



FINANCIAL ANNUAL
REPORT **2018**

ATENOR
ACTING FOR CITIES

BRUSSELS - LUXEMBOURG - PARIS - LISBON - DÜSSELDORF - WARSAW - BUDAPEST - BUCHAREST

SUMMARY



PROFILE, MISSION, VALUES	1
STRATEGY	2
LETTER TO THE SHAREHOLDERS	4
A VALUE-CREATING COMMUNICATION STRATEGY	8
2018, HOW IT UNFOLDED, ...	10
ADMINISTRATION	16
INFORMATION TO SHAREHOLDERS AND INVESTORS	20
REPORT OF ACTIVITIES AND PROJECTS	24
CORPORATE GOVERNANCE STATEMENT	62
2018 AUDITED FINANCIAL STATEMENTS	73
GENERAL INFORMATION	126

ATENOR has chosen French as its official language. Consequently, only the French text is authentic. The versions in Dutch and English are translations of the French version.

Dit jaarverslag is ook verkrijgbaar in het Nederlands.

Ce rapport est également disponible en français.

ATENOR S.A.

Avenue Reine Astrid, 92
1310 La Hulpe
Belgium
Tel.: +32-2-387 22 99
Fax: +32-2-387 23 16
E-mail: info@atenor.be
Website: www.atenor.be
Enterprise number: 0403 209 303
VAT: BE 0403 209 303



See additional information
www.atenor.be



KEY CONSOLIDATED FIGURES

ON 31.12.2018

KEY FIGURES ATENOR (IN MILLIONS OF €)

IFRS	2014	2015	2016	2017	2018
Net results (group share)	15.33	19.96	20.37	22.18	35.18
Current cash Flow ⁽¹⁾	17.74	23.03	19.72	25.51	32.99
Capital and reserves	112.90	126.80	139.39	149.64	170.30
Market capitalization	218.29	264.66	256.27	264.63	287.18

⁽¹⁾ Net profits + depreciation, provisions and reductions in value.

The 2018 consolidated financial statements were drawn up in accordance with the IFRS standards as adopted in the European Union.

FIGURES PER SHARE (IN €)

	2014	2015	2016	2017	2018
Capital and reserves	20.69	22.52	24.75	26.57	30.24
Current cash flow	3.25	4.09	3.50	4.53	5.86
Net consolidated results (group share)	2.85*	3.59*	3.73	4.07	6.25
Dividend					
Gross dividend	2.00	2.00	2.04	2.08	2.20
Net ordinary dividend	1.50	1.46	1.428	1.456	1.54
Number of shares	5,457,264	5,631,076	5,631,076	5,631,076	5,631,076

* Weighted average based on the capital increases (optional dividend)

STOCK MARKET RATIOS

	2014	2015	2016	2017	2018
List price/book value	1.93	2.09	1.84	1.77	1.69
List price on 31 December (€)	40.00	47.00	45.51	47.00	51.00
Gross return for 1 year	22.63%	22.50%	1.09%	7.76%	12.94%
Gross return	5.00%	4.26%	4.48%	4.34%	4.31%
Net ordinary dividend/list price	3.75%	3.11%	3.14%	3.10%	3.02%

GLOSSARY :

Return brut sur 1 an : (last closing price + adjusted dividends paid during the last 12 months - last list price of the previous period) / last list price of the previous period

Return : dividend for the last full financial year / last list price

Capitalisation : number of shares x last list price of the financial year concerned.

EVOLUTION OF ATENOR SHARE COMPARED WITH THE BELGIAN ALL SHARES

(taking into account the reinvestment of dividends)



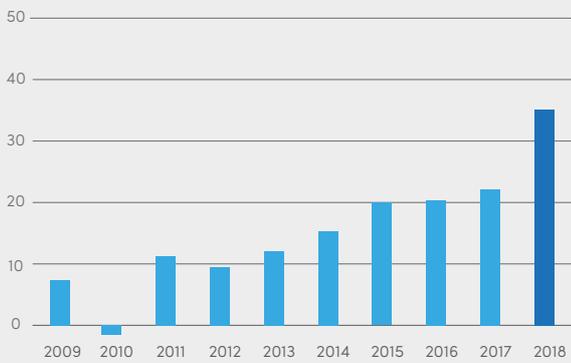
EVOLUTION OF ATENOR SHARE COMPARED WITH THE EPRA EUROPE

(taking into account the reinvestment of dividends)



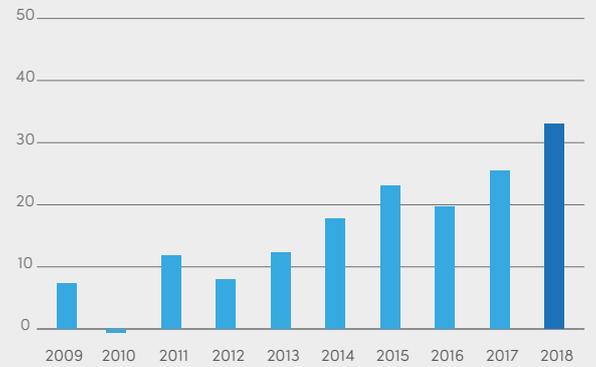
NET CONSOLIDATED RESULTS

(in millions €)



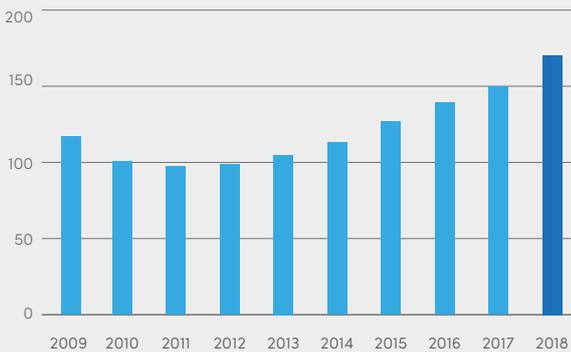
CURRENT CASH FLOW

(in millions €)



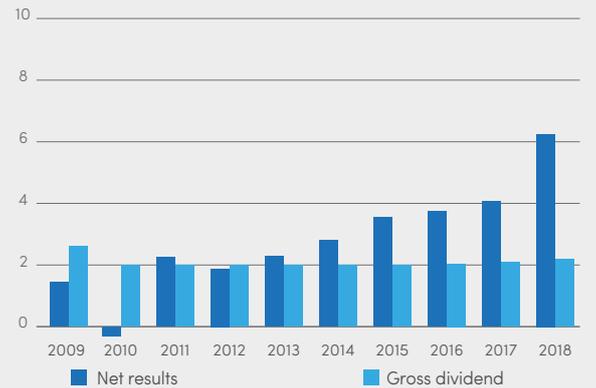
CONSOLIDATED CAPITAL AND RESERVES

(in millions €)



NET RESULTS AND GROSS DIVIDEND PER SHARE

(in €)



PROFILE

ATENOR is a real estate property promotion company quoted on the continuous market of Euronext Brussels.

A city stakeholder, ATENOR invests in large-scale property projects which meet strict criteria in terms of planning, economic efficiency and respect for the environment.

ATENOR has made its mission to conduct its business as real estate developer in harmony with the city's evolution. Very early, ATENOR positioned itself as an urban stakeholder, aware of the challenges the city has to face (absorb the urban population growth and respond to its socio-economic issues). ATENOR proposes, through its planning, architectural and corporate approach, answers to the demands of private, social and work life in today's cities.

MISSION & VALUES

By investing in ATENOR, shareholders expect a return.

Our mission therefore is to create value through a strategy that is clear and widespread.

Over the years, we have defined and specified our activity, that of a real estate property developer, and explained the way in which we perform it.

For shareholders who have chosen to invest in the real estate property promotion sector, we offer a diversification of their risk, a specific approach to the activity, and access to large-scale projects to which they could not otherwise have access.

Our mission aims on the one hand to offer the shareholders regular remuneration of the capital supported by recurrent and increasingly diversified positive results, and on the other hand to ensure the growth of the value of ATENOR's assets through the consolidation and the expansion of its know-how and the constant renewal of its portfolio with new projects.

Through the communication and the application of the essential principles of Corporate Governance, we give our activities the transparency that is required to an easy reading.

All our employees act with respect for the criteria of integrity and ethics that are essential to the correct operation of a quoted company, active in real estate development.

Since the mission and the values have been clearly defined, the profit generated annually by ATENOR appears as the result of the action of each employee, motivated to contribute his or her best work every day.



STRATEGY

The activity of ATENOR is real estate development.

For more than 25 years, ATENOR has accumulated results while continuing to create know-how recognized by the market.

RESPONSES TO CHANGES IN URBAN PRIVATE AND WORK LIFE

The digital revolution, environmental urgent needs and today's mobility issues entail and require at the same time a profound change in the way we live and work.

City infrastructure developments and building designs and functions interact with this change, sometimes recognising it, sometimes promoting it.

In this context, ATENOR's strategy is very specific: as a property developer, ATENOR is a leading stakeholder that perceives and anticipates these changes and, through the development of innovative projects, participates in the adaptation of the urban fabric so that it meets the new private and work life demands and aspirations. ATENOR therefore invests in large-scale real estate property projects meeting very strict criteria concerning the choice of the site ("prime location"), technical quality, the costs of investment and the lease and sale potential.

RESPECT FOR THE ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

In response to the growing environmental concern and especially sensitive to sustainable development, ATENOR is in favour of the application of new technologies and the use of specific materials in its new real estate projects. ATENOR also advocates a comprehensive ecological approach. Its dense and mixed projects in the vicinity of public transport stations present the most favourable possible ecological balance at city level.

AN INTERNATIONAL DIVERSIFICATION

By affirming that its place of business is the urban environment, ATENOR intends to showcase its know-how in several cities in terms of what they have in common and especially the need to adapt their urban fabric to changes in private and work life. Furthermore, through its presence in the locations where it invests, ATENOR guarantees the integration of the specificities of each city. Currently ATENOR is active mainly in Brussels, Luxembourg, Paris, Düsseldorf, Warsaw, Budapest and Bucharest, to name only the big cities.

LARGE SCALE PROJECTS WITH MIXED FUNCTIONS

Responding to the numerous changes in the real estate market, ATENOR takes an interest in the office and residential markets, demonstrating a wide range of skills. The projects currently in its portfolio amount to 22. They represent an approximate area of 850,000 m². In the future ATENOR intends to maintain this diversification of allocations depending on the fundamental developments of the markets.

ATENOR is interested in particular in the major urban planning projects currently being implemented by the Cities and the Regions. To this end, ATENOR will continue its policy of constructive dialogue with the authorities and local administrations and will analyse any opportunity that conforms to those projects, with a view to investment.

ATENOR is seen as a reliable economic player in the necessary adaptation of the urban structures in the light of economic, demographic and sociological developments.





LETTER TO SHAREHOLDERS

From left to right :

Frank DONCK

Chairman of the Board of Directors

Stéphan SONNEVILLE SA

Chief Executive Officer



Dear Shareholders,

During 2018, ATENOR not only asserted its know-how but also prepared for the future. While enhancing its presence in its domestic market, ATENOR took major steps in its strategic development in a Europe undergoing a profound change: a major stakeholder in the Brussels market, ATENOR has gradually built the structures of a European scale group.

For the sixth consecutive year, ATENOR can report an upward trend in its results: in 2018 they stood at 35 million Euro, representing a 58% increase compared to 2017. The reasons for this large growth in its results partly lie in the good health of the European property market, but are also due to the company's desire, maintained over the entire year, to demonstrate its abilities in the quality assets in its portfolio.

Thus, the sale of two projects in Luxembourg, NAOS and BUZZCITY, in future state of completion, testifies to our active presence in this particularly vigorous property market. Our steady business in the office rental property market in Central Europe made a substantial contribution to the results. In the Belgian market, the sale of the apartments of our various projects in progress generated an additional margin. Lastly, we closed the sale of the company THE ONE OFFICE (TOO), owner of the offices of the THE ONE tower located in Brussels European District.

The 2018 results thus confirm the diversification sought in our sources of revenue, in geographical and functional terms. Indeed we think that the diversification of our activities opens up new opportunities to express the acknowledged know-how of our teams and furthermore reduces the risk inherent in property development.

Europe is undergoing profound changes. Its stakeholders, its businesses, are constantly adapting their behaviour. The environmental challenge supported by building technologies is having a direct impact on the urban fabric, the design of workspaces, living spaces, leisure facilities. The traditional sector par excellence, the real estate sector is led to review the design of its products in several respects. In this sense, ATENOR has resolutely stood as a city stakeholder, with an ear open to the growing demand for functional property.

On the economic front, Europe is continuing to influence changes to company structures and the employment market. The competition cities are engaging in to attract residents, tourists, cultural and sports events, companies, supra-national institutions, inevitably leads to a specialisation of these cities: this is a great opportunity for a developer like ATENOR, which is extending its field of business throughout Europe.

It is in this context of operational and geographical changes, that ATENOR proceeded during the past financial year, with new acquisitions: our first steps in Poland, with the 59,000 m² UNIVERSITY BUSINESS CENTER office project in Warsaw, and in Germany, with our first residential project in Düsseldorf; we reinforced our position in the Paris region, in Bezons, by signing a promise to purchase for the purposes of the development of 25,000 m² of additional offices; the acquisition of the UP-SITE BUCHAREST project heralded our entry into the residential market in central Europe. Finally, we recently commenced our activities in Flanders.

The international scale of ATENOR's business should develop further in the future. But ATENOR's presence in its original market, Brussels, nevertheless remains tangible and intense. In particular, ATENOR has been successful in several international competitions, one for the rehousing of the SNCB, another for the development of a new neighbourhood in Schaerbeek (Josaphat) and, last but not least, the competition for the European Union new conference centre, with the REALEX project in the European Quarter.

We can only remind you that the Brussels market will not be able to fully express its potential, to everyone's benefit, unless all the planning regulations are applied with the required diligence and consistency.

In this respect, through its consolidated presence in 6 countries other than Belgium, with more vigorous economic growth and more fluid planning procedures, ATENOR aims to reduce a project average execution period and thus increase capital turnover and of course the company's profitability. Increasing the size of the portfolio and achieving a higher average project execution rate are our clear targets.



Stéphane SONNEVILLE SA
Chief Executive Officer



Frank DONCK
Chairman of the Board of Directors

With this in mind, and although still growing, the debt ratio is well under control. Although it increased during 2018, the sale of the company THE ONE OFFICE reduced it at the end of the financial period. This is an opportunity to remind you that the Board of Directors regularly analyses ATENOR's risk exposure, influenced by changes in the level of indebtedness inherent in the property development business.

The policy of payment of a regular and attractive dividend followed for several years by ATENOR is, this year again, supported on the one hand, by the achievement of results on the rise, and on the other hand, by the growth of the potential of the projects in portfolio.

In this context, the Board of Directors will propose to Shareholders at the General Meeting of 26 April 2019, for FY 2018, a gross dividend of 2.20 Euro per share, an increase of 5.77%.

The terms of office of Luxempart and of Stéphane Sonnevile SA will end at the end of the general shareholders meeting of 26 April 2019. We will propose that you renew them for a 3-year period.

In conclusion, although the political context in Europe may interfere with economic activity, we consider that ATENOR has started FY 2019 under the best auspices.

We will finish by thanking all ATENOR staff, who through their skills and their daily motivation are the kingpin of these excellent results.

Stéphane SONNEVILLE SA
Chief Executive Officer

Frank DONCK
Chairman of the Board
of Directors

A VALUE-CREATING COMMUNICATION STRATEGY

A responsible and committed actor of the city, this is how ATENOR defines itself. Based on this conviction we have deployed strategic communication actions illustrating our key values.



1. TRUST AND TRANSPARENCY

Trust and transparency - these two words are the foundation of our values and our rules of conduct vis-à-vis our partners and shareholders.

Shareholders who invest in ATENOR invest in the long term, they project themselves into the future and buy development prospects. The transparency of our management ensures shareholders' confidence in our ability to deliver prospects.

To enable our shareholders to have tangible visibility concerning the future, we offered the Flemish Investors Federation (VFB) the opportunity to take part in a Real Estate Tour in Brussels. On May 24, 2018, some fifty investors went to discover projects that have a positive impact on ATENOR's results. With a concern for transparency, this "Tour" was also an opportunity to present our international diversification strategy.

This initiative was welcomed by the VFB, who also pointed out that, thanks to this diversification, ATENOR's risk profile was much lower than that of other real estate developers.

2. ACTING FOR SMART CITIES

We are keen to offer new concepts that will contribute to the urban innovation of tomorrow and the development of "smart cities". This includes architectural excellence, innovation, investment in sustainable projects, soft mobility and new services to improve the comfort, safety and quality of life of the inhabitants. The success of these projects goes hand in hand with a constructive partnership with all of the stakeholders and public authorities.

Thus, on June 4, 2018, ATENOR welcomed at CITY DOX a delegation of municipal authorities from Anderlecht accompanied by Deputy Prime Minister Didier Reynders. It was an opportunity to present the whole of this innovative district and to confirm our commitment for the revitalization of the Canal Zone, a priority for the Brussels-Capital Region.

This event strengthened ATENOR's image as a partner of the political authorities by way of intelligent and ecological urban development.





3. SOCIETAL COMMITMENT

Innovation, culture and creativity are at the heart of urban renewal and the international influence of cities.

Convinced of the potential for urban regeneration supported by art and culture, ATENOR engages with industry players and supports talent and cultural and artistic events.

In 2018, ATENOR chose to support architect Paola Vigano's "Horizontal Metropolis" exhibition held at the Bozar from June 15 to August 26, 2018.

This exhibition and the conferences brought together around 7,000 visitors and benefited from extensive coverage by the media, reinforcing the image of ATENOR as a major partner in urban cultural development.

“ We are convinced that the foundation that underpins this endless human evolution in which we subscribe as a real estate developer is culture, this universal reference system made of various elements slowly accumulated, such as works, tradition, philosophy and even architecture ... ”

Stéphan SONNEVILLE SA, CEO

“We shape our buildings ;
thereafter they shape us.”

Winston Churchill

22 PROJECTS

2018, HOW IT UNFOLDED, ...

850,000 M²





January

- ATENOR continues to diversify its financing sources by increasing its CP/MTN programme to € 175 million.



March

- Completion of the sale and delivery of the 4th VACI GREENS building in Budapest.

ATENOR landmark development in Budapest continues.

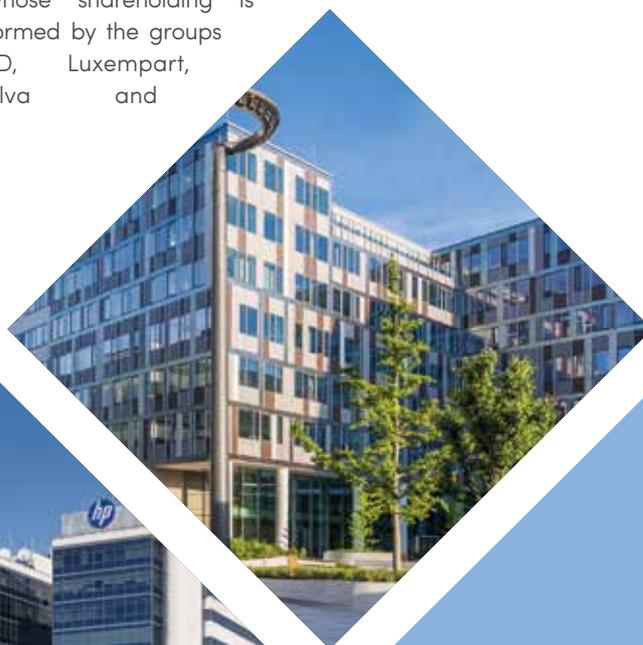
- Changes in ATENOR's shareholding.

The 10.53% share held by Sofinim is acquired by ForAtenoR, a new company whose shareholding is formed by the groups 3D, Luxempart, Alva and

Stéphan Sonnevile and the members of ATENOR Executive Committee.

- ATENOR public bond issue to private investors is highly successful.

The subscriptions recorded for the 4 and 6-year bond issues reach a total of €50 million.



February

- ATENOR acquires an office project in Warsaw: UNIVERSITY BUSINESS CENTER. A potential 59,000 m² at least in the Mokotow district.

- The COM'UNITY project is developing.

ATENOR obtains a new permit for the building of 33,800 m².



April

- **Planning permit obtained** for the development of the last two blocks (E and F) of the VACI GREENS project in Budapest.



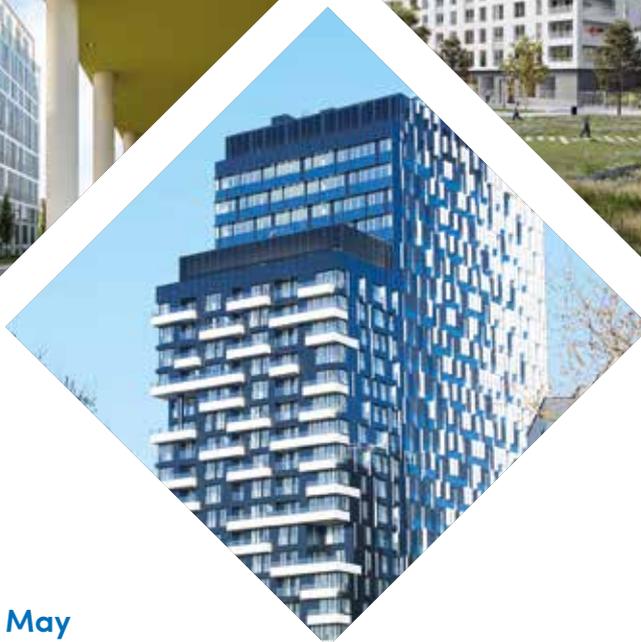
June

- **ATENOR confirms its commitment to the revitalisation of the Canal area.**

ATENOR welcomes a delegation of local authorities and the Deputy Prime Minister Didier Reynders to CITY DOX.

- **As part of its CSR commitment, ATENOR chooses to support Paola Vignano's "Horizontal Metropolis" exhibition** (Bozar, Brussels, 15 June – 26 August 2018).

Convinced of the urban regeneration potential of art and culture, ATENOR supports the sector and its talents and their cultural and art events.



02

May

- **New prestigious tenant at VACI GREENS:** FORD rents 4,000m² in the VACI GREENS D building.

- **A delegation from the European Building Professionals' Union (UEPC) visits The One.**

Twenty or so representatives had the opportunity to discover the audacious architecture of the office spaces and model apartments as well as the magnificent views over Brussels from the 21st floor.

- **New member of the Executive Committee.**

ATENOR Board of Directors appoints Weatherlight S.A., represented by Mr Sven Lemmes, member of the Executive Committee.

- **Completion of the sale of SENIOR ISLAND SA** (holding CITY DOX rest home) to Fédérale Real Estate Investment Management SA, a company affiliated with Federale Verzekeringen/Assurances Fédérales.

July

- Launching of phase two of CITY DOX.

ATENOR obtains the subdivision permit for phase two of the CITY DOX residential project in Anderlecht.

September

- Agreement on the sale of NAOS to two institutional investors.

In the heart of Belval, NAOS will offer over 14,000 m² of offices and shops. At the time of the sale, 60% of the floor areas were already leased by Arjys and A3T.

- Obtaining of the building permit for BUZZCITY from Leudelange District Council.

BUZZCITY will propose a brand new concept of connected offices with co-working spaces and a broad range of services (bio-corner, restaurant, fitness...).



August

- Construction permit for building A of ARENA BUSINESS CAMPUS in Budapest is obtained and works can start.



October

- **First office lease at CITY DOX.**

IWG (Ex Regus) signs a lease for the rental of 2,003 m² before the works had even finished.

- **Laying of the foundation stone of the COM'UNITY project in Bezons.**

In the presence of the Mayor of Bezons, the construction of COM'UNITY, ATENOR's first office project in the Paris Region officially starts.

- **COM'UNITY, continued!**

ATENOR signs a Unilateral Promise of Sale (subject to obtaining the final construction permit) for the purchase of a 2nd plot on which to develop an office building of approximately 25,000 m² to complete COM'UNITY's offer.

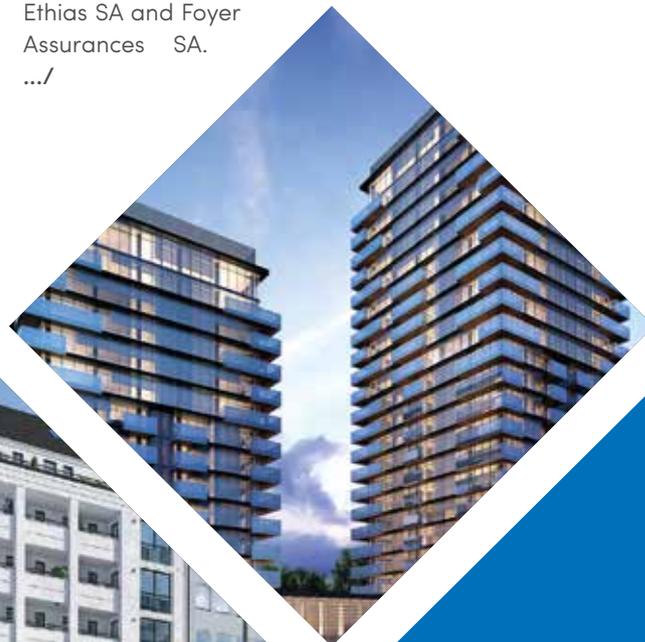
- **ATENOR obtained the building permit for buildings B, C and D of the ARENA BUSINESS CAMPUS project in Budapest**

December

- **ATENOR signs an agreement on the sale of the Luxembourg project BUZZCITY to a company to be set up by Fidentia Belux Investments.**

- **ATENOR completes the sale of the NAOS office building (Belval, in the Grand-Duchy of Luxembourg), to Ethias SA and Foyer Assurances SA.**

.../



November

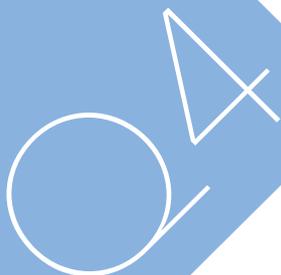
- **ATENOR takes its first steps in the German property market.**

ATENOR acquires a plot in Am Wehrhahn, in Düsseldorf city centre on which to develop a residential project with retail at ground-floor level.

/...

- **ATENOR takes its first steps in the Bucharest residential property market.** ATENOR acquires a plot in the heart of the Floreasca/Vacarescu district to develop 250 apartments. The new project is named UP-site Bucharest.

- **Agreement on the sale of THE ONE OFFICE S.A. to Deko Immobilien Investment GmbH,** a German property fund of international scale. In the heart of the European District, THE ONE boasts an exceptional location and several parties express an interest in renting its floor space.





ADMINISTRATION

From left to right:

Sven Lemmes (for Weatherlight SA)
Executive Officer

Sidney D. Bens
Chief Financial Officer

Stéphan Sonneville SA
Chief Executive Officer

Laurent Collier (for Strat UP SPRL)
Executive Officer

William Lerinckx (for Probatimmo BVBA)
Executive Officer



COMPOSITION OF THE EXECUTIVE COMMITTEE

Stéphan Sonneville

for Stéphan Sonneville SA
Managing Director, CEO and
Chairman of the Executive Committee

Sidney D. Bens

Chief Financial Officer

Laurent Collier

for Strat UP SPRL
Executive Officer

Sven Lemmes

for Weatherlight SA
Executive Officer

William Lerinckx

for Probatimmo BVBA
Executive Officer

COMPOSITION OF THE BOARD OF DIRECTORS (AT THE END OF THE ORDINARY GENERAL MEETING OF 26 APRIL 2019)

Mr Frank Donck

Chairman ⁽²⁾
Expiration of term: 2021

Stéphan Sonneville SA

Managing Director ⁽¹⁾
represented by Mr Stéphan Sonneville
Expiration of term: 2022

Mr Christian Delaire

Director ⁽³⁾
Expiration of term: 2021

Investea SPRL

Director ⁽³⁾
represented by Mrs Emmanuèle Attout
Expiration of term: 2021

MG Praxis SPRL

Director ⁽³⁾
represented by Mrs Michèle Grégoire
Expiration of term: 2021

Luxempart Management SARL

Director ⁽²⁾
represented by Mr Jacquot Schwertzer
Expiration of term: 2022

Sogestra SPRL

Director ⁽³⁾
represented by Mrs Nadine Lemaitre
Expiration of term: 2020

Mr Philippe Vastapane

Director ⁽²⁾
Expiration of term: 2021

MAIN FUNCTIONS EXERCISED BY THE NON-EXECUTIVE DIRECTORS

Mrs Emmanuèle Attout for Investea SPRL

Director of Oxurion NV
 Director of Schréder SA
 Director of Eurocommercial Properties NV
 Director of Women on Board ASBL & Toutes à l'École
 Belgique ASBL

Mr Christian Delaire

Senior Advisor of Foncière Atland
 Director of Cromwell European REIT

Mr Frank Donck

Managing Director of 3D NV

Mrs Michèle Grégoire for MG Praxis SPRL

Lawyer at the Court of Cassation,
 Professor and Chairwoman of the Center of Private Law
 at the " Université Libre de Bruxelles "

Mrs Nadine Lemaitre for Sogestra SPRL

Chairwoman of the Board of Directors of Erasmus
 Hospital
 Director of Orange Belgium SA
 Director of the ULB Foundation
 Director of Solvay Executive Education ASBL

Mr Jacquot Schwertzer for Luxempart Management SARL

Managing Director (CEO),
 Executive Director and Member of the Management
 Committee of Luxempart SA

Mr Philippe Vastapane

Chairman of the Board of Alva SA

AUDIT COMMITTEE COMPOSITION

Investea SPRL

represented by Mrs Emmanuèle Attout,
 Chairwoman

Mr Christian Delaire

Member

Mr Frank Donck

Member

Mr Philippe Vastapane

Member

DSD Associates Audit & Advies BVBA

represented by Mr David De Schacht,
 Internal Auditor

APPOINTMENTS AND REMUNERATION COMMITTEE COMPOSITION

Sogestra SPRL

represented by Mrs Nadine Lemaitre,
 Chairwoman

MG Praxis SPRL

represented by Mrs Michèle Grégoire,
 Member

Luxempart Management SARL

represented by Mr Jacquot Schwertzer,
 Member

INFORMATION TO SHAREHOLDERS AND INVESTORS



€ 2.20

GROSS DIVIDEND



€ 1.54

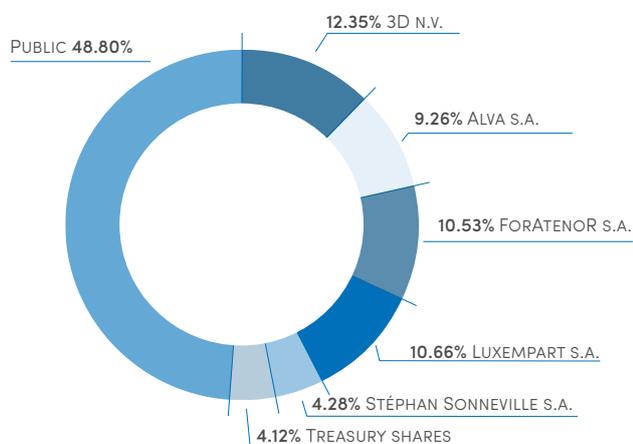
NET DIVIDEND



€ 287.18 MIO

MARKET CAPITALIZATION
ON 31.12.2018



SHAREHOLDING ON 31.12.2018**MAJOR SHAREHOLDERS**

The Group's major shareholders have included the following companies:

- 3D NV
- ALVA SA
- FORATENOR SA
- LUXEMPART SA
- Stéphan SONNEVILLE SA

These shareholders are committed to supporting the Group in its development strategy by cooperating in the implementation of its business plan and by providing their skills to it. Their representation within the Board of Directors of ATENOR allows them to be actively involved in the general policy and the strategy of the Group. This

body of shareholders, which is balanced and made up of stable companies that have proven themselves in their respective activity sectors, have a long term vision of their investment in the Group. The stability of the shareholders is expressed concretely by mutual commitments in a shareholders' agreement signed in November 2006, thus guaranteeing the Group's durability and development. This was updated and extended in November 2016 for a 5-year period, tacitly renewable for two successive 5-year periods.

In March 2018, the company SOFINIM SA sold its shareholding to ForAtenoR SA, whose shareholding is formed by the groups 3D, Luxempart, Alva and Stéphan Sonnevill SA and the members of ATENOR's Executive Committee. This new company ratified the shareholders' agreement.

It accounts for 40.98% of ATENOR's capital bringing the float up to 59.02%*.

FORM AND CONVERTIBILITY OF THE SHARE

Further to the decision of the Extraordinary General Meeting of 28 April 2006, the Articles of Association stipulate the automatic conversion of the bearer shares into dematerialized shares as of 1 January 2008.

The ATENOR shares exist, at the choice of the shareholder, either in the form of a personal registration in the register of shareholders, or in the form of a registration of a securities account with a financial institution.

STRUCTURE OF SHAREHOLDERS ON 31.12.2018

The structure of shareholding is as follows:

	NUMBER OF SHARES	HOLDINGS %	OF WHICH SHARES FORMING PART OF THE JOINED SHAREHOLDING*	HOLDINGS %
3D NV ⁽¹⁾	695,643	12.35	521,437	9.26
ALVA SA ⁽¹⁾	521,437	9.26	521,437	9.26
ForAtenoR SA ⁽¹⁾	592,880	10.53	592,880	10.53
LUXEMPART SA ⁽¹⁾	600,247	10.66	521,437	9.26
Stéphan SONNEVILLE SA ⁽¹⁾⁽²⁾	241,030	4.28	150,500	2.67
Sub-total	2,651,237	47.08	2,307,691	40.98
Treasury shares	231,825	4.12		
Public	2,748,014	48.80		
Total	5,631,076	100.00		

(1) Signatories of the Shareholders' Agreement

(2) Managing Director, company controlled by Mr. Stéphan Sonnevill In compliance with article 74 of the law of 1 April 2007, these shareholders have communicated to the company that they held as a joined holding, at the date of entry into effect of the aforementioned law, more than 30% of the securities with voting rights.

SHARE ON STOCK EXCHANGE

Market	On a continuous basis
Stock Exchange	Euronext Brussels
ATENOR share	ISIN BE 0003837540 Compartiment B
Total number of shares granting a voting right	5,631,076
Total number of voting rights (denominator)	5,631,076
List price of the share on 31 December 2018	€ 51.00

EVOLUTION OF THE PRICE AND LIQUIDITY OF THE SECURITY – LIST PRICE FROM 2014 TO 2018

Number of shares on 31 December 2018: 5.631.076



	2014	2015	2016	2017	2018
Maximum price (€)	41.16	49.85	47.00	50.50	53.20
Minimum price (€)	34.19	39.20	40.57	44.65	46.00
Price on 31 December (€)	40.00	47.00	45.51	47.00	51.00
Average daily volume traded	2.046	2.907	2.483	1.840	1.876
Market capitalization on 31 December (in millions of €)	218.29	264.66	256.27	264.63	287.18

STIMULATION CONTRACT AND LIQUIDITY FUND FOR THE ATENOR SHARE

ATENOR has continued a market stimulation arrangement or “liquidity provider” function with the Degroof Petercam Bank, officially recognised by Euronext.

This “liquidity provider” is permanently present in the market’s order book and acts for buying and selling alike, totally independently of the issuer.

In December 2017, ATENOR signed a new liquidity contract with the company Kepler Chevreux. This was active since 16 March 2018 and served for the trading of ATENOR securities quoted on Euronext Brussels. It was terminated in October 2018.

DIVIDEND

The gross dividend proposed to the General Assembly of 26 April 2019 will amount to 2.20 euros representing a net dividend of 1.54 euro per share after withholding tax (30%).

Subject to the approval of the Ordinary General Assembly, the dividend will be paid out as from 2 May 2019.

The financial service of ATENOR is provided by Euroclear Belgium (Boulevard du Roi Albert II, 1 at 1210 Brussels).

The payment to the registered shareholders will be made by bank transfer as from 2 May 2019.

