

ATH
LA HULPE
MONS
NAMUR



SUMMARY

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ATENOR

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

Dit jaarverslag is ook verkrijgbaar in het Nederlands. Ce rapport est également disponible en français.

 See additional information
www.atenor.be

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KEY CONSOLIDATED FIGURES

ON 31.12.2016

Key figures ATENOR (in millions of €)

	IFRS	2012	2013	2014	2015	2016
Net results (group share)		9.49	12.03	15.33	19.96	20.37
Current cash Flow ⁽¹⁾		7.98	12.26	17.74	23.03	19.72
Capital and reserves		98.74	104.79	112.90	126.80	139.39
Market capitalization		161.48	179.88	218.29	264.66	256.27

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

The 2016 consolidated financial statements were drawn up in accordance with the IFRS standards as adopted in the European Union.

Figures per share (in €)

	2012	2013	2014	2015	2016
Capital and reserves	19.60	19.95	20.69	22.52	24.75
Current cash flow	1.58	2.33	3.25	4.09	3.50
Net consolidated results (group share)	1.88	2.33*	2.85*	3.59*	3.62
Dividend					
Gross dividend	2.00	2.00	2.00	2.00	2.04
Net ordinary dividend	1.50	1.50	1.50	1.46	1.428
Number of shares	5,038,411	5,251,918	5,457,264	5,631,076	5,631,076

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

Stock market ratios

	2012	2013	2014	2015	2016
List price/book value	1.64	1.72	1.93	2.09	1.84
List price on 31 December (€)	32.05	34.25	40.00	47.00	45.51
Gross return for 1 year	40.64%	13.10%	22.63%	22.50%	1.09%
Gross return	6.24%	5.84%	5.00%	4.26%	4.48%
Net ordinary dividend/list price	4.68%	4.38%	3.75%	3.11%	3.14%

Glossary

Gross return for 1 year	(last closing price + adjusted dividends paid during the last 12 months - last list price of the previous period) / last list price of the previous period
Return	dividend for the last full financial year / last list price
Capitalisation	number of shares x last list price of the financial year concerned

**EVOLUTION OF ATENOR SHARE
COMPARED WITH THE BELGIAN ALL SHARES**
(taking into account the reinvestment of dividends)



**EVOLUTION OF ATENOR SHARE
COMPARED WITH THE EPRA EUROPE**
(taking into account the reinvestment of dividends)



NET CONSOLIDATED RESULTS
(in millions €)



CURRENT CASH FLOW
(in millions €)



CONSOLIDATED CAPITAL AND RESERVES
(in millions €)



NET RESULTS AND GROSS DIVIDEND PER SHARE
(in €)



PROFILE

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

Its mission aims at contributing, through its innovative **urban planning and architectural approach** to finding appropriate responses to the constantly changing requirements imposed by the evolution of urban and professional life.

Within this framework, ATENOR invests in **large-scale real estate projects** that meet strict criteria in terms of location, economic effectiveness and respect of the environment.

MISSION & VALUES

By investing in ATENOR, shareholders expect a return.

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

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

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

Our mission aims on the one hand to offer the shareholders regular remuneration of the capital supported

by recurrent and increasingly diversified positive results, and on the other hand to ensure the growth of the value of ATENOR's assets through the consolidation and the expansion of its know-how and the constant renewal of its portfolio with new projects.

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

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

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

- [Strategy](#)
- Letter to the shareholders
- Major events 2016
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STRATEGY

The activity of ATENOR is real estate development.
For more than 25 years, ATENOR has accumulated results while
continuing to create know-how recognised by the market.

► La Hulpe
NYSBAM



RESPONSES TO THE REQUIREMENTS OF URBAN AND PROFESSIONAL LIFE

The strategy of ATENOR in this activity is quite specific: it aims at contributing appropriate responses to the new requirements imposed by the development of urban and professional life through its urban planning and architectural approach. By proposing mixed projects, ATENOR provides solutions to the wider issues that concern every city dweller, resident, worker or visitor, such as mobility, pollution, lack of safety and respect for the environment. Within this framework, ATENOR invests in large-scale real estate property projects meeting very strict criteria concerning the choice of the site ("prime location"), the technical quality, the costs of investment.

RESPECT FOR THE ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

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

20.37

MILLIONS EURO
OF NET RESULT

139.4

MILLIONS EURO
OF EQUITY

AN INTERNATIONAL DIVERSIFICATION

By affirming that its place of business is the urban environment, ATENOR intends to showcase its know-how in several cities in terms of what they have in common and especially the need to adapt their urban fabric to changes in private and work life. Furthermore, through its presence at the place where it invests, ATENOR guarantees the integration of the specificities of each city. Currently ATENOR works primarily in Brussels, Namur, Luxembourg, Budapest and Bucharest, to name but the capital cities.

LARGE SCALE PROJECTS WITH MIXED FUNCTIONS

Responding to the numerous changes in the real estate market, ATENOR takes an interest in the office and residential markets, demonstrating a wide range of skills. The projects currently in its portfolio amount to 16. They represent an approximate area of 630,000 m². In the future ATENOR intends to maintain this diversification of allocations depending on the fundamental developments of the markets.

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

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

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LETTER TO THE SHAREHOLDERS



From left to right: ◀
Stéphan SONNEVILLE s.a.
Chief Executive Officer
Frank DONCK
Chairman of the Board



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"AT A TIME WHEN CITIES COMPETE IN CITY-MARKETING TERMS, AIMING TO ATTRACT COMPANIES, RESIDENTS AND VISITORS, ATENOR CONGRATULATES ITSELF ON HAVING MADE THE DECISION, A FEW YEARS AGO, TO CONCENTRATE ITS ACTIVITIES IN THE URBAN ENVIRONMENT."

Dear Shareholders,

In a hectic, flustered Europe, the real estate market was able to emerge relatively unscathed and post excellent performances in all its branches and in most of its geographical markets. ATENOR, through its functional and geographical diversity, has benefited from these growth markets and posted in 2016 largely positive results for the fourth year in a row.

It was of course the delivery of the TREBEL building to the European Parliament that marked the first semester. Apart from the results generated and its undeniable contribution to architectural and environmental quality, this development has consolidated ATENOR's image in terms of its capacity to deliver a building that meets the highest requirements in a very short time. Spurred by this ability, in October ATENOR acquired the REALEX project of over 42,000 m² of offices ideally located on the Rue de la Loi; this is the biggest investment in financial terms ever made by ATENOR.

The delivery of the AIR building in Luxembourg was another high point of FY 2016. This pre-leased and pre-sold renovation-extension was indeed executed in record time and testifies to our active presence in the Luxembourg market.

The second semester was punctuated by the sale of the first of the three VACI GREENS buildings already built in Budapest. These were the first positive benefits, apart from the rent collected, of a courageous presence in a city currently in a situation of impressive economic development. The HERMES BUSINESS CAMPUS (HBC) real-estate complex in Bucharest has also benefited from a favourable local



Franck DONCK
Chairman of the Board

situation, seeing its occupancy rate increase to the current one hundred per cent. In this context, it is now probable that the activities in Budapest and Bucharest will make a large contribution to the 2017 results!

Throughout the year, ATENOR drove the sale of its residential projects by using a differentiated marketing approach; we made 273 apartment sales! Beyond a modest individual annual contribution, each project contributes to the recurrence of ATENOR results, which alone justifies its usefulness.

At a time when cities, faced with budget constraints and tempted by opportunities offering new technologies, compete in city-marketing terms, aiming to attract companies, residents and visitors, ATENOR congratulates itself on having made the decision, a few years ago, to concentrate its activities in the urban environment. Indeed, we note on the one hand that real-estate promotion in the urban environment meets specific requirements and requires specific skills, and on the other hand, that the city, wherever it is, harbours a constantly renewed source of opportunities for our trade. ATENOR thus asserts itself as a responsible economic stakeholder, contributing through the implementation of its resources to the essential transformation of the urban fabric.

“THE CITY, WHEREVER IT IS, HARBOURS A CONSTANTLY RENEWED SOURCE OF OPPORTUNITIES FOR OUR TRADE. ATENOR THUS ASSERTS ITSELF AS A RESPONSIBLE ECONOMIC STAKEHOLDER, CONTRIBUTING THROUGH THE IMPLEMENTATION OF ITS RESOURCES TO THE ESSENTIAL TRANSFORMATION OF THE URBAN FABRIC.”



Stéphan SONNEVILLE s.a.
Chief Executive Officer

This is one of the ways of affirming our responsibility towards society.

In an active and highly competitive real estate sector, ATENOR has thus displayed its competence and its uniqueness through its projects, but also at corporate level. As such, the campaign myvoice.brussels was launched in Brussels, successfully surveying Brussels residents on key subjects for all of them. Another initiative, DivercityMag, reflects our will to incorporate new technologies to assert our comparative advantages as a real estate developer.

This long-term qualitative positioning and these positive results are a well-earned response to the trust shown by shareholders, especially by leading shareholders. Shareholders have renewed the shareholders agreement that binds them for a period of at least 5 years, showing their support of a strategy followed for several years now.

Lastly, 2016 saw the end, with the total acquittal of ATENOR and its managers, of the legal procedures brought against it concerning liquidity companies. Here again, the Board of Directors displayed transparency and confidence in equal measure throughout these long years.

The Board of Directors will propose to Shareholders at the General Meeting of 28 April 2017, for FY 2016, a dividend of 2.04 Euro per share, an increase of 2%. This growth materialises the Board of Directors' policy of offering a regular and attractive capital remuneration.

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

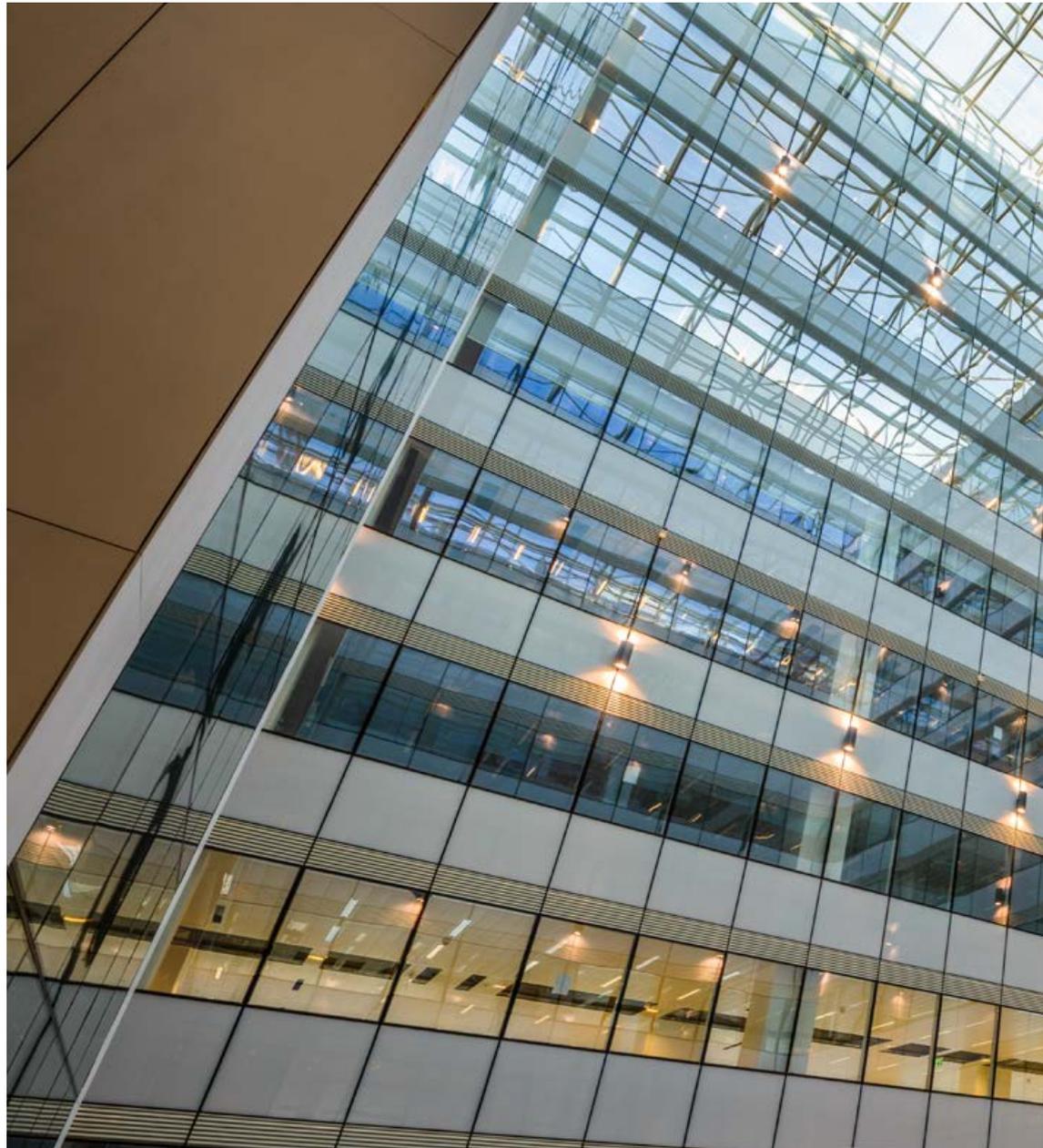
Stéphan Sonnevillle s.a.
Chief Executive Officer

Frank Donck
Chairman of the Board

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2016, HOW IT UNFOLDED, ...

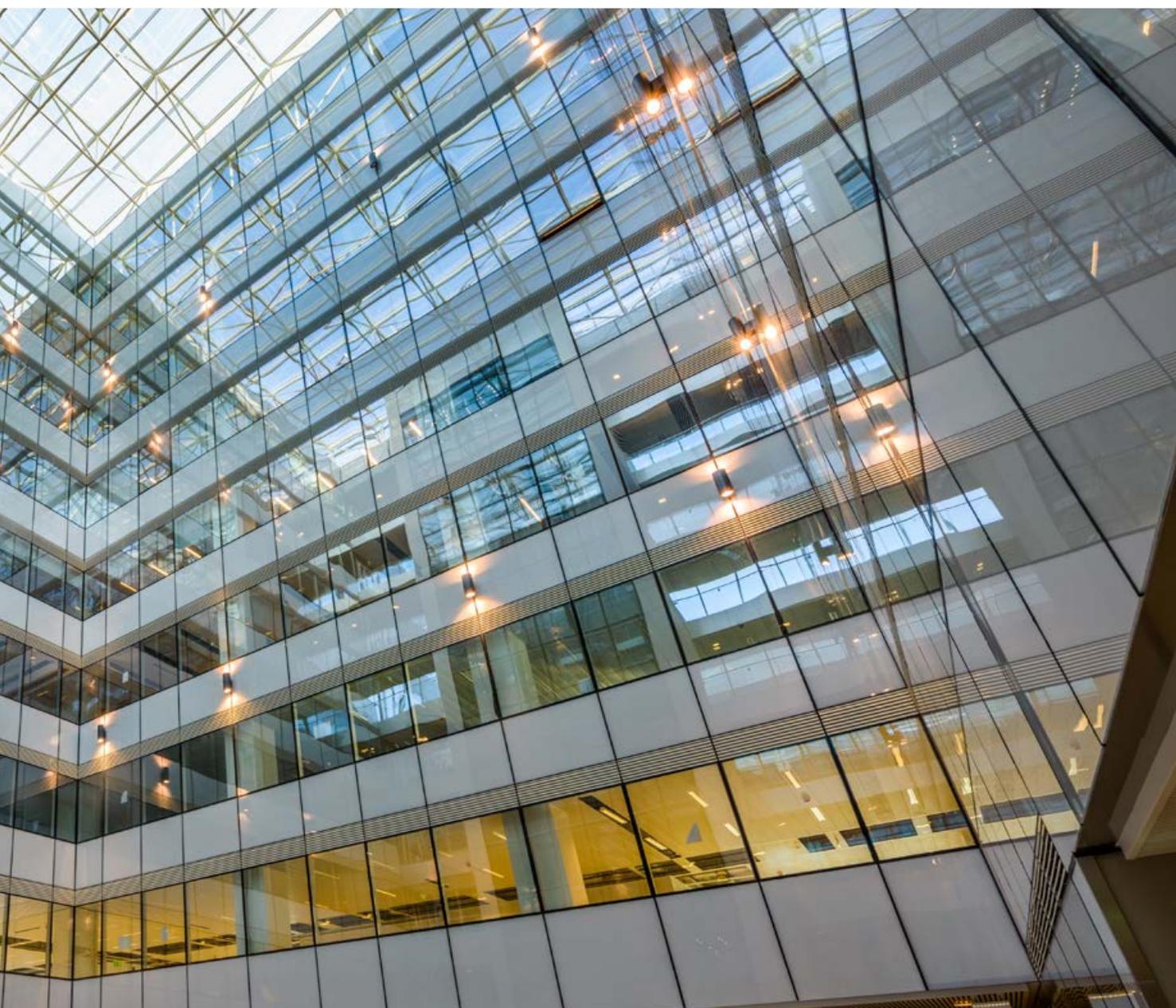
► Bucharest
HERMES BUSINESS CAMPUS



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CITIES

630,000 m²



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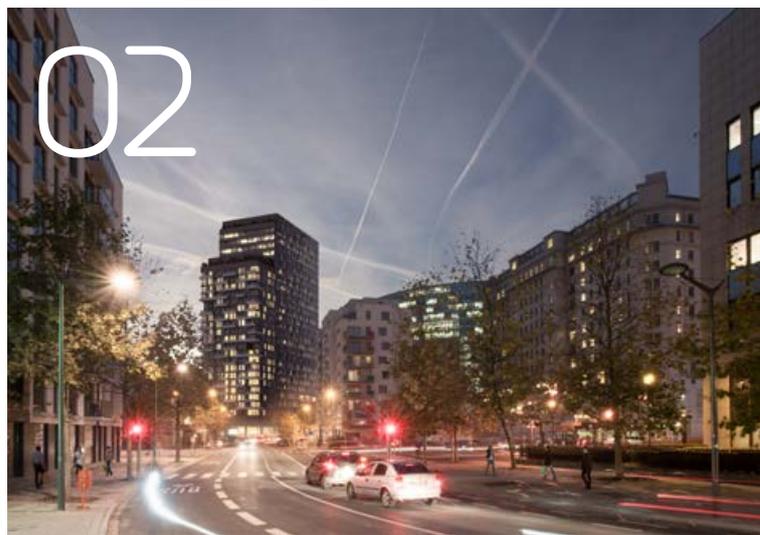
TREBEL / Brussels

- > 29 JUNE 2016
 - Provisional delivery granted to the General Contractor
 - Delivery and sale of the Trebel building to the European Parliament
 - The European Parliament renames the Trebel building "Wilfried Martens"
- > 24 OCTOBER 2016
 - The building obtains the Excellent BREEAM certificate with a score of 75.3%



THE ONE, Brussels Europa /Brussels

- > JUNE 2016
 - End of the foundation works
- > AUGUST 2016
 - Start of the core and of the construction works in up and down mode
- > DECEMBER 2016
 - The slab of the ground floor of the offices (rue de la Loi) is cast
 - Signing of the deed of sale of the two retail shops
 - 42 apartments out of 97 are reserved or sold



REALEX / Brussels

- > JULY 2016
 - Negotiations for ATENOR's entry into a joint-venture through a company that holds Realex
- > 19 OCTOBER 2016
 - ATENOR's entry into the joint venture at 90% alongside another company with specific experience in the Realex project



PALATIUM / Brussels

- > MID-JANUARY 2016
 - Start of works
- > MARCH 2016
 - Launch of the marketing of the 152 apartments
- > 20 SEPTEMBER 2016
 - Deed of sale of the 960 m² of office space
- > END DECEMBER 2016
 - Reservation or sale of 80 apartments out of a total of 152

CITY DOX / Anderlecht

- > 25 MAY 2016 – Deposition of the subdivision permit application for the rest of the development
- > 1 JUNE 2016 – Start of building work for phase 1
- > 14 JUNE 2016 – Change of name for City Docks, renamed City Dox
- > 15 SEPTEMBER 2016 – Press conference aimed at presenting this new district at the edge of the canal and launch of the marketing of the phase I residential units (93 apartments)
- > NOVEMBER 2016 – Launch of the marketing of the 71 assisted-living residence apartments



VICTOR / Brussels

- > JANUARY 2016
Approval on 2nd reading by the Government of Brussels-Capital Region of the master plan for the Gare du Midi district
- > OCTOBER 2016
End of the site's clean-up works



UP-SITE / Brussels

- > 3 MAY 2016
Opening of UPPETITE, a new bar/restaurant in the Tower
- > JUNE 2016
All the apartments of the terrace-buildings (106) are sold!
- > 27 OCTOBER 2016
Definitive delivery of the Tower's common areas granted



LES BERGES DE L'ARGENTINE / La Hulpe

- > NOVEMBER 2016
Signing of the ministerial order for the launch of the PCAR (key tool for phase II)
- > DECEMBER 2016
End of the tender to appoint the General Contractor in charge of phase I
- > JANUARY 2017
Single permit obtained for phase I



LE NYSDAM / La Hulpe

- > 1 DECEMBER 2016
Press conference for the launch of Buzzy Nest. An initiative supported by ATENOR, who provides it with a floor area of 2,500 m²
- > LATE DECEMBER 2016
70% of the floor areas are leased



PORT DU BON DIEU / Namur

- RESIDENTIAL
- > 25 OCTOBER 2016
Definitive delivery of the common cores of the first 2 phases granted
 - > END DECEMBER 2016
Only 1 apartment out of 140 is still available for sale

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CBC / Namur

- > MID-JANUARY 2016
Start of building works
- > MARCH 2016
End of the clean-up works
- > 11 APRIL 2016
Laying of foundation stone ceremony organised by CBC
- > NOVEMBER 2016
End of superstructure works



AU FIL DES GRANDS PRÉS / Mons

- > JANUARY 2016
Inauguration of a model apartment
- > DECEMBER 2016
100 % of the 134 apartments of phase I are reserved or sold
- > DECEMBER 2016
Start of works and of the marketing of phase two (Blocks A and B - 68 apartments)



LA SUCRERIE / Ath

- > 26 JANUARY 2016
Press conference in the presence of the mayor of Ath for the inauguration of the model apartment
- > AUGUST 2016
Start of urban renewal works executed by the city of Ath
- > DECEMBER 2016
Provisional delivery of blocks C2 and C3 granted
- > 9 JANUARY 2017
Opening of the nursery
- > JANUARY 2017
Start of works on block B (35 units)



LES BRASSERIES DE NEUDORF / Luxembourg

- > JULY 2016
Provisional delivery of the first apartments of block A
- > SEPTEMBER 2016
Reorientation of the General Contractor in order to correct construction delays
- > OCTOBER 2016
Agreement with Luxembourg city council for the development of the city square

AIR / Luxembourg

- > 31 MARCH 2016
Delivery of the building to the purchaser and provision to its tenant, the audit firm BDO
- > 17 OCTOBER 2016
Building inauguration ceremony by BDO in the presence of the Prime Minister of Luxembourg, Xavier Bettel



NAOS / Esch-sur-Alzette

- > JULY 2016
Partnership agreement signed between ATENOR and a group of private investors for the execution of the project
- > 3 NOVEMBER 2016
Obtaining of the earthworks and roadways permit
- > 14 NOVEMBER 2016
Submission of the permit application to Sanem district council
- > DECEMBER 2016
Signing of the earthworks and shielding contract



HERMES BUSINESS CAMPUS / Bucharest

- > MARCH 2016
Delivery granted for the HBC2 building
- > 31 DECEMBER 2016
Lease by HBC2 at 98%
- > MI-JANUARY 2017
HBC3 fully leased to Genpact



DACIA / Bucharest

- > JULY 2016
Acquisition by ATENOR of 2 plots with buildings in the centre of Bucharest to develop a new office building there
- > DECEMBER 2016
Appointment of the architect Studio10M



VACI GREENS / Budapest

- > MARCH 2016
Delivery granted for the third building
- > JUNE 2016
Start of construction of building D
- > 17 JUNE 2016
Atenor Hungary is awarded the prize for the "Real-Estate Project of the Year" for building C of the complex
- > 29 NOVEMBER 2016
Sale of building C to the Czech investment fund ZPF realitní fond managed by ZFP Investments
- > 1 FEBRUARY 2017
Sale of building A to group of private Hungarian investors

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MYVOICE.BRUSSELS

From 1 September to 17 October 2016 - ATENOR took the pulse of Brussels through questions addressed to its visitors and its residents, in order to generate an exchange of ideas and fuel ATENOR's thinking on the future of cities.

Over the years, through the execution of challenging projects (UP-site, The One, City Dox, Trebel, Palatium, Au Fil des Grands Prés, Port du Bon Dieu, Les Brasseries de Neudorf, Hermes Business Campus, Vacı Greens, ...), ATENOR has asserted itself as a sector leader.

The city remains an extraordinary place where the challenges of our civilisation take root and crystallise: just 2% of the world's land surface area housing over 50% of its population! The ultimate setting for intensity and evolution.

The way we conduct our business is very specific and can be summed up in a few words: being on the lookout both for profound changes brewing on a daily basis and passing trends that are constantly being updated, sensing where the city is going, what its residents, its visitors, its economic stakeholders want. It is, we hope, through this ability to capture the city's evolution that we can then propose tailored planning responses to the challenges faced by political leaders.

This is the way we envisage our public-private partnerships: politicians have the decision-making responsibilities, we are a force of proposals and have the skills to implement them.

This marketing initiative was the chance to remind the public about our role as urban stakeholder and about our ambitions for Brussels, our historic market, the cradle of our business, our reference market. So choosing it for our campaign was an easy decision to make.

"WE ALSO DEMONSTRATE THIS POWER OF INITIATIVE IN OUR COMMUNICATION."

As a stakeholder involved in the creation of tomorrow's cities, ATENOR wanted to give the floor to all those who wish to express themselves about the capital of Europe, enlivening the city with tongue-in-cheek questions centring on four main themes: society, environment, mobility and architecture. They were free to talk about what they liked, to air their views on Brussels, to highlight things to be improved.

The places and media chosen for this campaign were not selected at random, we were guided by real strategic choices: the buzz this novel campaign caused, with over 8,000 replies, shows that those who live or work in or visit Brussels love the city and want to make it beautiful.

Our aim wasn't to carry out a market research study or a survey but rather to encourage people to speak up, exchange ideas to nourish debate about the city, which is where ATENOR intends to play its role.

Unsurprisingly, it was the mobility-related questions that raised the most interest and received the highest rate of replies, comments and improvement proposals. Next came the environment and society-related subjects.

Find out all the results at
www.myvoice.brussels

Economie et société **ATENOR**

Bruxelles je t'aime, ou moi non plus ?



Partagez vos opinions sur Bruxelles
www.myvoice.brussels



Mobilité à Bruxelles **ATENOR**

Ça roule ou ça rame ?



Partagez vos opinions sur Bruxelles
www.myvoice.brussels



Environnement à Bruxelles **ATENOR**

On respire ou ça empire ?



