2010
FINANCIAL REPORT

ATENOR GROUP

Summary

Statement of compliance with the IFRS:

- The consolidated financial statements have been drawn up in compliance with international standards for financial information (IFRS – 'International Financial Reporting Standards') in force as at 31 December 2010 and as approved in the European Union.
- The financial statements give an accurate image of the assets, the financial situation and the profits and losses of the Group.
- The management report contains an accurate explanation of the development of the business, the results and the situation of the Group as well as a description of the principal risks and uncertainties with which it is confronted.

ATENOR GROUP SA is a limited company established for an unlimited time.

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ATENOR GROUP 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.

Management report

to the Annual General Meeting of Shareholders on 22 April 2011

Ladies and Gentlemen,

We have the honour of presenting to you the Management Report of your company's 100th financial year and of submitting for your approval the Annual Accounts as at 31 December 2010, along with our proposals for the allocation of profits.

The consolidated results for 2010 amount to -1.60 million euro, compared with 7.32 million euro in 2009.

Turnover, revenue from the ordinary activities and operational profit (loss)

The turnover amounts to 10.74 million euro. This turnover mainly comprises the CROWNE PLAZA hotel activity (8.71 million euro) and the balance of the sales related to the MEDIA GARDENS project (0.89 million euro).

The operating income amounts to 3.48 million euro and is essentially derived from the sale of our SOUTH CITY OFFICE FONSNY and SOUTH CITY OFFICE BROODTHAERS holdings (€ 9.03 million euro) and the result recorded at the end of the first half of the year in connection with the PRESIDENT project (€1.27 million euro).

The net financial result amounts to 4.44 million euro impacted by the financial charges related to the successful bond issue of 18 January 2010.

Account taken, on the one hand, of the positive operating income derived thanks to the commercialisation of projects from our portfolio and, on the other, the net financial result, ATENOR's **net income** recorded a slight loss of €1.60 million euro.

Net financial indebtedness

As at 2010 December 31, the group has a net financial indebtedness of 46.99 million euro compared with a net financial indebtedness of 71.57 million euro as at 31 December 2009. The bond issue made it possible to reinforce the structure of ATENOR's balance sheet and devote the resources available to the furtherance of the projects in our portfolio in an economic climate in which the financial markets remained troubled.

Own shares

During 2010, ATENOR GROUP acquired 33,580 own shares. As at 31 December 2010, ATENOR GROUP held 154,452 own shares acquired at an average price of 40.60 euro for a total amount of 6.27 million euro. These shares are intended to cover the 2007, 2008, 2009 and 2010 stock option plans.

Projects in our portfolio

Within a context of the slow recovery of the real estate market, we continued cautiously with the development of the projects in our portfolio and also made a targeted acquisition.

In addition, we are continuing with the analysis of various files in keeping with our strategy and the very strict criteria that we set ourselves regarding new acquisitions.

Below, we comment on each of our projects classified according to their degree of advancement.

South City

Location	Rue Fonsny, Brussels Capital Region, Belgium
Project	Real estate project: offices, shops and hotel
Size	40,010 m²

After the sale of the company SOUTH CITY OFFICE FONSNY to the companies L'INTEGRALE and OGEO, last December, we sold the company SOUTH CITY OFFICE BROODTHAERS to the international insurance group ALLIANZ at very favourable market conditions bearing in mind the quality of the two tenants SMALS and SNCB Holding.

The company SOUTH CITY HOTEL, which already had a 20 year operating agreement with the Rezidor group, will complete work on the hotel in the near future enabling the operator to open the hotel on 1st March.

Media Gardens (IDM A and IDM)

Location	Chaussée de Louvain, Brussels, Belgium
Project	Residential housing units
Size	± 28,700 m²

Thanks to the success of the commercialisation by OPTIMA FINANCIAL PLANNERS in 2009 for the first part of the MEDIA GARDENS project, I.D.M. sa, a 100% subsidiary of ATENOR GROUP, received in 2010 the entire net proceeds of these sales amounting to 13.7 million euro.

During the course of 2010, ATENOR GROUP continued the construction of the second part of the MEDIA GARDENS project with a view to delivery of same in May 2011 (block of 75 apartments, which is 6,947 m² entirely sold to the SICAFI (fixed capital real estate investment trust) Aedifica).

UP-site

Location	Between the canal, the place des Armateurs and the quai de Willebroek, Brussels capital region, Belgium.
Project	A combination of housing, shops and office units.
Size	± 80,000 m²

ATENOR GROUP obtained planning permission for the UP-site project in June 2010 and immediately began construction work consolidated by the signing of ad hoc financing. This mixed urban project located next to the canal in Brussels concerns 30,000 m² of offices, 13,000 m² of which have already found occupants (27 year lease signed by SMALS and acquisition signed by UNIZO and SVMB), and over 47,000 m² of housing units. The future 140-meter high (42 floor) residential tower has already established itself as a landmark in this district which is being entirely redeveloped.

Hermes Business Campus (Romania)

Location	Bld Dimitri Pompeiu, 2nd District, Bucharest, Romania
Project	Construction of office buildings
Size	73,644 m²

The urban planning permit for this Romanian project was obtained in 2010.

After demolition work and preparation of the site, infrastructure work began during the last quarter of 2010 and is expected to be completed in September 2011. At the same time, an invitation to tender was issued for the infrastructure work of one of the project's three blocks and closed with a large number of favourable responses from the budgetary point of view. Analysis of these proposals will continue during the period.

In spite of the economic situation in this country, the launch of the commercialisation of the first phase of this project confirmed the intrinsic qualities of the project, although it has not been possible at this stage to predict when these commercial approaches will materialize.

Váci Greens (Hungary)

Location	Váci ut, 13th District, Budapest, Hungary
Project	Construction of office buildings
Size	Phase 1 - 56,000 m²

The urban planning permit for construction of a first block of offices allowing for the development of 15,400 m² was obtained in July 2010. The infrastructure work began after the signing of a contracting contract with CFE Hungary.

The rental market seems to be showing signs of recovery and, in spite of the economic situation in this country, we found the intrinsic qualities of the launch of the commercialisation of the first phase encouraging although at this stage, as with the Romanian market, it is not possible to predict when these commercial approaches will take shape.

We are about to finalise the second acquisition phase of this project whose development may also be phased.

Europa

Location	Rue de la Loi and chaussée d'Etterbeek, Brussels capital region, Belgium
Project	A combination of shops and office units.
Size	± 30,000 m²
Architect	Archi+ I

After numerous discussions with the regional and communal authorities on the application for an urban planning permit made in December 2009, to our great satisfaction, we have learned that a Government Decree relating to the introduction of the implementation of the urban landscape law project, PUL, was published on 16 December 2010. The coordination meetings with the authorities concerned will take place during the 2011 period to determine new parameters of the volume of our construction.

Victor

Location	Rue Blérot – Place Victor Horta, Brussels, Belgium
Project	A combination of shops and office units.
Architects	Atelier de Portzamparc (Paris) and Bureau d'Architecture M. & J-M. Jaspers – J. Eyers & Partners

In partnership (50/50) with CFE, we applied for an urban planning permit in December 2010. Consultation with the competent authorities and major players in the district is under way.

Our architectural scheme for this location has always been densification for obvious reasons of mobility and the reinforcement of the use of public transport.

Port du Bon Dieu

Location	Area known as "Port du Bon Dieu", Namur, Belgium
Project	Housing programme
Size	± 30,000 m²
Architects	Montois Partners Architects & l'Atelier de l'Arbre d'Or
Owner	Namur Waterfront

In June 2008, ATENOR created the company NAMUR WATERFRONT to use it for a project located just outside the city of Namur, on the left bank of the Meuse River. This area is of strategic value in terms of access and mobility given that it is situated not far from the railway station, the city centre and all its facilities. ATENOR has carried out studies for the construction of a residential complex of approximately 12,000 m² featuring the most pertinent ecological elements. Following a Region-City agreement, a regional development plan (SAR) is soon expected to be adopted, permitting submission of an application for an urban planning permit.

Trebel

Location	Corner of rue Belliard and rue de Trèves in Brussels, Belgium.
Project	Offices building
Size	± 17,000 m²

Finally, ATENOR GROUP has made a new acquisition in the European district of Brussels.

Reflection is under way with a view to proposing a project for this plot of land situated along rue Béliard and rue de Trèves in keeping with the changing environment.

OPA Westland Shopping Center

The public offer on the Westland Shopping Center 1980 was countered by a public offer issued by the AGEAS group.

Event after the closing date

On 1st February 2011 ATENOR GROUP issued a total of 53,200 options on own shares intended for members of the Management and the Staff.

Prospects for the full year 2011

In view of the quality of its diversified portfolio and its cash situation, ATENOR GROUP is in a good position to pursue the development of its projects in a market showing the first signs of recovery. The construction and delivery of pre-sold, pre-leased properties in particular is expected to contribute positively to the 2011 results.

Stock Option Plans

Background: the Board of Directors of 3 March 2009 approved a new Stock Option Plan for three years. Therefore as at 2 February 2010 ATENOR GROUP issued a first tranche of 50,000 options on own shares intended for members of the Management and the Staff. These options can be exercised during the periods from 11 March to 11 April 2014 and from 2 to 30 September 2014 at the unit price of € 36.18, i.e. the average closing price of the quotes of the 30 days preceding the issue date.

As at 1st February 2011 ATENOR GROUP issued a second tranche of 53,200 options on own shares intended for members of the Management and the staff. These options can be exercised during the periods from 10 March to 10 April 2015 and from 2 to 30 September 2015 at the unit price of € 33.40, i.e. the average closing price of the quotes of the 30 days preceding the issue date.

Application of the International Accounting Standards (IFRS)

The financial information of 2010 has now been agreed and published in accordance with the IFRS standards as adopted in the European Union.

Allocation of profits
(Corporate results of ATENOR GROUP s.a.)

ATENOR GROUP s.a.'s statutory annual accounts show a corporate profit for the tax year of K€ 10,519.

Apart from the operations reflected in the consolidated accounts, the 2010 profits/losses are explained by the covering of the general and structural costs connected with the projects under development.

Your Board proposes you to approve the annual accounts as at 31 December 2010 and allocate the corporate financial year's profit of ATENOR GROUP s.a. as follows:

Profit for the year	K€	10,519
Profit carried forward	K€	44,069
Profit to be allocated	**K€**	**54,588**
Directors' entitlements	K€	170
Capital remuneration	K€	10,077
Profit to be carried forward	**K€**	**44,341**

Proposed dividend

The Board of Directors will propose to the General Assembly of 22 April 2011 the payment, for the financial year 2010, of a dividend of 2.00 euro; i.e. a dividend net of withholding (25%) of 1.50 euro per share and a dividend net of withholding (15%) of 1.70 euro per share accompanied by a VVPR strip.

Subject to approval by the General Assembly, the dividend will be paid as of 29 April 2011.

- Ex date 26 April 2011
- Record date 28 April 2011
- Payment date 29 April 2011

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 under the responsibility of the CFO, in such a way that it has, with a sufficient degree of security, the necessary resources and access to the financial information necessary to draw up the financial statements.

A manual of accounting principles and procedures has been written up; it rather broadly covers the different points falling under the accounting and financial organisation and procedures, among them in particular the accounting principles of the most important operations.

Risk management

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

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

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.

The risks in the process of preparing the financial information are handled in particular through regular communication of the CFO with the different people in charge, a process of generalised double verification, by a programme of tests and verifications carried out by the internal audit, under the responsibility of the Audit Committee, or 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 matched by the Board the 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 targeted tests of the risk areas identified by the Audit Committee.

Regular weekly inspections are organised by the Executive Committee, under the chairmanship of the CEO, to check the key processes leading to the preparation of the accounting and financial information.

The procedures for preparing the group's 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 at 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.

There are managers, procedures and a schedule of regulatory obligations for the purposes of identifying and complying within time limits periodic obligations and other market information.

The information systems relating to the accounting and financial information are the object of adaptations in order to progress with the company's needs.

Performance and quality indicators have been defined and are the object of periodic review. Taking into consideration the procedures in place and their monitoring, the information system is judged to be sufficiently secured.

