



2010 *Registration Document*



Move Forward with Confidence



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Registration document

incorporating the 2010 annual financial report

2010

Copies of this Registration Document are available free of charge from the registered office of Bureau Veritas at 67-71 Boulevard du Château – 92200 Neuilly-sur-Seine – France. It may also be consulted on the website of Bureau Veritas (www.bureauveritas.com) and on the website of the AMF (www.amf-france.org).

Pursuant to Article 28 of Commission Regulation (EC) No. 809/2004, the following information is included by reference in this Registration Document:

- the management report, the consolidated financial statements in respect of fiscal year 2009 as well as the corresponding audit report set out on pages 103 to 157, 159 to 223 and 224 of the Registration Document filed with the AMF on April 12, 2010 under number R.10-019;
- the management report, the consolidated financial statements in respect of fiscal year 2008 as well as the corresponding audit report set out on pages 97 to 148, 149 to 215 and 215-216 of the Registration Document filed with the AMF on April 23, 2009 under number R.09-026.



This document is a non-certified free translation of the French language *Document de référence 2010*, submitted to the *Autorité des marchés financiers (AMF)* on March 23, 2011 in compliance with its General Regulations and more particularly the provisions of article 212-13. It may be used in support of a financial transaction only where it is supplemented by a prospectus approved by the AMF. It was drawn up by the issuer and binds the signatories.

Presentation of the Group

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1.1. Overview

Founded in 1828, Bureau Veritas is a world leader for the provision of conformity assessment and certification services in the areas of quality, health, safety, the environment and social responsibility ("QHSE"). The Group's business involves inspecting, testing, auditing or certifying products, assets (such as buildings, industrial infrastructure, equipment and ships) and management systems (particularly against ISO standards) based on regulatory or voluntarily adopted standards.

The Group is one of the world leaders in the markets where its businesses are present:

- ship classification;
- industry services;
- inspection and verification of equipment in service;

- construction services;
- certification of management systems or services;
- inspection and testing of consumer products;
- services related to customs control and international trade services; and
- inspection and testing of commodities. The acquisition of Inspectorate in September 2010 has enabled the Group to become one of the leaders in this market.

The Group currently operates in 140 countries through a network of 930 offices and 330 laboratories. It employs almost 48,000 people and has a portfolio of over 400,000 customers.

1.2. Selected financial information

The tables below set forth information taken from the Group's consolidated financial statements for the years ended December 31, 2009 and 2010 which were prepared in accordance with IFRS standards and audited.

This information should be read and evaluated in conjunction with the Group's audited financial statements and the notes thereto presented in Chapter 4–2010 Consolidated Financial Statements and Chapter 3 – Management Report of this Registration Document.

► SELECTED INCOME STATEMENT DATA OF BUREAU VERITAS

<i>(in millions of euros)</i>	2010	2009
Revenue	2,929.7	2,647.8
Adjusted operating profit ^(a)	490.5	433.2
Adjusted operating margin in %	16.7%	16.4%
Net financial expense	(45.7)	(61.1)
Attributable net profit	290.4	252.7
Attributable adjusted net profit^{(a) (b)}	315.2	273.5

(a) Before amortization of acquisition intangibles, transaction-related costs and discontinued activities.

(b) Details of Group adjusted attributable net profit are provided in section 3.4.1 of chapter 3 – Management Report of this Registration Document.

► RECONCILIATION OF OPERATING PROFIT WITH ADJUSTED OPERATING PROFIT

<i>(in millions of euros)</i>	2010	2009
Operating profit	456.3	405.4
Amortization of acquisition intangibles	27.5	21.7
Transaction-related costs	4.3	-
Discontinued activities	2.4	6.1
Adjusted operating profit	490.5	433.2

► **SELECTED CASH FLOW DATA OF BUREAU VERITAS**

<i>(in millions of euros)</i>	2010	2009
Consolidated net profit	297.6	257.7
Movements in working capital requirement	(23.9)	46.6
Net cash generated from operating activities	397.3	418.6
Purchases of property, plant and equipment and intangible assets	(76.9)	(65.3)
Proceeds from sales of property, plant and equipment and intangible assets	1.6	0.6
Interest paid	(34.4)	(43.8)
Levered free cash flow^(a)	287.6	310.1

(a) Net cash flow after tax, interest expenses and capital expenditure.

► **SELECTED BALANCE SHEET DATA**

<i>(in millions of euros)</i>	2010	2009
Total non-current assets	2,089.7	1,310.3
Total current assets	1,182.9	987.8
Total equity	859.9	501.2
Non-current financial liabilities	1,206.1	742.7
Other non-current liabilities	263.7	226.0
Current liabilities	942.9	828.2
Net financial debt^(a)	1,069.6	679.3

(a) Total net financial debt is defined as the Group's total financial liabilities less marketable securities and similar receivables and cash and cash equivalents

► **REVENUE BY BUSINESS**

<i>(in millions of euros)</i>	2010	2009^(a)
Marine	313.5	314.8
Industry	757.4	630.0
In-Service Inspection & Verification	431.1	431.0
Construction	427.8	457.5
Certification	321.6	296.9
Consumer Products	382.3	359.1
Government Services & International Trade	180.1	158.5
Inspectorate ^(b)	115.9	-
Consolidated revenue	2,929.7	2,647.8

(a) Since January 1, 2010 the activities of the Health, Safety & Environment (HSE) business have been reorganized and reclassified principally in the In-Service Inspection & Verification, Industry and Construction businesses. The data for 2009 has been restated on this basis in order to provide better comparability.

(b) The acquisition of Inspectorate in September 2010 has enabled the Group to become one of the leaders in the market for the inspection and testing of commodities. The activities of the Inspectorate group have been consolidated for the final 4 months of 2010 and are separately disclosed. With effect from January 1, 2011 a new Commodities business will bring together all the Group's commodities inspection and testing operations.

► ADJUSTED OPERATING PROFIT BY BUSINESS

<i>(in millions of euros)</i>	2010	2009 ^(a)
Marine	90.5	99.7
Industry	88.5	74.8
In-Service Inspection & Verification	52.7	41.3
Construction	43.8	40.8
Certification	66.4	57.6
Consumer Products	105.6	99.4
Government Services & International Trade	30.5	19.6
Inspectorate ^(b)	12.5	-
Consolidated adjusted operating profit	490.5	433.2

(a) Since January 1, 2010 the activities of the Health, Safety & Environment division have been reorganized and reclassified for the most part to the In-Service Inspection & Verification, Industry and Construction divisions. The data for 2009 has been restated on this basis in order to provide better comparability.

(b) The acquisition of Inspectorate in September 2010 has enabled the Group to become one of the leaders in the market for the inspection and testing of commodities. The activities of the Inspectorate group have been consolidated for the final four months of 2010 and are separately disclosed. With effect from January 1, 2011 a new Commodities division will bring together all the Group's commodities inspection and testing operations.

1.3. History

Bureau Veritas was founded in 1828 in Antwerp, Belgium, for the initial purpose of collecting, verifying and providing maritime insurance companies with precise and up-to-date information about the condition of ships and their equipment around the world. Bureau Veritas's headquarters were transferred to Paris in 1833, and an international network was rapidly created to follow classed ships, first in Europe, then in North and South America, and finally in the principal ports in the rest of the world.

At the beginning of the twentieth century, the Company became involved in new activities such as the inspection of metallic parts and equipment for the rail industry, and subsequently for the whole industrial sector. In 1922, the French government hired Bureau Veritas to control the airworthiness of civil aircraft. In 1927, the Company created a department in charge of inspecting trucks and buses.

In 1929 Bureau Veritas created a building technical control department and opened its first laboratories near Paris to provide clients with metallurgical and chemical analyses, as well as testing services for construction materials.

From 1980 to 1990, two new global businesses were launched which enabled the Group to increase the scope of its operations:

- in 1984, the government of Nigeria asked Bureau Veritas to set up a merchandise inspection system for goods to be imported into the country before their shipment. This contract initiated a new global business, called Government Services. A number of countries in Africa, Latin America and Asia have since hired Bureau Veritas to set up pre-shipment inspection programs for products they import; and

- in 1988, as quality management was becoming a priority for businesses, Bureau Veritas created a subsidiary called BVQI (since renamed Bureau Veritas Certification) to help customer businesses and organizations obtain the ISO 9001 quality certification. A strategy of worldwide deployment of this business was carried out from the outset, and today Bureau Veritas Certification is the world leader in systems certification.

In 1995, CGIP (now, Wendel) and Poincaré Investissements together acquired the majority of the capital of Bureau Veritas, giving a new impetus to the development of the Company. In addition, several changes in the market benefited the businesses of inspection, certification and laboratory testing: strong growth in world trade; greater sophistication and globalization of supply chains; reinforcement of the regulatory environment in the fields of health and safety, the environment and social responsibility as a result of growing pressure from public opinion and non-governmental organizations; and more recently, renewed global investment in energy production and transportation, as well as in commodities.

The Group has adopted an active growth strategy, both internally and externally, to become the world leader in the market for conformity assessment and certification services, to strengthen its leadership position in each of its eight businesses, and to acquire a critical mass in each of the countries where it operates. Among the initiatives launched in the last ten years, some are particularly significant:

- in 1996, the Group acquired 100% of the capital of CEP in France, thus becoming the leader for conformity assessment in the field of construction in France;

- the acquisition and merger of the American companies ACTS (in 1998) and MTL (in 2001), both specialized in consumer product laboratory testing, enabled Bureau Veritas to add a new business to its portfolio. Accordingly, over a period of a few years, Bureau Veritas became one of the principal global players for laboratory testing and inspection for all consumer products manufactured in Asia and sold through major distributors in the United States and Europe. More recently, the Group reinforced this business by developing a solid presence in the electric and electronic product laboratory testing markets, with the acquisition of specialized laboratories in France, the United States, China and Taiwan;
- in the United States, Bureau Veritas became a key player in the field of construction services, with successive acquisitions of US Laboratories in 2003: Berryman & Henigar (West Coast and Florida), Graham Marcus (Texas) and LP2A (Northern California). Similarly, in the field of HSE (Health, Safety & Environment) services, Bureau Veritas acquired Clayton Group Services, followed by the integration of NATLSCO. Finally, an industrial inspection division was created using the capabilities of the Hunt and Unitek companies and the inspection business of the OneBeacon insurance group;
- in the United Kingdom, the acquisition in 2002 of the Weeks group enabled the Group to create an inspection and consulting division in the field of the environment, and to take advantage of strong capabilities in construction material testing and analytical chemistry. The acquisition of the inspection business of the Norwich Union insurance company and, more recently, the integration of Casella enabled the Group to establish an IVS (In-Service Inspection & Verification) business and to develop HSE services;
- in Australia, Bureau Veritas has established a platform via successive acquisitions in 2006 and 2007 in the fields of HSE, industry services (more specifically for the mining industry) and coal laboratory testing. The Group acquired three companies in 2006 (Kilpatrick, Intico and IRC), and in June 2007, it acquired CCI Holdings, the second largest inspection services group and the leader in coal laboratory testing in Australia. The latter acquisition allowed Bureau Veritas to double its presence in Australia by strengthening its position in inspection services for the mining industry and by rounding off its ore testing services offering;
- in Spain, Bureau Veritas, which already held 43% of the share capital of the Spanish company ECA Global, acquired the remaining share capital in this company, thereby bringing its interest to 100% in October 2007. Following this acquisition, Bureau Veritas has more than tripled in size in Spain, with leadership in the field of industry services, in-service equipment verification, certification and building technical control. Spain now represents the Group's second largest operation (after France);
- in 2008, Bureau Veritas set up a global service platform for the mining industry, mainly through the acquisition of Amdel, Australia's leader in the laboratory analysis of ores (geochemical, mineralogical and metallurgical tests). The companies Cesmec (Chile) and Geoanalitica (Chile), acquired during the year, also consolidated this platform in Latin America;
- in 2010, Bureau Veritas achieved a major milestone in its development when, via its acquisition of the Inspectorate group, it became one of the world leaders in the inspection and testing of commodities (Oil and Petrochemicals, Metals, Minerals and Agriculture).

CHANGES IN SHAREHOLDING

The Wendel group, co-shareholder of Bureau Veritas since 1995 with the Poincaré Investissements group, progressively acquired the full control of Bureau Veritas during 2004.

In 2004, the Wendel group and Poincaré Investissements held, respectively, 33.8% and 32.1% of the capital and voting rights of Bureau Veritas, the balance being held by individual investors. On September 10, 2004, Wendel and the shareholders of Poincaré Investissements reached an agreement for the sale to Wendel of 100% of the capital held by Poincaré Investissements. Following the conclusion of this transaction at the end of 2004, Wendel held 65.9% of the capital and voting rights of Bureau Veritas; the acquisition of the interest held by Poincaré Investissements represented a €660 million investment for Wendel.

Concurrently with acquiring control of Bureau Veritas, Wendel proposed to the minority shareholders of Bureau Veritas that they sell their interests under terms similar to those offered in connection with the acquisition of control. This private purchase and exchange offer (the "Offer") included two options:

- a cash offer to purchase shares of Bureau Veritas for €140 per share;

- an offer to exchange ten shares in Bureau Veritas for 27 shares in Wendel. The cash offer was presented by SOFU Participations, a fully owned subsidiary of Wendel, and the exchange offer by Wendel directly.

The Offer enabled the Wendel group to increase its interest to 99% of the capital and voting rights of Bureau Veritas.

Bureau Veritas was listed on Euronext Paris on October 24, 2007 with a listing price of €37.75 per share. The listing was a great success with French and international institutional investors as well as with individual investors. The offering, comprised of existing shares, for the most part disposed of by the Wendel group, amounted to €1,240 million, or around 31% of the capital of Bureau Veritas. Accordingly, on December 31, 2008, Wendel held 62.0% of the share capital of Bureau Veritas (excluding treasury shares).

On March 5, 2009, the Wendel group sold 11 million shares as part of a private placement through an accelerated book building process. This transaction reduced Wendel's stake in Bureau Veritas's capital from 62% to 52%.

As of December 31, 2010 Wendel held 51.5% of Bureau Veritas' capital.

1.4. Business overview

This chapter presents information concerning the Group's markets and market positioning, including information about market size and share. The Group defines its business as the market for conformity assessment and certification services in the areas of quality, health, safety, the environment and social responsibility ("QHSE").

To the Group's knowledge, there is no comprehensive report covering or dealing with the market for conformity assessment and certification services. As a result, and unless otherwise stated, the information

presented in this chapter, regarding market and segment size and share for conformity assessment and certification services, reflects the Group's estimates and is provided on an indicative basis only. The Group gives no assurance that a third party using other methods for collecting, analyzing or compiling market data would arrive at the same results. In addition, the Group's competitors may define these markets differently. Because the data regarding market share and size presented in this chapter are only Group estimates, they do not constitute official data.

1.4.1. OVERVIEW

Founded in 1828, Bureau Veritas is a world leader for the provision of conformity assessment and certification services in the areas of quality, health, safety, the environment and social responsibility ("QHSE").

The Group currently operates in 140 countries through a network of 930 offices and 330 laboratories. It employs almost 48,000 people and has a portfolio of over 400,000 customers.

The Group's business involves inspecting, testing, auditing or certifying products, assets (such as buildings, industrial infrastructure, equipment and ships) and management systems (particularly against ISO standards) based on regulatory or voluntarily adopted standards. The Group delivers to its clients reports prepared by its experts or specialists that present the results of its observations and analyses, and which measure any differences with respect to the reference, regulation and/or standard. In some cases, the Group may propose solutions to enable its clients to improve their QHSE performance or to comply with the relevant references or regulations. The Group also offers a range of consulting and training services.

The Group is one of the world leaders in the markets where its businesses are present:

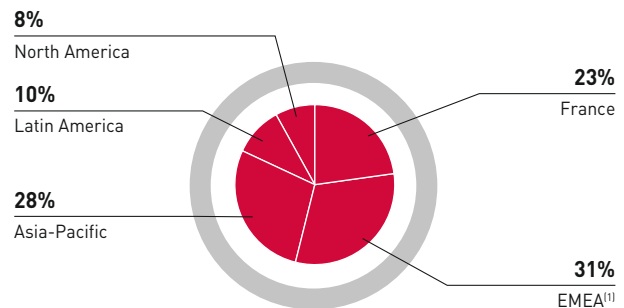
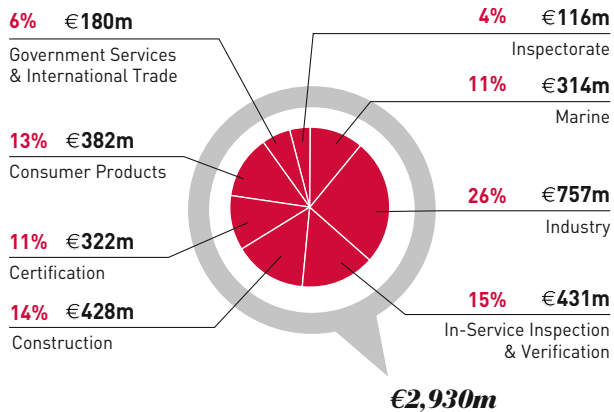
- ship classification (Marine);
- industry services (Industry);
- inspection and verification of equipment in service (In-Service Inspection & Verification – IVS);
- construction services (Construction);

- certification of management systems or services (Certification);
- inspection and testing of commodities (Commodities);
- inspection and testing of consumer products (Consumer Products); and
- services related to customs control and international trade services (Government Services & International Trade – GSIT).

Due to the nature of their operations, the Marine, Consumer Products and GSIT businesses were organized on a global basis from the outset. On the other hand, the Industry, IVS, Construction and Certification businesses, which serve similar customers and which have complementary service portfolios, are grouped together in a larger entity called "Industry & Facilities" which facilitates cross-selling and takes advantage of economies of scale. With effect from January 1, 2011 a new Commodities business will bring together all the Group's commodities inspection and testing operations including the Inspectorate and Mining and Minerals activities previously included in the Industry business.

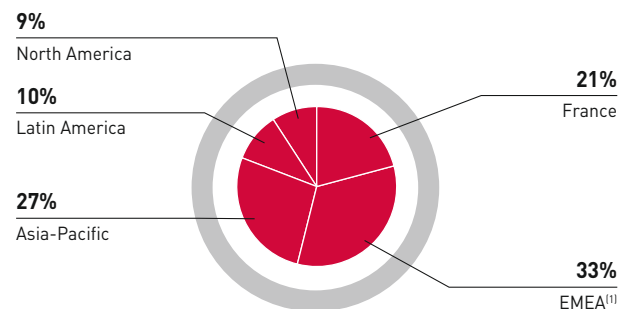
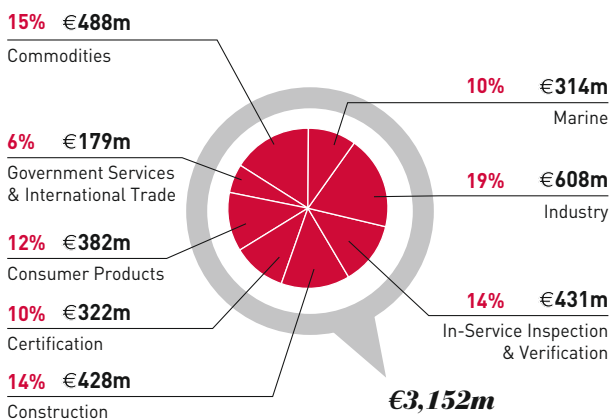
The charts below present the Group's revenue by business and geographic area in 2009 and 2010, as well as on a *pro-forma* basis for 2010 reflecting the inclusion of Inspectorate with effect from January 1, 2010.

► **2010 REVENUE BY BUSINESS**



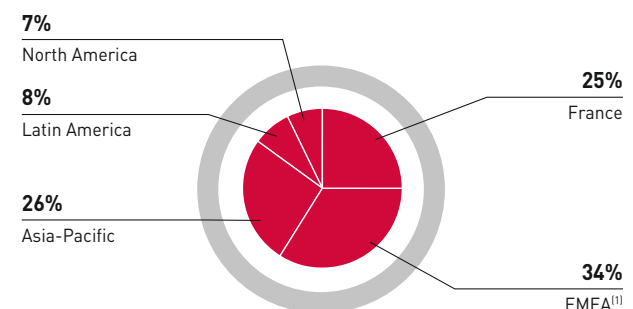
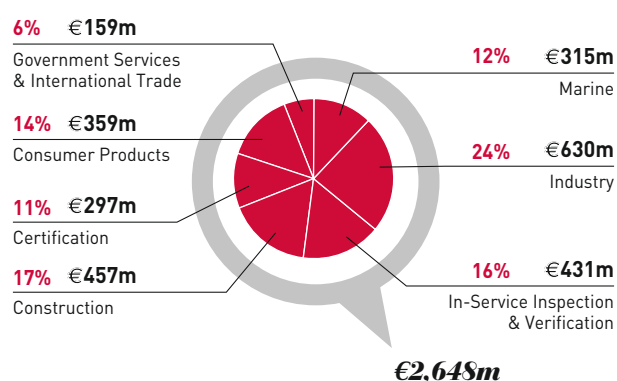
► **2010 PRO-FORMA REVENUE BY BUSINESS**

With effect from January 1, 2011 a new Commodities business will bring together all the Group's commodities inspection and testing operations. This includes Inspectorate's operations, a company acquired in September 2010, and the similar operations already performed by Bureau Veritas, namely the Mining and Minerals segment of its Industry business and (more marginally) some oil inspection contracts previously performed within the Government Services & International Trade business. The breakdown, on this basis, of 2010 *pro-forma* revenue reflecting the integration of Inspectorate for 12 months (from January 1 through December 31, 2010) is as follows:



► **2009 REVENUE BY BUSINESS**

Since January 1, 2010 the activities of the Health, Safety & Environment business have been reorganized and reclassified for the most part to the In-Service Inspection & Verification, Industry and Construction businesses. The data for 2009 has been restated on this basis in order to provide better comparability.



(1) Europe (excluding France), Middle East and Africa.

In 2010, the Group recorded revenue of €2,929.7 million and attributable net profit of €290.4 million. The table below illustrates the Group's main financial indicators over the past three years:

(in millions of euros)	2010	2009	2008
Revenue	2,929.7	2,647.8	2,549.4
Adjusted operating profit ^(a)	490.5	433.2	387.6
Attributable net profit	290.4	252.7	217.2
Net cash generated from operating activities	397.3	418.6	315.4
Net financial debt	1,069.7	679.3	907.7
Levered free cash flow^(b)	287.6	310.1	189.3

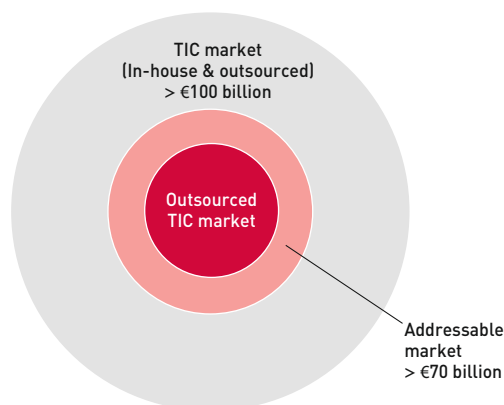
(a) Before amortization of acquisition intangibles, transaction-related costs and discontinued activities.

(b) Net cash flow after tax, interest expenses and capital expenditure.

1.4.2. THE MARKET

MARKETS WITH FAVORABLE LONG-TERM TRENDS

Bureau Veritas is a world leader for the provision of conformity assessment and certification services in the areas of quality, health, safety, the environment and social responsibility. The TIC (Test, Inspection, Certification) industry has a global market estimated at over €100 billion including Bureau Veritas' revenue, the revenue of its competitors and similar activities conducted internally by companies or public authorities and which could be outsourced to the Group or its competitors. The Group believes that the markets it serves represent a total level of accessible revenue of over €70 billion.



The Group believes that the total accessible market should increase in the medium term (assuming no material change in macro-economic conditions) at a rate of 5% to 7% per year (excluding outsourcing and privatization), although this may vary considerably between markets and geographic areas.

The TIC market benefits from favorable long-term trends, in particular:

- the multiplication and reinforcement of QHSE regulations and standards:

The increasing sensitivity of public opinion to the management of QHSE-related risks has led to the multiplication, strengthening and convergence of QHSE regulations, as well as the development of non-regulatory standards and quality labels in industrialized countries.

So, for example, the maritime industry is in the process of introducing new regulations associated with ballast water management, or the provision of a "Green Passport" intended to enhance control activities of dangerous materials used on board ships while in use and when dismantled.

Equally, in the United States, toys recalled by a number of distribution groups led Congress to pass, in August 2008, the Consumer Product Safety Improvement Act, which seeks to enhance control activities of dangerous materials present in products aimed at children.

- the privatization of control and inspection functions:

Public authorities increasingly tend to request the assistance of, or delegate their control activities to, private companies, which are organized to be very responsive and possess an international network of expertise. The Group has taken a lead in this area.

For example, over the last six years, the Japanese authorities have decided to privatize the activities related to the assessment of conformity of construction permits to local codes for new constructions, thus opening a new market in which the Group is now active. In June 2007, the law governing the assessment of conformity of building permits was strengthened in order to increase the number of controls to be carried out by third parties.

- the outsourcing of control and inspection functions:

Companies increasingly outsource their control and inspection functions in QHSE areas to specialized companies. By relying on companies such as Bureau Veritas, which possess experts, know-how and methodologies applied consistently throughout the world, they are able to improve their management of QHSE-related risks across their facilities worldwide, thereby reducing costs.

This increasing trend toward outsourcing of control and inspection functions can be seen in all of the Group's markets (as set forth in the table below showing growth factors in key markets).

For example, for the IVS business, in certain countries in Europe, managers responsible for carrying out periodic inspections of their facilities (for example, elevators, pressure equipment, electric installations and fire protection systems) increasingly rely on companies such as Bureau Veritas rather than perform these functions internally.

There is also an underlying trend toward outsourcing laboratory testing in the areas of consumer products or commodities. For example, mining groups are increasingly outsourcing their chemical testing activities aimed at identifying the ore content of their deposits, both during the exploration phases and during production. This outsourcing, which is already at an advanced stage in countries like Australia and Canada, is set to continue in these countries and in other mining countries too.

- increased demand for improved management of QHSE risks:

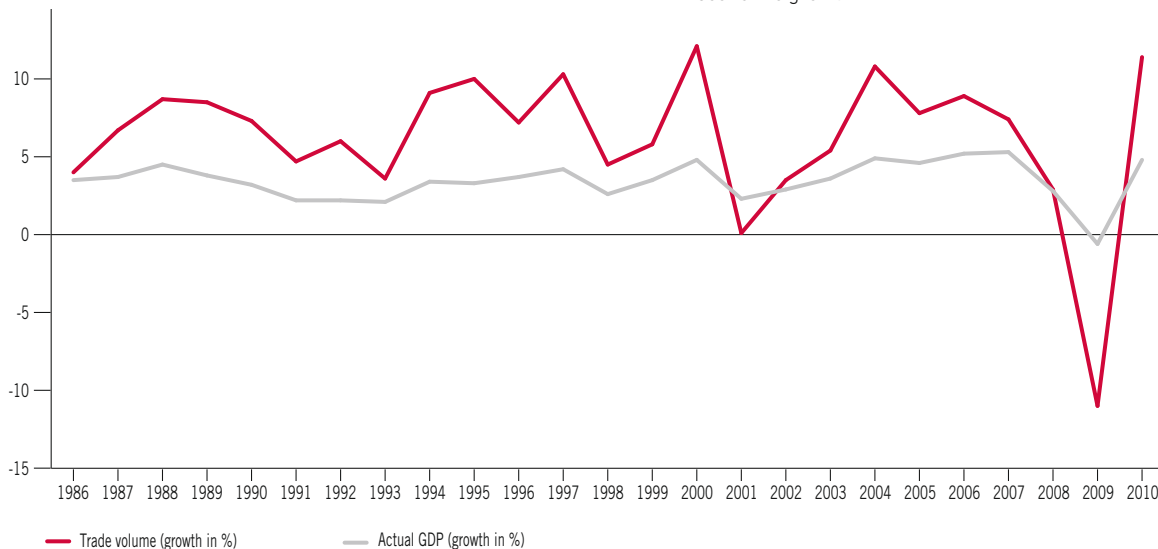
Growing public and consumer concern over the management of QHSE risks is leading companies to invest more heavily in this area in order to assure their clients of the quality of their goods and services. New labels designed to ensure that the construction of new buildings is performed in a sustainable manner (HQE in France, LEED in the United States, BREEAM in the United Kingdom) are being established worldwide.

- development of responsible management:

Beyond complying with regulations and the desire to appear as responsible corporate "citizens," companies now believe that proactive management of QHSE issues offers a way to create value and provide corporate stability. They increasingly seek to manage asset integrity and product quality throughout the supply and distribution chain and the control of QHSE-related risks has become a management priority.

- market globalization and growth in international trade:

The globalization of trade and markets, as well as the migration of manufacturing to low-cost regions, creates an increasing need for services such as the inspection and verification of traded goods' quality and the assessment of conformity of manufacturing or other facilities with health, safety and environmental standards. As illustrated by the graph below, international trade growth has historically been about 2% to 3% above the rate of world economic growth.



Source: IMF (International Monetary Fund) – World Economic Outlook

The globalization of markets has also led to the growing internationalization of large industrial and service groups, which require worldwide assistance with their QHSE exposure;

- growing pace of industrialization and urbanization of the newly industrialized countries:

Globalization of markets has also led to strong growth in newly industrialized countries (such as Brazil, Russia, India and China)

which now invest in large infrastructure and energy projects, and whose urban populations are growing rapidly. These changes induce increased awareness of the importance of risk management, leading in turn to the emergence of new local regulation and new domestic requirements for QHSE services.

The Group believes that the main growth drivers in its markets are as set forth below:

Sector	Estimated size of accessible market ^(a)	Growth factors	Degree of outsourcing
Marine	About €3 billion	Growth in international trade. New regulations (for example, recycling of old ships). Migration of manufacturing activities to Asia.	High
Industry	About €15 billion	Migration of manufacturing activities to low cost countries. Increase in investment in industrial infrastructure (such as oil and gas, power, mining) or in certain countries (such as China, India, Brazil, Russia). New QHSE regulations and strengthening of existing regulations.	Medium
IVS	About €10 billion	Regulatory harmonization in Europe. Privatization. Outsourcing of inspection functions.	Low
Construction	About €26 billion	New regulations (high performance, energy efficiency). Privatization. New services (asset management assistance).	Low
Certification	About €4 billion	Globalization of ISO standards. New certification schemes.	High (except for tailor-made audits)
Commodities	Over €5 billion	Growth in international trade. Demand for commodities and price variations. New QHSE regulations and strengthening of existing regulations. Outsourcing of laboratory testing.	Medium
Consumer Products (including food testing)	About €7 billion	Shorter product life cycles. Outsourcing inspection and verification services. New regulations. Optimization of supply chains.	Medium
GSIT (including in-service vehicle inspection)	About €4 billion	Growth in international trade. Increasing demand for greater international trade security.	High

(a) Source: Company

A MARKET WITH HIGH BARRIERS TO ENTRY

The emergence of new global players is made difficult by the existence of substantial barriers to entry, in particular:

- the need to possess authorizations and accreditations in each country and region of the world in order to do business. Obtaining an authorization or accreditation is a lengthy process which requires establishing effective internal control systems for inspection and verification activities. Acquiring a broad portfolio of authorizations and accreditations is therefore a long-term process;
- the need to have a dense geographic network at both the local and international levels. Local network density is particularly important to easily expand the portfolio of services, approach local customers and benefit from economies of scale. At the

same time, an international network makes it possible to support global customers at all their facilities and for all of their QHSE needs throughout the world;

- the need to offer a broad service offering and inspections, particularly to serve key accounts, to undertake certain large contracts, or to be differentiated from local players who do not have the resources or capabilities to offer a variety of services and high value-added solutions. For instance, retailers usually require their testing services providers also to inspect their source manufacturers. Similarly, major oil companies require their QHSE service providers to assist them across the entire lifecycle of their facilities (technical audit services, inspection services during equipment installation or assistance in managing facilities' maintenance);

- the need to have first rank technical experts. The technical skills and professionalism of its teams allow the Group to distinguish itself relative to its competitors by providing its clients with high value-added solutions;
- the need for a strong reputation of integrity and independence to enable the creation of long-term partnerships with companies in connection with the management of their QHSE-related risks;
- the importance of having an internationally recognized brand.

These substantial barriers to entry explain the high level of stability among the TIC industry's world leaders.

A FRAGMENTED MARKET UNDERGOING CONSOLIDATION

Most of the markets in which the Group operates are highly fragmented, particularly for those addressed by the businesses in the Industry & Facilities division. There are several hundreds of local or regional players specialized by market or type of service, as well as a few global players (such as the Swiss company SGS, the British company Intertek and the Norwegian company DNV). Some competitors are also state-owned or quasi-state-owned organizations or are registered as associations (for example, the American Bureau of Shipping in the Marine sector, Underwriters Laboratories in the Consumer Products sector, or the German TÜV companies in the Industry & Facilities division).

The Group believes that the competitive environment of its different markets can be summarized as set forth below:

	Degree of market fragmentation	Competitive environment
Marine	Medium	11 members of the International Association of Classification Societies (IACS), including Bureau Veritas, class about 94% of the global shipping fleet.
Industry	High	A few large European or global players (Bureau Veritas, DNV, TÜV Süd, TÜV Rheinland, TÜV Nord, SGS, Lloyd's Register, Applus, Apave, Moody International). Large number of highly specialized local players.
IVS	High	A few large local or European players (Bureau Veritas, Apave, Norisko-Dekra, Socotec, TÜV Süd, TÜV Rheinland, Lloyd's Register, insurance companies). Large number of local specialized players.
Construction	High	A few large regional players (Socotec and Apave in France, PSI and RPS in the United States, Nihon Teri in Japan), many local players. Only one global player: Bureau Veritas.
Certification	High	A few global players (Bureau Veritas, SGS, DNV, BSI, Lloyd's Register), quasi-state-owned national certification bodies, and many local players.
Commodities	Medium	A few global players: SGS is very present in the three main markets (agricultural products, mining and oil), ALS in the mining market and Intertek in the oil market. A few regional groups and specialized local players.
Consumer Products	Medium	A relatively concentrated market for toys, textiles and furnishings, with three world leaders (Bureau Veritas, SGS, Intertek). More fragmented markets for electrical and electronic products, where Underwriters Laboratories is the leader ahead of Intertek, and food (Eurofins and SGS).
Government Services & International Trade	Low	Four main players for government services (SGS, Intertek, Bureau Veritas, Cotecna). Main players in the automotive: Dekra, TÜV Süd and Applus.

The Group believes that the consolidation of the TIC industry, particularly in the most fragmented segments, is becoming more pronounced principally due to the major players' desire to increase their local market presence and position themselves to serve large international clients for all their QHSE needs throughout the world.

In light of its global presence, its position as one of the world leaders in each of its businesses and its experience in carrying out acquisitions, the Group believes that it is well positioned to be one of the key actors in the industry's consolidation.

1.4.3. THE GROUP'S COMPETITIVE ADVANTAGES

A GLOBAL LEADER

Bureau Veritas is a world leader for the provision of conformity assessment and certification services in the areas of quality, health, safety, the environment and social responsibility ("QHSE"). It is one of the leading world players in each of the market segments where its eight businesses are present, and it believes that in some market segments it is the world leader:

- Marine: number two worldwide by number of classed vessels;
- Industry: one of the three world leaders. Strong positions in Europe, the United States and Australia, as well as in energy markets in the Middle East, Asia and Latin America;
- IVS: one of the three world leaders, with key positions in France, Spain, the United Kingdom and Benelux;
- Construction: world leader, with strong positions in France, Spain, the United Kingdom, the United States and Japan;
- Certification: world leader with about 100,000 customers;
- Consumer Products: world leader for toys testing and number two worldwide for textiles testing;
- GSIT: global co-leader in government services;
- Commodities: one of the three world leaders, with key positions for Metals and Minerals, Oil and Petrochemicals and Agriculture.

SOLID POSITIONS IN GROWING MARKETS WITH STRONG POTENTIAL

The Group is a world leader in key market segments that have strong growth potential.

The Group enjoys leadership positions in market segments which have recently shown strong growth despite the slowdown in the global economy, such as Consumer Products, Certification or energy.

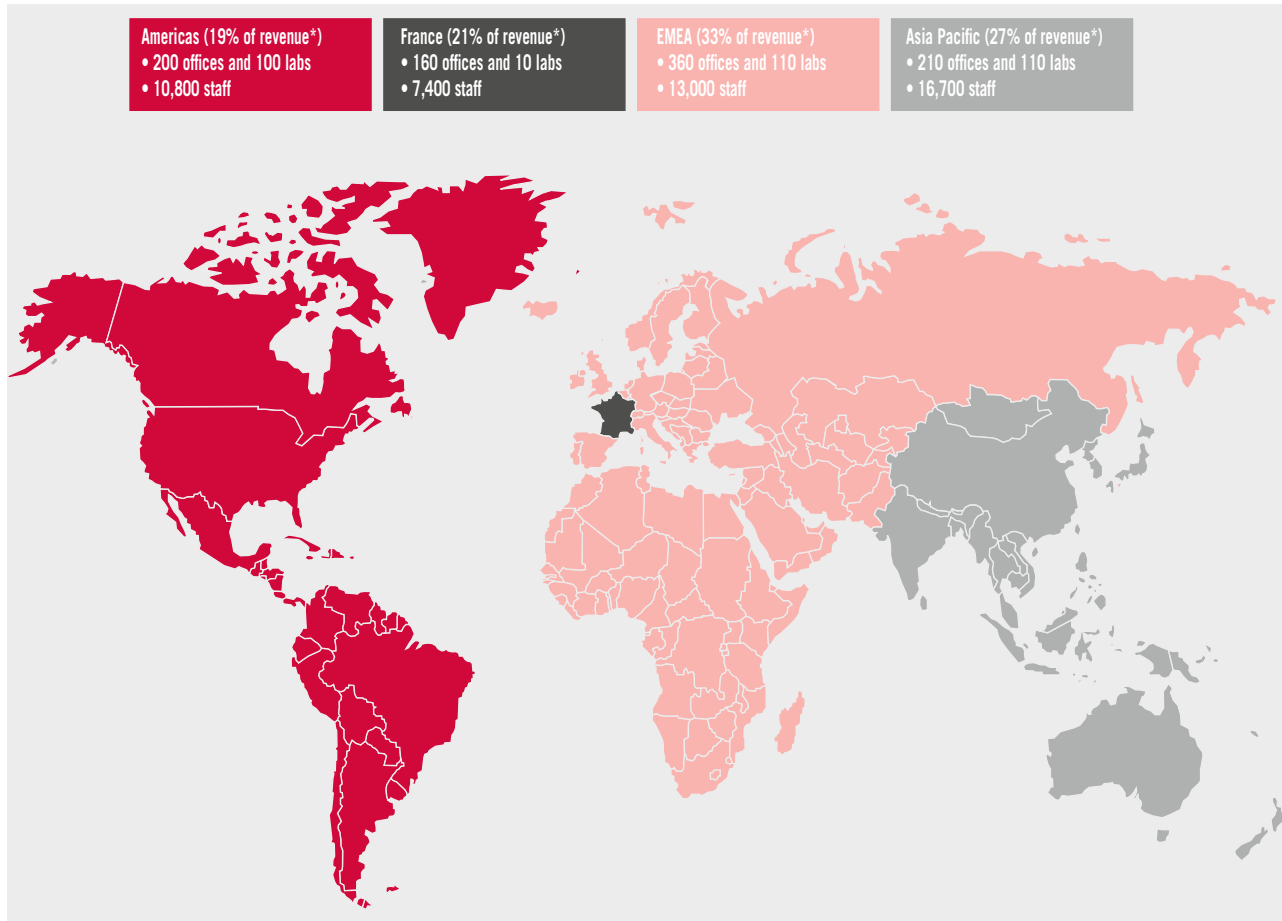
Over the four businesses forming the Industry & Facilities division (Industry, IVS, Construction and Certification), Bureau Veritas is also the only global player positioned in all areas of industry and construction. This unique presence in complementary segments allows the Group to support its clients throughout the lifecycle of their equipment, facilities or infrastructure and offers important opportunities to cross-sell its services among different businesses. The Group believes that strengthening its presence in these four segments should offer attractive growth opportunities over the coming years in view of their size and degree of fragmentation and the trend towards privatization and outsourcing of control and inspection activities.

The Group has operations in all regions with strong economic growth potential (Asia excluding Japan, the Middle East, India, Latin America, Russia and Eastern Europe), which together represented 45% of the Group's consolidated revenue in 2010. In these regions, the Group's revenue has grown on average by nearly 30% per annum since 2006, with operating margins in these regions superior to the Group's average. Reinforcing the Group's positions of each of its eight businesses in these regions is a major component of its growth strategy.

For example, the Group, which in 1902 was the first foreign classification company to establish a presence in China, recorded €386 million in revenue in 2010 (including Taiwan and Hong Kong) and had over 8,000 employees in the region. The Group plans to continue to expand its presence in China by opening new offices and laboratories and systematically developing its eight global businesses, in order to continue to benefit from growth in the China-Hong Kong-Taiwan region. The Group's revenue in this region grew at an average annual rate of 18% between 2006 and 2010.

AN EFFICIENT INTERNATIONAL NETWORK

With 930 offices and 330 laboratories in 140 countries, Bureau Veritas is one of three market players with a comprehensive worldwide network.



* Inspectorate consolidated over 12 months.

Bureau Veritas' worldwide network offers significant competitive advantages:

- key geographic positions allow the Group to accompany multinational customers on a worldwide basis;
- extensive knowledge of the regulations, standards and norms in effect in a large number of countries (both developed and developing) enable the Group to help its customers to export or invest in new markets while complying with local regulations and contributing to the development of responsible management;
- multicultural teams, with expertise in a large number of technical fields and extensive knowledge of industrial markets allow the Group to better understand its customers' QHSE-related issues and thus to provide them with unique solutions; and
- a solid reputation for technical expertise in the leading industrialized countries generates strong recognition among customers.

TECHNICAL EXPERTISE RECOGNIZED BY DELEGATING AUTHORITIES AND NUMEROUS ACCREDITATION BODIES

The Group acts in most of its businesses as a second party (participating on behalf of a client) or as a third party (participating as an independent entity with regard to several parties), on behalf of accreditation authorities or organizations to verify that its clients are complying with their regulatory requirements.

Over the years, the Group has acquired skills and know-how in a large number of technical areas, as well as a broad knowledge of QHSE regulations. The Group is currently authorized or accredited as a second or third party by a large number of national and international delegating authorities and accreditation bodies.

For example, in its Marine business, the Group holds 150 delegations of authority on behalf of national maritime authorities for ship certification. In its Certification business, the Group is also accredited by more than 40 national certification organizations and 10 international ones. The Group is also accredited by the European Union as a "notified body" for inspecting the application of European directives for the certification of equipment destined to be used in Europe ("EC marking").

The Group constantly seeks to maintain, renew and extend its portfolio of accreditations and authorizations. It is subject to regular controls and audits by authorities and accreditation bodies to ensure that the Group's procedures, the qualification of its personnel and its management systems comply with the applicable standards, norms, references or regulations.

In addition, and with respect to its non-delegated activities, the Group enjoys a reputation of technical expertise and independence, which results in a solid position as a long-term partner of companies that must comply with QHSE rules and obtain the required authorizations to engage fully in their business.

A SUCCESSFUL ACQUISITION TRACK RECORD

To accelerate its growth, reinforce its network (both to expand its presence and to densify its existing network) and acquire new capabilities, over the last ten years the Group has had a policy of acquiring small and mid-sized businesses whose activities match

those of its eight businesses. The Group has thus acquired almost 80 companies over the 2001 to 2010 period, representing additional revenue of over €1.2 billion. Historically, these acquisitions were carried out mainly in the Consumer Products business and the Industry & Facilities division. In 2007, the Group carried out its first major project in commodity inspection and testing following its acquisition of CCI, supplemented, in 2008, by the acquisition of Amdel, Australia's leading provider of minerals analysis (geochemical, mineralogical and metallurgical tests) and of Geoanalitica in Chile. In 2010, Bureau Veritas achieved a major milestone in its development when, via its acquisition of the Inspectorate group and ACT, it became one of the world leaders in the inspection and testing of commodities with key positions for oil and petrochemicals, metals and minerals and agricultural products.

The table below shows the proportion of external growth out of the Group's total growth in revenue since 2001 and illustrates the balance between external growth (through acquisitions) and organic growth, a key factor in the Group's development strategy.

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Organic growth	3%	2%	13%	10%	7%	6%	10%	12%	7%	10%
External growth	3%	2%	14%	5%	5%	9%	4%	7%	7%	9%
Effect of currency fluctuations	5%	0%	(4)%	(3)%	-	1%	(4)%	(8)%	(4)%	(2)%
Other ^(a)	-	-	-	-	-	-	1%	1%	3%	1%
Total growth	11%	4%	23%	12%	12%	16%	11%	12%	13%	18%

(a) Impact of the consolidation of companies created by the Group.

The Group has achieved revenue and cost synergies that have enabled it to progressively improve the profitability of acquired companies and integrate them into the Group's business model.

For example, the Group created the Consumer Products business through successive acquisitions in the United States, Europe and Asia. Within its Industry & Facilities division, the growth platforms in the United States and the United Kingdom were initially established through acquisitions. Since January 1, 2011 the new Commodities business brings together the successive acquisitions made by the Group since 2008 (Amdel, CCI, ACT and Inspectorate).

A PORTFOLIO OF DIVERSIFIED AND RECURRING BUSINESSES

The Group's resilience to different economic cycles results from the factors below:

- the Group possesses a business portfolio which is diversified both geographically and by activity, particularly so in 2010, following the acquisition of Inspectorate, which has enabled the Group to increase its presence in the Commodities market. In 2010 the Industry business (excluding Mining and Minerals), the largest of the Group's businesses, represented only 19% of its *pro-forma*

consolidated revenue (including Inspectorate with effect from January 1, 2010), and each of the other businesses represented between 6% and 15% of the Group's revenue. Moreover, in 2010, revenue by geographic area was split between France (21% of *pro-forma* consolidated revenue), the Europe – Middle East – Africa (EMEA) region (33%), the Americas (19%), and the Asia-Pacific region (27%). Finally, each of the Group's global businesses offer a portfolio of services provided throughout the investment cycle and the lifecycle of equipment, infrastructure and products;

- the Group benefits from a fragmented customer base. With over 400,000 customers, average annual revenue per customer is around €7,300. In addition, the Group's revenue is only marginally dependent on major customers. In 2010, revenue from the Group's largest customer amounted to less than 2.5% of total revenue, and revenue from the Group's ten largest customers amounted to less than 9% of consolidated revenue;
- the Group benefits from a high level of visibility in relation to its operations, as a result of a high proportion of activity related to multi-year contracts, particularly in the Marine, IVS, Certification and GSIT businesses. In addition, certain businesses have a high renewal rate for existing contracts due to a high level of repeat business from the same customers.

The table below illustrates the Group's estimate of the proportion of long-term contracts for its eight businesses.

Business	Proportion of long-term contracts	Comments
Marine	Very high	In-service ship inspection activity (nearly half of the business' revenue) is mostly recurring, since a ship classed by Bureau Veritas generally remains on the Bureau Veritas register until it is taken out of service. Order book provides good multi-year visibility on new construction activity.
Industry	Low	Few long-term contracts but a high level of repeat business.
IVS	High	High proportion of contracts are signed for several years (two to six years). High renewal rate of annual contracts.
Construction	Low	Few long-term contracts but a high level of repeat business.
Certification	Very high	Certification contracts are generally three year contracts. In addition, their rate of renewal upon termination is very high.
Commodities	Low	Few long-term contracts but a high level of repeat business.
Consumer Products	Low	Few long-term contracts but high level of repeat business.
Government Services & International Trade	High	Government Services contracts are for one to three years. Risks of unilateral termination.

In addition, the Group believes that the general trend toward increased QHSE regulation is likely to reduce the effect of economic cycles on the Group's performance.

HIGH LEVELS OF CASH FLOW

The Group has developed an economic model of profitable growth. Over recent years, the Group has regularly generated strong revenue growth. As a result, between 1996 and 2010 the Group increased its revenue by a factor of over six, in other words an average annual growth in excess of 14%. The Group also seeks to continue to improve its profitability. Between 1996 and 2010, the Group's adjusted operating margin increased from 7.8% to 16.7%.

Over the last three years, the Group generated an average of €262.3 million per year of levered free cash flow. This cash flow was due to three factors:

- high operating margin;
- low capital expenditures (excluding acquisitions) due to the nature of the Group's business, which is focused on inspection and audits rather than laboratory testing: during the last three years, capital expenditures (excluding acquisitions) represented on average 2.8% of the Group's revenue;
- disciplined management of working capital.

The table below shows the Group's different aggregates of cash flow generated from operating activities:

(In millions of euros)	2010	2009	2008	CAGR
Adjusted EBITDA ^(a)	553.9	484.0	431.6	13.3%
Net cash generated from operating activities ^(b)	397.3	418.6	315.4	12.2%
Levered free cash flow^(c)	287.6	310.1	189.3	23.3%

(a) Adjusted EBITDA is defined as adjusted operating profit before depreciation.

(b) Cash flow before interest – income tax – movements in working capital requirement.

(c) Net cash flow after tax, interest expenses and capital expenditure.

AN EXPERIENCED MANAGEMENT TEAM

The members of the Group's management team (in particular, the members of the Executive Committee) have, on average, nearly 15 years of experience in the industry. The current Chairman and Chief Executive Officer, Frank Piedelièvre, has headed the Group since 1996.

The consistency and experience of the Group's management team have allowed it to develop a strong business culture founded on merit and initiative. This team has enabled the Group to achieve excellent results over the last 14 years: between 1996 and 2010, the Group's revenue has increased more than six-fold to €2,930 million

compared to €455 million in 1996; its adjusted operating profit more than thirteen-fold to €491 million compared to €36 million in 1996 (or average annual growth of more than 20%); and the number of employees has been multiplied by six.

The Group's top managers (approximately 850 people) have been granted stock options since 1996. The Company intends to continue this profit-sharing policy aimed at a large number of Group managers, in particular by establishing stock option plans and/or granting free shares to Group employee managers and/or corporate officers.

1.4.4. GROUP STRATEGY

The Group believes that, through its businesses, it runs a portfolio of activities with strong growth potential and which allow the Group to mitigate the impact of economic cycles and generate a high level of cash. This portfolio of activities should allow the Group to continue to create value over the coming years.

In particular, the Group believes that it enjoys through its businesses:

- a solid position in all QHSE conformity assessment services, and in particular inspection, audit and certification services. This category of services, which represents most of the Group's revenue (compared to about a third for its laboratory testing business) and requires significant technical capabilities, is closely tied to regulatory requirements and thus provides the Group with strong visibility on revenue while needing only moderate levels of investment;
- complementary activities, in terms of technical capabilities, geographic presence and client base, which should enable the Group to develop cross-selling between its businesses in the future;
- a balanced business portfolio which limits the dependence of Group earnings on the performance of any one business or geographic area or the growth of any one market.

Based on the strength of its current positions, the Group aims to become the world leader in the market for conformity assessment and certification services in the QHSE fields, to reinforce its leadership position in each of its businesses and to achieve critical size in each location where it operates, while maintaining a balanced business portfolio so that it can withstand any changes in economic cycles.

The Group's development strategy thus involves:

- extending its geographical reach, particularly in high-growth countries/regions (Asia, Middle East, India, Latin America, Africa and Russia);
- expanding the portfolio of services in each of its businesses;
- pursuing an active policy of targeted acquisitions;
- retaining and reinforcing its teams of managers and experts.

The Group is also constantly seeking to improve its operating performance and generate high levels of cash flow.

CONTINUING EXPANSION OF THE INTERNATIONAL OFFICE NETWORK

The Group's current network of offices has been created over the years by organic growth and acquisitions. Its expansion is not over.

The Group is seeking to achieve critical mass in the key countries of each of its businesses and to implement an expansion strategy, particularly in high-growth countries (both by extending its existing operations and establishing new offices), in order to create a dynamic global network adapted to all its businesses. The Group considers the following "platform countries/regions" as key:

- 12 countries/regions for the businesses of the Industry & Facilities division (France, the United Kingdom, Spain, Italy, the United States, Brazil, Chile, the Middle East, India, China, Japan and Australia);

- 7 countries/regions for the Consumer Products business (the United States, France, the United Kingdom, Germany, China-Hong Kong-Taiwan, India and Vietnam);
- 13 countries/regions for the Marine business (France, Benelux, Spain, Germany, Greece, Turkey, Brazil, Singapore/Brunei, Malaysia, China/Taiwan, South Korea, Japan and the UAE).

The GSIT business leverages the networks of the other businesses for its development and is in particular targeting countries that have a low level of infrastructure and the countries in which the business has government contracts.

The Group's newly-established Commodities business will be developed through the expansion of its network of laboratories outside the United States, particularly in Western Europe, Asia and Africa.

In the near future, the Group intends to prioritize investments in these platform countries to reinforce its global network for each of its businesses. The Group believes that the expansion of its geographic network (in terms of both size and number of sites) should enable it:

- to generate a high level of long-term growth, particularly through improved access to local clients, to expand its service offering in each country and to improve its coverage of large accounts at the global level. The extension of the global network should also help promote cross-selling between its businesses;
- to improve its operating margin by generating economies of scale resulting in particular from sharing offices, organizing back-office functions on a collective basis, sharing IT tools and diversifying costs for developing new services. In addition, the densification of the network should enable increased replicability and industrialization of the inspection processes.

MAINTAINING A HIGH LEVEL OF ORGANIC GROWTH

In order to maintain a high level of long-term organic growth and benefit fully from market opportunities and the growing trend toward outsourcing, the Group has undertaken the following steps:

Improving commercial efficiency

Until recently, the Group's revenue and marketing efforts were undertaken only by operational managers.

Six years ago, the Group decided to reinforce its marketing efforts by creating dedicated teams in each platform country. These teams can be created in each geographic organization or to reinforce business lines, according to the specific nature of the businesses, markets or geographic locations.

Since 2007, the Group has strengthened the sales teams of its Consumer Products business in mainland China in order to cover local manufacturers more effectively. The businesses in the Industry & Facilities division have established tracking of key accounts both internationally (mainly the Industry division) and nationally, and continued the roll out of a CRM tool, which is now in place in all of the "platform countries."

The Group plans to continue growing its investments in the commercial training of its personnel, rolling out tools for managing client relationships and measuring indicators of commercial performance, and developing specific commercial processes for key accounts, mid-sized clients and mass markets.

Optimizing the business portfolio on an annual basis and concentrating investments in businesses and geographic zones with high potential

The Group seeks to prioritize investments in market segments and geographic areas offering the highest growth potential.

To respond to developments in markets and regulations, the Group conducts an annual review of its business portfolio, by operational unit, country and business, in order to define investment priorities and growth objectives. Over recent years, the Group has thus decided to invest particularly in the Consumer Products, Industry (in specialized services for the oil and gas and power industries, especially with regard to nuclear power) and Commodities businesses.

In the future, the Group plans to continue to define its investment priorities each year to:

- develop its presence in market segments and geographic areas with high potential, and in particular in key emerging countries/regions such as Brazil, China, India, Russia and Africa;
- seize market opportunities related to the adoption of new regulations or the privatization of QHSE control and inspection functions;
- expand its service offering in countries benefiting from critical size.

Creating differentiating and high value-added service offerings

The Group develops customized service offerings in each of its businesses to differentiate its offering and increase the proportion of revenue from higher value-added services. The Group therefore develops technical solutions and methodologies adapted to the specific needs of its customers.

For example, four years ago the Group launched customized certification services for its major clients to enable them to audit their supplier or distribution networks. The Group has also launched support services for clients of its Construction, IVS, and Industry businesses, which help manage the maintenance of equipment and installations with the aim of extending their useful life. Lastly, in France the Group has launched a range of technical support services aimed at improving energy efficiency and reducing the environmental impact of buildings (water, air, waste, greenhouse gases), which it is currently rolling out across its network.

In the future, the Group plans to continue its efforts to develop new services that are better adapted to the specific needs of its clients according to their size, business and geographic locations.

Developing its business with key international accounts

Several Group businesses have for a long time developed sales and marketing organizations dedicated to key international accounts.

For example, this approach has been adopted by the Marine business (ship owners, shipyards), the Consumer Products business (general or specialized retailers), and the Commodities business (major producers, importers, exporters and global traders). The Marine business currently has approximately 150 employees servicing one or more key accounts (existing or potential clients).

More recently, the Group has decided to put in place a "Key Account" organization within its Industry & Facilities division. In this regard, in each of its locations and sectors, the Group has identified key account targets, for which it has invested in dedicated commercial and technical resources. This approach is designed to ensure a personalized relationship and to offer the entire service offering provided by the Group.

Using its international network, its matrix organization and its know-how in sharing best practices, the Group is in general planning to increase its initiatives toward key accounts and accelerate the implementation of cross-selling and synergies between its different businesses.

For example, the Group accordingly offers major oil and gas companies the entire service offering of its business portfolio. In the offshore oil sector, the classification and certification of a new floating production and storage offshore unit ("FPSO") requires the capabilities of the Marine business for the classification of the structure, and the capabilities of the Industry business for certifying processing equipment and subsea pipelines. Once built and certified, the FPSO unit will require throughout its lifecycle the service of the IVS business to perform annual safety and performance inspections required by law or undertaken on a voluntary basis.

PURSUING AN ACTIVE POLICY OF TARGETED ACQUISITIONS

The Group has acquired more than 80 companies since 2001, enabling it to accelerate the creation of its global operating network and progressively expand its service offering to create eight global businesses. Since 2001, the Group has spent an average of €179 million per year on acquisitions. These acquisitions have mainly been carried out in the Commodities and Consumer Products business and in the Industry & Facilities division, contributing over €1.2 billion to the Group's revenue over the period. After significantly scaling back such investments in 2009 due to the lack of visibility on the economic environment, the Group returned to its external growth policy in 2010, notably with the acquisition of the company Inspectorate.

Going forward, pursuing targeted acquisitions will remain an important element in the Group's growth strategy. The Group will primarily pursue small and mid-sized bolt-on acquisitions to expand its growth potential and acquire a unique portfolio of services, in particular in the Industry & Facilities division, which remains extremely fragmented.

To achieve this goal, the Group identifies possible targets and analyzes external growth opportunities ensuring that the potential acquisition:

- reinforces the Group's presence in regions with high growth potential;
- increases the market share of some businesses;
- expands its business portfolio;

- allows it to increase its technical skills;
- creates value for the Group, particularly through revenue and cost synergies.

The Group plans in particular to pursue small and mid-sized bolt-on acquisitions:

- in the businesses in its Industry & Facilities division (the Industry, IVS, Construction and Certification businesses), in the electrical and electronics product testing activities of the Consumer Products and Commodities businesses;
- in the main developed countries and in some countries/regions where targets enjoy local leadership positions that would enrich the Group's business portfolio (Asia-Pacific and Latin America).

The Group also reviews opportunities for larger acquisitions (with revenue in excess of €100 million), which would allow it to accelerate the globalization of its geographic network or reinforce its position in certain high potential markets.

IMPROVING OPERATING PERFORMANCE

Between 1996 and 2010, the Group's adjusted operating margin has increased from 7.8% to 16.7%.

In 2008, 2009 and 2010, the gradual improvement in the consolidated margin (excluding the impact of acquisitions) was 50, 120 and 60 basis points respectively.

This improvement resulted from:

- a continuous improvement of production processes, for example through centralized inspection planning, standardization and simplification of inspection and reporting methods, and improvements in invoicing processes;
- the improvement in profitability of under-performing units. These are identified and analyzed each year during the budget review and are subject to an annual action plan. The action plan, which is reviewed quarterly, establishes specific performance indicators and creates a team dedicated to improving the unit's profitability;
- the use of effective information technology and work coordination within the network;
- the achievement of economies of scale and cost optimization, particularly through centralizing support functions and optimizing purchasing.

During the coming years, the Group plans to pursue the initiatives described above, particularly through increasing its investment in integrating its information systems. The Certification, Industry, IVS and Commodities businesses will benefit from the introduction of new production tools.

RETAINING AND STRENGTHENING A LEADING TEAM OF MANAGERS AND EXPERTS

The Group's future performance and growth depends on its ability to recruit, develop and retain managers and experts having the requisite experience and capabilities to hold key positions throughout its network and successfully carry out client projects.

The Group has adopted a number of initiatives to build and take advantage of a wealth of skills to support its growth:

- creating training programs for the Group's key managers and its personnel, engineers, technicians and members of support functions, to enable them to adapt to technical changes in their businesses or markets;
- sharing best practices, both technical and managerial, by establishing practice communities ("tribes") which bring together experts or managers from around the world who have strong knowledge of a given business or market;
- proactively managing the Group's talents to identify, develop and promote the future leaders of the Group.

Going forward, the Group will continue to launch training and development programs for its employees to internally generate the skills needed to achieve its growth objectives.

The Group also plans to continue its policy of using the following compensation incentives to encourage an entrepreneurial spirit and motivate and retain its employees:

- a salary policy adapted to its different businesses and a bonus policy extended to all the Group's management;
- stock-option plans or free shares, first established more than ten years ago, which currently cover approximately 850 of the Group's managers.

1.4.5. ORGANIZATION

AN ORGANIZATION ADAPTED TO THE GROUP'S BUSINESS AND STRATEGY

To better address the specific characteristics of some of the markets it operates in and to improve the management of its geographic network, the Group has organized its activities into eight worldwide operating businesses, with four businesses constituting the Industry & Facilities division.

The new Commodities business, which was created on January 1, 2011, following the purchase of Inspectorate in 2010, merges all the Group's commodity inspection and laboratory analysis activities.

Marine

The Marine business has offices located near most major shipbuilding and marine repair centers around the world, as well as in the most active countries in maritime transport. The Marine business has organized its operations into two zones: the West Zone, which covers Europe and the Americas, and the East Zone, which covers the Middle East and Asia.

The Marine business has four central departments:

- the Technical Department, which is responsible for relations with international organizations (such as flag administrations, and the International Maritime Organization-IMO); the drafting of the Group's classification rules; internal quality control and the development of information technology; and supervising the New Construction and Equipment Certification businesses;
- the department responsible for the ships-in-service activities;
- the department responsible for technical assistance and consulting activities;
- the Key Accounts department, which coordinates the network efforts to serve the major ship owners and shipyards.

Industry & Facilities

The four businesses (Industry, IVS, Construction and Certification) which serve a similar client base and offer complementary services, are managed together as the Industry & Facilities division,

and share the same network. The Industry & Facilities division is organized as follows:

- the Industry & Facilities division is managed as a matrix covering seven geographic zones (Southern Europe, Northern and Central Europe, Asia, Pacific, North America, Latin America, and Middle East- India-Russia-Africa), which cover the main countries where the Group is operating, and the central departments from the four businesses (Industry, IVS, Construction and Certification);
- the geographic entities are responsible for their own income statements;
- the central departments of the four businesses are responsible for encouraging best practice sharing across the network, defining and proposing new services and new cutting-edge computer tools, ensuring the technical supervision of their respective businesses, and facilitating the execution of major contracts and coverage of key accounts within the network. The central departments of the businesses are also responsible for supporting country business development with regard to identification, preparation of sales proposals and the performance of major contracts. The businesses have personnel in each of the "platform countries," which creates a matrix organization at the country level;
- the Industry & Facilities division also has four global support departments: (i) Sales and Marketing, (ii) Financial Control, (iii) Global Coordination of HSE Activities, and (iv) Technical, Quality and Risk Management ("TQR"). The latter is responsible for defining inspection methodologies and procedures. It oversees their application by conducting audits in the network and supervises the training and qualification of inspectors. It also oversees maintenance of the Group's portfolio of accreditations and is in charge of obtaining the new accreditations and certifications needed to conduct its business. More generally, the TQR department is responsible for controlling risks associated with the provision of services and is supported in doing so by a network of Technical, Quality and Risk Management Directors in the various geographical areas which it manages and coordinates.

Consumer Products

The organization of the Consumer Products business is based on two strategic departments:

- a Global Business Development department responsible for managing the portfolio of existing clients, acquiring new ones and launching new services. It also coordinates the establishment of sales organizations in the main geographic areas;
- a Global Service Delivery department responsible for the quality of the services provided across all production centers (laboratories and inspection centers). It is responsible for planning capacity requirements throughout the network, standardizing services globally, improving testing methods, the accuracy of reports, and the production cost of reports.

The business' geographic locations (laboratories, inspection centers) are now organized into five zones: China - Hong Kong - Taiwan, South-East Asia, South Asia, Europe and the Americas.

Government Services & International Trade

The Government Services and International Trade business is organized in a decentralized manner through four levels of organization.

The Government Services business involves Centers of Relations with Exporters (CREs), inspection centers associated with the CREs, and liaison offices in countries where the Group has a government contract and which issue all import certificates locally.

The International Trade business involves inspection centers and laboratories in the producers' countries.

At a central level, the business has four departments:

- a commercial department, which manages all the main tenders for government contracts;
- an operations department, which controls and supervises operating units and possesses the resources needed to create and start up liaison offices in every new country where a government contract is entered into;
- an International Trade department, which is responsible for developing Automobile and General Trade product lines;
- a New Products department, which is responsible for strategy and the adapting of current services to market requirements and for defining and periodically reviewing inspection methods used by the network of operational units.

Commodities

The Commodities business, created on January 1, 2011, is organized around seven large geographic areas: the Americas (North America and Northern Latin America), Southern Latin America (Argentina, Brazil, Chile, Peru), Europe - Middle East - Africa, Asia, Pacific, Eastern Europe and Metals and Minerals in Europe. Central

departments based on products (Oil and Petrochemical, Metals and Minerals, Agriculture) will be progressively put in place.

A MATRIX ORGANIZATION WHICH ENCOURAGES SYNERGIES AND CROSS-SELLING AND ENABLES THE GROUP TO ADAPT TO MARKET CHANGES

Within the Industry & Facilities division and the Marine, Consumer Products and Government Services and International Trade and Commodities businesses, the Group has put in place matrix organizations (based on service portfolio and geography). The Group believes that these matrix organizations are a key factor in its success. As an example, the matrix organization of the Industry & Facilities division enables it to:

- take advantage more easily of the complementary nature of services offered by its businesses and encourage opportunities for cross-selling within its shared network and clients base;
- easily disseminate best practices throughout the network;
- benefit more rapidly from economies of scale to develop new products or invest in new tools;
- adapt rapidly to changes in its market segments by sharing high-level technical capabilities.

According to the level of development of its operations in a given "platform country," the Group can also adjust the functioning of the matrix organization located in such country to adapt it to the local environment or changes in local markets.

A CENTRAL LEADERSHIP ENSURING THAT THE KEY ELEMENTS OF THE GROUP'S STRATEGY ARE TAKEN INTO ACCOUNT IN ALL OPERATIONS

In addition, the Group's support functions are organized into two main groups:

- the finance, internal audit and acquisition support, investor relations, compliance, ethics, legal, risk management and information systems functions are under the responsibility of the Group's Chief Financial Officer, François Tardan;
- the internal human resources, communication, training and knowledge-sharing, and quality-health-safety functions are grouped together under the Organization, Human Resources and QHSE group lead by Arnaud André.

This organization makes it possible to ensure global consistency of strategy and risk management. In particular, it enables the Group to benefit from a high level of internal control, while maintaining the advantages of a diversified and decentralized set of business units with an entrepreneurial culture.

1.5. Presentation of the Group's businesses

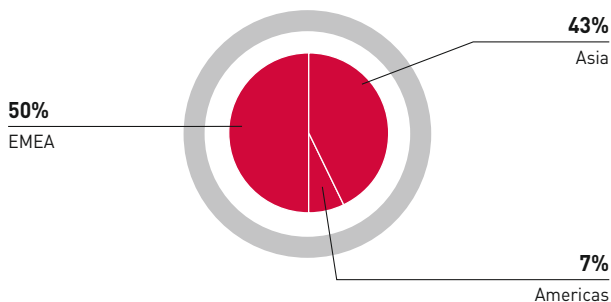
1.5.1. MARINE

Through its Marine business, Bureau Veritas is a ship classification society. The business of ship classification consists of verifying the conformity of ships to the classification rules or standards issued by the classification society. Classification societies certify the conformity of a reference level for ship quality by delivering a "class certificate." The classification activity is most often carried out together with the regulatory, or statutory, certification mission conducted under delegation from the maritime authorities of the ship's flag administration. Most flag administrations require verification of the on-board application of technical standards defined by the international conventions on marine safety and pollution prevention to which they belong, and a large number of administrations delegate these checks to a classification society.

Class and regulatory certificates are essential for using ships. Maritime insurance companies require such certificates to provide insurance, and port authorities regularly verify their validity when ships come into port.

The Marine business generated revenue of €313.5 million in 2010 (10% of the Group's *pro-forma* revenue for 2010)⁽¹⁾ and had an adjusted operating margin of 28.9%.

► BREAKDOWN OF 2010 REVENUE BY GEOGRAPHICAL AREA



A SERVICE OFFERING WITH HIGH TECHNICAL ADDED-VALUE FOR A LOYAL CLIENT BASE

Services with high technical added-value

The marine classification business is based on drafting regulations to ensure ship safety, and verifying the regulations' proper application through regular visits and inspections. The principal purpose of classification is to improve the safety of the ship, and the business therefore involves, for this purpose, assessing the conformity of the ship and its different parts with classification rules. Classification rules are published as technical references.

Classification rules target two principal areas: first, the structural soundness of the vessel, the watertight condition of the hull, ship safety and protection against fire; and second, the reliability of the propulsion and steering systems and the auxiliary machinery which equips the ship. Specific rules are prepared for each type of vessel (steel ships, offshore facilities, boats for inland navigation, submarines, yachts, high-speed boats and military vessels).

The Group is a member of the International Association of Classification Societies (IACS), an association of the 11 leading international classification societies. Through IACS, the Marine business participates in drafting some minimum unified rules common to the industry as a whole.

Each classification society nevertheless retains full authority for the content of its own classification rules. The Group therefore possesses its own standards, which are regularly expanded in detail, updated and enhanced. It revises them according to procedures established to facilitate, through technical committees, the participation of maritime industry players such as ship owners and shipyards in improving industry norms.

The Group participates in all stages of the construction of the ships which it classes. Initially, the Group examines the ship's main plans, which are submitted by the shipyard, with reference to the Marine business' technical requirements. It then inspects various equipment at the manufacturers to ensure conformity with its requirements. Finally, the business supervises construction in shipyards and attends ship trials. The results from all these activities are summarized in a project report which allows the ship's overall conformity with the rules to be assessed and the corresponding classification certificates to be issued.

Maintaining a ship's class certification once it has entered into service involves regulatory visits to check minimum unified IACS rules. The most important visit is the special or fifth-year visit, whose objective is to renew the classification certificate. Annual and intermediary visits at mid-term are also conducted. Each visit involves spot checks and testing, the nature and extent of which are defined by the rules.

In addition to its classification activity, the Group's Marine business also provides conformity certification services with respect to health, safety and environment or on behalf of the flag administrations to check the application on board ships of technical standards defined by international agreements designed to ensure maritime safety and prevent pollution. Certification services are performed through physical inspection of the ship and delivery of the corresponding safety certificates, under the authority of either the flag administration under which the ship is operated, or the classification society acting on behalf of the flag administration.

⁽¹⁾ Including Inspectorate over 12 months (from January 1, 2010 to December 31, 2010).

The Group's Marine business also offers its clients advice and assistance. This activity, carried out through the Marine business network and through the specialist Tecnitas entity, includes, in particular, training and technical assistance (expert appraisal, supervision, engineering, analysis of risk attached to maintenance).

A loyal customer base

The Marine business' customer base includes thousands of customers, with no customer representing more than 2% of the business' revenues. The customer base can be divided into three categories:

- the world's main shipyards and ship builders in Europe (principally subsidiaries of the STX Group, Damen, Fincantieri, Barreras and IHC Merwede) and in Asia (principally Hyundai, DSME, Samsung, STX, Universal, Mitsubishi, IHI, SWS, Dalian and Sungdong);
- equipment and component manufacturers: in Asia, mainly companies from the steel industry (such as Bao Steel, Hyundai, POSCO, JFE Holdings, Mitsui, Mittal Steel, Nippon Steel, Kobe Steel), and in the Western countries, mainly manufacturers of engines and various electrical, electronics, cryogenic or mechanical equipment (such as Caterpillar, MAN, Wärtsilä, Cummins, ABB, Rolls Royce, Reintjes, MTU, Schneider and Vulkan Group);
- international ship owners, in particular: Enterprises Shipping & Trading, Tsakos, Dynacom, Cardiff Maritime and Anangel in Greece; CMA-CGM, Louis Dreyfus, Groupe Bourbon, and Sea Tankers in France; Boskalis and IHC Merwede in the Netherlands; Exmar, Jan De Nul, and the Deme NV Group in Belgium; Nisshin in Japan; Maersk and Norden in Denmark; and MSC in Switzerland;
- oil companies involved in exploration and production at sea, in particular: Total, Petrobras, BP, Shell, Exxonmobil, Chevron, ConocoPhillips and CNOOC.

A high level of recurring revenue

In 2010, 53% of the revenue of the Marine business was generated by the classification and certification of new ships (or ships under construction) and 47% by the classification and certification of ships in service and consulting and outsourcing activities.

The new ship classification and certification activity is carried out under specific contracts of 12 to 24 months entered into for each ship under construction both with the shipyard and the manufacturers of equipment and components involved.

The classification and certification of ships in service is carried out under long-term contracts (generally for at least five years) with ship owners. The renewal rate for these contracts is very high, as ships in service typically continue to be classed by the same classification society throughout their useful lives. Consulting and outsourcing is carried out under specific contracts drawn up with different players in the maritime sector: shipyards, ship owners, engineering companies and oil companies.

Factors differentiating the Group's services

Several factors differentiate the Group's service offering for ship and floating unit classification and certification:

- the high level of technical expertise of the business' engineers and experts;
- the drafting and publication of classification rules for all types of ship;

- the effectiveness of commercial activities, characterized by an active management of key accounts, a constant growth of the client base, and an adapted pricing policy;
- the quality of service and high commitment of its personnel, together with an extensive network available at all times (24-hour service, seven days a week), and a strong knowledge of its customers' businesses and needs.

A HIGHLY SPECIALIZED MARKET THAT IS SET TO GROW OVER THE MEDIUM TO LONG TERM

The main segments of the maritime transport market are, in order of importance, the transportation of oil products, bulk shipping (heavy products not handled in containers), containers and passengers. On October 31, 2010, the global fleet was broken down as follows in terms of ship type (source: *International Chamber of Shipping*): cargo ships (32% of the global fleet), tankers (27%), bulk carriers (17%), passenger ships (13%), container ships (10%), and other ship types (1%).

The Company estimates that the world market for ship classification and certification services represented total revenue of around €3 billion in 2010.

Rapid recent growth in the global fleet

Maritime transport was, until 2008, benefiting from the sustained growth in the global economy, the large number of economic partners (China, Brazil, Russia, and India) and the increasing distances between the main centers of production and consumption. The volume of maritime transport thus recorded particularly sustained growth between 2000 and 2007, with an average annual growth rate of 4.3% in tons transported, then started to slowdown in 2008 with more moderate growth of 3.6%. (source: CNUCED).

All of the maritime transport sectors were affected by the economic crisis, which erupted in 2008. Fall in demand, on the one hand (for consumer products, such as commodities and energy) and the growing transportation capacity as a result of new ships on the other, led to the collapse in freight rates.

The global economic recovery began in 2009 and was confirmed in 2010 (growth of more than 10% according to the United Nations), thanks to the dynamism of exports from emerging countries.

The international maritime community is also continuing its environmental protection initiatives. The IMO is working, in particular, on reducing greenhouse gas emissions (CO₂, NO_x, and SO_x) and drafting international rules in this area.

A regulatory environment in constant evolution, contributing to growth

The international regulatory context applicable to maritime safety and environmental protection has evolved considerably over the last ten years. In most cases, new regulations have represented new business opportunities for classification societies and have contributed to the sustained growth of the Group's Marine business.

The International Safety Management Code (the ISM Code), which became effective in 1998, prepared under the International Maritime Organization (IMO), introduced new safety management requirements for maritime companies. The new requirements enabled the Group to create a new service certifying safety systems. Certifications are carried out by specialized auditors. In addition, the

entry into effect of the International Ship and Port Facility Security Code (the ISPS Code) in July 2004, prepared under the IMO, allowed the Group to offer verification and certification services in this area. In addition, the adoption of minimum unified rules for tanker and bulk carrier structures (CSR – Common Structural Rules) by the IACS in 2005 placed the Group among the leading classification societies for new orders of bulk carriers due to the development of effective calculation tools and the creation of specialized teams, particularly in China. Finally, Bureau Veritas is part of three classification societies recognized by the European Union for the inspection of ships for inland navigation. In this respect, the Group has already obtained delegations from the majority of countries in Western Europe, in particular those on the Rhine.

In the future, the Company believes that five new regulations should bring additional business to the Group:

- the consolidated convention of the International Labour Organization (ILO) on maritime work should make it mandatory to obtain a certificate of conformity to social standards and labor law for all ships;
- the convention on Ballast Water Management (BWM) of 2004, adopted under the IMO, should make it mandatory to obtain approval of ballast water treatment systems and impose changes in ship design;
- the Hong Kong international convention on ship recycling was adopted in May 2009 and is expected to come into force within the next four or five years. This convention requires the issuing of green passports for ships as well as an inventory of potentially dangerous materials and equipment on board;
- the regulations currently being drafted on the prevention of air pollution from ships;
- the regulations for inland navigation, concerning the transport of environmentally hazardous materials within Europe, concerning ship inspection in non-EU countries (Latin America, Asia).

A very specialized market requiring a high level of expertise

The Group is one of the 11 members of the IACS. These 11 members classify approximately 94% of world tonnage, with the remaining fleet either classed by small classification societies operating mainly at national level or not classed (source: IACS). The IACS imposes strict conditions regarding service level and quality on its members. European Union regulations also apply qualitative criteria (experience, publication of classification rules, ship register and independence) and quantitative criteria (number of ships and tonnage classed) to obtain the recognition of organizations working in the member States. Ship classification and certification are, by nature, international activities and require, on the part of the leading players, a global presence, whether for following ships under construction, inspecting and certifying equipment, or visiting ships in service.

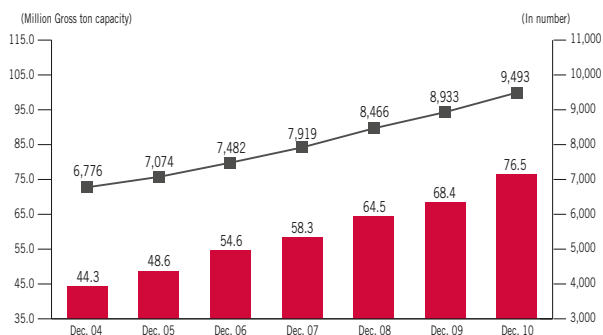
The New Construction activity requires substantial technical and commercial resources in the principal ship building countries (South

Korea, China, Japan, Turkey, Vietnam, the Netherlands, Croatia, and Finland): these resources provide contract negotiation and follow-up teams to monitor ship construction in relevant shipyards and, when justified by the level of business, the establishment in the country concerned of a decentralized technical center with delegated competence to review the conformity of plans and calculations with applicable rules. These resources are put into place to enable faster responsiveness to lead to a quality of service appreciated by both shipyards and ship owners. Size also plays a role in inspecting and certifying on-board equipment, part of the ship's classification activity. Thus, denser and broadly spread facilities make it possible to optimize the organization of inspections.

For the ships-in-service activity, the presence of qualified inspectors in the principal ports of the world is indispensable to ensure that visits can be conducted upon demand and without delays which could harm the ship's operating schedule and the ship owner. Once again, sufficient size allows network optimization, greater efficiency, and a strong service quality image. The success of a classification society is therefore closely linked to its technical reputation and the image of service quality associated with it. Generally speaking, critical size and number of classed ships help develop a high level of capability and service, while at the same time allowing investment in research and development needed to position the Group as a leading classification society. In addition, a ship classed by one company is generally followed for periodic inspections by the same company throughout the ship's useful life.

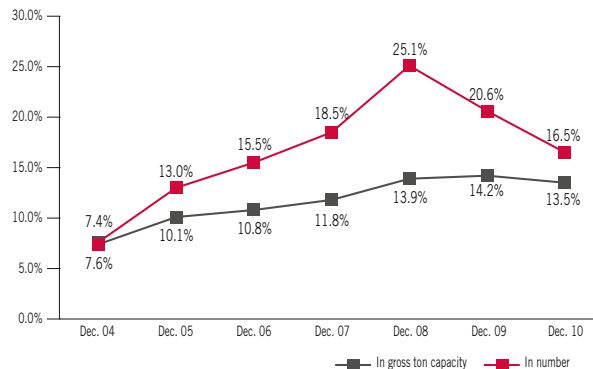
The Marine business continues to develop its activities on the Oil and Gas market, in particular in the offshore field. The demand for fossil energy drives exploration and production projects in the most difficult physical conditions (great depth, polar regions). The role of the different players in the market is changing, to the benefit of specialized sub-contractors or national companies. More recently, the main operators in the sector reassessed their risk management following the Macondo well explosion in the Gulf of Mexico. A combination of these factors has led public authorities to reaffirm regulations in terms of safety for goods and individuals; however these regulations also apply to private operators who must adapt their QHSE procedures to the new requirements.

The Marine business has currently had several successes, in particular for floating offshore structures (FPSO, TLP, SPAR, semi-submersible), and is extending its services to drilling units and associated equipment. The services provided are based on classification, certification, and verification of all stages of a facility's life cycle: from preliminary design to construction and then operation of the facilities. Regulatory references and IT tools developed internally (hydrodynamic calculations, asset integrity management) are constantly improved and updated to meet the specific requirements of these activities. Clients include international oil companies (such as Petrobras, Total, BP, Shell), engineering companies (such as Technip, SAIPEM, Acergy), and shipyards in Korea, China, and Singapore, as well as drilling companies.

A SOLID PRESENCE IN THE MARKET**Market share gains****► GROWTH IN THE BUREAU VERITAS FLEET INSCRUICE**

The fleet classed by the Group is the second largest in the world in terms of the number of ships and the sixth largest by tonnage. As of December 31, 2010, it included 9,493 ships representing a 76.5 million gross ton capacity (compared to 38 million in 2001). The fleet was broken down as follows in terms of ship type (gross registered tonnage): bulk carriers 36%, tankers 20%, container ships 13%, cargo ships 9%, gas carriers 9%, passenger ships 5%, and other types of ship 9%.

In terms of the number of classed ships, the Group's market share grew from 13% in 2001 to 15% in all sectors on an aggregate basis in 2010. Market share nevertheless varies according to market segment, as shown below (sources: IACS fleet according to Seaway, Bureau Veritas):

► GROWTH IN THE BUREAU VERITAS MARKET SHARE FOR THE NEW ORDERS

- bulk carriers: 9%;
- cargo ships: 14%;
- container ships: 6%;
- cas carriers: 17%;
- passenger ships: 23%;
- tankers: 11%;
- others: 22%.

In terms of tonnage (GRT), the Group's market share in the fleet in service around the world, has increased steadily since 1996 and stood at more than 8% in 2010, with growth accelerating since 2003.

The table below sets forth the market share of the leading classification societies (also members of the IACS) expressed as a percentage of the number of ships classed, as of December 31, 2010:

Society	Country	Market share
American Bureau of Shipping	United States	17%
Bureau Veritas	France	15%
Germanischer Lloyd	Germany	13%
Lloyd's Register	United Kingdom	12%
ClassNK	Japan	11%
DNV	Norway	10%

Sources: IACS fleet according to Seaway, Bureau Veritas.

Through its reputation for technical competence and its presence in all market segments, Bureau Veritas has seen growth of its market share since 2004. In 2010, it maintained its market share for new construction orders at 13.5% in terms of tonnage, i.e. 16.5% of the market in terms of the number of ships over 5,000 GRT.

A diversified order book

The strong growth in "new constructions" from 2006 to 2008, linked to the rapid expansion of the market and the increase in Bureau Veritas' market share, has resulted in the growth of the order book, which has risen from 13.5 million GRT in 2005 to 35.6 million in 2008. Following the significant slow down in 2009, orders grew significantly in 2010, to 9.5 million GRT. On December 31, 2010, the

order book, which stands at 28.8 million GRT, is diversified by type of ship: bulk carriers represent 53% of this tonnage, tankers 24%, container ships 8%, gas carriers 5%, cargo ships 5%, and passenger ships 3%. It is also diversified in terms of clients (more than 800 ship owners and more than 500 shipyards).

(in millions of GRT)	2010	2009	2008	2007	2006	2005
New Orders intake for the year	9.5	4.6	12.2	18.0	9.7	5.6
Order book	28.8	31.0	35.6	30.2	17.4	13.5

A Group recognized as a benchmark for the most technical segments of the market

The Group holds a leading position in the market for highly technical ships (liquefied natural gas and liquefied petroleum gas carriers, FPSO/FSO⁽¹⁾ cruise ships, ferries, and specialized ships) which are not suffering any overcapacity.

Founded in 1828, Bureau Veritas is one of the oldest ship classification societies in the world. The Group has long-recognized technical expertise in various segments of maritime transport: bulk carriers, tankers, container ships, ferries and cruise ships, and offshore facilities of all kinds for the exploration and development of deep-water oil and gas fields. More recently, the Group has also participated in the classification of naval ships and provided technical consulting to navies, particularly in France.

The Group's Marine business is involved in a number of European research programs. It is also involved in a good many joint industrial projects with the oil industry. With this investment, the business has been able to develop areas of expertise such as hydrodynamics, vibration phenomena, and structural fatigue, and develop improved calculation and simulation tools to analyze the behaviour of ships and offshore structures. The Group is therefore able to reproduce the effects of the sea on the movement of liquids in the tanks of liquefied natural gas carriers, on stresses borne by anchorage systems, and the hydro-elastic phenomena and structural response to the pressures created by different types of sea swells. These research & development activities, as well as permanent contact with industrial partners participating in these projects have allowed the Group to maintain very high regulatory base, as well as a range of calculation tools adapted to the specific requirements of this sector. In other areas, various simulation and analysis tools have also been developed, regarding, for example, fire propagation on board ships, fire fighting, or passenger evacuation.

With global warming, new maritime routes are going to open up. Via the route north of Russia, Japan will be no more than 7,000 nautical miles from North Sea ports instead of the 11,000 by going via the Suez Canal. The research and development department of the Marine business has invested heavily in this area, setting up a dedicated team, participating in working groups within the IACS (drawing up POLAR CLASS grades) and collaborating with the

Finnish authorities to update their regulations. This research relates to the interaction between ice and the hull of a ship and controlling all of the parameters that may affect the resistance and hence the safety of the ship or else the development of regulations on azimuthal propulsion in ice. This work resulted in the creation of a COLD grade for the operation of ships at very low temperatures and guidelines giving ship owners and designers advice to identify the most suitable reinforcement grade for their ship according to the area and time of operation. This research will also be used offshore, given the size of proven hydrocarbon reserves in Arctic waters and the increased extraction of these deposits.

Global warming also has an impact on improving the energy performance of ships, with the creation of a CO₂ index by the IMO and the development of offshore power generation units using renewable energy (wind, wave, tide). The Marine business is investing in these areas by participating in industrial and research and development projects and developing new regulations.

Numerous synergies and opportunities for cross-selling with other businesses of the Group

There are numerous synergies with other businesses of the Group:

- commercial synergies for key accounts have been developed;
- the Marine business takes advantage particularly of the know-how and experience of other businesses of the Group in the areas of health and environment, which can be transposed to enrich its offering of services to ships and ship owners. For example, the Clean Air/Clean Sea programs are intended to enable ship owners to respond to the new requirements of international regulations against pollution, or the Health program, which specifically addresses the cruising industry and measures to protect passengers' health, particularly against Legionnaires' Disease, which were developed initially for the hotel industry;
- the Marine business' technical expertise and its tools and methods of calculation are used by other businesses within the Group in a variety of fields, such as industrial projects requiring calculations of complex structures, or naval civil engineering projects such as port construction, for which hydrodynamic analyses play an important role.

(1) Floating Production, Storage and Offloading/Floating, Storage and Offloading.

A strategy founded on quality of service, responsiveness, technical competence and a strong presence among ship owners and shipyards

The market is characterized by two key factors: (i) the choice of classification society is usually made by the ship owner, who has both ownership of and responsibility for the ship, and (ii) the new construction, equipment certification, and ships-in-service activities are closely linked both technically and commercially with client relationships. The ship owner's decision to use one classification society rather than another for the construction of a ship is most often guided by the previous experience he has had with the society for his ships in service. Similarly, when a ship owner decides to retain a classification society for the construction of a new ship due to the society's technical capabilities and quality of service, in most cases he will retain that company once the ship is put into service. With respect to classed equipment, the essential component parts of a ship, the choice of a classification society will generally depend on which company was chosen for the ship itself.

Over recent years, in a ship building market stimulated by strong demand, the influence of shipyards in selecting the classification society that will class a ship under construction has become a very important factor. Today, this trend has been dramatically reversed in favor of ship owners.

The Group's strategy for organic growth is based on several components:

- geographic expansion: reinforcing the Group's presence in the main ship building countries and developing a presence in emerging markets (South-East Asia and India) in order to provide shipyards and ship owners a quality local service;
- adapting both the commercial strategy and technical services to the position of shipyards and ship owners and their role in selecting the classification society by entering early on into projects with dedicated local teams working in close collaboration with the shipyards, ship owners and the surveyors they employ;
- developing services for ship owners with the aim of attracting new customers and increasing customer loyalty;
- pursuing investments in information technology to respond to the expectations of shipyards and ship owners and to bring high-level technical support in developing innovative solutions;
- allocating specific resources to the most important markets: tankers, bulk carriers, container ships, specialized ships and offshore units;
- developing a client base of ship owners through focused sales and marketing initiatives.

The Group's goal remains to increase its share of the worldwide classed fleet by building on its New Construction business and on the quality of the services it offers to ship owners after their ships have been delivered.

The measures described above and the growth in the activities are supported by necessary investments in human resources, namely recruitment and training.

The Marine business maintained its policy regarding the entry into effect of new rules applicable to bulk carriers and tankers developed by the IACS (CSR) and enlarged its presence with respect to Chinese, South Korean and Japanese shipyards. Toward this end, the business used special calculation tools, which it developed in a limited period of time by making specialized support teams available to shipyards.

Accelerating automation and the use of information technology

The ship classification and certification business is subject to strong price competition as well as continuous evaluation of technical support capabilities and quality of service. In this context, organizational efficiency, automation of procedures and economies of scale play a particularly important role in maintaining strong profitability.

In this regard, the Marine business equipped itself early on with information technology for task management and automation, and real-time monitoring of the fleet classed by Bureau Veritas, such as the Neptune and ASMS systems for ships in service (characteristics and status of ships, visits conducted, and reports, invoicing, etc.), VeriSTAR Project Management for new constructions, certification of equipment and monitoring of complex projects, or the VeriSTAR Info portal for client access to information relating to their ships and regulations in force. These tools and organization have allowed the business to take maximum advantage of economies of scale to maintain high profitability.

OPERATIONAL ORGANIZATION

The Marine business has a decentralized operational organization. Resources are located around the world near the major centers of ship building and repair, as well as in the most active countries in maritime transport.

The Marine business has 15 plan approval offices near clients which enable rapid responses to clients' requests: Paris, Nantes, Rotterdam, Hamburg, Copenhagen, Madrid, Piraeus, Istanbul, Dubai, Rio de Janeiro, Busan, Kobe, Shanghai, Singapore, and Turku.

Ships in service are supported from 10 key marine centers (Paris, Newcastle, Rotterdam, Madrid, Piraeus, Istanbul, Shanghai, Miami, Singapore and Dubai) and 330 visit centers.

In addition, the Marine business has a centralized technical department, furthering the Group's goal of providing identical services regardless of where the construction inspection is performed.

Finally, technical assistance and consulting are carried out by a specific department, and activities taken on by the network for the benefit of the principal ship owners and shipyards are coordinated by the Key Accounts department.

1.5.2. INDUSTRY

The Industry business encompasses a vast range of services related to the compliance of assets with applicable international standards on a mandatory basis and with Quality, Health, Safety and Environment - QHSE policies implemented on a voluntary basis. Clients need the certification that their assets are built in conformity with pre-established standards and are able to meet the defined performance in terms of QHSE and availability when in operation.

To address this market Bureau Veritas has developed a worldwide network of engineers, inspectors and supply chain experts with core competencies in design approval, risk analysis, sourcing and material selection strategies, quality assurance and quality control, reliability studies, maintenance optimization and asset preservation policies during the asset life cycle.

The market segments that are most active and most promising in terms of revenue growth are:

- Oil and Gas including upstream, midstream, and downstream;
- power including nuclear, fossil (coal, gas), hydro, and renewable;
- process industries (petrochemicals, chemicals, fertilizers, mining, steel and metal transformation);
- transportation;
- industrial equipment manufacturers.

