 December 2016. The gap between Book Value and Market Value of Fixed Assets is mainly explained by the continued application of accelerated depreciation rules in line with BEGAAP, which make abstraction of the economic lifetime of equipment and of preventive maintenance costs taken into account in operating profit.

Net Working Capital improved from €61,6 million at the end of 2015 to €53,9 million on 31 December 2016, in line with lower operating income.

Cash Position slightly reduced from €80,6 million at the end of 2015 to €70,1 million at the end of 2016. Available liquidity under the Revolving Credit and Global Lease Facilities amounted to €203,1 million on 31 December 2016.

On 31 December 2016, the equity represented 17,4% of the total balance sheet, a small decrease compared to the previous year due to the negative net result of the year.

Total net financial debt slightly decreased from €612,1 million on 31 December 2015 to €607,2 million on 31 December 2016.

The Group's capital structure was furthermore strengthened and diversified by the bond tap of €125 million in the autumn of 2016, which resulted in a strong liquidity position and a decrease of Net senior financial debt from €442,8 million at the end of 2015 to €357,2 million on 31 December 2016.

CASH FLOW STATEMENTS

The reduced working capital and the lower net investments in Fixed Assets have resulted in positive cash flows. The consolidated free cash flow amounted to €36,2 million in 2016, including a negative non-recurring extraordinary result of €11,2 million, compared to a negative consolidated free cash flow of €31,2 million in 2015.

The cash outflows of €46,7 million for financing activities mainly consisted of cash interest payments, debt issuance costs related to the additional bond issuance, and net debt repayments of €15,4 million.

LUDO VERRIJKEN
CHIEF FINANCIAL OFFICER

CONSOLIDATED BALANCE SHEET

Thousands EUR	2016	2015	2014
FIXED ASSETS			
Intangible fixed assets	18.898	17.620	23.649
Positive consolidation differences	2.545	2.236	2.861
Tangible fixed assets	856.892	883.739	813.321
Financial fixed assets	4.999	3.773	4.374
Total fixed assets	**883.334**	**907.368**	**844.205**
CURRENT ASSETS			
Other amounts receivable after more than 1 year	6493	5.560	5.511
Stocks and contracts in progress	19.607	10.691	10.871
Trade debtors	162.759	174.054	190.761
Other amounts receivable within 1 year	43.108	49.690	38.316
Cash at bank and in hand	70.073	80.564	50.264
Deferred charges and accrued income	10.592	16.206	20.785
Total current assets	**312.632**	**336.765**	**316.508**
Total assets	**1.195.966**	**1.244.133**	**1.160.713**

Thousands EUR	2016	2015	2014
EQUITY			
Share capital	80.000	80.000	80.000
Changes in revaluation surplus	7.135	7.299	7.517
Retained earnings	114.540	146.275	164.148
Consolidation badwill	2.151	2.151	2.151
Currency translation reserve	4.547	13.800	-4.877
Total equity	**208.373**	**249.525**	**248.939**
Minority interests	**4.674**	**4.219**	**4.482**
PROVISIONS AND DEFERRED TAXES			
Provisions for liabilities and charges	17.207	14.246	14.600
Deferred taxes	106.289	94.435	92.609
Total provisions and deferred taxes	**123.496**	**108.681**	**107.209**
AMOUNTS PAYABLE OVER 1 YEAR			
Bonds	250.000	125.000	43.058
Leasing and other similar obligations	186.115	214.102	218.747
Credit institutions	127.761	155.071	215.028
Other loans	1.796	3.311	3.302
Total financial debts	**565.672**	**497.484**	**480.135**
AMOUNTS PAYABLE WITHIN 1 YEAR			
Financial debts - credit institutions	111.593	150.835	122.689
Bonds	0	44.345	0
Trade debts	86.831	90.485	136.514
Other amounts payable	36.839	51.765	46.779
Advances received on contracts in progress	45.781	37.416	5.654
Accruals and deferred income	12.707	9.378	8.312
Total current liabilites	**293.751**	**384.224**	**319.948**
Total liabilities	**1.195.966**	**1.244.133**	**1.160.713**

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CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Thousands EUR	2016	2015	2014
Turnover	554.774	593.742	637.817
Stocks of finished goods and contracts in progress	6.328	-693	5.163
Own work capitalised	6.067	4.953	7.847
Other operating income	16.920	17.129	19.983
Total operating income	**584.089**	**615.131**	**670.810**
Raw materials and consumables	-40.010	-43.716	-48.683
Services and other goods	-239.697	-233.030	-288.298
Renumeration, social security costs and pensions	-169.233	-183.196	-175.674
Depreciations and amounts written off on fixed assets	-98.032	-100.925	-94.392
Amounts written off on stocks, contracts in progress and trade debtors	-1.919	-1.633	-7.207
Provisions for liabilities and charges	-2.996	1.389	707
Other operating charges	-6.632	-5.392	-6.441
Total operating charges	**-558.519**	**-566.503**	**-619.988**
Operating profit (EBIT)	**25.570**	**48.628**	**50.822**
Income from financial fixed assets	0	0	1
Income from current assets	3.872	1.900	1.949
Other financial income	45.278	60.867	43.685
Financial income	**49.150**	**62.767**	**45.635**
Debt charges	-34.690	-32.770	-30.697
Other financial charges	-41.686	-78.125	-33.710
Financial charges	**-76.376**	**-110.895**	**-64.407**
Profit on ordinary activities before taxes	**-1.656**	**500**	**32.050**
Extraordinary income	**478**	**42**	**51**
Extraordinary charges	**-11.643**	**-4.064**	**-123**
Profit for the period before taxes	**-12.821**	**-3.522**	**31.978**
Transfer to/from deferred taxes	-11.956	-1.885	-8.125
Income taxes	-6.618	-12.307	-11.127
Income tax expenses	**-18.574**	**-14.192**	**-19.252**
Profit of the period	**-31.395**	**-17.714**	**12.726**
Share in result of the companies using the equity method	176	353	154
Consolidated net result for the period	**-31.219**	**-17.361**	**12.880**
Share of the Group	-31.494	-18.002	12.238
Share of third parties	275	641	642

CONSOLIDATED CASH FLOW STATEMENT*

Thousands EUR	2016	2015	2014
Operating profit	**25.570**	**48.628**	**50.822**
Depreciation, amortisation and impairment	98.032	100.925	94.392
Write-offs on inventories and trade debtors	1.919	1.633	7.207
Provisions for liabilities and charges	2.996	-1.389	-707
EBITDA	128.517	149.797	151.714
Net result from disposals	-9.978	-10.592	-6.037
Non-cash adjustments	0	102	977
Changes in working capital	881	3.340	-25.438
Income tax paid	-10.279	-17.677	-9.585
Cash flow from operating activities	**109.141**	**124.970**	**111.631**
Net investments in intangible fixed assets	-2.432	-387	-675
Net investments in tangible fixed assets	-56.684	-151.942	-69.543
Net investments in financial fixed assets	-2.661	-389	-1.758
Cash flow from investing activities	**-61.777**	**-152.718**	**-71.976**
Net cash used in extraordinary activities	**-11.165**	**-3.417**	**-83**
Consolidated free cash flow	**36.199**	**-31.165**	**39.572**
Capital increase	0	0	0
Financial results	-26.993	-31.041	-29.258
Debt issuance costs	-4.298	-3.924	-4.140
Net debt movements	-15.399	96.430	1.724
Cash flow from financing activities	**-46.690**	**61.465**	**-31.674**
Net change in cash and cash equivalents	**-10.491**	**30.300**	**7.898**
Cash and cash equivalents at the beginning of the year	80.564	50.264	42.366
Cash and cash equivalents at the end of the year	**70.073**	**80.564**	**50.264**

*The structure of the cashflow was changed in 2016 as a consequence the comparative data of 2015 & 2014 is also restated.