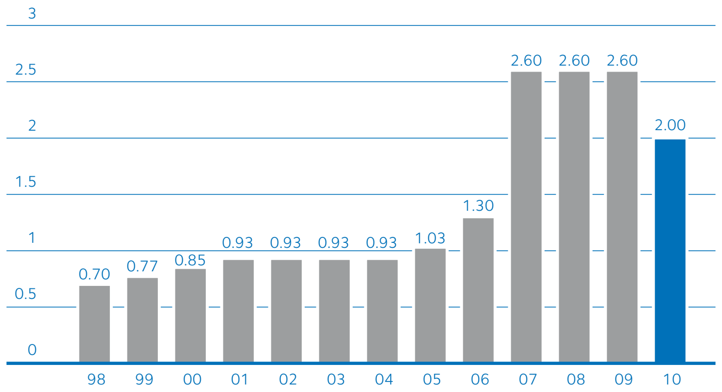
Steering

The group has set up measures 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, covering all aspects of the group and of its risks, the revision of this reporting by the CEO and the CFO working cooperatively, the examination of this reporting by the Audit Committee before presentation and discussion in the Board of Directors, constitute the cornerstone of the steering measure of the system for controlling the financial information.

The preparation 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 published closing of financial statements.

The financial information published periodically is reviewed in advance and analysed by the Audit Committee before being approved by the Board of Directors.

Evolution of the dividend (In EUR)



Principal risks and uncertainties

ATENOR GROUP has holdings in companies performing real estate projects and is also directly involved in real estate promotions.

ATENOR GROUP 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 GROUP and its subsidiaries are subject.

Furthermore, the Board of Directors sets out three identified risks which ATENOR GROUP faces:

- In the context of the tax dispute involving what are known as "Liquidity Companies", which could concern more than 700 companies in Belgium, major charges were brought against certain of the Group's former subsidiary companies. These companies had been sold, several years ago, to investors introduced and recommended to ATENOR GROUP by intermediaries and banking institutions of repute.
- It transpired that these investors might have embezzled the liquidities of the acquired companies and failed to fulfil their tax obligations by not proceeding with any reinvestment as announced.
- In certain cases, these tax disputes, which do not relate to ATENOR GROUP directly, have given rise to criminal complaints or civil proceedings, mainly against the buyers and the intervening banks but also against ATENOR and certain members of its management. ATENOR GROUP, which fully and honestly cooperated in the investigations carried out by the legal and tax authorities, has not committed any fraud either with regard to tax law or to company law, and is confident that its good faith will be acknowledged.
- As regards the PIXEL building in Luxembourg, general contractors Soludec and CIT Blaton issued a summons against ATENOR for reimbursement of penalties for which ATENOR had obtained payment by calling on bank guarantees (K€ 500).
- Within the framework of the President project, there is a dispute between ATENOR GROUP Luxembourg and the general contractors Soludec, CIT Blaton and Van Laere. The latter claim various indemnifications, whereas ATENOR also made a claim in particular for the application of late penalties. A court-ordered expert assessment is under way. ATENOR GROUP Luxembourg has called on bank guarantees made to its benefit. It obtained payment by order of the court on 18 February 2011.

ATENOR GROUP is of the opinion that the claims the Group is facing are unfounded and, consequently, no provision has been made for dealing with these disputes.

Administration Corporate Governance

- Your Board proposes that you give a release from their mandate to the directors and to the auditor for the financial year closed on 31 December 2010.
- Your Board proposes the appointment of Mrs Nadine Lemaitre (by virtue of her management company) in her capacity as independent Director. Her mandate with a duration of three years can be remunerated and will expire at the end of the General Assembly of 2014. Mrs Lemaitre is currently in charge of the "GDF SUEZ UNIVERSITY" and is also a professor at the SOLVAY BUSINESS SCHOOL.

La Hulpe, 25 February 2011

For the Board of Directors.

Consolidated income statement

In thousands of EUR	Notes	2010	2009
Revenue	2 & 3	**10,944**	**35,490**
Turnover		10,743	34,687
Property rental income		201	802
Other operating income	2 & 3	**15,291**	**14,208**
Gain (loss) on disposals of financial assets		14,137	12,304
Other operating income		1,154	1,904
Gain (loss) on disposals of non-financial assets			
Operating expenses (-)	2 & 3	**-22,755**	**-37,142**
Raw materials and consumables used (-)		-15,470	-18,534
Changes in inventories of finished goods and work in progress		24,278	22,613
Employee expenses (-)	4	-5,863	-6,037
Depreciation and amortization (-)		-773	-933
Impairments (-)		-451	-322
Other operating expenses (-)	5	-24,476	-33,929
Result from operating activities - EBIT	2 & 3	**3,480**	**12,556**
Financial expenses (-)	6	-5,925	-2,706
Financial income	6	1,480	995
Share of profit (loss) from investments consolidated by the equity method		-440	105
Profit (loss) before tax		**-1,405**	**10,950**
Income tax expense (income) (-)	7	-280	-3,747
Profit (loss) after tax		**-1,685**	**7,203**
Post-tax profit (loss) of discontinued operations			
Profit (loss) of the period		**-1,685**	**7,203**
Attributable to minority interest		-86	-113
Group profit (loss)		-1,599	7,316

In EUR	Notes	2010	2009
Earnings per share			
Number of shares	9	5,038,411	5,038,411
Basic earnings	8	-0.32	1.45
Diluted earnings per share	8	-0.32	1.45
Proposal of gross dividend per share	8	2.00	2.60

In thousands of EUR	2010	2009
Other elements of the overall profit and losses		
Group share result	**-1,599**	**7,316**
Translation adjustments	-1,533	-1,763
Cash flow hedge	114	-9
Overall total results of the group	**-3,018**	**5,544**
Overall profits and losses of the period attributable to third parties	-86	-113

Consolidated balance sheet

Assets

In thousands of EUR	Notes	2010	2009
Non-current assets		**63,535**	**61,317**
Property, plant and equipment	11	20,764	21,302
Investment property	12	1,648	1,656
Intangible assets	10	6,699	5,768
of which goodwill		6,641	5,709
Investments in related parties	16	1	255
Investments consolidated by the equity method	13	9,120	14,662
Deferred tax assets	18	10,502	10,502
Other non-current financial assets	16	14,718	7,089
Derivatives			
Other non-current assets	17	83	83
Current assets		**206,606**	**178,265**
Inventories	15	119,351	95,590
Other current financial assets	16	72,839	13,122
Derivatives	16		63
Current tax receivables	17	1,250	1,881
Current trade and other receivables	17	6,121	54,341
Current loans payments			47
Cash and cash equivalents	17	2,675	2,461
Other current assets	17	4,370	10,759
Total assets		**270,141**	**239,583**

Liabilities and equity

In thousands of EUR	Notes	2010	2009
Total equity		**100,531**	**117,162**
Group shareholders' equity		**101,092**	**117,807**
Issued capital		**38,880**	**38,880**
Reserves		68,483	84,043
Treasury shares (-)	9	-6,271	-5,115
Minority interest		**-561**	**-646**
Non-current liabilities		**114,057**	**46,508**
Non-current interest bearing borrowings	21	99,671	31,036
Non-current provisions	19		470
Pension obligation	22	142	193
Derivatives	21	1,289	2,000
Deferred tax liabilities	18	12,955	12,809
Current liabilities		**55,553**	**75,913**
Current interest bearing debts	21	22,836	56,114
Current provisions	19	2,496	1,972
Pension obligation	22	49	144
Derivatives	21	133	
Current tax payables	21	3,522	3,538
Current trade and other payables	21	21,759	13,706
Other current liabilities	21	4,758	438
Total equity and liabilities		**270,141**	**239,583**

Consolidated cash flow statement (indirect method)

In thousands of EUR	2010	2009
Operating activities		
Profit/loss after tax (excl. discontinued operations)	-1,684	7,203
Result of investments consolidated by the equity method	440	-105
Depreciations (±)	773	933
Write off (±)	451	338
Provisions (±)	-84	-1,141
Translation adjustments (±)	0	0
Profits/losses on assets disposals	-4,884	-12,304
Deferred taxes (±)	236	137
Cash flow	**-4,752**	**-4,939**
Increase/decrease in working capital	**-38,673**	**-20,583**
Cash from operating activities (±)	**-43,425**	**-25,522**
Investments activities		
Acquisitions of intangible and tangible assets	-226	-53
Acquisitions of financial investments	-1,051	-13,379
New loans	-8,665	-268
Subtotal of acquired investments	**-9,942**	**-13,700**
Disposal of intangible and tangible assets	2	
Disposal of financial investments	58,589	
Reimbursement of loans	1,036	6,836
Subtotal of disinvestments	**59,627**	**6,836**
Cash from investment activities (±)	**49,685**	**-6,864**

In thousands of EUR	2010	2009
Financial activities		
Capital increase	0	0
Own shares	-1,102	
New long-term loans	79,250	22,162
Reimbursement of long-term loans	-10,615	
Dividends paid by parent company to its shareholders	-13,318	-12,821
Fees paid to the directors	-170	-150
Cash from financial activities (±)	**54,045**	**9,191**
Changes in scope of consolidation and exchange rate	-374	20
Net cash variation	**59,931**	**-23,175**
Opening value of cash accounts in balance sheet	15,583	38,757
Closing value of cash accounts in balance sheet	75,514	15,583

The sales of financial fixed assets (+ 58.59 million euro) realised in 2010 influenced the investments activities by the following operations:

- the sale of the SOUTH CITY OFFICE FONSNY (40%) investment in June and the SOUTH CITY OFFICE BROODTHAERS (40%) investment in December
- the balance of the sale of the PRESIDENT companies, assigned in 2007, and cashed after the agreement reached with C.R.I. (buyer) in February 2010
- the sale of the investment in the LA MEUTE s.a. company

The "new loans granted" (+ 8.67 million euro) were granted primarily to the subsidiaries consolidated by the equity method, SOUTH CITY HOTEL and IMMOANGE (VICTOR project).

The "Variation of long-term loans" is primarily influenced by the bond issue carried out on 18 January 2010 for an amount of 75 million euro and for a duration of five years (maturity as at 18 January 2015).

Long-term bank financing (6 million euro) was reimbursed during the second half of 2010.

Background: the cash flows in 2009 were significantly impacted by

- the exercise of the option connected to the acquisition of 10% minority interest in the NGY company (Romanian HBC project), an amount booked in "Other current liabilities" as at 31 December 2008,
- the rest of the price connected with the acquisition of the UP-site project (ex PREMIUM) and
- the setting up of the 50/50 partnership with CFE in the VICTOR project; reimbursement of borrowing and acquisition of financial assets.

Consolidated statement of change in equity

In thousands of EUR	Notes	Issued capital	Hedging reserves	Own shares	Consolidated reserves	Profit/ loss of the period	Cumulative translation adjustments	Minority interests	Total Equity
2009									
Balance as of 01.01.2009		**38,879**	**-429**	**-4,114**	**94,545**	**-**	**-3,004**	**-430**	**125,449**
Profit/loss of the period		-	-	-	-	7,316	-	-113	**7,203**
Other elements of the overall results	(2)	-	-9	-	-	-	-1,763	-	**-1,772**
Total comprehensive income		**-**	**-9**	**-**	**-**	**7,316**	**-1,763**	**-113**	**5,431**
Paid dividends and directors' entitlements		-	-	-	-12,976	-	-	-	**-12,976**
Own shares	(1)	-	-	-1,002	-	-	-	-	**-1,002**
Share based payment		-	-	-	363	-	-	-	**363**
Others		-	-	-	-	-	-	-103	**-103**
Balance as of 31.12.2009		**38,879**	**-438**	**-5,115**	**81,932**	**7,316**	**-4,767**	**-646**	**117,162**
2010									
Balance as of 01.01.2010		**38,879**	**-438**	**-5,115**	**89,248**	**-**	**-4,767**	**-646**	**117,162**
Profit/loss of the period		-	-	-	-	-1,599	-	-86	**-1,685**
Other elements of the overall results	(2)	-	114	-	-	-	-1,533	-	**-1,419**
Total comprehensive income		**-**	**114**	**-**	**-**	**-1,599**	**-1,533**	**-86**	**-3,104**
Paid dividends and directors' entitlements		-	-	-	-12,940	-	-	-	**-12,940**
Own shares	(1)	-	-	-1,156	-	-	-	-	**-1,156**
Share based payment		-	-	-	399	-	-	-	**399**
Others		-	-	-	-	-	-	170	**170**
Balance as of 31.12.2010		**38,879**	**-324**	**-6,271**	**76,707**	**-1,599**	**-6,300**	**-562**	**100,531**

(1) The own shares acquired since 2008 will serve to cover an option plan concerning a total of 300,000 existing shares (Annual Stock option plans issued from 2007 to 2010). See note 9 (Capital) and note 22 (Employee benefits).

