

## ANNUAL RESULTS 2010

Regulated information

**Favourable development of the portfolio**  
**Positive operating income**  
**Dividend: € 2 gross per share**

*La Hulpe, 1<sup>st</sup> March 2011*

ATENOR GROUP ended the 2010 period with a slightly negative net result reflecting the low point in the economic cycle of the real estate market.

The operating income (EBIT) is however positive (€3.48 M) due to the sale of the two office buildings (Fonsny 13,200 m<sup>2</sup>, Broodthaers 17,700 m<sup>2</sup>) of the SOUTH CITY project in Brussels in which ATENOR GROUP had a 40% stake.

At the General Assembly, the Board of Directors will propose payment of a dividend of €2.00 offering a gross yield of the order of 6.05% on the basis of a rate of € 33.05 on 28 February 2011.

By means of this proposal the Board of Directors attracts investors' attention to the risks and cyclical nature of ATENOR GROUP, while confirming its confidence in the group's favourable prospects.

**Table of key consolidated figures (in thousands of €)**  
**Audited accounts**

<b>Results</b>	<b>31.12.2010</b>	<b>31.12.2009</b>
Net consolidated result (group share)	- 1,599	7,316
Profit per share (in euro)	- 0.32	1.45
Number of shares	5,038,411	5,038,411
<b>Balance sheet</b>	<b>31.12.2010</b>	<b>31.12.2009</b>
Total assets	270,141	239,583
Closing value of cash accounts in balance sheet	75,514	15,583
Net indebtedness (-)	- 46,993	- 71,567
Total of consolidated equity	100,531	117,162

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

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

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

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

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

## ***Net financial indebtedness***

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

## ***Own shares***

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During 2010, ATENOR GROUP acquired 33.580 own shares. As at 31 December 2010, ATENOR GROUP held 154,452 own shares acquired at an average price of 40.60 euro for a total amount of 6.27 million euros. These shares are intended to cover the 2007, 2008, 2009 and 2010 stock option plans. We invite you to visit the ATENOR website regularly for the latest information on the holding of own shares.

## ***Stock option plan***

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The Board of Directors of 3 March 2009 approved a new three-year Stock Option Plan. As at 1 February 2011 Atenor Group issued a second tranche of 53,200 options on own shares intended for members of the management and staff. These options can be exercised during the periods from 10 March to 10 April 2015 and from 2 to 30 September 2015 at the unit price of 33.40 euros corresponding to the average listing on the stock exchange for the 30 days prior to issue.

## ***Proposed dividend***

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The Board of Directors will propose to the General Assembly of 22 April 2011 the payment, for the financial year 2010, of a dividend of 2.00 euro; i.e. a dividend net of withholding (25%) of 1.50 euro per share and a dividend net of withholding (15%) of 1.70 euro per share accompanied by a VVPR strip. Subject to approval by the General Assembly, the dividend will be paid as of 29 April 2011.

## ***Projects in our portfolio***

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

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

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

### **SOUTH CITY**

<b>Location</b>	Rue Fonsny, Brussels Capital Region, Belgium
<b>Project</b>	Real estate project: offices, shops and hotel
<b>Size</b>	40,010 m <sup>2</sup>

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

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

## **MEDIA GARDENS (IDM A and IDM)**

<b>Location</b>	Chaussée de Louvain, Brussels, Belgium
<b>Project</b>	Residential housing units
<b>Size</b>	± 28,700 m <sup>2</sup>

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

During the course of 2010, ATENOR GROUP continued the construction of the second part of the MEDIA GARDENS project with a view to delivery of same in May 2011 (block of 75 apartments, which is 6,947 m<sup>2</sup> entirely sold to the SICAFI (fixed capital real estate investment trust) Aedifica).

## **UP-SITE**

<b>Location</b>	Between the canal, the place des Armateurs and the quai de Willebroek, Brussels capital region, Belgium.
<b>Project</b>	A combination of housing, shop and office units.
<b>Size</b>	± 80,000 m <sup>2</sup>

ATENOR GROUP obtained planning permission for the UP-site project in June 2010 and immediately began construction work consolidated by the signing of ad hoc financing. This mixed urban project located next to the canal in Brussels concerns 30,000 m<sup>2</sup> of offices, 13,000m<sup>2</sup> of which have already found occupants (27 year lease signed by SMALS and acquisition signed by UNIZO and SVMB), and over 47,000 m<sup>2</sup> of housing units. The future 140-meter high (42 floor) residential tower has already established itself as a landmark in this district which is being entirely redeveloped.