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NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

Sarens Bestuur NV is a company with limited liability incorporated under Belgian Law. The company has its registered offices at Autoweg 10,1861 Meise/ Wolvertem and was incorporated on 10th November 1993 with registration number 0451.416.125. The company's share capital is €80,0m, represented by 12.244 shares.

The company's financial year begins on January the 1st and ends on December the 31st of each year. Sarens Bestuur NV is the ultimate parent company of the Sarens Group and the consolidating entity.

2. BASIS OF PREPARATION

The consolidated financial statements are prepared in accordance with Belgian Generally Accepted Accounting Principles (BGAAP) and the specifications of Chapter III, Title II of the Royal Decree of 30th January 2001 with respect to the consolidated accounts of the trading companies.

The consolidated financial statements are presented in thousands EUR, which is the company's functional and presentation currency.

According to Belgian Generally Accepted Accounting Principles (BGAAP), the historical cost principle is applied as a measurement basis. Unless explicitly stated, the accounting policies are applied consistently from year to year.

The consolidated companies undertake the necessary revisions themselves for the consolidation in order to apply the valuation rules of the Group and to ensure they are consistent with the accounting regulations applicable in Belgium.

The following adjustments were primarily undertaken for this purpose: recalculation of the depreciation as a result of the expected economic lifespan of the assets, inclusion of off-balance leasing agreements and the inclusion of off-balance employee benefit –related obligations.

3. BASIS OF CONSOLIDATION

The consolidated financial statements include the financial data of the company and its subsidiaries, jointly controlled entities and associates.

a. Subsidiaries

Subsidiaries are all entities over which the company has the power, directly or indirectly, to govern the financial and operating policies so as to obtain benefits from it, generally implying 50% +1 of the voting rights. The financial statements of the subsidiary are included in the consolidated financial statements from the date on which the Group acquires control until the date on which the control ceases. Subsidiaries are consolidated by use of the full consolidation method.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated; unrealized losses are also eliminated unless such losses are lasting.

b. Investments in jointly controlled entities

Jointly controlled entities are all entities over which the company has, directly or indirectly, joint control, meaning that strategic, financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control. The proportionate consolidation method is applied to all jointly controlled entities. This method combines line by line the company's share of each of the assets, liabilities, income and expense of the jointly controlled entity with similar items in the company's consolidated financial statements.

Intercompany transactions, balances and unrealized gains on transactions between the jointly controlled entity and other group entities are eliminated to the extent of the interests held by the Group. Unrealized losses are also eliminated unless such losses are permanent.

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c. Investments in associates

Associates are all entities over which the company has, directly or indirectly, a significant influence and which are neither subsidiaries nor jointly controlled entities. This is presumed if the company holds at least 20% of the voting rights. Associates are consolidated by application of the equity method. The equity method is a method whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of the net assets of the associate.

4. ACCOUNTING POLICIES

a. General

The accounting information disclosed in the consolidated financial statements of Sarens Bestuur NV provides a true and fair view of its statement of financial position and income statement, in conformity with BGAAP. However, financial statements do not provide all the information that users may need to make economic decisions, since they represent the financial effects of past events and do not necessarily present non-financial information.

Assets are recognized in the statement of financial position when it is considered sufficiently certain that future economic benefits will flow to the entity and the cost of the asset can be measured reliably. Liabilities are recognized in the statement of financial position when it is probable that the settlement of the liability will result in an outflow of resources embodying economic benefits and the amount at which the settlement will take place can be measured reliably. In both circumstances it probably means more likely than not.

Income is recognized in the income statement when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably. Expenses are recognized in the income statement when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. If a transaction results in the termination of future economic benefits or when all risks relating to an asset or a liability are transferred to a third party, the asset or liability is derecognised in the statement of financial position.

b. Use of estimates

The principle of substance over form is applied, whereby the ultimate goal is to include all details which are of any importance to form an opinion on the assets, the financial position and the results of the company.

During the preparation of the financial statements, management is required to form judgments, assumptions and estimates about the carrying amounts of assets and liabilities. The judgments, estimates and assumptions are reviewed on an ongoing basis. Changes in estimates are recognized in the period in which the revision is made and in future periods for which the revision has consequences. However, the resulting estimates will not always be equal to the corresponding actual results.

c. Foreign currencies

i. Foreign currency translation

Each entity of the Group reports in its own functional currency, which is the currency of the primary economic environment in which the entity operates. If a foreign operation reports in a functional currency different from the Group's reporting currency, the financial statements of the foreign operation are translated as follows:

- Assets and liabilities are translated at the closing exchange rate published by the European Central Bank;
- Income and expenses are translated at the average exchange rate for the year;
- Shareholder's equity and its components, consolidation goodwill and participations are translated at the historical exchange rate.

The resulting translation adjustments are recorded in shareholder's equity under the caption "Translation Differences". When a foreign operation is partially disposed of or sold, exchange differences that were recorded under the caption "Currency translation reserve" are recognized in the income statement as part of the gain or loss on sale.

ii. Foreign currency transactions

Foreign currency transactions are recognized during the period in the functional currency of each entity at the exchange rate applicable at the date of the transaction. The transaction date is the date on which the transaction first qualifies for recognition.

Subsequently monetary assets and liabilities denominated in foreign currencies are translated at closing rate of the balance sheet date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets (see above) are recognized in the income statement as a financial result.

From 2013 onwards the Group presents unrealized exchange differences on intercompany loans of a permanent nature and the Group has the intention to incorporate these in the capital of the subsidiary (quasi-equity), no longer as a financial result but directly under the heading "Currency translation reserve" in equity. The effect of this rule amounts to 15,9 million EUR recorded within the currency translation reserve for the year 2016. The increase of this amount compared to 2015 is mainly explained by the use of the SIMADI rate as from the 1st of January 2016 to convert the numbers of the entity in Venezuela.

Non-monetary assets and liabilities which are carried in terms of historical cost denominated in a foreign currency are measured using the exchange rate on the date of the transaction.

Venezuela is currently in a situation of hyperinflation. The hyperinflationary impact has been recorded in the consolidated financial statements, taking into consideration the intentions of the management related to the activities in the region.

d. Consolidation differences

i. Negative consolidation differences (liabilities)/badwill

The negative difference between the purchase price of a new participating interest and the net book value of the net assets obtained upon the acquisition (the negative price when it comes to the acquisition of shares) is included under this heading.

The initial consolidation differences with respect to existing participating interests are compensated as long as a negative balance remains for the liabilities on the balance sheet.

The negative consolidation differences in the consolidated annual accounts amount to 2,15 million EUR.

ii. Positive consolidation differences/goodwill

The positive difference between the purchase price of a new participating interest and the net book value of the net assets obtained upon the acquisition (the additional price when it comes to the acquisition of shares) is included under this heading.

The positive consolidation differences are amortised on a straight-line basis over a period of 5 years. Positive consolidation differences are subject to impairment if economic conditions or technological developments have a negative impact on the entity's future business.

e. Formation expenses

Formation expenses are recorded at cost and depreciated at 100%.

Specific transaction related costs on debt issuance are capitalised at cost and depreciated on a straight-line basis over the period of the loan agreement.

f. Intangible fixed assets

Intangible fixed assets comprise research and development costs, patents and other similar rights as well as customer lists and other intangible commercial assets such as brand names.