(2) In 2008, the group acquired Hungarian and Romanian companies. It has also had a subsidiary in the Czech Republic for many years. ATENOR opted for the use of the local currency as the functional currency in each of these countries. The positive (Czech Republic) and negative (Romania) conversion differences noted in the shareholders' equity were impacted by the changes in these currencies, resulting in a negative impact.
See note 16 (Financial assets) and note 23 (Risk management).
Background: the capital consists of 5,038,411 ordinary shares without designation of nominal value.

Note 1: Principal accounting methods

1. Accounting basis

The consolidated financial statements on 31 December 2010 were prepared in compliance with the IFRS (International Financial Reporting Standards) pronouncements as adopted in the European Union.

All the standards in effect by the IASB on the date of closing were applied; no standard was applied in advance.

The following new interpretations and amendments have been applied, as need be, starting with the 2010 financial year:

- IFRS 3 *Business Combinations* (applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009). This Standard replaces IFRS 3 Business Combinations as issued in 2004.
- Amendment to IAS 27 *Consolidated and Separate Financial Statements* (applicable for annual periods beginning on or after 1 July 2009). This Standard amends IAS 27 *Consolidated and Separate Financial Statements* (revised 2003).
- Improvements to IFRS (2008-2009) (normally applicable for annual periods beginning on or after 1 January 2010)
- Amendments to IAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items* (applicable for annual periods beginning on or after 1 July 2009).
- Amendment to IFRS 2 *Share-based Payment – Group Cash-settled Share-based Payment Transactions* (applicable for annual periods beginning on or after 1 January 2010).
- IFRIC 17 *Distributions of Non-cash Assets to Owners* (applicable for annual periods beginning on or after 1 November 2009).

These new amended interpretation did not have any impact on the consolidated financial results of ATENOR GROUP.

In addition, ATENOR GROUP did not apply the new and amended standards and interpretation that enter into force after 31 December 2010 in advance, that is:

- IFRS 9 *Financial Instruments* (applicable for annual periods beginning on or after 1 January 2013).
- Improvements to IFRS (2009-2010) (normally applicable for annual periods beginning on or after 1 January 2011).
- Amendment to IFRS 7 *Financial Instruments*: Disclosures – Derecognition (applicable for annual periods beginning on or after 1 July 2011).
- Amendment to IAS 24 *Related Party Disclosures* (applicable for annual periods beginning on or after 1 January 2011). This Standard supersedes IAS 24 *Related Party Disclosures* as issued in 2003.
- Amendments to IAS 32 Financial Instruments: Presentation – *Classification of Rights Issues* (applicable for annual periods beginning on or after 1 February 2010).
- IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments* (applicable for annual periods beginning on or after 1 July 2010).
- Amendment to IFRIC 14 IAS 19 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction – Prepayments of a Minimum Funding Requirement* (applicable for annual periods beginning on or after 1 January 2011).

The future application of these new standards and interpretations will not have a significant impact on the consolidated financial statements of ATENOR GROUP in the current state of the analyses performed.

The consolidated financial statements of the Group were made up by the Board of Directors on 25 February 2011.

2. Consolidation principles and significant accounting principles

The consolidated financial statements include the financial statements of ATENOR GROUP s.a. 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 shares (IAS 16).

The grounds, 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 assets 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 from 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 amortised over the economic service life or, if it is shorter, over the duration of the lease.

2.2 Investment properties

The assets held in this entry represent the properties held to gain rental income or properties let 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 GROUP has opted 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 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 over 33 years.

2.3 Intangible assets

The intangible fixed assets, other than goodwill, are evaluated initially at cost. The intangible fixed assets are booked into the accounts 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 other than goodwill primarily include the software programs.

The intangible fixed assets are 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 (-)".

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. Each year ATENOR GROUP carries out a depreciation test consisting of allocating a recoverable value to each 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 are not "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.

Depreciation of the 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 or their sale.

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 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. If the recoverable value of an asset (cash generating unit) is estimated to be less than its accounting value, the accounting value of the asset (cash generating unit) is reduced to its recoverable value. A loss of value is immediately entered into the profit and loss accounts.

When a loss of value is recovered later, the accounting value of the asset (cash generating unit) 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 (cash generating unit) in the course of previous financial years.

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

ATENOR GROUP's activities in the real estate field 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 inventories are valued at the lowest at cost and the net marketable value. The costs of acquisition and transformation include among other things the value of the inventories.

The buildings, grounds and construction that are the object of a real estate project are also booked in the inventories in this way constituting a single category of assets intended for realisation. They are valued at their cost price including the direct and indirect charges imputable to the estimated period of construction, including if applicable the borrowing costs (IAS 23).

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 GROUP 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 an area of critical judgement.

The provisions for restructuring are booked in the accounts when the Group has adopted a formalised and detailed plan for restructuring that was the subject of a public announcement to the parties affected by the restructuring before the date of closing.

Insofar as risks and undertakings are concerned for which an actual disbursement is disputed and judged not very probable, ATENOR GROUP will provide qualitative indications in note 23.

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 incorporated into 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 loans contracted specifically in order to obtain the related asset.

ATENOR GROUP 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, subject to the cost of loans connected to qualified assets (see note concerning the borrowing costs).
- 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 risks

The Group has foreign assets and considers the currency of each country the "functional" currency in terms of IAS 21. This and EC regulation 1126/2008 of 15.10.2008 handle 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 GROUP 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.

It is of course understood that an abandoned 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.

2.11 Segment reporting

The segment reporting is based, both for internal and external communication, on a single activity criterion, namely, project development in the area of real estate promotion.

ATENOR GROUP exercises its main activity of developing real estate promotion projects essentially in the area of office and residential buildings with relatively homogeneous characteristics and similar viability and risk profiles.

ATENOR GROUP has no organised activity by geographic markets. The internal and external reporting of ATENOR GROUP does not refer to a geographical segmentation either.

2.12 Income from activities

ATENOR GROUP 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 or to be completed in the future.

Income is recognised to the extent that it can be considered contractually as definitively acquired with deduction of all reasonably foreseeable charges associated with the obligations assumed by ATENOR GROUP in respect of the acquirer, in particular as regards the construction and the letting of the building.

If necessary, in application of the above-mentioned principles, the share of income from a real estate transaction related to the land is immediately acknowledged in the results from the moment that the transfer to the purchaser of control and/or the risks and advantages associated with the land is substantially realised and an identifiable part of the income can be attributed to it.

The land share is evaluated in accordance with the parameters of the market and the contract.

The share of income attributable to construction shall appear in the result in accordance with the progress report of works as the risks and benefits are transferred to the buyer.

These accounting principles are implemented in the light of the principles and guidance provided by IFRIC 15 - Agreements for the construction of real estate, or by analogy to IAS 11 (Construction contracts) or IAS 18 (Services contracts) 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, or in application of the principles of IAS 18 applicable to the delivery of goods with recognition of the revenue at the time of the actual transfer of the risks and advantages of ownership of the properties to the buyer.

2.13 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 (or applied to a large extent) at the date of closing.

The deferred taxes are recognised in the differences between the net accounting value of the assets and liabilities in the financial statements and their corresponding fiscal value. Deferred tax liabilities are acknowledged on all taxable time differences whereas deferred tax assets are acknowledged to the extent that there are convincing indications that future taxable profits will be available to use these deferred tax assets.

At each closure date, ATENOR GROUP reestimates the deferred tax assets that have or have not been booked, on the basis of indications of the future viability of the companies concerned.

The book value of the deferred tax assets is reduced or limited to the extent where it is no longer probable that sufficient taxable profits will be available in the future to make it possible to cover all or part of these assets.

The deferred taxes are calculated at the tax rates in force.

At the time of the original recognition of an asset (an acquisition) which is burdened with a taxable temporary difference, a deferred tax is entered in the accounts if this taxable difference arises either at the time of a regrouping of companies (business combination) or at the time of a transaction which gives rise to the establishment of a profit or a loss. The standard (IAS 12) prohibits recognising a deferred tax in other cases, in particular at the time of an acquisition of assets that do not constitute a "business" (above 2.4).

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, 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 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 pension obligations recognised in the balance sheet represent the current value of the fixed benefits, corrected with the actuarial earnings and losses, less the cost of past services not recognised and less the real value of the assets of the plan.

Actuarial earnings and losses that exceed ten per cent of the highest updated value between the obligation of the Group concerning fixed benefits and the real value of the assets of the plan, are taken up in losses and profits on the duration of the average remaining life expectancy of the employees participating in the plan.

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 shares, and for which the payment is made in the form of the company's shares. In compliance with the transition terms, the standard IFRS 2 was not applied to allocations before 7 November 2002.

In general, for payments in shares to which IFRS 2 is applicable, the fair value of benefits of employees 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. 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 on below.

- The deferred tax assets are booked only to the extent that is probable that they could be imputed in the future to a taxable profit.
- 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.
- 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 to the end 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.
- ATENOR GROUP is involved as a defendant in several judicial proceedings whose well-foundedness the company disputes and that in its opinion should not give rise to an actual significant disbursement for the Group and consequently do not give rise to the setting aside of provisions.

Note 2: Segment reporting

In thousands of EUR	2010	2009
Revenue	10,944	35,490
Other operating income	15,291	14,208
Purchases and changes in inventories	8,808	4,080
Employee expenses	-5,863	-6,037
Depreciation and impairments	-1,224	-1,255
Other operating expenses	-24,476	-33,929
Result from operating activities EBIT	**3,480**	**12,556**
Net interests	-4,445	-1,710
Result of investments consolidated by the equity method	-440	105
Income taxes	-280	-3,747
Profit (loss) after tax	**-1,685**	**7,203**
Discontinued operations	0	0
Net result	**-1,685**	**7,203**

The activities of ATENOR GROUP form one single sector (Real Estate), within which the real estate development and promotion projects are not differentiated by nature or by geographic area.

In thousands of EUR	Notes	2010	2009
EBITDA	(1)	4,704	13,811
Current cash flow	(2)	-545	7,318
Assets		**270,141**	**239,583**
of which investments consolidated by the equity method		9,120	14,662
Liabilities		**169,610**	**122,421**

(1) EBIT + depreciation and impairments

(2) Net result + depreciation, provision and amortisation + impairments on discontinued operations

The primary segmentation (Real Estate) reflects the organisation of the Group's business and the internal reporting supplied by the Management to the Board of Directors and to the Audit Committee. There is no secondary segment.
See Note 1 (Principal accounting methods – Paragraph 2.11).

The activity report of ATENOR GROUP supplies information on the acquisitions and transfers that have occurred during the financial year.

Note 3: Operating results

In thousands of EUR	2010	2009
Total of the revenue	**10,944**	**35,490**
of which turnover	10,743	34,687
of which investment property rental income	201	802
Total of the other operating income	**15,291**	**14,208**
of which gain (loss) on disposals of financial assets	14,137	12,304
of which other operating income	1,154	1,904
of which gain (loss) on disposals of non-financial assets	0	0
Total of the operating charges	**-22,755**	**-37,142**
Result of operating activities	**3,480**	**12,556**

The 2010 turnover comes primarily from the turnover made by the activity of the Crowne Plaza Hotel (8.71 million euro) and the balance of sales made within the framework of the MEDIA GARDENS project (0.89 million euro).

The operating profit (loss) 2010 is established at 3.48 million euro and comes essentially from sales of the SOUTH CITY OFFICE FONSNY and SOUTH CITY OFFICE BROODTHAERS investments and from the profit released by the PRESIDENT project.

See Note 5 – Other operating expenses.

Background: the 2009 operating profit (loss) included primarily the revenues and operating expenses released by the sale of the MEDIA GARDENS project in I.D.M., by the hotel activity of BRUSSELS EUROPA, by the margin released in ATENOR Luxembourg concerning the PRESIDENT project, by the rents received (I.D.M., IDM A, LAZER IMMO and CITY VIEW TOWER), by the capital gain released within the framework of the sale of the PRESIDENT, by the capital gain released at time of the setting up of the partnership concerning the VICTOR project and by the penalties received within the framework of the PIXEL project.