## **HERMES BUSINESS CAMPUS (Romania)**

<b>Situation</b>	Bld Dimitri Pompeiu, 2 <sup>nd</sup> District, Bucharest, Romania
<b>Project</b>	Construction of office buildings
<b>Size</b>	73,644 m <sup>2</sup>

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

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

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

## **VACI GREENS (Hungary)**

<b>Location</b>	Vaci ut, 13 <sup>th</sup> District, Budapest, Hungary
<b>Project</b>	Construction of office buildings
<b>Size</b>	Phase 1 - 56,000 m <sup>2</sup>

The urban planning permit for construction of a first block of offices allowing for the development of 15,400m<sup>2</sup> was obtained in July 2010. The infrastructure work began after the signing of a contracting contract with CFE Hungary.

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

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

## **EUROPA**

<b>Location</b>	Rue de la Loi and chaussée d'Etterbeek, Brussels capital region, Belgium
<b>Project</b>	A combination of shop and office units.
<b>Size</b>	± 30,000 m <sup>2</sup>
<b>Architect</b>	Archi+ I

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

## **VICTOR**

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

In partnership (50/50) with CFE, we applied for an urban planning permit in December 2010. Consultation with the competent authorities and major players in the district is under way. Our architectural scheme for this location has always been densification for obvious reasons of mobility and the reinforcement of the use of public transport.

## **PORT DU BON DIEU**

<b>Situation</b>	Area known as "Port du Bon Dieu", Namur, Belgium
<b>Project</b>	Housing programme
<b>Size</b>	± 30,000 m <sup>2</sup>
<b>Architects</b>	Montois Partners Architects & l'Atelier de l'Arbre d'Or
<b>Owner</b>	Namur Waterfront

In June 2008, ATENOR created the company NAMUR WATERFRONT to use it for a project located just outside the city of Namur, on the left bank of the Meuse River. This area is of strategic value in terms of access and mobility given that it is situated not far from the railway station, the city centre and all its facilities. ATENOR has carried out studies for the construction of a residential complex of approximately 12,000 m<sup>2</sup> featuring the most pertinent ecological elements. Following a Region-City agreement, a regional development plan (SAR) is soon expected to be adopted, permitting submission of an application for an urban planning permit.

## **TREBEL**

<b>Location</b>	Corner of rue Belliard and rue de Trèves in Brussels, Belgium.
<b>Project</b>	Office building
<b>Size</b>	± 17,700 m <sup>2</sup>

Finally, ATENOR GROUP has made a new acquisition in the European district of Brussels. Reflection is under way with a view to proposing a project for this plot of land situated along rue Belliard and rue de Trèves in keeping with the changing environment.

### ***OPA Westland Shopping Center***

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

### ***Prospects for the full year 2011***

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

## **Financial Calendar**

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General Assembly 2010:	22 April 2011
Dividend payment (subject to the approval of the General Assembly):	29 April 2011
Intermediate declaration for first quarter 2011:	19 May 2011
Half-year results 2011:	31 August 2011
Intermediate declaration for third quarter 2011:	18 November 2011
Annual results 2011	1 March 2012

**\*Financial service: Degroof Bank designated as main paying agent**

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

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

## **Contacts and Information**

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## CONSOLIDATED OVERALL INCOME STATEMENT