Intangible assets are recognized if and only if:

- the asset is identifiable;
- the Group has control over the asset;
- it is probable that future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially measured at their purchase price, including any import duties and non-refundable purchase taxes and any directly attributable expenditure on preparing the assets for their intended use.

The cost of intangible assets acquired through a business combination is the fair value of the acquired asset on the acquisition date. Internally generated intangible assets are measured as the sum of expenditures incurred from the date when the intangible assets meet the recognition criteria.

After initial recognition, an intangible asset is carried at its costs less any accumulated amortisation and impairment loss. Intangible assets are amortized over their useful estimated economic life using a straight-line method.

- Research and development costs 20%
- Concessions, patents and other similar rights 20% - 33,33%
- Customer lists and other intangible commercial assets 20%

An impairment loss will be recorded if the carrying amount of the intangible asset exceeds its recoverable amount, which is the higher of its value in use or its sales value.

g. Property, plant and equipment

Property, plant and equipment are recognized if and only if:

- the Group has control over the asset;
- it is probable that future economic benefits associated with the asset will flow to the entity;
- the cost of the item can be measured reliably.

Property, plant and equipment are recognized initially at cost. Cost is defined as the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its acquisition or construction.

Costs include all expenditures directly attributable to bringing the asset to the location and condition necessary for its intended use (e.g. import duties and non-refundable purchase taxes, directly attributable costs of bringing the assets ex works to the location, etc.).

Costs incurred to upgrade significantly the property, plant and equipment or to extend the lifetime shall be capitalized up to the maximum market value and written off over the remaining lifetime of the asset.

Any costs in excess of market value of the equipment shall be expensed.

The cost of property, plant and equipment with a limited useful life is reduced to its estimated residual value by the systematic allocation of depreciation over the useful life of the assets.

Amortisation is applied on the grounds of linear economic percentages calculated on the basis of the duration of the depreciation and taking into account the residual value; namely:

Assets held under finance lease are depreciated on the same basis as owned assets.

An impairment loss will be recorded if the carrying amount of the tangible asset exceeds its recoverable amount, which is the higher of its value in use or its sales value.

Gains and losses on disposal of equipment used in the ordinary course of business are included in operating results, while all other gains and losses on disposal are included in non-recurring operating results.

Additional expenses are debited against the same percentage as the principal sum.

	Amortised Period	Residual Value
Industrial Buildings	10 Years	0%
Barges	20 years	20%
Office Buildings	33 Years	0%
Plant, Machinery and Equipment	5 Years	0%
Furniture	5 - 10 Years	0%
Vehicles		
• Mobile cranes up to 199t	7 Years	10%
• Mobile cranes more than 200t	10 Years	15%
• Lattice Boom Cranes	15 Years	20%
• Hydraulic Trailers	15 Years	20%
• Other Vehicles	5 Years	5%
Leasing and Similar Rights	According to category	
Other Tangible Assets	5 Years	0%

Additional expenses are debited against the same percentage as the principal sum.

All gains arising from an internal group transaction since 2009 were eliminated. Losses arising from internal group sales are eliminated and the value of the corresponding fixed asset is impaired. As from 2015 onwards the gains and losses arising from internal group transactions on fixed assets are no longer fully eliminated for gains and losses arising from transactions with entities which are included in the consolidation using the proportionate consolidation method or the full consolidation method with the application of minority interests. The gains and losses are included in the result of the year according to the interest of the Group in the selling entity.

h. Hoisting equipment

Until the 31st of December 2012 the purchase of hoisting equipment was expensed.

In 2013, the ERP system of Sarens was adapted in order to keep track of the hoisting equipment and to improve the allocation of the related costs to the specific projects where it is being used. This change ensures better cost control of this type of equipment. Since the economic lifetime of this equipment is on average five years, and the equipment is effectively being used over a period of more than one year, the purchase of new hoisting equipment will be capitalized as "Plant, machinery and equipment" and depreciated over a period of five years with a residual value of 0%.

i. Leasings

Rights of use on goods are classified as finance leases when the following conditions are met:

- The contractually agreed lease terms, increased by the amount to be paid upon exercising the purchase option, in addition to the interest and the costs of the transaction, should recover the full capital invested by the lessor.
- The amount of the purchase option may not exceed 15% of the invested capital;
- The agreement must stipulate the transfer of ownership and the purchase option.
- The Group has only rights of use on movable assets.
- The Group has only rights of use on movable assets.

Rights of use on movable assets under which substantially all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as an expense.

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j. Financial fixed assets

The Group classifies its financial assets in the following categories:

- investments in associates
- participating interests in other entities
- other financial fixed assets

i. Investments in associates

Associates are all entities over which the Group has significant influence but no control over the strategic, financial and operating policies. This is presumed if the company holds at least 20% of the voting power. Investments in associates are accounted for using the equity method.

If the Group's share of losses of an associate equals or exceeds its interests, the Group will discontinue recognising its share of further losses. After the Group's interest is reduced to nil, the Group recognizes a liability in the case that the Group incurred legal or constructive obligations or made payments on behalf of the associate.

The Group's share in the yearly profit or loss of the associate is included in the income statement under the caption "Share of results in associates".

ii. Participating interest in other entities

Participating interest in other entities concerns all entities over which the Group has no significant influence but with which the Group wants to hold or build a llong-term relationship.

Participating interest in other entities is initially recorded at acquisition cost and is subsequently measured at the lowest of their acquisition value or fair value, which is the amount at which the interest could be bought or sold in a transaction between knowledgeable and willing parties in an arm's length transaction.

iii. Other financial assets

Other financial assets comprise mainly long-term paid guarantees. Other financial assets are measured at their nominal value. The Group does not discount any interest-free long-term receivable included in other financial assets.

k. Inventories

The Group classifies its inventories in the following categories:

- raw materials and consumables: covering tyres, spare parts, fuel, consumables and tools;
- goods purchased for resale: covering all assets purchased with an intention to resell them;
- contracts in progress.

i. Raw materials, consumables and goods purchased

Raw materials, consumables and goods purchased for resale are measured at the lower cost of purchase and net realisable value. Cost of purchase is based on the FIFO method, assuming that the goods purchased first are sold first. If the net realizable value is lower than the cost of purchase the Group immediately writes off the excess in profit or loss.

ii. Contracts in progress

Because of the nature of activities (construction contracts) in which the Group is involved, the date on which the contract activity is started and the date on which the activity is completed usually fall in a different accounting period. The Group uses the percentage of completion method in order to allocate contract revenue and contract costs to the accounting period in which the work is performed.

Therefore, the Group recognizes in inventories a gross amount for all contracts in progress for which costs incurred plus recognized profits (or less recognized losses) exceed the progress billing. In case the estimated project outcome shows a loss, the Group recognizes a provision for the estimated future loss exceeding the project revenue.

l. Trade receivables

Trade receivables are measured at nominal value, less the appropriate impairments for amounts regarded as unrecoverable. On each reporting date the Group assesses whether there are indications that a trade receivable should be impaired. A trade receivable is impaired if it is probable that the entity will not or only partially collect the amounts due.

m. Cash and cash equivalents

The other investments are valued at nominal value.

n. Prepayments and accrued income

The accrued income and deferred charges are reported pro rata temporis on the balance sheet date, based on the facts known.

o. Investment grants

Investment grants are reported after deduction of deferred taxes, which are included under the caption "Provisions and deferred taxes".

p. Revaluation surplus

Until 2008 gains realized on the sale of tangible fixed assets within the Group were not eliminated because of the fact that these transactions took place at arm's length. The gains realized through these transactions were eliminated from the result of the year and reported as a revaluation surplus (included in equity). Despite the fact that these gains are taxed in the statutory accounts of the subsidiaries involved, no deferred tax asset was accounted for. At The moment the fixed asset items is sold to a third party, the revaluation surplus will be released through the income statement.