Note 4: Personnel charges

In thousands of EUR	2010	2009
Wages and salaries	-4,529	-4,724
Social security contributions	-926	-938
Other personnel charges	-408	-375
Total personnel charges	**-5,863**	**-6,037**
Employment in full-time equivalents		
Total employment at the end of the accounting year	101.7	108.0

The whole of the personnel costs decreased slightly by 3% through the application of a rigorous policy concerning personnel management. It will be recalled that in 2009 these costs dropped by 10% in comparison with the preceding financial year.

Note 5: Other operating expenses

In thousands of EUR	2010	2009
Services and other goods	-21,530	-33,974
Provisions (increase/amounts written back)	84	1,141
Other operating charges	-3,019	-1,093
Loss (exchange costs)	-11	-2
Total	**-24,476**	**-33,929**

The line "Services and other goods" is mainly due to fees and services connected with the real estate projects, which are capitalised in stock in the amount of 24.28 million euro via the account "Changes in inventories of finished goods and work in progress" (see the "Consolidated income statement").

Note 6: Financial results

In thousands of EUR	2010	2009
Interest expenses	-5,238	-2,414
Other financial expenses	-687	-292
Interest income	1,434	804
Other financial income	46	192
Total financial results	**-4,445**	**-1,710**

In 2010, the net financial costs amounted to 4.45 million euro, compared with 1.71 million euro in 2009.

This financial result is explained primarily by the financial charges connected with the bond issue issued on 18 January 2010 for an amount of 75 million euro at a rate of 6%. The balance of the financial expenses relates to the financial costs connected with the works on the projects in the portfolio (MEDIA GARDENS, HERMES BUSINESS CAMPUS and VÁCI GREENS).

See also "Consolidated cash flow statement".

Note 7: Income taxes

In thousands of EUR	2010	2009
I. Income tax expense / income - current and deferred		
Income tax expense/income - current		
Current period tax expense	-33	-3,419
Adjustments to tax expense/income of prior periods	-10	-192
Total current tax expense, net	**-43**	**-3,610**
Income tax expense/income - deferred		
Related to the current period	-237	-137
Related to the temporary differences	-	-
Reversal of deferred tax	-	-
Related to prior exercises (tax losses)	-	-
Total deferred tax expense	**-237**	**-137**
Total current and deferred tax expense	**-280**	**-3,747**
II. Reconciliation of statutory tax to effective tax		
Profit before taxes	-1,405	10,950
Statutory tax rate	33.99%	33.99%
Tax expense using statutory rate	**478**	**-3,722**
Adjustments to		
- current tax of prior periods	-	-201
- non-taxable revenues	6,531	4,182
- non-tax deductible expenses	-245	-467
- recognising deferred taxes on previously unrecognised tax losses	337	442
- on registering of deferred taxes referring to prior exercises (tax losses)	-	-
- deferred taxes	-	-
- tax computed on other basis	314	135
- losses for the year	-7,588	-4,089
- other increase/decrease in tax charge	-107	-27
Tax expense using effective rate	**-280**	**-3,747**
Profit before taxes	-1,405	10,950
Effective tax rate	n.a.	n.a.

In 2010, the consolidated accounts of ATENOR GROUP registered deferred taxes (235 thousand euro) calculated on the operating result of the hotel managed by BRUSSELS EUROPA.

Background: in 2009, the gross contribution of the sale of the MEDIA GARDENS (I.D.M.) project to the operating result of 2009 was subject to the companies tax.

In 2009, the operating result of I.D.M. amounted to 10.30 million euro. After deduction of the tax burden (3.27 million euro), in 2009 I.D.M. contributed to the net result group share in the amount of 7.02 million euro.

Note 8: Profit and dividend per share

Number of shares profiting from the dividend	5,038,411
Basic earnings per share (in euros)	-0.32
Profit per share (in euros)	-0.32
Amount of dividends distributed after the closing date (in thousands of euros)	10,076.82
Gross dividend per share (in euros)	**2.00**

The result per share is obtained by dividing the "Group share" result by the number of shares in circulation as at 31 December 2010 (5,038,411 shares).

The gross dividend proposed at the Annual General Meeting of 22 April 2011 will amount to 2.00 euro and will be paid on 29 April 2011. The withholding tax amounts to 25% for ordinary coupons. The shares accompanied by a VVPR strip will benefit from a withholding tax reduced to 15% insofar as the strip is presented (accompanied by the security) before 31.12.2013.

Background: the strips accompanying coupon no. 2 reached maturity as at 31.12.2010. The strips accompanying coupon no. 3 will reach maturity as at 31.12.2011.

In thousands of EUR	2010	2009
Dividends on ordinary shares declared and paid during the period:	-13,318	-12,821

It will be recalled that the final dividend for 2009 was 2.60 EUR (gross), for 2008: 2.60 EUR (gross), for 2007: 2.60 EUR (gross), for 2006: 1.30 EUR (gross) and for 2005: 1.03 EUR (gross).

Note 9: Capital

Structure of shareholders

On 31 December 2010, the structure of shareholding is as follows:

	Number of shares	Holdings %	of which shares forming part of the joined shareholding
TRIS n.v. (1)	604,880	12.01	604,880
SOFINIM n.v. (1)	604,880	12.01	604,880
Luxempart s.a. (1)	523,500	10.39	505,000
ALVA s.a. (1)	504,880	10.02	504,880
Stéphan Sonneville s.a. (1) (2)	259,818	5.16	150,500
Sub-total	**2,497,958**	**49.59**	**2,370,140**
Own shares	154,452	3.06	
Public	2,386,001	47.35	
Total	**5,038,411**	**100.00**	

(1) Signatories of the Shareholders' Agreement
(2) Managing Director, company controlled by Mr Stéphan Sonneville

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.

	Ordinary shares
Movements in number of shares	
Number of shares, beginning balance	5,038,411
Number of shares issued after the 2010 balance sheet date and profiting from 2010 dividend	-
Number of shares, ending balance	5,038,411
- of which issued and fully paid	5,038,411
Number of shares issued after the balance sheet date and profiting from dividend	-
Total of issued shares profiting from 2010 dividend	**5,038,411**

	Amount (in thousands of EUR)	Number of own shares
Movements in own shares		
On 01.01.2010 (average price: € 42.32 per share)	5,116	120,872
Movements during the period:		
- acquisitions	1,155	33,580
- sales	-	-
On 31.12.2010 (average price: € 40.60 per share)	**6,271**	**154,452**

Other information (updated on 31.12.2010)	
Number of own shares reserved in order to cover:	
- stock options plan 2007	47,800
- stock options plan 2008	51,100
- stock options plan 2009	50,600
- stock options plan 2010	46,800
Total of options on shares	**196,300**

Stock options plans:

In accordance with the decision taken by the Remuneration Committee of 13 December 2006 ratified by the Board of Directors on 31 May 2007, ATENOR GROUP, on 3 August 2007, issued a total of 49,300 options on its own shares to various members of the management and staff. The exercise price was set at 42.35 euro which corresponds to the average closing price of the quotes of the 30 days preceding the issue. These options are exercisable during the periods from 28 March 2011 to 22 April 2011, from 01 October 2011 to 31 October 2011 and from 26 March 2012 to 20 April 2012.

In accordance with the decision taken by the Remuneration Committee of 18 December 2007 ratified by the Board of Directors on 03 March 2008, ATENOR GROUP, on 5 May 2008, issued a total of 51,100 options on its own shares to various members of the management and staff. The exercise price was set at 39.17 euro which corresponds to the average closing price of the quotes of the 30 days preceding the issue. These options are exercisable during the periods from 26 March 2012 to 20 April 2012 and from 1 October 2012 to 31 October 2012.

The Board of Directors of 29 May 2009 decided, in conformity with the legislation in effect, to grant an extension of five years to the beneficiaries of the SOP 2007 and 2008, extending the period for exercising the rights (without extension of the period of acquisition of rights) respectively to 22 April 2017 and to 31 October 2017.

In accordance with the decision taken by the Remuneration Committee of 17 December 2008 ratified by the Board of Directors on 3 March 2009, on 20 January 2009 ATENOR GROUP issued on 20 January 2009 a total of 50,600 options on its own shares to various members of the Management and Staff. The exercise price was set at 37.83 euro which corresponds to the average closing price of the quotes of the 30 days preceding the issue. These options are exercisable during the periods from 11 March to 11 April 2013 and from 2 October to 30 September 2013.

The Board of Directors of 3 March 2009 approved a new Stock Option Plan for three years. Therefore as at 2 February 2010 ATENOR GROUP issued a first tranche of 50,000 options on own shares intended for members of the Management and the Staff. These options can be exercised during the periods from 11 March to 11 April 2014 and from 2 to 30 September 2014 at the unit price of € 36.18, i.e. the average closing price of the quotes of the 30 days preceding the issue date.

Attribution in	2010	2009	2008	2007
Exercise price	€ 36.18	€ 37.83	€ 39.17	€ 42.35
Number of options on 31.12.2010	46,800	50,600	51,100	47,800
Exercise periods	11 March to 11 April 2014 2 to 30 September 2014	11 March to 11 April 2013 2 to 30 September 2013	26 March to 20 April 2012 1 to 31 October 2012 26 March to 20 April 2013 1 to 31 October 2013 26 March to 20 April 2014 1 to 31 October 2014 26 March to 20 April 2015 1 to 31 October 2015 26 March to 20 April 2016 1 to 31 October 2016 26 March to 20 April 2017 1 to 31 October 2017	28 March to 22 April 2011 1 to 31 October 2011 28 March to 22 April 2012 1 to 31 October 2012 28 March to 22 April 2013 1 to 31 October 2013 28 March to 22 April 2014 1 to 31 October 2014 28 March to 22 April 2015 1 to 31 October 2015 28 March to 22 April 2016 1 to 31 October 2016 28 March to 22 April 2017
Expiry dates	30 September 2014	30 September 2013	31 October 2017	22 April 2017

We will give the comprehensive details of the "stock options" plans allocated.

The number of options of the SOP 2007, 2008, 2009 and 2010 are part of an option plan concerning a total of 300,000 existing shares. During the year 2010, ATENOR GROUP acquired 33,580 own shares. As at 31 December 2010, ATENOR GROUP held 154,452 own shares acquired at an average price of 40.60 euro for a total amount of 6.27 million euro. These shares are intended to cover the option plans for 2007, 2008, 2009 and 2010.

See also Note 22 (Employee benefits).

Management of the capital:

On 31 December 2010, the amount of equity came to 100.53 million euro, and the balance sheet total amounts to 270.14 million euro.

As an independent developer of real estate projects, ATENOR GROUP is not subject to any requirement concerning capital subject to taxation. ATENOR GROUP hopes to maintain a reasonable ratio between the invested capital that it has and the balance sheet total. The Management, among other things, sees to regularly informing the Board of Directors and the Audit Committee of the development of the balance sheet and its components in such a way as to intentionally limit the average consolidated indebtedness.

ATENOR GROUP's policy aims at maintaining a healthy balance sheet structure.

Note 10: Intangible assets

In thousands of EUR	2010 Goodwill	2010 Software	2010 Total
Movements in intangible assets			
Gross book value as at 01.01.2010	10,169	125	**10,294**
Cumulated depreciations as at 01.01.2010		-66	**-66**
Cumulated losses of value as at 01.01.2010	-4,460		**-4,460**
Intangible assets, beginning balance	**5,709**	**59**	**5,768**
Investments	1,030	25	**1,055**
Retirements and disposals (-)			
Depreciations (-)		-26	**-26**
Impairment (loss) reversal recognised in income			
Foreign currency exchange increase (decrease)	-98		
Other increase (decrease)			
Intangible assets, ending balance	**6,641**	**58**	**6,797**
Gross book value as at 31.12.2010	11,101	138	**11,239**
Cumulated depreciations as at 31.12.2010		-80	**-80**
Cumulated losses of value as at 31.12.2010	-4,460		**-4,460**
Intangible assets, ending balance	**6,641**	**58**	**6,699**

In 2010, ATENOR GROUP paid the last remaining tranche of the price (1 million euro) stipulated within the framework of the UP-site project, on top of the additional price paid in 2009 (2.24 million euro).

Two projects are concerned by the amount taken up in goodwill value (6.64 million euro), that is, the UP-site project (3.24 million euro) and the Váci Greens project (3.40 million euro), both handled at the time, taking their characteristics into consideration, in a regrouping of companies approach (business combination).

For each project, the company has estimated the future updated cash flows that each of these two projects is likely to generate, based on the construction budgets, and assumptions as to the rent and the market return.

The updating of the net cash flows is based on a rate corresponding to the average weighted cost of the company's shareholders' equity.