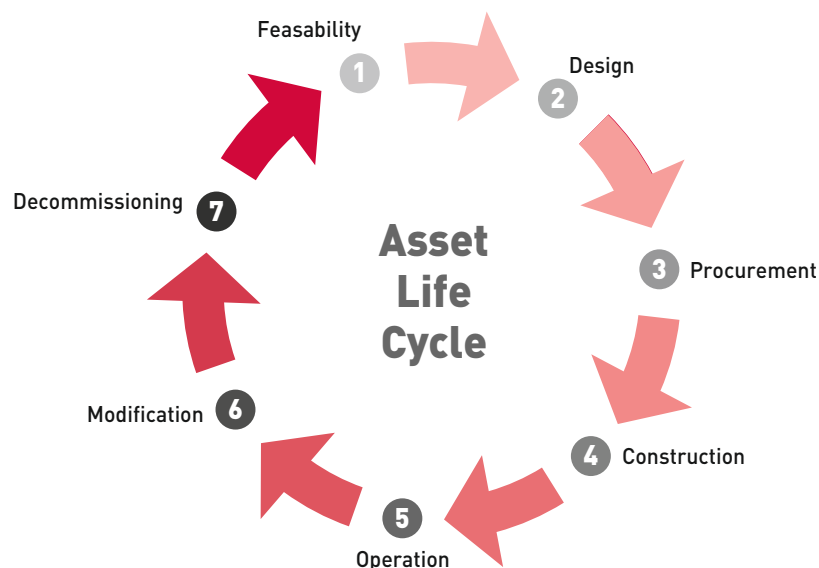
The Industry business generated €757.4 million in revenues and an adjusted operating margin of 11.7%. Since January 2011, the Mining and Minerals segment has been reclassified under the new Commodities business together with Inspectorate's activities (see paragraph 1.5.6 Commodities). Excluding Mining and Minerals, Industry activities generated €608.1 million in revenues in 2010 (19% of the Group's *pro-forma* 2010 revenue⁽¹⁾) and had an adjusted operating margin of 11.6%.

AN INTEGRATED SERVICES OFFERING COVERING ALL QUALITY, INTEGRITY, RELIABILITY AND SAFETY ASPECTS OF ASSETS

Services offering along the whole life cycle of industrial assets

The Group services cover the whole asset life cycle (CAPEX and OPEX) starting at feasibility study through decommissioning of the asset.

(1) Including Inspectorate over twelve months (from January 1, 2010 to December 31, 2010).

► **INDUSTRIAL ASSETS**

CAPEX		OPEX	DECOMMISSIONING
1 ◆ Definition of standards & specifications ◆ Basic design review ◆ Project QHSE plans ◆ Reliability, Availability & Maintenance (RAM) studies ◆ Criticality assessment	3 ◆ Supplier selection ◆ Equipment certification ◆ Shop inspection ◆ Supply conformity assessment	5 ◆ Management services ◆ QHSE audits ◆ Verification ◆ Asset integrity management ◆ Emergency planning ◆ Behaviour management ◆ Training	7 ◆ Risk analysis ◆ Operational safety ◆ Conformity assessment
2 ◆ Process Hazard Analysis (PHA) ◆ Audit of designers ◆ Risks assessments ◆ Review and validation of design ◆ Safety Integrity Level (SIL) / ATEX* studies	4 ◆ Conformity assessment of the construction ◆ Performance assessment	6 ◆ Fitness for purpose ◆ Vibration studies (debottlenecking) ◆ Design review	

* ATEX : Atmosphere Explosible.

Industry CAPEX services represent around two thirds of total revenues with increasing importance of OPEX services. CAPEX projects are experiencing strong growth, especially in emerging countries in most market segments where Bureau Veritas is active: Oil and Gas, Power, Process & Transportation.

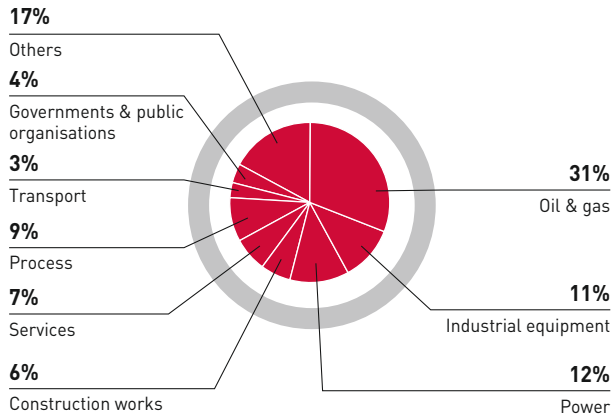
OPEX Industrial activity, especially in Oil and Gas is seizing an increasing part of the overall industry expenses. This is due to

the high proportion of ageing assets and to the fact that owners strive to simultaneously minimize the environmental footprint of their operations and ensure maximum safety for their personnel and availability of the assets (fitness for purpose, life extension). Moreover, in certain geographical areas, new opportunities arise due to the trend towards outsourcing of the inspections and testing activities of assets in operation.

A variety of sectors served

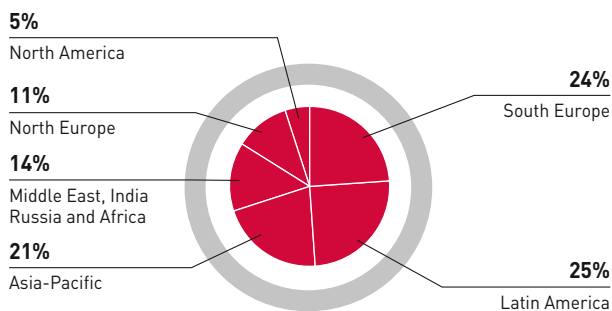
The Group has a particularly strong presence in the Oil and Gas, Power, Process, Industrial Equipment and Transport sectors.

The chart below presents the Industry business' *pro-forma* revenue (excluding Mining and Minerals) in 2010 by sector of activity:



A global presence and a strong exposure to fast growing zones

The Group's Industry business is active in all major industrial countries (France, Australia, US, Italy, the United Kingdom, Germany, the Netherlands, Spain, Japan) and fast growing zones (Brazil, India, China, Africa, Middle East, South-Ettspian Sea) represent 65% of 2010 revenues.



A relatively concentrated client base

The Industry business' client base is relatively concentrated: the 20 largest clients represented over 30% of revenue in 2010. Key accounts include:

- Oil & Gas operators (Petrobras, BP, Chevron, Total, ENI, Shell, CNOOC, ADNOC, NIOC, ADNOC, PEMEX, OMV);
- power groups (EDF, GDF-Suez, ENEL Eskom, Eon, RWE) and key operators in the nuclear industry (Areva, Westinghouse, Nucleoelectrica, Argentina, Teollisuuden Voima Oy). In 2010, the Group has reinforced its position with windmill operators (Gamesa, Vestas, CNOOC China New Energy Division, Repower);

- leading mining companies (BHP Billiton, Rio Tinto, Codelco and Xstrata);
- engineering & EPC companies (Saipem, Technip, ACERGY, FMC).

However, in addition to the large contract generally generated with these key accounts, the local client base originated by the regional network generates contracts of all sizes (from minor inspection to multi-site inspection contracts and frame agreements).

THE GROUP IS GROWING IN AN ATTRACTIVE MARKET

A market with continuous sustained growth

The Industry business is growing in an extremely active global market. The addressable market is estimated at about €15 billion, depending on the potential outsourcing from clients of their inspection and testing activities.

Several factors will continue to contribute to solid growth:

- **factors common to all industrial sectors, such as:**
 - increasing importance of reliability of existing assets due to increasing concerns about people-based safety and financial pressure,
 - increasing importance of independent inspection due to diversification of procurement and LCC (Lead Competitive Countries) sourcing,
 - the strengthening of QHSE regulations and increasing awareness of industrial risks.
 - the ageing of assets in industrialized countries and the necessity to extend their life of operations and bring them to the level of the new standards,
 - the growing complexity of projects and operations closely involving multiple countries, players and disciplines;
- **factors unique to energy sectors:**
 - the growth in infrastructure investments (oil, gas and power), especially in fast growing zones, and as an example, the recent expansion of the Group in the Pacific area, which is now the centre of gravity for the LNG CAPEX market,
 - the development of new sources of fossil energy (coal base methane, oily sands, shale gas) for which specific rules will apply,
 - the ageing of existing facilities used to their maximum capacity and even beyond their initially expected useful life,
 - the emergence of the integrated "asset integrity management" approach and the trend among clients to outsource QHSE functions,
 - the demand for certification generated by new regulations and, as an example, the regulations on carbon dioxide emissions and the strengthening of regulations regarding the offshore industry.

A market with high barriers to entry for major international contracts

The Group believes that, for major international contracts, providers of compliance and QHSE Industry services need to satisfy critical requirements, which constitute substantial barriers to entry:

- an extended portfolio of accreditations;
- a global network of experts present in all the major industrial sites around the world;
- a technical know-how and a reputation as first-rate technical experts.

A LEADING POSITION BASED ON SOLID COMPETITIVE ADVANTAGES AND A GROWTH STRATEGY**A leading position in a fragmented market**

The market of QHSE services to the industry is highly fragmented due to the large number of local players in addition to a few large global players. The Group is one of the three world leaders in industrial inspection and certification. The Group's main competitors, by revenue, diversity of geographies, sectors served and types of services are Swiss company SGS, UK based company Lloyd's Register, German companies TÜV Süd, GL TÜV Rheinland, the Norwegian company DNV. Other players, of smaller size and with a more limited range of sectors and services, compete with the Group in specific segments (for example Moody International in the field of shop inspection) or in specific geographies (for example, Apave, in France).

Solid competitive advantages

The Group believes that its position as one of the world leaders in the market of QHSE industry services is based on the competitive advantages described below:

- its worldwide network covering 140 countries;
- a high degree of internal technical expertise (network of Technical Centres);
- a leading position in key market segments: Oil and Gas, Power, Mining and Transportation;
- a complete portfolio of services, from feasibility study through operations and up to decommissioning;
- a unique portfolio of accreditations allowing the Group to issue any required certifications;
- efficient information technology tools for managing the contracts and reporting to the clients;
- strong internal quality systems with ISO 9000 & 14000 certifications.

An ambitious growth strategy

The Industry business' strategy is built around the following components:

- the geographic expansion of its offering. The Group will continue to strengthen its network to further expand its global platform, leveraging the many facilities already in place;
- the continuous improvement of the Group's position in its main markets (Oil and Gas, Power, Process & Rail industries) and the acquisition of a significant position in other key markets (mining, construction materials, chemistry and steel);
- the development of its service offering for the nuclear market, the offshore industry and renewable energy;
- the development of procurement related services (shop inspection, expediting) worldwide. In 2010, the Group experienced strong growth in this field with large contracts and frame agreements gained or renewed in key locations in Brazil (Petrobras), the United States (BP, Dow Chemicals, Worley Parsons, Fluor), France (Total, Acergy, Alstom, Technip), Italy (Saipem, GE and KSA), the Netherlands and Japan (Saudi Aramco & Aramco Overseas);
- the development of voluntary inspection services (as a third party and a second party) for industrial installations, and the positioning as a leading Independent Verification Body (IVB) taking advantage of the Group's ability to offer on a worldwide basis its European and ASME certification services. The Group secured, as independent verification body in 2010, the large offshore ENI-Goliath project in Norway;
- the maintenance of the technical leadership in critical areas such as deepwater development certification processes (flexible risers and subsea equipment) and fatigue prediction processes for existing assets;
- the development of high value-added services, such as asset integrity management, reliability centered maintenance and life cycle extension. Important contracts were renewed with Total E&P UK and with Shell in the UK, and expanded with Santos in Australia. New contracts were awarded by ONGC, ADOC, Sonangol, and COP in Australia.

In a highly fragmented market, the Group also plans to pursue selected opportunities for acquisitions, which could allow it to accelerate development in a particular geography and/or market segment.

Potential for margin improvement

The Industry business' operating margin should increase over the next years as a consequence of:

- the fixing of some existing underperforming business units and higher efficiency within the global shop-inspection network;
- the introduction of value pricing in higher value-added services;
- the implementation of the Core model - a large project within the Group which consists of the renovation of the IT production tools managing the scheduling of resources, the documents and the interfaces with customers.

Strong opportunities for cross-selling with other businesses in the Group

The Industry business is developing commercial synergies with the Group's other global businesses, particularly the new Commodities business, the IVS, the Certification, the Marine and Construction businesses.

For example, the Marine and Industry businesses have a combined growth project in the development of services for the offshore oil sector. The classification and certification of a new floating production, storage and offloading (FPSO) unit relies on the capabilities of the Marine business for structure classification and on the Industry business for process equipment and subsea pipelines certification. Once built and certified, the FPSO will also require the capabilities of the Industry business throughout its life to respond to annual regulatory safety and performance inspections or voluntarily imposed requirements.

Significant synergies have been identified with the new global platform in the Commodities business, namely the potential for cross-selling within the Oil & Gas and Mining sectors, where the two businesses are both very active.

OPERATIONAL ORGANIZATION

Within the framework of the matrix organization, the global Industry business' organization is decentralized. The Industry business relies on 15 key countries or regions where specific technical and commercial resources are located. These key countries are France, Brazil, Australia, China, the United States, Italy, the United Kingdom, Germany, Spain, China, Mexico, the Middle East, India, South-East Asia, Korea and Africa.

The key countries are supported, for strategic markets, by a central organization (Business Line) and Leadership Group (composed of managers representing key countries) dedicated to the development of new products, their deployment throughout the network as well as the rolling out of IT platforms for the production of our services. This central organization also supports the countries with the preparation of major international tenders and for strategic acquisitions diligences.

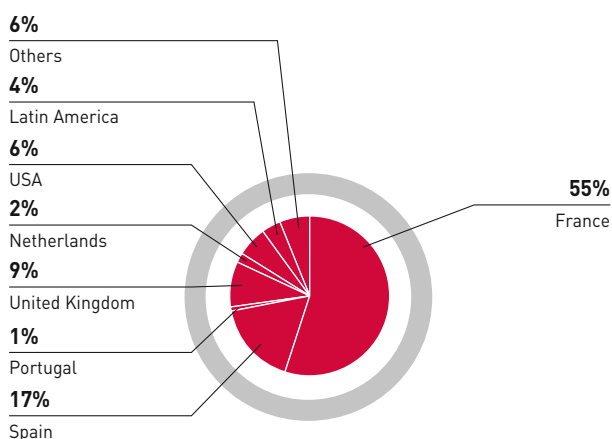
Technical Centers complete this global matrix organization to support the packaging of new services and the dissemination of innovation in their regional areas or major Industry technical centers that are operating in Brazil, France, the United Kingdom, the Middle East, China, South-East Asia, India, the United States and Australia.

1.5.3. IN-SERVICE INSPECTION & VERIFICATION

The In-Service Inspection & Verification (IVS) business verifies conformity of technical installations to regulatory requirements applicable to the technical installations of buildings and infrastructures (electrical installations, elevators, lifting equipment, pressure equipment, fire safety equipment).

In 2010, the IVS business generated revenue of €431.1 million (14% of the Group's consolidated revenue)⁽¹⁾ and had an adjusted operating margin of 12.2%. The Group is one of Europe's leaders in this market. The IVS business has historic key positions in France, Spain, Portugal, the United Kingdom and the Benelux countries and has more recently developed its position in the United States, Latin America and Eastern Europe.

► 2010 REVENUE BY GEOGRAPHICAL AREA



A GLOBAL TECHNICAL INSTALLATION INSPECTION SERVICE

The Group offers a comprehensive service offering covering all the regulatory requirements for periodic inspection applicable to the Group's clients.

The technical installations covered by the business' inspection services include:

- electrical installations;
- lifting equipment and other work tools;
- gas and vapor pressure equipment;
- fire equipment (rescue equipment, fire safety systems);
- elevators;
- heating equipment (particularly furnaces and aerothermodynamic equipment);
- automatic doors;
- ionizing ray equipment.

In France, the business' principal market, assignments concern mainly electrical installations, with the balance covered by lifting equipment, fire safety equipment, elevators, machinery, pressure equipment and heating equipment.

In Spain, assignments concern all of the above-mentioned technical areas, with significant growth in the assessment of low-voltage electrical installations.

(1) Including Inspectorate over 12 months (from January 1, 2010 to December 31, 2010).

In the United Kingdom, assignments concern principally fixed electrical and lifting installations, elevators and pressure equipment.

In the Netherlands, they primarily involve electrical installations, fire safety systems, elevators, pressure equipment and heating equipment.

In the United States, they concern elevators and other personal transportation systems and the periodic verification of pressure vessels.

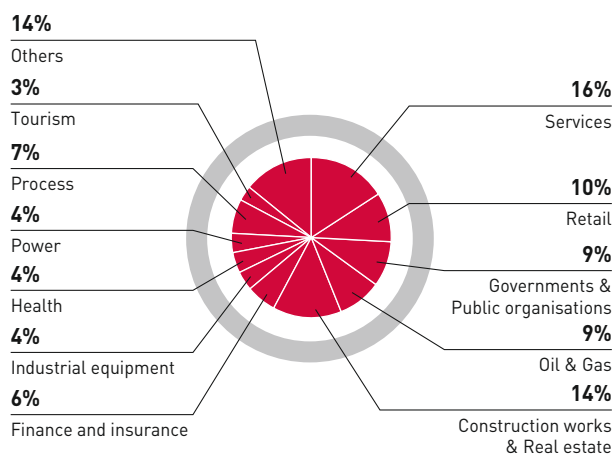
Conformity assessment assignments are carried out during initial inspection visits (before the equipment is put in service) or on a periodic basis (during the equipment's useful life).

As a complement to the principal in-service inspection activities the Group also offers its clients:

- technical support to bring equipment into compliance following regulatory inspections (relating to computer-aided maintenance management systems) and compliance audits;
- management of conformity for groups of buildings: monitoring of periodic control obligations and corrective actions, development of summary reports and statistics.

A HIGHLY RECURRENT BUSINESS

The Group's client base, shown in the chart below, is diversified and includes companies in a broad range of sectors including Services, Distribution, Construction and Real Estate and Oil and Gas.



Approximately 70% of the business' revenue in France is considered recurring and corresponds to multi-year contracts and automatically renewed yearly contracts, particularly for regulatory inspections. The proportion of long-term contracts varies by country. It is high in France, the United Kingdom and Spain and more limited in Italy, where the Group's market share is being built up. It is high in France, the United Kingdom and Spain and more limited in Italy, where the Group's market share is being built up. The higher level of recurring revenue in France is due to (i) market practices, as clients do not typically change their suppliers; (ii) the number of major clients requesting this service under two to six-year contracts; and (iii) the Group's reputation on the French market. In addition, clients generally use the business' services for conformity assessment of

several technical installations (between two and four, according to the country).

In general, the average size of the business' contracts is relatively low, particularly in Spain (€350), with the maximum average obtained in the United Kingdom (€3,000) and with an average of €1,200 in France. However, contracts with key accounts (multinational companies) can be for greater amounts, from €150,000 to €5 million per contract. Such contracts are typically for more than 3 years.

For example, the Group has long-term contracts for between three and six years with the following clients: Carrefour, CEA, France Telecom, BNP, RTE, SUEZ, Caisse d'Epargne in France; ENI, SANOFI AVENTIS in Italy; Royal Bank of Scotland, Norwich Union, Tarmac Group and Rolls Royce in the United Kingdom; Generalidad de Catalogne, ENDESA or Gas Natural in Spain, USPS in the United States.

MARKETS WHOSE DYNAMICS ARE LINKED TO THE REGULATORY ENVIRONMENT AND THE GRADUAL OPENING OF THE MARKETS TO COMPETITION

The Group believes that the market for In-Service Inspection & Verification, which is today mainly a European market, represents around €10 billion in revenue in Europe. The countries where the IVS business operates have certain common characteristics which determine the level of market activity:

- the regulatory environment (safety in public facilities, local labor codes) is increasingly strict, and criminal liability of managers is increasingly at risk. There is also the harmonization of regulatory requirements in Europe;
- local regulatory requirements in terms of initial expertise, ongoing training, methodology and IT tools strengthen the trend toward the corporate outsourcing of these activities to companies specialized in inspection;
- governments are reducing their role in regulatory inspections and relying more on accredited or approved companies (Italy, China and Central and Eastern Europe); and
- insurance companies are also reducing their traditional inspection activities prior to issuing damage policies, and are outsourcing these activities to inspection companies.

Market openness varies substantially by country and can be classified as follows:

- markets that are wide open to competition from the private sector (France, Spain, Portugal and Benelux);
- public monopolies which are very gradually opening up to the private sector (China, Russia, Eastern Europe, the United States, Turkey, etc.) in certain areas (fire safety equipment for example); and
- *de facto* monopolies dominated by professional or semi-state-owned associations (Germany) or by the inspection subsidiaries of insurance companies which offer combined inspection and insurance services (the United Kingdom). The application of European directives (particularly the Services Directive) will soon allow monopoly markets (such as Germany) to open up to market competition through the strengthening of antidiscrimination measures, and markets reserved for state-owned companies (for example Italy, Poland) to open up to private companies.

A LEADING POSITION IN EUROPE AND A STRATEGY OF GLOBAL GROWTH**A leading position in Europe based on numerous competitive advantages**

The Group believes it is the leading player on the market for In-Service Inspection & Verification in Europe, with a leading position in France, equivalent with Apave for certain technical installations and ahead of Dekra and Socotec. In the highly fragmented Spanish market, the Group is one of the leading players following the acquisition of ECA. In Italy, the market continues to be controlled by a small number of semi-public entities (ASL and ISPEL). In the United Kingdom, the insurance companies Royal Sun Alliance, Zurich, Allianz and HSB hold approximately 80% of the market, but the Group nevertheless has a strong presence.

The Group believes that it has many advantages which enable it to establish a competitive position on the market for In-Service Inspection & Verification services:

- the Group can provide a global offering both to local clients and international clients (key accounts, multiple-site clients) due to its broad geographical coverage and the diverse technical capabilities of its local teams, allowing it to offer a full range of necessary services;
- the Group possesses unique technical expertise, based on advanced methodological tools and technologies. The rollout of the Siebel/Opale integrated suite of tools in the Group's principal countries will help enhance the quality of service provided to clients. This project covers planning, the drafting of online inspection reports, the secure archiving of the entire production process and the provision of a web portal accessible to clients (reports and planning, regulatory information, etc.).

A global growth strategy adapted to each country

The Group's global growth and consolidation strategy in IVS is built around several components:

- consolidating and complementing its European network by obtaining authorizations to operate in the principal countries and through partnerships with leading local players in other countries. In particular, the Group plans to complement its European network with accreditations in the following major markets: fire safety (the United Kingdom, Germany, Scandinavia and Eastern Europe), pressure equipment (Germany and Scandinavia), lifting equipment (Italy, Germany and Eastern Europe) and electrical installations (Germany and Sweden);
- consolidating its position in opening markets through targeted acquisitions to reach critical size (Eastern Europe, Italy, the United States, Scandinavia and the Baltic States);
- reinforcing its portfolio of services to offer a consistent service offering for key international accounts to ensure equal coverage of equipment and facilities safety at all locations;
- launching new services using the skills of this business (such as monitoring outsourced maintenance).

The strategy is adapted according to the business' targeted geographical zones:

- France: maintaining the position as market leader, continuing the improvement of production processes and seizing growth opportunities related to new regulatory requirements (furnaces, elevators, air conditioning systems);
- Spain: strengthening the market leadership position both from a commercial (dense network, comprehensive offering) and technical perspective (optimized production tools, client portal);
- the Netherlands: pursuing a policy of targeted acquisitions to extend the services offered across the entire local market and improving returns on services by establishing appropriate computerized tools;
- the United Kingdom: developing marketing principally directed toward key accounts, improving returns on services by establishing appropriate computerized tools and establishing new services taking advantage of the Group's network (global multisite services, assistance combining the services of several businesses). In 2010, the Group streamlined its activity portfolio by discontinuing its electrical installation verification services for small and medium-sized clients, though this service is maintained for key accounts;
- Italy: consolidating the fragmented market by becoming market leader through a targeted acquisition policy (for example, the company K. Certificazioni, specializing in electrical equipment, elevators and ionizing radiation appliances, was acquired in 2010), benefiting from the gradual opening up of the market to private sector companies and increasing sales by relying on established regional sales structures;
- Germany: penetrating the monopolistic market held by the TÜVs after gaining the necessary accreditations;
- the United States: consolidating our position as market leader in the verification of lifts and elevators, extending the service offering to fire safety equipment and heating and ventilation installations;
- China: benefiting from the opening up of the fire safety equipment market to create a platform covering several Chinese provinces (Beijing and Shanghai).

Important synergies with other Group businesses

The IVS business benefits from important synergies with other Group businesses, particularly the Construction business. For example, in connection with new buildings serviced by the Construction business, In-Service Inspection & Verification services are systematically proposed once the building is put into service.

Since January 1, 2010, the old Health, Safety & Environment business' inspection activities, i.e. controlling and measuring water and gas emissions, checking the exposure of workers to pollutants and the quality of indoor air, have been merged into the IVS business. These activities, which represented revenue of around €69 million in 2010, supplement the services offered by the IVS business, thus allowing all of our clients' regulatory requirements to be covered. The integration of these services into the "Production Core Model" computer system is underway and will enable these activities to benefit from the same competitive advantages as the IVS business' traditional activities.

Means for improving the operating margin

One of the objectives of implementing the "Production Core Model" computerized tool is to enhance the business' organizational efficiency by optimizing the scheduling of inspectors' visits, standardizing the inspection methodologies and simplifying the production of reports. The experimental solution implemented throughout the entire France network in 2009 and 2010 helped confirm the improvement in the forecast operating margin. As the solution for the entire business is operational, it will be implemented gradually in 2011 in more of the business' key countries, such as Spain and the United Kingdom. The expected improvements in terms of productivity will be significant and should help improve the business' operating margin.

OPERATIONAL ORGANIZATION

The IVS business is organized around key major countries and geographical zones:

- European countries, with priority given to France, Italy, Spain, Portugal, the United Kingdom, Germany, Poland and the Netherlands;
- Turkey, the United States, Latin America, Australia, the Middle East, China and India.

A central business line department, along with the Industry & Facilities division's technical department, ensures the operational coordination of the network and provides support to local teams:

- for obtaining national accreditations and approvals required in each country;
- for maintaining and supervising the technical quality of service (through putting in place methodologies and technological tools, inspector training processes);
- for re-engineering processes and optimizing production processes.

1.5.4. CONSTRUCTION

The Construction business assesses the conformity of construction projects, such as buildings, civil engineering projects or works of art, with different technical standards of stability, water tightness, safety, comfort and zoning codes. Conformity assessment is performed through review and approval of plans, assignments to establish and monitor project-specific quality organizations during the design stage and inspections, tests and/or product qualifications during the construction stage. The Construction business also offers complementary services such as asset management and technical due diligence, as well as services linked to the post-construction life of a building (maintenance, adaptation rehabilitation, and demolition) which allow its clients to control the Quality/Safety/Environmental issues of their real estate assets under construction or in service.

The Construction business generated revenue of €427.8 million in 2010 (14% of the Group's *pro-forma* consolidated revenue for 2010)⁽¹⁾ and had an adjusted operating margin of 10.2%. The Group is a world leader on the market for conformity assessment applied to the field of construction, with key positions in France, the United States, Spain and Japan.

A DIVERSIFIED SERVICE OFFERING COVERING THE ENTIRE LIFE CYCLE OF ASSETS**An extensive service offering covering the entire life cycle of a construction project**

The Group's services allow it to offer a complete response to a comprehensive range of regulatory and contractual construction requirements. Its services consist of assessing the conformity of

construction projects, such as buildings, civil engineering projects or works of art, to different technical standards for:

- stability (structural, earthquake, geotechnical);
- water tightness (building exteriors, roofing, basements);
- safety (intrusion, fire and falls);
- comfort (acoustics, temperature, air quality);
- zoning (compliance with applicable codes).

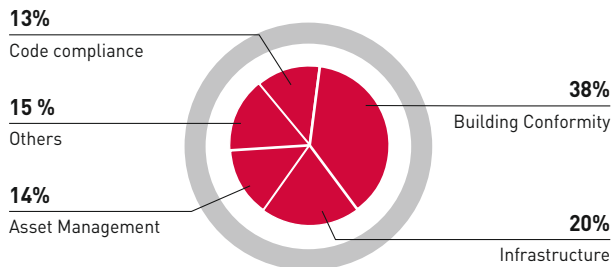
The Group assists its clients in managing all aspects of their construction projects and provides along for the entire life cycle of a building, construction project or industrial facility: from design (new projects or rehabilitation), to construction (risks, quality control), through commissioning (conformity clearance, participation in safety committees), use (maintenance, preparing visits) and in some cases sale or purchase transactions.

The services offered by the business can be divided into four main types:

- checking compliance with building codes and certain construction permit technical codes (code compliance);
- compulsory technical inspection of buildings and infrastructures as laid down by the law (of France) or encouraged by insurers and reinsurers (Spain, Italy and Japan);
- inspection, introduction and monitoring of quality plans of large infrastructure projects (ports, railways, roads and hydraulic projects) associated with cost control and planning monitoring contracts;
- assistance in the technical management of assets and supervising the maintenance of installations in service and contractual diagnoses prior to the purchase or sale of assets (technical due diligence).

(1) Including Inspectorate over 12 months (from January 1, 2010 to December 31, 2010).

► **2010 REVENUE BY SERVICE CATEGORY**



A cyclical character offset by the diversity of market segments and a rise in the importance of asset management services

Generally speaking, the recurring revenue of the Construction business is lower than the Group average, a large proportion of activities being associated with the conception and construction phases of projects.

This cyclic character is partially offset by a stable client base, a diversity of market segments in which the Group operates and the rise in significance of activities relating to existing assets.

This is because the Group is well positioned in public markets (infrastructures, health establishments) that are less sensitive to cycles than private buildings (residential and office buildings) because they depend on government investment policies.

Moreover, the proportion of services relating to assistance with the management of existing assets represented 14% of revenue in 2010 (compared to 13% in 2009). This rise is the result of asset owners' need to maximize the quality and the value of their assets during downturns in the cycle and the ability of Bureau Veritas' teams, particularly in France, to adapt to changes in the market (movement of teams toward growth services associated with asset management services and Green Building).

The Construction business' main clients include:

- real estate developers;
- large services companies (hotels, leisure facilities, banks, insurance companies, property rental businesses);
- buildings open to the public (such as hospitals, schools, roads, railways and ships);
- real estate investors and managers of major international real-estate portfolios;
- large retail companies;
- industrial companies moving closer to their markets or migrating production sites (in the automobile, energy and collective services sectors).

A CYCLICAL MARKET BUT A MARKET BENEFITING FROM PRIVATIZATION AND GREATER REGULATION

The Construction business' market, which the Company estimates amounts to around €26 billion on a global level, is composed of domestic and international markets.

The outsourced and privatized part of this market is expanding rapidly owing to the greater tendency toward outsourcing and privatization, with variations existing depending on the country and the regulations in question.

Domestic markets

Domestic markets include services provided to private companies (real estate developers, industrial companies, engineering) and public administrations (national and local administrations). These markets have different types of barriers to entry:

- regulatory barriers: authorizations and accreditations required for certain types of construction;
- recognition barriers: recognition by insurance companies (or re-insurers) of the ability to deliver compliance certificates;
- personnel qualification barriers: the need to use professionals who are qualified and/or certified by a regulatory authority.

International markets

International markets include services provided to major international players involved in building, acquiring or managing assets in numerous countries. This market consists principally of companies working on behalf of public services, companies managing international service networks (leisure, hotels, insurance, banks, etc.), existing real-estate investors and managers, retail companies and industrial companies that are moving closer to their markets or migrating their production facilities.

Global growth potential due to new regulations and new market requirements

In each of the major markets where the business is present, growth in the market for conformity assessment services depends on:

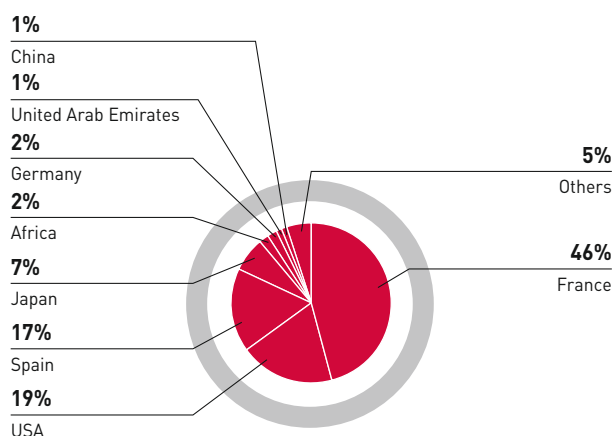
- the construction market for new buildings, particularly the two principal segments of collective housing and offices;
- investment activity and, more generally, the volume of real estate transactions;
- the enactment of new regulations (such as earthquake resistance, asbestos and lead standards);
- the creation of new product labelling creating demand for certification (high environmental quality, energy performance);
- the opening up of the market for infrastructure quality control and monitoring following the rolling back of State services (roads, bridges, dams, etc.);
- the increasing desire among property management companies and industrial and large retail companies to outsource the monitoring and management of the technical and administrative aspects of regulatory compliance for their buildings and facilities;
- the increasing trend among a number of national and local administrations to delegate to private accredited companies an increasing number of conformity assessment functions for existing buildings or new constructions. This trend has been observed in particular for over five years in Japan, in the Gulf states (Abu Dhabi, Saudi Arabia) and in most of the western and southern states of the United States.

The greater interest shown by builders and managers of real-estate assets in the performance of goods has considerably increased demand for services:

- in the field of energy performance (audits and diagnoses, action plans, energy saving certificates, etc.);
- in indicators recognizing the overall building performance (energy, economic maintenance, sustainable use of utilities, etc.) such as the Green Rating or more institutional labels (LEED, BREAM, etc.);
- in assisting managers to construct and monitor programs for the harmonizing of their assets.

DIFFERENT MARKET CHARACTERISTICS ACCORDING TO GEOGRAPHICAL ZONE

► 2010 REVENUE BY GEOGRAPHICAL AREA



In France, Bureau Veritas operates in the following three market segments:

- the Building Technical Control segment, which covers services for preventing technical problems during construction. This business is subject to the French law no. 78-12 of January 4, 1978 (the Spinetta Law);
- the Health and Safety Protection segment, which provides services for on-site safety coordination during construction: prevention plans and regulatory verifications (scaffolding, cranes, work site facilities, machines) the development of which is underpinned across Europe by a directive;
- the asset management services segment, which is still fragmented but is experiencing faster growth than the two other segments. This segment includes technical assistance services for construction: safety audits; stability of construction site enclosures; technical assistance to prepare for, or upon completion of, construction; start-up assistance for facilities open to the public; assistance for site management of fire security systems; and support for labelling and certifying projects.

In France, the reduction in the number of new private buildings constructed in 2010, along with the fall in prices, was partially offset by the rise in services assisting management of existing assets. The energy and regulatory diagnosis assignments carried out on existing public real estate in 2010 made a significant contribution to the increase in revenue from asset management services. The desire on the part of private investors to improve the energy performance and carbon footprint of their real estate assets has increased demand for detailed pre-construction diagnoses.

The regulatory or voluntary initiatives produced by the *Grenelle de l'Environnement* Round Table in France ensure long-term support for the diagnoses, control and regular performance evaluation assignments carried out on existing real estate.

In 2010, the Group finalized the launch of the "Green Rating Alliance" in partnership with the leading private real estate (residential, tertiary and commercial) investment companies; this structure, of which the Group remains the sole operator, allows it to take up a position as market leader on the certified environmental performance of existing buildings in Europe. A similar initiative is being examined in Asia.

Bureau Veritas also offers a wide service offering in Spain:

- technical inspection of private buildings, a service required by insurers for new construction projects;
- monitoring of safety management during works;
- inspection, introduction and monitoring of quality plans in major infrastructure projects (ports, railways, roads, hydraulic projects, etc.);
- the asset management services segment, which remains a fragmented market like in France and has experienced sustained growth;
- construction material testing.

In Spain, the new-build real estate market shows no signs of picking up in the short-term; the adaptation of the offer towards asset management services for existing assets (diagnoses on assets recovered by banks, energy diagnoses, etc.) allows the discontinuation of building technical control services to be partially offset.

The freezing of public funding for large infrastructure projects, announced in 2010, led to a significant reduction in calls for tender in the field of inspections for these constructions. This caused the Group to re-orient its offer with the launch of a monitoring service for existing constructions and to re-position its marketing towards Public-Private Partnerships (PPP).

The American market is potentially the largest in the world. However, the degree of market openness varies by segment and state. Bureau Veritas mainly operates in assessing plan compliance with construction codes, a segment that remains mostly under public control through municipalities and counties. However, outsourcing to private sector companies, which began several years ago (mainly in western and southern states), is still an underlying trend. Opportunities exist not only in residential and commercial real estate, but also in infrastructures (development of the code compliance business for the construction of power plants in California).

In 2010, the Group sold off all of its construction materials testing services in order to focus on services relating to the verification of compliance with construction codes. The contraction of the residential and commercial real estate market was partially offset by the vitality of activity related to energy production infrastructures (power plants).

In Japan, Bureau Veritas mainly operates in:

- the market for assessing plan compliance with zoning and building codes opened to privatization over five years ago;
- the technical inspection of constructions, a major new opportunity for the Group since the introduction of the law on ten-year insurance in 2008.

Despite the gloomy Japanese real estate market in 2009 and 2010, the Group's business continued to grow there, due to the ongoing privatization of the code compliance market and the development of new activities (technical control and asset management services for existing assets).

The Group also operates to a more limited extent in Germany and Italy, markets that are not very open to foreign competition.

Its expertise in these main industrialized countries has brought Bureau Veritas significant commercial success in emerging regions (the Middle East, Africa, China, Chile, India and Eastern Europe).

For example, due to Bureau Veritas' renowned expertise and to innovative methodologies, the Group is assessing the earthquake resistance of all buildings belonging to the L'Oréal group. Listing agreements have been signed with the two leading construction re-insurers in order to deliver voluntary technical control services on new projects in most countries in which the Group is active.

Large project management contracts have also been won in emerging countries supported technically and commercially by the reference countries, such as the development project for the Splendor urban complex in the suburbs of Hanoi, Vietnam.

A GLOBAL LEADERSHIP POSITION SUPPORTED BY A GROWTH STRATEGY TAILORED BY COUNTRY AND SEGMENT

A leading position in the construction market

In France, the Group is co-leader in the market with Socotec and ahead of Apave. On the Spanish market, the Group has been one of the leading players since the acquisition of ECA (2007).

In the United States, the Group is the leader in the market for assessing plan compliance with zoning and construction codes.

In Japan, the Group is second behind Nihon Teri.

Strong competitive advantages

The Group is the only player in the market bringing together:

- a presence in all market segments;
- extensive geographic coverage;
- a unique international reputation as an independent third party company.

The existence of a worldwide network offers commercial and organizational advantages. From the commercial perspective, the

Group can position itself with respect to global players such as hotel and retail groups or the major investment funds focused on acquiring and reselling real estate in all major urban and industrial areas of the world. From an organizational perspective, the Group is able to develop and specialize continental or regional technical competence centers (competence in the fields of earthquakes and geotechnology, energy efficiency and the performance of construction materials).

A growth strategy tailored by country and segment

The Group plans to pursue the following main strategies to reinforce its leadership position:

- develop the Group's presence in all key countries where the technical control activities are being privatized and where regulations are becoming more stringent; this development is aided by recognition by insurers and re-insurers and by the references and know-how built up in the sphere of European regulations;
- consolidate its network of high-level technical capabilities and develop a homogeneous global network sharing common methodologies;
- gain market share and a foothold in new countries thanks to its expertise, references and teams acting in the major rail, road and hydraulic infrastructure market;
- increase the Group's business with key accounts in the hotel, retail and leisure industries;
- extend the Group's geographic coverage to be able to support major international clients, particularly in Eastern Europe, Asia, the Middle East and Latin America.

In a highly fragmented market, the Group also plans to pursue opportunities for acquisitions which could enable it to accelerate its development along the above-described lines.

Real opportunities for cross-selling with other Group businesses

The Group plans to take advantage of cross-selling opportunities with the IVS business. As an example, in France, all new construction projects controlled by the Construction business receive an offer for in-service activities. The transformation rate is very high, at approximately 90%.

Similarly, the Construction business benefits from strong synergies with the Industry business and is thus well-positioned to complete technical control or third-party monitoring assignments on business expansion projects for industrial clients in emerging countries.

Since January 1, 2010, part of the services of the old Health, Safety & Environment business has been merged into the Construction business (revenue of around €53 million in 2010). These are HSE due diligence services, assistance with Green Building certifications, measuring the environmental performance of existing buildings (Green Rating) or improving energy efficiency. Demand for these services is high, the amount of existing real estate to which these services apply is also considerable and the main national or global players are mostly already clients. The Construction business has also taken over HSE activities carried out in the United States, i.e. activities associated with the environment (decontamination, site audits) and safety in the workplace.

Means for improving the operating margin

In 2010, in the context of a severe crisis in the real estate market and reduced funding for public infrastructures resulting in a fall in volumes, the business was able to maintain a satisfactory margin, above 10% of revenue, thanks to the repositioning of the services it offered and to adaptations made in Spain and the United States. Any improvement in the conditions of the real estate market should lead to an increase in the margin level.

OPERATIONAL ORGANIZATION

The Construction business is organized around major countries in Western Europe (France, Spain, Germany and Italy), the United States and Japan.

In addition to this geographic organization, the business has a presence in some countries in Eastern Europe, the Middle East, Africa and Asia, for which the Group's facilities in France serve as technical competence centers.

The decentralized organization uses a central team based in Paris and focused on two specific segments: key accounts (hotel and retail) and major investors requiring technical audits on large portfolios of real estate assets.

Within the matrix structure, a transversal practice and knowledge group was created to allow the business' main geographic entities to:

- share best practices, standards and tools;
- make an inventory of and allow for the sharing of high-level technical capabilities;
- prepare technical notes for each country (risks, legal environment, work methodologies);
- manage major multinational projects for asset management and technical due diligence.

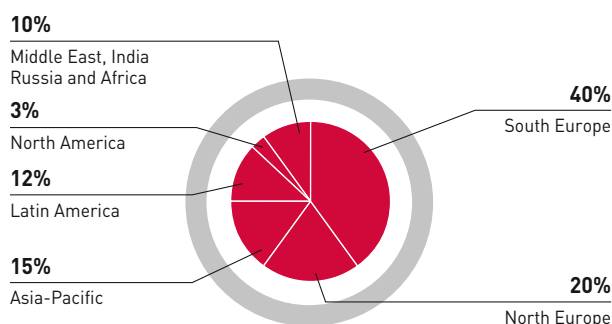
A central organization was created, wholly dedicated to coordinating this set of practices, whilst also making it possible to uncover competent managers in these fields, geographically mobile and able to help the target countries to develop these services while offering relevant advice with regard to the swift establishment of local strategies. In 2010, this central entity produced key developmental projects such as the development of a range of third-party assistance services (quality of constructions, safety of construction site staff, monitoring of schedule and costs) for real estate and industrial investors building far from their head office, the development of the "Green Building" service offering and a combined HSE and Construction offering, which is now available to the entire Bureau Veritas network.

1.5.5. CERTIFICATION

The Certification business certifies that the quality, safety, health and environment management systems utilized by the Group's clients comply with international standards, usually ISO norms, or national and/or sector standards. In addition, the business offers assessment services to large companies that wish to audit and/or certify certain elements of their organization or network, such as their suppliers and/or franchises.

The Certification business generated revenue of €321.6 million in 2010 (10% of the Group's 2010 *pro-forma* revenue⁽¹⁾) and had an adjusted operating margin of 20.6%. The Group is the world market leader for certification with key positions in France, Spain, Italy, the Netherlands, Denmark, Sweden, Turkey, Brazil, India, Japan, China and Thailand. The Certification business is present in 75 countries.

The Certification business' revenue in 2010 is presented below by geographical zone:



(1) Including inspectorate over twelve months.

A FULL AND INTEGRATED RANGE OF CUSTOMIZED AUDIT AND CERTIFICATION SERVICES

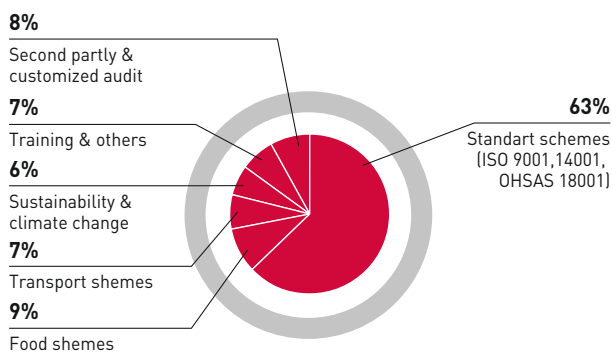
Services covering a broad range of standards or customized audits

The Certification business provides a full and integrated service offering. Dedicated to assessing and certifying management, product, service and personnel systems, it covers all national and international, general and sector-specific quality, environment, health and safety and social responsibility standards as well as private reference systems.

This service offering includes:

- conventional QSHE management system certification projects based on standard public principles applicable to each market segment: Quality (ISO 9001), Environment (ISO 14001), Health and Safety (OHSAS 18001);
- sector solutions specific to the industrial sector in which the client is operating, in particular in the automotive (ISO TS 16949), aeronautics (AS 9100), rail (IRIS), food (ISO 22000, HACCP management of food health and safety), forestry/wood (FSC/ PEFC etc.) and health industries, etc. In France, it also provides certification services for product labels in the food sector, and was providing, until the loss of the contract in October 2010, airworthiness certification services for aircraft operated under the French flag (delegation of powers from the French civil aviation authority – DGAC);
- assessment services dedicated to risk management and management of the supply chain: audits of suppliers and franchises, internal audits, services dedicated to trade security (ISO 28000, TAPA [Transported Asset Protection Association]) and information security (ISO 27000).

► 2010 REVENUE BY CERTIFICATION SCHEME



The innovative VeriCert system helps increase the added value given to customers by allowing a customized audit to be carried out for each company including risks or key processes identified.

The system is based on a methodology that allows the audit to be adapted and focused on the risks specific to the company's business sector and to its organization in order to assess its compliance and performance using a scoring system. This system takes advantage of the international expertise built up by the Certification business in all business sectors and with respect to all certification schemes.

It means that dealings with customers can go beyond compliance certification. This innovative system has been extremely well received by customers and is generating real interest. Customers such as PSA Finance, VGG, Rolls Royce and Finmeccanica have therefore chosen this system to carry out either their internal or external audits.

These projects can either be carried out according to a reference system drawn up by the customer or with the standard QSHE norms. These types of services correspond particularly to the needs of large companies.

A diversified portfolio of clients

The Certification business' client base, which has close to 100,000 clients, is divided into three categories:

- large international companies such as IBM, Nestlé, Magna, Tata Motors, Osram, Bekaert, Bombardier, Rolls Royce, Nexans, Sony and Barilla. These companies seek external certification of their quality, safety and/or environment management systems for all their sites all over the world, guaranteeing a standard audit system and integrated management of all operations throughout the world. They may also need specific certification on the basis of standards which they have defined for their franchise networks, resellers, brand carriers or suppliers;
- large national companies such as Thai Airways, Omron, Legrand and the City of Dallas also seeking certification of their management systems according to standard quality, safety and environment reference systems or according to sector-specific reference systems. By continually improving their procedures and their organization in this way, these companies also aim to achieve higher performance levels. Certification is also a way of improving a company's image;
- small and medium-sized companies for which certification of their management systems may be a condition of access to their principal markets: export markets, public markets and high-volume markets such as the oil, automobile, aerospace or pharmaceutical industries.

A strong level of recurring revenue

The revenue of the Certification business is recurring as approximately 90% of the contracts are multi-year. Due to the long-term contract portfolio, taking into account the new contracts acquired each year and the growth of the business, the Group considers that it has a strong visibility on 70% of the revenue to be made the following year. Certification services are generally provided on the basis of a three-year cycle, with an initial audit phase during the first year and renewed audits affected through annual or semi-annual supervision visits during the next two years. The certification process is generally renewed by the client for a new cycle at the end of the three-year cycle. The average attrition rate observed for these three-year certification missions is low. It varies by country from 5% to 8%, and generally reflects clients who have ceased their activity, who no longer seek to be active in the markets for which certification was required, or who have grouped together. However, the difficult economic environment in 2010 led to an increase in the attrition rate, particularly in the United States, Spain, Italy, the Netherlands and France. This also forced certain clients to postpone recertification for a few months.

AN ACTIVE AND GROWING MARKET**A market that is still growing and offering opportunities**

A client's decision to use a certification service reflects a voluntary choice, since no regulation requires certification, but there are various driving factors:

- some countries grant advantages to companies which initiate certification procedures (subsidies, tax reductions);
- possession of a certificate is often required to participate in public bids and/or to be considered by certain clients.

For small and medium-sized companies, certification represents a competitive advantage, the guarantee of benefiting from professional standards or even a requirement by their clients or parties placing orders.

For large international companies with facilities throughout several countries or continents, certification offers a means to rationalize processes and spread best practices around the world while joining forces in relation to issues and schemes shared throughout the world.

Different growth trends depending on the market segment

The market targeted by the Certification business was estimated by the Group to represent around €4 billion in 2010, and is divided into three principal segments with different growth trends:

- the quality, safety and environment segment represents approximately 65% of the world market for systems certification. It should experience moderate growth during the coming years, mainly sustained by emerging countries. This segment mainly consists of certification services based on ISO 9001, ISO 14001 and OHSAS 18001 standards;
- the specific sector requirements segment represents approximately 25% of the global market. The rapid growth in this segment is down to the greater use of food safety standards, reference systems in the Forestry/Wood sector or reference systems relating to information management security (ISO 27000), as well as more traditional standards such as those for the automotive, aeronautical and rail industries;
- according to the Group, customized certification services for the specific needs of large multi-site and international companies represent approximately 10% of the market. This segment is also experiencing rapid growth, which should be sustained by the desire of large international companies to adopt sustainable growth and social responsibility approaches and to outsource supervision of their supply chain (suppliers) and distribution chain (distributors, agents, branches or franchises) to reduce economic and financial exposure as well as quality and reputation risk. Finally, the use by these large companies of international certification programs (multi-site certification and/or certification integrated with several standards) gives them a better overview of their operations and enables them to rationalize their processes and introduce measures for ongoing improvement.

A strong emphasis on developing new products & services

The issues industry is now facing on a global scale are increasingly complex, such as greenhouse gases and their impact on the

world's climate. Certification business, industry and governments are working to bring solutions to these problems, through global agreements and standards, such as the CDM and Joint Implementation program, designed to control and equalize polluting and non-polluting sources of energy. These programs require implementation of systems and data verifications to ensure traceability in order to build confidence in their integrity. Biofuels, for example, are also gaining in importance as a partial solution to our energy needs and the issue of greenhouse gas emissions. Certification is a way to answer these new and global challenges and the Certification business is investing to support its clients to address these complex requirements and has developed several new offerings for climate change, sustainable growth and social responsibility services; specifically adapted to both small to mid-sized and large companies wishing to better incorporate these new factors in their strategy and operations to answer their stakeholders' demands. These services include: sustainable reporting, code of ethics, social responsibility audit (ASR, SA 8000, ISO 26000), greenhouse gas emission verification (ISO 14064, Clean Development Mechanism/CDM, Joint Implementation/JI, Emission Trading Scheme/ETS, Voluntary Carbon Standard, Gold standards).

Accredited by the IRCA (International Register of Certificated Auditors), the Certification business offers training in quality, environment, health and safety, social responsibility, food safety, information system security and business continuity.

A LEADERSHIP POSITION ON THE CERTIFICATION MARKET

The Group believes again that in 2010 it was the leading player, together with some other global players (SGS, DNV, BSI and Lloyd's Register), in a market which is still fragmented, with more than two thirds of the world's certification business being conducted by local and/or small players. In particular, the Group believes that it is the leading accredited certification market player in Brazil, Spain, the Netherlands and Thailand, and that it is the largest company in the sector after the national certification organizations in Denmark, France, Turkey, Poland and Russia.

Thanks to this global presence, Bureau Veritas is well positioned to help its clients develop in emerging zones, particularly in Asia. The certification business contributes to developing trust in these emerging markets that are upstream in the supply chain.

Strong competitive advantages

The Group possesses strong competitive advantages:

- a wide and diverse service offering covering all certification services, offering responses specific to the main business sectors and providing innovative, customized solutions to companies wishing to improve their performance;
- a global network of qualified auditors in the principal geographical zones, which ensures that the Group has critical size in local markets;
- expertise universally acknowledged by over 40 national and international accreditation bodies;
- a one-stop-shop, thanks to its very broad range of expertise, Bureau Veritas' certification simplifies the management of the most complex projects (multiple certifications, international issues, etc.);

- high-performance report management tools enabling customers to consult their audit results for all of their sites throughout the world and establish key business indicators such as the number of audits already planned, areas of non-compliance, certificates issued and invoicing;
- a certification mark that is known and recognized all over the world as a symbol of know-how and professionalism, enabling customers to enhance the image of their company and gain the confidence of their customers and partners;
- numerous synergies with other activities of the Group offering opportunities for cross-selling, collaborative marketing for key accounts (multi-site clients with international networks) and sharing of back-office functions and marketing tools.

High barriers to entry limit the emergence of new global players

The emergence of new global players on the certification market is made difficult by high barriers to entry:

- the need to obtain and maintain a portfolio of worldwide accreditations, based on internal rules and procedures validated by accrediting organizations. The Group is accredited by more than 40 national and international certification organizations. Certain accreditations may be utilized on a global basis, for example the UKAS accreditation (the United Kingdom) and the ANAB accreditation (the United States);
- the need to own and operate through a network of auditors qualified in different products and having appropriate experience in each industrial sector covered;
- the need to achieve critical size at local level, since minimal market share is necessary to be profitable in large countries.

A targeted growth strategy

Another important element for the Certification business is that there are significant differences between the mature, essentially western markets, versus the emerging markets of the south and the east. Here again, adapted products and the quality of service are key as these two markets do not share the same rates of growth.

The Group plans to pursue a growth strategy based on large contracts, innovation and mass market adapted to needs of the Mature and Emerging Markets:

- selling and deploying large contracts, targeting headquarters of clients in G20 Countries. The Certification business has opened its first large contract hub in Poland (Northern & Eastern European zone), aimed at providing a dedicated and efficient large contract delivery service;
- concentrating its marketing efforts on key accounts in key industrial sectors (Aerospace, Automobile, Electronic, Transportation, Oil and Gas) and on all players in some sectors (Agro Food, Wood-Paper-Furniture);
- taking opportunities created by the emergence of new certification schemes. In some cases, these new schemes may be linked to the introduction of new (local or international) rules. This is the case, for example, with the certification of bodies using refrigerants which needs such certification under European regulations if they are to continue trading. In France, Bureau Veritas' certification is the benchmark player for the certification of these bodies (companies and partnerships);

- increasing the penetration of the mass market by taking advantage of business related to ISO 9001, ISO 14001 and OHSAS 18001 standards in areas where the potential for growth remains strong, and assisting customers in their development to meet specific sector needs.

Significant investment in new technology to increase customer satisfaction and maintain high profitability

The Certification business is making significant investments over the 2010-2012 period in the new information system platform and rolling this out to all countries over this period. The new tool has already been implemented in France, Brazil, Spain, Portugal, Japan, the United States, Canada, Italy, China, the Netherlands, Belgium and Thailand. Other regions should be covered in 2011. This investment in high-performance information systems will provide a core module for scheduling of auditors, the remote interaction with customers and auditors via dedicated portals and the production of audit reports; all this will enable economies of scale to be achieved, productivity to be maximized and customer information to be maintained in real time.

Performance improvement programs in previous years have led to an improvement in the rate of use of employee auditors (at a level above 75%) and optimization of the split between employee auditors and subcontracted auditors to better respond to production seasonality, all leading to maintaining the profitability of the Certification business at a high level.

Opportunities for cross-selling with other Group businesses

The Group plans to take advantage of opportunities for cross-selling with other Group businesses, in particular the Consumer Products business (audits of suppliers or production sites of manufacturers and retailers, audits of client services in automobile manufacturing networks, social audits), the Industry and IVS businesses (internal audit programs for international clients seeking to verify that their sites apply internal management systems typically based on a mix of ISO norms and other QHSE requirements), the Marine business (ISO certification of equipment providers at the request of shipyards) and the Government Services business (assisting companies in obtaining customs approval for international trade – Authorized Economic Operator/AEO, Customs Trade Partnership against Terrorism/C-TPAT, etc.).

OPERATIONAL ORGANIZATION

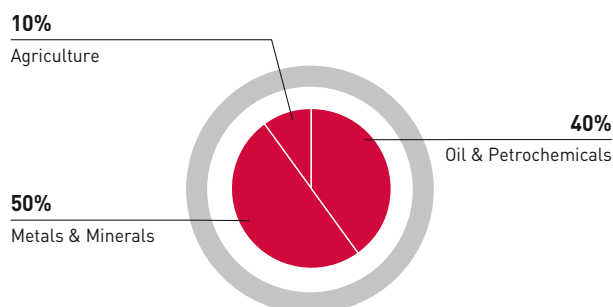
Within the matrix structure, the Certification business uses a decentralized structure of approximately 75 operational units supported by a central department. This department has four responsibilities: the supervision of major international contracts; the development of new products adapted to new standards or the evolution in international standards; the technical direction of the business and the maintenance of all existing accreditations throughout the world; and transforming operations management, which it is doing by creating a global shared service center for integral management of international schemes and the launching and supervision of operational performance optimization projects (POP).

1.5.6. COMMODITIES

A new Commodities business has been established since January 1, 2011, regrouping all the activities of Inspectorate acquired in September 2010. Bureau Veritas' Mining and Minerals activities reported under the Industry business and oil inspection services reported under the GSIT business until December 31, 2010. This new business provides a wide range of inspection and laboratory testing services to three main market segments: Oil and Petrochemicals, Metals and Minerals and Agriculture.

The Commodities business generated revenue of €488 million in 2010 on a *pro-forma* basis - consolidating Inspectorate over 12 months - (15% of the Group's 2010 *pro-forma* revenue).

► 2010 PRO-FORMA REVENUES BY MARKET SEGMENT



OIL AND PETROCHEMICALS

The Group, through the acquisition of Inspectorate, is a leading provider of oil and petrochemical laboratory testing and inspection services. It provides inspection and testing of all oil and petrochemical products including crude oil, light distillates such as LPG, naphtha, gasoline, diesel, jet fuel; heavy distillates such as heavy fuel oils, bunker fuel; and petrochemicals such as acetates, acrylates, alcohols, aromatics, solvents and other speciality chemicals. The O&P commodities business is mainly focused on custody transfer inspection and testing of bulk marine cargos, in remote locations of crude oil production and in the major oil refining centers of the world. More recently laboratory services has become an important growth area and specifically outsourcing of laboratory services to oil refiners. A fast developing market is the demand for laboratory support services to the upstream sector to support oil exploration and production throughout the world.

Bureau Veritas acquired Inspectorate group in 2010 which had, in recent years, made a number of acquisitions as part of its growth strategy including:

- NOIS, the Netherlands, 2004;
- Cargo Survey, Sweden, 2005;
- Acacus, Malta, 2006;
- IPEC, Portugal, 2006;

- Gazelle Testing Services, South Africa, 2007;
- CR Cox, Australia, 2008;
- Inpechem, the Netherlands, 2009.

A full range of services supporting the Oil and Petrochemicals industry

The Commodities business provides the Oil & Petrochemical sector with much needed inspection and testing services through an extensive global network of field operatives, chemists and coordination teams. The main focus of the Oil & Petrochemical activities includes marine cargo inspection, laboratory testing/laboratory outsourcing and specific specialist services.

INSPECTION SERVICES

Cargo inspection services can assist in providing assurance that valuable bulk commodities are delivered within agreed specifications and limits, avoiding contamination and reducing losses. Inspectorate helps to protect commercial interests and minimizes risk during cargo storage or transportation.

The Commodities business manages global operations through a series of coordination centers spread strategically around the world. Working closely with the client, locally based surveyors are deployed to ensure a rapid delivery of sampling, analysis and certification.

The team inspects ships, barges, shore tanks and containers holding products ranging from crude oil through to more complex and sophisticated petrochemicals. Often working in demanding conditions, inspectors are trained in, and follow, strict health and safety procedures covering all technical aspects of petroleum and petrochemical products.

ANALYTICAL SERVICES

Independent analytical service provision is vital in the certification of products against industry specifications and in retaining the value of bulk cargos.

Impartial testing service reduces business risk and protects product integrity. Analytical results are also used to improve efficiency and quality of the ever increasing sophistication of oil refinery and chemical plant processes.

The Commodities Business maintains a global chain of 90 Oil and Petrochemical laboratories dedicated to supporting the Oil and Petrochemical industry. With laboratories strategically located close to major trading ports, terminals and refineries, Inspectorate provides rapid turnaround analytical solutions.

With global centers of excellence based in Houston, Rotterdam and Singapore, the Commodities business continues to invest in high-end, state-of-the-art analytical equipment, providing the ability to conduct research and development projects alongside more standard quality control/assurance.

SPECIALIST SERVICES

Blending Services: gasoline and fuel blending requires intimate knowledge of petroleum chemistry, ships' loading systems and terminal tankage. Bureau Veritas' experts facilitate both shore tank and on-board blending using both laboratory testing and latest software packages.

Crude Oil Assays: by providing analytical and compositional data for crude oils to the exploration and upstream sector, Bureau Veritas Oil & Petrochemicals laboratories allow producers and refiners to make strategic decisions regarding the suitability of oils and consequently the characteristics and value of each distillate.

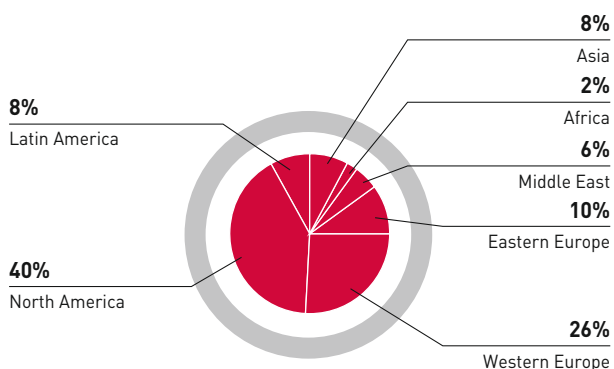
Additives: Commodities business offers cargo treatment services designed to assist products fully meeting contractual obligations. With the help of laboratory trial blending to ensure cost effective addition, Inspectorate both facilitates and supervises addition of the treatment.

Biofuels: as demand for renewable energy increases the Commodities business has and will continue to respond by offering a full range of services to the biofuel industry. Further to inspection and analytical services Bureau Veritas now offers independent carbon and sustainability auditing of biofuel supply chains.

Laboratory Outsourcing: the Commodities business has a proven track record in the outsourcing of laboratories in the Oil and Petrochemicals sector. Oil and Petrochemical laboratories, strategically located in both remote and refining centers, are well positioned to provide routine and non-routine laboratory support, providing both financial and technological benefits to the Oil and Petrochemical industry.

An extensive global coverage and a strong position in key refining centers

► 2010 PRO-FORMA REVENUES⁽¹⁾ OF THE OIL AND PETROCHEMICALS SEGMENT BY GEOGRAPHICAL ZONE



(1) Including inspectorate over twelve months.

The newly acquired Inspectorate group has 90 high-tech laboratories and qualified O&P measurement and inspection experts in 86 countries.

The O&P global laboratory network is structured on a spoke and hub network with large laboratories with full and extensive capability in key oil refining centers providing strong technical support to customers and to the smaller satellite laboratories in more remote locations.

The Oil & Petrochemicals business is managed from three strategic O&P locations: Houston, London and Moscow. These three locations are major O&P trading centers and headquarters for many of the major oil companies and traders. Additional support is provided by other key locations at Rotterdam, Singapore and Dubai.

An established presence with major oil companies and trading customers

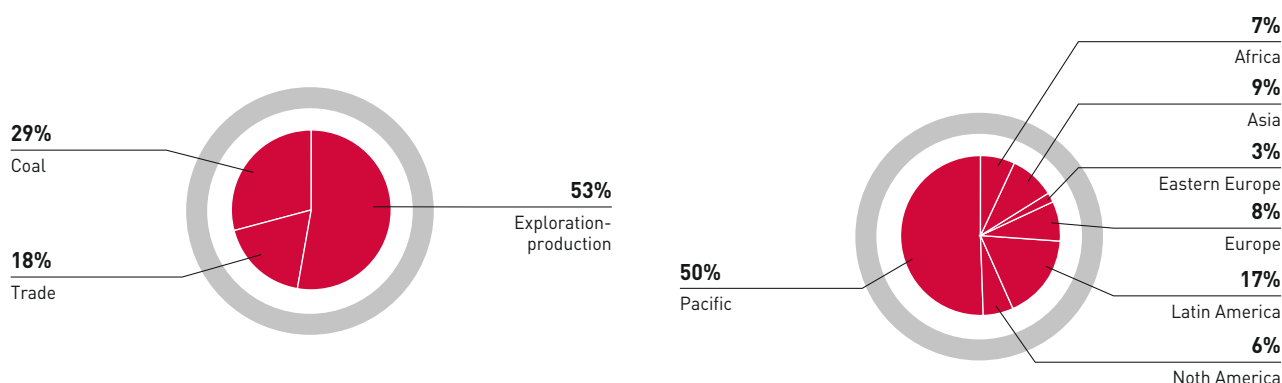
Bureau Veritas has numerous long-standing relationships with leading operators in the Oil & Gas industry that have been developed over a number of years and across a broad range of projects. Key clients of the Oil & Petrochemicals segment include Q8, Shell, Total, ExxonMobil, Chevron, BP, Lukoil, Vitol, ConocoPhillips and Valero.

METALS AND MINERALS

The Metals & Minerals segment encompasses former Bureau Veritas' Mining and Minerals segment (reported under the Industry business until 31 December 2010) and the Metals and Minerals segment of Inspectorate. It provides a wide range of inspection and laboratory testing services to the mining industry, covering all minerals (coal, iron ore, base metals, bauxite, gold and precious metals, uranium) and metals (coke and steel, copper cathodes, bullion). These services can be split in two broad categories: exploration and production-related testing services (upstream services) and trade-related inspection and testing services (downstream services).

The Metals & Minerals segment has been built through a series of acquisitions conducted since 2007:

- June 2007: acquisition of CCI, the leading provider of coal inspection and testing services in Australia;
- April 2008: acquisition of Cesmec, one the leading providers of sample preparation and geoanalytical services in Chile;
- May 2008: acquisition of Amdel, the leading provider of geoanalytical and mineral processing testing services for non-coal minerals in Australia;
- December 2008: acquisition of GeoAnalitica, one the leading providers of geoanalytical services in Chile;
- June 2010: acquisition of Advanced Coal Technology, a leading provider of coal exploration testing services in South Africa;
- September 2010: acquisition of Inspectorate, a global leader for the inspection and analysis of all commodities (oil and petroleum, metals and minerals and agricultural products).

► METALS & MINERALS 2010 PRO-FORMA⁽¹⁾ REVENUE BREAKDOWN**A one-stop shop provider of inspection and testing services across the full life cycle of metals and minerals**

Bureau Veritas offers a complete portfolio of inspection and testing services for metals and minerals. These services can be split into two broad categories: exploration and production-related testing services and trade-related inspection and testing services.

Exploration and production related services

Exploration and production related services involve testing services that provide mining companies with critical information over the life of a mining project. These services are provided for all minerals, from coal to iron ore, base metals, uranium, bauxite, rare earth, etc. and can be split into three categories:

- **sample preparation** involves the preparation of samples through crushing, grinding and pulverizing of drill cores or bulk ore bodies to obtain homogeneous samples that are representative of the ore body to be analyzed;
- **geoanalytical testing** services involve an assessment of the mineral content or chemical assay of the ore body and are primarily linked to mineral exploration and grade control analysis (production);
- **mineral processing testing** services are undertaken to assess the optimal methodology or processing route available to extract the valuable minerals from the ore body and are usually related to feasibility studies, resource definition and process optimization.

Trade-related inspection and testing services

Trade-related inspection and testing services aim at verifying and certifying the value of shipments by assessing the quantity and quality of commodities as they are shipped. They include pre/post pad inspection for cleanliness and/or contamination of shipments, quantity and quality inspection of commodities at truck and train discharge and on loading of export cargos, stockpile monitoring/surveillance, temperature monitoring, moisture analysis, physical properties testing and chemical analysis.

A balanced portfolio of activities

The Commodities business benefits from a diversified portfolio of activities across:

- all metals and minerals;
- all stages of the mineral production cycle: exploration, production/grade control, trade;
- geographies;

This balanced portfolio enables Bureau Veritas to:

- better weather cycles in commodity trading volumes and mineral exploration spending, compared to players only active on the exploration front;
- service mining customers from "pit to port," throughout the life of their mining operations. This ensures the company is well-positioned to assist projects as they mature, from the exploration and production phases to shipping and transformation.

Bureau Veritas has a conscious strategy of continuing to develop opportunities in the attractive Metals & Minerals market, while maintaining a good diversification of its revenues across the full life cycle of minerals, by commodity and by geography.

An established presence with major mining and trading customers

Bureau Veritas and Inspectorate have numerous long-standing relationships with leading mining houses, mineral traders and other mineral transformers (refineries, recyclers) that have been developed over a number of years and across a broad range of projects. Key clients of Bureau Veritas' Metals & Minerals segment include BHP Billiton, Rio Tinto, Codelco, Vale, Xstrata, Riversdale, Glencore, Trafigura as well as more junior exploration companies, metal producers and traders.

Superior technical capabilities

With around 100 laboratories in 27 countries, Bureau Veritas has world-class facilities in all of its mining and minerals activities, and in particular:

- Inspectorate's Witham site is the largest umpire laboratory globally, with world-class expertise in precious metals and non-ferrous metals;

(1) Including inspectorate over twelve months.

- Ultra Trace in Perth is one of the largest geochemical laboratories in the world and the largest XRF facility globally;
- Bureau Veritas' coal analysis laboratory in Brisbane, Australia.

The reputation for service delivery, technical excellence and innovation built by Ultra Trace, Amdel, CCI and Inspectorate over decades allows Bureau Veritas to offer quality support laboratories and inspection centers wherever they are located globally.

In 2011, Bureau Veritas will build a regional competence center for coal exploration services in Pretoria, South Africa, to leverage the presence of Bureau Veritas in the region following the acquisitions of Advanced Coal Technology and Inspectorate.

AGRICULTURE

Bureau Veritas Commodities business, through the acquisition of Inspectorate, is a leading provider of inspection, certification and laboratory testing services to the agriculture and food industries, covering the entire supply chain (from farm to fork). These services can be split in two broad categories: agricultural commodities inspection and testing services (dry, liquid, bulk and bagged); and food and feed inspection, certification and testing services.

The Agriculture capabilities have been built through organic growth in key production, export and import markets. A network of state-of-the-art testing laboratories and inspection facilities covers key global markets.

A complete offering covering the entire supply chain

Bureau Veritas offers a complete portfolio of inspection, certification and testing services for agricultural commodities and food products. These services can be split in two broad categories:

Agriculture commodities inspection and testing

The Agriculture business offers an extensive range of third party inspection services as well as independent testing and provision of certification. Services cover all the agro-commodities internationally traded in dry, liquid, bulk or bagged forms. It concerns mainly agro-commodities (grains, vegetable oils, biofuel feedstock and by-products, crude and refined glycerin) as well as fertilizers.

Inspection services maximize control at every link in the supply chain - from hold and hatch surveys to loading and discharge supervision. Through Inspectorate's coordination centers in the United States, Switzerland and Singapore - along with the global network - Bureau Veritas works with its customers to ascertain their inspection needs wherever they may be in the supply chain. Services can be tailor-made to ensure customer needs.

Services include:

- **on-site quality control:** Bureau Veritas checks grain grades loaded on silos as part of the quality control system. This system helps ensure cargo grades remain within specifications per vessel contract. These checks include: test weight, moisture, protein, possible foreign substances, damage, shrunken and broken;
- **quality supervision on export vessels:** hold cleanliness inspections, opening and closing draft surveys, supervision of loading operations to confirm goods are in agreement with the contract specifications and supervision of scales and weighbridge operations;
- **umpire/arbitration and party analysis:** whenever there is a dispute between a buyer and seller, Bureau Veritas is used as a third-party arbitrator to solve the dispute.

Food safety inspection, certification and testing

The Agriculture business delivers services to key food markets with tailor-made solutions for the entire food chain. It operates a network of testing laboratories and offices that provide inspection services, product testing, audits, certification and training. Key analyses include veterinary drug residues, pesticides, heavy metals, organic contaminants, nutritional testing, allergens, colorants and dyes, microbiological, chemical and environmental.

Skilled inspectors and auditors are present in all major production and shipping centers to verify the quality, packing and quantity of food and feed products throughout the supply chain, from farm to fork.

In addition to serving the food and feed industry, the Agriculture business offers services to local Government entities in charge of food safety, ensuring that food production and exports comply with international regulations and are safe to consumers in major global markets. The governments of Costa Rica, Ecuador, Guatemala and Panama have entrusted the screening of seafood exports for the presence of prohibited veterinary residues and contaminants to the Agriculture and Food business.

High technical capabilities

The Agriculture segment operates 15 world-class laboratories in 10 countries and in particular:

- Inspectorate's Guayaquil, Ecuador laboratory is an official laboratory for the governments of Costa Rica, Ecuador, Guatemala and Panama. The laboratory is equipped with state-of-the-art equipment allowing analyses of banned and controlled residues in agro-food matrices to trace levels;
- Inspectorate Santiago, Chile is the main supplier of analytical data to the animal feed industry in Chile. The animal feed industry in Chile is key to the important salmon, poultry and beef sectors. The early detection of banned or controlled residues in the supply chain ensures the safety and security of animals used in food production;
- Inspectorate America Corp., Galena Park, TX is the main laboratory for the United States and Canada agricultural commodities such as grain, vegetable oil, tallow and fertilizers.

Established presence with major Agriculture and food companies

The Agriculture and Food business has numerous long-standing relationships with leading agriculture and food companies that have been developed over a number of years. Key clients include Cargill, ADM, Louis Dreyfus, Nestle, Wal-Mart, Dole, Del-Monte, Darden Restaurants, as well as several large local companies involved in the production and trade of agricultural commodities and food products.

A STRATEGIC MARKET WITH STRONG POTENTIAL**A high growth market**

The Group believes that the market for the Commodities business represents over €5 billion and should benefit from the following factors:

- continued long-term growth in demand for commodities in fast-growing zones, particularly China, India and Brazil;
- international trade of commodities from locations of surplus to those of shortage. Any supply/demand imbalance drives trade and hence increases the need for inspection and testing of cargos;
- strengthening in legislative and regulatory requirements, generating additional testing to verify the safety and quality of products, for instance: ISO 8217 standard regarding hydrogen sulphide content in marine fuels; US regulations regarding benzene and sulfur contents in gasoline and diesel; recent US Food Safety Enhancement Act increasing the control from the FDA and the use of third parties; the European Commission Regulation 396/2005 regarding pesticide residues;
- the continuing trend toward outsourcing of laboratories driven by more sophisticated and increased cost of in-house testing, rise in commodity prices and need for customers to reduce production cost while mitigating risk.

With high barriers to entry

The Commodities inspection and testing market is protected by high barriers to entry, of which the most significant are:

- the need for credibility and consistent delivery, as the customers require data continuity and integrity to minimise risk. A proven history of reliable service delivery and international credibility is a major differentiator;
- the time and cost to develop the required infrastructure, laboratory sophistication, local and international accreditations. Globalization has significantly reduced the number of local/national service providers;
- the technical know-how and the ability to manage labor constraints – skilled employees are essential for credibility and data consistency and remain in limited supply. There is also strong demand for unskilled and semi-skilled labor, particularly in remote locations.

A LEADING POSITION BASED ON SOLID COMPETITIVE ADVANTAGES**A leading position in the commodities testing and inspection market**

The market of Commodities' testing and inspection is relatively concentrated. Following the acquisition of Inspectorate, the Group is one of the three world leaders in Commodities' testing. The Group's main competitors are the Swiss company SGS and the UK based company Intertek. Other key players compete with the Group in specific segments: Saybolt in Oil and Petrochemicals, ALS in Metals and Minerals and Peterson in Agriculture.

Bureau Veritas believes that it is in third position in Oil and Petrochemicals globally (second in the US market), one of two international operators offering the whole range of inspection and testing services (exploration, production, international trade) for all minerals, and in second position globally for agricultural products.

Solid competitive advantages

The Group believes that its leading position is based on the competitive advantages described below:

- a global presence, with a particularly strong exposure in key geographies and in fast-growing economies;
- strong leadership positions in all commodities segments with recognized multi-sector technical expertise;
- high technical capabilities in key locations; and
- long-standing relationships and reputation with major players in the commodities area.

ACCELERATE THE GROWTH OF THE GLOBAL COMMODITIES PLATFORM**A growing market share**

To grow the Commodities business, Bureau Veritas' strategy is built around the following components:

- further expand its global platform, leveraging Bureau Veritas' network, especially in fast-growing economies such as South America, Africa, Middle East and Asia where the demand for commodities is the strongest. With the growing global demand for laboratory analysis and technological advances in testing protocols, the Group has embarked on an ambitious accelerated CAPEX plan to expand capability of existing laboratories and open new laboratories in key strategic locations;
- enlarge the portfolio of services with improving share in some of the petrochemical, LNG⁽¹⁾ and upstream markets. The increased laboratory capability and expanded laboratory network coupled with existing infrastructure and strong customer loyalty will be used to increase market share in laboratory outsourcing in the upstream sector and petrochemical markets; and
- pursue selected opportunities for acquisitions to accelerate development.

(1) Liquefied natural gas.

A strong potential for margin improvement

The Commodities' business' operating margin should increase sharply over the next few years as a consequence of:

- combining the network of Bureau Veritas and Inspectorate, leading to some cost synergies at the head office level and within the network;
- the rapid expansion of revenues of Inspectorate backed on Bureau Veritas' network, benefiting from economies of scale;
- the shift in revenue mix in favour of the more lucrative laboratory testing business to that of inspection business; and
- the enhancement of the portfolio of services with improving share in some of the petrochemical, LNG and upstream more profitable markets.

Strong opportunities for cross-selling with other businesses in the Group

The strategic move of the Commodities segment onto the testing and inspection market was guided by the objective of positioning Bureau Veritas in a long-term attractive growth market, but also to generate cross-selling opportunities with other businesses in the Group. The new Oil & Petrochemicals testing and inspection services allow Bureau Veritas to have a complete range of services for the Oil & Gas industry from conformity assessment of industrial assets to product testing and inspection. Also, the positioning in the

Marine business will help Inspectorate to position on bunkering services. In addition, there are other opportunities of cross-selling, providing to commodities players with Industry services In-service and Verification services (shop inspection, quality control and quality assurance services, non-destructive testing, environmental testing, environmental impact assessment studies, etc.) as well as management system certification services.

OPERATIONAL ORGANIZATION

The Commodities laboratories are located in the main international markets for distribution and production of commodities. The Commodities division, created on January 1, 2011, is organized around seven geographic regions: Americas (North America and Northern Latin America), Southern Latin America (Argentina, Brazil, Chile, Peru), Europe – Middle East – Africa, Asia, Pacific, Eastern Europe, and Metals and Minerals in Europe. The regional structure is supported by central global product line management for Oil and Petrochemicals, Agriculture and Metals and Minerals. The product line support provides expertise and technical know-how and includes global key account management along with technical support and coordination including innovation, standardization, quality oversight and support for new laboratories.

1.5.7. CONSUMER PRODUCTS

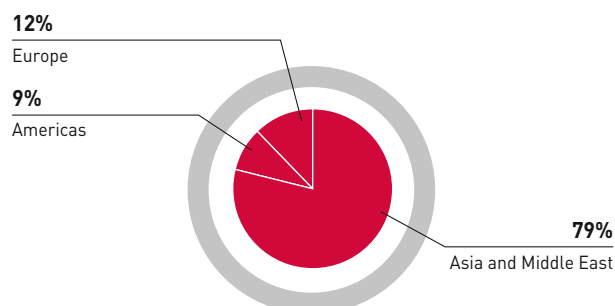
The Consumer Products business provides inspection services, laboratory testing and certification services to retailers and manufacturers of consumer products.

Services are provided throughout the clients' manufacturing and supply chains to ensure that products offered to the market comply with regulatory safety standards or voluntary standards of quality and performance.

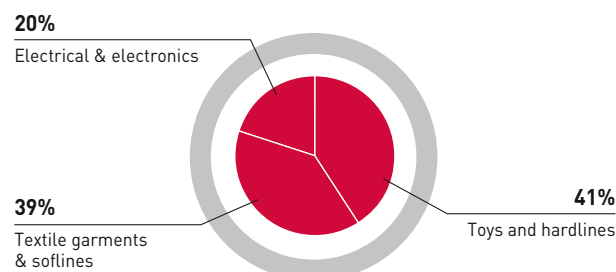
The Consumer Products business generated revenue of €382.3 million in 2010 (12% of the Group's 2010 *pro-forma* revenue⁽¹⁾) and had an adjusted operating margin of 27.6%.

The Consumer Products business' revenue in 2010 is set forth below by geographical zone and category:

► 2010 REVENUE BY GEOGRAPHICAL AREA



► 2010 REVENUE BY PRODUCT CATEGORY



(1) Including Inspectorate over twelve months (from January 1, 2010 to December 31, 2010).

A COMPLETE AND COHERENT SERVICE OFFERING COVERING THE ENTIRE CONSUMER PRODUCTS MANUFACTURING AND SUPPLY CHAIN

Services across the entire supply chain

The Group provides inspection services, laboratory testing and product certification, as well as audits of production sites and social responsibility audits.

The principal product categories include toys and juvenile products, textiles and clothing, leather and shoes, furniture, sports and leisure accessories, office equipment and supplies, electric and electronic products (domestic appliances and consumer electronics) and health, beauty and household products.

The Group provides services for the entire supply, manufacturing and distribution chain:

- during the design and development stage of a product: consulting regarding regulations and standards applicable in all countries in the world, assistance for defining a quality assurance program;
- at the sourcing stage for materials and components: inspections and quality control tests for materials and components used in manufacturing the product;
- at the manufacturing stage: inspections and tests to assess regulatory compliance and product performance, as well as compliance of product packaging, factory audits focused on quality systems and social responsibility audits;
- at the distribution stage: tests and assessment of compliance with specifications, and comparative tests with equivalent products.

A concentrated and loyal customer base

The Group provides its services principally to large retailers or branded manufacturers, mainly in the United States but also in Europe, for their Asian sourcing. The Group's business with Asian manufacturers is also growing.

Revenue for the business is traditionally generated by hundreds key accounts, essentially large American and European groups (large retailers, textiles, mass-consumption products). Key accounts include the American groups Target, Toys R Us, Wal-Mart, Gap, as well as Lidl in Germany, H&M in Sweden and Auchan in France. However, the client portfolio is currently less concentrated than a few years ago. The 20 largest clients represented 37% of the business' revenue in 2010 compared to 49% in 2004. This change reflects the business' commercial efforts, which have lead to winning several new key accounts over the last few years.

There are three types of contractual relationships with clients:

- the Group may be chosen by a client-retailer as exclusive supplier of inspection and testing services. In this situation, all manufacturers who wish to sell their products to the retailer must send their products to the Group's network of inspectors and laboratories;
- the Group may be accredited by a client-retailer as one of two or three companies (generally its major competitors, SGS and Intertek) to provide inspection and testing services. In this

situation, manufacturers can choose which company will inspect and test their products;

- the Group may contract directly with a manufacturer who believes that the Group's reputation assures the manufacturer that inspections and tests carried out by the Group will be accepted by all client-retailers.

None of the three types of contractual relationships is currently predominant. Generally, existing clients are very loyal. Thus, 39 of the business'40 largest clients in 2001 are still clients.

AN ACTIVE MARKET WITH HIGH BARRIERS TO ENTRY

An active market

The Group believes that the market of the Consumer Products business (including food testing) represents approximately €7 billion and should benefit from the following factors:

- the strengthening of standards and regulations regarding safety, health and environmental protection;
- consumer demands for products that are safer and higher quality;
- the shortening of product life cycles;
- shorter time-to-market for consumer products;
- the on-going migration of manufacturing facilities to Asia;
- the increasing number of retailers' private labels; and
- the continuing tendency of retailers to outsource quality control and product compliance.

In August of 2008, the Consumer Product Safety Improvement Act (CPSIA) was passed in the United States. The law dramatically changed the testing and certification landscape for manufacturers, importers, and private labelers. It contains two main components. A General Conformity Certificate or 'GCC' is required for all consumer products that have a rule, ban or standard enforced by the US Consumer Product Safety Commission. In addition, CPSIA mandates third party testing for all children's products, including toys, hardness and apparel, and sets threshold restrictions on harmful substances such as lead and phthalates. The requirements were phased in over a compliance timeline that began in December 2008. The Group saw a positive impact from CPSIA testing in 2009, especially in the first quarter of 2009 when the Group had to test the inventories of the retailers. Guidance from the Consumer Products Safety Commission (CPSC) during 2009 provided for a one year stay of enforcement for certain products and requirements, which continues to be in place. The CPSC is finalizing their definition of a reasonable testing program as part of the CPSIA regulation, which is a set of procedures to be employed within the supply chain to provide reasonable certainty that products made are in compliance with all applicable rules, bans, and standards. Both adult and children's products will be subject to reasonable testing program requirements. This is expected to be finalized by the end of Q1 2011 and may have a positive impact on the third party testing market, with a likely impact to testing, auditing, inspection and consulting services.

In the future, proposed safety directives in Europe and China may also have a positive impact on the third party testing market.

The European Toy Safety Directive (Directive 2009/48/EC) came into force on July 20, 2009. This legislation aims to establish the obligations of all economic parties for the production of products designed for children under 14 years of age. The new Directive brings in particular more references on chemicals by limiting the amounts of certain chemicals that may be contained in materials used for toys. All the toys distributed after July 20, 2011 should comply with this new regulation, and the chemical restrictions will come into force after July 20, 2013.

The General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) of the People's Republic of China has recently taken a new approach regarding imported textile products. The new policy will apply 100% supervised testing on more than 300 different imported textile products. This testing requirement would be effective as of January 2011.

High barriers to entry

The Consumer Products business is present in a market protected by high barriers to entry, of which the most significant are:

- the need to possess a network of laboratories and inspection centers in all exporting countries;
- the need to possess licenses to operate in China;
- the need to possess a large network of accreditations. For example, the business possesses the following principal accreditations: American Association for Laboratory Accreditation (A2LA), French Accreditation Committee (COFRAC), Hong Kong Laboratory Accreditation Scheme (HOKLAS), IEC System for Conformity testing and Certification of Electrical Equipment (IECEE), National Environmental Laboratory Accreditation Program (NELAP), Singapore Laboratory Accreditation Scheme (SINGLAS), United Kingdom Accreditation Services (UKAS) and the Chinese National Laboratory Accreditation Council (CNLA).

KEY POSITIONS IN CERTAIN MARKET SEGMENTS

A particularly strong presence in the United States

The Group distinguishes itself from competitors by its strong presence in the United States and its deep penetration of the large retailer market in America, which has resulted from the successful integration of two American companies: ACTS, the American leader for testing toys and products for children, acquired in 1998, and MTL, the American leader for testing fabrics and clothes, acquired in 2001.

The Group's solid platform in the United States resulting from these two acquisitions has been consistently reinforced by:

- the effective management of key accounts, often including the presence of responsible Group personnel on-site with their major clients;
- technical experts with established reputations in the different product segments;
- dedicated information systems and portals for each major customer.

Growth in market share in Europe

Business in Europe has grown well over the past few years, mainly attributable to Germany, which has become an important market and revenue contributor to the Consumer Products business. The Group plans to continue to develop the European market business.

Analytical testing

The Group's investment in analytical testing has contributed to significant growth in this portion of business. Analytical testing is more sophisticated than physical testing as it requires analysis on the composition of the product itself. The evolution of the past couple of years is principally due to the implementation of the CPSIA that had an impact on analytical testing on toys but also on other categories such as textiles. Due to the reduction of CPSIA testing in 2010 versus 2009 and the more favorable growth of inspection and electrical testing, the proportion of analytical testing has decreased from 37% of revenues in 2009 to 35% in 2010, but still remains strong.

Key positions recently acquired in electrical and electronic segment

Through the acquisition in 2005 of Curtis Straus in the United States and ADT in Taiwan, the Consumer Products business acquired key positions in the electrical and electronic products segment. The Group believes that it has become world leader in testing and certification of products incorporating Wifi and Wimax technologies. In 2007, ADT was elected the best laboratory for Wimax technology by the Taiwan Wimax forum. The company further enhanced its positioning for Wimax in 2008 with additional recognition as a Wimax CB (Certification Body) and validation laboratory, enabling it to offer a one stop service for this testing. In 2009, the Group strengthened its position in the electrical and electronic segment with the acquisition of the assets of SPD in order to develop its position in Germany and took over the remaining 20% of the French Company Codde (80% acquired in 2008). With the acquisition of NS Technology in 2010, Bureau Veritas has reinforced its footprint in electromagnetic compatibility chambers in Greater China and its position in the electronic segment.

In the electrical and electronic products segment, the Group is one of the ten principal world players in a market dominated by Underwriters Laboratories (the United States) and Intertek (the United Kingdom). The Group believes that it is the principal player in the Toys and Hardiness products (such as home repair tools and equipment, household equipment, etc.) segment ahead of Intertek and SGS, and the second largest player in the "Softlines" products (such as textiles and clothes) segment, behind Intertek.

An ambitious growth strategy

In 2009, the Group saw better than expected revenue growth due to unanticipated CPSIA impact. The growth rate in 2010 was affected by the strong comparatives from 2009. In 2011 and going forward, the Group's strategy aims at delivering strong organic growth by:

- expanding skills and coverage for European testing, allowing the Group to reinforce its client base and optimize its position relative to toy and hardline testing;

- developing testing for new local market segments in China, especially in textiles;
- expanding into new product lines (food, cosmetics) and new geographical markets (Germany, other European EU countries, Japan, Korea);
- capitalizing on the capabilities and expertise of the platform for electrical and electronic products, including the development of new markets, regions and the continued integration with other testing capabilities (e.g. toys);
- further developing capabilities in the supply chain, knowledge management and corporate social responsibility (CSR) solution areas globally; and
- leveraging on Bureau Veritas' "One Source" to provide supply chain solutions and enhanced integration within clients.

The business' strategy is also based on identifying and carrying out complementary acquisitions, which provide access either to new product lines or to new geographical markets.

Means for improving productivity

The Consumer Products business' market is highly competitive and major retail clients constantly seek to lower the cost of quality assurance, laboratory testing, inspection and certification services. Faced with such pricing pressure, the business continuously seeks to achieve productivity gains, which will allow it to maintain margins at their current level, or even increase them slightly.

Two major initiatives started end of 2007 and continued to be implemented in 2010:

- the relocation of certain testing capabilities from Hong Kong to new sites with lower operating costs in southern China (for textile and toys) at Shenzhen and Panyu;
- the continuous operations reengineering process to improve productivity and turnaround times.

Opportunities for synergies with other group businesses

Network and resource synergies with other businesses will be emphasized in the future:

- proposing a complete service offering for our clients in the food sector (safety and supply chain services);
- sharing the worldwide network of auditors with the Certification business particularly with audits of social responsibility;
- partnering with the Certification and GSIT businesses to develop integrated sustainability offering for retail supply chain.

OPERATIONAL ORGANIZATION

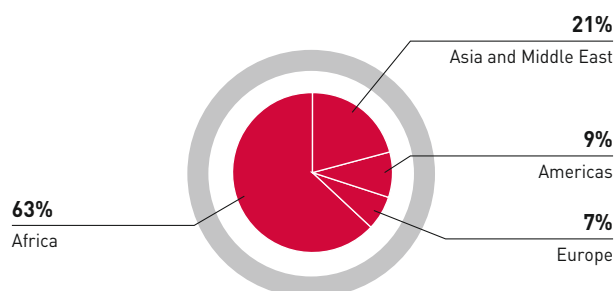
The Consumer Products business runs operational units (laboratories and inspection centers) in 24 countries. The business is organized around two strategic platforms: Global Service Delivery and Global Business Development. Geographically, the business is organized into the following regions: Greater China, South-East Asia, South Asia, Europe and the Americas.

1.5.8. GOVERNMENT SERVICES & INTERNATIONAL TRADE

The GSIT business provides merchandise inspection services (finished products, equipment, commodities) in connection with international trade transactions. These services are targeted at governments (customs authorities), exporters, importers, trade intermediaries, banks, and international organizations managing development aid programs (the European Union, the World Bank and the International Monetary Fund).

The GSIT business generated revenue of €180.1 million in 2010 and had an adjusted operating margin of 16.9%. Excluding oil inspection services, which were transferred to the Commodities business on January 1, 2011, revenue for 2010 amounted to €179 million (6% of the Group's *pro-forma* 2010 revenue)⁽¹⁾.

The chart below illustrates the business' revenue in 2010 by geographical area:



(1) Including Inspectorate over 12 months (from January 1, 2010 to December 31, 2010).