Partagez vos opinions sur Bruxelles
www.myvoice.brussels



Mobilité à Bruxelles **ATENOR**

On piétine ou on piétonne ?



Partagez vos opinions sur Bruxelles
www.myvoice.brussels

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ADMINISTRATION



From left to right: ◀
Sidney D. BENS, Chief Financial Officer
Stéphan SONNEVILLE (for Stéphan Sonnevile s.a.),
Chief Executive Officer
William LERINCKX (for Probatimmo bvba), Executive Officer
Laurent COLLIER (for Strat UP sprl), Executive Officer



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COMPOSITION OF THE EXECUTIVE COMMITTEE (AS AT 15 MARCH 2017)

Stéphan Sonneville
for Stéphan Sonneville s.a.
Managing Director, CEO and
Chairman of the Executive Committee

Sidney D. Bens
Chief Financial Officer

Laurent Collier
for Strat UP sprl
Executive Officer

William Lerinckx
for Probatimmo bvba
Executive Officer

COMPOSITION OF THE BOARD OF DIRECTORS (AT THE END OF THE ORDINARY GENERAL MEETING OF 28 APRIL 2017)

Mr Frank Donck
Chairman ⁽²⁾
Expiration of term: 2018

Stéphan Sonneville s.a.
Managing Director ⁽¹⁾
represented by Mr Stéphan Sonneville
Expiration of term: 2019

Prince Charles-Louis d'Arenberg
Director ⁽³⁾
Expiration of term: 2018

Baron Luc Bertrand
Director ⁽²⁾
Expiration of term: 2018

Mr Marc De Pauw
Director ⁽²⁾
Expiration of term: 2018

Investea sprl
Director ⁽³⁾
represented by Mrs Emmanuèle Attout
Expiration of term: 2018

MG Praxis sprl
Director ⁽³⁾
represented by Mrs Michèle Grégoire
Expiration of term: 2018

Luxempart s.a.
Director ⁽²⁾
represented by Mr Jacquot Schwertzer
Expiration of term: 2019

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

Mr Philippe Vastapane
Director ⁽²⁾
Expiration of term: 2018

(1) Executive / (2) Non-executive / (3) Independent.

MAIN FUNCTIONS EXERCISED BY THE NON-EXECUTIVE DIRECTORS

Prince Charles-Louis d’Arenberg

Chairman of the Board of the Europe Hospitals
Vice-President of the Touring Group
President of Forelux s.a.

Mrs Emmanuèle Attout for Investea sprl

Director of ThromboGenics n.v.
Director of Schröder s.a.
Director of Women on Board asbl & Toutes
à l’Ecole Belgique asbl

Baron Luc Bertrand

Director, Chairman of the Board of Directors
of Ackermans & van Haaren

Mr Marc De Pauw

Managing Director of Ackermans & van Haaren CC

Mr Frank Donck

Managing Director of 3D s.a.

Mrs Michèle Grégoire for MG Praxis sprl

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

Mrs Nadine Lemaitre for Sogestra sprl

Director of Orange Belgium s.a.
Director of the ULB Foundation
Director of Solvay Executive Education asbl

Mr Jacquot Schwertzer for Luxempart s.a.

Managing Director (CEO),
Executive Director and Member of the
Management Committee of Luxempart s.a.

Mr Philippe Vastapane

Chairman of the Board of Alva s.a.

AUDIT COMMITTEE COMPOSITION

Mr Marc De Pauw

Chairman

Prince Charles-Louis d’Arenberg

Member

Mr Frank Donck

Member

Investea sprl

represented by Mrs Emmanuèle Attout,
Member

Mr Philippe Vastapane

Member

DSD Associates Audit & Advies bvba

represented by Mr David De Schacht
Internal Auditor

APPOINTMENTS AND REMUNERATION COMMITTEE COMPOSITION

Sogestra sprl

represented by Mrs Nadine Lemaitre,
Chairman

MG Praxis sprl

represented by Mrs Michèle Grégoire,
Member

Luxempart s.a.

represented par Mr Jacquot Schwertzer,
Member

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INFORMATION TO SHAREHOLDERS AND INVESTORS



€ 2.04

GROSS DIVIDEND*

€ 1.428

NET DIVIDEND*

5,631,076

SHARES

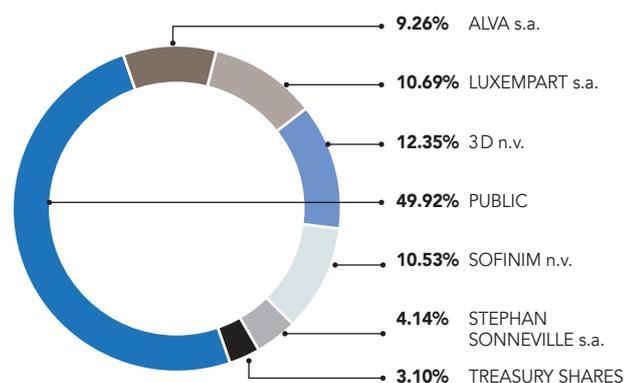
* Subject to the approval of the General Meeting on 28 April 2017

Brussels
THE ONE



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SHAREHOLDING ON 31.12.2016



MAJOR SHAREHOLDERS

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

- > SOFINIM n.v., a subsidiary of the Ackermans & van Haaren Group
- > 3D n.v.
- > LUXEMPART s.a.
- > ALVA s.a.
- > Stéphan SONNEVILLE s.a.

These shareholders are committed to supporting the Group in its development strategy by cooperating in the implementation of its business plan and by providing their skills to it. Their representation within the Board of Directors of ATENOR allows them to be actively involved in the general policy and the strategy of the Group. This body of shareholders, which is balanced and made up of stable companies that have proven themselves in their respective activity sectors, have a long term vision of their investment in the Group. The stability of this Group of shareholders is expressed concretely by mutual commitments in a shareholders' agreement signed in November 2006, thus guaranteeing the Group's durability and development. This was updated and extended in November 2016 for a 5-year period, tacitly renewable for two successive 5-year periods.

TYPE OF SHARES

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

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

STRUCTURE OF SHAREHOLDERS

On 31 December 2016, the structure of shareholding is as follows:

	NUMBER OF SHARES	HOLDINGS %	OF WHICH SHARES FORMING PART OF THE JOINED SHAREHOLDING	%
ALVA s.a. ⁽¹⁾	521,437	9.26	437,500	7.77
LUXEMPART s.a. ⁽¹⁾	602,048	10.69	437,500	7.77
3D n.v. ⁽¹⁾	695,643	12.35	437,500	7.77
SOFINIM n.v. ⁽¹⁾	592,880	10.53	437,500	7.77
Stéphan SONNEVILLE s.a. ⁽¹⁾⁽²⁾	233,030	4.14	150,500	2.67
Sub-total	2,645,038	46.97	1,900,500	33.75
Treasury share	174,735	3.10		
Public	2,811,303	49.92		
Total	5,631,076	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.

SHARE ON STOCK EXCHANGE

Bourse	on a continuous basis
Stock Exchange	Euronext Brussels
ATENOR share	ISIN BE 0003837540 Compartment B
Total number of shares granting a voting right	5,631,076
Total number of voting rights (denominator)	5,631,076
List price of the share on 31 December 2016	€45.51



EVOLUTION OF THE PRICE AND LIQUIDITY OF THE SECURITY – LIST PRICE FROM 2012 TO 2016

NUMBER OF SHARES ON 31 DECEMBER 2016: 5,631,076

	2012	2013	2014	2015	2016
Maximum price (€)	35.50	35.00	41.16	49.85	47.00
Minimum price (€)	24.24	30.11	34.19	39.20	40.57
Price on 31 December (€)	32.05	34.25	40.00	47.00	45.51
Average daily volume traded	1,856	1,700	2,046	2,907	2,483
Market capitalization on 31 December (in millions of €)	161.48	179.88	218.29	264.66	256.27

STIMULATION CONTRACT AND LIQUIDITY FUND FOR THE ATENOR SHARE

ATENOR has continued a market stimulation arrangement or “liquidity provider” function with the Degroof-Petercam Bank, officially recognised by Euronext. This tried and tested formula consists of putting liquidity funds back-to-back with a market stimulation contract.

ATENOR thus places a fund made up of cash and shares at the disposal of the Degroof-Petercam Bank, which enables it to increase the liquidity of the stock, quite independently of the issuer.

This “liquidity provider” is permanently present in the market's order book and acts for buying and selling alike.

DIVIDEND

The gross dividend proposed to the General Assembly of 28 April 2017 will amount to 2.04 euros representing a net dividend of 1.428 euro per share after withholding tax (30%).

Subject to the approval of the Ordinary General Assembly, the dividend will be paid out as from 4 May 2017.

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

The payment to the registered shareholders will be made by bank transfer as from 4 May 2017.

PRACTICAL METHODS CONCERNING THE PAYMENT OF THE DIVIDEND*

2 May 2017	Ex date
3 May 2017	Record date
4 May 2017	Payment date

* Subject to the approval of the Ordinary General Assembly.

SHAREHOLDER SCHEDULE

28 April 2017	Annual General Meeting 2016
4 May 2017	Dividend Payment (subject to the approval of the GM)
16 May 2017	Intermediate declaration for first quarter 2017
31 August 2017	Half-year results 2017
15 November 2017	Intermediate declaration for third quarter 2017
8 March 2018	Annual results 2017
27 April 2018	Annual General Meeting 2017

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REPORT ON ACTIVITIES & PROJECTS





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BRUSSELS

BELGIUM



TREBEL

In 2010, ATENOR acquired the buildings of an old bank located in Brussels, in the heart of the European District in order to put up a new highly eco-friendly office complex.



BUS STOP
90 M AWAY



BRUSSELS-SCHUMAN
STATION 350 M AWAY



METRO
450 M AWAY



PARC ROYAL
800 M AWAY



PARC DU CINQUANTAIRE
1 KM AWAY

TREBEL was designed to enhance this choice location at the heart of the European Quarter.

Since June 2016, it has housed a new European Parliament establishment covering nearly 30,000 m².

This new building erected at the corner of the rue de Trèves and the rue Belliard facing the esplanade of the European Parliament meets the strategic criteria targeted by ATENOR: excellent location, accessibility by public transport (in the immediate vicinity of the Schuman and Luxembourg railways stations), density, user-friendliness of the public space and architectural and environmental qualities...

The planning permit was issued in April 2013. The demolition works on the old bank were finished in 2013 to make way for the construction of the new building in January 2014.

Apart from optimum occupancy efficiency, TREBEL offers remarkable architectural quality and is designed based on the most high-performance energy requirements.

It also has a geothermal system whose execution pushed back the limits of environmental technology applied to construction in Brussels. Several geothermal wells of great depth cover most of the heating needs in winter and cooling needs in summer.

The composition of the façades is optimised according to their orientation and their environment.

The high quality of the TREBEL building was confirmed by its obtaining an Excellent BREEAM certificate.

The superstructure works were completed in 2015 while the finishing and technical equipment works were completed in June 2016, permitting the delivery and sale of the building to the European Parliament.

Thanks to its original, meticulous architecture designed by the firm Jaspers Eyers & Partners, TREBEL (now renamed "Wilfried Martens" by the European Parliament) stands at the heart of the European Quarter as a symbolic building. It testifies to the will, both of political leaders and private stakeholders, to raise the quality of the district through new architectural and planning projects.

Location	Rue Belliard 80, Brussels-Capital Region, Belgium
Project	Office complex
Owner	European Parliament since June 2016
Floor area	29,766 m ² above ground
Architects	Jaspers - Eyers & Partners
Start of works	June 2013
End of works	June 2016



▶ ESPLANADE OF EUROPEAN PARLIAMENT



▶ PLACE DU LUXEMBOURG

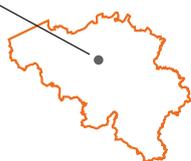
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THE ONE

Brussels Europa

BRUSSELS

BELGIUM



In 2005, ATENOR purchased the company holding the “Crowne Plaza Brussels Europa” hotel situated in the Rue de la Loi, at the heart of the European District. ATENOR then acquired the plot and the hotel’s neighbouring building in order to increase the scope of its development.



BUS STOP
50 M AWAY



METRO
50 M AWAY



BRUSSELS-SCHUMAN
STATION
100 M AWAY



PARC DU CINQUANTENAIRE
600 M AWAY



PARC ROYAL
800 M AWAY

By combining the different plots, ATENOR has built a big real estate complex at the corner of the Rue de la Loi, La Chaussée d’Etterbeek and the Rue de Lalaing.

Assigned to the French architectural and planning firm “Atelier Christian de Portzamparc”, the urban vision of the perimeter of the Rue de la Loi rests on two basic principles: promoting Brussels’ international visibility, through luxury offices, while giving the European District an attractive, human look.

The planning permit issued in November 2014 enables ATENOR to propose the groundbreaking, unique concept of a tower with a horizontal mix, composed of apartments, shops and offices; this architectural innovation is designed by the architects firm BURO II & ARCHI+I now renamed B2Ai.

On 22 floors, THE ONE offers 29,511 m² of offices facing the Rue de la Loi. The rear of the project is devoted to the residential part and offers 97 apartments facing onto the South side.

Shops located on the ground-floor of the Chaussée d’Etterbeek favour the creation of a vibrant and friendly neighbourhood.

Echoing the desire of the European authorities, ATENOR has taken particular care with the project’s energy orientation and adherence to standards and has implemented its own voluntary commitment in terms of sustainable development.

After clearance of asbestos from the hotel, the demolition of the buildings started and continued through to May 2015. The construction of the tower started in August 2015.

The carcass work is currently in progress, using the up and down method (the building of the superstructure being done simultaneously to the creation of the foundations).

The end of works is scheduled for the 3rd quarter of 2018.

The commercialisation of the apartments began in January 2016. A year later, 44% of the apartments under construction had been sold or reserved and the deed of sale of the two shops signed in December 2016.

In October 2016, ATENOR acquired 90% of the REALEX project, neighbouring THE ONE. In the long term, a public space will be created between the two projects.

Location	Rue de la Loi and chaussée d’Etterbeek, Brussels-Capital Region, Belgium
Project	Mixed retail (560 m ²), housing (97 apartments; 9,250 m ²) and offices (29,500 m ²)
Owners	The One Office s.a and The One Estate s.a. (100% ATENOR)
Architects	B2Ai
Start of works	August 2015
End of works	3 rd quarter 2018



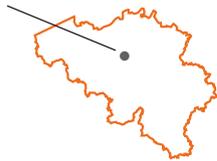
► EUROPEAN COMMISSION



► PARC DU CINQUANTAIRE

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BRUSSELS
BELGIUM



REALEX

In October 2016, ATENOR entered into a joint venture in which it held 90% along with another company with specific experience in the REALEX project, neighbouring THE ONE.



METRO
50 M AWAY



BRUSSELS SCHUMAN
STATION 100 M AWAY



PARC DU CINQUANTAIRE
600 M AWAY



PARC ROYAL
800 M AWAY

In July 2016, ATENOR started exclusive negotiations with Europa Real Estate III Sarl (a 100% subsidiary of Europa Fund III managed by Europa Capital LLP) in order to enter into a joint venture through the company indirectly holding the real rights over the "REALEX" project.

At the end of the due diligence, ATENOR acquired, in October 2016, 90% of LUXLEX sarl, which through the companies LEASELEX and FREELEX (holding the financial lease and the land lease respectively), holds the REALEX project. The other 10 percent are in the hands of a company with specific experience in the project.

REALEX is located in Brussels, at the heart of the European District, between the Rue de La Loi and the Rue de Lalaing, next to another ATENOR project: THE ONE.

This new project is being developed on a ground area of approximately 5,200 m², ideally located in the heart of the European Institutions. It concerns the construction of an office building rising to 114 metres and developing 44,700 m² above ground. In the basement it will have technical rooms, filing rooms and 220 parking spaces.

The permits have already been obtained, ATENOR's intention being to continue with the project in progress.

A new quality public area will be executed between the THE ONE tower, currently being built, and the future REALEX tower.

This new investment perfectly fits ATENOR's strategy of developing large-size complexes of top architectural and environmental quality in urban districts well served by public transport.

ATENOR will demonstrate through this project its role as a major real estate promoter and its involvement in the development of an attractive city and a high-performance one from the mobility and environment point of view, specifically in Brussels' European District.

Location	Rue de la Loi 99-105, Brussels Capital Region, Belgium
Project	Mixed offices (44,300 m ²) and retail (400 m ²)
Owners	Freelex sprl and Leaselex sprl (90% Atenor and 10% Kingslex sarl via Luxlex sarl)
Floor area	44,700 m ² above ground
Architects	Assar Architects
Start of works	To be defined



▶ PLACE DU LUXEMBOURG

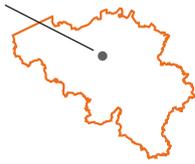


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BRUSSELS

BELGIUM



PALATIUM

PALATIUM involves the renovation of the old INASTI (Institut National d'Assurances Sociales pour Travailleurs Indépendants) headquarters, composed of two buildings located in the Place Jean Jacobs and Boulevard de Waterloo respectively, very near to the Palais de Justice.



LOUISE METRO STATION
400 M AWAY



PLACE DU SABLON
500 M AWAY



PARC D'EGMONT
1.5 KM AWAY



BRUSSELS CENTRAL
STATION 1.5 KM AWAY

Both buildings are undergoing a major renovation in order to develop a residential building, the "Jacobs", and a mixed office and residential building, the "Waterloo".

The two 9 floor buildings provide a complex of 152 apartments in total and 1,000 m² of offices on the ground floors of the Waterloo.

The two blocks rise above 3 basement levels providing 131 parking spaces.

The environment and planning permits were delivered in August 2015 and December 2015 respectively.

The preliminary asbestos clearance, clean-up, demolition and carcass works are completed and the façades and finishing works are under way. The first apartments are scheduled to be delivered at the end of 2017.

PALATIUM is ideally located between the Louise District and the Bruegel-Marolles District and a stone's throw from Le Sablon District.

Thanks to its situation, the project conceived by the DDS & Partners architects firm provides direct access to the Avenue Louise, to the capital's cultural centres, to the squares of Le Sablon and Le Jeu de Balle and to the Parc d'Egmont.

In addition to its excellent location, the project also enjoys exceptional accessibility due to its proximity to 3 main stations (Centrale, Luxembourg, Midi), the Louise metro station just around the corner and several tram and bus lines.

The commercialisation successfully started in March 2016. At the beginning of January 2017, half the apartments had already been reserved or sold.

Location	Boulevard de Waterloo / place Jean Jacobs, Quartier des Arts, Brussels, Belgium
Project	Residential building and mixed office and residential building
Owners	DDS & Partners
Architect	INASTI / Atenor s.a.
Size	14.000 m ²



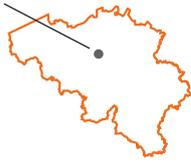
► PARC D'EGMONT



► AVENUE DE LA TOISON D'OR

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BRUSSELS BELGIUM



CITY DOX

In 2011, ATENOR acquired the company "Immobilière de la Petite Ile", owner of industrial buildings on a plot (\pm 5.40 ha) located in Anderlecht, along the Brussels-Charleroi Canal.



BUS STOP
10 M AWAY



BRUSSELS SOUTH
STATION 1.1 KM AWAY



METRO
1.1 KM AWAY



E19 MOTORWAY /
RING ROAD 4 KM AWAY

On this vast plot, ATENOR and its architects and urban planners from Art&Build and JNC International envisaged an innovative, urban reconversion project with multiple functions (apartments, school, nursery, workshops, integrated business services, rest home, service residence, shops, cafés and restaurants, ...) creating a new district with its own unique charm, alongside the canal.

Oriented towards sustainable development, City Dox prioritises innovative energy and waste management approaches fully coherent with the vision of the Brussels-Capital Region embodied in the Canal Plan.

Ideally located at the entrance to the city, near to the Ringroad and 5 minutes away from Brussels South railway station, with bus and tram stops on the edge of the district, City Dox is directly connected to the heart of Brussels.

The planning and environment permit for the first phase of the project (39,500 m²), drawn up by the firms Etau Architects and Architectes Associés sprl, were granted in August 2015. They concern the building of a 180-bed rest home, a Service Residence of 71 apartments, a residential building with 93 apartments, a building for integrated business services (8,619 m²) and retail (385 m²). Construction works of this first phase started in June 2016 with completion scheduled for the end of 2018.

In 2015, Senior Island s.a. (100% subsidiary of ATENOR) and the company Home Sebrecchts n.v. (subsidiary of Armonia, the biggest independent care for the elderly provider in Belgium) signed an agreement concerning the commercial use of the rest and care home.

At the same time, an agreement was signed between ATENOR and a Belgian institutional investor for the transfer of the company Senior Island s.a.

Finally, on the same date, a cooperation agreement was signed between Rest Island s.a. (100% subsidiary of ATENOR), developer of the outstanding part of the first phase, and Home Sebrecchts n.v. for the provision of services to the 71 assisted flats of the service residence linked to the rest and care home.

In September 2016, the commercialisation of the floor areas dedicated to business services, of the service residence and of the apartments was launched, supported by a targeted marketing plan and the first sales have been recorded.

Furthermore, the subdivision permit application concerning phase 2 of the project, basically of a residential nature at the edge of the canal, was submitted in May 2016. We note that this phase includes the development contract launched by Citydev.Brussels and won by ATENOR. It concerns the building of 16,393 m² of apartments, 12,471 m² assigned to subsidised housing.

Location	On the edge of the Canal de Willebroek (Batelage/ Biestebroek basin), block between the boulevard Industriel, rue de la Petite Île, the rue du Développement and the Digue du Canal, Anderlecht, Belgium
Project	Mixed urban (facilities, residential, integrated services to business, retail)
Owners	Immobilière de la Petite Île s.a. (100% Atenor) Senior Island s.a. (100% Atenor) Rest Island s.a. (100% Atenor)
Architects	Architectes Associés sprl - Etau Architects -
Size	Of around 145,000 m ²



► RESIDENTIAL



► SERVICE RESIDENCE



► INTEGRATED BUSINESS SERVICES



► THE BANKS OF THE CANAL



► BRUSSELS SOUTH STATION

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VICTOR

BRUSSELS

BELGIUM



Located opposite to the Gare du Midi, on the edge of the Place Horta, the VICTOR project, fits within the “living station” concept and is integrated at the heart of a changing district, which has been undergoing a profound evolution over the last few years, in line with the will of the regional authorities.



BRUSSELS SOUTH STATION
50 M AWAY



METRO STATION
50 M AWAY



BUS STOP
100 M AWAY



BRUSSELS CITY CENTRE
1.8 KM AWAY



E19 MOTORWAY/
RING ROAD
5 KM AWAY

The master plan for the Midi district should come into force on the basis of the provisions (called P.A.D. - Plan d'Aménagement Directeur) set out in the CoBAT. The adoption of new CoBAT provisions is expected for the 1st quarter of 2017.

By agreement with the regional government and on the adoption of the PAD, ATENOR will study the launch of an architecture competitions including the latest parameters set out in the master plan. Following this competition, planning and environment permit applications will be submitted as soon as possible in order to execute the VICTOR project by 2021/2022, as indicated in the Government's programme.

In collaboration with the architect winner of the competition, the VICTOR project will be completely redrawn in order to fit into the “living station” concept. In addition to the offices and shops function, VICTOR will be completed by a residential tower. The offices/residential mix combination will enliven the district in order to provide it with a new dynamic.

With its size and its architectural qualities, the complex will constitute a new urban beacon in the heart of the city.

In the end, VICTOR should offer three towers, structured around an esplanade facing the Gare du Midi station. This esplanade will be incorporated into a vast pedestrian precinct that will extend from the Rue de France to the Boulevard du Midi,

passing through the Place Victor Horta and the Esplanade de l'Europe.

The old structures, already present on the site, were entirely demolished and the clean-up works started in September 2015 were completed in October 2016.



Location	Rue Blérot - Place Victor Horta (facing the South Station) - Brussels-Capital Region, Belgium
Project	Mixed complex of offices, retail spaces and residences
Owners	Victor Estates s.a., Immoange s.a., Victor Bara s.a. et Victor Spaak s.a.
Size	67,000 m ² of offices & services / 37,500 m ² of residential / 5,200 m ² of retail & facilities / 450 car parks
Architects	Jaspers- Eyers Architects
Co-shareholder	BPI (50%)

UP-SITE

BRUSSELS

BELGIUM



Established along the Willebroek Canal in Brussels, UP-site is a mixed urban complex articulated round three independent entities: a 140 metre high residential Tower (251 apartments), "The Terraces" (4 Terrace-buildings totalling 106 apartments) of a more traditional size, and an office complex consisting of 4 buildings (30,000 m²).



BUS STOP
AT THE FOOT
OF THE TOWER



METRO STATION
1 KM AWAY



BRUSSELS NORTH STATION
1.6 KM AWAY



BRUSSELS CITY CENTRE
2 KM AWAY

With this residential complex and especially its tower, a real urban beacon, ATENOR has won its bet to renovate this district of the Béco basin.

Located in an area marked by a rich industrial past (Tour & Taxis site, Citroën buildings, Port of Brussels,...) and a cultural hub in full swing, the redevelopment of this area aims at creating an urban East-West axis and converting the former industrial zone into a large-scale mixed urban complex.

The district's revitalisation has begun. Proof of this are the numerous projects flourishing in the district such as: the prestigious contemporary arts museum, the MoMa, which will shortly move into the Citroën buildings, the future Tour & Taxis park (La Coulée Verte) which will spread over several hectares, not forgetting many art studios and galleries.

The UP-site works finished in 2014. Since then, the UP-site tower has been the symbol of the district's renewal and is now a Brussels landmark.

Today UP-site serves as an architectural reference: densification through verticality, use of sustainable and innovative building techniques, rational use of energy, eco-friendliness and functional and social mix.

It offers exclusive facilities for convenient urban living. A "tailored" set of services such as a concierge service, swimming pool, a spa & wellness centre, a restaurant, a private cinema, children's



play area, skydeck ... are provided in order to make life easier for the occupants.

Since May 2016, two floors of the Tower have been partially occupied by a restaurant-bar with a "New Generation" mindset. In front of his piano, the chef Youenn and his team compose French and Belgian cuisine for you.

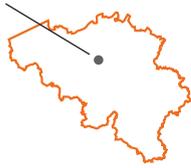
The redeveloped docks, home to local shops and facilities, provide convenience for residents and contribute to the district's new vitality.