As from 2009 all gains realized on the sale of tangible fixed assets have been eliminated in the income statement.

q. Amounts payable

These debts are valued at nominal value.

r. Accrued charges and deferred income

The accrued charges and deferred income are reported pro rata temporis on the balance sheet date, based on the facts known.

s. Non-controlling interests

Non-controlling interests represent the share of minority shareholders in the equity of subsidiaries which are not fully owned by the Group. Non-controlling interests are initially measured at the non-controlling shareholders proportion in the net assets of the acquired subsidiary. Subsequently, they are adjusted by the appropriate non-controlling interest share of profits or losses.

Minority interests represent the portion of the equity of the consolidated company which does not belong to the Group, but to third-party shareholders. In case of losses, the loss assigned to the minority shareholder is limited to the initial contribution of the minority shareholder.

t. Provisions

Provisions are systematically created on the basis of the principles of prudence, honesty and good faith.

Provisions are recognized when and only when:

- the Group has a current legal or constructive obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed on each balance sheet date and are adjusted to reflect the best estimate of the minimum expenditure required to settle the present obligation.

u. Deferred taxes

Deferred taxes are the amounts of income taxes recoverable or payable in future periods in respect of:

- deductible or taxable temporary differences
- the carry-forward of unused tax losses;
- the carry-forward of unused tax credits

The Group recognizes only deferred tax liabilities in accordance with the prudence principle from BGAAP.

Deferred tax assets and liabilities are measured at the tax rate to which the group's company is subject.

If a Group's company has deferred tax assets and deferred tax liabilities, it offsets the deferred tax assets to the extent of the deferred tax liabilities and derecognises any remaining deferred tax asset.

v. Pensions

The Group has various post-employment benefit schemes in accordance with the practices of the countries in which it operates.

i. Defined contribution plans

The majority of the pension plans in the Group are defined contribution plans whereby the Group pays fixed contributions to a separate fund (e.g. insurance fund). Obligations in respect of contributions to the fund are recognized as an expense in the income statement as they fall due.

Supplementary pensions plans in Belgium should legally guarantee a minimum return to the employee and thus they are accounted for as defined contribution plans, since the minimum legally required return is sufficiently guaranteed by the insurance company.

ii. Defined benefit plans

In case of early retirement the Group records a provision for the expected cost of early retirement. The expected cost is measured as the sum of the possible future payments the Group has to make in order to comply with local legislation. The provision for early retirement is not based on actuarial calculations.

w. Recognition of income

If the outcome of a project can be estimated reliably, the operating income from such a project is recognized using the percentage of completion method. Progress is measured for each contract on the proportion of the expected total cost for the contract incurred to date, excluding cost of subcontracted work. An expected loss on a project is recognized immediately in the income statement. Crane rental income is recognized over the rental period. Profits on trading of equipment and profits on sale of fixed assets are accounted for at the time of transfer of economic ownership.

x. Extraordinary expenses

During 2015 the Board of Directors further defined the elements to be included within the caption "extraordinary expenses". Expenses incurred for activities that are not related to the ordinary course of business are classified under the heading "other extraordinary charges". Expenses to which this classification applies are (non-limitative list):

- expenses related to the close-down of business units, yards or other locations;
- expenses that are non-recurring by nature, such as settlements paid to non-business-related disputes, and legal fees related to disputes outside the normal course of business;
- redundancy fees related to major downsizing of activities or closing-down of departments. This does not include redundancy fees related to non-performance;
- costs of acquiring new entities.

The company has recognized 11.6 million EUR under other extraordinary charges during 2016 compared to 4.1 million EUR in 2015.

5. LIST OF CONSOLIDATED ENTITIES

Entity	Country of Incorporation	% of Ownership in 2016	% of Ownership in 2015	Consolidation Method
SARENS BESTUUR NV	BELGIUM	100	100	FULL CONSOLIDATION
SARENS NV	BELGIUM	100	100	FULL CONSOLIDATION
SARENS BE NV	BELGIUM	100	100	FULL CONSOLIDATION
SARBRA 1750 NV	BELGIUM	50	50	FULL CONSOLIDATION
SARKRAN NV	BELGIUM	100	100	FULL CONSOLIDATION
EOLE OVERSEAS NV	BELGIUM	33,33	33,33	EQUITY METHOD
SAMOCO NV	BELGIUM	100	100	FULL CONSOLIDATION
SARENS FINANCE COMPANY NV	BELGIUM	100	100	FULL CONSOLIDATION
NEBEM BV	NETHERLANDS	50	50	PROPORTIONAL CONSOLIDATION
SARENS NEDERLAND BV	NETHERLANDS	100	100	FULL CONSOLIDATION
SARENS STEEL ERECTORS BV	NETHERLANDS	100	100	FULL CONSOLIDATION
MANAGEMENT SARENS NEDERLAND BV	NETHERLANDS	100	100	FULL CONSOLIDATION
SARENS MATERIEEL BV	NETHERLANDS	100	100	FULL CONSOLIDATION
HOLDING SARENS NEDERLAND BV	NETHERLANDS	100	100	FULL CONSOLIDATION
SARENS FRANCE SAS	FRANCE	100	100	FULL CONSOLIDATION
SARENS NORMANDIE SARL	FRANCE	100	100	FULL CONSOLIDATION
SARENS FRANCE (BRANCH) NOUVELLE CALEDONIE	NEW CALEDONIA	100	100	FULL CONSOLIDATION
G.E. CURTIS LTD	UNITED KINGDOM	100	100	FULL CONSOLIDATION
SARENS UK LTD	UNITED KINGDOM	100	100	FULL CONSOLIDATION
SARENS NASS UK LTD	UNITED KINGDOM	50	100	PROPORTIONAL CONSOLIDATION
SARENS GMBH	GERMANY	100	100	FULL CONSOLIDATION
SARENS CRANES LTD	IRELAND	100	100	FULL CONSOLIDATION
SARENS ITALIA SRL	ITALY	100	100	FULL CONSOLIDATION
SARENS KRANSERVICE AS	NORWAY	100	100	FULL CONSOLIDATION
SARENS A/S	NORWAY	100	100	FULL CONSOLIDATION
ZURAW SARENS SPZOO	POLAND	100	100	FULL CONSOLIDATION
SARENS POLSKA SPZOO	POLAND	100	100	FULL CONSOLIDATION
SARENS POLSKA SHARED SERVICE CENTRE SPZOO	POLAND	100	100	FULL CONSOLIDATION
SARENS POLSKA SPZOO ODDZIAŁ W GDANSK	POLAND	100	0	FULL CONSOLIDATION PROPORTIONAL
ALVIAN MOST S.R.O	CZECH REPUBLIC	50	50	PROPORTIONAL CONSOLIDATION
SARENS ATYRAU GMBH (BRANCH)	KAZAKHSTAN	100	100	FULL CONSOLIDATION
SARENS KAZAKHSTAN LLP	KAZAKHSTAN	100	100	FULL CONSOLIDATION
SARENS NV - BRANCH BULGARIA	BULGARIA	100	0	FULL CONSOLIDATION
SARENS BEL LLC	BELARUS	50	0	NOT INCLUDED IN THE CONSOLIDATION BECAUSE OF MINOR IMPORTANCE
SARENS NV - OGRANAK (BRANCH)	SERBIA	100	100	FULL CONSOLIDATION
SARENS TRANSPORT AND HEAVY LIFT DOO	SERBIA	100	100	FULL CONSOLIDATION
SARENS RUSSIA LLC	RUSSIA	100	100	FULL CONSOLIDATION