All the assumptions for the calculations are periodically reviewed by the Management and submitted to the Audit Committee and the Board of Directors. Established on the basis of the best current knowledge of the Group, the "feasibility" studies lead ATENOR GROUP to estimate that the results expected from these two projects should contribute positively to the future results of the group. In conformity with IFRS standards, these impairment tests make it possible to validate the accounting value of the goodwill recorded.

In thousands of EUR	2009 Goodwill	2009 Software	2009 Total
Movements in intangible assets			
Gross book value as at 01.01.2009	7,866	222	**8,088**
Cumulated depreciations as at 01.01.2009		-138	**-138**
Cumulated losses of value as at 01.01.2009	-4,460		**-4,460**
Intangible assets, beginning balance	**3,406**	**84**	**3,490**
Investments	2,303	2	**2,305**
Retirements and disposals (-)			
Depreciations (-)		-27	**-27**
Impairment (loss) reversal recognised in income			
Foreign currency exchange increase (decrease)			
Other increase (decrease)			
Intangible assets, ending balance	**5,709**	**59**	**5,768**
Gross book value as at 31.12.2009	10,169	125	**10,294**
Cumulated depreciations as at 31.12.2009		-66	**-66**
Cumulated losses of value as at 31.12.2009	-4,460		**-4,460**
Intangible assets, ending balance	**5,709**	**59**	**5,768**

Note 11: Property, plant and equipment

In thousands of EUR	Construc-tions in progress	Land and buildings	Plant and equipment	Motor vehicles	Fixtures and fittings	Other property, plant and equipment	Total
2010							
Movements in property, plant and equipment							
Gross book value as at 01.01.2010	35	43,846	2,792	246	2,737	447	**50,103**
Cumulated depreciations as at 01.01.2010		-22,658	-2,735	-194	-2,587	-127	**-28,301**
Cumulated losses of value as at 01.01.2010		-500					**-500**
Property, plant and equipment, beginning balance	**35**	**20,688**	**57**	**52**	**150**	**320**	**21,302**
Acquisitions					103	7	**110**
Acquisitions through business combinations							
Disposals (-)				-1			**-1**
Reclassifications (to) from other items	-35				35		
Reclassifications from/to the "Inventories"							
Disposals through business disposal (-)							
Depreciation expense (-)		-437	-31	-34	-88	-57	**-647**
Foreign currency exchange increase (decrease)							
Adjustments							
Adjustments written back							
Other increase (decrease)							
Property, plant and equipment, ending balance		**20,251**	**26**	**17**	**200**	**270**	**20,764**
Gross book value as at 31.12.2010		43,846	2,716	210	2,789	454	**50,015**
Cumulated depreciations as at 31.12.2010		-23,095	-2,690	-193	-2,589	-184	**-28,751**
Cumulated losses of value as at 31.12.2010		-500					**-500**
Property, plant and equipment, ending balance		**20,251**	**26**	**17**	**200**	**270**	**20,764**

The line "Property, plant and equipment" consists primarily of the land and the building of BRUSSELS EUROPA, currently operated as a hotel under the Crowne Plaza franchise and for which the 2010 depreciation amounted to 0.47 million euro.

In thousands of EUR	Construc-tions in progress	Land and buildings	Plant and equipment	Motor vehicles	Fixtures and fittings	Other property, plant and equipment	Total
2009							
Movements in property, plant and equipment							
Gross book value as at 01.01.2009		43,846	2,792	246	2,774	447	**50,105**
Cumulated depreciations as at 01.01.2009		-22,146	-2,672	-132	-2,569	-77	**-27,596**
Cumulated losses of value as at 01.01.2009		-500					**-500**
Property, plant and equipment, beginning balance		**21,200**	**120**	**114**	**205**	**370**	**22,009**
Acquisitions	35				16		**51**
Acquisitions through business combinations							
Disposals (-)							
Reclassifications (to) from other items							
Reclassifications from/to the "Inventories"							
Disposals through business disposal (-)							
Depreciation expense (-)		-512	-63	-62	-71	-50	**-758**
Foreign currency exchange increase (decrease)							
Adjustments							
Adjustments written back							
Other increase (decrease)							
Property, plant and equipment, ending balance	**35**	**20,688**	**57**	**52**	**150**	**320**	**21,302**
Gross book value as at 31.12.2009	35	43,846	2,792	246	2,790	447	**50,156**
Cumulated depreciations as at 31.12.2009		-22,658	-2,735	-194	-2,640	-127	**-28,354**
Cumulated losses of value as at 31.12.2009		-500					**-500**
Property, plant and equipment, ending balance	**35**	**20,688**	**57**	**52**	**150**	**320**	**21,302**

Note 12: Investment property

In thousands of EUR	2010 Measurement at cost Land	Other Investment property	Total at cost
Movements in investment property			
Gross book value as at 01.01.2010	407	2,476	**2,883**
Cumulated depreciations as at 01.01.2010		-1,227	**-1,227**
Cumulated losses of value as at 01.01.2010			
Investment property, beginning balance	**407**	**1,249**	**1,656**
Additions			
Later expenses			
Disposals (-)			
Losses/recoveries of value			
Foreign currency exchange increase (decrease)	23	70	**93**
Transfers (to) from inventories/owner occupied property			
Depreciation expense (-)		-101	**-101**
Investment property, ending balance	**430**	**1,218**	**1,648**
Gross book value as at 31.12.2010	430	2,616	**3,046**
Cumulated depreciations as at 31.12.2010		-1,398	-1,398
Cumulated losses of value as at 31.12.2010			
Investment property, ending balance	**430**	**1,218**	**1,648**
Other information			
Fair value of appraised investment property			**1,750**

As at 31 December 2010, this category exclusively concerned LAZER IMMO (real estate subsidiary in the Czech Republic).

Under the terms of the IMAG (company of Private Equity sold in 2007) sale agreement, the buyers had a purchase option on all LAZER IMMO shares. This option was not exercised and the group is studying the paths for valuation of this investment.

ATENOR GROUP turned to an independent expert to evaluate the value of the parcel held by LAZER IMMO. This expert report valued the property at around 1.70 million euro.

In thousands of EUR	2009 Measurement at cost Land	Other Investment property	Total at cost
Movements in investment property			
Gross book value as at 01.01.2009	1,778	3,756	**5,534**
Cumulated depreciations as at 01.01.2009		-2,377	**-2,377**
Cumulated losses of value as at 01.01.2009			
Investment property, beginning balance	**1,778**	**1,379**	**3,157**
Additions			
Later expenses			
Disposals (-)			
Losses/recoveries of value			
Foreign currency exchange increase (decrease)	5	21	**26**
Transfers (to) from inventories/owner occupied property	-1,376		**-1,376**
Depreciation expense (-)		-151	**-151**
Investment property, ending balance	**407**	**1,249**	**1,656**
Gross book value as at 31.12.2009	407	2,476	**2,883**
Cumulated depreciations as at 31.12.2009		-1,227	**-1,227**
Cumulated losses of value as at 31.12.2009			
Investment property, ending balance	**407**	**1,249**	**1,656**
Other information			
Fair value of appraised investment property			**1,750**

Note 13: Investments consolidated by the equity method

In thousands of EUR	2010	2009
Investments		
At the end of the preceding period	14,662	-9
Movements during the period	-5,542	14,671
At the end of the period	**9,120**	**14,662**

	Sums due to related parties	Sums due to the group from related parties
IMMOANGE, share of the group: 50%	-	11,198
VICTOR PROPERTIES, share of the group: 50%	-	574
SOUTH CITY HOTEL, share of the group: 40%	-	2,774

In thousands of EUR	Balance sheet total	Inventories	Debts	Result at the end of the period
2010 key figures from financial statements				
IMMOANGE, share of the group: 50%	28,171	2,867	23,512	-3,094
VICTOR PROPERTIES, share of the group: 50%	1,188	-	1,150	-27
SOUTH CITY HOTEL, share of the group: 40%	17,924	16,893	19,065	-494

The investments consolidated by the equity method are the companies for which 50% at most is held, which are the object of joint control.

As at 31 December 2010, SOUTH CITY HOTEL (40%), IMMOANGE (50%) and VICTOR PROPERTIES (50%) are three companies consolidated by the equity method.

Background: ATENOR and CFE pooled their parcels (29 June 2009) in the company IMMOANGE by means of an exchange of shares.

During the 2010 financial year, the companies SOUTH CITY OFFICE FONSNY and SOUTH CITY OFFICE BROODTHAERS (both held 40%) were the object of a sale to institutional investors and due to this no longer appear in the item of companies consolidated by the equity method in 2010.

Note 14: Related parties

Relations between the parent company and its subsidiaries:

The relations between ATENOR GROUP s.a. and its subsidiaries are detailed in Note 26 relating to the structure of the group. Please 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 Managing Director (management company) is defined overall for the role that he takes both on the Board of Directors and directly or indirectly in the Company and its subsidiaries. The total remuneration, both fixed and variable, of the Managing Director is decided by the Nomination and Remuneration Committee on the basis of principles validated by the Board.

This information can be broken down as follows:

- basic remuneration (excluding VAT): 410,000 euro
- variable remuneration (granting based on the year 2010 and invoiced/paid in 2011): There was no variable remuneration for the Managing Director
- total: 410,000 euro
- pension: There were no payments for a pension plan for the Managing Director
- other advantages: no other advantages

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.

ATENOR GROUP includes the principle executives of the group as co-investors in various real estate projects through a policy of partnerships explained in the part of the Annual Report covering Corporate Governance.

For this reason, a miscellaneous debt appears in the liabilities with regard to the Management, considered here as an associated party, for an amount of 1.81 million euro.

During the financial year, neither credit, nor advances, nor options on shares were granted to the Directors except to the Managing Director (31,000 options on shares).

Note 15: Inventories

In thousands of EUR	2010	2009
Net amounts		
Buildings intended for sale	114,958	94,004
of which activations of borrowing costs	3,947	3,189
Other inventories: Brussels Europa	1,593	1,586
Down payment: Trebel project	2,800	
Total net carrying amount	**119,351**	**95,590**

The "Buildings intended for sale" classified in "Stocks" represent the real estate projects in the portfolio and in the process of development. So long as the BRUSSELS EUROPA building remains in operation as a hotel, the assets for this project are classified as "Property, plant and equipment" (see note 11).

The LAZER IMMO building (Czech Republic) is booked in "Investment buildings" (see note 12) and follows its own rules.

The VICTOR and SOUTH CITY HOTEL projects appear indirectly in the balance sheet under the category "Investments by the equity method" (see note 13).

The stock item ("Buildings intended for sale" and "Advance payment") is influenced by

- the additional acquisitions of plots of land in the Municipality of Budapest by CITY TOWER (VÁCI GREENS project - Hungary),
- the development and the studies of projects in the portfolio (MEDIA GARDENS, HERMES BUSINESS CAMPUS, UP-site and TREBEL).

It is explained that the costs of borrowings associated with the Hungarian and Romanian projects have not been capitalised.

Note 16: current and non-current financial assets

In thousands of EUR	Investments in related parties	Other financial investments				Derivatives
		Shares	Securities, other than shares	Loans	Total	
MOVEMENTS IN FINANCIAL ASSETS						
Non-current financial assets						
Beginning balance	**255**		**5**	**7,084**	**7,089**	
Additions (investments)						
Disposals (-)	-254					
Reclassification (to) from other items						
Disposals through business disposal (-)				-1,036	**-1,036**	
Impairment (losses) reversals						
Foreign currency exchange increase (decrease)						
Other increase (decrease)			3	8,662	**8,665**	
Ending balance	**1**		**8**	**14,710**	**14,718**	
Current financial assets						
Beginning balance		**159**		**12,963**	**13,122**	**63**
Acquisitions						
Disposals (-)		-68			**-68**	
Disposals through business disposal (-)						
Impairments (-)						
Other increase (decrease)				59,785	**59,785**	**-63**
Ending balance		**91**		**72,748**	**72,839**	**0**

The "Investments in related parties" have been reduced further to the sale of the investment of the company LA MEUTE. For lack of quotation on an active market, the financial assets are maintained at historical cost if their fair value cannot be determined reliably by a different evaluation technique.

The net value of the CITOBI shares as at 31 December 2010 amounted to 91 thousand euro. The investment of PARADISIO, having been sold on the stock market, released a slightly positive result.