Location	Between the Quai des Péniches, the Place des Armateurs and the Quai de Willebroek, Brussels, Belgium
Project	Mixed complex of residential, retail and office spaces
Size	Residential units: Tower: 39,800 m ² - The Terraces: 13,275 m ² Offices: 29,690 m ² - Commercial areas: 1.650 m ²
Architects	Ateliers Lion Architectes-Urbanistes (Paris) and A2RC Architects (Brussels)
General Contractor	Consortium BPC - Valens
Technical data	Gas heaters / Gas cogeneration / Solar panels / Double flow ventilation / Green roof / use of canal water in the cold production process
Start of works	Asbestos removal and demolition: 2008 / Beginning of infrastructure works: July 2010
End of works	Offices: December 2013 / Residential units: January 2014 (The Terraces) and June 2014 (Tower)

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LA HULPE

BELGIUM



LES BERGES DE L'ARGENTINE

In January 2015, ATENOR acquired the old Swift site spread over nearly 4 ha and consisting of 8 buildings (16,653 m²) and 338 external parking spaces. The neighbouring plot formerly used as a garage was then incorporated in the project.



LA HULPE STATION
350 M AWAY



CENTRE OF LA HULPE
500 M AWAY



E411
3 KM AWAY



FORÊT DE SOIGNES
5 KM AWAY

The complex, located at the heart of the magnificent little town of La Hulpe will be redeveloped harmoniously in order to create a residential and services project nestled at the heart of a magnificent park and that respects the local environment.

The place is ideal because it is situated between La Hulpe commercial and historic centre and the railway station just a few hundred metres away.

The envisaged concept will be executed in two phases. The first consisting of the renovation of the historic buildings located at the front of the Rue François Dubois, enabling the execution of 4,000m² of offices, 4 residential units and an underground car park. The single permit application submitted in May 2016 was obtained in January 2017.

The second phase, still under study, will concern the construction of residential lodges of 3 to 4,000 m² in the heart of the park. The future inhabitants will thus be able to enjoy a calm, lush green living environment.

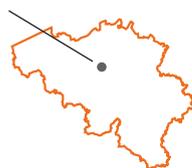
At the end of 2016, the District Council launched a PCAR (Revised District Development Plan). ATENOR plans to submit a permit application for the main bulk of the project as soon as the provisional approval of the PCAR is issued. This second phase should authorise the building of some 200 residential units.



Location	Rue François Dubois 2, La Hulpe, Belgium
Project	Residential and services project
Owners	Atenor s.a.
Size	approximately 24,000 m ²
Architect	MDW Architecture

LA HULPE

BELGIUM



LE NYSDAM

In 1997, ATENOR started, through the company HEXATEN, the creation of an elite Business Park on the exceptional site of the Domaine du Nysdam in La Hulpe.



CENTRE OF LA HULPE
500 M AWAY



CASTLE OF LA HULPE
2 KM AWAY



LA HULPE STATION
2.4 KM AWAY



E411 MOTORWAY
5.5 KM AWAY



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

The building is nestled in the heart of a sumptuous green environment located not far from the Château de La Hulpe and the Solvay estate.

Completed in 2001, the two buildings of 6 and 7 floors overlook a common ground floor and provide more than 15,000 m² of offices.

In September 2006, ATENOR transferred HEXATEN, the building's owner, to a real-estate fund managed by Axa Real Estate Investment Manager.

In October 2015, 9 years later, ATENOR did the reverse with the acquisition from BNP Paribas Fortis of all HEXATEN's shares.

ATENOR intends, in a first phase, to reposition this building on the office market. The buildings are currently over 70% leased.

In the long term, in collaboration with the local authorities, ATENOR will examine the site's redevelopment alternatives.

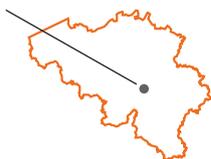
Drawing on its values and its corporate responsibility, in 2016 ATENOR received and supported the BUZZY NEST initiative, and offered a space of 2,500m² in the Nysdam site.

BUZZY NEST defines itself as a project accelerator. It provides its financial aid and advice to young start-ups. The shared work space is basically dedicated to companies active in the digital sector.

Location	Avenue Reine Astrid, La Hulpe(outskirts of Brussels), Belgium
Project	Office complex
Owner	Hexaten s.a. (100% Atenor)
Size	Size 15,600 m ² of offices and 408 parking spaces

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NAMUR
BELGIUM



PORT DU BON DIEU Lot 1 – Residential

In 2013, ATENOR began the building of a residential complex of high environmental and planning quality on the banks of the Meuse, on an old industrial site that had become urban blight.



BUS STOP
IN FRONT OF
THE BUILDING



NAMUR RAILWAY
STATION
1.3 KM AWAY



NAMUR CITY CENTRE
1.5 KM AWAY



E411 MOTORWAY
3 KM AWAY

PORT DU BON DIEU is ideally located at the entrance to the city of Namur, along the Meuse.

ATENOR, city stakeholder and concerned about its development, has met the desire of the regional and district authorities by proposing to renovate this disused site with a rational occupation of the space and redevelopment of the docks.

ATENOR called on the architectural practice Montois Partners and l'Atelier de l'Arbre d'Or (Namur) in order to develop a project with remarkable ecological performances, providing an exceptional habitat in a quality setting.

Located a stone's throw from the centre of Namur and its attractions (restaurants, shops, opera, museums), it provides great mobility, benefiting from the proximity of major roads,

the station, public transport, river shuttles and a vast park-and-ride.

The project is also accompanied by the redevelopment of the dock edges and the restoring of the continuity of the RAVel cycle path for the benefit of residents and city inhabitants.

The construction works started in June 2013 and were executed in successive phases.

At the end of 2016, the deliveries of all the apartments and shops were granted.

The commercialisation of these low-energy apartments was launched in January 2013 with great success: at the end of January 2017, all the apartments had already been reserved or sold.

As for the shops, they had already found purchasers in December 2015.



Location	Area called "Port du Bon Dieu", Namur, Belgium
Project	Programme of 140 apartments, 5 retail spaces or spaces for professional services, and 1 restaurant
Owner	Namur Waterfront s.a. (100 % ATENOR)
Size	20.614 m ²
Architects	Montois Partners Architects & l'Atelier de l'Arbre d'Or
Technical data	Green roofs / Excellent thermal and acoustic insulation / Double flow ventilation / Very high quality finishing
Start of works	June 2013
End of works	January 2016

NAMUR
BELGIUM



Lot 2 – CBC

In November 2014, ATENOR acquired from the SPGE (Public Company for Water Management) a plot of 50 ares next to the PORT DU BON DIEU residential project located in Namur.



BUS STOP
150 M AWAY



NAMUR RAILWAY
STATION 1.3 KM AWAY



NAMUR CITY CENTRE
1.5 KM AWAY



E411 MOTORWAY
3 KM AWAY



In December 2014, ATENOR resold this parcel to the CBC bank in order to build an office building and 113 parking spaces; this building is destined to house the future headquarters of the bank, which has strategically chosen to centralise its business in the heart of the Capital of Wallonia.

In October 2015, CBC entrusted CPPM with the execution of the constructions authorised in the framework of a development contract.

Following clean-up works, the construction works started at the beginning of 2016, enabling CBC to hold the laying of foundation stone ceremony in April.

For the city of Namur, this symbolic ceremony marked the final stage in the redevelopment of the Port du Bon Dieu site pursued by ATENOR since 2008, the year of its acquisition.

The carcass work was finished at the end of 2016. The placement of the utilities and the various interior layout works continued according to schedule.

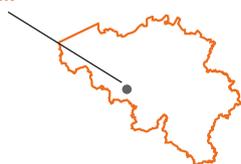
The building should be delivered at the latest by September 2017, enabling CBC staff to move into the premises.

The execution of CBC's headquarters completes this district, which allies functional mix with prestige, mobility and architectural quality, fitting perfectly into ATENOR's philosophy.

Location	Area called "Port du Bon Dieu", Namur, Belgium
Project	Construction of an office complex
Owner	CBC
Size	7.600 m ²
Architects	Montois Partners Architects & l'Atelier de l'Arbre d'Or
Start of works	January 2016
End of works	September 2017

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MONS
BELGIUM



AU FIL DES GRANDS PRÉS

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



BUS STOP
200 M AWAY



MONS RAILWAY
STATION 300 M AWAY



E19 MOTORWAY
1 KM AWAY



PARC DU JONCQUOY
1.2 KM AWAY



MONS CITY CENTRE
1.2 KM AWAY

The project AU FIL DES GRANDS PRÉS is strategically located in a district undergoing major changes, in the immediate vicinity of the recently extended "Les Grands" Prés" shopping mall, the "Imagix" cinema complex, the "Mons Expo" exhibition centre, the brand new Ikea and of course the station under construction designed by the famous Spanish architect Santiago Calatrava. This new station will serve as a transfer point, providing the link between this new district and the historic centre of Mons.

ATENOR, building on its expertise in large mixed urban developments called on the architects' studios "DDS-Partners" and "H&V Architecture" to come up with a mainly residential project including a few shops and offices.

In April 2014, a planning permit was granted for the building of a first phase consisting of 4 buildings, for a total of 134 apartments. Three months later, an agreement was signed with a consortium specialised in the purchase and management of investment assets for the sale of these 4 blocks.

The construction of the first building started in February 2015 for a provisional delivery granted in November 2016. The delivery of the three other buildings, still under construction, should be spread between the start and end of 2017.

At the end of December 2016, the apartments, all offering a comfortable terrace, a clear view and superb orientation, had been sold or reserved.

In December 2014, a second permit was delivered for the second phase concerning the construction of 2 additional buildings, i.e. 68 apartments. The construction of the first building started in December 2016 with completion scheduled for the end of 2018.

The revised PCA covering the other plots and connecting the shopping mall to the new station has been passed. In the long term it will enable the next stage of the project to be developed: several hundred apartments, local shops and offices.



Location	Site of the Grands Prés, in the district of the future "Calatrava" railway station in Mons, Belgium
Project	Residential, including apartments, retail spaces, and offices
Owner	Mons Properties s.a. (100% ATENOR)
Architects	Holoffe & Vermeersch / DDS & Partners
Start of works	February 2015
End of works	January 2016

LA SUCRERIE



In 2012, ATENOR won a competition organised by the city of Ath to acquire and develop, according to innovative grouped and sustainable habitat concept, a plot of nearly 2 hectares located on the site of the old sugar refinery, along the water and near the railway station.



ATH RAILWAY STATION
200 M AWAY



BUS STOP
250 M AWAY



ATH CITY CENTRE
1.5 KM AWAY



E429 MOTORWAY
8 KM AWAY

In view of the scale of the project, ATENOR wanted to implement a new city district based on the principle of a grouped and diversified habitat in a pleasant, quiet and friendly area, while revitalising the urban district at the same time.

Located near to the centre of the town of Ath and the Ath-Blaton canal, La Sucrierie offers a harmonious mixed complex made up of apartments, shops, a nursery, private gardens and common green areas.

The project was drawn up by the architect firms DDS & Partners and Holoffe & Vermeersch.

It includes, on the one hand, the renovation of the historic industrial building that housed the old sugar refinery. A nursery has been installed in this building since January 2017. In the long term, it will also house 16 loft type apartments.

The project also provides for the construction of 5 buildings on 3 or 4 floors making a total of 167 apartments of varied type; the ground floor of 2 buildings being assigned to retail.

The planning permits were delivered in May 2013 and September 2014 respectively.

The building work done phase by phase was assigned to the general contractor Dherte s.a. who started the works in February 2015.

In late 2016, the provisional deliveries of the first two blocks (C2 and C3) were granted, permitting the first occupants to move in.

The deliveries of block C1 are scheduled for the 2nd quarter of 2017.

The construction of building B was ordered at the end of 2016 for delivery scheduled in May 2018.

La Sucrierie enjoys a privileged location combining urban comfort and a peaceful environment at the water's edge, in the heart of a public development redesigned to the benefit of residents. Residents can profit from all the towns facilities: shops, supermarkets, schools, leisure and sports infrastructures.

The apartments provide bright, functional spaces in human-sized buildings, comfort and modern energy performances.

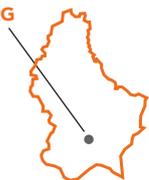
The commercialisation of the 1st building started in January 2015. At the end of January 2017, the apartments in the 4 blocks for sale recorded a reservation/sale rate of 60%.



Location	Along the Canal, near Ath railway station, Belgium
Project	Residential including housing units, retail spaces and a crèche
Owner	Atenor s.a.
Size	19,000 m ² of residential units
Architects	DDS & Partners & Holoffe & Vermeersch
Start of works	February 2015

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LUXEMBOURG

GRAND DUCHY
OF LUXEMBOURGLES BRASSERIES
DE NEUDORF

In September 2011, ATENOR acquired the company HF Immobilier s.a., the owner of the site of the former Henri Funck brewery located in the Rue de Neudorf in Luxembourg City to create a residential and retail complex full of character.

BUS STOP
OPPOSITEPARC-KLOSE
GROENDCHEN
1.5 KM AWAYLUXEMBOURG
CITY CENTRE
3 KM AWAYE44 MOTORWAY
3 KM AWAYCENTS-HAMM SNCL
RAILWAY STATION
4.2 KM

The 11,400 m² BRASSERIES DE NEUDORF residential and shopping complex stands on the industrial site of the old Brasseries Funck. It mixes the construction of new buildings and the refurbishment of old industrial structures belonging to the council holdings.

The concept was granted to the Steinmetz Demeyer architects' studio who undertook to design a characterful residential complex of 87 apartments and 111 parking spaces. 4 office spaces and 8 shops complete the residential offer to provide additional user-friendliness to the project.

The apartments or studios laid out on a maximum of 5 levels provide bright, comfortable and practical interior spaces. The quality of the construction and of the techniques guarantee energy class A (passive) energy performance.

A public square, destined to become the centre of the district urban life, was developed and completed in February 2017. Composed of green, leisure spaces, it provides a user-friendly community public space. In the long term, it should host local events that will animate and enliven the district.

Just a few minutes separate the Brasseries de Neudorf from the Plateau du Kirchberg district and Luxembourg city centre, either by car or by public transport. Access to main roads is close at hand, with easy connections to the airport, France, Germany and Belgium.

Construction works, started at the end of 2014, have been delayed, postponing delivery a few months.

From a commercial standpoint, the project has proved a great success: at the end of 2015 all the apartments had been sold, i.e. more than a year before their delivery!

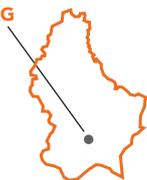


Location	Rue de Neudorf 268-272, Luxembourg, Grand Duchy of Luxembourg
Project	Essentially residential complex with some offices and retail spaces
Owner	HF Immobilier s.a. (100 % ATENOR)
Size	11.400 m ²
Architects	Steinmetz Demeyer
Start of works	Autumn 2014
End of works	Scheduled for the 1 st half of 2017

AIR

LUXEMBOURG

GRAND DUCHY
OF LUXEMBOURG



In May 2014, ATENOR s.a. along with PI Group s.a. (Luxembourg-based investors) acquired from ING Luxembourg the company that owns the "Cloche d'Or" building, the former headquarters of ING Luxembourg, to develop 10,000 m² of offices with the latest technological innovations and a BREEAM Excellent environmental certificate.



BUS STOP
OPPOSITE



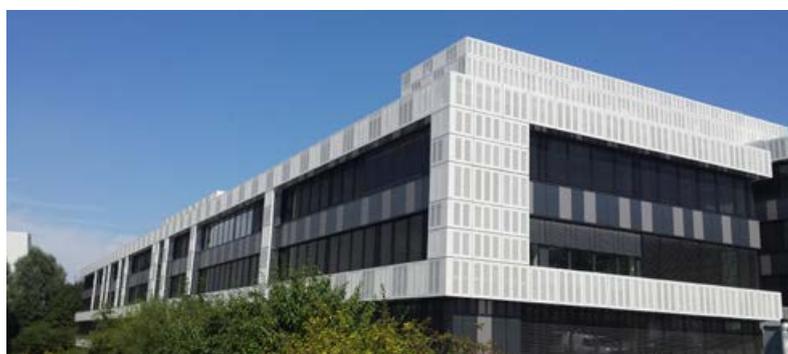
RAILWAY STATION CFL
1.7 KM AWAY



MOTORWAYS
1 KM AWAY
A1/E44 (GERMANY)
A3/E25 (FRANCE)
A6/E25 (BELGIUM)



LUXEMBOURG
CITY-CENTRE
4 KM AWAY



The former ING site, built in 1992 on a plot of 6,772 m², offered on its acquisition 6,500 m² of offices and 4 levels of underground car parks.

The site is ideally located in Luxembourg, at the corner of the Route d'Esch and the Rue Jean Piret, at the heart of the Cloche d'Or administrative district, undergoing redevelopment.

This situation offers direct access to the motorways towards the airport, France, Belgium and Germany.

The complete architecture job was assigned to the Beiler+ François firm in Luxembourg; the building authorisation was obtained in June 2014.

After major renovation and extension works, carried out between August 2014 and March 2016, the building now offers 10,658 m² of offices and 1,824 m² of multi-purpose premises (restaurant, conference and training rooms, relaxation areas, fitness rooms, ...).

It also benefits from the latest technology and meets the strictest environmental and technical standards that enable it to obtain the Excellent BREEAM Environmental Certificate.

In 2014, BDO Luxembourg, one of the largest accounting, auditing and consulting firms in Luxembourg, signed a 12-year lease for the entire building.

In October 2014, an agreement was reached for the transfer of the shares of the limited company Air Properties, owner of the site. The purchasers are institutional investors from Belgium and Luxembourg which include the insurance companies Ethias, Foyer and L'Intégrale.

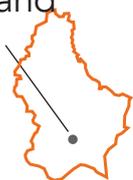
The building was accepted, as scheduled, on 31 March 2016 and was immediately made available to its tenant, the auditors firm BDO.

Location	At the corner of the route d'Esch and the rue Jean Piret, Cloche d'Or administrative district, Luxembourg, Grand Duchy of Luxembourg
Project	Office complex
Owner	Air Properties s.a. (50/50 partnership between ATENOR and private investors)
Size	More than 10,000 m ² offices
Architects	Beiler+François Architectes
Start of works	August 2014
End of works	March 2016

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ESCH-SUR-ALZETTE and SANEM

GRAND-DUCHY OF LUXEMBOURG



NAOS

In July 2016, ATENOR and a group of private investors signed a partnership agreement for the execution of a mixed real estate project (offices and shops) on the Belval site, Grand Duchy of Luxembourg.



UNIVERSITY OF LUXEMBOURG
AT 400 M



BELVAL PLAZA SHOPPING CENTER
500 M AWAY



BELVAL RAILWAY STATION
500 M AWAY



A4 MOTORWAY
500 M AWAY

The NAOS building will be erected at the heart of the "Square Mile" located in the heart of the new residential and tertiary development pole of BELVAL, in the municipalities of Esch-Sur-Alzette and Sanem and will offer 14,000 m² of offices and shops.

Initially, the new offices will house the parent company of the IT companies group Arqis in order to meet the continual growth of their activities and of their staff. This new headquarters will enable them to consolidate their dominant position in the Grand-Duchy.

The consultancy, audit, accounting services and tax consultancy company A3T will also move into the premises. Together, these two companies will occupy 50% of the building's floor area.

The architectural work has been assigned to the Beiler+ François practice in Luxembourg.

The project will be executed by the Luxembourg company "NAOS", 55% held by ATENOR. It will steer the project in close collaboration with AGORA, the development company in charge of the development and commercialisation of the BELVAL site on which the University of Luxembourg has been situated since 2015.

The planning permit application concerning 14,000 m² of offices and shops was submitted in November 2016 for start of works in June 2017 and completion scheduled for June 2019.

Location	Belval site, Esch-sur-Alzette and Sanem, Grand-Duchy of Luxembourg
Project	mixed project (offices and retail)
Owner	Naos s.a. (55/45 partnership ATENOR and private investors)
Size	14.000 m ²
Architects	Beiler+ François Architectes
Start of works	June 2017
End of works	June 2019



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HERMES BUSINESS CAMPUS

BUCHAREST

ROMANIA



The Hermes Business Campus office project perfectly illustrates ATENOR's will to develop concepts in order to meet the expectations of the economic environment: an office complex of nearly 73,200 m² in the heart of the Dimitriei Pompeiu district, one of the most dynamic administrative areas of the Romanian capital.



TRAM
30 M AWAY



METRO STATION
70 M AWAY



PARC HERASTRAU
3.5 KM AWAY



AUREL INTERNATIONAL
AIRPORT
4.5 KM AWAY



E60 MOTORWAY
5.5 KM AWAY



BUCHAREST
CITY CENTRE
8 KM AWAY

At the end of constructive negotiations with the authorities, the Romanian company NGY (100% subsidiary of ATENOR) obtained the planning permit in January 2010 for the construction in phases of a complex of 3 buildings designed for office use.

Work on the HBC1 building finished in March 2014. Its offices are now entirely leased to various tenants such as B Schenker, Luxoft, the Dutch embassy, Xerox, ...

The second building, the HBC2, was delivered in March 2016. The fitting out works of most of the tenants (Mondelez, Luxoft, Lavalin ...) finished in November 2016. Those of DB Schenker began at the end of 2016, permitting, as foreseen, occupancy to start at the end of the first quarter of 2017. At the end of March 2017, HBC2 recorded a lease rate of over 95%, with negotiations in progress for the leasing of the remainder.

Works on the third building (HBC3) finished at the end of 2016. The specific outfitting required by the sole tenant, Genpact, started immediately, permitting initial installation in January 2017.

Due to their size, the flexibility of their spatial organisation and their technical qualities, the three buildings meet the requirements of national, international companies and more specifically of Call Centers and Shared Service Centers, guaranteeing high concentration and high efficiency.

In August 2016, the HBC1 building obtained the "Excellent" BREEAM environmental certification. In the long term, the other two buildings should be granted the same rating.

The Hermes Business Campus real estate complex located in the Dimitriei Pompeiu administrative area, in the north of Bucharest, enjoys an exceptional location and accessibility.

Built along the boulevard Dimitri Pompeiu, the complex is next to the artery providing connection to Banasesa and Otopeni airports. Located right opposite the district's main metro station, Hermes Business Campus also benefits from quick connection to the urban public transport network.

The first steps are being taken to sell these buildings, although it is not possible to specify the timing at this stage.

Location	Bld Dimitrie Pompeiu, 2 nd District, Bucharest, Romania
Project	Construction of an office complex of 3 office buildings
Owner	NGY Propertiers Investment srl (100% ATENOR)
Floor area	78,212 gross m ²
Architects	West Group Architecture srl
General Contractor	Octagon SA
Start of works	During 2010 (HBC 1) - During 2014 (HBC 2) - During 2015 (HBC 3)
End of works	Mach 2014 (HBC 1) - March 2016 (HBC 2) - scheduled for December 2016 (HBC 3)



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BUCHAREST

ROMANIA



DACIA 1

In July 2016, ATENOR completed the acquisition of two adjoining plots in the heart of the Bucharest CBD in order to develop a new office building there facing the Romanian Academy and its park.



METRO
7 MINUTES WALK



BUS STOP
OPPOSITE



STATION
3 KM

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

The plot also houses a classified mansion, formerly occupied by the German embassy. ATENOR aims to build a new class A office building on it. The current historic building will be renovated and integrated in the future project.

The new building of a floor area above ground of approximately 12,500 m² will meet the best space and energy performance standards, harmoniously integrating with the historic centre of Bucharest.

The project's design has been assigned to a reputed Romanian architects firm: STUDIO10M.

The permit application was submitted in early 2017. The permit is expected to be obtained during 2017, enabling us to envisage the project's completion in the first quarter of 2019.

Thanks to its central location, DACIA I has public transport close at hand. There are bus stops opposite the length of the project and the metro stations Romana and Victoriei are a few minutes' walk away.

Active for 10 years in Bucharest, ATENOR has seen the excellent performance of the Romanian economy, which has a positive impact on the capital's real estate market. DACIA 1 with its favourable fundamentals will be developed as quickly as possible in order to meet current demand.

Location	At the junction of the Calea Victoriei and Boulevard Dacia, CBD, Bucharest, Romania
Project	Office building
Owner	Victoriei 174 Business Development srl (100 % Atenor)
Size	12,500 m ²
Architect	Studio10M (Bucharest)



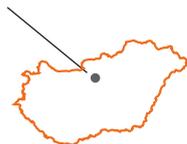
► CALEA VICTORIEI



► CALEA VICTORIEI

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BUDAPEST HUNGARY



VACI GREENS

This first ATENOR project in Central Europe has become the success story of the Hungarian market. ATENOR is developing a vast office complex of 120,000 m² on a 3-hectare plot located on the Boulevard Vaci Ut.



METRO STATION
120 M AWAY



TRAM
250 M AWAY



BUS
300 M AWAY



RAILWAY STATION
2 KM AWAY



VAROSLIGET WOODED AREA
2 KM AWAY



BUDAPEST CITY CENTRE
4.5 KM AWAY



M3 MOTORWAY
10 KM AWAY

The project enjoys an excellent situation at the heart of the "Vaci Corridor", one of the most dynamic business districts in the Hungarian capital, near to the Danube, large residential complexes, shopping centres, underground lines and roads into the city centre.

The VÁCI GREENS offices and services complex, whose phased construction began in 2010 will eventually include six buildings, making up a total floor area of over 120.000 m². Each building will have a 3-level basement car park, an esplanade and a public walkway providing optimum mobility between the different buildings.

The complex, the biggest built in Budapest over the last few years, is set out around a landscaped space accessible to the public. It offers a number of services including local shops.

In February 2017, the first building finished ("A" - 15,700 m²) was sold to a group of Hungarian investors. This building completed in September 2013 is leased to various renowned companies including General Electric group, which occupies several floors.

The second building "C" with a floor area of 18,500 m² was completed in June 2015 and has been fully rented to General Electric. In December 2016, this building was sold to

the Czech investment fund ZFP realitní, fund managed by ZFP Investments.

The construction of building "B" of 25.300 m² started in March 2014 and was completed in March 2016. This building, over 65% leased, was sold in February 2017 to a Hungarian real-estate fund.

Works on the 4th building, building "D" (15,900 m²) began in June 2016 and should be completed by March 2018.

Thanks to the significant demand for modern, efficient office spaces, the building has already signed its first lease for the rental of a floor area of 3,200 m², i.e. 20% of the total floor area. The first tenants should move in January 2018.

The sustainable development type buildings have obtained the highest BREEAM environmental certification ("Excellent") and several "International Real Estate Awards".

The success of VACI GREENS can be attributed to the sum of its assets: a bright, attractive working environment with huge floor areas, green areas, easy access by car or public transport from the centre, not forgetting the closeness of the Duna Plaza shopping centre and an underground station.

Location	Vaci ut, 13 th District, Budapest, Hungary	
Project	Construction of office buildings comprising 6 independent buildings	
Owner	City View Tower Kft, City Tower Kft and Drews City Tower Kft (100 % Atenor)	
Size	Phase 1 (3 buildings A, B and C): 60,104 m ² / Phase 2 (3 buildings D, E and F): ± 65,000 m ²	
Architects (phase 1)	TIBA Epitesz Studio Kft (Budapest) and Vikar & Lukacs Kft (Budapest)	
Technical data	Breeam "Excellent" / Recovery of rainwater / Use of recyclable materials / Urban heating / low energy lighting	
Start of works	January 2011	
End of works	Building 1 - A: finished in the 3 rd quarter of 2013 Building 2 - C: finished in the 2 nd quarter of 2015 Building 3 - B: finished in the 1 st quarter of 2016	Building 4 - D: delivery scheduled for 1 st quarter of 2018 Building 5 - E: to be determined Building 6 - F: to be determined



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

THE REFERENCE CODE

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

The corporate governance charter was not subject to amendments in 2016. The latest version of the charter is available on the website of ATENOR (www.atenor.be).