PRACTICAL METHODS CONCERNING**THE PAYMENT OF THE DIVIDEND ***

29 April 2019	Ex date
30 April 2019	Record date
2 May 2019	Payment date

* Subject to the approval of the Ordinary General Assembly

SHAREHOLDER SCHEDULE

26 April 2019	Annual General Meeting 2018
2 May 2019	Dividend Payment (subject to the approval of the GM)
14 May 2019	Intermediate declaration for first quarter 2019
4 September 2019	Half-year results 2019
14 November 2019	Intermediate declaration for third quarter 2019
24 April 2020	Annual General Meeting 2019



REPORT OF ACTIVITIES AND PROJECTS



CITY DOX
SUB-CITY

CITY DOX,
Brussels

Brussels BELGIUM



THE ONE

In 2005, ATENOR purchased the company that owns the “Crowne Plaza Brussels Europa” hotel in the Rue de la Loi, at the heart of the European District. It later bought the land and the neighbouring building to combine the different plots and increase the project footprint.

On this ideally located site, which is also one of the main entry routes to Brussels, ATENOR has developed a large mixed real estate complex.



BUS STOP 50 M AWAY



METRO 50 M AWAY



BRUSSELS-SCHUMAN
STATION 100 M AWAY



JUBILEE PARC
600 M AWAY



ROYAL PARC
800 M AWAY

THE ONE is a mixed project located at the junction of the Rue de Lalaing, Chaussée d’Etterbeek and the Rue de la Loi in Brussels. This is the first concrete realization in the context of the PUL (‘Paysage Urbain Loi’), the urban ambition of the Brussels Region for the district of the Rue de la Loi, in close collaboration with the European Commission. The PUL, resulting from a high-level international competition, aims both to promote the international visibility of Brussels through the promotion of luxury offices and to give a human and attractive character to the European district by encouraging pedestrian access and the construction of residential units.

In order to comply with the requirements of the PUL, ATENOR brought in the architects firm B2Ai who proposed the groundbreaking, unique concept of a tower with a horizontal mix, composed of apartments, offices and shops.

After obtaining planning permission in November 2014, the construction of this complex truly positioned “on” the Maelbeek metro station started in August 2015. Works are now completed and were approved in early 2019.

The tower offers on the one hand 29,000 m² of offices facing towards the Rue de la Loi. At the end of December 2018, the company owning

THE ONE’s office part, THE ONE OFFICE SA, was sold to the German investment company with an international dimension, Deka Immobilien Investment GmbH. ATENOR however remains responsible for the commercialization of the offices which is the object of expressions of interest for renting its areas.

On the other hand, the rear side of the project is dedicated to the residential part. Its 97 south-facing apartments mostly have a terrace or balcony and offer panoramic views of Brussels. The commercialization of the apartments, launched in 2016, has been a great success. At the end of January 2019, only 4 apartments are still available for sale. The two retail shops have been sold since December 2016.

Depending on the rental, the ground floor of the Rue de la Loi could offer a service centre of 560 m² including a concierge, a coffee bar, a lounge, connected relaxation areas, and a restaurant. All enabling the creation of a lively and friendly neighbourhood.

With this new achievement of more than 40,000 m² with remarkable architectural and environmental qualities, ATENOR contributes to the new positioning of this district most sought after on the international marketplace.

Location	Rue de la Loi and chaussée d’Etterbeek, Brussels Capital Region, Belgium
Project	Mixed-use : retail (560 m ²), housing (9,740m ²) and offices (29,500 m ²)
Owners	The One Office SA (Deka Immobilien Investment GmbH) and The One Estate SA (100% ATENOR)
Size	39,800 m ²
Architect	B2Ai
Start of works	August 2015
End of works	1 st quarter 2019



European Parliament



Luxembourg station

Brussels BELGIUM



REALEX

One of the most exciting and innovative projects coming on the market in the coming years is REALEX. Located at the Rue de la Loi, in the heart of the European District of Brussels, close to the Berlaymont, where the European Commission has its headquarters.



METRO 50 M AWAY



BRUSSELS-SCHUMAN
STATION 100 M AWAY



JUBILEE PARC
600 M AWAY



ROYAL PARC
800 M AWAY

In October 2016, following TREBEL and THE ONE, ATENOR decided to invest again in the heart of the European district and acquired 90% of LUXLEX SARL, which through the companies LEASELEX and FREELEX (holding the financial lease and the land lease respectively), owns the REALEX project; the other 10 percent being owned by a partner company with concrete project experience.

In March 2017, through its subsidiary IMMO SILEX, ATENOR bought the VDAB building and its direct neighbour, both located in a continuation of the REALEX project. These new acquisitions increase the size of the site, allowing the extension of the REALEX project.

As part of the new strategic plan (PUL) for the Rue de la Loi, this site of a little over half a hectare will consist of a mixed development of about 56,000 m² including an office tower with conference facilities, shops, parking and a vast public area.

Under the direction of Christian de Portzamparc, the French urban planner and master planner of the PUL, the renowned Belgian architectural firm ASSAR has designed a “new face” that

is a complete contrast with the monotonous character of the street. In accordance with the objectives of the PUL, the alignment of the buildings, the variable capacities, the mixed functions and the creation of a pedestrian zone will ensure the metamorphosis of the area as a privileged site for its occupants.

REALEX will set a new benchmark for space and energy efficiency, in line with the European Commission’s latest sustainability goals. This passive building should be certified BREEAM “Excellent”.

The initial project has an environmental permit issued in 2015 and an urban planning permit issued in August 2016. A new planning permit application was submitted in November 2018 to adapt the project to various requests initiated by the European institutions.

After TREBEL and THE ONE, the REALEX project confirms the positioning of ATENOR in the development and outreach of the European district in order to transform it into a district open to the city, into a place of multicultural and innovative work and life.

Location	Rue de la Loi 99-105, Brussels Capital Region, Belgium
Project	Mixed-use : offices (55,680 m ²) and retail (400 m ²)
Owners	Freelex SPRL, Leaselex SPRL and Immo Silex (90% ATENOR et 10% Kingslex)
Size	56,000 m ²
Architects	Assar Architects



Jubilee Parc



Esplanade of the European Parliament

Brussels BELGIUM



CITY DOX

In 2011, ATENOR acquired the company “Immobilière de la Petite Île”, owner of former industrial buildings on a plot (± 5.40 hectares) located in Anderlecht. ATENOR committed to pursue the transformation of the «Brussels-Charleroi Canal area» and to create a new multifunctional and multigenerational district at the gates of the city.



BUS STOP 10 M AWAY



BRUSSELS SOUTH STATION
1,1 KM AWAY



METRO STATION
1,1 KM AWAY



E19 MOTORWAY / RING
ROAD 4 KM AWAY

On this vast plot, ATENOR and its architects and urban planners from Art&Build and JNC International envisaged an urban reconversion project which encourages diversity and the meeting of the generations.

This project has been conceived as a new neighbourhood that is resolutely turned towards the future, enabling residents to live the city differently in a green setting around parks and gardens while being located at the entrance of the city. The project is located near the Ring and 5 minutes from the Gare du Midi, with bus stops on the edge of the district, and in direct connection with the heart of Brussels.

Eventually, the new neighbourhood will accommodate housing, a school, a nursery, productive activities, integrated services to businesses (SIE), rest home, a service residence, shops, hospitality, etc. Sustainable and eco-friendly, CITY DOX prioritises innovative energy and waste management solutions. Soft mobility will be encouraged including secure bike locations and charging stations for electric cars.

The planning and environment permits for the first phase of the project (39,500 m²) were delivered in August 2015 authorising the start of work in June 2016. The construction of 93 housing units, 8,500 m² of SIE, 71 assisted living units and a nursing home is now completed.

Concerning the apartments, the provisional approvals were granted at the end of 2018. Commercialization is on track and shows a sales rate of 50% at the end of January 2019.

In 2015, SENIOR ISLAND SA (a wholly-owned subsidiary of ATENOR) concluded an agreement for the operation of the nursing home with Home Sebrechts NV (a subsidiary of Armonea, the largest independent provider of senior care in Belgium). At the same time, an agreement was also signed between ATENOR and a Belgian institutional investor, Fédérale Real Estate Investment Management SA (a company linked to Federal Insurance) for the sale of SENIOR ISLAND SA. In May 2018, the nursing home was approved and put into service thus enabling the finalisation of the transfer.

In 2015, REST ISLAND SA (a wholly-owned subsidiary of ATENOR) also signed a collaboration agreement with Home Sebrechts NV for the provision of services to the 71 service-flats in the residence whose approvals were granted in June 2018.

The commercialization of the SIE part continues; a lease for an area of 2,000 m² was concluded in October 2018 with IWG (formerly REGUS).

In July 2018, the subdivision permit for the second phase of the project, mainly of a residential nature, was issued, enabling the LOT 3 building permit application to be filed immediately. This permit application concerns 21,000 m² of housing, of which 12,700 m² are covered by a contract organized by citydev.brussels, 3,000 m² of productive activities and 7,300 m² of SIE. The further development will also include the construction of a school, public spaces and residential units along the canal.

Location

On the edge of the Canal de Willebroek (Batelage/ Biestebroek basin), block between the boulevard Industriel, rue de la Petite Île, the rue du Développement and the Digue du Canal, Anderlecht, Belgium

Project

Mixed urban : facilities, residential, integrated services to business, retail

Owners

Immobilière de la Petite Île SA (100% ATENOR), Senior Island SA (Home Sebrechts), Rest Island SA (100% ATENOR)

Size

Around 150,000 m²

Architects

Architectes Associés SPRL, Etau Architects, DDS Plus



Along the Canal



Saint-Guidon
metro station

Brussels
BELGIUM



VICTOR

Located opposite the Brussels–South railway station, on the edge of the Place Horta, the VICTOR project fits into the “living station” concept and is integrated at the heart of a changing district, which has been undergoing a profound evolution over the last few year. Thanks to its architectural qualities and its ideal location, VICTOR should represent a new urban signal within the city but also a symbol par excellence of a sustainable lifestyle.



BRUSSELS SOUTH STATION
50 M AWAY



METRO STATION
50 M AWAY



BUS STOP 100 M AWAY



BRUSSELS CITY CENTRE
1,8 KM AWAY



E19 MOTORWAY / RING
ROAD 5 KM AWAY

ATENOR wishes to carry out a project that is shown as an example of sustainability by the density and mix that it offers near a major station, respectful of recent environmental changes.

The old structures present on the site were entirely demolished and the clean-up works, started in September 2015, were completed in October 2016 now awaiting the start of construction work as soon as the urban situation is definitively established. It is developing slowly but concretely.

As part of an ambitious strategy, the Brussels-Capital Region has approved a master plan for the 2022 and 2030 horizons for the Midi district. This scheme aims to strengthen the quality of life in this emblematic district, a true showcase in the image of Brussels, earthy and local, international and ambitious.

In April 2018, following the implementation of the new Cobat, the studies to be carried out as part of the Midi Plan for Development Planning (PAD) were launched at the initiative of the

Government of the Brussels Region. The project has therefore evolved again to correspond to the views expressed by the Region as to the proper layout of the sites.

In the meantime, ATENOR, in partnership with BPI, is working with the 51N4E and Jaspers-Eyers Architects architectural firms to develop a new draft in collaboration with the political and administrative authorities.

The project should take the form of a high building on a common base. This base, which will accommodate retail shops, services for businesses and residential units will be crossed by a covered walkway accessible to the public to better connect the project to the neighbourhood. For more conviviality, the roof of the base will be converted into a collective garden.

Upon implementation of the PAD, the applications for planning and environmental permits will be submitted as soon as possible as indicated in the Government’s program.



Location	Rue Blérot, Place Victor Horta (facing the South Station), Brussels Capital Region, Belgium
Project	Mixed-use : offices (64,000 m ²), retail (8,000 m ²) and housing (25,000 m ²)
Owners	Victor Estates SA, Immoange SA, Victor Bara SA and Victor Spaak SA
Size	97,000 m ² and 480 parking spaces
Architects	Jaspers – Eyers Architects + 51N4E
Co-shareholder	BPI (50%)

Deinze BELGIUM



DE MOLENS

On January 15, 2019, ATENOR and 3D Real Estate signed a 50/50 partnership agreement for the acquisition of all the shares of DOSSCHE IMMO SA, the owner of a site located in the centre of Deinze, Flanders. For ATENOR this investment marks a first entry onto the real estate market of the Flemish Region.



DEINZE CITY CENTRE
400 M AWAY



DEINZE STATION
3 KM AWAY



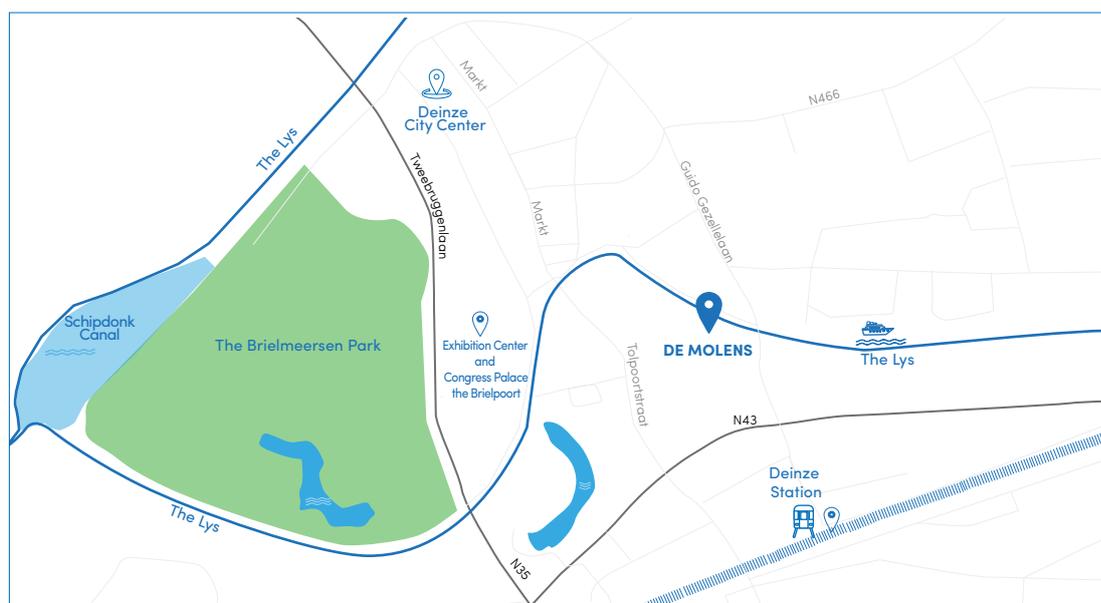
E17 MOTORWAY
9 KM AWAY

The site, with an area of 2.14 hectares, enjoys a privileged location in the city centre, close to the train station and the shopping street Tolpoort. Thanks to its excellent accessibility both via public transport and by road, the site offers all the assets for a quality urban development.

The city of Deinze is located on the Kortrijk-Waregem-Ghent axis and more particularly in the Bruges, Kortrijk, Ghent triangle. Following its merger with the city of Nevele, Deinze today has nearly 45,000 inhabitants and is considered a region with strong economic activity.

The town planning regulations allow the realisation of a mixed project (residential and commercial) of 32,151 m². In consultation with the city of Deinze, 3D Real Estate and ATENOR intend to develop a high quality project that meets the expectations of the city and its inhabitants. The development could be launched in the coming months.

This first investment in Flanders fits perfectly with ATENOR's know-how to promote major urban projects, thus working to adapt the urban fabric to the new requirements of living and working in the city.



Location	Along the Lys, Deinze, Flanders, Belgium
Project	Mixed-use : housing and retail
Owner	Dossche Immo SA (50% ATENOR – 50% 3D Real Estate)
Size	32,151 m ²
Architect	B2AI

La Hulpe
BELGIUM



LES BERGES DE L'ARGENTINE

In January 2015, ATENOR acquired the former SWIFT site in La Hulpe, spread over more than 4 hectares, completed later by the neighbouring plot formerly used as a garage. The project involves the development of ± 4,000 m² of offices and the construction of more than ± 20,000 m² of residential units.



LA HULPE STATION
300 M AWAY



CENTRE OF LA HULPE
500 M AWAY



E411 MOTORWAY
3 KM AWAY



SONIAN FOREST
5 KM AWAY

When the company SWIFT closed its site near the station of La Hulpe (the former mills), ATENOR quickly positioned itself to revive this chance. A great opportunity for ATENOR to confirm its anchoring in the municipality of La Hulpe but also a unique opportunity for the municipality to cultivate its attractiveness by seeing an exemplary mixed neighbourhood develop ensuring a natural connection between the central district and that of the station.

Launched in 2017, the first phase of the project consists of preserving the remarkable historical heritage of the former paper mills located on the street front to install offices, 4 housing units and an underground car park. About 4,000 m² of flexible, modular areas will be offered to companies looking for a green, dynamic and soothing work environment, stimulating creativity and designed for the well-being of their employees.

The permit for this first phase was issued in January 2017 and work is being completed.

A second phase, under study, is to rehabilitate the wasteland of obsolete industrial buildings by developing about 20,000 m² of new apartments nestled in a renaturalized park giving the Argentine River the place its deserves, while ensuring compliance with the village character of the buildings.

Responding to the essential municipal policy of revitalising the centre, ATENOR wants to make this project a real sustainable neighbourhood by encouraging soft mobility. The proposed residential units will be accessible and adapted to the demand, also favouring a typological and generational mix.



Location	Rue François Dubois, 2, 1310 La Hulpe, Belgium
Project	Mixed-use : housing (21,600 m ²), offices (4,000 m ²) and retail (400m ²)
Owner	ATENOR SA
Size	26,000 m ²
Architect	MDW Architectures
Start of works	1 st quarter 2017
End of work	4 rd quarter 2022

La Hulpe
BELGIUM



LE NYSDAM

In 1997, ATENOR, through the company HEXATEN, developed a luxury Business Park on the exceptional site of the Domaine du Nysdam in La Hulpe. 18 years later, the building is 95% occupied.



CENTRE OF LA HULPE
500 M AWAY

Located in La Hulpe, right on the outskirts of the capital, the park has the dual advantage of functional proximity to the city and a refreshing country environment.



CASTLE OF LA HULPE
2 KM AWAY

NYSDAM, nestled in a lush green setting near the Château de La Hulpe and the Solvay Estate, is close to the city centre. Located 5 minutes from the train station, not far from the ring road and the E411 motorway and 15 km from Brussels, the building has a direct bus line that connects to and from La Hulpe station.



LA HULPE STATION
2,4 KM AWAY

Completed in 2001, the two buildings of 6 and 7 floors overlook a common ground floor and provide more than 15,600 m² of offices.



E411 MOTORWAY
2,4 KM AWAY

In September 2006, ATENOR sold the company HEXATEN, the building's owner, to a real-estate fund managed by Axa Real Estate Investment Manager. In October 2015, 9 years later, ATENOR did the reverse with the acquisition from BNP Paribas Fortis of all HEXATEN's shares.

ATENOR then proceeded with the commercial repositioning of the building on the office market, which now has a rental rate of over 95%. Contacts are underway for the lease of the remaining floor areas.

At the end of 2017, ATENOR, following a new trend, set up a concierge service within the building. The building now offers various services such as laundry, car wash, delivery of organic baskets, gym, etc.

To encourage soft mobility and respect for the environment, the building also offers secure bicycle docks and charging stations for electric vehicles.

Building upon its values and of its social responsibility, ATENOR has been supporting since 2016, the BUZZY NEST initiative by putting at its disposal an area of 2,500 m² within the NYSDAM. The ground floor, converted into a large co-working area, hosts this business incubator that provides financial support and advice to young start-ups.



Location	Avenue Reine Astrid, 1310 La Hulpe, Belgium
Project	Office complex
Owner	Hexaten SA (100% ATENOR)
Size	15,600 m ² of offices and 408 parking spaces

Mons BELGIUM



BUS STOP
200 M AWAY



MONS RAILWAY STATION
300 M AWAY



E19 MOTORWAY
1 KM AWAY



PARC DE JONCQUOY
1,2 KM AWAY



MONS CITY CENTRE
1,2 KM AWAY

AU FIL DES GRANDS PRÉS

In August 2012, ATENOR signed an agreement for the acquisition, in Mons, of two sets of plots totalling 7.2 hectares in order to develop a sustainable residential, office and local shops complex.

The project AU FIL DES GRANDS PRÉS is strategically located in a district undergoing major changes located opposite the Grands Prés shopping mall, the "Imagix" cinema complex, the "Mons Expo" exhibition centre, the Ikea, the new congress centre designed by the reputed architect Daniel Libeskind and of course the station under construction designed by the architect Calatrava. This new station will serve as a bridge, providing the link between this new district and the historic centre of Mons.

ATENOR called on the architects' studios "DDSPartners", "H&V Architecture" and "A2m" and planning firm "JNC International" to come up with a mainly residential project including a few shops and offices.

The project is resolutely oriented towards sustainable design. Particular attention has been paid to the design of the buildings to meet strict comfort and energy saving criteria.

The project is developing on two plots of land (Zones 1 and 2), with a phasing of construction planned according to the rate of commercialization. Zone 2 (2.5 ha) consists of the construction of 266 residential units while Zone 1 (4.7 ha) will develop approximately 350 residential units as well as 14,000 m² of offices and local shops.

Zone 2 is made up of 8 residential buildings. The construction of the first 4 buildings (C, D, E and F) started in February 2015 and was completed in May 2018. The construction of the following two

buildings (A and B) began in December 2016 for an expected delivery in June 2019. Finally, the construction of the last two buildings (G and H) started in March 2018 and these should be delivered in August 2020.

The commercial success of this project is remarkable considering the eight blocks of Zone 2 (266 residential units - 25,500 m² in total) are all (pre) sold .

Concerning the Zone 1 of the project, an initial application for planning permission covering 14,000 m² of offices will be filed in the first quarter of 2019. In the long term, in addition to the 14,000 m² of offices, this plot will see the harmonious development of the following development by the construction of ± 350 apartments including an initial permit application for the construction of 3 buildings (108 apartments) will also be filed in the first quarter of 2019.



Location	Site of the Grands Prés, in the district of the future "Calatrava" railway station in Mons, Belgium
Project	Residential, including apartments, retail spaces, and offices
Owner	Mons Properties SA (100 % ATENOR)
Size	78,000 m ²
Architects	Holoffe & Vermeersch / DDS & Partners / A2M
Urban Planning Firm	JNC International
Start of works	February 2015
End of works	June 2020 (Phase 1)

Ath
BELGIUMATH RAILWAY STATION
200 M AWAYBUS STOP
250 M AWAYATH CITY CENTRE
1,2 KM AWAYE429 MOTORWAY
8 KM AWAY

LA SUCRERIE

In 2012, ATENOR, together with a multidisciplinary team, won the competition organised by Ath City Council to purchase 20,000 m² of land along the canal, on the site of the old Sugar factory. Eventually, the project provides for the development of 183 residential units, 5 shops and 1 nursery.

This wasteland characterized by accessibility and remarkable serenity, represented for ATENOR a new opportunity to participate in the revitalization of a former industrial district that had become obsolete.

LA SUCRERIE offers a range of residential units and shops and provides private gardens and common areas for socialising in peaceful, serene surroundings, just a stone's throw from the city centre. Eventually, the neighbourhood will be completely refurbished: bike paths, squares, walks, large green areas will create a friendly atmosphere and soon, the pedestrian- cycling bridge will link the neighbourhood to the city.

Located near the train station and public transport, the site enjoys a privileged location. Its inhabitants benefit from all the conveniences of the city in terms of transport, shops, supermarkets, schools, leisure, sports clubs without suffering the urban nuisances.

ATENOR brought in the architects firms DDS & Partners and Holoffe & Vermeersch. The construction, carried out in phases, was entrusted to the general contractor Dherte SA, which started work in February 2015.

On the one hand, the project proposes the renovation of the old building of La Sucrierie. This historic building with a rich industrial past now houses a nursery opened in January 2017 and 16 loft-style apartments.

On the other hand, the project offers a set of 5 new buildings (183 dwellings) rising on 3 or 4 floors to the varied typology including studios, 1 to 3-room apartments and penthouses; the ground floor of 2 of the buildings being devoted to shops.

All "low energy" type apartments are equipped with eco-friendly technologies such as common gas condensing boilers, solar hot water production and a dual flow ventilation system.

Provisional approvals for the five blocks (A, C1, C2, C3, B) were awarded, ranging from December 2016 to December 2018.

At the end of January 2019, 88 of the apartments built were sold, representing a sales rate of 70%.

The municipal work of urban revitalization on the edge of the project is nearing completion; the final touch should be made in the spring of 2019 when the pedestrian-cycling bridge will be installed. To mark this event, an inauguration of the pedestrian zone and the bridge should be organized in the presence of the Mayor and local authorities.



Location	Along the Canal, near Ath railway station, Belgium
Project	Residential including housing units, retail spaces and a creche
Owner	ATENOR SA
Size	20,000 m ²
Architects	DDS & Partners and Holoffe & Vermeersch
Start of works	February 2015
End of works	1 st quarter 2020

Belval GRAND DUCHY OF LUXEMBOURG



NAOS

In July 2016, ATENOR signed a partnership with a group of private investors in order to develop a mixed office and retail project in Belval, in the Grand Duchy of Luxembourg.



UNIVERSITY OF LUXEMBOURG
400 M AWAY



BELVAL PLAZA SHOPPING
CENTER 500 M AWAY



BELVAL RAILWAY STATION
500 M AWAY



A4 MOTORWAY
500 M AWAY

The 14,000 m² office and retail building, called “NAOS”, is currently being built in the heart of the “Square Mile” located in Belval’s new residential and commercial development pole, on the territory of the municipalities of Esch-sur-Alzette and Sanem.

Presented today as the new Luxembourg address, the Belval site has been designed for company creation and development, offering at the same time a tremendous mix of work, housing and daily life. On this former cradle of the iron and steel industry, Belval today brings together companies, shops, housing, the University of Luxembourg, research centres and, not to forget, the Rockhal.

The project is executed by the Luxembourg company “NAOS”, of which ATENOR is a 55% shareholder. NAOS manages the project in close collaboration with AGORA, the development company responsible for the development and commercialisation of the Belval site on which the University of Luxembourg has been based since 2015.

The building designed by the Beiler François Fritsch architects has 9 levels above ground and 3 basements with 261 parking spaces. The proposed spaces are flexible and enjoy

an architectural design with high energy performance. It will benefit from the latest technological advances and BREEAM environmental certification “Excellent”.

In addition to the conference room located in the heart of the building and accommodating up to 300 people, a garden terrace of about 200 m² has been created on the 3rd floor to become a real place of exchange and meeting; all of which offers an ideal working environment.

The earthworks were finalised in May 2017. The latest authorisations obtained enabled work to start in mid-June 2017. They are continuing in accordance with the schedule for a delivery planned for July 2019.

The offices will house the parent company of the computer group Arjs as well as the consulting, auditing, accounting and tax advisory firm A3T. At the end of January, the rental rate is 74%.

In December 2018, ATENOR finalised the sale of all the shares of NAOS to two institutional investors: Ethias and Foyer Assurances.

Location	Belval site, Sanem, Grand-Duchy of Luxembourg
Project	Mixed-use : offices and retail
Owner	NAOS SA
Size	14,000 m ²
Architect	Beiler François Fritsch
Start of works	July 2017
End of works	July 2019



View of Belval



Belval Plaza

Belval
GRAND DUCHY OF
LUXEMBOURG



TWIST

In July 2017, following an architectural contest initiated by AGORA, responsible for the urban development in Belval in the Grand Duchy of Luxembourg, ATENOR won the project for the development of lot 46 in the Square Mile district within the new residential and tertiary development cluster in the municipalities of Sanem and Esch-sur-Alzette.



UNIVERSITY OF LUXEMBOURG
400 M AWAY



BELVAL PLAZA SHOPPING
CENTER 500 M AWAY



BELVAL RAILWAY STATION
500 M AWAY



A4 MOTORWAY
500 M AWAY

With this project, the second one developed in Belval after NAOS, ATENOR consolidates its establishment in this dynamic and promising area. This new project involves the construction of a mixed building of 14,300 m² on a plot of 28.8 ares including offices, housing, shops and 220 parking spaces in the basement.

The combination of NAOS and TWIST will certainly help to animate this former industrial area and turn it into a dynamic and promising urban neighbourhood.

TWIST, realised in collaboration with Steinmetzdemeyer Architectes Urbanistes in Luxembourg, has distinguished itself for its major urban and architectural qualities. It also perfectly addresses the objectives of diversity and sustainability but also of social innovation expected for this contest.

The current project presents an original architecture. It should be structured as an island with a base of shops on which will be erected a mixed building of 9 floors offering on one side, offices and the other, housing. A garden will be built on the roof of the residential building.

Discussions with the local authorities made it possible to finalise a Special Development Plan (PAP) which was submitted in July 2018. It was approved by the municipalities of Sanem and Esch-sur-Alzette at the end of 2018, while waiting for approval by the Ministry of the Interior, thus permitting the submission of the building permit application in the first half of 2019.

This new development demonstrates ATENOR's determination to pursue the development of innovative and large-scale real estate projects in Belval in collaboration with AGORA.

Location	Belval site, Sanem district, Grand-Duchy of Luxembourg
Project	Mixed-use : office, housing and retail
Owner	ATENOR LUXEMBOURG
Size	14,300 m ²
Architects	Steinmetzdemeyer Architectes Urbanistes
Start of works	1 st quarter 2020
End of works	2 nd quarter 2022



Shopping center



University of Luxembourg at Belval

Leudelange
GRAND DUCHY OF
LUXEMBOURG



BUZZCITY

In November 2017, ATENOR acquired a plot of nearly 1.3 ha in the «Am Bann» business park in Leudelange with a view to creating a “new generation” office complex of approximately 16,800 m². A year later, ATENOR signed an agreement for the sale of this project!



After Luxembourg and Belval, ATENOR selected Leudelange and more specifically the “Am Bann” business park for this new Luxembourg project.



BUZZCITY represents a strategic location for international companies thanks to its ideal location in one of the economic expansion zones of the city of Luxembourg. The site is located near the interchange of Croix de Cessange (highways A4 and A6), a few minutes from the capital and easily accessible from Belgium, France and Germany.



The temporary association of Architects E.urbain and Jaspers-Eyers & Partners has imagined a set of 4 buildings, potentially phasable, with modern architecture. The buildings will be interconnected by indoor walkways and outdoor walks to provide optimal communication and flexibility for a single occupant or multi-tenant. The whole construction will be built on a common basement which will integrate the car parks, a bicycle area, the archives as well as the technical rooms.

BUZZCITY has been designed to respond to new ways of working. It will therefore offer a full range of services: a co-working space, a

lounge, a relaxation area, a fitness room, a coffee and gourmet corner, a restaurant with a large outdoor terrace, etc. All these amenities will remain open to companies in the business area as well as to the public, even during the weekend.

The building permit was issued by the Mayor of the Municipality of Leudelange in September 2018 authorising work to start in the spring of 2019.

In December 2018, one year after the acquisition of the land, ATENOR announced the conclusion of an agreement for the sale of BUZZCITY to a company to be formed by Fidentia Belux Investments.

Due to its ideal location, this office project offers an interesting alternative in terms of quality, price and accessibility on a Luxembourg market in constant growth. The marketing of office space was launched in a very buoyant market.

Location	“Am Bann” Activity Area in Leudelange, Grand Duchy of Luxembourg
Project	Office complex
Owner	ATENOR LUXEMBOURG
Size	16,800 m ²
Architects	AM E.urbain and Jaspers-Eyers & Partners
Start of works	2 nd quarter 2019
End of works	2 nd quarter 2021



Am Bann



Leudelange railway station

Bezons
FRANCE



COM'UNITY

In July 2017, ATENOR acquired, through its French subsidiary, a first site in the Paris region with an approximate area of 7,000 m². Formerly called "Bords de Seine", ATENOR took the opportunity of the official launch of construction works in 2018 to rename the project to the evocative name of COM'UNITY.



ATENOR was attracted by the strategic location of the site located in Bezons, in the Péri-Défense market in Paris. It enjoys exceptional accessibility via public transport as well as via motorways. COM'UNITY, located at the foot of the T2 tram line, 12 minutes from La Défense and 25 minutes from Place de l'Etoile, is also close to the A86 motorway exit.

When acquired by ATENOR from Sequano Aménagement, the site had a permit for the development of 32,500 m² of offices. In November 2017, ATENOR submitted a new permit application to optimize the building in terms of sustainable development, which was issued in February 2018 to increase its area to 33,800 m².

To complete the development of this ambitious project, ATENOR has created its first subsidiary in Paris, "Bords de Seine, Une Fois". The project is being carried out in partnership with the leaders of HRO, a reputed French project management company that has developed over the last 20 years around 600,000 m² and mainly in the Péri-Défense sector.

The architecture is designed by the prestigious Skidmore, Owings and Merrill (SOM) agency, architects of the One World Center in New York and Burj Khalifa in Dubai, partnered with the Paris bureau SRA-Architects. Concerning the interior design, it has been assigned to the Alberto Pinto cabinet.

COM'UNITY will not fail to capture the Péri-Défense market's interest in large scale, high-energy-performance new buildings in high-quality immediate surroundings, at highly competitive conditions compared to La Défense market in

particular. The project has been conceived to respond to workers' new expectations: terraces, a beautiful interior garden of about 800 m², an auditorium and its lobby, cafeteria space, top range catering, fitness, etc.

The foundation stone ceremony took place in October 2018 marking the official start of construction. The delivery of the building that benefits from BREEAM (Excellent) and HQE 2016 (Exceptional) certification is scheduled for the third quarter of 2021.

As an extension of COM'UNITY, in October 2018 ATENOR acquired a second site by the signing of the Unilateral Promise of Sale subject to obtaining the building permit.

This new investment, "BORDS DE SEINE 2", covers an area of 6,019 m² and aims to develop an office building of approximately 25,000 m².

The permit was filed in February 2019 for the construction of 23,000 m² of offices and 2,000 m² of service areas dedicated to office operation, namely a corporate restaurant, meeting rooms, concierge, fitness, etc.

It is expected to be obtained by early July 2019 and will become definitive in early November 2019.

The design was again entrusted to the Skidmore, Owings and Merrill agency in association with the Paris bureau SRA-Architects for a harmonious development of both sites.

The project complements COM'UNITY's area and proposes an economic alternative to the La Défense and Saint-Denis districts (north of Paris) for large companies looking for more than 60,000 m² of offices.

Location	At the edge of the Seine, Bezons (Paris), France
Project	Office complex
Owners	COM'UNITY : BDS une fois SAS (99% ATENOR) BORDS DE SEINE 2 : BDS deux fois SAS (100% ATENOR)
Size	COM'UNITY : 33,800 m ² of offices and 563 parking spaces BORDS DE SEINE 2 : 25,000 m ²

Architects	SRA / SOM
Start of works	October 2018
End of works	3 ^{ème} quarter 2021 (COM'UNITY) 1 ^{er} quarter 2022 (BORDS DE SEINE 2)



The square



Interior garden

Düsseldorf

GERMANY



AM WEHRHAHN

In November 2018, ATENOR signed, through a new subsidiary, an agreement for the acquisition of a 1,300 m² plot located in the heart of Düsseldorf which houses a 700 m² supermarket leased to one of the market leaders in Germany, REWE.



AT THE FOOT OF
THE METRO



DÜSSELDORF CITY CENTRE
2 KM AWAY

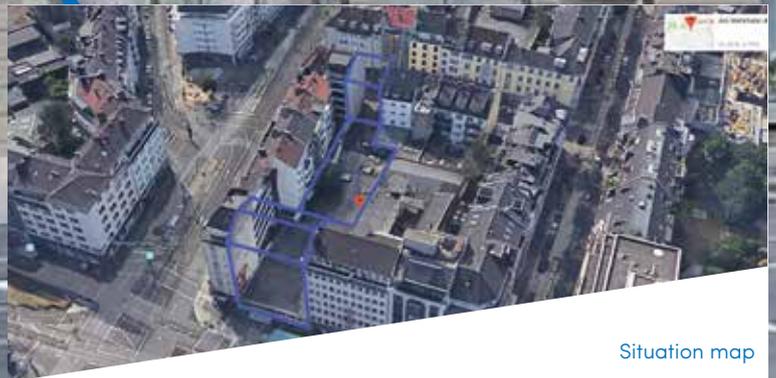
This new mixed project in North Rhine-Westphalia provides for the renovation of the supermarket and the construction of 33 residential units and parking spaces. It already has a building permit and a pre-agreement with REWE for re-leasing of the supermarket for a period of 15 years. Ultimately, it should total 2,300 m² of housing and 1,200 m² of commercial space. The start of work is scheduled for the second quarter of 2019.

The site is conveniently located on one of the most important arteries of the city centre of Düsseldorf, "Am Wehrhahn 43", at the foot of the metro and a few steps from the famous shopping street, Königsallee.