Entity	Country of Incorporation	% of Ownership in 2016	% of Ownership in 2015	Consolidation Method
SARENS KM LTD	RUSSIA	100	100	FULL CONSOLIDATION
SARENS SZR LLC	RUSSIA	100	100	FULL CONSOLIDATION
BRANCH OF PUBLIC LIMITED COMPANY SARENS	RUSSIA	100	100	FULL CONSOLIDATION
SARENS TUNGLYFT AB	SWEDEN	100	100	FULL CONSOLIDATION
UAB SARENS BALTICUM	LITHUANIA	100	100	FULL CONSOLIDATION
SARENS UKRAINE LLC	UKRAINE	100	100	FULL CONSOLIDATION
SARENS SPAIN, S.L.	SPAIN	100	100	FULL CONSOLIDATION
SARENS N.V., SIVULIIKE SUOMESSA (BRANCH)	FINLAND	100	0	FULL CONSOLIDATION PROPORTIONAL
SARENS NASS MIDDLE EAST W.L.L.	BAHRAIN	50	50	PROPORTIONAL CONSOLIDATION
SARENS NASS MIDDLE EAST HOLDING LTD.	BAHRAIN	100	100	FULL CONSOLIDATION
EPEQUIP SPC	BAHRAIN	100	100	FULL CONSOLIDATION
SARENS SAUDI ARABIA LTD	SAUDI ARABIA	100	100	FULL CONSOLIDATION
SEREEN WLL	IRAQ	85	85	FULL CONSOLIDATION
B S MIDDLE EAST TRADING CO. WLL	BAHRAIN	25,5	25,5	NOT INCLUDED IN THE CONSOLIDATION BECAUSE OF MINOR IMPORTANCE
SARENS FOR GENERAL TRADING AND CONTRACTING LLC	IRAQ	85	100	FULL CONSOLIDATION
SARENS (IRAQI BRANCH)	IRAQ	100	100	FULL CONSOLIDATION
SARENS THAILAND CO. LTD.	THAILAND	100	100	FULL CONSOLIDATION
SARENS ASIA (ROH) LTD.	THAILAND	100	100	FULL CONSOLIDATION
SARENS KOREA (BRANCH)	KOREA	100	100	FULL CONSOLIDATION
SARENS KOREA LTD.	KOREA	100	100	FULL CONSOLIDATION
SARENS HEAVY LIFT INDIA PRIVATE LIMITED	INDIA	100	100	FULL CONSOLIDATION
SARENS (MALAYSIA) SDN. BHD.	MALAYSIA	100	100	FULL CONSOLIDATION
SARENS JWS (M) SDN BHD	MALAYSIA	75	75	FULL CONSOLIDATION
U.E.S. LOGISTICS (MALAYSIA) SDN BHD	MALAYSIA	75	75	FULL CONSOLIDATION
SARENS JWS (S) PTE. LTD.	SINGAPORE	75	75	FULL CONSOLIDATION
SARENS VIETNAM CO. LTD.	VIETNAM	100	100	FULL CONSOLIDATION
TAGI LOGISTICS	VIETNAM	49	49	EQUITY METHOD
SARENS PROJECTS PHILIPPINES INC	PHILIPPINES	100	100	FULL CONSOLIDATION
SARENS AGIR YÜK KALDIRMA TIC. LTD. STI	TURKEY	100	100	FULL CONSOLIDATION
PT SARENS OCS INDONESIA	INDONESIA	49	49	NOT INCLUDED IN THE CONSOLIDATION BECAUSE OF MINOR IMPORTANCE
PT SARENS HEAVY LIFTING AND TRANSPORTATION INDONESIA	INDONESIA	49	49	EQUITY METHOD
PT SARENS HEAVY EQUIPMENT RENTAL INDONESIA	INDONESIA	67	67	FULL CONSOLIDATION
ESCAPE OVERSEAS LTD.	BANGLADESH	49	49	EQUITY METHOD
SINOTRANS SARENS LOGISTICS CO., LTD.	CHINA	50	50	PROPORTIONAL CONSOLIDATION
SARENS NORTH AMERICA HOLDING, INC.	UNITED STATES	100	100	FULL CONSOLIDATION
SARENS USA INC.	UNITED STATES	100	100	FULL CONSOLIDATION
SERVICIOS CORPORATIVOS LATINO-AMERICANOS SA DE CV	MEXICO	100	100	FULL CONSOLIDATION
SRNS LATINOAMÉRICA SA DE CV	MEXICO	100	100	FULL CONSOLIDATION

Entity	Country of Incorporation	% of Ownership in 2016	% of Ownership in 2015	Consolidation Method
GROUP SARENS DE VENEZUELA C.A.	VENEZUELA	100	100	FULL CONSOLIDATION
SARENS BRASIL LOCAÇÃO DE EQUIPAMENTOS PARA CONSTRUÇÃO LTDA.	BRAZIL	100	100	FULL CONSOLIDATION
BSM SARENS SERVIÇOS TÉCNICOS DE ENGENHARIA E LOCAÇÃO LTDA	BRAZIL	50	50	PROPORTIONAL CONSOLIDATION
SARENS HEAVY LIFT CANADA LTD.	CANADA	100	100	FULL CONSOLIDATION
SARENS CANADA INC.	CANADA	98	90	FULL CONSOLIDATION
SARENS DE COLOMBIA S.A.S.	COLOMBIA	100	100	FULL CONSOLIDATION
SARENS PANAMA SA	PANAMA	100	100	FULL CONSOLIDATION
SARENSECUADOR SA	ECUADOR	100	100	FULL CONSOLIDATION
SARENS CHILE SA	CHILE	100	100	FULL CONSOLIDATION
SERVICIOS PARA MAQUINARIA, S.A.	CHILE	100	100	FULL CONSOLIDATION
TRANSPORTES Y SERVICIOS ESPECIALIZADOS DE IZAMIENTO SARENS BOLIVIA S.A.	BOLIVIA	100	100	FULL CONSOLIDATION
SARENS PERU S.A.C.	PERU	100	100	FULL CONSOLIDATION
SARENS ALGÉRIE SARL	ALGERIA	60	60	FULL CONSOLIDATION
SARENS SA - P.E. ALGERIA	ALGERIA	100	100	FULL CONSOLIDATION
ALGERIA FACILITY LOGISTICS AND TRANSPORT SPA	ALGERIA	25	25	EQUITY METHOD
SARENS BOTSWANA (PTY) LTD	BOTSWANA	100	100	FULL CONSOLIDATION
SARENS TANZANIA LIMITED	TANZANIA	100	100	FULL CONSOLIDATION
SARENS HEAVY LIFT EGYPT LLC	EGYPT	95	95	FULL CONSOLIDATION
SARENS CONGO SARL	CONGO	70	70	FULL CONSOLIDATION
SARENS CÔTE D'IVOIRE (BRANCH)	IVORY COAST	100	100	FULL CONSOLIDATION
SARENS FRANCE (ETHIOPIAN BRANCH)	ETHIOPIA	100	100	FULL CONSOLIDATION
SARENS SOUTH AFRICA (PTY) LIMITED	SOUTH AFRICA	100	100	FULL CONSOLIDATION
SARENS TRANSPORT (PTY) LTD	SOUTH AFRICA	100	100	FULL CONSOLIDATION
SARENS SIBA (PTY) LTD	SOUTH AFRICA	49	49	EQUITY METHOD
SARENS MAROC	MOROCCO	100	100	FULL CONSOLIDATION
SARENS TUNISIE SARL	TUNISIA	70	70	FULL CONSOLIDATION
SARENS HEAVY LIFT NAMIBIA (PTY LTD)	NAMIBIA	100	100	FULL CONSOLIDATION
SARENS MOZAMBIQUE LDA	MOZAMBIQUE	100	100	FULL CONSOLIDATION
SARENS MAURITIUS	MAURITIUS	100	100	FULL CONSOLIDATION
SARENS CRANE SERVICES NIGERIA LIMITED	NIGERIA	100	100	FULL CONSOLIDATION
SARENS BUILDWELL NIGERIA LTD	NIGERIA	50	50	PROPORTIONAL CONSOLIDATION
SARENS ZAMBIA LTD.	ZAMBIA	100	100	FULL CONSOLIDATION
SARENS (AUSTRALIA) PTY LTD	AUSTRALIA	100	100	FULL CONSOLIDATION
SRNS CARGO SA DE CV	MEXICO	100	100	NOT INCLUDED IN THE CONSOLIDATION BECAUSE OF MINOR IMPORTANCE
SARENS KRAN LLC	UZBEKISTAN	100	0	NOT INCLUDED IN THE CONSOLIDATION BECAUSE OF MINOR IMPORTANCE
SUNGDO SARENS LIMITED	HONGKONG	50	0	NOT INCLUDED IN THE CONSOLIDATION BECAUSE OF MINOR IMPORTANCE
SARL ALGERIA FACILITY LOGISTICS & TRANSIT	ALGERIA	27	0	NOT INCLUDED IN THE CONSOLIDATION BECAUSE OF MINOR IMPORTANCE