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

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

THE SHAREHOLDERS

THE SHAREHOLDERS AS AT 31 DECEMBER 2016

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

RELATIONSHIP WITH THE LEADING SHAREHOLDERS

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

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

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

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

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

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

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

POLICY CONCERNING PROFIT SHARING

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

THE BOARD OF DIRECTORS AND ITS COMMITTEES

THE BOARD OF DIRECTORS

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

On 31 December 2016, the Board of Directors consists of four independent Directors: Prince Charles-Louis d'Arenberg, Investea sprl represented by Mrs Emmanuèle Attout, MG Praxis sprl represented by Mrs Michèle Grégoire and Sogestra sprl, represented by Mrs Nadine Lemaitre.

Insofar as its functioning is concerned, the Board of Directors held seven meetings in 2016 (one of these by Conference Call). The attendance of the Directors is summarized as follows:

Name	Present	Represented	Excused
Frank Donck	7		
Stéphan Sonnevile s.a. represented by S. Sonnevile	7		
Prince Charles-Louis d'Arenberg	7		
Baron Luc Bertrand	5	1	1
Marc De Pauw	7		
Investea sprl represented by Emmanuèle Attout	7		
Luxempart s.a. represented by Jacquot Schwertzer	7		
MG Praxis sprl represented by Michèle Grégoire	6	1	
Philippe Vastapane	7		
Sogestra sprl represented by Nadine Lemaitre	6	1	

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

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

During 2016, the position of Secretary of the Board of Directors was filled by Olivier Ralet BDM sprl, represented by Mr Olivier Ralet. Following the resignation of Olivier Ralet BDM sprl on 31 December 2016, said position was filled by Real Serendipity bvba represented by Mr Hans Vandendael.

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

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

THE AUDIT COMMITTEE

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

The Audit Committee met 4 times in 2016. The attendance of the members is summarized as follows:

Name	Present	Represented	Excused
Marc De Pauw, Chairman	4		
Frank Donck, Member	4		
Prince Charles-Louis d'Arenberg, Member	4		
Investea sprl represented by Emmanuèle Attout, Member	4		
Philippe Vastapane, Member	4		

During these meetings, in addition to the obligatory or legal subjects, the Audit Committee dealt among others with the following matters (non-exhaustive list): the reinforcement of the Internal Audit function and the monitoring of this mission, the examination of the litigation in progress and the analyses of the consolidated undertakings and rights.

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

THE NOMINATION AND REMUNERATION COMMITTEE

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

The Nomination and Remuneration Committee met twice in 2016. The attendance of the members is summarized as follows:

Name	Present	Represented	Excused
Sogestra sprl represented by Nadine Lemaitre, Chairman	2		
MG Praxis sprl represented by Michèle Grégoire, Member	1	1	
Luxempart s.a. represented by Jacquot Schwertzer, Member	2		

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

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

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

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

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

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

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

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

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

THE EXECUTIVE COMMITTEE

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

Following the resignation on 31 December 2016 of Olivier Ralet BDM sprl (represented by Olivier Ralet), Executive Officer, the Executive Committee is now composed of 4 members.

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

CONFLICTS OF INTEREST

The members of the Board of Directors and of the Executive Committee refrain from any and all deliberation or decision which concerns their personal, commercial or professional interests.

In 2016, an apartment in the UP-site project was acquired by a company controlled by the CEO. This disposal, like any disposal of an ATENOR property asset to a Director (or a member of the Executive Committee), was done at market conditions. Therefore, the conflicts of interest procedure did not apply.

REGULATED INFORMATION

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

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

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

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

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

The General Assembly, on 28 April 2017 will be asked to renew the authorisation given to the Board of Directors to increase the share capital one or several times by a maximum amount of fifty-seven million six hundred and thirty thousand, five hundred and eighty-five Euro and sixty-nine cents (€57,630,585.69). These capital increases may be executed by cash subscriptions, contributions in kind or incorporation of reserves. This authorisation will be valid for a period of five years as of the publishing in the appendix to the *Moniteur Belge* of the amendment of the articles decided by the extraordinary General Assembly of 28 April 2017 but it may be renewed in accordance with legal provisions. Within the limits of this authorisation, the board of directors may issue share-convertible bonds or warrants in adherence to the provisions of the Code des Sociétés.

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

INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT

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

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

CONTROL ENVIRONMENT

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

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

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

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

RISK MANAGEMENT

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

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

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

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

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

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

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

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

CONTROL ACTIVITY

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

Weekly meetings devoted to each of the projects are organised by the Executive Committee, chaired by the CEO, to verify the key processes converging in the preparation of the accounting and financial information:

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

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

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

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

INFORMATION AND COMMUNICATION

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

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

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

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

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

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

The computer system is sufficiently secured by:

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

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

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

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

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

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

STEERING

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

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

It also deals with cash management anticipation of future financial commitments and situations of major tensions.

The drawing up and presentation of the financial statements, including the balance sheet, the profit and loss accounts, the annexes and the financial situation are therefore explained to the Board of Directors at each closing of financial accounts to be published.

The financial information published periodically is reviewed in advance and analysed by the Audit Committee (with the Auditor's presence) before being approved by the Board of Directors.

EXTERNAL AUDIT

The External Audit was carried out (on the consolidated figures as well as on the unconsolidated figures) by the Auditor MAZARS scrl, represented by Mr Xavier Doyen. His annual fees amounted to 42,612 euro.

The total of the Auditor's fees for his audit work for ATENOR and for its subsidiary companies increased in 2016 to 94,145 euro. The Auditor carried out and invoiced for additional services for an amount of 38,600 euro.

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

REMUNERATION REPORT

APPROVAL

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

PROCEDURE AND RULE OF THE NOMINATION AND REMUNERATION COMMITTEE

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

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

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

REMUNERATION OF NON-EXECUTIVE DIRECTORS

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

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

For carrying out the mandate of non-executive Directors in the financial year 2016, the Board of Directors will propose at the General Meeting a lump sum of 316,000 euro as Directors' fees. These, as the case may be, will be distributed as follows:

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

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

Name	Directors' fees
Frank Donck	€ 60,000
Prince Charles-Louis d'Arenberg	€ 30,000
Baron Luc Bertrand	€ 30,000
Marc De Pauw	€ 38,000
Investea sprl represented by Emmanuèle Attout	€ 30,000
Luxempart s.a. represented by Jacquot Schwertzer	€ 30,000
MG Praxis sprl represented by Michèle Grégoire	€ 30,000
Sogestra sprl represented by Nadine Lemaitre	€ 38,000
Philippe Vastapane	€ 30,000

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

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

Furthermore, for several years the Board of Directors has considered that the profit-sharing of members of the Executive Committee (including the CEO) in real estate projects is an essential motivational element. This policy aims at involving members of the Executive Committee more, not just in the growth of the whole of ATENOR, but also in the selection, management and evaluation of each real estate project. This policy also contributes to align the members of the Executive Committee's interests with those of ATENOR, by linking it to the risks and outlook of its business activities in the long term.

Consequently, the CN&R has set up an options plan on Atenor Group Participations shares for members of the Executive Committee (separate from the Atenor Group Investments options plan, which benefits all employees and the Executive Committee). Atenor Group Participations (or AGP) was set up in the course of 2012 as a co-investment company for an unlimited period. All shares of AGP are held (directly or indirectly) by ATENOR. It was agreed that AGP will invest with ATENOR in all projects in the portfolio for a period corresponding to the respective duration of the development of each project and up to maximum of 10% of the shareholding of ATENOR in the projects or the economic interest of ATENOR in the projects. The added value that the beneficiaries of these options could derive from exercising them takes into account a priority return for shareholders of ATENOR and can be influenced by dividends of AGP paid to ATENOR.

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

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

The Company does not consider modifying its remuneration policy in the next two years and did not significantly deviate from its remuneration policy during the financial period covered by this annual report.

REMUNERATION OF THE CEO

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

The amount of the remuneration, other benefits granted, directly or indirectly, and earnings obtained for the 2016 financial year amounted to 1,048,864 Euro and can be broken down as follows (company cost):

- > basic remuneration (VAT excluded): 543,427 Euro
- > variable remuneration: nihil
- > contributions to a pension plan: there were no contributions for a pension plan
- > other advantages: there were no other advantages
- > earnings from the exercising in FY 2017 of 175 AGP share options (granted in 2015): 233,384 Euro
- > earnings from the exercising in FY 2017 of 204 AGP share options (granted in 2016): 272,053 Euro

More information on the options granted, exercised or expired in 2016 is set out hereafter.

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

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

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

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

In addition to the daily informal contacts, this evaluation is conceived as a moment of exchanging views that allows to guide the collaboration with each member of the Executive Committee.

Insofar as the members of the Executive Committee are concerned, this evaluation is held with the CEO, who reports on the evaluation to the Nomination and Remuneration Committee.

On an overall basis, the amount of the remunerations, other benefits granted directly or indirectly, and earnings obtained from the exercise of options by the Members of the Executive Committee (other than the CEO) for the 2016 financial year, amounted to 2,291,119 Euro and can be broken down as follows (company cost):

- > basic remuneration (VAT excluded/gross salaries): 1,136,398 Euro
- > variable remuneration: 153,145 Euro
- > contributions to a pension plan: 78,529 Euro
- > other benefits: 16,191 Euro (car/gsm/laptop)
- > earnings from the exercising in FY 2017 of 356 AGP share options (granted in 2015): 474,771 Euro
- > earnings from the exercising in FY 2017 of 324 AGP share options (granted in 2016): 432,085 Euro

More information on the options granted, exercised or expired in 2016 is set out hereafter.

ATENOR GROUP INVESTMENTS STOCK OPTION PLAN

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

40,000 options on Atenor Group Investments (AGI) shares are proposed for shareholders' approval at the General Meeting of 28 April 2017.

These options are allocated to members of staff and employees on the basis of 5 hierarchy levels; the first two levels (Executive Committee members and Directors, i.e. 18 people including the CEO) being allocated the same number of options. The Board of Directors thereby aims to involve all ATENOR employees and members of the Executive Committee in the group's mid-term growth, while making the beneficiaries of the options bear part of the capital cost.

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

Name	in 2015	in 2016	in 2017
Stéphan Sonnevile *	1,500	1,350	1,350
Sidney D. Bens	1,500	1,350	1,350
Laurent Collier *	1,500	1,350	1,350
William Lerinckx *	1,500	1,350	1,350
Olivier Ralet	1,500	1,350	-

* Granted in 2017 respectively to Stéphan Sonnevile sa, Strat UP sprl and Probatimmo bvba.

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

- > Options granted in 2015: Their price of exercise was fixed, on the favourable opinion of the Atenor Group Investments commissioner, at 14.46 Euro per option, corresponding to their inventory value per Atenor Group Investments share on 31 January 2015, after re-evaluation of the ATENOR share portfolio at 40.53 Euro per share, corresponding to the average of the 20 last closing prices. The benefit in kind these options represent comes to 2.60 Euro per option. These options will be exercisable in March 2018, March 2019 or March 2020. This benefit was granted in 2015 for the performances recorded in 2014.
- > Options granted in 2016: Their price of exercise was fixed, on the favourable opinion of the Atenor Group Investments commissioner, at 22.67 Euro per option, corresponding to their inventory value per Atenor Group Investments share on 31 January 2016, after re-evaluation of the ATENOR share portfolio at 44.65 Euro per share, corresponding to the average of the 20 last closing prices. The benefit in kind these options represent comes to 4.08 Euro per option. These options will be exercisable in March 2019, March 2020 or March 2021. This benefit was granted in 2016 for the performances recorded in 2015.
- > Options granted in 2017: Their price of exercise was fixed, on the favourable opinion of the Atenor Group Investments commissioner, at 26.08 Euro per option, corresponding to their inventory value per Atenor Group Investments share on 31 January 2017, after re-evaluation of the ATENOR share portfolio at 46.168 Euro per share, corresponding to the average of the 20 last closing prices. The benefit in kind these options represent comes to 4.69 Euro per option. These options will be exercisable in March 2020, March 2021 or March 2022. This benefit was granted in 2017 for the performances recorded in 2016.

ATENOR STOCK OPTION PLAN

As a reminder, at the end of 2013, ATENOR replaced the ATENOR share options plan with an Atenor Group Investments share options plan. No ATENOR share options were therefore granted in 2015, 2016 or 2017.

The options issued in 2007 and 2008 that had been prorogated could be exercised in 2016. They were exercised in 2016 by members of the Executive Committee as follows:

Name	Options 2007	Options 2008 (closed)
Stéphan Sonnevile	0 on 8.000 options	-
Sidney D. Bens	0 on 4.000 options	-
Laurent Collier	-	-
William Lerinckx	0 on 4.000 options	-
Olivier Ralet	0 on 7.000 options	-

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

- > Options granted in 2007: The vesting price per option comes to 42.35 Euro and they were or are exercisable from the 1st to the 31st October of the years 2012 to 2016 and from the 28th March to the 22nd April of the years 2013 to 2017.
- > Options granted in 2008: The vesting price per option comes to 39.17 Euro and they were or are exercisable from the 26th March to the 20th April and from the 1st to the 31st October of the years 2013 to 2017.

ATENOR GROUP PARTICIPATIONS STOCK OPTION PLAN

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

The balance of the options granted in 2015 (not yet exercised) for the performances recorded in 2014, were exercised in 2017 by members of the Executive Committee as follows:

Stéphan Sonnevile	175
Sidney D. Bens	89
Laurent Collier	104
William Lerinckx	104
Olivier Ralet	59

These options have a vesting price that corresponds to the net asset value (NAV) on 31 December 2014, after allocation, i.e. 1,100.48 Euro per share. The benefit in kind these options represent comes to 198.09 Euro per option.

Following the exercise of the said options in 2017, gains were made:

- > By the CEO, of 233,384 Euro;
- > By all members of the Executive Committee (other than the CEO), of 474,771 Euro

The options granted in 2016 for the performances achieved in 2015 were fully exercised in 2017 as follows by members of the Executive Committee:

Stéphan Sonnevile	204 out 204 exercisable options
Sidney D. Bens	66 out 66 exercisable options
Laurent Collier	71 out 71 exercisable options
William Lerinckx	71 out 71 exercisable options
Olivier Ralet	116 out 116 exercisable options

These options have a vesting price that corresponds to the net asset value (NAV) on 31 December 2015, after allocation, i.e. 1,100.51 Euro per share. The benefit in kind these options represent comes to 198.09 Euro per option.

- Strategy
- Letter to the shareholders
- Major events 2016
- Administration
- Information to shareholders and investors
- Report on activities & projects
- [Corporate Governance Statement](#)

Following the exercise of the said options in 2017, gains were made:

- > By the CEO, of 272,053 Euro;
- > By all members of the Executive Committee (other than the CEO), of 432,085 Euro.

The following options were granted in 2017 to members of the Executive Committee, for the performances achieved in 2016:

Stéphan Sonnevile s.a. represented by Stéphan Sonnevile	380 options
Sidney D. Bens	180 options
Strat UP sprl represented by Laurent Collier	210 options
Probatimmo bvba represented by William Lerinckx	210 options

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

COMPENSATION IN THE EVENT OF DEPARTURE

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

RIGHT TO CLAIM

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

2016 AUDITED FINANCIAL STATEMENTS

Ath
LA SUCRERIE

STATEMENT OF COMPLIANCE:

The consolidated financial statements on 31 December 2016 have been drawn up in compliance with the international standards for financial information (IFRS – “International Financial Reporting Standards”) as approved in the European Union and provide a true and fair view of the assets, of the financial situation, of the results of ATENOR and of the enterprises included in the consolidation.

Sidney D. BENS
C.F.O.

Stéphan SONNEVILLE s.a.
C.E.O.



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ATENOR is a limited company established for an unlimited time.

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MANAGEMENT REPORT

to the Annual General Meeting of Shareholders on 28 April 2017

We have the honour of presenting to you the Management Report of your company's 106th financial year and of submitting for your approval the Annual Accounts as at 31 December 2016, along with our proposals for the allocation of profits.

The consolidated results for 2015 amount to 20.38 million euro, compared with 19.96 million euro in 2015.

REVENUE FROM ORDINARY ACTIVITIES AND CONSOLIDATED RESULT

The revenues from ordinary activities amount to 156.83 million Euro, an increase of 40.08 million Euro compared to 2015. They mainly include: (a) the revenue arising from the sale of building C of the Vaci Greens project in Budapest (€44.25 M), (b) the last tranche of the Trebel project in Brussels (€17.61 M), (c) the revenue linked to the sales of the apartments of the projects Port du Bon Dieu in Namur (€15.32 M), Les Brasseries de Neudorf in Luxembourg (€14.84 M), Au Fil des Grands Prés in Mons (€13.01 M), UP-site in Brussels (€11.50 M) and La Sucrierie in Ath (€6.74 M) and (d) the leasing revenue from the Vaci Greens and Hermès Business Campus (Bucharest) buildings for 11.73 million Euro.

The other operating revenue (€8.85 M) mainly includes the reinvoicing of service charges and miscellaneous costs of the leased buildings (€5.24 M) and the realised gains arising, on the one hand, from the sale of the Senior Island holding (City Dox project) as construction works on the rest home progressed (€1.71 M) and on the other hand, from the sale of the AIR Properties shares in Luxembourg (remaining balance of €1.09 M).

The operating result amounts to 35.35 million Euro mainly influenced by the sale of building C of the Vaci Greens project (Budapest; €12.28 M), by the contribution of the Trebel project delivered to the European Parliament (€8.57 M) and by the sale of apartments of the various residential projects, mainly Au Fil des Grands Prés (Mons), Port du Bon Dieu (Namur), Les Brasseries de Neudorf (Luxembourg) and Palatium (Brussels) for €2.24 M, €1.50 M, €1.23 M and €1.08 M respectively.

The rental revenue net of charges of the Vaci Greens (Budapest; €5.74 M), HBC (Bucharest; €3.91 M) and Nysdam (La Hulpe; €0.5 M) buildings and the sales of AIR Properties (€0.99 M) in Luxembourg and Senior Island holdings in Anderlecht (City Dox project; €1.71 M) give an additional contribution to the annual result. Finally, general expenses amount to 7.49 million Euro.

The net financial result amounts to -9.42 million Euro, compared with -6.01 million Euro in 2015. The increase of net financial charges is mainly due to the increase of ATENOR's average net indebtedness coupled with a reduction of the capitalisation of the financial charges compared to the previous year.

Income taxes: The amount of this item comes to 5.41 million Euro (compared to €7.94 M in 2015). This item includes both the social tax and the deferred tax assets and liabilities linked to the evolution of the sale of the aforementioned projects.

Taking the preceding factors into account, the group net result of the financial year amounts to 20.38 million Euro compared to 19.96 million Euro in 2015.

CONSOLIDATED BALANCE SHEET

The consolidated shareholders' equity amounts to 139.39 million Euro compared with 126.80 million at 31 December 2015, an increase of nearly 10%.

As at 31 December 2016, the group has a net consolidated indebtedness of 305.08 million Euro, compared with a net consolidated indebtedness of 339.34 million Euro as at 31 December 2015.

The consolidated indebtedness consists, on the one hand, of a long-term debt amounting to 226.42 million Euro and on the other hand, of a short-term debt amounting to 224.05 million Euro. The available cash amounts to 145.40 million Euro compared to 23.16 million Euro at 31 December 2015.

The significant increase in available cash is mainly explained by the bond issues of 86.1 million Euro contracted in October and by the sale of the C building of the Vaci Greens project in December 2016 (€44 M).

The "buildings held for sale" classified under "Stock" represent the real estate projects in portfolio and in the course of development. This item amounts to 429.21 million Euro, an increase of 85.04 million Euro in comparison with 31 December 2015 (€344.17 million). This variation resulted primarily (a) from the acquisition of the Realex project and of the land of the Dacia project (Bucharest), from the continuation of the works of the Vaci Greens (Budapest), Hermes Business Campus (Bucharest), The One and Palatium (Brussels), Les Brasseries de Neudorf (Luxembourg) and Port du Bon Dieu (Namur) projects, making an overall contribution of 162.97 million Euro and (b) from the sale of the C building of the Vaci Greens project, of the Port du Bon Dieu building - Lot 2 (Headquarters of CBC bank in Namur), the last tranche of the Trebel project (Brussels) and from the sales of the apartments of the Port du Bon Dieu, UP-site and Les Brasseries de Neudorf projects which reduces the stock by 97.13 million Euro. The remaining difference is distributed over the other projects in development.

OWN SHARES

Following the various share acquisitions and sales executed during 2016, ATENOR s.a. holds, on 31 December 2016, 11,308 own shares (compared to 4,480 on 31 December 2015).

The number of ATENOR shares held on 31 December 2016 by the subsidiary Atenor Group Investments comes to 163,427 (situation that is unchanged from December 2015).

PROJECTS IN OUR PORTFOLIO

Over the course of 2016, all our projects developed favourably. This year again, we underline the diversity of the origination of income, the consequence of the functional and geographical diversification of the projects in portfolio. Furthermore, the fact that the projects are at different stages of development provides a significant level of visibility future revenues.

Following the latest transactions, the portfolio currently includes 16 projects under development with a total of approximately 630,000 m².

> THE ONE - European Quarter, rue de la Loi, Brussels (29,000 m² of offices & 9,000 m² of residential)

The construction works have continued according to schedule with their provisional delivery scheduled for late 2018.

On the commercial side, 35% of the apartments have been sold (excluding reservations). The marketing campaign will be launched during 2017. Preliminary contacts are under way for the leasing of the offices.

The appeal to the Council of State brought against the building permit by well-known associations has not progressed.

> REALEX - European Quarter, between the Rues de la Loi & de Lalaing, Brussels (42,000 m² office tower)

Neighbour of the The One project, Realex is an office project of approximately 42,000 m² (rising to 114 metres) for which the permits have already been obtained.

Its launch may take place in 2017, depending of the markets evolution and especially of the needs of the European Institutions. Furthermore, agreements were signed for the acquisition of two neighbouring plots along the Rue de la Loi, enabling us to develop a project of approximately 10,000 m² and thus extend the Realex project.

We remind you that the project is 90% held by ATENOR.

> PALATIUM – Quartier Louise, near the Palais de Justice, Brussels (approx. 14,000 m² mixed)

The redevelopment works that started in late 2015 have continued, with their provisional delivery scheduled for late 2017.

On the sales front, 78 of the 152 apartments (51%) and the three office spaces have already been sold. Since February 2017, three model apartments are supporting the marketing.

> CITY DOX - Canal area, quai de Biestebroek, Anderlecht (approx. 165,000 m² mixed)

The phase one construction works relating to the building of 93 apartments, 8,500 m² of integrated business services, 71 service flats and one rest home, i.e. 39,500 m² in total, have continued.

We remind you that the subsidiary developing the rest home was subject to a share purchase agreement with an institutional investor in December 2015; the margin is recorded as construction works progress.

Supported by a targeted marketing, the sales campaign has been launched and the first agreements signed.

Furthermore, the demand of the subdivision application permit for phase two of the project, of a mainly residential nature introduced in May 2016, is still in progress. We remind you that this second phase incorporates the development contract launched by citydev.Brussels and won by ATENOR; it concerns 16,393 m² of apartments, 12,471 m² of them devoted to subsidised housing.

> VICTOR - opposite the South Station, Brussels (approximately 109,500 m² mixed)

The master plan for the Midi district should be granted regulatory power on the basis of the provisions foreseen in the COBAT (Drafting of a Development Master Plan: PAD). The approval of the new COBAT has been visibly delayed compared to the dates put forward in the policy statements. On the issuing authority's suggestion, ATENOR will study, once the planning framework has been established, the launch of an architecture contest integrating the latest parameters set out in the master plan. Following this contest, and in parallel to the master plan's planning appraisal, the building and environmental permit applications will be filed as soon as possible, with a view to executing the Victor project in 2021, as indicated in the Government's programme.

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

The permit for the renovation of the historic buildings (4,000 m² of offices and 4 apartments) was issued last 5th January. The start of works is scheduled for the second quarter of 2017.

Furthermore, following the approval of the PCAR by the Regional government last November, the studies were launched by the District Council for its execution. The objective is to submit in 2017, after the approval of the PCAR, a permit application for the rest of the project, of a mainly residential nature.

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

New leases have recently been signed bringing the lease rate up to 80%; negotiations are in progress for the leasing of the remainder of the spaces.

We remind you that this building has 15,600 m² and 408 parking spaces and was acquired in 2015 for the purposes of a future re-development.

> PORT DU BON DIEU LOT 1 – Namur (140 residential units, 5 retail units, 1 restaurant, a total of 20,614 m²)

The definitive deliveries of the apartments are in progress and the development of the surroundings is finished. All apartments and retail spaces have been sold.

> PORT DU BON DIEU LOT 2 – Namur (purchase/sale of land – 7,600 m² of offices)

Construction works, which started in January 2016, are continuing according to schedule for a delivery planned for October 2017 at the latest. The development margin is recorded as construction works progress.

> AU FIL DES GRANDS PRÉS – “Les Grands Prés” shopping precinct district, Mons (approx. 70,000 m² mixed)

The four blocks of the first phase (134 apartments in total) the first of which was delivered last December, are 100% pre-sold. This pace has enabled us to launch the marketing of the 5th and 6th housing blocks (68 apartments) and to start the construction of the 5th block. To date, half of this 5th block has already been sold.

The revisioning planning tool (PCAR), encompassing the other plots of the project and linking the commercial gallery to the new station, has been adopted. In the long term, it will enable several hundred residential units, local retail shops and offices to be built. A planning permit application was submitted in February 2017, following which an initial building permit for offices will be submitted.

> LA SUCRERIE – Ath (183 residential units, 3 retail units, 1 nursery – 20,000 m²)

Construction works on the first three blocks (75 units and 1 nursery) continued, the first two blocks having been delivered and the delivery of the third being scheduled for the second quarter of 2017. To date, 66% of the apartments have been sold.

The sale of the 4th and 5th blocks (17 and 35 apartments), for which the construction started in April and December 2016 respectively, is following the pace of the regional market.

> LES BRASSERIES DE NEUDORF - Luxembourg City (87 residential units, 12 shops – 11,500 m²)

The end of the construction work was postponed to early 2017 due to late execution by the General Contractor, with no financial consequences for ATENOR. Since December 2016, several dozen apartments have been delivered.

We remind you that all the apartments are sold; 3 retail spaces remain available for sale.

> NAOS – Belval area, Grand-Duchy of Luxembourg (office and retail building – 14,000 m²)

A building permit application relating to 14,000 m² of offices and retail was filed in November 2016. Excavation works started in early January 2017. The building is 50% pre-leased following the signing of a lease with the Arqs IT group and the A³T consultancy, audit and accounting services company.