SERVICES DIRECTED MAINLY AT THE GOVERNMENTS OF EMERGING COUNTRIES, PARTICULARLY CUSTOMS AUTHORITIES**Services to governments (77% of the business' 2010 revenue)**

The GSIT business provides governments with a service offering for inspecting and verifying all their import transactions, whether through pre-shipment inspection services and scanner verification or verification of conformity:

- **Pre-Shipment Inspection (PSI):** contracts for pre-shipment inspection are intended to ensure that import duties and taxes are paid in compliance with applicable regulations. Clients include customs authorities, finance ministries and trade ministries. These contracts have an average duration of between one and three years;
- **Scanners:** contracts for inspection by scanner have the same purposes as PSI contracts and also allow governments to fight illegal imports and terrorism. Clients include customs authorities, finance ministries, trade ministries and port or airport authorities. Current scanner concession contracts have a maximum duration of 10 years;
- **Verification of conformity (VOC):** contracts for verification of conformity of imported merchandise are intended to protect consumers and local industry, and prevent unfair competition and imports of fraudulent products that do not comply with required technical, quality and safety standards. Clients include standardization organizations and trade and industry ministries. Verification of conformity contracts are generally for three to four-year renewable periods;
- **SmartLane Risk Management:** this risk management solution is based on the vast experience acquired by Bureau Veritas in the field of international trade and on projects set up for customs authorities in a number of countries. SmartLane allows the targeting of consignments that are at risk in terms of fraud with respect to prices, quality and quantity of goods declared, customs codification and any other type of measurable fraud;
- **Single Window:** this service is intended to facilitate and optimize the flow of import-export and transit transactions by offering a single integrated window, comprising a customs computer system and a community interface; it is aimed at port, airport and border installations;
- **Consulting activities for the funding of projects by the European Union:** specialist teams provide consulting services for governments, which relate to the granting of European Union subsidies to fund development projects outside the European Community, for example in Asia and South America.

In 2010, the business had contracts with governments (PSI/DI/Xrays) in Africa (Angola, the Ivory Coast, Ghana, Guinea, Democratic Republic of the Congo, Mali, Benin, Liberia, Chad, Somalia and the Central African Republic), as well as in Asia-Middle East (Bangladesh, Indonesia and Iran) and Latin America (Ecuador and Mexico), and Verification of Conformity Programs (Algeria, Saudi Arabia, Egypt, Ecuador, Iran, Kuwait, Lebanon, Russia, Syria and Yemen).

Other services (23% of the business' revenue in 2010)**Automotive services and logistical chain security cover the following services:**

- **inspection services of used vehicles imported or in circulation** (periodic technical control based on ten to twenty-year contracts or concessions). Clients include customs authorities and ministries of transportation;
- **inspection of damage to vehicles:** this business covers investigation of vehicle damage by visual inspection of new vehicles throughout the logistical chain to identify responsible parties. Clients include major automotive groups;
- **vehicle stock control services:** the Group assists automotive groups to better control stocks of vehicles at dealers. This business includes updating stocks in real time. The clients are automotive groups and/or bodies that finance dealers' stock;
- **Container Tracking Services and the securing of transit corridors** in order to limit risks of loss of fees and duties by the authorities;
- **Economic Operator Conformity Services** under European customs regulations (AEO: Authorised Economic Operator).

Services related to international trade

These services offer an independent inspection by a third party to provide guarantees as to the quality and the quantity of product shipments (commodities, equipment), as well as conformity to product specifications within the context of international trade. Clients include governments (customs authorities), exporters, importers, trade intermediaries, banks, and international organizations managing development aid programs (the European Union, the World Bank and the International Monetary Fund).

A changing market

The Company estimates the market for government services and in-service vehicle inspection to be worth around €4 billion.

The increase in international trade since the early 1980s has generated a large and growing need for trade inspections and verification. For example, the World Health Organization estimates that 10% of all medicines are counterfeit, and that the percentage may be as high as 60% in developing countries. The terrorist attacks of September 11, 2001, and the creation in the United States of the Department of Homeland Security are the source of new regulations, such as the Container Security Initiative and the International Ship and Port Security (ISPS) Code, which create increased need for monitoring commercial transactions.

The traditional government services business is the provision of pre-shipment inspection (PSI) services. Due to new liberalization rules issued by the World Trade Organization and the reduction in customs duties in most countries, traditional PSI control appears less strategic for the countries concerned. Nonetheless, as the economic crisis has affected all governments and, indirectly, their public finances. In 2010 the Group observed sustained interest in PSI through its impact on customs receipts, which were significantly drawn upon by governments in order to shore up their budgets.

Despite this burst of activity in 2010, the Group does not believe that the traditional PSI market will improve in the next few years. The growth engines of this business are the development of contracts for inspection by scanner, verification of conformity services and other services related to facilitating trade.

This trend was confirmed in 2010 with the acceleration in the growth of X-ray (scanner) inspections. Similarly, new verification of conformity (VOC) programs, long-awaited as a growth engine for the business, were implemented in 2010, with rapid expansion potential in many countries in Africa, the Middle East and Eastern Europe.

A LEADING POSITION

Solid competitive advantages

To ensure the future growth of the GSIT business and strengthen its position in a highly competitive market, the Group has launched several initiatives:

- recognized know-how and expertise in the market for more than 20 years;
- the ability to create new programs very quickly worldwide;
- a dense network of inspectors, laboratories and test centers, allowing a reduction in costs and project completion time;
- strong synergies with the Group's other businesses, especially Consumer Products and the new Commodities business, created in January 2011 following the acquisition of Inspectorate. There are important synergies in terms of sharing the global network of testing laboratories, for example in connection with contracts for verification of conformity (VOC).

The Group believes that it was the global co-leader in Government Services in 2010. The Group's main competitors are the Swiss companies SGS and Cotecna and the British company Intertek. Global market shares are relatively evenly balanced between SGS and Bureau Veritas, the two market leaders.

A targeted growth strategy

In order to ensure the future growth of the GSIT business and maintain its leadership position, the Group has launched numerous initiatives:

- the implementation of new services in order to reduce the Group's dependence on traditional government services (pre-shipment inspection). In relation to the development of the Verification of Conformity services, in 2010 Bureau Veritas obtained

accreditation from Syria. Moreover, in November 2010 the Group was awarded its first concession of Port Single Window by the Republic of Benin, for a ten-year period. The first management operations for this system in the Port of Cotonou are set to begin in June 2011 and will represent a benchmark for the future;

- the formation of a competence center in consultation and technical support for projects funded by the European Union;
- the development of automotive inspection services, drawing on the existing network (Middle East, Africa, China, India, Australia, Latin America) or on relationships with local governments.

Initiatives to improve the cost structure

The GSIT business constantly reviews its organization and its processes, which has enabled it, for example, to consolidate its network of Centers of Relations with Exporters (CREs), the number of which has progressively fallen from 30 in 2002 to 4 since 2007.

This optimization initiative has been complemented by the implementation of a central back office in Mumbai, responsible for mass data entry, the significant productivity gains of which have helped improve the adjusted operating margin (16.9% of revenue in 2010 compared to 12.4% in 2009). The gradual integration of the business into the Group's project to overhaul the "Core Model" production systems will constitute a future stage in the improvement of the productivity of GSIT operations.

OPERATIONAL ORGANIZATION

The GSIT business is present in approximately 700 inspection sites in the world, grouped together in 65 operational units. The Government Services business is carried out through Regional Centers (RCs), inspection centers associated with the RCs and liaison offices based in countries which have entered into an agreement with the government. Liaison offices issue all import certificates locally. The commodities and equipment inspection business operates through inspection centers in the producer countries.

At a central level, the business has four departments based in Paris: a Commercial department, which manages all major bids for government contracts; an Operations department, which controls and supervises operating units and possesses the resources needed to create and start up liaison offices in every new country where a government contract is entered into; an International Trade department in charge of developing services related to international trade and automotive inspection; and a New Products department in charge of strategy and of adapting existing services to market requirements.

1.6. Accreditations, approvals and authorizations

To carry out its business, the Group has numerous licenses to operate ("Authorizations") which vary depending on the country or business concerned: accreditations, approvals, delegations of authority, official recognition, certifications or listings. These

Authorizations may be issued, depending on the circumstances, by national governments, public or private authorities, and national or international organizations.

MARINE BUSINESS

The Group, as a classification society, is a certified member of the International Association of Classification Societies (IACS), which brings together the 11 largest international classification societies. At the European level, Bureau Veritas is a "recognized body" under

the European directive concerning classification societies and a "notified body" under the European directive concerning marine equipment. Finally, Bureau Veritas currently holds 150 delegations of authority on behalf of national maritime authorities.

INDUSTRY & FACILITIES DIVISION

The Group has more than 150 accreditations issued by numerous national and international accreditation organizations, including COFRAC in France, ENAC in Spain, UKAS and IRCA in the United Kingdom, ANAB in the United States, JASANZ in Australia and New Zealand, INMETRO in Brazil, ACCREDIA vs. SINCERT in 2009 in Italy, DakkS vs. TGA in 2009 in Germany, and RVA in the Netherlands. These accreditations cover both its certification activities and its inspection and testing activities.

In addition, the Group is a notified body under European directives and holds more than 300 approvals, certifications, official acknowledgements and authorizations issued mainly by

government organizations. The principal international approvals concern buildings, pressure equipment, lifting equipment, electrical installations, equipment for the transportation of hazardous materials, building materials, agro-food products and environmental measures.

All these accreditations and approvals are duly renewed at the end of their period of validity.

GOVERNMENT SERVICES & INTERNATIONAL TRADE BUSINESS

The Group is a member of the International Federation of Inspection Agencies (IFIA), which brings together the principal international inspection companies. For government contracts, Authorizations to conduct business are issued as delegations or concessions granted by national governments in contracts entered into with the government authorities.

As at January 1, 2011, the business is operating with 40 delegations issued by national governments.

PSI (Pre-Shipment Inspection) and VOC (Verification of Conformity) activities are ISO 17020 accredited by the United Kingdom Accreditation Service (UKAS) for their entire global network.

The business is accredited by the International Motor Vehicle Inspection Committee (CITA) for its vehicle inspection activities.

Depending on the products inspected, agro-food operations are accredited by the following: Federation of Oils, Seeds and Fats Associations (FOSFA), Grain & Feed Trade Association (GAFTA), Sugar Association of London (SAL) and Federation of Cocoa Commerce (FCC).

CONSUMER PRODUCTS BUSINESS

The Group holds the following principal accreditations: American Association for Laboratory Accreditation (A2LA), French Accreditation Committee (COFRAC), Hong Kong Laboratory Accreditation Scheme (HOKLAS), IEC System for Conformity testing and Certification of Electrical Equipment (IECEE), National Environmental Laboratory Accreditation Program (NELAP), Singapore Laboratory Accreditation

Scheme (SINGLAS), United Kingdom Accreditation Services (UKAS), Chinese National Laboratory Accreditation Council (CNAS) Consumer Products. In addition, the Group's laboratories have accreditations in 20 countries issued by recognized organizations such as HOKLAS, A2LA, UKAS and COFRAC. Finally, the Group is a notified body under European directives concerning electric products and toys.

Each of the Group's businesses has established an organization dedicated to managing and monitoring on a centralized basis Authorizations subject to regular audits by the authorities concerned.

Obtaining, renewing and maintaining these Authorizations must be justified by qualitative and quantitative criteria concerning the independence, impartiality and professional capabilities of the beneficiary of these Authorizations, such as experience in the field concerned over a certain length of time, the existence of trained and qualified technical personnel, and an internal quality control system conforming to applicable standards, such as the EN 4005 standard for inspection companies.

1.7. Information and management systems

The Group's information systems department is responsible for:

- determining the Group's technology architecture by defining the standards for software application development and network infrastructure applicable to all businesses and geographical zones;
- selecting, adapting, deploying and maintaining integrated corporate applications used in all operational units (electronic mail, ERP, finance, client management, human resources and production systems);
- guaranteeing the availability and security of all applications used by the Group;
- managing the Group's global relationship with its principal suppliers of equipment, software applications and telecommunications services.

The management is based in Neuilly and has three continental centers ("Continental Shared Services Centers"): in Nantes for the Europe – Africa – Middle East zone, in Hong Kong for the Asia – Pacific zone and in Buffalo, New York for the Americas zone. The shared service centers manage the infrastructure for the global network and provide different support services through helpdesks to their respective continents.

In 2008, the Group launched a project to renovate all its production information systems, covering the area of resource planning and operation management, drawing up reports, management of documents and management of BtoB interactions with customers and partners. This project relies on using market leader software

configured to meet the needs of the units. The implementation program will take three years.

In 2010, the implementation concerned all major countries for the Certification business, Spain and the United Kingdom for the IVS business, and Brazil, the United States and China for the Industry business.

For 2011, the implementation will be in the finalization and stabilization phase for the Certification and IVS businesses, while six major countries will be involved for the Industry business. Implementation is also planned for the GSIT and CPS businesses.

The implementation of these new systems should be complete by the end of 2011.

These solutions should lead to an immediate benefit in terms of margin improvement of the businesses concerned.

In 2010, the total expenses for the Group's information systems (excluding CAPEX) represented 3.4% of the Group's consolidated revenue. About 70% of these expenses were allocated to infrastructure (servers, telecommunication networks and workstations) and the other 30% to the maintenance and development of applications.

The Group's policy is to continue dedicating at least an equivalent percentage of its revenue to information systems while seeking to reduce the portion dedicated to infrastructure costs and increasing the portion dedicated to maintenance costs and applications development.

1.8. Risk factors

Investors are advised to carefully read the risks described in this chapter, as well as the other information contained in this Registration Document. The risks described below are, as of the date of this Registration Document, the main risks which the Group believes could have, should they occur, a significant adverse effect

on the Group, its business, its financial situation, its results or its outlook. The occurrence of one or more of these risks could result in a decrease in the value of the Company's shares, and investors could lose all or part of their investment.

1.8.1. RISKS RELATING TO THE GROUP'S OPERATIONS AND ACTIVITIES

RISKS RELATED TO DEVELOPMENTS IN THE MACROECONOMIC ENVIRONMENT

The Group is present in more than 140 countries through a network of 930 offices and 330 laboratories. Through its eight global businesses (Marine; Industry; In-Service Inspection & Verification; Construction; Certification; Consumer Products; Government Services & International Trade; and Commodities), the Group offers its clients services in numerous sectors of the economy. While the Group is able, to some extent, to protect itself against different economic cycles, its business could also be affected by developments in the macroeconomic environment, and particularly by changes in world trade and the level of investment and consumption. The Group's business could also be affected by changes in economic policies affecting its clients. Demand for the Group's services, the price and the margin which the Group is able to achieve are directly related to the level of its clients' business activity, which itself can be affected by developments in macroeconomic conditions.

In addition, developments in certain sectors of the world economy can have a significant impact on certain of the Group's eight global businesses. In particular, developments in international trade could impact the Marine business and the GSIT business, developments in investments in the energy and mining sector could impact the Industry business, developments in household consumption could impact the Consumer Products business, developments in the trade in commodities could impact the Commodities business, and developments in new building construction in the industrialized countries could impact the Construction business.

Developments in the macroeconomic environment, and the economic slowdown now affecting a number of markets where the Group currently operates, could have a significant adverse effect on the Group's business, financial condition, results of operations or outlook.

RISKS RELATED TO THE GROUP'S COMPETITIVE ENVIRONMENT

The markets in which the Group is present are subject to intense competition, which could increase in the future.

The Group's principal competitors, SGS (Switzerland), Intertek (United Kingdom), DNV (Norway) and the TÜVs (Germany), operate at the national or global level in one or more of the Group's markets and may, given their size, possess financial, commercial, technical or

human resources greater than those of the Group. Competitors may in the future adopt aggressive pricing policies, diversify their service offering or develop increased synergies within their range of service offerings. They may develop long-term strategic or contractual relationships with current or potential clients in markets where the Group is present or seeking to develop its business, or even acquire companies or assets constituting potential targets for the Group. The Group could thus lose market share, or its profitability may be affected, if it cannot offer prices, services or a quality of service at least comparable to those offered by its competitors, or if it does not take advantage of new commercial opportunities. The intensification of competition in the Group's markets could therefore result in decreased revenue, a loss of market share and/or a decline in profitability, and could thus have a significant adverse effect on the Group's business, financial condition, results of operations or future growth.

In addition, in certain of the Group's markets, such as the Industry, IVS, Construction and Certification markets, which are currently highly fragmented, there is a trend toward industry consolidation to create major international groups. Over time, if the Group does not consolidate in these markets, its ability to reach its objectives may be affected. By increasing competition (creating, for example, additional price pressure and greater competition in open bidding), the trend towards consolidation could impact the Group's business and thus its ability to maintain and increase its market share.

RISKS RELATED TO INCREASED PERSONNEL COSTS AND A SHORTAGE OF LABOR

In the conformity assessment and certification services sector, the personnel involved principally includes qualified technicians who are frequently highly sought after in the market for their specialized knowledge (particularly in the oil, gas and construction sectors). The Group's continued success depends to a large extent on its ability to attract, motivate and/or retain qualified personnel with the requisite capabilities and experience. The Group is also exposed to the risk that its clients or competitors may offer attractive employment opportunities to its employees upon conclusion of particularly successful projects. If the Group is not able to attract, motivate and/or retain enough qualified personnel to satisfy its clients' requests and respond to changes in both their needs and technological developments, the Group's business, financial condition, results of operations or future growth may be seriously adversely affected.

In 2010, personnel expenses represented 50.5% of the Group's total revenue. The Group may experience particular difficulties, immediately or over time, in passing on salary increases granted to its employees, in the event of a substantial change in labor regulations or labor market tensions in the principal countries or sectors where it operates. As a result, an increase in salary expenses could impact the Group's operating margins and have a significant adverse effect on the Group's business, financial condition, results of operations or future growth.

RISKS RELATED TO THE DEPARTURE OF KEY PERSONNEL

The Group's key personnel, namely the members of the Executive Committee, have worked for the Group on average for over 13 years and, as a result, have an excellent understanding of the Group's business and, more generally, the industry as a whole. The departure of one of the key personnel could, therefore, lead to a loss of know-how and knowledge of the Company and its business and may, in some cases, enable the Group's competitors and clients to obtain sensitive information. The loss of key personnel could also have a negative effect on the Group's ability to retain its most important clients, pursue the development of its services or carry out its growth strategy. The Group's success depends in part on maintaining the loyalty of its senior management and other key employees, and on its ability to continue to attract, motivate and retain highly qualified personnel. If the Group does not succeed in retaining its key personnel, its business, financial condition, results of operations or future growth could be seriously adversely affected.

RISKS RELATED TO THE NON-RENEWAL, SUSPENSION OR LOSS OF CERTAIN AUTHORIZATIONS

A significant part of the Group's business is subject to obtaining accreditations, approvals, permits, delegated authority, official recognition and, more generally, authorizations ("Authorizations") at the local, regional or global levels, which are issued by public authorities or professional organizations following investigations which are often long and complex. Certain Authorizations are granted for limited periods of time and are subject to periodic renewal by the authority concerned. In addition, for certain businesses, particularly for the Marine and GSIT businesses, the Group must be a member of certain professional organizations to be eligible for certain projects.

Although the Group monitors closely the quality of services performed under the Authorizations, as well as the renewal and maintenance of its portfolio of Authorizations, any failure to meet its professional responsibilities, or real or perceived conflicts of interest, could lead the Group to lose, either temporarily or on a permanent basis, one or more of its Authorizations. In addition, a public authority or professional organization which has granted one or more Authorizations to the Group could decide unilaterally to withdraw such Authorizations.

The non-renewal, suspension or loss of certain of these Authorizations, or of membership in certain professional organizations, could have a significant adverse effect on the Group's business, financial condition, results of operations or future growth.

RISKS RELATED TO GROUP ACQUISITIONS

The Group's growth strategy is largely based on the acquisition of local players providing access to new markets and/or creating synergies with the Group's existing business. The Group may not be able to identify appropriate targets, complete the acquisitions on satisfactory terms, particularly as to price, or efficiently integrate the acquired companies or activities and achieve the anticipated benefits in terms of cost and synergies. In addition, the Group may not be able to obtain financing for acquisitions on favorable terms, and it may thus decide to finance the acquisitions with cash which could have been allocated to other purposes in connection with the Group's existing business. In addition, in the event of significant acquisitions, the Group may be required to rely on external sources of financing, including the capital markets.

The Group may also encounter difficulties and/or experience delays in integrating acquired companies, including the possible loss of clients; possible incompatibilities between systems and procedures (particularly accounting systems and controls) or corporate policies and cultures; a reduction in management attention paid to daily matters; the loss of personnel, particularly senior management; and the assumption of liabilities or costs, particularly material non-insured litigation.

Finally, the Group's competitors, as well as financial investors, particularly investment funds, could acquire companies or assets representing potential targets for the Group, or could cause acquisitions sought by the Group to be more difficult or expensive.

If the Group does not succeed in pursuing an active and competitive acquisition policy in comparison with other players in the market, its ability to reach its growth objectives for revenue and develop or maintain market share could be affected, which could have a significant adverse effect on the Group's business, financial condition, results of operations or future growth.

RISKS OF SENSITIVITY OF NET PROFIT AND EQUITY

A significant proportion of the company's assets are made up of intangible assets and goodwill resulting from business combinations. Their value essentially depends on the future operating profit of the companies acquired and the discount rates used, which are themselves based on the current and future economic and financial environment. Any changes in the assumptions underpinning their valuation could lead some of the Group's assets to fall in value in the future, which would reduce the attributable net profit of the Group and its equity. Such a reevaluation would be irreversible according to existing IFRS standards. However, it would not affect the cash flow for the period.

FINANCIAL, ECONOMIC AND POLITICAL RISKS AFFECTING THE GROUP'S MARKETS

Because of the variety and number of facilities maintained by the Group in more than 140 countries throughout the world, the Group's businesses may be affected by numerous external risk factors, including:

- fluctuations in exchange rates, particularly the exchange rates between the euro and the US dollar, the Hong Kong dollar, the pound sterling, the Brazilian Real and the Australian dollar, and currency devaluations;
- restrictions on capital transfers;
- changes in tax regimes, including regulations on price transfer and withholding on transfers and other payments made by the Group's entities;
- the lengthening of payment cycles for trade receivables and collection difficulties;
- inflation, the possibility of recession and instability in financial markets;
- increasing interest rates;
- natural catastrophes which could disrupt the Group's or its clients' businesses;
- political instability and the risk of terrorism and war.

The Group cannot ensure that it will be able to develop and apply procedures, policies and practices which will allow it to anticipate and control these risks or manage them effectively. If it does not succeed, the Group's business, financial condition, results of operations or future growth may be adversely affected.

RISKS RELATED SPECIFICALLY TO THE GOVERNMENT SERVICES & INTERNATIONAL TRADE BUSINESS

The GSIT business, and in particular inspection and verification services for import transactions, involves a relatively limited number of contracts with governments or governmental agencies. As of the date of this Registration Document, the Group was party to 28 government contracts and accreditations, most of which involved services for African and Asian countries. These contracts are generally for a period of one to three years, and most of them may be unilaterally terminated at the discretion of the authority concerned and with short notice. They are also subject to the uncertainties inherent in conducting business in developing countries, some of which have been or could be subject to political instability. The cancellation or non-renewal of a significant number of these contracts could have a significant adverse effect on the Group's business, financial condition, results of operation or future growth.

In addition, under the performance of these contracts entered into with governments or government agencies, the Group may also be

confronted with collection difficulties, settlement of which may prove complex. The non-payment or late or partial payment of substantial sums owed under these contracts could have a significant adverse effect on the Group's business, financial condition, results of operation or future growth.

REPUTATIONAL RISK

The continued success of the Group depends on its ability to maintain its reputation for professionalism, integrity and independence. Although the Group closely monitors the quality of its services, it cannot guarantee that it will be able to defend itself against damage to its reputation which could result from an accident, disaster, conflict of interest or litigation giving rise to substantial media coverage, particularly if such publicity suggests substantial failures, real or alleged, by the Group in meeting its responsibilities. Such events could significantly damage the Group's reputation, thereby affecting its ability to maintain client confidence and attract new clients, and could thus have a significant adverse effect on the Group's business, financial condition, results of operations or future growth.

RISK OF ETHICAL VIOLATIONS

Although the Group places a priority on respecting strict ethical values in conducting its business, as demonstrated by the Group's Code of Ethics (see Chapter 2 – Corporate Governance of this Registration Document), the risk of isolated acts in violation of the Group's values and principles by Group personnel cannot be excluded. Such acts may lead potential plaintiffs to claim that Group employees, management or companies are responsible. Such circumstances could affect the Group's reputation and thus have a significant adverse effect on the Group's business, financial condition, results of operations or future growth.

RISK RELATED TO THE STATUS OF LISTED COMPANIES

The Company's increased media exposure together with all the information published as part of the initial public offering process could contribute to increasing exposure to the risks set out above (image, reputational, ethical risks).

The listing of shares on a regulated market and offering them to the public is also a risk to the Company that could lead to civil liability claims against the legal entity or its directors in the financial communication of earnings and management operations.

These risks may have repercussions on the share price and are likely to have a negative impact on the Group's business, financial condition, results of operations or future growth.

RISK RELATED TO THE GROUP'S SHARE STRUCTURE

The Company's principal shareholder, the Wendel group, continues to hold the majority of the Company's capital and voting rights. As a result, Wendel could have a significant influence on the Group's strategic decisions, and/or cause the adoption or rejection of any resolution submitted for Company shareholder approval at an Ordinary or Extraordinary Shareholders' Meeting, including: the appointment of members of the Board of Directors, the approval

of annual financial statements and the distribution of dividends, authorizations for capital increases, mergers or asset transfers, or any other decision requiring the approval of the Company's shareholders.

In addition, Wendel may find itself in a position where its own interests and those of the Group or other shareholders are in conflict.

1.8.2. LEGAL RISKS**RISKS RELATED TO LITIGATION OR PRE-LITIGATION PROCEEDINGS TO WHICH THE GROUP IS A PARTY**

In the normal course of business, the Group is involved with respect to some of its activities in a large number of litigation or pre-litigation proceedings seeking to establish the Group's professional liability in connection with services provided. Although the Group pays careful attention to controlling risks and the quality of services provided, some services may give rise to claims and result in adverse financial judgement, particularly in connection with the Construction business in France. In France, there is a high and recurring claim rate due to the Spinetta Law of January 4, 1978, which establishes a presumption of responsibility and joint (in solidum) liability for technical controllers. The Group's other businesses are not subject to a presumption of responsibility, and the various litigation proceedings to which the Group is party are proportionately fewer, as regards the number of services provided, than for the Construction business in France.

The various disputes involving the Group could give rise to significant claims. They could also result in a criminal liability claim against the person or entity involved and/or have a significant negative effect on the Group's reputation and image (see paragraph Procedures, government, administrative, legal and arbitration investigations of Chapter 7 – Additional Information).

In professional civil liability litigation, there may be a substantial delay between the provision of services and the making of a related claim. In addition, claims notified to the Group may, at the outset, be substantial, but the portion of the claim eventually attributed to the Group cannot generally be clearly determined when proceedings are commenced. In the past, judgments adverse to the Group in major cases have generally been for amounts significantly lower than those initially claimed.

In the future, new claims made against the Group may lead to a substantial liability for the Group and thus have a significant adverse effect on the Group's business, financial condition, results of operations or future growth.

A detailed description of significant litigation proceedings to which the Group is party is provided in the paragraph Procedures, government, administrative, legal and arbitration investigations, in Chapter 7 – Additional Information of this Registration Document.

RISKS RELATED TO THE GROUP'S BUSINESS INSURANCE COVERAGE

The Group seeks to adequately insure itself against all financial consequences of claims asserting professional civil liability. However, there can be no guarantee that all claims made against the Group or all losses suffered are or will be effectively covered by its insurance, nor that the policies in place will always be sufficient to cover all costs and financial awards it may be required to pay as a result. In the event of claims which are not covered or which significantly exceed the insurance policy coverage, or if insurance companies demand reimbursement, the costs and financial judgments against the Group could have a significant adverse effect on the Group's business, financial condition, results of operations or future growth.

Insurance premiums paid by the Group over the last five years, as well as the terms of coverage, have remained relatively stable and comparable overall for the Group. However, the insurance market could evolve in a manner unfavorable to the Group, generating an increase in premiums or making it impossible or much more expensive to obtain adequate insurance coverage. These factors could result in a substantial increase in insurance costs, or possibly cause the Group to withdraw from certain markets, which could have a significant adverse effect on the Group's business, financial condition, results of operations or future growth.

A detailed description of Insurance is provided in paragraph 1.9 Insurance of this chapter.

RISKS RELATED TO CHANGING REGULATIONS

The Group conducts its business in a heavily regulated environment, with regulations differing, sometimes substantially, from one country to another.

Regulations applicable to the Group's businesses may change either favorably or unfavorably for the Group. The strengthening or enforcement of regulations, while in some cases creating new business opportunities, may also create operating conditions that increase the Group's operating costs, limit its business areas (for example, in connection with real or alleged conflicts of interests) or more generally slow the Group's development.

In particular, important changes in law or jurisprudence applicable to the Group's businesses in the principal countries where it operates may lead to frequent, or even routine, claims against the professional liability of employees, the Company or its subsidiaries. The Group could become subject to multiple litigation proceedings and may be required to pay substantial damages and interest, which may not be covered by insurance, despite the fact that the Group provided services in the jurisdiction prior to any regulatory changes. In extreme cases, such changes in the regulatory environment could lead the Group to exit certain markets where it considers the regulation to be overly burdensome.

In general, the Group cannot guarantee that rapid and/or important changes in current regulations will not in the future have a significant adverse effect on its business, financial condition, results of operations or future growth.

RISKS RELATED TO RIGOROUS LABOR LAWS IN CERTAIN COUNTRIES WHERE THE GROUP CONDUCTS BUSINESS

Labor laws applicable to the Group's business in certain countries, particularly in Europe and Asia, are relatively rigorous. In numerous cases, labor laws provide for the strong protection of employee interests. In addition, in certain countries, the Group's employees are members of unions or, based on applicable regulations, represented within the company by an employee committee. In many cases, the Group must consult with and request the consent or opinion of union representatives or employee committees in managing its business. These labor laws and consultative procedures with unions or employee committees could limit the Group's flexibility with respect to employment policy and its ability to respond to market changes.

In addition, because the Group's employees in certain countries benefit from similar collective conventions or agreements, the Group may not be able to negotiate collective agreements on acceptable terms, and actions undertaken by employees could disrupt the Group's business. In the event of a strike, work-stoppage or work-slowdown by the Group's employees, the Group may experience substantial business disruption which could have a significant adverse effect on its business, financial condition, results of operations or future growth.

1.8.3. FINANCIAL AND MARKET RISKS

RISKS RELATED TO GROUP INDEBTEDNESS, SOURCES OF FINANCING AND COMMITMENTS

The Group's borrowings consist principally of amounts drawn down from a syndicated credit facility (the "2006 Syndicated Loan"), the sums drawn down as part of a multi-lateral loan (the "2007 Club Deal"), the senior notes from a private placement of debt securities with American and British investors (the "USPP 2008 Loan"), sums from a private placement with American investors (the "USPP 2010 Loan") and French investors (the "French PP 2010 Loan") and other bank loans, bank overdrafts and interest.

The Group's indebtedness could have the following consequences:

- the 2006 Syndicated Loan, the 2007 Club Deal, the 2008 USPP Loan, the USPP 2010 Loan and the French PP 2010 Loan contain customary covenants limiting the operational flexibility of the Group, particularly its ability to grant security interests, take out or grant loans, provide guarantees, undertake acquisitions, asset sales, mergers or restructuring, or make certain investments. Furthermore, the loans are subject to covenants and contain clauses for compulsory repayment, in full or in part, on the occurrence of certain events and when change of control clauses arise. These different restrictions could have an impact on the Group's capacity to:
 - conduct its external growth policy,
 - adapt its activities to competitive pressures, a downturn in its markets or the overall economic conditions, or
 - maintain its financing costs;
- if the change of control clause is enforced (see Financing paragraph in Chapter 3 – Management Report of this Registration Document), banks or investors that have lent funds could demand early redemption of the entire loan from the Group and/or force the Group to renegotiate its financing agreements under less favorable terms and conditions;
- unlike the other financing agreements, the 2008 USPP Loan and the USPP 2010 Loan contain a "make-whole" clause which can be exercised, in particular, in the event of default on top of early redemption of the loans by the Group mentioned above. As a result, the Group may be required to repay capital and interest to lenders under the 2008 USPP Loan and the 2010 USPP Loan schemes and compensate them according to a calculation based on comparing the fixed rate payable over the remaining years and the American government stock prices over the same period. It should be pointed out that the change of control is not regarded as a default within the meaning of the 2008 USPP Loan and the 2010 USPP Loan;
- the Group may need to allocate a substantial portion of its cash flow to repaying principal and interest on its debt, which could result in a reduction in funds available to finance on-going business, investments or internal or external growth; and
- the Group may be disadvantaged, particularly with respect to its development strategy, compared with competitors who may not be subject to the same levels of indebtedness during the same period.

The Group has always complied with the covenants and fulfilled its obligations under these agreements. However, the Group's future ability to comply with the contractual covenants and obligations contained in certain loans or agreements, or to refinance or repay its loans according to the conditions agreed, will depend in particular on its future operating performance and could be affected by numerous factors beyond its control, such as economic conditions, market conditions for debt and regulatory changes. Failure to respect its contractual obligations could result in mandatory early repayment of these amounts, which may cause the Group to reduce or postpone investments, sell assets, seek additional capital or restructure its debt.

A detailed description of the Group's indebtedness is provided in the Financing paragraph in Chapter 3 – Management Report and in Note 22 attached to the consolidated financial statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document.

INTEREST RATE RISK

Interest rate risk is generated primarily by assets and liabilities carrying variable-rate interest. The Group's policy in this regard involves limiting the impact of the increase in interest rates by using swaps and tunnels.

A detailed description of interest rate risk is provided in Notes 3, 22 and 30 attached to the consolidated financial statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document.

LIQUIDITY RISK

The Group may face disbursements in carrying out its business. The Group does not have significant repayment obligations in the short- or medium-term and has unused credit lines under its current borrowing.

A detailed description of liquidity risk is provided in Notes 3, 22 and 30 attached to the consolidated financial statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document.

EXCHANGE RATE RISK

As a result of the international nature of its businesses, the Group is exposed to exchange rate risk arising from the use of several foreign currencies.

A detailed description of exchange rate risk is provided in Notes 3, 22 and 30 attached to the consolidated financial statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document.

COUNTERPARTY AND CREDIT RISK

Financial instruments that may expose the Group to counterparty risk are mainly trade receivables, cash and cash equivalents and derivatives.

Counterparty risk relating to trade receivables is limited by the large number of clients, the diversity of their activities and their geographical dispersion throughout France and abroad.

Counterparty risk relating to cash and cash equivalents is limited by the Group's policy of minimizing cash surpluses.

A detailed description of counterparty risk is provided in Notes 2.16 and 3 attached to the consolidated financial statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document.

1.9. Insurance

The Group takes out various global and centralized insurance policies covering professional civil liability, operational liability and officer liability:

- the "RCMS" policy which covers corporate officer liability. This insurance is taken out with CHARTIS on the first line and NASSAU, Axa CS, Liberty Mutual and HCC Global Financial for successive lines;
- the "Marine" policy, which covers the business of the Marine business. This policy is placed on the London market through ACE Europe;
- the "Aviation" policy is related in particular to aircraft inspections enabling airworthiness certificates to be obtained. This insurance also covers business carried out on behalf of GSAC since January 2010. This policy is placed on the London market through Global Aerospace;
- the "Land" policy, which covers the Group's other businesses, with the exception of part of the Construction business. This policy is placed with Axa CS for the first three lines and additional coverage is provided by CHARTIS and Swiss Ré International.

The Construction business' operations in France and the United States are not included in the Land insurance policy and are insured locally due to the specific nature of the technical inspection and the ten-year construction guarantee (see Construction paragraph 1.5.4. in this chapter) and the specific nature of the US insurance market. In addition, local insurance policies exist in Spain, Germany and the United Kingdom for which the Axa CS policy offers a supplement to the limits and conditions.

To benefit from better long-term visibility and to reduce costs, the Group created a dedicated captive reinsurance company (Soprefira) in Luxembourg in 1990. This company, which provides first-line coverage for the Marine and Land policies, has enabled the Group to maintain control over its litigation and smooth the effect of price changes in the insurance market. Activities covered by the dedicated captive reinsurance company of the Group represent approximately

90% of the Group's consolidated revenue. The Group ensures that the yearly amount of undertakings of such company is capped. In 2010, the yearly amount of undertakings of the reinsurance company for the Marine policy was €3 million per claim and €5 million per year. For the Land policy, it was €3 million per claim and €4 million per year.

The cost of the Group's professional civil liability and operational liability claims including the insurance premiums paid and the sums not covered by the insurance policies, respectively accounted, on the basis of the information available to date, for 1.4%, 1.3% and 1.1% of the Group's consolidated revenue in respect of the 2008, 2009 and 2010 fiscal years. This amount does not include minor disputes not declared to insurers.

Other on-going risks require local management. These insurance policies (for example, for buildings, automobile fleets or work accidents in countries where such risks are covered by private insurance) are taken out on a national basis according to local circumstances and needs.

The Group believes that the coverage provided by these policies is generally similar to those subscribed by global companies of the same size operating in the same sector. The Group intends to continue its policy of taking out global insurance policies when possible, increasing coverage where necessary and reducing costs through the self-insurance policies as appropriate.

A call for tenders was conducted in 2010 to cover all of the Group's businesses in a single insurance policy, combining the "Marine" policy and the "Land" policy. This new policy will be effective in January 2011 with increased and improved coverage, while controlling costs. The reinsurance captive will maintain a retention of €3 million per claim and €9 million per year.

This policy is taken out with Axa CS and Zurich for a first line of coverage, increased by a second line of coverage taken out with Allianz and Liberty and an additional third line taken out with Mitsui and Chartis.

Corporate governance

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2.1. Corporate Officers and members of the Executive Committee

On June 3, 2009, while retaining its legal form as a French limited liability Company (*Société Anonyme*), the Company set up a Board of Directors to replace the Management Board and Supervisory Board.

This mode of management and administration, which has enabled the implementation of a simplified, proactive and efficient organization and a faster decision-making process, seems to be more adapted to the management of an international and decentralized Group the size of Bureau Veritas and, in view of the

external growth transactions carried out in recent years, to suit the current matrix organizational structure in operation in the main countries.

The Board of Directors, meeting at the end of the Shareholders' Meeting held on June 3, 2009, opted for the plurality of positions of the Chairman of the Board of Directors and Chief Executive Officer, and appointed Mr. Frank Piedelièvre to fulfill these functions.

2.1.1. BOARD OF DIRECTORS

In accordance with Article 14 of the Company's by-laws, the Board of Directors may have at least three and at most eighteen members.

These members are appointed by the Ordinary Shareholders' Meeting and their term of office is four years. However, in order to allow the re-election of half of the Directors, five Directors, among those whose appointment was submitted to the Shareholder's Meeting of June 3, 2009, were appointed for a period of two years expiring at the end of the Shareholder's Meeting convened in 2011 to approve the financial statements for the year ended December 31, 2010.

The number of members of the Board of Directors over 70 years old may not, upon the conclusion of each annual Ordinary Shareholders' Meeting, exceed one third of the number of active members of the Board of Directors.

At the date of filing of this Registration Document, the Board of Directors comprised 10 members.

Information relating to ages, business addresses, main functions and starting and end dates of terms of office of members of the Board of Directors are provided in the table that follows, "Composition of the Board of Directors and its Committees".

COMPOSITION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

Name	Nationality	Age ^(c)	Main business address	Current position at company	Main functions
Frank Piedelièvre	French	55 years	Bureau Veritas 67/71 Boulevard du Château 92200 Neuilly-sur-Seine	Chairman and Chief Executive Officer	Chairman and Chief Executive Officer of Bureau Veritas
Frédéric Lemoine	French	45 years	Wendel 89 rue Taitbout 75009 Paris	Vice-Chairman of the Board of Directors	Chairman of the management board of Wendel
Stéphane Bacquaert	French	39 years	Wendel 89 rue Taitbout 75009 Paris	Member of the Board of Directors	Managing director of Wendel
Patrick Buffet^{(a) (d)}	French	57 years	Eramet Tour Maine Montparnasse 33 avenue du Maine 75755 Paris cedex	Member of the Board of Directors	Chairman and chief executive officer of Eramet
Aldo Cardoso^{(a) (d)}	French	54 years	45 Boulevard de Beauséjour 75016 Paris	Member of the Board of Directors	Director of companies
Jérôme Charruau^{(a) (d)}	French	54 years	SCS Cassidian Systems 1 boulevard Jean Moulin 78996 Elancourt Cedex	Member of the Board of Directors	Chief financial officer of SCS EADS Cassidian
Pierre Hessler^{(a) (d)}	French	67 years	23 rue Oudinot 75007 Paris	Member of the Board of Directors	Consultant, Researcher
Philippe Louis-Dreyfus^{(a) (d)}	French	65 years	Louis-Dreyfus Armateurs Les Ecluses 28 quai Gallieni 92158 Suresnes Cedex	Member of the Board of Directors	Chairman of Louis Dreyfus Armateurs SAS
Jean-Michel Ropert	French	44 years	Wendel 89 rue Taitbout 75009 Paris	Member of the Board of Directors	Chief financial officer of Wendel
Ernest-Antoine Seillière	French	73 years	Wendel 89 rue Taitbout 75009 Paris	Member of the Board of Directors	Chairman of the supervisory board of Wendel

(a) Independent Director.

(b) Annual Ordinary Shareholders' Meeting.

(c) Age on December 31, 2010.

(d) Director whose reappointment was submitted to the next Combined Ordinary and Extraordinary Shareholders' Meeting scheduled for May 27, 2011.

Start of term of office	End of term of office	Audit and Risk Committee	Nomination and Compensation Committee	Strategic Committee	Shares held at 12/31/2010
Appointed as Chairman of the Management Board on September 16, 1999 Appointed as Chairman and Chief Executive Officer on June 3, 2009	OSM ^(b) 2013				496,700
Co-opted as a member of the Supervisory Board and appointed as Chairman on April 14, 2009 Appointed as Vice-Chairman of the Board of Directors on June 3, 2009	OSM ^(b) 2013		Member	Chairman	100
Co-opted as a member of the Supervisory Board on June 2, 2008 Appointed as a Director on June 3, 2009	OSM ^(b) 2013	Member			100
Appointed as a member of the Supervisory Board on June 18, 2007 Appointed as a Director on June 3, 2009	OSM ^(b) 2011			Member	100
Appointed as Observer in June 2005 Appointed as a Director on June 3, 2009	OSM ^(b) 2011	Chairman			3,000
Co-opted as a Director on September 16, 1997 Appointed as a member of the Supervisory Board on September 16, 1999 Appointed as a Director on June 3, 2009	OSM ^(b) 2011	Member			2,100
Appointed as a Director on June 3, 2009 Appointed as Vice-Chairman of the Supervisory Board on June 27, 2005 Appointed as a Director on June 3, 2009	OSM ^(b) 2011		Chairman	Member	100
Co-opted as a member of the Supervisory Board on June 27, 2005 Appointed as a Director on June 3, 2009	OSM ^(b) 2011		Member		101
Co-opted as a member of the Supervisory Board on December 21, 2005 Appointed as a Director on June 3, 2009	OSM ^(b) 2013	Member			100
Co-opted as a member of the Supervisory Board on March 27, 2005 Appointed as a Director on June 3, 2009	OSM ^(b) 2013				200

EXPERTISE AND EXPERIENCE IN CORPORATE MANAGEMENT OF MEMBERS OF THE BOARD OF DIRECTORS AND POSITIONS HELD OVER THE LAST FIVE YEARS

Frank Piedelièvre

Frank Piedelièvre, Chairman of the Management Board of the Company since September 16, 1999, was appointed as Chairman and Chief Executive Officer on June 3, 2009 when the mode of management and administration of the Company was changed. He began his career in 1979 as General Secretary and then Deputy Chief Executive Officer of a small to medium-sized company specialized in the manufacturing of medical equipment. From 1982 to 1992, he held various positions at Chantiers Modernes, a construction and technical services company for building and industry, firstly as Head of the Foreign Markets Department, then as Development Director and finally as CEO. At this time, he was also Head of Operations in the Services and Environment and Road divisions. From 1993 to 1996, Mr. Piedelièvre was chairman and CEO of CMR, a company specializing in road construction, networks and sewage systems and chairman of the management board at Poincaré Investissements. Frank Piedelièvre joined Bureau Veritas in June 1996 as Vice-Chairman and Chief Executive Officer. In 1997, he took over management of the Group's international business and was appointed Chairman of the Management Board in 1999. Mr. Piedelièvre is a graduate of the *École des Hautes Études Commerciales (HEC)*.

Positions currently held

Chairman of the Supervisory Board of group CM-EXEDRA SAS

Chairman of Saint George Participations

Chairman of SAS Saint George

Director of the company DTZ Plc⁽¹⁾

Intra-group positions

Chairman of Bureau Veritas International SAS, and of Bureau Veritas France SAS

Chairman of the board of directors of Bureau Veritas Holdings Inc and Bureau Veritas Marine Inc

Director of Bureau Veritas Hong Kong, Bureau Veritas Certification Canada, Inspectorate Group Holdings LTD, and Inspectorate Pledgeco Inc.

Permanent representative of Bureau Veritas SA at BIVAC International SA

Positions no longer held (but held in the last five years)

Manager of SAM CMR

Chairman of the management board of SA Poincaré Investissements

Frédéric Lemoine

Frédéric Lemoine, Chairman of the supervisory board of the Company since April 14, 2009, was appointed as Director and Vice-Chairman of the board of Directors on June 3, 2009 when the mode of management and administration of the Company was changed. From 1992 to 1993 he spent a year managing the Heart Institute in Ho Chi Minh City, Vietnam and, in 2004, was made secretary-general of the Alain Carpentier Foundation that supported this hospital. From 1995 to 1997 he was deputy manager of the office of the Minister

for Employment and Social Affairs (Jacques Barrot) in charge of the coordination of the social security and hospital reforms. In the meantime he was also a representative of the secretary of State for Health and Social Security (Hervé Gaymard). From 1997 to 2002 he was deputy director to Serge Kampf and the management board of Capgemini, then group finance director, before being appointed as deputy chief executive officer in charge of finance at Capgemini Ernst & Young. From May 2002 to June 2004 he was Assistant Secretary-General of the Presidency of the Republic under Jacques Chirac in charge of economic and financial affairs. From October 2004 to May 2008 he was Senior Advisor to McKinsey. Since March 2005 he has been chairman of the audit and accounts committee of Groupama SA and a member then observer of the supervisory board of Générale de Santé since 2006. From March 2005 to April 2009 he was chairman of the supervisory board of Areva. From June 2008 to April 2009 he was a member of the supervisory board of Wendel and, since April 7, 2009, he has been chairman of the management board of Wendel. Frédéric Lemoine is a graduate of the *École des Hautes Études Commerciales (HEC)* (1986) and the *Institut d'études politiques de Paris* (1987). A former student at the *École Nationale d'Administration*, he is a financial inspector.

Positions currently held

Chairman of the Management Board of Wendel⁽¹⁾

Director of Saint-Gobain⁽¹⁾, Legrand⁽¹⁾, Groupama SA⁽¹⁾ and Flamel Technologies⁽¹⁾

Positions no longer held (but held in the last five years)

Chairman of the Supervisory Board of Areva

Observer of the Supervisory Board of Générale de Santé

Stéphane Bacquaert

Stéphane Bacquaert, a member of the Supervisory Board of the Company since June 2008, was appointed as a Director on June 3, 2009 when the mode of management and administration of the Company was changed. Stéphane Bacquaert began his career as a strategic consultant at Bain & Company in Europe and Latin America. Then he joined Netscapital, a merchant bank specialized in the media and information technology, as chief executive officer. He was then made a partner in charge of the Paris office of Atlas Venture, an international venture capital business. He joined the Wendel group in June 2005 and has been managing director since June 2008. Stéphane Bacquaert is a graduate of the *École Centrale Paris* and the *Institut d'Etudes Politiques de Paris*, and has an MBA from Harvard Business School.

Positions currently held

Director of Winvest International SA SICAR

Member of the Board of Management of Materis Parent SARL and Winvest Conseil SARL

Positions no longer held (but held in the last five years)

Member of the Board of Directors of Sporever, Jaluna and Soisic

Patrick Buffet

Patrick Buffet, a member of the Supervisory Board of the Company since June 18, 2007, was appointed as a Director on June 3, 2009 when the mode of management and administration of the Company was changed. As an engineer from the Corps des Mines, he began his career at the Ministry of Industry in the field of power and commodities. In 1986, he joined the Entreprise Minière et Chimique,

(1) Listed company.

as Director of Planning, Development and Management Control. He then became Chairman and Chief Executive Officer of the agro food company Sanders. From 1991 to 1994, he was Industrial Advisor to the President of France. In 1994, he joined Groupe Suez, first in Belgium as Director of Industrial Investments and of Strategy for Société Générale de Belgique, before becoming Deputy Chief Executive Officer in 1998, and finally, in 2001, Executive Officer and Director, and member of the Executive Committee of Groupe Suez. Since April 2007, he has been Chairman and Chief Executive Officer of metallurgy and mining group Eramet.

Positions currently held

Chairman and Chief Executive Officer of Eramet⁽¹⁾ and the company Le Nickel (Eramet Group)

Member of the Supervisory Board of Arcol Industries

Director of Banimmo⁽¹⁾ (Belgium), Comilog (Eramet group) and Rhodia⁽¹⁾

Observer of Caravelle

Positions no longer held (but held in the last five years)

Member of the Supervisory Board of Areva and Astorg-partners

Director of CDC Ixis, Suez Energy Services, Tractebel (Belgium), Electrabel (Belgium), Société Générale de Belgique and Fluxys (Belgium)

Aldo Cardoso

Aldo Cardoso, Observer of the Company since June 2005, was appointed as a Director and as Chairman of the Audit and Risk Committee of the Company on June 3, 2009 when the mode of management and administration of the Company was changed. From 1979 to 2003, he held various positions at Arthur Andersen: Associate Consultant (1989), Chairman France (1994), member of the Board of Directors of Andersen Worldwide (1998), Non-Executive Chairman of the Board of Directors of Andersen Worldwide (2000) and Chief Executive Officer of Andersen Worldwide (2002-2003). Since 2003 he has been a Director of French and foreign companies. Aldo Cardoso is a graduate of the *École Supérieure de Commerce de Paris*, has a masters in business law and is a certified public accountant.

Positions currently held

Director of GDF Suez⁽¹⁾, Rhodia⁽¹⁾, Imerys⁽¹⁾, Gecina⁽¹⁾, Axa Investment Manager and Mobistar⁽¹⁾

Positions no longer held (but held in the last five years)

Director of Accor, Orange and Penauille Polyservices

Jérôme Charruau

Jérôme Charruau, a member of the Supervisory Board of the Company since September 1999, was appointed as a Director on June 3, 2009 when the mode of management and administration of the Company was changed. He has spent his entire working life at EADS. He started in 1982 at Airbus in management control, then as Director of general management services. He joined GIE ATR in 1988 as Director of Management control. In 1994, he became the Chief Financial Officer of American Eurocopter Corporation in Dallas, then Director of Management Control for the Eurocopter Group in 1998. In 2005, he was appointed Chief Financial Officer of the Sogerma Group (EADS Sogerma). Since 2010, he has held the position of Chief Financial Officer of Cassidian, the secure communication systems subsidiary of EADS. He is also a Director of several companies in

the EADS Group. Mr. Charruau is a graduate of the *École des Hautes Études Commerciales (HEC)*.

Positions currently held

Director of EADS Secure Networks OY and EADS Secure Networks Technological Services Co Ltd

Chairman of EADS SECA

Positions no longer held (but held in the last five years)

Director of EADS Maroc Aviation, EADS Composites Atlantic, EADS Sogerma and EADS Composites Aquitaine

Director of EADS Sogerma Tunisie and EADS Sogerma Barfield

Chairman of SOGERMA SERVICES

Permanent representative of SOGERMA on the Board of Directors of EADS Revima

Pierre Hessler

Pierre Hessler, Chairman of the Supervisory Board of Bureau Veritas from 2002 to 2005 and Vice-Chairman of the Supervisory Board since June 2005, was appointed as a Director of the Company on June 3, 2009 when the mode of management and administration of the Company was changed. Pierre Hessler began his career at IBM where he worked for approximately 27 years, holding positions at IBM Switzerland (from 1965 to 1980), where he was Director of Agencies in the computer field, then IBM Europe from 1980 to 1993, where he held positions as Director of Operations, Director of Marketing and Services, Regional General Director, Chairman of IBM France and General Director of operations, marketing and services. From 1982 to 1984, he held positions as Director of Development at IBM Corporation, then as Director of Corporate Marketing from 1989 to 1991, and finally IBM Vice-President. In 1993, he joined Capgemini where he carried out a number of different general management functions, including as Chairman and Chief Executive Officer of Gemini Consulting, member of the Management Board, and Executive Officer, then Director, in 2000. Pierre Hessler is currently manager of Actideas, a member of the observers on the Board of Directors of Capgemini, and adviser to Capgemini. Mr. Hessler is a graduate in law and political economy from the University of Lausanne, in Switzerland.

Positions currently held

Observer of Capgemini SA⁽¹⁾

Manager of Actideas SARL

Positions no longer held (but held in the last five years)

Chairman of the Supervisory Board of Capgemini Sd&m (Germany)

Director of A Novo Paris⁽¹⁾ and other companies in the Capgemini Group

Chairman of the Supervisory Board of Bureau Veritas

Manager of Médias holding SARL and Médias SARL

Philippe Louis-Dreyfus

Philippe Louis-Dreyfus, a member of the Supervisory Board since June 2005, was appointed as a Director of the Company on June 3, 2009 when the mode of management and administration of the Company was changed. He has been Chairman of Louis Dreyfus Armateurs SAS since 2003. Mr. Louis-Dreyfus has pursued most of his career in the banking sector, first as a Member of the Executive Committee of Banque Louis Dreyfus, then of Banque Pallas France, responsible for the Corporate Department. He subsequently became

(1) Listed company.

Chairman and Chief Executive Officer of Crédit Naval. Mr. Louis-Dreyfus joined the Louis Dreyfus Group to become Chairman of its maritime branch, Louis Dreyfus Armateurs, in 1996. Since 1998, Mr. Louis-Dreyfus has actively participated in the creation of LD Com, now Neuf Cegetel. In addition, he is Chairman of the ECSA (European Community Shipowners' Association), Vice-Chairman of Armateurs de France and Director of the Conseillers du Commerce Extérieur de la France and of MEDEF International. Mr. Louis-Dreyfus is an Officer of the Legion of Honor, an Officer of the National Order of Merit and an Officer of the British Empire (OBE). Mr. Louis-Dreyfus holds a Masters degree in economics from the *Faculté de Droit de Paris*.

Positions currently held

Chairman of Louis Dreyfus Armateurs SAS, Pacemar and ASLDA

Director of Stags SAS, Drop Quinze SC, Grimaldi and Louis Dreyfus Lines SpA, Orchard Maritime Services Pte Ltd, Cetrappa Asia Pte Limited, UK Club (P&I), Cluster Maritime Français, Institut Français de la Mer, Cetrabulk Maritime PTE Ltd, Magseas Maritime Services PTE Ltd, MEDEF International, European Community Shipowners Association, and Comité National des Conseillers du Commerce Extérieur de la France

Member of the Supervisory Board of Kurosawa BV

Member of the Executive Committee of Armateurs de France

Permanent representative of the Manager of Cetrappa S.N.C. and Methane Transport S.N.C.

Permanent representative of the Chairman of Louis Dreyfus Cargo SAS, of Louis Dreyfus Ferry SAS, of Louis Dreyfus Maritime SAS, Louis Dreyfus Saget SAS, Louis Dreyfus Transmanche Ferries SAS, Louis Dreyfus Bulk SAS, de Louis Dreyfus Ports & Logistics SAS and Cherbourg Terminal Vrac SAS

Permanent representative of the Administrateur de France Euro Tramp S.A. and ALDA Maritime SAS

Permanent representative of the Director of Louis Dreyfus Offshore Services BP, Louis Dreyfus Fairmount BV and Louis Dreyfus Channel Ferries

Positions no longer held (but held in the last five years)

Chairman of Saget SAS and ECSA Member of the Board of Directors of Louis Dreyfus Asia Pte, Louis Dreyfus Comunicaciones España, Banque Chabrieres (Groupe Intermarché), Louis Dreyfus & Co. Limited and Louis Dreyfus Marine Corporation

Member of the Supervisory Board of Louis Dreyfus Commodities Holding

Member of the Strategy Committee of Florentz

Chief Executive Officer and Member of the Supervisory Board of Louis Dreyfus SAS

Director of Neuf Cegetel and ECSA

Permanent representative of the Chairman of the company Louis Dreyfus SAS within Louis Dreyfus Citrus SAS, of the Chairman of the company Louis Dreyfus SAS within Louis Dreyfus Technologies SAS, of the Chairman of the company Louis Dreyfus SAS within Materis SAS, and of the Chairman of the company Louis Dreyfus SAS within Société d'Études et de Commerce SAS

Jean-Michel Ropert

Jean-Michel Ropert, a member of the Supervisory Board since December 2005, was appointed as a Director of the Company on June 3, 2009 when the mode of management and administration of the Company was changed. He joined the Wendel Group in 1989 where he carried out a series of functions within the accounting, consolidation and bookkeeping teams. Since 2002, Mr. Ropert has been Chief Financial Officer of Wendel. Mr. Ropert holds a degree in *Études Comptables et Financières* (DECF).

Positions currently held

Chairman of the Board of Grauggen, Hourggen, Ireggen and Jeurggen

Executive Officer of Cobra

Member of the Board of Management of Materis Parent SARL (Luxembourg) and Winvest Conseil SARL (Luxembourg)

Director of Helikos SE (Luxembourg)

Member of the Supervisory Board of Oranje Nassau Groep BV (Netherlands)

Member of the Management Committee of Deutsch Group

Manager of DDMS & Cie and SCI les Trois Chênes

Positions no longer held (but held in the last five years)

Director of Solfur

Chief Executive Officer and Member of the Management Board of Poincaré Investissements

Executive Officer and Director of Poincaré Participations, SOFU and Cobra

Chairman of Compagnie de l'Audon and Winvest II

Chief Executive Officer and Director of Sofiservice

Legal representative of Sofiservice, Chairman of Sofe

Member of the Supervisory Board of Editis Holding

Chairman of the board of Winvest Part 4 and Winsecuritisation

Liquidator of Lormetal

Ernest-Antoine Seillière

Ernest-Antoine Seillière, a member of the Supervisory Board since March 2005, was appointed as a Director of the Company on June 3, 2009 when the mode of management and administration of the Company was changed. Ernest-Antoine Seillière was previously an advisor on foreign affairs. After one year at the Center for International Affairs at Harvard University, he joined the Wendel Group in 1976. He became the Group's Chairman and Chief Executive Officer in 1987. A Director of Wendel Investissement from 1985 to 2005, he has been Chairman of the Supervisory Board of Wendel since May 31, 2005. Ernest-Antoine Seillière is a former student of the *École Nationale d'Administration* and a Commander of the Legion of Honor.

Positions currently held

Chairman of the Supervisory Board of Wendel⁽¹⁾

Member of the Board and President of Honor of Wendel Participations

Director of Legrand⁽¹⁾ and Sofisamc (Switzerland)

(1) Listed company.

Member of the Supervisory Board of Hermes International⁽¹⁾ and Peugeot SA⁽¹⁾

Positions no longer held (but held in the last five years)

Chairman of the Supervisory Board of Oranje Nassau Groep BV (Netherlands)

Member of the Supervisory Board of Gras Savoye & Cie

Manager of ASEAS Participations and ODYSSAS

Chairman and Managing Director of Wendel Investissement (formerly CGIP) and Société Lorraine de Participations Sidérurgiques

Chairman of the Board of Directors of Legrand and Lumina Parent

Chairman of the Supervisory Board of Trader Classified Media

Vice-Chairman of the Supervisory Board of BioMerieux, Pierre-Fabre and Valeo

Vice-Chairman of the Board of Directors of Capgemini

Member of the Supervisory Board of Editis Holding

Permanent representative of Sofiservice, then Orange-Nassau Groep on the Supervisory Board of Bureau Veritas

2.1.2. EXECUTIVE MANAGEMENT

The Executive Management of the Company is carried out by Mr. Frank Piedelièvre, who was appointed as Chairman and Chief Executive Officer by the Board of Directors on June 3, 2009.

Mr. Piedelièvre is assisted by two Executive Officers (*Directeur Général Délégué*) appointed at the meeting of the Board of Directors on June 3, 2009: Messrs François Tardan and Philippe Donche-Gay.

Mr. François Tardan is in charge of the Finance Department of the Group and thus manages, controls and is responsible for the areas covered by it, notably:

- accounting;
- reporting and budgeting;
- management control;
- cash flow and finance;
- internal auditing;

- financial communication;
- tax affairs;
- legal affairs;
- risk management and liability insurance;
- ethics; and
- information systems.

As far as acquisitions are concerned, he is responsible for supervising and monitoring acquisition operations in the above areas, both at the analysis stage and at the stages of negotiation and then integration of entities acquired.

Mr. Philippe Donche-Gay is responsible for anticipating and planning operational improvement initiatives within the Group in order to ensure it maintains high levels of efficiency. He is also Operations Manager.

Name	Age ^(a)	Main business address	Position	Main function	Start of term of office	End of term of office	Shares held at 12/31/2010
François Tardan	58 years	Bureau veritas 67/71 Boulevard du Château 92200 Neuilly-sur-Seine	Executive Officer	Chief Financial Officer of Bureau Veritas	Appointed as a member of the Management Board on June 19, 2002 Appointed as Executive Officer on June 3, 2009	AOSM ^(b) 2013	496,014
Philippe Donche-Gay	53 years	Bureau Veritas 67/71 Boulevard du Château 92200 Neuilly-sur-Seine	Executive Officer	Chief Operating Officer of Bureau Veritas	Appointed as a member of the Management Board on August 27, 2008 Appointed as Executive Officer on June 3, 2009	AOSM ^(b) 2013	-

(a) Age on December 31, 2010.

(b) Annual Ordinary Shareholders' Meeting.

EXPERTISE AND EXPERIENCE IN CORPORATE MANAGEMENT OF EXECUTIVE OFFICERS AND POSITIONS HELD OVER THE LAST FIVE YEARS**François Tardan**

François Tardan, a member of the Management Board of the Company since June 19, 2002, was appointed as Executive Officer on June 3, 2009 when the mode of management and administration of the Company was changed. He began his career in 1980 as Civil Administrator at the French Ministry of Equipment and Organization of the Territory (Équipement de l'Aménagement du Territoire) in the French Economic and International Affairs Department (DAEI). From 1985 to 1994, he was Development Director at Chantiers Modernes where he was responsible for acquisitions, in particular in the energy management and environmental engineering sectors in France and the USA. From 1995 to 1998, he was Chairman and CEO of Fondasol SA, an engineering and geotechnical consulting group. François Tardan joined Bureau Veritas as Group Chief Financial Officer in 1998. He was appointed a member of the Management Board in 2002. He heads the Legal, Risks and Ethics, Internal Audit, Acquisitions Support and IT Systems departments. Mr. Tardan is a graduate of the *École des Hautes Études Commerciales* (HEC), the *Institut d'Études Politiques de Paris* and the *École Nationale d'Administration* (ENA).

Positions currently held

Chairman of the Board of Directors of the company Financière Saint Gérard - FSG

Director of the company DTZ Plc⁽¹⁾

Intra-group positions

Chairman of LCIE SAS, Codde SAS, and Bureau Veritas Operations France

Chairman of the Board of Directors of BIVAC Paraguay, Soprefira, and BIVAC International

Manager of Sedhyca SARL and BIVAC World Market

Chief Executive Officer of Bureau Veritas International SAS, Bureau Veritas France SAS, and BIVAC BV.

Director of Bureau Veritas Consulting Shanghai, Bureau Veritas Quality Services Shanghai, Bureau Veritas India, Bureau Veritas Certification India, Bureau Veritas Malaysia, Bureau Veritas Inspection Malaysia, Bureau Veritas Del Peru, Bureau Veritas Romania Controle International, Bureau Veritas Thailand, Bureau Veritas Italia Holding, Bureau Veritas Hong Kong, Bureau Veritas Consumer Products Services Hong Kong, Bureau Veritas Maroc, Bureau Veritas Lebanon SAL, Bureau Veritas Holdings Inc, Bureau Veritas Certification Canada Inc, Bureau Veritas Namibia Pty Ltd, Amdel Ltd, Amdel Holdings Ltd, Amdel Holdings Finance Ltd, Labmark Pty Ltd, Bureau Veritas UK Holdings Ltd, Bureau Veritas UK Ltd, Inspectorate GROUP Holdings Ltd, and Inspectorate Pledgeo Inc

Permanent representative of Bureau Veritas SA at Bureau Veritas Bangladesh

Supervisory duties at Bureau Veritas Certification Taiwan

Auditor of PT Bureau Veritas Indonesia

Director and Chief Financial Office of Curtis-Strauss LLP and Bureau Veritas Marine Inc

Positions no longer held (but held in the last five years)

Member of the Board of Directors of the company Concept Group HK Ltd

Philippe Donche-Gay

Philippe Donche-Gay, a member of the Management Board of the Company since August 27, 2008, was appointed as Executive Officer on June 3, 2009 when the mode of management and administration of the Company was changed. He began his career at IBM in 1982, where he carried out various management functions in France and the United States. In 1994, he joined the international general management of Capgemini and, from 1996, helped set up a global unit dedicated to the telecommunications market, becoming its CEO in 2001. In 2004, he was appointed CEO of Capgemini France. In January 2007, he became CEO of Capgemini Western Europe & Latin America. A member of the Capgemini Group Executive Committee, he was also in charge of the global coordination of Technology Services. In 2008, he joined Bureau Veritas as Operations Director and a member of the Management Board. Philippe Donche-Gay is a graduate of the *École Polytechnique* and of Stanford University in California.

Positions currently held

None.

Intra-group positions:

Chairman of Bureau Veritas Certification Holding SAS

Director of Bureau Veritas UK LTD

Permanent representative of Bureau Veritas Certification Holding SAS at Bureau Veritas Maroc

Positions no longer held (but held in the last five years)

Chief Executive Officer of Capgemini France SAS

Chairman of Capgemini Consulting SAS, Capgemini Industrie et Distribution SAS, Capgemini Finance et Services SAS, Capgemini Est SAS, Capgemini Ouest SAS and Capgemini Sud SAS

Chairman and Chief Executive Officer of Capgemini Telecom SA

Chairman of the Board of Directors of Capgemini España SLU, CGTMN US, CGTMN UK Ltd, CGTMN Ireland Ltd, CGTMN Sweden AB, CGTMN Norge AS, CGTMN Finland Oy, CGTMN Nederland BV and CGTMN España SA

Director of CGTMN Belgium N.V, CGTMN Deutschland GmbH, CGTMN Italia SpA and CGTMN Singapore Pte Ltd

Member of the Supervisory Board of Synaxio

(1) Listed company.

NO CONVICTIONS FOR FRAUD, PUBLIC ACCUSATIONS AND/OR PUBLIC SANCTIONS, OR LIABILITY FOR BANKRUPTCY WITHIN THE LAST FIVE YEARS

As far as the Company is aware, no Director or Executive Officer has, within the last five years, (i) been convicted of fraud or been subject to an official accusation or penalty delivered by legal or administrative authorities, except for Mr. Frank Piedelièvre, who was given a suspended sentence in January 2007 for impeding the proper functioning of the Company's Committee for Health, Safety and Working Conditions in 2002 and 2003; (ii) been linked to a bankruptcy, impoundment or liquidation; or (iii) been prohibited by a court from acting as a member of an administrative, management or supervisory body of a company, or participating in management or conducting of a company's business.

Furthermore, there are no family relationship linking the Directors.

AGREEMENTS IN WHICH DIRECTORS AND EXECUTIVE OFFICERS ARE INTERESTED PARTIES, AND CONFLICTS OF INTEREST

Directors and Executive Officers are required to inform the Chairman and Chief Executive Officer without delay of any relations that may

exist between companies in which they have a direct interest and the Company. Directors and Executive Officers also have to notify the Board of Directors of any agreement, referred to under Articles L. 225-38 et seq. of the French Commercial Code, to be concluded between themselves or a company in which they are Directors or in which they own, directly or indirectly, a significant shareholding, and the Company or one of its subsidiaries. These provisions do not apply to existing agreements concluded under normal conditions.

With the exception of related-party agreements carried out during the 2010 exercise and presented in the related-party transactions' section in Chapter 6 – Information on the Company and the Capital of this Registration Document, and as far as the Company is aware, there are no other potential conflicts of interest between the duties of the Directors and the Executive Officers of the Company with regard to Bureau Veritas and their personal interests and/or other duties.

Apart from the obligation, set out in the by-laws of the Company, to hold at least 100 shares throughout their term of office, members of the Board of Directors are not subject to any contractual restrictions regarding the shares they own in the Company, except for the black-out periods as defined in the Group's Stock Market Ethics Charter.

2.1.3. EXECUTIVE COMMITTEE

The Executive Committee is the operational management body of the Group. It is chaired by the Chairman and Chief Executive Officer and is composed of the Chief Executives of the Group's vertical operating businesses (Marine, GSIT, Consumer Products and Commodities), the Chief Executives of the major geographic zones and the four businesses which form the Industry & Facilities division, and of the support functions.

The Executive Committee examines and approves questions and decisions relating to the Group's strategy and general organization. It adopts the policies and procedures set for general application for the Group as a whole. In addition, each of the four vertical businesses, as well as the Industry & Facilities division, has its own Executive Committee.

At the date of publication of this Registration Document, the Executive Committee is composed of 17 members, including the Chairman and Chief Executive Officer and the Executive Officers:

- **Frank Piedelièvre**, Chairman and Chief Executive Officer;
- **François Tardan**, Executive Officer, Chief Financial Officer;
- **Philippe Donche-Gay**, Executive Officer, Chief Operating Officer;
- **Arnaud André**, in charge of Human Resources, Quality, Communication and Organization;
- **Andrew Hibbert**, in charge of Legal, Risks and Compliance;
- **Sami Badarani**, Deputy Financial Officer;
- **Patrick Aubry**, in charge of the central functions of the Industry & Facilities division and of the Construction and In-Service Inspection & Verification businesses;
- **Laurent Bermejo**, in charge of the Industry & Facilities division for the Northern and Eastern Europe areas;
- **Pedro Paulo Guimaraes**, in charge of the Industry & Facilities division for the Americas;
- **Laurent Clavel**, in charge of the Industry business and the Industry & Facilities division for the Pacific area;
- **Jacques Lubetzki**, in charge of the Industry & Facilities division for France;
- **Philippe Lanternier**, in charge of the Industry & Facilities division for the Asia area;
- **Eduardo Camargo**, in charge of the Industry & Facilities division for the Latin America area;
- **Olivier Butler**, in charge of operations for the Consumer Products business;
- **Bernard Anne**, in charge of the Marine business;
- **Tony Mouawad**, in charge of the GSIT business and the Industry & Facilities division for the Middle-East, India, Russia and Africa areas;
- **Neil Hopkins**, in charge of the Commodities business.

2.2. Report of the Chairman of the Board of Directors on the composition and the conditions governing the preparation and organization of the Board's work and the internal control and Risk Management procedures implemented by the Company

Pursuant to Article L. 225-37, paragraph 6, of the French Commercial Code as amended by ordinance no. 2009-80 of January 22, 2009, this report contains details of the composition and the conditions for the preparation and organization of the work of the Board of Directors during the 2010 financial year and the internal control and risk management procedures implemented by the Company.

This report also specifies the principles and rules laid down by the Board of Directors for determining the remuneration and benefits of any kind granted to Corporate Officers, special terms relating to the participation of shareholders in the shareholder's meeting, the corporate governance code to which the Company refers and finally mentions the publication of information stipulated under Article L. 225-100-3 of the French commercial code.

This report, drawn up under the responsibility of the Chairman of the Board of Directors pursuant to Article L. 225-37 of the French Commercial Code, has been prepared with the assistance of the Internal Audit Department, with reference to the final report of the AMF on audit committees of July 22, 2010, the Finance Department, and the Legal, Risks and compliance Department. The report was reviewed by the Audit and Risk Committee at its meetings of December 15, 2010 and February 25, 2011, and by the Nomination and Compensation Committee at its meetings of December 7, 2010 and February 28, 2011. The report was reviewed in draft form by the Board of Directors on December 15, 2010 and then approved at the meeting of February 28, 2011.

2.2.1. CORPORATE GOVERNANCE CODE

As part of the process of listing its stock on the Euronext Paris regulated market, in 2007 the Company carried out a comprehensive review of its corporate governance practices and, as a result, implemented a certain number of measures, enabling it, in particular, to adopt the corporate governance recommendations published by the French Association of Private Enterprise (AFEP) and the French Business Confederation (MEDEF) on October 20, 2003, entitled "*Principes de gouvernement d'entreprise résultant de la consolidation des rapports conjoints de l'AFEP et du MEDEF de 1995, 1999 et 2002*" ("*Principles for corporate governance based on the consolidation of the 1995, 1999 and 2002 AFEP and MEDEF reports*").

At its meeting of December 16, 2008, the Supervisory Board considered that the Company's corporate governance measures comply with the AFEP/MEDEF recommendations of October 6, 2008 on the remuneration of Executive Corporate Officers of

listed companies and decided that the corporate governance code to which the Company should refer would be the "Corporate Governance Code for Listed Companies" published by the AFEP and the MEDEF, whose version dated April 2010 consolidates the principles of corporate governance resulting from the consolidation of the AFEP and MEDEF report of January 2007 and October 2003, the AFEP/MEDEF recommendations of January 2007 and October 2008 on the remuneration of Directors and those of April 2010 on the representation of women on Boards of Directors.

The code is available from the MEDEF website www.medef.fr and from the Company's head office.

Pursuant to Article L. 225-37 of the French Commercial Code, this report mentions the provisions of the AFEP/MEDEF Code that have been removed and the reasons for doing so.

2.2.2. COMPOSITION AND CONDITIONS GOVERNING THE PREPARATION AND ORGANIZATION OF THE WORK OF THE BOARD OF DIRECTORS

COMPOSITION OF THE BOARD OF DIRECTORS

On December 31, 2010, the Board of Directors of the Company had 10 members: Messrs Frank Piedelièvre, Chairman and Chief Executive Officer, Frédéric Lemoine, Vice-Chairman, Stéphane Bacquaert, Patrick Buffet, Aldo Cardoso, Jérôme Charruau, Pierre Hessler, Philippe Louis-Dreyfus, Jean-Michel Ropert and Ernest-Antoine Seillière.

At its meeting of December 15, 2010, and based on the proposal of the Nomination and Compensation Committee that had met on December 7, 2010, the Board of Directors studied the independence or not of its members with regard to (i) the definition set out in the AFEP/MEDEF Corporate Governance Code for Listed Companies of April 2010, specifically "a director is independent if he or she has no relationship of any kind whatsoever with the corporation, its

group or the management of either that is such as to color his or her judgment" and (ii) the following criteria:

- not to be an employee or Corporate Officer of the corporation or the Group, or an employee or Director of its parent or a company that it consolidates, and not having been in such a position for the previous five years;
- not to be a Corporate Officer of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee is appointed as such, or in which a corporate officer of the corporation (currently in office or having held such office going back five years) is a Director;
- not to be a customer, supplier, investment banker or commercial banker:
 - that is significant for the corporation or its group, or
 - that has a significant part of its business with the corporation or its group;
- not to be related by close family ties to a corporate officer;
- not to have been an auditor of the corporation, or of a company of the Group within the previous five years;
- not to have been a corporate officer of the corporation for more than twelve years;
- not to receive or have received significant additional remuneration from the Company or the Group other than Directors' fees, including participation in any system of options on shares or any other system of performance-related remuneration.

On the basis of the definition and criteria mentioned above in the AFEP/MEDEF Corporate Governance Code for Listed Companies, five of the ten Directors have been characterized as independent: Messrs Patrick Buffet, Aldo Cardoso, Jérôme Charruau and Philippe Louis-Dreyfus.

The Board of Directors noted that Mr. Pierre Hessler, who was Chairman of the Supervisory Board until June 27, 2005, could be considered again as independent from June 27, 2010 because the AFEP/MEDEF criterion recommending not being a company officer for the previous five years will no longer apply to him.

In addition, the Board noted that the period in office of Mr. Jérôme Charruau would exceed 12 years following the Shareholders' Meeting convened in 2011 to approve the financial statements for the year ended December 31, 2010, and that Mr. Charruau would therefore lose his status of independent director from the date of the meeting, in accordance with the criteria of the AFEP/MEDEF corporate governance code. His reappointment will not therefore be submitted for approval at the next Shareholders' Meeting.

The composition of the Board of Directors is set out in the paragraph on the Board of Directors in this chapter. This section includes, in particular, information on ages, business addresses, positions within the Company, main functions, starting and end dates of terms of office, detailed biographies and a list of positions held by directors within the last five years.

CONDITIONS GOVERNING THE PREPARATION AND ORGANIZATION OF THE WORK OF THE BOARD OF DIRECTORS

Framework for the work of the Board of Directors

The conditions governing the preparation and organization of the work of the Board of Directors are set out in the internal regulations of the Board of Directors, which were last updated on August 25, 2010.

The Board of Directors meets as often as needed in the interest of the Company and meetings are convened by its Chairman or, if the latter is absent or prevented from doing so, by its Vice-Chairman.

The provisional annual schedule of Board of Directors meetings (excluding extraordinary meetings) is drawn up at the end of each financial year and sent out to each member at the latest at the start of each financial year.

On top of the Board's mandatory meetings (annual and half-year closing accounts) are added meetings that are required in the normal course of business (acquisition projects, endorsements and guarantees) or authorizations to be provided pursuant to internal governance rules set out in Article 1.1 of the internal regulations of the Board of Directors.

The Statutory Auditors must be invited to all Board of Directors meetings discussing the annual or half-year financial statements.

For each meeting, a preparatory file covering the main items on the agenda is drawn up and given to each member a few days before the meeting to allow prior examination of documents by the Directors.

During meetings, a detailed presentation of the items on the agenda is provided by the members of the Executive Management. Generally speaking, each Director is given all the information needed to carry out his mission and can ask the Chairman to provide him with any useful documents. The Statutory Auditors also speak at meetings in which financial statements are examined. Questions may be asked during presentations, which are followed by discussions before the vote. Detailed minutes in draft form are then sent to members for examination and comments before being formally approved by the Board of Directors.

Internal regulations of the Board of Directors

The internal regulations of the Board of Directors, which are intended, in particular, to lay down its methods of operation, supplementing any legal, regulatory and statutory provisions, were adopted at the meeting of the Board of Directors held on June 3, 2009. These internal regulations were updated at the meeting of the Board of Directors of August 25, 2010 to take into account the changes made in respect of the limitations of the powers of the Chief Executive Officer and Executive Officers concerning the authorization threshold for acquisitions, which was increased from €5 million to €10 million.

The internal regulations of the Board of Directors also constitute the Governance Charter for Directors.

The internal regulations state that the Board of Directors determine the guidelines of the company's business and ensure its implementation. Subject to powers granted expressly by law to Shareholders' Meetings and within the limits of the corporate purpose, the Board handles all issues related to ensuring smooth operation of the Company and settles by deliberation all business matters concerning it.

The internal regulations are divided into five Chapters, the main provisions of which are as follows:

- the first Chapter is devoted, in particular, to the responsibilities of the Board of Directors, to describing the terms of meetings of the Board, in particular the holding of meetings by means of telecommunication, to ethical rules and the Charter for Directors and to the remuneration of Directors;
- the second Chapter is devoted to rules on the independence of Directors;
- the third and fourth Chapters are devoted to observers and the Board's Committees; and
- the last Chapter is devoted to the terms of amendment, entry into force and publication of the internal regulations and the assessment of the Board of Directors.

The internal regulations also stipulate the limitations of powers that are detailed in the paragraph on "Limitations imposed by the Board of Directors on the powers of the Chief Executive Officer and the Executive Officers" in this chapter.

Stock Market Ethics Charter

The objective of the Company is to ensure the compliance with the recommendations issued by the stock market authorities regarding the management of risks relating to the possession, disclosure and possible use of privileged information.

In this context, the Company has drawn up a Stock Market Ethics Charter and appointed a Compliance Officer. The purpose of this Stock Market Ethics Charter is to remind corporate officers, executive management, those in the same category, as well as occasional insiders of the applicable regulations, and to draw their attention to (i) the applicable laws and regulations in force regarding insider trading, as well as to the administrative sanctions and/or penalties for not complying with those laws and regulations, and (ii) the implementation of preventive measures that enable anyone to invest in Bureau Veritas shares while in full compliance with the rules on market integrity.

At its meeting of February 3, 2010, the Board of Directors modified the Stock Market Ethics Charter in order to extend the black-out periods from 15 days to one month before each financial publication.

Work of the Board of Directors

In 2010, the Board of Directors met 11 times with an attendance rate of 94%. Meetings lasted for an average of two and a half hours.

With regard to financial matters, the Board of Directors examined the statutory and consolidated financial statements for 2009 and the first half of 2010, the quarterly revenue for the fourth quarter of 2009 and first, second, and third quarters of 2010, and the communications relating thereto. It examined activity and performance, documents detailing management projections and the Group's long-term debt and financing. It also delegated authority to the Chairman and Chief Executive Officer in respect of cautions, endorsements and guarantees. Lastly, at its meeting of December 15, 2010, the Board of Directors examined the Group's budget for the 2011 financial year.

With regard to governance matters, the Board of Directors examined the recommendations of AFEP/MEDEF on corporate governance and the remuneration of corporate officers for 2010, determined

the remuneration of corporate officers, and defined the procedures for the distribution of Directors' fees. Moreover, on March 2, 2010, the Board of Directors noted, based on the financial statements for the year ended December 31, 2009, that the performance conditions had been achieved in relation to the bonus share and stock option plans of July 3, 2009. The Board of Directors also approved the report of its Chairman on corporate governance and on internal control and risk management procedures. Finally, at its meeting of February 3, 2010, the Board of Directors modified the Stock Market Ethics Charter in order to extend the black-out periods from 15 days to one month before each financial publication.

The work of the Board of Directors also extended to the various opportunities regarding acquisitions or disposals. In particular, the Board examined the acquisition plan for the company Inspectorate and procedures for integrating it into the Group.

The Board of Directors, making use of the authority delegated to it by the Shareholders' Meeting, approved the implementation of a bonus share and stock option plan for managers. It also authorized the Chairman and Chief Executive Officer to implement the share buyback program and to renew the liquidity agreement.

Assessment of the Board of Directors and its Committees

According to the recommendations of the AFEP/MEDEF Code of December 2008 and in application of Article 5.4 of its internal regulations, the Company has assessed the composition, organization and functioning of the Board of Directors and its Committees.

As was the case the previous year, this assessment, entrusted to the Chairman of the Nomination and Compensation Committee, was carried out through individual telephone conversations with Directors.

The results of this assessment were presented and discussed at the meeting of the Nomination and Compensation Committee of December 7, 2010, before being presented at the meeting of the Board of Directors of December 15, 2010. In the context of this evaluation, the quality of information on the results, the reports on work carried out by Committees, the quality of discussions, and more generally, the functioning of the Board of Directors and the Committees were deemed to be satisfactory. Certain areas of improvement were suggested and gave rise to the Board of Directors adopting a four-point action plan for 2011 relating, in particular, to the diversification of the composition of the Board of Directors and a review of the Group's activities, based on a proposal of the Nomination and Compensation Committee.

Committees of the Board of Directors

The internal regulations of the Board of Directors provide for the Board to set up one or several committees intended to suggest areas of reflection for its members, to facilitate the proper functioning of the Board and to contribute effectively to the preparation of its decisions. The Committees have a consultative role and are responsible for working on matters submitted by the Board or its Chairman and for presenting their conclusions to the Board in the form of a report or a set of proposals or recommendations.

In 2010, the Board of Directors was assisted in carrying out its responsibilities by three specialized Committees formed from its members: the Audit and Risk Committee, the Nomination and Compensation Committee and the Strategic Committee.

Audit and Risk Committee

At its meeting of July 27, 2009, the Audit and Risk Committee adopted a set of internal regulations that set out its responsibilities, resources and functioning.

The Audit and Risk Committee is responsible for monitoring the process of drawing up accounting and financial information, the efficiency of internal auditing and risk management systems, the legal auditing of annual financial statements and consolidated financial statements by the Statutory Auditors and the independence of the Statutory Auditors. It prepares and facilitates the work of the Board of Directors in these areas.

It is, more specifically, responsible for the following:

- examining the relevance of the choice of accounting principles, the permanence of the accounting methods applied, the accounting positions adopted, the estimations made to account for significant transactions and the scope of consolidation;
- examining, before they are made public, all accounting and financial documents issued by the Company, including communications on quarterly information and results;
- examining and monitoring the efficiency of internal audit, risk management and information system security systems;
- examining significant risks, major disputes and off-balance sheet commitments;
- submitting proposals to the Board of Directors for the appointment of Statutory Auditors and approving the requested fees; and
- assessing the quality of the work carried out by the Statutory Auditors and the control of their independence. As part as the independence control and in respect of missions whose amount of fees is less than €150,000, the Committee is given, once a year when the annual financial statements are closed, details of audit and consultancy fees paid by the Company and other companies in the Group to firms and networks of the Company's Statutory Auditors. For missions whose amount of fees is more than or equal to €150,000 (in particular acquisition audits), prior approval by the members of the Committee will be required before such work is started.

The Audit and Risk Committee must report on its work to the Board of Directors and bring to its attention any matters which appear to raise issues or require that a decision be taken. It also reviews all issues raised for it by the Board of Directors on the matters set forth above.

It meets as often as it deems necessary, and at least before each financial publication.

The Audit and Risk Committee can invite to its meetings, if it deems necessary, one or more members of the Executive Management and the Company's Statutory Auditors.

In the course of its work and after having informed the Chairman of the Board of Directors thereof, and provided it notifies the Board of Directors, the Audit and Risk Committee may ask the Executive Management to provide it with any document that it deems relevant to its work and may speak to all or some of the members of the Executive Management or any other person with whom the Committee deems such conversations would be useful.

The Audit and Risk Committee can also invite to its meetings any third party it deems appropriate (experts, consultants, lawyers or auditors), as well as members of the Executive Management.

According to the AFEP/MEDEF Corporate Governance Code for Listed Companies of December 2008, and other than in exceptional circumstances justified by limited time, the information required for Committee discussions is sent a few days before the meeting and, wherever possible, the financial statements are examined by the Committee at least two days before they are examined by the Board of Directors.

At December 31, 2010, the Audit and Risk Committee had four members: Messrs Aldo Cardoso, Chairman, Jean-Michel Ropert, Stéphane Bacquaert and Jérôme Charruau. Based on their professional experience, the Company believes that the members of the Audit and Risk Committee have the required financial and accounting expertise to be a member. As the Company is controlled by a major shareholder, the proportion of two-thirds of independent members recommended by the AFEP/MEDEF code of December 2008 is not respected; however, a majority of members is independent.

The Audit and Risk Committee met eight times in 2010, with an attendance rate of 91%. Meetings were attended by the Chief Financial Officer, the Director of Management and Accounting Services, the Internal Audit Director, and the Group General Counsel, Risk and Compliance Officer.

In 2010, the Audit and Risk Committee examined, in particular, the statutory and consolidated financial statements for 2009 and the first half of 2010, the quarterly revenue for the fourth quarter of 2009 and first, second, and third quarters of 2010, and the related communications and financial presentations.

During these meetings, the statutory and consolidated financial statements, notes to the financial statements and technical points relating to the accounts closing process were commented on by the Group's Finance Department and analyzed by the members of the Audit and Risk Committee, in the presence of the Statutory Auditors, with particular attention being paid to impairment tests and the cash position. Significant off-balance sheet commitments and guarantees were also subject to particular scrutiny.

The work of the Audit and Risk Committee also concerned the Group's financial documentation, the dividend payment plan for the 2009 financial year, and changes in debt and financing opportunities for the Group.

The Audit and Risk Committee also reviewed, on a half-yearly basis, the findings of internal audits carried out and was involved in the annual planning and monitoring of recommendations and action plans.

The Audit and Risk Committee was also involved in the implementation of the AMF frame of reference concerning general principles and the accounting and financial internal control framework, and the analysis and control of operating risks. It was notified of the results and the action plans presented.

In addition, two meetings focused on risks, at which the Audit and Risk Committee assessed the management and prevention of risks, risk mapping, significant litigation, provisions, renewal of the professional liability insurance policies cover and the internal audit procedures. The Compliance Officer presented the Committee with a report on the roll out of the Group's Compliance Programme.

The Committee also examined the applicants for positions as Statutory Auditors in relation to the contracts that expired following the Ordinary Shareholders' Meeting of June 1, 2010, and recommended the renewal of the two firms whose contracts had expired, which was approved by the same meeting.

After each meeting, the Chairman of the Audit and Risk Committee provided a detailed report of the Committee's work, proposals and recommendations to the Board of Directors. In this context, the Chairman of the Audit and Risk Committee presented, in particular, the recommendations, conclusions and/or observations of the Committee on the annual and the half-year financial statements at the Board meeting at which these financial statements were approved. The same applies to reports that may be drawn up on specific issues by the Audit and Risk Committee at the request of the Board of Directors.

The Statutory Auditors attended all the meetings of the Audit and Risk Committee, at which they presented their work and described the accounting options used.

Strategic Committee

The Strategic Committee has adopted a set of internal regulations that describe its responsibilities, resources and functioning. It is primarily responsible for examining and providing the Board of Directors with its opinion and recommendations regarding the preparation and approval of the Group's strategic priorities, its budget and its reviews as well as any acquisition and disposal projects, particularly those submitted for prior authorization by the Board of Directors in accordance with Article 1.1 of the internal regulations of the Board of Directors.

At December 31, 2010, the Strategic Committee was made up of three members: Messrs Frédéric Lemoine, Chairman, Patrick Buffet and Pierre Hessler. Two-thirds of the members are independent.

In 2010, the Strategic Committee met nine times, with an attendance rate of 100%. It mainly examined the opportunities for and the feasibility of different strategic options available to the Group, especially the acquisition of Inspectorate.

The Chairman of the Strategic Committee reports regularly on the Committee's work to the Board of Directors.

Nomination and Compensation Committee

The Nomination and Compensation Committee is responsible for making proposals to the Board of Directors with regard to the selection of members of the Executive Management, the selection of independent Board members, the succession of Corporate Officers and the remuneration of members of the Executive Management as well as the means of determining their remuneration (fixed and variable portions, calculation method and indexing).

At December 31, 2010, the Nomination and Compensation Committee was made up of three members: Messrs Pierre Hessler, Chairman, Frédéric Lemoine and Philippe Louis-Dreyfus. Two-thirds of the members, including the Chairman, are independent. The Chairman and Chief Executive Officer attended all the meetings of the Committee.

In 2010, the Nomination and Compensation Committee of the Board of Directors met four times, with an attendance rate of 83%. It examined, in particular, at the meetings held in February and December 2010, in relation to 2009 and 2010 respectively, the AFEP/MEDEF recommendations in the light of the measures

implemented within the Company in this area and presented the results of its compliance assessment to the Board of Directors. It also examined the remuneration policy for Corporate Officers and the quantitative and qualitative criteria used to determine the variable portion of the remuneration for 2009, and recommended the implementation of a free share allocation and stock option plan, which were approved by the Board of Directors on July 26, 2010. The Nomination and Compensation Committee also worked on issues relating to the Company's Succession Plan. Lastly, it considered opportunities and recommended that the Board of Directors consider the modification of the Stock Market Ethics Charter to extend the black-out periods from 15 days to one month before each financial publication, and examined the procedures for distributing Directors' fees for the period from June 3, 2009 to December 31, 2009, and for 2010.

The Chairman of the Nomination and Compensation Committee reports to the Board of Directors regarding its work, opinions, proposals or recommendations and informs it of all matters which seem to raise issues or require a decision.

LIMITATIONS IMPOSED BY THE BOARD OF DIRECTORS ON THE POWERS OF THE CHIEF EXECUTIVE OFFICER AND EXECUTIVE OFFICERS

The internal regulations of the Board of Directors, which were updated on August 25, 2010, define the respective roles of the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer and the Executive Officers, and also lay down the limitations on the powers of the Chief Executive Officer and the Executive Officers.