The non-current "Loans" concern the advances granted to the companies consolidated by the equity method SOUTH CITY HOTEL, IMMOANGE and VICTOR PROPERTIES. The advances granted to the SOUTH CITY OFFICE FONSNY and BROODTHAERS companies were reimbursed following the sale of these two investments. As at 31 December 2010, the current "Loans" concern term deposits (more than one month) made with three Belgian banks.

The main financial risks can be summed up as follows:

- **Forex risks**: by virtue of its activities, ATENOR GROUP offers sensitivity to exchange rate variations of the Forint (Hungary), the Leu (Romania) and to a lesser extent of the Czech crown. 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 covering this operational exchange rate risk.

(See Note 1 – Principal accounting methods – paragraph 2.10 – Exchange rate risks).

Save 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 three currencies is booked under translation adjustments. The table below covers the variations of exchange rates 2010/2009.

Exchange rate	Closing rate		Average rate	
	2010	2009	2010	2009
Czech crown - CZK	25.06	26.47	25.27	26.98
Forint (Hungary) - HUF	278.75	270.84	276.79	288.24
Leu (Romania) - RON	4.2848	4.2282	4.2175	4.2560

- **Credit and liquidity risk**: the investments agreed are made through Belgian financial institutions, in particular DEXIA Belgique, ING and Van Lanschot Bankiers, Belgian subsidiary of the Dutch bank benefiting from an "A- stable outlook" rating with S&P.

The nominal value of the investments is very close to their market value.

Derivatives (assets)

ATENOR GROUP uses financial derivative instruments exclusively for the purposes of hedging.

The item "Derivatives" which presented a balance of 63,000 euro in the assets in 2009 are detailed in note 21 (Financial liabilities and payables).

The financial assets are also summarised as follows:

In thousands of EUR	2010	2009
Financial assets at fair value by means of the profit and loss account		
Investments held until their maturity	72,748	12,963
Loans & debts	14,710	7,084
Financial assets available at sale	100	419
Derivatives		63
Total of current and non current financial assets	**87,558**	**20,529**

No financial asset was subject to a guarantee. For more details concerning the "Commitments and contingent liabilities", please refer to note 25.

Within the framework of its project development activities, ATENOR GROUP does not realise any cover on its financial assets.

Levels of fair value hierarchy:

For each category of financial instrument, ATENOR supplies the methods applied to determine fair value.

Level 1: Quoted prices on active markets

Background: the PARADISIO shares were transferred on the stock market during the financial year.

The derivatives are valued by DEXIA bank.

Level 2: Inputs (directly or indirectly) observable data, other than quoted prices

None.

Level 3: Inputs not based on observable market data

All the other financial assets are valued based on their book value, supported by the agreements and/or the amounts paid.

The fair value of the "Other current and non-current assets" (including liquid assets – see note 17) 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.

The fair value of the building appearing in "Investment property" was estimated based on an expert report.

Note 17: Other current and non-current assets

In thousands of EUR	2010 Current	2010 Non-current	2009 Current	2009 Non-current
Trade and other receivables				
Trade receivables, gross	3,662		16,719	
Allowance for bad and doubtful debts	-25		-196	
Other receivables	2,484		37,819	
Total trade and other receivables	**6,121**		**54,341**	
Cash and cash equivalents				
Short-term deposits	274		367	
Bank balances	2,359		2,056	
Cash at hand	42		38	
Total cash and cash equivalents	**2,675**		**2,461**	
Other assets				
Current tax receivables	1,250		1,881	
Other assets	4,370	83	10,759	83
Total other assets	**5,620**	**83**	**12,641**	**83**

The "Trade and other receivables" are valued at their nominal value, which is a good representation of their market value. The investments were made with Belgian financial bodies (DEXIA, ING and Van Lanschot Bankiers).

Background: in 2009, the "Other accounts receivable" primarily concerned the balance of the price for the sale of the PRESIDENT shares (33.91 million euro). The principal debtor of this receivable was HAUSINVEST EUROPA (HIE), subsidiary of C.R.I. (COMMERZ REAL INVESTMENTGESELLSCHAFT). On the date 5 March 2010, ATENOR recorded the payment of this final tranche.

Comment: In note 16 concerning the "Current and non-current financial assets", other cash investments are also booked in the amount of 72.84 million euro. The total of the liquid assets is established at 75.51 million euro.

The payment periods primarily depend upon the conditions agreed by convention at the time of transfers of investments or major assets. The trade accounts payable and other payables do not represent a significant amount of our assets and do not represent any particular risk.

Note 18: Deferred tax assets and liabilities

In thousands of EUR	2010 Deferred tax assets	2010 Deferred tax liabilities	2009 Deferred tax assets	2009 Deferred tax liabilities
Property, plant and equipment		4,608		4,373
Stock of buildings intended for sale		8,211		8,300
Provisions		136		136
Tax losses	10,502		10,502	
Other				
Total deferred taxes related to temporary differences	**10,502**	**12,955**	**10,502**	**12,809**

In compliance with IAS 12, ATENOR GROUP booked deferred tax assets coming from tax carried forward losses and tax credits recorded by ATENOR GROUP, BRUSSELS EUROPA and C.P.P.M.

See Note 7 concerning the deferred taxes recorded in profit and loss.

In thousands of EUR	2010	2009
Total of not booked deferred tax assets	9,653	6,185

The fiscal losses and the tax credits of ATENOR GROUP brought forward were capitalised in the amount of the future estimated taxable profits. The deferred tax assets not recognised amount to 9.65 million euro. The fiscal losses of the real estate companies abroad are recognised only at the time of the evidence of a taxable local basis in a foreseeable future.

In thousands of EUR	Net deferred tax assets	Net deferred tax liabilities	Total
On 01.01.2009	10,478	-12,648	-2,170
Deferred tax expense and income recorded in profit and loss	24	-161	-137
Changes in the deferred taxes recorded in equity			
On 31.12.2009	10,502	-12,809	-2,307
On 01.01.2010	10,502	-12,809	-2,307
Deferred tax expense and income recorded in profit and loss		-237	-237
Changes in the deferred taxes recorded in equity		89	89
On 31.12.2010	10,502	-12,957	-2,455

Note 19: Provisions, risks and contingent liabilities

In thousands of EUR	Guarantee provisions	Other provisions	Total
Provisions (both current and non-current)			
Provisions, beginning balance	**1,948**	**495**	**2,443**
Additional provisions			
Increase (decrease) to existing provisions	681		**681**
Amounts of provisions used (-)	-628		**-628**
Amounts not used but written back (-)			
Increase (decrease) of the discounted amount resulting from the passage of time and the variation of the discount rate			
Other increase (decrease)			
Provisions, ending balance	**2,001**	**495**	**2,496**
Non-current provisions, ending balance			
Current provisions, ending balance	2,001	495	**2,496**

The risks connected with guarantees given or with disputes under way are the object of provisions when the conditions for recognition of these liabilities are met.

The rental "Guarantee provisions" have been adapted as a function of the occupation of the "NYSDAM" noted as at 31 December 2010. The specific guarantee for the "NYSDAM" will reach maturity on 15 September 2011 at the latest.

The commitments and contingent liabilities are described in the note 25 to the financial statement.

Note 20: Disputes

The disputes under way are explained in note 23 describing the Group's risk management.

Note 21: Financial liabilities and payables

	2010				2009			
	Current	Non-current			Current	Non-current		
In thousands of EUR	Up to 1 year	1-5 years	More than 5 years	Total	Up to 1 year	1-5 years	More than 5 years	Total
Derivatives								
Derivatives	**133**	**1,289**	**-**	**1,422**	**-**	**1,147**	**852**	**2,000**
Financial liabilities								
Finance lease								
Credit institutions	4,966	7,000		**11,966**		13,549		**13,549**
Bond isssue		75,000		**75,000**				
Bank overdrafts								
Other loans	17,870	17,671		**35,541**	56,114	12,487	5,000	**73,601**
Total financial liabilities according to their maturity	**22,836**	**99,671**	**-**	**122,507**	**56,114**	**26,036**	**5,000**	**87,150**
Trade and other payables								
Trade payables	7,406			**7,406**	7,632			**7,632**
Advance received	49			**49**	97			**97**
Social debts of which payables to employees	614			**614**	626			**626**
Taxes	3,866			**3,866**	4,171			**4,171**
Other payables	13,346			**13,346**	4,719			**4,719**
Accrued charges and deferred income	4,758			**4,758**	438			**438**
Total amount of trade payables according to their maturity	**30,039**	**-**	**-**	**30,039**	**17,682**	**-**	**-**	**17,682**

Policy of indebtedness and financial risks

The financial risks (credit, liquidity and rates) are explained through the Group's policy on indebtedness.

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 banking partners with top ranking 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 programme of short, medium and long term commercial papers (CP/MTN) and tasked DEXIA Bank with commercialising them to private and public institutional investors. Since that time the Group has followed a policy of active communication in order to inform as widely as possible the actors of the financial markets and alleviate any drying up of the money market and any crisis independent of the situation and the activities of ATENOR GROUP. In addition, a "back up" line of credit has been confirmed by DEXIA Bank (maturity 31 May 2011) in the amount of 15 million euro, making it possible to strengthen the active investors in the Group's programme.

ATENOR GROUP and its subsidiaries take out the financing necessary to successfully complete the construction of real estate projects. This financing is aimed at covering the entire period of construction by making it possible to aim at commercialisation within a reasonable period of time, generally one year, after the end of the works. Within the framework of this financing, the assets in construction and the shares of ATENOR GROUP'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 GROUP may decide to finance its projects directly or to finance the subsidiaries developing the projects.

The financial instruments are evaluated at their fair value with variations of value assigned to the profit and loss account, except for financial instruments classified as “Cash flow hedges” for which the part of the profit or the loss on the hedging instrument that is considered as constituting effective cover is entered directly into equity via the consolidated statement of changes in equity.

Insofar as the “Fair value hedge” is concerned, the changes in the fair value of the derivatives designated and categorised as fair value hedges are entered in the profit and loss account, just as the changes in fair value of the asset or liability hedged imputable to the risk hedged.

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 drawdowns are made for longer durations (from two to five years), the Group takes out 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 drawdowns of 1 to 12 months for the duration of the financing connected 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 represent between 6 and 8% of the total. Consequently the sensitivity to a very strong variation of the short-term rates remains relatively low and limited.

Derivatives (liabilities)

ATENOR GROUP uses financial derivative instruments exclusively for the purposes of hedging.

The item “Derivatives liabilities” thus concerns the fair value of the “Interest rate swaps” (1.29 million euro) contracted by ATENOR GROUP s.a. within the framework of its long-term financing (13.00 million euro). The compensation of the “Cash flow hedges” is booked in the equity (-0.32 million euro). The changes in value of the derivatives categorised as “Fair value hedges” are entered in the profit and loss account but the changes in fair value of the liabilities hedged imputable to the risk hedged (-1.10 million euro) are imputed directly to the financial debts.

Financial debts

The financial liabilities are also summarised as follows:

In thousands of EUR	2010	2009
Financial liabilities at fair value by means of the profit and loss account		
elements designated as such at the time of their initial booking	123,605	88,648
elements designated as being held for transaction purposes (*)	-1,098	-1,498
Financial liabilities valued at amortised cost		
Total	**122,507**	**87,150**

* In 2010, the “fair value” adjustment of the derivatives in liabilities amounted to -1.098 million euro.

The financial indebtedness increased by 35.35 million following the bond issue in the amount of 75 million euro making it possible to reduce the Group’s short term indebtedness.

The “Other loans” (35.54 million euro) mainly concern “Commercial Papers” and “Medium term notes” taken out by ATENOR GROUP s.a. within the framework of its CP/MTN programme commercialised by DEXIA Bank. The book value of the financial debts corresponds to their nominal value, corrected by the fees and commissions for setting up these credits and the adjustment connected with the valuation of the financial derivatives.

Sensitivity analysis on the variation of the interest rates

ATENOR GROUP issued, in January 2010, a bond at a fixed rate (6%) for an amount of 75 million euro. This bond issue made it possible, among other things, to transform short term indebtedness to the long term, leading to a rise in the average annual rate of interest (4.58%) borne by the Group and explaining the increase in the financial charges of the financial year 2010. This decision made it possible to sharply reduce ATENOR’s sensitivity to the fluctuation in interest rates. In effect, the proportion of indebtedness at floating rate amounts to barely 8% (10 million euro) of the total of the financial debts. The variations of rates calculated in the table below show the limited impact of an increase or a decrease in short term interest rates.