We remind you that the project is executed by the Luxembourgian company “NAOS”, 55% owned by ATENOR.

> HERMES BUSINESS CAMPUS – Boulevard D. Pompeiu, Bucharest (73,180 m² of office space)

Following the progress of negotiations for the leasing of the remainder of the spaces available, the three buildings (72,000 m²) are now fully leased.

The third building was delivered, as scheduled, in December 2016, its sole tenant Genpact moving into the 8 floors as the fit out works complete.

The outlook for the office leasing market remains favourable in this country with economic growth. Initial actions have been taken for the sale of these buildings, although it is not possible to specify the timing at this stage.

> DACIA – Intersection of Calea Victoria and Boulevard Dacia, CBD, Bucharest (12,000 m² of office space)

A permit application for 12,000 m² will be submitted in the next few months. We remind you that ATENOR acquired two adjacent plots in Bucharest's CBD (Romania). The site is located at the intersection of two of the Romanian capital's main roads: Calea Victoria and Boulevard Dacia.

The lease market has also shown its interest in this ideally located project.

> VACI GREENS – Vaci Corridor, Budapest (130,500 m²)

In a very active investment market, we have completed the sale of the first three buildings of Vaci Greens. Block C (a sole tenant) was sold in November 2016, block A (multi-leases) in February 2017 and block B (60% occupancy at time of sale) was subject to a sale and purchase agreement in February 2017. These 3 sales will have generated over 140 million Euro in turnover.

The works on the 4th block, the Vaci Greens D building (17,000 m²), are continuing for a delivery scheduled in the 1st quarter of 2018. This building has a pre-lease of 3,200 m². Architectural studies are under way concerning the development of the last two blocks of the campus (45,000 m²).

In general, the economic outlook remains favourable and continues to have a positive influence on the office rental and investment market.

OTHER DEVELOPMENTS

The sale of the last apartments of the UP-site project is continuing at a satisfactory pace. The definitive deliveries were obtained in late October 2016.

We remind you that on 29 November 2016 shareholders renewed the shareholders' agreement that binds them for a period of at least 5 years, showing their support of the strategy ATENOR has followed for several years now. This agreement sets at 33.75% the percentage shareholding subject to the shareholders' agreement.

FINANCIAL INSTRUMENTS

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

STOCK OPTION PLANS

On 3 March 2016, ATENOR issued a new share option tranche (SOP 2016) for the subsidiary named Atenor Group Investments (AGI).

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

This SOP may be exercised during the three periods following 11 March to 31 March 2019, from 9 March to 31 March 2020 and from 8 March to 31 March 2021.

On 3 March 2016, the Board of Directors, on the recommendation of the Remuneration Committee, distributed 528 Atenor Group Participation (AGP) shares in accordance with the remuneration policy described in the "Corporate Governance" section.

OTHER INFORMATION

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

APPLICATION OF THE INTERNATIONAL ACCOUNTING STANDARDS (IFRS)

The financial information of 2016 has now been agreed and presented in accordance with the IFRS standards as adopted in the European Union. The annual financial report has been made available to the shareholders. It forms an integral part of the present management report.

ALLOCATION OF PROFITS (CORPORATE RESULTS OF ATENOR S.A.)

ATENOR s.a.'s statutory annual accounts show a corporate profit for the tax year of € 6,888,429.66.

Apart from the operations reflected in the consolidated accounts, the 2016 profits/losses are primarily explained by the sales of long leases connected with the UP-site and Trebel projects, the sales of the apartments of the La Sucrerie (Ath), Au Fil des Grands Prés (Mons) projects and management of general and structural expenses as well as financial charges primarily related to bond issues and to the new EMTN programme.

Your Board proposes you to approve the annual accounts as at 31 December 2016 and allocate the corporate financial year's profit of ATENOR s.a. as follows:

Profit for the year	€ 6,888,429.66
Profit carried forward from the previous year	€ 35,355,022.75
Profit to be allocated	€ 42,243,452.41
Directors' entitlements	€ 316,000.00
Assignment to the legal reserve	€ 344,421.48
Capital remuneration *	€ 11,464,326.72
Profit to be carried forward	€ 30,118,704.21

* Suspension of the right to the dividend of the own shares held by ATENOR s.a. (11,308), subject to the approval of the General Assembly.

PROPOSED DIVIDEND

The Board of Directors will propose, to the General Assembly of 28 April 2017, the payment (for the financial year 2016) of a gross dividend of 2.04 Euro per share (+2%), that is, a net dividend after withholding tax (30%) of 1.428 Euro per security.

Subject to the approval of the Ordinary General Assembly, the dividend will be paid out as from 4 May 2017*.

- Ex date 2 May 2017
- Record date 3 May 2017
- Payment date 4 May 2017

* with the exception of the own shares whose dividend right will be suspended.

STATEMENT ON CORPORATE GOVERNANCE

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

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

EVENTS AFTER THE CLOSING DATE

As announced in the press release of 1st February 2017, building A of Vaci Greens has been sold to a group of private Hungarian investors. This sale will have a positive impact on ATENOR's results in 2017.

The press release of 16 February 2017 also announced the sale of the B building of Vaci Greens to an investment fund based in Hungary. This sale will have a positive contribution to ATENOR's results in 2017.

As announced in the press release of 13 February, ATENOR has entered an exclusivity period with the limited liability company Immo Beaulieu for the acquisition of a leasehold on the two buildings of the Beaulieu Certificate located in Auderghem (Brussels). This transaction remains subject to the positive conclusion of a complete due diligence and to the approval of the General Meeting of the Beaulieu Certificate holders.

On 10 March 2017, ATENOR will issue a new stock option plan (SOP 2017) for the subsidiary named Atenor Group Investments (AGI).

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

This SOP may be exercised during the three periods following: from 9 March to 31 March 2020, from 8 March to 31 March 2021 and from 8 March to 31 March 2022.

No other important event occurring since 31 December 2016 must be noted.

PROSPECTS FOR THE FULL YEAR 2017

The real-estate markets of central Europe have been evolving favourably. Indeed, "grade A" buildings have been developed and house high-quality tenants whose business activities, such as Shared Service Centers, are growing rapidly. Logically, therefore, real-estate investors' attention is drawn to these investments at still very attractive rates.

Through its presence in Budapest and Bucharest as a major stakeholder, ATENOR will benefit from the favourable evolution of these markets. Apart from the sale of two buildings in Budapest recorded in early 2017, ATENOR will continue to develop the Vaci Greens project with the construction of a fourth building. The HBC buildings in Bucharest will generate lease revenue and it is ATENOR's intention to value-add these buildings although it is not possible to provide an execution schedule at this stage.

ATENOR's results will also be buoyed by the sales of residential projects in Brussels and in other provinces.

ATENOR will also continue to develop its diversified project portfolio by seizing every value-added opportunity.

Furthermore, new investments will be envisaged within the framework of the continual project purchase-value add-sale process, in line with our strategy.

ATENOR will specify the forecasts for the FY in the course of the year, depending on the evolution of the portfolio, which already looks promising.

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

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

Furthermore, the Board of Directors sets out three identified risks in the legal proceedings with which ATENOR is or has been confronted:

> In the context of the tax dispute involving what are known as "Liquidity Companies", each of these procedures ended in 2016 with a ruling definitively putting an end to the proceedings brought against ATENOR and its managers.

> As regards the construction of the PIXEL building in Luxembourg, general contractors Soludec and CIT Blaton issued a summons against ATENOR Luxembourg for reimbursement of penalties for which ATENOR had obtained payment by calling on bank guarantees (0.54 million Euro) and as payment for various other damages.

On 9 March 2012, the District Court of Luxembourg partially accepted this request, to the limit of 0.37 million Euro.

On 24 May 2012, ATENOR, appealed this ruling and set aside provisions in 2012 in the amount of 0.37 million Euro. The case is still pending on appeal. The pleadings will be heard on 8 January 2018.

> A dispute opposes ATENOR Luxembourg to the consortium of the contractors Soludec, CIT Blaton and Van Laere, to whom the construction of the PRESIDENT building in Luxembourg was entrusted. ATENOR is asking in court in particular for the application of contractual penalties for lateness, while the contractors are claiming various damages. The legal expert appointed in July 2010 submitted his report in 2013. ATENOR Luxembourg has called upon the bank guarantees set up for its benefit. From them it obtained payment in the amount of 5.00 million Euro by a ruling in February 2011. This ruling was confirmed in December 2012 by the Court of Appeals of Luxembourg. This amount has not been recorded in the consolidated results.

The proceedings are still in progress before the Luxembourg district court. On 17 November 2016, the latter issued a "provisional" judgement assigning an additional appraisal assignment to the same expert, which will start on 26 April 2017.

ATENOR is of the opinion that the claims the Group is facing are unfounded and, consequently, no provision other than that incorporated in the PIXEL litigation has been made for dealing with these disputes.

ADMINISTRATION

> Your Board proposes that discharge would be granted to the directors and to the auditor for the financial year closed on 31 December 2016.

> On the proposal of the Appointments and Remuneration Committee, your board proposes that the mandate as independent director of SOGESTRA sprl represented by Nadine Lemaitre would be renewed for a period of three years. This mandate, which could be remunerated, will expire at the end of the Ordinary General Assembly of 24 April 2020.

La Hulpe, 8 March 2017

For the Board of Directors

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in thousands of EUR	Notes	2016	2015
Operating revenue	3 & 4	156,830	116,748
Turnover		141,421	107,879
Property rental income		15,409	8,869
Other operating income	3 & 4	8,847	12,406
Gain (loss) on disposals of financial assets		2,676	6,846
Other operating income		6,155	5,553
Gain (loss) on disposals of non-financial assets		16	7
Operating expenses (-)	3 & 4	-130,324	-95,077
Raw materials and consumables used (-)		-102,162	-112,751
Changes in inventories of finished goods and work in progress		14,145	61,833
Employee expenses (-)	5	-3,583	-3,166
Depreciation and amortization (-)		-500	-535
Impairments (-)		-8	-1,807
Other operating expenses (-)	6	-38,216	-38,651
Result From Operating Activities - EBIT	3 & 4	35,353	34,077
Financial expenses (-)	7	-10,200	-6,643
Financial income	7	776	630
Share of profit (loss) from investments consolidated by the equity method		-155	-167
Profit (Loss) Before Tax		25,774	27,897
Income tax expense (income) (-)	8	-5,414	-7,939
Profit (Loss) After Tax		20,360	19,958
Profit (Loss) Of The Period		20,360	19,958
Non controlling interests		-15	0
Group profit (loss)		20,375	19,958

in EUR	Notes	2016	2015
Earnings Per Share			
Number of shares	9	5,631,076	5,631,076
Basic earnings	9	3.62	3.59
Diluted earnings per share	9	3.62	3.59
Proposal of gross dividend per share	9	2.04	2.00

in thousands of EUR	Notes	2016	2015
Other elements of the overall profit and losses			
Group share result		20,375	19,958
Items not to be reclassified to profit or loss in subsequent periods :			
Employee benefits		-24	59
Items to be reclassified to profit or loss in subsequent periods :			
Translation adjustments		1,006	-1,595
Overall total results of the group		21,357	18,422
Overall profits and losses of the period attributable to third parties		-15	0

CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION

ASSETS

in thousands of EUR	Notes	2016	2015
Non-current assets		65,577	81,064
Property, plant and equipment	12	355	696
Intangible assets	11	2,564	3,398
<i>of which goodwill</i>		2,374	3,297
Investments consolidated by the equity method	13	20,589	15,244
Deferred tax assets	18	6,000	1,498
Other non-current financial assets	16	12,971	30,003
Non-current trade and other receivables	16	23,098	30,225
Current assets		620,513	471,144
Inventories	15	429,209	344,167
Other current financial assets	16	41,944	15,593
Current tax receivables	17	4,241	4,563
Current trade and other receivables	17	36,178	95,365
Current loans payments	17	185	165
Cash and cash equivalents	16	103,451	7,565
Other current assets	17	5,305	3,726
Total assets		686,090	552,208

LIABILITIES AND EQUITY

in thousands of EUR	Notes	2016	2015
Total equity		139,395	126,799
Group shareholders' equity		136,655	126,799
Issued capital	10	57,631	57,631
Reserves	10	86,116	75,964
Treasury shares (-)	9 & 10	-7,092	-6,796
Non controlling interests		2,740	0
Non-current liabilities		245,253	205,099
Non-current interest bearing borrowings	20	226,422	190,291
Non-current provisions	19	2,314	2,278
Pension obligation	22	335	172
Deferred tax liabilities	18	15,193	10,573
Current trade and other payables	20	195	1,479
Other non-current liabilities	20	794	306
Current liabilities		301,442	220,310
Current interest bearing debts	20	224,051	172,209
Current provisions	19	0	1,338
Current tax payables	21	4,243	4,663
Current trade and other payables	20 & 21	66,964	36,907
Other current liabilities	21	6,184	5,193
Total equity and liabilities		686,090	552,208

CONSOLIDATED CASH FLOW STATEMENT

(indirect method)

in thousands of EUR	Notes	2016	2015
Operating activities			
Net result		20,375	19,958
Result of non controlling interests		-14	0
Result of Equity method Cies		155	167
Net finance cost		8,427	5,088
Income tax expense	8	5,315	2,566
<i>Result for the year</i>		34,258	27,779
Depreciation		500	535
Amortisation and impairment		8	1,807
Translation adjustments		1,608	-72
Provisions		-1,162	730
Deferred taxes	8	99	5,372
(Profit)/Loss on disposal of fixed assets		-2,692	-6,803
SOP / IAS 19		-294	-3
<i>Adjustments for non cash items</i>		-1,933	1,566
Variation of inventories		-39,782	-65,088
Variation of trade and other amounts receivables		65,128	-60,461
Variation of trade payables		5,663	5,190
Variation of amounts payable regarding wage taxes		-25	63
Variation of other receivables and payables		4,220	-15,475
<i>Net variation on working capital</i>		35,204	-135,771
Interests received		775	470
Income tax (paid) received		-6,468	3,160
Cash from operating activities (+/-)		61,836	-102,796
Investment activities			
Acquisitions of intangible and tangible fixed assets		-277	-349
Acquisitions of financial investments		-5,500	-500
New loans		-3,615	-18,300
<i>Subtotal of acquired investments</i>		-9,392	-19,149
Disposals of intangible and tangible fixed assets		44	23
Disposals of financial investments			4,379
Reimbursement of loans		19,765	3,118
<i>Subtotal of disinvestments</i>		19,809	7,520
Cash from investment activities (+/-)		10,417	-11,629
Financial activities			
Treasury shares		-422	-215
Proceeds from borrowings	20	165,492	168,572
Repayment of borrowings	20	-95,645	-84,676
Interests paid		-8,964	-8,799
Dividends paid to company's shareholders	9	-10,911	-4,309
Directors' entitlements		-316	-324
Cash from financial activities (+/-)		49,234	70,249
Net cash variation		121,487	-44,176
Cash and cash equivalent at the beginning of the year		23,158	67,240
Net variation in cash and cash equivalent		121,487	-44,176
Non cash variations (Cur. conversion, chge in scope, etc...)		750	94
Cash and cash equivalent at end of the year	16	145,395	23,158

The highlights of the 2016 cash flows are mainly found in the “cash from operating activities”, in an increase of 61.84 million Euro, as a result of:

- > The operating profit for the year (+34.26 million Euro - see Note 4);
- > The continuation of the works on the 10 projects under construction through the “variation of inventories” entry (-39.78 million Euro);
- > The payment of the receivables from the European Parliament and the acquirers of the Air Properties shares (“variation in (other) receivables” entry (+69.35 million Euro);

Moreover, the increases in the “cash from investment activities” (+10.42 million Euro) and the “cash from financing activities” (+49.23 million Euro) mainly reflect:

- > The acquisition of the Naos participation (-5.5 million Euro) offset by the net repayment of advances to companies consolidated by the equity method (+16.15 million Euro) following, in particular, the sale of Air Properties;
- > The positive change in borrowings (+69.85 million Euro) essentially corresponding to the four EMTN issues for 86.1 million Euro, offset by the interest payments (-8.96 million Euro) relating to the group's financing as well as by the payment of dividends (-10.91 million Euro) – see also Note 20.

As a reminder: the cash flows in 2015 were significantly impacted by the increase of the “net variation on working capital” (+116.16 million Euro with respect to 2014) reflecting:

- > The continuation of the work on 10 of the 15 projects through the “variation of stock” entry. Refer to note 15 “Stocks”;
- > The sale of the Trebel building on July 5, 2013 coupled to the disposals of holdings in Air Properties on October 14, 2014 and Senior Island on December 15, 2015 generating accounting receivables amounting to 47.45 million Euro, 4.72 million Euro and 4.38 million Euro, respectively, included in “changes in receivables”. Refer to note 16 “Current and non-current financial assets”;

As well as by:

- > The “New loans granted”, which includes the advances granted to equity affiliates and deconsolidated companies (including Air Properties +17.09 million Euro);
- > The “New borrowings” essentially corresponding to new bank financing (+142.61 million Euro) as well as to MTN and CP (+24.12 million Euro); and
- > The “Loan repayments” (-84.68 million Euro), mainly corresponding to the repayment of the bond early at the beginning of 2015 (-75 million Euro) and to MTN due in 2015 to the tune of 9 million Euro.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in thousands of EUR	Notes	Issued capital	Hedging reserves	Own shares	Consolidated reserves	Profit/loss of the period	IAS 19R reserves	Cumulative translation adjustments	Minority interests	Total Equity
2015										
Balance as of 01.01.2015		51,113	-	-6,345	83,629	-	-326	-15,167	-	112,904
Profit/loss of the period		-	-	-	-	19,958	-	-	-	19,958
Other elements of the overall results	2	-	-	-	-	-	59	-1,595	-	-1,536
Total comprehensive income		-	-	-	-	19,958	59	-1,595	-	18,422
Capital increase	3	6,518	-	-	-	-	-	-	-	6,518
Paid dividends		-	-	-	-10,591	-	-	-	-	-10,591
Own shares	1	-	-	-451	-	-	-	-	-	-451
Share based payment		-	-	-	-3	-	-	-	-	-3
Balance as of 31.12.2015		57,631	-	-6,796	73,035	19,958	-267	-16,762	-	126,799
2016										
Balance as of 01.01.2016		57,631	-	-6,796	92,993	-	-267	-16,762	-	126,799
Profit/loss of the period		-	-	-	-	20,375	-	-	-15	20,360
Other elements of the overall results	2	-	-	-	-	-	-24	1,006	-	982
Total comprehensive income		-	-	-	-	20,375	-24	1,006	-15	21,342
Capital increase	3	-	-	-	-	-	-	-	-	-
Paid dividends		-	-	-	-10,911	-	-	-	-	-10,911
Own shares	1	-	-	-296	-	-	-	-	-	-296
Share based payment		-	-	-	-294	-	-	-	-	-294
Others		-	-	-	-	-	-	-	2,755	2,755
Balance as of 31.12.2016		57,631	-	-7,092	81,788	20,375	-291	-15,756	2,740	139,395

(1) See note 10 (Capital) and note 22 (Employee benefits)

(2) In 2008, the Group acquired Hungarian and Romanian companies. ATENOR opted for the use of the local currency as the functional currency in each of these countries. The positive translation adjustments of the period noted in the shareholders' equity are primarily the consequence of the sale of Vaci Greens building C and the recycling into the income statement of the conversion differences related to it. Also see note 16 (Financial assets) and note 2 (Risks management).

(3) On 21 May 2015, ATENOR executed a capital increase within the context of the distribution of the optional dividend voted by shareholders on 24 April 2015. Following this capital increase, the number of ordinary shares without designation of a nominal value amounts to 5,631,076 of which 174,735 treasury shares (See note 10).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – MAIN ACCOUNTING METHODS

1. ACCOUNTING BASIS

The consolidated financial statements on 31 December 2016 were prepared in compliance with the IFRS (International Financial Reporting Standards) as adopted in the European Union.

The accounting principles applicable to the preparation and the presentation of consolidated financial statements on 31 December 2016 have not been altered from those used for the preparation and the presentation of consolidated financial statements on 31 December 2015.

Standards and interpretations became effective on a mandatory basis in 2016 in the European Union:

- > Improvements to IFRS (2010-2012)
- > Improvements to IFRS (2012-2014)
- > IAS 19R – Amendments to IAS 19 – Employee Benefits – Employee Contributions
- > IAS 16, IAS 38 – Amendments to IAS 16 and IAS 38 – Property, Plant and Equipment and Intangible assets - Clarification of acceptable methods of depreciation and amortisation
- > IAS 16, IAS 41 – Amendments to IAS 16 and 41 – Agriculture: Bearer plants
- > IAS 27 – Amendments to IAS 27 Separate Financial Statements - Equity Method
- > IAS 1 – Amendments to IAS 1 – Presentation of Financial Statements – Disclosure – Initiative
- > IFRS 10, IFRS 12 and IAS 28 – Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception
- > IFRS 11 – Amendments to IFRS 11 – Joint Arrangements – Accounting for Acquisitions of Interests in Joint Venture

None of the new IFRS standards and IFRIC interpretations and amendments of the old standards and interpretations, applied for the first time in 2016, had any significant direct impact on the figures reported by the Company.

New or amended standards and interpretations that come into effect after 31 December 2016

- > IFRS 9 – Financial Instruments and subsequent amendments (not authorised)
- > IFRS 4 – Amendments to IFRS 4 – Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (not authorised)
- > IFRS 14 – Regulatory Deferral accounts (not authorised)
- > Amendments to IFRS 10 and IAS 28 – Sale or contribution of assets realised between the group and the entities consolidated by the equity method
- > IFRS 15 – Revenue from Contracts with Customers
- > IFRS 15 – Amendments to IFRS 15 – Clarifications of IFRS
- > IFRS 16 – Leases (not authorised)
- > IAS 12 – Amendments to IAS 12 – Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses
- > IAS 7 – Amendments to IAS 7 – Statement of Cash Flows – Disclosure Initiative
- > IFRS 2 – Amendments to IFRS 2 – Clarifications of classification and measurement of share based payment transactions

IFRS 15, Revenue from Contracts with Customers.

This new standard, ratified by the European Union comes into effect from 1 January 2018. It describes a single comprehensive

framework that entities must use to recognise revenue from contracts with customers and in the case of ATENOR, where appropriate, with its investors.

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

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

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

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

After preliminary examination by the financial department and taking into account ATENOR's type of operations and business model and the economic environment that will influence its activities in 2017 and 2018, ATENOR expects the implementation of the standard to have a limited impact on its consolidated financial statements in 2018. Furthermore, the Audit Committee should recommend, at this stage of the analysis, the recording of any possible retrospective and cumulative difference in the opening equity as from 1 January 2018 (in accordance with Annex C paragraph c3b of the standard).

On publication of the interim results 2017, a new comment on the impact of the implementation of the new

IFRS 15 will be provided in the press release detailing the results of our activities.

ATENOR has not adopted these new or amended standards and interpretations in advance. ATENOR is continuing its analysis of the possible impact of these new standards and interpretations. The future application of the new or amended standards and interpretations whose entry into force is set at 1st January 2017 should not have a significant impact on the consolidated financial statements of ATENOR.

The consolidated financial statements of the Group were made up by the Board of Directors on 8 March 2017.

2. CONSOLIDATION PRINCIPLES AND SIGNIFICANT ACCOUNTING PRINCIPLES

The consolidated financial statements include the financial statements of ATENOR 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 assets (IAS 16). The land, installations and machines held with a view to their use in the production of goods and services, or for administrative purposes, are initially assessed at their acquisition value with the deduction of accumulated amortisation and any losses of value that may be recognised.

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

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

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

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

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

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

2.2. PROPERTIES AND INVESTMENTS PROPERTIES

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

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

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

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

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

2.3. INTANGIBLE ASSETS (OTHER THAN GOODWILL)

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

The intangible assets of ATENOR primarily include the software programs.

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

Depreciation of tangible and intangible fixed assets:

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

If an asset does not generate cash flows independent of those of other assets, the Group will conduct an estimate of the recoverable

value of the cash generating unit (CGU) to which this asset belongs. The recoverable value is the higher value between the fair value decreased by the costs of the sale and the utility value.

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

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

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

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

2.4. GOODWILL

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

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

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

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

2.5. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED ACTIVITIES

The Group enters a non-current asset (or any entity intended to be disposed of) as held for sale if the accounting value is or will be recovered primarily through a sales transaction rather than through continued use.

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

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

2.6. INVENTORIES

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

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

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

2.7. PROVISIONS

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

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

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

Insofar as risks and undertakings are concerned for which an actual disbursement is disputed and judged not very probable, ATENOR will provide qualitative indications in notes 2, 23 and 25 (Risks Management, Disputes and Rights and obligations).

2.8. BORROWING COSTS

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

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

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

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

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

2.9. FINANCIAL INSTRUMENTS

- > Payables: payables are valued at their nominal value.
- > Own shares: the own shares are entered as a deduction from the equity. The results connected with transactions on these shares also affect the equity and not the income statement.

- > Cash and cash equivalents: this entry includes cash money and deposits, short term investments (less than one year) and very liquid investments.
- > Bank loans: advances and financial loans are initially booked in the accounts at their fair value increased by the direct transaction costs, and later at the amortised cost according to the method of the actual interest rate. The financial charges, including the bonuses and commissions payable, are paid over the duration of their availability, with the exception of the cost of loans connected to qualified assets.
- > Derivatives are valued at their fair value. The variations in the fair value of derivative instruments that make up the instruments for hedging the cash flows are recognised directly in the equity. The changes in the fair value of the derivatives designated and categorised as instruments for hedging fair value are entered in the profit and loss account, as well as changes in the fair value of the asset or liability hedged imputable to the risk hedged.

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

2.10. EXCHANGE RATE RISK

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

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

All the projects under development in these foreign countries remain valued in stock according to the acquisition prices and the market prices relating to the studies and to the construction costs. All the active steps contributing to the successful completion of the project express the value creation provided by ATENOR and support the maintenance of an asset value “at cost” as long as the project demonstrates its feasibility and its profitability, whatever the unanticipated unknowns in the market values.

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

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

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

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

2.11. SEGMENT REPORTING

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 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 has no activity organised by geographic markets. The internal and external reporting of ATENOR refer to each project separately.

2.12. INCOME FROM ACTIVITIES

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

These accounting principles are implemented in the light of the 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 (Revenue from ordinary operations – service provision 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.

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

The share of income 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 that 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 or on completion, according to whether the risks and benefits are transferred to the buyer during or following the building. The recognition of income on progress, in the context of a sale of assets, supposes a continuous transfer of the risks and rewards of ownership of the works in progress as the building work progresses.

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

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

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

2.13. TAXES AND DEFERRED TAXES

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

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

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

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

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

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

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

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

The deferred tax is calculated at the applicable tax rate.