In addition to the decisions referred to by law that require the prior authorization of the Board of Directors, the prior approval of the Directors is also required for the following decisions of the Chief Executive Officer or Executive Officers:

- (i) approval of the annual budget;
- (ii) any introduction by the Company of option plans or free share plans and any allotment to the Group's Management Committee of options to subscribe for or purchase shares or of free shares;
- (iii) any implementation of a procedure laid down in Book VI of the French Commercial Code or any equivalent procedure relating to the Company or any French or foreign subsidiaries contributing more than 5% of the Group's adjusted operating profit (AOP);
- (iv) any substantial amendment of the corporate governance rules relating to internal audit referred to in Article L. 225-37 of the French Commercial Code;
- (v) any purchase of shares in the Company, apart from purchases made within the framework of a liquidity agreement approved beforehand by the Board of Directors;
- (vi) any decision to start a procedure with the aim of entering a regulated market or withdrawing the listing of any financial instrument issued by the Company or one of its subsidiaries;
- (vii) any action to implement an authorization from the Shareholders' Meeting resulting immediately or over time in an increase or reduction in share capital or the cancellation of shares in the Company;

- (viii) notwithstanding the powers vested in the Shareholders' Meeting by law and the by-laws, any appointment, dismissal, renewal or termination of the term of office of Statutory Auditors, including those in any French or foreign subsidiaries whose equity in the consolidated financial statements exceeds €50 million;
- (ix) any operation referred to below if the unit amount in respect thereof exceeds €10 million and provided the operation has not been authorized in the annual budget:
 - acquisition or sale of movable or immovable assets of the Company (other than those referred to below),
 - acquisition or sale of shareholdings or business assets,
 - partnership agreement along with an investment of the amount referred to above;
- (x) any debt agreement, any financing or any off-balance sheet liability of the Company (not already referred to in this article and other than endorsements and guarantees) in excess of a total of €50 million per annum or per operation;
- (xi) any approval given by the Company to directly or indirectly controlled companies to carry out an operation such as referred to in paragraphs (ix) and (x) above;
- (xii) the granting of any pledge to guarantee the commitments entered into by the Company of a unit sum in excess of €5 million;
- (xiii) the introduction of profit-sharing schemes at Company or Group level;
- (xiv) in the event of any dispute, carrying out any transaction that may have a net impact on the Group (after insurance) in excess of €10 million;
- (xv) hiring/appointment, removal/dismissal and annual remuneration of members of the Management Committee;
- (xvi) any major strategic transaction, or any action that may have a material effect on the Group's and/or the Company's economic, financial or legal situation not provided for in the annual budget.

These limitations on the powers of the Chief Executive Officer are established internally and cannot be relied upon against third parties in accordance with the provisions of paragraph 3 of Article L. 225-56-I of the French Commercial Code.

PRINCIPLES AND RULES ESTABLISHED BY THE BOARD OF DIRECTORS FOR DETERMINING THE REMUNERATION AND BENEFITS OF ANY KIND GIVEN TO CORPORATE OFFICERS

Remuneration of Directors

The annual maximum amount of Directors' fees that can be allocated to members of the Board of Directors was fixed at €400,000 by the Shareholders' Meeting of 3 June 2009.

The procedures for distributing Directors' fees were modified by the Board of Directors on June 3, 2009, in order to take into account the attendance of Directors at Board and Committee meetings.

In 2010, Directors' fees were allocated on the following basis:

Directors:

- flat rate of €12,000 per Director; and
- attendance: €1,000 per meeting of the Board of Directors.

Committee Chairmen:

- flat rate of €20,000 and €40,000 for the dual Audit and Risk Committee; and
- attendance: €1,000 per Committee meeting.

Committee members:

- flat rate of €5,000 per member; and
- attendance: €1,000 per Committee meeting.

The total amount of Directors' fees paid to Directors is limited on the basis of the number of meetings anticipated by the Board of Directors.

Details of remuneration paid to Directors in 2010 are provided in the section on Corporate Officers' remuneration and benefits in this chapter.

Remuneration of the Chairman and Chief Executive Officer and Executive Officers

At its meeting of March 2, 2010, the Board of Directors, following proposals made by the Nomination and Compensation Committee, decided to determine the rules or principles applicable to the remuneration of Messrs Piedelièvre, Donche-Gay and Tardan, the Chairman and Chief Executive Officer and Executive Officers respectively.

This remuneration consists of a fixed and a variable portion, the terms of which were reviewed by the Board of Directors.

The variable portion of the remuneration of the Chief Executive Officer and Executive Officers has two components:

- a quantitative component linked to the achievement of an Adjusted Operating Profit (AOP) budgetary target; and
- a qualitative component linked to the attainment of individual qualitative targets.

Details of the principles and rules laid down for determining the remuneration and benefits of any kind given to the Chief Executive Officer and Executive Officers and details of remuneration paid in 2010 are provided in the section on Corporate Officers' remuneration and benefits in this chapter.

2.2.3. INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES IMPLEMENTED BY THE GROUP

GENERAL APPROACH TOWARDS INTERNAL CONTROL AND RISK MANAGEMENT

The Executive Management of the Group ensures that internal control objectives are set up, particularly with respect to control environment, risk assessment and Risk Management, internal control processes, reliable financial information and steering of the Group's business, doing so on the basis of the principles and structures previously defined by the Board of Directors.

The internal control implemented within the companies of the Group is based on the following principles:

- recognition of the absolute responsibility of the management of Group companies;
- steady financial reporting system;
- monitoring of relevant indicators by the different departments; and
- regular and occasional reviews of items defined in formal or occasional frameworks.

This general framework is nevertheless adapted on the basis of the following criteria:

- a flexibility criterion to allow the management of the Group's companies to fully exercise their responsibilities; and
- a simplicity criterion so that the internal control process continues to suit the size of the companies within the Group.

Introducing internal control procedures is the responsibility of the central departments in their respective areas of expertise: Finance and Management Control, Legal, Risks and Compliance, Human Resources, Quality, and Technical.

- The Finance Department manages all of the Group's consolidated financial information and manages the necessary reconciliations. It ensures the strict application of Group standards and frameworks. Within this framework, the Finance Department defines a set of procedures, tools and references relating to the quality and consistency of information provided (management reporting, financial statements).
- The Legal, Risks and Compliance Department is in charge of the Group's Legal Affairs, Risk Management and Compliance Program. Acting as a support function for operations by reviewing legal aspects of calls for tender and major contracts, it directly manages or supervises, as the case may be, any operational disputes involving the Group. As far as risks are concerned, the Department coordinates the identification of the main risks associated with the Group's activities and defines Risk Management policies and procedures regarding the review of calls for tender and contracts of the Group in close collaboration with the Group's Operations Managers and Technical and Quality Departments. Finally, it takes out insurance policies for the Group. As far as compliance is concerned, it defines, implements and supervises the Compliance Program, including the Code of Ethics, internal application procedures, and training and performance of regular (internal and external) audits.
- The Human Resources Department defines policies of assessment and remuneration policies of the Group's management and

ensures that all employees of the Group are remunerated and assessed on the basis of objective and predefined criteria.

- The Quality Department defines the Group's quality management system. It controls the application of procedures and measures customer satisfaction.
- The Technical Departments are responsible for drawing up the Technical Risk Management policy and checking the technical quality of provided services, the technical qualification of organizations and operators and the application of technical guidelines and methodologies defined by the Group.

Each Department relies on local networks to distribute procedures and controls their implementation among operational entities. They are tasked with auditing the operating entities, specifying corrective actions that need to be taken (if any) and ensuring that these actions are implemented. These local networks may possibly be shared by more than one Department, particularly in relation to technical aspects, quality and management of technical risks.

INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

Review of Internal Control procedures with respect to the objectives of the AMF frame of reference

Bureau Veritas decided to adopt the general principles of the AMF frame of reference in 2007 and thereby began a plan to implement its recommendations, as well as the necessary amendments as a result of the July 2010 update. This plan is intended to provide the principal subsidiaries of the Group with a tool enabling them, firstly, to carry out self-assessment and, secondly, to identify objectively and realistically, areas for improvement in the internal control procedure where progress might be made.

In compliance with the said AMF frame of reference, three self-assessment questionnaires on internal control have been used since 2007:

1. The first one, relating to general principles of internal control and certain strategic financial aspects, was completed by Bureau Veritas SA in 2007 and is annually updated;
2. The second one, relating more specifically to accounting and financial internal control, particularly the central management of the accounting and financial structure, was completed by Bureau Veritas SA in 2007 and is also updated annually;
3. The third one, relating more specifically to processes concerning the preparation of accounting and financial information has gradually been extended to the main subsidiaries of the Group. In 2008 and 2009, this questionnaire was gradually implemented in the main countries and accounting platforms (France, Spain, United Kingdom, USA, Brazil, Hong Kong and Australia in 2008, then Japan, Marine China, Germany, Netherlands, Chile, Italy and Consumer Products Services Shanghai in 2009), meaning, in two years, over 70% of the Group's activity in all geographical zones.

This continuous self-assessment makes it possible to ensure that the application of the Group's accounting principles defined in the Group's Administration and Management Manual (MAG) are applied, to take stock of the control processes currently used in the various geographical zones and to introduce regularly improvement measures.

Production of financial and accounting information

In order to implement internal control procedures relating to the production of financial and accounting information, the Group uses:

- **external standards** including all national accounting laws and regulations. The Group has prepared its consolidated financial statements according to IFRS (International Financial Report Standards) since 2005;
- **internal standards** consisting of the Group's manual of organization and general quality procedures and the Manual of Management (MAG), which groups together all the financial, accounting and tax procedures.

The mission of the Finance Department is to provide financial information and quality analyses within short deadlines and to act as an expert with respect to financial questions and financing within the Group.

It is responsible for establishing standards, consolidating results, managing cash and particularly interest rate and exchange rate hedging risks, managing tax policy and supervising credit risks. It also acts as a motivating force in improvement initiatives, such as the development of shared services centers or globalizing purchasing.

The Finance Department uses a structured network of financial officers in all the Group's subsidiaries, who work together with operational personnel but report functionally to the Chief Financial Officer. Subsidiaries operating in different countries are responsible for implementing the policies, accounting standards and procedures defined by the Group.

The budget process is highly structured, designed around a bottom-up approach enabling objectives to be set at a very detailed level (business units). The resulting budget is therefore a relevant instrument of control that can be used to monitor the monthly activity at a country/business level. This monthly management review of the results from operations, net cash and consolidation data allows the Group's Finance Department to review and verify financial and accounting information on a centralized, ongoing basis.

In addition, the Group has defined goals and developed internal procedures and rules designed to protect assets, prevent and detect fraud, and ensure the reliability and accuracy of accounting information.

Role of the Internal Audit and Acquisitions Support Department

Internal Audit

The Internal Audit and Acquisitions Support Departments' mission is to perform audits, principally financial audits, in the various entities of the Group. These audits are carried out according to an annual plan approved by Executive Management and reviewed by the Audit and Risk Committee. The entities audited are mainly chosen on the basis of the absence of recent audits, changes in management, or differences from budgets or from the results of comparable entities.

These audits are aimed at analyzing and controlling the correct application of management and reporting rules, as well as the optimization and efficiency of operational support functions. The principal cycles and procedures which are subject to audits are:

- internal organization;
- cash management;
- purchasing and payables;
- sales and receivables;
- human resources; and
- closing financial statements and reporting.

The audit reports are issued to the management of the operational entities, as well as being sent to their managers, to the Central Operational Departments and to the Group's Executive Management. They include recommendations and require commitments to corrective short- and mid-term action plans.

Twice a year, the Audit and Risk Committee reviews the findings of internal audits that have been carried out and the following of recommendations and action plans. The Internal Audit Department has therefore consolidated its missions to monitor the implementation of these recommendations on-site in the year following the audit to improve the internal control procedure and the quality of these recommendations.

Acquisitions support

The Internal Audit and Acquisitions Support Department also has a mission to coordinate and help during acquisitions and during the post-merger integration process. Since 2004, a specific «Post Merger Integration Plan (PMIP)» procedure has been in place to improve the acquisition integration process. The aim of this procedure is to define, for each management function (Finance, Legal – Risks and Compliance, Human Resources, Communications, IT, Information Systems, Insurance and Quality), the integration actions to be carried out and the applicable timetable on the basis in particular of the information collected during the due diligence phase. Integration planning is reviewed prior to the acquisition. A team of employees from the Internal Audit Department have worked on the integration of Inspectorate since the last quarter of 2010.

Integrations are performed by the management responsible for the zones or businesses concerned, and supported by all the headquarters' support functions. Once the PMIP has been completed, the Internal Audit Department carries out a critical review of the process which enables the strengths and weaknesses to be assessed and procedures to be improved.

Procedures for managing risk and monitoring disputes

The Group's Risk Management policy is principally based on preventing from incurring professional civil liability in the event of damage relating to a product or facility which was subject to a provision by one of the Group's entities.

Risks are managed through a structured Risk Management organization established within the Group's various sectors and geographic zones. This organization is built around three departments: the Legal, Risks and Compliance Department, Technical Departments and the Quality Department.

The diversity of local operations and the need to give managerial autonomy to operations managers have led to the introduction of a global risk prevention strategy formalized and adapted within each department and geographical zone.

The application of the Risk Management policy and the ongoing development of services requested from the Group require the use of networks of individuals responsible for managing all aspects of risk: technical, quality, legal and compliance, so that they can coordinate their efforts to reduce the risks of the Group incurring professional civil liability. The goal is to cause Risk Management methods and objectives to be shared with operational teams, together with the information they need to take decisions consistent with the objectives set by the Board of Directors.

The Group has also established procedures to enable semi-annual evaluations of litigation, in collaboration with the operational units, the Legal, Risks and Compliance Department and the Finance Department.

The litigation follow-up procedures are included in the Risk Management policy. It describes the methods of managing litigations which relies on the coordination between the directors of operational entities, the businesses and the Legal Departments, and the Risks and Compliance Department. Each business defines the organization that it is implementing to achieve the Group's objectives which must:

- identify conflict situations right from the start;
- make sure that the litigation claims are addressed to the concerned insurers;
- organize an effective management approach regarding the defense of the Group's interests; and
- allow a centralized follow-up of the significant litigations by the Legal, Risks and Compliance Department.

The internal rules applying to the entry of provisions for liabilities in the accounts are described in the notes to the consolidated financial statements (shown in Chapter 4 – 2010 consolidated financial statements of this Registration Document).

Procedures for monitoring Accreditations/Role of Technical Departments

Bureau Veritas has numerous licenses to operate (accreditations, approvals, delegated authority, etc.) issued, as the case may be, from States, public or private authorities or national or international bodies.

Each of the Group's businesses has established an organization dedicated to managing and monitoring on a centralized basis Authorizations subject to regular audits by the authorities concerned.

The aim of the Technical Departments is to ensure that the services provided by each entity in the Group are carried out in compliance with Bureau Veritas standards (following the technical methodologies and guidelines defined by the Group) and according to the regulatory or private specifications of the accrediting organization.

The Group has implemented an operational organization which is more or less centralized depending on the area of activity:

- in businesses that are managed globally and offer the same services (Marine, Certification, Consumer Products and Government Contracts), the Technical Departments are centralized and provide the methodologies and rules applicable throughout the world;

- in businesses that are managed locally and provide their services on the basis of local technical standards, local Technical Departments provide methodologies and rules that are applicable in their country/region under the control of a Central Technical Department.

The various Technical Departments use a structured network of Technical Managers in each Business Line and perform, each year, a certain number of technical audits to ensure compliance with the standards and methodologies defined by the Group.

Role of the Quality Department/ISO Certification

The Quality Department is responsible for developing and controlling the application of the Group's business model and for ensuring compliance with the Group's quality procedures. These procedures are subject to ISO 9001 certification, given by BSI, an independent body, for 15 years.

The objective of the Quality Department is to grow sales by improving the Group's reputation towards regulatory authorities, by developing a culture of quality amongst managers in the network and by constantly measuring customer satisfaction.

The Quality Department uses a structured network of Quality Managers in all geographic zones (covering the Construction, IVS, Industry and Certification businesses) and at central level for verticalized businesses (Marine, Consumer Products, GSIT). Its responsibility is to provide a definition of each person's goals and for ensuring that the tools are implemented to measure performance.

Role of the Group's Human Resources Department

Despite the importance of local rules and constraints in the management of Human Resources, the Group's Human Resources Department ensures the consistency of assessment and remuneration policies for the managers of the Group. All Managers in the Group (about 1,700 of them, excluding Inspectorate) and their annual performance are monitored using integrated software (PeopleSoft) which ensures the emergence of talented employees and verifies that the Group's principal employees are remunerated and assessed according to known, objective criteria.

The Human Resources Department also monitors, through a network of HR Managers, a number of key indicators such as the attrition rate or changes in the payroll. During the annual budgetary process, indicators are analyzed in order to identify, for the main countries, the risks associated with increasing staff costs.

Compliance Program

A key component of the Group's active Risk Management is the sharing of a certain number of values and ethical principles by all employees. Bureau Veritas, a member of IFIA (International Federation of Inspection Agencies), implemented throughout the Group a program dedicated to ethics, its deployment and its control, by adopting, in 2003, a Code of Ethics applicable to all of its activities.

This Code of Ethics, in compliance with IFIA requirements, sets forth the ethical values, principles, and rules on which Bureau Veritas wishes to base its development and growth to build relationships of trust with its customers, staff, and commercial partners.

At the end of 2009, when the mode of management and administration of the Company was changed, a new Compliance Program was introduced with the aim of increasing awareness and effective, demonstrable implementation of the Group's Code of Ethics by all members of staff.

This new Compliance Program includes an updated version of the Code of Ethics (now available in 22 languages compared to six before); a new easy-access manual on internal procedures for all staff (translated into six languages) and a compulsory e-learning training module for all staff (available in 12 languages). A dedicated network of roll-out managers has been set up. This new network is run by a project team at the head office. At November 30, 2010, more than 96% of Group employees had taken part in an e-learning course.

The Group's Ethics Committee, whose members have been appointed by the Board of Directors, consists of the Chairman and Chief Executive Officer, the Executive Officer in charge of Finances and the Group Compliance Officer. This Committee deals with all of the Group's ethical issues and supervises the implementation of the Compliance Program. The Group Compliance Officer uses a network of compliance officers who act as intermediaries in the various geographic zones, regions and businesses.

Within operational units, each unit director is responsible for the application of the Compliance Program by the staff under his authority, under the management and control of directors of the region, the zone, or the business to whom he is answerable. For this purpose, it is the responsibility of each director to pass on copies of the Code of Ethics to his staff, to train them, to inform them of their duties in simple, practical and concrete terms and to leave them in no doubt that any failure to comply with the Code of Ethics constitutes a serious breach of their professional obligations.

Any alleged breach of the Code of Ethics has to be brought to the attention of the Group Compliance Officer who informs the Ethics Committee of any serious failure to comply with the Code of Ethics so that the necessary measures can be taken. An internal or external audit may subsequently be carried out and, depending on the findings, sanctions are imposed including the possible dismissal of the employees in question.

Internal and external audits are performed annually on the application and compliance with the principles of the Code of Ethics, and a certificate of compliance is issued by an independent auditor (PricewaterhouseCoopers Audit) and sent to the Compliance Committee of the IFIA.

These measures as a whole are designed to prevent any activities that go against the Group's ethical principles.

Although the Company provides vigilant care in this regard, no guarantee can be given that these measures are, or have been, complied with in all circumstances.

ROLE OF THE AUDIT AND RISK COMMITTEE

In accordance with article L. 823-19 of the French Commercial Code, the Audit and Risk Committee is responsible for monitoring the process of drawing up accounting and financial information, the efficiency of internal Auditing and Risk Management systems, the legal auditing of annual financial statements and, if necessary, consolidated financial statements by the Statutory Auditors and the independence of the Statutory Auditors.

This work resulted in a report presented to the Board of Directors.

In 2010, the Audit and Risk Committee examined the statutory and consolidated financial statements for the 2009 financial year, the first half of 2010, the revenue for the fourth quarter of 2009 and the first, second, and third quarters of 2010 and of the press releases and corresponding financial reports.

During these meetings, the statutory and consolidated financial statements, notes to the financial statements and technical points relating to the accounts closing process were commented on by the Group's Finance Department and analyzed by the members of the Audit and Risk Committee, in the presence of the Statutory Auditors, with particular attention being paid to impairment tests and the cash position. Significant off-balance sheet commitments and guarantees were also subject to particular scrutiny.

The work of the Audit and Risk Committee also concerned the Group's financial documentation, the dividend payment plan for the 2009 financial year, and changes in debt and financing opportunities for the Group.

The Audit and Risk Committee also reviewed, on a half-yearly basis, the findings of internal audits carried out and was involved in the annual planning and monitoring of recommendations and action plans.

The Audit Committee was also involved in the implementation of the AMF frame of reference concerning general principles and the accounting and financial internal control framework, and the analysis and control of operating risks. It was notified of the results and the action plans presented.

In addition, two meetings focused on risks, at which the Audit and Risk Committee assessed the management and prevention of risks, risk mapping, significant disputes, provisions, renewal of professional liability insurance cover and the internal audit procedures. The Compliance Officer presented the committee with a report on the roll out of the Group's compliance program.

The Committee also examined the applicants for positions as Statutory Auditors in relation to the contracts that expired following the Ordinary Shareholders' Meeting of June 1, 2010, and recommended the renewal of the two firms whose contracts had expired, which was approved by the same meeting.

DEVELOPMENT OF INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

In 2009 and 2010, the Group carried out risk mapping for the Construction and Industry businesses to update its knowledge, to identify and quantify the Group's risks and to improve existing Risk Management procedures.

During the 2010 financial year, the management of operational risks was improved through the increase in the number and specialization of technical centers. The Group is looking to develop «Bureau Veritas» technical standards that can be applied throughout the world, while satisfying the requirements of countries that apply the most stringent regulations.

The Group is also planning in future years to promote a far more coordinated and integrated approach for audits in the network: internal audits, external financial audits, quality audits, audits by accreditation authorities and technical audits.

2.2.4. TERMS FOR THE PARTICIPATION OF SHAREHOLDERS IN MEETINGS

Any shareholder is entitled to participate in general meetings under statutory conditions.

The terms governing this participation are set out in Article 26 of the Company's by-laws. A summary of these rules is given in Chapter 6 – Information on the Company and the capital of this Registration Document.

2.2.5. FACTORS THAT MAY BE RELEVANT IN THE CASE OF A PUBLIC TENDER (IN ACCORDANCE WITH ARTICLE L. 225-100-3 OF THE FRENCH COMMERCIAL CODE)

As far as the Company is aware, no agreement has been concluded between the shareholders that may restrict the transfer of shares and the exercising of voting rights.

The capital structure is set out in Chapter 6 – Information on the Company and the capital of this Registration Document.

The clauses on the change of control defined in the Company's financial documentation are set out in Chapter 3 – Management report of this Registration Document.

2.2.6. STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L.225-235 OF THE FRENCH COMMERCIAL CODE, ON THE REPORT PREPARED BY THE CHAIRMAN OF THE BOARD OF DIRECTORS OF BUREAU VERITAS

Year ended December 31, 2010

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Bureau Veritas SA, and in accordance with article L. 225-235 of the French Commercial Code (Code de commerce), we hereby report to you on the report prepared by the Chairman of your Company in accordance with article L. 225-37 of the French Commercial Code for the year ended December 31, 2010.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report describing the internal control and risk management procedures implemented by the Company and providing the other information required by article L. 225-37 of the French Commercial Code, in particular relating to corporate governance.

It is our responsibility:

- to report to you on the information set out in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, and
- to attest that the report sets out the other information required by article L. 225-37 of the French Commercial Code, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted our work in accordance with professional standards applicable in France.

INFORMATION CONCERNING THE INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

The professional standards require that we perform procedures to assess the fairness of the information on internal control and risk management procedures relating to the preparation and processing of financial and accounting information set out in the Chairman's report. These procedures mainly consisted of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information on which the information presented in the Chairman's report is based, and of the existing documentation;
- obtaining an understanding of the work performed to support the information given in the report and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly described in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, set out in the Chairman of the Board's report, prepared in accordance with article L. 225-37 of the French Commercial Code.

OTHER INFORMATION

We attest that the Chairman's report sets out the other information required by article L. 225-37 of the French Commercial Code.

Neuilly-sur-Seine and Paris, March 23, 2011

The Statutory Auditors

PricewaterhouseCoopers Audit
Olivier Thibault

Bellot Mullenbach & Associés
Pascal de Rocquigny

2.3. Executive Officers' remuneration and benefits

2.3.1. REMUNERATION OF CORPORATE OFFICERS

At its meeting of December 16, 2008, the Supervisory Board of Bureau Veritas analyzed the AFEP/MEDEF recommendations of October 6, 2008 on the remuneration of Executive Corporate Officers of listed companies in the light of measures put in place within the Company in this area. In a press release dated December 19, 2008, the Group stated that it was following these recommendations.

All of the standard information in accordance with the AFEP/MEDEF recommendations is presented below:

REMUNERATION OF EXECUTIVE CORPORATE OFFICERS

The remuneration of Executive Corporate Officers is fixed by the Board of Directors on proposal of the Nomination and Compensation Committee.

The gross annual fixed remuneration excluding benefits in kind and target variable remuneration (achievement of all targets) of Frank Piedelièvre, Chairman and Chief Executive Officer are €910,000 and €455,000 respectively, unchanged by comparison with 2009. Target variable remuneration represents 50% of fixed remuneration and is based half on the achievement of an Adjusted Operating Profit (AOP) target and half on the achievement of qualitative targets. After examining the achievement of said targets in 2010, this variable remuneration was fixed by the Board of Directors following proposals by the Nomination and Compensation Committee at €494,931. Frank Piedelièvre also waived payment of his Directors' fees.

The gross annual fixed remuneration excluding benefits in kind and target variable remuneration (achievement of all targets) of Philippe Donche-Gay, under his employment contract as Chief Operating Officer, are €550,000 and €300,000 respectively, unchanged by comparison with 2009. 60% of target variable remuneration is based on the achievement of an Adjusted Operating Profit (AOP) target and 40% of target variable remuneration is based on the achievement of qualitative targets. After examining the achievement of said targets in 2010, this variable remuneration was fixed by the Board of Directors following proposals by the Nomination and Compensation Committee at €296,328. Gross annual remuneration as Executive Officer is maintained at €50,000.

The gross annual fixed remuneration before benefits in kind of François Tardan, Executive Officer in Charge of Finances, Legal Affairs and Information Systems, paid in France and the United States, is €471,568. The target variable remuneration (achievement of all

targets) of François Tardan is maintained at €220,000, 40% being based on the achievement of an Adjusted Operating Profit (AOP) target and 60% being based on the achievement of qualitative targets. After examining the achievement of said targets in 2010, this variable remuneration was fixed by the Board of Directors following proposals by the Nomination and Compensation Committee at €227,454.

As its meeting of March 2, 2010 the Board of Directors, following proposals by the Nomination and Compensation Committee, decided to put a ceiling on the variable remuneration of the Executive Corporate Officers, as from 2010, in accordance with the AFEP/MEDEF recommendations:

- for Frank Piedelièvre, capping of the variable remuneration at 75% of gross annual fixed remuneration;
- for Philippe Donche-Gay, capping of the variable remuneration at 75% of gross annual fixed remuneration (company officer included); and
- for François Tardan, capping of variable remuneration at 1.5 times the amount of the gross target bonus.

Although the qualitative and quantitative criteria for the variable remuneration of each of the three Executive Corporate Officers are pre-established and well defined, for confidentiality reasons and compliance with business secrecy, the 2010 registration document does not present the detail of this.

The above Executive Corporate Officers of Bureau Veritas do not benefit from any supplementary pension scheme.

No compensation is due in the event of termination of Corporate Officer functions.

Under the terms of his employment contract, Philippe Donche-Gay will receive compensation in the event that his employment contract is terminated by the Company within the first three years of the effective start date of his employment contract, except in the case of gross negligence, serious misconduct or *force majeure*. The amount of the termination benefits is subject to a performance condition and can account for up to 12 months of gross remuneration (fixed remuneration and bonus under the employment contract). The performance condition is detailed in chapter 6 - Information on the Company and the capital, paragraph 6.9. Related-party transactions of this Registration Document.

TABLE NO. 1: TABLE SUMMARIZING THE REMUNERATION, OPTIONS AND SHARES GIVEN TO EACH EXECUTIVE CORPORATE OFFICER

	Frank Piedelièvre Chairman and Chief Executive Officer		Philippe Donche-Gay <i>Executive Vice Chairman</i> Executive Officer in Charge of Operations		François Tardan <i>Executive Vice Chairman in Charge of Finances, Legal Affairs and Information Systems</i>	
(in euros)	Financial year 2010	Financial year 2009	Financial year 2010	Financial year 2009	Financial year 2010	Financial year 2009
Remuneration owed for the financial year (shown in Table 2)	1,408,278 ^(a)	1,337,880	899,208 ^(a)	884,601	701,902 ^(a)	674,316
Valuation of options allocated during the financial year (shown in Table 4)	587,400 ^(b)	675,000 ^(b)	293,700 ^(b)	337,500 ^(b)	440,550 ^(b)	337,500 ^(b)
Valuation of performance shares allocated during the financial year (shown in Table 6)	846,000 ^(b)	496,000 ^(b)	423,000 ^(b)	248,000 ^(b)	634,500 ^(b)	248,000 ^(b)
TOTAL	2,841,678	2,508,880	1,615,908	1,470,101	1,776,952	1,259,816

- (a) Variable remuneration charged to 2010 was fixed on March 16, 2011 by the Board of Directors on proposal of the Nomination and Compensation Committee.
- (b) The amounts indicated correspond to the fair book value of options and shares according to IFRS standards. They are therefore not actual amounts that could be released on the exercising of stock options if they are exercised or on acquisition of shares if they are acquired. It is also noted that these allotments of options and shares are subject to presence and performance conditions (see section on the long-term incentive policy below).

TABLE NO. 2: TABLE SUMMARIZING THE REMUNERATION OF EACH EXECUTIVE CORPORATE OFFICER

	Frank Piedelièvre Chairman and Chief Executive Officer				Philippe Donche-Gay <i>Executive Officer</i> in Charge of Operations				François Tardan <i>Executive Officer</i> in Charge of Finances, Legal Affairs and Information Systems			
	Financial Year 2010		Financial Year 2009		Financial Year 2010		Financial Year 2009		Financial Year 2010		Financial Year 2009	
(in euros)	due	paid	due	paid	due	paid	due	paid	due	paid	due	paid
Fixed remuneration	910,000	910,000	910,000	910,000	600,000	600,000	600,000	600,000	471,568	471,568	471,436	471,436
Variable remuneration	494,931 ^(a)	425,000	425,000	387,679	296,328 ^{(a) (c)}	283,401 ^(b)	283,401 ^(b)	108,902	227,454 ^(a)	200,000	200,000	205,000
Extraordinary remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Directors' fees	- ^(d)	- ^(d)	- ^(d)	- ^(d)	-	-	-	-	-	-	-	-
Benefits in kind (company car)	3,347	3,347	2,880	2,880	2,880	2,880	1,200 ^(e)	1,200 ^(e)	2,880	2,880	2,880	2,880
TOTAL	1,408,278	1,338,347	1,337,880	1,300,559	899,208	886,281	884,601	710,102	701,902	674,448	674,316	679,316

- (a) Variable remuneration charged to 2010 was fixed on March 16, 2011 by the Board of Directors on proposal of the Nomination and Compensation Committee.
- (b) Gross amount of shared profit for the 2009 financial year, paid in 2010 not known on the date of publication of the 2009 registration document. The 2010 registration document updates this amount due for the 2009 financial year and paid to Philippe Donche-Gay in 2010 (amount indicated in the 2009 registration document: €268,500).
- (c) Gross amount of shared profit for the 2010 financial year, to be paid or allocated in 2011 not known on the date of publication of the 2010 registration document.
- (d) Frank Piedelièvre waived his Directors fees as Chairman and Chief Executive Officer.
- (e) Provision of a company car for Philippe Donche-Gay from August 1, 2009.

It is noted that the fixed remuneration and the target amounts of variable remuneration of Frank Piedelièvre and Philippe Donche-Gay did not change between 2009 and 2010.

TABLE NO. 3: TABLE SHOWING DIRECTORS' FEES AND OTHER REMUNERATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

The table below shows the Directors' fees paid to members of the Board of Directors by Bureau Veritas and by any affiliated company for the 2009 and 2010 financial years:

Members of the Board of Directors ^(a) (in euros)	Directors' fees allocated for the 2009 financial year, paid in July 2009 and February 2010	Directors' fees allocated for the 2010 financial year, paid in January 2011
Frank Piedelièvre ^(b)		
Directors' fees	-	-
Frédéric Lemoine ^(c)		
Directors' fees	36,583.34	59,000.00
Pierre Hessler		
Directors' fees	45,250.01	60,000.00
Jérôme Charruau		
Directors' fees	31,583.34	34,000.00
Ernest-Antoine Seillière		
Directors' fees	25,666.67	22,000.00
Bernard Renard ^(d)		
Directors' fees	12,666.67	-
Jean-Michel Ropert		
Directors' fees	30,583.34	35,000.00
Philippe Louis-Dreyfus		
Directors' fees	27,583.34	27,000.00
Patrick Buffet		
Directors' fees	32,583.34	36,000.00
Aldo Cardoso		
Directors' fees	52,000.00	70,000.00
Stéphane Bacquaert		
Directors' fees	31,583.34	30,000.00
Jean-Bernard Lafonta ^(c)		
Directors' fees	8,666.67	-
TOTAL	334,750.06^(e)	373,000.00^(e)

(a) On June 3, 2009, while retaining its legal form as a French limited liability Company (Société Anonyme), the Company set up a Board of Directors to replace the Management Board and Supervisory Board. This table totals the Directors' fees paid to members of the Supervisory Board for the period from January 1 to June 3, 2009 and to members of the Board of Directors for the period from June 3 to December 31, 2009.

(b) Frank Piedelièvre waived payment of his Directors' fees.

(c) Frédéric Lemoine was co-opted as a member of the Supervisory Board and appointed as Chairman of the Supervisory Board at the Board meeting of April 14, 2009, replacing Mr. Jean-Bernard Lafonta who had resigned.

(d) The term of office of Bernard Renard expired at the Shareholders' Meeting of June 3, 2009.

(e) The annual amount in Directors' fees allocated to members of the Supervisory Board had been fixed at €400,000 by the Shareholders' Meeting of June 3, 2009 (no resolution proposed at the Combined Ordinary and Extraordinary Shareholders' Meeting of June 1, 2010).

LONG-TERM INCENTIVE POLICY

Under its remuneration policy, Bureau Veritas allocates stock options and performance shares to a number of staff in the Group around the world.

Eligibility for these allocations depends both on the level of responsibility of the post held and on the individual performance of the person concerned.

It was agreed that, as from 2009, options and performance shares would be allocated, if applicable and other than in exceptional circumstances, in June or July each year.

On July 23, 2010, the Board of Directors decided to allocate stock options and performance shares to 686 Group employees, corresponding to a total of 707,600 shares (463,400 performance shares and 244,200 stock options), or around 0.6% of the share capital on the allocation date.

Within the framework of this allocation, the Executive Corporate Officers (Frank Piedelièvre, Philippe Donche-Gay and François Tardan) were allocated a maximum number of 45,000 performance shares (that is to say 9% of the total number of shares allocated) and a maximum number of 135,000 stock options (that is to say 55% of the total number of options allocated). Out of a total of 707,600 shares allocated in the form of stock options and performance shares, allocations to Executive Corporate Officers represented 25%.

Allocations to Executive Corporate Officers are subject to:

- a performance condition: depending on how much of the Adjusted Operating Profit (AOP) for 2010 has been achieved, the Executive Corporate Officers may exercise/acquire between 0% and 100% of the options/shares allocated; moreover, if the Adjusted Operating Margin (AOM) for one of the two financial years 2011 and 2012 is lower than the new target fixed by the Board of Directors at the time of allocation, no performance share can be acquired by the Executive Corporate Officers; and
- a presence condition: for stock options, the departure of the Executive Corporate Officer leads to cancellation of these rights; for performance shares, a three-year acquisition period has been fixed, followed by a two-year retention period.

The option subscription price was fixed at €46.31 corresponding to the average without discounts of the first traded prices on the last 20 stock market trading days preceding the allocation date.

The Executive Corporate Officers of Bureau Veritas SA are obliged to retain in their own name 50% of the shares resulting from exercised options and 50% of shares granted after the retention period until their functions as Corporate Officers have come to an end.

The Bureau Veritas SA Executive Corporate Officers are obliged to refrain from using hedging instruments on their stock options until expiry of their term of office.

TABLE NO. 4: STOCK OPTIONS OR SHARE PURCHASE OPTIONS ALLOCATED DURING THE 2010 FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER BY THE ISSUER AND BY ANY AFFILIATED COMPANY

Name of executive corporate officer	No. and date of the plan	Nature of the options (purchase or subscription)	Valuation of the options according to the method used in the consolidated financial statements	Number of options allocated during the financial year	Exercise price	Exercise period
Frank Piedelièvre	07/23/2010	stock options	€587,400	60,000	€46.31	07/23/2013 to 07/23/2018
Philippe Donche-Gay	07/23/2010	stock options	€293,700	30,000	€46.31	07/23/2013 to 07/23/2018
François Tardan	07/23/2010	stock options	€440,550	45,000	€46.31	07/23/2013 to 07/23/2018

The amounts indicated correspond to the fair book value of options according to IFRS standards. They are therefore not actual amounts that could be released on the exercising of these options if they are exercised.

It is noted that these allocations are subject:

- to a presence condition - departure of the recipient leads to the cancellation of their rights; and
- to a performance condition, linked to the extent of achievement of the Adjusted Operating Profit (AOP) of the Company in the 2010 financial year. A minimum AOP level and a target AOP level were defined for the 2010 financial year. If the AOP recorded for 2010 is less than or equal to the minimum level, then none of the options allocated can be exercised by the recipient. If the AOP

recorded for the 2010 financial year is higher than or equal to the target level, then 100% of the options allocated can be exercised by the recipient. If the AOP recorded for the 2010 financial year is between the minimum level and the target level, then the number of options that can be exercised by the recipient will be determined by linear interpolation.

The Executive Corporate Officers of Bureau Veritas SA are obliged to retain in their own name 50% of the shares resulting from exercised options until expiry of their functions as Corporate Officers.

The Bureau Veritas SA Executive Corporate Officers are obliged to refrain from using hedging instruments on their stock options until expiry of their term of office.

TABLE NO. 5: STOCK OPTIONS OR SHARE PURCHASE OPTIONS EXERCISED DURING THE 2010 FINANCIAL YEAR BY EACH EXECUTIVE CORPORATE OFFICER

Name of executive corporate officer	No. and date of the plan	Number of options exercised during the financial year	Exercise price
François Tardan	07/25/2003	90,000	€9.582

Frank Piedelièvre and Philippe Donche-Gay did not exercise any options during the 2010 financial year.

TABLE NO. 6: PERFORMANCE SHARES ALLOCATED TO EACH EXECUTIVE CORPORATE OFFICER - 2009 AND 2010 FINANCIAL YEARS

► PERFORMANCE SHARES ALLOCATED TO FRANK PIEDELIÈVRE - 2009 FINANCIAL YEAR

No. and date of the plan	Number of shares allocated during the financial year	Valuation of the shares according to the method used in the consolidated financial statements	Date of acquisition	Date of availability
07/03/2009	20,000	€496,000	07/03/2012	07/03/2014
Conditions of presence, performance and obligation to retain shares	The performance condition is linked to the extent of achievement of the Adjusted Operating Profit (AOP) of the Company in the 2009 financial year. 20,000 shares linked to a condition of presence on July 3, 2012 and a performance condition for the 2009 financial year mentioned below. A minimum AOP level and a target AOP level were defined for the 2009 financial year. If the AOP recorded for the 2009 financial year is less than or equal to the minimum level, then only 50% of the shares allocated can be acquired by the recipient. If the AOP recorded for the 2009 financial year is higher than or equal to the target level, then 100% of the shares allocated can be acquired by the recipient. If the AOP recorded for the 2009 financial year is between the minimum level and the target level, then the number of shares that can be acquired by the recipient will be determined by linear interpolation. On expiry of the retention period, 50% of the shares acquired on the acquisition date cannot be sold by the recipient before the expiry of all of his functions as a Corporate Officer at the Company.			

► PERFORMANCE SHARES ALLOCATED TO PHILIPPE DONCHE-GAY - 2009 FINANCIAL YEAR

No. and date of the plan	Number of shares allocated during the financial year	Valuation of the shares according to the method used in the consolidated financial statements	Date of acquisition	Date of availability
07/03/2009	10,000	€248,000	07/03/2012	07/03/2014
Conditions of presence, performance and obligation to retain shares	The performance condition is linked to the extent of achievement of the Adjusted Operating Profit (AOP) of the Company in the 2009 financial year. 10,000 shares linked to a condition of presence on July 3, 2012 and a performance condition for the 2009 financial year mentioned below. A minimum AOP level and a target AOP level were defined for the 2009 financial year. If the AOP recorded for the 2009 financial year is less than or equal to the minimum level, then only 50% of the shares allocated can be acquired by the recipient. If the AOP recorded for the 2009 financial year is higher than or equal to the target level, then 100% of the shares allocated can be acquired by the recipient. If the AOP recorded for the 2009 financial year is between the minimum level and the target level, then the number of shares that can be acquired by the recipient will be determined by linear interpolation. On expiry of the retention period, 50% of the shares acquired on the acquisition date cannot be sold by the recipient before the expiry of all of his functions as a Corporate Officer at the Company.			

► **PERFORMANCE SHARES ALLOCATED TO FRANÇOIS TARDAN - 2009 FINANCIAL YEAR**

No. and date of the plan	Number of shares allocated during the financial year	Valuation of the shares according to the method used in the consolidated financial statements	Date of acquisition	Date of availability
07/03/2009	10,000	€248,000	07/03/2012	07/03/2014
Conditions of presence, performance and obligation to retain shares	The performance condition is linked to the extent of achievement of the Adjusted Operating Profit (AOP) of the Company in the 2009 financial year. 10,000 shares linked to a condition of presence on July 3, 2012 and a performance condition for the 2009 financial year mentioned below. A minimum AOP level and a target AOP level were defined for the 2009 financial year. If the AOP recorded for the 2009 financial year is less than or equal to the minimum level, then only 50% of the shares allocated can be acquired by the recipient. If the AOP recorded for the 2009 financial year is higher than or equal to the target level, then 100% of the shares allocated can be acquired by the recipient. If the AOP recorded for the 2009 financial year is between the minimum level and the target level, then the number of shares that can be acquired by the recipient will be determined by linear interpolation. On expiry of the retention period, 50% of the shares acquired on the acquisition date cannot be sold by the recipient before the expiry of all of his functions as a Corporate Officer at the Company.			

As its meeting of March 2, 2010 the Board of Directors observed that the level of completion of the AOP for the 2009 financial year was above the target level set by the Board of Directors at the time the shares were granted. Consequently the number of shares that can be acquired on July 3, 2012, subject to the applicable presence condition, is equal to the total number of shares granted.

► **PERFORMANCE SHARES ALLOCATED TO FRANK PIEDELIÈVRE - 2010 FINANCIAL YEAR**

No. and date of the plan	Number of shares allocated during the financial year	Valuation of the shares according to the method used in the consolidated financial statements	Date of acquisition	Date of availability
07/23/2010	20,000	€846,000	07/23/2013	07/23/2015
Conditions of presence, performance and obligation to retain shares	The performance condition is linked to the extent of achievement of the adjusted operating profit (AOP) of the Company in the 2010 financial year and the Adjusted Operating Margin (AOM) of the company in the 2011 and 2012 financial years. 20,000 shares linked to a condition of presence on July 23, 2013 and a performance condition for the 2010, 2011 and 2012 financial years mentioned below. Performance condition: depending on the extent that the Adjusted Operating Profit (AOP) for the 2010 financial year is achieved, the recipient could acquire between 0% and 100% of the shares allocated; moreover, if the Adjusted Operating Margin (AOM) in the 2011 or the 2012 financial year is less than the target level fixed by the Board of Directors, no performance share can be acquired by the recipient. Presence condition: a three-year acquisition period has been fixed, followed by a two-year retention period. On expiry of the retention period, 50% of the shares acquired on the acquisition date cannot be sold by the recipient before the expiry of all of his functions as a Corporate Officer at the Company.			

► PERFORMANCE SHARES ALLOCATED TO PHILIPPE DONCHE-GAY - 2010 FINANCIAL YEAR

No. and date of the plan	Number of shares allocated during the financial year	Valuation of the shares according to the method used in the consolidated financial statements	Date of acquisition	Date of availability
07/23/2010	10,000	€423,000	07/23/2013	07/23/2015
Conditions of presence, performance and obligation to retain shares	The performance condition is linked to the extent of achievement of the adjusted operating profit (AOP) of the Company in the 2010 financial year and the Adjusted Operating Margin (AOM) of the company in the 2011 and 2012 financial years. 10,000 shares linked to a condition of presence on July 23, 2013 and a performance condition for the 2010, 2011 and 2012 financial years mentioned below. Performance condition: depending on the extent that the Adjusted Operating Profit (AOP) for the 2010 financial year is achieved, the recipient could acquire between 0% and 100% of the shares allocated; moreover, if the Adjusted Operating Margin (AOM) in the 2011 or the 2012 financial year is less than the target level fixed by the Board of Directors, no performance share can be acquired by the recipient. Presence condition: a three-year acquisition period has been fixed, followed by a two-year retention period. On expiry of the retention period, 50% of the shares acquired on the acquisition date cannot be sold by the recipient before the expiry of all of his functions as a Corporate Officer at the Company.			

► PERFORMANCE SHARES ALLOCATED TO FRANÇOIS TARDAN - 2010 FINANCIAL YEAR

No. and date of the plan	Number of shares allocated during the financial year	Valuation of the shares according to the method used in the consolidated financial statements	Date of acquisition	Date of availability
07/23/2010	15,000	€634,500	07/23/2013	07/23/2015
Conditions of presence, performance and obligation to retain shares	The performance condition is linked to the extent of achievement of the adjusted operating profit (AOP) of the Company in the 2010 financial year and the Adjusted Operating Margin (AOM) of the company in the 2011 and 2012 financial years. 15,000 shares linked to a condition of presence on July 23, 2013 and a performance condition for the 2010, 2011 and 2012 financial years mentioned below. Performance condition: depending on the extent that the Adjusted Operating Profit (AOP) for the 2010 financial year is achieved, the recipient could acquire between 0% and 100% of the shares allocated; moreover, if the Adjusted Operating Margin (AOM) in the 2011 or the 2012 financial year is less than the target level fixed by the Board of Directors, no performance share can be acquired by the recipient. Presence condition: a three-year acquisition period has been fixed, followed by a two-year retention period. On expiry of the retention period, 50% of the shares acquired on the acquisition date cannot be sold by the recipient before the expiry of all of his functions as a Corporate Officer at the Company.			

During its meeting of February 28, 2011, the Board of Directors observed that the level of completion of the AOP for the 2010 financial year was above the target level set by the Board of Directors at the time the shares were granted. Consequently, the total number of shares granted that can be acquired on July 23, 2013, is subject to the respect of the presence and the completion levels of AOM conditions as described above.

TABLE NO. 7: PERFORMANCE SHARES BECOMING AVAILABLE TO EACH EXECUTIVE CORPORATE OFFICER DURING THE FINANCIAL YEAR

No performance shares became available during the financial year.

TABLE NO. 8: HISTORY OF ALLOCATIONS OF OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES

History of allocations of options to subscribe for or purchase shares

Date of meeting	06/18/2007	06/18/2007
Date of the Board of Directors meeting	07/03/2009	07/23/2010
Total number of shares that can be subscribed for or purchased, of which the number that can be subscribed for or purchased by:	266,500	244,200
Corporate Officers:		
Frank Piedelièvre	60,000	60,000
Philippe Donche-Gay	30,000	30,000
François Tardan	30,000	45,000
Starting date for the exercising of options	07/03/2012	07/23/2013
Expiry date	07/03/2017	07/23/2018
Subscription or purchase price	€34.98 ^(a)	€46.31 ^(b)
Number of shares subscribed for or purchased at February 28, 2011	0	0
Total number of options to subscribe for or purchase shares that have been cancelled or become null and void at February 28, 2011	7,200	0
Options to subscribe for or purchase shares remaining at February 28, 2011	259,300	244,200

(a) The option subscription price was fixed at €34.98 corresponding to the average without discounts of the first traded prices on the last 20 stock market trading days preceding the allocation date.

(b) The option subscription price was fixed at €46.31 corresponding to the average without discounts of the first traded prices on the last 20 stock market trading days preceding the allocation date.

TABLE NO. 9: STOCK OPTIONS OR SHARE PURCHASE OPTIONS GRANTED TO THE TEN LARGEST NON-CORPORATE OFFICER EMPLOYEE OPTION HOLDERS AND OPTIONS EXERCISED BY THE LATTER

Options to subscribe for or purchase shares granted to the ten largest non-Corporate Officers employee option holders and options exercised by the latter	Total number of options allocated/ shares subscribed for or purchased	Average weighted price	Date of Shareholders' Meeting: 12/11/2001	Date of Shareholders' Meeting: 12/11/2001	Date of Shareholders' Meeting: 06/30/2004	Date of Shareholders' Meeting: 06/18/2007
			Plan of 12/17/2002	Plan of 07/25/2003	Plan of 11/15/2004	Plan of 07/23/2010
Options granted during the financial year by the issuer and any company within the scope of the allocation of options, to the ten employees of the issuer and of any company within this scope, of which the number of options thus granted is the higher (global information)	85,000	Subscription price €46.31				In total 244,200 options allocated
Options held against the issuer and the companies referred to above, exercised during the financial year by the ten employees of the issuer and of these companies, of which the number of options thus purchased or subscribed for is the higher (global information)	61,000	€8.929	25,000 (subscription price €7.487)	31,000 (subscription price €9.582)	5,000 (subscription price €12.094)	

A summary of the situation relating to stock option plans in force at December 31, 2010 is presented in Chapter 3 – Management Report of this Registration Document.

TABLE NO. 10

	Employment contract		Supplementary pension scheme		Benefits due or likely to be due as a result of the expiry or change in functions as corporate officer		Indemnity relating to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Executive Corporate Officers								
Frank Piedelièvre Chairman and Chief Executive Officer		✓		✓		✓		✓
Philippe Donche-Gay Executive Officer	✓			✓		✓		✓
François Tardan Executive Officer	✓ Deferred			✓		✓		✓

Continuation of the employment contract of Mr. Philippe Donche-Gay is connected with his position as Chief Operating Officer of the Industry & Facilities division. In this «technical» post, which is indeed distinct from his Corporate Officer function, he is answerable to Frank Piedelièvre, Chairman and Chief Executive Officer.

Under the terms of his employment contract, Philippe Donche-Gay will receive compensation in the event that his employment contract is terminated by the Company within the first three years of the effective start date of his employment contract, except in the case of gross negligence, serious misconduct or *force majeure*. The amount of the termination benefits is subject to a performance condition and can account for up to 12 months of gross remuneration (fixed remuneration and bonus under the employment contract). The performance condition is detailed in chapter 6 - Information on the Company and the capital, paragraph 6.9. Related-party transactions of this Registration Document.

Since June 19, 2002, date on which François Tardan was appointed as a new member of the Management Board, his employment contract is deferred. As from the expiration date of his term of office, François Tardan could resume his post under his employment contract.

REMUNERATION OF WENDEL COMPANY OFFICERS SITTING ON THE COMPANY'S BOARD

Pursuant to Paragraph 1 of Article L. 225-102-1 of the French Commercial Code, since the Company is controlled by a company with shares listed on a regulated market, the amount of the remuneration and benefits of all kinds received during the financial year by a corporate officer holding at least one office in a company with shares listed on a regulated market from (i) this Company and (ii) companies controlled by it and (iii) the company that controls it as well as the amount of remuneration (allowances or benefits due or that may become due in the event of acquiring, terminating or changing functions as a Corporate Officer of Bureau Veritas SA) is set out below.

The remuneration received during the course of the 2010 financial year, including that received from companies controlled as per the terms of Article L. 233-16 and from the controlling company Wendel, is set out below:

(In euros)	2010					2009
	Gross remuneration		Directors' fees and other remuneration ^(a)	Benefits In kind	Total remuneration	Total remuneration ^(b)
	Fixed excluding directors' fees	variable				
Frédéric LEMOINE Chairman of the Board	1,037,003	600,000	180,559	12,607	1,830,169	883,218
Ernest-Antoine SEILLIÈRE Chairman of the Supervisory Board	105,000	-	119,552	4,905	229,457	369,715

(a) Including Directors' fees received as Director, the details of which are included in table no. 3 of this section.

(b) Prorata temporis counting from the appointment of Mr. Frédéric Lemoine on April 7, 2009 as chairman of the Wendel board.

The fixed remuneration and objectives to be achieved for the variable remuneration of Mr. Frédéric Lemoine are laid down each year by the Wendel supervisory board in the month of February of the year in course, on proposal of and following examination by the governance committee; the latter backs up its overall remuneration

recommendation by reference to the market practices of listed companies and the average of European private equity companies; the amount of the variable remuneration is set on the basis of the profits made during the previous year, measured according to objective criteria. Directors' fees are included in the overall remuneration.

2.3.2. SERVICE CONTRACTS BETWEEN MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD AND BUREAU VERITAS OR ITS SUBSIDIARIES

As of the date of submission of this Registration Document, there were no service contracts between Executive Corporate Officers and Directors and the Company or its subsidiaries providing for any benefits.

Management report on the Company and the Group

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This Report covers the results and business activities of the Company and the Group during the financial year ending December 31, 2010 and is based on the 2010 statutory accounts and consolidated financial statements.

3.1. Overview of the Company and the Group

Founded in 1828, Bureau Veritas is a world leader for the provision of conformity assessment and certification services in the areas of quality, health, safety, the environment and social responsibility ("QHSE"). The Group's business involves inspecting, testing, auditing or certifying products, assets (such as buildings, industrial infrastructure, equipment and ships) and management systems (particularly against ISO standards) based on regulatory or voluntarily adopted standards.

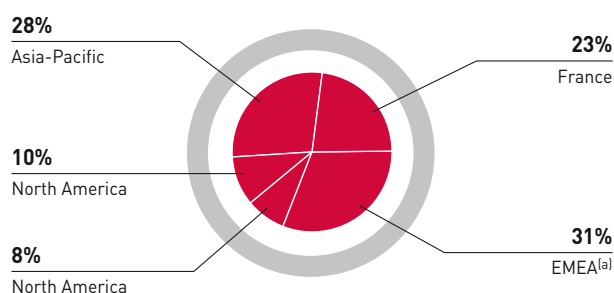
The Group is one of the world leaders in the markets in which it has a presence:

- ship classification (Marine, 11% of the Group's revenue in 2010);
- industry services (including mineral testing) (Industry, 26% of the Group's revenue in 2010);
- inspection and verification of equipment in service (In-Service Inspection & Verification - IVS, 15% of the Group's revenue in 2010);
- construction services (Construction, 14% of the Group's revenue in 2010);
- certification of management systems or services (Certification, 11% of the Group's revenue in 2010);
- inspection and analysis of consumer products (Consumer Products, 13% of the Group's revenue in 2010);
- services related to customs control and international trade (GSIT, 6% of the Group's revenue in 2010); and

- more recently, inspection and analysis of commodities, accounting for 4% of revenue in 2010, with the consolidation over the last four months of FY 2010 of the Inspectorate Group (acquired in September 2010).

The Group's consolidated revenue amounted to €2,929.7 million in 2010, and attributable net profit was €290.4 million.

The Group currently operates in 140 countries through a network of 930 offices and 330 laboratories. It employs some 48,000 people and has a portfolio of over 400,000 customers. In 2010, the geographic distribution of the Group's consolidated revenue was as follows:



(a) Europe (excluding France), Middle East and Africa.

3.1.1. FACTORS SIGNIFICANTLY AFFECTING THE GROUP'S RESULTS

MACRO-ECONOMIC AND MARKET-RELATED FACTORS

As a result of the variety of its businesses and its worldwide presence, the development of the Group's revenue and profitability are relatively unaffected by the fluctuation of specific macro-economic factors or market conditions. However, developments in certain sectors of the world economy or certain geographic zones can have a significant influence on the revenue and results of operations of the Group's eight global businesses, in particular:

- international trade: changes in international trade may significantly impact the level of growth expected in the Marine business by causing the rate of new ship orders globally to vary. Changes in international trade may also impact the level of growth expected in the GSIT business by modifying growth of FOB (Free on Board) import values inspected by the Group in certain emerging countries;
- investments in the energy sector and mining industry: growth of investments in the energy sector (Oil, Gas, and Power) and the mining industry can have a significant impact on the level of growth expected in the Industry business in the producing countries of Africa, the Middle East, Latin America, the Pacific, and Russia, and in the consuming countries of Europe, North America and Asia;
- household consumption in industrialized countries: changes in the level of household consumption in the United States and Western Europe have a significant impact on the level of growth expected in the Consumer Products business by causing changes in the growth of demand for inspections and laboratory testing by major American and European distributors of Consumer Products; and
- changes in commodities trading may also have an impact on the Commodities business, by affecting demand for inspection and testing;
- new building construction in France, Southern Europe, the United States and Japan: changes in the level of investment in new building construction in those regions have a significant impact on the level of growth expected in the Construction business by affecting demand for technical controls on new buildings.

IMPACT OF ACQUISITIONS

The Group regularly acquires small and medium-sized companies. Over the past five years, external growth has thus on average accounted for 6% of annual growth in the Group's consolidated revenue.

The integration of these acquisitions is carried out through key processes established under Post-Merger Integration Plans ("PMIPs"). The average operating margin of purchased businesses is generally below the operating margin of the Group business into which they are integrated. Consolidation of these newly acquired businesses in the Group's consolidated financial statements thus causes, all else being equal, a decline in the Group's operating

margin. However, integration plans are prepared to take advantage of cost synergies identified during due diligence phases and thus help progressively to improve the operating margin of acquired companies.

As a result, the operating margins of acquired companies improve as they are integrated into the Group and progressively converge towards the operating margin of the Group businesses into which they are integrated.

IMPACT OF SIZE

Growth in the size of the Group in its markets has impacted positively on operating margin, improving absorption of central costs and optimizing operations.

First, growth in the Group's global size delivers benefits of scale enabling it to improve absorption of the cost of central functions, namely senior management, financial and legal services, insurance and risk management, human resources, quality, communication and information systems and networks. As a result, the relative significance of costs associated with these central functions remained stable from 2009 to 2010, despite continuing to roll out the ambitious three-year plan to overhaul information systems:

- €56.8 million in 2009, 2.1% of the Group's consolidated revenue; and
- €60.8 million in 2010, 2.1% of the Group's consolidated revenue.

Second, the Group believes that growth in its size on certain national markets should increase the density of its inspections network, permitting improved optimization and utilization of inspectors due to reduced transportation time and inspector specialisation in certain projects. Such specialisation should allow Bureau Veritas to replicate and industrialize inspection processes with resulting productivity gains.

SEASONALITY

Revenue, operating profit and net cash generated from operating activities reflect a certain seasonality, particularly for operating profit and net cash generated from operating activities, with lower levels traditionally recorded for the first half of the year:

- revenue in the first half of the year, adjusted for acquisitions, therefore accounted for 48,0% of total revenue excluding acquisitions in 2010 (49,6% of total revenue in 2009). The Consumer Products, IVS and Certification businesses are primarily responsible for this seasonality. As far as the Consumer Products business is concerned, end-user consumption is typically concentrated at the end of the calendar year. As to the Certification and IVS businesses, seasonality results from clients' desire to obtain their certifications before the end of the company financial year (typically December 31);

- operating profit excluding acquisitions for the first half of the year accounted for 47.3% of total operating profit for 2010, and 48.8% in 2009. The Consumer Products, IVS and Certification businesses are also the main cause of this seasonality; and
- net cash generated from operating activities in the first half of the year represented 29.7% of the total net cash generated from operating activities for the whole of 2010, compared to 46.4% in 2009.

Independently of the impact of the seasonality of operating profit on cash flow, the sharp difference between the first and second halves of the year results principally from a high seasonality in working capital needs, since three categories of expenses are incurred entirely in the first months of the year:

- insurance premiums, which are payable in January;
- employee bonuses and profit-sharing and the related social charges, which are payable in April; and
- balances of corporate income taxes due from the previous year, which are payable, depending on the country, at different dates during the first half of the year.

IMPACT OF EXCHANGE RATE FLUCTUATION

As a result of the international nature of its businesses, the Group is exposed to exchange rate risk related to several foreign currencies. Accordingly, in 2010, more than half of the Group's revenue was earned in currencies other than the euro, with 16% in US dollars, 6% in Australian dollars, 5% in Hong Kong dollars, 5% in renminbi

and 3% in pounds sterling. Taken individually, other currencies represented no more than 5% of the Group's revenue.

Nevertheless, in every country in which it operates, the Group both provides services and incurs expenses locally. As a result, the Group is not very exposed to exchange rate risks stemming from transactions in other currencies.

Thus a 1% change in the euro against:

- the US dollar would have had an impact of 0.16% on 2010 consolidated revenue and 0.20% on 2010 operating profit;
- the Australian dollar would have had an impact of 0.06% on 2010 consolidated revenue and 0.03% on 2010 operating profit;
- the Hong Kong dollar would have had an impact of 0.05% on 2010 consolidated revenue and 0.09% on 2010 operating profit;
- the renminbi would have had an impact of 0.05% on 2010 consolidated revenue and 0.11% on 2010 operating profit;
- the pound sterling would have had an impact of 0.03% on 2010 consolidated revenue and 0.01% on 2010 operating profit;

A detailed description of the Group's exposure to exchange rate risk is provided in notes 3 and 30 to the consolidated financial statements in Chapter 4 – 2010 consolidated financial statements of this Registration Document.

3.1.2. ELEMENTS OF THE CONSOLIDATED INCOME STATEMENT

REVENUE

Revenue represents the fair value (net of tax) of the consideration received or to be received in exchange for services provided by the Group's companies in their normal course of business and after elimination of intra-group transactions. The Group records revenue when their amount can be measured reliably and it is likely that future economic benefits will flow to the Group.

The majority of the Group's contracts are short term but multi-year or highly recurrent, most frequently due to tacit extension or a high level of repeat business. Under these contracts, particularly for the Industry, IVS, Certification and Consumer Products businesses, the Group records revenue once the service has been performed for the client.

For other contracts, particularly for the Marine, Construction and Industry businesses, the Group uses the percentage of completion method to determine the amount which should be recorded as revenue over a given period, to the extent that the margin of contracts can be reliably determined.

The percentage of completion of each contract is determined by referring to the costs incurred at the period end compared to the total estimated costs. The amount of this percentage, applied to the total anticipated results of the contract, represents the margin recorded for the period. For loss-making contracts, provisions are recorded for the entire contract. A detailed description of the accounting policies used by the Group for revenue recognition is provided in Note 2.25 to the consolidated financial statements in Chapter 4 – 2010 consolidated financial statements of this Registration Document.

OPERATING EXPENSES

Operating expenses are made up of three principal categories:

- personnel costs;
- external purchases and charges; and
- other expenses.

A detailed presentation of operating expenses is provided in Note 6 to the consolidated financial statements in Chapter 4 – 2010 consolidated financial statements of this Registration Document.

Personnel costs

Personnel costs amounted to €1,479.4 million in 2010 (compared to €1,336.5 million in 2009), thus constituting the largest expense item. As a portion of revenue, personnel costs remained stable from 2009 financial year and represented 50.5% of consolidated revenue in 2010.

Personnel costs include all the fixed and variable components of employee remuneration, as well as related social charges. Variable remuneration is determined according to the Group's bonus policy. This information is provided in section 3.8 - Human resources in this chapter.

External purchases and charges

External purchases and charges stood at €843.4 million in 2010 (compared to €750.2 million in 2009). The proportion of external purchases and charges in revenue rose over the course of the last financial year, this item having represented 28.8% of revenue in 2010 (compared to 28.3% in 2009).

This item includes the subcontracting required to carry out the activities and all other purchases of goods or services.

The most significant elements in the external purchases and charges item for the 2010 financial year were as follows:

- operational subcontracting (€196.5 million in 2010 compared to €174.5 million in 2009);
- transportation and travel (€261.4 million in 2010 compared to €227.1 million in 2009); and
- other external services (€290.8 million in 2010 compared to €263.1 million in 2009 including principally various fees, facilities maintenance, insurance, telecommunications costs and postage).

Other expenses

Other expenses include taxes and duties, depreciation and amortization and other operating income and expenses.

OPERATING PROFIT AND ADJUSTED OPERATING PROFIT

The consolidated income statement sets forth operating profit, which is widely used in corporate financial communications and defined as the difference between all revenue and expenses not arising from financing activities, and not arising from income from associates or income tax.

However, the Group follows internally an "adjusted" operating profit which the Group's Management considers more representative of the Group's operating performance in its sphere of business. Adjusted operating profit is defined as operating profit before income and expenses related to acquisitions and other elements considered as non-recurring.

Adjusted operating profit excludes amortization charges for intangibles acquired in business combinations, goodwill depreciation charges, and non-recurring income and expenses. In 2010, adjusted operating profit was therefore reprocessed:

- for amortization of intangibles resulting from business combinations (€25.7 million);
- goodwill impairment charges (€1.8 million);
- fees associated with acquisitions (€4.3 million); and
- capital losses and impairments on discontinued activities (€2.4 million).

NET FINANCIAL EXPENSE

Net financial expense includes essentially interest and amortization of the cost of issuing debt, interest and other income received in connection with loans, financial assets or other financial instruments held by the Group, and unrealized gains or losses on marketable securities as well as gains or losses on currency transactions and adjustments to the fair value of financial derivatives. It also includes financial costs related to pension plans, the expected revenue or return from the assets of funded pension plans and the effect of updating long-term provisions.

3.2. Summary of the Group's significant accounting principles

Pursuant to the provisions of Article L.233-16 of the French Commercial Code, the Company prepared the consolidated financial statements in line with methods set out in Article 233-18 of said Code. This list of companies within the scope of consolidation as of December 31 is provided in Note 33 - Scope of consolidation to the consolidated financial statements in Chapter 4 - 2010 consolidated financial statements of this Registration Document.

The consolidated financial statements of Bureau Veritas are prepared in accordance with IFRS as adopted by the European Union. The preparation of the financial statements in accordance with IFRS requires certain accounting estimates to be made.

Management must also use its judgment when applying the Group's accounting methods. The accounting methods described below are those which require the greatest reliance on Management estimates and judgments. Details regarding the Group's accounting methods are provided in Note 2 to the consolidated financial statements in Chapter 4 - 2010 consolidated financial statements of this Registration Document.

The accounting methods described below have been applied consistently across all financial years presented.

3.2.1. REVENUE RECOGNITION

The Group records its revenue when their amount can be measured reliably and it is likely that future economic benefits will flow to the Group.

The majority of the Group's contracts are short term. Under these contracts, the Group records revenue once the service has been rendered to the client. For other contracts, particularly for the Marine, Construction and Industry businesses, the Group uses the percentage of completion method to determine the amount which

should be recorded as revenue over a given period to the extent that the margin on the contracts can be reliably determined.

The amount of this percentage, applied to the total anticipated results of the contract, represents the margin recorded for the period. For loss-making contracts, provisions are immediately recorded for the entire contract.

3.2.2. INCOME TAX

Income tax recorded by the Group includes current and deferred income taxes.

Deferred taxes are accounted for on a carry-forward basis for any temporary differences between the accounting and the tax value of assets and liabilities in the consolidated financial statements. Deferred taxes are calculated using the tax rate (and tax regulations) in effect at the balance sheet date and of which is expected to be applied once the deferred tax assets are realized, or the deferred tax liability paid.

Deferred tax assets are recognized on the balance sheet to the extent where it is likely that future taxable income will be available which would allow the temporary differences to be used.

The Group is subject to income tax in many jurisdictions. Calculating the income tax expense on companies globally requires that Management exercise its judgment.

Following the reform of business tax in France, the new business tax (CVAE) has been recognized in income tax expense since January 1, 2010, while the former business tax used to be included in operating expense up to December 31, 2009.

3.2.3. GOODWILL

The excess of acquisition costs (including directly attributable costs) for interests in subsidiaries or associates over the fair value of the Group's share in the identifiable net assets at the date of acquisition constitutes goodwill.

Goodwill is not amortized but is subject to an annual impairment test. Goodwill impairment is not reversible.

3.2.4. GOODWILL DEPRECIATION

For purposes of evaluating goodwill depreciation, all assets are grouped together into Cash Generating Units ("CGUs"), which represent the lowest organizational level at which cash flows are generated independently.

Goodwill depreciation is recorded for the excess of the net book value over the recoverable amount of the CGU. The recoverable amount of a CGU corresponds to its fair value less cost of sale, or its value in use, whichever is greater.

When the value in use is below the net book value of a CGU, the recoverable amount shall be based on its fair value less costs of

sale. Fair value is estimated according to past experience, based on a multiple of the operating profit of the CGU adjusted for other operating profit and expenses and amortization of the value of client relationships acquired in business mergers.

A detailed description of the goodwill impairment methods is provided in Note 9 to the consolidated financial statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document.

3.2.5. SHARE-BASED PAYMENT

The Group has established share-based compensation plans and in particular stock options.

As part of the stock market listing, the Group established other share-based compensation plans in the form of stock options on preferential terms and free shares as well as cash-based compensation plans in the form of stock appreciation rights (SARs).

STOCK OPTIONS

The fair value of services provided by employees and compensated for by grants of stock options is accounted for as an expense. The total amount recorded as an expense during the vesting period is based on the fair value of the options granted, without taking into account their non-market vesting conditions (such as objectives for profitability or revenue growth).

The amounts received when the options are exercised are recorded under "Capital" for the shares' nominal value, and the remainder is recorded under "Issue premium", less costs directly attributable to the issuance of shares.

STOCK OPTIONS ON PREFERENTIAL TERMS

In 2007, employees subscribed for shares issued as part of the capital increase for cash reserved for them at a subscription price set at 20% under the price of the overall offering. The shares subscribed for are locked up for 5 years.

The sums received from the stock options are credited to the "Capital" line item for the portion relating to the par value and to the

"Issue premium" line item, net of directly attributable transaction fees. The fair value of the services provided by employees in consideration for the granting of the 20% reduction of the price of the overall offering is expensed for an amount corresponding to the 20% reduction less the impairment loss stemming from the fact that the shares are locked up for 5 years. This impairment loss is estimated on the basis of the cost of a two-stage strategy consisting of forward-selling the shares that are locked up for 5 years and buying the same number of shares in the market (and hence shares that can be transferred at any time) and financing this purchase with a loan. This strategy represents the cost incurred to cover the risk run during the inaccessible period.

FREE SHARE GRANT

The accounting treatment of free shares is the same as the one described for the stock options.

STOCK APPRECIATION RIGHTS

The fair value of services provided by employees in consideration for the granting of stock appreciation rights is wholly expensed and offset in liabilities as of the date of the grant, to the extent that the rights have vested. At each balance sheet date, the liability is determined on the basis of the fair value of the rights estimated via an option measurement model. Changes in the value of the liability are recognized in operating income.

3.2.6. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

Provisions for risks are recorded when the Group believes that on the balance sheet date, a legal or constructive obligation with respect to a third party is likely to give rise to an outflow of resources for the benefit of a third party, and that a reliable estimate of the outflow can be determined.

The amount recorded as a provision is the best estimate of the expenditure necessary to satisfy the obligation, discounted to the balance sheet date. Costs which the Group may be required to incur may exceed the amounts reserved for litigations due to numerous

factors, and in particular the uncertain nature of the outcome of litigation. Provisions for long-term litigation are discounted based on the expected timing of probable outflows. The pre-tax discount rate reflects current market assessments of the time value of money and the risks inherent to the obligation. An increase in provisions due to the updating is accounted for in the income statement under "Other financial income and expenses".

3.2.7. PENSION PLANS AND OTHER LONG-TERM EMPLOYEE BENEFITS

The Group's companies have long-term commitments to their employees in terms of retirement benefits and seniority bonuses, as well as other retirement benefits.

The Group has defined contribution plans and defined benefit plans.

DEFINED BENEFIT PLANS

The Group makes regular payments to public or private pension plans, either on a contractual or voluntary basis. Once the payments have been made, the Group is not bound by any other payment obligation. Payments are accounted for as personnel expenses when due.

DEFINED BENEFIT PLANS

The liability recorded on the balance sheet for defined benefit plans corresponds to the net present value of the amount owed under the plans at the balance sheet date, less plan assets.

The amount owed under defined benefit plans is calculated each year by independent actuaries according to the projected unit credit method. The net present value of the amount owed under defined benefit plans is determined by discounting future cash outflows estimated using the interest rate on bonds of top-rated entities denominated in the currency of payments and having a maturity similar to the average estimated maturity of the retirement benefit obligation concerned.

Actuarial gains and losses are accounted for through equity in the statement of recognized income and expenses in the period during which they occur.

3.3. Highlights of the financial year

In 2010, the Group restarted its policy of acquisitions, by acquiring eight companies representing annual accumulated revenues in excess of €350 million.

On June 1, 2010, Bureau Veritas announced the acquisition of Advanced Coal Technology – (2010 revenues of €8.5 million), one of the largest suppliers of coal testing services in South Africa and with a development potential in other countries in Southern Africa (Mozambique, Botswana, Zimbabwe).

Bureau Veritas concluded the acquisition of Inspectorate on September 9, 2010 after obtaining approval from anti-trust authorities in the countries concerned. Bureau Veritas and Inspicio (a majority holding of the investment company 3i and funds managed by 3i) having agreed on June 21, 2010 to this acquisition.

With the acquisition of Inspectorate, Bureau Veritas becomes one of the world leaders in inspection and testing of commodities and thus passes a major stage in its world leadership strategy. This acquisition enables the Group to offer the widest range of services in the Testing, Inspection and Certification market (TIC).

Inspectorate is among the world leaders in commodities inspection and testing. Based in Witham in the United Kingdom, Inspectorate is present in more than 60 countries and employs 7,300 employees. The company's activities are organized around three main market segments in which the company has global leadership positions: oil and petrochemicals, metals and minerals and agricultural products. In 2010, Inspectorate recorded revenue of 290 million Sterling (€338 million).

The Group also completed the acquisition of several other companies to strengthen its portfolio in the In-Service Inspection & Verification, Industry and Consumer Products businesses:

- SMSI (United States), a company specialized in elevator inspections with revenues of around €0.2 million ;
- K. Certificazioni S.r.l. (Italy), a company specialized in the inspection of electrical equipment and ionizing radiation appliances with revenues of around €2 million ;
- Halec (France), a company that inspects ski lifts with revenues of around €2 million ;
- NS Technology (China), a company specialized in analytical tests and certification of electric and electronic equipment with revenues of around €4 million in 2010;
- the nuclear activity of Thémis Ingénierie (France), which provides nuclear risk audit and management, with revenues of almost €2 million in 2010;
- Certitex (Italy), a company specialized in certification of management systems, with revenue of €0.5 million in 2010.

A description of completed acquisitions during the financial year 2010 are described in Note 10 of the annex to the consolidated financial statements in Chapter 4 – Consolidated Financial Statements 2010 of this Reference Document.

3.4. Analysis of the 2010 consolidated financial statements

3.4.1. 2010 ACTIVITY AND RESULTS

As of December 31, 2010, the Group is organized into seven businesses: Marine, Industry, In-Service Inspection and Verification, Construction, Certification, Consumer Products and Government Services & International Trade.

Since January 1, 2010 the activities of the Health, Safety & Environment (HSE) business have been reorganized and reclassified principally in the In-Service Inspection & Verification, Industry and

Construction businesses. The data for 2009 has been restated on this basis in order to provide better comparability.

The activities of the Inspectorate Group, acquired on September 9, 2010, are consolidated over the last four months of the financial year 2010 and are presented separately. The comparison of the years 2010 and 2009 is based on analyzing the changes in revenue and results of operations of the seven divisions and the Inspectorate Group.

<i>(in millions of euros)</i>	2010	2009	Change
Revenue	2,929.7	2,647.8	+10.7%
Purchases and external expenses	(843.4)	(750.2)	+12.4%
Personnel costs	(1,479.4)	(1,336.5)	+10.7%
Other expenses	(150.6)	(155.7)	(3.3)%
Operating profit	456.3	405.4	+12.6%
Net financial expense	(45.7)	(61.1)	(25.2)%
Share of profit of associates	(0.1)	0.1	-
Profit before income tax	410.5	344.4	+19.2%
Income tax expense	(112.9)	(87.1)	+29.6%
Profit from operations held for sale	-	0.4	-
Consolidated net profit	297.6	257.7	+15.5%
Minority interests	7.2	5.0	+44.0%
Attributable net profit	290.4	252.7	+14.9%

REVENUE

After a first half still adversely affected by difficult economic conditions, revenue for the second half year 2010 rose by 19.9%, compared with 1.5% for the first half. For the full year 2010, revenue rose by 10.6% and breaks down as follows:

- organic growth of 2.8% (stable in the first half of the year and +5.9% in the second half);
- external growth of 2.9%, with consolidation of acquisitions (mainly Inspectorate) more than compensating for the disposals completed in the first quarter of the year; and
- a positive impact in the variations in the exchange rate of 4.9%, mainly linked to the strengthening of the US dollar, the Brazilian real and the Australian dollar against the euro.

The changes in revenue by business between 2009 and 2010 were as follows:

<i>(in millions of euros)</i>	2010	2009	Chg.	Organic Growth
Marine	313.5	314.8	(0.4)%	(5.0)%
Industry	757.4	630.0	+20.2%	+10.3%
IVS	431.1	431.0	0.0%	+0.9%
Construction	427.8	457.5	(6.5)%	(3.1)%
Certification	321.6	296.9	+8.3%	+4.0%
Consumer Products	382.3	359.1	+6.5%	+0.9%
Government Services & International Trade (GSIT)	180.1	158.5	+13.6%	+12.8%
Inspectorate	115.9	-	-	-
TOTAL	2,929.7	2,647.8	+10.6%	+2.8%

OPERATING PROFIT

The Group's operating profit rose by 12.6% to €456.3 million in 2010 as against €405.4 million in 2009. This increase of €50.9 million stems from an improvement in operating profit in all the operational businesses, with the exception of the Marine and Construction businesses:

<i>(in millions of euros)</i>	2010	2009	Change
Marine	90.5	99.7	(9.2)
Industry	75.1	59.9	+15.2
In-Service Inspection & Verification (IVS)	48.1	36.2	+11.9
Construction	38.7	41.3	(2.6)
Certification	65.1	49.3	+15.8
Consumer Products	103.6	99.4	+4.2
Government Services & International Trade (GSIT)	30.5	19.6	+10.9
Inspectorate	4.7	-	+4.7
TOTAL	456.3	405.4	+50.9

The operating margin for 2010 improved by 30 basis points to 15.6% of revenue as against 15.3% in 2009.

Following the reform of the business tax in France, the new business tax (CVAE) has been recognized in income tax expense since January 1, 2010 whereas the former business tax was included in operating expense up to December 31, 2009. As of December 31, 2010, the impact on "taxes other than on income" and "income tax expense" of the income statement is €9.8 million.

ADJUSTED OPERATING PROFIT

The "adjusted" operating profit is defined as the operating profit before inclusion of income and expenses from acquisitions and other non-recurring items.

The table below shows a breakdown of adjusted operating profit in 2010 and 2009:

<i>(in millions of euros)</i>	2010	2009	Change
Operating profit	456.3	405.4	+12.6%
Amortization of acquisition intangibles	27.5	21.7	+26.7%
Transaction – related costs	4.3	-	-
Discontinued activities	2.4	6.1	(60.7)%
Adjusted operating profit	490.5	433.2	+13.2%

The line "Amortization of acquisition intangibles" includes:

- allowance for amortization of business combination intangibles of €25.7 million, compared with €19.8 million in 2009. This increase is due to the acquisition of Inspectorate, for which the amortization change represented €3.9 million over the last four months of the financial year 2010; and
- goodwill impairment of €1.8 million at December 31, 2010, compared with €1.9 million at December 31, 2009.

Transaction – related fees of €4.3 million relate principally to the acquisition of Inspectorate.

The completion of disposal of non-strategic activities decided at the end of 2009 generated €2.4 million of losses on disposal and liquidation. The Group booked a provision of €6.1 million for these discontinued activities at December 31, 2009.

Adjusted operating profit rose by 13.2% to €490.5 million in 2010 compared with €433.2 million in 2009.

The adjusted operating margin, expressed as a percentage of revenue, increased to 16.7% in 2010 compared with 16.4% in 2009. Excluding Inspectorate, whose operating margin stands at 10.8% over the last four months of the financial year, below the Group average, the improvement in adjusted operating margin reached 60 basis points. It breaks down as follows:

- an increase of 30 basis points on the organic scope, with improved operating processes and the rollout of automated production tools, mainly in the In-Service Inspection & Verification, Certification, Construction and Government Services & International Trade businesses; and
- an increase of 30 basis points linked to the accounting of the French business tax (CVAE) under income tax expense since January 1, 2010, following the reform of the French business tax. This reclassification improved operating profit by €9.8 million.

<i>(in millions of euros)</i>	2010	2009	Change
Marine	90.5	99.7	(9.2)%
Industry	88.5	74.8	+18.3%
In-Service Inspection & Verification (IVS)	52.7	41.3	+27.6%
Construction	43.8	40.8	+7.4%
Certification	66.4	57.6	+15.3%
Consumer Products	105.6	99.4	+6.2%
Government Services & International Trade (GSIT)	30.5	19.6	+55.6%
Inspectorate	12.5	-	+100%
TOTAL	490.5	433.2	+13.2%

NET FINANCIAL EXPENSE

The Group's net financial expense in 2010 was €45.7 million compared with €61.1 million in 2009, an improvement of €15.4 million :

<i>(in millions of euros)</i>	2010	2009
Gross finance costs	(38.4)	(45.4)
Other income from cash and cash equivalents	1.9	1.4
Net finance costs	(36.5)	(44.0)
<i>of which changes in fair value of financial assets and liabilities</i>	<i>(1.7)</i>	<i>(0.4)</i>
Foreign exchange gains/losses	2.3	(10.6)
<i>of which changes in fair value of financial assets and liabilities</i>	<i>-</i>	<i>0.7</i>
Interest cost on pension plans	(5.1)	(5.5)
Other	(6.4)	(1.0)
Net financial expense	(45.7)	(61.1)

Net finance costs fell by €7.5 million, from €44 million in 2009 to €36.5 million in 2010. This was mainly due to the reduction in financing costs over the financial year because of:

- the fall in interest rates on the unhedged part of gross financial debt; and
- the maturing of certain interest rate hedging instruments;

Foreign exchange gains in 2010 resulted mainly from transactions carried by the Group subsidiaries in a currency other than their operating currency.

The financial cost of pension plans was also quasi-stable compared with 2009.

Other net financial charges rose to €6.4 million in 2010 mainly due to the depreciation of financial assets of non-strategic activities disposed over the period.

INCOME TAX EXPENSE

Income tax expenses amounted to €112.9 million in 2010 against €87.1 million in 2009. The increase in effective tax rate to 27.5% set against 25.3% at December 31, 2009 is mainly due to the classification of the French business tax (CVAE) as income tax expense. Adjusted for this reclassification, tax rate would have been 25.7% at December 31, 2010.

ATTRIBUTABLE NET PROFIT

Attributable net profit amounted to €290.4 million in 2010, an increase of 14.9% compared with 2009. This increase of €37.7 million reflected principally:

- an increase in operating profit of €50.9 million;
- a decrease of €15.4 million in net financial expenses; and
- an increase of €25.8 million in income tax expenses.

Earnings per share stood at 2.68 euros at December 31, 2010 compared with 2.34 euros in 2009.

ATTRIBUTABLE ADJUSTED NET PROFIT

Adjusted net profit is defined in the same way as adjusted operating profit, less net finance costs and the income tax expense calculated using the Group's effective tax rate.

Adjusted net profit amounted to €315.2 million, an increase of 15.2% compared with December 31, 2009. Adjusted earnings per share rose to 2.91 euros in 2010, compared with 2.53 euros in 2009.

(in millions of euros)	2010	2009	Change
Adjusted operating profit	490.5	433.2	+13.2%
Net financial expense	(45.7)	(61.1)	(25.2)%
Adjusted tax ^(a) income tax	(122.3)	(94.1)	+30.0%
Share of profit of associates	(0.1)	0.1	-
Profit from activities held for sale	-	0.4	-
Adjusted net profit	322.4	278.5	+15.8%
Attributable adjusted net profit	315.2	273.5	+15.2%

(a) Resulting from the application of the effective tax rate of 27.5% in 2010 and 25.3% in 2009.

RESULTS BY BUSINESS

At December 31, 2010, the Group was organized into seven businesses: Marine, Industry, In-Service Inspection & Verification, Construction, Certification, Consumer Products and Government Services & international Trade.

Since January 1, 2010, the Health, Safety & Environment (HSE) activities have been mainly reclassified in the IVS, Industry and

Construction businesses. 2009 data has been adjusted according to this reorganization in order to facilitate comparison.

The activities of the Inspectorate Group, acquired on September 9, 2010, are consolidated over the last four months of 2010 and are presented separately.

Marine

(in millions of euros)	2010	2009	Change
Revenue	313.5	314.8	(0.4)%
Adjusted operating profit	90.5	99.7	(9.2)%
Adjusted operating margin	28.9%	31.7%	(280)bps*

* bps: basis points.

Revenue in the Marine business was €313.5 million in 2010, against €314.8 million in 2009. This almost unchanged revenue is the result of:

- 5.0% organic decline in revenue; and
- 4.6% increase in revenue prompted by favourable exchange rates, notably for the Korean won, the US dollar and the Brazilian real.

After an organic decline of 8.3% in H1 2010, impacted by a particularly high comparison base (organic growth of 18.9% in H1 2009), the level of activity has nearly stabilized in H2 (an organic decline of 1.4%), the decline in volumes of certification of new ships and their equipment being offset by the increase in the fleet in service.

New construction (53% of 2010 revenue in the Marine business)

Revenue in the new construction segment saw an organic decline of 12.6% due to the decline in activity of shipyards located in Asia. This change was made up of a decline of 15% in H1 and limited to

10% in H2. The Group saw its order book pick up throughout the year. Thus the division received 747 orders for new ships during the year, representing GRT 9.5 million (twice as much as in 2009). At December 31, 2010, the new construction order book stood at GRT 28.8 million, compared to GRT 31.0 million at December 31, 2009.

Ships in service (47% of 2010 revenue in the Marine business)

Revenue for the ships in service segment saw an organic increase of 5.0% thanks to the steady growth in the fleet in service. At December 31, 2010, the fleet classed by Bureau Veritas totalled 9,493 ships, up 6.3% on December 31, 2009, and represented GRT 76.5 million (up 11.8%).

The adjusted operating margin of the Marine business, down on 2009, came to 28.9%. This change reflects the decline in volumes of certification of new ships and their equipment in Asia.

Business should record slight growth in 2011 on the back of orders received in 2010 and a continued increase in the fleet in service.

Industry

(in millions of euros)

	2010	2009	Change
Revenue	757.4	630.0	+20.2%
Adjusted operating profit	88.5	74.8	+18.3%
Adjusted operating margin	11.7%	11.9%	(20)bps

Revenue in the Industry business was €757.4 million in 2010 (including €149.3 million in the Mining and Minerals segment), against €630.0 million in 2009. This growth of 20.2% is the result of:

- organic growth of 10.3%;
- 10.8% increase in revenue prompted by favourable exchange rates, notably the Australian dollar and the Brazilian real; and
- 0.9% negative impact caused by the disposals of non-strategic activities.

Organic growth picked up in H2 (up 11.6% in Q3 and 16.4% in Q4) due to:

- the good performance of all segments: Oil & Gas, Power (fossil, nuclear and renewable) and the minerals testing activity; and
- organic growth in excess of 20% seen in Brazil, Argentina, China and Africa.

The adjusted operating result of the Industry business was up 18.3% to €88.5 million at December 31, 2010, against €74.8 million in 2009, thanks to revenue growth, while the adjusted operating margin is almost unchanged at 11.7% (compared to 11.9% in 2009).

Inspection and certification for industry should benefit from sustained organic growth in 2011 with continuing investment in oil, gas and power in high-growth zones (Brazil, China, Southeast Asia, Africa, the Middle East) and an improvement in its level of adjusted operating margin, particularly with the rollout of new automated systems of production. Mining and Minerals, which has since January 1, 2011, be integrated into the Commodities business, should also benefit from a favourable environment in terms of volumes and prices.

In-Service Inspection & Verification (IVS)

<i>(in millions of euros)</i>	2010	2009	Change
Revenue	431.1	431.0	0.0%
Adjusted operating profit	52.7	41.3	+27.6%
Adjusted operating margin	12.2%	9.6%	+260bps

Revenue in the IVS business was €431.1 million at December 31, 2010, virtually unchanged on 2009 on account of:

- a slight increase of 0.9% in organic performance;
- a negative impact of 2.0% due to disposals of non-strategic activities; and
- a positive impact from exchange rate movements of 1.1%.

Organic growth in the IVS business saw a marked improvement in Q4, up 4.1%, with the first nine months of the year having been heavily hit by the rationalization of the portfolio in the United Kingdom (inspection of electrical equipment discontinued).

Adjusted operating profit in the IVS business rose by 27.6% to €52.7 million in 2010, against €41.3 million in 2009, prompted by the 260 basis-point widening in adjusted operating margin to 12.2%. This performance stemmed from the rollout of automated production tools in France, along with the recognition of the French business tax (CVAE) as a tax expense, whereas the former business tax was recognized as an operating expense.

The IVS business will in future continue to benefit from the extension of the scope of periodic regulatory inspections in Europe and the privatization of certain markets (particularly in the United States).

Construction

<i>(in millions of euros)</i>	2010	2009	Change
Revenue	427.8	457.5	(6.5)%
Adjusted operating profit	43.8	40.8	+7.4%
Adjusted operating margin	10.2%	8.9%	+130bps

Revenue in the Construction business was €427.8 million in 2010, against €457.5 million in 2009. This decline of 6.5% is the result of:

- an organic decline of 3.1% in revenue;
- 2.1% increase in revenue attributable to favourable exchange rate movements; and
- 5.5% negative impact on revenue caused by changes in the scope of consolidation in 2010 compared to 2009 (disposal of construction material testing activities).

There was gradual recovery in organic growth (0.3% in H2 2010), compared with a decline of 6.3% in H1 2010, reflecting:

- a gradual recovery in all geographical zones except the United States and Spain;

- double-digit growth in Asia; and
- the growth in green building services in Europe.

Adjusted operating profit of the Construction business was up 7.4% on the back of the rise in adjusted operating margin to 10.2% (compared to 8.9% in 2009). The margin was up strongly in Japan thanks to the increase in volumes and in France because of the recognition of the French business tax (CVAE) as a tax expense, whereas the former business tax was recognized as an operating expense.

The Construction business should continue to be hit in H1 2011 by a difficult economic situation in the United States and Spain, while business should benefit from an improving trend in France and the expansion of services in Asia (Japan, China, Vietnam and India).

Certification

<i>(in millions of euros)</i>	2010	2009	Change
Revenue	321.6	296.9	+8.3%
Adjusted operating profit	66.4	57.6	+15.3%
Adjusted operating margin	20.6%	19.4%	+120bps

Revenue in the Certification business was €321.6 million in 2010, against €296.9 million in 2009. This growth of 8.3% is the result of:

- organic growth of 4.0%; and
- 4.3% increase in revenue prompted by favourable exchange rates.

In France, the GSAC contract, concerning controls and verifications of civil aviation safety, has been discontinued since October 13, 2010. The Certification business posted negative organic growth of 2.4% in Q4 because of the loss of this contract.

The business was supported over the year by:

- double-digit growth in the emerging markets and particularly in the BRIC countries (Brazil, Russia, India and China), while the mass market activity in traditional schemes (ISO 9001, ISO 14001) is slowing down in mature economies; and

- the development of global accounts aiming to place all their certifications into the hands of a single body offering them global presence, an integrated approach for the various schemes and methodologies adapted to their business sectors and internal processes.

Adjusted operating profit in the Certification business rose by 15.3% to €66.4 million in 2010, compared to €57.6 million in 2009, on the back of 8.3% revenue growth and an improvement in productivity prompted by the rollout of the new integrated production IT system. Operating margin therefore totalled 20.6% at December 31, 2010 compared with 19.4% in 2009.

Activity should continue to benefit in 2011 from the rollout of new certification schemes associated with the environment and social responsibility, the development of new industry specific schemes and customized audit solutions for large accounts. However, it will be impacted by the loss of the GSAC contract, which generated €22 million of revenue in 2010.

Consumer Products

<i>(in millions of euros)</i>	2010	2009	Change
Revenue	382.3	359.1	+6.5%
Adjusted operating profit	105.6	99.4	+6.2%
Adjusted operating margin	27.6%	27.7%	(10)bps

Revenue in the Consumer Products business was €382.3 million in 2010, against €359.1 million in 2009. This increase of 6.5% is the result of:

- an organic increase of 0.9% in revenue;
- a 5.5% rise in revenue prompted by favourable exchange rate movements; and
- a 0.1% rise in revenue linked to the full-year consolidation of companies acquired in 2009 (notably SPD in China and Thurmelec in Germany).

Activity in 2010 was marked by an organic decline of 4.3% in H1 and a return to sustained growth of 6.6% in H2. This change is linked to the decline of 20.6% in tests on toys and other children's products in H1 2010 on account of the high comparison base generated in H1 2009 by the entry into force of the Consumer Product Safety Improvement Act (CPSIA) in the United States. These activities rapidly recovered and were up 7.5% in H2.