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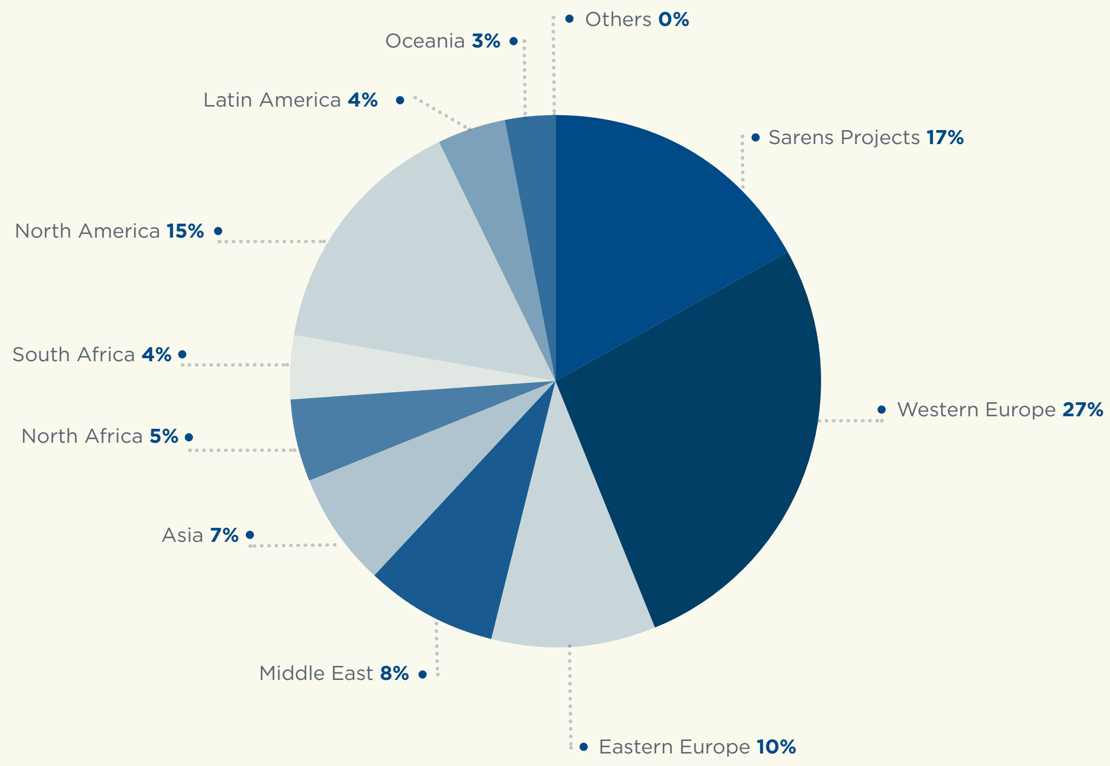
6. 6. TURNOVER INCLUDING WORK IN PROGRESS BY SEGMENT *

The Group's turnover for 2016 and 2015 can be detailed as follows:

Segments	2016	2015
Sarens Projects	94.302	46.950
Western Europe	153.796	186.958
Eastern Europe	53.975	56.717
Middle East	43.274	36.716
Asia	38.658	51.453
North Africa	28.856	18.831
South Africa	19.484	36.349
North America	85.358	61.194
Latin America	24.081	64.692
Oceania	19.279	32.956
Others	40	233
	561.102	**593.049**



7. GOODWILL AND INTANGIBLE FIXED ASSETS

Thousands EUR	Positive consolidation differences	Research & development	Concessions, patents and similar rights	Customer lists and other intangible commercial assets	Formation expenses and loan issue expenses	Total intangible fixed assets
Acquisition value						
Balance on 1 January 2015	**28.898**	**547**	**6.739**	**1.970**	**29.496**	**38.752**
Additions	538		2	384	3.925	4.311
Disposals and retirements					-6.884	-6.884
Effect of foreign currency exchange differences	-13	1	106		174	281
Other movements				-1		-1
Tranfer to other asset categories						0
Balance on 31 December 2015	**29.423**	**548**	**6.847**	**2.353**	**26.711**	**36.459**
Additions	1.611	11	2.356		4.298	6.665
Disposals and retirements						0
Effect of foreign currency exchange differences		9	-16	-2	49	40
Other movements					-280	-280
Tranfer to other asset categories		-68	68			
Balance on 31 December 2016	**31.034**	**500**	**9.255**	**2.351**	**30.778**	**42.884**
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES						
Balance on 1 January 2015	**-26.037**	**-464**	**-5.595**	**-1.632**	**-7.412**	**-15.103**
Depreciation expense recorded	-1.159	-39	-640	-197	-4.339	-5.215
Disposals and retirements					1.587	1.587
Effect of foreign currency exchange differences	9	-1	-109			-110
Other movements		2				2
Tranfer to other asset categories						0
Balance on 31 December 2015	**-27.187**	**-502**	**-6.344**	**-1.829**	**-10.164**	**-18.839**
Depreciation expense recorded	-1.305	-11	-700	-742	-3.744	-5.197
Disposals and retirements						0
Effect of foreign currency exchange differences	4	-7	9	2	3	7
Other movements					42	42
Tranfer to other asset categories		83	-580	497		0
Balance on 31 December 2016	**-28.488**	**-437**	**-7.615**	**-2.072**	**-13.863**	**-23.987**
CARRYING AMOUNT						
On 31 December 2015	**2.236**	**46**	**503**	**524**	**16.547**	**17.620**
On 31 December 2016	**2.546**	**63**	**1.640**	**279**	**16.915**	**18.897**