Düsseldorf, with its 600,000 inhabitants, is the capital of this flourishing industrial and financial region.

After launching its operations in Paris (France) and Warsaw (Poland), ATENOR has taken another step in its international diversification strategy by entering one of the most mature real estate markets in Europe.

Location	"Am Wehrhahn 43", Düsseldorf, Germany
Project	Mixed-use : housing and retail
Owner	Wehrhahn Estate SA (100% ATENOR)
Size	3,500 m ²
Architects	Mielke + Scharff Architekten
Start of works	2 nd quarter 2019
End of works	4 th quarter 2020



Situation map

Warsaw POLAND



UNIVERSITY BUSINESS CENTER

In February 2018, ATENOR signed, through its new Polish subsidiary, a pre-agreement on the acquisition of long-term lease rights for two office buildings. This new project will develop a minimum of 59,000 m² of offices and 900 parking spaces.



UNIVERSITY OF WARSAW
120 M AWAY

The two office buildings known as the "UNIVERSITY BUSINESS CENTER" are located in the Służewiec district, near the University of Warsaw. True to its location criteria, ATENOR opted for a dynamic and ultra-accessible Polish neighbourhood close to the airport.



METRO
M1 (SŁUZEW)
800 M AWAY

The project is part of the Masterplan initiated by the University and proposes a development of the site to significantly improve the immediate surroundings of the two buildings.



FRÉDÉRIC CHOPIN AIRPORT
6 KM AWAY

The first building (UBC 1), the oldest and the smallest, will to be demolished to make way for a new, larger office building offering an open and flexible work environment, adapted to new ways of working. Currently, UBC 1 is 11% leased.



RAILWAY STATION OF
WARSAW-CENTER
8 KM AWAY

In parallel, in the second building (UBC 2), more modern and dating from 2000, ATENOR will retain several tenants such as HP Poland, Sodexo, Emerson Process Management, Columbia Sportswear. The building, which currently has 27,800 m² of office space, is 90% leased and offers an initial yield of 9% for a weighted average term of 5 year leases. As the first building develops, ATENOR will ensure that UBC 2 is in line with the market and will appraise the value of renovating or renewing leases.

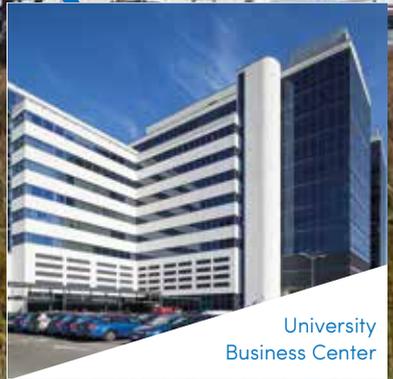


E30 A4 MOTORWAY
15 KM AWAY

To carry out this project, ATENOR selected Grupa 5, an architectural firm with extensive experience in office buildings in Mokotow.

Already present in Hungary and Romania, Poland was the logical continuation of ATENOR's international development. The growing Polish market offers economic dynamism, competitive prices and rates, and relatively flexible administrative procedures. This is a market that is therefore timely for real estate development.

Location	In the Mokotow district, Warsaw, Poland
Project	2 office buildings
Owner	Haverhill Investments sp z o.o. (100% ATENOR)
Size	59,000 m ² + 900 parking spaces
Architect	Grupa 5
Start of works	2021
End of works	2023



University Business Center



University Business Center

Budapest
 HUNGARY


VACI GREENS

VACI GREENS is the first project developed by ATENOR in the heart of Budapest. Perfectly adapted to the local market, it quickly became the “success story” of the Hungarian market. This complex of 6 buildings erected along the Boulevard Vaci Ut, on a plot of 2.5 hectares, offers 120,000 m² of offices whose construction began in 2010.



METRO STATION
120 M AWAY



TRAM
250 M AWAY



BUS STOP
300 M AWAY



RAILWAY STATION
2 KM AWAY



VAROSLIGET WOODED
AREA 2 KM AWAY



BUDAPEST CITY CENTRE
4.5 KM AWAY



M3 MOTORWAY
10 KM AWAY

The project enjoys a magnificent location at the heart of the “Vaci Corridor”, one of the most dynamic business districts in the Hungarian capital, near to the Danube, the large residential complexes, shopping centres, underground lines and roads into the city centre. It is easily accessible by car or public transport.

The construction of the complex, carried out in phases, started in 2010. This large-scale project offers large areas for totally flexible offices, underground car parks on 3 levels, an esplanade and a public walkway providing optimum mobility between the different buildings.

In 2011, VACI GREENS was the first real estate complex in the Hungarian capital to obtain BREEAM “Excellent” certification. Sustainable-type buildings have also won several “International Real Estate” awards.

In February 2017, the first building (VACI GREENS A) with an area of 15,700 m² was sold to a group of Hungarian investors. This building, completed in September 2013 is leased to various top international companies including the General Electric Group, which occupies several floors

The second building “C” with a floor area of 18,500 m² was completed in June 2015 and fully

leased to General Electric. In December 2016, this building was transferred to the Czech investment fund ZFP realini, managed by ZFP Investments.

Building B. 25,300 m², which was completed in March 2016, was sold in March 2017 to a Hungarian real estate fund.

The fourth building, VACI GREENS D (15,900 m²) was approved in the first quarter of 2018. It had been the subject of a sale agreement in the state of completion at the end of 2017. Since May 2018, this building has accommodated renowned tenants such as UNILEVER, AON and ATOS, the “European Business Service Center” division of one of the world’s largest car manufacturers, FORD.

In April 2018, ATENOR obtained the urban planning permit for the development of the last two blocks (E and F) thus enabling the start of construction and commercialization of the F building whose delivery is scheduled for mid-2020. It is already 25% pre-leased. The delivery of Building E is scheduled for the 3rd quarter of 2020.

Contacts are in progress for the future sale of these last two buildings.

Location	Vaci ut, 13 th District, Budapest, Hungary	
Project	Office complex of 6 independent buildings	
Owner	City Tower Kft (100 % ATENOR) for buildings E and F	
Size	Phase 1 (3 buildings A, B and C) : 60,104 m ² / Phase 2 (3 buildings D, E and F) : ± 65,000 m ²	
Architects	TIBA Építész Studio Kft (Budapest) et Vikar & Lukacs Kft (Budapest)	
Technical data	Breeam “Excellent” / Recovery of rainwater / Use of recyclable materials / Urban heating / Low energy lighting	
Start of works	January 2011	
End of works	Building 1 - A : finished in the 3 rd quarter 2013	Building 4 - D : finished in the 1 st quarter 2018
	Building 2 - C : finished in the 2 nd quarter 2015	Building 5 - E : delivery scheduled for 1 st quarter 2020
	Building 3 - B : finished in the 1 st quarter 2016	Building 6 - F : delivery scheduled for 1 st quarter 2020



Aerial view



Vaci Greens

Budapest HUNGARY



ARENA BUSINESS CAMPUS

In late August 2017, ATENOR acquired 19,000 m² of land on Boulevard Hungària, one of the main highways in Budapest connecting the city centre to the airport. The site is in the immediate vicinity of public transport (tram, bus, metro) and shops catering to office workers.



TRAM 25 M AWAY



TROLLEYBUS 90 M AWAY



METRO 300 M AWAY



BUS STOP 300 M AWAY



RAILWAY STATION
2.5 KM AWAY



BUDAPEST CITY CENTRE
3.5 KM AWAY



MS MOTORWAY
4 KM AWAY

The project concerns the construction of a modern campus of 4 office buildings with commercial areas totalling approximately 80,300 m² to be developed in phases. The building permit for Building A was issued in August 2018 and those for Building B, C and D were obtained in October 2018.

The high quality local team based in Budapest will manage this new project at the same time as the continuation of the VACI GREENS project.

Eventually, the campus will offer a beautiful suburban environment in a dynamic urban setting. Areas such as outdoor spaces, covered areas and green spaces will be designed to foster collaboration, creativity and productivity. The buildings will be interconnected by pedestrian bridges and outdoor walks.

Soil decontamination started in December 2018, allowing the construction of Building A (23,500 m²) to start during the first quarter of 2019. A first lease contract was signed with Costa Coffee for an area of 175 m², negotiations are under way for the rental of other areas.

Location	On the Hungaria Boulevard, Budapest, Hungary
Project	Mixed-use : office buildings and retail spaces
Owner	Hungaria Greens KFT (100% ATENOR)
Size	80,300 m ²
Architects	Vikar & Lukacs
Start of works	4 th quarter 2018
End of works	Building 1 - A : delivery scheduled for 4 rd quarter 2020 Building 3 - C : delivery scheduled for 2 nd quarter 2022 Building 2 - B : delivery scheduled for 2 nd quarter 2021 Building 4 - D : delivery scheduled for 2 nd quarter 2023



Arena Business Campus



Arena Business Campus

Bucharest ROMANIA



HERMES BUSINESS CAMPUS

Located in the heart of the Dimitrie Pompeiu business district in Bucharest, HERMES BUSINESS CAMPUS illustrates ATENOR's desire to promote its know-how beyond its borders. Market-driven, ATENOR has evolved its concept to meet the expectations of the economic environment and has completed an office and retail complex of around 75,200 m² to meet the local demands of national and international companies.



TRAM
30 M AWAY



METRO STATION
200 M AWAY



HERASTRAU PARC
3.5 KM AWAY



E60 MOTORWAY
15 MINUTES AWAY



HENRI COANDA
INTERNATIONAL AIRPORT
20 MINUTES AWAY

In 2010, ATENOR embarked on the Romanian adventure. Building an office complex of more than 70,000 m² at a time when the market had a downward trend seemed at the time to be extremely ambitious. If this project was a challenge, it is now a real success.

After having obtained planning permission in January 2010, the Romanian company NGY (100% subsidiary of ATENOR) started construction of 3 office buildings in the heart of the Dimitrie Pompeiu business district, one of the most dynamic administrative areas in the Romanian capital. The construction of the 3 buildings (HBC 1, 2 and 3), carried out in phases, began respectively in 2010, 2014 and 2015 and ends in 2016.

The HBC 1 building was completed in March 2014 and the offices are now fully leased to various tenants such as DB Schenker, Luxoft, the Netherlands Embassy, Xerox, etc.

The second building (HBC 2) was delivered in March 2016 and is fully leased to renowned tenants such as Mondelez, Luxoft, Lavalin, DB Schenker, etc.

The last building (HBC 3) was completed in November 2016. Prestigious tenants such as Genpact Romania, world leader in business process operations, have taken possession of the premises.

The success of the lease confirms the adequacy of the HERMES BUSINESS CAMPUS project to the requirements of the Romanian market. Thanks to their size, their flexible spatial organisation and their technical qualities, the three buildings meet the requirements of national, international companies and more specifically of Call Centres and Shared Service Centres, guaranteeing high concentration and high efficiency.

Built along the Boulevard Dimitri Pompeiu, north of Bucharest, the HERMES BUSINESS CAMPUS complex enjoys exceptional accessibility and immediate access to Baniasa and Otopeni airports. Located right opposite the district's main metro station, Hermes Business Campus also benefits from quick connection to the urban public transport network. Soft mobility will also be favoured by the implementation of an «intelligent» car park with registration plate recognition system and a shared electric bicycle offer.

In 2016, the project obtained BREEAM environmental certification "Excellent" which represents one of the best ratings in terms of sustainable development (sustainable construction, spatial flexibility and energy saving).

Contacts are being maintained for the sale of NGY, which owns the three buildings.

Location	Bld Dimitrie Pompeiu, 2nd District, Bucharest, Romania
Project	Office complex of 3 office buildings
Owner	NGY Properties Investment SRL (100 % ATENOR)
Size	75,200 m ²
Architect	WEST GROUP ARCHITECTURE SRL
General Contractor	Octagon SA
Start of works	During 2010 (HBC 1) - During 2014 (HBC 2) - During 2015 (HBC 3)
End of works	March 2014 (HBC 1) - March 2016 (HBC 2) - December 2016 (HBC 3)



Outside view



Outside view

Bucharest ROMANIA



DACIA 1

In July 2016, ATENOR completed the acquisition of two adjoining plots in the heart of the Bucharest CBD in order to develop a new office building. The exceptional location of this site in the historic centre is undeniably a major asset in a very active rental market.



BUS STOP OPPOSITE



METRO
7 MINUTES WALK



RAILWAY STATION
3 KM AWAY

The site with a total ground surface area of 5,000 m² is ideally situated at the junction of two major roads, the Boulevard Dacia and the Calea Victoriei. This very popular shopping avenue links the seat of the Romanian government with the parliament.

The site also houses a villa previously occupied by the German Legation and a theatre whose historic facade is protected. The renovation permit for these two buildings was obtained during the fourth quarter of 2018, authorizing the start of the works in February 2019. A lease was signed at the end of 2018 for the pre-lease of all the areas of the listed villa.

Next to this renovation, ATENOR also intends to build a new class A office building. The planning procedure is continuing and has been submitted to the approval of the Chief Architect of Bucharest. The building permit is expected at the end of June 2019.

The new building will meet the best space and energy performance standards, harmoniously integrating with the historic centre of Bucharest. Advanced negotiations are underway for leasing these offices.

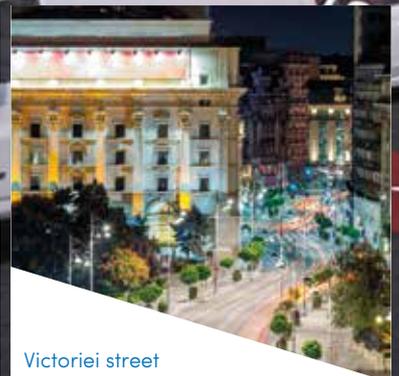
The design of the project has been assigned to a reputed Romanian architects firm: STUDIO10M.

ATENOR was able to note that the excellent performance of the Romanian economy positively impacted the real estate market in the capital. Confident in the dynamism and the performance of this market, ATENOR is continuing its contacts with the investors for the sale of the project.

Location	At the junction of the Calea Victoriei and Boulevard Dacia, CBD, Bucharest, Romania
Project	Office building
Owner	Victoriei 174 Business Development SRL (100 % ATENOR)
Size	16,000 m ²
Architect	Studio 10M (Bucharest)
Start of works	4 th quarter 2017
End of works	4 th quarter 2020



Victoriei street



Victoriei street

Bucharest ROMANIA



@ EXPO

At the end of 2017, ATENOR acquired, through its Romanian subsidiary, a site with an approximate area of 11,600 m² located in the north western part of the city of Bucharest (Romania). The site is waiting for the construction of a set of offices of the order of 54,000 m² above ground.



BUS STOP
OPPOSITE THE SITE

Aware of the potential of the currently buoyant Romanian market, ATENOR has started the development of a third project on the "Expozitiei / Piata Presei Libere" site, directly opposite ROMEXPO.

The site has easy accessibility, both via public transport and by road. The area is quickly and efficiently connected to the rest of the city by numerous tram and metro lines. The future metro line linking the main Bucharest station to Henri Coanda International Airport includes a stop just a stone's throw from the site. This new line should be completed in 2021. From @EXPO, the connection to the city centre or airport is made by car in less than 15 minutes.



FUTURE UNDERGROUND
500 M AWAY

@EXPO is conceived to become an office complex of around 44,000 m² once again demonstrating ATENOR's determination to develop innovative, large-scale property projects. This project is designed to respond to strong corporate demand, especially BPO/SSC and the IT sector.

An application for a building permit was filed at the end of February 2019 with a view to obtaining it in the second quarter of 2019. Construction works could then start immediately.



NORTH STATION
3 KM AWAY

With its high-performance architecture and eco-design, the unit will meet the highest standards of sustainability to achieve BREEAM "Excellent" certification. It should use innovative technologies to reduce operating costs and increase occupant comfort.



HENRI COANDA
INTERNATIONAL AIRPORT
15 MINUTES AWAY

Location	Avenue Expozitiei, Bucharest, Romania
Project	Office complex
Owner	NOR Real Estate SRL (100% ATENOR)
Size	54,000 m ²
Architect	Urban Office
Start of works	3 rd quarter 2019
End of works	4 th quarter 2021



Expozitiei

Expozitiei

Bucharest ROMANIA



UP-SITE BUCHAREST

At the end of 2018, ATENOR acquired, via a new Romanian subsidiary, a plot of 7,150 m² located in the heart of the Floreasca/Vacarescu district in Romania. With this new project, ATENOR is taking its first steps in the residential property market in Central Europe and is considering a project of 250 apartments.



SHOPPING MALLS
PROMENADA
200 M AWAY



FLOREASCA LAKE
200 M AWAY



AUREL VLAICU METRO
STATION 450 M AWAY



HENRI COANDA
INTERNATIONAL AIRPORT
12 KM AWAY

This fourth Romanian project was named "UP-SITE BUCHAREST" in reference to the experience of the iconic UP-SITE tower in Brussels. UP-SITE BUCHAREST will offer 250 apartments distributed across two residential towers of 14 and 24 floors. Commercial areas and services, as well as 400 parking spaces will complete this project whose development is planned over 30 months.

The site is ideally located between the newly redeveloped Floreasca Lake and the Aurel Vlaicu Metro Station, 200 metres from one of Bucharest's most popular shopping malls (Promenada).

This new investment is the logical consequence of ATENOR's successful 10-year presence in Central Europe. The excellent performance of the Romanian economy and the strong demand for quality residential properties, among other reasons, motivated this acquisition.

The high quality local team will manage this new development. It will undoubtedly benefit from the expertise acquired by the group in the Belgian and Luxembourg residential real estate markets for more than 25 years.

ATENOR's ambition is to make this vertical project one of the most important developments in Romania.

Location	Floreasca/Vacarescu District, Bucharest, Romania
Project	Mixed-use : housing and retail
Owner	NOR Residential SRL (100% ATENOR)
Size	32,500 m ²
Architects	Bueso-Inchausti & Rein
Start of works	3 rd quarter 2019
End of works	4 rd quarter 2021



Floreasca lake



Promenada





CORPORATE GOVERNANCE CODE



COM'UNITY
Bezens

In its capacity as a listed company, ATENOR attaches major importance to the principles of Corporate Governance aimed at establishing clear rules for its administration, organization and management in the interests of all stakeholders. These principles provide stakeholders and the market in general with a guarantee of reliability and transparency of the communicated information.

THE REFERENCE CODE

ATENOR applies the principles of Corporate Governance published in the Belgian Corporate Governance Code 2009 (hereafter the "Code"), which it has adopted as a reference code.

The corporate governance charter was updated in 2017. It is available on the website of ATENOR (www.atenor.be).

In accordance with the "comply or explain" approach of the Code, the Board of Directors also draws attention to the following deviations from the Code:

- Principle 4.13 of the Code: Contrary to what is foreseen in the Code, the individual contribution of the Directors is not subject to periodic evaluation unless in the context of a re-election procedure. The Board of Directors considers that such an individual evaluation is not required at this time to ensure the proper functioning of the Board. The Chairman of the Board maintains regular bilateral contacts with each of the Directors outside Board meetings. The Board will, however, carry out such formal evaluations if, in view of particular circumstances, this proves to be necessary or required.
- Principle 5.4/3: On delegation from the Board, and in deviation from the specification of the Code, the Nomination and Remuneration Committee (N&RC) also has a decision-making power in certain matters which concern the remuneration (as described in more detail in section IV.2 of the Corporate Governance Charter). The Board is of the opinion that the N&RC, based on the Board of Directors' guidelines on this matter, has all the necessary competences to take on this role.
- Principles 5.2/4 and 5.4/1 of the Code: The Audit Committee includes two independent Directors. In view of the fact that the Audit Committee, in its present composition, functions properly, the Board of Directors (including the members of the Audit Committee) is of the opinion that a majority of independent Directors is currently not necessary to ensure the proper functioning of the Audit Committee. As mentioned above, members of the Audit Committee, as do all Directors in general, act independently and none of them is able to dominate the decision-making within the Audit Committee. Due to the stable shareholding structure of ATENOR consisting of several independent groups, none of which exceeds 20% of the capital, the members of the Audit Committee ensure the balanced functioning of the Audit Committee.

THE SHAREHOLDERS

THE SHAREHOLDERS AS AT 31 DECEMBER 2018

Insofar as the shareholders' structure is concerned, readers are referred to page 22 of this Annual Report.

RELATIONSHIP WITH THE LEADING SHAREHOLDERS

In July 1997, a group of Belgian investors acquired the participation of Lonrho Plc and committed for a period of five years through a shareholders' agreement to a long-term vision regarding their participation in ATENOR. This agreement was extended in 2002 for a period of five years and was amended in September 2005.

In November 2006, the Luxembourg investment company Luxempart SA acquired, outside the stock exchange, 10.09% of the capital of ATENOR from the stable shareholders Alva, 3D, Sofinim and Degroof.

On this occasion, a new shareholders' agreement totalling 47.37% of the capital was concluded for a period of 5 years between the shareholders Alva, 3D, Sofinim, Stéphan Sonnevile SA and Luxempart SA. This was extended in November 2011 for a further period of five years.

On 30 November 2016 this agreement was updated and extended for a new 5-year period tacitly renewable for two successive 5-year periods. It includes 33.75% of ATENOR's capital.

In March 2018, the shareholder Sofinim transferred its 10.53% share to the company ForAtenoR, ForAtenoR's shareholding being formed by the groups 3D, Luxempart, Alva and Stéphan Sonnevile and by the members of ATENOR Executive Committee.

This new shareholder ratified the existing shareholders' agreement dated 30 November 2016.

The shareholders' agreement expresses the common vision of the reference shareholders as to the strategy of the company and its rules of governance and organizes their concerted action in this direction; this shareholders' agreement also sets up reciprocal preemption rights in the event of a transfer of shares.

In accordance with article 74 of the law of 1st of April 2007 concerning public acquisition offers, these shareholders have notified the FSMA (Financial Services and Markets Authority) and the company of the holding, in concert between them, of more than 30% of the capital of the company.

The company is unaware of any other relationship or private agreement between the shareholders.

POLICY CONCERNING PROFIT SHARING

Regarding the policy for allocating and sharing the profit, the Board of Directors intends to propose to the General Shareholders' Meeting a standard remuneration in the form of a dividend while ensuring that the Group preserves a healthy balance sheet structure and sufficient resources to ensure its growth.

THE BOARD OF DIRECTORS AND ITS COMMITTEES

THE BOARD OF DIRECTORS

With regard to the composition of the Board of Directors, readers are referred to page 18 of this Annual Report.

On 31 December 2018, the Board of Directors consisted of four independent Directors: Mr Christian Delaire, Investea SPRL represented by Mrs Emmanuèle Attout, MG Praxis SPRL represented by Mrs Michèle Grégoire and Sogestra SPRL, represented by Mrs Nadine Lemaitre.

Insofar as its functioning is concerned, the Board of Directors held 4 meetings in 2018. The attendance of the Directors is summarized as follows:

Name	Attendance
Frank Donck	4
Stéphan Sonnevile SA represented by S. Sonnevile	4
Prince Charles Louis d'Arenberg (term of office expired on 27.04.2018)	1
Christian Delaire (term of office starting on 27.04.2018)	3
Baron Luc Bertrand (term of office expired on 27.04.2018)	1
Marc De Pauw (term of office expired on 27.04.2018)	1
Investea SPRL represented by Emmanuèle Attout	4
Luxempart SA represented by Jacquot Schwertzer	2
MG Praxis SPRL represented by Michèle Grégoire	4
Sogestra SPRL represented by Nadine Lemaitre	4
Philippe Vastapane	4

The Articles of ATENOR provide for decisions being taken by absolute majority of the voters. However, the decisions have always been taken by consensus of the members present or represented.

During these meetings, aside from obligatory or legal subjects, the Board handled the following subjects, among others: the consolidated annual and half-year results, the forecasted results of ATENOR and its subsidiaries, the monitoring of the principal projects, the company strategy, the analysis and the decisions concerning investments and financing as well as the evaluation rules.

The position of Secretary of the Board of Directors is filled by Real Serendipity BVBA represented by Mr Hans Vandendael.

The changes in the composition of the Board of Directors is intended to guarantee greater gender diversity; the aim to have at least one third women Directors on the Board will be taken into account in the Director nomination proposals.

More information on the role and the responsibilities of the Board of Directors as well as its composition and its functioning is included in the Corporate Governance Charter of ATENOR (www.atenor.be).

THE AUDIT COMMITTEE

With regard to the composition of the Audit Committee, readers are referred to page 19 of this Annual Report.

The Audit Committee met 4 times in 2018. The attendance of the members is summarized as follows:

Name	Attendance
Prince Charles Louis d'Arenberg (term of office expired 27.04.2018)	1
Marc De Pauw, Chairman (term of office expired on 27.04.2018)	1
Investea SPRL represented by Emmanuèle Attout, Chairwoman	4
Christian Delaire, Member (term of office starting on 27.04.2018)	3
Frank Donck, Member	4
Philippe Vastapane, Member	4

More information on the role and the responsibilities of the Audit Committee such as its composition and functioning can be found in section IV.3 of the Corporate Governance Charter of ATENOR (www.atenor.be).

THE NOMINATION AND REMUNERATION COMMITTEE

With regard to the composition of the Nomination and Remuneration Committee, readers are referred to page 19 of this Annual Report.

The Nomination and Remuneration Committee met 4 times in 2018. The attendance of the members is summarized as follows:

Name	Attendance
Sogestra SPRL represented by Nadine Lemaitre, Chairwoman	4
MG Praxis SPRL represented by Michèle Grégoire, Member	4
Luxempart SA represented by Jacquot Schwertzer, Member	3

More information on the role and the responsibilities of the Nomination and Remuneration Committee such as its composition and functioning can be found in section IV.2 of the Corporate Governance Charter of ATENOR (www.atenor.be).

EVALUATION PROCESS FOR THE BOARD OF DIRECTORS, ITS COMMITTEES AND ITS MEMBERS

Under the direction of its Chairman, the Board of Directors regularly examines and evaluates its size, composition, its performance and that of its Committees as well as its interaction with members of the Executive Committee.

This assessment is made either by means of a questionnaire (to be completed by each Director), or by interviews which deal with the following subjects: the composition of the Board and how it works, the information provided to the Board of Directors, the culture and cooperation within the Board, the tasks, degree of involvement of the Board in ATENOR's different fields of business, remuneration, the relationship with members of the Executive Committee, the relationship with shareholders and the Board of Directors' Committees. The answers are dealt with and presented in a summary note which is subject to discussion at Board Meetings.

The Board of Directors learns the lessons from the evaluation of its performances by recognizing its strong points and correcting its weaknesses. Where appropriate, this will involve proposing the appointment of new members, proposing not to re-elect existing members or taking any measure deemed appropriate for the efficient functioning of the Board of Directors and its Committees.

As mentioned hereinabove and contrary to what is foreseen in the Code, the performance of individual Directors is not normally evaluated if this is not part of the re-election procedure. The Board considers that such an individual evaluation is no longer required to ensure the proper functioning of the Board. It will, however, carry out such evaluations if, in view of particular circumstances, it proves to be necessary or required.

However the performance of the CEO is evaluated in a specific way. Each year, the Nomination and Remuneration Committee determines the CEO's objectives for the coming financial year and evaluates his performance over the past twelve months.

The Nomination and Remuneration Committee and the Audit Committee regularly re-examine (at least every two or three years) their rules, evaluate their own effectiveness and recommend necessary changes to the Board of Directors. This assessment follows a similar method to that detailed above for the Board of Directors.

More information on the evaluation process of the members of the Board of Directors and its Committees can be found in sections III.2 and IV.1 of the Corporate Governance Charter of ATENOR (www.atenor.be).

THE EXECUTIVE COMMITTEE

With regard to the composition of the Executive Committee, readers are referred to page 18 of this Annual Report. The Executive Committee is composed of 5 members.

More information on the role and responsibilities of the Executive Committee such as its composition and functioning can be found in section V.3 of the Corporate Governance Statement of ATENOR (www.atenor.be).

CONFLICTS OF INTEREST

The members of the Board of Directors and of the Executive Committee refrain from any and all deliberation or decision if they have, directly or indirectly, a conflicting financial interest in a decision or operation to be decided by the Board of Directors. In FY 2018, the procedure to manage conflicts of interest was nevertheless not applied.

In spite of the fact that Mr Frank Donck and the members of the Board of Directors considered that the respective interests were aligned, Mr Frank Donck nevertheless abstained in the voting on the "Dossche Mills" project in Deinze, for which ATENOR and 3D Real Estate made a joint offer on an equal basis. This abstinence on pure courtesy basis is motivated by the President's wish to have no influence whatsoever in the deliberation on this matter.

REGULATED INFORMATION

There are no statutory restrictions on voting rights, with the exception of Article 32 of the Articles of Association, which reproduces Article 541 of the Companies Code.

There are no special control rights (with the exception of what is covered above on the subject of the Shareholders' Agreement).

The process of appointment and replacement of the members of the Board of Directors and of its Committees is described in the Corporate Governance Charter of ATENOR.

An amendment to the Articles of Association is adopted validly only if it obtains three-quarters of the votes of those taking part in the voting.

The General Meeting of 22 April 2016 renewed ATENOR's authorisation to alienate, on behalf of the company and in conformity with Article 620 of the Companies Code, the company's own shares at a maximum rate of twenty per cent (20%) of the total of the shares issued, at a minimum unit price of 1.00 euro and a maximum unit price of ten per cent (10%) higher than the average of the last ten quoted market prices preceding the operation, and to authorise the subsidiaries of the company in terms of Article 627 of the Companies Code to acquire or alienate its shares under the same conditions. This authorisation is valid for a period of five years starting on the date of the General Assembly of the Shareholders of 22 April 2016.

In accordance with the General Assembly decision of 28 April 2017, the Board of Directors is authorised to increase the share capital one or several times by a maximum amount of fifty-seven million six hundred and thirty thousand, five hundred and eighty-five Euro and sixty-nine cents (€ 57,630,585.69). These capital increases may be executed

by cash subscriptions, contributions in kind or incorporation of reserves. This authorisation is valid for a period of five years as of the publishing in the appendix to the *Moniteur Belge* of the amendment of the articles decided by the Extraordinary General Assembly of 28 April 2017 but it may be renewed in accordance with legal provisions. Within the limits of this authorisation, the Board of Directors may issue share-convertible bonds or warrants in adherence to the provisions of the "Code des Sociétés."

The specific circumstances in which the authorised capital can be used and the objectives pursued are indicated in the special report drawn up by the Board of Directors in accordance with article 604 C.Soc.

INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT

ATENOR has implemented the legal provisions of the law of 6 April 2010 and the recommendations of the Corporate Governance Code of 2009 concerning internal control and risk management. In this context, ATENOR has adapted its own guidelines for internal control and risk management on the basis of the general principles described in the guidelines written up by the Corporate Governance Commission.

In compliance with the legal provisions, the principal characteristics of the internal control and risk management systems within the framework of the process of establishment of the financial information can be described as follows:

CONTROL ENVIRONMENT

The accounting and financial department is organised in such a way as to have at its disposal, with a sufficient degree of security, the resources and the access to financial information necessary for the preparation of financial statements.

The CFO of the group is responsible for the establishment of the accounts and the financial information; he distributes among the members of his team the tasks to be fulfilled in order to close the accounts.

A manual of accounting principles and procedures has been drawn up, specifying at Group level the accounting principles of the most important operations. This manual also includes the procedures for explaining the principal rules for reprocessing in the event of the application of different bases of accounting at the time the financial statements are prepared. Within the framework of the preparation of the consolidated accounts, there are also procedures for disseminating the instructions aiming at ensuring they will be taken into account by the subsidiaries.

Each year, in a timely manner, the CFO specifies the allocation of the responsibilities with regard to the accounting tasks, as well as the timing to be complied with.

RISK MANAGEMENT

The company has defined objectives regarding the preparation of the financial information. These objectives are expressed primarily in terms of quality, compliance with company law and accounting law and in terms of time periods.

The responsibilities regarding risk management in the preparation of the financial information have been defined in a general way and communicated to the people concerned. They are reminded each year and if need be, updated.

The company has identified the legal and regulatory obligations concerning communication regarding the risks in the preparation of the financial information.

Under the responsibility of the CFO, regular communication is maintained between the people who have a role in the preparation of the financial information, in such a way as to identify the principal risks that could affect the process of preparing the financial information.

For these principal identified risks, through people with the appropriate skills, the company provides for a double verification of the process in such a way as to sharply reduce the probability of the risk occurrence.

The adoption of or the changes in accounting principles are taken into account as soon as their obligating event occurs. There is a process that makes it possible to identify the obligating event (decision, change of legislation, change of activity, etc.). These changes are the object of approval by the management body.

In general, the risks in the process of preparation of the financial information are dealt with through a programme of tests and verifications carried out by the internal audit, under the responsibility of the Audit Committee, on the one hand, and on the other hand by specific actions on the part of the Audit Committee or the Board of Directors.

The monitoring of the risk management procedures in the preparation of the financial information is therefore exercised continuously and with cross-checks by the Board of Directors and its Audit Committee, by the CEO and the CFO and by the Internal Audit.

CONTROL ACTIVITY

The daily accounting operations, the monthly payments, the quarterly, half-year and annual closings and reporting at group level are all procedures that make it possible to ensure that the manual of accounting principles and procedures is correctly applied. In addition, the internal audit programme, approved by the Audit Committee, provides regular verification through its targeted tests of the risk areas identified by the Audit Committee.

Weekly meetings devoted to each of the projects are

organised by the Executive Committee, chaired by the CEO, to verify the key processes converging in the preparation of the accounting and financial information:

- at the level of investments and disinvestments;
- at the level of intangible, tangible and goodwill capital assets;
- at the level of financial assets;
- at the level of purchases and suppliers and related issues;
- at the level of cost prices, stocks and work in progress, long-term or construction contracts;
- at the level of cash assets, financing and financial instruments;
- at the level of advantages granted to the staff;
- at the level of taxes, duties and related issues;
- at the level of operations on the capital;
- at the level of reserves and undertakings.

There are procedures to identify and resolve new accounting problems, not foreseen, in the manual of accounting principles and procedures.

The accounting and internal financial control activity includes procedures to ensure the preservation of the assets (risk of negligence, of errors or of internal or external fraud).

The group's procedures for preparing financial statements are applicable in all the components of the perimeter of consolidation, without exception.

INFORMATION AND COMMUNICATION

Procedures and information systems have been put in place to satisfy the requirements of reliability, availability and relevance of the accounting and financial information.

Detailed reporting, quarterly as a minimum, makes it possible to relate back the relevant and important accounting and financial information at the level of the Audit Committee and the Board of Directors. In the event it is necessary, a multi-channel communication system makes it possible to establish direct and informal contact between the CEO and the members of the Executive Committee on the one hand, and between the CEO and the members of the Board of Directors on the other hand.

The roles and responsibilities of the managers of the information system have been defined.

The information systems relating to the financial and accounting information are the object of adaptations to evolve with the needs of the company. A management system for orders and incidents has been implemented.

The relations with the information technology service providers have been documented. Performance and quality indicators have been defined and are the object of periodic review. The degree of dependency of the company in respect of information technology service providers was analysed. Verifications at the service provider sites were

provided for contractually by the company and carried out.

There is a process to reveal a decrease in the quality of service. The analysis and the establishment of corrective actions are envisaged.

The computer system is sufficiently secured by:

- a process of access rights to the data and the programs;
- an anti-virus protection system;
- a system of protection in the event of working in a network;
- a device for saving and safeguarding the data;
- measures to ensure the continuity of service;
- a system of physical access rights to the installations

These security measures are the object of periodic tests and changes in order to ensure their effectiveness.

There is a schedule recapitulating the periodic regulatory obligations of the group on the issue of communication of the financial information to the market. This schedule stipulates:

- the nature and the deadline for each periodic obligation;
- the people responsible for their establishment.

There are managers and procedures for the purposes of identifying and complying with the regulatory obligations of informing the market.

There is a procedure providing for verification of the information before its dissemination.

STEERING

ATENOR has set up means making it possible to ensure that the accounting principles selected that have a significant impact on the presentation of the financial statements correspond to the activity and to the environment of the company and have been formally validated by the Audit Committee and approved by the Board of Directors. The internal quarterly reporting prepared by all the members of the Executive Committee, the revision of this reporting by the CEO and the CFO working cooperatively, the examination of this reporting by the Audit Committee (with the auditor present) before presentation and discussion in the Board of Directors constitute the cornerstone of the steering means of the system for controlling the financial information.

The reporting includes the accounting choices and the evaluation rules selected for writing up the financial statements.