The Group posted good growth in the other business sectors, particularly in electrical and electronic product testing and in new geographical sourcing zones (Cambodia, Vietnam, Indonesia, South Korea, Bangladesh and mainland China).

Adjusted operating profit of the Consumer Products business was up 6.2% on the back of 6.5% revenue growth and a virtually unchanged adjusted operating margin of 27.6%. Structural productivity gains associated with the build-up of the new laboratories platform in China made it possible to offset an unfavourable mix effect, the weighting of high-margin toy testing having declined in the business' total revenue.

The Consumer Products business should in future continue to benefit from:

- the entry into force of new regulations, particularly the European Toy Directive and the strengthening of standards in the Chinese domestic market;
- the development in mainland China of the electrical and electronic product testing platform;
- the development of new and innovative solutions for improving the safety of clients' supply chains; and
- growth initiatives in cosmetics and food.

Government Services & International Trade (GSIT)

<i>(in millions of euros)</i>	2010	2009	Change
Revenue	180.1	158.5	+13.6%
Adjusted operating profit	30.5	19.6	+55.6%
Adjusted operating margin	16.9%	12.4%	+450bps

Revenue in the GSIT business was €180.1 million in 2010, against €158.5 million in 2009. This increase of 13.6% is the result of:

- organic growth of 12.8%; and
- 0.8% increase in revenue attributable to favourable exchange rate movements.

Organic growth in the Government Services segment was healthy throughout 2010 with an increase in the FOB value of merchandise inspected as well as the rising momentum of new verification of conformity contracts in Indonesia, Algeria, Syria, the Philippines and Saudi Arabia. The International Trade segment benefited from the recovery in volumes of goods inspected.

Adjusted operating profit was up 55.6% to €30.5 million, in line with the increase in volumes and productivity gains associated with re-engineering of production processes: reduction in the number of centres of relations with exporters and creation of a centralized back office in Mumbai.

At the beginning of 2011, the Group's business in Côte d'Ivoire should be impacted by political conditions in the country but will be offset by the start of the newly signed contracts in Iraq and in Zambia and new opportunities for verification of conformity and vehicle inspection contracts in Africa, the Middle East and Central Asia.

Inspectorate

Inspectorate has been consolidated since September 2010 and for 2010 it contributed €115.9 million of consolidated revenue and €12.5 million of adjusted operating profit, i.e. an adjusted operating margin of 10.8%.

Over full-year 2010, the Inspectorate group generated revenue of £290 million (€338 million), up 18% on 2009, of which 12.2% was organic growth. Operating profit came to £30 million (€34 million).

- analysis and inspection of oil and petrochemical products benefited from an extension of the geographical coverage and the ramp-up of development projects in the United States, India, China and Latin America;
- the pick-up in metals and minerals activity is associated with the recovery of investment in exploration and production and the good performance of coal inspection and testing activities, mainly in Asia and Russia;
- inspection and testing of agricultural commodities was supported by strengthening of the regulations and tests required, particularly concerning pesticides and GMOs.

Formation of a new Commodities business

Since January 1, 2011, a new Commodities business regroups all the Group's commodities inspection and testing activities, namely the activities of Inspectorate, Bureau Veritas' Mining and Minerals activities part of the Industry business in 2010 and more marginally oil inspection contracts part of the GSIT business in 2010. This new business' 2010 *pro-forma* revenue (integrating Inspectorate over 12 months) was €488 million.

The Commodities business should record strong growth in the coming years thanks to the expansion of its global platform in South America, Africa, the Middle East and Asia by internal growth and also as a result of a series of targeted acquisitions. The objective is also to improve the operating margin by optimizing central costs, benefiting from scale effects, consolidating the laboratories network in Australia and increasing the weighting of laboratory testing activities, which have higher added value than inspection activities.

3.4.2. CASH FLOWS AND SOURCES OF FINANCING**CASH FLOWS****Statements of Group cash flows for the years ended December 31, 2010 and December 31, 2009**

<i>(in millions of euros)</i>	2010	2009
Profit before income tax	410.5	344.4
Elimination of cash flows from financing and investing activities	42.2	42.2
Provisions and other non-cash items	8.8	22.9
Depreciation – amortization and impairment, net	96.6	72.6
Movements in working capital attributable to operations	(23.9)	46.6
Income tax paid	(136.9)	(110.1)
Net cash generated from operating activities	397.3	418.6
Acquisition of subsidiaries	(567.5)	(27.7)
Proceeds from sales of subsidiaries	8.8	15.5
Purchases of property, plant and equipment and intangible assets	(76.9)	(65.3)
Proceeds from sales of property, plant and equipment and intangible assets	1.6	0.6
Acquisition of non-current financial assets	(17.8)	(7.2)
Proceeds from sales of non-current financial assets	4.6	4.8
Other	1.1	7.3
Net cash used in investing activities	(646.1)	(72.0)
Capital increase	1.6	4.2
Acquisition/disposal of treasury shares	1.4	1.3
Dividends paid	(91.3)	(82.7)
Increase in borrowings and other debt	727.2	106.8
Repayments of borrowings and other debt	(304.5)	(338.9)
Interest paid	(34.4)	(43.8)
Net cash (used in) generated from financing activities	300.0	(353.1)
Impact of currency translation differences	10.9	0.4
Net decrease/increase in cash, cash equivalents and bank overdrafts	62.1	(6.1)
Cash, cash equivalents and bank overdrafts at beginning of year	139.3	145.4
Net cash, cash equivalents and bank overdrafts at end of year	201.4	139.3
O/w cash on hand and cash equivalents	225.0	147.0
O/w bank overdrafts	(23.6)	(7.7)

Net cash generated from the Group's operating activities

The cash flow before variation in working capital requirement (WCR) and tax stands at €558.1 million in 2010, which represents an increase of 15.8% in relation to 2009 (€482.1 million).

The variation in WCR on December 31, 2010 corresponds to the utilization of €23.9 million, while it had generated income of €46.6 million in 2009 corresponding to a catch-up in WCR which had deteriorated sharply at the end of 2008. The situation returned to normal in 2010 and the WCR of €193.0 million represented 6.1% of 2010 *pro-forma* revenue (integrating Inspectorate's activity over 12 months). This ratio is a slight improvement in relation to December

31, 2009 (6.3% of revenue) thanks to a continued improvement in client payment delays, essentially in France, Northern Europe, Australia and the US and in the Consumer Products, Government Services and International Trade businesses. After implementation in the main European countries, roll-out of the GetPaid system continued in the group's key regions: China, Australia and Greece. This helped to make collection processes more integrated and effective.

After the variation in WCR and the increase in tax payments (impact from the reclassification of the French business tax (CVAE), the €397.3 million of net cash generated from operating activities in 2010 is 5.1% lower than the 2009 level.

<i>(in millions of euros)</i>	2010	2009
Net cash generated from operating activities	397.3	418.6
Purchases of property, plant and equipment and intangible assets	(76.9)	(65.3)
Proceeds from sales of property, plant and equipment and intangible assets	1.6	0.6
Interest paid	(34.4)	(43.8)
Levered free cash flow	287.6	310.1

Levered free cash flow (net cash flow after tax, interest expenses and capital expenditure) stands at €287.6 million in 2010 versus €310.1 million in 2009, giving a reduction of 7.3% (after an increase of 63.8% the previous year).

Purchases of property, plant and equipment and intangible assets

Generally speaking, the inspection and certification businesses of Bureau Veritas are not very capital intensive while the analysis and laboratory testing businesses require much higher investment. These investments concern the Consumer Products and Commodities businesses and certain customs-based scanner inspection activities (GSIT business).

The Group's total capital expenditure (CAPEX) in property, plant and equipment and intangible assets in 2010 amounted to €76.9 million, representing an increase of 17.8% on the 2009 level (€65.3 million). Therefore, the Group's CAPEX in 2010 represented 2.6% of its 2010 revenue, showing a slight increase in relation to 2009 (2.5%), and are expected to be around 3.5% in 2011, with further development of the global commodities platform.

The main CAPEX in 2010 concern the following:

- the Consumer Products business (€18.4 million), with the expansion of laboratories in China (Shenzhen and Panyu) and in Vietnam;

- the new integrated planning, production and client reporting system (Production Core Model) (€12.7 million). This development is part of the 2009-2011 plan to completely overhaul the Group's production information system (see paragraph 1.7 Information and Management Systems in Chapter 1 - Presentation of the Group of this Registration Document);
- the Mining and Minerals platform (€8.6 million), with the expansion of activities in Australia, South America and Africa (Namibia and Ivory Coast); and
- Inspectorate (€7.3 million).

Interest paid

The reduction of €9.4 million in interest payments between full year 2010 and full year 2009 is mainly attributable to the combined impact of:

- the fall in interest rates related to the unhedged proportion of gross financial debt;
- the maturing of certain interest rate hedging instrument; which was partly offset by new financing arrangements taken out in the second half of 2010 only, namely the French PP 2010 and USPP 2010. Moreover, as interest on the USPP 2010 is only payable on an interim basis, the first interest payment will be made in January 2011.

Net cash used in investing activities

The net cash used in the Group's investing activities reflects its growth through acquisitions during the past two financial years. The breakdown of acquisitions made by the Group during the 2010 and 2009 financial years can be presented as follows:

<i>(in millions of euros)</i>	2010	2009
Cost of acquired businesses	(581.8)	(15.9)
Cash of acquired companies	15.4	11.7
Acquisition costs outstanding at December 31	4.3	0.2
Disbursements in respect of earlier acquisitions	(1.2)	(23.7)
Impact on cash flow of acquired businesses	(563.3)	(27.7)

The amount of €567.5 million listed under the heading "Acquisition of subsidiaries" of the consolidated statement of cash flows includes €4.2 million in acquisition costs.

Acquisitions

In 2010, the Group resumed its acquisition policy, acquiring eight companies and businesses for a total of €563.3 million, compared to €27.7 million in 2009. The main acquisitions related to:

- Inspectorate, a world leader in commodities inspection and testing; and
- Advanced Coal Technology, one of the leading suppliers of coal analysis in South Africa.

The Group also acquired six companies to expand its business portfolio in In-Service Inspection & Verification, Industry and Consumer Products.

A detailed description of the acquisitions made over the course of the 2010 financial year is provided in Note 10 to the consolidated financial statements in Chapter 4 – 2010 consolidated financial statements of this Registration Document.

Company disposals

In 2010, the Group finalized the rationalization of its business portfolio by disposing or discontinuing a number of marginal activities inherited from acquisitions made in previous years.

Total disposals in 2010 amounted to €8.8 million, of which €6.8 million from sales proceeds and €2.0 million in impact on cash flow.

Net cash generated from financing activities**Capital transactions (increases, reductions and share buybacks)**

In 2010, the Company increased its capital by €1.6 million following the exercising of stock options.

The Group's gross debt at December 31, 2009 and December 31, 2010 was as follows:

<i>(in millions of euros)</i>	2010	2009
Bank borrowings due after 1 year	1,185.8	740.8
Bank borrowings due within 1 year	85.2	77.8
Bank overdrafts	23.6	7.7
Gross financial debt	1,294.6	826.3

Dividends

In 2010, the Company paid out dividends of €91.3 million, €91.0 million being for the 2009 financial year.

Financial debt

The increase in financial debt, net of repayments of borrowings, stood at €422.7 million in 2010, linked to the financing of acquisitions made in 2010, in particular the acquisition of Inspectorate in September 2010.

Interest paid

Interest paid corresponds to interest paid on all Group borrowings; accrued interests mostly relate to interest on the 2008 USPP loan and the 2010 USPP loan, which are payable every six months.

FINANCING**Sources of Group financing**

Apart from the use of its own capital, the Group is financed in the main through the 2006 Syndicated Financing Loan, the 2007 Club Deal, the 2008 US private placement, and, since the second half of 2010, the USPP 2010 private placement and the 2010 French PP. Virtually all of the Group's financial debt at December 31, 2010 is covered by these various financing programs.

As of December 31, 2010, the Group's gross debt was €1,294.6 million and thus primarily comprised the syndicated loan (€586.8 million), the October 2007 Club Deal (€150.0 million), the 2008 US Private Placement (€272.3 million), the 2010 US Private Placement (€184.1 million), the 2010 French Private Placement (€50 million) and other bank debt (€51.4 million), including bank overdrafts totaling €23.6 million.

The following table shows the cash and cash equivalents at December 31, 2009 and December 31, 2010 as well as the Group's net debt on these two dates:

<i>(in millions of euros)</i>	2010	2009
Marketable securities and similar receivables	40.2	15.5
Cash on hand	184.8	131.5
Cash and cash equivalents	225.0	147.0
Gross financial debt	1,294.6	826.3
NET FINANCIAL DEBT	1,069.6	679.3

The Group's cash on hand is spread amongst over 500 entities located in more than 140 countries. In some countries (particularly Brazil, China, South Korea, India and Turkey), the Group's entities are subject to strict currency controls, which make intra-group loans difficult or even impossible.

Principal terms of the 2006 Syndicated Loan

The 2006 Syndicated Loan, which is repayable early, in part or in full, without penalty upon maturity of each drawdown by the Group's borrowing entities (either 1, 3 or 6 months), is made up of two tranches:

- the A Facility (term loan), amortizable and multi-currency, for an initial amount of USD 560 million. The A Facility has

been completely drawn. The A Facility has already reached USD 216.2 million. The A Facility has an initial maturity of seven years, with an expiry date in May 2013; and

- the B Facility (revolving credit facility), of €550 million. The B Facility permits drawings in several currencies. The expiry date was extended from May 2012 to May 2013 for the greater part of this facility (95% of the tranche).

As of December 31, 2010, the key terms of the amounts drawn down under the 2006 Syndicated Loan are set forth in the table below:

<i>Facility</i>	Amounts drawn down (in millions of euros)	Currency	Amortization
A (amortizable)	153.4	USD	Half yearly
	8.4	EUR	
	150.0	EUR	On maturity
B (revolving)	52.3	GBP	
	222.7	USD	

Early redemption for all amounts borrowed is mandatory in the event of:

- a change in control, if a third party, acting individually or collectively, should come to hold, either directly or indirectly, more than a third of the voting rights and more voting rights than the current main shareholder (Wendel Group). It should be noted that this change of control clause has been amended following an amendment of the Group's financing contracts in December 2009;
- sale of all or a substantial portion of the Group's assets; or
- failure to comply with the covenants set forth under the Loan Agreement, particularly with respect to the ratios described below.

The 2006 Syndicated Loan requires compliance with certain financial covenants and ratios. As of December 31, 2010, all of the conditions were met by the Group. These financial covenants can be summarized as follows:

- the Interest Cover ratio must be greater than 5.5 and represents consolidated EBITDA (earnings before interest, tax, amortization and provisions) for the preceding 12 months adjusted for any

acquired entity, divided by the Group's net financial interest. On December 31, 2010 this ratio was 16.17; and

- the Leverage Ratio must be less than 3. The Leverage Ratio is defined as the ratio of consolidated net debt, divided by consolidated EBITDA (earnings before interest, tax, amortization and provisions) adjusted for the last 12 months of any entity acquired. On December 31, 2010, this ratio was 1.78.

The 2006 Syndicated Loan also includes default clauses. The main default clauses are standard for syndicated financing and include clauses limiting the Group's ability to pledge its assets, carry out merger or restructuring operations or take out loans outside the syndicated credit facility.

The agreement includes total and partial mandatory early redemption clauses, particularly in the event of a default on payment of amounts due under the Loan, non-compliance with the financial ratios described above or other events which may have a significant adverse effect on the payment obligations of the Group's borrowing entities.

The 2006 Syndicated Loan also provides that funds made available under the B Facility cannot be used to finance external growth transactions except under certain conditions. Therefore, the B Facility can only be used to finance an acquisition by the Company or one of its subsidiaries:

- with the agreement of the members of the bank syndicate; or
- if the target acquisition is a Permitted Acquisition (defined in particular under the credit agreement as any company whose business is similar or complementary to the Company's business, that is (i) not subject to a class action and (ii) to the extent that the acquisition represents a cost of over €50 million, not likely to bring about non-compliance with the financial ratios described above).

As of December 31, 2010, the Group was not in default under the 2006 Syndicated Loan.

The amounts borrowed carry interest at a rate determined by the sum of the market rate and the applicable margin. The market rate is Libor (London inter-bank offered rate) for the corresponding currency, when the funds borrowed are in currencies other than the euro, or Euribor (European inter-bank offered rate), when the funds made available are in euros.

The margins under the 2006 Syndicated Loan vary from 0.25% to 0.50% depending on the Leverage Ratio defined beforehand in accordance with the table below:

Leverage Ratio	Margin (in basis points)
$2.5 \leq L < 3.0$	50
$2.0 \leq L < 2.5$	40
$1.5 \leq L < 2.0$	32.5
$L < 1.5$	25

Principal terms of the 2007 Club Deal

The 2007 Club Deal has been 100% drawn down for €150 million and matures in October 2012. The terms of the 2007 Club Deal are

Principal terms of the 2010 French Private Placement

In June 2010, the Group set up a banking credit line of €200 million with French institutional investors for five years (maturing in June 2015). The terms of this financing contract (2010 French PP) are broadly similar to those of the 2006 Syndicated Loan except for the following margin grid:

	Type	Repayment	Margin (in basis points)
Tranche A: €100 million	Revolving	Amortization	150
Tranche B: €50 million	Revolving	On maturity	150
Tranche C: €50 million	Loan	On maturity	165

At December 31, 2010, €50 million was drawn down under the 2010 French Private Placement 2010 (Tranche C).

the same in all respects as those of the 2006 Syndicated Loan, except for the following margin grid:

Leverage Ratio	Margin (in basis points)
$2.5 \leq L < 3.0$	57.5
$2.0 \leq L < 2.5$	47.5
$1.5 \leq L < 2.0$	40
$L < 1.5$	32.5

Principal terms of the 2008 US Private Placement

On July 16, 2008, the Group introduced a private placement in the United States (2008 USPP) for €248.4 million. This issue was carried out in the form of four "senior notes" repayable on maturity, drawn up in US dollars and pounds sterling, and was converted in full to euros on issue by using USD/EUR and GBP/EUR exchange rate swaps. After hedging, the issue represented €127.6 million at the maturity date of July 2018 and €120.8 million at the maturity date of July 2020, that is to say a total of €248.4 million.

The 2008 Private Placement has been fully drawn down. Interest is paid half-yearly. The features of the 2008 Private Placement are exactly the same as those of the Syndicated Loan apart from the Leverage Ratio, which has to remain below 3.25.

Principal terms of the 2010 US Private Placement

In July 2009, the Group set up a multi-currency credit line of USD 225 million with a US institutional investor, available for three years.

The Group confirmed that it used this credit line in June 2010 after the acquisition of Inspectorate. The terms of this financing contract (2010 USPP) are similar to those of the 2008 Private Placement, except in terms of maturity (nine years to July 2019), currency (in US dollars) and rate (fixed rate of 4.095%).

As of December 31, 2010, the 2010 US Private Placement was fully drawn down in euros for a total of €184.1 million.

Other debt

The Group's principal debt other than the syndicated loan includes:

- a loan for Bureau Veritas Italy SpA, a fully owned subsidiary of the Company, entered into in July 2006 with Banca Intesa, for an initial amount of €10 million. This loan is amortizable with two payments of €1 million per year, and matures on July 24, 2011. The loan amount was €2.0 million as of December 31, 2010;
- a loan for Bureau Veritas Mali, taken out in August 2007 with a local bank in order to finance the acquisition of equipment (scanners) for a sum equivalent to €6 million as at December 31, 2010.

Other commitments

Off-balance sheet commitments include adjustments and increases in acquisition prices, one-off rental agreement commitments, and guarantees and pledges granted.

(in millions of euros)	2010	2009
Operating lease commitments	237.9	189.1
Guarantees and pledges	119.4	116.8

Operating lease commitments

The Group rents offices (notably its headquarters at Neuilly sur Seine), laboratories and equipment under cancellable and non-cancellable operating lease agreements. These agreements are for variable terms and include in some cases indexation and renewal clauses. A detailed table showing future minimum lease payments (excluding rental charges) under non-cancellable operating leases is provided in Note 29 to the consolidated financial statements in Chapter 4 – 2010 consolidated financial statements of this Registration Document.

Guarantees and pledges

Guarantees and pledges granted during 2010 and 2009 are summarized below:

(in millions of euros)	2010	2009
Less than one year	45.8	47.0
Between one and five years	65.7	64.2
More than five years	7.9	5.6
TOTAL	119.4	116.8

Guarantees and pledges include bank guarantees and parent company guarantees:

- bank guarantees: these essentially include market guarantees, bid bonds and performance bonds, with none yet paid at the date of this Registration Document. Bid bonds enable the beneficiary to protect itself in the event of a withdrawal of a commercial offer, a refusal to sign a contract or a failure to provide the guarantees requested. Performance bonds guarantee the buyer that the Group will meet its contractual obligations as provided under contract. Performance bonds are usually issued for a percentage (in the order of 10%) of the value of the contract; and

- parent company guarantees: these concern market guarantees and guarantees granted by the parent company to financial institutions to cover financial pledges given by the financial institutions in connection with the Group's business activities and rental payment guarantees. By granting guarantees for rental payments, the parent company undertakes to pay rent to the lessor in the event of default by the subsidiary concerned.

As at December 31, 2010, the Group believed that the risk of payout under the guarantees described above was low. As a result, no provision was recorded.

On December 31, 2010, the guarantees and pledges granted were as follows:

(in millions of euros)	2010	2009
Bank guarantees	87.4	83.0
Parent company guarantees	32.0	33.8
TOTAL	119.4	116.8

The presentation of off-balance sheet commitments in this document does not omit any significant off-balance sheet commitment, in accordance with the applicable accounting standards.

Adjustments and increases in acquisition prices

At the date of this Registration Document, there is no significant off-balance sheet commitment relating to external growth (such as adjustments and increases in acquisition prices).

Sources of financing anticipated for future investments

The Group estimates that its financing needs for operations will be fully met by its cash generated from operating activities.

In order to finance its external growth, the Group has:

- resources generated through its available cash flow after taxes, financial charges and dividends;
- resources from its cash and cash equivalents;
- resources provided by the 2006 Syndicated Loan. As at December 31, 2010, €125 million from this 2006 Syndicated Loan were available; and
- resources provided by the 2010 French Private Placement. As at December 31, 2010, €150 million were available.

ONGOING AND PLANNED INVESTMENTS

Main ongoing CAPEX

At end-December 2010, the Consumer Products business had ongoing CAPEX of €5.5 million. These mainly related to a new client reporting information system.

For the Group's head office, total ongoing CAPEX at end-December 2010 amounted to €9 million, mostly relating to the development of the integrated IT tool as part of the three-year plan.

The Group had not given any major firm undertakings with respect to future investments on the date of this Registration Document.

Principal anticipated CAPEX

The table below shows the investments planned for 2011 by category compared to those carried out in 2010:

<i>(in millions of euros)</i>	2011 budget	Completed 2010	Variation in %
Information systems and software	29.5	28.4	+4%
Equipment and fittings	2.4	2.4	+2%
Operational equipment	79.5	38.3	+108%
Equipment, furniture and transportation	8.5	7.8	+9%
TOTAL	119.9	76.9	+56%

The 2011 CAPEX budget amounts to €119.9 million, an increase of 56% compared to 2010 expenditure. This increase mostly relates to operational equipment, which is up over 100% in view of the consolidation of Inspectorate over 12 months and expansion projects for the Commodities business.

3.5. Events after the balance sheet date

Since January 1, 2011, the Bureau Veritas Group has announced the acquisition of the following companies:

- Auto Reg in Brazil, the leader in vehicle claims inspections. The Auto Reg group carries out technical inspections and provides statistics to the main insurance companies through a large network of 26 offices in Brazil. The group has 620 employees and reported revenue of €23 million in 2010;
- Atomic Technologies in Singapore, which specializes in non-destructive testing for the oil and gas and process industries. The group has 100 employees and generated revenue of around €3 million in 2010;
- Scientige in Malaysia which specialises in asset integrity management services for the oil and gas industry. The company has 80 employees and generated revenue of €5 million in 2010.

3.6. 2011 Outlook

In 2011 the Group should post strong growth in revenue and adjusted operating profit taking account of:

- the impact of the full year consolidation of the acquisitions made year-to-date; and
- organic growth exceeding that of 2010 and consistent with the second half of 2010.

3.7. QHSE (Quality, Health, Safety, and Environment) Policy

3.7.1. PRESENTATION

Bureau Veritas is a leader in conformity assessment and certification services. Bureau Veritas helps its clients improve their performance by offering innovative services and solutions to ensure that their assets, products, infrastructures and processes comply with quality, health and safety, environmental protection and social responsibility standards and regulations.

As two-thirds of its activities are carried out on client sites, the main impact of its activities is primarily noticeable outside the Group through the continual improvement in the QHSE performance of its own clients.

Moreover, by the very nature of its activities, quality, health, safety and the environment (QHSE) form an integral part of the corporate culture and, in particular, help protect the accreditations the Group needs to carry out its operations. Extensive worldwide coverage also makes Knowledge Management a key factor in the Group's global performance.

The Group's commitment to QHSE applies at all levels and is shared by all through the participation and support of the internal QHSE network of professionals. The QHSE certifications obtained by Bureau Veritas and the action plans implemented testify to the reality of this commitment, monitored using relevant and comprehensive performance indicators.

3.7.2. ORGANIZATION

To monitor the application of its Quality and HSE commitments, the Bureau Veritas Group has set up the following organization:

- a Group QHSE and Knowledge Management (KM) director and team;
- QHSE directors in each operating business, whose areas of responsibility have been extended since 2009 to include Technical, Quality and Risk (TQR) Management for services; and
- an extended network of around 50 regional correspondents (compared to 35 in 2009) supporting initiatives implemented in the network.

The Quality Health, Safety and Environment Leadership Group, which comprises QHSE business directors and regional correspondents, is led and run by the Group QHSE director. This group has particular responsibility for the following:

- defining and reviewing Quality, HSE and KM policies and performance criteria;
- monitoring action plans; and
- sharing best practice.

3.7.3. COMMUNICATION

Key QHSE initiatives are regularly communicated internally and externally:

- externally, the Group's website (www.bureauveritas.com), the Registration Document and the Annual Report provide regular information on the Quality and HSE commitments of Bureau Veritas, the details of this initiative, the monitoring of key performance indicators (KPIs) and the calendar of QHSE events. The website is updated at least twice a year; and
- internally, the uploading of documents, presentations and good practices under dedicated sections of the Group's Intranet and a quarterly newsletter sent to Group managers mean that staff can be kept regularly informed;

When calls for tender are made for major contracts, Bureau Veritas clients can access this same information and further specific details (such as risk analysis, training given to staff, instructions and the QHSE insurance plan in relation to projects).

Since 2010, the Group has encouraged the main countries to communicate locally on their aims, programs and indicators, in line with Group communications and aimed specifically at local stakeholders, existing and prospective clients, authorities, analysts and job seekers.

► QHSE SECTION OF THE GROUP'S WEBSITE

This section was greatly expanded in 2010:

- gives information on programs and indicators, with 15 available case studies;
- has a calendar of upcoming events and a list of the latest documentation.

Changes in connection statistics: +50% in 2010 compared to 2009 on the number of single visitors.

<http://www.bureauveritas.com/qhse>

3.7.4. QUALITY

THE QUALITY COMMITMENT

The commitment to implement the Quality Statement is based on the involvement of operational Management at all levels, supported by the Quality network within each business, region and country.

The strategy set up to improve Quality is based around four key steps:

- setting priorities and implementing a Quality action plan;
- increasing the capabilities of the network within a framework that was extended in 2009 to include Technical, Quality and Risk Management, through training and support;
- monitoring progress made using indicators and identifying discrepancies; and

- sustaining progress achieved by means of internal and external audits.

To achieve the above, the Group has a Quality Manual approved by the Chairman and Chief Executive Officer of Bureau Veritas and distributed throughout the network. This manual is supplemented locally to meet the requirements of authorities, clients and the market.

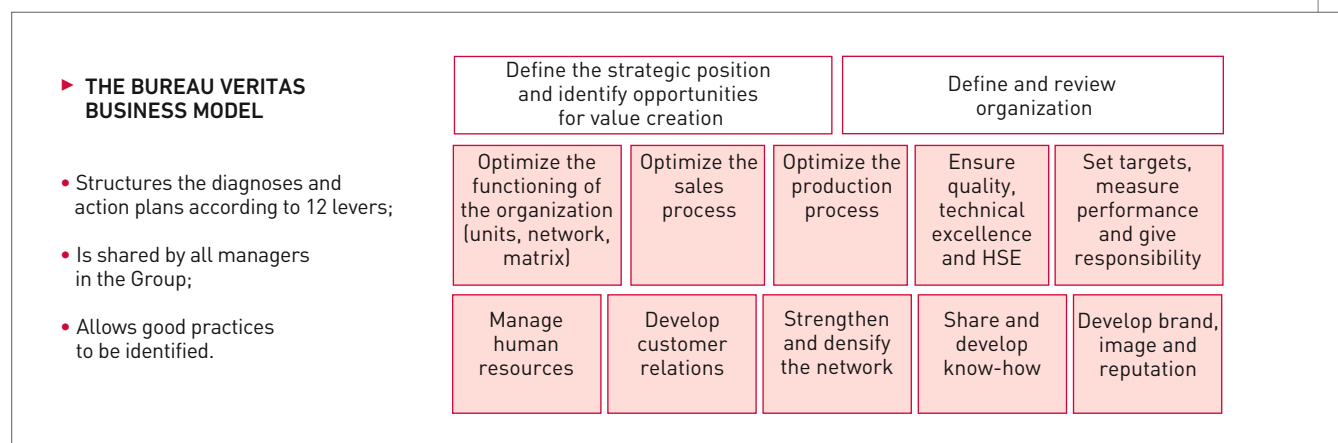
This Manual was supplemented in 2009 by a series of Group policies in the areas of Technical Quality and Risk (TQR) Management meeting the requirements of certifications and accreditations. These policies were analyzed in 2010 to detect any gaps between their requirements and regional management systems. These gaps analyses will be monitored on an annual basis in order to gradually strengthen the TQR performance of Group operating entities.

CERTIFICATION

Since 1996, the Bureau Veritas Group's Quality Management system has had ISO 9001 Certification from an independent and globally recognized body which audits about 30 countries every year across all Group businesses (only the Certification business is excluded).

All Group acquisitions are included in this program within 18 months. Thus, in 2010 Geoanalitica in Chile, Fairweather in China and the Mining and Minerals businesses were successfully included in the Group's certification program.

This program operates according to the Bureau Veritas Business Model, meeting the requirements of ISO 9001 V2008.



INDICATORS

Aims and key performance indicators (KPIs) are monitored across all businesses, regions and countries and then consolidated by the Group. The KPIs are standardized and consistent over time to facilitate the management of corresponding action plans.

These indicators are as follows:

Indicator	Definition	Scope	2010	2009	Objectives
Customer complaints	Closing time: (total number of ongoing complaints/ number of closed complaints) x number of calendar days over the reference period	80% of the Group	31 days	29 days	30 days
Supervision of inspectors	Frequency of supervision, in years, of technical staff on the ground in their main areas of expertise	70% of the Group	2.6 years	2.7 years	3-year cycle
Internal audits of the Quality system	Number of internal audits of the Quality system carried out internally by the network	100% of the Group	506	466	3-year cycle – 500 audits
Certification (ISO 9001) - non-conformities	Number of non-conformities identified during certification audits of the Quality system carried out by the external certifying officer	90% of the Group	8	1	Zero
Certification (ISO 9001) – good practice	Number of good practices identified during certification audits of the Quality system carried out by the external certifying officer	90% of the Group	64	23	Availability on the internal portal
Certification (ISO 9001) - integration of new acquisitions	Average time taken to integrate new acquisitions in the Group's ISO 9001 Quality system certification program	90% of the Group	26 months	20 months	No more than 18 months after acquisition
Customer satisfaction index ^(a)	Satisfaction rating: number of satisfied customers/ total number of customers surveyed	Local monitoring	Local monitoring	Local monitoring	Defined locally

(a) Since 2009, this indicator has been monitored locally according to the "Customer satisfaction guide book". The Group QHSE department is now concentrating on priority sector studies.

ACHIEVEMENTS IN 2010

As part of its Quality commitment, all existing processes have been reinforced, in particular:

- **management of customer complaints:** improving this process involves investigating the root causes of complaints and implementing effective corrective actions. The roll out of CRM (Customer relationships management) information systems also provided better traceability of this process. The "closing time" performance indicator is monitored. In 2010, we came close to achieving the target closing time of 30 days for the second year running;
- **management of qualifications and supervision of technical staff:** the Group continued to roll out the Group qualification management tool (BVQualif) to the industrial inspection sectors in order to meet the higher demands of clients and authorities. In 2010, the number of qualified inspectors in the database rose significantly to 2,500, representing a total of 4,400 approved qualifications.

In addition, the process for supervising inspectors and auditors on-site, which involves inspecting the quality of work provided to clients, is still being strengthened. A three-year target has been set for this process, which may even be strengthened locally for new arrivals. This target was achieved in 2010, with overall frequency of 2.6 years;

- **internal audits** of the Quality Management system are carried out by the regional Technical, Quality and Risk Departments and by the Group. This process ensures that the Quality commitment is met and that the Management system continues to improve, while strengthening the ISO 9001 requirements internally. Over 500 audits were carried out within the Group in 2010;

- **integration of acquisitions:** the aim is still to integrate recent acquisitions within 18 months. This involves planning and implementing the following steps:

- aligning the local Management system according to ISO 9001 and Group priorities,
- training staff in the use of new processes and tools, and
- obtaining certification by an independent accredited body.

In 2010, the aim was not achieved, notably in Australia and Chile, which affected the global indicator (26 months).

OBJECTIVES

In 2011, the operational teams at Bureau Veritas, with the support of the internal Technical, Quality and Risk network, will concentrate on:

- improving complaints and satisfaction management: training on the roll out of integrated CRM-type information and production systems will help accelerate complaint closing times;
- rolling out qualification management processes and integrating these with the monitoring process, and implementing integrated information and production systems;
- strengthening the organization of the Technical, Quality and Risk Management functions, with the main aim of securing the licenses required for operations;
- integrating recent major acquisitions, particularly in Australia and Latin America, into the Group's ISO 9001 management system. The recent acquisition of Inspectorate will be gradually integrated into the certification scope from the second half of 2011.

3.7.5. HEALTH, SAFETY AND ENVIRONMENT**THE COMMITMENT**

Since 2007, Bureau Veritas has formalized its commitment to health, safety and the environment in its HSE statement. This statement can be downloaded from the website (www.bureauveritas.com) and contains the following points:

- to protect the health and safety of our employees, visitors, subcontractors and clients;
- to evaluate the risks in our operations and activities and develop appropriate action plans;
- to reduce our adverse environmental impact through the introduction of sustainable development initiatives minimizing the use of resources and waste generation;
- to increase our employees' awareness of HSE concerns and issues;
- to ensure that our HSE management processes and programs are proactive and transparent and reflect the requirements of this commitment; and

- to provide the HSE tools, internal resources and training necessary for the implementation of effective HSE management systems.

The HSE manual sets out the internal requirements that have to be met to implement this declaration. Some of these exceed applicable regulatory requirements and cover priority areas identified within the Group.

In consultation with members of the HSE network, policies have been developed to identify requirements in the following areas:

- HSE roles and responsibilities;
- confined space entry;
- working at height;
- ionizing radiation;
- personal protection equipment; and
- driving.

New policies, which will be published at the beginning of 2011, are being approved in relation to the following areas:

- risk assessment;
- accident analysis;
- medical surveillance;
- fire safety; and
- transportation safety.

In 2010, internal HSE audits and reviews were carried out to check that they have been implemented correctly and to prepare for ISO 14001 and OHSAS 18001 certifications (see certification section). Where discrepancies were discovered, action plans were implemented and monitored in order to ensure future compliance.

Since 2009, an internal HSE report has been carried out which focuses on the Group's key HSE indicators: accident analysis and consumption of paper, water and energy. From 2011, this report will be supplemented with new indicators in line with GRI recommendations: the extent of HSE certifications, initial HSE training provided and internal audits.

HEALTH AND SAFETY IN THE WORKPLACE

Investment by Bureau Veritas in activities relating to occupational health and safety represented about €300,000. As a result, programs such as "OHSAS 18001 Certification" and "Defensive driving awareness" have been reinforced and existing programs continued.

Certification

Obtaining OHSAS 18001 certification is a voluntary initiative undertaken by Group entities, based on local needs and client requirements. The Group strongly encourages and supports candidates for the roll out and certification of the occupational health and safety management system in line with the international OHSAS 18001 standard.

The experience of countries already certified has enabled us to develop and make available a series of documents meeting the requirements of the standard to new candidates. This allows us to share existing information and devote more time to the operational roll out of these requirements.

Thus 22% of Group employees were covered by OHSAS 18001 certification at the end of 2010, corresponding to all of Spain, Italy, Malaysia, Indonesia, Vietnam, Thailand, Brunei, Singapore, 50% of activities in India and Australia, and the main Brazilian sites. The 2011 certification program includes new entities. The aim is to achieve OHSAS 18001 certification for 33% of the Group by the end of 2011.

In 2011, we will focus on creating training modules for major risks. This library will be available in several languages and will ensure a minimum level of common training within the Group.

Health and safety indicators

Bureau Veritas has been monitoring health and safety indicators in each country in which it operates for the last five years. These indicators, communicated each quarter to the Executive Committee and the entire Group via HSE internal publications, were defined in accordance with applicable international standards and are as follows:

Indicator	Definition	Scope	2010	2009	Objectives
Lost Time Rate (LTR)	(Number of accidents with lost time x200,000)/ Number of hours worked	100% of the Group	0.69	0.75	-15% per year
Total Accident Rate (TAR)	(Number of accidents with and without lost time x200,000)/Number of hours worked	100% of the Group	1.58	1.62	-10% per year
Accident Severity Rate (ASR)	(Number of days lost x1000) /Number of hours worked	100% of the Group	0.06	0.07	-
Fatality (FAT)	Number of fatalities	100% of the Group	2	6	Zero

These indicators are updated twice a year and are available on the Bureau Veritas website.

Achievements in 2010**Defensive driving awareness**

As driving is one of the main causes of accidents in the workplace, the Group launched a defensive driving program in 2008.

In 2010, six new entities joined this program, increasing the total number of entities covered to 16. This program involves three key steps:

- driver assessment;
- definition of measures to be carried out based on the assessment results; and
- implementation of these measures, with monitoring to assess their performance.

In 2010, the driver assessment tool available on the internet was developed in new languages to enable larger geographical coverage. Action plans also take into account three main areas to facilitate the integration of different types of driving-related risk. These are: driver training, vehicle condition and driving environment. To develop a general culture of road safety, the QHSE Group has developed, with an external partner, an e-learning module specifically relating to defensive driving. This module will be available in early 2011 in four languages and applied to both left-hand and right-hand driving.

Ionizing radiation

Equipment that emits ionizing radiation is used in the Group to carry out non-destructive testing. To ensure a high level of inspection of this equipment, a Group Governance Committee was set up in 2008. Its main role is to manage the internal audit program and to approve any new activity, either subcontracted or in-house through a strict authorization process. In 2010, 32 days were allocated to carry out audits and write up the related reports. Four new activities have also been authorized.

E-learning modules

E-learning modules were developed in 2009 and uploaded to the intranet to aid understanding of internal HSE requirements and ensure the deployment of a general culture within the Group. Monitoring of the number of connections and results of the online test began in 2010. In its first year, around 1000 employees availed themselves of this online training.

From 2011, these modules will become obligatory for all new managers during their initial training.

ENVIRONMENT

To reduce its environmental footprint and minimize its use of resources and production of waste, Bureau Veritas defines annual targets based on specific programs.

The environmental targets for 2010 were as follows:

- to introduce programs to reduce the consumption of paper, water and energy in 65% of the Group;
- to roll out the BV Carbon tool in 30% of the Group; and
- to increase awareness and develop action plans for environmental priorities such as transport and the consumption of energy and paper.

Bureau Veritas invested around €250 thousands in 2010 to implement these environmental programs. The extension of the geographical scope of ISO 14001 Certification, of the Energy & Waste program and the roll out of the BV Carbon tool were key initiatives carried out in 2010.

► WORLD ENVIRONMENT DAY 2010: THREE AWARDS**CREATIVITY**

The joint teams in India won the Creativity prize.

EDUCATION

The team in Brazzaville, Republic of the Congo, won the Education prize.

BIODIVERSITY

The team in Malaysia won the Biodiversity prize.

In 2010, Bureau Veritas celebrated World Environment Day (WED) throughout the Group for the second time. Over 30 entities were involved in initiatives based on the topic of Biodiversity selected by the UN for 2010.

<http://www.unep.org/wed/2010/english/>

Certification

Although ISO 14001, like OHSAS 18001, is not compulsory in Bureau Veritas, the Group strongly encourages its entities to develop environmental management systems in line with this international standard.

At the end of 2010, 25% of Group employees were covered by ISO 14001 certification, corresponding to the whole of Spain, Portugal, Italy, Russia, Ukraine, Belarus, Belgium, the Netherlands, Malaysia, Indonesia, Vietnam, Thailand, Brunei, Singapore, 50% of activities in India and Australia and the main Brazilian and UK sites. The 2011 certification program includes new entities. The aim is to achieve OHSAS 18001 certification for 35% of the Group by the end of 2011.

Each new entity starting the certification process receives individual support from Group teams. They also have access to a series of documents meeting the requirements of the ISO 14001 standard based on the experience of entities that are already certified.

Indicators

Under its Energy & Waste program, Bureau Veritas has introduced environmental indicators corresponding to the consumption of energy, water and paper per person per year. These indicators are standardized internally and communicated to the Executive Committee and the entire Group via internal HSE publications, and are as follows:

Indicator	Unit	Scope	2010	2009	Objectives
Energy	MWh/year/person	55% of the Group	2.8	3.01	-10%
Offices			1.69	1.85	
Laboratories			4.86	5.3	
Water	Tons/year/person		24.9	24.7	-10%
Offices			10.2	7.9	
Laboratories			47.7	46	
Paper	Kg/year/person		35.4	53	-15%
Offices			23.9	35	
Laboratories			56.9	64	

2010 consumption was extrapolated from data collected in the first half of 2010 because of invoice reception deadlines. Actual 2010 data will be published later in 2011 and will be updated every six months on the Bureau Veritas website.

Achievements in 2010

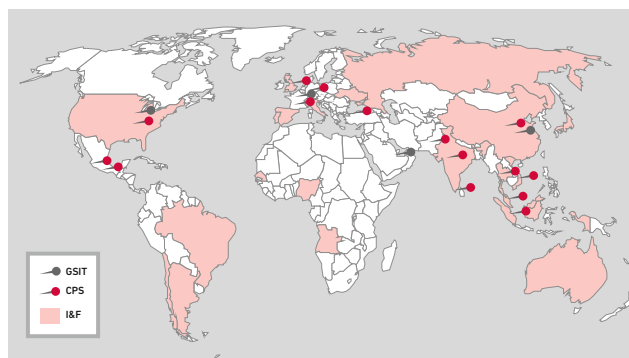
Energy & Waste

This program was developed from a pilot initiative launched by Bureau Veritas in 2007 to reduce the consumption of energy, paper and water and the quantity of waste. In 2010 geographical coverage of these initiatives increased significantly and now stands at 55% of the Group. In 2010, eight internal Energy & CO₂ diagnoses were carried out to help audited entities identify possible measures to reduce their environmental footprint.

Geographic distribution of the program

For 2010, the paper reduction target was substantially exceeded with a 33% reduction compared to the target of 15%. Although energy consumption fell by 7%, it did not reach its target. The water consumption reduction target was not achieved.

To achieve these reduction targets, local action plans have been rolled out, documented and communicated internally to help in the sharing of experience. These action plans relate either to providing encouragement (information campaigns etc.), or to changing behaviour (regulated watering, controlling indoor temperatures, optimized lighting, etc.), or to management (procedures, management systems, etc.).

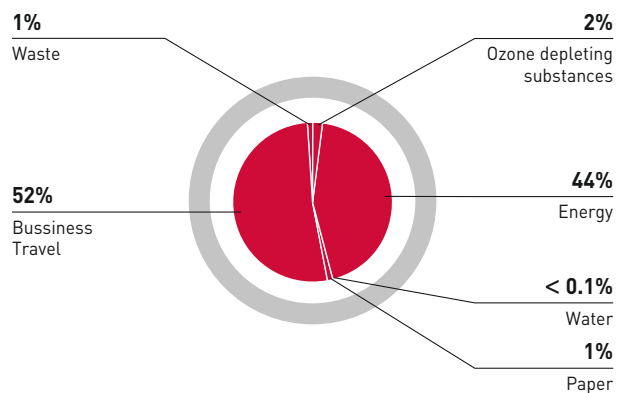


Carbon footprint

The BV Carbon tool was developed internally by experts in 2009 to measure the Group's CO₂ emissions and assess the efficacy of environmental programs. This tool is available in three languages and can be accessed on the Group's intranet. It comes with a dedicated user guide and e-learning module.

The six main sources of carbon emissions selected and measured by the Group are as follows: energy, water, paper, business travel, ozone depleting substances (air conditioning) and waste.

In 2010, the BV Carbon tool was rolled out in 28% of the Group, enabling the identification of environmental priorities and the implementation of local action plans to reduce the carbon footprint of the Bureau Veritas Group.

► BV CARBON APPLIED TO THE GROUP (28% OF THE GROUP)**3.7.6. KNOWLEDGE MANAGEMENT****THE COMMITMENT**

The Group is committed to developing an environment in which employees can easily get hold of information, collaborate with their colleagues around the world and share their own knowledge. To this end, the Knowledge Management (KM) network undertakes to provide staff with user-friendly tools, helpful advice and recognition for those who share their knowledge.

2010 ACHIEVEMENTS

In 2010, the KM department launched a set of initiatives to overhaul the KM toolset and set the foundations for the future growth of internal knowledge-sharing. The main projects were:

- the upgrade of the Bureau Veritas' Group search engine (QuickSearch), in order to improve functionality and close information security gaps;
- the integration of a new collaboration platform (CenterStage) and launch of six pilot Communities of Practice (CoPs) on the platform;
- the improvement of the capabilities of the KM network through the provision of KM-specific training, clear guidelines, and a set of standard KPI's. For Tribes (the Bureau Veritas name for CoPs), the new support resources were consolidated into a new Tribes Resource Center;
- the establishment of a KM User Committee and a KM Dashboard with KPI's.

OBJECTIVES

In 2011, the group KM team will complete the overhaul of two of the main components of the group KM toolset: the Community of Practice (CoP) platform and the search engine. The focus will then shift to working with the global KM network to ensure an orderly and effective deployment of these and other content management tools. Below is a list of the main projects for 2011, followed by a diagram summarizing those projects.

Full deployment of new Community of Practice (CoP) platform:

- following the completion of an extended pilot of six Communities of Practice (CoPs), the complete migration of BV Portal Tribes to CenterStage will occur in mid-2011.

Search engine (QuickSearch) upgrade:

- the scope will be extended to cover new content sources, while continuing to respect the security parameters of those sources;
- feedback will be gathered regarding the improvements made in 2010, and efforts will be made to increase the value brought by this tool.

Set guidelines for content management tools (e.g. OpenSpace):

- a set of guidelines will be issued to help end-users choose the appropriate content management tool. Among those tools, OpenSpace is a simple document sharing tool that can be requested by anyone at Bureau Veritas. The KM team will issue a clear set of guidelines on how OpenSpace should be used, managed and monitored.

Reinforce and support the KM network:

- effective KM is highly dependent on the leaders of Tribes/CoPs and the KM managers that encourage and facilitate knowledge-sharing in particular regions or business entities. We will continue to support these CoP leaders and Knowledge Managers with events, training and reporting. We will also seek to ensure that their KM roles are more explicit and recognized.

3.7.7. ADDITIONAL INFORMATION

Additional information on the Group's QHSE policy is available:

- in Bureau Veritas Group's Activity Report; and
- on the Group's website: <http://www.bureauveritas.com/qhse>.

3.8. Human Resources

3.8.1. NUMBER AND DISTRIBUTION OF EMPLOYEES

As of December 31, 2010, the Group had 47,969 employees in 140 countries, versus 39,067 employees as of December 31, 2009. The growth in headcount is explained primarily by strong external growth, especially the acquisition of Inspectorate and its 7,301 employees.

On a global level, 66% of employees are men and 34% are women, these being divided into operational functions (inspectors, auditors, experts, business developers, etc.) and support functions (technical, finance, IT, human resources, etc.).

The vast majority of employees have a labor contract (88% of the workforce,⁽¹⁾ including in countries where there is no legal obligation to execute one. 88% of staff have open-ended contracts, while 12% have a fixed-term or equivalent contract (with a term of less than 12 months).

The table below shows the change in the Group's headcount as of December 31, 2010 and 2009, by geographic zone and function.

► HEADCOUNT AS OF DECEMBER 31

	2010	2009
Total headcount	47,969	39,067
By geographic zone		
France	7,411	7,317
EMEA ^(a)	13,061	10,597
Asia-Pacific	16,735	13,300
Americas	10,762	7,853
By function		
Operational functions	29,801 ^(b)	28,466
Support functions	10,867 ^(b)	10,601

(a) The EMEA zone includes Europe (except France), the Middle East and Africa.

(b) Excluding Inspectorate.

Bureau Veritas took on 8,063 new staff around the world in 2010.

At the Group level, the rate of voluntary departure (resignations) was around 10% in 2010, up slightly from 2009 (8%), which is explained primarily by the worldwide economic recovery. The highest departure rates were in Asia and the Middle East due to the strong demand for qualified personnel. In France, the Group benefits from the image and reputation of the name Bureau Veritas, which helps maintain employee stability (the rate of voluntary departure is around 3% for all businesses).

INFORMATION ON HEADCOUNT AT THE PARENT COMPANY, BUREAU VERITAS SA

As of December 31, 2010, the Company had 6,383 employees (4,225 men and 2,158 women), versus 6,442 employees as of December 31, 2009, a reduction of 0.92% from 2009 to 2010.

In 2010, there were 761 new hires, with 330 fixed-term contracts and 431 open-ended contracts. 62 people were laid off.

In 2010, the voluntary departure rate (resignations) was 3.22%.

In addition, 24,328 overtime hours were recorded in 2010, representing a cost of €229,585. The Company's outside workforce was 50 employees.

The Company's Social Audit is available from the registered office upon request.

⁽¹⁾ Excluding Inspectorate.

3.8.2. A HUMAN RESOURCES POLICY TO SERVE THE GROUP'S STRATEGY

The Group's Human Resources policy is determined and led by the Human Resources department, consisting of a central "Corporate" function with around twenty trade experts and a network of around 350 professionals across all continents.

In 2007, the Group acquired an information system designed for human resources (PeopleSoft RH), which is now used for all of the Group's 1,700 managers⁽¹⁾ and for all Bureau Veritas employees in France, China and Australia. PeopleSoft RH thus currently covers somewhat more than 25% of the Group's total workforce. This tool, as well as providing for better management of personal and employment data, facilitates certain HR processes, in particular career management (performance reviews, career committee, identification and monitoring of talent, etc.), a priority for Bureau Veritas.

In view of Bureau Veritas Group's development strategy, the Human Resources function has been structured on four bases: management and development of the careers of Group managers, including the identification and promotion of talent, specialisation of the HR function, support for operational staff in developing their organization and expertise in classification of posts and compensation policies.

EXPERTS THAT FOCUS ON CLIENTS AND SERVICES

The Group's business has historically been a public service mission (for example, in connection with the Spinetta Law, regulatory verification, ship classification, etc.). Nevertheless, the Group has developed activities that benefit its clients by: encouraging a corporate culture oriented towards the client, building and offering a richer array of services, and moving from a reactive to a proactive commercial development approach. The Group currently presents itself as much as a technical expert as a service company offering Business to Business products and services. In its business sector, the Group was one of the first players to have established dedicated sales forces and a developed marketing team.

A CULTURE OF PROFITABILITY AND COST CONTROL

The Group's growth over the last ten years is due to the fact that all operational managers are fully responsible for their profit centers. The budget process is key to this organization. A portion of managers' compensation, including operational managers, is based on the Group's operating profit. In addition, the Group exercises strict control over accounting and operating expenses.

AN ORGANIZATION BASED ON TRAINING AND KNOWLEDGE MANAGEMENT

The Group is constantly concerned about maintaining and developing the knowledge of its experts (such as through training tools, qualifications processes and knowledge sharing tools). The Group's Knowledge Management process has led to the establishment of

communities of experts supporting operational teams. This makes it possible to share best practices and be able to respond in each entity with the same level of quality to clients' global needs. About one hundred communities of practices have been created to bring thousands of specialists and experts into contact. A collective site created on the Group's intranet portal, combined with a powerful search engine, facilitates the sharing of documents and experience, and skill refreshing at Bureau Veritas.

Within the Group, the integration program is systematically used for each new hire, regardless of their professional level or group. Organized in sessions to bring different backgrounds together, the program facilitates knowledge sharing and an understanding of the Group's organization and businesses.

For operational personnel, the Group emphasizes training on the ground. Technical training usually satisfies qualification standards, and qualification is controlled by the Group's Technical Departments (Industry & Facilities and Marine) and audited by independent authorities (COFRAC, IACS).

A development program has been designed specifically for Group managers. It was launched in 2010 with the organization of training days in the Middle East and India. This global program entitled "Leadership Essentials" was rolled out gradually throughout the Group in local languages so as to guarantee impact, but on a common basis to allow consolidation of a coherent and homogeneous leadership culture within the Group. It will initially target managerial talent and some managers.

Bureau Veritas is also continuing to develop tools enabling it to develop leadership skills: 360° reporting of leadership behaviour was thus implemented in 2009 for Group managers.

Finally, and to address the fact that managers are spread across numerous countries around the world, the Company has developed a "Learning Space" on the Group Intranet. This genuine resource center provides managers with both a very flexible way of accessing both "e-learning" modules to speed up the integration of new hires, improve performance management and develop "QHSE" (Quality, Health, Safety and Environment) issues and a "toolbox" to support the development of managerial behaviour and leadership qualities in managers.

A GENUINE DESIRE TO MANAGE THE PERFORMANCE AND CAREERS OF EMPLOYEES

All of the Group's 1,700 managers⁽¹⁾ have at least one annual appraisal (called a "PMP") which gives them an opportunity to discuss the achievement of targets set and to define targets for the coming year. It is also a chance to document their strengths and areas for improvement, to define all development needs and to look at geographical or functional mobility aspirations. This annual appraisal is always given by a person's immediate manager, but can also be supplemented by an appraisal by a "Secondary Reviewer" (a functional manager or "internal client") where relevant, giving a closer assessment of the performance of the managers concerned. This same "PMP" process can be reopened during the course of the

⁽¹⁾ Excluding Inspectorate.

year to review and adjust the manager's targets if need be, so as to better adapt to the context and new challenges of the post or Company.

In addition to this system run by the Corporate HR department for the 1,700 Group managers⁽¹⁾ around 80%⁽¹⁾ of employees also had at least one annual appraisal managed by local Human Resources departments. For example, in France, annual appraisals have been performed for all staff since 2003. They are the subject of an internal memo and a specific medium providing for assessment of the employee's performance, his ability to act in accordance with the Group's values and his mobility aspirations in addition to establishing the need for an individualized development plan. The use of this medium, and the systematic internal advertising on the intranet of posts to be filled made it possible to fill 212 out of 660 vacant posts through internal appointment (around 32%) in 2008, 98 out of 187 vacant posts in 2009 and, 137 out of 561 vacant posts (around 24%) in 2010.

In addition to these programs, in 2006, the Corporate HR department introduced career committees referred to as "Leadership Reviews" in which managers are assessed collectively by their respective managers (rather than individually as in the annual appraisal). This measures the ability of employees to develop over the short and medium term, the most promising employees forming a priority pool for any recruitment within the Group. The stated aim is to fill two thirds of vacant Group management posts internally and to offer professional development to all managers assessed as capable within 18 months, depending on the needs of the Company. In 2008, 78% of vacant management posts were filled internally. In 2009, this rate was 83%. In 2010, it was 78%.

The Company is always endeavoring to manage the careers of all employees. A "Talent Pipeline" process has also been put in place to identify from among the best-performing employees those who may be good candidates for Bureau Veritas management posts. 215 "talents" have been listed and are part of a management process in which their careers are monitored very closely. The identification of talent (future Group managers) remains a priority, with an ongoing target of 500 talents identified and benefiting from a fast-track development program.

In France, this specific system, called DRA (*DéteCter Révéler Accompagner* [Identify, Disclose, Monitor]), aims to identify employees with potential and to have a representative of non-hierarchical management with an external view assess their abilities objectively within the framework of a system of internal assessment, carried out in the form of an external panel "assessment". Candidates identified under this program receive specific support, including, in particular, seven days of training covering all key skills that a manager needs (leadership, team management, commercial activity, etc.). Since this system was rolled out in 2003, around 350 employees have been assessed under it. The tool has made it possible to meet a significant proportion of our manager requirements and hence constitutes a real promotional stepping-stone for staff. As a result, in 2010, out of a total of 36 vacant department-head posts, 27 (75%) were filled through internal appointment.

A system similar to DRA, called "Triatlon", has also been introduced in Spain, the Group's 3rd largest country with over 3,600 employees. In 2010, the process of identification and development of future managers was introduced throughout the Group in a very structured fashion, building on the positive experiences in France and Spain.

In addition, based on the Group's needs, Bureau Veritas maps the types of job existing in its organizations, describes them in terms of missions and skills required and ranks them on a common scale of complexity ("banding"). The development of this tool, which began in 2006 for Group managers (bands I to IV), was completed in 2009 for bands V-VIII. Work also went further for certain populations in which employees were identified with new job types for reasons of training or career planning. Jobs such as Certification, Finance, Human Resources, as well as Operations and Technical Expertise in certain pilot countries, come to mind. This system aims to form the basis of our management of human resources:

- the description of the types of jobs serves as a basis for discussion between the manager and the employee at the annual appraisal;
- it makes it possible to draw comparisons between skills possessed and skills required in order to find individualized solutions in terms of training;
- in terms of compensation policy, it makes it possible to establish averages for each type of job and by banding within this type of job. Comparing individual situations with these averages on the basis of similar samples provides a manager with useful information so that he can modulate salary decisions; and
- it also serves as a basis for drawing up job advertisements.

Lastly, Bureau Veritas decided in late 2010 to strengthen its career management policy by refining the management processes and rules associated with internal mobility, performance management, talent development, international mobility, etc. The objective is to ensure the strength and consistency of HR policies and processes worldwide in order to support the Group's growth strategy. The operational deployment of this "Career Management @ BV" program will be launched in 2011.

A STRATEGY ADAPTED TO RECRUITING CONSTRAINTS AND INCREASING EMPLOYEE LOYALTY

As a service company, one of the principal challenges which the Group must face, in terms of human resources, is developing its ability to recruit expert personnel on increasingly competitive employment markets. To meet this challenge, the Group has launched several global initiatives to ensure excellence in global recruitment: the development of relationships with the press and leading schools and universities, participation in recruitment forums, hiring temporary service personnel, training for managers on recruitment and a single media campaign worldwide.

In addition, the Group's bonus policy is a means of developing employee loyalty and motivation. In addition to their annual base salary, the Group's 1,700 managers⁽¹⁾ may receive an annual bonus awarded on the basis of achieving financial and individual objectives.

(1) Excluding Inspectorate.

The percentage bonus varies from 15% to 50% of the annual base salary depending on the managers' responsibility band:

- for band I (around twenty managers): the bonus represents 40% to 50% of the annual base salary;
- for band II (approximately 80 managers), the bonus represents 30% to 40% of the annual base salary;
- for band III (approximately 300 managers), the bonus represents 20% to 30% of the annual base salary; and
- for band IV (approximately 1,300 managers), the bonus represents 15% to 20% of the annual base salary.

Since 2007, this individual bonus has been subject to a coefficient, which may increase or decrease the applicable percentage, depending on the Group's operating profit.

As explained in the sections that follow, the compensation package is supplemented by profit-sharing schemes and an employee stock ownership plan launched in 2007 ("BV 2007").

STAFF REPRESENTATION

The Bureau Veritas Group is committed to ensuring the proper functioning of institutions that represent staff. It has structures representing staff in all key countries where it is based. There are various forms of staff representation depending particularly on local legislation and the size of the workforce. They are generally in at least one (and often several) of the following categories: staff delegates, works council, staff representatives, health, safety and working conditions committees, union representatives and consultation groups.

Over and above bodies representing staff, the practices of the Group facilitate consultation (for example, in China, all HR procedures have to be approved by a specialist committee consisting of staff

representatives). More generally, Bureau Veritas encourages communication, the exchanging of ideas and the gathering of opinions (for example, notice boards, HR lines, staff surveys, suggestion boxes, exit interviews, "ethics" contacts, accident prevention committees, monthly staff meetings, HR site reviews, open door policy, etc.).

In France, this desire has led to the signing of a number of employee collective bargaining agreements setting out the terms of representation in addition to legal provisions.

- agreement on the use of new information and communication technologies by the union organizations and other bodies representing staff at Bureau Veritas entered into on February 2, 2010;
- agreement on the terms and forms of electronic voting to elect delegates representing staff and members of the works council at Bureau Veritas entered into on May 10, 2010;
- draft electoral agreement for the election of the members of the works council and staff delegates entered into on May 10, 2010;
- amendment No. 2 to the agreement dated 06/28/06 on the exercising of union law and the functioning of institutions representing staff entered into on May 10, 2010;
- agreement to extend the works council and staff delegate mandates entered into on June 30, 2010;
- adhesion of the CFTD and FO to the agreement on the operation of the two health, safety and working conditions committees on October 5, 2010; and
- agreement to extend the mandates of the members of the health, safety and working conditions committee and its correspondents entered into on November 8, 2010.

3.8.3. PROFIT-SHARING AGREEMENTS

The profit-sharing agreements described below do not cover the non-French subsidiaries of Bureau Veritas SA.

PROFIT SHARING

Legally required profit-sharing gives employees a right to a portion of the profit earned by the Company. Under the profit-sharing scheme, all employees, regardless of length of service at Bureau Veritas, are entitled to a special reserve calculated according to the method set out under Article L. 3324-1 of the French Labor Code.

As of the date of this registration document, in the absence of an agreement on profit-sharing, Bureau Veritas applies the profit-sharing regime provided for under Article L. 3323-5 of the French Labor Code. From 2005 to 2010, there has been no payment, due to the absence of a profit-sharing reserve (increase in the Company's shareholders' equity and a supplementary deduction for risk reserves).

The application of the legally mandated formula for the profit-sharing reserve generates a profit sharing amount of €2,347,365 for 2010, payable in 2011.

CONTRACTUAL PROFIT-SHARING

On June 30, 2008, Bureau Veritas reached a new agreement with its Works Council covering a period of three years, 2008, 2009 and 2010. The employees of Bureau Veritas with more than three months of service at the Group have a right to contractual profit-sharing proportional to their salary and length of service at the Company.

The formula used is based on a measure of corporate earnings, the REG (Management operating profit). The global amount of contractual profit-sharing is 15.5% of the REG of the French operating units of Bureau Veritas France (CRE France, Aero France, Marine France, Zone France excluding subsidiaries) less the amount of the special profit-sharing reserve (RSP), calculated according to legal provisions. If the REG/revenue ratio of Bureau Veritas SA operating units in France is equal to or greater than 12.6%, the global amount involved will be replaced by the following formula: 16% of REG - RSP.

(in euros)	2010	2009	2008
Beneficiaries	6,941	6,879	7,105
TOTAL AMOUNT PAID FOR THE FINANCIAL YEAR	7,542,642	10,984,234	10,372,872

Under this agreement, 6,941 employees will share €7,542,642 in 2011.

GROUP SAVINGS PLAN

An agreement on the conversion of the company savings plan into a group savings plan was signed with the Works Council on July 19, 2007 enabling the companies linked to the Bureau Veritas Group pursuant to paragraph 2 of Article L. 3332-15 of the French Labor Code to join this group savings plan.

Rider No. 1 to the Group savings plan of July 12, 2007 was signed on December 17, 2009, in order to add an Employee Mutual Fund to the investment choices in accordance with legal obligations (law no. 2008-776 of August 4, 2008, on modernization of the economy - Article 81).

A group savings plan is a collective savings scheme offering employees of member companies the opportunity to create, with the help of their employer, a portfolio of securities. It may permit, in particular, the deposit of funds resulting from a legal or contractual employee profit-sharing plan. Amounts invested in a group savings plan are frozen for five years, running from July 1 of the vesting year, except in the case of an early release provided for by the regulations. A group savings plan may offer various investment vehicles, allowing its members to select the one most suited to their savings strategy.

The group savings plan comprises three mutual funds:

- An FCPE (employee mutual fund - fonds commun de placement d'entreprise) with multiple FCPE BV VALEURS sub-funds into which employees may make contributions either on their own initiative or as part of their profit share.

The sums paid in by employees are matched as follows:

- for the first €500, the contribution is set at 60% of the employee contribution,
- beyond €500, the rate is set at 30% of the employee contribution.

Annual contributions may not exceed €1,525 per calendar year per beneficiary.

As of December 31, 2010, the total amount invested in this FCPE was €89.6 million, broken down as follows:

- BV VALEUR sub-fund: €74.4 million,
- BV DYNAMIQUE sub-fund: €8.1 million,
- BV EQUILIBRE sub-fund: €7.1 million;
- A "BV next" FCPE invested in company stock and dedicated to capital increases reserved for company employees:

This fund was opened as part of the capital increase carried out in October 2007. It may be reopened in the event of other capital increases resolved upon by the Board of Directors.

When making their voluntary contribution, employees enjoyed a matching contribution of 100% up to a maximum of €600.

As of December 31, 2010, the amount invested in the "BV next" FCPE was €40.9 million;

- A "CAAM Label Equilibre Solidaire" FCPE opened on December 31, 2009, holding €280,000 in assets as of December 31, 2010.

3.9. *Interests of Executive Corporate Officers, Directors and certain employees in the capital of Bureau Veritas*

3.9.1. INTERESTS OF EXECUTIVE CORPORATE OFFICERS AND DIRECTORS IN THE CAPITAL OF BUREAU VERITAS

As of December 31, 2010, the interests of Executive Corporate Officers and Directors in the capital of Bureau Veritas were as follows:

Executive Corporate Officers	Number of shares	Percentage of capital
Frank Piedelièvre ^(a)	496,700	0.45%
François Tardan	496,014	0.45%
Philippe Donche-Gay	-	-

(a) including 400,000 through the company Piedelièvre et Associés.

Directors	Number of shares	Percentage of capital
Frédéric Lemoine	100	NS
Stéphane Bacquaert	100	NS
Patrick Buffet	100	NS
Aldo Cardoso	3,000	NS
Jérôme Charruau	2,100	NS
Pierre Hessler	100	NS
Philippe Louis-Dreyfus	101	NS
Jean-Michel Ropert	100	NS
Ernest-Antoine Seillière	200	NS

Mr. Frank Piedelièvre, Chairman and Chief Executive Officer, holds 120,000 stock options granted under the July 3, 2009 and July 23, 2010 plans.

Mr. François Tardan, Executive Officer, holds 75,000 stock options (adjusted) allocated under the July 25, 2003, July 3, 2009 and July 23, 2010 plans.

Mr. Philippe Donche-Gay, Executive Officer, holds 60,000 stock options allocated under the July 3, 2009 and July 23, 2010 plans.

A detailed description of share purchase or subscription plans is provided in section 3.9.4 of this chapter, Options to subscribe for or purchase shares.

3.9.2. TRANSACTIONS EXECUTED ON COMPANY SHARES BY EXECUTIVES AND THE PERSONS MENTIONED IN ARTICLE L. 621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE

To the best of the Company's knowledge, and according to declarations made to the AMF, transactions executed on Company shares by executives and the persons mentioned in Article L. 621-18-2 of the French Monetary and Financial Code during the 2010 financial year were as follows:

Surname and first name	Capacity	Nature of the transaction	Transaction date	Unit price (In euros)	Transaction amount (In euros)	Description of the financial instrument
François Tardan	Executive Officer	Disposal	03/12/2010	39.00	195,000.00	Shares
François Tardan	Executive Officer	Disposal	03/23/2010	39.50	197,500.00	Shares
François Tardan	Executive Officer	Disposal	04/01/2010	39.5185	197,592.50	Shares
François Tardan	Executive Officer	Disposal	07/15/2010	49.00	392,000.00	Shares
François Tardan	Executive Officer	Disposal	09/01/2010	48.750	15,697.50	Shares
François Tardan	Executive Officer	Disposal	09/01/2010	48.4189	338,932.30	Shares
François Tardan	Executive Officer	Disposal	09/02/2010	48.750	325,552.50	Shares
François Tardan	Executive Officer	Disposal	11/05/2010	56.8467	795,853.80	Shares
François Tardan	Executive Officer	Exercising of stock options	11/16/2010	9.582	862,380.00	Shares

To the best of the Company's knowledge, and according to the declarations made to the AMF, transactions executed on Company shares by executives and the persons mentioned in Article L.621-18-2 of the French Monetary and Financial Code between December 31, 2010 and the date of this Registration Document were as follows:

Surname and first name	Capacity	Nature of the transaction	Transaction date	Unit price (In euros)	Transaction amount (In euros)	Description of the financial instrument
François Tardan	Executive Officer	Disposal	01/21/2011	53.00	212,000.00	Shares
Frédéric Lemoine	Director	Acquisition	03/07/2011	54.15	10,830.00	Shares
Jean-Michel Ropert	Director	Acquisition	03/11/2011	54.2125	10,842.50	Shares

3.9.3. FREE SHARES

The table below illustrates an account of the position regarding the allotment of free shares in force on December 31, 2010:

Date of the Shareholders' Meeting	Date of grant	Number of shares granted (Adjusted)	Total maximum number of Company shares which may be acquired under the granted shares (Adjusted)	Number of shares acquired	Number of cancelled shares	Number of shares granted and remaining to be acquired
06/18/2007	12/13/2007	9,811 ^(a)	9,811	7,652	2,159	-
06/18/2007	12/13/2007	45,354 ^(b)	45,354	34	7,855	37,465
06/18/2007	12/13/2007	33,725 ^(c)	33,725	-	40	33,685
06/18/2007	12/13/2007	150,000	150,000	144,750	5,250	-
06/18/2007	06/09/2008	426,050	426,050	-	62,150	363,900
06/18/2007	09/22/2008	55,000	55,000	-	-	55,000
06/18/2007	07/03/2009	363,500	363,500	-	24,100	339,400
06/18/2007	07/23/2010	45,000	45,000	-	-	45,000
06/18/2007	07/23/2010	353,900	353,900	-	3,100	350,800
06/18/2007	07/23/2010	64,500	64,500	-	4,200	60,300
TOTALS		1,546,840	1,546,840	152,436	108,854	1,285,550

(a) Grant of free shares in favor of salaried staff members and/or Corporate Officers of Italian and Spanish Group subsidiaries as part of an offering reserved for members of a corporate savings plan (resolution 18).

(b) Grant of free shares in favor of members of salaried staff and/or Corporate Officers outside France, and with the exception of Italian and Spanish Group subsidiaries, as part of an offering reserved for members of a corporate savings plan (resolution 18).

(c) Grant of free shares to managers who subscribed to the "BV2007 Network" offer and to salaried staff members and/or Corporate Officers of Chinese subsidiaries who subscribed for the Special Employee Share Incentive Plan offer (resolution 25).

(d) At the end of the Acquisition Period, the number of shares given to each beneficiary depends on the level of Adjusted Operating Profit (AOP) achieved and recorded for the 2008 financial year in comparison to the target that was set. If the AOP recorded for the 2008 financial year is less than or equal to 90% of the target established, then 50% of the Shares can be acquired by the beneficiaries. If the AOP recorded for the same financial year is greater than 90% and less than 102% of the goal established, then the number of Shares that can be acquired by the beneficiaries will be reduced 4.17% for each 1% of AOP recorded under the 102% target established by the Management Board. Lastly, if the AOP recorded for the 2008 financial year is 102% of the target set or above, all of the shares will be acquired by the beneficiaries. Beneficiaries must remain employees throughout the entire acquisition period in order to acquire the allotted shares. As the AOP recorded for the 2008 financial year exceeded 102% of the target set, beneficiaries may acquire, if they meet the presence condition, 100% of shares allotted.

(e) At the end of the Acquisition Period, the number of shares given to each beneficiary depends on the level of Adjusted Operating Profit (AOP) achieved and recorded for the 2009 financial year. A minimum AOP level and a target AOP level to achieve were defined for the 2009 financial year. If the AOP recorded for the 2009 financial year is less than or equal to the minimum level, then only 50% of the allotted shares can be acquired by the beneficiaries. If the AOP recorded for the 2009 financial year is greater than or equal to the target level, then 100% of the shares allocated can be acquired by the beneficiaries. If the AOP recorded for the 2009 financial year is between the minimum level and the target level, then the number of shares that can be acquired by the beneficiaries will be determined by linear interpolation. Beneficiaries must remain employees (or Corporate Officers) throughout the entire acquisition period in order to acquire the allotted shares. As the AOP recorded for the 2009 financial year exceeded the established target level, beneficiaries may acquire, if they meet the presence condition, 100% of shares allotted.

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Total number of shares that can be acquired by Corporate Officers	Total number of shares that can be acquired by the ten largest employee option holders	Acquisition period expiration date	Duration of the inaccessibility period starting from the share's transfer of ownership	Terms of acquisition	Share price on the grant date (In euros)	Value of one share (In euros)
-	-	12/13/2009	3 years and 2 years respectively for members of salaried staff and/or Company Officers of Spanish and Italian subsidiaries	Presence	39.02	36.65
-	200	12/13/2011	None	Presence	39.02	35.43
-	200	12/13/2011	None	Presence	39.02	35.43
-	-	12/13/2009	2 years	Presence and performance	39.02	32.82
-	57,000	06/09/2012 or 06/09/2011 for employees of a French company	None except for 2 years for employees of a French company	Presence and performance ^(d)	37.81	33.88
55,000 ^(h)	-	09/22/2011	2 years	Presence	39.29	31.47
40,000 ⁽ⁱ⁾	36,200	July 3, 2013 or July 3 2012, for employees of a French company	None except for 2 years for employees of a French company	Presence and performance ^(e)	34.5	28.19
45,000 ⁽ⁱ⁾	-	07/23/2013	2 years	Presence and performance ^(f)	48.10	42.30
-	29,400	July 23 2014 or July 23, 2013, for employees of a French company	None except for 2 years for employees of a French company	Presence and performance ^(g)	48.10	43.47
-	3,000	July 23 2014 or July 23, 2013, for employees of a French company	None except for 2 years for employees of a French company	Presence	48.10	43.47
140,000	126,000					

(f) At the end of the Acquisition Period, the number of shares given to each beneficiary depends on the level of Adjusted Operating Profit (AOP) achieved and recorded for the 2010 financial year and the Company's Adjusted Operating Margin (AOM) recorded for the 2011 and 2012 financial years. A minimum AOP level and a target AOP level to achieve were defined for the 2010 financial year. If the AOP recorded for the 2010 financial year is less than or equal to the minimum level, then none of the shares allocated can be acquired by the beneficiaries. If the AOP recorded for the 2010 financial year is greater than or equal to the target level, then 100% of the shares allocated can be acquired by the beneficiaries. If the AOP recorded for the 2010 financial year is between the minimum level and the target level, then the number of shares that can be acquired by the beneficiaries will be determined by linear interpolation. Furthermore, if the Adjusted Operating Margin (AOM) of either of the financial years 2011 and 2012 is less than the target level established by the Board of Directors upon allocation, then no performance shares can be acquired by the beneficiary. Beneficiaries must remain Corporate Officers (or employees) throughout the entire acquisition period in order to acquire the allotted shares.

(g) At the end of the Acquisition Period, the number of shares given to each beneficiary depends on the level of Adjusted Operating Profit (AOP) achieved and recorded for the 2010 financial year. A minimum AOP level and a target AOP level to achieve were defined for the 2010 financial year. If the AOP recorded for the 2010 financial year is less than or equal to the minimum level, then only 50% of the allotted shares can be acquired by the beneficiaries. If the AOP recorded for the 2010 financial year is greater than or equal to the target level, then 100% of the shares allocated can be acquired by the beneficiaries. If the AOP recorded for the 2010 financial year is between the minimum level and the target level, then the number of shares that can be acquired by the beneficiaries will be determined by linear interpolation. Beneficiaries must remain employees throughout the entire acquisition period in order to acquire the allotted shares.

(h) The Corporate Officer who was granted the free shares plan is Mr. Philippe Donche-Gay, Executive Officer of the Company.

(i) The Corporate Officers who were granted free shares plans are Mr. Piedelièvre, Chairman and Chief Executive Officer of the Company, and Messrs. Donche-Gay and Tardan, Executive Officers of the Company.

3.9.4. STOCK SUBSCRIPTION OR PURCHASE OPTIONS

The table below illustrates an account of the position regarding stock option plans in force on December 31, 2010:

Date of the Shareholders' Meeting	Date of grant	Number of shares under stock options granted (adjusted)	Total maximum number of Company shares which entitles options (adjusted)	Number of options exercised	Number of cancelled shares
12/11/2001	Plan from 12/17/2002 ^(a)	1,159,000	1,159,000	953,490	205,510
12/11/2001	Plan from 07/25/2003 ^(a)	1,549,000	1,549,000	1,291,540	232,000
06/30/2004	Plan from 11/15/2004 ^(a)	117,500	117,500	54,000	59,500
06/27/2005	Plan from 02/01/2006 ^{(a) (b)}	1,711,000	1,711,000	-	427,500
06/27/2005	Plan from 07/12/2006 ^(a)	142,000	142,000	-	5,000
01/18/2007	Plan from 01/31/2007 ^(a)	700,000	700,000	-	142,000
06/18/2007	Plan from 06/09/2008	137,400	137,400	-	8,400
06/18/2007	Plan from 07/03/2009	266,500	266,500	-	3,300
06/18/2007	Plan from 07/23/2010	135,000	135,000	-	-
06/18/2007	Plan from 07/23/2010	109,200	109,200	-	-
TOTALS		6,026,600	6,026,600	2,299,030	1,083,210

(a) These amounts are adjusted to take into account the 10-to-1 split in the nominal value of the Company's shares in accordance with the resolution of the Shareholders' Meeting of June 18, 2007.

(b) The number of options initially granted was 1,711,000 (adjusted); 2 cancellations for a total of 27,500 options (adjusted) having occurred at the time of allocation, the number of options actually granted was 1,683,500 (adjusted).

(c) The subscription price for shares in the Company was set by the Management Board at €15.165 (adjusted) per share with a nominal value of €0.12 (adjusted), with this price having to be increased at the rate of 8.5% per annum applied prorata temporis to the period running from June 30, 2005 until the date on which the Options are exercised by the beneficiary.

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Number of allocated stock options in force (shares that can still be subscribed)	Total number of shares that can be subscribed for by Corporate Officers	Total number of shares that can be subscribed for by the ten largest employee option holders	Starting date for the option exercise period	Option expiration date	Adjusted subscription price on the registration date of the present Registration Document (In euros)
-	-	-	12/17/2005	12/17/2010	7.487
25,460	-	25,460	07/25/2006	07/25/2011	9.582
4,000	-	4,000	11/15/2007	11/15/2012	12.094
1,283,500	-	190,000	02/01/2011	02/01/2014	15.165 ^(c)
137,000	-	137,000	07/12/2011	07/12/2014	17.304 ^(d)
558,000	-	67,500	01/31/2012	01/31/2015	17.304
129,000	-	88,500	06/09/2011	06/09/2016	38.35
263,200	120,000 ^(e)	100,000	07/03/2012	07/03/2017	34.98
135,000	135,000 ^(e)	-	07/23/2013	07/23/2018	46.31
109,200	-	85,000	07/23/2013	07/23/2018	46.31
2,644,360	255,000	697,460			

(d) The subscription price for shares in the Company was set by the Management Board at €17.304 (adjusted) per share with a nominal value of €0.12 (adjusted), with this price having to be increased at the rate of 8.5% per annum applied prorata temporis to the period running from June 30, 2006 until the date on which the Options are exercised by the beneficiary.

(e) The Corporate Officers who were granted stock option plans are Mr. Piedelièvre, Chairman and Chief Executive Officer of the Company, and Messrs. Donche-Gay and Tardan, Executive Officers of the Company.

Options granted during the 2010 financial year**Overall information**

Number of options allotted	Plan	Exercise price (in euros)
244,200	07/23/2010	46.31
TOTAL	244,200	

Information regarding Corporate Officers as well as the ten leading non-executive employees is given in the Corporate Officers' remuneration and benefits section in Chapter 2 – Corporate Governance of this Registration Document.

Options exercised during the 2010 financial year**Overall information**

Number of options exercised ^(a)	Plan	Exercise price ^(a) (in euros)
31,037	12/17/2002	7.487
136,140	07/25/2003	9.582
5,000	11/15/2004	12.094
TOTAL	172,177	

(a) These amounts are adjusted to take into account the 10-to-1 split in the nominal value of the Company's shares in accordance with the resolution of the Shareholders' Meeting of June 18, 2007.

Information regarding Corporate Officers as well as the ten leading non-executive employees is given in the Corporate Officers' remuneration and benefits section in Chapter 2 – Corporate Governance of this Registration Document.

3.9.5. POTENTIAL IMPACT OF SHARES GIVING ACCESS TO COMPANY CAPITAL

At December 31, 2010, the total number of shares able to be issued in the event of all 2,644,360 stock options in Bureau Veritas being exercised (adjusted) is 2,644,360 shares (adjusted). Based on the number of shares making up the share capital of Bureau Veritas as of December 31, 2010, which is 109,268,601 shares, issuing all of these shares would represent 2.42% Bureau Veritas' capital.

Based on the share capital at December 31, 2010, issuing all of the 1,285,550 free shares granted would result in a further maximum potential dilution of 1.18%, thus taking the total dilution (stock options and free shares) to 3,929,910 shares, or 3.60% of Bureau Veritas' capital.

The Company is looking to continue this contractual profit-sharing policy aimed at a large number of Group managers, particularly by implementing stock option plans and/or granting free shares to Group salaried staff and/or Corporate Officers in 2011.

3.10. Additional information regarding the Company in view of the approval of the 2010 accounts

3.10.1. OPERATIONS AND RESULTS OF THE PARENT COMPANY

During the financial year ended December 31, 2010, the Company revenue amounted to €877,573,860.06 compared to €869,665,631.96 in 2009.

The operating income for 2010 amounts to €137,792,366.27 compared to €146,057,355.26 in 2009.

In 2010, the amount for exceptional charges totaled €(6,275,222.96) compared to €(30,651,948.27) in 2009.

The net profit of Bureau Veritas S.A for 2010 amounted to €250,301,808.08 compared to €104,052,157.52 in 2009.

Equity amounted to €825,890,027.19 compared to €662,450,794.15 at the end of the previous financial year.

The rules concerning the presentation and the methods of evaluation accepted for the drawing up of company accounts are identical to those adopted for previous financial years.

3.10.2. PROPOSAL FOR THE APPROPRIATION OF PROFIT FOR THE 2010 FINANCIAL YEAR

The Board of Directors informed shareholders that at December 31, 2010:

- the legal reserve amounted to €1,711,097.00 for a share capital of €13,112,232.12 and had therefore reached a tenth of the share capital at December 31, 2010;
- the 109,268,601 shares comprising the share capital have all been fully paid up;
- the outcome for the financial year ending December 31, 2010 reveals a profit of €250,301,808.08;
- the "Balance Brought Forward" account is equal to €224,018,724.41;
- and that, consequently, the Company's distributable profit has risen to €474,320,532.49;

At the Shareholders' Meeting, the Board of Directors will propose that the profit is allocated in the following way:

- a sum of €1.15 per share by means of a dividend based on the number of shares making up the capital as of December 31, 2010, which is 109,268,601 shares (746,991 of which were treasury shares on this date), an overall amount of €125,658,891.15;
- the balance, or the sum of €348,661,641.34 to the "Balance Brought Forward" account.

In accordance with paragraph 2 of article 158-3 of the French General Tax Code, those Shareholders who are physical persons may benefit from a 40% allowance on the amount distributed to them as a dividend. This allowance will not be applicable from the time that the beneficiary who is a physical person has opted for the deduction of the standard tax at source.

The dividend will be paid starting from June 14, 2011. At the Shareholder's Meeting, it will be proposed that the dividend which could not be paid to Bureau Veritas' treasury shares be appropriated to the "Balance Brought Forward" account.

DISTRIBUTIONS MADE BASED ON THE LAST THREE FINANCIAL YEARS

In accordance with Article 243 bis of the French General Tax Code legal provisions, the Management Board states that based on the three previous financial years, dividends have been distributed as follows:

Financial year	Total distributed	Number of shares concerned	Total earnings per share
2009	90,995,427.60 euros	108,327,890	0.84 euros
2008	77,522,339.52 euros	107,666,916	0.72 euros
2007	64,331,856.00 euros	107,219,760	0.60 euros

(a) This revenue has been paid throughout the years 2008, 2009, and 2010. It is specified that, in accordance with Article 243 bis of the French General Tax Code, this dividend led to the entitlement of a 40% allowance mentioned in paragraph 2 of article 158-3 of the French General Tax Code.

The policy regarding the distribution of dividends is described in the dividend policy paragraph in Chapter 6 – Information on the Company and Capital of this Registration Document.

3.10.3. TOTAL AMOUNT FOR SUMPTUARY EXPENSES AND CORRESPONDING TAX

In accordance with the provisions of Article 223 quarter of the French General Tax Code, it is hereby specified that the Company's accounts based on the financial year that has just ended, and which closed on December 31, 2010, cover those expenses which are

non-deductible from the taxable profit with regard to article 39-4 of the French General Tax Code, amounting to a total of €546,303.99, which incurs taxes in the amount of €188,092.46 and which will be submitted for approval at the Shareholders' Meeting.

3.10.4. SUBSIDIARIES AND OTHER EQUITY PARTICIPATIONS

The chart illustrating the Company's subsidiary companies and other equity participations appears in Chapter 5 – 2010 Statutory Financial Statements of this Registration Document.

Bureau Veritas SA took no holding in a French company in the course of the financial year ending December 31, 2010.

3.10.5. RESULTS OF BUREAU VERITAS SA FOR THE LAST FIVE FINANCIAL YEARS

	2010	2009	2008	2007	2006
I – Financial position					
a) Share capital (<i>in thousands of euros</i>)	13,112	13,091	13,032	13,939	13,010
b) Number of shares issued	109,268,601	109,096,410	108,600,755	116,159,775	10,841,857
c) Maximum number of future shares to be created	3,929,910	3,550,785	3,733,960	3,791,990	1,638,596
II – Comprehensive income from operations carried out (<i>in thousands of euros</i>)					
a) Revenue excluding tax	877,574	869,666	830,608	770,698	726,693
b) Profit before profit-sharing, taxes, amortization and provisions	299,145	126,037	132,208	108,241	133,610
c) Income tax	31,778	22,653	11,791	18,121	22,093
d) Profit-sharing of employees for the financial year	-	-	-	-	-
e) Profit after profit-sharing, taxes, amortization and provisions	250,302	104,052	80,436	119,935	102,807
f) Amount of distributed profits	90,995	77,630 ^(a)	64,332	99,998	-
III – Result of operations reduced to a single share (<i>in euros</i>)					
a) Profit after taxes, before amortization and provisions	2.45	0.93	1.11	0.78	10.29
b) Profit after taxes, amortization and provisions	2.29	0.95	0.74	1.03	9.48
c) Net dividend paid on each share	0.84	0.72	0.60	1.00	-
IV – Personnel					
a) Number of employees	8,410	8,467	8,536	8,395	7,641
b) Payroll (<i>in thousands of euros</i>)	361,706	353,149	347,272	319,327	298,070
c) Total amounts paid in benefits (<i>in thousands of euros</i>)	147,833	144,752	123,909	131,477	118,382

(a) Dividends paid include distribution costs of €0.1 million.

3.10.6. INFORMATION ON THE SUPPLIER PAYMENT PERIOD

Since December 1, 2008, Bureau Veritas has been applying the provisions of the French Economic Modernization Act (LME), by paying its suppliers within 60 days of the invoice date. Contracts with suppliers and invoice settlement applications have been adapted accordingly.

In accordance with articles L. 441-6-1 and D. 441-4 of the French Commercial Code, the balance of the Company's trade payable at the end of the financial year for the French entities amounts to €27,210,364 (excluding invoices not received). The break-down is as follows:

	Amount not paid	Due date (number of days)				
		Current	31-60	61-90	91-120	over 120 days
Suppliers of goods and services (euros)	27,210,364	24,644,551	1,151,217	185,953	288,173	940,470
Ratio in %	100.00	90.57	4.23	0.68	1.06	3.46

For comparison purposes, the breakdown of the trade payables balance on December 31, 2009, which amounted to €26,422,025 (excluding invoices not received), was as follows:

	Amount not paid	Due date (number of days)				
		Current	31-60	61-90	91-120	over 120 days
Suppliers of goods and services (euros)	26,422,025	21,718,190	3,366,588	224,287	199,218	913,742
Ratio in %	100.00	82.20	12.74	0.85	0.75	3.46

3.10.7. REFERENCE TABLE OF INFORMATION FROM THE MANAGEMENT REPORT APPEARING ELSEWHERE IN THE REGISTRATION DOCUMENT

RISKS AND UNCERTAINTIES

A detailed description of the main risks and uncertainties facing Bureau Veritas is provided in the risk factors section in Chapter 1 - Overview of the Group of this Registration Document.

RESEARCH AND DEVELOPMENT

Information relating to research and development operations is provided in the research and development, patents, and licenses section in Chapter 7 - Additional Information of this Registration Document.

SIGNIFICANT EVENTS WHICH HAVE OCCURRED SINCE THE END OF THE FINANCIAL YEAR

This information is provided in Note 32 of the notes to the consolidated financial statements in Chapter 4 - 2010 Consolidated Financial Statements of this Registration Document.

INFORMATION ON THE SHARE CAPITAL

Information concerning the changes and distribution of share capital, the operations involving the purchase of its own shares, and the summary table showing the delegation of responsibilities and powers is given in the share capital section in Chapter 6 - Information on the Company and Capital of this Registration Document.

REMUNERATION OF EXECUTIVE OFFICERS

Information regarding the remuneration of the Board of Directors is provided in Chapter 2 - Corporate Governance of this present Registration Document.

TERMS OF OFFICE

Information concerning the Director and Executive Corporate Officer terms of office is provided in Chapter 2 - Corporate Governance of this Registration Document.

The situation regarding the Statutory Auditors' terms of office is mentioned in the legal auditors section in Chapter 7 - Additional Information of this Registration Document.

DIRECTORS' FEES

The amount of Directors' fees paid throughout the 2010 financial year is provided in Chapter 2 – Corporate Governance of this Registration Document.

SHARE TREND ON THE STOCK MARKET

The trend and volumes traded with regard to the Bureau Veritas share are shown in the Bureau Veritas and its Shareholders paragraph in Chapter 7 – Additional Information of this Registration Document.

REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The report of the Chairman of the Board of Directors regarding the conditions for the preparation and organization of the Board of Directors' work, as well as the internal control and risk management procedures, can be found in Chapter 2 – Corporate Governance of this Registration Document. This report includes, notably, a note concerning the factors that may have an impact in the event of a public offer.