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8. TANGIBLE FIXED ASSETS

Thousands EUR	Land and buildings	Plant, machinery and equipment	Cranes & rolling equipment	Cranes under capital lease	Other leasings and similar rights	Other tangible fixed assets	Assets under construction and advance payments	Total tangible fixed assets
ACQUISITION VALUE								
Balance on 1 January 2015	**9.112**	**77.138**	**651.585**	**538.254**	**74.663**	**8.092**	**6.016**	**1.364.860**
Additions	1.161	9.540	88.551	51.969	12.757	1.174	2.338	167.490
Disposals and retirements		-1.079	-12.733	-10.434		-17	-266	-24.529
Effect of foreign currency exchange differences	-56	1.270	8.596	-295	-140	-395	-36	8.944
Tranfer to other asset categories	23	66	18.367	-16.481	-772	-24	-1.179	0
Other movements		1	354				-1	354
Balance on 31 December 2015	**10.240**	**86.936**	**754.720**	**563.013**	**86.508**	**8.830**	**6.872**	**1.517.119**
Additions	551	11.761	30.759	7.975	13.790	1.057	31.879	97.772
Disposals and retirements	-31	-1.065	-32.039	-4.169	-1.333	-2.498	-18.268	-59.403
Effect of foreign currency exchange differences	82	277	1.677	-208	75	230	-17	2.116
Tranfer to other asset categories	22	-4.716	-7.905	24.885	-3.338	1.090	-10.384	-346
Other movements								0
Balance on 31 December 2016	**10.864**	**93.193**	**747.212**	**591.496**	**95.702**	**8.709**	**10.082**	**1.557.258**
CHANGES IN REVALUATION SURPLUS								
Balance on 1 January 2015	**0**	**0**	**4.232**	**0**	**0**	**0**	**0**	**4.232**
Additions			91					91
Disposals and retirements			-270					-270
Effect of foreign currency exchange differences			93					93
Tranfer to other asset categories								0
Other movements								0
Balance on 31 December 2015	**0**	**0**	**4.146**	**0**	**0**	**0**	**0**	**4.146**
Additions								0
Disposals and retirements			-509					-509
Effect of foreign currency exchange differences			-89					-89
Tranfer to other asset categories			345					345
Other movements								0
Balance on 31 December 2016	**0**	**0**	**3.893**	**0**	**0**	**0**	**0**	**3.893**

Thousands EUR	Land and buildings	Plant, machinery and equipment	Cranes & rolling equipment	Cranes under capital lease	Other leasings and similar rights	Other tangible fixed assets	Assets under construction and advance payments	Total tangible fixed assets
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES								
Balance on 1 January 2015	**-3.213**	**-48.527**	**-314.402**	**-163.910**	**-21.089**	**-4.630**	**0**	**-555.771**
Depreciation expense recorded	-841	-8.621	-44.496	-37.731	-6.480	-709		-98.878
Written back because superfluous								0
Acquisitions from third parties								0
Disposals and retirements			10.674	9.346		2		20.022
Tranfer to other assets categories	-8	-224	-16.991	15.695	1.509	18		-1
Effect of foreign currency exchange differences	-45	-951	-2.244	15	119	178		-2.928
Other movements			19	-2	1	12		30
Balance on 31 December 2015	**-4.107**	**-58.323**	**-367.440**	**-176.587**	**-25.940**	**-5.129**	**0**	**-637.526**
Depreciation expense recorded	-648	-8.932	-40.284	-38.296	-6.231	-872		-95.263
Written back because superfluous								0
Acquisitions from third parties								0
Disposals and retirements	28	734	22.039	2.893	399	2.497		28.590
Tranfer to other assets categories	-40	4.890	-14.447	7.506	2.036	57		2
Effect of foreign currency exchange differences	78	-510	397	41	-43	-163		-200
Other movements						138		138
Balance on 31 December 2016	**-4.689**	**-62.141**	**-399.735**	**-204.443**	**-29.779**	**-3.472**	**0**	**-704.259**
CARRYING AMOUNT								
On 31 December 2015	**6.133**	**28.613**	**391.426**	**386.426**	**60.568**	**3.701**	**6.872**	**883.739**
On 31 December 2016	**6.175**	**31.052**	**351.370**	**387.053**	**65.923**	**5.237**	**10.082**	**856.892**

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9. FINANCIAL FIXED ASSETS

Thousands EUR	Investments in associates	Participating interests in other entities	Other financial fixed assets	Total financial fixed assets
Balance on 1 January 2015	**1.587**	**835**	**1.952**	**4.374**
Acquisitions		301	46	347
Disposals and retirements		-37		-37
Changes in consolidation scope	-506			-506
Repayments			-976	-976
Effect of foreign currency exchange differences	145	65	11	221
Other movements		-3		-3
Share in the result of the period	353			353
Balance on 31 December 2015	**1.579**	**1.161**	**1.033**	**3.773**
Acquisitions		19	1.061	1.080
Disposals and retirements		-5	-85	-90
Changes in consolidation scope				0
Repayments				0
Effect of foreign currency exchange differences	32	8	20	60
Other movements		-627	627	0
Share in the result of the period	176			176
Balance on 31 December 2016	**1.787**	**556**	**2.656**	**4.999**

10. STOCKS AND CONTRACTS IN PROGRESS

Thousands EUR	2016	2015
Raw materials and consumables	12.301	8.968
Goods purchased for resale	0	0
Contracts in progress	7.306	1.723
Stocks and contracts in progress	**19.607**	**10.691**

11. TRADE AND OTHER RECEIVABLES

Thousands EUR	2016	2015
Trade debtors	197.683	206.968
Write-off trade receivables	-34.924	-32.914
Total trade debtors	**162.759**	**174.054**
VAT and other tax receivables	28.477	21.929
Other amounts receivable within 1 year	14.631	27.761
Other amounts receivable after more than 1 year	6.493	5.560
Total other amounts receivable	**49.601**	**55.250**

12. PROVISIONS FOR LIABILITIES AND CHARGES

Thousands EUR	2016	2015
Provisions for post-employment benefits	3.576	3.371
Provisions for claims	4.835	2.808
Other provisions	8.796	8.067
Provisions for liabilities and charges	**17.207**	**14.246**

13. STATEMENT OF CHANGES IN EQUITY

Thousands EUR	Share capital	Revaluation surplus	Retained earnings	Consolida-tion badwill	Currency translation reserve	Total equity
Balance on 1 January 2014	**80.000**	**7.725**	**151.831**	**2.151**	**-11.066**	**230.641**
Profit of the period			12.238		1.587	13.825
Changes in revaluation surplus		-208				-208
Acquisition of non-controlling interests						0
Changes in consolidation scope			-10			-10
Other movements			88		4.602	4.690
Carve-out						
Balance on 1 January 2015	**80.000**	**7.517**	**164.147**	**2.151**	**-4.877**	**248.938**
Profit of the period			-18.002		6.366	-11.636
Issue of capital						0
Changes in revaluation surplus		-280				-280
Acquisition of non-controlling interests						0
Changes in consolidation scope						0
Other movements		62	130		12.311	12.503
Balance on 31 December 2015	**80.000**	**7.299**	**146.275**	**2.151**	**13.800**	**249.525**
Profit of the period			-31.494		7.919	-23.575
Issue of capital						0
Changes in revaluation surplus						0
Changes in consolidation scope						0
Other movements		-164	-241		-17.172	-17.577
Balance on 31 December 2016	**80.000**	**7.135**	**114.540**	**2.151**	**4.547**	**208.373**

14. FINANCIAL DEBTS

Thousands EUR	< 1 year	1 - 5 years	> 5 years	Total
31 December 2015				
Bonds	44.345		125.000	169.345
Leasing and other similar obligations	70.305	176.807	37.296	284.408
Credit institutions	80.500	131.495	23.576	235.571
Other loans	30	3.310		3.340
	195.180	**311.612**	**185.872**	**692.664**
31 December 2016				
Bonds			250.000	250.000
Leasing and other similar obligations	61.784	147.575	38.540	247.899
Credit institutions	45.283	124.889	2.872	173.044
Other loans	4.526	1.796		6.322
	111.593	**274.260**	**291.412**	**677.265**

15. TRADE AND OTHER PAYABLES

Thousands EUR	2016	2015
Trade debts	**86.831**	**90.485**
Advances received on contracts in progress	**45.781**	**37.416**
VAT and other tax payable	16.424	22.270
Renumeration and social security payable	15.455	14.023
Other amounts payable	4.960	15.472
Total other amounts payable	**36.839**	**51.765**

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16. RISKS, UNCERTAINTIES AND CONTINGENCIES

Sarens, like any other company, is exposed to market, operational and financial risks because of its activities. These risks are mitigated by the Group's business controls, organisational structure, management methods and internal control systems.