It also deals with cash management anticipation of future financial commitments and situations of major tensions. The drawing up and presentation of the financial statements, including the balance sheet, the profit and loss accounts, the annexes and the financial situation are therefore explained to the Board of Directors at each closing of financial accounts to be published.

The financial information published periodically is reviewed

in advance and analysed by the Audit Committee (with the Auditor's presence) before being approved by the Board of Directors.

EXTERNAL AUDIT

ATENOR SA's external audit was conducted by the Statutory Auditor MAZARS srl, represented by Mr Xavier Doyen. Its annual fees came to 48,924 euros.

The fees for additional ATENOR SA assignments came to 35,900 euros.

The fees for the audit assignments entrusted to the Mazars company network for the Belgian and foreign subsidiaries came to 111,042 euros.

The fees for non-audit services were approved by the Audit Committee and came, for 2018, to 84,350 euros.

The Audit Committee received from the Auditor the declarations and information necessary to assure itself of his independence.

REMUNERATION REPORT

APPROVAL

Every year, the remuneration report is presented to shareholders at the General Meeting, for approval. This has always been subject to the approval of shareholders at the General Meeting.

PROCEDURE AND RULE OF THE NOMINATION AND REMUNERATION COMMITTEE

As stated in section IV.2 of the Corporate Governance Charter, the Nomination and Remuneration Committee is tasked with making proposals to the Board of Directors concerning the remuneration policy for the non-executive Directors.

Moreover, the Nomination and Remuneration Committee has received from the Board of Directors, inter alia, the task of ruling:

- on the remuneration paid directly or indirectly to the CEO and the other members of the Executive Committee on the basis of the principles approved by the Board, including any variable remuneration and the formulas for long-term profit-sharing, whether linked or not to shares, granted in the form of options on shares or other financial instruments such as on the agreements concluded concerning early termination;
- on the granting to the CEO, and the other members of the Executive Committee, of shares, options on shares and all other rights to acquire shares in the Company and on the number of shares to be granted to the personnel, all without prejudice to the specific competences of the General Meeting and the Board of Directors as to the approval of the plans for attribution and the issue of certificates;
- on the implementation and the conditions of the partnership policy with members of the Executive Committee.

REMUNERATION OF NON-EXECUTIVE DIRECTORS

The remuneration of the non-executive Directors takes into account their role as ordinary Directors, and their specific roles in their capacity as Chairman of the Board, Chairman or Members of Committees, as well as their resulting responsibilities and the time devoted to their functions. This overall remuneration is consistent with market practices and reflects the level of responsibility and the nature of his/her position. It is adopted by the Board on the proposal of the N&RC.

The non-executive Directors do not receive either remuneration related to their performance, such as a bonus and formulas for long-term profit-sharing, or benefits in kind and benefits associated with pension or other plans.

For carrying out the mandate of non-executive Directors in the financial year 2018, the Board of Directors will propose at the General Meeting a lump sum of 256,000 euro as Directors' fees. These, as the case may be, will be distributed as follows:

- 60,000 euro for the Chairman of the Board of Directors
- 30,000 euro for each of the non-executive Directors, whether they are members of a Committee of the Board of Directors or not
- an additional 8,000 euro for each of the Presidents of a Committee of the Board of Directors
- an additional 8,000 euro for each of the non-executive Directors and members of two Committees of the Board of Directors.

On an individual basis, this information can be summarised as follows:

Name	Directors' fees
Frank Donck	€ 60.000
Christian Delaire	€ 30.000
Investea SPRL represented by Emmanuèle Attout	€ 38.000
Luxempart SA represented by Jacquot Schwertzer	€ 30.000
MG Praxis SPRL represented by Michèle Grégoire	€ 30.000
Sogestra SPRL represented by Nadine Lemaitre	€ 38.000
Philippe Vastapane	€ 30.000

REMUNERATION OF MEMBERS OF THE EXECUTIVE COMMITTEE (INCLUDING THE CEO)

Members of the Executive Committee (including the CEO) receive a remuneration package essentially consisting of a basic remuneration as the case may be supplemented by a variable annual remuneration (bonus) in specific cases or for special services.

Furthermore, for several years the Board of Directors has considered that the profit-sharing of members of the Executive Committee (including the CEO) in real estate projects is an essential motivational element. This policy

aims at involving members of the Executive Committee more, not just in the growth of the whole of ATENOR, but also in the selection, management and evaluation of each real estate project. This policy also contributes to align the members of the Executive Committee's interests with those of ATENOR, by linking it to the risks and outlook of its business activities in the long term.

Consequently, the CN&R has set up an options plan on Atenor Group Participations shares for members of the Executive Committee (separate from the Atenor Group Investments options plan, which benefits all employees, the members of the Executive Committee and some service providers). Atenor Group Participations (or AGP) was set up in the course of 2012 as a co-investment company for an unlimited period. All shares of AGP are held (directly or indirectly) by ATENOR. It was agreed that AGP will invest with ATENOR in all projects in the portfolio for a period corresponding to the respective duration of the development of each project and up to maximum of 10% of the shareholding of ATENOR in the projects or the economic interest of ATENOR in the projects. ATENOR is remunerated by AGP for the management of the shareholdings and projects in which AGP holds 10%; the capital gain that the beneficiaries of the options on AGP shares may draw from their exercise therefore includes this remuneration.

In view of the foregoing, the relative importance of the various components mentioned above can vary greatly from year to year. Options on AGP shares, however, represent the bulk of the incentive to be given to the CEO and members of the Executive Committee. A variable remuneration (bonus) as mentioned above shall be granted only in special cases or for special services.

The remuneration of the CEO and of the members of the Executive Committee does not include the free allocation of shares of ATENOR or of a subsidiary.

The Company did not deviate from its remuneration policy over the course of the FY the annual report concerns, but started to consider its remuneration policy in the context of the company's evolution and outlook. This remuneration policy may be modified over the next two years.

REMUNERATION OF THE CEO

The remuneration received directly or indirectly by the CEO is generally defined for both his role on the Board of Directors and directly or indirectly in the Company and its subsidiaries. The total remuneration, both fixed and variable, of the CEO is determined by the Nomination and Remuneration Committee, based on an annual assessment of the collaboration and based on the principles approved by the Board.

The amount of the remuneration, other benefits granted, directly or indirectly, and earnings obtained for the 2018

financial year amounted to 1,563,936 Euro and can be broken down as follows (company cost):

- basic remuneration (VAT excluded): 565,895 Euro
- variable remuneration: nihil
- contributions to a pension plan: there were no contributions for a pension plan
- other advantages: there were no other advantages
- earnings from the exercising in FY 2019 of 25 AGP share options (outstanding options granted in 2017): 124,740 Euro
- earnings from the exercising in FY 2019 of 175 AGP share options (granted in 2018): 873,301 Euro

More information on the options granted, exercised or expired in 2018 is set out hereafter.

REMUNERATION OF THE MEMBERS OF THE EXECUTIVE COMMITTEE (OTHER THAN THE CEO)

The level and structure of the remuneration of the members of the Executive Committee is such that it ensures the recruitment, loyalty and motivation of qualified and skilled professionals taking into account the nature and the extent of responsibilities assumed directly or indirectly in the Company and its subsidiaries.

The collaboration with each member of the Executive Committee is annually subjected to an evaluation process in order to determine whether the respective member has achieved the targets that were agreed upon during the evaluation of the preceding year.

Targets are determined for each member of the Executive Committee according to their role and function in the group and are related to the major execution phases of the projects led by ATENOR, such as acquisition, obtaining of the permit, sale or lease.

In addition to the daily informal contacts, this evaluation is conceived as a moment of exchanging views that allows to guide the collaboration with each member of the Executive Committee. Insofar as the members of the Executive Committee are concerned, this evaluation is held with the CEO, who reports on the evaluation to the Nomination and Remuneration Committee.

On an overall basis, the amount of the remunerations, other benefits granted directly or indirectly, and earnings obtained from the exercise of options by the Members of the Executive Committee (other than the CEO) for the 2018 financial year, amounted to 3,671,356 Euro and can be broken down as follows (company cost):

- basic remuneration (VAT excluded/gross salaries): 1,352,755 Euro
- variable remuneration: 535,000 Euro
- contributions to a pension plan: 80,874 Euro
- other benefits: 6,038 Euro (car/gsm/laptop)
- earnings from the exercising in FY 2019 of 15 AGP share options (balance of options granted in 2017): 74,844 Euro

- earnings from the exercising in FY 2019 of 325 AGP share options (granted in 2018): 1,621,845 Euro

More information on the options granted, exercised or expired in 2018 is set out hereafter.

ATENOR GROUP INVESTMENTS STOCK OPTIONS PLAN

At the end of 2013, ATENOR replaced the ATENOR share option plan with an Atenor Group Investments (AGI) share option plan, a subsidiary set up in 2013 and 100% owned by ATENOR. AGI holds a portfolio of 163,427 ATENOR shares, 150,000 of which it acquired from ATENOR (own shares) at the price of 31.88 Euro and 13,427 of which result from the exercising of the optional dividend proposed by shareholders at the General Meetings in May 2014 and 2015.

These options were allocated to staff members and some service providers on the basis of 5 hierarchy levels; the first two levels (Executive Committee members and Directors, i.e. 15 people including the CEO) being allocated the same number of options. The Board of Directors thereby aims to involve all ATENOR employees and members of the Executive Committee in the group's mid-term growth, while making the beneficiaries of the options bear part of the capital cost.

As far as members of the Executive Committee are concerned, the options granted were as follows:

Name	In 2016	In 2017	In 2018
Stéphan Sonnevile *	1.350	1.350	900
Sidney D. Bens	1.350	1.350	900
Laurent Collier *	1.350	1.350	900
William Lerinckx *	1.350	1.350	900
Olivier Ralet	1.350	-	-

* granted in 2017 and 2018 respectively to Stéphan Sonnevile SA, Strat UP SPRL and Probatimmo BVBA

For the said options, the terms are summarised as follows:

- Options granted in 2016: Their price of exercise was fixed, on the favourable opinion of the Atenor Group Investments commissioner, at 22.67 Euro per option, corresponding to their inventory value per Atenor Group Investments share on 31 January 2016, after re-evaluation of the ATENOR share portfolio at 44.65 Euro per share, corresponding to the average of the 20 last closing prices. The benefit in kind these options represent comes to 4.08 Euro per option. These options will be exercisable in March 2019, March 2020 or March 2021. This benefit was granted in 2016 for the performances recorded in 2015.
- Options granted in 2017: Their price of exercise was fixed, on the favourable opinion of the Atenor Group Investments commissioner, at 26.08 Euro per option, corresponding to their inventory value per Atenor Group Investments share on 31 January 2017, after re-evaluation of the ATENOR share portfolio at 46.168 Euro per share, corresponding to

the average of the 20 last closing prices. The benefit in kind these options represent comes to 4.69 Euro per option. These options will be exercisable in March 2020, March 2021 or March 2022. This benefit was granted in 2017 for the performances recorded in 2016.

- Options granted in 2018: Their price of exercise was fixed, on the favourable opinion of the Atenor Group Investments commissioner, at 31.34 Euro per option, corresponding to their inventory value per Atenor Group Investments share on 31 January 2018, after re-evaluation of the ATENOR share portfolio at 49.33 Euro per share, corresponding to the average of the 20 last closing prices. The benefit in kind these options represent comes to 5.64 Euro per option. These options will be exercisable in March 2021, March 2022 or March 2023. This benefit was granted in 2018 for the performances recorded in 2017.

ATENOR LONG TERM GROWTH STOCK OPTION PLAN

At the beginning of 2019, ATENOR replaced the Atenor Group Investments (AGI) share option plan with an Atenor Long Term Growth (ALTG) share option plan, a subsidiary set up in October 2018 and 100% owned by ATENOR. In the long term, ALTG may hold up to 150,000 ATENOR shares. On 28 February 2019, ALTG held a portfolio of 93,287 ATENOR shares at the average price of 51.67 Euro. This options plan is proposed for approval to the General Meeting of 26 April 2019.

A tranche of 40,000 options on shares (ALTG) will be allocated in 2019 to staff members and some service providers based on 5 hierarchical levels; the first two levels (Executive Committee members and Directors, i.e. 18 people including the CEO) being allocated a same number of options. The Board of Directors thereby aims to involve all ATENOR employees and members of the Executive Committee in the group's mid-term growth, while making the beneficiaries of the options bear part of the capital cost.

As far as members of the Executive Committee are concerned, the options will be granted as follows:

Name	In 2019
Stéphan Sonnevile *	900
Sidney D. Bens	900
Laurent Collier *	900
Sven Lemmes *	900
William Lerinckx *	900

* granted in 2019 respectively to Stéphan Sonnevile SA, Strat UP SPRL, Weatherlight SA and Probatimmo BVBA

For the said options, the terms are summarised as follows:

- Options granted in 2019: Their price of exercise was fixed, on the favourable opinion of the Atenor Group Investments commissioner, at 13 Euro per option, corresponding to their inventory value per Atenor Long Term Growth share on 28 February 2019, after re-evaluation of the ATENOR share portfolio at 58.47 Euro per share, corresponding to the average of the 20 last closing prices. The benefit in kind these options represent comes to 2.34 Euro per option. These options will be exercisable in March 2022, March 2023 or March 2024. This benefit was granted in 2019 for the performances recorded in 2018.

ATENOR GROUP PARTICIPATIONS STOCK OPTIONS PLAN

As specified above, the options on Atenor Group Participations shares represent the major part of the incentive granted to the CEO and to the members of the Executive Committee.

The outstanding options **granted in 2017** (not yet exercised) for the **performances achieved in 2016** were exercised in 2019 as follows by members of the Executive Committee:

Stéphan Sonnevile SA represented by Stéphan Sonnevile	25 out of 25 still exercisable options
Sidney D. Bens	-
Strat UP SPRL represented by Laurent Collier	15 out of 15 still exercisable options
Probatimmo BVBA represented by William Lerinckx	-

These options have a vesting price that corresponds to the net asset value (NAV) on 31 December 2016, after allocation, i.e. 1,100.77 Euro per share. The benefit in kind these options represent comes to 198.14 Euro per option.

Following the exercise of the said options in 2019, gains were made:

- By the CEO, of 124,740 Euro;
- By all members of the Executive Committee (other than the CEO), of 74,844 Euro.

The following options were **granted in 2018** to members of the Executive Committee, for the **performances achieved in 2017**:

Stéphan Sonnevile SA represented by Stéphan Sonnevile	355 options
Sidney D. Bens	180 options
Strat UP SPRL represented by Laurent Collier	195 options
Probatimmo BVBA represented by William Lerinckx	210 options

These options have a vesting price that corresponds to the net asset value (NAV) on 31 December 2017, after allocation, i.e. 1,100.08 Euro per share. The benefit in kind these options

represent comes to 198.02 Euro per option.

Following the exercise of the said options in 2019, gains were made:

- By the CEO, of 873,301 Euro;
- By all members of the Executive Committee (other than the CEO), of 1,621,845 Euro.

No option was granted in 2019 to the members of the Steering Committee

COMPENSATION IN THE EVENT OF DEPARTURE

The contract of the members of the Executive Committee (including the CEO) does not provide for severance pay (except for the application of the labour law).

RIGHT TO CLAIM

No specific right to claim variable remuneration that has been granted to members of the Executive Committee (including the CEO) on the basis of erroneous financial information has been established for the benefit of the Company.

AUDITED FINANCIAL STATEMENTS 2018

STATEMENT OF COMPLIANCE:

The consolidated financial statements on 31 December 2018 have been drawn up in compliance with the international standards for financial information (IFRS – “International Financial Reporting Standards”) as approved in the European Union and provide a true and fair view of the assets, of the financial situation, of the results of ATENOR and of the enterprises included in the consolidation.

The management report contains a true reflection of the development of the business, the results and the situation of ATENOR SA and the companies included within the consolidation scope as well as a description of the main risks and uncertainties with which they are confronted.

Sidney D. BENS
Chief Financial Officer

Stéphan SONNEVILLE SA
Chief Executive Officer

SUMMARY

Management report	75	Note 14 : Related parties	102
Consolidated statement of comprehensive income	80	Note 15 : Inventories	102
Consolidated statement of the financial position	81	Note 16 : Current and non-current financial assets	103
Consolidated cash flow statement (indirect method)	82	Note 17 : Other current and non-current assets	106
Consolidated statement of changes in equity	83	Note 18 : Deferred tax assets and liabilities	106
Notes to the consolidated financial statements	84	Note 19 : Provisions	107
Note 1 : Main accounting methods	84	Note 20 : Current and non-current financial liabilities	108
Note 2 : Risk management	90	Note 21 : Other current and non-current liabilities	113
Note 3 : Segment reporting	92	Note 22 : Employee benefits	113
Note 4 : Operating results	94	Note 23 : IFRS 15 – Information	116
Note 5 : Personnel charges	94	Note 24 : Contingent liabilities and litigations	116
Note 6 : Other operating expenses	95	Note 25 : Subsequent events	116
Note 7 : Financial results	95	Note 26 : Rights and commitments	117
Note 8 : Income taxes and deferred taxes	96	Note 27 : Participations	118
Note 9 : Profit and dividend per share	97	Note 28 : Auditor’s fees	119
Note 10 : Capital	98	Statement by the representatives of ATENOR	120
Note 11 : Goodwill and other intangible assets	99	Report of the Auditors	121
Note 12 : Property, plant and equipment	100	Annual Accounts of ATENOR SA	124
Note 13 : Investments consolidated by the equity method	101	Valuation rules	125
		General information	126

ATENOR is a limited company established for an unlimited time.

Registered office: Avenue Reine Astrid 92

B-1310 La Hulpe

Phone: +32-2-387 22 99

Fax: +32-2-387 23 16

Enterprise no. VAT BE 0403 209 303

RPM Nivelles

E-mail: info@atenor.be

Website: www.atenor.be

MANAGEMENT REPORT

To the Annual General Meeting of Shareholders on 26 April 2019

Ladies and Gentlemen,

We have the honour of presenting to you the Management Report of your company's 108th financial year and of submitting for your approval the Annual Accounts as at 31 December 2018, along with our proposals for the allocation of profits.

The net consolidated results for 2018 amount to 35.18 million Euro, an increase of nearly 60% compared to 2017.

REVENUE FROM ORDINARY ACTIVITIES AND CONSOLIDATED RESULT

The revenues from ordinary activities amount to 99.77 million Euro. They mainly include: (a) the revenue earned by the forward sale of the Buzzcity project booked following the state of progress (Leudelange; € 20.06 M), (b) the last tranche of Vaci Greens D building (Budapest) paid following the building's delivery (€ 9.40 M), (c) the revenue linked to the sales of the apartments of the projects The One (Brussels ; € 19.32 M), City Dox (Brussels ; € 15.38), Au Fil des Grands Prés (Mons ; € 10.25 M) and UP-site (Brussels ; € 6.02 M) and (d) the lease revenues from the Hermès Business Campus (Bucharest), University Business Center (Warsaw) and the Nysdam buildings (La Hulpe) for 13.70 million Euro.

The other operating revenue (€41.12 M), sharply increasing, mainly includes the capital gains earned on the transfers of the shares of The One Office SA (office part of the The One project) in December 2018, Naos SA (projet Naos) according to the state of progress of the project and Senior Island SA (City Dox) following the delivery of the rest home in May 2018 (total of €33.28 M) and the re-invoicing of service charges and miscellaneous costs of the leased buildings (€4.07 M).

The operating result amounts to 46.04 million Euro as against €35.38 M in 2017 mainly influenced this year by the sale of the shareholdings covering the projects The One (office part) (Brussels; €19.48 M), Naos (Belval; €8.30 M) and City Dox (rest home part - Brussels; €2.78 M), by the contribution of the Buzzcity office project following its sale in future state of completion (Leudelange ; €4.47 M), by the completion of the sales of the buildings A, B and D of the Vaci Greens project (Budapest; €3.44 M) and by the sales of the apartments of the various residential projects mainly including City Dox (Anderlecht), The One (Brussels) and Au Fil des Grands Prés (Mons) for €2.77 M, €2.76 M and €2.60 M respectively.

The rental revenue net of charges of the HBC (Bucharest; €9.17 M), UBC (Warsaw ; 1.64M) and Nysdam (La Hulpe; €0.96 M) buildings give an additional contribution to the annual result.

The net financial result amounts to -8.61 million Euro, compared with -10.37 million Euro in 2017. The decrease of net financial charges is mainly due to the decrease in ATENOR's average

net indebtedness and in the weighted average borrowing rate compared to 2017.

Income taxes: The amount of this item comes to 2.16 million Euro (compared to €2.48 M in 2017). This caption includes both the statutory tax and the deferred tax assets and liabilities linked to the evolution of the sale of the aforementioned projects.

Taking the preceding factors into account, the group net result of the financial year amounts to 35.18 million Euro compared to 22.18 million Euro in 2017, an increase of 58.61%.

CONSOLIDATED BALANCE SHEET

The consolidated shareholders' equity amounts to 170.30 million Euro compared with 149.64 million at 31 December 2017, an increase of 13.8% (+20.66 million Euro).

As at 31 December 2018, the net consolidated indebtedness stabilised at 333.69 million Euro, compared with a net consolidated indebtedness of 333.84 million Euro as at 31 December 2017. In April 2018, we successfully issued a "retail" type bond in two tranches for a total amount of 50 million Euro. At the end of the period, we sold our subsidiary THE ONE OFFICE, which had a positive impact on our net cash position of 100 million Euro.

The consolidated indebtedness consists, on the one hand, of a long-term debt amounting to 293.10 million Euro and on the other hand, of a short-term debt amounting to 147.17 million Euro. The available cash amounts to 106.59 million Euro compared to 43.29 million Euro at 31 December 2017.

The "buildings held for sale" classified under "Stock" represent the real estate projects in portfolio and in the course of development. This item amounts to 459.20 million Euro, an increase of 15.23 million Euro in comparison with 31 December 2017 (€ 443.97 million).

This net variation results primarily (a) from the acquisition of the lands and buildings of the projects University Business Center (Warsaw), Am Wehrhahn (Düsseldorf), UP-site Bucharest and Au Fil des Grands Prés (phase 2 in Mons) for a total of 66.55 million Euro, (b) from the continuation of the works of the Com'Unity (Paris), City Dox (Brussels) and Berges de l'Argentine (La Hulpe) projects for 30.22 million Euro and (c) from the sale of the projects The One (office part; Brussels), Buzzcity (Leudelange) and the sales of the apartments of the projects The One (residential part), Au Fil des Grands Prés and UP-site which reduce the stock by 81.33 million Euro. The remaining difference is distributed over the other projects in development.

OWN SHARES

ATENOR SA sold its own shares to a newly formed subsidiary named ATENOR LONG TERM GROWTH to set up a new share options plan addressed to ATENOR staff and some of its service providers.

On the closing date, ATENOR LONG TERM GROWTH SA held 68,398 ATENOR shares.

The number of ATENOR shares held on 31 December 2018 by the subsidiary ATENOR GROUP INVESTMENTS amounts to 163,427 (situation that is unchanged from December 2017).

These shares aim to serve the share options plans (2015 to 2018) allocated to ATENOR staff and some of its service providers.

PROJECTS IN OUR PORTFOLIO

Over the course of 2018, all our projects developed favourably. This year again, we underline the diversity of the origination of income, the consequence of the functional and geographical diversification of the projects in portfolio.

Following the latest transactions, the portfolio currently includes 23 projects under development with a total of approximately 865,000 m².

◆ BRUSSELS (29.97% of the portfolio)

THE ONE – European Quarter, rue de la Loi, Brussels (31,000 m² of offices and 11,000 m² of residential)

The building was delivered at the end of 2018 for its residential part and start of 2019 for its office floor areas.

On the commercial side, 91% of the apartments and the two ground-floor retail spaces have been sold (excluding reservations). The office floor areas were offered for lease within the framework of the call for proposals issued by the European institutions, which concerned the lease of approximately 100,000 m² by 2020–2024. Other contacts are in progress with the public institutions and private companies for the lease of several floors.

In December 2018, ATENOR sold the company The One Office SA, owner of the office part of the The One building to Deka Immobilien Investment GmbH, a German investment company, while remaining responsible for the leasing of the building.

On the urban planning side, the investigation of the appeal against the RRUZ at the Council of State is continuing and could lead to a “technical” cancellation of the RRUZ. In the long term, we don't see any damaging impact for The One.

REALEX [90% ATENOR] – European Quarter, between the rues de la Loi & de Lalaing, Brussels (minimum 54,000 m² of offices)

Realex is participating in the competitive dialogue organised by the European institutions for the acquisition of a conference centre of about 24,000 m² above ground. For the office area (± 30,000 m²) which completes this project, Realex has also responded to the call for proposals issued by the European institutions, which concerns the lease of ±100,000 m² by 2020–2024.

An application for building permit was submitted at the end of 2018 in order to adapt the project to these requirements.

CITY DOX – Canal area, quai de Biestebroek, Anderlecht (approx. 157,000 m² mixed)

We remind you that the rest home was delivered on 23 May and the sale of the subsidiary that owns this rest home to

Fédérale Assurance has been completed. Its opening fostered the sales process of the 71 service residence units (32% sold) delivered in June. The deliveries of the 93 residential units (76% of which have been sold) and of the 8,500 m² of integrated business services were obtained last November and completed the first phase of the City Dox project.

The lease for a floor area of 2,000 m² signed with IWG (ex Regus) confirms a renewed interest for these integrated business services (IBS) floor areas, for which other negotiations are in progress.

Furthermore, following the issue of the subdivision permit in July 2018 for the second phase of the project, mainly residential and of the planning permit for LOT 3 in January 2019, ATENOR will soon start the construction of 21,000 m² of residential units, 12,700 m² of them subsidised (citydev. brussels), 3,000 m² of production activities and 7,300 m² of integrated business services. The ongoing development will also include a school, public spaces and housing on the edge of the canal.

VICTOR [50% ATENOR] – opposite the South Station, Brussels (approximately 109,700 m² mixed)

The studies to be carried out as part of the Midi Master Development Plan (MDP) were launched at the initiative of the Government of the Brussels Region. The drafting of a new project is continuing in order to bring it into line with the views expressed by the Region as to the correct surroundings layout.

This project is a shining example of durability through the density and the mixity it provides near a major station and through its adherence to recent changes in environmental requirements. The urban planning situation is therefore changing, slowly but tangibly.

◆ FLANDERS (3.78% of the portfolio)

DE MOLENS [50% ATENOR] – City Centre, Tolpoort road, Deinze (mixed residential and retail project of 32,000 m²)

Mid-January 2019, ATENOR in partnership with 3D Real Estate acquired the company Dossche Immo SA which holds an industrial site of 2.14 ha in Deinze town centre to be converted. With this acquisition, ATENOR has entered the Flemish market.

The planning guidelines authorise a mixed project (housing and retail) of 32,151 m². The intention is to submit a permit application in 2019 and start works as soon as possible after the old owner leaves the site.

◆ WALLONIA (11.93% of the portfolio)

LES BERGES DE L'ARGENTINE – La Hulpe (residential and offices project, approx. 26,000 m²)

Renovation works on the street-front offices (phase 1 – 4,000 m²) have finished. Discussions for letting/sales are in progress.

The second phase of the project (22,000 m² of housing), has been completely revised in order to meet the wishes expressed by the municipal council. A building permit application will be submitted as soon as possible.

LE NYSDAM – La Hulpe (Office building – approx. 15,600 m²)

The commercial repositioning of the building has been

completed; following the last lease contract signings, it has an occupancy rate of 96%, enabling us to launch a sales process, although it is not possible to determine the timing at this stage.

AU FIL DES GRANDS PRÉS – “Les Grands Prés” shopping precinct district, Mons (approx. 75,000 m² mixed)

The commercial success of this project has been remarkable considering that the first eight blocks of the first phase (268 homes – 25,500 m² sold in total) have all been (pre)sold. The first six have been delivered and the next two are under construction, with the deliveries spreading until 2020.

Furthermore, with respect to phase two, a new application for 14,000 m² of offices and 3 housing blocks has been submitted. This will enable to link the Grands Prés mall with the new station. In the long term, the development of the following phases will include several hundred apartments.

LA SUCRERIE – Ath (183 residential units, 5 retail units, 1 nursery – 20,000 m²)

Construction works of the 5th block have finished. To date, 69% of the 126 apartments developed on the site have been sold. At the same time, the urban revitalization works being executed alongside the project are in the process of completion.

◆ **LUXEMBOURG (4,55% of the portfolio)**

NAOS [55% ATENOR] – Belval, Grand-Duchy of Luxembourg (offices and retail units – 14,000 m²)

The transfer of the company Naos to institutional investors Ethias et Le Foyer was concluded in November 2018, enabling the capital gain to be booked according to the degree of progress of the project. Delivery of the building is scheduled for July 2019.

At the same time, we are holding negotiations for the lease of the remaining floor areas (73% leased).

TWIST – Belval, Grand-Duchy of Luxembourg (offices, housing and retail units – 14,300 m²)

This project, awarded following a contest, concerns the development of a mixed building of 14,300 m² on 28.8 acres of land including offices, housing and retail units. The urban development plan (PAP) was submitted in July 2018. Its issuance is expected during the course of the first half of 2019 and will enable us to submit the application for the building permit.

BUZZCITY – Leudelange, Grand-Duchy of Luxembourg (office building – 16,800 m²)

The sale of the project in future state of completion to the fund Fidentia Belux Investments was sealed on 19 December 2018, enabling the result to be booked according to the degree of progress of the development. With the building permit obtained in 2018, construction works should start soon.

Furthermore, the leasing of the office areas has started in a very buoyant market.

◆ **PARIS (6,91% of the portfolio)**

COM'UNITY 1 [99% ATENOR] – Bezons (Paris) – (33,800 m² of offices)

Following the tender process, the Eiffage company was awarded the building of the project. The foundation stone

was officially laid on 16 October in the presence of the local authorities, for a duration of works of 33 months.

The leasing of these office areas is in progress in a highly active Péri-Défense market.

BORD DE SEINE 2 [100% ATENOR] – Bezons (Paris) – (25,000 m² of offices)

In October 2018, ATENOR signed a promise to purchase a second plot, near the first Com'Unity project. Also located in Bezons, this second investment aims to develop 25,000 m² of offices complementing the offer of the first office building. A building permit was submitted in March 2019.

◆ **DÜSSELDORF (0,41% of the portfolio)**

AM WEHRHAHN – Shopping Street Am Wehrhahn in Düsseldorf city centre – (3,500 m² of housing and retail)

Acquired in November 2018, this mixed project, located in the heart of Düsseldorf involves the renovation of a supermarket, pre-leased to REWE for 15 years, and the creation of 33 residential units and parking spaces. The project has a building permit. The start of works is scheduled for the 2nd quarter of 2019.

◆ **WARSAW (6,94% of the portfolio)**

UNIVERSITY BUSINESS CENTER – Mokotow quarter of Warsaw, Poland – (59,000 m² of offices)

We remind you that ATENOR, through its new Polish subsidiary, completed on 1 June the acquisition of long term lease rights on two office buildings of 30,500 m² offering an annual rental income of approximately three million Euro. These offices located in the very active Mokotow quarter of Warsaw will undergo redevelopment in two phases, the first being the demolition and reconstruction of UBC 1, the smallest and oldest of the two buildings.

This redevelopment has been conceived to fit perfectly with the neighbouring university, currently being enlarged.

◆ **BUDAPEST (15,69% of the portfolio)**

VACI GREENS – Vaci Corridor, Budapest (blocks E: 26,000 m² and F: 27,500 m² of offices)

After the completion of the sale of the Vaci Greens D building in January 2018, ATENOR started the construction and sales' process of the last two buildings in a buoyant market.

The F building is 23% pre-leased, and several negotiations are in progress for the remaining floor areas.

ARENA BUSINESS CAMPUS – Boulevard Hungària, Budapest (80.000 m² of offices)

ATENOR has started the construction and leasing of building A (23,000 m²) in a market, as indicated above, that is still growing.

◆ **BUCHAREST (19,82% of the portfolio)**

HERMES BUSINESS CAMPUS – Boulevard D. Pompeiu, Bucharest (75,000 m² of offices)

Advanced-stage conversations are in progress for the sale of the company NGY, which holds the three buildings. At this stage, it is not yet possible to confirm that these negotiations will lead to a sale in 2019.

Over the last few months, the investment market has sharply grown, becoming increasingly attractive to international investors.

In the meantime, these buildings being nearly fully leased, ATENOR is enjoying lease revenues of approximately €10 M per year.

DACIA ONE – Intersection of Calea Victoria and Boulevard Dacia, CBD, Bucharest (15,800 m² of offices)

The urban planning procedure, complex in that it covers one already classified area and another new, denser area, is progressing satisfactorily. All the required authorisations should be obtained in the first half of 2019.

Advanced-stage conversations are still in progress for the lease of the entire project. Furthermore, other conversations are being held for a multi-lease.

@EXPO – Avenue Expozitiei, Bucharest (54,000 m² of offices)

The permit for over 54,000 m² of offices should be obtained in the first half of 2019, which would enable us to start the initial phase of the works. Several expressions of interest have been received for the lease of the floor areas.

UP-site BUCHAREST – Floreasca/Vacarescu district, Bucharest (2 towers totalling approximately 250 apartments)

In December 2018, ATENOR acquired a plot in the heart of the Floreasca/Vacarescu district located near to lake Floreasca and 200m from the Aurel Vlaicu metro station. The development of the project including 2 residential towers of 14 and 24 floors (250 apartments and 400 parking spaces) should start in a few months' time.

FINANCIAL INSTRUMENTS

The information relating to the use of derivatives is given in the annual financial report.

STOCK OPTION PLANS

On 12 March 2018, ATENOR issued a new share option tranche (SOP 2018) for the subsidiary named Atenor Group Investments (AGI). The options issued on this subsidiary benefit the members of the Executive Committee, personnel and some service providers.

This SOP may be exercised during the three followings periods from 8 March to 31 March 2021, from 8 to 31 March 2022 and from 8 March to 31 March 2023.

On 12 March 2018, the Board of Directors, on the recommendation of the Remuneration Committee, distributed 940 Atenor Group Participation (AGP) shares in accordance with the remuneration policy described in the "Corporate Governance" section of our 2017 Annual Financial Report (page 68).

The Board Meeting of 29 August 2018 decided to acquire 150,000 shares via the subsidiary ATENOR LONG TERM GROWTH SA in order to implement a new share options plan as of 2019.

OTHER INFORMATION

The company does not have either a branch or any R&D activity.

APPLICATION OF THE INTERNATIONAL ACCOUNTING STANDARDS (IFRS)

The financial information of 2018 has now been agreed and presented in accordance with the IFRS standards as adopted in the European Union. The annual financial report has been made available to the shareholders. It forms an integral part of the present management report.

ALLOCATION OF PROFITS (CORPORATE RESULTS OF ATENOR SA)

The annual financial accounts of ATENOR SA. show a profit for the period of €69,590,934.83.

Outside the operations set out in the consolidated accounts, the 2018 result is mainly explained by the dividends received from the subsidiaries Drews City Tower, City Tower and HF Immobilier, by the liquidation surpluses of the subsidiaries CPPM and Namur Waterfront, by the housing sales of the Palatium (Brussels), Au Fil des Grands Prés (Mons), La Sucrerie (Ath) projects, by the booking of the overheads and the financial costs mainly relating to the bond issues and to the EMTN programme.

Your Board proposes you to approve the annual accounts as at 31 December 2018 and allocate the corporate financial year's profit of ATENOR SA as follows:

Profit for the year	€ 69,590,934.83
Profit carried forward from the previous year	€ 11,452,761.66
Profit to be allocated	€ 81,043,696.49
Directors' entitlements	€ 256,000.00
Assignment to the legal reserve	€ -
Capital remuneration	€ 12,388,367.20
Profit to be carried forward	€ 68,399,329.29

PROPOSED DIVIDEND AND DIVIDEND POLICY

The Board of Directors will propose, to the General Assembly of 26 April 2019, the payment (for the financial year 2018) of a gross dividend of 2.20 Euro per share (+5.77%), that is, a net dividend after withholding tax (30%) of 1.54 Euro per security.

Subject to the approval of the Ordinary General Assembly, the dividend will be paid out as from 2 May 2019.

- Ex date	29 April 2019
- Record date	30 April 2019
- Payment date	2 May 2019

STATEMENT ON CORPORATE GOVERNANCE

Regarding the Corporate Governance Statement (including, among others, the remuneration report in compliance with Article 96§3 of the Companies Code), the description of systems of internal control, of the risk management and the other regulatory information referred to in Article 34 of the Royal Decree of 14 November 2007), reference is made to the corporate governance statement.