Impact of the variation of 1% of the average interest rate of the debt and the impact on the 2011 result	Average variable interest rate	Average interest rate of all the debt	Impact 2011 result (in thousands of EUR)
Average interest rate	1.4383%	4.581%	
Average interest rate + 1%	2.4494%	4.667%	-101
Average interest rate - 1%	0.4272%	4.496%	+101

Financial debts (in EUR)

Bond issue at 6%	**18.01.2010 to 18.01.2015**	**75,000,000**
Credit institutions	**Projects**	
	Europa (*)	7,000,000
	Media Gardens (**)	4,965,600
Total credit institutions		**11,965,600**
Other loans	**Expiry dates**	
CP	2011	18,900,000
MTN	16.03.2012	3,000,000
	29.05.2012	500,000
	25.10.2013	2,250,000
	17.11.2014 (***)	5,000,000
	16.03.2015	2,000,000
	23.07.2015 (***)	5,000,000
Total other payables		**36,650,000**

* Whose maturity is 31.03.2012.
** Whose maturity is 31.12.2011.
*** Structures not reimbursable in 2011 according to the prevailing conditions on the financial markets at the date of publication of the Annual Report.

Trade and other payables

The “Trade and other payables” have a maturity in 2011. Please also refer to note 23 concerning the Risks Management.

The “Accrued charges” are impacted by the interest charges (4.75 million euro).

The “Trade and other payables” are valued at their face value, which is a good approximation of their fair value.

Levels of fair value hierarchy:

For each category of financial instrument, ATENOR supplies the methods applied to determine the fair value.

Level 1: Quoted prices on active markets

The derivatives are valued by DEXIA bank.

Level 2: Inputs (directly or indirectly) observable data, other than quoted prices

None.

Level 3: Inputs not based on observable market data

All the “Financial liabilities” are valued based on their book value, supported by conventions and amounts borrowed.

The “Trade and other payables” are also valued based on their book value, supported by the conventions, invoices and amounts paid.

In thousands of EUR	Current	Non-current	Total
Movements on financial liabilities	Up to 1 year	More than 1 year	
On 31.12.2009	56,114	31,036	**87,150**
Movements of the period			
- New loans	4,417	79,250	**83,667**
- Reimbursement of loans	-42,650	-6,000	**-48,650**
- Short-term/long-term transfer	4,549	-4,549	
- Hedging of fair marketvalue	401		**401**
- Others	5	-66	**-61**
On 31.12.2010	22,836	99,671	**122,507**

Note 22: Employee benefits

In thousands of EUR	2010	2009
Evolution of the employee benefits		
At the end of the preceding period	337	535
Establishment of new provisions		
Transfers to "Liabilities included in disposal groups held for sale"		
Amounts of provisions used or provisions reversed	-146	-198
At the end of the period	**191**	**337**
of which non-current pension obligation	142	193
of which current pension obligation	49	144

In 2008, 2009 and 2010, the employee benefits cover the Group's insurance obligations (IAS 19) as well as the provisions set up on behalf of three people within the framework of their departure from ATENOR GROUP s.a.

SOP 2007

As it will be recalled, in compliance with the decision of the Remuneration Committee of 13 December 2006, ratified by the Board of Directors of 31 May 2007, ATENOR GROUP on 3 August 2007 issued a total of 49,300 options on own shares to various members of the management and staff. The exercise price was set at 42.35 euro which corresponds to the average closing price of the quotes of the 30 days preceding the issue date. These options are exercisable during the periods from 28 March 2011 to 22 April 2011, from 1 October 2011 to 31 October 2011 and from 26 March 2012 to 20 April 2012.

Based on the value of the options on the date of allocation (3 August 2007), the charge was spread over four years prorata temporis. This charge amounted to 31 thousand euro in 2007, 76 thousand euro in 2008, 70 thousand euro in 2009 and 73 thousand euro in 2010. It will be 18 thousand euro in 2011. The valuation of these options was based on the following parameters (source Banque DEGROOF):

- Increasing the dividend: 10%
- Volatility: 24%
- Quotation of reference: 41.30 euro
- Risk-free interest rate: 4.44%.

In compliance with the legislation in force, the Board of Directors of 29 May 2009 decided to grant an extension of five years to the beneficiaries of the SOP 2007 taking the final maturity to 22 April 2017, without extension of the duration of acquisition of rights.

SOP 2008

Moreover, in compliance with the decision of the Remuneration Committee of 18 December 2007, ratified by the Board of Directors of 3 March 2008, ATENOR GROUP issued on 5 May 2008 a total of 51,100 options on own shares to various members of the management and staff. The exercise price was set at 39.17 euro which corresponds to the average closing price of the quotes of the 30 days preceding the issue date. These options are exercisable during the periods from 26 March 2012 to 20 April 2012 and from 1 October 2012 to 31 October 2012.

Based on the value of the options on the date of allocation (5 May 2008), the charge was spread over four years prorata temporis. This charge amounted to 139 thousand euro in 2008, 207 thousand euro in 2009 and 207 thousand euro in 2010. It will be 207 thousand euro in 2011 and 52 thousand euro in 2012. The valuation of these options was based on the following parameters (source Banque DEGROOF):

- Increasing the dividend: 8%
- Volatility: 30%
- Quotation of reference: 50 euro
- Risk-free interest rate: 4.40%.

In compliance with the legislation in force, the Board of Directors of 29 May 2009 decided to grant an extension of five years to the beneficiaries of the SOP 2008 taking the final maturity to 31 October 2017, without extension of the duration of acquisition of rights.

SOP 2009

The Remuneration Committee of 17 December 2008 approved the issuing of the third tranche of the stock option plan intended for members of the staff and the group's employees. This plan proposed on 20 January 2009 concerns a total of 50,600 existing shares and therefore does not give rise to the issue of new shares. These options are exercisable during the periods from 11 March to 11 April 2013 and from 2 September to 30 September 2013 at the unit price of € 37.83, i.e. the average closing price of the quotes of the 30 days preceding the issue date.

Based on the value of the options on the date of allocation (20 January 2009), the charge was spread over five years prorata temporis. This charge amounted to 86 thousand euro in 2009. It will be 94 thousand euro annually from 2010 to 2012 and 23 thousand euro in 2013.

The valuation of these options was based on the following parameters (source Banque DEGROOF):

- Increasing the dividend: 8%
- Volatility: 25.9%
- Quotation of reference: 37.7 euro
- Risk-free interest rate: 2.29%.

SOP 2010

The Board of Directors of 3 March 2009 approved a new Stock Option Plan for three years. Therefore as at 2 February 2010 ATENOR GROUP issued a first tranche of 50,000 options on own shares intended for members of the Management and the Staff. These options can be exercised during the periods from 11 March to 11 April 2014 and from 2 to 30 September 2014 at the unit price of € 36.18, i.e. the average closing price of the quotes of the 30 days preceding the issue date.

Based on the value of the options on the date of allocation (2 February 2010), the charge was spread over five years prorata temporis. This charge amounted to 25 thousand euro in 2010. It will be 27 thousand euro annually from 2011 to 2013 and 7 thousand euro in 2014.

The valuation of these options was based on the following parameters (source Banque DEGROOF):

- Increasing the dividend: 8%
- Volatility: 25%
- Quotation of reference: 37.7 euro
- Risk-free interest rate: 1.64%.

A new stock option plan was issued in February 2011. Please refer to Note 24 concerning the events after the balance sheet date.

Note 23: Risks management

ATENOR GROUP has holdings in companies performing real estate projects and is also directly involved in real estate promotions.

ATENOR GROUP 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 GROUP and its subsidiaries are subject.

Furthermore, the Board of Directors sets out three identified risks which ATENOR GROUP faces:

- In the context of the tax dispute involving what are known as "Liquidity Companies", which could concern more than 700 companies in Belgium, major charges were brought against certain of the Group's former subsidiary companies. These companies had been sold, several years ago, to investors introduced and recommended to ATENOR GROUP by intermediaries and banking institutions of repute.

  It transpired that these investors might have embezzled the liquidities of the acquired companies and failed to fulfil their tax obligations by not proceeding with any reinvestment as announced.

  In certain cases, these tax disputes, which do not relate to ATENOR GROUP directly, have given rise to criminal complaints or civil proceedings, mainly against the buyers and the intervening banks but also against ATENOR and certain members of its management. ATENOR GROUP, which fully and honestly cooperated in the investigations carried out by the legal and tax authorities, has not committed any fraud either with regard to tax law or to company law, and is confident that its good faith will be acknowledged.
- As regards the PIXEL building in Luxembourg, general contractors Soludec and CIT Blaton issued a summons against ATENOR for reimbursement of penalties for which ATENOR had obtained payment by calling on bank guarantees (K€ 500).
- Within the framework of the President project, there is a dispute between ATENOR GROUP Luxembourg and the general contractors Soludec, CIT Blaton and Van Laere. The latter claim various indemnifications, whereas ATENOR also made a claim in particular for the application of late penalties. A court-ordered expert assessment is under way. ATENOR GROUP Luxembourg has called on bank guarantees made to its benefit. It obtained payment by order of the court on 18 February 2011.

ATENOR GROUP is of the opinion that the claims the Group is facing are unfounded and, consequently, no provision has been made for dealing with these disputes.

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 GROUP 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 19 years, ATENOR GROUP 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 GROUP 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 GROUP's results would have to be revised downward as a consequence.

Risk connected with the development activity

Before every project acquisition, ATENOR GROUP 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 GROUP 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 GROUP constitute an important criterion in its strategy. In spite of everything, these choices remain a risk that ATENOR GROUP 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 with which the promoter is confronted. To handle these specific risks, over many years ATENOR GROUP has established systems of control and has employees who are experienced concerning the development of offices and residential units.

Risks connected with urban planning rules

The Group is obligated 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 GROUP has acquired a parcel. Land allocation or the scale authorised could thus be subject to major changes in comparison with the expectations of ATENOR GROUP. 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, it is possible to note delays in the implementation and the start-up of a project. ATENOR GROUP 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 GROUP 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

Since the Group and its subsidiaries produce real estate developments in Belgium, the Grand Duchy of Luxembourg, Romania and Hungary, with relatively little activity in the Czech Republic, they are exposed to risks connected with amendments to the laws relating to direct and indirect taxes in these countries. Concerning 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 precaution provided by ATENOR GROUP in the choice of investors that are candidates for buying a project, and in spite of the attention 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 GROUP's results could be affected.

Note 24: Events after the balance sheet date

The Board of Directors of 3 March 2009 approved a new Stock Option Plan for three years. As at 1st February 2011 ATENOR GROUP issued a second tranche of 53,200 options on own shares intended for members of the Management and the Staff. These options can be exercised during the periods from 10 March to 10 April 2015 and from 2 to 30 September 2015 at the unit price of € 33.40, i.e. the average closing price of the quotes of the 30 days preceding the issue date.

The valuation of these options will be based on the following parameters:

- Increasing the dividend: 5%
- Volatility: 20%
- Quotation of reference: 32.9 euro
- Risk-free interest rate: 2.64%.

See Note 9 (Capital) and Note 22 (Employee Benefits)

On 28 February 2011, ATENOR GROUP acquired 100% of the capital of the company "SA Immobilière de la Petite Ile". As its principal assets this company holds industrial buildings on a ± 5.40 ha parcel of land located in Anderlecht, alongside the Willebroek Canal.

Through this investment, ATENOR affirms its calling as a responsible urban promoter. With regard to the development potential of this parcel, for ATENOR it concerns a major investment that could considerably increase ATENOR's level of activity in the Brussels Region.

No other important event since 31 December 2010 is worthy of mention.

Note 25: Commitments and contingent liabilities

In thousands of EUR	2010	2009
Guarantees constituted or irrevocably promised by third parties		
Bank guarantees for security deposits(1)	7,105	7,991
Other security deposits received	100	100
Real securities constituted or irrevocably promised by the companies on their own assets		
Mortgages (2):		
accounting value of the buildings mortgaged	7,543	3,437
amount of the registration	77	127
with mortgage proxy	17,773	23,723
Guaranteed securities	p.m.	p.m.
Goods and shares held on behalf of third parties		

In thousands of EUR	2010	2009
Other acquisition or transfer commitments		
Commitment for the acquisition of securities (3)		1,000
Commitments for the sale of securities (4)	14,000	14,000
Commitments for the acquisition of buildings (5)	25,425	11,215
Put options held by ATENOR GROUP or its subsidiaries		229
Call options held by ATENOR GROUP or its subsidiaries		6,177
Put options held by third parties		1,800
Purchase option on buildings	p.m.	p.m.
Commitments and guarantees constituted towards third parties		
Various bank guarantees/other security deposits in solidarity (6)	22,337	30,808
Lease guarantees	164	164
Other rights		
Agreement protocol D.R.C.	2,588	2,733

(1) This item includes
- 5.06 million euro bank guarantee for the correct execution of the construction of the PRESIDENT building – In litigation as at 31.12.2010 but paid on 21.02.2011
- The bank guarantees received from contractors within the framework of the UP-site (0.69 million euro), MEDIA GARDENS (block A – 0.73 million euro) and HERMES BUSINESS CAMPUS (0.63 million euro) projects.