In thousands of EUR

	2010	2009
<b>Revenue</b>	<b>10.944</b>	<b>35.490</b>
Turnover	10.743	34.687
Property rental income	201	802
Other operating revenue	0	0
<b>Other operating income</b>	<b>15.291</b>	<b>14.208</b>
Gain (loss) on disposals of financial assets	14.137	12.304
Other operating income	1.154	1.904
Gain (loss) on disposals of non-financial assets	0	0
<b>Operating expenses (-)</b>	<b>-22.755</b>	<b>-37.142</b>
Raw materials and consumables used (-)	-15.470	-18.534
Changes in inventories of finished goods and work in progress	24.278	22.613
Employee expenses (-)	-5.863	-6.037
Depreciation and amortization (-)	-773	-933
Impairments (-)	-451	-322
Other operating expenses (-)	-24.476	-33.929
<b><u>RESULT FROM OPERATING ACTIVITIES - EBIT</u></b>	<b>3.480</b>	<b>12.556</b>
<b>Financial expenses (-)</b>	<b>-5.925</b>	<b>-2.706</b>
<b>Financial income</b>	<b>1.480</b>	<b>995</b>
<b>Share of profit (loss) from investments consolidated by the equity method</b>	<b>-440</b>	<b>105</b>
<b><u>PROFIT (LOSS) BEFORE TAX</u></b>	<b>-1.405</b>	<b>10.950</b>
<b>Income tax expense (income) (-)</b>	<b>-280</b>	<b>-3.747</b>
<b><u>PROFIT (LOSS) AFTER TAX</u></b>	<b>-1.685</b>	<b>7.203</b>
<b>Post-tax profit (loss) of discontinued operations</b>	<b>0</b>	<b>0</b>
<b><u>PROFIT (LOSS) OF THE PERIOD</u></b>	<b>-1.685</b>	<b>7.203</b>
Attributable to minority interest	-86	-113
<b>Group profit (loss)</b>	<b>-1.599</b>	<b>7.316</b>

### EARNINGS PER SHARE

	EUR	
	2010	2009
<b>Number of shares</b>	<b>5.038.411</b>	<b>5.038.411</b>
<b>Diluted earnings per share</b>	<b>-0,32</b>	<b>1,45</b>
<b>Proposal of gross dividend per share</b>	<b>2,00</b>	<b>2,60</b>

### Other elements of the overall profit and losses

	In thousands of EUR	
	2010	2009
<b>Group share result</b>	<b>-1.599</b>	<b>7.316</b>
Translation adjustments	-1.533	-1.763
Cash flow hedge	114	-9
<b>Overall total results of the group</b>	<b>-3.018</b>	<b>5.544</b>
<b>Overall profits and losses of the period attributable to third parties</b>	<b>-86</b>	<b>-113</b>

## CONSOLIDATED BALANCE SHEET

### ASSETS

	In thousands of EUR	
	31.12.2010	31.12.2009
<b><u>NON-CURRENT ASSETS</u></b>	<b>63.535</b>	<b>61.317</b>
Property, plant and equipment	20.764	21.302
Investment property	1.648	1.656
Intangible assets	6.699	5.768
Investments in related parties	1	255
Investments consolidated by the equity method	9.120	14.662
Deferred tax assets	10.502	10.502
Other non-current financial assets	14.718	7.089
Derivatives	0	0
Non-current trade and other receivables	0	0
Other non-current assets	83	83
<b><u>CURRENT ASSETS</u></b>	<b>206.606</b>	<b>178.265</b>
Inventories	119.351	95.590
Other current financial assets	72.839	13.122
Derivatives	0	63
Current tax receivables	1.250	1.881
Current trade and other receivables	6.121	54.341
Current loans payments	0	47
Cash and cash equivalents	2.675	2.461
Other current assets	4.370	10.759
<b>TOTAL ASSETS</b>	<b>270.141</b>	<b>239.583</b>

### LIABILITIES AND EQUITY

	In thousands of EUR	
	31.12.2010	31.12.2009
<b><u>TOTAL EQUITY</u></b>	<b>100.531</b>	<b>117.162</b>
<b><u>Group shareholders' equity</u></b>	<b>101.092</b>	<b>117.807</b>
Issued capital	38.880	38.880
Reserves	68.483	84.043
Treasury shares (-)	-6.271	-5.115
<b><u>Minority interest</u></b>	<b>-561</b>	<b>-646</b>
<b><u>Non-current liabilities</u></b>	<b>114.057</b>	<b>46.508</b>
Non-current interest bearing borrowings	99.671	31.036
Non-current provisions	0	470
Pension obligation	142	193
Derivatives	1.289	2.000
Deferred tax liabilities	12.955	12.809
<b><u>Current liabilities</u></b>	<b>55.553</b>	<b>75.913</b>
Current interest bearing debts	22.836	56.114
Current provisions	2.496	1.972
Pension obligation	49	144
Derivatives	133	0
Current tax payables	3.522	3.538
Current trade and other payables	21.759	13.706
Other current liabilities	4.758	438
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>270.141</b>	<b>239.583</b>