It is an integral part of this report and will also be repeated in its entirety in the annual report.

EVENTS AFTER THE CLOSING DATE

- As announced in the press release of 15 January, ATENOR acquired in 50/50 partnership with 3D Real Estate, Dossche Immo SA, owner of a 2.14 ha plot in the Tolpoort shopping street in Deinze city centre. This new investment concerns the development of 31,151 m² of apartments and retail units.
- On 8 March 2019, ATENOR issued a new stock option plan (SOP 2019) for the subsidiary named Atenor Long Term Growth (ALTG).

The options issued on this subsidiary benefit the members of the Executive Committee, personnel and some ATENOR service providers.

This SOP may be exercised during the three following periods: from 8 March to 31 March 2022, from 8 March to 31 March 2023 and from 8 March to 29 March 2024.

No other important event occurred since 31 December 2018 is to be noted.

PROSPECTS FOR THE FULL YEAR 2019

Economic growth at European level is slowing down slightly; furthermore, macro-economic factors are creating a climate of uncertainty. Despite this, ATENOR is starting 2019 with confidence borne by the advantage of its international diversification and the quality of its projects in portfolio.

Within the framework of its diversified and sustained financing policy, ATENOR foresees, as last year, to come back on the financial market depending on the market conditions.

In 2019, all our efforts will be targeted at the marketing and development of the projects in portfolio.

After an acquisition in Warsaw at the start of 2018, the signing of a promise to purchase for a second plot in the Paris region and a first acquisition in Düsseldorf (Germany), ATENOR recently made its first move in Flanders (Deinze). With its strong international presence, ATENOR is remaining highly selective in the choice of its new investments.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Directors is watchful of the analysis and management of the various risks and uncertainties which ATENOR and its subsidiaries are confronted with.

Only one dispute which ATENOR faces is still pending; this situation has not changed at all since the last publications.

We remind you that the company Com.Realty (Michel Pilette) claims a commission on the sale of the TREBEL project signed with the European Parliament following the public call for projects. By a decision handed down on 28 November 2016, the Commercial Court dismissed all of this company's claims against ATENOR. Com.Realty has, however, appealed the decision and the proceedings are still pending on appeal.

ATENOR considers these claims to be unfounded (as confirmed by the decision at first instance) and, accordingly, has not posted any provision in this respect. The hearings will be held in May 2019.

ADMINISTRATION

- Your Board proposes that discharge would be granted to the directors and to the auditor for the financial year closed on 31 December 2018.
- The Nomination and Compensation Committee proposes to appoint as Director the company Luxempart Management S.à.r.l. represented by Mr Jacquot Schwertzer and to renew the term of office as Director of the company Stéphan Sonnevile SA, represented by Mr Stéphan Sonnevile. These 3-year mandates may be paid and will terminate at the end of the Ordinary General Meeting of 22 April 2022.

La Hulpe, 1 March 2019

For the Board of Directors

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of EUR	Notes	2018	2017
Operating revenue	3 & 4	99 766	220 430
Turnover		85 888	209 730
Property rental income		13 878	10 700
Other operating income	3 & 4	41 116	8 558
Gain (loss) on disposals of financial assets		34 927	1 757
Other operating income		6 174	6 719
Gain (loss) on disposals of non-financial assets		15	82
Operating expenses (-)	3 & 4	-94 847	-193 609
Raw materials and consumables used (-)		-145 548	-152 206
Changes in inventories of finished goods and work in progress		119 314	10 922
Employee expenses (-)	5	-2 890	-2 767
Depreciation and amortization (-)		-206	-269
Impairments (-)		1 433	1 346
Other operating expenses (-)	6	-66 950	-50 635
Result from operating activities - EBIT	3 & 4	46 035	35 379
Financial expenses (-)	7	-9 750	-11 343
Financial income	7	1 137	972
Share of profit (loss) from investments consolidated by the equity method		-228	-466
Profit (loss) before tax		37 194	24 542
Income tax expense (income) (-)	8	-2 157	-2 480
Profit (loss) after tax		35 037	22 062
Post-tax profit (loss) of discontinued operations		0	0
Profit (loss) of the period		35 037	22 062
Non controlling interests		-140	-117
Group profit (loss)		35 177	22 179
Earnings per share (EUR)	Notes	2018	2017
Total number of issued shares	9	5 631 076	5 631 076
of which own shares		231 825	198 622
Weighted average number of shares (excluding own shares)		5 431 951	5 451 285
Basic earnings	9	6,48	4,07
Diluted earnings per share	9	6,48	4,07
Proposal of gross dividend per share	9	2,20	2,08
Other elements of the overall profit and losses (EUR)		2018	2017
Group share result		35 177	22 179
Items not to be reclassified to profit or loss in subsequent periods :			
Employee benefits		29	-140
Items to be reclassified to profit or loss in subsequent periods :			
Translation adjustments		-583	476
Cash flow hedge		0	0
Overall total results of the group		34 623	22 515
Overall profits and losses of the period attributable to third parties		-140	-117

CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION

ASSETS

In thousands of EUR	Notes	2018	2017
Non-current assets		56 928	43 806
Property, plant and equipment	12	549	287
Intangible assets	11	176	327
Investments consolidated by the equity method	13	14 732	20 123
Deferred tax assets	18	6 337	5 404
Other non-current financial assets	16	11 869	12 745
Non-current trade and other receivables	16	23 265	4 920
Current assets		613 837	549 374
Inventories	15	459 202	443 973
Other current financial assets	16	68 064	25 011
Current tax receivables	17	1 067	1 176
Current trade and other receivables	16	37 432	51 125
Current loans payments	17	1 346	221
Cash and cash equivalents	16	42 145	23 121
Other current assets	17	4 581	4 747
Total assets		670 765	593 180

LIABILITIES AND EQUITY

In thousands of EUR	Notes	2018	2017
Total equity		170 298	149 640
Group shareholders' equity		167 352	146 717
Issued capital	10	57 631	57 631
Reserves	10	119 727	97 281
Treasury shares (-)	9 & 10	-10 006	-8 195
Non controlling interests		2 946	2 923
Non-current liabilities		297 789	213 777
Non-current interest bearing borrowings	20	293 105	198 682
Non-current provisions	19	648	6 718
Pension obligation	22	455	476
Deferred tax liabilities	18	1 125	7 037
Current trade and other payables	20	1 542	0
Other non-current liabilities	20	914	864
Current liabilities		202 678	229 763
Current interest bearing debts	20	147 174	178 449
Current provisions	19	5 040	0
Current tax payables	21	2 986	4 930
Current trade and other payables	20 & 21	33 554	42 980
Other current liabilities	21	13 924	3 404
Total equity and liabilities		670 765	593 180

(*) The VAT debt obligation (€ 7.1 million on 31.12.2017) has been reclassified from the "Tax receivables" heading to the "Current trade and other receivables heading"

CONSOLIDATED CASH FLOW STATEMENT

(INDIRECT METHOD)

In thousands of EUR	Notes	2018	2017
Operating activities			
Net result		35 177	22 179
Result of non controlling interests		-140	-117
Result of Equity method Cies		228	466
Net finance cost		6 994	7 798
Income tax expense	7	2 986	10 054
<i>Result for the year</i>		45 245	40 380
Depreciation		206	269
Amortisation and impairment		-1 433	567
Translation adjustments		463	4 258
Provisions		-960	4 410
Deferred taxes	7	-830	-7 574
(Profit)/Loss on disposal of fixed assets		-34 992	-1 839
SOP / IAS 19		141	-197
<i>Adjustments for non cash items</i>		-37 405	-106
Variation of inventories		-122 634	-14 090
Variation of trade and other amounts receivables		41 832	7 314
Variation of trade payables		9 803	3 890
Variation of amounts payable regarding wage taxes		41	248
Variation of other receivables and payables		5 712	-28 444
<i>Net variation on working capital</i>		-65 246	-31 082
Interests received		1 132	971
Income tax (paid) received		-4 917	-9 829
Cash from operating activities (+/-)		-61 191	334
Investment activities			
Acquisitions of intangible and tangible fixed assets		-409	-165
Acquisitions of financial investments		-6	
New loans		-492	-688
<i>Subtotal of acquired investments</i>		<i>-907</i>	<i>-853</i>
Disposals of intangible and tangible fixed assets		15	81
Disposals of financial investments		57 804	
Reimbursement of loans		1 364	910
<i>Subtotal of disinvestments</i>		<i>59 183</i>	<i>991</i>
Cash from investment activities (+/-)		58 276	138
Financial activities			
Increase in capital			300
Treasury shares		-1 642	-1 124
Proceeds from borrowings	20	127 868	45 815
Repayment of borrowings	20	-41 980	-119 209
Interests paid		-6 545	-9 615
Dividends paid to company's shareholders	6	-11 317	-11 154
Directors' entitlements		-316	-316
Cash from financial activities (+/-)		66 068	-95 303
Net cash variation			
Cash and cash equivalent at the beginning of the year (*)		43 296	138 315
Net variation in cash and cash equivalent		63 153	-94 831
Non cash variations (Cur. conversion, chge in scope, etc...)		141	-188
Cash and cash equivalent at end of the year	4	106 590	43 296

(*) The cash at start of the period of the previous closings has been restated to reflect the value of the securities of the Beaulieu certificate. The period's variations on this item are reflected in the variation of the other debt obligations and debts of the working capital.

The highlights of the 2018 cash flows are mainly found in:

- the cash flow from operations, down by 61.19 million Euro mainly following developments in the current projects (see also note 15);
- the cash flow from investments, up by 58.28 million Euro, as a result of the sales of The One Office and Naos financial assets and
- the cash flow from financing, with a net increase of 66.07 million Euro through the subscription of the new loans (mainly through the issue of a fixed-rate bond of 50 million Euro) during the year under review.

As a reminder: the cash flows in 2017 were mainly in the " cash

from financing activities " with a decrease of 95.3 million Euro following the net repayments of loans of 73.39 million Euro including the bond of 60 million Euro maturing in October 2017, and the payment of the dividend during the year (11.15 million Euro).

The operating cash didn't record any significant net movement and remained stable (-1.9 million Euro) - just like the cash from investment activities (+0.14 million Euro) - the operating result for the year (40.38 million Euro) being mainly offset by the operating working capital following disposals and the continuation of projects under development (-31.41 million Euro) as well as taxes paid (-9.83 million Euro).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In thousands of EUR	Notes	Issued capital	Hedging reserves	Own shares	"Consolidated reserves" of the period	Profit/loss of the period	"IAS 19R reserves"	Cumulative translation adjustments	Minority interests	Total Equity
2017										
Balance as of 01.01.2017		57 631	-	-7 092	102 163	-	-291	-15 756	2 740	139 395
Profit/loss of the period		-	-	-	-	22 179	-	-	-117	22 062
Other elements of the overall results ⁽¹⁾		-	-	-	-	-	-140	476	-	336
Total comprehensive income		-	-	-	-	22 179	-140	476	-117	22 398
Capital increase		-	-	-	-	-	-	-	-	-
Paid dividends		-	-	-	-11 154	-	-	-	-	-11 154
Own shares	10 & 22	-	-	-1 103	-	-	-	-	-	-1 103
Share based payment		-	-	-	-196	-	-	-	-	-196
Others		-	-	-	-	-	-	-	300	300
Balance as of 31.12.2017		57 631	-	-8 195	90 813	22 179	-431	-15 280	2 923	149 640
2018										
Balance as of 01.01.2018		57 631	-	-8 195	112 992	-	-431	-15 280	2 923	149 640
Change of method - IFRS 15		-	-	-	-1 001	-	-	-	-	-1 001
Adjusted opening balance		57 631	-	-8 195	111 991	-	-431	-15 280	2 923	148 639
Profit/loss of the period		-	-	-	-	35 177	-	-	-139	35 038
Other elements of the overall results ⁽¹⁾		-	-	-	-	-	29	-583	-	-554
Total comprehensive income		-	-	-	-	35 177	29	-583	-139	34 484
Capital increase		-	-	-	-	-	-	-	-	-
Paid dividends		-	-	-	-11 317	-	-	-	-	-11 317
Own shares	10 & 22	-	-	-1 811	-	-	-	-	-	-1 811
Share based payment		-	-	-	141	-	-	-	-	141
Others		-	-	-	-	-	-	-	162	162
Balance as of 31.12.2018		57 631	-	-10 006	100 815	35 177	-402	-15 863	2 946	170 298

(1) In 2008, the Group acquired Hungarian and Romanian companies and in 2018, it acquired a company in Poland. ATENOR opted for the use of the local currency as the functional currency in each of these countries. The negative translation adjustments of the period noted in the shareholders' equity are primarily the consequence of the deterioration of the HUF and the RON over the course of the year. See also note 16 (Financial assets) and note 2 (Risks management).

The change in equity for the 2018 financial is essentially marked by the result for the year (+35.04 million Euro) reduced by the payment of dividends (-11.32 million Euro).

The impact of the changeover to the IFRS 15 reveals a reduction in opening equity amounting to 1 million Euro (see note 1.1. below) reintegrated in the result of FY 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - MAIN ACCOUNTING METHODS

1. ACCOUNTING BASIS

The consolidated financial statements on 31 December 2018 were prepared in compliance with the IFRS (International Financial Reporting Standards) as adopted in the European Union.

The accounting principles applicable to the preparation and the presentation of consolidated financial statements on 31 December 2018 have not been altered from those used for the preparation and the presentation of consolidated financial statements on 31 December 2017.

Standards and interpretations became effective on a mandatory basis in 2018 in the European Union:

- IFRS 9 – *Financial Instruments and subsequent amendments*
- IFRS 15 – *Revenue from Contracts with Customers*
- IFRIC 22 – *Foreign Currency Transactions and Advance Consideration*
- Annual improvements to IFRS Standards 2014–2016 Cycle: Amendments to IFRS 1 and IAS 28
- Amendments to IFRS 2 – *Classification and Measurement of Share-based Payment Transactions*
- Amendments to IFRS 4 – *Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts*
- Amendments to IAS 40 – *Transfers of Investment Property*

IFRS 15, *Revenue from Contracts with Customers*

This new standard, ratified by the European Union came into effect on 1 January 2018. It describes a single comprehensive framework that entities must use to recognise revenue from contracts with customers and in the case of ATENOR, where appropriate, with its investors.

It replaces the existing standards on revenue recognition, including “IAS 18 – Revenue” and “IAS 11 – Construction contracts” and related interpretations.

The European (ESMA) and Belgian (FSMA) regulators published in July 2016 their recommendations for the implementation and integration of this standard in the consolidated accounts.

The fundamental principle the IFRS poses is that ATENOR should recognise revenue in order to show when assets are provided to customers (buyers or investors in office buildings, apartments or in companies) and the amount of consideration that ATENOR expects to recognise in exchange for such disposals. This fundamental principle is presented as a five-step model:

1. Identify contracts with customers or investors;
2. Identify performance obligations in the contract;
3. Determine the transaction price;
4. Distribute the transaction price between the different performance obligations in the contract;
5. Recognise revenue when ATENOR fulfils (or as it progressively fulfils) a performance obligation.

ATENOR applies IFRS 15 since 1 January 2018 according to the

simplified retrospective method. In application of this method, the comparative periods have not been restated and the impact relating to the change of the evaluation rule has been directly recorded in the opening equity (refer to the Consolidated state of equity variations). This impact stands at 1 million Euro net of tax.

The table below details per item the IFRS 15 transition and the recognition in result in 2018 and 2019 linked to the change in method:

In thousands of EUR	Equity		Result recognition	
	01.01.2018	2018	2019	Total
Turnover	-1 410	1 263	147	1 410
Cost price	-12	78	-66	12
Gross result	-1 422	1 341	81	1 422
Tax - 29.58%	421	-397	-24	-421
Net impact	-1 001	944	57	1 001

Apart from the impact of the IFRS 15, the new IFRS standards and IFRIC interpretations and the amendments of the old standards and interpretations, applied for the first time in 2018, had any significant direct impact on the figures reported by the Company.

New or amended standards and interpretations that come into effect after 31 December 2018

- Annual improvements to IFRS Standards 2015–2017 Cycle (applicable for annual periods beginning on or after 1 January 2019, but not yet endorsed in the EU)
- IFRS 14 – *Regulatory Deferral Accounts* (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in the EU)
- IFRS 16 – *Leases* (applicable for annual periods beginning on or after 1 January 2019)
- IFRS 17 – *Insurance Contracts* (applicable for annual periods beginning on or after 1 January 2021, but not yet endorsed in the EU)
- Amendments to references to the Conceptual Framework in IFRS standards (applicable for annual periods beginning on or after 1 January 2020, but not yet endorsed in the EU)
- Amendments to IFRS 3 – *Business Combinations* (applicable for annual periods beginning on or after 1 January 2020, but not yet endorsed in the EU)
- Amendments to IFRS 9 – *Prepayment Features with Negative Compensation* (applicable for annual periods beginning on or after 1 January 2019)
- Amendments to IFRS 10 and IAS 28 – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (the effective date has been deferred indefinitely, and therefore the endorsement in the EU has been postponed)
- Amendments to IAS 1 and IAS 8 – *Definition of Material* (applicable for annual periods beginning on or after 1 January

- 2020, but not yet endorsed in the EU)
- Amendments to IAS 19 - *Plan Amendment, Curtailment or Settlement* (applicable for annual periods beginning on or after 1 January 2019, but not yet endorsed in the EU)
 - Amendments to IAS 28 - *Long term interests in Associates and Joint Ventures* (applicable for annual periods beginning on or after 1 January 2019)
 - IFRIC 23 - *Uncertainty over Income Tax Treatments* (applicable for annual periods beginning on or after 1 January 2019)

ATENOR has not adopted these new or amended standards and interpretations in advance. ATENOR is continuing its analysis of the possible impact of these new standards and interpretations. The future application of the new or amended standards and interpretations whose entry into force is set at 1st January 2019 should not have a significant impact on the consolidated financial statements of ATENOR.

The consolidated financial statements of the Group were made up by the Board of Directors on 1 March 2019.

2. CONSOLIDATION PRINCIPLES AND SIGNIFICANT ACCOUNTING PRINCIPLES

The consolidated financial statements include the financial statements of ATENOR SA and its subsidiaries that are controlled directly or indirectly. These subsidiaries are consolidated according to the full consolidation method. Control is assumed to exist if the Group holds at least 50% of the shares.

The equity method is applied especially in the case of joint ventures held with joint control.

The intra-group transactions and results have been eliminated.

These consolidated financial statements have been prepared on the basis of historical cost, with the exception of certain financial instruments that are entered in the accounts according to the convention of fair value in conformity with the handling of the different categories of financial assets and liabilities defined by the IAS 39 standard.

The financial statements are presented in thousands of Euro and rounded off to the nearest thousand.

2.1. Property, plant and equipment

A tangible fixed asset is booked in the accounts if it is probable that the future economic advantages associated with this element will be released by the Group and if the cost of this asset can be evaluated in a reliable way.

The tangible fixed assets are subject to the application of the terms relating to the depreciation of assets (IAS 36) and to the duration of the utility of the significant components of the assets (IAS 16). The land, installations and machines held with a view to their use in the production of goods and services, or for administrative purposes, are initially assessed at their acquisition value with the deduction of accumulated amortisation and any losses of value that may be recognised.

The acquisition value includes all the directly imputable

charges necessary to bring the asset into a state where it can fulfil the function for which it is intended. The depreciation is calculated based on the estimated duration of service life, with a deduction of the residual value if this is significant. The borrowing costs are activated if applicable in tangible fixed assets under the conditions stipulated by IAS 23. The depreciations are calculated linearly on the estimated duration of service life of the assets as of the date on which the asset is ready to be used, taking into account the residual value of the assets concerned, if this is significant. Depreciation is booked in the income statement under the category "Depreciation and amortisation (-)".

Structures	20 - 33 years
Installations and equipment	10 - 15 years
Machines	3 - 8 years
Computer materials	3 - 10 years
Furniture	2 - 10 years
Mobile equipment	4 years
Outfitting of rented property	9 years (duration of the lease)

The profit or the loss resulting from the transfer or the change of purpose of a tangible fixed asset corresponds to the difference between the income from the sale and the accounting value of the tangible fixed asset. This difference is taken into account in the income statement.

The grounds are assumed to have an unlimited service life and are not depreciated.

Later expenditures are booked into the income statement at the moment when they are incurred. Such an expense is activated only when it can be clearly demonstrated that it has led to an increase in the future economic advantages expected from the use of the tangible fixed asset in comparison with its normal performance as initially estimated.

The assets under financial leasing are recognised in the balance sheet if all the risks and advantages of ownership have been transferred to the buyer. They are amortised over the economic service life or, if it is shorter, over the duration of the lease.

2.2. Properties and investments properties

ATENOR's activities in the real estate field can lead the group to hold various types of buildings categorised by the use to which they are assigned:

- property, plant and equipment (IAS 16): properties acquired with a view to a real estate development in the medium term and which temporarily continue to be made profitable in an activity producing ordinary revenue,
- investment property (IAS 40): properties rented out, generally while waiting for development later and
- projects in the course of development entered in inventories (IAS 2 - Inventories and IAS 11 - Construction contracts).

Each category has its own corresponding accounting principles regarding the recognition of the assets at origin and their later valuation.

The assets held in investment properties represent the properties held to gain rental income or properties let over a longer period in the expectation of the implementation of a real estate project in the medium term. Investment properties are booked at their acquisition value, reduced by depreciations and any losses in value. The market value is mentioned for information purposes in a note in the consolidated financial statements.

ATENOR opts for valuation of buildings held temporarily as investments according to the "cost model", a model that is more appropriate than the "fair value model" from the point of view of later appreciation through an own real estate development. The cost of an investment property includes its purchase price and all directly attributable expenses. Directly attributable expenses are, for example, legal fees, transfer duties and other transaction costs. After being recorded as an asset, a placement property measured according to the «cost model» is booked at its cost reduced by the accumulated depreciations and the accumulated losses of value (see point 2.3 - Losses of value on tangible fixed assets). The depreciations are calculated linearly over the estimated service life of the buildings, with deduction of their probable residual value. The depreciation is booked into the income statement under the category "Depreciation and amortisation (-)". As a general rule, investment buildings for which the operating horizon is not limited are depreciated between 20 and 33 years.

2.3. Intangible assets (other than goodwill)

The intangible fixed assets are evaluated initially at cost. The intangible fixed assets are recognised as assets if it is probable that the future economic advantages that can be attributed to the asset will go to the undertaking and if the cost of this asset can be evaluated in a reliable way. After initially being entered in the accounts, the intangible fixed assets are evaluated at cost reduced by the combination of the amortisations and the combination of the depreciations and cumulated loss of value of assets.

The intangible assets of ATENOR primarily include the software programs.

The intangible fixed assets have a fixed economic life and are consequently depreciated according to the linear method on the basis of the best estimation of their duration of utility. The depreciation is booked in the accounts in the income statement under the category "Depreciation and amortisation (-)".

Depreciation of tangible and intangible fixed assets:

Except for the current intangible assets, which are subjected to an annual impairment test, tangible and intangible fixed assets are the object of an impairment test only when there is an indication showing that their accounting value will not be recoverable by their use (utility value) or their sale (fair value less sale costs).

If an asset does not generate cash flows independent of those of other assets, the Group will conduct an estimate of the recoverable value of the cash generating unit (CGU) to which

this asset belongs. The recoverable value is the higher value between the fair value decreased by the costs of the sale and the utility value.

The *fair value* is the price that would be received for the sale of an asset or paid for the transfer of a liability on a normal transaction between market participants on the evaluation date.

The *utility value* is the current value of the future cash flows likely to result from an asset or a UGT.

A *loss of value* is the amount by which an asset's or UGT's book value exceeds its recoverable value.

When a loss of value is recovered later, the accounting value of the asset or of a CGU is increased to reach the revised estimate of its recoverable value, without, however, being higher than the accounting value that would have been determined if no loss of value had been entered in the accounts for this asset or this CGU in the course of previous financial years.

2.4. Goodwill

The goodwill constitutes the difference between the acquisition cost determined at the time of the regrouping of companies and the Group share in the fair value of the assets, liabilities and any identifiable benefits.

In compliance with IFRS 3 on the regrouping of companies and IAS 38 on intangible fixed assets, the duration of utility of the goodwill acquired within the scope of a regrouping of companies is considered as indeterminate and no depreciation is booked in the accounts. ATENOR carries out annually a test of loss of value consisting of allocating a recoverable value (that is, the fair value less the costs of sale or the value in use) to each asset concerned (or generating unit of the Group's accounts). If this recoverable value is lower than the accounting value of the unit or the entity concerned, the Group registers a loss in value, for which the difference is booked in the profit and loss accounts.

The loss of value recognised for goodwill cannot be recovered during later financial years.

When control has been obtained over one or more other units that do not constitute "businesses", the regrouping is not classified as a "business combination". When it concerns a group of assets or of net assets that do not constitute a "business", the cost is distributed among the individual identifiable assets and liabilities on the basis of their fair values relating to the date of acquisition. And such an acquisition of asset(s) does not give rise to the recognition of goodwill. Thus, in the event of an acquisition of an asset, contrary to a "business combination" the amount paid that exceeds the fair value of the assets is not entered in the accounts as "goodwill". To summarise, transferred assets appear in the buyer's balance sheet not at their fair value as in a "business combination", but at their fair value plus the "extra price" paid, without recognition of deferred taxes.

2.5. Non-current assets held for sale and discontinued activities

The Group enters a non-current asset (or any entity intended to be disposed of) as held for sale if the accounting value is or will

be recovered primarily through a sales transaction rather than through continued use.

The non-current assets held for sale are valued at the lowest at their accounting value or at their fair value reduced by the costs of sale.

A discontinued activity is a unit (or a group of units) generating funds that either has been disposed of or is held for sale. It appears in the profit and loss accounts under a single amount and its assets and liabilities are presented in the balance sheets separately from the other assets and liabilities.

2.6. Inventories

The inventories are valued at the lowest at cost and the net marketable value. The net realisable value is the estimated selling price as part of a normal process of developing a real estate project, less the estimated costs to completion and the estimated costs necessary for the sale.

The cost includes the acquisition costs and the direct and indirect costs of conversion or development, including appropriate borrowing costs.

The amount of any write-downs to bring stocks down to their net execution value and any "stock" losses are booked as expenses for the period in which the write-down or loss occurs. The amount of any reversals of "stock" depreciations resulting from an increase in the net execution value is booked as a reduction of the amount of stocks booked in expenses in the period in which the reversal occurs.

2.7. Provisions

A provision is constituted when the Group has a legal or implicit obligation at the date of the balance sheet and at the latest during the approval of the consolidated financial statements by the Board of Directors. The registered provisions meet the three-fold condition of resulting from a past transaction or event, of having a probability of leading to an outflow of resources and of being able to estimate the outflow of resources in a reliable way.

The provisions are the object of discounting in order to take into account the course of time. Each year ATENOR reviews the discounting rates used for each of its provisions.

In the application of the evaluation rules, the establishment of provisions for charges to be paid constitutes a matter subject to judgement.

Insofar as risks and undertakings are concerned for which an actual disbursement is disputed and judged not very probable, ATENOR will provide qualitative indications in notes 2, 24 and 26 (Risks Management, Disputes and Rights and obligations).

2.8. Borrowing costs

The costs of borrowing directly attributable to the acquisition, construction or production of a qualified asset are incorporated into the cost of this asset.

A qualified asset is an asset requiring a long period of preparation before it can be used or sold. The buildings intended for sale registered in the inventory account meet this criterion because the studies, the construction and the sales

and marketing process can take several years.

The rate used to determine these costs will correspond to the weighted average borrowing costs applicable to the specific or general loans contracted to finance the real estate projects concerned.

ATENOR will start the capitalisation of the costs of borrowing as soon as the permits that are indispensable to the preparation of the asset have been issued and the implementation of the construction site is actually launched.

Capitalisation of the costs of borrowing is suspended during the long periods in the course of which the normal development of the project is interrupted.

2.9. Financial instruments

- Payables: payables are valued at their nominal value.
- Own shares: the own shares are entered as a deduction from the equity. The results connected with transactions on these shares also affect the equity and not the income statement.
- Cash and cash equivalents: this entry includes cash money and deposits, short term investments (less than one year) and very liquid investments.
- Bank loans: advances and financial loans are initially booked in the accounts at their fair value increased by the direct transaction costs, and later at the amortised cost according to the method of the actual interest rate. The financial charges, including the bonuses and commissions payable, are paid over the duration of their availability, with the exception of the cost of loans connected to qualified assets.
- Listed securities: fair value assessment which corresponds to the price on the closing date.
- Derivatives are valued at their fair value. The variations in the fair value of derivative instruments that make up the instruments for hedging the cash flows are recognised directly in the equity. The changes in the fair value of the derivatives designated and categorised as instruments for hedging fair value are entered in the profit and loss account, as well as changes in the fair value of the asset or liability hedged imputable to the risk hedged.

The non-effective part is recognised in the income statement. In other cases, variations in the fair value are immediately recognised in the profit and loss account.

2.10 Exchange rate risk

The Group has foreign assets and considers the currency of each country as the "functional" currency in terms of IAS 21, which handles the "effects of changes in foreign exchange rates" and define the way to convert the financial statements into Euro (reporting currency).

The Group therefore enters transactions and balances in the currency and due to this fact it is exposed to exchange risks of these currencies, defined as functional, materialising through conversion differences incorporated into its own consolidated equity capital.

All the projects under development in these foreign countries remain valued in stock according to the acquisition prices and the market prices relating to the studies and to the construction

costs. All the active steps contributing to the successful completion of the project express the value creation provided by ATENOR and support the maintenance of an asset value "at cost" as long as the project demonstrates its feasibility and its profitability, whatever the unanticipated unknowns in the market values.

An abandoned project and/or a project whose net market value is lower than the net book value in stock would be the object of an appropriate value correction.

The use of the local currency as the functional currency is justified by the operational needs for execution of the projects.

The regular updating of the feasibilities (cost price, rental price, transfer parameters) of the projects makes it possible to check the extent to which the potential margin is affected by the evolution of economic and financial conditions. Consequently, this estimated result per project incorporates the exchange risk as a parameter of the feasibility of each of the projects.

For more information, please refer to "Note 16 - Current and non-current financial assets".

2.11 Segment reporting

Segment information is prepared, both for internal reporting and external disclosure, on a single sector of activity, i.e. real-estate development projects (office and residential buildings). This activity is presented, managed and monitored by project. The various project committees, the Executive Committee and the Board of Directors are responsible for monitoring the various projects and assessing their performances.

However, based on the location of the projects, two geographical segments are henceforth identifiable: on the one hand, Western Europe, covering Belgium, the Grand Duchy of Luxembourg, France and Germany and on the other hand, Central Europe, covering Poland, Hungary and Romania.

2.12 Income from activities

ATENOR forms part of complex real estate transactions in which the results are acknowledged as a function of contractual undertakings on the one hand and the extent of completion on the other hand. The principles of income recognition are applicable both in qualified "share deal" and "asset deal" operations for sales of buildings constructed, to be built or to be completed in the future.

These accounting principles are implemented in the light of the IFRS 15 principles - (Revenue from ordinary operations from Contracts with Customers) insofar as the recognition of revenues on progress taking into account the specific features of the activity of a real estate project developer is concerned out of the revenue at the time of the actual transfer of the risks and advantages of ownership of the properties to the buyer.

Income is recognised under the percentage of completion method or at a point in time to the extent that it can be considered as definitively acquired with deduction of all reasonably foreseeable charges associated with the obligations assumed by ATENOR in respect of the acquirer, in particular as regards the construction and the letting of the building.

The sales of accepted buildings are recorded at a point in time, which corresponds to the date of signing of the sale agreement. The sales of buildings under construction are recognised according to the percentage of completion.

The degree of progress of works can be determined in various ways. ATENOR uses the method that reliably measures the works executed. The methods selected may include, according to the type of contract:

- the relationship that exists between the costs incurred for the works executed up to the date in question and the total estimated costs of the contract;
- the examination of the executed works and their respective contribution to value creation; or
- the progress, in physical terms, of part of the works of the contract.

The progress of the payments and advances received from customers does not necessarily reflect the works executed.

2.13. Taxes and deferred taxes

The company's taxes are based on the profit and loss for the year and include the taxes for the year and the deferred taxes. They are taken up in the profit and loss account, except if they concern elements directly taken up in the equity funds, in which case they are entered directly in the equity funds.

The tax for the financial year is the amount of tax to be paid based on the taxable profit for the financial year, as well as any corrections concerning previous years. It is calculated based on the local tax rate that is applicable at the closing date.

Deferred taxes are recognised on all taxable or deductible time differences, except the initial booking

- of the goodwill
- of an asset or liability in a transaction that is not a company consolidation and that affects neither the accounting profit nor the taxable profit.

In the event of an acquisition of (real-estate) assets that does not constitute a «business combination» (2.4 above), no deferred tax is recognised and the asset is recognised at its fair value plus the price difference part if any.

The time differences are the differences between an asset's book value or of a balance sheet liability and its tax base.

A deferred tax liability must be booked for all the taxable time differences. A deferred tax asset must be booked for all the deductible time differences insofar as it is probable that a taxable benefit, on which these deductible time differences may be assigned, will be available.

Deferred tax assets concerning deferrals of tax losses and tax credits are not recognised insofar as there are convincing indications that future taxable benefits will be available to use these tax assets. On each closing date, ATENOR reconsiders the deferred tax assets, whether recognised or not, on the basis of the future profitability indications of the companies concerned.

The deferred tax is calculated at the applicable tax rate.

2.14. Employee benefits

Benefits after employment include pensions and other benefits connected with retirement, as well as life insurance and medical care after employment. The benefits are taken up either in the plans at fixed contributions with a minimum guaranteed yield in accordance with the Belgian legislation, or in the pension plans at fixed benefits.

The contributions of the plans at fixed contributions are covered in the profit and loss account at the time when they are due. For these plans, the intrinsic value approach is used to determine whether a pension liability should be recognised or not. According to this method, the liabilities correspond to the sum of all the individual differences between the mathematical reserves (reserve calculated by capitalising past contributions at the technical interest rate applied by the insurer, taking into account the profit sharing) and the minimum legal performance guarantee.

For the pension plans at fixed benefits, the amount booked in the accounts at the date of the balance sheet is determined as being the updated value of the obligation concerning the fixed benefits, according to the projected unit credit method. The updated version of the defined benefit obligation is determined by updating the future cash flows, estimated on the basis of high-quality corporate bonds denominated in the currency in which the benefit must be paid and whose due dates are near to those of the corresponding liabilities for the pension scheme.

The re-evaluation includes the actuarial gains and losses (where applicable) and the yield of the plan's assets (before interest) which are immediately entered in the statement of financial position, recording a debit or credit in the other items of the overall result for the period in which they occur. The re-evaluation booked in the «Other overall result» heading is not reclassified in results.

The past service cost is booked in the result for the period in which the plan was modified. The net interest is booked in result and calculated by applying the update rate to the liabilities or assets for the defined services.

2.15. Stock options plans for employees and other payments based on shares

The Group has issued several plans for remuneration connected with the company's securities and for which the payment is made in the form of the company's shares.

In general, for payments in shares to which IFRS 2 is applicable, the fair value of benefits of beneficiaries received in exchange for the allocation of options is recognised as a charge. The total amount to be attributed in charges linearly over the period of acquisition of rights is determined in reference to the fair value of the options allocated.

The fair value of the options is measured at the date of allocation, taking into account the market parameters as well as hypotheses concerning the number of options that should be exercised. Each year, on the date the balance sheet closes, the Group will review its estimations as to the number of

options that should be exercised. The impact of the revision of the initial estimations is booked in the income statement and the equity is corrected as a consequence over the remaining acquisition period of the rights. The income, net of directly attributable transaction costs, is attributed in addition to the registered capital and to the issuing bonus when the options are exercised. When the options reach maturity (without being exercised), the own funds will be corrected without any impact on the result. The simple extension of the period for the exercise of options without change in the duration of acquisition of the rights does not modify the initial booking of the plan in the accounts.

The other payments made to the staff and based on the shares, in particular the transfer of own shares with a discount, are also registered in the equity accounts in application of IFRS 2 and booked as costs over the vesting period.