2.14. EMPLOYEE BENEFITS

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

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

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

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

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

2.15. STOCK OPTIONS PLANS FOR EMPLOYEES AND OTHER PAYMENTS BASED ON SHARES

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

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

The fair value of the options is measured at the date of allocation, taking into account the market parameters as well as hypotheses concerning the number of options that should be exercised. Each year, on the date the balance sheet closes, the Group will review its estimations as to the number of options that should be exercised. The impact of the revision of the initial estimations is booked in the income statement and the equity is corrected as a consequence over the remaining acquisition period of the rights. The income, net of directly attributable transaction costs, is attributed in addition to the registered capital and to the issuing bonus when the options are exercised. When the options reach maturity (without being exercised), the own funds will be corrected without any impact on the result. The simple extension of the period for the exercise of options without change in the duration of acquisition of the rights does not modify the initial booking of the plan in the accounts.

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

3. ACCOUNTING ESTIMATES AND SIGNIFICANT JUDGEMENTS

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

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

NOTE 2 – RISK MANAGEMENT

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

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

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

Risk connected with the economic situation

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

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

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

Risk connected with the development activity

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

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

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

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

The complexity of the projects, the application of the regulations, the multiplicity of the participants, the necessity of obtaining permits, of searching for and finding tenants and finally, investor buyers constitute activities and risks which the promoter is confronted

with. To handle these specific risks, over many years ATENOR has established systems of control and has employees who are experienced in the development of offices and residential units.

Risks connected with urban planning rules

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

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

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

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

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

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

Risk connected with direct and indirect taxation

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

Risk of other counterparts

This risk is aimed primarily at the buyers of the projects developed by the Group. In spite of the extreme precautions taken by ATENOR in the choice of investors that are candidates for buying a project, and in spite of the attention paid to the reputation and the solvency of these potential buyers, there is a risk of default of the counterparts and in the event of an unexpected occurrence, ATENOR's results could be affected.

NOTE 3 – SEGMENT REPORTING

in thousands of EUR	Notes	2016	2015
Revenue		156,830	116,748
Other operating income		8,847	12,406
Purchases and changes in inventories		-88,017	-50,918
Employee expenses		-3,583	-3,166
Depreciation and impairments		-508	-2,342
Other operating expenses		-38,216	-38,651
Result From Operating Activities EBIT		35,353	34,077
Net interests		-9,424	-6,013
Result of investments consolidated by the equity method		-155	-167
Income taxes		-5,414	-7,939
Profit (Loss) After Tax		20,360	19,958
Non controlling interests		-15	
Net Result (Group Share)		20,375	19,958
EBITDA	(1)	35,861	36,419
Current cash flow	(2)	19,721	23,030
Assets		686,090	552,208
of which investments consolidated by the equity method		20,589	15,244
Liabilities		546,695	425,409

(1) EBIT + depreciation and impairments.

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

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

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

Of a total of 156.83 million Euro revenue from ordinary activities, two transactions exceed 10 %. It concerns the sale of the Trebel project to the European Parliament (17.61 million Euro related to 2016) and the sale of building C of the Vaci Greens project (Budapest) to a Slovak investment fund (44.25 million Euro) representing 11.2% and 28.2% respectively of the total revenue from the ordinary activities.

NOTE 4 – OPERATING RESULTS

in thousands of EUR	2016	2015
Total of the ordinary revenue	156,830	116,748
of which turnover	141,421	107,879
of which investment property rental income	15,409	8,869
Total of the other operating income	8,847	12,406
of which gain (loss) on disposals of financial assets	2,676	6,846
of which other operating income	6,155	5,553
of which gain (loss) on disposals of non-financial assets	16	7
Total of the operating charges	-130,324	-95,077
Result of operating activities	35,353	34,077

The turnover stands at 141.42 million Euro, 33.54 million Euro higher than 2015. It mainly includes: (a) the revenue arising from the sale of building C of the Vaci Greens project in Budapest (€44.25 M), (b) the revenue linked to the sales of the apartments of the projects Port du Bon Dieu in Namur (€15.32 M), Les Brasseries de Neudorf in Luxembourg (€14.84 M), Au Fil des Grands Prés in Mons (€13.01 M), UP-site in Brussels (€11.50 M) and La Sucrierie in Ath (€6.74 M) as well as (c) the last tranche of the Trebel project in Brussels (€17.61 M).

The increase in property rental income mainly results from the rental of the Vaci Greens B and C buildings (+3.73 million Euro) following General Electric taking up occupation of building B for 60% of the area in March 2016 and Hermès Business Campus 1 (+2.43 million Euro) due to free maturities and a constantly increasing occupancy rate during 2016 (100% pour HBC 1 et 70% pour HBC 2). The Nysdam rents provide an additional rental income (0.83 million Euro).

To recap, the turnover in 2015 came mainly from revenues associated with the sale of the Port du Bon Dieu project apartments in Namur (20.61 million Euro) and Les Brasseries de Neudorf in

Luxembourg (20.55 million Euro) and, on the other hand, the turnover reached on the Trebel project (47.11 million Euro). The revenues from the sales of the UP-site project apartments (11.26 million Euro), Au Fil des Grands Prés (3.96 million Euro) and La Sucrierie (3.48 million Euro) completed this turnover.

The operating result amounts to 35.35 million Euro mainly influenced by the sale of building C of the Vaci Greens project (Budapest; €12.28 M), by the contribution of the Trebel project delivered to the European Parliament (€8.57 M) and by the sale of apartments of the various residential projects, mainly Au Fil des Grands Prés (Mons), Port du Bon Dieu (Namur), Les Brasseries de Neudorf (Luxembourg) and Palatium (Brussels) for a total of 6.05 million Euro.

The rental revenue net of charges of the Vaci Greens (Budapest; €5.74 M), HBC (Bucharest; €3.91 M) and Nysdam (La Hulpe; €0.5 M) buildings and the sales of AIR Properties (€0.99 M) in Luxembourg and Senior Island holdings in Anderlecht (City Dox project; €1.71 M) give an additional contribution to the annual result.

Operating charges – see notes 5 and 6.

NOTE 5 – PERSONNEL CHARGES

in thousands of EUR	2016	2015
Wages and salaries	-2,941	-2,623
Social security contributions	-471	-399
Other personnel charges	-171	-144
Total personnel charges	-3,583	-3,166
Employment in full-time equivalents		
Average number of workers	25.5	24.7

The current personnel charges remain stable with respect to the previous financial year. The increase in this entry is explained by the cost of the two dismissals and by the greater cost in 2016 of the Atenor and AGI SOPs.

Two new employees joined the group in 2016 which, coupled with the two layoffs, represent in average FTE for the year, an increase of 0.8 personnel compared to 2015.

NOTE 6 – OTHER OPERATING EXPENSES

in thousands of EUR	2016	2015
Services and other goods	-31,711	-28,452
Provisions (increase/amounts written back)	1,162	-730
Other charges	-6,053	-9,593
Loss (exchange costs)	-1,614	124
Total	-38,216	-38,651

“Services and other goods” remain generally stable compared to 2015 (-0.4 million Euro).

The main variations are the following:

- > “Services and other goods” (+ 3.26 million Euro): increase in the fees and services related to real estate projects because of the larger number of projects in development;
- > “Provisions”: cancellation of the provision for D-Facto litigation following the final and favourable judgement (1.05 million Euro);

> “Other charges”: as a reminder, this entry was impacted in 2015 by the urban planning expenses paid within the context of the The One project (3,29 million Euro);

> “Losses / foreign exchange costs”: bearing the conversion differences (IAS 21) linked to the advances paid by DCT following the sale of Vaci Greens building C (1.62 million Euro).

NOTE 7 – FINANCIAL RESULTS

in thousands of EUR	2016	2015
Interest expenses	-11,387	-9,533
Activated interests on projects in development (IAS 23)	2,185	3,976
Other financial expenses	-998	-1,086
Interest income	775	470
Other financial income	1	160
Total financial results	-9,424	-6,013

In 2016, the net financial costs amount to 9.42 million Euro, compared to 6.01 million Euro in 2015. The increase in the average net debt of the Group coupled with the decrease in the capitalization of the financial expenses compared to the previous financial year explains the general increase in this item.

The financial result mainly includes on the one hand the net interests connected with the two bond issues (4.1 million Euro) and to

the bank financing and via CP and MTN of ATENOR (4.7 million Euro), and on the other hand, the capitalization of financial charges (IAS 23) related to the projects: The One (1.29 million Euro), Vaci Greens B and D (0.5 million Euro), City Dox (0.13 million Euro) and Hermès Business Campus 3 (0.11 million Euro).

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

NOTE 8 – INCOME TAXES AND DEFERRED TAXES

in thousands of EUR	2016	2015
I. Income tax expense / Income - current and deferred		
Income tax expense / Income - current		
Current period tax expense	-5,308	-2,611
Adjustments to tax expense/income of prior periods	-7	45
Total current tax expense, net	-5,315	-2,566
Income tax expense / Income - Deferred		
Related to the current period	-4,265	-10,610
Related to tax losses	4,166	5,237
Total deferred tax expense	-99	-5,373
Total current and deferred tax expense	-5,414	-7,939
II. Reconciliation of statutory tax to effective tax		
Profit before taxes	25,774	27,897
Statutory tax rate	33.99%	33.99%
Tax expense using statutory rate	-8,761	-9,482
Tax adjustments to		
- results of prior periods / increases	-73	9
- non-taxable revenues	1,076	830
- non-tax deductible expenses	-2,110	-1,702
- recognising deferred taxes on previously unrecognised tax losses	609	3,332
- on deferred tax assets and deferred taxes liabilities	2,181	256
- on taxable revenues with a different rate *	3,563	1,031
- not booked deferred tax assets of the period	-1,841	-2,085
- new taxes (fairness tax)		-260
- other adjustments	-58	132
Tax expense using effective rate	-5,414	-7,939
Profit before taxes	25,774	27,897
Effective tax rate	21.00%	28.46%

* Rate in our subsidiaries abroad.

	2016	2015
Luxembourg	29.33%	31.47%
Romania	16.00%	16.00%
Hungary - (10 % up to 500 000 000 HUF)	19.00%	19.00%

In 2016, ATENOR's tax liability consists of the current taxes and deferred taxes of 5.32 and 0.1 million Euro respectively. These amounts mainly relate to:

- > The current taxes of the financial year of the companies supporting the Vaci Greens and Port du Bon Dieu projects resulting from the sale of building C and the Namur apartments (-3.19 and -1.37 million Euro respectively);
- > The net deferred tax related to the expected result of the sale of the apartments of the Les Brasseries de Neudorf project (1.39 million Euro);
- > The net positive impact of 0.55 million Euro on the deferred tax assets of ATENOR s.a. taking into account, on the one hand, the results mainly from the sales from the Trebel, UP-site, Au Fil des Grands Prés, Palatium and La Sucrierie projects and, on the other hand, recoverable tax losses at December 31, 2016;
- > The recognition of a deferred tax asset related to the tax losses of Hexaten (Nysdam project) taking into account the profitability outlook for this entity (+ 1.87 million Euro).

NOTE 9 – RESULT AND DIVIDEND PER SHARE

Number of shares profiting from the dividend *	5,619,768
Basic earnings per share (in euros)	3.62
Diluted earnings per share (in euros)	3.62
Amount of dividends distributed after the closing date (in thousands of euros)	11,464
Gross dividend per share (in euro)	2.04

* Subject to the approbation of the General Meeting.

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

The basic and diluted earnings per share are determined as follows:

BASIC EARNINGS AND DILUTED EARNINGS PER SHARE ARE DETERMINATED USING THE FOLLOWING INFORMATION	2016	2015
Weighted average number of shares during the period *	5,619,768	5,564,408
Net consolidated result (group share and in thousands of euros)	20,375	19,958
Net profit per share (in euro)	3.62	3.59

* Based on capital increases (optional dividend).

The gross dividend proposed at the Annual General Meeting of 28 April 2017 will amount to 2.04 Euro and will be paid as from 4 May 2017. The withholding tax amounts to 30%.

As a reminder: it is to be noted that as from 1 January 2013, the government has eliminated the tax benefit attached to the holding of VVPR strips and has, from 1st January 2017, increased the basic rate of the withholding tax from 27 to 30%.

	2016	2015
Dividends on ordinary shares declared and paid during the period:	-10,911	-4,309

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

Reminder: final gross dividend per share for 2016 amounts to 2,04 euro, from 2010 to 2015: 2.00 euro, for 2007 to 2009: 2.60 euro and for 2006: 1.30 euro.

NOTE 10 – CAPITAL

STRUCTURE OF SHAREHOLDERS

On 31 December 2016, the structure of shareholding is as follows:

	Number of shares	Holdings in %	Of which shares forming part of the joined shareholding
ALVA s.a. ⁽¹⁾	521,437	9.26	437,500
LUXEMPART s.a. ⁽¹⁾	602,048	10.69	437,500
3D n.v. ⁽¹⁾	695,643	12.35	437,500
SOFINIM n.v. ⁽¹⁾	592,880	10.53	437,500
Stéphan SONNEVILLE s.a. ⁽¹⁾⁽²⁾	233,030	4.14	150,500
Sub-total	2,645,038	46.97	1,900,500
Own shares	11,308	0.20	
Treasury shares	163,427	2.90	
Public	2,811,303	49.92	
Total	5,631,076	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.

MOVEMENTS OF NUMBER OF SHARES	Ordinary shares
Number of shares on 31.12.2016, issued and fully paid	5,631,076
<i>of which own shares</i>	11,308
Total of issued shares profiting from 2016 dividend⁽¹⁾	5,619,768

(1) Subject to approval by the general shareholders meeting of the allocation of income attributing a gross dividend of 2.04 euro.

MOVEMENTS IN OWN AND TREASURY SHARES	Amount (in thousands of EUR)	Number of own shares
On 01.01.2016 (average price : € 40.47 per share)	6,796	167,907
Movements during the period:		
- acquisitions	1,075	24,128
- sales	-778	-17,300
On 31.12.2016 (average price : € 40.59 per share)⁽¹⁾	7,092	174,735

(1) Following various acquisitions and sales of shares during 2016, ATENOR s.a. holds, on 31 December 2016, 11,308 own shares (compared with 4,480 on 31 December 2015).

The Atenor Group Investments subsidiary, which owned 157,142 ATENOR shares opted for new shares during the payment of the dividend for 2014 thus bringing the total number of ATENOR shares in its possession to 163,427.

Please refer to Note 22 (employee benefits) for the stock option plans.

Capital management

On 31 December 2016 equity amounts to 139.39 million Euro, and balance sheet total to 686.09 million Euro.

As an independent developer of real estate projects, ATENOR is not subject to any capital requirements. ATENOR hopes to maintain a reasonable ratio between the invested capital and the balance sheet total. Members of the Executive Committee, among other things, see to regularly inform the Board of Directors and the

Audit Committee of the development of the balance sheet and its components in such a way as to control the group's net indebtedness.

ATENOR's policy aims at maintaining a healthy balance sheet structure. Note 20 provides more detailed information on the Group's indebtedness policy.

NOTE 11 – GOODWILL AND OTHER INTANGIBLE ASSETS

in thousands of EUR	2016		
	Goodwill	Software	Total
Movements in goodwills and other intangible assets			
Gross book value as at 01.01.2016	9,513	158	9,671
Cumulated depreciations as at 01.01.2016	-1,755	-57	-1,812
Cumulated losses of value as at 01.01.2016	-4,460		-4,460
Goodwills and other intangible assets, beginning balance	3,297	101	3,398
Investments		132	132
Disposals - deallocation (-)	-949	-2	-951
Depreciations - dotation (-)	7	-43	-36
Depreciations - reversal (+)		2	2
Foreign currency exchange increase (decrease)	18		18
Goodwills and other intangible assets, ending balance	2,374	190	2,564
Gross book value as at 31.12.2016	8,582	288	8,870
Cumulated depreciations as at 31.12.2016	-1,748	-98	-1,846
Cumulated losses of value as at 31.12.2016	-4,460		-4,460
Goodwills and other intangible assets, ending balance	2,374	190	2,564

in thousands of EUR	2015		
	Goodwill	Software	Total
Movements in goodwills and other intangible assets			
Gross book value as at 01.01.2015	9,588	131	9,719
Cumulated depreciations as at 01.01.2015	-1,755	-118	-1,873
Cumulated losses of value as at 01.01.2015	-4,460		-4,460
Goodwills and other intangible assets, beginning balance	3,373	13	3,386
Investments		103	103
Disposals - deallocation (-)	-92	-76	-168
Depreciations - dotation (-)		-15	-15
Depreciations - reversal (+)		76	76
Foreign currency exchange increase (decrease)	17		17
Goodwills and other intangible assets, ending balance	3,297	101	3,398
Gross book value as at 31.12.2015	9,513	158	9,671
Cumulated depreciations as at 31.12.2015	-1,755	-57	-1,812
Cumulated losses of value as at 31.12.2015	-4,460		-4,460
Goodwills and other intangible assets, ending balance	3,297	101	3,398

For each project, the company estimates the recoverable value of the assets or group of assets concerned (including the goodwill), i.e. here the "fair value less the sale costs". The loss of value test on these goodwill items consists in checking, through feasibility studies, that the recoverable value of the assets or groups of assets concerned is above their accounting value. All the feasibility⁽¹⁾ calculation hypotheses are periodically reviewed by members of the Executive Committee and submitted to the Audit Committee and to the Board of Directors. Drawn up on the basis of the Group's best current knowledge, feasibility studies lead ATENOR to consider that the forecasts for these projects should enable it to cover at least the value invested in the assets or groups of assets concerned.

Two real estate projects are concerned by the goodwill that figures in the balance sheet (2.37 million Euro on 31 December 2016),

i.e. the UP-site project in Brussels (0.17 million Euro) and the Váci Greens project in Budapest (2.21 million Euro). This goodwill concern the acquisitions of entities (treated at the time as a joint venture in the sense of IFRS 3) whose unique activity is currently the development of their real estate assets. The residual value of this goodwill will thus necessarily be covered via and jointly with the sale of these real estate projects booked and maintained in inventories. The goodwill is a component of the cost of these projects and their recoverable value is incorporated in the feasibility studies in the same way as all other development costs.

During the 2016 fiscal year, the sales of the Váci Greens project building and the UP-site project apartments have resulted in a goodwill reduction of 0.93 million Euro.

(1) The feasibilities reflect the components of the cost price, the sensitivity to costs (€/m²), the yield (%), for lease (offices), the sale price (apartments, shops) and any other parameter that may influence the recoverable amount.

NOTE 12 – PROPERTY, PLANT AND EQUIPMENT

in thousands of EUR	Constructions in progress	Land and buildings	Plant and equipment	Motor vehicles	Fixtures and fittings	Other property, plant and equipment	Total
2016							
Movements in property, plant and equipment							
Gross book value as at 01.01.2016			72	326	563	1,578	2,539
Cumulated depreciations as at 01.01.2016			-45	-245	-466	-1,087	-1,842
Property, plant and equipment, beginning balance	0	0	27	81	97	491	697
Investments			1		143		144
Disposals / deallocation (-)			-72	-138	-22		-232
Depreciation - dotation (-)				-28	-50	-379	-457
Depreciation - reversal (-)			45	138	22		205
Property, plant and equipment, ending balance	0	0	1	53	189	112	356
Gross book value as at 31.12.2016			1	188	684	1,578	2,451
Cumulated depreciations as at 31.12.2016				-134	-495	-1,466	-2,095
Property, plant and equipment, ending balance	0	0	1	53	189	112	356

The "Property, plant and equipment" entry totalled 0.36 million Euro at December 31, 2016 (compared with 0.70 million Euro the previous year). It includes the furniture and motor vehicles of the group as well as the arrangements made to the leased buildings. The decrease compared to December 31, 2015 reflects the depreciation for the year (-0.34 million Euro).

in thousands of EUR	Constructions in progress	Land and buildings	Plant and equipment	Motor vehicles	Fixtures and fittings	Other property, plant and equipment	Total
2015							
Movements in property, plant and equipment							
Gross book value as at 01.01.2015			72	283	563	1,543	2,461
Cumulated depreciations as at 01.01.2015			-27	-228	-444	-663	-1,362
Property, plant and equipment, beginning balance	0	0	45	55	119	880	1,099
Investments			77	70	28	35	210
Entries in the consolidation scope					25		25
Disposals / deallocation (-)				-27	-53		-80
Reclassifications from/to the "Inventories"			-77				-77
Depreciation - dotation (-)			-18	-29	-49	-424	-520
Depreciation - reversal (-)				12	52		64
Depreciations - entries in the consolidation scope					-25		-25
Property, plant and equipment, ending balance	0	0	27	81	97	491	697
Gross book value as at 31.12.2015			72	326	563	1,578	2,539
Cumulated depreciations as at 31.12.2015			-45	-245	-466	-1,087	-1,842
Property, plant and equipment, ending balance	0	0	27	81	97	491	697

NOTE 13 – INVESTMENTS CONSOLIDATED BY THE EQUITY METHOD

PARTICIPATIONS	in thousands of EUR	2016	2015
Victor Estates		1,461	1,576
Victor Properties		79	87
Immoange		13,571	13,581
Naos		5,478	
Total		20,589	15,244

INVESTMENTS	in thousands of EUR	2016	2015
At the end of the preceding period		15,244	15,387
Share in result		-155	-167
Acquisitions and restructuring		5,500	
Capital increase			-793
Loss of value			817
At the end of the period		20,589	15,244

in thousands of EUR	Sums due to related parties	Sums due to the group from related parties
IMMOANGE share of the group: 50%	-	1,381
VICTOR ESTATES share of the group: 50%	-	9,194
VICTOR PROPERTIES share of the group: 50%	-	516
NAOS share of the group: 55%	-	322

in thousands of EUR	Balance sheet total	Equity	Debts	Result at the end of the period
IMMOANGE share of the group: 50%	7,563	4,632	2,761	-155
VICTOR ESTATES share of the group: 50%	20,261	1,992	18,248	-330
VICTOR PROPERTIES share of the group: 50%	1,187	151	1,032	-15
NAOS share of the group: 55%	10,365	9,960	322	-40

The investments consolidated by the equity method are companies which are subject to joint control in accordance with IFRS 11 (Joint arrangements) and IAS 28 (Participations in associated companies and joint ventures) standards.

On 31 December 2016, they include the companies Immoange, Victor Estates and Victor Properties (Victor project) as well as the new company Naos (project bearing the same name) established in July 2016. The net change compared to 31 December 2015 reflects the losses incurred by these four entities during the year (-0.15 million Euro) plus the value of the Naos participation (+5.5 million Euro).

The contribution to the profit of the companies accounted for by the equity method is globally stable (-0.15 million Euro) with respect to 2015 (-0.17 million Euro).

The details of the related projects can be found in the activity report.

NOTE 14 – RELATED PARTIES

Relations between the parent company and its subsidiaries

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

The amount of the remuneration, other benefits granted, directly or indirectly, and earnings obtained for the 2016 financial year amounted to 1,048,864 Euro and can be broken down as follows (company cost):

> basic remuneration (VAT excluded): 543,427 Euro

> variable remuneration: nihil

> contributions to a pension plan: there were no contributions for a pension plan

> other advantages: there were no other advantages

> earnings from the exercising in FY 2017 of 175 AGP share options (granted in 2015): 233,384 Euro

> earnings from the exercising in FY 2017 of 204 AGP share options (granted in 2016): 272,053 Euro

Please also refer to the remuneration report in the Corporate Governance Statement (see page 60).

The Company did not deviate significantly from its remuneration policy in the course of the financial year that is the object of the annual report.

During the financial year, neither credit, nor advances, nor options on shares were granted to the Directors except to the CEO, to whom 1,350 options on Atenor Group Investments (AGI) shares and 204 options on AGP shares were granted for performance relating to the 2015 financial year.

NOTE 15 – INVENTORIES

in thousands of EUR	2016	2015
Buildings intended for sale, beginning balance	344,167	271,081
Activated costs	125,505	137,744
Disposals of the year	-111,897	-76,554
Entry in the consolidation scope	69,392	13,433
Exit from the consolidation scope		-1,565
Borrowing costs (IAS 23)	2,185	3,976
Foreign currency exchange increase (decrease)	-138	-1,095
Write-offs (recorded)	-471	-2,894
Write-offs (written back)	466	41
Movements during the year	85,042	73,086
Buildings intended for sale, ending balance	429,209	344,167
Accounting value of inventories mortgaged (limited to granted loans)	124,744	26,925

The "Buildings intended for sale" classified in "Inventories" represent the real estate projects in the portfolio and in the process of development. The capitalization of the financing costs (IAS 23) is suspended in case the normal course or active development of a project is interrupted (Note 1.2.6. for the evaluation rules).

During 2016, the item "Inventories" ("Buildings intended for sale") was mainly influenced by:

> the acquisition of the Realex project (entry into the scope; +69.39 million Euro) and the Dacia project land (Bucharest, + 9.28 million Euro);

> the continuation of the works on the Vaci Greens (Budapest, +9.45 million Euro) and Hermès Business Campus (Bucharest, +33.29 million Euro);

> the net change taking into account the sales during the year of the UP-site (-11.56 million Euro), Port du Bon Dieu (-17 million Euro), The One (+9,30 million Euro) and Palatium (+2,79 million Euro) projects;

> the capitalization of the borrowing costs for 2.19 million Euro;

> the sale of the Vaci Greens project building C (Budapest, -28.49 million Euro).

The book value of stock pledged, limited if necessary to the loan granted, consists of properties intended for sale from the Realex (35 million Euro), Hermès Business Campus (28.75 million Euro), The One, Brussels Europa (24.33 million Euro), Vaci Greens, building A (18.90 million Euro), Hexaten (13 million Euro) Palatium (3.29 million Euro) and Au Fil des Grands Prés (1.47 million Euro) projects.

NOTE 16 – CURRENT AND NON-CURRENT FINANCIAL ASSETS

in thousands of EUR	Other financial investments	Trade and other receivables	Cash and cash equivalents
MOVEMENTS IN FINANCIAL ASSETS			
Non-current financial assets			
Beginning balance	30,003	30,225	
Additions (investments)	3,615	1,870	
Disposals (-)	-20,644	-9,763	
Entries in the scope of consolidation	1		
Reclassification (to) from other items	-4	766	
Ending balance	12,971	23,098	
Fair value	12,971	23,098	
Valuation	level 3	level 3	
Current financial assets			
Beginning balance	15,593	95,365	7,565
Acquisitions	26,351		
Disposals (-)		-33,630	
Entries in the consolidation scope			793
Reclassification (to) from other items		-25,521	
Impairments (-)		-11	
Foreign currency exchange increase (decrease)		-25	-43
Other increase (decrease)			95,136
Ending balance	41,944	36,178	103,451
Fair value	41,944	36,178	103,451
Valuation	level 3	level 3	level 3

OTHER FINANCIAL ASSETS

Where not listed on an active market, the other financial assets are maintained at historical cost if their fair value cannot be determined reliably by a different evaluation technique.

in thousands of EUR	Shares	Loans	Other financial assets	Total
OTHER FINANCIAL ASSETS				
Non current assets				
Beginning balance		29,732	271	30,003
Additions (investments)		3,615		3,615
Disposals (-)		-20,630	-14	-20,644
Entries in the scope of consolidation			1	1
Reclassification (to) from other items		-4		-4
Ending balance		12,713	258	12,971
Fair value		12,713	258	12,971
Valuation		level 3	level 3	level 3
Current assets				
Beginning balance			15,593	15,593
Acquisitions			26,351	26,351
Ending balance			41,944	41,944
Fair value			41,944	41,944
Valuation			level 3	level 3

The “non-current Loans” concern the net advances granted to Senior Island as well as the affiliates Naos, Immoange, Victor Estates and Victor Properties (+3.61 million Euro granted in 2016). The change of -20.63 million Euro corresponds to the repayment by Air Properties of its loan following the disposal of this holding.