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4.1. IFRS consolidated financial statements at December 31, 2010

CONSOLIDATED INCOME STATEMENT

(in millions of euros, except per share data)

	Notes	2010	2009
Revenue	5	2,929.7	2,647.8
Purchases and external charges	6	(843.4)	(750.2)
Personnel costs	6	(1,479.4)	(1,336.5)
Taxes other than on income		(60.8)	(58.8)
Net (additions to)/reversals of provisions	6	2.1	(37.1)
Depreciation and amortization	11/12	(89.1)	(70.6)
Other operating income and expense, net	6	(2.8)	10.8
Operating profit		456.3	405.4
Income from cash and cash equivalents		1.9	1.4
Finance costs, gross		(38.4)	(45.4)
Finance costs, net		(36.5)	(44.0)
Other financial income and expense	7	(9.2)	(17.1)
Net financial expense		(45.7)	(61.1)
Share of profit of associates	13	(0.1)	0.1
Profit before income tax		410.5	344.4
Income tax expense	8	(112.9)	(87.1)
Net profit from continuing operations		297.6	257.3
Net profit from discontinued operations and operations held for sale		-	0.4
Net profit for the year		297.6	257.7
<i>Attributable to:</i>			
owners of the Company		290.4	252.7
non-controlling interests		7.2	5.0
Basic earnings per share (in euros)	27	2.68	2.34
Diluted earnings per share (in euros)	27	2.63	2.30

The notes on pages 151 to 203 are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(in millions of euros)</i>	Notes	2010	2009
Net profit for the year		297.6	257.7
Other comprehensive income			
Currency translation differences		70.8	13.1
Actuarial gains/(losses)		(10.3)	(5.6)
Cash flow hedges		73.5	24.6
Available-for-sale financial assets		-	-
Tax effect on other comprehensive income	8	(1.1)	(0.7)
Total other comprehensive income, after tax		132.9	31.4
TOTAL COMPREHENSIVE INCOME		430.5	289.1
<i>Attributable to:</i>			
<i>owners of the Company</i>		<i>423.0</i>	<i>284.3</i>
<i>non-controlling interests</i>		<i>7.5</i>	<i>4.8</i>

The notes on pages 151 to 203 are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(in millions of euros)</i>	Notes	Dec. 31, 2010	Dec. 31, 2009
Goodwill	9	1,329.3	832.2
Intangible assets	11	330.4	171.4
Property, plant and equipment	12	281.1	208.2
Investments in associates	13	0.5	0.6
Deferred income tax assets	14	74.2	66.3
Investments in non-consolidated companies	15	0.7	0.4
Derivative financial instruments	17	31.9	-
Other non-current financial assets	16	41.6	31.2
Total non-current assets		2,089.7	1,310.3
Trade and other receivables	18	929.7	798.9
Current income tax assets		21.3	20.2
Current financial assets	16	6.9	7.9
Derivative financial instruments	17	-	13.8
Cash and cash equivalents	19	225.0	147.0
Total current assets		1,182.9	987.8
TOTAL ASSETS		3,272.6	2,298.1
Share capital	20	13.1	13.1
Retained earnings and other reserves		831.3	476.6
Equity attributable to owners of the Company		844.4	489.7
Non-controlling interests		15.5	11.5
Total equity		859.9	501.2
Bank borrowings	22	1,185.8	740.8
Derivative financial instruments	17	20.1	-
Other non-current financial liabilities	22	0.2	1.9
Deferred income tax liabilities	14	59.9	35.2
Pension plans and other long-term employee benefits	23	102.7	88.0
Provisions for other liabilities and charges	24	101.1	102.8
Total non-current liabilities		1,469.8	968.7
Trade and other payables	25	736.7	632.8
Current income tax liabilities		81.4	57.2
Derivative financial instruments	17	3.1	42.6
Current financial liabilities	22	121.7	95.6
Total current liabilities		942.9	828.2
TOTAL EQUITY AND LIABILITIES		3,272.6	2,298.1

The notes on pages 151 to 203 are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(in millions of euros)</i>	Share capital	Share premium	Currency translation reserves	Other reserves	Total equity	Attributable to owners of the Company	Attributable to non-controlling interests
December 31, 2008	13.0	112.2	(57.6)	216.2	283.8	270.4	13.4
Capital reduction	-	-	-	-	-	-	-
Exercise of stock options	0.1	4.0	-	-	4.1	4.1	-
Fair value of stock options	-	-	-	6.6	6.6	6.6	-
Dividends paid	-	-	-	(81.0)	(81.0)	(77.6)	(3.4)
Treasury share transactions	-	-	-	1.9	1.9	1.9	-
Acquisition of non-controlling interests	-	-	-	(3.4)	(3.4)	-	(3.4)
Other movements	-	-	-	0.1	0.1	-	0.1
Total transactions with owners	0.1	4.0	-	(75.8)	(71.7)	(65.0)	(6.7)
Total comprehensive income			13.1	276.0	289.1	284.3	4.8
December 31, 2009	13.1	116.2	(44.5)	416.4	501.2	489.7	11.5
Capital reduction	-	-	-	-	-	-	-
Exercise of stock options	-	1.6	-	-	1.6	1.6	-
Fair value of stock options	-	-	-	13.6	13.6	13.6	-
Dividends paid	-	-	-	(93.7)	(93.7)	(91.0)	(2.7)
Treasury share transactions	-	-	-	1.0	1.0	1.0	-
Acquisition of non-controlling interests	-	-	-	-	-	6.2	(6.2)
Additions to the scope of consolidation	-	-	-	5.9	5.9	-	5.9
Other movements	-	-	-	(0.2)	(0.2)	0.3	(0.5)
Total transactions with owners	-	1.6	-	(73.4)	(71.8)	(68.3)	(3.5)
Total comprehensive income			70.8	359.7	430.5	423.0	7.5
December 31, 2010	13.1	117.8	26.3	702.7	859.9	844.4	15.5

The notes on pages 151 to 203 are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(in millions of euros)</i>	Notes	2010	2009
Profit before income tax		410.5	344.4
Elimination of cash flows from financing and investing activities		42.2	42.2
Provisions and other non-cash items		8.8	22.9
Depreciation, amortization and impairment		96.6	72.6
Movements in working capital attributable to operations	26	(23.9)	46.6
Income tax paid		(136.9)	(110.1)
Net cash generated from operating activities		397.3	418.6
Acquisitions of subsidiaries	10	(567.5)	(27.7)
Proceeds from sales of subsidiaries	10	8.8	15.5
Purchases of property, plant and equipment and intangible assets		(76.9)	(65.3)
Proceeds from sales of property, plant and equipment and intangible assets		1.6	0.6
Purchases of non-current financial assets		(17.8)	(7.2)
Proceeds from sales of non-current financial assets		4.6	4.8
Other		1.1	7.3
Net cash used in investing activities		(646.1)	(72.0)
Capital increase	20	1.6	4.2
Purchases/sales of treasury shares		1.4	1.3
Dividends paid		(91.3)	(82.7)
Increase in borrowings and other debt		727.2	106.8
Repayment of borrowings and other debt		(304.5)	(338.9)
Interest paid		(34.4)	(43.8)
Net cash generated from (used in) financing activities		300.0	(353.1)
Impact of currency translation differences		10.9	0.4
Net increase (decrease) in cash and cash equivalents		62.1	(6.1)
Net cash and cash equivalents at beginning of year		139.3	145.4
Net cash and cash equivalents at end of year		201.4	139.3
<i>Of which cash and cash equivalents</i>	19	225.0	147.0
<i>Of which bank overdrafts</i>	22	(23.6)	(7.7)

The notes on pages 151 to 203 are an integral part of the consolidated financial statements.

4.2. Notes to the consolidated financial statements

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Note 1 GENERAL INFORMATION

Since it was formed in 1828, Bureau Veritas has developed recognized expertise for helping its clients to comply with standards and/or regulations on quality, health and safety, security, the environment and social responsibility. The Group specializes in inspecting, testing, auditing and certifying the products, assets and management systems of its clients in relation to regulatory or self-imposed standards, and subsequently issues compliance reports.

Bureau Veritas SA ("the Company") and all of its subsidiaries make up the Bureau Veritas Group ("Bureau Veritas" or "the Group").

Bureau Veritas SA is a joint stock company (*société anonyme*) incorporated and domiciled in France. The address of its registered office is 67-71 Boulevard du Château, 92571 Neuilly-sur-Seine, France.

Between 2004 and October 2007, the Group was more than 99%-owned by Wendel. On October 24, 2007, 37.2% of Bureau Veritas SA shares were admitted for trading on the Euronext-Paris market.

At December 31, 2010, Wendel held 51.5% of the capital of Bureau Veritas and 66.3% of its voting rights.

These consolidated financial statements were adopted on February 28, 2011 by the Board of Directors.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are described below. These policies have been consistently applied to all periods presented, unless otherwise stated.

2.1 BASIS OF PREPARATION

The Group's consolidated financial statements for the years ended December 31, 2010 and December 31, 2009 were prepared in accordance with International Financial Reporting Standards (IFRS) as defined by the International Accounting Standards Board (IASB) and adopted by the European Union (see the relevant European Commission regulations on http://ec.europa.eu/internal_market/accounting/ias_en.htm). They were prepared based on the historical cost convention, except in the case of financial assets and liabilities measured at fair value through profit or loss or equity such as marketable securities and derivative financial instruments.

The preparation of financial statements in compliance with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgment when applying the Group's accounting policies. The most significant accounting estimates and judgments used in the preparation of the consolidated financial statements are disclosed in Note 4.

IFRS – new standards/amendments to existing standards

As from January 1, 2010, the Group applies the following new and/or amended standards and interpretations:

- IAS 27 (revised), *Consolidated and Separate Financial Statements* and IFRS 3 (revised), *Business Combinations* (effective for accounting periods beginning on or after July 1, 2009).

The main changes introduced by these revised standards result from a more systematic use of fair value:

- costs relating to a business combination are to be expensed in profit or loss,
- interests held prior to the date a controlling interest is acquired are to be remeasured to fair value,
- a single amount of goodwill is to be recognized (goodwill is no longer to be calculated by "tranche" and additional goodwill

is no longer to be recognized after acquisition of a controlling interest), based on measurement at the date control was acquired,

- non-controlling interests are to be measured either at fair value or based on their share in the fair value of the acquiree's identifiable assets and liabilities,
- adjustments to contingent consideration and deferred income tax assets relating to the acquiree are generally to be recognized in profit or loss (rather than against goodwill).

The Group applies the revised IAS 27 and revised IFRS 3 with effect from January 1, 2010.

- IFRIC 17, *Distributions of Non-cash Assets to Owners* (effective for accounting periods beginning on or after July 1, 2009).

IFRIC 17 essentially clarifies that:

- an entity should measure the dividend payable at the fair value of the net assets to be distributed;
- the difference between the dividend paid and the carrying amount of the net assets distributed should be recognized in profit or loss at the dividend payout date.

The interpretation has no impact on the 2010 consolidated financial statements.

- IFRIC 18, *Transfers of Assets from Customers* (effective for accounting periods beginning on or after July 1, 2009).

This interpretation states that property, plant and equipment transferred from customers must be recognized by the recipient at fair value with a matching entry to revenue in accordance with IAS 18.

The interpretation has no impact on the 2010 consolidated financial statements.

- Amendment to IFRS 5 regarding the partial sale of a subsidiary resulting in a loss of control (effective for accounting periods beginning on or after July 1, 2009).

This amendment states that when an entity is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary should be classified as held for sale, regardless of whether the entity will retain a non-controlling interest in the former subsidiary after the sale.

It has no impact on the 2010 consolidated financial statements.

- *Amendment to IAS 39, Eligible Hedged Items (effective for accounting periods beginning on or after July 1, 2009).*

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations.

It has no impact on the 2010 consolidated financial statements.

Amendment IFRS 2, Group cash-settled share-based payments transactions (effective for accounting periods beginning on or after January 1, 2010)

This amendment clarifies the accounting for group cash-settled share-based payment transactions in the individual financial statements of the entity receiving the goods or services.

This amendment has no impact on the 2010 consolidated financial statements.

- *Amendment to IAS 32, Classification of Rights Issues (effective for accounting periods beginning on or after February 1, 2010.)*

This amendment sets down the conditions for classifying rights issues in the form of equity.

It has no material impact on the 2010 consolidated financial statements.

The following new and/or amended standards and interpretations – effective for accounting periods beginning on or after January 1, 2010 – are not relevant to the Group's operations:

- IFRS 1 (amendment), First-time Adoption of International Financial Reporting Standards;
- IFRS 6, Exploration for and Evaluation of Mineral Resources (effective from January 1, 2006);
- IAS 39 (amendment), Cash Flow Hedge Accounting of Forecast Intragroup Transactions (effective from January 1, 2006);
- IAS 39 (amendment), The Fair Value Option (effective from January 1, 2006);
- IFRIC 4, Determining Whether an Arrangement contains a Lease (effective from January 1, 2006);
- IAS 32 (amendment), Classification of Rights Issues (effective from February 1, 2010);
- IAS 24R, Related Party Disclosures (effective from January 1, 2011);
- IFRS 7 (amendment), Disclosures - Transfers of Financial Assets (effective from July 1, 2011);
- IFRIC 6, Liabilities Arising from Participating in a Specific Market: Waste Electrical and Electronic Equipment (effective from December 1, 2005);
- IFRIC 7, Applying the Restatement Approach under IAS 29, Financial Reporting in Hyper-inflationary Economies (effective from March 1, 2006);
- IFRIC 9, Reassessment of Embedded Derivatives (effective from June 1, 2006);

- IFRIC 12, Service Concession Arrangements (effective from January 1, 2008);
- IFRIC 13, Customer Loyalty Programs (effective from July 1, 2008 for the IASB and from January 1, 2009 for the European Union);
- IFRIC 15, Agreements for the Construction of Real Estate (effective from January 1, 2009);
- Amendment to IFRIC 9 and IAS 39, Embedded Derivatives (effective from July 1, 2009);
- IFRIC 16, Hedges of a Net Investment in a Foreign Operation (effective from October 1, 2008);
- IFRIC 14 (amendments), Pre-payments of a minimum funding requirement (effective from January 1, 2011);
- IFRIC 19, Extinguishing Financial Liabilities with Equity Instruments (effective from July 1, 2010).

2.2 CONSOLIDATION

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are removed from the scope of consolidation as of the date control ceases.

The purchase method of accounting is used to account for acquisitions of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus the costs directly attributable to the acquisition.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill (see Note 9). If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

In accordance with IFRS 3, the Group has 12 months from the acquisition date to finalize the allocation of the purchase price to the fair values of the acquiree's identifiable assets and liabilities.

Intra-group transactions, and balances and unrealized gains on transactions between Group companies, are eliminated in full. All companies are consolidated based on their financial position at the end of each reporting period presented, and their accounting policies are aligned where necessary with those adopted by the Group.

Non-controlling interests

The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Purchases of shares from non-controlling interests result in additional goodwill, which is the difference between the price paid and the corresponding equity in the carrying amount of the acquiree's net assets.

When a fully consolidated subsidiary has posted losses and the Group's non-controlling interest in its equity is negative, the goodwill recognized and the future losses are deducted from the amount of the Group's non-controlling interest. When the subsidiary returns to profit, the Group's non-controlling interest in equity is credited in an amount equal to the subsidiary's accumulated losses.

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are recognized at cost as from the date significant influence was acquired.

The Group's share of its associates' post-acquisition profits or losses is recognized in the consolidated income statement.

Joint ventures

Joint ventures are companies controlled jointly by the Group pursuant to an agreement concluded with a view to carrying on a business activity over an average period of three to four years. The consolidated financial statements include the Group's proportionate interest in the assets, liabilities, income and expenses of joint ventures. Similar items are combined line by line from the date joint control is effective until the date on which it ceases.

2.3 SEGMENT REPORTING

The reportable segments identified in accordance with IFRS 8 are similar to the business segments initially defined on the application of IAS 14. A business segment is a group of assets and operations engaged in providing products or services that is subject to risks and returns that are different from those of other business segments. Reportable segments are defined as the operating segments identified in the management data reported each month to the chief operating decision maker. The Group's chief operating decision maker is its Chairman and Chief Executive Officer.

2.4 TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES**Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in millions of euros, which is the Company's functional and presentation currency.

Foreign subsidiaries

The functional currency of subsidiaries is the local currency of the country in which they operate. No country in which the Group's

subsidiaries or branches are located was considered to be a hyper-inflationary economy in 2009 or 2010.

Assets and liabilities of foreign subsidiaries are translated into euros at the closing exchange rate at the end of the reporting period, while income and expense items are translated at average exchange rates for the year. All resulting currency translation differences are recognized under "Currency translation reserves" within equity.

When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognized in the income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are translated using the exchange rates prevailing at the transaction dates. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the closing rate. Foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation at year-end closing exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement as financial income or expense.

2.6 FAIR VALUE ESTIMATES

The fair value of financial instruments traded on an active market (such as derivatives and investments in respect of government contracts) is based on the listed market price at the end of the reporting period. This method corresponds to level 1 in the fair value hierarchy set out in IFRS 7.

The fair value of financial instruments not traded on an active market (e.g. over-the-counter derivatives) is determined using valuation techniques. The assumptions used in such calculations are based on either directly observable inputs such as prices, or indirectly observable inputs such as price-based data. This method corresponds to level 2 in the fair value hierarchy set out in IFRS 7.

The fair value of financial instruments not based on observable market data (unobservable inputs) is determined based on information available within the Group. This method corresponds to level 3 in the fair value hierarchy set out in IFRS 7.

The levels in the fair value hierarchy used to price financial instruments are disclosed in Note 30 – Additional financial instrument disclosures.

2.7 GOODWILL

Goodwill represents the excess of the cost of an acquisition (including transaction expenses) over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the acquisition date.

Goodwill on acquisitions of subsidiaries is presented on a separate line of the statement of financial position. Goodwill on acquisitions of associates is included in "Investments in associates".

Any residual unallocated goodwill following an acquisition may be adjusted within 12 months of the acquisition date when the process of allocating the purchase price to the acquiree's identifiable assets and liabilities is completed.

Goodwill is carried at cost less any accumulated impairment losses. Impairment losses on goodwill are not reversed. Goodwill is not amortized but is tested annually for impairment.

For the purpose of impairment testing, goodwill is allocated to cash-generating units (CGUs) or groups of CGUs. The allocation is made to those cash-generating units or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The Group allocates goodwill to each business segment in each country in which it operates apart from the Consumer Products segment, for which goodwill is recognized on an aggregate basis for all countries combined as the business is managed globally.

Goodwill is tested for impairment annually or more frequently when there is an indication that it may be impaired (see Note 9). Any impairment losses are recognized in the currency of the related goodwill, which corresponds to the currency of the acquiree. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

2.8 INTANGIBLE ASSETS

Intangible assets include the following items:

- customer relationships, brands, concessions, accreditations and non-competition agreements acquired as part of a business combination;
- computer software purchased externally or developed in-house.

Start-up and research costs are expensed as incurred.

Customer relationships, brands, concessions, accreditations and non-competition agreements acquired as part of a business combination

Customer relationships, brands, concessions and non-competition agreements acquired as part of a business combination are recognized at historical cost, less any accumulated amortization. Historical cost corresponds to the fair value of the assets concerned at the acquisition date.

The fair value and useful life of these assets are generally determined at the acquisition date by independent experts in the case of material acquisitions, and internally for all other acquisitions. They are adjusted where appropriate within 12 months of that date. The amortization charge is calculated as from the acquisition date.

Intangible assets are amortized on a straight-line basis over their estimated useful lives. These were as follows at December 31, 2010:

Customer relationships	5 to 15 years
Brands	10 to 15 years
Concessions	7 years
Non-competition agreements	2 to 3 years

Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring the specific software into use. These costs include borrowing costs directly attributable to the acquisition or production of the software arising in the period preceding the period in which they are brought into service. These costs are amortized over the estimated useful lives of the software, not to exceed seven years.

Costs associated with software development or maintenance are expensed as incurred.

2.9 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment except for land are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition or construction of the assets, in particular borrowing costs directly attributable to the acquisition or production of property, plant and equipment arising in the period preceding the period in which the assets concerned are brought into service. Subsequent costs are included in an asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. All other repair and maintenance costs are expensed as incurred.

Land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method over the estimated useful lives of the assets, as follows:

Buildings	20 to 25 years
Fixtures and fittings	10 years
Machinery and equipment	5 to 10 years
Vehicles	4 to 5 years
Office equipment	5 to 10 years
IT equipment	3 to 5 years
Furniture	10 years

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period. If the carrying amount of an item of property, plant and equipment exceeds its recoverable amount, it is written down to the estimated recoverable amount (see Note 2.9 – Impairment of non-financial assets).

Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds of the sale with the carrying amount of the asset sold and are recognized within other operating income and expense in the income statement.

2.10 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life such as goodwill are not subject to amortization but are tested annually for impairment. Amortizable assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs).

The following circumstances are examples of indicators that an asset may be impaired and an impairment test should be carried out:

- the loss of one or more major contracts;
- where the entity's performance proves significantly worse than expected;
- where significant changes with an adverse effect on the entity have taken place in the technological, market, economic or legal environment in which it operates.

An impairment loss is recognized for the amount by which a CGU's carrying amount exceeds its recoverable amount. The recoverable amount of a CGU corresponds to the higher of its fair value less costs to sell and its value in use. Impaired non-financial assets other than goodwill are reviewed at each reporting date to determine whether the impairment should be reversed. If a CGU's value in use is lower than its carrying amount, the CGU's fair value less costs to sell is used as the recoverable amount. Based on past experience, the recoverable amount is estimated by reference to a multiple of operating profit adjusted for other operating income and expense and amortization expense recognized in respect of customer relationships arising from business combinations.

Note 9 sets out the methods and main assumptions used for carrying out goodwill impairment tests.

2.11 INCOME TAX EXPENSE

Deferred income tax is recognized using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, no deferred income tax is accounted for if it arises from the initial recognition of goodwill or an asset or liability in a transaction – other than a business combination – that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income taxes are determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences and tax loss carry forwards can be utilized.

Deferred income tax assets and liabilities are assessed on a taxable entity basis, which may include several subsidiaries in one country, and are offset at the level of the same taxable entity.

Following the business tax reform in France, the new CVAE tax (*Cotisation sur la Valeur Ajoutée des Entreprises*) was recognized in income tax expense with effect from January 1, 2010. Up to December 31, 2009, the former business tax expense (*taxe professionnelle*) was included in operating items within "Taxes other than on income".

2.12 INVESTMENTS IN NON-CONSOLIDATED COMPANIES

This caption includes investments in companies over which the Group does not exercise control or significant influence.

At initial recognition, these investments are stated at purchase price plus transaction costs. If the fair value of these financial assets cannot be measured reliably at the end of the reporting period, the assets are carried at historical cost less any accumulated impairment losses.

Dividends attached to the investments are recognized in the income statement under "Other financial income" when the Group's right to receive payment is established.

At the end of each reporting period, the Group assesses whether there is any objective indication that its investments in non-consolidated companies are impaired. Examples of such indications include:

- evidence that the entity is in a loss-making situation;
- where the entity's performance proves significantly worse than expected;
- where significant adverse changes have taken place in the economic environment in which it operates.

When the Group considers that an investment is impaired, an impairment loss is recorded in the income statement under "Other financial expense".

2.13 OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets mainly comprise guarantees and deposits and other financial assets.

Guarantees and deposits are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. They are included in non-current assets as they fall due more than 12 months after the end of the reporting period. Guarantees and deposits are initially recognized at fair value.

2.14 TREASURY SHARES

Treasury shares are recognized at cost as a deduction from equity. Gains and losses on disposals of treasury shares are also recognized in equity and are not included in the calculation of income for the period.

2.15 NON-CURRENT ASSETS AND LIABILITIES HELD FOR SALE

Non-current assets (or disposal groups/liabilities) are classified as held for sale and measured at the lower of carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction.

2.16 CURRENT FINANCIAL ASSETS

This class of assets generally corresponds to financial assets held for trading purposes and primarily includes non-monetary SICAV mutual funds. These assets are initially recognized at fair value, and the transaction costs are expensed in the income statement. At the end of the reporting period, current financial assets are measured at fair value, and any gains or losses arising from changes in fair value are taken to profit or loss.

2.17 DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives held for trading purposes

The Group uses derivatives such as interest swaps and collars in order to hedge its exposure to changes in interest rates on borrowings.

Contracts that do not meet the hedge accounting criteria set out in IAS 39 are designated as assets and liabilities at fair value through profit or loss. These instruments are measured at fair value, with changes in fair value recognized in "Other financial income" or "Other financial expense" in the income statement. The accounting treatment of contracts that meet the criteria for designation as cash flow hedges under IAS 39 is described in the section on cash flow hedges below.

Cash flow hedges

When a derivative is designated as an instrument hedging the variability of cash flows associated with a recognized asset or liability, or a highly probable forecast transaction, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in equity. The gain or loss recognized directly in equity is reclassified into profit or loss in the same period or periods during which the hedged transaction itself affects profit or loss (such as in the periods that the foreign exchange gain or loss is recognized). The portion of the gain or loss relating to the ineffective portion of the hedge is recognized immediately in profit or loss.

Since July 1, 2008, the Group has applied hedge accounting to certain derivatives such as interest rate swaps and collars used to hedge its interest rate risk on borrowings, when the criteria for designation as a hedge under IAS 39 are met. These instruments have been used as an economic hedge since inception, but did not meet the IAS 39 hedge accounting criteria, particularly in terms of documentation requirements, until the date on which the Group chose to adopt hedge accounting. The impacts of this change in accounting policy are disclosed in Note 17 on derivative financial instruments.

To hedge the currency risk on borrowings taken out in US dollars and pounds sterling, the Group entered into USD/EUR and GBP/EUR currency swaps in 2008. These transactions have been designated as cash flow hedges since inception, as they meet all of the hedge accounting criteria set out in IAS 39.

2.18 TRADE AND OTHER RECEIVABLES

Trade receivables are measured at fair value less any provisions for impairment.

A provision for impairment of trade receivables is recognized when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the transaction. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. An analysis of doubtful receivables is performed based on the age of the receivable, the credit standing of the client and whether or not the related invoice is disputed.

The carrying amount of the asset is reduced through the use of a provision, and the amount of the loss is recognized in the income statement under additions to provisions.

When a trade receivable is uncollectible, it is written off against the provision for impairment. Subsequent recoveries of amounts previously written off are credited to "Other operating income".

2.19 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, monetary mutual funds (SICAV), deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within current financial liabilities on the statement of financial position.

Changes in the fair value of cash and cash equivalents are recognized through profit or loss.

2.20 BORROWINGS

Borrowings are initially recognized at fair value net of transaction costs incurred, and subsequently stated at amortized cost.

Interest on borrowings is recorded in the income statement under financial expense using the effective interest method. Debt issuance costs are recorded as a reduction in the carrying amount of the related debt and are amortized through profit or loss over the estimated term of the debt using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period, in which case they are classified as non-current.

2.21 PENSION PLANS AND OTHER LONG-TERM EMPLOYEE BENEFITS

The Group's companies have various long-term obligations towards their employees for termination benefits, pension plans and long-service awards.

The Group has both defined benefit and defined contribution plans.

Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a designated pension fund. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in current and prior periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations in excess of these contributions. The contributions are recognized in personnel costs when they fall due. Prepaid contributions are recognized as an asset to the extent that they result in a cash refund or a reduction in future payments.

Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. An example is a plan which defines the amount of the pension that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows based on the yield on investment-grade bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions when estimating pension obligations are recognized in equity in the consolidated statement of comprehensive income in the period in which they arise.

2.22 PROVISIONS FOR OTHER LIABILITIES AND CHARGES

Provisions for other liabilities and charges are recognized when the Group considers that at the end of the reporting period it has a present legal obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The costs which the Group ultimately incurs may exceed the amounts set aside to such provisions due to a variety of factors such as the uncertain nature of the outcome of the dispute. Provisions for claims and disputes whose outcome will only be known in the long term are measured at the present value of the expenditures expected to be required to settle the obligation concerned, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized in "Other financial expense" in the income statement.

2.23 TRADE PAYABLES

Trade payables are carried at fair value. All of the Group's trade payables have maturities of one year or less and are classified under current liabilities.

2.24 SHARE-BASED PAYMENT

In 2007, the Group awarded stock options and set up new compensation plans in connection with its initial public offering (IPO). These plans remained in force in 2008.

Stock options

The fair value of the employee services received in exchange for the award of stock options is recognized as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions such as profitability and sales growth targets.

The assumptions used to value the Group's stock options are described in Note 21.

The proceeds received net of any directly attributable transaction costs are credited to share capital for the nominal value and to the share premium for the balance when the options are exercised.

Compensation plans set up in connection with the Group's IPO

The Group has set up equity-settled compensation plans consisting of (i) stock options on preferential terms and (ii) free share grants. It has also set up a cash-settled compensation plan in the form of stock appreciation rights.

Stock options on preferential terms

Employees have subscribed for shares under a cash capital increase carried out for this purpose. The subscription price represents a 20% discount on the IPO price. The shares are non-transferable for a period of five years.

The proceeds received net of any directly attributable transaction costs are credited to share capital for the nominal value and to the share premium for the balance when the shares are subscribed. The fair value of the employee services received in exchange for the 20% discount granted on the IPO price is recognized as an expense. The total amount to be expensed corresponds to the 20% discount less the loss in value resulting from the five-year non-transferability requirement. The loss in value is estimated based on the cost of a two-step strategy consisting of selling the shares at the end of the five-year non-transferability period and purchasing the same number of shares in cash (i.e. readily transferable shares), financing the transaction with a loan. This strategy represents the cost to the Group of offloading the risk associated with the shares during the non-transferability period.

Free share grants

Free shares are accounted for in the same way as stock options.

Stock appreciation rights

The fair value of the employee services received in exchange for stock appreciation rights is recognized in full as an expense with an offsetting entry against debt at the grant date (provided that the rights have vested). At the end of each reporting period, the debt entry is determined by reference to the fair value of the rights estimated by applying an option pricing model. Changes in the fair value of the debt are recognized in operating profit.

2.25 REVENUE RECOGNITION

Revenue comprises the fair value net of tax of the consideration received or receivable for services rendered by the Group's companies in the ordinary course of their business, after elimination of intra-group transactions. The Group recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Group.

The majority of the Group's contracts are short term and the related revenue is recognized when the service has been rendered to the client.

For the Group's other contracts – notably in the Marine, Construction and Industry segments (see Note 5 – Segment reporting), the Group uses the percentage-of-completion method to determine the amount of revenue recognized during a given period to the extent that the outcome of the contracts concerned can be reliably estimated.

The stage of completion is determined for each contract by reference to the contract costs incurred up to the end of the reporting period as a percentage of the estimated total costs for the contract. This percentage of completion, applied to the total estimated margin on the contract, represents the margin to be recognized in that period. If the estimated margin is negative, a provision is recorded immediately for the entire estimated amount of the contract.

2.26 OPERATING PROFIT

"Operating profit" in the consolidated income statement represents all income and expenses that do not result from financing

activities, taxes, or associates. Operating profit includes income and expenses relating to acquisitions (amortization of intangible assets, impairment of goodwill, gains and losses on disposals and discontinued operations, acquisition fees, earn-out payments) and other items considered to be non-recurring.

2.27 LEASES

Leases pursuant to which the majority of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the lease term.

Bureau Veritas acquires minor items of equipment under finance leases which transfer to the Group substantially all the risks and rewards of ownership. These assets are reported as property, plant and equipment for an amount equal to the estimated present value of future minimum lease payments. The corresponding liabilities are included in short- or long-term borrowings.

2.28 DIVIDENDS PAID

Dividends paid to the Company's shareholders are recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

Note 3 FINANCIAL RISK MANAGEMENT

The Group is exposed to a variety of financial risks (currency, interest rate, credit and liquidity risks) that may affect its assets, liabilities and operations.

The Group's policy is to constantly identify, assess and, where appropriate, hedge such risks with a view to limiting its exposure. Derivative instruments are used only to hedge identified risks and not for speculative purposes. The Group has specific procedures for dealing with each of the risks mentioned above and with each instrument used (derivatives, cash investments). Group entities are not authorized to enter into market transactions other than currency spot transactions with their financial partners.

The Finance and Treasury department is in charge of setting up hedges. Simulations are carried out or mandated by the Finance and Treasury department to allow it to assess the impact of different scenarios on the Group's accounts.

A. CURRENCY RISK

The Group operates internationally and is therefore exposed to currency risk arising from its exposure to different currencies. This risk is incurred both on transactions carried out by Group entities

in currencies other than their functional currency (currency risk on operations), as well as on assets and liabilities denominated in foreign currencies (translation risk).

Regarding currency risk on operations, Group entities mostly carry on business in their local currency which is also their functional currency. No specific hedging transactions have therefore been entered into to protect the Group against currency risk on its operations.

No hedges have been contracted to protect the Group against risks arising on the translation of the financial statements of foreign subsidiaries into the Group's reporting currency.

The Group has a multi-currency financing policy which enables its subsidiaries to borrow in the main local currencies. Where appropriate, the Group may hedge certain commitments by matching financing costs with operating income and cash flows in the currencies concerned. When financing arrangements are set up in a currency other than the country's functional currency, the Group takes out currency hedges to protect itself against the impact of currency risk.

Additional analyses and disclosures regarding currency risk are provided in Note 30 – Additional financial instrument disclosures.

B. INTEREST RATE RISK

The Group is exposed to the risk of fluctuations in interest rates on its floating-rate debt.

The Group monitors its interest rate exposure on a monthly basis. It continually analyses the level of hedges put in place and ensures that they are appropriate for the related underlying exposure. The Group's policy is to prevent more than 60% of its consolidated debt being exposed to a rise in interest rates over a long period (more than six months). The Group may therefore enter into other swaps, collars or similar instruments for this purpose. No financial instruments are contracted for speculative purposes.

Hedging instruments contracted by the Group are described in Note 17 on derivative financial instruments. Additional disclosures are provided in Note 30.

C. CREDIT RISK

The Group derives revenue from the services it provides to some 400,000 customers in 140 countries. The average annual revenue per customer is around €7,300. The Group's revenue is not dependent on major customers. In 2010, the Group's largest customer accounted for less than 2.5% of its consolidated revenue. The Group's ten largest customers represent less than 9% of consolidated revenue.

However, some Group businesses such as Consumer Products and Government Services & International Trade, along with the Oil & Gas and Mining and Minerals market segments within the Industry business, derive a large proportion of their revenue from a small number of customers. For example in 2010, the biggest customer of the Consumer Products business and the Government Services & International Trade business respectively accounted for 6.2% and 11.1% of each business' revenue. The loss of these major customers could have a material adverse impact on the business, financial position, results or outlook of the division concerned.

The Group does not consider that its credit risk exposure could have a material adverse impact on its business, financial position, results or outlook.

A detailed breakdown by maturity of receivables not covered by provisions is provided in Note 18.

D. LIQUIDITY RISK

The Group may have to meet payment commitments arising in the ordinary course of its business. The Group does not have any significant short- or medium- term repayment commitments and has access to undrawn lines of credit.

The syndicated loan includes a USD 216.2 million amortizable tranche maturing in May 2013. Annual repayments are set at 16.66% (drawdowns in US dollars) or 28.55% (drawdowns in euros) of the initial amount of the loan, less any early repayments, representing USD 82 million and €3.35 million, respectively, per annum.

As part of its 2006 syndicated loan agreement, the Group has a confirmed, multi-currency revolving line of credit for a total of €550 million maturing in 2012 and 2013. At December 31, 2010, €425 million had been drawn down from this facility, leaving an available balance of €125.0 million.

The "Club Deal 2007" loan agreement matures in October 2012.

In July 2008, the Group completed a US private placement ("USPP") designed to diversify its sources of financing and extend the maturity of its debt to July 2018 and July 2020.

In July 2009, the Group set up a master agreement with a US investor concerning a multi-currency facility for USD 225 million able to be drawn down at any time over a period of three years. The full amount of this "USPP 2010" facility (€184.1 million) was drawn down in 2010. It falls due in July 2019.

In June 2010, the Group set up a bank line of credit with French institutional investors for a total of €200 million. This facility is for a term of five years and falls due in June 2015. At December 31, 2010, a total of €50 million had been drawn down under this "French PP" facility, leaving an available amount of €150.0 million. This facility provides the Group with the flexibility needed to fund its acquisitions policy.

The Group's financing agreements feature a default clause triggering early repayment in the event that the stipulated financial covenants are not met. At end-2010, Bureau Veritas respected all of its financial commitments. Accordingly, the Group considers that it is not exposed to any liquidity risk.

E. COUNTERPARTY RISK

Counterparty risk arising on trade receivables is limited due to the large number of clients and the broad range of businesses and countries concerned (France and international).

The financial instruments potentially exposing the Group to counterparty risk are cash and cash equivalents and derivative instruments. Counterparty risk arising on financial institutions is limited thanks to the Group's policy of pooling cash within the parent company wherever possible, and restricting the type and term of investments to less than three months. Moreover, cash and cash equivalents totaling €225.0 million are spread among the Group's subsidiaries, thereby limiting concentration risk. Financial transactions are chiefly entered into by Bureau Veritas SA with a limited number of investment grade banks under FBF-type or similar master arrangements.

Note 4 USE OF ESTIMATES

The preparation of financial statements involves the use of estimates, assumptions and judgments that may affect the reported amounts of certain items in the statement of financial position and/or income statement as well as the disclosures in the notes.

The estimates, assumptions and judgments used were determined based on the information available when the financial statements were drawn up and may not reflect actual conditions in the future.

The main estimates, assumptions and judgments used are described below:

MEASUREMENT OF PROVISIONS FOR CLAIMS AND DISPUTES AND FOR IMPAIRMENT OF TRADE RECEIVABLES

The Group records provisions for claims and disputes using the accounting policy described in Note 2.22.

These provisions are measured using various estimates and assumptions by reference to statistical data based on historical experience. They are discounted based on an estimate of the average duration of the obligation, an assumed rate of inflation and a discount rate that reflects the term to maturity of the obligation concerned.

Provisions for claims representing material amounts for which a lawsuit has been filed are measured on a case-by-case basis relying on independent experts' reports where appropriate. The costs which the Group ultimately incurs may exceed the amounts set aside to such provisions due to a variety of factors such as the uncertain nature of the outcome of the dispute.

Provisions for impairment in value of trade receivables are measured on a case-by-case basis based on the financial position of the debtor concerned and the probability of default or delinquency in payments.

MEASUREMENT OF INTANGIBLE ASSETS ACQUIRED IN BUSINESS COMBINATIONS

Intangible assets acquired in business combinations carried out by the Group include customer relationships, brands, concessions and non-competition agreements. The fair value of these items is generally measured by independent experts using assumptions relating to business forecasts for the companies concerned. Details of the Group's acquisitions during the year are provided in Note 10.

IMPAIRMENT OF GOODWILL

The Group tests annually whether the value of goodwill is impaired, in accordance with the accounting policy described in Note 2.10. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions which are described in Note 9.

INCOME TAXES

The Group is subject to income taxes in numerous jurisdictions. Judgment is required by management in determining the worldwide provision for income taxes. The Group considers that its ultimate tax determination is reasonable in the ordinary course of its business.

The Group recognizes deferred income tax assets for deductible temporary differences and tax loss carry forwards to the extent that it deems probable such assets will be recovered in the future (see Note 14 for details of the deferred income taxes recognized by the Group).

REVENUE RECOGNITION

The Group uses the percentage-of-completion method in accounting for certain service contracts (see Note 2.25 of the section on significant accounting policies). Use of this method requires the Group to estimate the services provided to date as a proportion of the total services to be provided.

MEASUREMENT OF LONG-TERM EMPLOYEE BENEFITS

The cost of long-term employee benefits under defined benefit plans is estimated using actuarial valuation methods. These methods require the use of assumptions which are described in Note 23. Due to the long-term nature of these plans, such estimates are subject to a significant degree of uncertainty.

FAIR VALUE OF SHARE-BASED PAYMENT

Share-based payments are expensed over the vesting period, based on their fair value at the grant date for equity-settled instruments or at the end of the reporting period for cash-settled transactions. Fair value is measured using appropriate valuation models requiring the use of assumptions, which are described in Note 21.

Note 5 SEGMENT REPORTING

This section only presents a segment analysis of revenue and operating profit. This analysis reflects the information used by the Group's management to monitor performance.

Intra-segment transactions have been eliminated.

Financial income and expense and income tax expenses are not allocated by business segment as they are managed at country level rather than by business.

Operating income and expenses relating to holding companies are allocated to the different segments in proportion to segment revenue.

	Revenue		Operating profit	
	2010	2009	2010	2009
Marine	313.5	314.8	90.5	99.7
Industry	757.4	630.0	75.1	59.9
Inspection & In-Service Verification	431.1	431.0	48.1	36.2
Construction	427.8	457.5	38.7	41.3
Certification	321.6	296.9	65.1	49.3
Consumer Products	382.3	359.1	103.6	99.4
Government Services & International Trade	180.1	158.5	30.5	19.6
Inspectorate	115.9	-	4.7	-
Total	2,929.7	2,647.8	456.3	405.4

In 2010, the activities of the Group's Health, Safety & Environment business (HSE) were reclassified among the four businesses of the Industry & Facilities division and the Government Services & International Trade business (GSIT).

Certain activities were also individually reclassified among businesses.

To provide a meaningful comparison, data for 2009 have been adjusted to reflect this new presentation.

At December 31, 2010, only the Government Services & International Trade business had a client that represented more than 10% of its revenue (see Note 3.C – Credit risk).

Note 6 OPERATING INCOME AND EXPENSE

	2010	2009
Supplies	(35.0)	(30.3)
Subcontracting	(196.5)	(174.5)
Lease payments	(104.9)	(97.0)
Transport and travel costs	(261.4)	(227.1)
Service costs rebilled to clients	45.2	41.9
Other external services	(290.8)	(263.1)
Total purchases and external charges	(843.4)	(750.2)
Salaries and bonuses	(1,158.6)	(1,051.2)
Payroll taxes	(270.3)	(247.4)
Other employee-related expenses	(50.5)	(37.8)
Total personnel costs	(1,479.4)	(1,336.5)
Provisions for receivables	(13.4)	(25.3)
Provisions for other liabilities and charges	15.5	(11.8)
Total (additions to)/reversals of provisions	2.1	(37.1)
Gains (losses) on disposals of property, plant and equipment and intangible assets	(2.7)	1.4
Goodwill impairment	(1.8)	(1.9)
Other operating income and expense	1.7	11.3
TOTAL OTHER OPERATING INCOME AND EXPENSE	(2.8)	10.8

In 2010, "Other operating income and expense" included €2.9 million relating to a research tax credit accruing to the Group's parent company (€3.9 million in 2009).

Note 7 OTHER FINANCIAL INCOME AND EXPENSE

	2010	2009
Expected return on funded pension plan assets	1.4	1.6
Foreign exchange gains/(losses)	2.3	-
Other financial income	3.7	1.6
Interest cost on pension plans	(6.5)	(7.1)
Foreign exchange gains/(losses)	-	(10.6)
Other	(6.4)	(1.0)
Other financial expense	(12.9)	(18.7)
OTHER FINANCIAL INCOME AND EXPENSE, NET	(9.2)	(17.1)

Note 8 INCOME TAX EXPENSE

	2010	2009
Current income tax	(138.3)	(96.1)
Deferred income tax	25.4	9.0
Total	(112.9)	(87.1)

The Finance Act of December 30, 2009 replaced local business tax in France with two new taxes for French entities as from 2010:

- the real property contribution, or *Cotisation Foncière des Entreprises* (CFE), based on the value of real properties;
- the value added contribution, or *Cotisation sur la Valeur Ajoutée des Entreprises* (CVAE), based on the value added resulting from the parent company financial statements.

In 2009, the Group considered the appropriate accounting treatment for the CVAE tax. Since the CVAE is based on value added, the Group considered that it met the definition of income tax provided by IAS 12. The IFRIC has clarified the scope of IAS 12 to include all taxes based

on taxable profit (a net balance of income and expenses), which may differ from profit for accounting purposes. The conditions for computing value added in accordance with Article 1586 *sexies* of the French Tax Code introduced by the 2010 Finance Act meet this definition.

At December 31, 2010, the full amount of the CVAE tax was shown on the income tax expense line in the consolidated income statement for €9.8 million.

The Company was subject to a tax audit for the 2005, 2006 and 2007 fiscal years. The appropriate provisions have been booked.

The difference between the effective tax expense and the theoretical tax obtained by applying the French standard tax rate to consolidated profit before income tax can be analyzed as follows:

	2010	2009
Profit before income tax	410.5	344.4
French parent company tax rate	34.4%	34.4%
Theoretical income tax charge based on the parent company tax rate	(141.3)	(118.6)
Income tax impact of transactions subject to a reduced tax rate	2.6	1.0
Differences in foreign tax rates	26.5	26.5
Impact of unrecognized tax losses	(0.7)	(1.5)
Utilization of previously unrecognized tax losses	1.4	0.5
Permanent differences	5.4	4.2
Changes in estimates	5.4	(1.1)
CVAE tax	(9.8)	-
Other	(2.4)	1.9
Actual income tax expense	(112.9)	(87.1)
EFFECTIVE INCOME TAX RATE	27.5%	25.3%

The breakdown of the tax effect on other comprehensive income is as follows:

	2010			2009		
	Before tax	Tax	After tax	Before tax	Tax	After tax
Currency translation differences	70.8	-	70.8	13.1	-	13.1
Actuarial gains/(losses)	(10.3)	3.0	(7.3)	(5.6)	1.9	(3.7)
Cash flow hedges	73.5	(4.1)	69.4	24.6	(2.6)	22.0
Total other comprehensive income	134.0	(1.1)	132.9	32.1	(0.7)	31.4

Note 9 GOODWILL**CHANGES IN GOODWILL IN 2010**

	Dec. 31, 2010	Dec. 31, 2009
Gross value	848.7	784.9
Accumulated impairment	(16.5)	(15.2)
Net goodwill at January 1	832.2	769.7
Acquisitions of consolidated businesses	417.0	20.3
Disposals of consolidated businesses	(2.6)	(10.2)
Impairment for the period	(1.8)	(1.9)
Exchange differences and other movements	84.5	54.3
Net goodwill at December 31	1,329.3	832.2
Gross value	1,345.7	848.7
Accumulated impairment	(16.4)	(16.5)
Net goodwill at December 31	1,329.3	832.2

ALLOCATION OF GOODWILL TO CGUS IN 2010

Goodwill allocated to the Group's main cash-generating units (CGUs) at December 31, 2010 can be analyzed as follows:

	Industry	Inspection & In-Service Verification	Construction	Certification	Total Industry & Facilities	GSIT	Consumer Products	Inspectorate	Total
2010	448.5	127.0	139.3	29.5	744.3	2.7	201.7	380.6	1,329.3
United States	20.1	34.9	92.9	7.5	155.4				
Spain	8.6	40.9	31.4	12.4	93.3				
United Kingdom	20.7	27.6	-	-	48.3				
Australia	322.3	-	-	-	322.3				
Other countries	76.8	23.6	15.0	9.6	125.0				
2009	364.9	124.5	133.1	30.5	653.0	2.7	176.5	-	832.2
United States	18.9	32.7	87.2	6.8	145.6				
Spain	8.6	40.9	31.4	13.5	94.4				
United Kingdom	16.2	31.3	-	-	47.5				
Australia	266.5	-	-	-	266.5				
Other countries	54.7	19.6	14.5	10.2	99.0				

Following the reclassification of the HSE business among the four businesses of the Industry & Facilities division and the GSIT business, HSE assets were reclassified accordingly based on their respective value in use at January 1, 2010 (see Note 5 – Segment reporting).

No goodwill has been allocated to the Marine business.

IMPAIRMENT TESTING METHODOLOGY

Goodwill recognized by the Group is tested for impairment at the end of each reporting period and allocated to cash-generating units (CGUs) for impairment testing purposes:

- for the Industry & Facilities division, a CGU corresponds to a separate business line for each country where a material amount of goodwill was recognized;
- for Consumer Products, the CGU covers the entire worldwide division, since the activities carried on by the entities in this division are interdependent.

The recoverable amount of CGUs is determined as set out in Note 2.10 – Impairment of non-financial assets. Value in use corresponds to surplus future cash flows generated by a CGU. These cash flows are estimated after allowing for maintenance expenditure, changes in working capital requirements and any non-recurring items. They are net of tax but exclude external financing costs. The cash flows are based on the latest medium- and long-term earnings forecasts.

There are two key inputs to the cash flow forecasts:

- **growth assumptions:** the amount of surplus cash flows depends on the performance of each CGU, which is based on growth assumptions spanning a period of five years. Beyond this period, performance is extrapolated using a perpetual growth rate

approximating the CGU's inflation rate. The perpetual growth rates used for the Group's main regions are 2.0% in Europe, 3.0% in the United States, and between 2% and 3.2% in Australia, depending on the business in question;

- **discount rate:** value in use is based on estimated surplus future cash flows discounted at the weighted average cost of capital (WACC). The discount rates used are post-tax rates. The WACC used in the calculations is determined by an independent expert, and adapted to the Group's different businesses and the geographic areas in which the CGUs are present.

RESULTS OF 2010 IMPAIRMENT TESTS

The growth outlook remains largely stable for the Group as a whole, except for Construction in Spain, where developments in the market prompted a downward revision of business prospects.

For the 2010 impairment tests, a specific analysis was carried out regarding estimated future cash flows for the Construction business in the US and Spain, and the Mining and Minerals segment in Australia.

The discount rates used at December 31, 2010 are identical to those used for the impairment tests carried out in 2009 with the exception of European countries, where a discount rate of 7% was applied as opposed to 8% previously.

The table below compares recoverable amounts with carrying amounts for these activities:

Country	Business	Currency	Carrying amount	Value in use
Australia	Mining and Minerals	AUD	510.5	511.8
United States	Construction	USD	139.0	161.7
Spain	Construction	EUR	46.0	74.1

Exceptionally, estimated cash flows for the Mining and Minerals business in Australia are based on a seven-year period. This complies with the treatment permitted by IAS 36, which usually requires the use of five-year cash flow forecasts. This approach is designed to reflect the business plan for this activity (most of which was acquired recently in 2008), which will take longer than the Group's existing businesses to reach maturity.

Due to a tough economic climate for the mining industry in 2009 – particularly in Australia, the valuation of this business was closely monitored given the significant investments made by the

Group. The discount rate of 10.2% was therefore maintained in 2010 (compared to 9% used for the Group's other activities in the country) in order to reflect the specific difficulties inherent to this investment, despite a significant improvement in conditions during the year. As from 2011, the Group's Australian Mining activity will be included in the group of CGUs defined for the new Commodities business set up following the acquisition of Inspectorate, due to the interdependence of these activities within the new division (see Note 32 – Events after the end of the reporting period).

The table below shows the sensitivity of recoverable amounts to key assumptions and estimates:

Country	Business	Discount rate		Growth rate	
		Rate used	Carrying amount < value in use if discount rate above	Rate used	Carrying amount < value in use if growth rate below
Australia	Mining and Minerals	10.20%	10.22%	3.2%	3.17%
United States	Construction	8.0%	8.8%	3.0%	2.0%
Spain	Construction	7.0%	9.9%	2.0%	(2.0)%

NB: Only a single parameter was changed in each case.

The Group took only limited impairment losses in 2010. These included (i) a €0.5 million write-down relating to a highly specialized business in the UK following the loss of a number of clients, and (ii)

a partial €1.3 million write-down of goodwill recognized in Denmark due to a structural change in volumes on the market concerned.

Note 10 ACQUISITIONS AND DISPOSALS

ACQUISITIONS DURING THE YEAR

The table below provides details of acquisitions in 2010:

► ACQUISITIONS OF 100% INTERESTS

Month	Company	Business	Country
January	SMSI	Inspection & In-Service Verification	USA
June	Advanced Coal Technology	Industry/Mining & Minerals	South Africa
July	K. Certificazioni	Inspection & In-Service Verification	Italy
September	Inspectorate	Inspectorate	World
September	NS Technology	Consumer Products	China
September	Halec	Inspection & In-Service Verification	France
November	Themis Ingenierie	Industry	France
December	Certitex	Certification	Italy

► OTHER ACQUISITIONS

Month	Company	% acquired	Business	Country
March	Fairweather	51%-71%	Industry	China

The purchase price for companies acquired in 2010 was allocated to their identifiable assets, liabilities and contingent liabilities at the end of the reporting period, based on information and valuations available at that date.

The table below was calculated prior to completing the final accounting for companies acquired in 2010:

	Dec. 31, 2010		Dec. 31, 2009	
Total purchase price	581.8		15.9	
Assets and liabilities acquired/assumed	Carrying amount	Fair value	Carrying amount	Fair value
Non-current assets	65.9	228.8	2.4	2.4
Current assets (excluding cash and cash equivalents)	79.2	79.2	5.8	5.8
Current liabilities (excluding borrowings)	(74.0)	(74.0)	(20.2)	(20.2)
Non-current liabilities (excluding borrowings)	(30.7)	(78.7)	(2.8)	(2.8)
Borrowings	-	0.0	0.0	-
Non-controlling interests acquired	(6.0)	(6.0)	-	(4.9)
Cash and cash equivalents of acquired companies	15.4	15.4	10.8	10.8
Total assets and liabilities acquired/assumed	49.9	164.8	(4.2)	(8.8)
GOODWILL	417.0		24.7	

The residual unallocated goodwill is chiefly attributable to the human capital of the companies acquired and the significant synergies expected to result from these acquisitions.

In 2010, the Group did not adjust the 2009 comparatives as the amount of the additional purchase consideration was not deemed material in relation to the total value of the goodwill.

The Group's acquisitions in 2010 were paid exclusively in cash.

The impact of these acquisitions on cash and cash equivalents for the period was as follows:

	Dec. 31, 2010	Dec. 31, 2009
Cost of acquisitions	(581.8)	(15.9)
Cash and cash equivalents of acquired companies	15.4	11.7
Purchase price outstanding at December 31 in respect of acquisitions during the year	4.3	0.2
Purchase price paid in relation to prior-year acquisitions	(1.2)	(23.7)
IMPACT OF ACQUISITIONS ON CASH AND CASH EQUIVALENTS	(563.3)	(27.7)

The amount of €567.5 million shown on the "Acquisitions of subsidiaries" line of the consolidated statement of cash flows includes €4.2 million in acquisition-related fees.

COMPARATIVE DATA

In 2010, Bureau Veritas acquired companies with aggregate annual revenue of around €350.9 million for 2010 and operating profit before amortization of intangible assets resulting from the business combinations of around €37.3 million.

In 2009, Bureau Veritas acquired companies and groups with aggregate annual revenue of around €2.2 million for 2009 and

operating profit before amortization of intangible assets resulting from the business combinations of around €0.8 million.

The table below sets out the Group's key financial indicators. It includes the major 2010 acquisitions of Inspectorate and Advanced Coal Technology as if these companies had been included in the consolidated financial statements at January 1, 2010. Operating profit includes 12-month amortization charged against intangible assets resulting from the business combinations.

The main acquisitions carried out in 2010 do not have a material impact on comparative indicators in the consolidated statement of cash flows.

	2010	2009
Revenue:		
As per financial statements	2,929.7	2,647.8
Comparable	3,157.6	2,651.3
Operating profit:		
As per financial statements	456.3	405.4
Comparable	471.7	406.1
Net profit for the year:		
As per financial statements	297.6	257.7
Comparable	309.7	258.2

DISPOSALS DURING THE YEAR

In 2010, the Group completed the streamlining of its business portfolio with the aim of divesting any non-core activities resulting from acquisitions made in prior periods.

The table below presents the impacts of the disposals carried out in 2010 on the statement of financial position and income statement:

	Dec. 31, 2010
Goodwill	2.6
Non-current assets	6.6
Current assets	8.0
Current and non-current liabilities	(8.5)
Carrying amount of assets sold	8.7
Gains/(losses) on disposals of consolidated businesses	(1.9)
Proceeds from disposals of consolidated businesses	6.8
o/w payment received	6.8
o/w payment deferred	-

The amount of €8.8 million shown on the "Proceeds from sales of subsidiaries" line of the consolidated statement of cash flows includes €2.0 million reflecting the impact of cash transferred.

Note 11 INTANGIBLE ASSETS

	Dec. 31, 2009	Acquisitions/ Additions to provisions	Disposals/ Reversals of provisions	Changes in scope of consolidation	Exchange differences and other movements	Dec. 31, 2010
Software	49.8	7.0	(6.3)	1.5	9.5	61.5
Customer relationships	173.9	0.1	(0.5)	145.7	17.5	336.7
Brands	33.2	-	-	15.7	3.8	52.7
Gross value	256.9	7.1	(6.8)	162.9	30.8	450.9
Software	(32.4)	(6.6)	2.5	-	(0.9)	(37.4)
Customer relationships	(49.9)	(23.9)	-	-	(5.6)	(79.4)
Brands	(3.2)	(1.6)	-	-	1.1	(3.7)
Accumulated amortization and impairment	(85.5)	(32.1)	2.5	-	(5.4)	(120.5)
Software	17.4	0.4	(3.8)	1.5	8.6	24.1
Customer relationships	124.0	(23.8)	(0.5)	145.7	11.9	257.3
Brands	30.0	(1.6)	-	15.7	4.9	49.0
Intangible assets, net	171.4	(25.0)	(4.3)	162.9	25.4	330.4

	Dec. 31, 2008	Acquisitions/ Additions to provisions	Disposals/ Reversals of provisions	Changes in scope of consolidation	Exchange differences and other movements	Dec. 31, 2009
Software	36.6	8.4	(0.5)	0.2	5.1	49.8
Customer relationships	150.3	-	(1.6)	2.4	22.8	173.9
Brands	28.0	-	-	-	5.2	33.2
Gross value	214.9	8.4	(2.1)	2.6	33.1	256.9
Software	(28.3)	(4.9)	0.4	(0.2)	0.6	(32.4)
Customer relationships	(29.0)	(18.8)	0.9	-	(3.0)	(49.9)
Brands	(2.7)	(0.6)	-	-	0.1	(3.2)
Accumulated amortization and impairment	(60.0)	(24.3)	1.3	(0.2)	(2.3)	(85.5)
Software	8.3	3.5	(0.1)	-	5.7	17.4
Customer relationships	121.3	(18.8)	(0.7)	2.4	19.8	124.0
Brands	25.3	(0.6)	-	-	5.3	30.0
Intangible assets, net	154.9	(15.9)	(0.8)	2.4	30.8	171.4

Amortization charged against intangible assets in 2010 totaled €32.1 million (€24.3 million in 2009).

Note 12 PROPERTY, PLANT AND EQUIPMENT

	Dec. 31, 2009	Acquisitions/ Additions to provisions	Disposals/ Reversals of provisions	Changes in scope of consolidation	Exchange differences and other movements	Dec. 31, 2010
Land	1.9	-	-	0.2	0.4	2.5
Buildings	22.6	2.4	(0.4)	12.5	0.5	37.6
Fixtures and fittings, machinery and equipment	316.6	29.8	(16.5)	86.4	38.8	455.1
IT equipment and other	151.9	20.0	(12.5)	32.2	6.5	198.1
Construction in progress	16.3	18.0	-	0.2	(19.7)	14.8
Gross value	509.3	70.2	(29.4)	131.5	26.5	708.1
Land						-
Buildings	(15.1)	(0.9)	0.4	(5.7)	-	(21.3)
Fixtures and fittings, machinery and equipment	(180.3)	(35.3)	14.4	(49.3)	(13.7)	(264.2)
IT equipment and other	(105.7)	(20.9)	10.6	(22.2)	(3.3)	(141.5)
Construction in progress	-	-	-	-	-	-
Accumulated depreciation and impairment	(301.1)	(57.1)	25.4	(77.2)	(17.0)	(427.0)
Land	1.9	-	-	0.2	0.4	2.5
Buildings	7.5	1.5	-	6.8	0.5	16.3
Fixtures and fittings, machinery and equipment	136.3	(5.5)	(2.1)	37.1	25.1	190.9
IT equipment and other	46.2	(0.9)	(1.9)	10.0	3.2	56.6
Construction in progress	16.3	18.0	-	0.2	(19.7)	14.8
Property, plant and equipment, net	208.2	13.1	(4.0)	54.3	9.5	281.1

	Dec. 31, 2008	Acquisitions/ Additions to provisions	Disposals/ Reversals of provisions	Changes in scope of consolidation	Exchange differences and other movements	Dec. 31, 2009
Land	1.6	0.1	-	-	0.2	1.9
Buildings	21.9	1.6	(1.4)	-	0.5	22.6
Fixtures and fittings, machinery and equipment	272.5	27.7	(8.3)	3.8	20.9	316.6
IT equipment and other	144.7	16.3	(13.2)	0.3	3.8	151.9
Construction in progress	16.0	11.1	-	0.2	(11.0)	16.3
Gross value	456.7	56.8	(22.9)	4.3	14.4	509.3
Land	-					-
Buildings	(15.0)	(1.0)	0.9	-	-	(15.1)
Fixtures and fittings, machinery and equipment	(147.6)	(30.2)	5.5	(0.8)	(7.2)	(180.3)
IT equipment and other	(100.7)	(16.5)	12.5	(0.2)	(0.8)	(105.7)
Construction in progress	-					-
Accumulated depreciation and impairment	(263.3)	(47.7)	18.9	(1.0)	(8.0)	(301.1)
Land	1.6	0.1	-	-	0.2	1.9
Buildings	6.9	0.6	(0.5)	-	0.5	7.5
Fixtures and fittings, machinery and equipment	124.9	(2.5)	(2.8)	3.0	13.7	136.3
IT equipment and other	44.0	(0.2)	(0.7)	0.1	3.0	46.2
Construction in progress	16.0	11.1	-	0.2	(11.0)	16.3
Property, plant and equipment, net	193.4	9.1	(4.0)	3.3	6.4	208.2

Depreciation charged against property, plant and equipment in 2010 totaled €57.0 million (€46.3 million in 2009).

Note 13 INVESTMENTS IN ASSOCIATES

	2010	2009
Investments in associates at January 1	0.6	2.8
Dividends and share of profits	-	-
Gains/(losses) during the year	(0.1)	0.1
Other movements	-	(2.3)
INVESTMENTS IN ASSOCIATES AT DECEMBER 31	0.5	0.6

Investments in associates	Country	Assets	Liabilities	Revenue	Contribution to consolidated net profit for the year	% interest
At December 31, 2010						
ATSI	France	2.1	1.5	3.8	-	49.9%
BV EM & I LTD	United Kingdom	4.5	4.4	9.9	(0.1)	50.0%
At December 31, 2009						
ATSI	France	1.8	1.2	3.5	-	49.9%
BV EM & I LTD	United Kingdom	4.9	4.6	10.0	0.1	50.0%

Note 14 DEFERRED INCOME TAX

The table below provides details of the deferred income tax recognized in the statement of financial position:

Analysis of deferred income tax by maturity	Dec. 31, 2010	Dec. 31, 2009
Deferred income tax assets		
Non-current	42.1	31.0
Current	32.1	35.3
Total	74.2	66.3
Deferred income tax liabilities		
Non-current	(65.2)	(36.3)
Current	5.3	1.1
Total	(59.9)	(35.2)
NET DEFERRED INCOME TAX ASSETS	14.3	31.1

Deferred taxes at December 31, 2010 are presented after offsetting deferred tax assets and deferred tax liabilities relating to the same tax entity.

Movements in deferred taxes during the year were as follows:

Movements in deferred taxes during the year	2010	2009
Net deferred income tax assets at January 1	31.1	27.2
Deferred tax income/(expense) for the year	25.4	9.0
Deferred income taxes recognized directly in equity	0.8	(0.1)
Acquisitions of subsidiaries	(43.9)	(1.9)
Exchange differences	0.9	(3.1)
NET DEFERRED INCOME TAX ASSETS AT DECEMBER 31	14.3	31.1

Net changes in deferred taxes during the year are shown below before offsetting at the level of taxable entities:

	Pension plans and other employee benefit obligations	Provisions for contract-related disputes	Tax loss carry forwards	Gains taxable in future periods	Customer relationships	Other	Total
At December 31, 2008	22.5	3.7	25.0	(7.2)	(43.2)	26.4	27.2
Recognized in the income statement	-	0.1	(13.2)	(0.4)	3.2	19.3	9.0
Recognized directly in equity	1.9	-	-	-	-	(2.0)	(0.1)
Reclassifications	0.4	0.2	(2.6)	(3.9)	12.1	(6.2)	-
Acquisitions of subsidiaries	-	-	-	-	(1.9)	-	(1.9)
Exchange differences	0.2	-	-	(0.3)	(4.5)	1.5	(3.1)
At December 31, 2009	25.0	4.0	9.2	(11.8)	(34.3)	39.0	31.1
Recognized in the income statement	-	(1.6)	7.1	(1.0)	6.5	14.4	25.4
Recognized directly in equity	3.9	-	-	-	-	(3.1)	0.8
Reclassifications	-	-	-	(1.1)	-	1.1	-
Acquisitions of subsidiaries	0.1	0.2	1.3	(2.5)	(43.0)	-	(43.9)
Exchange differences	0.4	-	0.7	(1.4)	(2.7)	3.9	0.9
At December 31, 2010	29.4	2.6	18.3	(17.8)	(73.5)	55.3	14.3

Other deferred taxes relate mainly to non-deductible accrued charges and provisions.

At December 31, 2010, cumulative unrecognized tax loss carry forwards totaled €68.9 million, of which €2.4 million arose in 2010 (end-2009: €30.1 million, of which €4.8 million arose in 2009).

The corresponding unrecognized deferred tax assets amounted to €18.3 million, of which €0.7 million arose in 2010 (end-2009: €8.1 million, of which €1.5 million arose in 2009).

Note 15 INVESTMENTS IN NON-CONSOLIDATED COMPANIES

	2010	2009
Investments in non-consolidated companies at January 1	0.4	2.0
Movements during the year		
Acquisitions	0.2	-
Other movements	0.1	(1.6)
INVESTMENTS IN NON-CONSOLIDATED COMPANIES AT DECEMBER 31	0.7	0.4

All of the Group's investments in non-consolidated companies correspond to shares acquired in unlisted companies.

Note 16 OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

	Dec. 31, 2010	Dec. 31, 2009
Other non-current financial assets		
Deposits and guarantees	29.6	20.9
Other	12.0	10.3
TOTAL	41.6	31.2
Current financial assets		
Non-monetary mutual funds (SICAV)	2.3	3.4
Other	4.6	4.5
TOTAL	6.9	7.9

Deposits and guarantees primarily correspond to deposits relating to lease payments on office premises and do not bear interest. All of the Group's deposits and guarantees are presented within non-current financial assets. The vast majority of these have maturities of one to five years.

The Group considers that the fair value of these deposits and guarantees approximated their carrying amount at December 31, 2010 and December 31, 2009.

Marketable securities including certain non-monetary mutual funds (SICAV) and some other non-current financial assets have been pledged by the Group. These pledged assets represented a total carrying amount of €9.8 million at December 31, 2010 (end-2009: €9.9 million).

Note 17 DERIVATIVE FINANCIAL INSTRUMENTS

In the first-half of 2005, the Group set up a floating-rate syndicated loan and a number of interest rate swaps to hedge a portion of the interest rate risk arising on its USD-denominated debt (floating-rate lender/fixed-rate borrower swaps and collars). Further similar hedging arrangements were set up at the end of 2006 and in the first half of 2007 to protect the Group against the interest rate risk arising on its euro-denominated debt.

Other interest rate hedges have also been entered into since 2008.

The net-of-tax impact of the change in accounting policy regarding cash flow hedges with effect from July 1, 2008 totaled €7 million

at December 31, 2008 (see Note 2.17 – Derivative financial instruments).

As certain interest rate instruments such as the cancelable swap do not meet the criteria for hedge accounting under IAS 39, they are measured at fair value in the statement of financial position with a corresponding entry in the income statement.

A currency hedge has been contracted swapping for euros (i) the Group's USPP debt in US dollars and pounds sterling, and (ii) part of the amortizable USD tranche of the 2006 syndicated loan.

The interest rate derivatives in place at December 31, 2010 were as follows:

Interest rate derivatives	Maturity	Notional amount	Fair value of derivative
Basic swap	03/27/2011	EUR 50 million	(0.0)
Basic swap	03/31/2011	EUR 50 million	(0.0)
Basic swap	04/20/2011	EUR 70 million	(0.1)
Swap	01/30/2011	EUR 50 million	(0.4)
Swap	05/30/2011	EUR 50 million	(0.6)
Collar	06/15/2012	EUR 50 million	(2.5)
Swap	04/22/2013	EUR 70 million	(5.6)
Swap	06/27/2013	EUR 50 million	(2.2)
Total at December 31, 2010		Liabilities	(11.4)

The currency derivatives in place at December 31, 2010 were as follows:

Currency derivatives	Maturity	Notional amount	Fair value of derivative
	05/22/2013	USD 119 million	(5.9)
	07/16/2018	GBP 23 million	(2.3)
	07/16/2018	USD 155 million	18.3
	07/16/2020	GBP 40 million	(4.7)
	07/16/2020	USD 111 million	13.0
Total at December 31, 2010		Assets	18.5

Gains totaling €19.4 million accumulated in equity at December 31, 2010 in respect of cash flow hedges will be reclassified to net financial expense over the residual life of the items hedged, i.e., the US Private Placement for currency hedges, and the "Club Deal" agreement and syndicated loan for interest rate hedges. A description of the maturity of these loans is provided in Note 22 on financial liabilities.

A cash flow hedge was taken out in respect of the interest expense on these interest rate and currency hedges for an amount of €2.5 million in 2010.

No ineffective portion is recognized in financial income and expense in 2010 in respect of these cash flow hedges.

Note 18 TRADE AND OTHER RECEIVABLES

	Dec. 31, 2010	Dec. 31, 2009
Trade and other receivables	889.4	770.1
Inventories	4.8	2.8
Other receivables	112.8	87.5
Total, gross	1,007.0	860.4
Provisions at January 1	(61.5)	(49.5)
Net additions/reversals during the period	(3.1)	(12.8)
Changes in scope of consolidation	(6.2)	-
Exchange differences and other movements	(6.5)	0.8
Provisions at December 31	(77.3)	(61.5)
TRADE AND OTHER RECEIVABLES, NET	929.7	798.9

The Group considers that the fair value of its trade and other receivables approximates their carrying amount as they all fall due within one year.

Government receivables include an amount of USD 22.0 million (€16.5 million at December 31, 2010) which has been fully provisioned for a number of years.

There is little concentration of credit risk in relation to the Group's trade receivables due to the significant number of clients and their geographic diversity.

The table below presents an aged balance of trade and other receivables for which no provisions have been set aside:

	Dec. 31, 2010	Dec. 31, 2009
Trade and other receivables	889.4	770.1
of which		
• Not provisioned and not yet due	470.0	397.2
• Not provisioned and due:		
Less than 1 month past due:	142.0	135.2
1 to 3 months past due	99.4	81.5
3 to 6 months past due	52.7	40.5
More than 6 months past due	49.0	55.2

Note 19 CASH AND CASH EQUIVALENTS

	Dec. 31, 2010	Dec. 31, 2009
Marketable securities	40.2	15.5
Cash at bank and on hand	184.8	131.5
Total	225.0	147.0

Marketable securities primarily correspond to units in monetary mutual funds (SICAV) which meet the definition of cash and cash equivalents set out in IAS 7.

Net cash and cash equivalents as reported in the statement of cash flows comprise:

	Dec. 31, 2010	Dec. 31, 2009
Cash and cash equivalents	225.0	147.0
Bank overdrafts (Note 22)	(23.6)	(7.7)
Net cash and cash equivalents as reported in the consolidated statement of cash flows	201.4	139.3

Note 20 SHARE CAPITAL**SHARE CAPITAL**

The total number of shares comprising the share capital was 109,268,601 at December 31, 2010 and 109,096,410 in 2009.

All shares have a par value of €0.12 and are fully paid up.

TREASURY SHARES

At December 31, 2010, the Group owned 746,991 of its own shares. The carrying amount of these shares was deducted from equity.

CAPITAL INCREASE

Following the exercise of 172,177 stock options and the creation of 14 shares, the Group carried out a capital increase resulting in a total increase of €1.6 million in the share premium.

Note 21 SHARE-BASED PAYMENT

The Group has set up four types of equity-settled compensation plans:

- stock option plans;
- stock ownership plans at preferential terms;
- free share plans;
- stock appreciation rights.

In 2010, new estimates and assumptions were used in order to determine more accurately the staff turnover rate in the period over which the stock options and free shares vest. The impact of these new estimates in the income statement was an expense of €2.5 million.

STOCK OPTION PLANS

Description

Stock options are granted to senior managers and other selected employees. All stock option plans entitle their holders to subscribe for newly issued shares on exercise of their options. The Group

has no legal or constructive obligation to repurchase or settle the options in cash.

Options are conditional on the employee having completed three or five years' service depending on the plan. They are valid for eight years after the grant date.

The exercise price of the options is set at the grant date and may not be changed, except for the February 2006 and July 2006 plans whose initial exercise price is subject to an increase at a rate of 8.5% per year applied on an accrual basis until the date when the options are exercised by the beneficiary.

Pursuant to a decision of the Board of Directors on July 23, 2010, the Group awarded 244,200 stock options to three corporate officers and certain employees. The options granted may be exercised at a fixed price of €46.31. The award is conditional on the employee having completed three years' service, and on achieving a performance target based on adjusted operating profit for 2010. The options are valid for eight years after the grant date.

The average fair value of options granted during the year was €9.79 per option (2009: €11.25).

► MOVEMENTS IN STOCK OPTIONS (BASED ON EQUIVALENT NUMBERS OF SHARES)

	Weighted average exercise price of options (share equivalents)	Number of options (share equivalents)	Average residual life of outstanding options
At December 31, 2008	15.25	3,014,020	5.3 years
Options granted during the year	34.98	266,500	
Options cancelled during the year	17.52	(117,700)	
Options exercised during the year	8.30	(487,983)	
At December 31, 2009	18.40	2,674,837	4.6 years
Options granted during the year	46.31	244,200	
Options cancelled during the year	9.28	(102,500)	
Options exercised during the year	16.05	(172,177)	
AT DECEMBER 31, 2010	21.65	2,644,360	4.2 YEARS

Of the total number of outstanding options, 29,460 were exercisable at December 31, 2010 (end-2009: 201,637 options).

► OVERVIEW OF STOCK OPTIONS OUTSTANDING AT YEAR-END

Start date of plan	Expiration date	Exercise price (in € per share)	Number of options (share equivalents)	
			Dec. 31, 2010	Dec. 31, 2009
3/7/2002 Plan	03/07/2010	6.19	-	31,037
7/25/2003 Plan	07/25/2011	9.58	25,460	161,600
11/15/2004 Plan	11/15/2012	12.09	4,000	9,000
2/1/2006 Plan	02/01/2014	15.17	1,283,500	1,343,500
7/12/2006 Plan	07/12/2014	17.30	137,000	137,000
1/31/2007 Plan	01/31/2015	17.30	558,000	600,500
6/9/2008 Plan	06/09/2016	38.35	129,000	129,000
7/3/2009 Plan	07/03/2017	34.98	263,200	263,200
7/23/2010 Plan	07/23/2018	46.31	244,200	-
Number of options at December 31			2,644,360	2,674,837

Measurement

The fair value of the options outstanding during the year was determined using the Black-Scholes option pricing model, except for the 2006 plans which were measured using the binomial model.

The fair value of options granted in 2010 was calculated based on the following assumptions:

- exercise price: €46.31;
- expected share volatility: 26% (2009: 29%);
- dividend yield: 1.8% (2009: 2.1%);
- expected option life: 4 years (2009: 7 years);
- risk-free interest rate of 1.59% (2009: 3.15%), determined by reference to the yield on government bonds over the estimated life of the rights.

The performance conditions attached to the July 3, 2009 stock option plan and based on adjusted operating profit for 2009 were met. The number of options that will vest is estimated based on an attrition rate of 5% per year in 2010 (2009: 10%).

In 2010, the expense recognized by the Group in respect of stock options amounted to €1.7 million (2009: €1.6 million). This amount takes account of the change in the attrition rate used (i.e., 5% in 2010 compared to 10% in 2009 and 2008), representing an additional expense of €0.2 million.

STOCK OWNERSHIP PLAN AT PREFERENTIAL TERMS**Description**

On December 13, 2007, the Group set up an employee stock ownership plan pursuant to a decision of the Management Board. Within the scope of this plan, the Group's employees subscribed to

1,143,905 shares as part of a cash capital increase carried out for this purpose at a 20% discount on the IPO price. The shares are non-transferable for a period of five years.

Measurement

The fair value of employee services received in exchange for the 20% discount granted on the IPO price is estimated at €1.87 per share based on the methodology described in Note 2.24.

The main valuation assumptions used were as follows:

- share price at the listing date: €37.75;
- subscription price: €30.20;
- discount corresponding to risks and liquidity requirements: 15.05%.

No expense was recognized in 2010 or 2009 for stock purchases at preferential terms.

FREE SHARE GRANTS**Description**

On July 23, 2010, the Group awarded free shares to three corporate officers and certain employees, pursuant to a decision of the Board of Directors. Employees must have completed three years' service in France or four years' service outside France to be eligible for the free share plan. Eligibility for free shares also depends on meeting a series of performance targets based on adjusted operating profit for 2010 and adjusted operating margin for 2011 and 2012. Shares granted in France are subject to a non-transferability period of two years.

► OVERVIEW OF FREE SHARE PLANS OUTSTANDING AT YEAR-END:

Grant date	Expiration date	Number of shares
12/13/2007 Plan (employees)	12/13/2011	71,150
06/09/2008 Plan	06/09/2013	137,650
06/09/2008 Plan	-	226,250
09/22/2008 Plan (management)	09/22/2013	55,000
07/03/2009 Plan	07/03/2014	339,400
07/23/2010 Plan	07/23/2015	456,100
Number of shares at December 31, 2010		1,285,550

Measurement

The weighted average fair value of free shares awarded in 2010 comes out at €43.47 per share (2009: €28.07).

The following main assumptions were used to value the free shares granted in 2010:

- share price at the grant date;
- dividend yield: 1.8% (2009: 2.1%);
- discount corresponding to risks and liquidity requirements: 6.8% (2009: 23%).

The performance conditions attached to the July 3, 2009 stock option plan and relating to adjusted operating profit for 2009 were met. The number of options that will vest is estimated based on an attrition rate of 5% per year in 2010 (2009: 10%).

In 2010, the expense recognized by the Group in respect of free share grants totaled €10.1 million (2009: €5.0 million). This amount

takes account of the change in the attrition rate used (i.e., 5% in 2010 compared to 10% in 2009 and 2008), representing an additional expense of €1.1 million.

STOCK APPRECIATION RIGHTS**Description**

On December 13, 2007, stock appreciation rights were awarded to certain Group employees pursuant to a decision of the Management Board.

These rights are not subject to any vesting conditions. They are valid for a maximum term of six years from the grant date and may be exercised early should the employees concerned leave the Group. The exercise price is set at the grant date and may not be subsequently modified.

► OVERVIEW OF STOCK APPRECIATION RIGHTS OUTSTANDING AT YEAR-END:

Start date of plan	Expiration date	Exercise price (in € per share)	Number of options (share equivalents)	
			2010	2009
12/13/2007 Plan	12/12/2013	30.20	57,344	62,054
Number of options at December 31			57,344	62,054

Measurement

The fair value of these instruments was estimated at €29.94 per right under the Black-Scholes option pricing model (2009: €13.35 per right).

The main valuation assumptions used were as follows:

- share price at year-end;
- dividends vested over the term applicable to the rights;
- expected share volatility: 26% (2009: 35%);
- risk-free interest rate of 1.51% (2009: 1.74%), determined by reference to the yield on government bonds over the estimated life of the rights.

At December 31, 2010, the debt recognized by the Group in respect of stock appreciation rights amounted to €1.7 million (2009: €0.8 million). The increase in the debt was recognized in operating expenses for €0.9 million (2009: operating expense of €0.1 million).

To hedge its exposure to changes in the price of BVSA shares, the Group entered into a futures contract in February 2008 to buy 78,310 BVSA shares in exchange for payment of a €0.5 million premium. This premium is included in "Current financial assets" and measured at fair value at the end of the reporting period. The gain or loss arising on the remeasurement to fair value is taken to operating income and expense, and represented income of €1.1 million in 2010 (2009: expense of €0.4 million).

Note 22 FINANCIAL LIABILITIES

	Total	Due within 1 year	Due between 1 and 2 years	Due between 2 and 5 years	Due beyond 5 years
At December 31, 2009					
Bank borrowings (long-term portion)	740.8	-	66.6	419.2	255.0
Other non-current financial liabilities	1.9	-	1.9	-	-
Non-current financial liabilities	742.7	-	68.5	419.2	255.0
Bank borrowings (short-term portion)	77.8	77.8	-	-	-
Bank overdrafts	7.7	7.7	-	-	-
Other current financial liabilities	10.1	10.1	-	-	-
Current financial liabilities	95.6	95.6	-	-	-
At December 31, 2010					
Bank borrowings (long-term portion)	1,185.8	-	238.7	490.7	456.4
Other non-current financial liabilities	0.2	-	0.2	-	-
Non-current financial liabilities	1,186.0	-	238.9	490.7	456.4
Bank borrowings (short-term portion)	85.2	85.2	-	-	-
Bank overdrafts	23.6	23.6	-	-	-
Other current financial liabilities	12.9	12.9	-	-	-
Current financial liabilities	121.7	121.7	-	-	-
Estimated interest payable on bank borrowings	256.6	35.3	39.7	88.3	93.2
Impact of cash flow hedges (principal and interest)	(24.5)	6.6	3.7	(4.0)	(30.8)

The year-on-year increase in debt is chiefly attributable to the acquisition policy which resumed in 2010 with the acquisition of Inspectorate in the second half of the year.

In calculating interest, the maturity of the revolving facility granted as part of the syndicated loan was taken as its contractual maturity, i.e., May 2013 for 95% of the debt and May 2012 for the remaining 5%. The interest calculated also takes into account the impact of interest rate and currency hedges.

SYNDICATED LOAN AGREEMENT

The Group's main source of financing is a syndicated loan taken out in May 2006. The loan comprises a USD 560 million amortizable tranche maturing in May 2013 and a €550 million revolving facility, 5% of which matures in May 2012 and 95% in May 2013.

Drawdowns on both tranches of this syndicated credit line totaled €586.8 million at December 31, 2010. The amortizable tranche had been fully drawn down while €125 million remained available under the revolving facility.

"CLUB DEAL 2007" LOAN AGREEMENT

In October 2007, the Group set up a five-year loan for €150 million. The terms and conditions of the "Club Deal 2007" agreement are similar to those of the 2006 syndicated loan, except for the spread table.

2008 US PRIVATE PLACEMENT FACILITY

In July 2008, the Group completed a US Private Placement (USPP) maturing in July 2018 and July 2020, to diversify its sources of financing and extend the maturity of its debt. The placement was subscribed by investors and comprises four tranches redeemable at maturity in US dollars and pounds sterling.

2010 US PRIVATE PLACEMENT FACILITY

To fund its acquisition of Inspectorate, the Group drew down the full amount (USD 225 million) of its multi-currency line contracted with a US institutional investor for €184.1 million. The terms and conditions of the facility are similar to those for the USPP 2008, with the exception of the term (nine years maturing in July 2019), the drawdown currency and the interest rate (4.095%).

2010 FRENCH PRIVATE PLACEMENT FACILITY

In June 2010, the Group set up a bank line of credit with French institutional investors for a total of €200 million. This facility is for a term of five years and falls due in June 2015. The terms and conditions of the facility are similar to those of the 2006 syndicated loan, except for the spread table.

COVENANTS

The syndicated credit line, "Club Deal 2007" agreement, and the USPP 2010 and French PP 2010 are subject to the following covenants:

- the interest cover ratio (EBITDA divided by net financial expense) must be greater than 5.5;
- the leverage ratio (consolidated net debt divided by EBITDA) must be less than 3.

This ratio is calculated on a trailing 12-month basis, twice yearly (June 30 and December 31).

The same covenants feature in the USPP 2008 agreement. However, the leverage ratio must be less than 3.25.

The Group complied with all such covenants at December 31, 2010.

CURRENCY RISK

Short-and long-term bank borrowings can be analyzed as follows by currency:

Currency	Dec. 31, 2010	Dec. 31, 2009
US dollar (USD)	286.9	84.8
Euro (EUR)	917.3	692.5
Pound sterling (GBP)	52.3	27.0
Other currencies	14.5	14.3
Total	1,271.0	818.6

The USPP debt including tranches in pounds sterling and US dollars has been converted into euros using a currency swap and is therefore included on the "Euro (EUR)" line. A portion of the USD debt under the amortizable tranche of the syndicated loan has also been converted into euros and is included on the "Euro (EUR)" line.

INTEREST RATE RISK

To manage its interest rate risk and protect itself mainly against rising interest rates, the Group seeks to achieve a balanced fixed-rate/floating-rate mix for its debt.

At December 31, 2010 and 2009, gross debt can be analyzed as follows:

	Dec. 31, 2010	Dec. 31, 2009
Fixed rate	462.4	263.0
Floating rate	808.6	555.6
Total	1,271.0	818.6

The reference interest rates for floating-rate debt depend on the drawdown currency (Euribor for euro debt, USD Libor for debt in US dollars, and Libor GBP for debt in pounds sterling).

The contractual repricing dates for virtually all floating-rate borrowings are within six months.

The interest rates applicable to the Group's bank borrowings and the margin at December 31, 2010 and 2009 are detailed below:

Currency	Dec. 31, 2010	Dec. 31, 2009
US dollar (USD)	0.51%	0.59%
Euro (EUR)	1.24%	0.95%
Pound sterling (GBP)	0.84%	0.84%

Effective interest rates (EIR) approximate nominal rates for all financing programs.

Analyses of sensitivity to changes in interest and exchange rates as defined by IFRS 7 are provided in Note 30 – Additional financial instrument disclosures.

Note 23 PENSION PLANS AND OTHER LONG-TERM EMPLOYEE BENEFITS

The Group's defined benefit plans cover the following:

- pension schemes, primarily comprising plans that have been closed to new entrants for several years. The Group's pension schemes are generally unfunded – except for a very limited number

that are funded through payments to insurance companies – and are valued based on periodic actuarial calculations;

- termination benefits; and
- long-service awards.

The related obligations recorded in the statement of financial position were as follows:

	Dec. 31, 2010	Dec. 31, 2009
Present value of defined benefit obligations	145.4	123.0
o/w pension benefits	88.6	73.5
o/w termination benefits	41.4	36.2
o/w long-service awards	15.4	13.3
Fair value of plan assets	(42.7)	(35.0)
Deficit/(surplus)	102.7	88.0

Income statement charge by type of benefit:

	Dec. 31, 2010	Dec. 31, 2009
Pension benefits	(5.6)	(6.2)
Termination benefits	(6.4)	(6.1)
Long-service awards	(2.6)	(2.5)
Total	(14.6)	(14.8)

PENSION BENEFITS

The amounts recognized in the statement of financial position in respect of pension benefit obligations were computed as follows:

	Dec. 31, 2010	Dec. 31, 2009
Present value of funded obligations	51.9	40.9
Fair value of plan assets	(42.7)	(35.0)
Deficit/(surplus) on funded obligations	9.2	5.9
Present value of unfunded obligations	36.7	32.6
Liability recognized in the statement of financial position	45.9	38.5

The table below shows the amounts recognized in the income statement:

	2010	2009
Current service cost, included in operating profit	(2.5)	(2.9)
Interest cost	(4.2)	(4.6)
Expected return on plan assets	1.4	1.6
TOTAL INCLUDED IN NET FINANCIAL EXPENSE	(2.8)	(3.0)

The actual return on plan assets was €6.3 million in 2010 and €6.7 million in 2009.

Movements in the related benefit obligation were as follows:

	2010	2009
At January 1	73.5	57.2
Current service cost	2.5	2.9
Interest cost	4.2	4.6
Actuarial losses/(gains)	12.7	5.8
Currency translation differences	1.8	0.9
Benefits paid	(3.2)	(2.4)
Liabilities assumed in a business combination and other movements	(2.9)	4.5
AT DECEMBER 31	88.6	73.5

Movements in the fair value of plan assets were as follows:

	2010	2009
At January 1	35.0	26.7
Expected return on pension plan assets	1.4	1.6
Actuarial (losses)/gains	6.1	2.8
Currency translation differences	1.0	0.4
Employer contributions	1.2	2.8
Other movements	(2.0)	0.7
AT DECEMBER 31	42.7	35.0

Plan assets break down as follows by type of financial instrument:

	Dec. 31, 2010		Dec. 31, 2009	
Equity instruments	12.7	30%	7.1	20%
Debt instruments	2.3	5%	2.6	8%
Other	27.7	65%	25.3	72%
TOTAL	42.7	100%	35.0	100%

The expected return on plan assets was determined by considering the expected returns on the assets underlying the current investment policy. Expected yields on fixed-interest investments are based on gross redemption yields at the end of the reporting period. Expected returns on equity and property investments reflect long-term actual rates of return experienced in the respective markets.

The main actuarial assumptions used were as follows:

	Germany	France	Italy	Netherlands	United Kingdom	2010
Discount rate	4.3%	4.3%	4.5%	4.6%	5.5%	4.7%
Expected return on plan assets				4.6%	6.3%	5.2%
Estimated increase in future salary levels	2.5%	3.3%	2.0%	2.0%	3.4%	2.8%
Estimated increase in future pension benefit levels	2.0%	2.0%	3.0%	2.0%	3.4%	2.3%

	Germany	France	Italy	Netherlands	United Kingdom	2009
Discount rate	5.3%	5.3%	4.4%	5.5%	5.7%	5.4%
Expected return on plan assets				5.5%	6.8%	6.0%
Estimated increase in future salary levels	2.0%	3.3%	2.0%	1.0%	2.0%	2.3%
Estimated increase in future pension benefit levels	2.0%	2.0%	3.0%	1.5%	3.7%	2.2%

Data for 2010 and 2009 represent the weighted average rates for the five countries.

Assumptions concerning future mortality rates are based on published statistics and historical data for each geographical region. INSEE 2002 tables are used for benefit obligations in France.

The discount rate represents the yield on investment-grade corporate bonds, and is the average of the rates used by the five countries with the largest obligations for the Group. At December 31, 2010, the benefit obligation relating to France, representing the Group's most significant obligation, totaled €30.2 million (end-2009: €26.1 million). The discount rate used for France in 2010 was 4.30%.

TERMINATION BENEFITS

The Group's obligations for termination benefits generally relate to lump-sum payments made to employees on retirement. However, in certain countries these obligations also include termination benefits payable to employees who are not retiring. These benefits are covered by unfunded plans.

Movements in the related benefit obligation were as follows:

	2010	2009
At January 1	36.2	32.7
Current service cost	4.3	3.7
Interest cost	1.7	1.9
Actuarial losses/(gains)	3.7	2.6
Currency translation differences	0.5	-
Benefits paid	(5.4)	(7.2)
Liabilities assumed in a business combination and other movements	-	2.0
Curtailments and settlements	0.3	0.4
AT DECEMBER 31	41.4	36.2

The main actuarial assumptions used were as follows:

	Dec. 31, 2010	Dec. 31, 2009
Discount rate	4.7%	5.4%
Estimated increase in future salary levels	2.8%	2.3%

The discount rate represents the yield on investment-grade corporate bonds, and is the average of the rates used by the five countries with the largest obligations for the Group. At December 31, 2010, the benefit obligation relating to France, representing the

Group's most significant obligation, totaled €29.9 million (end-2009: €25.5 million). The discount rate used for France in 2010 was 4.30%.

LONG-SERVICE AWARDS

Movements in the Group's obligation relating to long-service awards were as follows:

	2010	2009
At January 1	13.3	11.8
Current service cost	1.9	1.7
Interest cost	0.6	0.6
Currency translation differences	0.3	0.2
Benefits paid	(0.9)	(0.6)
Other movements	0.2	(0.4)
AT DECEMBER 31	15.4	13.3

The discount rate represents the yield on investment-grade corporate bonds, and is the average of the rates used by the five countries with the largest obligations for the Group. At December 31, 2010, the benefit obligation relating to France, representing the

Group's most significant obligation, totaled €12.6 million (end-2009: €11.1 million). The discount rate used for France in 2010 was 3.75%.

ACTUARIAL GAINS AND LOSSES

	Dec. 31, 2010	Dec. 31, 2009
Cumulative actuarial (gains)/losses recognized in equity	(14.9)	(4.6)
Actuarial (gains)/losses recognized in equity during the year	(10.3)	(5.6)
o/w arising from:		
Experience adjustments	(7.6)	(2.4)
Changes in actuarial assumptions	1.1	(6.7)
Changes in return on plan assets	(3.8)	3.5

DEFINED CONTRIBUTION PLANS

Payments made under defined contribution plans in 2010 totaled €51.6 million (2009: €46.6 million).

Note 24 PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Dec. 31, 2009	Additions	Utilized provisions reversed	Surplus provisions reversed	Impact of discounting	Changes in scope of consolidation	Exchange differences and other movements	Dec. 31, 2010
Provisions for contract-related disputes	70.1	10.9	(4.4)	(12.1)	1.1	9.2	(0.2)	74.7
Other provisions for liabilities	32.7	14.2	(15.4)	(8.6)	-	2.7	1.0	26.5
TOTAL	102.8	25.1	(19.8)	(20.7)	1.1	11.9	0.8	101.1

	Dec. 31, 2008	Additions	Utilized provisions reversed	Surplus provisions reversed	Impact of discounting	Changes in scope of consolidation	Exchange differences and other movements	Dec. 31, 2009
Provisions for contract-related disputes	63.3	13.5	(2.2)	(7.2)	0.1	2.8	(0.2)	70.1
Other provisions for liabilities	24.6	21.6	(6.6)	(8.0)	-	-	1.1	32.7
TOTAL	87.9	35.1	(8.8)	(15.2)	0.1	2.8	0.9	102.8

Changes in provisions for other liabilities and charges result from changes in estimates and the emergence of new risks, which are not material taken individually.

In 2010, the Group revised the estimates used in order to obtain a more accurate calculation of provisions for technical disputes in France. This change in estimates resulted in a reduction of €1.5 million in the provision for claims and disputes which was credited to income.

In the ordinary course of business, the Group is involved with respect to some of its activities in a number of litigation proceedings seeking to establish its professional liability in connection with services provided. Although the Group pays careful attention to managing risks and the quality of the services it provides, some services may give rise to claims and result in adverse financial penalties.

Provisions may be set aside to cover expenses resulting from such proceedings. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The costs which the Group ultimately incurs may exceed the amounts set aside to such

provisions due to a variety of factors such as the uncertain nature of the outcome of the dispute.

Provisions for other liabilities and charges recorded in the statement of financial position at December 31, 2010 take into account the following major claims:

- Terminal 2E at Paris-Roissy CDG airport;
- dispute concerning the construction of a hotel and shopping complex in Turkey;
- dispute concerning the Gabon Express aircraft accident.