3. ACCOUNTING ESTIMATES AND SIGNIFICANT JUDGEMENTS

To value the assets and liabilities that appear in the consolidated financial statements, the Group must necessarily make certain estimates and use its judgement in certain areas. The estimates and hypotheses used are determined on the basis of the best information available at the time of the closure of the financial statements. Nevertheless, by definition the estimates rarely correspond to actual fulfilments, so that the accounting valuations that result inevitably contain a certain degree of uncertainty. The estimates and hypotheses that could have a significant impact on the valuation of the assets and liabilities are commented below.

- The deferred tax assets (and more particularly those that are linked to the recoverable tax losses and credits) are booked only to the extent that is probable that they could be imputed in the future to a taxable profit.
- The recognition of the progress of revenue generated by certain real estate projects presupposes, to begin with, a production budget and continuous monitoring of the execution, on the basis of which the degree of completion, the costs on completion and the risks still to be controlled are valued in a prudent way to determine the share of the profit attributable to the period completed.
- For the provisions, the amount entered corresponds to the best estimate of expenditure necessary for the extinction of the current obligation (legal or implicit) at the date of closure. ATENOR is thus a party as a defendant in a judicial proceeding whose foundation the company disputes and that in its opinion should not give rise to an actual significant disbursement for the Group and consequently not give rise to the setting aside of provisions.
- Any value adjustments: depreciations on stocks and losses of value on fixed assets (including goodwill) are subject to the appraisal of the management body on the basis of the principles set out in point 2.

NOTE 2 - RISK MANAGEMENT

ATENOR's activities consist in the realisation of real estate developments, either directly or through subsidiaries.

ATENOR is faced with risks and uncertainties inherent in this activity and, in particular, the changes in international economic trends and the markets in which the buildings are constructed, and the changes in the financial markets fundamentals, such as interest rates and the volume of funds intended for investment.

The Board of Directors is attentive to the analysis and management of the various risks and uncertainties to which ATENOR and its subsidiaries are subject.

Risk connected with the economic situation

The economic situation influences on the one hand the confidence of investors, candidate buyers for the real estate projects that ATENOR and its subsidiaries (the "Group") are developing, and on the other hand the confidence of companies in the private sector and actors in the public sector that are candidate tenants for these same properties.

However, the real estate promotion sector presents a time gap in comparison with the economic cycle of industries and services. For more than 25 years, ATENOR has been demonstrating its ability to anticipate its decisions regarding investments, launching or disinvestment in such a way as to reduce the impact or, as need be, to take advantage of a given economic situation.

The forecasts available currently concerning the countries in which ATENOR has invested have been taken into account in the forecasts of results; if the economic situation of these countries should deteriorate beyond the given forecasts, the forecasts for ATENOR's results would have to be revised downward as a consequence.

Risk connected with the development activity

Before every project acquisition, ATENOR conducts urban planning, technical, environmental and financial feasibility studies, most often in association with specialised external advisers.

In spite of all the precautions taken, unexpected problems connected with external factors (delays while awaiting decisions of the administrative authorities, new regulations, especially on the subject of soil pollution or energy performance, bureaucracy, environmental protection, etc.) and undetected risks can appear suddenly in projects developed by the Group, leading to delays in delivery and budget overruns.

ATENOR remains, in addition, reliant on the evolution of local markets whose supply of offices or residential units could quickly exceed the demand, leading to a risk of a reduction in rents.

The location of projects in strategic spots in capitals chosen by ATENOR constitutes an important criterion in its strategy. In spite of everything, these choices remain a risk that ATENOR endeavours to anticipate and control.

The complexity of the projects, the application of the regulations, the multiplicity of the participants, the necessity

of obtaining permits, of searching for and finding tenants and finally, investor buyers constitute activities and risks which the promoter is confronted with. To handle these specific risks, over many years ATENOR has established systems of control and has employees who are experienced in the development of offices and residential units.

Risks connected with urban planning rules

The Group is obliged to comply with numerous rules concerning urban planning. It can happen that these urban planning rules are revised by the political and/or administrative authorities after ATENOR has acquired a plot. Land allocation on the scale authorised could thus be subject to major changes in comparison with the expectations of ATENOR. The modifications that these new rules lead to could require the Group's employees and the specialised external advisers to adapt the projects and to limit the impact that these new situations lead to.

Given the complexity of certain local, regional or national regulations, and in particular the process leading to obtaining building permits, there may be delays in the implementation and the start-up of a project. ATENOR has long experience in these processes and remains, nonetheless, vigilant regarding the technical and financial consequences of these situations.

Risk of destruction of projects under way or completed and not transferred

The real estate projects of the Group and its subsidiaries could be exposed to risks of flooding, fire, or explosion causing their destruction or their deterioration. The Group and all its subsidiaries cover these risks to the extent possible by taking out insurance policies appropriate to the individual situation of each of the projects. The Group's employees take care to have the regulations in force complied with and ensure in the contracts concluded with all the subcontractors that they apply the mandatory safety measures.

In the event of concluding a lease, depending on the circumstances, a "loss of revenue" insurance policy could be taken out by the Group or the subsidiary concerned with the project.

ATENOR takes care to enter into leases with top-quality tenants. There is nonetheless a third-party counterpart risk, the tenant, if it defaults.

Risk connected with direct and indirect taxation

The Group and its subsidiaries producing real estate developments in Belgium, the Grand Duchy of Luxembourg, France, Germany, Poland, Romania and Hungary are exposed to risks connected with amendments to the laws relating to direct and indirect taxes in these countries. For VAT, this risk remains limited, however, by the application of the European directives in all the countries cited.

Risk of other counterparts

This risk is aimed primarily at the buyers of the projects developed by the Group. In spite of the extreme precautions taken by ATENOR in the choice of investors that are candidates for buying a project, and in spite of the attention paid to the

reputation and the solvency of these potential buyers, there is a risk of default of the counterparts and in the event of an unexpected occurrence, ATENOR's results could be affected.

Liquidity and financing risk

The Group obtains its financing from various leading national and international banking partners, with which it enjoys strong and longstanding relations enabling the Group to confront any liquidity or financing problems that might arise.

The Group has diversified its sources of financing since 1999 by pursuing a programme of short, medium and long-term commercial paper (CP/MTN) marketed to institutional investors both private and public.

The Group follows an active communication policy in order to provide financial market players with as much information as possible and mitigate any lack of liquidity on the money market or any crisis unconnected with the position and activities of ATENOR.

Where necessary, ATENOR engages in the issuance of bonds (in addition to the CP/MTN Programme), in the course of which ATENOR has never been in default. ATENOR has expanded its financing resources by launching an EMTN programme.

ATENOR and its subsidiaries obtain the financing necessary to carry out the construction of their property projects. This financing is designed to cover the entire construction period with the aim of reaching the marketing stage within a reasonable time scale, generally one year, from the completion of works. As part of that financing, assets under construction and shares in ATENOR subsidiaries are generally pledged to bank lenders (see note 20).

NOTE 3 - SEGMENT REPORTING

Segment information is prepared, both for internal reporting and external disclosure, on a single sector of activity, i.e. real-estate development projects (office and residential buildings). This activity is presented, managed and monitored by project. The various project committees, the Executive Committee and the Board of Directors are responsible for monitoring the various projects and assessing their performances.

However, based on the location of the projects, two geographical segments are henceforth identifiable: on the one hand, Western Europe, covering Belgium, the Grand Duchy of Luxembourg, France and Germany and on the other hand, Central Europe, covering Poland, Hungary and Romania.

On 31 December 2018, the segmentation evidences the contribution to the results of the projects in Central Europe.

The ATENOR activity report provides more detailed information on the results and purchases and sales during the period reviewed.

Of a total of 99.77 million Euro revenue from ordinary activities, one transaction exceeds 10 %. This concerns the sale in future state of completion of the Buzzcity project in Leudelange to the investment fund Fidentia for a revenue recognised as 20.06 million Euro at 31 December 2018. This sale represents 20.1% of the total revenue from the ordinary activities.

See Note 1 (Main accounting methods – Paragraph 2.11).

In thousands of EUR	31.12.2018			31.12.2017		
	Western Europe	Central Europe	Total	Western Europe	Central Europe	Total
Operating revenue	77 713	22 053	99 766	81 168	139 262	220 430
Turnover	76 484	9 405	85 889	79 411	130 319	209 730
Property rental income	1 229	12 648	13 877	1 757	8 943	10 700
Other operating income	35 200	5 916	41 116	3 625	4 933	8 558
Gain (loss) on disposals of financial assets	33 285	1 642	34 927	1 757		1 757
Other operating income	1 900	4 274	6 174	1 786	4 933	6 719
Gain (loss) on disposals of non-financial assets	15		15	82		82
Operating expenses (-)	-81 058	-13 789	-94 847	-81 829	-111 780	-193 609
Raw materials and consumables used (-)	-88 800	-56 748	-145 548	-107 995	-44 211	-152 206
Changes in inventories of finished goods and work in progress	62 793	56 521	119 314	54 328	-43 406	10 922
Employee expenses (-)	-2 458	-432	-2 890	-2 437	-330	-2 767
Depreciation and amortization (-)	-191	-15	-206	-262	-7	-269
Impairments (-)	1 594	-161	1 433	1 396	-50	1 346
Other operating expenses (-)	-53 996	-12 954	-66 950	-26 859	-23 776	-50 635
Result from operating activities - EBIT	31 855	14 180	46 035	2 964	32 415	35 379
Financial expenses (-)	-9 027	-723	-9 750	-10 270	-1 073	-11 343
Financial income	1 131	6	1 137	970	2	972
Share of profit (loss) from investments consolidated by the equity method	-228		-228	-466		-466
Profit (loss) before tax	23 731	13 463	37 194	-6 802	31 344	24 542
Income tax expense (income) (-)	-2 037	-120	-2 157	-1 042	-1 438	-2 480
Profit (loss) after tax	21 694	13 343	35 037	-7 844	29 906	22 062
Post-tax profit (loss) of discontinued operations						
Profit (loss) of the period	21 694	13 343	35 037	-7 844	29 906	22 062
Intercompany elimination	1 473	-1 473		234	-234	0
Consolidated result	23 167	11 870	35 037	-7 610	29 672	22 062
Overall profits and losses of the period attributable to third parties	-140		-140	-117		-117
Group share result	23 307	11 870	35 177	-7 493	29 672	22 179

ASSETS	31.12.2018			31.12.2017		
	Western Europe	Central Europe	Total	Western Europe	Central Europe	Total
In thousands of EUR						
NON-CURRENT ASSETS	56 723	205	56 928	43 689	117	43 806
Property, plant and equipment	423	126	549	271	16	287
Investment property						
Intangible assets	105	71	176	236	91	327
Investments in related parties						
Investments consolidated by the equity method	14 732		14 732	20 123		20 123
Deferred tax assets	6 337		6 337	5 404		5 404
Other non-current financial assets	11 861	8	11 869	12 735	10	12 745
Derivatives						
Non-current trade and other receivables	23 265		23 265	4 920		4 920
Other non-current assets						
CURRENT ASSETS	362 878	250 959	613 837	337 615	211 759	549 374
Assets held for sale						
Inventories	238 386	220 816	459 202	279 419	164 554	443 973
Other current financial assets	68 064		68 064	25 011		25 011
Derivatives						
Current tax receivables	525	542	1 067	509	667	1 176
Current trade and other receivables	26 896	10 536	37 432	27 102	24 023	51 125
Current loans payments	14	1 332	1 346	108	113	221
Cash and cash equivalents	27 644	14 501	42 145	4 140	18 981	23 121
Other current assets	1 349	3 232	4 581	1 326	3 421	4 747
TOTAL ASSETS	419 601	251 164	670 765	381 304	211 876	593 180

LIABILITIES AND EQUITY	31.12.2018			31.12.2017		
	Western Europe	Central Europe	Total	Western Europe	Central Europe	Total
In thousands of EUR						
TOTAL EQUITY	166 754	3 544	170 298	120 089	29 551	149 640
Group shareholders' equity	163 808	3 544	167 352	117 166	29 551	146 717
Issued capital	57 631		57 631	57 631		57 631
Reserves	116 183	3 544	119 727	67 730	29 551	97 281
Treasury shares (-)	-10 006		-10 006	-8 195		-8 195
Non controlling interest	2 946		2 946	2 923		2 923
Non-current liabilities	272 903	24 886	297 789	179 264	34 513	213 777
Non-current interest bearing borrowings	269 727	23 378	293 105	171 844	26 838	198 682
Non-current provisions	404	244	648	612	6 106	6 718
Pension obligation	455		455	476		476
Derivatives						
Deferred tax liabilities	775	350	1 125	6 332	705	7 037
Non-current trade and other payables	1 542		1 542			
Other non-current liabilities		914	914		864	864
Current liabilities	-20 056	222 734	202 678	81 951	147 812	229 763
Current interest bearing debts	143 714	3 460	147 174	174 990	3 459	178 449
Current provisions	4 098	942	5 040			
Deferred tax liabilities	2 326	660	2 986	4 927	3	4 930
Current trade and other payables	28 240	5 314	33 554	25 504	17 476	42 980
Other current liabilities	10 849	3 075	13 924	2 069	1 335	3 404
Intercompany elimination / not allocated	-209 283	209 283		-125 539	125 539	
TOTAL EQUITIES AND LIABILITIES	419 601	251 164	670 765	381 304	211 876	593 180

NOTE 4 - OPERATING RESULTS

In thousands of EUR	2018	2017
Total of the ordinary revenue	99 766	220 430
of which turnover	85 888	209 730
of which investment property rental income	13 878	10 700
Total of the other operating income	41 116	8 558
of which gain (loss) on disposals of financial assets	34 927	1 757
of which other operating income	6 174	6 719
of which gain (loss) on disposals of non-financial assets	15	82
Total of the operating charges	-94 847	-193 609
Result of operating activities	46 035	35 379

The revenues from ordinary activities amount to 99.77 million Euro. They mainly include: (a) the revenue earned by the forward sale of the Buzzcity project booked following the state of progress (Leudelange; € 20.06 M), (b) the last tranche of Vaci Greens D building (Budapest) paid following the building's delivery (€ 9.40 M), (c) the revenue linked to the sales of the apartments of the projects The One (Brussels ; € 19.32 M), City Dox (Brussels ; € 15.38 M), Au Fil des Grands Prés (Mons ; € 10.25 M) and UP-site (Brussels ; € 6.02 M) and (d) the lease revenues from the Hermès Business Campus (Bucharest), University Business Center (Warsaw) and the Nysdam buildings (La Hulpe) for 13.70 million Euro.

The other operating revenue (€41.12 M), sharply increasing, mainly includes the capital gains earned on the transfers of the shares of The One Office SA (office part of the The One project) in December 2018, Naos SA (Naos project) according to the state of progress of the project and Senior Island SA (City Dox) following the delivery of the rest home in May 2018 (total of €33.28 M) and the re invoicing of service charges and miscellaneous costs of the leased buildings (€4.07 M).

To recap, the turnover in 2017 came mainly from (a) the income generated by the sale of buildings A, B and D of the Vaci Greens project in Budapest (€ 130.31 M), (b) the last tranche of the

CBC project in Namur following the delivery of the building (€ 11.21 M), (c) the income related to the sales of the apartments of the Palatium in Brussels (€ 21.74 M), Au Fil des Grands Prés in Mons (€ 13.76 M), UP-site in Brussels (€ 8.10 M), Les Brasseries de Neudorf in Luxembourg (€ 7.34 M), and The One in Brussels (€ 5.88 M) projects.

The operating result amounts to 46.04 million Euro as against 35.38 million Euro in 2017 mainly influenced this year by the sale of the shareholdings covering the projects The One (office part) (Brussels; €19.48 M), Naos (Belval; €8.30 M) and City Dox (rest home part - Brussels; €2.78 M), by the contribution of the Buzzcity office project following its sale in future state of completion (Leudelange ; €4.47 M), by the completion of the sales of the buildings A, B and D of the Vaci Greens project (Budapest; €3.44 M) and by the sales of the apartments of the various residential projects mainly including City Dox (Anderlecht), The One (Brussels) and Au Fil des Grands Prés (Mons) for €2.77 M, €2.76 M and €2.60 M respectively.

The rental revenue net of charges of the Hermès Business Campus (Bucharest; € 9.17 M), University Business Center (Warsaw ; € 1.64M) and Nysdam (La Hulpe; €0.96 M) buildings give an additional contribution to the annual result.

Operating charges are detailed in notes 5 and 6.

NOTE 5 - PERSONNEL CHARGES

In thousands of EUR	2018	2017
Wages and salaries	-2 298	-2 125
Social security contributions	-411	-414
Other personnel charges	-181	-228
Total personnel charges	-2 890	-2 767
Employment in full-time equivalents	2018	2017
Average number of workers	29,2	28,0

The personnel charges have increased slightly with respect to the previous financial year (+0.12 million Euro) following the recruitments made during the FY.

Ten new employees joined the group in 2018 and three left it. This represents in average FTE for the year, an increase of 1.2 person compared to 2017.

NOTE 6 - OTHER OPERATING EXPENSES

In thousands of EUR	2018	2017
Services and other goods	-44 310	-30 917
Provisions (increase/amounts written back)	960	-4 410
Other charges	-23 190	-11 049
Loss (exchange costs)	-410	-4 259
Total	-66 950	-50 635

“Other operating expenses” increase compared to 2017 (+16.31 million Euro). The main variations are essentially in the following items:

- “Various goods and services”: mainly due to the growth of the projects and works in progress, including City Dox (Brussels), Com’Unity (Paris) and University Business Center (Varsovie) (i.e. +7.91 million Euro);
- “Provisions”: as part of the sale of the Hungarian buildings, provisions had been booked to guarantee the rental returns on the areas still vacant on 31 December 2017. The latter were used and/or included during FY 2018 following several lease agreements;
- “Other charges”: the increase in this item results mainly from the charges activated in the context of the The One Office project sold on 20 December 2018 (+12.88 million Euro);
- “Losses / foreign exchange costs”: the decrease in losses and exchange costs is explained by the absence in 2018 of booking of the translation differences (IAS 21) linked to the advances in Euro reimbursed by the Hungarian subsidiaries, the sales of the A, B and D buildings (for part) of Vaci Greens being made in 2017).

NOTE 7 - FINANCIAL RESULTS

In thousands of EUR	2018	2017
Interest expenses	-11 446	-11 668
Activated interests on projects in development (IAS 23)	3 320	2 899
Other financial expenses	-1 624	-2 574
Interest income	1 132	971
Other financial income	5	1
Total financial results	-8 613	-10 371

In 2018, the net financial costs amount to 8.61 million Euro, compared to 10.37 million Euro in 2017. This reduction in net financial expenses is mainly explained by the reduction in ATENOR’s average net debt and weighted average borrowing rate compared to 2017, coupled with the increase in the activation of interest on the projects under development (IAS 23).

The financial result mainly includes on the one hand the net interests connected with the bond issues (2.08 million Euro), to the bank financing and via CP and MTN of ATENOR (5.73 million Euro) as well as the funding of projects in NGY (0.78 million Euro) and Leaselex (0.47 million Euro) and on the other hand, the capitalization of financial charges (IAS 23) related to the projects: The One (1.89 million Euro), Com’Unity (0.5 million Euro) and City Dox (0.4 million Euro). The reduction

in value linked to the Beaulieu certificates (0.97 million Euro) is mainly responsible for the other financial expenses item.

We remind you that in 2017 the net financial expense came to 10.37 million Euro. It mainly included, on the one hand, the net interest linked to the two bond issues (3.51 million Euro), to ATENOR’s bank financing and financing via CP and MTN (5.34 million Euro) and to the financing of the projects in NGY (1.02 million Euro) and LEASELEX (0.48 million Euro) and, on the other hand, the activation of the financial expenses (IAS 23) linked to the projects The One (1.7 million Euro), Vaci Greens (0.41 million Euro) and City Dox (0.26 million Euro).

Please also refer to the “Consolidated Statement of Cash Flows” and Note 20 on the “Financial liabilities”.

NOTE 8 - INCOME TAXES AND DEFERRED TAXES

In thousands of EUR	2018	2017
I. Income tax expense / Income - current and deferred		
Income tax expense / Income - current		
Current period tax expense	-3 229	-10 238
Adjustments to tax expense/income of prior periods	242	184
Total current tax expense, net	-2 987	-10 054
Income tax expense / Income - Deferred		
Related to the current period	243	10 034
Related to tax losses	587	-2 460
Total deferred tax expense	830	7 574
Total current and deferred tax expense	-2 157	-2 480
II. Reconciliation of statutory tax to effective tax		
Profit before taxes	37 194	24 542
Statutory tax rate	29,58%	33,99%
Tax expense using statutory rate	-11 002	-8 342
Tax adjustments to		
- results of prior periods / increases	-95	91
- non-taxable revenues	10 099	449
- non-tax deductible expenses	-982	-3 419
- recognising deferred taxes on previously unrecognised tax losses	68	1 054
- on deferred tax assets and deferred taxes liabilities	2 045	2 847
- on taxable revenues with a different rate ⁽¹⁾	2 114	7 215
- not booked deferred tax assets of the period	-3 787	-1 558
- Impact of the decrease of the tax rate ⁽²⁾	46	146
- other adjustments	-663	-963
Tax expense using effective rate	-2 157	-2 480
Profit before taxes	37 194	24 542
Effective tax rate	5.80%	10.10%

(1) Rate in force in our subsidiaries abroad

(2) 29.58% or 25%

Rate in our subsidiaries abroad:	2018	2017
Luxembourg	27.26%	29.33%
Romania	16.00%	16.00%
Hungary	9.00%	9.00%
France	33.33%	33.33%
Poland	15% ⁽³⁾	

(3) applicable rate of 19% - prime rate of 15%

In 2018, ATENOR's tax liability consists of the current taxes and deferred taxes of -2.99 and 0.83 million Euro respectively. These amounts mainly relate to:

- The net tax expenses of Rest Island (-1.16 million Euro), The One Estate (-0.85 million Euro) and Mons Properties (-0.38 million Euro) which consist of the statutory income tax for the financial year, -1.1, -0.43 and -0.33 million Euro respectively offset by deferred tax income of -0.06, -0.42, and -0.05 million Euro;

- The current taxes for the financial year of City Tower (-0.66 million Euro) offset by the reversal of the DTL recorded at the acquisition (0.68 million Euro);
- Atenor Luxembourg's deferred tax assets (net) (2,13 million Euro);
- The adjustment of the deferred tax asset of The One Estate to the estimated utilisation value in 2019 (write-back of -1.37 million Euro).

NOTE 9 - RESULT AND DIVIDEND PER SHARE

Number of shares profiting from the dividend (*)	5 631 076
Amount of dividends distributed after the closing date (in thousands of Euro)	12 388
Gross dividend per share (in Euro)	2.20

(*) subject to the approbation of the General Meeting

As there are no potential dilutive ordinary shares, the basic earnings per share are identical to the diluted earnings per share.

Given the weighted number of shares excluding own shares, the basic and diluted earnings per share are determined as follows:

Basic earnings and diluted earnings per share are determined following :	2018	2017
Total number of issued shares	5 631 076	5 631 076
of which own shares / treasury shares	231 825	198 622
Weighted average number of shares (excluding own shares)	5 431 951	5 451 285
Net consolidated result (group share and in thousands of Euro)	35 177	22 179
Basic earnings (in Euro)	6.48	4.07
Diluted earnings per share (in Euro)	6.48	4.07

The gross dividend proposed at the Annual General Meeting of 26 April 2019 will amount to 2.20 Euro and will be paid as from 2 May 2019. The withholding tax amounts to 30%.

In thousands of EUR	2018	2017
Dividends on ordinary shares declared and paid during the period:	11 317	11 154

In 2015, as in 2014 and 2013, the optional dividend has been chosen by a majority of shareholders (to a maximum of 76% in 2013, 82.11% in 2014 and 79.69% in 2015) contributing their receivable dividend to the capital increase executed on 21 May 2015.

The gross dividend per share for 2018 stands at 2.20 Euro. We remind you that the dividend for the previous years came to:

Years	Gross dividend per share
2017	€ 2.08
2016	€ 2.04
2010 to 2015	€ 2.00
2007 to 2009	€ 2.60
2006	€ 1.30

NOTE 10 - CAPITAL**Structure of shareholders**

On 31 December 2018, the structure of shareholding is as follows

	Number of shares	Holdings in %	Of which shares forming part of the joined shareholding	Holdings in %
3D NV ⁽¹⁾	695 643	12.35	521 437	9.26
ALVA SA ⁽¹⁾	521 437	9.26	521 437	9.26
ForAtenoR SA ⁽¹⁾	592 880	10.53	592 880	10.53
LUXEMPART SA ⁽¹⁾	600 247	10.66	521 437	9.26
Stéphan SONNEVILLE SA ⁽¹⁺²⁾	241 030	4.28	150 500	2.67
Sub-total	2 651 237	47.08	2 307 691	40.98
Own shares	0	0		
Treasury shares	231 825	4.12		
Public	2 748 014	48.80		
Total	5 631 076	100.00		

(1) Signatories of the Shareholders' Agreement.

(2) Managing Director, company controlled by Mr. Stéphan Sonnevile

In compliance with article 74 of the law of 1 April 2007, these shareholders have communicated to the company that they held as a joined holding, at the date of entry into effect of the aforementioned law, more than 30% of the securities with voting rights.

Movements of number of shares	Ordinary shares
Number of shares on 31.12.2018, issued and fully paid	5 631 076
of which own shares	-
Total of issued shares profiting from 2018 dividend⁽¹⁾	5 631 076

(1) Subject to approval by the general shareholders meeting of the allocation of income attributing a gross dividend of 2.20 Euro.

Movements in own and treasury shares	Amount (in thousands of EUR)	Number of own shares
On 01.01.2018 (average price : € 41.26 per share)	8 195	198 622
Movements during the period:		
- acquisitions	3 536	72 621
- sales	-1 725	-39 418
On 31.12.2018 (average price : € 43.16 per share)⁽¹⁾	10 006	231 825

(1) Following various acquisitions and sales of shares during 2018, ATENOR SA no longer holds any own shares on 31 December 2018 (compared with 35,195 on 31 December 2017). The Atenor Group Investments subsidiary owns 163,427 ATENOR shares (situation unchanged compared with December 2017), and the new subsidiary Atenor Long Term Growth has 68,398.

Please refer to Note 22 (employee benefits) for the stock option plans.

Capital management

On 31 December 2018, equity amounts to 170.30 million Euro, and balance sheet total to 670.76 million Euro.

As an independent developer of real estate projects, ATENOR is not subject to any capital requirements. ATENOR hopes to maintain a reasonable ratio between the invested capital and the balance sheet total. Members of the Executive Committee, among other things, see to regularly inform the Board of

Directors and the Audit Committee of the development of the balance sheet and its components in such a way as to control the group's net indebtedness.

ATENOR's policy aims at maintaining a healthy balance sheet structure. Note 20 provides more detailed information on the Group's indebtedness policy.

NOTE 11 - GOODWILL AND OTHER INTANGIBLE ASSETS

In thousands of EUR	2018		
	Goodwill	Software	Total
Movements in goodwills and other intangible assets			
Gross book value as at 01.01.2018	6 376	299	6 675
Cumulated depreciations as at 01.01.2018	-1 744	-145	-1 889
Cumulated losses of value as at 01.01.2018	-4 460		-4 460
Goodwills and other intangible assets, beginning balance	173	154	327
Investments		9	9
Disposals - deallocation (-)	-96		-96
Depreciations - dotation (-)		-69	-69
Depreciations - reversal (+)	8		8
Impairment (loss) reversal recognised in income			0
Foreign currency exchange increase (decrease)	-3		-3
Goodwills and other intangible assets, ending balance	82	94	176
Gross book value as at 31.12.2018	6 278	308	6 586
Cumulated depreciations as at 31.12.2018	-1 736	-214	-1 949
Cumulated losses of value as at 31.12.2018	-4 460		-4 460
Goodwills and other intangible assets, ending balance	82	94	176
In thousands of EUR	2017		
	Goodwill	Software	Total
Movements in goodwills and other intangible assets			
Gross book value as at 01.01.2017	8 582	288	8 870
Cumulated depreciations as at 01.01.2017	-1 748	-98	-1 846
Cumulated losses of value as at 01.01.2017	-4 460		-4 460
Goodwills and other intangible assets, beginning balance	2 374	190	2 564
Investments		30	30
Disposals - deallocation (-)	-2 217	-19	-2 217
Depreciations - dotation (-)		-66	-66
Depreciations - reversal (+)	4	19	4
Foreign currency exchange increase (decrease)	12		12
Goodwills and other intangible assets, ending balance	173	154	327
Gross book value as at 31.12.2017	6 376	299	6 675
Cumulated depreciations as at 31.12.2017	-1 744	-145	-1 889
Cumulated losses of value as at 31.12.2017	-4 460		-4 460
Goodwills and other intangible assets, ending balance	173	154	327

Two real estate projects are concerned by the goodwill that figures in the balance sheet (82 thousand Euro on 31 December 2018), i.e. the UP-site project in Brussels (11 thousand Euro) and the Váci Greens project in Budapest (71 thousand Euro). This goodwill concerns the acquisitions of entities (treated at the time as a joint venture in the sense of IFRS 3) whose unique activity is currently the development of their real estate assets. The residual value of this goodwill will thus necessarily be covered via and jointly with the sale of these real estate projects booked and maintained in inventories. The goodwill is

a component of the cost of these projects and their recoverable value is incorporated in the feasibility studies in the same way as all other development costs.

During the 2018 fiscal year, the sales of the UP-site project apartments have resulted in a goodwill reduction of 71 thousand Euro.

As a reminder, in 2017, the sale of buildings A, B and D of the Váci Greens project and of the apartments of the UP-site project resulted in a reduction of goodwill of 2.2 million Euro.

NOTE 12 – PROPERTY, PLANT AND EQUIPMENT

In thousands of EUR	2018						Total
	Construc- tions in progress	Land and buildings	Plant and equipment	Motor vehicles	Fixtures and fittings	Other property, plant and equipment	
Movements in property, plant and equipment							
Gross book value as at 01.01.2018			2	156	769	563	1 490
Cumulated depreciations as at 01.01.2018			-1	-138	-560	-504	-1 203
Property, plant and equipment, beginning balance	0	0	1	18	209	59	287
Investments	4				156	239	399
Disposals / deallocation (-)				-58	-36	-89	-183
Depreciation - dotation (-)				-15	-90	-32	-137
Depreciation - reversal (-)				58	36	89	183
Property, plant and equipment, ending balance	4	0	1	3	275	266	549
Gross book value as at 31.12.2018	4		2	98	889	713	1 705
Cumulated depreciations as at 31.12.2018			-1	-95	-614	-446	-1 157
Property, plant and equipment, ending balance	4	0	1	3	275	266	549

The "Property, plant and equipment" entry amounts to 0.55 million Euro at 31 December 2018 (compared with 0.29 million Euro the previous year). It includes the furniture and motor vehicles of the group as well as the arrangements made to the leased buildings. The increase of 0.26 million Euro compared to 31 December 2017 mainly reflects the development works executed in ATENOR's different offices over the course of the year.

In thousands of EUR	2017						Total
	Construc- tions in progress	Land and buildings	Plant and equipment	Motor vehicles	Fixtures and fittings	Other property, plant and equipment	
Movements in property, plant and equipment							
Gross book value as at 01.01.2017			1	188	684	1 578	2 451
Cumulated depreciations as at 01.01.2017				-134	-495	-1 466	-2 094
Property, plant and equipment, beginning balance	0	0	1	53	189	112	356
Investments			1		90	45	136
Disposals / deallocation (-)				-31	-5	-1 060	-1 096
Depreciation - dotation (-)			-1	-35	-70	-98	-204
Depreciation - reversal (-)				31	5	1 060	1 096
Property, plant and equipment, ending balance	0	0	1	18	209	59	287
Gross book value as at 31.12.2017			2	156	769	563	1 490
Cumulated depreciations as at 31.12.2017			-1	-138	-560	-504	-1 203
Property, plant and equipment, ending balance	0	0	1	18	209	59	287

NOTE 13 - INVESTMENTS CONSOLIDATED BY THE EQUITY METHOD

Participations (In thousands of EUR)	2018	2017
Victor Estates	1 183	1 127
Victor Properties	62	70
Victor Bara	4 425	4 421
Victor Spaak	7 910	7 897
Immoange	1 152	1 155
Naos		5 453
Total	14 732	20 123

Investments (In thousands of EUR)	2018	2017
At the end of the preceding period	20 123	20 589
Share in result	-228	-466
Acquisitions and restructuring		
Disposals	-5 434	
Loss of value		
Reclassification to other items	271	
At the end of the period	14 732	20 123

In thousands of EUR	Sums due to related parties	Sums due to the group from related parties
Immoange share of the group: 50%	-	472
Victor Estates share of the group: 50%	-	4 999
Victor Properties share of the group: 50%	-	266
Victor Bara share of the group: 50%	-	2 136
Victor Spaak share of the group: 50%	-	3 793

2018 key figures from financial statements In thousands of EUR	Balance sheet total	Equity	Debts	Result at the end of the period
Immoange share of the group: 50%	1 349	386		-234
Victor Estates share of the group: 50%	10 975	1 117		-207
Victor Properties share of the group: 50%	654	119		-15
Victor Bara share of the group: 50%	5 565	1 284		-83
Victor Spaak share of the group: 50%	9 912	2 315		-134

The investments consolidated by the equity method are companies which are subject to joint control in accordance with IFRS 11 (Joint arrangements) and IAS 28 (Participations in associated companies and joint ventures) standards.

On 31 December 2018, they include the companies Immoange, Victor Estates, Victor Properties, Victor Bara and Victor Spaak (Victor project). The net change compared to 31 December 2017 reflects basically the exit from the holding in Naos following the loss of joint control of the latter in 2018 (-5.43 million Euro).

The details of the related projects can be found in the activity report.

NOTE 14 - RELATED PARTIES**Relations between the parent company and its subsidiaries**

The relations between ATENOR SA and its subsidiaries are detailed in Note 27 relating to the structure of the Group. Refer also to Note 13 concerning the investments consolidated by the equity method.

Relations with the principal directors

The remuneration received directly or indirectly by the CEO is generally defined for both his role on the Board of Directors and directly or indirectly in the Company and its subsidiaries. The total remuneration, both fixed and variable, of the CEO is determined by the Nomination and Remuneration Committee, based on an annual assessment of the collaboration and based on the principles approved by the Board.

The amount of the remuneration, other benefits granted, directly or indirectly, and earnings obtained for the 2018 financial year amounted to 1,563,936 Euro and can be broken down as follows (Company cost):

- basic remuneration : 565,895 Euro
- variable remuneration: nihil

- contributions to a pension plan: there were no contributions for a pension plan
- other advantages: there were no other advantages
- earnings from the exercising in FY 2019 of 25 AGP share options (outstanding options granted in 2017): 124,740 Euro
- earnings from the exercising in FY 2019 of 175 AGP share options (granted in 2018): 873,301 Euro

Also refer to the remuneration report in the Corporate Governance Statement (see page 69).

The Company did not deviate significantly from its remuneration policy in the course of the financial year that is the object of the annual report.

During the financial year, neither credit, nor advances, nor options on shares were granted to the Directors except to the CEO, to whom 900 options on Atenor Group Investments (AGI) shares and 355 options on Atenor Group Participations (AGP) shares were granted for performance relating to the 2017 financial year.

NOTE 15 - INVENTORIES

In thousands of EUR	2018	2017
Buildings intended for sale, beginning balance	443 973	429 209
Activated costs	191 806	171 196
Disposals of the year	-72 492	-157 535
IFRS 15 transition	-12	
Exits from the consolidation scope	-106 843	
Entries in the consolidation scope		
Reclassifications from/to the "Inventories"	-495	
Borrowing costs (IAS 23)	3 320	2 899
Foreign currency exchange increase (decrease)	-1 647	-3 189
Write-offs (recorded)	-250	
Write-offs (written back)	1 841	1 392
Movements during the year	15 228	14 763
Buildings intended for sale, ending balance	459 202	443 973
Accounting value of inventories mortgaged (limited to granted loans)	86 840	113 486

The "Buildings intended for sale" classified in "Inventories" represent the real estate projects in the portfolio and in the process of development. The capitalisation of the financing costs (IAS 23) is suspended in case the normal course or active development of a project is interrupted (Note 1.2.6. for the evaluation rules).