On 31 December 2016, the “Other current financial assets” concern in particular the long-term deposits (various short-term maturities) made with Belgian and foreign banks (Belfius, ING, and Garanti Bank). The net change of +26.35 million Euro is mainly explained by the cash generated during the 4th quarter of 2016 (new EMTN program, 86.1 million Euro and the sale of the Vaci Greens project building C (Budapest, 44 million Euro)).

TRADE AND OTHER RECEIVABLES

in thousands of EUR	2016		2015	
	Current	Non-current	Current	Non-current
Trade and other receivables				
Trade receivables, gross	27,773	23,097	71,479	30,224
Allowance for bad and doubtful debts	-11			
Other receivables	8,416	1	23,886	1
Total trade and other receivables	36,178	23,098	95,365	30,225
Fair value	36,178	23,098	95,365	30,225
Valuation	level 3	level 3	level 3	level 3

The "Trade and other receivables" are valued at their nominal value, which is a good representation of their market value. The payment terms depend mainly on the conditions agreed on the sale of shares or major assets.

At the end of the year, the "Trade and other non-current receivables" total 23.10 million Euro. This caption includes the discounted debt on INASTI (15.14 million Euro decreased by 9.67 million Euro following the sale of the freeholds of the Palatium project apartments) and on the acquirer of the company Senior Island (6.09 million Euro) following the sale agreement of 15 December 2015 as well as the income to be received related to the sale of apartments from the The One project (1.55 million Euro).

The "Customers and other current receivables" changes from 95.37 to 36.18 million Euro as at December 31, 2016. This net decrease of 59.19 million Euro is essentially explained by:

- > The receivables on the European Parliament (Trebel project) and on the purchasers of AIR Properties (Air project) amounting to 54.16 and 21.25 million Euro respectively on December 31, 2015, paid following the sale of the building and the disposal of the holding;
- > The increase in accrued turnover on the 140 units of the Port du Bon Dieu project sold or in agreement on 31 December 2016 (+3.20 million Euro);
- > The rents and service charges invoiced to tenants in advance by NGY and DCT (+1.95 million Euro and +1.47 million Euro respectively).

The assets pledged within the context of project financing are detailed in note 25 "Rights and commissions".

CASH AND CASH EQUIVALENTS

in thousands of EUR	2016		2015	
	Current	Non-current	Current	Non-current
Cash and cash equivalent				
Bank balances	103,448		7,563	
Cash at hand	3		2	
Total cash and cash equivalents	103,451		7,565	
Fair value	103,451		7,565	
Valuation	level 3		level 3	

Taking into account the cash investments presented in "Other financial assets" of 41.94 million Euro, the total cash reserves now stand at 145.39 million euro.

The financial assets are also summarised as follows:

in thousands of EUR	2016	2015
Investments held until their maturity	145,395	23,158
Loans & debts	71,988	155,322
Financial assets available at sale	258	271
Total of current and non current financial assets	217,642	178,751

For its project development activities, ATENOR does not hedge its financial assets.

The main financial risks can be summed up as follows:

> **Forex risks:** by virtue of its activities, ATENOR is sensitive to exchange rate variations of the Forint (Hungary), the Leu (Romania). The balance sheets of foreign companies are converted into euro at the official exchange rate at closure of the financial year (see table hereafter). The conversion of the financial statements of the subsidiaries from the functional currency (local currency) to the consolidation currency gave rise to conversion differences presented in the equity. The Group did not establish a specific

policy for hedging this operational exchange rate risk. (See Note 1 – Main accounting methods – paragraph 2.10 – Exchange rate risks).

Except for the value of the real estate projects abroad (primarily stock and goodwill), the other assets and liabilities in foreign currencies do not represent important values in the Group's balance sheet.

The sensitivity to variations in exchange rates of these currencies is booked under translation adjustments. The table below covers the variations of exchange rates 2016/2015.

EXCHANGE RATE (€ 1 =)	Closing rate		Average rate	
	2016	2015	2016	2015
Forint (Hungary) - HUF	311.02	313.12	311.84	309.32
Leu (Romania) - RON	4.5411	4.5245	4.4934	4.4401

> **Credit and liquidity risk:** The investments agreed are mainly made through Belgian financial institutions, in particular BNP Paribas Fortis, Belfius, ING and KBC. The nominal value of these investments is very close to their market value.

> **The risk of default** of the counterparties (acquirers) is limited to by the constitution of bank guarantees on the signing of the provisional agreements and notarial deeds.

> **Derivatives (assets)**

ATENOR did not use derivative financial instruments for coverage purposes in fiscal year 2016.

Levels of fair value hierarchy

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

Level 1: Quoted prices on active markets

None

Level 2: (Direct or indirect) observable data, other than quoted prices

The derivative instruments are, where appropriate, valued by a financial institution on the basis of market parameters.

Level 3: Non-observable market data

The fair value of the "Current and non-current financial assets" (including liquid assets) is close to the market value. The fair value of non-quoted financial assets available for sale is estimated at their book value, taking into account the evolution of the business of the companies concerned and existing shareholder agreements. Their amount is insignificant.

The fair value of the "Trade and other receivables" corresponds to their nominal value (deducting any impairment loss) and reflects the sale price of the goods and other assets sold in the provisional agreements and notarial deeds.

Sensitivity analysis

Taking into account the nature of the financial assets and their short maturities, a sensitivity analysis is not necessary, as the impact of the rate variations is negligible.

NOTE 17 - OTHER CURRENT AND NON-CURRENT ASSETS

in thousands of EUR	2016		2015	
	Current	Non-current	Current	Non-current
Other Assets				
Current tax receivables	4,241		4,563	
Current loans payments	185		165	
Other assets	5,305		3,726	
Total other assets	9,731		8,454	
Fair value	9,731		8,454	

The other current and non-current assets consist mainly of payable tax assets (4.24 million Euro), advance payments (185 thousand Euro) and accrued assets (prepaid interests, insurances and commissions to be deferred and accrued interests earned for 5.31 million Euro).

NOTE 18 - DEFERRED TAX ASSETS AND LIABILITIES

in thousands of EUR	2016		2015	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets		-2,770		-2,751
Stock of buildings intended for sale		4,297		-2,966
Amounts receivable		-5,189		-1,843
Received advance payments		-17,925		-10,022
Tax losses	12,473		8,565	
Other		-79		-58
Compensation	-6,473	6,473	-7,067	7,067
Total deferred taxes related to temporary differences	6,000	-15,193	1,498	-10,573

In accordance with IAS 12 and the accounting principles mentioned in point 2.13, ATENOR recognises in the balance sheet the value of the latent tax assets originating from deferred tax losses and tax credits for Atenor s.a., Hexaten s.a., The One Estate s.a., The One Office s.a., HF Immobilier s.a, I.P.I. s.a., Rest Island s.a. and C.P.P.M. s.a.

In addition, deferred tax assets and liabilities are recorded in the balance sheet on the temporary differences between the statutory and consolidated results. The deferred tax liabilities are mainly related

to the revenue recognition according to the degree of progress of the projects.

The deferred tax assets and liabilities are offset when they relate to the same legal entity.

Also see - note 8 concerning the deferred tax booked in results.

Deferred tax assets not recognised concern entities for which there is no, or isn't yet any specific likelihood of creating any taxable profit to which these deductible time differences could be linked to.

in thousands of EUR	2016	2015
Total of not booked deferred tax assets	6,460	6,685

The deferred taxes relating to the fiscal losses and tax credits of ATENOR brought forward were recognised at the level of the future estimated taxable profits. The deferred tax assets not recognised amount to 6.46 million Euro. The deferred tax assets relating to the

tax losses of the real estate subsidiaries in Belgium or abroad are recognised only where there is evidence that a sufficient tax base will emerge in the foreseeable future allowing them to be used.

in thousands of EUR	Net deferred tax assets	Net deferred tax liabilities	Net situation
On 01.01.2015	5,459	-9,254	-3,795
Exits from the consolidation scope		108	108
Deferred tax expense and income recorded in profit and loss	-3,961	-1,412	-5,373
Changes in the deferred taxes recorded in equity (foreign currency exchange adjustments)		-15	-15
On 31.12.2015	1,498	-10,573	-9,075
On 01.01.2016	1,498	-10,573	-9,075
Deferred tax expense and income recorded in profit and loss	4,502	-4,601	-99
Changes in the deferred taxes recorded in equity (foreign currency exchange adjustments)		-19	-19
On 31.12.2016	6,000	-15,193	-9,193

NOTE 19 - PROVISIONS

in thousands of EUR	Guarantee provisions	Other provisions	Total
Provisions (both current and non-current)			
Provisions, beginning balance	2,855	761	3,616
Additional provisions	839		839
Increase (decrease) to existing provisions	89	25	114
Amounts of provisions used (-)	-534	-136	-670
Amounts not used but written back (-)	-1,435	-150	-1,585
Provisions, ending balance	1,814	500	2,314
Non-current provisions, ending balance	1,814	500	2,314
Current provisions, ending balance	0	0	0

The risks connected with given guarantees or with ongoing disputes are subject to provisions when the conditions for recognition of these liabilities are met.

"Non-current provisions" amount to 2.31 million Euro and, firstly, correspond to the provisions concerning the revenue guarantees for the UP-site project (UP³ and public car parks; 0.97 million Euro) and Vacı Greens project (0.84 million euro), secondly, to the provision of 0.50 million Euro set up in the context of the Pixel/AM dispute following the ruling issued by the Tribunal in March 2012. ATENOR made an appeal on 24 May 2012; the parties have filed

various sets of conclusions, including the latest filed by ATENOR in December 2014; the proceedings are still pending on appeal. The arguments have been scheduled for 8 January 2018.

The "Current provisions" set at 1.34 million Euro on 31 December 2015 have been written back or used during the financial year. This mainly concerns the warranty concerning the 3 shareholders D-Facto (1.05 million Euro) which was cancelled as a result of the positive outcome of the legal proceedings.

Contingent liabilities and rights and commitments are described in notes 23 and 25 in the financial statements.

NOTE 20 – CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

2016 in thousands of EUR	Current		Non-current		Total	Fair value*	Valuation
	Up to 1 year	1-5 years	More than 5 years				
Financial liabilities							
Credit institutions	110,384	46,612	12,279		169,275	171,329	level 3
Bond issue	60,000	24,966			84,966	87,072	levels 1 & 3
Other loans	53,667	85,622	56,943		196,232	197,191	levels 1 & 3
Total financial liabilities according to their maturity	224,051	157,200	69,222		450,472	455,592	
Other financial liabilities							
Trade payables	27,236				27,236	27,236	level 3
Other payables	14,938	195			15,133	15,133	level 3
Other financial liabilities		746	48		794	794	level 3
Total amount of other liabilities according to their maturity	42,174	942	48		43,164	43,164	

2015 in thousands of EUR	Current		Non-current		Total	Fair value	Valuation
	Up to 1 year	1-5 years	More than 5 years				
Financial liabilities							
Credit institutions	126,729	33,809	16,019		176,557	176,557	level 3
Bond issue		84,944			84,944	88,180	levels 1 & 3
Other loans	45,480	49,370	6,150		100,999	100,999	level 3
Total financial liabilities according to their maturity	172,209	168,122	22,169		362,500	365,736	
Other financial liabilities							
Trade payables	21,531				21,531	21,531	level 3
Other payables	14,248	1,479			15,726	15,726	level 3
Other financial liabilities		270	36		306	306	level 3
Total amount of other liabilities according to their maturity	35,779	1,749	36		37,564	37,564	

* The fair value of the financial instruments is determined as follows:

- If their maturity is short-term, the fair value is presumed to be similar to the amortised cost.
- For non-current fixed-rate debts, by discounting the future interest flows and capital reimbursements at a rate of 2.824%, which corresponds to the Group's weighted average financing rate.
- For listed bonds, on the basis of the closing price.

Policy of indebtedness and financial risks

The financial risks (credit, liquidity and interest rates) are explained through the Group's policy on indebtedness, which was not changed in 2016.

The Group's indebtedness is structured through direct financing concluded by the parent company and through financing, if need be, concluded by its subsidiaries.

The Group finances itself with various top ranked banking partners at international level. It maintains a strong long-term relationship with them, enabling it to deal with the Group's financing needs.

The Group diversified its sources of financing from 1999 by entering into a program of short, medium and long term commercial papers (CP/MTN) and tasked Belfius Bank with commercialising them to private and public institutional investors. In 2016, the Group continued the diversification of its sources of funding by issuing four tranches of medium and long term bonds within the framework of its new European Medium Term Notes (EMTN) programme. The Group follows a policy of active communication in order to inform as widely as possible the actors of the financial markets and soften any drying up of the money market and any crisis independent of the situation and the activities of ATENOR.

ATENOR and its subsidiaries obtain the necessary financing to successfully complete the construction of real estate projects. This financing is aimed at covering the entire period of construction by commercialisation within a reasonable delay, generally one year after the end of the works. Within the framework of this financing, the assets in construction and the shares of ATENOR's subsidiaries are generally given in pledge to the benefit of the lending credit establishments. When the prospects for commercialisation seem favourable and offer a sufficient margin of manoeuvre concerning the promotion of the project, ATENOR may decide to finance its projects directly or to finance the subsidiaries developing the projects.

Interest rate risks

The financing of the Group and the financing of projects through the Group's subsidiaries are provided based on a short-term rate, the 1 to 12 month Euribor. When loans are made for longer durations (from two to five years), the Group contracts advances at a fixed rate or at a floating rate accompanied by a swap transforming the floating rate into a fixed rate (IRS). Within the framework of project financing, the banks authorise overdrafts of 1 to 12 months for the duration of the financing linked with the duration of the construction. Within this framework and taking into account the

budgets prepared for each project, the impact of a rise in short-term rates is limited. In addition, the part represented by financial costs in the budget of a project represents between 3 and 6% of the total. Consequently, the sensitivity to a strong variation of the short-term rates remains relatively low and limited.

Derivatives (liabilities)

ATENOR uses financial derivative instruments exclusively for the purposes of hedging. These financial instruments are assessed at their fair value with variations in value assigned to the P&L account, except for the financial instruments qualified as "Cash flow

hedge", for which the part of the profit or the loss on the hedge instrument considered to constitute an effective hedge is booked directly through equity account under the "other items of the overall result" heading. As far as "Fair value hedges" are concerned, changes in the fair value of the derivatives designated and qualified as fair value hedges are booked in the results account, just like the changes to the fair value of the asset or of the liability hedged, assignable to the hedged risk.

No new contracts have been implemented for coverage rates or changes in 2016. The last IRS contract came to an end in July 2015.

FINANCIAL DEBTS in thousands of EUR	Current	Non-current	Total
	Up to 1 year	More than 1 year	
Movements on financial liabilities			
On 31.12.2015	172,209	190,291	362,500
Movements of the period			
- New loans	64,626	101,350	165,976
- Reimbursement of loans	-95,622		-95,622
- Entries in the consolidation scope	19,000		19,000
- Variations from foreign currency exchange	-123	-71	-194
- Short-term/long-term transfer	64,115	-64,115	
- Others	-154	-1,033	-1,187
On 31.12.2016	224,051	226,422	450,473

Financial debts

On 31 December 2016, the group indebtedness amounts to 450.47 million Euro compared with 362.50 million Euro at the end of 2015. This increase of 87.97 million Euro is explained by the new loans contracted in 2016 (+165.98 million Euro of which 86.1 million within the context of the new EMTN programme, 18.93 million from MTN and CP and 60.95 million Euro with Belgian and foreign banks), a 19 million loan related to the entry in the scope of the companies supporting the Realex project offset by the repayments in the financial year of 95.62 million Euro.

The "Non-current financial debts" amount to 226.42 million Euro on 31 December 2016. They include the four bond issued during the year (86.1 million Euro), the bond issue of 25 million Euro, the new loan of 10 million Euro contracted by ATENOR s.a. from Garanti Bank, the loan of Atenor Group Participations (7 million Euro), the long-term loans of Garanti Bank (25.50 million Euro) and CPH (3.57 million Euro), the credit from Hexaten (13 million Euro) as well as the MTN for 57.65 million Euro.

The "Current financial debts" total 224.05 million Euro on 31 December 2016 against 172.21 million Euro at the end of 2015. They reflect the 60 million Euro bond issue with a maturity of 26 October 2017, the bank financing contracted by ATENOR s.a. (20.13 million Euro), the outstanding CP and MTN maturing during the year (53.70 million Euro), the credits granted within the context of the Realex (35 million Euro) and The One (24.33 million Euro) projects, the balance of the Unicredit loan granted to CVT (18.90 million Euro) and repaid in January 2017 as well as the 2017 maturities of Garanti Bank loan granted to NGY (3.25 million Euro).

The financial liabilities classified in "Other loans" (196.23 million Euro) concern both the bond issues under the new EMTN programme and the "Commercial Papers" as well as "Medium Term Notes" contracted by ATENOR s.a. in the context of its CP/MTN program marketed by Belfius Bank.

The accounting value of the financial debts correspond to their nominal value, corrected by the costs and commissions for the setting up of these loans and by the adjustment linked to the valuation of the financial derivatives.

Sensitivity analysis on the variation of the interest rates

In the current money market environment, ATENOR considers that short-term debt (CP and bank financing) associated with the short-term rates avoids the volatility of the interest.

The commercial perspectives of our projects and corresponding cash flows do not lead to major interest rate risk.

Therefore, taking into account the structure of the indebtedness of the group and the fixed rates of long-term debt, the sensitivity analysis becomes superfluous. As in previous years, such an analysis will reveal an impact of only little significance.

Subject to events not known on the date of publication of this report, ATENOR intends to repay the MTNs and EMTNs bonds issued at maturity.

FINANCIAL DEBTS		Nominal value (in EUR)
Bond issue at 5.375%	26.10.2012 to 26.10.2017	60,000,000
Private placement of bond at 3.5%	03.12.2014 to 03.12.2019	25,000,000
Total bond issues		85,000,000
Via credit institutions		
Atenor Group Participations		7,000,000
Atenor		42,709,714
Projects	Le Nysdam (via Hexaten)	13,000,000
	The One (via The One Estates)	6,713,766
	The One (via The One Office)	17,615,000
	Hermès Business Campus (via NGY Properties)	28,750,533
	Realex (via Leaselex)	33,627,500
	Realex (via Freelex)	1,372,500
	Vaci Greens A (via CVT)	18,900,000
Total financial debts via credit institutions		169,689,013
Other loans		Maturities
CP		2017
		53,450,000
MTN		2017
		250,000
		2018
		20,050,000
		2019
		11,950,000
		2020
		18,500,000
		2021
		6,150,000
		2022
		500,000
		2026
		500,000
EMTN		2021
		30,000,000
		2022
		18,000,000
		2023
		30,000,000
		2024
		8,100,000
Total other payables		197,450,000
TOTAL FINANCIAL DEBTS		452,139,013

Principal characteristics of the bond issues

N° 1 – 2012 - 2017

- > Amount: € 60,000,000
- > Gross annual interest of 5.375%
- > Gross actuarial yield: 4,943%
- > Issue date: 26.10.2012
- > Maturity date: 26.10.2017
- > Issue price: 101,875%
- > Bond with a nominal value of € 1,000
- > Listed on the market of Euronext Brussels
- > ISIN code: BE0002188549
- > Joint lead Managers and Joint Bookrunners: Belfius and Degroof Petercam Banks

N° 2 – 2014 - 2019

- > Private placement of bond
- > Amount: € 25,000,000
- > Gross annual interest of 3.50%
- > Gross actuarial yield: 3,225%
- > Issue date: 03.12.2014
- > Maturity date: 03.12.2019
- > Issue price: 101.25%
- > Nominal minimum subscription amount per bond: € 100,000 + € 10,000
- > Bond with a nominal value of € 10,000
- > Unlisted bond
- > ISIN code: BE6274319688
- > Sole Manager: Belfius bank

EMTN (European Medium Term Notes) programme

Given the conditions of the capital market in 2016, ATENOR has carried out a number of bond issues in the form of "Private Placements" under its new EMTN programme.

These issues aim to strengthen ATENOR's balance sheet structure in particular by increasing the proportion of its medium-term commitments. The proceeds from these issues provide financing for the construction of new phases in development and, on the other hand, give ATENOR the means to seize any new opportunity to acquire new projects.

These bonds are listed on Alternext Brussels (no quotation on 31 December 2016).

Tranche 1 – 2016 - 2021

- > Amount: € 30,000,000
- > Nominal amount: € 100,000,-
- > Issue price: 100.00%
- > Interest rate: 3,00 %
- > Interest commencement date: 04.10.2016
- > Redemption date: 04.10.2021
- > Quotation on Alternext Brussels
- > ISIN: BE0002261304
- > Legal Documentation: following Information Memorandum dated 07.09.2016 and Final terms dated 04.10.2016

Tranche 2 – 2016 - 2022

- > Nominal amount: € 18,000,000
- > Nominal amount: € 100,000,-
- > Issue price: 100.00%
- > Interest rate: 3.125%
- > Interest commencement date: 11.10.2016
- > Redemption date: 11.10.2022
- > Quotation on Alternext Brussels
- > ISIN: BE0002263326
- > Legal Documentation: following Information Memorandum dated 07.09.2016 and Final terms dated 04.10.2016

Tranche 3 – 2016 - 2023

- > Nominal amount: € 30,000,000
- > Nominal amount: € 100,000,-
- > Issue price: 100.00%
- > Interest rate: 3.50 %
- > Interest commencement date: 04.10.2016
- > Redemption date: 04.10.2023
- > Quotation on Alternext Brussels
- > ISIN: BE0002262310
- > Legal Documentation: following Information Memorandum dated 07.09.2016 and Final terms dated 04.10.2016

Tranche 4 – 2016 - 2024

- > Nominal amount: € 8,100,000
- > Nominal amount: € 100,000,-
- > Issue price: 100.00%
- > Interest rate: 3.75 %
- > Interest commencement date: 11.10.2016
- > Redemption date: 11.10.2024
- > Quotation on Alternext Brussels
- > ISIN: BE0002264332
- > Legal Documentation: following Information Memorandum dated 07.09.2016 and Final terms dated 04.10.2016

Other financial liabilities

The "Other current financial liabilities" stand at 42.17 million Euro on December 31, 2016, against 35.78 million Euro in 2015. The change in this caption is mainly due by the increase in supplier debts (+5.70 million Euro) which reflects the state of progress of the construction sites.

The "Other debts" also include the Belfius guarantee of 5 million Euro linked to the President case and two retention guarantees on the balance of the invoices of the general contractor (0.91 million Euro).

The "Trade payables and other current payables" mature in 2017. They are evaluated at their nominal value, which is a good approximation of their fair value.

Please also refer to note 2 concerning risk management.

Levels of fair value hierarchy:

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

Level 1: Quoted prices on active markets

For instruments listed on an active market, the fair value corresponds to the price on the closing date.

Level 2: (Direct or indirect) observable data, other than quoted prices

Derivatives are valued, if necessary, by a financial institution on the basis of market parameters.

Level 3: Non observable market data

Depending on their maturity, "Financial liabilities" are valued by discounting the flows or at amortised cost on the basis of their effective interest rate, supported by conventions and amounts borrowed.

The "Trade and other payables" are measured on their initial book value, supported by conventions, invoices and amounts paid.

The financial liabilities are also summarised as follow:

in thousands of EUR	2016	2015
Financial liabilities at fair value by means of the profit and loss account		
Financial liabilities valued at amortised cost	493,636	400,064
Total	493,636	400,064

NOTE 21 – OTHER CURRENT AND NON-CURRENT LIABILITIES

2016	Current		Non-current		Total	Fair value	Valuation
	Up to 1 year	1-5 years	More than 5 years				
in thousands of EUR							
Other liabilities							
Advance received	10,730				10,730	10,730	level 3
Social debts of which payables to employees	286				286	286	level 3
Taxes	18,017				18,017	18,017	level 3
Accrued charges and deferred income	6,184				6,184	6,184	level 3
Total amount of other liabilities according to their maturity	35,218				35,218	35,218	

2015	Current		Non-current		Total	Fair value	Valuation
	Up to 1 year	1-5 years	More than 5 years				
in thousands of EUR							
Other liabilities							
Social debts of which payables to employees	311				311	311	level 3
Taxes	5,479				5,479	5,479	level 3
Accrued charges and deferred income	5,193				5,193	5,193	level 3
Total amount of other liabilities according to their maturity	10,984				10,984	10,984	

The “Other current and non-current liabilities” are recorded at their nominal value, which is a good approximation of their fair value.

The “Other current liabilities” consist of:

- > advances received (10.73 million Euro) associated with the sale of the Vaci Greens project building A (Budapest; 3.3 million Euro), the latest invoices for the Les Brasseries de Neudorf project apartments (Luxembourg; 5.2 million Euro) and the sale of the Port du Bon Dieu Lot II project construction to CBC (Namur; 2.23 million Euro);

- > taxes and duties comprising the increase of 12.54 million Euro compared to the previous year mainly attributable to the VAT to be paid by DCT following the sale of the Vaci Greens project building C (Budapest; 11.78 million Euro);

- > accruals (6.18 million Euro) that record the interests to be accrued on bond loans and other long-term ATENOR s.a. financing (2.37 million Euro) as well as the rents and rental charges to be deferred for Atenor Luxembourg, Hexaten, CVT, DCT and NGY (3.34 million Euro).

NOTE 22 – EMPLOYEE BENEFITS

in thousands of EUR	2016	2015
Evolution of the employee benefits		
At the end of the preceding period	172	238
Increase (decrease) of existing provisions	139	-7
Other variations	24	-59
At the end of the period	335	172
of which non-current pension obligation	335	172
of which current pension obligation		

In 2016, the employee benefits cover the Group’s insurance obligations (IAS 19R).

Until 2014, the post-employment benefit plans are of a “defined benefit” type. From 2015, the new beneficiaries (2 as at 31 December 2016) join a “defined contribution” type plan with legal guarantees of performance. Both types of plan will provide staff with the same benefits upon retirement and in the event of death.

For the “defined benefit” plans, the amount recognised in the balance sheet reflects the present value of the obligations less the fair value of the plan assets.