## Consolidated cash flow statement (indirect method)

	In thousands of EUR	
	2010	2009
<b>Operating activities</b>		
- Profit/loss after tax (excl. discontinued operations)	-1.684	7.203
- Result of investments consolidated by the equity method	440	-105
- Depreciations (+/-)	773	933
- Write off (+/-)	451	338
- Provisions (+/-)	-84	-1.141
- Translation adjustments (+/-)	0	0
- Profits/losses on assets disposals	-4.884	-12.304
- Deferred taxes (+/-)	236	137
- <b>Cash flow</b>	<b>-4.752</b>	<b>-4.939</b>
- <b>Increase/decrease in working capital</b>	<b>-38.673</b>	<b>-20.583</b>
<b>Cash from operating activities (+/-)</b>	<b>-43.425</b>	<b>-25.522</b>
<b>Investments activities</b>		
- Acquisitions of intangible and tangible assets	-226	-53
- Acquisitions of financial investments	-1.051	-13.379
- New loans	-8.665	-268
- <b>Subtotal of acquired investments</b>	<b>-9.942</b>	<b>-13.700</b>
- Disposal of intangible and tangible assets	2	0
- Disposal of financial investments	58.589	0
- Reimbursement of loans	1.036	6.836
- <b>Subtotal of disinvestments</b>	<b>59.627</b>	<b>6.836</b>
<b>Cash from investment activities (+/-)</b>	<b>49.685</b>	<b>-6.864</b>
<b>Financial activities</b>		
- Capital increase	0	0
- Own shares	-1.102	
- Variations of loans	68.635	22.162
- Dividends paid by parent company to its shareholders	-13.318	-12.821
- Fees paid to the directors	-170	-150
<b>Cash from financial activities (+/-)</b>	<b>54.045</b>	<b>9.191</b>
- Changes in scope of consolidation and exchange rate	-374	20
<b>Net cash variation</b>	<b>59.931</b>	<b>-23.175</b>
- Opening value of cash accounts in balance sheet	15.583	38.757
- Closing value of cash accounts in balance sheet	75.514	15.583



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In thousands of EUR

2009	Issued capital	Hedging reserves	Own shares	Consolidated reserves	Profit/loss of the period	Cumulative translation adjustments	Minority interests	Total Equity
<b>Balance as of 01.01.2009</b>	<b>38.879</b>	<b>(429)</b>	<b>(4.114)</b>	<b>94.545</b>		<b>(3.004)</b>	<b>(430)</b>	<b>125.449</b>
Profit/loss of the period	-	-	-	-	7.316	-	(113)	7.203
Other elements of the overall results		(9)				(1.763)		(1.772)
<b>Total comprehensive income</b>	<b>-</b>	<b>(9)</b>	<b>-</b>	<b>-</b>	<b>7.316</b>	<b>(1.763)</b>	<b>(113)</b>	<b>5.431</b>
Paid dividends and directors' entitlements	-	-	-	(12.976)	-	-		(12.976)
Own shares	-		(1.002)		-	-	-	(1.002)
Share based payment	-	-	-	363				363
Others							(103)	(103)
<b>Balance as of 31.12.2009</b>	<b>38.879</b>	<b>(438)</b>	<b>(5.115)</b>	<b>81.932</b>	<b>7.316</b>	<b>(4.767)</b>	<b>(646)</b>	<b>117.162</b>
<b>2010</b>								
<b>Balance as of 01.01.2010</b>	<b>38.879</b>	<b>(438)</b>	<b>(5.115)</b>	<b>89.248</b>		<b>(4.767)</b>	<b>(646)</b>	<b>117.162</b>
Profit/loss of the period	-	-	-	-	(1.599)	-	(86)	(1.685)
Other elements of the overall results		114				(1.533)		(1.419)
<b>Total comprehensive income</b>	<b>-</b>	<b>114</b>	<b>-</b>	<b>-</b>	<b>(1.599)</b>	<b>(1.533)</b>	<b>(86)</b>	<b>(3.104)</b>
Paid dividends and directors' entitlements	-	-	-	(12.940)	-	-		(12.940)
Own shares	-		(1.156)		-	-	-	(1.156)
Share based payment	-	-	-	399				399
Others							170	170
<b>Balance as of 31.12.2010</b>	<b>38.879</b>	<b>(324)</b>	<b>(6.271)</b>	<b>76.707</b>	<b>(1.599)</b>	<b>(6.300)</b>	<b>(561)</b>	<b>100.531</b>

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS ON 31 DECEMBER 2010**

### **Note 1. Corporate information**

The consolidated financial statements of the Group as at 31 December 2010 were adopted by the Board of Directors on 25 February 2010.