A detailed description of these disputes is provided in section 7.4. – Legal, administrative, government and arbitration procedures and investigations in the 2010 Registration Document.

Based on the insurance coverage in place, the amounts currently provisioned and the latest available information, the Company does not believe these disputes will have a material adverse impact on its consolidated financial statements.

There are no other government, administrative, legal or arbitration proceedings or investigations (including any proceedings of which the Company is aware that are pending or with which the Group is

threatened) that could have, or have had over the last 12 months, a material impact on the Group's financial position or profitability.

Note 25 TRADE AND OTHER PAYABLES

	Dec. 31, 2010	Dec. 31, 2009
Trade payables	225.0	179.9
Prepaid income	90.6	94.4
Accrued taxes and payroll costs	383.4	334.7
Other payables	37.7	23.8
TOTAL	736.7	632.8

Prepaid income primarily corresponds to amounts invoiced on contracts in progress for services that have not yet been performed.

Note 26 MOVEMENTS IN WORKING CAPITAL ATTRIBUTABLE TO OPERATIONS

This caption totaled a negative €23.9 million in 2010 and a positive €46.6 million in 2009, and can be analyzed as follows:

	Dec. 31, 2010	Dec. 31, 2009
Trade receivables	(18.1)	38.0
Trade payables	11.4	2.5
Other receivables and payables	(17.2)	6.1
TOTAL	(23.9)	46.6

Note 27 EARNINGS PER SHARE

Details of the calculation of the weighted average number of ordinary and diluted shares outstanding used to compute basic and diluted earnings per share are provided below:

	2010
Number of shares comprising the share capital at beginning of year	109,096
<i>Number of shares issued during the year (accrual basis)</i>	
Free share grants	
Exercise of stock options	54
Number of treasury shares	(746)
Weighted average number of ordinary shares in issue	108,404
Dilutive impact	
Free share grants	761
Stock options	1,358
Weighted average number of shares used to calculate diluted earnings per share	110,523

BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year.

	Dec. 31, 2010	Dec. 31, 2009
Net profit attributable to owners of the Company (€ thousands)	290,434	252,721
Weighted average number of ordinary shares outstanding (thousands)	108,404	108,041
BASIC EARNINGS PER SHARE (in euros)	2.68	2.34

DILUTED EARNINGS PER SHARE

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to reflect conversion of dilutive potential ordinary shares.

The Company has two categories of dilutive potential ordinary shares: stock options and free shares.

For stock options, a calculation is made in order to determine the number of shares that could have been issued based on the exercise price and the fair value of the rights attached to the

outstanding stock options. The number of shares calculated as above is compared with the number of shares that would have been issued had the stock options been exercised.

Free share grants are potential ordinary shares whose issue is contingent on beneficiaries completing a minimum period of service as well as meeting a series of performance targets. Free shares that could have been issued had the vesting period ended on December 31, 2010 were taken into account to calculate diluted earnings per share.

	Dec. 31, 2010	Dec. 31, 2009
Net profit attributable to owners of the Company (€ thousands)	290,434	252,721
Weighted average number of ordinary shares used to calculate diluted earnings per share (thousands)	110,523	109,751
DILUTED EARNINGS PER SHARE (in euros)	2.63	2.30

Note 28 DIVIDEND PER SHARE

On June 17, 2010, the Group paid out dividends to eligible shareholders in respect of the 2009 financial year. The dividend payout totaled €91.0 million, corresponding to a dividend per share of €0.84 (2009: €0.72).

Note 29 OFF-BALANCE SHEET COMMITMENTS

The Group's commitments primarily relate to financing activities (credit line, warranties and guarantees given), as well as obligations under operating leases.

OFF-BALANCE SHEET COMMITMENTS RELATING TO FINANCING ACTIVITIES**Undrawn credit lines**

As part of its 2006 syndicated loan agreement, the Group has a confirmed, multi-currency revolving line of credit for a total of €550

million maturing in 2012 and 2013. At December 31, 2010, €425 million had been drawn down from this facility, leaving an available balance of €125.0 million.

The Group also has access to funds under the 2010 French Private Placement (see Note 3.D – Liquidity risk). At December 31, 2010, €150.0 million remained available under this facility.

Guarantees given

Guarantees given break down as follows by maturity:

	Total	Due within 1 year	Due between 1 and 5 years	Beyond 5 years
At December 31, 2010	119.4	45.8	65.7	7.9
At December 31, 2009	116.8	47.0	64.2	5.6

Guarantees given include bank guarantees and parent company guarantees.

- Bank guarantees: these include bid and performance bonds. Bid bonds cover their beneficiaries in the event that a commercial offering is withdrawn, a contract is not signed, or requested guarantees are not provided. Performance bonds provide purchasers with a guarantee that Bureau Veritas will perform its contractual obligations as agreed. They usually represent a percentage of the contract price – generally around 10%.
- Parent company guarantees: these mainly correspond to (i) market guarantees and guarantees given by the parent company to financial institutions to cover bank guarantees granted by these financial institutions in connection with the Group's

commercial operations, and (ii) guarantees relating to lease payments, under which the parent company undertakes to make the lease payments to the lessor in the event that the subsidiary concerned defaults.

At December 31, 2010 and December 31, 2009, the Group considered that the risk of a cash outflow on these guarantees was low. Accordingly, no provisions were recorded.

Guarantees received

In connection with its acquisition of ECA in October 2007, Bureau Veritas International received guarantees totaling €7 million expiring in less than five years.

OFF-BALANCE SHEET COMMITMENTS RELATING TO OPERATING ACTIVITIES

Operating leases: commitments and recognized lease charges

The Group leases offices, laboratories and equipment under both non-cancelable and cancelable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

Recognized lease charges can be analyzed as follows:

	2010	2009
Operating lease charges	104.9	97.0
o/w property leases	90.7	82.8
o/w equipment leases	14.2	14.2

Future aggregate minimum lease payments under non-cancelable operating leases relating to property (excluding rental service charges) are as follows:

	Dec. 31, 2010	Dec. 31, 2009
Future minimum lease payments	237.9	189.1
Due within 1 year	59.1	55.1
Due between 1 and 5 years	134.1	93.5
Beyond 5 years	44.7	40.5

PLEDGES

	Type	Inception	Expiration date	Amount of assets pledged (a)	Total amount in statement of financial position (b)	Corresponding% (a)/(b)
At December 31, 2010						
Intangible assets	-	-	-	-	-	-
Property, plant and equipment	-	-	-	-	-	-
Other non-current financial assets	Pledge	-	-	9.8	41.6	23.6%
Total assets pledged				9.8	3,272.6	0.3%
At December 31, 2009						
Intangible assets	-	-	-	-	-	-
Property, plant and equipment	-	-	-	-	-	-
Other non-current financial assets	Pledge	-	-	9.9	31.2	31.7%
Total assets pledged				9.9	2,298.1	0.4%

Long-term investments have been pledged in an amount of €9.8 million.

None of the Group's intangible assets or property, plant and equipment had been pledged at either December 31, 2010 or December 31, 2009.

Marketable securities including certain non-monetary mutual funds (SICAV) and some other non-current financial assets have been pledged by the Group. These pledged assets represented a total carrying amount of €9.8 million at December 31, 2010.

Note 30 ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURES

The table below presents the carrying amount, valuation method and fair value of financial instruments classified in each IAS 39 category at the end of each reporting period:

	IAS 39 category	Carrying amount	IAS 39 measurement method				Fair value
			Amortized cost	Cost	Fair value through equity	Fair value through profit or loss	
At December 31, 2010							
Financial assets							
Investments in non-consolidated companies	FVPL	0.7	-	-	-	0.7	0.7
Other non-current financial assets	HTM	41.6	41.6	-	-	-	41.6
Trade and other receivables	LR	899.0	899.0	-	-	-	899.0
Current financial assets	LR	4.6	4.6	-	-	-	4.6
Current financial assets	FVPL	2.3	-	-	-	2.3	2.3
Derivative financial instruments	FVPL/FVE	31.9	-	-	30.5	1.4	31.9
Cash and cash equivalents	FVPL	225.0	-	-	-	225.0	225.0
Financial liabilities							
Bank borrowings	AC	1,271.1	1,271.1	-	-	-	1,308.3
Bank overdrafts	FVPL	23.6	-	-	-	23.6	23.6
Other non-current financial liabilities	AC	0.2	0.2	-	-	-	0.2
Trade and other payables	AC	736.7	736.7	-	-	-	736.7
Current financial liabilities	AC	12.8	12.8	-	-	-	12.8
Derivative financial instruments	FVPL/FVE	23.2	-	-	11.1	12.1	23.2
At December 31, 2009							
Financial assets							
Investments in non-consolidated companies	FVPL	0.4	-	-	-	0.4	0.4
Other non-current financial assets	HTM	31.2	31.2	-	-	-	31.2
Trade and other receivables	LR	772.8	772.8	-	-	-	772.8
Current financial assets	LR	4.5	4.5	-	-	-	4.5
Current financial assets	FVPL	3.4	-	-	-	3.4	3.4
Derivative financial instruments	FVPL/FVE	13.8	-	-	13.2	1.0	14.2
Cash and cash equivalents	FVPL	147.0	-	-	-	147.0	147.0
Financial liabilities							
Bank borrowings	AC	818.6	818.6	-	-	-	877.0
Bank overdrafts	FVPL	7.7	-	-	-	7.7	7.7
Other non-current financial liabilities	AC	1.9	1.9	-	-	-	1.9
Trade and other payables	AC	632.7	632.7	-	-	-	632.7
Current financial liabilities	AC	10.1	10.1	-	-	-	10.1
Derivative financial instruments	FVPL/FVE	42.6	-	-	24.2	19.7	43.9

NB: The following abbreviations are used to represent IAS 39 financial instrument categories:

- HTM for held-to-maturity assets;
- LR for loans and receivables;
- FVPL for instruments at fair value through profit or loss (excluding accrued interest not yet due);
- FVE for instruments at fair value through equity (excluding accrued interest not yet due);
- AC for debt measured at amortized cost.

With the exception of bank borrowings, the Group considers the carrying amount of the financial instruments reported on the statement of financial position to approximate their fair value. Measurement of these instruments at fair value requires the Group to use valuation techniques that draw on observable market inputs (level 2 of the fair value hierarchy). In the case of the USPP 2008 facility for example, fair value is based on a comparison between the fixed rate due over the remaining term and the yield curve for US and UK funds over the same period.

The nature of the gains and losses arising on each financial instrument category can be analyzed as follows:

		Interest		Adjustments for			Net gains/ (losses) in 2010	Net gains/ (losses) at Dec.31, 2009
		Fair value		Amortized cost	Exchange differences	Accumulated impairment		
Held-to-maturity assets	HTM	-	-	-	0.1	-	0.1	-
Loans and receivables	LR	-	-	-	4.2	(3.1)	1.1	(26.9)
Financial assets and liabilities at fair value through profit or loss	FVPL	-	(1.7)	-	4.8	-	3.1	(0.9)
Debt carried at amortized cost	AC	(39.7)	-	3.0	(6.8)	-	(43.5)	(41.0)
Total		(39.7)	(1.7)	3.0	2.3	(3.1)	(39.2)	(68.8)

SENSITIVITY ANALYSIS

Due to the international scope of its operations, the Group is exposed to currency risk on its use of several different currencies.

Operational currency risk

In general, hedges arise naturally with the matching of income and expenses in most countries in which the Group operates, since services are provided locally. The Group's exposure to currency risk arising on transactions carried out in foreign currencies is therefore relatively low.

Translation risk

In 2010, more than half of the Group's revenue was generated in currencies other than the euro, including 16% in US dollars, 3% in pounds sterling, 5% in Hong Kong dollars, 6% in Australian dollars and 5% in yuan. Taken individually, other currencies do not represent more than 5% of the Group's revenue. The Group's evolving currency mix reflects the fast-paced development of its activities outside the eurozone, in Asia and particularly in US dollars and other dollar-linked currencies.

As the Group's presentation currency is the euro, it must convert into euros any assets, liabilities, income and expenses denominated in other currencies at the time of preparing its financial statements. The results of the Group's foreign currency operations are consolidated in its income statement after being converted into euros using the average exchange rate for the period. Assets and liabilities are converted at the period-end rate. As a result, changes in the value of the euro against other currencies affect the corresponding amounts in the consolidated financial statements, even if the value of the items concerned remains unchanged in their original currencies.

The impact of a 1% rise or fall in the euro against a number of different currencies is described below:

- a 1% change in the value of the euro against the US dollar would have had an impact of 0.16% on consolidated revenue and 0.20% on operating profit for 2010;
- a 1% change in the value of the euro against the Hong Kong dollar would have had an impact of 0.05% on consolidated revenue and 0.09% on operating profit for 2010;
- a 1% change in the value of the euro against the pound sterling would have had an impact of 0.03% on consolidated revenue and 0.01% on operating profit for 2010;
- a 1% change in the value of the euro against the Australian dollar would have had an impact of 0.06% on consolidated revenue and 0.03% on operating profit for 2010;
- a 1% change in the value of the euro against the yuan would have had an impact of 0.05% on consolidated revenue and 0.11% on operating profit for 2010.

Financial currency risk

The syndicated loan set up in May 2006 is a multi-currency facility which enables subsidiaries to borrow in local currencies. If it deems appropriate, the Group may hedge certain commitments by matching financing costs with operating income in the currencies concerned.

When financing arrangements are set up in a currency other than the country's functional currency, the Group takes out currency hedges to protect itself against the impact of currency risk on its income statement.

The table below shows the results of the sensitivity analysis for financial instruments exposed to currency risk on the Group's main foreign currencies (euros, US dollars and pounds sterling) at December 31, 2010:

(in millions of euros)	Non-functional currency		
	USD	EUR	GBP
Financial liabilities	(891.6)	(77.1)	(159.8)
Financial assets	703.0	72.6	81.1
Net position (assets - liabilities) before hedging	(188.6)	(4.5)	(78.7)
Off-balance sheet (currency hedging instruments)	288.0		73.2
NET POSITION (ASSETS - LIABILITIES) AFTER HEDGING	99.4	(4.5)	(5.5)
Impact of a 1% rise in exchange rates			
On equity	(4.5)	0.0	(0.2)
On net profit before income tax	1.9	0.0	(0.1)
Impact of a 1% fall in exchange rates			
On equity	4.0	0.0	0.1
On net profit before income tax	(1.5)	0.0	0.1

The Group is exposed to currency risk inherent to financial instruments denominated in foreign currencies (i.e., currencies other than the functional currency of each Group entity). The sensitivity analysis presented below shows the impact that a significant change in the value of the euro, US dollar and pound sterling would have on earnings in a non-functional currency. The analysis for the US dollar does not include entities whose functional currency is strongly correlated to the US dollar, for example Group entities based in Hong Kong. Liabilities denominated in a currency other than the functional currency of the entity, for which a hedge has been taken out converting the liability to the functional currency, have not been included in the analysis. The impact of a 1% change in exchange rates on hedges is shown in the table above. Financial instruments denominated in foreign currencies which are included in the sensitivity analysis relate to key monetary statement of financial position items and in particular, current and non-current financial assets, trade and other receivables, cash and cash

equivalents, current and non-current financial liabilities, current liabilities, and trade and other payables.

Interest rate risk

The Group's interest rate risk arises primarily from assets and liabilities bearing interest at floating rates. The Group seeks to limit its exposure to a rise in interest rates through the use of swaps and collars.

Interest rate exposure is monitored on a monthly basis. The Group continually analyses the level of hedges put in place and ensures that they are appropriate for the related underlying exposure. The Group's policy is to prevent more than 60% of its consolidated net debt being exposed to a rise in interest rates over a long period (more than six months). The Group may therefore enter into other swaps, collars or similar instruments for this purpose. No financial instruments are contracted for speculative purposes.

The table below shows the maturity of fixed- and floating-rate financial assets and liabilities at December 31, 2010:

(in millions of euros)	< 1 year	1 to 5 years	5 years	Total
Fixed-rate bank borrowings	0.0	(6.0)	(456.4)	(462.4)
Floating-rate bank borrowings	(85.2)	(723.4)	0.0	(808.6)
Bank overdrafts	(23.6)	-	-	(23.6)
TOTAL - FINANCIAL LIABILITIES	(108.8)	(729.4)	(456.4)	(1,294.6)
TOTAL - FINANCIAL ASSETS	225.0			225.0
Floating-rate net position (assets - liabilities) before hedging	116.2	(723.4)	0.0	(607.2)
Interest rate hedges	100.0	170.0	0.0	270.0
Floating-rate net position (assets - liabilities) after hedging	216.2	(553.4)	0.0	(337.2)
Impact of a 1% rise in interest rates				
On equity				2.0
On net profit before income tax				(2.3)
Impact of a 1% fall in interest rates				
On equity				(2.1)
On net profit before income tax				1.6

At December 31, 2010, the Group considers that a 1% rise in short-term interest rates across all currencies would lead to an increase of around €3.4 million in interest payable.

Debts maturing after five years, representing a total amount of €456.4 million, are at fixed rates. The overall notional amount of hedging contracts whose fair value is recognized in the statement of financial position is €270.0 million, and includes interest rate hedges of euro-denominated debt maturing in less than five years.

Details of the maturity of interest rate hedges are provided in Note 17 – Derivative financial instruments.

To hedge its euro-denominated debt, the Group has entered into swaps and collars. These instruments enable the Group to fix the interest rate on this €270.0 million notional amount.

Taking account of these hedging instruments and of the Group's fixed-rate debt, 57% of consolidated gross debt was at a fixed interest rate at December 31, 2010.

Note 31 RELATED-PARTY TRANSACTIONS

Parties related to the Company are its majority shareholder Wendel as well as executive corporate officers, the Chairman and Chief Executive Officer and the Executive Officers.

Amounts recognized with respect to compensation paid in France (fixed and variable portions) and long-term compensation plans (stock option and free share grants) are as follows:

	2010	2009
Wages and salaries	2.6	2.4
Stock options	0.6	0.2
Free share grants	0.3	0.7
Total expense for the period	3.5	3.4

The amounts in the above table reflect the fair value for accounting purposes of options and shares in accordance with IFRS. Consequently, they do not represent the actual amounts that may be paid if any stock options are exercised or any free shares vest. Stock options and free shares are subject to a number of performance conditions and also require a minimum period of service.

Shares are measured at fair value as calculated under the Black-Scholes model rather than based on the compensation effectively received. The free share grants are subject to presence and performance conditions, except for the plan decided on

September 22, 2008 which was based on a three-year minimum period of service.

Executive corporate officers held a total of 255,000 stock options at December 31, 2010 (end-2009: 210,000), with an average exercise price of €10.48 (end-2009: €11.25).

The number of free shares granted to executive corporate officers amounted to 140,000 at December 31, 2010 and 95,000 at December 31, 2009.

Note 32 EVENTS AFTER THE END OF THE REPORTING PERIOD

Acquisitions

The Group announced it had made the following acquisitions since January 1, 2011:

- Auto Reg is the leader in Brazil for vehicle insurance damage inspections, performing technical inspections and providing statistics to the largest insurance companies in Brazil. It has a large network of 26 offices and 620 staff across Brazil. It reported revenues of approximately €23 million in 2010;
- Atomic Technologies in Singapore. Atomic Technologies provides non-destructive testing services to the oil, gas and process industries. It has around 100 employees and posted €3 million in revenue in 2010.

Segment information/CGU

In view of the close ties between Inspectorate and BV businesses and the synergies expected from the acquisition, the Group has reorganized its management, internal reporting and segment

information processes. A Commodities business was created on January 1, 2011. This business chiefly includes Inspectorate, which was included for the first time at December 31, 2010, and the Mining and Minerals activity previously classified within the Industry business. It also includes oil inspection contracts recorded in 2010 in the Government Services & International Trade business.

As described above, the synergies expected to be unlocked from this organization led the Group to define the Commodities CGU on the basis of the Commodities reportable segment. Goodwill allocated to the CGUs resulting from the Inspectorate and Mining and Minerals businesses up to December 31, 2010 were therefore reclassified to the Commodities CGU with effect from January 1, 2011.

Dividends

The resolutions to be submitted for approval at the ordinary shareholders' meeting of May 27, 2011 include a recommended dividend payout of €1.15 per share in respect of 2010.

Note 33 SCOPE OF CONSOLIDATION

FULLY CONSOLIDATED COMPANIES AT DECEMBER 31, 2010

Type: Subsidiary (S); Branch (B); Economic interest grouping (G).

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
Algeria	BV Algeria	S	100.00	100.00	100.00	100.00
Angola	BV Angola	S	100.00	100.00	100.00	100.00
Argentina	BIVAC Argentina	S	100.00	100.00	100.00	100.00
Argentina	BV Argentina	S	100.00	100.00	100.00	100.00
Argentina	BVQI Argentina	S	100.00	100.00	100.00	100.00
Argentina	Servicios Internacionales Cesmec SA	S	100.00	100.00	100.00	100.00
Argentina	Inspectorate de Argentina SRL	S	100.00	100.00	-	-
Argentina	ACSA Loss Control SA	S	100.00	100.00	-	-
Australia	Bureau Veritas Australia Pty Ltd	S	100.00	100.00	100.00	100.00
Australia	Bureau Veritas HSE	S	100.00	100.00	100.00	100.00
Australia	Bureau Veritas Asset Integrity & Reliability Services Australia	S	100.00	100.00	100.00	100.00
Australia	IRC Asset Optimization	S	100.00	100.00	100.00	100.00
Australia	Bureau Veritas Asset Integrity & Reliability Services	S	100.00	100.00	100.00	100.00
Australia	Bureau Veritas International Trade	S	100.00	100.00	100.00	100.00
Australia	CCI Holdings	S	100.00	100.00	100.00	100.00
Australia	Carbon Consulting International	S	100.00	100.00	100.00	100.00
Australia	Amdel	S	100.00	100.00	100.00	100.00
Australia	Amdel Holdings	S	100.00	100.00	100.00	100.00
Australia	IML	S	100.00	100.00	100.00	100.00
Australia	Ultra Trace	S	100.00	100.00	100.00	100.00
Australia	LabMark	S	100.00	100.00	100.00	100.00
Australia	Amdel Holdings Finance	S	100.00	100.00	100.00	100.00
Australia	Inspectorate Australia Holdings Pty Ltd	S	100.00	100.00	-	-
Australia	Inspectorate Australia (Assay) Pty Ltd	S	100.00	100.00	-	-
Australia	Leonora Laverton Assay Laboratories Pty Ltd	S	100.00	100.00	-	-
Australia	Yilgarn Assay Laboratories Pty Ltd	S	100.00	100.00	-	-
Australia	Kalgoorie Assay Group (Int'l) Ltd	S	51.00	51.00	-	-
Australia	Inspectorate Australia (Inspection) Pty Ltd	S	100.00	100.00	-	-
Austria	BV Austria	S	100.00	100.00	100.00	100.00
Austria	Bureau Veritas Certification Austria (formerly Zertifizierung Bau)	S	100.00	100.00	100.00	100.00
Azerbaijan	BV Azeri	S	100.00	100.00	100.00	100.00
Azerbaijan	Inspectorate International Azeri LLC	S	100.00	100.00	-	-
Bahamas	Inspectorate Bahamas Ltd	S	100.00	100.00	-	-
Bahrain	Inspectorate International (Bahrain) Ltd WLL	S	100.00	100.00	-	-
Bahrain	BV SA – Bahrain	B	100.00	100.00	100.00	100.00

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
Bangladesh	BIVAC Bangladesh	S	100.00	100.00	100.00	100.00
Bangladesh	BVCPS Bangladesh	S	98.00	98.00	98.00	98.00
Bangladesh	BV Bangladesh Private Ltd	S	100.00	100.00	100.00	100.00
Belarus	BV Belarus Ltd	S	100.00	100.00	100.00	100.00
Belgium	BV Certification Belgium	S	100.00	100.00	100.00	100.00
Belgium	AIBV	S	100.00	100.00	100.00	100.00
Belgium	BV Marine Belgium & Luxembourg	S	100.00	100.00	100.00	100.00
Belgium	BV SA - Belgium	B	100.00	100.00	100.00	100.00
Belgium	Inspectorate Ghent NV	S	100.00	100.00	-	-
Belgium	Gordinne General International Surveyors NV	S	100.00	100.00	-	-
Belgium	Inspectorate Antwerp NV	S	100.00	100.00	-	-
Benin	BIVAC Benin	S	100.00	100.00	-	-
Benin	BV Benin	S	100.00	100.00	100.00	100.00
Bosnia	Inspectorate Balkan DOO	S	100.00	100.00	-	-
Brazil	BV do Brasil	S	96.40	96.40	96.40	96.40
Brazil	BVQI do Brasil	S	100.00	100.00	100.00	100.00
Brazil	Tecnitas do Brasil	S	100.00	96.40	99.99	96.40
Brazil	MTL Engenharia	S	100.00	100.00	100.00	100.00
Brazil	Analytical solutions	S	100.00	98.16	100.00	98.16
Brazil	Loss Control do Brasil S/C Ltda	S	100.00	100.00	-	-
Brazil	Inspectorate do Brasil Inspeções Ltda	S	100.00	100.00	-	-
Brunei	BV SA - Brunei	B	100.00	100.00	100.00	100.00
Bulgaria	BV Varna	S	100.00	100.00	100.00	100.00
Bulgaria	Inspectorate Bulgaria EOOD	S	100.00	100.00	-	-
Cameroon	BV Douala	S	100.00	100.00	100.00	100.00
Canada	BV Canada	S	100.00	100.00	100.00	100.00
Canada	BV Certification Canada	S	100.00	100.00	100.00	100.00
Canada	BV I&F Canada	S	100.00	100.00	100.00	100.00
Canada	BV Ontario	S	100.00	100.00	100.00	100.00
Canada	RM Inspect Canada Inc	S	100.00	100.00	-	-
Canada	Chas Martin Canada Inc	S	100.00	100.00	-	-
Canada	0832484 BC Ltd	S	100.00	100.00	-	-
Cayman Islands	Inspectorate Group Holdings Limited	S	100.00	100.00	-	-
Central African Republic	BIVAC CAR	S	100.00	100.00	-	-
Chad	BV Chad	S	100.00	100.00	100.00	100.00
Chad	BIVAC Chad	S	100.00	100.00	-	-
Chile	BV Chile	S	100.00	100.00	100.00	100.00
Chile	BVQI Chile	S	100.00	100.00	100.00	100.00
Chile	BV Chile Capacitacion Ltda	S	100.00	100.00	100.00	100.00

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
Chile	ECA Chile Formacion	S	100.00	100.00	100.00	100.00
Chile	ECA Control y Asesoramiento (formerly ECA Chile)	S	100.00	100.00	100.00	100.00
Chile	Cesmec Capacitacion	S	100.00	100.00	100.00	100.00
Chile	Cesmec Chile	S	100.00	100.00	100.00	100.00
Chile	Geoanalitica	S	100.00	100.00	100.00	100.00
Chile	Servicios de Inspeccion Inspectorate Chile Ltda	S	100.00	100.00	-	-
Chile	Panamerica de leasing	S	100.00	100.00	100.00	100.00
China	Bureau Veritas Hong Kong	S	100.00	100.00	100.00	100.00
China	BV Consulting Shanghai	S	100.00	100.00	100.00	100.00
China	BVCPS Hong Kong	S	100.00	100.00	100.00	100.00
China	BVCPS Shanghai (formerly MTL Shanghai)	S	85.00	85.00	85.00	85.00
China	LCIE China	S	100.00	100.00	100.00	100.00
China	BV Certification Hong Kong	S	100.00	100.00	100.00	100.00
China	BV Certification China (formerly Falide International Quality Assessment)	S	100.00	100.00	100.00	100.00
China	BIVAC Shangai	S	100.00	100.00	100.00	100.00
China	BVCPS HK (mainly Taiwan branch)	S	100.00	100.00	100.00	100.00
China	Tecnitas far East	S	100.00	100.00	100.00	100.00
China	Guangzhou BVCPS	S	100.00	100.00	100.00	100.00
China	BV Bosun -Safety Technology	S	90.00	71.10	90.00	71.10
China	Safety Technology Holding	S	79.00	79.00	79.00	79.00
China	BV Shenzen	S	80.00	80.00	80.00	80.00
China	NDT Technology Holding	S	71.00	71.00	50.00	50.00
China	BV-Fairweather Inspection & Consultants	S	100.00	71.00	100.00	50.00
China	Bureau Veritas Marine China	S	100.00	100.00	100.00	100.00
China	ADT Shangai	S	100.00	100.00	100.00	100.00
China	NS Technology	S	100.00	100.00	-	-
China	BV Quality Services Shanghai	S	100.00	100.00	-	-
China	Inspectorate (Shanghai) Ltd	S	50.00	50.00	-	-
China	BV SA - Hong Kong	B	100.00	100.00	100.00	100.00
Colombia	BV Colombia	S	100.00	100.00	100.00	100.00
Colombia	BVQI Colombia	S	100.00	100.00	100.00	100.00
Colombia	ECA Colombie	S	100.00	100.00	100.00	100.00
Colombia	Inspectorate Colombia Ltda	S	100.00	100.00	-	-
Congo	BV Congo	S	100.00	100.00	100.00	100.00
Congo	BIVAC Congo	S	100.00	100.00	100.00	100.00
Costa Rica	Inspectorate Costa Rica SA	S	100.00	100.00	-	-
Cote d'Ivoire	BV Côte d'Ivoire	S	100.00	100.00	100.00	100.00
Cote d'Ivoire	BIVAC Scan CI	S	100.00	99.99	100.00	99.99
Cote d'Ivoire	BIVAC Cote d'Ivoire	S	100.00	100.00	-	-
Cote d'Ivoire	Bureau Veritas Mineral Laboratories	S	100.00	100.00	100.00	100.00
Croatia	BV Croatia	S	100.00	100.00	100.00	100.00
Croatia	Inspectorate Croatia Ltd Doo	S	100.00	100.00	-	-

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
Cuba	BV SA - Cuba	B	100.00	100.00	100.00	100.00
Czech Republic	BV Czech Republic	S	100.00	100.00	100.00	100.00
Democratic Republic of Congo	BIVAC DRC	S	100.00	100.00	-	-
Denmark	BV Certification Denmark	S	100.00	100.00	100.00	100.00
Denmark	BV HSE Denmark	S	100.00	100.00	100.00	100.00
Denmark	BV SA - Denmark	B	100.00	100.00	100.00	100.00
Dominican Republic	Inspectorate Dominicana	S	100.00	100.00	-	-
Dubai	Inspectorate International Ltd (Dubai branch)	S	100.00	100.00	-	-
Ecuador	BIVAC Ecuador	S	100.00	100.00	-	-
Ecuador	BV Ecuador	S	100.00	100.00	100.00	100.00
Ecuador	Inspectorate del Ecuador SA	S	100.00	100.00	-	-
Egypt	BV Egypt	S	90.00	90.00	90.00	90.00
Egypt	Watson Gray limited	S	100.00	100.00	-	-
Egypt	BV SA - Egypt	B	100.00	100.00	100.00	100.00
Equatorial Guinea	BV Equitorial Guinea	B	100.00	100.00	100.00	100.00
Estonia	BV Estonia	S	100.00	100.00	100.00	100.00
Estonia	Inspectorate Estonia AS	S	100.00	100.00	-	-
Finland	BV SA - Finland	B	100.00	100.00	100.00	100.00
France	BV CPS France	S	100.00	100.00	100.00	100.00
France	BIVAC International	S	100.00	100.00	100.00	100.00
France	BV Certification France	S	100.00	100.00	100.00	100.00
France	BV Certification Holding	S	100.00	100.00	100.00	100.00
France	CEP Industrie	S	100.00	100.00	100.00	100.00
France	BV International	S	100.00	100.00	100.00	100.00
France	BV France	S	100.00	100.00	100.00	100.00
France	Sedhyca	S	100.00	100.00	100.00	100.00
France	Tecnitas	S	100.00	100.00	100.00	100.00
France	Transcable	S	100.00	100.00	100.00	100.00
France	LCIE France	S	100.00	100.00	100.00	100.00
France	Qualité France	S	100.00	100.00	98.85	98.85
France	SSICOOR	S	100.00	100.00	100.00	100.00
France	ECS	S	100.00	100.00	100.00	100.00
France	Arcalia	S	100.00	100.00	100.00	88.33
France	Coreste	S	99.60	99.60	99.60	99.60
France	Ecalis	S	100.00	100.00	100.00	100.00
France	Bureau Veritas Laboratoires	S	100.00	100.00	100.00	100.00
France	CODDE	S	100.00	100.00	100.00	100.00
France	Bureau Veritas Opérations France	S	100.00	100.00	100.00	100.00
France	Payma Cotas France	S	100.00	100.00	100.00	100.00
France	GIE Sécurité Aviation Civile - France	G	90.00	90.00	90.00	90.00
France	SAS Halec	S	100.00	100.00	-	-
France	Inspectorate SA	S	100.00	100.00	-	-
France	BV SA - France	B	100.00	100.00	100.00	100.00
France	BV SA Mayotte	B	100.00	100.00	100.00	100.00

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
Fujairah	Inspectorate International Ltd (Fujairah branch)	S	100.00	100.00	-	-
Gabon	BV Gabon	S	100.00	100.00	100.00	100.00
Georgia	Inspectorate Georgia LLC	S	100.00	100.00	-	-
Germany	BV Certification Germany	S	100.00	100.00	100.00	100.00
Germany	BVCPS Germany	S	100.00	100.00	100.00	100.00
Germany	BV Construction Services	S	100.00	100.00	100.00	100.00
Germany	BV Germany Holding GmbH	S	100.00	100.00	100.00	100.00
Germany	Bureau Veritas Industry Services	S	100.00	100.00	100.00	100.00
Germany	One Tüv	S	66.67	66.67	66.67	66.67
Germany	Inspectorate Germany i.L.	S	100.00	100.00	-	-
Germany	Inspectorate Deutschland GmbH	S	100.00	100.00	-	-
Germany	BV SA – Germany	B	100.00	100.00	100.00	100.00
Ghana	BIVAC Ghana	S	100.00	100.00	100.00	100.00
Ghana	BV Ghana	S	100.00	100.00	-	-
Ghana	Inspectorate Ghana Ltd	S	100.00	100.00	-	-
Greece	Inspectorate Hellas SA	S	100.00	100.00	-	-
Greece	BV Certification Hellas	S	100.00	100.00	100.00	100.00
Greece	BV SA - Greece	B	100.00	100.00	100.00	100.00
Guatemala	BVCPS Guatemala	S	100.00	100.00	100.00	100.00
Guatemala	Centrans SA	S	100.00	100.00	-	-
Guinea	BIVAC Guinea	S	100.00	100.00	100.00	100.00
Guinea	BV Guinea	S	100.00	100.00	100.00	100.00
Hong Kong	Inspectorate Hong Kong Ltd	S	100.00	100.00	-	-
Hungary	BV Hungary	S	100.00	100.00	100.00	100.00
India	BVIS – India	S	96.90	96.90	96.90	96.90
India	BVCPS India Ltd	S	100.00	100.00	100.00	100.00
India	Bureau Veritas India	S	100.00	100.00	100.00	100.00
India	BV Certification India	S	100.00	100.00	100.00	100.00
India	Inspectorate Griffith India Pvt Ltd	S	100.00	100.00	-	-
India	Environmental Services India Private Ltd	S	100.00	100.00	-	-
India	BV SA – India	B	100.00	100.00	100.00	100.00
Indonesia	BV Indonesia	S	100.00	100.00	100.00	100.00
Indonesia	BVCPS Indonesia	S	85.00	85.00	85.00	85.00
Indonesia	PT IOL Indonesia	S	100.00	100.00	-	-
Iran	Inspectorate Iran (Qeshm) Ltd	S	51.00	51.00	-	-
Iran	BV SA - Iran	B	100.00	100.00	100.00	100.00
Iraq	BV Iraq	S	100.00	100.00	-	-
Ireland	BV Ireland Ltd	S	100.00	100.00	100.00	100.00
Ireland	BV SA - Ireland	B	100.00	100.00	100.00	100.00
Italy	BV Italy	S	100.00	100.00	100.00	100.00
Italy	BV Italia Holding spa (formerly BVQI Italy)	S	100.00	100.00	100.00	100.00
Italy	BV Sciro	S	100.00	100.00	100.00	100.00
Italy	Nexta	S	100.00	100.00	100.00	100.00
Italy	CSP	S	100.00	100.00	-	-
Italy	Kamelot Certificazioni	S	100.00	100.00	-	-

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
Italy	Inspectorate Italy srl	S	90.00	90.00	-	-
Italy	Certitex	S	100.00	100.00	-	-
Jamaica	Petrospec Ltd	S	100.00	100.00	-	-
Japan	BV Japan	S	100.00	100.00	100.00	100.00
Japan	Bureau Veritas Human Tech	S	100.00	100.00	100.00	100.00
Japan	Inspectorate (Singapore) Pte. Ltd, Japan Branch	S	100.00	100.00	-	-
Japan	BV SA – Japan	B	100.00	100.00	100.00	100.00
Jordan	BV BIVAC Jordan	S	100.00	100.00		
Kazakhstan	BV Kazakhstan	S	100.00	100.00	100.00	100.00
Kazakhstan	BVI Ltd Kazakhstan	B	100.00	100.00	100.00	100.00
Kazakhstan	BV Kazakhstan Industrial Services LLP	S	60.00	60.00	60.00	60.00
Kazakhstan	Kazinspectorate Ltd	S	100.00	100.00		
Kenya	BV Kenya	S	99.90	99.90	99.90	99.90
Kuwait	Inspectorate International Limited Kuwait	S	100.00	100.00	-	-
Kuwait	BV SA – Kuwait	B	100.00	100.00	100.00	100.00
Latvia	Bureau Veritas Latvia	S	100.00	100.00	100.00	100.00
Latvia	Inspectorate Latvia Ltd	S	100.00	100.00	-	-
Lebanon	BV Lebanon	S	100.00	100.00	100.00	100.00
Lebanon	BIVAC Branch Lebanon	B	100.00	100.00	-	-
Liberia	BIVAC Liberia	S	100.00	100.00	-	-
Libya	Inspectorate international Limited, Libya Branch	S	100.00	100.00	-	-
Lithuania	BV Lithuania	S	100.00	100.00	100.00	100.00
Lithuania	Inspectorate Klaipeda UAB	S	100.00	100.00	-	-
Luxembourg	Soprefira	S	100.00	100.00	100.00	100.00
Luxembourg	BV Luxembourg	S	100.00	100.00	100.00	100.00
Malaysia	BV Malaysia	S	49.00	49.00	49.00	49.00
Malaysia	BV Certification Malaysia (formerly BVQI Malaysia)	S	100.00	100.00	100.00	100.00
Malaysia	Inspectorate Malaysia SDN BHD	S	49.00	49.00	-	-
Mali	BV Mali	S	100.00	100.00	100.00	100.00
Malta	Inspectorate Acacus Limited	S	51.00	51.00	-	-
Malta	Inspectorate Malta Ltd	S	100.00	100.00	-	-
Malta	BV SA – Malta	B	100.00	100.00	100.00	100.00
Mauritania	BV SA - Mauritania	B	100.00	100.00	100.00	100.00
Mauritius	BV SA - Mauritius	B	100.00	100.00	100.00	100.00
Mexico	BVQI Mexico	S	100.00	100.00	100.00	100.00
Mexico	BV Mexicana	S	100.00	100.00	100.00	100.00
Mexico	BVCPS Mexico	S	100.00	100.00	100.00	100.00
Mexico	ECA Mexico	S	99.85	99.85	99.85	99.85
Mexico	AQSR de RL de CV	S	100.00	100.00	100.00	100.00
Mexico	Inspectorate de Mexico SA de CV	S	100.00	100.00	-	-
Mexico	Chas Martin Mexico City Inc	S	100.00	100.00	-	-
Monaco	BV Monaco	S	99.96	99.96	99.96	99.96
Morocco	BV Morocco (formerly BV Certification Morocco)	S	100.00	100.00	100.00	100.00

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
Morocco	BV SA – Morocco	B	100.00	100.00	100.00	100.00
Mozambique	Bureau Veritas Controle	S	90.00	90.00	90.00	90.00
Mozambique	BV Mozambique Ltda	S	100.00	100.00	-	-
Mozambique	BV SA – Mozambique	B	100.00	100.00	100.00	100.00
Namibia	Bureau Veritas Namibia	S	100.00	100.00	100.00	100.00
Netherlands	BIVAC BV (formerly BIVAC Rotterdam)	S	100.00	100.00	100.00	100.00
Netherlands	BIVAC World market	S	100.00	100.00	100.00	100.00
Netherlands	BV Inspection & Certification the Netherlands BV	S	100.00	100.00	100.00	100.00
Netherlands	Risk Control BV	S	100.00	100.00	100.00	100.00
Netherlands	BV Marine Netherlands	S	100.00	100.00	100.00	100.00
Netherlands	BV Nederland Holding	S	100.00	100.00	100.00	100.00
Netherlands	Inspectorate Netherlands BV	S	100.00	100.00	-	-
Netherlands	Inspection Worldwide Services BV	S	100.00	100.00	-	-
Netherlands	Inspectorate International BV	S	100.00	100.00	-	-
Netherlands	Griffith Holland BV	S	100.00	100.00	-	-
Netherlands	IOL Investments BV	S	100.00	100.00	-	-
Netherlands	National Oil and Inspection Services Rotterdam BV	S	100.00	100.00	-	-
Netherlands	Inspectorate Hoff BV	S	100.00	100.00	-	-
Netherlands	Inpechem Inspectors BV	S	100.00	100.00	-	-
Netherlands	Inspectorate Bonaire NV	S	100.00	100.00	-	-
Netherlands	Inspectorate Curacao NV	S	100.00	100.00	-	-
New Caledonia	BV SA - New Caledonia	B	100.00	100.00	100.00	100.00
New Zealand	BV New Zealand	S	100.00	100.00	100.00	100.00
New Zealand	Amdel Holdings	S	100.00	100.00	100.00	100.00
New Zealand	New Zealand Laboratory Services	S	100.00	100.00	100.00	100.00
Nigeria	Inspectorate Marine Services (Nigeria) Ltd	S	100.00	100.00	-	-
Nigeria	BV Nigeria	S	60.00	60.00	60.00	60.00
Norway	BV Norway (formerly Chemtox -Norge AS)	S	100.00	100.00	100.00	100.00
Norway	Inspectorate Norway	S	100.00	100.00	-	-
Norway	BV SA – Norway	B	100.00	100.00	100.00	100.00
Oman	BV SA - Oman	B	100.00	100.00	100.00	100.00
Pakistan	BV Pakistan	S	100.00	100.00	100.00	100.00
Pakistan	BVCPS Pakistan	S	80.00	80.00	80.00	80.00
Panama	BV Panama	S	100.00	100.00	100.00	100.00
Panama	Inspectorate de Panama SA	S	100.00	100.00	-	-
Paraguay	BIVAC Paraguay	S	100.00	100.00	100.00	100.00
Paraguay	Inspectorate de Paraguay SRL	S	100.00	100.00	-	-
Peru	Inspectorate Services Peru SAC	S	100.00	100.00	-	-
Peru	BIVAC Peru	S	100.00	100.00	100.00	100.00
Peru	BV Peru	S	100.00	100.00	100.00	100.00
Peru	Cesmec Peru	S	100.00	100.00	100.00	100.00
Philippines	Inspectorate International Ltd (Philippines branch)	S	100.00	100.00	-	-
Philippines	BV SA - Philippines	B	100.00	100.00	100.00	100.00

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
Poland	BV Poland	S	100.00	100.00	100.00	100.00
Poland	BV Certification Pologne	S	100.00	100.00	100.00	100.00
Portugal	BV Certification Portugal	S	100.00	100.00	100.00	100.00
Portugal	Rinave Registro Int'l Naval	S	100.00	100.00	100.00	100.00
Portugal	Rinave Consultatorio y Servicios	S	100.00	100.00	100.00	100.00
Portugal	BV Rinave ACE	S	100.00	100.00	100.00	100.00
Portugal	BIVAC Iberica	S	100.00	100.00	100.00	100.00
Portugal	ECA Totalinspe	S	100.00	100.00	100.00	100.00
Portugal	Infoloures	S	55.00	55.00	55.00	55.00
Portugal	BV Paymacotas Portugal (formerly EIFC)	S	100.00	100.00	100.00	60.00
Portugal	Inspectorate Portugal SA	S	100.00	100.00	-	-
Portugal	Peritagens Cargas E Seguros Ltda (ISO PCS)	S	100.00	100.00	-	-
Portugal	BV SA - Portugal	B	100.00	100.00	100.00	100.00
Puerto Rico	Inspectorate America Corporation	S	100.00	100.00	-	-
Qatar	Inspectorate International Limited Qatar WLL	S	49.00	49.00	-	-
Qatar	BV SA - Qatar	B	100.00	100.00	100.00	100.00
Romania	BV Romania CTRL	S	100.00	100.00	100.00	100.00
Romania	Inspect Balkan SRL	S	100.00	100.00	-	-
Russia	BV Russia	S	100.00	100.00	100.00	100.00
Russia	Bureau Veritas Certification Russia	S	100.00	100.00	100.00	100.00
Russia	Inspectorate Russia	S	100.00	100.00	-	-
Saint Lucia	Inspectorate America Corporation	S	100.00	100.00	-	-
Sainte Croix	Inspectorate America Corporation	S	100.00	100.00	-	-
Saudi Arabia	BV SATS	S	60.00	60.00	60.00	60.00
Saudi Arabia	Inspectorate International Saudi Arabia Co Ltd	S	65.00	65.00	-	-
Saudi Arabia	BV SA - Saudi Arabia	B	100.00	100.00	100.00	100.00
Senegal	BV Senegal	S	100.00	100.00	100.00	100.00
Serbia	Bureau Veritas DOO	S	100.00	100.00	100.00	100.00
Singapore	BVCPS Singapore	S	100.00	100.00	100.00	100.00
Singapore	Tecnitas	B	100.00	100.00	100.00	100.00
Singapore	BV Certification Singapore (formerly BVQI Singapore)	S	100.00	100.00	100.00	100.00
Singapore	BV Marine Singapore	S	100.00	100.00	-	-
Singapore	Inspectorate (Singapore) PTE Ltd	S	100.00	100.00	-	-
Singapore	BV SA - Singapore	B	100.00	100.00	100.00	100.00
Slovakia	BV Slovakia	S	100.00	100.00	100.00	100.00
Slovenia	Bureau Veritas DOO	S	100.00	100.00	100.00	100.00
Slovenia	BV SA - Slovenia	B	100.00	100.00	100.00	100.00
South Africa	BV South Africa	S	70.00	70.00	70.00	70.00
South Africa	ACT	S	100.00	100.00	-	-
South Africa	Inspectorate Chemtaur (Pty) Ltd	S	73.30	73.30	-	-
South Africa	Inspectorate M&L (Pty) Ltd	S	100.00	73.30	-	-
South Africa	Inspectorate Marine (Pty) Ltd	S	51.00	37.38	-	-
South Africa	Inspectorate Metals & Minerals (Pty) Ltd	S	100.00	73.30	-	-

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
South Africa	M&L Laboratory Services (Pty) Ltd	S	100.00	73.30	-	-
South Africa	Inspectorate Gazelle Testing Services (Pty) Ltd	S	70.00	70.00	-	-
South Africa	BV SA – South Africa	B	100.00	100.00	100.00	100.00
South Korea	BV Certification Korea (formerly BVQI Korea)	S	100.00	100.00	100.00	100.00
South Korea	BV SA - South Korea	B	100.00	100.00	100.00	100.00
Spain	BV Iberia	S	100.00	100.00	99.92	99.92
Spain	BV Certification Spain	S	100.00	100.00	100.00	100.00
Spain	IPM Spain	S	100.00	100.00	100.00	100.00
Spain	BV Inversiones SA (formerly Inversiones Y Patrimonios De ECA Global, SA)	S	100.00	100.00	100.00	100.00
Spain	ECA Global'S Investments, Heritage And Assets, SLU	S	100.00	100.00	100.00	100.00
Spain	ECA Entidad Colaborada De La Administración, SAU	S	100.00	100.00	100.00	100.00
Spain	Servi Control SL	S	100.00	100.00	100.00	100.00
Spain	BV Formacion (formerly ECA Instituto De Tecnología Y Formación, SA)	S	95.00	95.00	95.00	95.00
Spain	Geopayma SAU	S	100.00	100.00	100.00	100.00
Spain	Payject Xxi SA	S	55.00	55.00	55.00	55.00
Spain	Payma Cotas SAU	S	100.00	100.00	100.00	100.00
Spain	BV Comercio Internacional (formerly ECA Control Engineering International SA)	S	100.00	100.00	100.00	100.00
Spain	Activa, Innovación Y Servicios, SAU	S	100.00	100.00	100.00	100.00
Spain	Instituto De La Calidad, SAU	S	100.00	100.00	100.00	100.00
Spain	Gimnot Innovación Y Servicios, SAU	S	100.00	100.00	100.00	100.00
Spain	Aceplus, Servicios Integrales, SAU	S	100.00	100.00	100.00	100.00
Spain	ECA Preven SAU	S	100.00	100.00	100.00	100.00
Spain	Payma Cotas Extremadura	S	100.00	100.00	-	-
Spain	Payma Cotas Levante	S	100.00	100.00	-	-
Spain	Inspectorate Andalucía SA	S	100.00	100.00	-	-
Spain	Inspectorate Española, SA	S	100.00	100.00	-	-
Spain	BV SA – Spain	B	100.00	100.00	100.00	100.00
Sri Lanka	BVCPS Lanka	S	100.00	100.00	100.00	100.00
Sri Lanka	BV Lanka ltd	S	100.00	100.00	100.00	100.00
Sudan	Inspectorate International Ltd Sudan	S	100.00	100.00	-	-
Sweden	BV Certification Sweden	S	100.00	100.00	100.00	100.00
Sweden	LW Cargo Survey AB	S	100.00	100.00	-	-
Sweden	BV SA - Sweden	B	100.00	100.00	100.00	100.00
Switzerland	BV Switzerland	S	100.00	100.00	100.00	100.00
Switzerland	BV Certification Switzerland	S	100.00	100.00	100.00	100.00
Switzerland	Inspectorate Suisse SA	S	100.00	100.00	-	-
Syria	BIVAC Branch Syria	B	100.00	100.00	-	-

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
Tahiti	BV SA - Tahiti	B	100.00	100.00	100.00	100.00
Taiwan	Inspectorate (Singapore) Pte. Ltd, Taiwan Branch	S	100.00	100.00	-	-
Taiwan	BV Certification Taiwan	S	100.00	100.00	100.00	100.00
Taiwan	BV Taiwan	S	100.00	100.00	100.00	100.00
Taiwan	Advance Data Technology	S	99.10	99.10	99.10	99.10
Taiwan	BV SA - Taiwan	B	100.00	100.00	100.00	100.00
Thailand	BV Thailand	S	49.00	49.00	49.00	49.00
Thailand	BVCPS Thailand	S	100.00	100.00	100.00	100.00
Thailand	BV Certification Thailand	S	49.00	49.00	49.00	49.00
Thailand	Inspectorate (Thailand) Co Ltd	S	75.00	75.00	-	-
Togo	BV Togo	S	100.00	100.00	100.00	100.00
Trinidad and Tobago	Inspectorate America Corporation	S	100.00	100.00	-	-
Tunisia	STCV - Tunisia	S	49.98	49.98	49.98	49.98
Tunisia	Inspectorate Tunisia	S	100.00	100.00		
Tunisia	BV SA - Tunisia	B	100.00	100.00	100.00	100.00
Tunisia	BV SA -MST- Tunisia	B	100.00	100.00	100.00	100.00
Turkey	BV Gozetim Hizmetleri	S	100.00	100.00	100.00	100.00
Turkey	BVCPS Turkey	S	100.00	100.00	100.00	100.00
Turkmenistan	Inspectorate Suisse SA Turkmenistan branch	S	100.00	100.00	-	-
Uganda	BV Uganda	S	100.00	100.00	-	-
Ukraine	BV Ukraine	S	100.00	100.00	100.00	100.00
Ukraine	BV Certification Ukraine	S	100.00	100.00	100.00	100.00
Ukraine	Inspectorate Ukraine LLC	S	100.00	100.00	-	-
United Arab Emirates	BV SA - Abu Dhabi	B	100.00	100.00	100.00	100.00
United Arab Emirates	BV SA - Dubai	B	100.00	100.00	100.00	100.00
United Kingdom	BV Certification Holding	B	100.00	100.00	100.00	100.00
United Kingdom	BV Certification LTD - UK	S	100.00	100.00	100.00	100.00
United Kingdom	BV UK Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	BV Inspection UK	S	100.00	100.00	100.00	100.00
United Kingdom	Weeks Technical Services	S	100.00	100.00	100.00	100.00
United Kingdom	Pavement Technologies Limited	S	75.00	75.00	75.00	75.00
United Kingdom	Bureau Veritas Consulting	S	100.00	100.00	100.00	100.00
United Kingdom	Bureau Veritas Laboratories Limited	S	100.00	100.00	100.00	100.00
United Kingdom	Bureau Veritas Consumer Products Services UK Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	LJ Church Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Tenpleth UK	S	100.00	100.00	100.00	100.00
United Kingdom	Bureau Veritas Consumer Products Services Holding UK Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Casella consulting ltd	S	100.00	100.00	100.00	100.00
United Kingdom	BV HS&E	S	100.00	100.00	100.00	100.00
United Kingdom	Winton	S	100.00	100.00	100.00	100.00

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
United Kingdom	Casella Science & Environment	S	100.00	100.00	100.00	100.00
United Kingdom	Casella Analytic	S	100.00	100.00	100.00	100.00
United Kingdom	BV B&I Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Winton Holding	S	100.00	100.00	100.00	100.00
United Kingdom	BV UK Holding Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	JMD Group Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	JMD Fabrication Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	JMD International Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	JMD Software solutions Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	JMD Rotordynamics Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	JM Dynamics Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate Holdings Plc	S	100.00	100.00	-	-
United Kingdom	Inspectorate Holdings (U.S.) Ltd	S	100.00	100.00	-	-
United Kingdom	Inspectorate International Limited	S	100.00	100.00	-	-
United Kingdom	Inspectorate (International Holdings) Ltd	S	100.00	100.00	-	-
United Kingdom	Daniel C Griffith Holdings Ltd	S	100.00	100.00	-	-
United Kingdom	Inspectorate Inspection and Testing Ltd	S	100.00	100.00	-	-
United Kingdom	Inspectorate Investments Ltd	S	100.00	100.00	-	-
United Kingdom	Inspectorate Investments (Number Two) Ltd	S	100.00	100.00	-	-
United Kingdom	Inspectorate (Overseas) Ltd	S	100.00	100.00	-	-
United Kingdom	Inspectorate Quality Consultancy Services Ltd	S	100.00	100.00	-	-
United Kingdom	Inspectorate (U.S.) Ltd	S	100.00	100.00	-	-
United Kingdom	Inspectorate Worldwide Services Ltd	S	100.00	100.00	-	-
United Kingdom	Watson Gray limited	S	100.00	100.00	-	-
United Kingdom	Inspectorate Investments America Ltd	S	100.00	100.00	-	-
United Kingdom	Inspectorate American Holdings Limited	S	100.00	100.00	-	-
United Kingdom	BV SA – United Kingdom	B	100.00	100.00	100.00	100.00
United States	BVHI – USA	S	100.00	100.00	100.00	100.00
United States	BV Marine Inc	S	100.00	100.00	100.00	100.00
United States	BV Certification North America	S	100.00	100.00	100.00	100.00
United States	BVCPS Inc	S	100.00	100.00	100.00	100.00
United States	BIVAC North America	S	100.00	100.00	100.00	100.00
United States	US Laboratories Inc	S	100.00	100.00	100.00	100.00
United States	Bureau Veritas North America	S	100.00	100.00	100.00	100.00
United States	One Cis Insurance	S	100.00	100.00	100.00	100.00
United States	Curtis Strauss	S	100.00	100.00	100.00	100.00
United States	NEIS	S	100.00	100.00	100.00	100.00
United States	Inspectorate Pledgeco Inc	S	100.00	100.00	-	-
United States	Inspectorate Holdco Inc	S	100.00	100.00	-	-
United States	Inspectorate Sharp Global Corporation	S	50.00	50.00	-	-
United States	Inspectorate Delaware Holdings	S	100.00	100.00	-	-

Country	Company	Type	2010		2009	
			% control	% interest	% control	% interest
United States	Inspectorate America Corporation	S	100.00	100.00	-	-
United States	Inspectorate Investments (US) Inc	S	100.00	100.00	-	-
United States	Inspectorate New Holdings Inc	S	100.00	100.00	-	-
United States	Chas Martin Montreal Inc	S	100.00	100.00	-	-
United States	Petroleum Fuel Consultants Inc	S	100.00	100.00	-	-
United States	Inspectorate America Investments LLC	S	100.00	100.00	-	-
United States	Inspectorate US Holdings 1 LLC	S	100.00	100.00	-	-
United States	Inspectorate US Holdings 2 LLC	S	100.00	100.00	-	-
United States	Inspectorate US Holdco LLC	S	100.00	100.00	-	-
United States	Inspectorate American Holdco Inc	S	100.00	100.00	-	-
United States	Inspectorate American New Pledgeco Inc	S	100.00	100.00	-	-
Uruguay	Inspectorate Uruguay Srl	S	100.00	100.00	-	-
Uzbekistan	BV Industrial Services Tashkent	S	100.00	100.00	-	-
Venezuela	BVQI Venezuela	S	100.00	100.00	100.00	100.00
Venezuela	BV Venezuela	S	100.00	100.00	100.00	100.00
Venezuela	AQSR de Suramerica	S	100.00	100.00	100.00	100.00
Venezuela	Inspectorate de Venezuela SCS	S	100.00	100.00		
Vietnam	BV Vietnam	S	100.00	100.00	100.00	100.00
Vietnam	BV Certification Vietnam (formerly BVQI Vietnam)	S	100.00	100.00	100.00	100.00
Vietnam	BV Consumer Product Services Vietnam Ltd	S	100.00	100.00	100.00	100.00
Vietnam	BV CPS Vietnam (formerly Kotiti)	S	100.00	100.00	100.00	100.00
Vietnam	Inspectorate Vietnam Co. Ltd	S	100.00	100.00	-	-
Yemen	BIVAC Branch Yemen	B	100.00	100.00	-	-
Yemen	Inspectorate International Limited Yemen	S	100.00	100.00	-	-

Companies accounted for by the equity method

		2010		2009	
		% control	% interest	% control	% interest
France	ATSI - France	49.92	49.92	49.92	49.92
United Kingdom	BV EM & I Limited	50.00	50.00	50.00	50.00

4.3. Statutory Auditor's report on the consolidated financial statements

Year ended December 31, 2010

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2010, on:

- the audit of the accompanying consolidated financial statements of Bureau Veritas SA;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at December 31, 2010 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II - JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

Your Company tests goodwill for impairment annually and also assesses whether there is an indication that intangible assets may be impaired, in accordance with the methods described in notes 2.7, 2.10 and 9 to the consolidated financial statements. Our work consisted in examining the methods used to implement these impairment tests as well as the related cash flow forecasts and assumptions, reviewing the resulting calculations, and verifying that the disclosures in the notes to the consolidated financial statements are appropriate.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - SPECIFIC VERIFICATION

As required by law and in accordance with professional standards applicable in France, we have also verified in the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris, March 23, 2011
The Statutory Auditors

PricewaterhouseCoopers Audit
Olivier Thibault

Bellot Mullenbach & Associés
Pascal de Rocquigny

2010 Statutory financial statements

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5.1. Bureau Veritas SA statutory financial statements

BALANCE SHEET AT DECEMBER 31

<i>(in thousands of euros)</i>	Notes	Gross value	Depr., amort. and impair.	2010 net	2009 net
Assets					
Intangible assets	1	77,187	(21,559)	55,628	46,808
Property, plant and equipment	1	86,918	(55,697)	31,221	33,053
Long-term investments	2	2,077,752	(39,046)	2,038,706	1,485,432
Total non-current assets		2,241,857	(116,303)	2,125,555	1,565,293
Work-in-progress		36,313	-	36,313	33,479
Trade receivables	4	270,421	(7,893)	262,528	232,993
Other receivables	4	396,427	(5,951)	390,476	329,022
Marketable securities	4	35,878	-	35,878	7,753
Cash at bank and on hand		24,483	-	24,483	29,648
Total current assets		763,522	(13,844)	749,678	632,895
Accrual accounts					
Prepaid expenses	4	10,573	-	10,573	10,345
Currency translation losses		690	-	690	21,900
TOTAL ASSETS		3,016,642	(130,147)	2,886,495	2,230,433
Equity and liabilities					
Share capital				13,112	13,091
Share premium				117,606	116,029
Reserves and retained earnings				442,906	426,895
Net profit for the year				250,302	104,052
Regulated provisions				1,964	2,384
Total equity	3			825,890	662,451
Provisions for other liabilities and charges	5			151,426	147,595
Payables					
Bank borrowings	4			1,260,334	798,837
Trade payables	4			87,325	67,379
Other payables	4			511,902	461,832
Accrual accounts					
Prepaid income	4			49,087	51,345
Currency translation gains				532	40,994
TOTAL EQUITY AND LIABILITIES				2,886,495	2,230,433

INCOME STATEMENT

<i>(in thousands of euros)</i>	Notes	2010	2009
Revenue	7	877,574	869,666
Other income		179,958	158,237
Total operating income		1,057,532	1,027,903
Operating expenses			
Supplies		(625)	(628)
Other purchases and external charges		(324,082)	(303,241)
Taxes other than on income		(28,188)	(26,048)
Wages and salaries		(359,358)	(353,149)
Payroll taxes		(147,833)	(144,752)
Depreciation, amortization and impairment, net			
Depreciation and amortization of non-current assets		(12,600)	(10,159)
Change in provisions on operating items		691	(687)
Other expenses		(45,397)	(43,182)
Operating profit		140,140	146,057
Net financial income	8	150,563	11,300
Profit from ordinary operations before income tax		290,702	157,357
Net exceptional expense	9	(6,275)	(30,652)
Employee profit sharing		(2,347)	-
Income tax expense	10	(31,778)	(22,653)
NET PROFIT FOR THE YEAR		250,302	104,052

STATEMENT OF CASH FLOWS

<i>(in thousands of euros)</i>	2010	2009
Cash flow from operations	266,944	125,626
Change in working capital	(1,866)	58,571
Net cash from operating activities	265,078	184,197
Capital expenditure	(18,326)	(17,725)
Acquisitions of equity interests	(560,434)	(141,139)
Sales of equity interests	10,277	27
Sales of non-current assets	136	970
Change in loans and other financial assets	(869)	696
Net cash used in investing activities	(569,215)	(157,171)
Capital increase	1,597	4,048
Purchases of treasury shares, net	1,410	(4,193)
Dividends paid	(90,995)	(77,629)
Net cash used in financing activities	(87,989)	(77,774)
Decrease (increase) in net debt	(392,126)	(50,748)
Decrease (increase) in gross debt	(403,368)	(14,199)
Increase (decrease) in cash and cash equivalents	11,242	(36,549)
Cash and cash equivalents at beginning of year	35,837	72,386
Cash and cash equivalents at end of year	47,079	35,837

5.2. Notes to the statutory financial statements

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The balance sheet and income statement are prepared in accordance with the French Commercial Code (*Code du commerce*), French chart of accounts and French generally accepted accounting principles as defined by Regulation CRC 99-03.

The financial statements are prepared based on the going concern, consistency of accounting methods and accrual basis principles.

The Company is organized as a head office with a number of branches based within and outside France. Branches are fairly autonomous with regard to financial and managerial matters. Each entity keeps its own accounts, which are linked to the head office accounting system via an intercompany account.

Financial statements of foreign subsidiaries and branches are translated using the closing rate method: assets and liabilities are translated at the year-end exchange rate, while income statement items are translated at the average exchange rate for the year. All resulting currency translation differences are recognized directly in equity.

MEASUREMENT METHODS

Non-current assets

Non-current assets are carried at historical cost, in particular assets located outside France. The exchange rate applied to the currency in which the assets were purchased is the rate prevailing at the acquisition date.

Intangible assets

Software developed in-house is capitalized in accordance with the benchmark treatment. The cost of production for own use includes all costs directly attributable to analyzing, programming, testing and documenting software specific to Bureau Veritas' activities.

Software is amortized over its estimated useful life, which does not currently exceed seven years.

Property, plant and equipment

Depreciation is provided according to the straight-line or declining balance method, depending on the asset concerned. The following useful lives generally apply:

- buildings 20 to 25 years;
- fixtures and fittings, machinery and equipment:
 - fixtures and fittings 10 years;
 - machinery and equipment 5 to 10 years;

- other property, plant and equipment:

- vehicles 4 to 5 years;
- office equipment 5 to 10 years;
- IT equipment 3 to 5 years;
- furniture 10 years.

Long-term investments

Equity investments are carried in the balance sheet at acquisition cost or subscription price.

Subsidiaries and affiliates are generally measured based on the Company's share in their net book assets, adjusted where appropriate for items with an economic value that are not recorded in the accounting books.

A provision for impairment is set aside for any difference between the value in use and gross value of the investments.

Current assets

Work-in-progress

Work-in-progress is measured using the percentage-of-completion method. Short-term contracts whose value is not material continue to be valued using the completed contract method.

An impairment provision is set aside when net realizable value falls below book value. In this case, work-in-progress is reported directly on a net basis.

The provision is calculated for each contract based on the projected margin as revised at year-end. Losses on completion are recognized on any onerous contracts.

Trade receivables

Provisions for depreciation of trade receivables are set aside to cover any risks of non-collection that may arise. Provisions are based on a case-by-case analysis of receivables, except for non-material amounts for which statistical provisions are calculated based on collection experience.

At December 31, 2010, the provision was booked based on the same criteria as those used at end-2009:

- customers in liquidation are fully provisioned;
- customers subject to legal proceedings are provisioned at a rate of 50%.

Accrual accounts**Prepaid expenses**

This caption includes operating expenses recognized in 2010 but relating to subsequent reporting periods.

Currency translation losses

This item represents translation losses on foreign currency credit notes, receivables and payables.

Since there are no corresponding hedging instruments, translation losses are covered by a provision for the same amount in liabilities.

Foreign currency borrowings hedged by designated currency swaps and those hedged by current accounts with subsidiaries in the same currencies with broadly similar maturities are treated as aggregate currency exposures. The provision recognized is limited to the amount by which unrealized translation losses exceed unrealized translation gains.

Equity and liabilities**Currency translation reserves**

unctional currency of independent foreign entities is used as their reference currency. As a result, historical cost data is expressed in foreign currency. The closing rate method is therefore used to translate the financial statements of foreign subsidiaries and branches.

Accordingly:

- balance sheet items (except for the intercompany account) are translated at the year-end exchange rate;
- income statement items are translated at the average exchange rate for the year;
- the intercompany account continues to be carried at the historical exchange rate.

Pensions and other employee benefit obligations

The Company has adopted the benchmark treatment for pensions and other employee benefit obligations and recognizes all such obligations in the balance sheet. Actuarial gains and losses resulting from changes in assumptions or in the valuation of assets are recognized in full in the income statement.

Provisions for risk and charges

Provisions for other liabilities and charges are recognized when the Company considers that at the end of the reporting period it has a present legal obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be reliably estimated.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The costs which the Company ultimately incurs may exceed the amounts set aside to provisions for claims

and disputes due to a variety of factors such as the uncertain nature of the outcome of the dispute. Provisions for claims and disputes whose outcome will only be known in the long term are measured at the present value of the expenditures expected to be required to settle the obligation concerned, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Derivative financial instruments

A provision is set aside in liabilities if any derivative financial instruments traded over-the-counter that do not meet the criteria for hedge accounting have a negative market value.

Accrual accounts**Currency translation gains**

This account includes gains on the translation of the Company's foreign currency credit notes, receivables and payables at December 31.

Prepaid income

This account represents the portion of contract billing in excess of the percentage-of-completion (see note concerning revenue below).

INCOME STATEMENT**Presentation method**

The income statement is presented in list format. Income and expense items are classified to successively show operating, financial and exceptional, pre-tax and post-tax amounts.

Revenue and other income

Revenue is the value (excluding VAT) of services provided by the subsidiaries and branches in the ordinary course of their business, after elimination of intra-company transactions.

Revenue is recognized on a percentage-of-completion basis. Short-term contracts whose value is not material are valued using the completed contract method.

Other income includes mainly royalties and expenses rebilled to customers and other Group entities.

Other operating income and expense

All other income and expense relating to the Company, head office, French and foreign subsidiaries and branches is reported in this caption by type. Income and expense is recognized according to the local regulations in the countries in which the Group's subsidiaries and branches are located. Depreciation and amortization are calculated using the usual methods (see non-current assets). Additions to provisions reflect amounts set aside to cover a decline in value of external customer accounts and other operating provisions.

Financial income and expense

This caption includes:

- movements in provisions resulting from additions to and reversals from the merger deficit included in goodwill and the equity investments of certain subsidiaries;
- interest paid on borrowings and interest received on loans granted to Bureau Veritas SA subsidiaries, together with investment income;
- exchange differences on foreign currency loans and borrowings, and on operating transactions.

Exceptional income and expense

Exceptional income includes recoveries of receivables previously written off, insurance refunds and proceeds from sales of non-current assets and Bureau Veritas SA shares.

Exceptional expense includes miscellaneous penalties paid and the net book values of (i) non-current assets sold or retired and (ii) Bureau Veritas SA shares.

Consolidation

Bureau Veritas SA is the parent and consolidating company of the Bureau Veritas Group, and is itself fully consolidated by the Wendel group.

Bureau Veritas SA is the head of a tax consolidation group set up pursuant to articles 223 *et seq.* of the French Tax Code (*Code général des impôts*).

2010 SIGNIFICANT EVENTS

- In 2010, Bureau Veritas SA subscribed to the share capital increase carried out by its subsidiary BV Certification Belgium in an amount of €546,272,025.
- Dividends: on June 17, 2010 pursuant to the resolutions adopted by the June 1, 2010 Annual General Meeting, the Company paid eligible shareholders a dividend of €0.84 per share in respect of 2009, representing a total amount of €91.0 million.
- Following an amendment to the National Collective Agreement of the metallurgy industry regarding pension entitlement, the Company has recognized an additional obligation of €3,848 thousand.
- This expense will be amortized over the remaining term of the obligations, i.e., 10.6 years.
- Following a legal restructuring of its Netherlands entities, the Company carried out partial asset transfers in exchange for equity interests for a total amount of €10,269 thousand. These interests were subsequently sold for the same amount.
- In July 2009, the Company set up a master agreement with a US investor concerning a multi-currency facility for USD225 million, able to be drawn down over a period of three years.
- The Company confirmed that it had drawn down this facility in June 2010 following its signature of the agreement to purchase Inspectorate. The terms and conditions of this US Private

Placement ("USPP 2010") are similar to those for the 2008 Private Placement, with the exception of the term (nine years maturing in July 2019), the drawdown currency (US dollars) and the interest rate (fixed rate of 4.095%).

- The 2010 Private Placement has been drawn down in full in an amount of €184.1 million.
- In June 2010, the Company set up a bank line of credit with French institutional investors for a total of €200 million. This facility is for a term of five years and falls due in June 2015. The terms and conditions of this French Private Placement ("French PP 2010") are similar to those of the 2006 syndicated loan. In 2010, an amount of €50 million was drawn down under this facility.

CHANGE IN ESTIMATES

The provision for technical disputes is now based on the moving average of claims over the past five years compared to ten years previously. The number of claims has fallen sharply over the past few years, as Bureau Veritas has developed tools to better identify the risks that the claims will materialize and is therefore able to settle the disputes upstream. This change in estimates resulted in a gain of €1.5 million at December 31, 2010.

NOTES TO THE STATUTORY FINANCIAL STATEMENTS

Note 1 NON-CURRENT ASSETS

NON-CURRENT ASSETS – GROSS VALUES

(in thousands of euros)	Janv. 1. 2010	Increases	Decreases	Reclassifications and other movements	Currency translation differences	Dec. 31, 2010
Goodwill	14,454	-	(31)	-	16	14,440
Other intangible assets	52,949	10,464	(1,906)	1,184	57	62,748
Intangible assets	67,403	10,464	(1,937)	1,184	73	77,187
Land	17	-	-	-	-	17
Buildings	262	-	-	-	-	262
Fixtures and fittings	18,553	1,015	(391)	(570)	151	18,759
Machinery and equipment	27,109	3,165	(159)	(5)	38	30,148
Vehicles	2,820	312	(492)	63	144	2,847
Furniture and office equipment	14,322	484	(479)	(443)	337	14,222
IT equipment	17,764	2,882	(624)	(721)	321	19,623
Construction in progress	2,285	3	-	(1,248)	-	1,040
Property, plant and equipment	83,132	7,862	(2,145)	(2,923)	992	86,918
Investments in subsidiaries and affiliates	1,505,756	560,435	(10,722)	-	-	2,055,469
Investments in non-consolidated companies	173	-	(17)	-	-	156
Deposits, guarantees and receivables	6,209	2,201	(1,332)	(3)	385	7,459
Treasury shares	14,843	51,517	(51,692)	-	-	14,668
Long-term investments	1,526,981	614,152	(63,763)	(3)	385	2,077,752
TOTAL	1,677,516	632,479	(67,845)	(1,743)	1,451	2,241,857

For details of changes in investments in subsidiaries and affiliates, refer to the "2010 significant events" section.

At the time of its Initial Public Offering in October 2007, Bureau Veritas acquired the entire share capital of Winvest 7, a company controlled by the Wendel group and key Bureau Veritas executives. Winvest 7's only assets were its shares in Bureau Veritas SA.

Winvest 7 was dissolved without liquidation in December 2007, as a result of which Bureau Veritas SA obtained its own shares via a full asset transfer (*transmission universelle de patrimoine*). This transaction gave rise to a merger deficit which was included in goodwill. The treasury shares repurchased were reported in long-term investments.

DEPRECIATION, AMORTIZATION AND PROVISIONS FOR IMPAIRMENT OF NON-CURRENT ASSETS

	Janv. 1. 2010	Increases	Decreases	Reclassifications and other movements	Currency translation differences	Dec. 31, 2010
Goodwill	(1,893)	-	1,893	-	-	-
Other intangible assets	(18,702)	(4,709)	1,893	-	(40)	(21,559)
Intangible assets	(20,595)	(4,709)	3,786	-	(40)	(21,559)
Land	-	-	-	-	-	-
Buildings	(127)	(8)	-	-	-	(135)
Fixtures and fittings	(7,668)	(1,759)	269	250	(96)	(9,004)
Machinery and equipment	(18,517)	(2,498)	153	(5)	(26)	(20,893)
Vehicles	(2,099)	(394)	496	-	(109)	(2,106)
Furniture and office equipment	(8,718)	(1,055)	455	227	(229)	(9,320)
IT equipment	(12,950)	(2,176)	615	533	(262)	(14,240)
Construction in progress	-	-	-	-	-	-
Property, plant and equipment	(50,079)	(7,890)	1,988	1,005	(721)	(55,697)
Investments in subsidiaries and affiliates	(41,385)	(73)	2,572	-	-	(38,886)
Investments in non-consolidated companies	(164)	(13)	17	-	-	(160)
Deposits, guarantees and receivables	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-
Long-term investments	(41,549)	(85)	2,588	-	-	(39,047)
TOTAL	(112,222)	(12,685)	8,362	1,005	(762)	(116,303)

The goodwill shown initially arose on the Winvest 7 full asset transfer, comprising Bureau Veritas SA shares as the only asset. Following the rise in the Bureau Veritas share price, the Company reversed the impairment loss in an amount of €1,892,750 at December 31, 2010.

The book value of goodwill is based on the average share price in December 2010.

Note 2 INVESTMENTS IN SUBSIDIARIES AND AFFILIATES**A. DETAILED INFORMATION ABOUT SUBSIDIARIES AND AFFILIATES WHOSE BOOK VALUE EXCEEDS 1% OF THE REPORTING COMPANY'S CAPITAL**

	Share capital in foreign currency	Retained earnings in foreign currency	Average exchange rate		% interest
			Currency	2010	
Bureau Veritas D.O.O.	122	1,648	EUR	1.000	100.00%
BV – Senegal	840,400	199,750	XOF	0.002	100.00%
BV Argentina	3,200	2,204	ARS	0.190	98.00%
BV Bivac Switzerland	200	87	CHF	0.724	100.00%
BV Certification Slovakia	7	379	EUR	1.000	100.00%
BV Certification Czech Republic	5,982	45,533	CZK	0.040	100.00%
BV Chile	665,120	381,085	CLP	0.001	99.98%
BV Colombia	1,542,236	1,885,183	COP	0.000	99.96%
BV Consulting China	6,673	11,455	CNY	0.111	100.00%
BV Côte d'Ivoire	1,482,140	766,437	XOF	0.002	100.00%
BV do Brasil	1,042	20,762	BRL	0.429	96.40%
BV Douala	431,050	158,747	XAF	0.002	100.00%
BV France	14,797	65,574	EUR	1.000	100.00%
BV Gabon	919,280	655,144	XAF	0.002	100.00%
BV Gozetim Hizmetleri	2,241	7,213	TRY	0.501	94.17%
BV Inspection Malaysia	-	-	MYR	0.234	100.00%
BV International	843,677	510,802	EUR	1.000	100.00%
BV Japan	300,000	173,056	JPY	0.009	87.25%
BV Lebanon	752,000	250,667	LBP	0.001	99.84%
BV Mexicana	25,785	5,727	MXN	0.060	99.96%
BV Nigeria	40,000	517,689	NGN	0.005	60.00%
BV Poland	248	3,499	PLN	0.250	100.00%
BV Venezuela	389	3,420	VEF	0.178	100.00%
BV Vietnam	4,025	(433)	VND	0.039	100.00%
BVCPS Bangladesh	10	69,682	BDT	0.011	98.00%
BVCPS France	143	104	EUR	1.000	100.00%
BVCPS India Ltd	10,844	310,330	INR	0.017	99.99%
BVCPS Indonesia	2,665	504	IDR	0.083	100.00%
BVCPS Singapore	100	(1,163)	SGD	0.554	100.00%
BVCPS Thailand	4,000	4,329	THB	0.024	99.99%
BVCPS Turkey	975	413	TRY	0.501	99.94%
BVHI – USA	1	74,824	USD	0.754	100.00%
BVIS – India	1,933	37,722	INR	0.017	96.90%
ECS	262	1,094	EUR	1.000	100.00%
Rinave Registro Int'l Naval	250	(98)	EUR	1.000	100.00%
Soprefira	1,262	20,347	EUR	1.000	99.98%
Affiliates (10% to 50%-owned by the Company)					
BV Inversiones, S.A.	7,222	109,367	EUR	1.000	46.74%
One Tüv	54	(172)	EUR	1.000	33.33%
STCV – Tunisia	1,800	1,424	TND	0.526	49.88%

Book value of shares held		Loans and advances granted to consolidated and non-consolidated subsidiaries	Guarantees and endorsements provided given by the Company	Last published revenue	Last published profit/(loss)	Dividends received by the Company during the year
Gross	Net					
4,086	3,769	-	-	4,725	162	292
1,281	1,281	-	21,239	2,820	286	511
3,426	3,426	-	3,077,736	38,620	3,007	1,726
198	198	-	19,994	831	80	-
1,144	1,144	-	-	1,073	217	-
5,768	5,768	-	44,726	7,673	682	-
1,109	1,109	-	500,931	10,129	162	488
809	809	-	-	2,972	278	488
867	867	-	157,175	28,659	1,639	3,166
2,260	2,260	-	54,125	8,694	1,689	1,523
841	841	-	2,138,836	90,406	9,994	6,720
657	657	-	20,743	1,504	(109)	20
73,971	73,971	-	-	-	3,569	9,433
1,376	1,376	-	-	5,522	383	274
185	185	-	274,521	21,486	2,856	4,249
23	-	-	-	-	-	-
1,270,571	1,270,571	37,541	-	-	202,844	108,887
1,950	1,950	-	-	50,553	6,236	3,793
446	446	-	276,809	2,010	314	248
2,061	1,807	-	1,713,567	13,490	(447)	164
507	507	-	-	2,844	529	-
152	152	-	25,996	7,068	1,651	2,211
782	782	-	-	2,371	424	-
273	273	-	23,601	3,767	481	266
675	675	-	-	7,253	3,237	3,021
1,496	808	241	-	4,111	230	517
4,652	4,652	-	5,896	9,856	2,989	-
1,901	1,901	-	-	5,552	1,790	-
13,408	1,078	-	-	5,568	1,603	1,633
169	169	43	-	847	(20)	57
642	642	508	-	3,797	251	-
74,346	52,151	147,012	-	-	(3,877)	-
219	219	-	31,544	74	(204)	-
2,065	2,065	280	-	4,530	985	322
1,578	659	2,674	30,542	1,119	(304)	507
1,262	1,262	-	-	-	2,121	-
27,618	27,618	47,476	418,217	2	8,694	-
143	143	-	-	4,791	660	115
230	230	-	48,537	3,774	577	134

B. GENERAL INFORMATION ABOUT OTHER SUBSIDIARIES AND AFFILIATES

	Share capital in foreign currency	Retained earnings in foreign currency	Average exchange rate		% interest
			Currency	2010	
Bureau Veritas Controle	1,300	867	MZN	0.022	90.00%
Bureau Veritas D.O.O.	315	5,160	RSD	0.010	100.00%
Bureau Veritas India	500	245,115	INR	0.017	100.00%
Bureau Veritas Latvia	175	19	LVL	1.411	100.00%
BV Algeria	500	31,122	DZD	0.010	99.80%
BV Angola	1,980	(968,759)	AOA	0.008	99.00%
BV Austria	296	(232)	EUR	1.000	100.00%
BV Azeri	74	94	AZN	0.939	100.00%
BV Bangladesh Private Ltd	5,500	2,380	BDT	0.011	99.99%
BV Belarus Ltd	43,060	26,999	BYR	0.000	99.00%
BV Benin	1,000	196,734	XOF	0.002	100.00%
BV Chile Capacitacion Ltda	954	67,564	CLP	0.001	99.00%
BV Congo	69,980	1,196,743	XAF	0.002	100.00%
BV Consumer Product Services Vietnam Ltd	2,388	(2,584)	VND	0.039	100.00%
BV Croatia	54	1,280	HRK	0.137	100.00%
BV Ecuador	3	158	USD	0.754	100.00%
BV Egypt	100	33,305	EGP	0.134	90.00%
BV Estonia	233	346	EEK	0.064	100.00%
BV Guinea	803,590	(4,319,873)	GNF	0.000	100.00%
BV Hungary	8,600	44,956	HUF	0.004	100.00%
BV Indonesia	943	6,100	IDR	0.083	99.00%
BV Kazakhstan	11,100	(48,120)	KZT	0.005	100.00%
BV Kenya	2,000	12,695	KES	0.010	99.90%
BV Lanka Ltd	5,000	9,238	LKR	0.007	99.99%
BV Lithuania	150	183	LTL	0.290	100.00%
BV Luxembourg	31	36	EUR	1.000	99.90%
BV Mali	10,000	(2,701,329)	XOF	0.002	100.00%
BV Marine Belgium & Luxembourg	62	(31)	EUR	1.000	99.92%
BV Monaco	150	(106)	EUR	1.000	99.94%
BV New Zealand	1	284	NZD	0.544	100.00%
BV Pakistan	2,000	31,409	PKR	0.009	99.00%
BV Panama	50	634	PAB	0.754	100.00%
BV Peru	237	362	PEN	0.267	99.04%
BV Romania CTRL	48	1,621	RON	0.237	100.00%
BV Russia	1,500	14,198	RUB	0.025	100.00%
BV SATS	2,000	(26,761)	SAR	0.201	60.00%
BV Slovakia	416	(110)	EUR	1.000	100.00%
BV Chad	10,000	(293,078)	XAF	0.002	100.00%
BV Togo	1,000	(188,812)	XOF	0.002	100.00%
BV Ukraine	45	1,189	UAH	0.096	99.00%
BV Varna	85	153	BGN	0.511	100.00%

Book value of shares held		Loans and advances granted to consolidated and non-consolidated subsidiaries	Guarantees and endorsements provided given by the Company	Last published revenue	Last published profit/(loss)	Dividends received by the Company during the year
Gross	Net					
38	38	893	-	-	1	-
4	4	-	-	689	257	190
49	49	-	362,494	16,529	258	151
111	111	-	-	1,890	259	162
5	5	700	-	1,908	176	-
73	-	1,652	-	39,416	(2,006)	-
961	185	-	-	1,856	121	-
60	60	-	-	865	97	-
88	88	-	3,669	497	99	95
15	15	-	-	352	82	70
2	2	167	15,245	659	211	98
1	1	437	80	1,428	207	310
107	107	-	-	8,760	1,067	1,065
127	127	3	-	5,831	802	826
8	8	-	27,088	5,213	1,091	1,178
55	55	-	169,583	1,699	163	98
22	22	-	54,727	4,773	1,060	-
15	15	-	-	1,681	209	243
763	-	371	-	602	88	-
92	92	-	-	2,693	340	122
100	100	21	43,934	5,039	1,045	441
59	-	2,209	-	1,157	(207)	-
19	19	65	1,192	1,454	140	259
47	47	-	-	283	65	49
30	30	-	-	2,854	471	377
31	31	-	-	-	(53)	129
149	-	-	-	11,203	(1,481)	-
61	61	-	61,578	7,884	1,109	1,245
79	79	-	-	672	71	-
8	8	259	-	1,910	(5)	-
25	25	-	18,495	1,561	223	-
47	47	-	-	800	307	309
64	64	243	698,399	8,698	875	1,066
28	28	-	1,392	3,464	1,032	968
47	47	-	-	6,793	59	-
266	-	7,929	20,409	4,183	651	-
-	-	-	-	411	70	-
15	-	380	-	4	(7)	-
2	-	278	-	-	(5)	-
21	21	-	-	4,931	610	700
45	45	-	3,172	1,951	496	522

	Share capital in foreign currency	Retained earnings in foreign currency	Average exchange rate		% interest
			Currency	2010	
BVCPS Mexico	6,100	4,267	MXN	0.060	99.34%
IPM Spain	61	(567)	EUR	1.000	100.00%
Affiliates (10% to 50%-owned by the Company)					
ATSI - France	80	585	EUR	1.000	49.92%
Bivac International	5,337	1,466	EUR	1.000	0.01%
Bureau Veritas Marine China	7,588	29,084	CNY	0.111	6.00%
BV Certification Belgium	546,397	(108)	EUR	1.000	99.98%
BV Spain	7,655	(84)	EUR	1.000	99.92%
BV Italy	3,576	(4,531)	EUR	1.000	14.54%
BV Malaysia	350	13,736	MYR	0.234	49.00%
BV Marine Netherlands	18	(772)	EUR	1.000	100.00%
BV Thailand	4,000	11,627	THB	0.024	49.00%
Merchandise Testing Lab Ltd	-	-	GBP	1.166	100.00%
Other	-	-	EUR	-	-
TOTAL					

Book value of shares held		Loans and advances granted to consolidated and non-consolidated subsidiaries	Guarantees and endorsements provided given by the Company	Last published revenue	Last published profit/(loss)	Dividends received by the Company during the year
Gross	Net					
68	68	-	-	2,195	395	673
61	-	-	3,750	58	(88)	-
38	38	-	-	-	14	-
-	-	-	-	-	18,978	1
54	54	-	-	71,205	24,430	789
546,272	546,272	267	3,718	3,738	(1,653)	-
-	-	-	1,960,663	17,397	(927)	-
9	9	1,126	630,822	49,749	3,307	-
18	18	-	25,903	12,367	1,226	3,346
-	-	-	6,000	18,661	4,237	-
63	63	-	51,296	5,525	1,151	657
-	-	-	-	-	-	-
-	-	-	-	-	-	1
2,055,468	2,016,582	252,774	12,991,048	701,979	316,779	168,238

Note 3 SHAREHOLDERS' EQUITY**SHARE CAPITAL**

As of December 31, 2010, the share capital was composed of 109,268,601 shares with a par value of €0.12 each.

Movements in share capital during the year are shown below:

In number of shares	2010	2009
At January 1	109,096,410	108,600,755
Capital increase	14	-
Exercise of stock options	172,177	495,655
AT DECEMBER 31	109,268,601	109,096,410

MOVEMENTS IN EQUITY IN 2010

Share capital at January 1, 2010	13,091
Share capital on exercise of options	21
Share capital at December 31, 2010	13,112
Share premium at January 1, 2010	116,029
Share premium on exercise of options	1,577
Share premium at December 31, 2010	117,606
Reserves at January 1, 2010	426,887
Retained earnings (2009 profit)	104,052
Dividend distribution (AGM of June 1, 2010)	(90,995)
Currency translation differences	2,963
Reserves and retained earnings at December 31, 2010	442,906
2010 profit	250,302
Regulated provisions in 2010 (accelerated tax depreciation)	1,964
TOTAL EQUITY AT DECEMBER 31, 2010	825,890

BREAKDOWN OF EQUITY AT DECEMBER 31, 2010

Share capital	13,112
Share premium	117,606
Retained earnings	224,019
Legal reserve	1,711
Other reserves	217,176
Net profit for the year	250,302
Regulated provisions	1,964
TOTAL EQUITY AT DECEMBER 31, 2010	825,890

Note 4 RECEIVABLES AND PAYABLES**ANALYSIS OF RECEIVABLES**

	Gross	1 year or less	More than 1 year
Trade receivables	270,421	270,421	-
Social security and other social taxes	419	419	-
Income tax	3,998	3,998	-
Other taxes, duties and similar levies	3,558	3,558	-
Joint ventures and economic interest groupings (EIG)	5,777	5,777	-
Receivable from Group and associated companies	379,544	379,544	-
Miscellaneous debtors	3,131	3,131	-
Other receivables	396,427	396,427	-
Marketable securities	35,878	35,878	-
Prepaid expenses	10,573	10,573	-
TOTAL RECEIVABLES	713,299	713,299	-

Marketable securities are carried at cost and written down to their net realizable value if this falls below their cost.

ANALYSIS OF PAYABLES

	Gross	1 year or less	Between 1 and 5 years	Beyond 5 years
Bank borrowings	1,233,540	60,044	719,994	453,502
Miscellaneous borrowings	26,794	26,794	-	-
Bank borrowings	1,260,334	86,838	719,994	453,502
Trade payables	87,325	87,325	-	-
Payable to employees	115,221	115,221	-	-
Social security and other social taxes	26,919	26,919	-	-
Value added tax	35,969	35,969	-	-
Other taxes, duties and similar levies	10,513	10,513	-	-
Payable to Group and associated companies	315,370	315,370	-	-
Other payables other	7,910	7,910	-	-
Other payables	511,902	511,902	-	-
Prepaid income	49,087	49,087	-	-
TOTAL PAYABLES	1,908,648	735,152	719,994	453,502

Note 5 PROVISIONS**A. PROVISIONS FOR IMPAIRMENT OF ASSETS**

	2010	2009
Long-term investments	39,046	41,549
Inventories and work-in-progress	-	-
Trade receivables	7,893	6,972
Other receivables	5,951	4,328
PROVISIONS FOR IMPAIRMENT OF ASSETS	52,890	52,849

B. REGULATED PROVISIONS CARRIED IN LIABILITIES

	2010	2009
REGULATED PROVISIONS	1,964	2,384

Regulated provisions comprise accelerated tax amortization recognized on capitalized software costs and on acquisition fees for shares acquired since 2007.

C. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	2010	2009
Pensions and other employee benefits	74,956	70,864
Contract-related disputes	34,273	34,671
Provision for exchange losses	3,839	8,340
Other contingencies	36,839	31,948
Losses on completion	1,518	1,772
PROVISIONS FOR OTHER LIABILITIES AND CHARGES	151,426	147,595

The Company observed a fall in the number of claims over the past few years, reflecting its policy of settling claims out-of-court. This change in estimates concerning provisions recognized in respect of technical disputes resulted in a gain of €1.5 million in 2010.

The provision for pensions and other employee benefits takes into account a discount rate based on the yield on IBOXX Euro Corporate AA 10-year bonds. The discount rate was 4.30% for French businesses at December 31, 2010, compared to 5.30% at end-2009.

Movements during the year are shown below:

	2010	2009
At January 1	147,595	146,597
Additions	44,781	42,900
Reversals (utilized provisions)	(25,511)	(31,296)
Reversals (surplus provisions)	(12,895)	(11,041)
Other movements	(2,544)	435
AT DECEMBER 31	151,426	147,595

Bureau Veritas and its subsidiaries are involved in various disputes and legal actions arising in the ordinary course of business in connection with the services they provide. The majority of such claims are covered by business-specific insurance. The timing of the related future cash outflows is uncertain as it will depend on developments in legal proceedings in progress, including appeals. The Company considers that most of the cash outflows relating to such disputes will occur more than one year after the end of the reporting period.

Provisions for other liabilities and charges recorded in the balance sheet at December 31, 2010 take into account the following three major claims:

- Terminal 2E at Paris-Roissy CDG airport;
- dispute concerning the construction of a hotel and shopping complex in Turkey;
- dispute concerning the Gabon Express aircraft accident.