(2) Mortgages
- in favour of DEXIA within the framework of the loan taken out by BRUSSELS EUROPA (Maturity: 03.2012) and
- in favour of BNP PARIBAS FORTIS within the framework of the loan taken out by IDM A (Maturity: 12.2011).

(3) Rest of the price paid in 09.2010 within the framework of the UP-site project.

(4) Concerns the selling price of the securities of IDM A (block A of the MEDIA GARDENS project) transferred to AEDIFICA.

(5) Concerns in particular the undertaking for the Europa plots by CONNECTIMMO (9.6 million euro), the acquisitions of Hungarian plots (0.6 million euro) and the TREBEL project (15.1 million euro).

(6) This item covers in particular:
- a bank guarantee of 0.73 million euro (rental income) in favour of HEXATEN within the framework of the transfer of NYSDAM – Maturity: at the latest 15.09.2011 (originally: guarantee of 3 million euro),
- a bank guarantee of 7.95 million for the rental vacancy relating to the PRESIDENT buildings (Maturity: 13.06.2011),
- a joint and several and indivisible surety of ATENOR GROUP in the amount of 7.00 million euro on behalf of BRUSSELS EUROPA in favour of DEXIA (Maturity: 03.2012) and
- an undertaking of 2.45 million euro of ANAPHOR VENTURE within the framework of the transfer of D'SIDE GROUP.

Note 26: Structure of the Group

Company Name	Head Office	Fraction of the capital directly or indirectly held in %
Subsidiaries consolidated by the full consolidation method		
ALCO BUILDING	B-1310 La Hulpe	100.00
ANAPHOR VENTURE	B-1310 La Hulpe	95.95
ATENOR GROUP Central Europe	B-1310 La Hulpe	93.00
ATENOR GROUP Hungary	H-1126 Budapest	100.00
ATENOR GROUP Luxembourg	L-1466 Luxembourg	100.00
ATENOR GROUP Romania	RO-50552 Bucharest	100.00
ATENOR REAL ESTATE	B-1310 La Hulpe	100.00
BRUSSELS EUROPA	B-1040 Brussels	100.00
BRUSSELS EUROPA PROPERTIES	B-1310 La Hulpe	100.00
BUILD UP	B-1310 La Hulpe	100.00
C.P.P.M.	B-1310 La Hulpe	100.00
CITY TOWER	H-1126 Budapest	92.00
CITY VIEW TOWER	H-1126 Budapest	100.00
DREWS CITY TOWER	H-1126 Budapest	100.00
I.D.M.	B-1310 La Hulpe	99.64
IDM A	B-1310 La Hulpe	99.64
LAURENTIDE	B-1310 La Hulpe	100.00
LAZER IMMO Sro	CZ-79661 Prostejov	100.00
NAMUR WATERFRONT	B-1310 La Hulpe	90.00
NGY Properties Investment	RO-11469 Bucharest	93.00
Joint venture companies consolidated by the equity method		
IMMOANGE	B-1160 Brussels	50.00
SOUTH CITY HOTEL	B-1160 Brussels	40.00
VICTOR ESTATES	B-1160 Brussels	50.00
VICTOR PROPERTIES	B-1160 Brussels	50.00
Non-consolidated financial assets		
PLANTADEM	B-1310 La Hulpe	52.42

The main changes of perimeter during 2010:

The company SOUTH CITY OFFICE (consolidated by the equity method – 40%) was split into SOUTH CITY OFFICE FONSNY (SCOF) and SOUTH CITY OFFICE BROODTHAERS (SCOB) with retroactive effect to 1 January 2010. The sales of SCOF and SCOB respectively were finalised on 30 June and 20 December 2010.

As of the date 15 November 2010, within the framework of setting up the structure of the UP-site project, the BUILD UP s.a. company was formed by ATENOR GROUP (75%) and ATENOR GROUP Luxembourg (25%).

Statement by the management

Stéphan SONNEVILLE s.a., CEO, President of the Executive Committee and the Members of the Executive Committee, Mr Sidney D. BENS, CFO, acting in the name of and on behalf of ATENOR GROUP SA attest that to the best of their knowledge,

- The financial situation at 31 December 2010 was prepared in conformity with IFRS standards and provides a faithful image of the assets, of the financial situation and of the profits of ATENOR GROUP and of the enterprises included in the consolidation [1];
- This annual report[2] contains a true statement of the development of the activities, income and situation of the ATENOR GROUP and companies it comprises as well as a description of the main risks and uncertainties it faces.

(1) Affiliated companies of ATENOR GROUP in the sense of article 11 of the Company Code
(2) Formulated in conformity with IFRS norms.

Report of the Auditors

To the general shareholders' meeting on the consolidated financial statements of ATENOR GROUP sa/nv as of and for the year ended 31 December 2010

In accordance with the legal requirements, we report to you in the context of our appointment as statutory auditors. This report includes our opinion on the consolidated financial statements as well as the required additional statements and information.

Unqualified opinion on the consolidated financial statements

We have audited the consolidated financial statements of ATENOR GROUP SA/NV and its subsidiaries (the "Group") as of and for the year ended 31 December 2010, prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal and regulatory requirements applicable to quoted companies in Belgium. These consolidated financial statements comprise the consolidated balance sheet as of 31 December 2010 and the consolidated statements of income, changes in shareholders' equity and cash flows for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The total of the consolidated balance sheet amounts to EUR 270,141,185.81 and the consolidated income statement shows a loss for the year of EUR 1,599,161.68. The annual financial statements of certain subsidiaries included in the consolidation have been audited by other external auditors. We based our audit on their audit opinions and we have carried out specific additional audit procedures in the context of the consolidation.

The company's board of directors is responsible for the preparation of the consolidated financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the legal requirements applicable in Belgium and with Belgian auditing standards, as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

In accordance with the auditing standards referred to above, we have carried out procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The selection of these procedures is a matter for our judgment, as is the assessment of the risk that the consolidated financial statements contain material misstatements, whether due to fraud or error. In making those risk assessments, we have considered the Group's internal control relating to the preparation and fair presentation of the consolidated financial statements, in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. We have also evaluated the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as the presentation of the consolidated financial statements taken as a whole. Finally, we have obtained from the board of directors and Group officials the explanations and information necessary for our audit. We believe that the audit evidence we have obtained and the work of the other auditors who have audited the financial statements of certain subsidiaries provides a reasonable basis for our opinion.

In our opinion, based on our audit and on the reports of other auditors, the consolidated financial statements give a true and fair view of the Group's net worth and financial position as of 31 December 2010 and of its results and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal and regulatory requirements applicable to quoted companies in Belgium..

Additional statements and information

The company's board of directors is responsible for the preparation and content of the management report on the consolidated financial statements

Our responsibility is to include in our report the following additional comment, which does not have any effect on our opinion on the consolidated financial statements:

- The management report on the consolidated financial statements deals with the information required by the law and is consistent with the consolidated financial statements. However, we are not in a position to express an opinion on the description of the principal risks and uncertainties facing the companies included in the consolidation, the state of their affairs, their forecast development or the significant influence of certain events on their future development. Nevertheless, we can confirm that the information provided is not in obvious contradiction with the information we have acquired in the context of our appointment.

Brussels, March 8, 2011

Mazars Réviseurs d'Entreprises

Independent Auditors

Represented by

Philippe GOSSART

ATENOR GROUP

ANNUAL ACCOUNTS

Annual Report 2010

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 GROUP s.a. are presented in a summary form.

The submission of the consolidated statutory accounts will be made at the latest thirty days after their approval.

The auditor issued an opinion without reservation on the statutory annual accounts of ATENOR GROUP s.a.

The annual accounts, the management report and the report of the auditor are available upon simple request from the following address:

Avenue Reine Astrid, 92 in B-1310 La Hulpe.

Financial statements (abbreviated version)

In thousands of EUR	2010	2009
BALANCE SHEET		
Assets		
Fixed Assets	**171,970**	**147,262**
I. Start-up expenses	73	
II. Intangible assets	57	59
III. Tangible assets	413	508
IV. Financial assets	171,427	146,695
Current Assets	**92,186**	**67,184**
V. Amounts receivable after one year		
VI. Stocks and orders in the course of execution	2,834	6,171
VII. Amounts receivable within one year	10,611	42,650
VIII. Investments	77,928	17,242
IX. Cash at bank and petty cash	544	960
X. Deferred charges and accrued income	269	161
TOTAL ASSETS	**264,156**	**214,446**
Liabilities		
Group capital and reserves	**99,797**	**99,525**
I. Capital	38,880	38,880
IV. Reserves	16,576	16,576
V. Accumulated profits	44,341	44,069
Provisions and deferred taxes	**2,319**	**2,919**
VII. Provisions for liabilities and charges	2,319	2,919
Creditors	**162,040**	**112,002**
VIII. Amounts payable after one year	92,750	23,500
IX. Amounts payable within one year	64,594	88,104
X. Accrued charges and deferred income	4,696	398
TOTAL LIABILITIES	**264,156**	**214,446**

In thousands of EUR	2010	2009
INCOME STATEMENT		
I. Operating income	11,354	5,035
II. Operating charges	-17,561	-9,647
III. Operating profit (loss)	**-6,207**	**-4,612**
IV. Financial income	2,810	2,493
V. Financial charges	-6,614	-2,838
VI. Operating profit (loss) before taxes	**-10,011**	**-4,957**
VII. Extraordinary income	20,633	7,278
VIII. Extraordinary charges	-92	-360
IX. Profit of the financial year before taxes	**10,530**	**1,961**
X. Incomes taxes	-11	-
XI. Profit of the financial year	10,519	1,961
XIII. Profit of the financial year to be appropriated	**10,519**	**1,961**

APPROPRIATION ACCOUNT		
A. Profit to be appropriated	**54,588**	**57,339**
1. Profit for the financial year	10,519	1,961
2. Profits brought forward	44,069	55,378
C. Appropriations to equity (-)	**-**	**-**
2. To legal reserve	-	-
D. Profit (loss) to be carried forward (-)	**-44,341**	**-44,069**
1. Profit to be carried forward	44,341	44,069
F. Profit to be distributed (-)	**-10,247**	**-13,270**
1. Dividends	10,077	13,100
2. Director's entitlements	170	170

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.

General information

Identity Card

ATENOR GROUP SA is a limited company (s.a.).

The registered office is located at Avenue Reine Astrid 92 in B-1310 La Hulpe.

Article 4 of its Articles of Association specifies that the company is established for an unlimited duration.

The financial year starts on the first of January and ends on the thirty-first of December each year.

The Articles of Association are available on the website www.atenor.be.

Registered office of ATENOR GROUP

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
Entreprise n°: VAT BE 0403 209 303

Stock Exchange

NYSE Euronext Brussels

Reuters

ATEO.BR

Bloomberg

ATEB BB

Financial Calendar[1]

22 April 2011
Annual General Meeting 2010

29 April 2011
Dividend payment (subject to the approval of the GM)

19 May 2011
Intermediate declaration for first quarter 2011

31 August 2011
Half-year results 2011

18 November 2011
Intermediate declaration for third quarter 2011

1st March 2012
Annual results 2011

27 April 2012
Annual General Meeting 2011

Financial services

The financial service of ATENOR GROUP is provided by Degroof Bank (designated as main paying agent), Dexia Bank (as co-domicile) or any other financial institution.

Degroof Bank (Main paying agent)
Rue de l'Industrie, 44 in B-1040 Brussels

Dexia Bank (Co-domicile)
Boulevard Pachéco, 44 in B-1000 Brussels

1 Dates subject to change

Design and execution: www.concerto.be

For further information:

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Investor Relations:

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Chief Financial Officer

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