The annual report including all financial statements and attached notes will be made available begin April to the shareholders for the annual general meeting.

### **Note 2. Principal accounting methods**

#### **1. Basis for preparation**

The consolidated financial statements as at 31 December 2010 were drawn up in accordance with the IFRS standards as adopted in the European Union.

#### **2. Consolidation principles and significant accounting principles**

The evaluation rules adopted for the preparation of the consolidated financial situation as at 31 December 2010 have not been modified from the rules followed for the preparation of the annual report as at 31 December 2009, except for the adaptations made necessary by the entry into force of the IFRS standards and interpretations applicable as from 1 January 2010.

The following new and amended standards and interpretations have been applied where necessary as of the 2010 period:

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

These new standards and interpretations have no significant impact on Atenor Group's consolidated financial statements.

### **Note 3. Seasonal information**

The life cycle of real estate projects of the ATENOR GROUP can be summarised in three major phases: the phase of purchase of parcels of land, the phase of development and of construction of the project and the phase of marketing and sales. The length and the process of these phases are neither similar nor comparable from one project to another.

Monitoring and respect for the planning of each of these projects are provided by the implementation of a regular communication system. Internal monitoring is provided by:

- a Steering Committee which meets weekly for each of the projects and
- by an Executive Committee that meets monthly for each of the projects and for which minutes are taken.

When the project reaches the construction phase, even in the case of sales of buildings that will be completed in the future, a monthly progress meeting is held with:

- the external specialists to ensure the deadlines agreed are complied with and
- the contractor.

This communication system allows Atenor to determine, monitor and resolve any operational risk well in time.

## Note 4. Cash and Cash Equivalents

	In thousands of EUR	
	31.12.2010	31.12.2009
<b>CASH AND CASH EQUIVALENTS</b>		
Short-term deposits	274	367
Bank balances	2.359	2.056
Cash at hand	42	38
<b>Total cash and cash equivalents</b>	<b>2.675</b>	<b>2.461</b>

## Note 5. Financial Liabilities

	In thousands of EUR		
	Current	Non-current	TOTAL
	Up to 1 year	More than	
<b>MOVEMENTS ON FINANCIAL LIABILITIES</b>			
<b>On 31.12.2009</b>	<b>56.114</b>	<b>31.036</b>	<b>87.150</b>
Movements of the period			
- New loans	4.417	79.250	83.667
- Reimbursement of loans	-42.650	-6.000	-48.650
- Short-term/long-term transfer	4.549	-4.549	
- Hedging of fair marketvalue	401		401
- Others	5	-66	-61
<b>On 31.12.2010</b>	<b>22.836</b>	<b>99.671</b>	<b>122.507</b>

## Note 6. Paid Dividends

	31.12.2010	31.12.2009
Dividends on ordinary shares declared and paid during the period: <b>Final dividend for 2009: 2,60 EUR (2008 : 2,60 EUR)</b>	-13.318	-12.821

## Note 7. Income taxes

	In thousands of EUR	
	31.12.2010	31.12.2009
<b>INCOME TAX EXPENSE / INCOME - CURRENT AND DEFERRED</b>		
<b>INCOME TAX EXPENSE/INCOME - CURRENT</b>		
Current period tax expense	-33	-3.419
Adjustments to tax expense/income of prior periods	-10	-192
<b>Total current tax expense, net</b>	<b>-43</b>	<b>-3.610</b>
<b>INCOME TAX EXPENSE/INCOME - DEFERRED</b>		
Related to the current period	-237	-137
Related to prior exercises (tax losses)		
<b>Total deferred tax expense</b>	<b>-237</b>	<b>-137</b>
<b>TOTAL CURRENT AND DEFERRED TAX EXPENSE</b>	<b>-280</b>	<b>-3.747</b>

**Note 8. Segment reporting**

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

For competitive reasons on their respective markets, ATENOR GROUP does not break down the individual line entries by project.

Moreover, ATENOR GROUP does not apply geographic segmentation in its internal and external reporting due to the absence of relations between the activities of the projects among themselves and the absence of specific risks associated with the activities in one and the same area. No information on the second segmentation is mentioned. A geographic image by sector would not help us to interpret the scale of the activities in each of the countries.

The report on activities of ATENOR GROUP provides more than ample information on the sector results, the purchases and sales which took place during the financial year.