Based on available information, its counsels' estimates, and insurance coverage in place, the Company does not believe these disputes will have a material impact on its statutory financial statements.

Note 6 COMMITMENTS

A. GUARANTEES GIVEN

	Dec. 31, 2010	Dec. 31, 2009
Commitments given	74,670	76,696
Bank guarantees on contracts	19,224	15,700
Miscellaneous bank guarantees	17,677	16,273
Parent company guarantees	37,769	44,723

B. DERIVATIVE FINANCIAL INSTRUMENTS

In the first-half of 2005, the Company set up a floating-rate syndicated loan and a number of interest rate swaps to hedge a portion of the interest rate risk arising on its USD-denominated debt (floating-rate lender/fixed-rate borrower swaps and collars). Further similar hedging arrangements were set up at the end of 2006 and in the first half of 2007 to protect the Company against

interest rate risk arising on its euro-denominated debt. In 2008, the Company entered into other interest rate hedges. These include an interest rate cap to protect against rising interest rates that also allows the Company to benefit from favorable interest rate trends.

Certain interest rate hedges such as the cancelable swap contract do not meet the criteria for hedge accounting.

The interest rate derivatives in place at year-end 2010 were as follows:

Interest rate derivatives	Maturity	Notional amount	Fair value of derivative
Basic swap	3/27/2011	EUR 50 million	(0.0)
Basic swap	3/31/2011	EUR 50 million	(0.0)
Basic swap	4/20/2011	EUR 70 million	(0.1)
Swap	1/30/2011	EUR 50 million	(0.4)
Swap	5/30/2011	EUR 50 million	(0.6)
Collar	6/15/2012	EUR 50 million	(2.5)
Swap	4/22/2013	EUR 70 million	(5.6)
Swap	6/27/2013	EUR 50 million	(2.2)
TOTAL AT DECEMBER 31, 2010			(11.4)

A currency hedge has been contracted swapping for euros (i) the Company's USPP debt in US dollars and Sterling pounds, and (ii) part of the amortizable USD portion of the 2006 syndicated loan.

The currency derivatives in place at year-end 2010 were as follows:

Currency derivatives	Maturity	Notional amount	Fair value of derivative
	5/22/2013	USD 119 million	(5.9)
	7/16/2018	GBP 23 million	(2.3)
	7/16/2018	USD 155 million	18.3
	9/8/2019	GBP 17 million	(0.9) ^(a)
	9/8/2019	USD 297.6 million	(11.7) ^(a)
	7/16/2020	GBP 40 million	(4.7)
	7/16/2020	USD 111 million	13.0
TOTAL AT DECEMBER 31, 2010			5.9

(a) Valuation based on the difference between the closing rate as of December 31, 2010 and the rate at implementation date of the instrument.

Note 7 ANALYSIS OF REVENUE BY INDUSTRY AND GEOGRAPHIC AREA**INDUSTRY ANALYSIS**

	2010	2009
Marine	174,836	183,938
Industry	125,917	125,345
Inspection & In-Service Verification	244,698	238,316
Construction	209,872	217,965
Certification	60,314	64,795
Consumer Products	1,086	652
Government Services & International Trade	60,851	38,655
TOTAL	877,574	869,666

Since January 1, 2010 the activities of the Health, Safety & Environment (HSE) business have been reorganized and reclassified principally in the In-Service Inspection & Verification, Industry and Construction businesses. The data for 2009 and 2010 has been restated according to the consolidated data split for 2009 in order to provide better comparability.

GEOGRAPHIC ANALYSIS

	2010	2009
France	639,947	625,200
EMEA	178,694	174,865
Americas	369	380
Asia-Pacific	58,563	69,221
TOTAL	877,574	869,666

The EMEA region includes Europe (excluding France), Africa and the Middle East.

In 2010, an amount of €8.5 million was reclassified from the Asia-Pacific region to the EMEA region.

Bureau Veritas SA invoices its French and foreign subsidiaries and branches for fees. These amounts were recognized in other income for €117.3 million in 2010 and €110.8 million in 2009.

Note 8 FINANCIAL INCOME AND EXPENSE

Financial income	2010	2009
Investment income	168,238	42,954
Income from other marketable securities and receivables on non-current assets	8,219	537
Other interest income	4,049	5,574
Reversals of provisions	12,875	35,309
Exchange gains	13,763	61,255
Total	207,143	145,629
Financial expense		
Additions to provisions	(11,029)	(15,311)
Interest expense	(38,995)	(40,648)
Exchange losses	(6,555)	(78,370)
Total	(56,580)	(134,329)
NET FINANCIAL INCOME	150,563	11,300

The increase in investment income results from dividends paid in 2010 by BV International in an amount of €109 million.

Note 9 EXCEPTIONAL ITEMS

Exceptional items	2010	2009
On management transactions	1,390	513
On capital transactions	10,414	998
Reversals of provisions	3,510	2,510
Total	15,314	4,021
Exceptional expense		
On management transactions	(166)	(5,926)
On capital transactions	(10,910)	(20,022)
Additions to provisions	(10,513)	(8,725)
Total	(21,589)	(34,673)
NET EXCEPTIONAL EXPENSE	(6,275)	(30,652)

Note 10 INCOME TAX**BREAKDOWN OF CURRENT AND EXCEPTIONAL INCOME TAX**

	2010		2009	
	Amount before income tax	Income tax	Amount before income tax	Income tax
Profit from ordinary operations	288,355	(31,227)	157,357	(29,744)
Net exceptional expense	(6,275)	(551)	(30,652)	7,091

The Company was subject to a tax audit for the 2005 and 2006 fiscal years and recorded the provisions it deemed appropriate.

The deferred income tax position at December 31 was as follows:

	2010	2009
Deferred tax assets	45,836	45,608
Deferred tax liabilities	(362)	(309)
NET DEFERRED TAX ASSETS	45,474	45,299

Deferred taxes at December 31, 2010 are presented after offsetting deferred tax assets and deferred tax liabilities relating to the same tax entity.

At end-2010, deferred taxes related mainly to provisions for pensions and other employee benefits, financial instruments, non-deductible accrued charges, and provisions for contract-related disputes.

In accordance with article 223 A of the French Tax Code (*Code générale des impôts*), Bureau Veritas SA is the sole Group entity liable for income tax payable in respect of fiscal years beginning on or after January 1, 2008.

The tax consolidation group comprises: BIVAC, BV Certification France, BV Certification Holding, Tecnicas, CEPI, Sedhyca, BV International, BV France, BV CPS France, LCIE, ECS, SSICCOOR, Transcable, Qualité France, BV Laboratoires and BV Operation France.

Under tax consolidation rules, subsidiaries pay contributions in respect of income tax. Regardless of the tax effectively due, these contributions are equal to the income tax for which the subsidiary would have been liable or to the net long-term capital gain for the period had it been taxed as a separate entity, less all deduction entitlements that would have applied to the separately taxable entity.

Note 11 EXECUTIVE COMPENSATION

(in millions of euros)	2010	2009
Compensation	6.4	6.7

Compensation includes amounts paid to members of governing bodies (Board of Directors and Executive Committee) in respect of their different activities within the Company, as well as attendance fees and remuneration for assignments approved by the Board of Directors.

Note 12 SHARE-BASED PAYMENT

The Company has set up two types of equity-settled compensation plans:

- stock option plans;
- free share plans.

STOCK OPTION PLANS

Description

Stock options are granted to the Company's senior managers and other selected employees. All stock option plans entitle their holders to subscribe for newly issued shares on exercise of their options. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

Options are conditional on the employee having completed three or five years' service depending on the plan. They are valid for eight years after the grant date.

The exercise price of the options is set at the grant date and may not be changed, except for the February 2006 and July 2006 plans whose initial exercise price is subject to an increase at a rate of 8.5% per year applied on an accrual basis until the date when the options are exercised by the beneficiary.

Pursuant to a decision of the Board of Directors on July 23, 2010, the Company awarded 175,100 stock options to three corporate officers and certain employees. The options granted may be exercised at a fixed price of €46.31. The award is conditional on the employee having completed three years' service, and on achieving a performance target based on adjusted operating profit for 2010. The options are valid for eight years after the grant date.

► OVERVIEW OF STOCK OPTIONS OUTSTANDING AT YEAR-END

Start date of plan	Expiration date	Exercise price	Number of options (share equivalents)		Contribution basis	
			€ per share	to be issued		€ per option
				2010		
12/17/2002 Plan	12/17/2010	7.49	-	3,037	-	
7/25/2003 Plan	7/25/2011	9.58	1,460	102,100	-	
2/01/2006 Plan	2/1/2014	15.17	442,500	488,000	-	
1/31/2007 Plan	1/31/2015	17.3	222,500	252,000	-	
6/09/2008 Plan	6/9/2016	38.35	71,400	85,800	0.95	
7/03/2009 Plan	7/3/2017	34.98	180,200	188,700	0.86	
7/23/2010 Plan ^(a)	7/23/2018	46.31	175,100	-	0.98	
NUMBER OF OPTIONS AT DECEMBER 31, 2010			1,093,160	1,119,637		

(a) Maximum number of options exercisable - pending the extent to which the performance condition has been met.

FREE SHARE GRANTS

Description

Pursuant to a decision of the Management Board, on December 13, 2007 the Company awarded free shares:

- to certain employees, subject to completing a minimum of two or four years' service depending on the plan;
- to senior managers, subject to completing a minimum period of service and to meeting performance criteria based on 2007 and 2008 earnings.

The shares have a non-transferability period of four or five years from the grant date depending on the plan.

- On December 13, 2009, the Company awarded to senior managers 144,750 Bureau Veritas shares resulting from the full transfer of Winvest 7's assets (*transmission universelle de patrimoine*) under the December 13, 2007 plan. This represents a total of €2.5 million in Bureau Veritas shares and €1.4 million relating to the merger deficit included in goodwill.

- Pursuant to a decision of the Management Board, on June 9, 2008 the Company awarded free shares to certain employees. The award is conditional on the employee having completed three years' service, and on achieving a performance target based on adjusted operating profit for 2008. The shares are subject to a non-transferability period of two years.

- Pursuant to a decision of the Management Board, on September 22, 2008 the Company awarded free shares to one of its senior managers. The award was subject to a minimum of three years' service for the manager followed by a non-transferability period of two years.

- Pursuant to a decision of the Board of Directors, on July 3, 2009 the Company awarded free shares to three corporate officers and certain employees. The award is conditional on the corporate officers and employees having completed three years' service, and on achieving a performance target based on adjusted operating profit for 2009. The shares are subject to a non-transferability period of two years.

- Pursuant to a decision of the Board of Directors, on July 23, 2010 the Company awarded free shares to three corporate officers and certain employees. The award is conditional on the corporate officers and employees having completed three years' service, and on achieving a performance target based on adjusted operating profit for 2010 and adjusted operating margin for 2011 and 2012. The shares are subject to a non-transferability period of two years.

In the case of each outstanding plan, the type of shares to be allocated has not yet been defined. However, the Company may opt for a settlement in existing shares, given that this type of operation is tax-deductible. The expense recognized by the Company in respect of free share grants totaled €9.9 million in 2010 (2009: €2.8 million).

At December 31, 2010, the corresponding liability amounted to €13.4 million (end-2009: €3.5 million).

► OVERVIEW OF FREE SHARE PLANS OUTSTANDING AT YEAR-END

Start date of plan	Expiration date	Number of shares		Contribution basis
		to be issued		€ per share
		2010	2009	
6/09/2008 Plan (employees)	6/9/2013	129,750	138,100	3.11
9/22/2008 Plan (senior managers)	9/22/2013	55,000	55,000	3.15
7/03/2009 Plan (senior managers)	7/3/2014	40,000	40,000	2.48
7/03/2009 Plan (employees)	7/3/2014	98,850	114,550	2.48
7/23/2010 Plan (senior managers) ^(a)	7/23/2015	45,000	-	4.23
7/23/2010 Plan (employees) ^(a)	7/23/2015	137,500	-	4.23
NUMBER OF SHARES AT DECEMBER 31, 2010		506,100	347,650	

(a) Maximum number of options exercisable - pending the extent to which the performance condition has been met.

Note 13 EMPLOYEES

	2010	2009
Employees	8,410	8,467

Note 14 STATUTORY TRAINING ENTITLEMENT

	2010	2009
Cumulative training hours outstanding at December 31	575,083	568,493
Number of training hours used during the year	3,235	3,431

Note 15 RELATED PARTIES

Bureau Veritas SA is the parent and consolidating company of the Bureau Veritas Group. Amounts payable to and receivable from other Group companies, together with financial income and expense, are shown below:

	Dec. 31, 2010	Dec. 31, 2009
Assets		
Trade receivables	72,490	50,763
Other receivables	4,613	1,607
Loans	379,317	311,264
Liabilities		
Borrowings	314,560	269,047
Trade payables	30,019	16,893
Other payables	10	985
Income statement		
Financial income	171,997	45,759
Financial expense	(536)	(1,035)
Net exceptional expense	(453)	(19,363)

Note 16 FEES PAID TO STATUTORY AUDITORS

	2010	
	PricewaterhouseCoopers Audit	Bellot Mullenbach & Associés
Statutory audit	759	367
Legal, tax, labor-related services	166	11
Due diligence	1,486	-
FEES PAID TO STATUTORY AUDITORS	2,411	378

Fees paid to Statutory Auditors do not comprise the fees recognized by the foreign subsidiaries and branches of Bureau Veritas SA at December 31, 2010.

5.3. Statutory Auditor's report on the financial statements

(Year ended December 31, 2010)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2010, on:

- the audit of the accompanying financial statements of Bureau Veritas SA;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2010 and of the results of its operations for the year then ended in accordance with French accounting principles.

II - JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

As described in the notes to the financial statements ("Long-term investments"), your Company sets aside provisions for impairment of its investments based on value in use and by reference to the specific characteristics of each investee. As part of our assessment of the significant estimates made to prepare the financial statements, we examined the relevance of the methods used by the Company based on information available as of the date hereof and verified the calculations used to determine provisions for impairment of investments. We also verified that the disclosures in the notes to the financial statements are appropriate.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - SPECIFIC VERIFICATIONS AND INFORMATION

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L.225-102-1 of the French Commercial Code relating to remuneration and benefits received by corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling it or controlled by it. Based on this work, we attest to the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of shareholders and holders of voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine and Paris, March 23, 2011

The Statutory Auditors

PricewaterhouseCoopers Audit

Bellot Mullenbach & Associés

Olivier Thibault

Pascal de Rocquigny

Information on the Company and the Capital

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6.1. General information

COMPANY NAME

Bureau Veritas – Registre International de Classification de Navires et d'Aéronefs

REGISTERED OFFICE

67/71 Boulevard du Château - 92200 Neuilly sur Seine - France

Tel.: 33 (0) 1 55 24 70 00 - Fax: 33 (0) 1 55 24 70 01

REGISTRATION PLACE AND NUMBER

Bureau Veritas is registered with the Nanterre Trade and Companies Register (*Registre du commerce et des sociétés*) under number 775 690,621 RCS Nanterre. The Company's APE code, which identifies the type of business it carries out, is 7120B. It corresponds to the business of technical analyses, trials and inspections.

DATE OF INCORPORATION AND TERM

The Company was incorporated on April 2 and 9, 1868, by Maître Delaunay, notary in Paris. Its incorporation will expire, unless wound up or extended by an Extraordinary Shareholder's Meeting in accordance with the law and its by-laws, on December 31, 2080.

LEGAL FORM AND APPLICABLE LEGISLATION

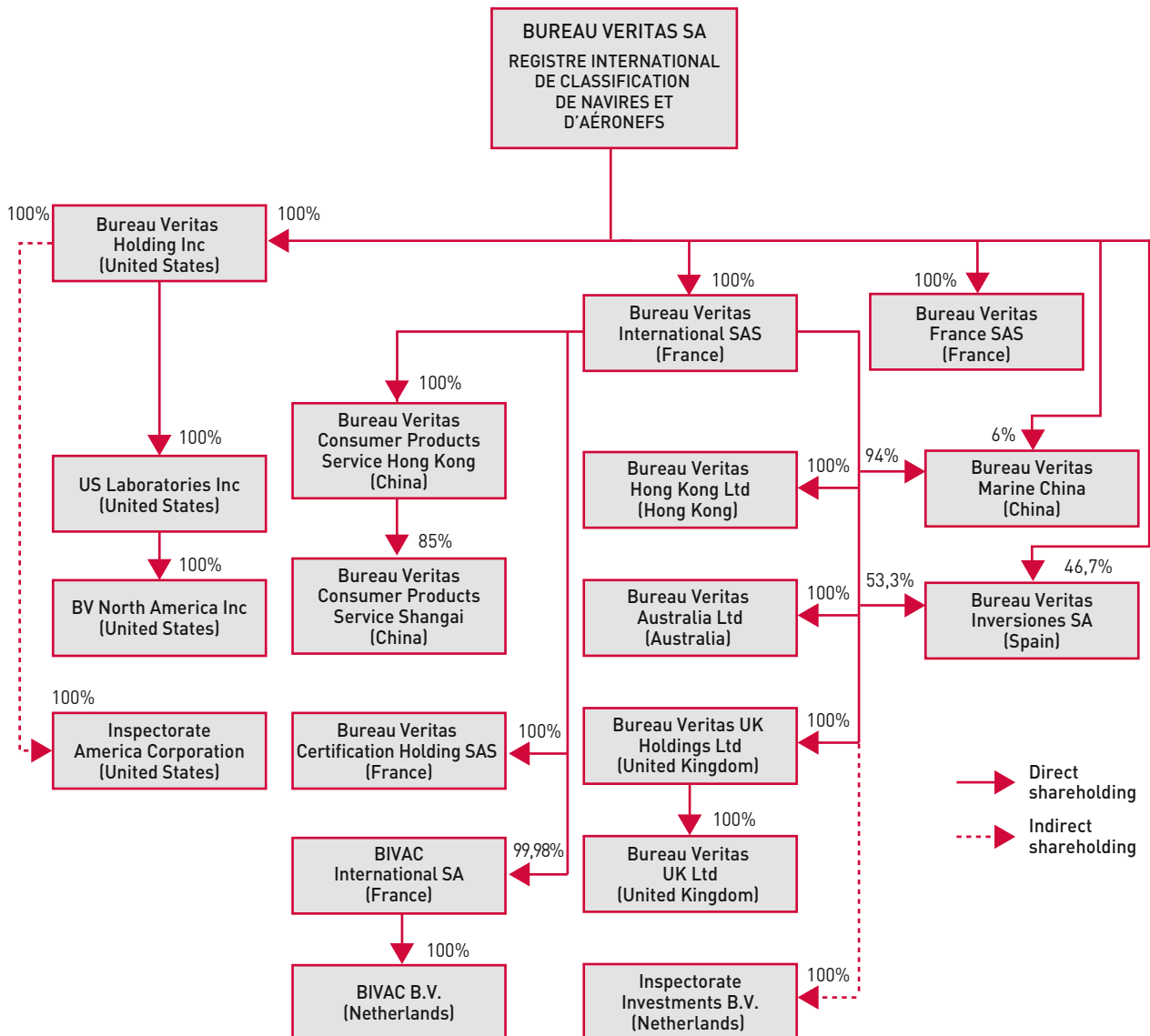
The Company is a Public Limited Company under French law with a Board of Directors and is subject to the provisions of Book II of the French Commercial Code applicable to commercial companies and to any other legal provisions applicable to commercial companies and its by-laws.

ACCOUNTING PERIOD

January 1 to December 31 each year.

6.2. Organizational structure

SIMPLIFIED ORGANIZATIONAL STRUCTURE AS OF DECEMBER 31, 2010



There is no difference between the control percentages and the interest percentages shown in the organizational chart above.

6.3. Subsidiaries and other equity participations

6.3.1. PRINCIPAL SUBSIDIARIES

The Group is made up of Bureau Veritas SA and its branches and subsidiaries. At the head of the Group, Bureau Veritas SA owns holdings in the principal subsidiaries in France and elsewhere. Apart from its activity as a holding company, it also carries out its own economic activity consisting of the activities in France of all the Group's businesses (with the exception of the Consumer Products business) represented by branches in France and elsewhere.

Bureau Veritas SA recorded revenue of €877.6 million in 2010 (this amount relates to the revenue recorded in the corporate accounts of Bureau Veritas SA).

The main cash flows between Bureau Veritas and its consolidated subsidiaries are related to the brand royalties and technical royalties, centralized cash management and invoicing of relevant amounts for insurance coverage. The main cash flows between Bureau Veritas and its subsidiaries are also presented in the special reports of the Statutory Auditors in relation to related-party agreements, which are set out in the Related-party transactions section of this chapter.

A description of the Group's 18 principal direct and indirect subsidiaries is provided below. Most of these are holding companies grouping together the Group's businesses in each country. A description of the business activities of the operational subsidiaries is also provided. A list of the Group's subsidiaries is included in Note 33, Scope of consolidation, to the consolidated financial statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document.

The principal subsidiaries are essentially selected based on the net book value of the securities held (generally at least €50 million) and a share of at least 5% of equity, revenue, total assets or net profit at the Group consolidated level per entity.

BUREAU VERITAS HOLDINGS INC (UNITED STATES)

Bureau Veritas Holding Inc is an American company formed in June 1988 and its registered office is located at 666 Fifth Avenue, #2139, New York, NY 10103, United States. Bureau Veritas Holding Inc is a fully owned holding company of Bureau Veritas SA, the principal object of which is to hold interests in subsidiaries in North America.

US LABORATORIES INC (UNITED STATES)

US Laboratories Inc is an American holding company formed in October 1993 and its registered office is located at 11860 W. State Road 84, Suite 1, Fort Lauderdale, FL 33325, United States. US Laboratories is a fully owned subsidiary of Bureau Veritas Holdings Inc. Its principal activity is to hold the Group's interests in North America in the fields of construction and health, safety and environment (HSE).

BUREAU VERITAS NORTH AMERICA INC (UNITED STATES)

Bureau Veritas North America Inc. is an American company with its registered office in Florida at 11860 W. State Road 84, Suite 1, Fort Lauderdale, FL 33325, United States. It is a fully owned subsidiary of US Laboratories Inc. Its principal activities are, on the one hand, in the field of health, safety and environment and, on the other, in the field of construction. It recorded external revenue of USD143.8 million (€108.4 million) in 2010.

INSPECTORATE AMERICA CORPORATION (UNITED STATES)

Inspectorate America Corporation Inc. is an American company with its registered office located at 12000 Aerospace Avenue, Suite 200, Houston, Texas 77034, United States. The company has been fully owned by Bureau Veritas Holding Inc. since September 2010, following acquisition of the Inspectorate group by Bureau Veritas. The company's principal activity is inspection and tests of oil and petrochemical products, metals and minerals and agricultural products. It recorded external revenue of USD102.4 million (€77.3 million) in 2010 (base: 12 months).

BUREAU VERITAS INTERNATIONAL SAS (FRANCE)

Bureau Veritas France SAS is a French simplified limited liability company (*société par actions simplifiée*), with its registered office in France at 67/71, Boulevard du Château, 92200 Neuilly-sur-Seine. The company was formed in March 1977 under the name of "LCT" (*Le Contrôle Technique*) and is a holding company that holds certain foreign subsidiaries. It is a fully owned subsidiary of Bureau Veritas SA.

BUREAU VERITAS CONSUMER PRODUCTS SERVICES HONG KONG (CHINA, HONG-KONG)

Bureau Veritas CPS Hong Kong Ltd is a Chinese company formed in November 1985 with its registered office Vanta Industrial Centre, 21-23 Tai Lin Pai Road, Kwai Chung New Territories, Hong Kong. Bureau Veritas Hong Kong Ltd is a fully owned subsidiary of Bureau Veritas International SAS. Its principal business is to provide services through the Consumer Products business.

BUREAU VERITAS CONSUMER PRODUCTS SERVICES SHANGHAI (CHINA)

BVCPS Shanghai (formerly MTL Shanghai) is a Chinese company formed in 1996 and its registered office is located at No. 168, Guanghua Road, Zhuangqiao Town, Minhang, Shanghai 201108, China. BVCPS Shanghai is an 85% owned subsidiary of Bureau Veritas CPS Hong Kong Ltd. Its principal business is to provide services through the Consumer Products business and it recorded external revenue of CNY427.3 million (€47.6 million) in 2010.

BUREAU VERITAS CERTIFICATION HOLDING SAS (FRANCE)

Bureau Veritas Certification Holding SAS is a French simplified limited liability company (*société par actions simplifiée*), with its registered office in France at 67/71, Boulevard du Château, 92200 Neuilly-sur-Seine. The company was formed in March 1994. Bureau Veritas Certification Holding SAS is a fully owned subsidiary of Bureau Veritas International SAS and holds most of the subsidiaries of the Certification business.

BIVAC INTERNATIONAL SA (FRANCE)

BIVAC International SA is a French Limited Liability Company (*société anonyme*) with its registered office located at 67/71, Boulevard du Château, 92200 Neuilly-sur-Seine, France. BIVAC International was formed in March 1991 as a holding company and headquarters for the GSIT business. BIVAC International is a 99.98% - owned subsidiary of Bureau Veritas International SAS.

BIVAC B.V. (NETHERLANDS)

BIVAC B.V. is a Dutch limited liability company formed in September 1984 and its registered office is located at De Witte Keizer, 3e verdieping Vissersdijk 223-241, 301 1 GW Rotterdam, Netherlands. BIVAC B.V. is a fully owned subsidiary of BIVAC International SA. Its principal business is the administrative management of the government services activities of the GSIT business and it recorded external revenue of €60.1 million in 2010.

BUREAU VERITAS HONG KONG LTD (HONG KONG)

Bureau Veritas Hong Kong Ltd is a Chinese company formed in October 2004 and its registered office is located at 1/F Pacific Trade Centre - 2 Kai Hing Road, Kowloon Bay - Hong Kong. Bureau Veritas Hong Kong Ltd is a fully owned subsidiary of Bureau Veritas International SAS and holds certain subsidiaries in Asia. Apart from its activity as a holding company, Bureau Veritas Hong Kong Ltd carries out operational activities which recorded external revenue of HKD1,438 million (€139.7 million) in 2010.

BUREAU VERITAS AUSTRALIA LTD (AUSTRALIA)

BV Australia is an Australian company formed in 1999 and its registered office is located at Unit 3, 435 Williamstown Road, Port Melbourne, VIC3207, Australia. It is a holding company for all of the Bureau Veritas Group's businesses in Australia. It is fully owned by Bureau Veritas International SAS. It also has an operational activity which consists in supplying certification and compliance assessment of industrial processes. This operational activity recorded revenue of AUD4.7 million (€3.3 million) in 2010. It holds the shares in the Australian companies CCI Holdings and Amdel Holdings, acquired in 2007 and 2008 respectively.

BUREAU VERITAS UK HOLDING LTD (UNITED KINGDOM)

Bureau Veritas UK Holdings Ltd is a British holding company formed in November 2005 and with its registered office in the United Kingdom at Tower Bridge Court, 224-226 Tower Bridge Road, London SE1 2TX. Bureau Veritas UK Holdings Ltd, formerly called "Bureau Veritas UK Ltd", is a fully owned subsidiary of Bureau Veritas International SAS, and holds the Group's operational interests in the United Kingdom.

BUREAU VERITAS UK LTD (UNITED KINGDOM)

Bureau Veritas UK Ltd is a British company formed in October 1983 and its registered office is located at Tower Bridge Court, 224-226 Tower Bridge Road, London, SE1 2TX, United Kingdom. Bureau Veritas UK Ltd, formerly called "Plant Safety Ltd", then "Bureau Veritas Inspection Ltd", is a fully owned subsidiary of Bureau Veritas UK Holdings Ltd. Its principal business is inspection and in-service verification, and it recorded external revenue of GBP58.4 million (€68.1 million) in 2010.

INSPECTORATE INVESTMENTS B.V. (NETHERLANDS)

Inspectorate Investments B.V. is a Dutch company with its registered office at Petroleumweg 30, 3196 KD Vondelingenplaats, Rotterdam, The Netherlands. The company has been indirectly fully owned by Bureau Veritas International SAS since September 2010, following acquisition of the Inspectorate group by Bureau Veritas. It is a holding company which holds interests in the Inspectorate operational entities throughout the world excluding the Americas.

BUREAU VERITAS MARINE CHINA (CHINA)

Bureau Veritas Marine China is a Chinese company formed in 2009 and its registered office is located at 108 A, Interlayer 6-6, no. 29, JianGuo Zhong Road, Lu Wan District, Shanghai. Bureau Veritas Marine China is a 94% - owned subsidiary of Bureau Veritas International SAS (France) and a 6% - owned subsidiary of Bureau Veritas SA (France). Its principal business is to supply services through the Marine business and it recorded external revenue of CNY 579.2 million (€64.6 million) in 2010.

BUREAU VERITAS INVERSIONES SA (SPAIN)

Bureau Veritas Inversiones SA, formerly called "Inversiones y Patrimonios de ECA Global SA", is the parent company of the ECA Group acquired by Bureau Veritas in October 2007. Formed in 2003, its registered office is located at c/Terre, 11-19 08017, 08017 Barcelona, Spain. Bureau Veritas Inversiones SA is jointly owned by Bureau Veritas International SAS (53.3%) and Bureau Veritas SA (46.7%). It is a holding company and holds the ECA group's operational interests.

BUREAU VERITAS FRANCE SAS (FRANCE)

Bureau Veritas France SAS is a French simplified limited liability company (*société par actions simplifiée*), with its registered office in France at 67/71, Boulevard du Château, 92200 Neuilly-sur-Seine. The company was formed in May 1981 under the name "PKB Scania France". Bureau Veritas France SAS is a fully owned subsidiary of Bureau Veritas SA and is a holding company that holds the principal subsidiaries in France.

6.3.2. RECENT ACQUISITIONS AND DIVESTITURES**ACQUISITIONS**

Only acquisitions completed during the 2010 financial year whose acquisition price was at least €10 million are described in detail. The prices for these acquisitions include earn-outs and any costs and fees associated with these acquisitions.

Inspectorate

Bureau Veritas concluded the acquisition of Inspectorate on September 9, 2010 after obtaining consent from all competition authorities in the countries concerned. Bureau Veritas and Inspicio (majority-owned by the investment company 3i and funds managed by 3i) had signed an agreement on this acquisition on June 21 2010. The final acquisition price amounted to £453.5 million Sterling, i.e. €549.9 million, including the financial charges due under this agreement and the currency hedging costs.

With the acquisition of Inspectorate, Bureau Veritas becomes one of the world leaders in inspection and tests of commodities and thus passes a major stage in its world leadership strategy.

Inspectorate is among the world leaders in the inspection and tests of commodities. Based in Witham in the United Kingdom, Inspectorate is present in more than 60 countries and employs 7,300 employees. Its business is organized around three main market segments in which the company occupies world-leader positions: petroleum and petrochemical products, metals and minerals and agricultural products. In 2010, Inspectorate recorded revenue of GBP290 million.

NS Technology

In September 2010, the Group acquired the company NS Technology, specializing in analytical tests and the certification of electrical and electronic equipment for a broad portfolio of local and international clients (distributors, manufacturers and purchasers). Its laboratory, located in Dongguan in the province of Guangdong, has high-performance equipment, in particular several electromagnetic compatibility (EMC) chambers. NS Technology has 150 employees and recorded revenue of around €4 million in 2010.

All the acquisitions carried out in 2010 are presented in Note 10 to the consolidated financial statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document.

DIVESTITURES

In 2010, the Group finalized the process, begun in 2009, of rationalizing its business portfolio by disposing of or discontinuing several marginal activities inherited from acquisitions made in previous years. The divestitures carried out in 2010 are presented in Note 10 to the consolidated financial statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document.

6.4. Intra-group contracts

Because the Group's financial policy is to centralize cash surplus, subsidiaries must place surplus with the Company. If needed, they can take out loans from the Company. Unless agreed with the Company, subsidiaries must not place cash with or borrow from any other entity.

Intra-group loans are governed by cash management agreements between the Company and each French and non-French subsidiary.

6.5. Industrial franchise, brand royalty and expertise licensing contracts

Since 2007, there has been a single contract for the Marine, Industry & Infrastructure, International Trade and Consumer Products activities carried out by the subsidiaries of Bureau Veritas SA and, since 2009, for the Certification business:

- industrial franchise contract: this contract is to provide remuneration for using Bureau Veritas industrial property and know-how; invoicing is done on the basis, firstly, of 3% of the third-party revenue of each subsidiary for access to the industrial property rights and, secondly, on the basis of a percentage of

third-party revenue, which varies depending on the activity for the portion relating to payment for the services provided by head office.

For the other subsidiaries, i.e. the Bureau Veritas CPS (Consumer Products business) subsidiaries, a brand royalty contract continues to exist: this contract is to provide remuneration for using the Bureau Veritas name: invoicing is based on 3% of the third-party revenue of each subsidiary, unless exempted.

6.6. Share capital and voting rights

6.6.1. SHARE CAPITAL

CHANGE IN SHARE CAPITAL DURING THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2010

As of December 31, 2009, the capital was €13,091,569.20 and was divided into 109,096,410 shares with a par value of €0.12 each.

The company's share capital changed over the course of the 2010 financial year as a result of:

- the creation of 14 shares to be issued as free shares; and
- the creation of 172,177 shares following the exercise of options to subscribe for Company shares in 2010.

As of December 31, 2010, the capital was €13,112,232.12 and was divided into 109,268,601 shares with a par value of €0.12 each. The increase in capital resulting from the exercise of share subscription options in 2010 was noted by the Board of Directors at its meeting of February 28, 2011.

As of December 31, 2010, the total number of theoretical voting rights amounted to 169,742,543 and the number of exercisable voting rights amounted to 168,993,125.

TABLE SUMMARIZING THE DELEGATIONS OF AUTHORITY DELEGATED BY THE SHAREHOLDERS' MEETING TO THE BOARD OF DIRECTORS (ARTICLE L.225-100 PAR. 7 OF THE FRENCH COMMERCIAL CODE)

Nature of the authorization given to the Board of Directors	Date of the ordinary Shareholders' Meeting ("OSM")	Duration and expiry of the authorization	Maximum nominal amount	Uses at 12/31/2010
Issuing ordinary shares and/or securities giving immediate and/or future access to senior notes, maintaining preferential subscription rights	OSM of June 3, 2009 (12 th resolution)	26 months, i.e. until August 2, 2011	Maximum nominal amount of capital increases: €2 million ^{(a) (b)} Nominal amount of senior notes that may be issued: €1 billion ^(d)	Not used
Issuing, by public offering or by private investment, ordinary shares and/or securities giving immediate and/or future access to ordinary shares or senior notes, cancelling preferential subscription rights	OSM of June 3, 2009 (13 th resolution)	26 months, i.e. until August 2, 2011	Maximum nominal amount of capital increases: €1 million ^{(a) (b)} Nominal amount of senior notes that may be issued: €1 billion ^(d)	Not used
In the event of excess demand, increasing the issued amount, with or without preferential subscription rights	OSM of June 3, 2009 (14 th resolution)	26 months, i.e. until August 2, 2011	15% of the initial issue ^{(a) (b)}	Not used
Increasing the share capital by issuing ordinary shares and/or securities giving immediate and/or future access to ordinary shares, without preferential subscription rights for members of a corporate savings plan or offers reserved for beneficiary categories	OSM of June 3, 2009 (15 th resolution)	26 months, i.e. until August 2, 2011	1% of the share capital ^{(a) (b) (c)}	Not used
Granting free shares to employees of non-French subsidiaries and/or Corporate Officers of Group companies as part of an offering reserved for members of a corporate savings plan	OSM of June 3, 2009 (16 th resolution)	38 months, i.e. until August 2, 2012	0.15% of the share capital ^{(a) (b) (c)}	Not used

(a) The overall nominal amount of capital increases that may be made under the 12th, 13th, 14th, 15th, 16th, 17th, 19th and 20th resolutions adopted at the Shareholders' Meeting of June 3, 2009 may not exceed €2 million.

(b) The overall nominal amount of capital increases that may be made under the 12th, 13th, 14th, 15th, 16th, 17th, 19th and 20th resolutions adopted at the Shareholders' Meeting of June 3, 2009 may not exceed €3.5 million.

(c) The capital increases that may be made under the 15th, 16th and 17th resolutions adopted at the Shareholders' Meeting of June 3, 2009 cannot exceed 1% of the Company share capital.

Nature of the authorization given to the Board of Directors	Date of the ordinary Shareholders' Meeting ("OSM")	Duration and expiry of the authorization	Maximum nominal amount	Uses at 12/31/2010
Share capital increase reserved for beneficiary categories, with cancellation of preferential subscription rights for shareholders	OSM of June 3, 2009 (17 th resolution)	18 months, i.e. until December 2, 2010	1% of the share capital ^{(a) (b) (c)}	Not used
Increasing Company share capital through capitalization of share premiums, reserves, earnings or any other sum allowed to be capitalized	OSM of June 3, 2009 (18 th resolution)	26 months, i.e. until August 2, 2011	€1.5 million ^(b)	Not used
Issuing ordinary shares and/or securities giving access immediately and/or in future to ordinary shares in payment for contributions in kind granted to the Company	OSM of June 3, 2009 (19 th resolution)	26 months, i.e. until August 2, 2011	10% of the share capital ^{(a) (b)}	Not used
Increasing Company share capital by issuing ordinary shares and/or securities giving access immediately and/or in future to ordinary shares in payment for share contributions made under a public exchange offering initiated by the Company	OSM of June 3, 2009 (20 th resolution)	26 months, i.e. until August 2, 2011	€1 million ^{(a) (b)}	Not used
Share buyback	OSM of June 1, 2010 (10 th resolution)	18 months, i.e. until November 30, 2011	Maximum purchase price €75 10% of the share capital	Extension of the liquidity agreement implemented in February 2008
Reducing the share capital by cancelling all or part of the Company shares acquired under any share buyback program	OSM of June 1, 2010 (12 th resolution)	18 months, i.e. until November 30, 2011	10% of the capital	Not used

(d) The overall nominal amount of senior notes that may be issued under the 12th and 13th resolutions adopted at the Shareholders' Meeting of June 3, 2009 may not exceed €1 billion.

(e) The number of shares that may be granted pursuant to the 24th and 25th resolutions adopted at the Shareholders' Meeting of June 18, 2007 and reiterated at the Meeting of June 3, 2009 cannot exceed 2% of the share capital.

6.6.2. SECURITIES NOT REPRESENTING CORPORATE CAPITAL

As of December 31, 2010, the Company had not issued any securities that do not represent capital.

6.6.3. ACQUISITION OF ITS OWN SHARES BY THE COMPANY

The following sections contain details of the information to be provided in accordance with Article L. 225-211 of the French Commercial Code and describe, in accordance with the provisions of article 241-3 of the general regulations of the *Autorité des marchés financiers* (AMF), the share buyback program subject to approval by the Annual Shareholders' Meeting to be held on 27 May, 2011.

TRANSFER AND BUYBACK OF COMPANY SHARES DURING THE 2010 FINANCIAL YEAR

During the 2010 financial year, the Company continued the liquidity agreement entrusted to Exane BNP Paribas on February 8, 2008. Under this liquidity agreement, 1,145,022 shares were purchased at an average price of €44.99 and 1,175,548 shares were sold at an average price of €45.02.

Apart from this liquidity agreement, the Company did not buy back any shares during the 2010 financial year.

On December 31, 2010, the Company held a total of 746,991 shares (including the 40,741 shares appearing in the liquidity agreement), representing around 0.68% of its share capital, with a book value of €24,770,802.82 and a par value of €89,638.92.

Of these 746,991 shares held by the Company on December 31, 2010, 40,741 shares are allocated to the liquidity agreement and the rest, that is to say 706,250 shares, are allocated to option schemes or other share allocations.

NEW SHARE BUYBACK PROGRAM TO BE PUT TO THE ANNUAL SHAREHOLDERS' MEETING FOR THE APPROVAL OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2010

A new share buyback program will be put to the next Annual Shareholders' Meeting of May 27, 2011 for approval.

In accordance in particular with the provisions of the European Regulation No 2273/2003 of December 22, 2003 implementing Directive 2003/6/CE, and with the general regulations, instructions and communications of the *Autorité des marchés financiers* (AMF), the objectives of this program in order of priority are, subject to the approval by the Annual Shareholders' Meeting to be held on May 27, 2011:

- to ensure liquidity and manage the share market via an investment services provider acting independently in the name and on behalf of the Company under a liquidity agreement that complies with a Code of Ethics ("*Charte de déontologie*") recognized by the AMF, or any other applicable law or regulation;

- to implement any Company stock option plan under the provisions of Articles L. 225-177 et seq. of the French Commercial Code, any share grant or transfer under any company or Group savings plan in accordance with the provisions of Articles L. 3332-1 and seq. of the French Labor Code, any free share grants under the provisions of Articles L. 225-197-1 and seq. of the French Commercial Code and any share grants under profit-sharing arrangements and to carry out any transaction necessary to cover these transactions under applicable legal and regulatory conditions;
- to hand over shares for payment, delivery or swap, specifically in the event of the issue or the exercise of the rights originating from securities giving immediate and/or future access to the share capital of the Company;
- to proceed to acquisitions, mergers, spin-offs or contributions, being stated in such a case, the bought back shares would not exceed 5% of the share capital of the Company;
- to cancel all or part of the bought back shares.

This program would also be intended to enable the Company to operate in relation with any other object already authorized or that becomes authorized by the law or the regulations in force. In such a case, the Company shall inform its shareholders by way of a press release or otherwise, as may be required by applicable regulation.

Purchases of Company's shares may relate to a number of shares, such that:

- the number of bought back shares by the Company during the share buyback program would not exceed 10% of the shares constituting the share capital of the Company, this percentage applying to a share capital adjusted based on transactions following the Annual Shareholders' Meeting to be held on May 27, 2011, i.e., by way of indication, a number of shares not exceeding 10,926,860; and
- the number of shares that the Company would hold at any given time would not exceed 10% of the shares constituting the share capital of the Company.

The maximum unit purchase price under this share buyback program would be €110, subject to adjustments as part of changes to the capital.

The maximum funding amount allocated to implement the share buyback program would amount to €1,201,954,600.

This new authorization would be granted for a period of eighteen months as from the decision of the Shareholders' Meeting convened on May 27, 2011, i.e. until November 26, 2012, and would replace, for its non used part, the authorization granted by the Shareholders' Meeting of June 1, 2010.

6.6.4. OTHER SECURITIES GIVING ACCESS TO CORPORATE CAPITAL

The Company issued stock options, the main terms and conditions of which are set out in the section on Interests of Executive Corporate Officers, Directors and certain employees in Chapter 3 – Management Report of this Registration Document.

The Company also granted free shares, the main terms and conditions of which are set out in the section on Interests of Executive Corporate Officers, Directors and certain employees in Chapter 3 – Management Report as well as in Note 21 to the consolidated financial statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document.

6.6.5. CONDITIONS GOVERNING ALL ACQUISITION RIGHTS OR ANY OBLIGATIONS ATTACHED TO CAPITAL SUBSCRIBED BUT NOT FULLY PAID UP

None.

6.6.6. PLEDGING

At December 31, 2010 and to the Company's knowledge, 172,720 shares in the Company (i.e. around 0.16% of the number of shares constituting the Company share capital), held by individuals, are pledged.

As indicated in Note 29 to the financial statements shown in Chapter 4 – 2010 Consolidated Financial Statements of this

Registration Document, marketable securities such as some non-monetary mutual funds (SICAV) funds and some other non-current financial assets have been pledged by the Group for a net book value of €9.8 million at December 31, 2010 (including €2.3 million of securities in its subsidiary Soprefira).

6.6.7. CHANGES IN THE SHARE CAPITAL

The table below sets forth changes in the Company's share capital since 2006.

	2010	2009	2008	2007	2006
Capital at the beginning of the financial year	13,091,569	13,032,090	13,939,173	13,010,228	13,973,446
Number of shares cancelled during the financial year	-	-	8,000,000	8,818,780 ^(b)	881,300
Number of shares issued during the financial year	172,191	495,655	440,980	16,559,985^(b)	78,619
By free allocation of shares	14	7,672	-	-	-
By the exercise of stock options	172,177	487,983	440,980	1,348,350 ^(b)	78,619
By the exercise of share warrants	-	-	-	8,951,000 ^(b)	-
By the issuing of new shares in respect of contributions in kind	-	-	-	5,116,730 ^(b)	-
By the issuing of new shares in respect of share capital increases reserved for Company employees	-	-	-	1,143,905 ^(b)	-
Capital at the end of the financial year ^(a)					
In euros	13,112,232^(e)	13,091,569^(d)	13,032,090^(c)	13,939,173^(a)	13,010,228
In shares	109,268,601	109,096,410	108,600,755	116,159,775	10,841,857

(a) Share capital as recorded by the Management Board at its meeting on January 25, 2008 (excluding options exercised after January 1, 2008).

(b) It should be noted that the information above was restated to take account of the 10-to-1 split in the nominal value of the Company's shares approved by the Combined Ordinary and Extraordinary Shareholders' Meeting on June 18, 2007, reducing it from €1.20 to €0.12.

(c) Share capital as recorded by the Management Board at its meeting on January 9, 2009 (excluding options exercised after January 1, 2009).

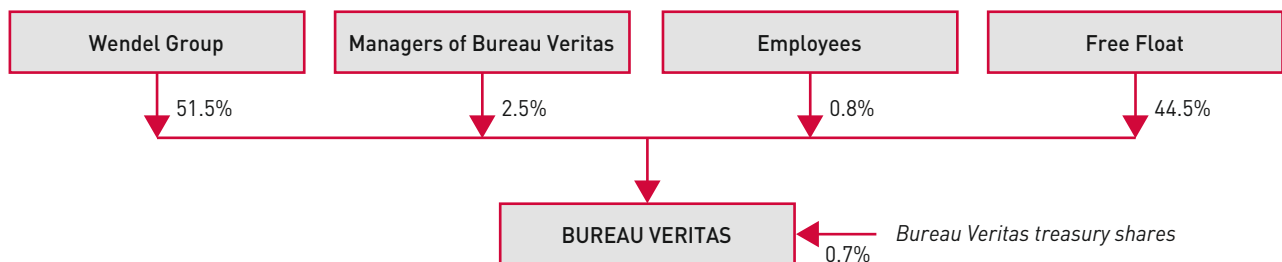
(d) Share capital as recorded by the Board of Directors at its meeting on February 3, 2010 (excluding options exercised after January 1, 2010).

(e) Share capital as recorded by the Board of Directors at its meeting on February 28, 2011 (excluding options exercised after January 1, 2011).

6.7. Major shareholders

6.7.1. GROUP STRUCTURE

SIMPLIFIED STRUCTURE AS OF FEBRUARY 28, 2011



MAJOR DIRECT AND INDIRECT SHAREHOLDERS

Wendel is one of Europe's leading listed investment firms. The Group invests in France and abroad, in companies that are leaders in their businesses: Bureau Veritas, Legrand, Saint-Gobain, Materis, Deutsch, Oranje-Nassau and Stahl. Wendel plays an active role as industry shareholder. It implements long-term development strategies, which involve boosting growth and margins of companies so as to enhance their leading market positions. Wendel is 34% owned by Wendel-Participations, a company grouping together the interests of 950 members of Wendel family.

Wendel is listed on Euronext Paris.

Wendel's annual report is available on the website of the *Autorité des marchés financiers* (www.amf-france.org) and can be downloaded from Wendel's website (www.wendelgroup.com).

The Wendel Group is the major shareholder of Bureau Veritas, owning 51.5%.

In accordance with Article 28 of the Company's by-laws, a voting right worth twice that granted for other shares was allocated in respect of shares held by the Wendel company if said shares had been registered for two years. As of December 31, 2010, Wendel held 66.33% of the Company's theoretical voting rights.

DISTRIBUTION OF THE SHARE CAPITAL AND VOTING RIGHTS

Shareholders	At February 28, 2011				At December 31, 2010			
	Number of ordinary shares held	% of ordinary shares held	Number of exercisable voting rights	% of voting rights	Number of ordinary shares held	% of ordinary shares held	Number of exercisable voting rights	% of voting rights
Wendel group	56,293,340	51.52%	112,586,600	66.64%	56,293,340	51.52%	112,586,600	66.62%
Free float ^{(b)(c)}	48,576,341	44.46%	49,547,287	29.33%	48,579,207	44.46%	49,559,111	29.33%
Employees under Group savings plan	884,876	0.81%	1,596,639	0.94%	894,627	0.82%	1,615,468	0.96%
Of which FCP BV Next	711,763	-	-	-	720,841	-	-	-
Managers ^(d)	2,748,009	2.51%	5,227,946	3.09%	2,752,009	2.52%	5,231,946	3.09%
Treasury shares	766,035	0.70%	-	-	749,418	0.69%	-	-
TOTAL	109,268,601	100%	168,958,472	100%	109,268,601	100%	168,993,125	100%

(a) Information provided in accordance with Article L. 233-13 of the French Commercial Code.

(b) Calculated by difference.

(c) These sums include the shareholdings of the institutional investor mentioned below.

(d) Managers defined as members of the Group Executive Committee restated from departure occurred during 2010.

Share transactions have been carried out by Executives of the Group between December 31, 2010 and the date of this Registration Document and are presented in paragraph 3.9.2. Transactions carried out by Directors in Chapter 3 – Management Report of this Registration Document.

Exceeding of thresholds

By letter of January 28, 2010, Lone Pine Capital LLC (2 Greenwich Plaza, Greenwich, CT 06830, United States), acting on behalf of funds it manages, declared that it had crossed below, on January 22, 2010, following a disposal of shares in Bureau Veritas Registre International de classification de navires et d'aéronefs (Bureau Veritas), the 5% threshold for voting rights in Bureau Veritas, and that it held, on behalf of said funds, 8,482,575 Bureau Veritas shares representing as many voting rights, that is to say 7.78% of the capital and 4.99% of the voting rights in this Company.

By letter of June 8, 2010, Lone Pine Capital LLC (2 Greenwich Plaza, Greenwich, CT 06830, United States), acting on behalf of funds it manages, declared that on June 2, 2010, following a disposal of shares in Bureau Veritas Registre International de classification de navires et d'aéronefs (Bureau Veritas), it had crossed below the 5% threshold for voting rights in Bureau Veritas, and that it held, on behalf of said funds, 5,421,985 Bureau Veritas shares representing as many voting rights, that is to say 4.97% of the capital and 3.19% of the voting rights in this Company.

Shareholder voting rights

Pursuant to the Company's by-laws as amended by the Shareholders' Meeting of June 18, 2007 and which came into force on October 23, 2007, double-voting rights are granted to all fully paid-up shares that are registered in the name of the same shareholder for a period of at least two years.

At December 31, 2009				At December 31, 2008 ^(a)			
Number of ordinary shares held	% of ordinary shares held	Number of exercisable voting rights	% of voting rights	Number of ordinary shares held	% of ordinary shares held	Number of exercisable voting rights	% of voting rights
56,293,340	51.97%	112,586,680	66.57%	67,293,340	61.96%	67,293,340	62.25%
47,756,437	44.09%	48,466,241	28.66%	35,349,633	32.55%	35,759,865	33.08%
1,009,432	0.93%	1,840,805	1.09%	1,075,618	0.99%	-	1.00%
831,373	-	-	-	889,983	-	1,075,618	-
3,256,289	3.01%	6,225,828	3.68%	3,924,716	3.61%	3,967,216	3.67%
779,912	0.71%	-	-	957,448	0.88%	-	-
109,096,410	100%	169,899,466	100%	108,600,755	100%	108,096,039	100%

This double-voting right is deemed to be terminated for any share converted to a bearer share or subject to a transfer of ownership.

Nevertheless, the double-voting right will not be lost, and the holding period will be deemed to have continued, in the event of transfer from registered to bearer form as a result of inheritance, sharing of assets jointly held between spouses, or in vivo donations from a spouse or from immediate family members.

At December 31, 2010, 60,473,942 shares enjoyed double-voting rights out of the 109,268,601 shares in the share capital.

Control of the Company

At December 31, 2010, the Company was controlled directly and indirectly by Wendel, which held 51.52% of the capital and 66.33% of the theoretical voting rights.

The Group has implemented measures in order to avoid abusive control of the Company.

The Board of Directors thus ensures that at least one third of its members are independent. Independent members are selected from persons who are independent and without connection to the Company within the meaning of the Company's internal regulations. As at December 31, 2010, Messrs. Patrick Buffet, Jérôme Charruau, Philippe Louis-Dreyfus, Pierre Hessler and Mr Aldo Cardoso are independent members of the Board of Directors. The independent members of the Board of Directors are presented in the section entitled Corporate Officers and members of the Executive Committee in Chapter 2 – Corporate Governance of this Registration Document.

In addition, the Company ensures that there are independent members of the Board of Directors on its specialist committees (see paragraph 2.2.2. Composition and conditions governing the preparation and organization of the work of the Board, in Chapter 2 – Corporate Governance of this Registration Document). The Audit and Risk Committee thus has two of the four independent members of the Board, one of whom is the Chairman of said Committee.

6.7.2. AGREEMENTS FOR A CHANGE IN CONTROL

None.

6.8. Dividend distribution policy

The Group has set itself the objective of paying an annual dividend representing at least 35% of its adjusted net profit for the year.

This objective does not, however, represent any commitment on the Group's part, as future dividends will depend on its business results and financial position.

The amount of the dividend that will be proposed to the annual Ordinary Shareholder's Meeting is set out in the section entitled Additional information concerning the Company in view of the approval of the 2010 financial statements in Chapter 3 – Management Report of this Registration Document.

6.9. Related-party transactions**6.9.1. PRINCIPAL RELATED-PARTY TRANSACTIONS**

A detailed description of the intra-group contracts and other related-party transactions is set forth in the section 6.4. Intra-group contracts in this chapter and in Note 31 to the consolidated financial

statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document.

6.9.2. STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS ANNUAL SHAREHOLDER'S MEETING FOR THE APPROVAL OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Bureau Veritas SA, we hereby report to you on related party agreements and commitments.

Our responsibility does not include identifying any undisclosed agreements or commitments. We are required to report to shareholders, based on the information provided, about the main terms and conditions of agreements and commitments that have been disclosed to us or that we may have discovered during the course of our engagement, without commenting on their relevance or substance. Under the provisions of article R. 225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of shareholders to determine whether the agreements and commitments are appropriate and should be approved.

We are required, where applicable, to inform shareholders of the provisions of article R. 225-31

of the French Commercial Code in relation to the implementation of agreements and commitments signed in 2010 which have already been approved by the Shareholder's Meeting.

We performed our procedures in accordance with professional standards applicable in France. These standards require us to perform procedures to verify that the information given to us agrees with the underlying documents.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR THE APPROVAL OF THE SHAREHOLDER'S MEETING

Agreements and commitments authorized in 2010

In accordance with article L. 225-40 of the French Commercial Code, we were informed of the following agreements and commitments authorized in prior years by your Board of Directors.

Comfort letter issued to Morton Insurance Company Ltd

Companies concerned: Bureau Veritas SA and Soprefira.

Agreement authorized by the Supervisory Board on February 3, 2010.

In connection with the annual renewal of its professional civil liability insurance covering the Marine business, Bureau Veritas SA issued a comfort letter to its primary insurer, Morton Insurance Company Ltd, which is reinsured with Soprefira (a subsidiary of Bureau Veritas SA). The comfort letter is for a maximum amount of €5,000,000 per annum in the event of default by Soprefira.

François Tardan, Assistant Executive Director is also a director of Soprefira.

AGREEMENTS AND COMMITMENTS AUTHORIZED IN PRIOR YEARS BY THE SHAREHOLDER'S MEETING

Agreements and commitments authorized in prior years and that remained in force during the year

In accordance with article R. 225-30 of the French Commercial Code, we were informed that the following agreements and commitments authorized in prior years remained in force during the year.

Comfort letter issued to Morton Insurance Company Ltd

Companies concerned: Bureau Veritas SA and Soprefira.

Agreement authorized by the Supervisory Board on February 9, 2009.

In connection with the annual renewal of its professional civil liability insurance covering the Marine business, Bureau Veritas SA issued a comfort letter to its primary insurer, Morton Insurance Company Ltd, which is reinsured with Soprefira (a subsidiary of Bureau Veritas SA). The comfort letter is for a maximum amount of €5,000,000 per annum in the event of default by Soprefira.

A new comfort letter was issued on February 3, 2010.

François Tardan, Assistant Executive Director since June 3, 2009, was a member of the Bureau Veritas Management Board at the time the agreement was signed, and is also a director of Soprefira.

Amendment to the employment contract of Philippe Donche-Gay

Director concerned: Philippe Donche-Gay.

Agreement authorized by the Supervisory Board on August 27, 2008.

The Supervisory Board authorized modifications to the employment contract of Philippe Donche-Gay, relating in particular to compensation and benefits payable in the event of the termination of his employment contract, and authorized the Chairman of the Management Board to sign the related amendment.

In application of the provisions of French Law no. 2007-1223 of August 21, 2007 to stimulate employment and boost purchasing power (the "TEPA" law), on August 27, 2008 the Supervisory Board authorized the new undertaking made by your Company in favor of Philippe Donche-Gay.

Under the terms of his employment contract, as Chief Operations Officer, Philippe Donche-Gay will receive compensation in the event that his employment contract is terminated by the Company, except in the case of gross negligence, serious professional misconduct or *force majeure*.

The amount of the termination benefits is subject to a performance condition, defined as follows: "Philippe Donche-Gay's contribution to Group results, as evidenced by an increase in Adjusted Net Attributable Profit of 10% to 15% between the penultimate and last financial year before termination of the Employment Contract":

- Increase of less than 10%: no Termination Benefit will be payable.
- Increase of more than 15%: the full Termination Benefit will be payable, provided that the other vesting conditions set out in the Employment Contract are met.
- Increase of between 10% and 15%: the amount of the Termination Benefit payable, provided that the other vesting conditions set out in the Employment Contract are met, will be calculated on a pro rata basis. For example, in the event of a 12.25% increase in Adjusted Net Attributable Profit, the amount of the Termination Benefit would be equal to [full Termination Benefit/5 x 2.25].

Philippe Donche-Gay, Assistant Executive Director since June 3, 2009, was a member of the Bureau Veritas Management Board at the time the agreement was signed.

Guarantee issued to AXA

Companies concerned: Bureau Veritas SA and Soprefira.

Agreement authorized by the Supervisory Board on February 5, 2008.

In connection with the annual renewal of its professional civil liability insurance under the Terre 2008 policy, Bureau Veritas SA issued a comfort letter to its primary insurer, AXA, which is reinsured with Soprefira (a subsidiary of Bureau Veritas SA). The comfort letter is for a maximum amount of €4,000,000 per annum in the event of default by Soprefira.

François Tardan, Assistant Executive Director since June 3, 2009, was a member of the Bureau Veritas Management Board at the time the agreement was signed, and is also a director of Soprefira.

Guarantee issued to Sabah Shell Petroleum Company Limited

Companies concerned: Bureau Veritas SA and Bureau Veritas Malaysia.

Agreement authorized by the Supervisory Board on October 5, 2007.

Bureau Veritas SA issued a parent company guarantee for an unlimited amount to Sabah Shell Petroleum Company Limited, a client of its Bureau Veritas Malaysia subsidiary. The guarantee relates to the commitments made by Bureau Veritas Malaysia as part of its tender bid for inspection and quality control services in the oil and gas field for an amount of USD 10 million.

François Tardan, Assistant Executive Director since June 3, 2009, was a member of the Bureau Veritas Management Board at the time the agreement was signed, and is also a member of the Board of Directors of Bureau Veritas Malaysia.

Approval of an underwriting agreement between Wendel Investissement and financial institutions as part of the stock market listing of Bureau Veritas

Companies concerned: Bureau Veritas SA and Wendel Investissement.

Agreement authorized by the Supervisory Board on October 23, 2007.

The Supervisory Board meeting of October 23, 2007 authorized the signing of an underwriting agreement between Wendel Investissement, Winvest 9 and certain managing shareholders of Bureau Veritas, and the joint lead arrangers and bookrunners. The agreement contained certain commitments (in particular not to sell or issue Bureau Veritas shares for 180 days), statements and guarantees in favor of the joint lead arrangers and bookrunners.

Ernest-Antoine Seillière, Board member since June 3, 2009, was a member of the Bureau Veritas Supervisory Board at the time the agreement was signed, and is also Chairman of the Supervisory Board of Wendel.

Wendel is also the main shareholder of Bureau Veritas SA.

Cash pooling agreement with Royal Bank of Scotland

Companies concerned: Bureau Veritas SA, Bureau Veritas UK Ltd and Bureau Veritas UK Holding Ltd.

Agreement authorized by the Supervisory Board on July 12, 2006.

As part of the "Unlimited Inter Company Composite Guarantee with Accession", Bureau Veritas (like the other parties to the cash pooling agreement) became guarantor for all sums due by the other parties to the agreement, and no longer only for the credit balance of its RBS account, as was previously the case.

The participating companies are:

- Bureau Veritas Certification Holding SAS (formerly BVQI Holding),
- Bureau Veritas Certification UK Ltd (formerly BVQI Ltd),
- Bureau Veritas UK Holdings Ltd,
- Bureau Veritas Consulting Ltd (formerly Weeks Consulting Ltd),
- Bureau Veritas UK Ltd (formerly Bureau Veritas Inspection Ltd - formerly Plant Safety Ltd),
- Weeks Technical Services Ltd,
- Bureau Veritas Laboratories Ltd (formerly Weeks Laboratories Ltd),
- LJ Church Ltd,
- Casella Consulting Ltd, its subsidiaries and sub-subsidiaries,
- Casella Analytic Ltd, Casella Science & Environment Ltd,
- Winton Environmental Management Ltd,
- Bureau Veritas HS&E (formerly Stanger Ltd),
- Bureau Veritas B&I Ltd (formerly Stanger Environmental Analysis Ltd),
- Winton Holdings Ltd,
- Bureau Veritas Inspection UK Ltd (formerly Bureau Veritas UK Ltd).

François Tardan, Assistant Executive Director since June 3, 2009, was a member of the Bureau Veritas Management Board at the time the agreement was signed, and is also a member of the Board of Directors of Bureau Veritas Holdings UK Ltd and Bureau Veritas UK Ltd.

Paris and Neuilly-sur-Seine, March 23, 2011

The Statutory Auditors

Bellot Mullenbach & Associés

Pascal de Rocquigny

Member of the Regional Auditors Association (CRCC) of Paris

PricewaterhouseCoopers Audit

Olivier Thibault

Member of the Regional Auditors Association (CRCC) of Versailles

6.10. *Articles of incorporation and by-laws*

This section contains a summary of the main provisions of the by-laws. A copy of the by-laws is available from the registrar of the Nanterre Trade and Companies Register.

CORPORATE PURPOSE (article 3 of the by-laws)

The Company has the following civil purpose which it can carry out in all countries:

- classification, inspection, expert appraisal, as well as supervision of the construction and repair of vessels and aircrafts of all types and nationalities;
- inspections, audits, assessments, diagnoses, expert appraisals, measurements, analyses relative to the function, compliance, quality, hygiene, safety, environmental protection, production, performance and value of all materials, products, goods, equipment, structures, facilities, factories or organizations;
- all services, studies, methods, programs, technical assistance, consulting in the fields of industry, of sea, land or air transport, services and national or international trade; and
- inspection of real property and civil engineering structures.

Except in the case of incompatibility with prevailing legislation, the Company may carry out all studies and research and accept expert appraisal or arbitration commissions in the fields related to its business.

The Company can publish any document, including sea and air regulations and registers, and can engage in any training activities related to the aforementioned activities.

More generally, the Company carries out any activity that may, directly or indirectly, in whole or in part, relate to its corporate purpose or further achievement of that purpose: in particular, this includes any industrial, commercial or financial transactions; any transaction related to real or movable property; the creation of subsidiaries; acquisitions of financial, technical or other interests in companies, associations or organizations whose purpose is related, in whole or in part, to the Company's corporate purpose.

Finally, the Company can carry out all transactions with a view to the direct or indirect use of the assets and rights owned by it, including the investment of corporate funds.

ADMINISTRATION AND GENERAL MANAGEMENT BODIES (articles 14 to 21 of the by-laws)

A description of the functioning of the Company's Board of Directors is provided in Chapter 2 – Corporate Governance of this Registration Document.

SHAREHOLDERS' RIGHTS AND DUTIES (articles 8, 9 and 11 to 13 of the by-laws)

PAYMENT FOR SHARES

Shares subscribed in cash are issued and paid up according to the terms and conditions provided by law.

FORM OF SHARES

The shares of the Company are registered or bearer shares, according to the shareholder's preference, save and except when legislative or regulatory provisions require, in certain cases, the registered form.

The shares of the Company shall be recorded in a register, in compliance with the terms and conditions provided for by law.

TRANSFER AND TRANSMISSION OF SHARES

Shares are freely negotiable, unless legislative or regulatory provisions stipulate otherwise. Shares are transferred via account-to-account transfer in accordance with the terms and conditions provided for by law.

RIGHTS AND DUTIES ATTACHED TO SHARES

Each share grants the right, via ownership of corporate capital and profit sharing, to a share proportional to the portion of capital that it represents.

Additionally, it grants the right to vote in and be represented at Shareholders' Meetings, in accordance with legal and statutory requirements.

Shareholders are liable for corporate liability only up to the limit of their contributions.

The rights and obligations follow the share regardless of who holds the share.

Ownership of a share automatically involves compliance with the by-laws and decisions of the Shareholders' Meetings.

Whenever ownership of several shares is required to exercise a right, in the case of exchange, consolidation or allotment of shares, or as a result of a capital increase or reduction, merger or other corporate transaction, the owners of single shares, or a number of shares falling below the required minimum, may not exercise these rights unless they personally group together, or, where appropriate, purchase or sell the shares as necessary.

INDIVISIBILITY OF SHARES - BARE OWNERSHIP - USUFRUCT

The shares are indivisible with regard to the Company.

Joint owners of joint shares are required to be represented before the Company by one chosen from amongst them or by a sole authorized agent. Should the joint owners fail to agree on the choice of that sole agent, the agent will be assigned by the presiding judge of the French Commercial Court, ruling in interlocutory proceedings at the request of the most diligent joint owner.

The voting right attached to the share belongs to the beneficial owner at Ordinary Shareholder's Meetings and to the bare owner at Extraordinary Shareholder's Meetings.

CHANGES IN SHAREHOLDER RIGHTS

Changes in the rights attached to shares are submitted to the requirements of law, unless the by-laws provide specific provisions.

SHAREHOLDERS' MEETINGS (articles 23 to 30 of the by-laws)

The joint decisions of the shareholders are taken at the Shareholders' Meetings, which may be qualified as ordinary, extraordinary or special according to the nature of the decisions for which they are convened.

Every Shareholders' Meeting duly held represents all shareholders.

The deliberations of Shareholders' Meetings are binding on all shareholders, even those absent, dissenting or under disability.

CONVENING OF SHAREHOLDERS' MEETINGS (ARTICLE 24 OF THE BY-LAWS)

Shareholders' meetings shall be convened under the conditions and time periods set by the law.

Shareholders' Meetings shall be held at the headquarters or any other place (including outside the *département* where the registered office is located) indicated in the notice of meeting.

AGENDA (ARTICLE 25 OF THE BY-LAWS)

The agenda for the Shareholder's Meeting shall be drawn up by the author of the notice of meeting.

The Shareholder's Meeting cannot deliberate on an issue not included on the agenda, which cannot be amended in a second notice of meeting. The Meeting can, however, in all circumstances, remove one or more members of the Board of Directors and proceed to replace them.

ACCESS TO THE MEETINGS (ARTICLE 26 OF THE BY-LAWS)

All shareholders, regardless of the number of shares held, may attend Shareholders' Meetings in person or via proxy, within the terms and conditions provided for by law.

The right to attend Shareholders' Meetings is subject to shares having been registered three (3) working days prior to the Shareholders' Meeting at zero hour, Paris time zone, in either the registered shares accounts kept by the Company or the bearer accounts held by the authorized intermediary. In the case of shares in bearer form, entry of the shares shall be recognized by a participation certificate issued by the authorized intermediary.

Shareholders may only be represented by their spouse or another shareholder, in which case proof of proxy must be.

Any shareholder who wishes to vote by mail or proxy must, at three (3) days prior to the date of the Shareholder's Meeting, submit a proxy, vote-by-mail form, or single document in their stead to the registered office or any other location indicated on the notice of meeting. The Board of Directors may, for any Shareholders' Meeting, reduce this period by a general decision for all shareholders. By decision of the Board of Directors mentioned in the notice of meeting, shareholders may, under the conditions and time periods set by the laws and regulations, send their proxy and vote-by-mail form by any means of data transmission (including electronically). In such cases, electronic signatures can take the form of a process fulfilling the requirements stipulated in the first sentence of the second clause of article 1316-4 of the Civil Code.

If the Board of Directors so decides at the time of convening the Shareholder's Meeting, the shareholders may also participate in the Shareholders' Meeting by video link or by a means of telecommunication enabling them to be identified, and will then be deemed present for calculation of the quorum and the majority.

**ATTENDANCE SHEET, MINUTES
(ARTICLE 27 OF THE BY-LAWS)**

An attendance sheet containing the information stipulated by law shall be kept at each Meeting.

This attendance sheet, duly signed by the attending shareholders and their proxies and to which shall be appended the powers of attorney awarded to each proxy and, where applicable, the vote-by-mail forms, shall be certified accurate by the officers of the Meeting.

The Meetings shall be chaired by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman of the Board of Directors or by a member of the Board of Directors specially appointed for this purpose.

If Meeting is convened by the Statutory Auditor or Auditors, by a legal proxy or by liquidators, the Meeting shall be chaired by the author of the notice of meeting.

In all cases, if the person authorized or appointed to chair the Meeting is absent, the Shareholder's Meeting shall elect its Chairman.

The duty of teller shall be performed by the two shareholders, attending and accepting the duty in their own name or represented by their proxies, with the largest number of shares.

The officers' board thus formed shall appoint a secretary, who may not be a shareholder.

The members of the officers' board have the duty of checking, certifying and signing the attendance sheet, ensuring that the discussions proceed properly, settling incidents during the meeting, checking the votes cast and ensuring they are in order, taking care that the minutes are drawn up and signing them.

Minutes are drawn up and copies or extracts of the proceedings are issued and certified in accordance with the law.

**QUORUM, VOTING, NUMBER OF VOTES
(ARTICLE 28 OF THE BY-LAWS)**

At Ordinary and Extraordinary Meetings, the *quorum* shall be calculated on the basis of all the shares making up the share capital, minus any shares that have had their voting rights suspended by virtue of legal provisions.

For voting by mail, only forms received by the Company before the Meeting is held, within the terms and conditions set by the law and the by-laws, shall be taken into consideration for calculating the *quorum*.

At Ordinary and Extraordinary Meetings, shareholders are entitled to the same number of votes as the number of shares they hold, with no limitation.

However, a voting right double that conferred on other shares, taking into consideration the proportion of the capital they

represent, is assigned to all shares fully paid up, for which purpose nominative registration for at least two years in the name of the same shareholder shall be required.

Moreover, in the event the capital is increased via incorporation of reserves, profits or share premiums, the right to double voting shall be granted, upon issuance, for registered shares attributed free of charge to a shareholder having held former shares for which the shareholder enjoyed that right.

The double-voting right automatically ceases for any share converted to a bearer share or subject to a transfer of ownership. Nevertheless, the double-voting right will not be lost, and the holding period will be deemed to have continued, in the event of transfer from registered to bearer form as a result of inheritance by distribution of marital community property or inter vivos gifts in favor of a spouse or relatives entitled to inherit. The same is true where shares with double-voting rights are transferred as a result of a merger or demerger of a shareholder company. The merger or demerger of the Company has no effect on the double-voting right which may be exercised within the beneficiary company or companies, if their by-laws have instituted it.

Voting takes place and votes are cast, according to what the Meeting officers decide, by a show of hands, electronically or by any means of telecommunication enabling the shareholders to be identified under the regulatory conditions in force.

ORDINARY MEETING (ARTICLE 29 OF THE BY-LAWS)

The Ordinary Meeting is that which is called upon to take any decisions that do not amend the Company by-laws.

It shall be held at least once a year, within the applicable legal and regulatory time periods, to deliberate on the statutory financial statements and, where applicable, on the consolidated financial statements for the preceding accounting period.

The Ordinary Meeting, deliberating in accordance with the terms pertaining to quorum and majority as set forth in the governing provisions, exercises the powers granted it by law.

EXTRAORDINARY MEETING (ARTICLE 30 OF THE BY-LAWS)

Only the Extraordinary Meeting is authorized to amend Company by-laws in all their provisions. It may not, however, increase the commitments of shareholders, excepting transactions resulting from an exchange or consolidation of shares, duly decided and performed.

The Extraordinary Meeting, deliberating in accordance with the terms pertaining to quorum and majority set forth in the provisions that govern it, exercises the powers granted it by law.

SHAREHOLDERS' RIGHT TO INFORMATION (article 31 of the by-laws)

All shareholders have the right to access the documents they require to be able to give their opinion with full knowledge of the facts and to make an informed judgment on the management and operation of the Company.

The nature of these documents and the conditions for sending them or making them available are determined by law.

PROVISIONS OF THE BY-LAWS WHICH MAY HAVE AN IMPACT ON A CHANGE IN CONTROL

No provision in the by-laws could, to the knowledge of the Company, have the effect of delaying, postponing or preventing a change in control of the Company.

IDENTIFICATION OF THE SHAREHOLDERS AND THRESHOLDS (articles 10 and 11 of the by-laws)

IDENTIFICATION OF SHAREHOLDERS (ARTICLE 10 OF THE BY-LAWS)

The Company shall remain informed of the make-up of its shares' ownership, in accordance with the terms and conditions provided for by law.

To do so, the Company can make use of all legal provisions available for identifying the holders of shares that confer immediate or future voting rights in its Shareholders' Meetings.

Thus, the Company reserves the right, at any time and in accordance with the legal and regulatory terms and conditions in force and at its own cost, to request from the central depository retaining the account of issuance of its deeds information concerning the holders of securities conferring the immediate or future right to vote in the Company's Shareholders' Meetings, as well as the number of securities held by each shareholder and, where applicable, any restrictions that can be imposed on such securities.

Having followed the procedure described in the preceding paragraph and in view of the list provided by the central depository, the Company can also request, either through the central depository or directly, that individuals on the list whom the Company believes may be registered as agents for third parties provide information about the owners of the securities referred to in the preceding paragraph. These individuals are required, when acting as intermediaries, to disclose the identity of the holders of these securities.

If the securities are in registered form, the intermediary registered in accordance with the terms and conditions set forth by law is required to disclose the identity of the holders of these securities as well the number of securities held by each individual, upon simple request by the Company or its agent, which may be presented at any time.

For as long as the Company believes that certain shareholders whose identity has been disclosed are holding shares on account of third parties, the Company is entitled to ask those shareholders to disclose the identity of the holders of the securities in question, as well as the number of shares held by each.

At the close of identification procedures, and without prejudice to legal requirements relative to the disclosure of significant equity ownership, the Company can ask that any legal entity holding its shares and owning an interest in excess of 2.5% of the capital or voting rights disclose to the Company the identities of individuals who directly or indirectly own more than one third of that legal entity's capital or voting rights.

In the event of non-compliance with the aforementioned requirements, the shares or securities conferring immediate or future access to capital and for which these individuals have been recorded in the register shall be stripped of their voting rights for any subsequent Shareholders' Meeting, and until such time as this identification requirement has been fulfilled, to which date payment of the corresponding dividend will also be deferred.

Moreover, in the event the registered individual knowingly disregards these obligations, the court of competent jurisdiction given the location of the Company's registered offices may, if petitioned by the Company or one or more of its shareholders holding at least 5% of the Company's capital, order total or partial suspension, for a period not to exceed five years, of the voting rights attached to the shares for which the Company had requested information, as well as suspension, for the same period of time, of the right to payment of the corresponding dividend.

THRESHOLDS (ARTICLE 11 OF THE BY-LAWS)

In addition to the legal obligation to notify the Company when thresholds provided for by law have been crossed, any natural or legal entity who, whether acting alone or in concert, should acquire, directly or indirectly as defined by law (and in Article L.233-9 of the French Commercial Code in particular), a number of shares equivalent to a fraction of capital or voting rights in excess of 2% must inform the Company of the number of shares and voting rights it owns, within 5 trading days of the date on which the threshold was reached, and must do so, regardless of the book entry date, via registered mail with return receipt addressed to the Company's registered office or by any equivalent means for shareholders or bearers residing outside France, with specification of the total number of equity shares and securities granting eventual access to equity and related voting rights that it owns as of the date on which the declaration is made. This declaration in relation to the crossing of a threshold also indicates whether the shares or related voting rights are or are not held on behalf of or jointly with other natural or legal entities and additionally specifies the date on which the threshold was crossed. The declaration shall be repeated for each additional 1% fraction of capital or voting rights held, without limitation, including beyond the 5% threshold.

Where they have not been duly declared under the conditions provided above, shares exceeding the fraction that should have been declared are deprived of voting rights in Shareholders' Meetings from the moment one or more shareholders in possession

of at least 5% of the Company's capital or voting rights make such a request, duly recorded in the minutes of the Shareholders' Meeting. The suspension of voting rights shall apply to all Shareholders' Meetings taking place up until expiration of a period of two years from the date on which the reporting requirement is fulfilled.

Any shareholder whose share in the capital and/or voting rights in the Company falls below any of the aforementioned thresholds is also required to notify the Company as such, within the same period of time and in the same manner, no matter the reason.

In calculating the aforementioned thresholds, the denominator must include consideration of the total number of shares that form the Company's capital and that carry voting rights, including those with their voting rights suspended, as published by the Company in accordance with the law (the Company being required to specify, in its publications, the total number of said shares carrying voting rights and the number of shares that have their voting rights suspended).

**CHANGES TO SHARE CAPITAL
(ARTICLE 7 OF THE BY-LAWS)**

The share capital can be increased or decreased by any method or means authorized by law. The Extraordinary Shareholder's Meeting can also decide to proceed with a division of the par value of the shares or with their consolidation.

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7.1. *Bureau Veritas and its shareholders*

THE BUREAU VERITAS SHARE

Listing market	Euronext Paris, compartment A, eligible for the SRD
Initial public offering (IPO)	October 23, 2007 at €37.75 per share
Inclusion in the indices	SBF 120, CAC Mid 60 DJ STOXX 600, DJ STOXX 600 Industrial Goods and Services Index
Codes	ISIN: FR 0006174348 Ticker symbol: BVI Reuters: BVI.PA Bloomberg: BVI-FR
Number of outstanding shares at February 28, 2011	109,268,601
Number of exercisable voting rights at February 28, 2011	168,958,472
Stock market capitalization at February 28, 2011	€6,114 million

DIVIDEND

A dividend of €1.15 per share will be proposed to the Annual Shareholders' Meeting of May 27, 2011, representing close to 40% of the adjusted earnings per share, up 37% on the previous financial year.

SHARE TREND ON THE STOCK MARKET

Over the course of the 2010 financial year, the Bureau Veritas share price rose by 53%, outperforming the CAC 40 index (5% decrease). On December 31, 2010, the Bureau Veritas share price stood at

€56.72, an increase of almost 50% on the IPO level of €37.75 on October 24, 2007.

On average, about 190,000 shares were traded each day in 2010, representing an average daily trading value of about €9 million.



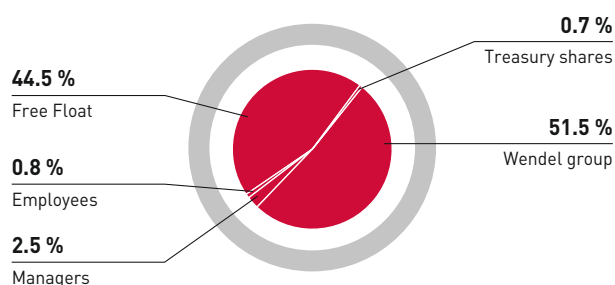
TRANSACTIONS SINCE JANUARY 2010

Period	Number of shares traded	Value (in millions of euros)	Adjusted highs and lows (euros)	
			Low	High
January 2010	3,787,593	137.10	34.70	37.40
February 2010	3,939,303	140.28	34.10	37.50
March 2010	3,279,345	126.57	37.25	39.75
April 2010	3,104,295	128.85	39.09	43.45
May 2010	6,047,107	251.99	39.16	43.73
June 2010	7,431,076	331.41	42.51	46.65
July 2010	4,858,547	228.50	43.51	49.70
August 2010	3,748,623	176.38	44.95	48.60
September 2010	4,944,163	245.32	46.96	52.36
October 2010	3,927,179	202.80	50.11	53.60
November 2010	4,891,248	274.15	52.66	58.55
December 2010	3,482,768	198.0	54.50	59.30
January 2011	5,215,575	281.71	51.20	57.10
February 2011	3,522,972	193.14	52.41	57.00

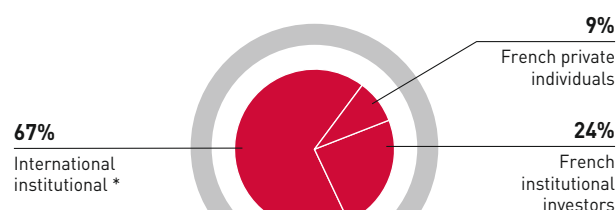
Source: NYSE Euronext.

SHAREHOLDER BASE

SHAREHOLDER BASE AS OF FEBRUARY 28, 2011



FREE FLOAT BREAKDOWN^(a)



* Investors of which:
 United of States: 26%
 United Kingdom: 21%
 Continental Europe (excluding France): 16%

(a) Estimate at December 31, 2010.

SHAREHOLDER INFORMATION

Bureau Veritas is committed to making regular disclosures, on its business activities, strategy and outlook, to its individual and institutional shareholders and, more broadly, to the financial community.

All Group publications (press releases, annual reports, annual and interim presentations, etc.) and regulated information are available upon request or from the website www.bureauveritas.com/investors. This website offers the option to sign up for email alerts to receive

news, while downloads are available of all the Group's publications since its IPO, the list of analysts who cover the Bureau Veritas share and real-time share prices.

Over the course of the 2010 financial year, the management of Bureau Veritas met with over 400 investors at road shows, meetings and industry conferences in France, the United Kingdom, the United States, Switzerland, Italy and Germany.

2011 FINANCIAL CALENDAR

May 4, 2011

1st Quarter 2011 information

May 27, 2011

Annual Shareholders' Meeting

August 25, 2011

1st Half 2011 results

November 3, 2011

3rd Quarter 2011 information

CONTACTS

Analyst/investor information

Claire Plais – Domitille Vielle
financeinvestors@bureauveritas.com

Bureau Veritas

67-71, boulevard du Château
 92 571 Neuilly-sur-Seine Cedex - France
 Tel: + 33 (0) 1 55 24 70 00

7.2. Documents available to the public

Copies of this registration document are available without charge from the Company and on its website (www.bureauveritas.com).

Legal documents relating to the Company and required to be made available to shareholders under applicable regulations, and the Group's historical financial information, may be consulted at the Company's headquarters.

7.3. Significant contracts

In light of the nature of its business, the Company has not entered into, at the date of this registration document, significant contracts other than those entered into in the ordinary course of business,

with the exception of the 2006 syndicated loan described in the Sources of Financing section in Chapter 3 – Management Report of this Registration Document.

7.4. Legal, administrative, government and arbitration procedures and investigations

In the ordinary course of business, the Group is involved with respect to some of its businesses in legal proceedings seeking, in particular, to establish the Group's professional civil liability in connection with services provided. Although the Group pays careful attention to managing risk and the quality of the services provided, some services can give rise to claims and result in adverse financial judgments.

Expenses which may result from litigation are subject to provisions. The amount recorded as a reserve is the best estimate of the expenses needed to meet the Group's obligations, reviewed and updated at each period closing date. Costs which the Group may be required to incur may exceed the amounts reserved for litigations due to numerous factors, and in particular the uncertain nature of the outcome of litigation.

At the date of this registration document, the Group is involved in the following principal proceedings:

TERMINAL 2E AT PARIS-ROISSY CDG AIRPORT

On May 23, 2004, a part of the roof of the departure hall of Terminal 2E at Roissy CDG Airport collapsed, causing the death of four persons, injuries to six persons, as well as leading to the terminal being closed.

In terms of the civil aspects, two expert investigations were initiated at the request of the main parties involved in the construction,

Aéroports de Paris (the party responsible for the construction project, architect and general contractor) and companies of the Vinci group (that participated in the construction of the outer structure of the hall).

A settlement has been reached regarding physical damage arising under the decennial guarantee, covered in so far as the Company is concerned, by its insurers.

The experts evaluated the non-material damages at around €145 million, and proposed the Company's liability as being between 8% and 10%. The Company is pursuing discussions with concerned parties and believe it will reach a settlement with them within the levels of responsibility proposed by the experts.

In terms of criminal law: an investigation was opened after the accident and led to the questioning of the builders and of the Company. A report was commissioned from a panel of experts (a different panel from the one appointed for the civil aspects), which has just been delivered.

A decision should be made in the coming months as to whether the parties will have to appear before the correctional court.

Based on these evaluations and proposals, and in view of the insurance warranties and reserves taken by the Group, the Company does not believe that this claim will significantly affect the Group's consolidated financial statements.

DISPUTE RELATING TO THE GABON EXPRESS AIRPLANE CRASH

Following the crash of an airplane of Gabon Express at Libreville on June 8, 2004, which caused the death of nineteen passengers and crew members and injuries to eleven persons, the General Director of Bureau Veritas Gabon SAU («BV Gabon»), a subsidiary of the Company, was sued for involuntary homicide and injury. The company BV Gabon, whose employees performed the agreement delegating authority for technical control and monitoring of civil aircraft in Gabon, has been sued for civil liability in Gabon. At the date of this registration document, no quantified claim has been made in a court of law and the assignment of liability is not yet known.

Based on the available insurance warranties and reserves taken by the Group, and on the information currently available, the Company does not believe that this claim will significantly affect the Group's consolidated financial statements.

There are no other government, administrative, legal, or arbitration proceedings or investigations (including any proceedings of which the Company is aware, pending, or with which the Group is threatened), which are likely to have or have had within the last twelve months a material impact on the financial position or profitability of the Group.

A detailed description of the provisions for disputes entered in the accounts by the Group is provided in Note 24 to the consolidated financial statements (Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document).

DISPUTE RELATING TO THE CONSTRUCTION OF A HOTEL AND BUSINESS COMPLEX IN TURKEY

Bureau Veritas Gozetim Hizmetleri Ltd Sirketi (BVT) and the Turkish company Aymet are parties to a dispute before the Commercial Court of Ankara relating to the construction of a hotel and business complex in respect of which the parties concluded a contract in 2003. Aymet filed an action in 2008 and is claiming US\$63 million in damages from BVT for alleged failures in the performance of its project inspection and supervision mission.

The documents presented to the court by the Aareal bank, which provided a loan for the project, confirm the position of the Company, i.e. that Aymet's claims are without legal or contractual foundation.

Based on the available insurance warranties and reserves taken by the Group, and on the information currently available, the Company does not believe that this claim will significantly affect the Group's consolidated financial statements.

7.5. Significant changes in financial or commercial conditions

As far as the Company is aware, no other significant change occurred between the end of the year ended December 31, 2010 and the date of this Registration Document.

7.6. Information from third parties, expert certificates and interested parties

None.

7.7. *Principal property, plant and equipment*

At December 31, 2010, the gross value of property, plant and equipment was €708.1 million.

The principal property, plant and equipment were as follows:

Category	Description	In million of euros
Buildings & facilities:	This property mainly includes laboratories and installations.	40.1
Operational equipment	This property essentially relates to the operational equipment used for laboratory and analysis activities, and the vehicles and fittings at all Group offices.	455.1
Computer equipment & office furniture:	This property is made up of traditional computer equipment and infrastructure needed to process the Group's information, as well as office furniture.	198.1
Other property, plant and equipment:	Other miscellaneous property, plant and equipment (e.g. property, plant and equipment under production).	14.8

As a general rule, the Group rents its work locations (including the Company's headquarters). However, in some cases, for example laboratories, the Group owns the property.

The Group's rental costs for the 2010 financial year represented €104.9 million (compared to €97.8 million in 2009). A detailed description of future payments under property rental contracts is provided in Note 29 (Off-balance sheet commitments and pledging)

to the consolidated financial statements (Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document).

The Group also holds rented or leased assets (including its IT equipment and its vehicle fleet). Lastly, the Group owns scanners used in its GSIT business, as well as the equipment used in its laboratories.

7.8. *Research and development, patents and licenses*

Owing to the nature of its activities, the Group does not carry out any specific activity in terms of basic research and development. However, the Group carries out research projects relating to experimental development as part of its everyday operations.

The Group benefits in this respect, in France, from the Research Tax Credit system. This tax credit is like a subsidy in that it is refundable

even if there is a surplus on the amount of tax payable. It is therefore included in the current operating result.

A subsidy was entered in the accounts in the 2010 financial year (cf. Note 6 to the consolidated financial statements in Chapter 4 – 2010 Consolidated Financial Statements of this Registration Document).

7.9. Date of the most recent financial information

The most recent financial information of Bureau Veritas verified by the statutory auditors that is included in this Registration Document relates to the year ended December 31, 2010.

7.10. Interim and other financial information

None.

7.11. Persons responsible

PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Frank Piedelièvre, Chairman and Chief Executive Officer of Bureau Veritas.

CERTIFICATION OF THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

I certify, after taking all reasonable measures for such purpose, that the information contained in the French language Registration Document is, to my knowledge, consistent with reality and does not include any omission which could change its scope.

I certify that, to the best of my knowledge, the financial statements are drawn up pursuant to the applicable accounting standards and give a fair picture of the assets and liabilities, financial position and profits and losses of the Company and of the companies within its scope of consolidation, and the management report (Chapter 3 – Management Report of this Registration Document) presents a fair overview of the business developments, profits and losses and financial position of the Company and the companies within its scope of consolidation as well as a description of the main risks and uncertainties they face.

I have received from the Statutory Auditors a letter stating that their work has been completed, in which they indicate that they have verified the information concerning the financial condition and the financial statements presented in this document, and have read the entire document.

Frank Piedelièvre

Chairman and Chief Executive Officer of Bureau Veritas

PERSON RESPONSIBLE FOR THE FINANCIAL INFORMATION

François Tardan
Chief Financial Officer

Address: 67-71, boulevard du Château
92571 - Neuilly-sur-Seine Cedex - France
Tel: +33 1 55 24 76 11
Fax: +33 1 55 24 70 32

7.12. Statutory Auditors

7.12.1. STATUTORY AUDITORS

PRICEWATERHOUSECOOPERS AUDIT

Represented by Olivier Thibault

63, rue de Villiers
92208 - Neuilly-sur-Seine Cedex - France

The mandate of PricewaterhouseCoopers Audit as statutory auditor was renewed at the Ordinary Shareholders' Meeting on June 1, 2010, for a period of six financial years.

PricewaterhouseCoopers Audit is a member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles*.

BELLOT MULLENBACH & ASSOCIÉS

Represented by Pascal de Rocquigny

11, rue de Laborde
75008 Paris - France

Bellot Mullenbach & Associés was renewed as statutory auditor at the Ordinary Shareholders' Meeting on June 1, 2010 for a period of six financial years.

Bellot Mullenbach & Associés is a member of the *Compagnie Régionale des Commissaires aux Comptes de Paris*.

7.12.2. ALTERNATE AUDITORS

Yves Nicolas

63, rue de Villiers
92208 Neuilly-sur-Seine Cedex - France

The mandate of Yves Nicolas as alternate auditor was appointed at the Ordinary Shareholders' Meeting on June 1, 2010 for a period of six financial years.

Jean-Louis Brun d'Arre

11, rue de Laborde
75008 Paris - France

Jean-Louis Brun d'Arre was renewed alternate auditor at the Ordinary Shareholders' Meeting on June 1, 2010 for a period of six financial years.

7.12.3. STATUTORY AUDITORS' FEES

Amounts excluding tax
(in thousands of euros)

AUDIT	PricewaterhouseCoopers Audit				Bellot, Mullenbach & Associés			
	2010	%	2009	%	2010	%	2009	%
Statutory Auditors' duties, certification, review of individual and consolidated accounts								
Issuer	759		580		367		349	
Globally consolidated subsidiaries	2,996		2,547		250		241	
Other duties and services directly linked to the duties of Statutory Auditor								
Issuer	1,652		263		6		11	
Globally consolidated subsidiaries	216		-		-		-	
Subtotal	5,623	87%	3,390	86%	623	100%	601	100%
Other services provided by the networks to the globally consolidated subsidiaries								
Legal, tax, labor	827		474		-		-	
Other services provided by the networks to the globally consolidated subsidiaries	-		68		-		-	
Subtotal	827	13%	542	14%	-		-	
TOTAL	6,450	100%	3,932	100%	623	100%	601	100%

Other "due diligence" specifically tied to the company mainly concerns due diligence performed for the acquisition of Inspectorate.

7.13. Cross-reference index

7.13.1. CROSS-REFERENCE INDEX IN ACCORDANCE WITH EUROPEAN «PROSPECTUS» DIRECTIVE 2003/71/EC

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BUREAU VERITAS

Limited company (Société anonyme) with registered capital of €13,112,232.12

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Move Forward with Confidence

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