Country risks

The Sarens Group is active worldwide and therefore subject to inherent market risks, which may include unfavourable political, regulatory, labour and tax conditions in each of the countries where it renders its services.

The Belgian operations were subject to an inspection by the Belgian tax authorities, as a result of which the tax authorities claimed an additional amount of 10,3 million EUR in unpaid taxes (excluding late interest payments and penalties). The company is contesting this claim and recognized a provision of 7,5 million EUR in prior periods. The provision still reflects the company's best estimate of the expenditure required to settle the obligation. This case was been brought to court during 2015. The Group has also made a provision for 3,0 million EUR for uncertain tax positions related to foreign withholding taxes on the rental income of equipment.

Competitive risks

The majority of the activities of the Sarens Group are subject to competitive pressure from both local and international competitors. The development of new technologies by competitors or the entry into a market of any new or existing competitor may have a negative impact on turnover.

Activity risks

Since the company is involved in complex construction works at industrial/other sites and often operates as a subcontractor, project revenue is being accrued based on management's best estimate on the balance sheet date, considering the status of the work performed and the ability to charge variances under the existing contract. Due to the complexity of certain projects, this requires a high degree of judgment and a continuous review of the underlying estimates. Actual values may vary from the initial estimates.

Furthermore, the Sarens Group is subject to risks associated with the proper execution of its projects. These risks include the risk of errors or omissions in project planning and engineering, delays occurring in the completion of projects, worksite accidents, etc.

Sarens is from time to time involved in legal actions in the ordinary course of its business. In case of known litigations or administrative proceedings a provision was made according to management's best estimate. The management of Sarens is not aware of any pending or threatening litigations that are likely to have a material or adverse effect on its business. However, any litigation involves a risk and potentially significant litigation costs and therefore Sarens cannot give assurance that any currently pending litigation or litigation which may arise in the future will not have a material adverse effect on our business or consolidated financial statements. During late 2015 and early 2016 two incidents occurred on sites. No claim has been received as per today for any of these incidents, but any claim would be covered through the global insurance policy.

Sarens maintains a coherent health and safety policy and organises proper training for its personnel. The Group has insurance coverage for the operating risks associated with its activities, such as property insurance, property damage insurance, machinery breakdown, liability insurance, comprehensive third-party product liability insurance, D&O liability, fleet insurance, marine liability, etc.

Currency risks

Due to the worldwide activities that Sarens carries out, it is subject to currency risks, mainly on the USD and USD-related currencies. Hedging instruments are in place when deemed necessary.

Liquidity risk

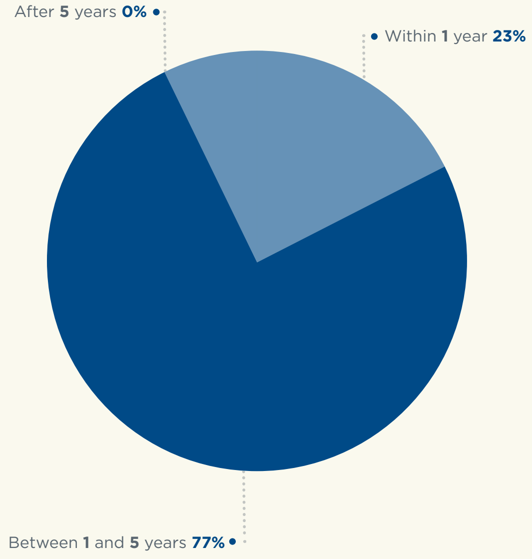
Sarens has entered into financial debt and leasing debt for the financing of its capital expenditure and operations. Due to these financial debts, Sarens is required to fulfil major financial obligations, which may lead to liquidity risks. These financial obligations and the capital expenditure plan are monitored on a monthly basis. The vast majority of the financial debts have a long-term nature and are covered by committed credit facilities.

Credit risk

The company's bad debt exposure depends on the solvability of its clients, which is dependent on the economic environment in which its customers operate. On each reporting date the Group assesses whether there are indications that a trade receivable should be impaired.

17. FINANCIAL INSTRUMENTS

The company uses financial instruments to hedge itself against unfavourable currency and interest movements. The financial instruments have a negative market-to-market value of €4,9 million and have following maturities as of 31.12.2016.



18. FINANCE AND LEASE AGREEMENTS

Sarens has used financial and operating lease agreements to finance its fleet of cranes. These lease agreements are largely long-term in nature and are recognized in accordance with Belgian GAAP. Because of the longevity of its cranes, the company is able to conclude sale and leaseback agreements on cranes which are free of lease obligations. This provides a great deal of flexibility for financing and refinancing.

19. COMMITMENTS

Operating leases

Long-term commitments in connection with rental and operating lease agreements for a total of 2,0 million EUR.

Guarantees

In the course of its business, Sarens is required to issue bank guarantees (performance bonds, etc.). As of 31.12.2016 the total value of these guarantees is 48,9 million EUR.

Claims

The company is not aware of any material litigation pending which is not adequately provided for in the balance.

20. EVENTS AFTER BALANCE SHEET DATE

- Per 16th of January 2017 a new company was established in Greece with the name Sarens Greece.
- On the 23rd of April 2017 a new branch of Sarens (Malaysia) SDN. BHD. was established in Iran.

AUDITOR'S REPORT

Sarens Bestuur NV has prepared consolidated financial statements in accordance with the Belgian Company's Act articles 108 to 121 and the Royal Decree of 30 January 2001 and 17 July 1975. Sarens publishes these consolidated financial statements under Belgian GAAP and they include a consolidated balance sheet and consolidated income statement.

The financial information included in the 2016 Annual Report has been extracted from the consolidated financial statements of Sarens Bestuur NV for the year ending 31 December 2016.

The statutory auditor, KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises, represented by Filip De Bock, has issued an unqualified audit opinion on these financial statements. The audited consolidated financial statements will be filed within one month after the shareholders meeting of May 27th, 2017 and are available on the website of the National Bank (www.balanscentrale.be).

GLOSSARY

SARENS GROUP

The limited company under Belgian law Sarens Bestuur NV and all its fully consolidated subsidiaries

EBITDA

Earnings before interest, taxes, depreciation and amortisation

BE GAAP

Generally Accepted Accounting Principles in Belgium

EBIT

Earnings before interest and taxes

IFRS

International Financial Reporting Standards

NET WORKING CAPITAL

Current assets - current liabilities

NET FINANCIAL DEBT

Financial debts - cash and cash equivalents

NET SENIOR FINANCIAL DEBT

Non-subordinated financial debts - cash and cash equivalents

EBITDA MARGIN

EBITDA/turnover

GEARING

Net financial debt/equity

LIQUIDITY

Current assets/current liabilities

SOLVABILITY

Equity/balance sheet total

“WITH A GREAT HEART, EVERYTHING IS POSSIBLE.”

– HENDRIK CONSCIENCE, CIRCA 1838.

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