During 2018, the item "Inventories" ("Buildings intended for sale") was mainly influenced by

- the continuation of the work for the One (Brussels), City Dox (Anderlecht), Com'Unity (Paris), Au Fil des Grands Prés (phase 1 in Mons), Vacı Greens (Budapest) and Les Berges de l'Argentine projects for 100.05 million Euro;
- the acquisitions of the sites and buildings of BuzzCity (Leudelange), UP-site Bucharest (Bucharest), Am Wehrhahn (Dusseldorf), University Business Center (Warsaw), Au Fil des Grands Prés (phase 2 in Mons) projects for a total of 75.55 million Euro;

- the period's disposals for the BuzzCity project and of the The One Office (office part) holding and the sales of the apartments of the projects The One (residential part), City Dox, Palatium, UP-site (Brussels), Au Fil des Grands Prés and La Sucrerie (Ath) which reduce the stock by 171.36 million Euro;
- the activation of borrowing costs of 3.32 million Euro;
- the impact of the change in exchange rates, mainly the negative effect of the Romanian lei (-1.65 million Euro). This element is included in the conversion differences in equity.

The book value of stock pledged, limited if necessary to the loan granted, consists of properties intended for sale from the Realex (45 million Euro), Hermès Business Campus (21.99 million Euro), The One (1.75 million Euro), Nysdam (13 million Euro), Vacı Greens (5 million Euro) and Au Fil des Grands Prés (0.1 million Euro) projects.

NOTE 16 - CURRENT AND NON-CURRENT FINANCIAL ASSETS

In thousands of EUR	Other financial investments	Trade and other receivables	Cash and cash equivalents
MOVEMENTS IN FINANCIAL ASSETS			
Non-current financial assets			
Beginning balance	12 745	4 920	
Additions (investments)	492	22 682	
Disposals (-)	-1 364	-4 337	
Reclassification (to) from other items	-4		
Ending balance	11 869	23 265	
Fair value	11 869	23 265	
Valuation	level 3	level 3	
Current financial assets			
Beginning balance	25 011	51 125	23 121
Acquisitions	44 270		
Disposals (-)	-245	-4 143	
IFRS 15 transition		-1 375	
Exits from the consolidation scope		-17 742	-797
Reclassification (to) from other items		7 193	1 310
Impairments (-)	-972	-161	
Foreign currency exchange increase (decrease)		2 535	-372
Other increase (decrease)			18 883
Ending balance	68 064	37 432	42 145
Fair value	68 064	37 432	42 145
Valuation	levels 1 & 3	level 3	level 3

(*) The opening balance of the "trade and other receivables" was restated to include the VAT receivable of 7.1 million Euro transferred from the "current tax liabilities"

Other financial assets

Where not listed on an active market, the other financial assets are maintained at historical cost if their fair value cannot be determined reliably by a different evaluation technique.

In thousands of EUR	Shares	Loans	Other financial assets	Total
Non current assets				
Beginning balance				
Additions (investments)		12 725	20	12 745
Disposals (-)		489	3	492
Reclassification (to) from other items		-1 364		-1 364
Ending balance		-4		-4
Fair value		11 846	23	11 869
Valuation		11 846	23	11 869
Current assets		level 3	level 3	level 3
Beginning balance				
Acquisitions			25 011	25 011
Disposals (-)			44 270	44 270
Impairments (-)			-245	-245
Ending balance			-972	-972
Fair value			68 064	68 064
Valuation			68 064	68 064
Valorisation	level 3		levels 1 & 3	levels 1 & 3

The "non-current Loans" concern the net advances granted to Senior Island as well as the affiliates Immoange, Victor Estates, Victor Properties, Victor Bara and Victor Spaak (+0.49 million Euro granted in 2018). The change of -1.36 million Euro corresponds in particular to the repayment by Senior Island of its loan following the sale of this participation.

On 31 December 2018, the "Other current financial assets" concern in particular the term deposits (various short-term maturities) made with Belgian banks (Belfius, BNP Paribas Fortis and ING) and foreign bank (Banca Monte Paschi). The change of +44.27 million Euro is mainly explained the cash flow garnered following the sale of the The One Office on 20 December 2018.

This entry also includes securities whose valuation on 31 December 2018 at the stock market price resulted in the

recognition of an impairment of 0.97 million Euro.

Trade and other receivables (In thousands of EUR)	2018		2017	
	Current	Non-current	Current	Non-current
Trade and other receivables				
Trade receivables, gross	30 633	23 265	43 585	4 920
Allowance for bad and doubtful debts	-210		-49	
Other receivables	7 009		7 589	
Total trade and other receivables	37 432	23 265	51 125	4 920
Fair value	37 432	23 265	51 125	4 920
Valuation	level 3	level 3	level 3	level 3

The "Trade and other receivables" are valued at their nominal value, which is a good representation of their market value. The payment terms depend mainly on the conditions agreed on the sale of shares or major assets.

At the end of the year, the "Trade and other non-current receivables" total 23.27 million Euro. This caption includes the debt obligation on the purchaser of the Buzzcity project whose result is recognised in advance (20.06 million Euro), the accrued income linked to the sales of apartments of blocks G and H of the Au Fil des Grands Prés project (2.81 million Euro and the balance of the debt obligation on the INASTI (0.4 million Euro, down by 4.3 millions Euro following the sales of the subsoil of the apartments of the Palatium project).

The "Customers and other current receivables" changes from 51.13 to 37.43 million Euro as at 31 December 2018. This net decrease of 13.7 million Euro is essentially explained by:

- The collection of accruals of 16.23 million Euro recorded on 31 December 2017 following the advance sale of the Vaci Greens D building;
- The debt obligation on the purchasers of the company Naos following the advance recognition of the result (76.27 % on 31 December 2018 (13.82 million Euro);
- The collection of 95% of the debt obligation on the purchaser of the company Senior Island (-7.87 million Euro);
- The rents and rental charges billed to the tenants in advance by NGY and Haverhill (7.50 millions Euro – up by 1.93 million Euro);
- The turnover on progress on the residential units of the The One and City Dox projects sold or in agreement on 31 December 2018 (6.09 million Euro).

The assets pledged within the context of project financing are detailed in note 26 "Rights and commissions".

Cash and cash equivalent (In thousands of EUR)	2018	2017
Short-term deposits	64 445	20 175
Bank balances	42 143	23 119
Cash at hand	2	2
Cash and cash equivalents	106 590	43 296
Fair value	106 590	43 296
Valuation	level 3	level 3

Taking into account the cash investments presented in "Other financial assets" of 65.45 million Euro, the total cash reserves now stand at 106.59 million Euro.

The financial assets are also summarised as follows:

In thousands of EUR	2018	2017
Investments held until their maturity	110 209	48 132
Loans & debts	72 543	68 770
Financial assets available at sale	23	20
Total of current and non current financial assets	182 775	116 922

For its project development activities, ATENOR does not hedge its financial assets.

The main financial risks can be summed up as follows:

- **Forex risks:** by virtue of its activities, ATENOR is sensitive to exchange rate variations of the Forint (Hungary), the Zloty (Poland) and the Leu (Romania). The balance sheets of foreign companies are converted into Euro at the official exchange rate at closure of the financial year (see table hereafter). The conversion of the financial statements of the subsidiaries from the functional currency (local currency) to the consolidation currency gave rise to conversion differences presented in the equity. The Group did not establish a specific

policy for hedging this operational exchange rate risk. (See Note 1 – Main accounting methods – paragraph 2.11 – Exchange rate risks).

Except for the value of the real estate projects abroad (primarily stock and goodwill), the other assets and liabilities in foreign currencies do not represent important values in the Group's balance sheet.

The sensitivity to variations in exchange rates of these currencies is booked under translation adjustments.

The table below covers the variations of exchange rates 2018/2017.

EXCHANGE RATE (€ 1 =)	Closing rate		Average rate	
	2018	2017	2018	2017
Forint (Hungary) - HUF	321,5100	310,1400	319,9000	309,3400
Leu (Romania) - RON	4,6639	4,6597	4,6600	4,5732
Zloty (Poland) - PLN	4,3000		4,2876	

- **Credit and liquidity risk:** The investments agreed are mainly made through Belgian financial institutions, in particular BNP Paribas Fortis, Belfius, ING and KBC. The nominal value of these investments is very close to their market value.

- **The risk of default of the counterparties** (acquirers) is limited by the constitution of bank guarantees on the signing of the provisional agreements and notarial deeds.

- **Derivatives** (assets)

ATENOR did not use derivative financial instruments for coverage purposes in fiscal year 2018.

Levels of fair value hierarchy

For each category of financial instrument, ATENOR supplies the methods applied to determine their fair value.

Level 1: : Quoted prices on active markets

None

Level 2: (direct or indirect) observable data, other than quoted prices

The derivative instruments are, where appropriate, valued by a financial institution on the basis of market parameters.

Level 3: non-observable market data

The fair value of the "Current and non-current financial assets" (including liquid assets) is close to the market value. The fair value of non-quoted financial assets available for sale is estimated at their book value, taking into account the evolution of the business of the companies concerned and existing shareholder agreements. Their amount is insignificant.

The fair value of the "Trade and other receivables" corresponds to their nominal value (deducting any impairment loss) and reflects the sale price of the goods and other assets sold in the provisional agreements and notarial deeds.

Sensitivity analysis

Taking into account the nature of the financial assets and their short maturities, a sensitivity analysis is not necessary, as the impact of the rate variations is negligible.

NOTE 17 - OTHER CURRENT AND NON-CURRENT ASSETS

In thousands of EUR	2018		2017	
	Current	Non-current	Current	Non-current
Other assets				
Current tax receivables	1 067		1 176	
Current loans payments	1 346		221	
Other assets	4 581		4 747	
Total other assets	6 994		13 250	
Fair value	6 994		13 250	

The other current assets consist mainly of payable tax assets (1.07 million Euro), advance payments (1.35 million Euro) and accrued assets (prepaid interests, insurances and commissions to be deferred and accrued interests earned for 4.58 million Euro).

The current tax assets include exclusively the Belgian and foreign direct taxes to be recovered (1.07 million Euro).

NOTE 18 - DEFERRED TAX ASSETS AND LIABILITIES

In thousands of EUR	2018		2017	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets				-82
Stock of buildings intended for sale	10 641		139	
Amounts receivable		-937		-3 678
Provisions			153	
Received advance payments		-12 912		-7 335
Tax losses	8 439		9 138	
Other		-19	45	-13
Compensation	-12 743	12 743	-4 071	4 071
Total deferred taxes related to temporary differences	6 337	-1 125	5 404	-7 037

In accordance with IAS 12 and the accounting principles mentioned in point 2.14, ATENOR recognises in the balance sheet the value of the latent tax assets originating from deferred tax losses and tax credits for Atenor SA, Hexaten SA, The One Estate SA, I.P.I. SA and Atenor Luxembourg SA.

In addition, deferred tax assets and liabilities are recorded in the balance sheet on the temporary differences between the statutory and consolidated results. The deferred tax liabilities are mainly related to the revenue recognition according to the degree of progress of the projects.

Following the tax reform adopted at the end of 2017 in Belgium

and the reduction of the corporate tax rates, which went to 29.58% in 2018-2019 and to 25% from 2020, the deferred taxes were adjusted, as appropriate, to these rates based on the year in which they will be used.

The deferred tax assets and liabilities are offset when they relate to the same legal entity.

Also see - note 8 concerning the deferred tax booked in results.

Deferred tax assets not recognised concern entities for which there is no, or isn't yet any specific likelihood of creating any taxable profit to which these deductible time differences could be linked to.

In thousands of EUR	2018	2017
Total of not booked deferred tax assets	6 439	6 428

The deferred taxes relating to the fiscal losses and tax credits of ATENOR brought forward were recognised at the level of the future estimated taxable profits. The deferred tax assets not recognised amount to 6.44 million Euro. The deferred tax

assets relating to the tax losses of the real estate subsidiaries in Belgium or abroad are recognised only where there is evidence that a sufficient tax base will emerge in the foreseeable future allowing them to be used.

In thousands of EUR	Net deferred tax assets	Net deferred tax liabilities	Net situation
On 01.01.2017	6 000	-15 193	-9 193
Deferred tax expense and income recorded in profit and loss	-596	8 170	7 574
Changes in the deferred taxes recorded in equity (foreign currency exchange adjustments)		-14	-14
On 31.12.2017	5 404	-7 037	-1 633
On 01.01.2018	5 404	-7 037	-1 633
Deferred tax expense and income recorded in profit and loss	88	742	830
IFRS 15 transition	260	160	420
Reclassification (to) from other items	585	-433	152
Exits from the consolidation scope		5 441	5 441
Changes in the deferred taxes recorded in equity (foreign currency exchange adjustments)		2	2
On 31.12.2018	6 337	-1 125	5 212

NOTE 19 - PROVISIONS

In thousands of EUR	Guarantee provisions	Other provisions	Total
Provisions (both current and non-current)			
Provisions, beginning balance	6 193	525	6 718
Additional provisions	4 465		4 465
Increase (decrease) to existing provisions	245		245
Amounts of provisions used (-)	-4 721	-389	-5 110
Amounts not used but written back (-)	-432	-136	-568
Increase (decrease) resulting from the variation of the exchange rate	-62		-62
Provisions, ending balance	5 688	0	5 688
Non-current provisions, ending balance	648	0	648
Current provisions, ending balance	5 040	0	5 040

The risks connected with given guarantees or with ongoing disputes are subject to provisions when the conditions for recognition of these liabilities are met.

"Non-current provisions" amount to 0.65 million Euro and correspond to the provisions concerning the revenue guarantees for the City Dox and Vaci Greens D projects.

The "current provisions" total 5.04 million Euro.

They include the guaranteed performance provision of 4.06 million Euro set up at the end of 2018 for the The One Office sale, the provision of 0.94 million Euro linked to the transfer of the Vaci Greens B building and the Up-site provision (UP³ -0.04 million Euro).

Contingent liabilities and rights and commitments are described in notes 24 and 26 in the financial statements.

NOTE 20 - CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

2018 (In thousands of EUR)	Current			Non-current		
	Up to 1 year	1-5 years	> 5 years	Total	Fair value (*)	Valuation
Financial liabilities						
Credit institutions	25 924	85 980	4 541	116 445	115 933	level 3
Bond issue	25 000	19 907	30 000	74 907	74 201	levels 1 & 3
Other loans	96 250	134 076	18 600	248 926	250 964	levels 1 & 3
Total financial liabilities according to their maturity	147 174	239 964	53 141	440 279	441 098	
Other financial liabilities						
Trade payables	24 399			24 399	24 399	level 3
Other payables	7 563	1 542		9 105	9 105	level 3
Other financial liabilities		914		914	914	level 3
Total amount of other liabilities according to their maturity	31 961	2 457		34 418	34 418	

2017 (In thousands of EUR)	Current			Non-current		
	Up to 1 year	1-5 years	> 5 years	Total	Fair value	Valuation
Financial liabilities						
Credit institutions	67 323	41 695	8 000	117 018	116 723	level 3
Bond issue		24 985		24 985	25 310	levels 1 & 3
Other loans	111 126	85 463	38 539	235 128	235 445	levels 1 & 3
Total financial liabilities according to their maturity	178 449	152 143	46 539	377 131	377 478	
Other financial liabilities						
Trade payables	31 070			31 070	31 070	level 3
Other payables	6 129			6 129	6 129	level 3
Other financial liabilities		864		864	864	level 3
Total amount of other liabilities according to their maturity	37 198	864		38 062	38 062	

(*) The fair value of the financial instruments is determined as follows:

- If their maturity is short-term, the fair value is presumed to be similar to the amortised cost.
- For non-current fixed-rate debts, by discounting the future interest flows and capital reimbursements at a rate of 2.33%, which corresponds to the Group's weighted average financing rate.
- For listed bonds, on the basis of the closing price.

Policy of indebtedness and financial risks

The financial risks (credit, liquidity and interest rates) are explained through the Group's policy on indebtedness, which was not changed in 2018.

The Group's indebtedness is structured through direct financing concluded by the parent company and through financing, if need be, concluded by its subsidiaries.

The Group finances itself with various top ranked banking partners at international level. It maintains a strong long-term relationship with them, enabling it to deal with the Group's financing needs.

The Group diversified its sources of financing from 1999 by entering into a program of short, medium and long term commercial papers (CP/MTN) and tasked Belfius Bank with commercialising them to private and public institutional investors. Since 2016, the Group has continued the diversification of its sources of funding by issuing a total of seven issues (4 in 2016 for a total of 86.1 million Euro and 3 in 2018 for a total of 14.5 million Euro) of medium and long term within the framework of its European Medium Term Notes (EMTN) programme. In March 2018, ATENOR also made two bond issues of 4 and 6

years (20 and 30 million Euro). The Group follows a policy of active communication in order to inform as widely as possible the actors of the financial markets and soften any drying up of the money market and any crisis independent of the situation and the activities of ATENOR.

ATENOR and its subsidiaries obtain the necessary financing to successfully complete the construction of real estate projects. This financing is aimed at covering the entire period of construction by commercialisation within a reasonable delay, generally one year after the end of the works. Within the framework of this financing, the assets in construction and the shares of ATENOR's subsidiaries are generally given in pledge to the benefit of the lending credit establishments. When the prospects for commercialisation seem favourable and offer a sufficient margin of manoeuvre concerning the promotion of the project, ATENOR may decide to finance its projects directly or to finance the subsidiaries developing the projects.

Interest rate risks

The financing of the Group and the financing of projects through the Group's subsidiaries are provided based on a short-term rate,

the 1 to 12 month Euribor. When loans are made for longer durations (from two to five years), the Group contracts advances at a fixed rate or at a floating rate accompanied by a swap transforming the floating rate into a fixed rate (IRS). Within the framework of project financing, the banks authorise overdrafts of 1 to 12 months for the duration of the financing linked with the duration of the construction. Within this framework and taking into account the budgets prepared for each project, the impact of a rise in short-term rates is limited. In addition, the part represented by financial costs in the budget of a project represents between 3 and 6% of the total. Consequently, the sensitivity to a strong variation of the short-term rates remains relatively low and limited.

Derivatives (liabilities)

ATENOR uses financial derivative instruments exclusively

for the purposes of hedging. These financial instruments are assessed at their fair value with variations in value assigned to the Profit and Loss account, except for the financial instruments qualified as "Cash flow hedge", for which the part of the profit or the loss on the hedge instrument considered to constitute an effective hedge is booked directly through equity account under the "other items of the overall result" heading. As far as "Fair value hedges" are concerned, changes in the fair value of the derivatives designated and qualified as fair value hedges are booked in the results account, just like the changes to the fair value of the asset or of the liability hedged, assignable to the hedged risk.

No new contracts have been implemented for coverage rates or changes in 2018. The last IRS contract came to an end in July 2015.

FINANCIAL DEBTS (In thousands of EUR)	Current	Non-current	Total
	Up to 1 year	> 1 year	
Movements on financial liabilities			
On 31.12.2017	178 449	198 682	377 131
Movements of the period			
- New loans	26 406	100 500	126 906
- Reimbursement of loans	-41 769		-41 769
- Entries in the consolidation scope			
- Exits from the consolidation scope	-22 096		-22 096
- Variations from foreign currency exchange	-4	-4	-8
- Short-term/long-term transfer	6 119	-6 119	
- Others	69	46	115
On 31.12.2018	147 174	293 105	440 279

Financial debts

On 31 December 2018, the group indebtedness amounts to 440.28 million Euro compared with 377.13 million Euro at the end of 2017. This increase of 63.15 million Euro is explained by the new borrowings (126.91 million Euro) compensated by the reimbursements of 41.77 million Euro and by the exit of The One Office sold on 20 December 2018 (22.1 million Euro).

The "Non-current financial debts" amount to 293.11 million Euro (net of costs) on 31 December 2018. They include the seven EMTN issued in 2016 (86.1 million Euro) and 2018 (14.5 million Euro), the two "retail bond" type bond tranches issued in 2018 of 30 and 20 million Euro respectively, the two loans relating to the Realex project (35 million transferred from the short term and 10 million contracted in 2018), the loan of Atenor Group Participations (7 million Euro), the long-term loans of Garanti Bank (18.51 million Euro) and CPH (2.14 million Euro), the credit from Hexaten (13 million Euro), the 5 million Euro City Tower credit contracted in March 2017 with Unicredit as well as the MTN's for 52.9 million Euro.

The "Current financial debts" total 147.17 million Euro on 31 December 2018 against 178.45 million Euro at the end of 2017. They include the bond issue of 25 million Euro expiring on 3 December 2019, the two financings contracted in 2018 with the banks BNP Paribas Fortis and Banca Monte Paschi of 10 million Euro each, the CP and MTN amounts outstanding expiring in the FY (96.25 million Euro), the loan granted for the The One project (balance of 1.75 million Euro)

and the 2019 expiries of the Garanti Bank loans granted to NGY (3.48 million Euro) and CPH (0.71 million Euro).

The financial liabilities classified in "Other loans" (248.93 million Euro) concern both the bond issues under the EMTN programme and the "Commercial Papers" as well as "Medium Term Notes" contracted by ATENOR SA in the context of its CP/MTN program marketed by Belfius Bank.

The accounting value of the financial debts correspond to their nominal value, corrected by the costs and commissions for the setting up of these loans and by the adjustment linked to the valuation of the financial derivatives.

Sensitivity analysis on the variation of the interest rates

In the current money market environment, ATENOR considers that short-term debt (CP and bank financing) associated with the short-term rates avoids the volatility of the interest.

The commercial perspectives of our projects and corresponding cash flows do not lead to major interest rate risk.

Therefore, taking into account the structure of the indebtedness of the group and the fixed rates of long-term debt, the sensitivity analysis becomes superfluous. As in previous years, such an analysis will reveal an impact of only little significance.

Subject to events not known on the date of publication of this report, ATENOR intends to repay the MTNs and EMTNs bonds issued at maturity.

DETTES FINANCIERES**Valeur nominale en EUR**

Placement privé d'Emprunt obligataire à 3,5%	03.12.2014 au 03.12.2019	25 000 000
Emprunt obligataire "retail bond" - tranche 1 à 2,875%	05.04.2018 au 05.04.2022	20 000 000
Emprunt obligataire "retail bond" - tranche 2 à 3,50%	05.04.2018 au 05.04.2024	30 000 000
Total emprunts obligataires		75 000 000
Atenor Group Participations		7 000 000
Atenor		22 857 143
Projets	Le Nysdam (via Hexaten)	13 000 000
	The One (via The One Estates)	1 750 000
	Hermès Business Campus (via NGY Properties)	21 989 848
	Realex (via Leaselex)	35 000 000
	Realex (via Immo Silex)	10 000 000
	Vaci Greens E & F (via City Tower)	5 000 000
Total établissements de crédit		116 596 991
Autres emprunts		
CP	2019	84 300 000
MTN	2019	11 950 000
	2020	23 750 000
	2021	18 150 000
	2022	10 500 000
	2026	500 000
EMTN	2021	34 500 000
	2022	18 000 000
	2023	30 000 000
	2024	8 100 000
	2025	10 000 000
Total autres emprunts		249 750 000
TOTAL DETTES FINANCIERES		441 346 991

Caractéristiques principales des émissions obligataires**N° 1 – 2014 – 2019**

- Placement privé d'un emprunt obligataire
- Montant : € 25.000.000
- Intérêt de 3,50 % brut annuel
- Rendement actuariel brut : 3,225 %
- Date d'émission : 03.12.2014
- Date d'échéance : 03.12.2019
- Prix d'émission : 101,25%
- Montant nominal de souscription minimum par obligation : € 100.000 + € 10.000
- Obligation d'une valeur nominale de € 10.000,-
- Obligation non cotée - Code ISIN : BE6274319688
- Sole Manager : Banque Belfius

N° 2 – 2018 – 2022

- Emprunt obligataire « retail bond » - tranche 1
- Montant : € 20.000.000
- Intérêt de 2,875 % brut annuel
- Rendement actuariel brut : 2,476 %
- Date d'émission : 05.04.2018
- Date d'échéance : 05.04.2022
- Prix d'émission : 101,50%
- Obligation d'une valeur nominale de € 1.000,-
- Obligation cotée sur Euronext Brussels
- Code ISIN : BE0002587658
- Sole Manager : Banque Belfius

N° 3 – 2018 – 2024

- Emprunt obligataire « retail bond » - tranche 2
- Montant : € 30.000.000
- Intérêt de 3,50 % brut annuel
- Rendement actuariel brut : 3,152 %
- Date d'émission : 05.04.2018
- Date d'échéance : 05.04. 2024
- Prix d'émission : 101,875%
- Obligation d'une valeur nominale de € 1.000,-
- Obligation cotée sur Euronext Brussels
- Code ISIN : BE0002588664
- Sole Manager : Banque Belfius

Programme EMTN (European Medium Term Notes)

Compte tenu des conditions du marché des capitaux en 2016, ATENOR a procédé à plusieurs émissions obligataires sous forme de « Private Placement » dans le cadre de son programme EMTN. Trois émissions supplémentaires ont été placées au cours du 1^{er} semestre 2018.

Ces émissions visent à renforcer la structure bilantaire d'ATENOR, notamment en augmentant la part de ses engagements à moyen terme. Le produit de ces émissions assure d'une part, le financement de la construction de nouvelles phases en développement et d'autre part, donne à ATENOR les moyens de saisir toute nouvelle opportunité d'acquisition de nouveaux projets.

Ces obligations sont cotées sur Euronext Growth Brussels.

Tranche 1 – 2016 – 2021

- Montant : € 30.000.000
- Valeur nominale de € 100.000,-
- Prix d'émission : 100,00%
- Taux d'intérêt : 3,00 %
- Date de jouissance : 04.10.2016
- Date d'échéance : 04.10.2021
- Cotation sur Euronext Growth Brussels
- ISIN : BE0002261304
- Documentation : suivant Information Memorandum du 07.09.2016 et Final terms du 04.10.2016
- Juste valeur au 31 décembre 2018 : € 30.102.000 (100,34 %)

Tranche 2 – 2016 – 2022

- Montant : € 18.000.000
- Valeur nominale de € 100.000,-
- Prix d'émission : 100,00%
- Taux d'intérêt : 3,125%
- Date de jouissance : 11.10.2016
- Date d'échéance : 11.10.2022
- Cotation sur Euronext Growth Brussels
- ISIN : BE0002263326
- Documentation : suivant Information Memorandum du 07.09.2016 et Final terms du 11.10.2016
- Juste valeur au 31 décembre 2018 : € 17.692.200 (98,29 %)

Tranche 3 – 2016 – 2023

- Montant : € 30.000.000
- Valeur nominale de € 100.000,-
- Prix d'émission : 100,00%
- Taux d'intérêt : 3,50 %
- Date de jouissance : 04.10.2016
- Date d'échéance : 04.10.2023
- Cotation sur Euronext Growth Brussels
- ISIN : BE0002262310
- Documentation : suivant Information Memorandum du 07.09.2016 et Final terms du 04.10.2016
- Juste valeur au 31 décembre 2018 : € 29.775.000 (99,25 %)

Tranche 4 – 2016 – 2024

- Montant : € 8.100.000
- Valeur nominale de € 100.000,-
- Prix d'émission : 100,00%
- Taux d'intérêt : 3,75 %
- Date de jouissance : 11.10.2016
- Date d'échéance : 11.10.2024
- Cotation sur Euronext Growth Brussels
- ISIN : BE0002264332
- Documentation : suivant Information Memorandum du 07.09.2016 et Final terms du 11.10.2016
- Juste valeur au 31 décembre 2018 : € 7.940.430 (98,03 %)

Tranche 5 – 2018 – 2021

- Montant : € 2.000.000
- Valeur nominale de € 100.000,-
- Prix d'émission : 100,00%
- Taux d'intérêt : 2,25 %
- Date de jouissance : 08.02.2018
- Date d'échéance : 08.02.2021

- Non coté
- ISIN : BE6302065725
- Documentation : suivant Information Memorandum du 08.09.2017
- Juste valeur au 31 décembre 2018 : € 1.983.400 (99,17 %)

Tranche 6 – 2018 – 2021

- Montant : € 2.500.000
- Valeur nominale de € 100.000,-
- Prix d'émission : 100,00%
- Taux d'intérêt : 2,125 %
- Date de jouissance : 07.05.2018
- Date d'échéance : 07.05.2021
- Non coté
- ISIN : BE6304538232
- Documentation : suivant Information Memorandum du 08.09.2017
- Juste valeur au 31 décembre 2018 : € 2.504.250 (100,17 %)

Tranche 7 – 2018 – 2025

- Montant : € 10.000.000
- Valeur nominale de € 100.000,-
- Prix d'émission : 100,00%
- Taux d'intérêt : 3,50%
- Date de jouissance : 20.02.2018 pour € 5.000.000,-
- Date de jouissance : 05.04.2018 pour € 5.000.000,-
- Date d'échéance : 20.02.2025 pour les € 10.000.000,-
- Non coté
- ISIN : BE6302277908
- Documentation : suivant Information Memorandum du 08.09.2017
- Juste valeur au 31 décembre 2018 : € 11.385.000 (113,85 %)

Other financial liabilities

The “other non-current” liabilities total 2.46 million Euro on 31 December 2018. They mainly include the down payments received on the apartments of blocks G and H of the Au Fil des Grands Prés project (1.32 million Euro) and the rental guarantees received (0.91 million Euro).

The “Other current financial liabilities” stand at 31.96 million Euro on 31 December 2018, against 37.20 million Euro in 2017. The change in this caption is mainly due to the supplier debts reflecting the states of progress of the projects (-6.67 million Euro) compensated by the increase of 1.43 million Euro in the “other debts” item.

The “Trade payables and other current payables” mature in 2019. They are evaluated at their nominal value, which is a good approximation of their fair value.

Please also refer to note 2 concerning risk management.

Levels of fair value hierarchy:

For each category of financial instrument, ATENOR gives the methods applied to determine fair value.

Level 1: Quoted prices on active markets

For instruments listed on an active market, the fair value corresponds to the price on the closing date

Level 2: (Direct or indirect) observable data, other than quoted prices

Derivatives are valued, if necessary, by a financial institution on the basis of market parameters.

Level 3: Non observable market data

Depending on their maturity, “Financial liabilities” are valued by discounting the flows or at amortised cost on the basis of their effective interest rate, supported by conventions and amounts borrowed.

The “Trade and other payables” are measured on their initial book value, supported by conventions, invoices and amounts paid.

The financial liabilities are also summarised as follow:

In thousands of EUR	2018	2017
Financial liabilities at fair value by means of the profit and loss account		
Financial liabilities valued at amortised cost	474 697	415 193
Total	474 697	415 193

Information on changes in the liabilities arising from financing activities

In thousands of EUR	2017	Cash flows	Non cash movements			2018
			Acquisition / disposal	Variation resulting from exchange rate changes	Variation linked to fair value	
Non-current liabilities bearing interest	198 682	100 546		-4	-6 119	293 105
Current trade and other payables		586			956	1 542
Other non-current liabilities	864	50				914
Current liabilities bearing interest	178 449	-15 294	-22 096	-4	6 119	147 174
Other debts maturing in the year	300	-300				
Total liabilities linked to financial activities	378 295	85 588	-22 096	-8	956	442 735

Refer to the financing operations in the consolidated statement of the cash flows.

NOTE 21 – OTHER CURRENT AND NON-CURRENT LIABILITIES

2018 (In thousands of EUR)	Current		Non-current		TOTAL	Fair value	Valuation
	Up to 1 year	1-5 years	> 5 years				
Other liabilities							
Advance received	114				114	114	level 3
Social debts of which payables to employees	573				573	573	level 3
Taxes	3 891				3 891	3 891	level 3
Accrued charges and deferred income	13 924				13 924	13 924	level 3
Total amount of other liabilities according to their maturity	18 503				18 503	18 503	

2017 (In thousands of EUR)	Current		Non-current		TOTAL	Fair value	Valuation
	Up to 1 year	1-5 years	> 5 years				
Other liabilities							
Advance received	234				234	234	level 3
Social debts of which payables to employees	534				534	534	level 3
Taxes	9 944				9 944	9 944	level 3
Accrued charges and deferred income	3 404				3 404	3 404	level 3
Total amount of other liabilities according to their maturity	14 116				14 116	14 116	

The "Other current and non-current liabilities" are recorded at their nominal value, which is a good approximation of their fair value.

The "Other current liabilities" consist of

- taxes and duties comprising the decrease of 6.05 million Euro compared to the previous year. This item includes the tax to be paid by Rest Island (1.11 million Euro), City Tower (0.66 million Euro) and The One Estate (0.43 million Euro) and the VAT debts (0.91 million Euro). As a reminder, in 2017, this item included the VAT to be paid by HFI (4.66 million Euro) and the VAT to be paid by City Tower (4.64 millions Euro) on the advance billed;

- accruals (13.92 million Euro) that annually record the interest to be imputed linked to the bond issues and other long-term financings of Atenor SA (3.23 million Euro as against 1.65 million Euro on 31 December 2017) and the deferred rents and rental charges of Hexaten, NGY and Haverhill (3.3 million Euro as against 1.6 million Euro at the end of the previous FY). The significant increase in this item is mainly explained by the booking in deferred income of 7 million Euro linked to the guarantees granted in the context of the sale of The One Office.

NOTE 22 – EMPLOYEE BENEFITS

In thousands of EUR	2018	2017
Evolution of the employee benefits		
At the end of the preceding period	476	335
Increase (decrease) of existing provisions	8	1
Other variations	-29	140
At the end of the period	455	476
of which non-current pension obligation	455	476
of which current pension obligation		

In 2018, the employee benefits cover the Group's insurance obligations (IAS 19R).

Until 2014, the post-employment benefit plans are of a "defined benefit" type. From 2015, the new beneficiaries (7 as at 31 December 2018) join a "defined contribution" type plan with legal guarantees of performance. Both types of plan will provide staff with the same benefits upon retirement and in the event of death.

For the "defined benefit" plans, the amount recognised in the balance sheet reflects the present value of the obligations less the fair value of the plan assets.

For the "defined contribution" plan, the pension liability is the amount payable on the valuation date to fund the performance guarantee if all affiliates left the plan on this date or if the plan was repealed on this date.

Given the insignificant part of the plan "defined contribution" in all the plans, the key figures below are aggregated for all the plans.

In thousands of EUR	2018	2017
Statement of financial position		
Present value of the defined benefit obligations	1 379	1 338
Fair value of plan assets	-924	-862
Obligations arising from plans	455	476

In thousands of EUR	2018	2017
Overall profit and loss statement		
Current service costs	102	87
Past service costs		
Interest costs on obligations under plans	24	19
Interest income on plan assets	-16	-14
Administrative fees and taxes	5	7
Defined benefit costs recognized in profit or loss	115	99
Actual (gains)/losses on obligations under plans	-10	154
Actual (gains)/losses on plan assets	-19	-14
Other elements of the overall profit and losses	-29	140
Plans costs	86	239

In thousands of EUR	2018	2017
Present value of the obligation, opening balance	1 338	1 099
Current service cost	102	87
Past service costs		
Financial cost	24	19
Contributions from plan participants	15	14
Actuarial (gains) losses	-10	154
Benefits paid	-52	
Other increase (decrease)	-38	-35
Present value of the obligation, closing balance	1 379	1 338

In thousands of EUR	2018	2017
Fair value of the plan assets, opening balance	862	764
Expected return	16	14
Contributions from employer	107	98
Contributions from plan participants	15	14
Actuarial (gains) losses	19	14
Benefits paid	-52	
Other increase (decrease)	-43	-42
Fair value of the plan assets, closing balance	924	862

In thousands of EUR	2018	2017
Followed assumptions		
Discount rate on 31 December	1,80%	1,80%
Inflation rate	1,75%	1,75%
Salary increases (in addition to the inflation)	0%	0%
Mortality	MR-2/FR-2	MR-2/FR-2

ATENOR GROUP INVESTMENTS STOCK OPTIONS PLANS

On 5 July 2013, the Nomination and Remuneration Committee put in place a stock option plan on ATENOR GROUP INVESTMENTS (AGI) shares. This company, a 100% ATENOR subsidiary, holds a portfolio of 163,427 ATENOR shares of which 150,000 were acquired from ATENOR (own shares) at the price of 31.88 Euro (weighted average of the 3 months prior to the acquisition) and 13,427 resulting from the exercise of the optional dividend proposed by the shareholders at the May 2014 and 2015 general meetings. These shares are AGI's only assets. The options issued on this subsidiary benefit the members of the Executive Committee, staff and some ATENOR service providers.

SOP 2015

39,985 options on AGI shares were issued on 23 February 2015. Their exercise price was fixed, on the favourable opinion of the AGI Auditor, at 16.39 Euro per option, corresponding to their inventory value per AGI share on 31 January 2015, after re-evaluation of the ATENOR share portfolio at 40.526 Euro per share, corresponding to the average of the 20 last closing prices. These options will be exercisable during the periods from 12 to 31 March 2018, 11 to 31 March 2019 and from 9 to 31 March 2020 each time after the publication of the annual results.