**Note 9. Property, Plant and Equipment and Investment Property**

The lines “Property, Plant and Equipment” and “Investment Property” were only impacted by the amortisation expenses of the properties concerned.

**Note 10. Inventories**

The line “Buildings intended for sale” was positively influenced by the evolution of projects in the portfolio (construction costs) and the account paid for the new acquisition (TREBEL) situated in the European district of Brussels.

**Note 11. Stock option plans for employees and other payments based on shares**

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

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

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

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

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

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

**Note 12. Related Parties**

In thousands of EUR	
Sums due to related parties	Sums due to the group from related parties
- IMMOANGE share of the group : 50%	- 11.198
- VICTOR PROPERTIES share of the group : 50%	- 574
- SOUTH CITY HOTEL share of the group : 40%	- 2.774

It will be recalled that SOUTH CITY HOTEL, IMMOANGE and VICTOR PROPERTIES (VICTOR project) are three companies consolidated by the equity method. Within the framework of the VICTOR project, a partnership was set up with the company CFE.

The companies SOUTH CITY OFFICE FONSNY and SOUTH CITY OFFICE BROODTHAERS were sold during the 2010 period.

**Note 13. Derivatives**

ATENOR GROUP does not have the policy of using derivative instruments for trading purposes. No new contract was established to cover exchange rates in 2010.

The line “derivative instruments” (in the non-current liabilities) concerns the fair market value of the “interest rate swaps” acquired by ATENOR GROUP s.a. within the framework of its long-term financing (€ 1.29 million). The compensation of the “Fair value hedges” is entered in the accounts as a correction of the value of the hedged loans appearing in the “current interest-bearing liabilities” (€ 0.13 million).

**Note 14. Own shares**

MOVEMENTS IN OWN SHARES	<i>Amount</i> <i>(In thousands of EUR)</i>	<i>Number of own shares</i>
On 01.01.2010 (average price of 42,32 € per share)	5.116	120.872
Movements during the period		
- acquisitions	1.155	33.580
- sales		
<b>Own shares as of 31.12.2010 (average price 40,60 € per share)</b>	<b>6.271</b>	<b>154.452</b>

**Number of shares to obtain in order to cover**

- stock options plan 2007
- stock options plan 2008
- stock options plan 2009
- stock options plan 2010

	<i>Number of shares</i>
	47.800
	51.100
	50.600
	46.800
<b>TOTAL</b>	<b>196.300</b>

The number of options of the SOPs 2007 to 2010 is part of stock option plan concerning a total of 300,000 existing shares.

**Note 15. Principal risks and uncertainties**

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

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

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

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

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

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

In certain cases, these tax disputes, which do not relate to ATENOR GROUP directly, have given rise to criminal complaints or civil proceedings, mainly against the buyers and the intervening banks but also against ATENOR and certain members of its management. ATENOR GROUP, which fully and honestly cooperated in the investigations carried out by the legal and tax authorities, has not committed any fraud either with regard to tax law or to company law, and is confident that its good faith will be acknowledged.

- As regards the PIXEL building in Luxembourg, general contractors Soludec and CIT Blaton issued a summons against ATENOR for reimbursement of penalties for which ATENOR had obtained payment by calling on bank guarantees (K€ 500).
- Within the framework of the President project, there is a dispute between Atenor Group Luxembourg and the general contractors Soludec, CIT Blaton and Van Laere. The latter claim various indemnifications, whereas Atenor also made a claim in particular for the application of late penalties. A court-ordered expert assessment is under way. Atenor Group Luxembourg has called on bank guarantees made to its benefit. It obtained payment by order of the court on 18 February 2011.

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

**Note 16. Event after the closing date**

On 1<sup>st</sup> February 2011 Atenor Group issued a total of 53,200 options on own shares intended for members of the Management and the staff.

**STATEMENT BY THE MANAGEMENT**

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

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

**COMMENTS OF THE AUDITOR**

The Statutory Auditor, MAZARS – Company Auditors SCRL represented by Philippe Gossart, has completed the audit work and confirmed not to have any qualification with respect to the accounting information included in this press release and that it corresponds with the financial statements as approved by the Board of Directors.

Brussels, 28 February 2011

MAZARS – Company Auditors SCRL Statutory auditor  
Represented by  
Philippe GOSSART

<sup>1</sup> Affiliated companies of ATENOR GROUP in the sense of article 11 of the Company Code

<sup>2</sup> Formulated in conformity with IFRS norms