For the “defined contribution” plan, the pension liability is the amount payable on the valuation date to fund the performance guarantee if all affiliates left the plan on this date or if the plan was repealed on this date.

Given the insignificant part of the plan “defined contribution” in all the plans, the key figures below are aggregated for all the plans.

in thousands of EUR	2016	2015
Statement of financial position		
Present value of the defined benefit obligations	1,099	1,159
Fair value of plan assets	-764	-987
Obligations arising from plans	335	172

in thousands of EUR	2016	2015
Overall profit and loss statement		
Current service costs	65	59
Past service costs	156	
Interest costs on obligations under plans	24	23
Interest income on plan assets	-21	-18
Defined benefit costs recognized in profit or loss	224	64
Actual (gains)/losses on obligations under plans	1	-59
Other elements of the overall profit and losses	1	-59
Plans costs	225	5

in thousands of EUR	2016	2015
Present value of the obligation, opening balance		
	1,159	1,126
Current service cost	66	59
Past service costs	156	
Financial cost	24	23
Contributions from plan participants	12	13
Actuarial (gains) losses	1	-59
Benefits paid	-319	-3
Present value of the obligation, closing balance	1,099	1,159

in thousands of EUR	2016	2015
Fair value of the plan assets, opening balance		
	987	888
Expected return	21	18
Contributions from employer	86	71
Contributions from plan participants	12	13
Actuarial (gains) losses	-23	
Benefits paid	-319	-3
Fair value of the plan assets, closing balance	764	987

	2016	2015
Followed assumptions		
Discount rate on 31 December	1.80%	2.40%
Inflation rate	1.75%	2.00%
Salary increases (in addition to the inflation)	0%	0%
Mortality	MR/FR	MR/FR

ATENOR STOCK OPTIONS PLANS

The number of options of the SOP 2007 to 2012 was part of an option plan concerning a total of 300,000 existing shares whose balance stood at 41,250 on 31 December 2016.

SOP 2007

We note that, in compliance with the decision of the Remuneration Committee of 13 December 2006, ratified by the Board of Directors of 31 May 2007, ATENOR on 3 August 2007 issued a total of 50,000 options on own shares to members of the Executive Management and the 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 were 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.

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 (see Note 10 – Capital).

Based on the value of the options on the date of allocation (3 August 2007), the charge was spread over five years pro rata temporis. This charge amounted to 31 thousand Euro in 2007, 76 thousand Euro in 2008, 70 thousand Euro in 2009, 73 thousand Euro in 2010 and 18 thousand Euro in 2011.

The valuation of these options was based on the following parameters (sources Banque Degroof Petercam and ATENOR):

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

No options were exercised during the year.

A balance of 32,000 options remain exercisable during the period from 28 March to 22 April 2017.

SOP 2008

In compliance with the decision of the Remuneration Committee of 18 December 2007, ratified by the Board of Directors of 3 March 2008, ATENOR issued on 5 May 2008 a total of 51,700 options on own shares to various members of the Executive Committee and the 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 were exercisable during the periods from 26 March to 20 April 2012 and from 1 October to 31 October 2012.

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 (see Note 10 – Capital).

Based on the value of the options on the date of allocation (5 May 2008), the charge was spread over five years pro rata temporis. This charge amounted to 139 thousand Euro in 2008, 207 thousand Euro annually from 2009 to 2011 and 55 thousand Euro in 2012. The valuation of these options was based on the following parameters (sources Banque Degroof Petercam and ATENOR):

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

700 options were exercised in 2016. On the date of exercise, the weighted average price amounted to €45.99. Given the excess provision recorded in the consolidated accounts (15.95 Euro per option), the exercise of these options generated a positive result of 6,391 Euro.

SOP 2012

Of the 46,000 options exercised during the year, 39,500 were the subject to a cash settlement. The average weighted price on the date of exercise was 44.18 Euro per share. Taking into account the provision booked in the consolidated financial statements, the exercise of these options resulted in a charge of 863 thousand Euro.

This plan is now closed.

We describe in detail the ATENOR “stock options” actually allocated.

ATTRIBUTION IN	2008	2007
Exercise price	€ 39.17	€ 42.35
Number of options on 31.12.2014	31,850	45,100
Number of options on 31.12.2015	9,950	32,000
Number of options on 31.12.2016	9,250	32,000
Exercise periods	26.03 to 20.04.2017 01 to 31.10.2017	28,03 to 22.04.2017
Expiry dates	31.10.2017	22.04.2017

ATENOR GROUP INVESTMENTS STOCK OPTIONS PLANS

On 5 July 2013, the Nomination and Remuneration Committee put in place a stock option plan on ATENOR GROUP INVESTMENTS (AGI) shares for the benefit of all Group members of personnel and employees. This company, a 100% ATENOR subsidiary, acquired from ATENOR s.a. 150,000 own shares at an average price of 31.90 Euro (weighted average of the three months preceding the acquisition) constituting its sole assets. The options issued on this subsidiary benefit the members of the Executive Committee, staff and ATENOR service providers.

SOP 2013

All of the options in this plan were exercised in 2016 and were settled in cash. Taking into account the provision of 462 thousand Euro recorded on 31 December 2015, this transaction has resulted in a positive impact of 29 thousand Euro.

SOP 2014

37,500 options on AGI shares were issued on 3 February 2014. Their exercise price was fixed, on the favourable opinion of the AGI Auditor, at 9.32 Euro per option, corresponding to their inventory value per AGI share on 31 January 2014, after re-evaluation of the ATENOR share portfolio at 35.46 Euro per share, corresponding to the average of the 20 last closing prices. These options will be exercisable during the periods from 13 to 31 March 2017, 12 to 31 March 2018 and from 11 to 31 March 2019 each time after the publication of the annual results.

SOP 2015

39,985 options on AGI shares were issued on 23 February 2015. Their exercise price was fixed, on the favourable opinion of the AGI Auditor, at 16.39 Euro per option, corresponding to their inventory

value per AGI share on 31 January 2015, after re-evaluation of the ATENOR share portfolio at 40.526 Euro per share, corresponding to the average of the 20 last closing prices. These options will be exercisable during the periods from 12 to 31 March 2018, 11 to 31 March 2019 and from 9 to 31 March 2020 each time after the publication of the annual results.

SOP 2016

40,000 options on AGI shares were issued on March 3, 2016. Their exercise price was fixed, with the assent of the AGI auditor, at 22.67 Euro by option, corresponding to their asset value per AGI share on January 31, 2016, after revaluation of the ATENOR share portfolio at 44.65 Euro per share, corresponding to the average of the last 20 closing prices. These options will be exercisable during the periods from 11 to 31 March, 2019, 9 to 31 March, 2020 and 8 to 31 March, 2021, after each publication of the annual results.

The options plans for 2014 to 2016 resulted in a total provision of 648 thousand Euro as of 31 December 2016.

This valuation is based on an average price of 44.16 Euro, corresponding to the average closing price between 15 December 2016 and 15 January 2017.

SOP 2017

40,000 options on AGI shares were issued on March 10, 2017. Their exercise price was fixed, with the assent of the AGI auditor, at 26.08 Euro by option, corresponding to their asset value per AGI share on January 31, 2017, after revaluation of the ATENOR share portfolio at 46.168 Euro per share, corresponding to the average of the last 20 closing prices. These options will be exercisable during the periods from 9 to 31 March, 2020, 8 to 31 March, 2021 and 8 to 31 March, 2022, after each publication of the annual results.

We describe in detail the ATENOR GROUP INVESTMENTS "stock options" actually allocated:

ATTRIBUTION IN	2017	2016	2015	2014
Exercise price	€ 26.08	€ 22.67	€ 16.39	€ 9.32
Number of options on 31.12.2014	-	-	39,985	35,700
Number of options on 31.12.2015	-	40,000	36,745	34,700
Number of options on 31.12.2016	-	35,725	34,895	34,700
Exercise periods	9 to 31.03.2020 8 to 31.03.2021	11 to 31.03.2019 9 to 31.03.2020	12 to 31.03.2018 11 to 31.03.2019	13 to 31.03.2017 12 to 31.03.2018
	8 to 31.03.2022	8 to 31.03.2021	9 to 31.03.2020	11 to 31.03.2019
Expiry dates	31.03.2022	31.03.2021	31.03.2020	31.03.2019

On December 31, 2016, ATENOR holds 163,427 treasury shares through its subsidiary AGI acquired at an average price of 40.59 Euro for a total valuation of 6.63 million Euro. These shares are intended to enhance these option plans.

NOTE 23 – CONTINGENT LIABILITIES AND DISPUTES

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

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

Furthermore, the Board of Directors sets out three identified risks in the legal proceedings with which ATENOR is or has been confronted:

- > In the context of the tax dispute involving what are known as “Liquidity Companies”, each of these procedures ended in 2016 with a ruling definitively putting an end to the proceedings brought against ATENOR and its managers.
- > As regards the construction of the PIXEL building in Luxembourg, general contractors Soludec and CIT Blaton issued a summons against ATENOR Luxembourg for reimbursement of penalties for which ATENOR had obtained payment by calling on bank guarantees (0.54 million Euro) and as payment for various other damages.

On 9 March 2012, the District Court of Luxembourg partially accepted this request, to the limit of 0.37 million Euro. On

24 May 2012, ATENOR, appealed this ruling and set aside provisions in 2012 in the amount of 0.37 million Euro. The case is still pending on appeal. The pleadings will be heard on 8 January 2018.

- > A dispute opposes ATENOR Luxembourg to the consortium of the contractors Soludec, CIT Blaton and Van Laere, to whom the construction of the PRESIDENT building in Luxembourg was entrusted. ATENOR is asking in court in particular for the application of contractual penalties for lateness, while the contractors are claiming various damages. The legal expert appointed in July 2010 submitted his report in 2013. ATENOR Luxembourg has called upon the bank guarantees set up for its benefit. From them it obtained payment in the amount of 5.00 million Euro by a ruling in February 2011. This ruling was confirmed in December 2012 by the Court of Appeals of Luxembourg. This amount has not been recorded in the consolidated results.

The proceedings are still in progress before the Luxembourg district court. On 17 November 2016, the latter issued a “provisional” judgement assigning an additional appraisal assignment to the same expert, which will start on 26 April 2017.

ATENOR is of the opinion that the claims the Group is facing are unfounded and, consequently, no provision other than that incorporated in the PIXEL litigation has been made for dealing with these disputes.

NOTE 24 – SUBSEQUENT EVENTS

As announced in the press release of 1st February 2017, building A of Vaci Greens has been sold to a group of private Hungarian investors. This sale will have a positive impact on ATENOR’s results in 2017.

The press release of 16 February 2017 also announced the sale of the B building of Vaci Greens to an investment fund based in Hungary. This sale will have a positive contribution to ATENOR’s results in 2017.

As announced in the press release of 13 February, ATENOR has entered an exclusivity period with the limited liability company Immo Beaulieu for the acquisition of a leasehold on the two buildings of the Beaulieu Certificate located in Auderghem (Brussels).

This transaction remains subject to the positive conclusion of a complete due diligence and to the approval of the General Meeting of the Beaulieu Certificate holders.

On 10 March 2017, ATENOR will issue a new stock option plan (SOP 2017) for the subsidiary named Atenor Group Investments (AGI). The options issued on this subsidiary benefit members of the Executive Committee, the staff and service providers of ATENOR. This SOP may be exercised during the three periods following: from 9 March to 31 March 2020, from 8 March to 31 March 2021 and from 8 March to 31 March 2022.

No other important event occurring since 31 December 2016 must be noted.

NOTE 25 - RIGHTS AND COMMITMENTS

in thousands of EUR	2016	2015
Guarantees constituted or irrevocably promised by third parties		
Bank guarantees for security deposits ⁽¹⁾	33,126	37,035
Other security deposits received ⁽²⁾	4,455	4,738
Real securities constituted or irrevocably promised by the companies on their own assets		
Mortgages ⁽³⁾		
- accounting value of the buildings mortgaged	124,744	26,925
- amount of the registration	62,075	49,350
- with mortgage mandate	142,365	115,764
- with promise to give mortgage	12,385	
Receivables and other guaranteed amounts ⁽⁴⁾	15,445	24,807
Pledged accounts ⁽⁵⁾	24,457	3,061
Guaranteed securities	p.m.	p.m.
Other acquisitions or transfer commitments		
Commitments for the acquisitions of buildings ⁽⁶⁾	6,401	16,626
Commitments for the disposals of buildings ⁽⁷⁾	33,000	-
Purchase option on buildings	p.m.	p.m.
Commitments and guarantees constituted towards third parties		
Various bank guarantees/other security deposits in solidarity ⁽⁸⁾	100,556	75,204
Lease guarantees	459	459

(1) This item includes the bank guarantees received from contractors within the framework, in particular from the The One (6.33 million Euro), UP-site (5 million Euro), Trebel (4.27 million Euro), City Dox (2.75 million Euro), Port du Bon Dieu (2.58 million Euro), Vaci Greens (2.47 million Euro) and HBC (2.03 million Euro) as well as rental bank guarantees received (3.72 million Euro).

(2) The other security deposits received mainly reflect the rental payment guarantees (4.36 million Euro) received as part of the lease contracts for the Vaci Greens A and B buildings.

(3) Mortgages

- > in favour of Garanti bank as part of the credit agreement contracted by NGY (maturity: 1 April 2025);
- > in favour of Belfius bank as part of the credits relating to the The One (maturity: 20 October 2018) and Palatium (maturity: 10 August 2018) projects;
- > in favour of BNPPF bank as part of the credit contracted by Hexaten (maturity: 29 October 2020) and the credits relating to the Realex project (maturity: 28 April 2017);
- > in favour of ING bank as part of the Breyne legislation credit agreement for the Au Fil des Grands Prés project (zone 2) and
- > in favour of Unicredit bank as part of the credit contracted by CVT (credit repaid in January 2017).

(4) Among which debt obligation of 15.32 million Euro pledged on INASTI in favour of Belfius Bank.

(5) Pledged deposits: of which in favour of Belfius (total of 12.02 million on 31 December 2016) as part of the Palatium, The One and La Sucrerie projects, ING (6.78 million Euro) as part of the Au Fil des Grands Prés project (zone 2) and Garanti Bank (4.74 million Euro).

(6) Concerns the purchase commitment associated with the project Au Fil des Grands Prés (zone 1) in Mons (6.40 million Euro).

(7) Concerns the commitment to sell Block A of the Vaci Greens project (Budapest).

(8) This entry reflects in particular:

- > the completion guarantees for the Brasseries de Neudorf (26.83 million Euro), La Sucrerie (8.52 million Euro), Au Fil des Grands Prés (12.39 million Euro) and Palatium (18.65 million Euro) housing projects;
- > the joint and indivisible pledge of ATENOR to a maximum of 14.35 million Euro for account of The One Estate and The One Office (The One project) in favour of the Belfius bank (maturity: 20.10.2018) and a maximum of 4 million Euro for account of CVT in favour of Unicredit.
- > "Property dealer" guarantees for a total of 4.56 million Euro;
- > Guarantees in favour of the European Parliament following the delivery of the Trebel project (4 million Euro).

NOTE 26 – PARTICIPATIONS

COMPANY NAME	Head office	Fraction of the capital directly or indirectly held in %
Subsidiaries consolidated by the full consolidated method		
ALCO BUILDING	B-1310 La Hulpe	100.00
ATENOR GROUP CENTRAL EUROPE	B-1310 La Hulpe	100.00
ATENOR GROUP HUNGARY	H-1138 Budapest	100.00
ATENOR GROUP INVESTMENTS	B-1310 La Hulpe	100.00
ATENOR LUXEMBOURG	L-8399 Windhof	100.00
ATENOR GROUP PARTICIPATIONS	B-1310 La Hulpe	100.00
ATENOR GROUP ROMANIA	RO-020335 Bucharest	100.00
ATENOR TOOLS COMPANY	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-1138 Budapest	100.00
CITY VIEW TOWER	H-1138 Budapest	100.00
DREWS CITY TOWER	H-1138 Budapest	100.00
FREELEX	B-1060 Brussels	90.00
HEXATEN	B-1310 La Hulpe	100.00
HF IMMOBILIER	L-8399 Windhof	100.00
IMMOBILIERE DE LA PETITE ILE (IPI)	B-1310 La Hulpe	100.00
LEASELEX	B-1060 Brussels	90.00
LUXLEX	L-8399 Windhof	90.00
MONS PROPERTIES	B-1310 La Hulpe	100.00
NAMUR WATERFRONT	B-1310 La Hulpe	100.00
NGY PROPERTIES INVESTMENT	RO-020335 Bucharest	100.00
REST ISLAND	B-1310 La Hulpe	100.00
THE ONE ESTATE	B-1310 La Hulpe	100.00
THE ONE OFFICE	B-1310 La Hulpe	100.00
VICTORIEI 174 BUSINESS DEVELOPMENT	RO-020335 Bucharest	100.00
Joint ventures companies consolidated by the equity method		
IMMOANGE *	B-1160 Brussels	50.00
NAOS	L-8399 Windhof	55.00
VICTOR ESTATES	B-1160 Brussels	50.00
VICTOR PROPERTIES	B-1160 Brussels	50.00

* Partial split of IMMOANGE with the incorporation of two new companies, VICTOR BARA and VICTOR SPAAK.

THE MAIN CHANGES IN THE CONSOLIDATION SCOPE DURING 2016:

The Romanian company Victoriei 174 Business Development srl was established on 28 April 2016 by ATENOR s.a. (90%) and its subsidiary Atenor Group Participations s.a. (10%). It will develop the Dacia project in Bucharest.

On 7 July 2016, ATENOR s.a. (49.5%), its subsidiary Atenor Group Participations s.a. (5.5%) and a group of private investors (45%) together established the Luxembourg company NAOS s.a. which is developing an office and commercial building on the Belval site.

ATENOR s.a. and its subsidiary Atenor Group Participations s.a. have together acquired, on 28 October 2016, 90% of the shares of the Luxembourg company Luxlex sàrl. The latter and its two Belgian subsidiaries, Freelex sprl and Leaselex sprl, are developing the Realex project.

STATEMENT BY THE REPRESENTATIVES OF ATENOR

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

- > the consolidated financial statements at 31 December 2016 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and fairly present the assets, financial situation and results of ATENOR and the companies included in the consolidation⁽¹⁾;
- > the management report contains a true reflection of the development of the business, the results and the situation of ATENOR s.a. and the consolidated companies as well as a description of the main risks and uncertainties which they are confronted with.

(1) Affiliated companies of ATENOR in the sense of article 11 of the Company Code.

REPORT OF THE AUDITORS

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY ATENOR SA/NV AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2016

As required by law, we report to you in the context of our statutory auditor's mandate. This report includes our opinion on the consolidated financial statements, as well as the required additional statement. The consolidated financial statements comprise the consolidated statement of financial position as at 31st December 2016, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31st December 2016 and the explanatory notes.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS – UNQUALIFIED OPINION

We have audited the consolidated financial statements of the company ATENOR SA/NV for the year ended 31st December 2016, prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, which show a consolidated statement of financial position total of EUR 686,090,164 and a consolidated income statement showing a consolidated profit for the year of EUR 20,374,960.

Responsibility of the board of Directors for the preparation of the consolidated financial statements

The board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards as adopted by the European Union, and for such internal control as the board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the statutory auditor

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs) as adopted in Belgium. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers the company's internal control relevant to the preparation of consolidated financial statements that

give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We have obtained from the board of Directors and company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the consolidated financial statements of the company ATENOR SA/NV give a true and fair view of the group's equity and financial position as at 31st December 2016, and of its results and its cash flows for the year then ended, in accordance with the International Financial Reporting Standards as adopted by the European Union.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The board of Directors is responsible for the preparation and the content of the Director's report on the consolidated financial statements.

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we provide the following additional statement, which does not modify the scope of our opinion on the consolidated financial statements:

- > The Director's report on the consolidated financial statements includes the information required by law, is consistent with the consolidated financial statements and is free from material inconsistencies with the information that we became aware of during the performance of our mandate.

Brussels, 23 March 2017

Mazars Réviseurs d'entreprises SCRL
Statutory Auditor
represented by
Xavier DOYEN

ANNUAL ACCOUNTS

FINANCIAL ANNUAL REPORT 2016

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 s.a. are presented in a summary form.

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

The auditor issued an unqualified opinion on the statutory annual accounts of ATENOR s.a.

The annual accounts, the management report and the report of the auditor are available upon simple request at the following address: Avenue Reine Astrid, 92 in B-1310 La Hulpe.

ASSETS

in thousands of EUR	2016	2015
Fixed Assets	354,606	354,799
I. Start-up expenses	1,156	105
II. Intangible assets	189	99
III. Tangible assets	230	189
IV. Financial assets	353,031	354,406
Current Assets	165,077	179,498
V. Amounts receivable after one year	15,139	24,808
VI. Stocks and orders in the course of execution	45,786	136,807
VII. Amounts receivable within one year	5,093	1,876
VIII. Investments	42,416	15,529
IX. Cash at bank and petty cash	56,180	258
X. Deferred charges and accrued income	463	220
Total assets	519,683	534,297

LIABILITIES

Group capital and reserves	106,062	110,954
I. Capital	57,631	57,631
IV. Reserves	18,313	17,968
V. Accumulated profits	30,119	35,355
Provisions and deferred taxes	562	1,747
VII. A. Provisions for liabilities and charges	562	1,747
Creditors	413,058	421,596
VIII. Amounts payable after one year	185,054	150,513
IX. Amounts payable within one year	225,606	268,764
X. Accrued charges and deferred income	2,399	2,319
Total liabilities	519,683	534,297

INCOME STATEMENT

in thousands of EUR	2016	2015
I. Operating income	182,542	62,854
II. Operating charges	-177,071	-46,588
III. Operating profit (loss)	5,470	16,266
IV. Financial income	13,025	2,765
V. Financial charges	-11,564	-12,453
VI. Profit (loss) before taxes	6,932	6,579
VIII. Incomes taxes	-44	-265
IX. Profit (loss) of the financial year	6,888	6,314
XI. Profit (loss) of the financial year to be appropriated	6,888	6,314

APPROPRIATION ACCOUNT

A. Profit to be appropriated	42,243	47,249
1. Profit for the financial year	6,888	6,314
2. Profits brought forward	35,355	40,935
C. Appropriations to equity (-)	-344	-316
2. To legal reserve	344	316
D. Profit (loss) to be carried forward (-)	-30,119	-35,355
1. Profit to be carried forward	30,119	35,355
F. Profit to be distributed (-)	-11,780	-11,578
1. Dividends	11,464	11,262
2. Director's entitlements	316	316

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.

VALUATION RULES

- > Start-up costs: fully amortised in the year in which they are recorded.
- > Intangible assets: added to the balance sheet at their acquisition value. The depreciation is based on the linear method at the rates allowed for tax purposes.
- > Tangible assets: added to the balance sheet at their acquisition price or their contribution value.
The depreciation of major assets is based on the linear method at the rates allowed for tax purposes.
Capital assets such as the replacement of furniture or office supplies are fully depreciated in the year of acquisition.
- > Financial assets: participations and other securities in portfolio.
In general, our participations are valued at their acquisition value, taking into account the amounts remaining to be released, possibly modified by write-downs and or revaluations made in previous years. This rule is however departed from if the current estimated value is permanently less than the value determined as specified above. In this case, a reduction equal to the observed impairment is recorded.
Losses of value are reversed when a lasting added value is observed on the securities that have been the subject of such a reduction.
The estimated value is fixed objectively for each security individually on the basis of one of the following elements:
 - > Market value (when it is significant);
 - > Subscription value (for recent acquisitions);
 - > Value of the net asset based on the last balance sheet published*;
- > Value of the compensation claimed or provided for in the negotiations in progress when it concerns the securities of Zairianised companies;
- > Other information in our possession in particular enabling the estimation of the risks of various hazards;
- > Realisation value.
For investments in foreign companies, the conversion into Euro is done at the exchange rate at the end of the year.
The valuation method for each will therefore be used for each security from year to year unless a change in circumstances leads us to opt for another method. In this case, a special mention is made in the annex.
- > Stocks: Properties acquired or constructed for resale are recognised in stocks. They are valued at their cost price. This cost price is obtained by adding to the price of acquisition of raw materials, the consumable materials and supplies, and the direct costs of manufacturing. It does not include indirect costs such as financial expenses, insurance premiums, taxes and planning charges. Losses of value are made on the basis of the kind of activity.
- > Debts and other creditors: registered at their original value
Losses of value are made where the estimated realisable value is less than the amount of the original receivable as well as in the case of receivables on nationalised assets whose reimbursement has not been made subject to a regulation.
- > The valuation of litigation and guarantees is based on the criteria for recovery.
- > Cash equivalents: recognised at their nominal value.
- > Debts: recognised at their nominal value.

* The most commonly used criterion.

GENERAL INFORMATION

IDENTITY CARD

ATENOR 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 our website www.atenor.be

REGISTERED OFFICE OF ATENOR

Avenue Reine Astrid, 92
1310 La Hulpe
Belgium

Phone: +32-2-387 22 99

Fax : +32-2-387 23 16

E-mail: info@atenor.be

Website: www.atenor.be

Enterprise n°: 0403 209 303

STOCK EXCHANGE LISTING OF ATENOR SHARE

Euronext Brussels
ISIN code: BE0003837540

STOCK EXCHANGE LISTING OF ATENOR BONDS

Euronext Brussels: bonds 2012-2017 rate of 5,375 %
ISIN code: BE0002188549

Alternext Brussels: bonds 2016-2021 rate of 3,0 %
ISIN code: BE0002261304

Alternext Brussels: bonds 2016-2022 rate of 3,125 %
ISIN code: BE0002263326

Alternext Brussels: bonds 2016-2023 rate of 3,50 %
ISIN code: BE0002262310

Alternext Brussels: bonds 2016-2024 rate of 3,75 %
ISIN code: BE0002264332

REUTERS

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BLOOMBERG

ATEB BB

FINANCIAL CALENDAR ⁽¹⁾

28 APRIL 2017

General Assembly 2017

Communication relating to the dividend payment

4 MAY 2017

Dividend payment (subject to the approval of the General Assembly)

16 MAY 2017

Intermediate declaration for first quarter 2017

31 AUGUST 2017

Half-year results 2017

15 NOVEMBER 2017

Intermediate declaration for third quarter 2017

8 MARCH 2018

Annual results 2017

27 APRIL 2018

General Assembly 2017

FINANCIAL SERVICES

The financial service in charge of the dividend for 2016 (coupon no. 11) is provided by Euroclear Belgium Euroclear Belgium Boulevard du Roi Albert II, 1 à 1210 Saint-Josse-ten-Noode

(1) Communicated dates subject to changes.



FOR FURTHER INFORMATION

Avenue Reine Astrid, 92 – B-1310 La Hulpe – Phone: +32 2 387 22 99 – Fax: +32 2 387 23 16 – Website: www.atenor.be
E-mail: info@atenor.be – VAT BE 0403 209 303 – RPM Nivelles – Investor Relations: Sidney D. Bens, Chief Financial Officer