25,895 options were exercised in 2018 and were settled in cash. Taking into account the provision of 331 thousand Euro recorded on 31 December 2017, this operation represents an expense of 36 thousand Euro. 7,500 options remain to be exercised.

SOP 2016

40,000 options on AGI shares were issued on March 3, 2016.

Their exercise price was fixed, with the assent of the AGI auditor, at 22.67 Euro by option, corresponding to their asset value per AGI share on January 31, 2016, after revaluation of the ATENOR share portfolio at 44.65 Euro per share, corresponding to the average of the last 20 closing prices. These options will be exercisable during the periods from 11 to 31 March, 2019, 9 to 31 March, 2020 and 8 to 31 March, 2021, after each publication of the annual results.

SOP 2017

39,750 options on AGI shares were issued on March 24, 2017. Their exercise price was fixed, with the assent of the AGI auditor, at 26.08 Euro by option, corresponding to their asset value per AGI share on January 31, 2017, after revaluation of the ATENOR share portfolio at 46.168 Euro per share, corresponding to the average of the last 20 closing prices. These options will be exercisable during the periods from 9 to 31 March, 2020, 8 to 31 March, 2021 and 8 to 31 March, 2022, after each publication of the annual results.

SOP 2018

39,625 options on AGI shares were issued on March 12, 2018. Their exercise price was fixed, with the assent of the AGI auditor, at 31.34 Euro by option, corresponding to their asset value per AGI share on January 31, 2018, after revaluation of the ATENOR share portfolio at 49.33 Euro per share, corresponding to the average of the last 20 closing prices. These options will be exercisable during the periods from 8 to 31 March 2021, 8 to 31 March 2022 or 8 to 31 March 2023 after each publication of the annual results.

The 2015 to 2018 options plans resulted in a total provision of 762 thousand Euro at 31 December 2018.

This valuation is based on the closing price of 51.00 Euro.

We describe in detail the ATENOR GROUP INVESTMENTS "stock options" actually allocated:

ATTRIBUTION IN	2018	2017	2016	2015
Exercise price	€ 31.34	€ 26.08	€ 22.67	€ 16.39
Number of options on 31.12.2014	-	-	-	39.985
Number of options on 31.12.2015	-	-	40.000	36.745
Number of options on 31.12.2016	-	-	36.625	35.820
Number of options on 31.12.2017	-	35,950	34,375	33,395
Number of options on 31.12.2018	35,250	33,850	32,125	7,500
Exercise periods	8 to 31 03.2021	9 to 31 03.2020	11 to 31.03.2019	12 to 31.03.2018
	8 to 31.03.2022	8 to 31.03.2021	9 to 31.03.2020	11 to 31.03.2019
	8 to 31.03.2023	8 to 31.03.2022	8 to 31.03.2021	9 to 31.03.2020
Expiry dates	31.03.2023	31.03.2022	31.03.2021	31.03.2020

On December 31, 2018, ATENOR holds 163,427 treasury shares through its subsidiary AGI acquired at an average price of 40.59 Euro for a total valuation of 6.63 million Euro. These shares are intended to enhance these option plans

ATENOR LONG TERM GROWTH STOCK OPTIONS PLANS

The Nomination and Remuneration Committee approved on 29 August 2018 the implementation of an options plan on

shares of ATENOR LONG TERM GROWTH (ALTG) S.A. In the long term, this company, 100% subsidiary of ATENOR, will hold a portfolio of 150,000 ATENOR shares. These shares are ALTG's only assets. The options issued on this subsidiary benefit the members of ATENOR's Executive Committee, staff and some of its service providers.

NOTE 23 - IFRS 15: INFORMATION

ATENOR has applied the IFRS 15 standard since 1 January 2018 according to the simplified retrospective method. In application of this method, the comparative periods have not been restated and the impact of the change in assessment rule has been directly booked in opening equity (refer to the Consolidated statement of changes in equity – page 83). This impact comes to 1 million Euro net of tax.

Refer to note 1 – point 1 (Accounting basis – page 84) which summarises the standard and point 2.12 (Income from activities – page 88) which defines the principles of the standard applied by the group.

The IFRS 15 standard also requires presentation of information:

– breakdown of the turnover:

Refer to note 3 – Segment reporting – page 92 which breaks down the turnover per geographical area. In 2018, 89% of the turnover, i.e. 76.48 million Euro was made in the “Western Europe” geographical area that covers Belgium, France, the Grand Duchy of Luxembourg and Germany. The contribution of the “Central Europe” area that groups Hungary, Romania and Poland came to 9.4 million Euro in 2018.

Out of a total turnover of 85.89 million Euro, 74.42 million correspond to turnover recognised in advance (of which 29.97 million Euro concern contracts signed before 2018) and 11.47 million Euro to turnover exclusively from the period.

– Assets and liabilities on contracts:

Assets on contracts come to 27.9 million Euro on 31 December 2018 including the advance recognition of the sale of the Buzzcity project (asset on contract of 20.6 million Euro).

Liabilities on contract come to 114 thousand Euro on 31 December 2018.

– The value of the contract portfolio remaining to be executed on the closing date is estimated at 65.7 million Euro spread over the periods 2019 to 2021. This amount mainly includes the advance sale of the Buzzcity project.

NOTE 24 - CONTINGENT LIABILITIES AND DISPUTES

ATENOR's activities consist in the realisation of real estate developments, either directly or through subsidiaries.

ATENOR is faced with the risks and uncertainties inherent in this activity and, in particular, the changes in international economic trends and the markets in which the buildings are constructed, and the changes in the bases of the financial markets, such as interest rates and the volume of funds intended for investment.

The Board of Directors is attentive to the analysis and management of the various risks and uncertainties to which ATENOR and its subsidiaries are subject.

Only one dispute which ATENOR faces is still pending; this situation has not changed at all since the last publications:

We remind you that the company Com.Realty (Michel Pilette) claims a commission on the sale of the TREBEL project signed with the European Parliament following the public call for projects. By a decision handed down on 28 November 2016, the Commercial Court dismissed all of this company's claims against ATENOR. Com.Realty has, however, appealed the decision and the proceedings are still pending on appeal.

ATENOR considers these claims to be unfounded (as confirmed by the decision at first instance) and, accordingly, has not posted any provision in this respect. The hearings will be held in May 2019.

NOTE 25 - SUBSEQUENT EVENTS

– As announced in the press release of 15 January, ATENOR acquired in 50/50 partnership with 3D Real Estate, Dossche Immo SA, owner of a 2.14 ha plot in the Tolpoort shopping street in Deinze city centre. This new investment concerns the development of 31,151 m² of apartments and retail units.

– On 8 March 2019, ATENOR issued a new stock option plan (SOP 2019) for the subsidiary named Atenor Long Term Growth (ALTG).

The options issued on this subsidiary benefit the members of the Executive Committee, personnel and some ATENOR service providers.

This SOP may be exercised during the three following periods: from 8 March to 31 March 2022, from 8 March to 31 March 2023 and from 8 March to 29 March 2024.

No other important event occurring since 31 December 2018 must be noted.

NOTE 26 - RIGHTS AND COMMITMENTS

In thousands of EUR	2018	2017
Guarantees constituted or irrevocably promised by third parties		
Bank guarantees for security deposits ⁽¹⁾	20 979	28 330
Other security deposits received		
Real securities constituted or irrevocably promised by the companies on their own assets		
Mortgages ⁽²⁾		
- accounting value of the buildings mortgaged	86 840	113 486
- amount of the registration	41 396	48 175
- with mortgage mandate	98 719	128 428
- with promise to give mortgage	4 500	12 545
Receivables and other guaranteed amounts	50	8 144
Pledged accounts ⁽³⁾	16 110	11 545
Guaranteed securities	p.m.	p.m.
Other acquisitions or transfer commitments		
Commitments for the acquisitions of buildings ⁽⁴⁾	5 531	12 233
Commitments for the disposals of buildings		26 100
Purchase option on buildings	p.m.	p.m.
Purchase option on surrendered buildings	p.m.	
Commitments and guarantees constituted towards third parties		
Various bank guarantees/other security deposits in solidarity ⁽⁵⁾	31 606	78 772
Lease guarantees	54	54

(1) This item includes the bank guarantees received from contractors within the framework of the projects Vaci Greens (3.71 million Euro), City Dox (2.75 million Euro), Port du Bon Dieu (1.92 million Euro) and The One (1.31 million Euro) as well as rental bank guarantees received (4.91 million Euro).

(2) Mortgages

- in favour of Garanti bank as part of the credit agreement contracted by NGY (maturity: 1 April 2025);
- in favour of Belfius bank as part of the credits relating to the One project (maturity: 4 February 2019);
- in favour of BNPPF bank as part of the credit contracted by Hexaten (maturity: 29 October 2020) and the credits relating to the Realex project (maturity: 30 April 2019);
- in favour of ING bank as part of the Breyne legislation credit agreement for the Au Fil des Grands Prés (zone 2) project and
- in favour of Unicredit bank as part of the credit contracted by City Tower (maturity: 31 March 2020).

(3) Pledged deposits: of which in favour of Belfius (total of 10.96 million on 31 December 2018) as part of The One and La Sucrerie projects, ING (1.11 million Euro) as part of the Au Fil des Grands Prés (zone 2) project and Garanti Bank (3.94 million Euro).

(4) Concerns the outstanding amount to pay on obtaining the permit for the UP-site Bucharest project (5.24 million Euro) and the additional price of the Au Fil des Grands Prés project (zone 1) in Mons (293 thousand Euro).

(5) This entry reflects in particular:

- the completion guarantees for the Au Fil des Grands Prés (blocks A and B pre-sold; 9 millions Euro);
- the joint and indivisible pledge of ATENOR to a maximum of 1.75 million Euro for account of The One Estate (The One project) in favour of the Belfius bank (maturity: 04.02.2019) and a maximum of 4 million Euro for account of City Tower in favour of Unicredit and 5.24 million Euro for account of NOR Residential;
- "Property dealer" guarantees for a total of 3.77 million Euro;

NOTE 27 - PARTICIPATIONS

Company name	Head office	Fraction of the capital directly or indirectly held in %
Subsidiaries consolidated by the full consolidated method		
ALCO BUILDING	B-1310 La Hulpe	100.00
ATENOR FRANCE	F-75008 Paris	100.00
ATENOR GROUP CENTRAL EUROPE	B-1310 La Hulpe	100.00
ATENOR GROUP INVESTMENTS	B-1310 La Hulpe	100.00
ATENOR GROUP PARTICIPATIONS	B-1310 La Hulpe	100.00
ATENOR HUNGARY	H-1138 Budapest	100.00
ATENOR LONG TERM GROWTH	B-1310 La Hulpe	100.00
ATENOR LUXEMBOURG	L-8399 Windhof	100.00
ATENOR POLAND	PL-02678 Warsaw	100.00
ATENOR ROMANIA	RO-020335 Bucharest	100.00
ATENOR TOOLS COMPANY	B-1310 La Hulpe	100.00
BDS UNE FOIS	F-75008 Paris	99.00
BDS DEUX FOIS	F-75008 Paris	100.00
BUILD UP	B-1310 La Hulpe	100.00
CITY TOWER	H-1138 Budapest	100.00
DREWS CITY TOWER	H-1138 Budapest	100.00
FREELEX	B-1310 La Hulpe	90.00
HAVERHILL INVESTMENTS	PL-02678 Warsaw	100.00
HEXATEN	B-1310 La Hulpe	100.00
HF IMMOBILIER	L-8399 Windhof	100.00
HUNGARIA GREENS	H-1138 Budapest	100.00
IMMOBILIERE DE LA PETITE ILE (IPI)	B-1310 La Hulpe	100.00
IMMO SILEX	B-1310 La Hulpe	90.00
LEASELEX	B-1310 La Hulpe	90.00
LUXLEX	L-8399 Windhof	90.00
MONS PROPERTIES	B-1310 La Hulpe	100.00
NGY PROPERTIERS INVESTMENT	RO-020335 Bucharest	100.00
NOR REAL ESTATE	RO-020335 Bucharest	100.00
NOR RESIDENTIAL SOLUTIONS	RO-020335 Bucharest	100.00
REST ISLAND	B-1310 La Hulpe	100.00
THE ONE ESTATE	B-1310 La Hulpe	100.00
VICTORIEI 174 BUSINESS DEVELOPMENT	RO-020335 Bucharest	100.00
WEHRHAHN ESTATE	B-1310 La Hulpe	100.00
Joint ventures companies consolidated by the equity method		
IMMOANGE	B-1160 Brussels	50.00
VICTOR BARA	B-1160 Brussels	50.00
VICTOR ESTATES	B-1160 Brussels	50.00
VICTOR PROPERTIES	B-1160 Brussels	50.00
VICTOR SPAAK	B-1160 Brussels	50.00

THE MAIN CHANGES IN THE CONSOLIDATION SCOPE DURING

2018:

Atenor Long Term Growth S.A. was incorporated on 26 October 2018 by Atenor SA. Its sole asset is formed by a portfolio of Atenor shares.

The French subsidiary, BDS Deux Fois S.A.S. was incorporated on 26 September 2018 by Atenor S.A. It will develop the Bords de Seine 2 project in Bezons.

The Romanian company NOR Residential Solutions SRL was incorporated on 23 November 2018 by ATENOR S.A. It will develop the UP-site Bucharest project in Bucharest (Romania).

The Belgian company Wehrhahn Estate S.A. was incorporated on 14 November 2018 by ATENOR S.A. It will develop the Am Wehrhahn mixed project in Düsseldorf (Germany).

The company Atenor Poland SP. ZO.O. was acquired by ATENOR (100%) during the first half of 2018.

The company Haverhill Investments SP. ZO.O. was acquired by ATENOR during the first half of 2018. It will develop the University Business Center project in Warsaw (Poland).

The Belgian law companies C.P.P.M. S.A. and Namur Waterfront S.A. and City View Tower KFT, Hungarian subsidiary, were liquidated during the period under review following the transfer of their respective assets.

The One Office S.A. and Naos S.A. were sold in 2018 and have therefore been deconsolidated.

NOTE 28 - AUDITOR'S FEES

ATENOR SA's external audit was conducted by the Statutory Auditor MAZARS scrl, represented by Mr Xavier Doyen. Its annual fees came to 48,924 Euro.

The fees for additional ATENOR SA assignments came to 35,900 Euro.

The fees for the audit assignments entrusted to the Mazars company network for the Belgian and foreign subsidiaries came to 111,042 Euro.

The fees for non-audit services were approved by the Audit Committee and came, for 2018, to 84,350 Euro.

STATEMENT BY THE REPRESENTATIVES OF ATENOR

Stéphan SONNEVILLE SA, CEO, President of the Executive Committee and the Members of the Executive Committee of which Mr Sidney D. BENS, CFO, acting in the name of and on behalf of ATENOR SA attest that to the best of their knowledge:

- the consolidated financial statements at 31 December 2018 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and fairly present the assets, financial situation and results of ATENOR and the companies included in the consolidation ⁽¹⁾;
- the management report contains a true reflection of the development of the business, the results and the situation of ATENOR SA and the consolidated companies as well as a description of the main risks and uncertainties which they are confronted with.

(1) Affiliated companies of ATENOR in the sense of Article 11 of the Company Code.

STATUTORY AUDITOR'S REPORT

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF ATENOR SA ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

In the context of our statutory audit of the consolidated financial statements of your company (the "Company") and its subsidiaries (jointly "the Group"), we hereby submit our statutory audit report to you. This report includes our report on the consolidated financial statements, as well as other legal and regulatory requirements. The whole is integrated and is indivisible.

We were appointed as statutory auditor by the general meeting of 27 April 2018, following the proposal formulated by the board of directors and following the recommendation by the audit committee. Our mandate will expire on the date of the general meeting which will deliberate on the consolidated financial statements prepared on 31 December 2020. We have performed the statutory audit of the consolidated financial statements of ATENOR more than 24 consecutive years.

Report on the consolidated financial statements

Unqualified opinion

We have performed the statutory audit of the Group's consolidated financial statements, which comprise the consolidated statement of financial position as at 31 December 2018, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and which show a consolidated statement of financial position total of € 670.764.840 and a profit for the year (share of the group) of € 35.176.728.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and consolidated financial position as at 31 December 2018 and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Our responsibilities under those standards are further described in the Statutory auditor's responsibilities for the audit of the consolidated financial statements section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition in the appropriate period

Reference to annual report: Notes 1, 3, 4

Description of the key audit matter

ATENOR concludes real estate development transactions, in which the results are recognized according to the contractual commitments on the one hand and the degree of completion on the other hand.

Revenues are recognized to the extent that they can be considered as definitively acquired, after deduction of all reasonably foreseeable expenses related to the remaining obligations assumed by ATENOR towards the buyer, in particular in connection with the construction and the letting of the building.

For certain office buildings that are completed or in the process of being completed, the conclusion of leases is part of the real estate development process to enable the sale of these properties under the best conditions. These buildings are held in stock as long as they are held for sale in the normal course of business. Rental income is recorded in the statement of profit and loss.

We considered that the revenue recognition in the appropriate period is a key audit matter due to the specificities and varying degree of complexity of each property development project.

How the matter was addressed in the audit

For each promotion project, our control procedures were designed to understand the substance of the transaction and to assess the compliance of the accounting treatment with the applicable valuation rules and accounting standards. More specifically, if necessary on a sample basis, our work consisted in reading the monitoring reports of the executive committees and the financial reports prepared at the beginning of each project, checking the supporting documents of the budget estimates and the accounting operations carried out, verifying the contractual sales documents, analyzing the discrepancies between the forecast data and the actual data and checking the percentage of completion calculation.

With regard to the rental income and related expenses, our work was also intended to verify that the "incentives" (eg: free rent, ...) granted to tenants were linearized on the duration of lease agreements and that the initial direct costs incurred as lessor in the negotiation and drafting of an operating lease were recognized as an expense over the lease period, on the same basis as rental income.

Risk of execution on unsold projects, in progress or completed

Reference to annual report: Notes 1, 2, 4, 15

Description of the key audit matter

For projects and/or property development units that are not sold, in progress or completed, ATENOR may be required to take into consideration impairment losses in relation to the amounts recognized in inventory or in relation to future expected revenues, because of the inherent risks of the real estate development activity, in particular, changes in the economic and financial market conditions, waiting times for decisions by the administrative authorities, marketing difficulties and risks related to changes in direct and indirect taxation. Impairment losses are estimated on the basis of the net realizable value, which corresponds to the sales prices estimated as part of a normal development process of a real estate project, less the estimated costs at completion and the estimated costs necessary for the sale.

We considered that the identification and evaluation of the risk of execution on unsold, in progress or completed projects is a key audit matter as these estimates use the judgment of the Management, both to identify the projects concerned and to determine the amount of the impairment losses to be taken into consideration.

How the matter was addressed in the audit

Depending on the type of asset (residential apartment, office building, land), we have evaluated the accounting estimates and assumptions used by comparing them with the various external data available, such as the evolution of sale prices and of the sale speed of units sold, the ongoing negotiations, the potential expert reports, the level of rental income, the changes in market capitalization rates according to the regular studies of independent appraisers or the changes in vacancy rates.

Accounting for certain events or significant transactions

Reference to annual report: Notes 3, 4, 6

Description of the key audit matter

During the year, certain significant events or transactions were subject to special verification due to their financial significance and/or the complexity of certain contractual terms that required some judgment in the accounting treatment.

For the year under review, the disposals of The One Office, Buzzcity and Naos projects constitute a key audit matter due to the relative importance of these operations in relation to the operating result (K€ 32,250 or 70%) of the year.

How the matter was addressed in the audit

We have assessed the compliance of the accounting treatment of these significant events or transactions against the applicable framework.

We obtained and reviewed the underlying legal documentation and we verified the effective receipt of the sale prices and the correct recognition of variable elements related to rental and other guarantees.

Responsibilities of the board of directors for the preparation of consolidated financial statements

The board of directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

For the execution of our control, we respect the legal, regulatory and normative framework applicable to the audit of consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.

- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

*

* *

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the director's report on the consolidated financial statements and the other information included in the annual report.

Statutory auditor's responsibilities

In the context of our mandate and in accordance with the Belgian standard (Revised) which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated financial statements and the other information included in the annual report, and to report on these matters.

Aspects related to the directors' report on the consolidated financial statements and to other information included in the annual report

After having performed specific procedures in relation to the directors' report on the consolidated financial statements and the other information included in the annual report, we are of the opinion that this report is consistent with the consolidated financial statements for the year under audit and is prepared in accordance with the article 119 of the Companies' Code.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated financial statements and the other information included in the annual report on the consolidated financial statements is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

Statement related to independence

- Our audit firm and our network did not perform any assignments that are incompatible with the legal audit of the financial statements, and our audit firm remained independent of the company during the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the consolidated financial statements referred to in article 134 of the Companies' Code are correctly disclosed and itemized in the notes to the consolidated financial statements.

Other statements

This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Brussels, 13 March 2019

MAZARS RÉVISEURS D'ENTREPRISES SCRL

Statutory auditor
represented by

Xavier DOYEN

ANNUAL ACCOUNTS

FINANCIAL ANNUAL REPORT 2018

The statutory accounts have been drawn up in compliance with the Belgian accounting standards.

In conformity with article 105 of the Companies Code, the annual statutory accounts of ATENOR SA are presented in a summary form.

The submission of the statutory accounts will be made at the latest thirty days after their approval.

The auditor issued an unqualified opinion on the statutory annual accounts of ATENOR SA

The annual accounts, the management report and the report of the auditor are available upon simple request at the following address:

Avenue Reine Astrid, 92 in B-1310 La Hulpe.

DECLARATION RELATING TO THE CONSOLIDATED ACCOUNTS

The undertaking draws up and publishes the consolidated accounts and a consolidated management report in conformity with the legal arrangements.

ASSETS

In thousands of EUR	2018	2017
Fixed Assets	451 693	425 327
I. Start-up expenses	916	942
II. Intangible assets	94	154
III. Tangible assets	335	175
IV. Financial assets	450 348	424 056
Current Assets	128 012	82 707
V. Amounts receivable after one year	419	4 734
VI. Stocks and orders in the course of execution	47 452	42 812
VII. Amounts receivable within one year	2 847	7 443
VIII. Investments	68 064	26 625
IX. Cash at bank and petty cash	8 876	724
X. Deferred charges and accrued income	354	369
TOTAL ASSETS	579 705	508 034

LIABILITIES

In thousands of EUR	2018	2017
Group capital and reserves	144 481	87 535
I. Capital	57 631	57 631
IV. Reserves	18 451	18 451
V. Accumulated profits	68 399	11 453
Provisions and deferred taxes	4 644	630
VII. A. Provisions for liabilities and charges	4 644	630
Creditors	430 580	419 869
VIII. Amounts payable after one year	209 363	155 491
IX. Amounts payable within one year	211 518	262 725
X. Accrued charges and deferred income	9 699	1 653
TOTAL LIABILITIES	579 705	508 034

INCOME STATEMENT

In thousands of EUR	2018	2017
I. Operating income	38 793	80 521
II. Operating charges	-44 259	-77 580
III. Operating profit (loss)	-5 466	2 941
IV. Financial income	104 907	5 735
V. Financial charges	-29 846	-15 203
VI. Profit (loss) before taxes	69 595	-6 527
VIII. Incomes taxes	-4	-4
IX. Profit (loss) of the financial year	69 591	-6 531
XI. Profit (loss) of the financial year to be appropriated	69 591	-6 531

APPROPRIATION ACCOUNT

In thousands of EUR	2018	2017
A. Profit to be appropriated	81 044	23 564
1. Profit/loss for the financial year	69 591	-6 531
2. Profits brought forward	11 453	30 095
C. Appropriations to equity (-)	0	-138
2. To legal reserve	0	138
D. Profit (loss) to be carried forward (-)	-68 399	-11 453
1. Profit to be carried forward	68 399	11 453
F. Profit to be distributed (-)	-12 644	-11 973
1. Dividends	12 388	11 657
2. Director's entitlements	256	316

VALUATION RULES

- Start-up costs: fully amortised in the year in which they are recorded.
- Intangible assets: added to the balance sheet at their acquisition value. The depreciation is based on the linear method at the rates allowed for tax purposes.
- Tangible assets: added to the balance sheet at their acquisition price or their contribution value.

The depreciation of major assets is based on the linear method at the rates allowed for tax purposes.

Capital assets such as the replacement of furniture or office supplies are fully depreciated in the year of acquisition.

- Financial assets: participations and other securities in portfolio.

In general, our participations are valued at their acquisition value, taking into account the amounts remaining to be released, possibly modified by write-downs and or revaluations made in previous years. This rule is however departed from if the current estimated value is permanently less than the value determined as specified above. In this case, a reduction equal to the observed impairment is recorded.

Losses of value are reversed when a lasting added value is observed on the securities that have been the subject of such a reduction.

The estimated value is fixed objectively for each security individually on the basis of one of the following elements:

- market value (when it is significant);
- subscription value (for recent acquisitions);
- value of the net asset based on the last balance sheet published (*);
- value of the compensation claimed or provided for in the negotiations in progress when it concerns the securities of Zairianised companies;
- other information in our possession in particular enabling the estimation of the risks of various hazards;
- realisation value.

For investments in foreign companies, the conversion into Euro is done at the exchange rate at the end of the year.

The valuation method for each will therefore be used for each security from year to year unless a change in circumstances leads us to opt for another method. In this case, a special mention is made in the annex.

- Stocks:

Properties acquired or constructed for resale are recognised in stocks. They are valued at their higher rate cost price taking into account the percentage of progress of the manufacturing works or services.

This progress percentage represents the ratio of costs incurred and recognised at the reporting date to the total project costs (the budget).

Losses of value are made on the basis of the kind of activity.

- Debts and other creditors: registered at their original value
Losses of value are made where the estimated realisable value is less than the amount of the original receivable as well as in the case of receivables on nationalised assets whose reimbursement has not been made subject to a regulation.
- The valuation of litigation and guarantees is based on the criteria for recovery.
- Cash equivalents: recognised at their nominal value.
- Debts: recognised at their nominal value.

(*) The most commonly used criterion.

RENSEIGNEMENTS GÉNÉRAUX

CARTE D'IDENTITE

ATENOR est une société anonyme.

Le siège social de la société est établi avenue Reine Astrid 92 à B-1310 La Hulpe.

L'article 4 de ses statuts spécifie que la société est constituée pour une durée illimitée.

L'exercice social commence le premier janvier et se termine le trente et un décembre de chaque année.

Les statuts d'ATENOR sont disponibles sur le site www.atenor.be.

SIEGE SOCIAL D'ATENOR

Avenue Reine Astrid, 92

1310 La Hulpe

Belgique

Tél.: +32-2-387 22 99

Fax: +32-2-387 23 16

Courriel: info@atenor.be

Website: www.atenor.be

N° d'Entreprise: 0403 209 303

Numéro de TVA: BE 0403 209 303

COTATION EN BOURSE DU TITRE ATENOR

Euronext Brussels

Code ISIN: BE0003837540

PEA PME permettant aux résidents français d'épargner à des conditions fiscalement attractives.

COTATION EN BOURSE DES OBLIGATIONS ÉMISES PAR ATENOR

Euronext Growth Brussels: obligations 2016-2021 à 3,0 %

Code ISIN: BE0002261304

Euronext Growth Brussels: obligations 2016-2022 à 3,125 %

Code ISIN: BE0002263326

Euronext Growth Brussels: obligations 2016-2023 à 3,50 %

Code ISIN: BE0002262310

Euronext Growth Brussels: obligations 2016-2024 à 3,75 %

Code ISIN: BE0002264332

REUTERS

ATEO.BR

BLOOMBERG

ATEB BB

CALENDRIER FINANCIER ⁽¹⁾

26 avril 2019

Assemblée Générale 2018

Communication relative au dividende

2 mai 2019

Paiement du dividende (sous réserve d'approbation de l'AG)

14 mai 2019

Déclaration intermédiaire du premier trimestre 2019

4 septembre 2019

Résultats semestriels 2019

14 novembre 2019

Déclaration intermédiaire du troisième trimestre 2019

9 mars 2020

Résultats annuels 2019

24 avril 2020

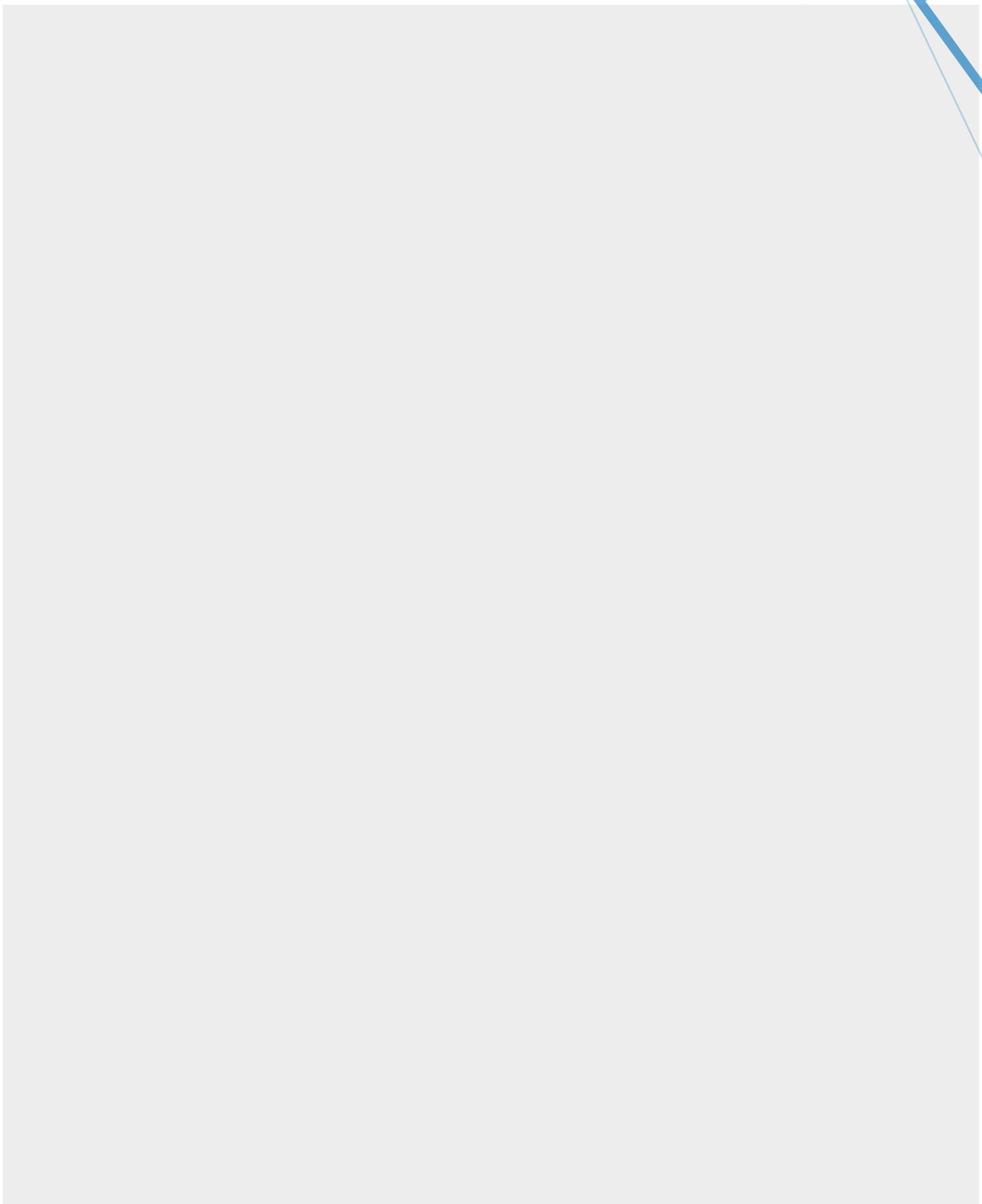
Assemblée Générale 2019

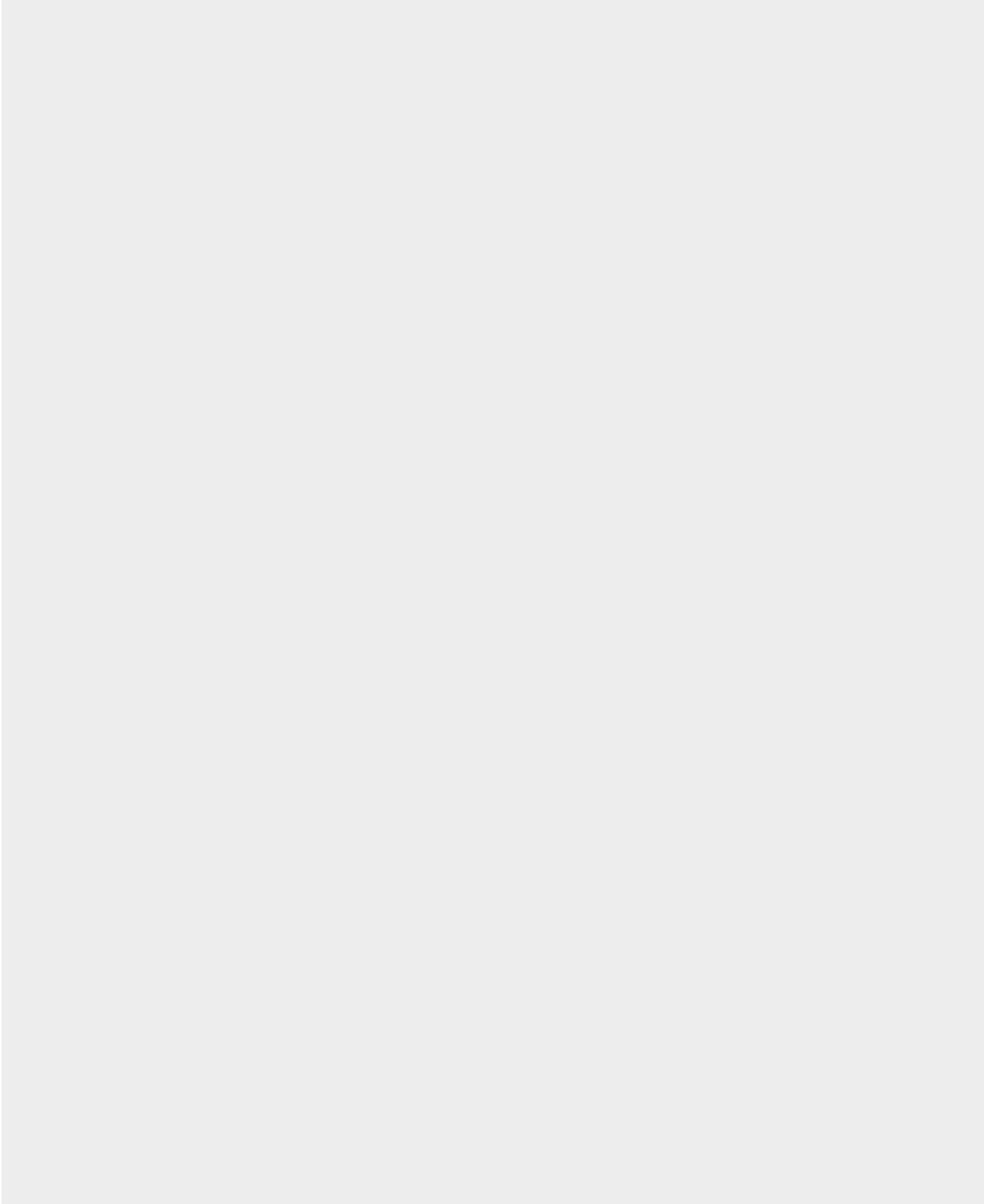
SERVICES FINANCIERS

Le service financier en charge du dividende de l'exercice 2018 (coupon n° 13) est assuré par Euroclear Belgium

Euroclear Belgium, boulevard du Roi Albert II, 1 à 1210 Saint-Josse-ten-Noode

(1) Dates sous réserve de modification









FOR MORE INFORMATION

Avenue Reine Astrid, 92 • 1310 La Hulpe • Belgium • Tel.: +32-2-387 22 99 • Fax: +32-2-387 23 16 • Email: info@atenor.be
Website: www.atenor.be • VAT: BE 0403 209 303 • RPM Nivelles • Investor Relations : Sidney D. Bens, Chief Financial Officer