2011

Registration Document

Move Forward with Confidence

BUREAU VERITAS

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Financial Annual Report elements are identified in this table of contents with the sign FAR

REGISTRATION DOCUMENT

INCORPORATING THE FINANCIAL ANNUAL REPORT

2011

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 Bureau Veritas website (www.bureauveritas.com) and on the AMF website (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 for the 2010 financial year as well as the corresponding audit report set out on pages 97 to 144, 145 to 203 and 204 of the Registration Document filed with the AMF on March 23, 2011 under number D.11-0172;
- the management report, the consolidated financial statements for the 2009 financial year 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.

This Registration Document was submitted to the Autorité des marchés financiers (AMF) on March 22, 2012 in accordance with article 212-13 of its General Regulations. 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.

01

Presentation of the Group

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 commodities;
- inspection and testing of consumer products;
- services related to customs control and international trade services.

The Group currently operates in close to 140 countries through a network of 940 offices and 340 laboratories. It employs over 52,000 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 financial years ended December 31, 2009, 2010, and 2011, which were prepared in accordance with IFRS standards and audited.

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

▶ SELECTED INCOME STATEMENT DATA

(in millions of euros)	2011	2010	2009
Revenue	3,358.6	2,929.7	2,647.8
Adjusted operating profit[(a)]	544.3	490.5	433.2
Adjusted operating margin in %	16.2%	16.7%	16.4%
Net financial expense	(58.4)	(45.7)	(61.1)
Attributable net profit	297.6	290.4	252.7
Attributable adjusted net profit[(a) (b)]	**348.1**	**315.2**	**273.5**

(a) Before depreciation and amortization of intangible assets, restructuring, transaction-related costs and discontinued activities.
(b) Details of attributable adjusted net profit are provided in section 3.2.7 of this Registration Document.

▶ RECONCILIATION OF OPERATING PROFIT WITH ADJUSTED OPERATING PROFIT

(in millions of euros)	2011	2010	2009
Operating profit	**480.3**	**456.3**	**405.4**
Amortization of acquisition intangibles	36.4	25.7	19.8
Transaction-related costs	2.5	4.3	-
Discontinued activities	(0.4)	2.4	6.1
Restructuring	9.4	-	-
Goodwill impairment	16.1	1.8	1.9
Adjusted operating profit	**544.3**	**490.5**	**433.2**

SELECTED CASH FLOW DATA

(in millions of euros)	2011	2010	2009
Consolidated net profit	**305.3**	**297.6**	**257.7**
Movements in working capital requirement	(39.2)	(23.9)	46.6
Net cash generated from operating activities	**402.4**	**397.3**	**418.6**
Purchases of property, plant and equipment and intangible assets	(115.8)	(76.9)	(65.3)
Proceeds from sales of property, plant and equipment and intangible assets	2.7	1.6	0.6
Interest paid	(42.3)	(34.4)	(43.8)
Levered free cash flow[a]	**247.0**	**287.6**	**310.1**

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

SELECTED BALANCE SHEET DATA

(in millions of euros)	2011	2010	2009
Total non-current assets	2,215.8	2,089.7	1,310.3
Total current assets	1,261.8	1,182.9	987.8
Total equity	1,084.2	859.9	501.2
Non-current financial liabilities	1,021.6	1,206.1	742.7
Other non-current liabilities	252.2	263.7	226.0
Current liabilities	1,119.6	942.9	828.2
Net financial debt[a]	**1,021.5**	**1,069.6**	**679.3**

(a) Total net financial debt is defined as the Group's total gross debt less marketable securities and similar receivables and cash and cash equivalents, as indicated in section 3.3.2 of this Registration Document.

REVENUE BY BUSINESS

(in millions of euros)	2011	2010
Marine	318.7	313.5
Industry[a]	715.1	608.1
In-Service Inspection & Verification	440.5	431.1
Construction	413.9	427.8
Certification	321.6	321.6
Commodities[a]	542.1	266.6
Consumer Products	379.4	382.3
Government Services & International Trade[a]	227.3	178.7
Consolidated revenue	**3,358.6**	**2,929.7**

(a) Since January 1, 2011, all of the Group's commodities inspection and testing activities have formed part of a new Commodities business, namely the Inspectorate activities, Bureau Veritas' Mining and Minerals activities, and more marginally oil inspection contracts, which were presented in the Industry and Government Services & International Trade businesses in 2010. The data for 2010 has been restated on this basis in order to provide better comparability.

▸ ADJUSTED OPERATING PROFIT BY BUSINESS

(in millions of euros)	2011	2010
Marine	93.9	90.5
Industry[(a)]	82.0	70.0
In-Service Inspection & Verification	48.4	52.9
Construction	45.2	44.1
Certification	66.5	66.5
Commodities[(a)]	69.1	30.4
Consumer Products	97.1	105.5
Government Services & International Trade[(a)]	42.1	30.6
Consolidated adjusted operating profit	**544.3**	**490.5**

(a) Since January 1, 2011, all of the Group's commodities inspection and testing activities have formed part of a new Commodities business, namely the Inspectorate activities, Bureau Veritas' Mining and Minerals activities, and more marginally oil inspection contracts, which were presented in the Industry and Government Services & International Trade businesses in 2010. The data for 2010 has been restated on this basis in order to provide better comparability.

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 & 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. After this transaction was carried out at the end of 2004, the Wendel group held 65.9% of the capital and voting rights of Bureau Veritas.

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 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 EUR 37.75 per share. The listing was a great success with French and international institutional investors as well as with individual investors. The offering, composed of existing shares, for the most part disposed of by the Wendel group, amounted to EUR 1,240 million, or around 31% of the capital of Bureau Veritas. Accordingly, on December 31, 2008, Wendel held 62% 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, 2011 Wendel held 51% 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 as an indication 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. BUSINESS DESCRIPTION

MISSION

Founded in 1828, Bureau Veritas is a world-leading provider of conformity assessment and certification services. Serving a wide range of industries, the Group operates a global network of more than 940 offices and 340 laboratories with over 52,000 people located in 140 countries.

Bureau Veritas helps its clients to protect their brand, manage their risks and improve their performance by providing services that ensure that their assets, products, and processes meet standards and regulations in terms of quality, health and safety, environmental protection and social responsibility ("QHSE").

SERVICES

Most of the time, Bureau Veritas provides its QHSE services through reports delivered to its clients. Prepared by the Group's experts, these reports present the results of their observations and analyses and measure any difference with respect to a given reference or standard, which can be **regulatory** (imposed by applicable codes or regulations which condition the "license to operate" of the clients), **voluntary** (based on sector specific requirements or recognized international standards), or **proprietary** (based on the clients' own schemes or requirements).

These observations and analyses are based on the work performed by Bureau Veritas' specialists, including **Inspection** (technical assessment based on visual examination and measurement to establish whether a given material or item is in proper quantity and condition, and if it conforms to the applicable or specified requirement), **Testing** (component analyses performed in Bureau Veritas' own laboratories or at clients' sites), **Audit** (periodic, independent, and documented examination and verification of activities, records, processes, and other elements of a quality system to determine their conformity with the requirements of a quality standard such as ISO 9000), and **Certification** (usually includes on-site audits, standardized testing and inspections, and then surveillance audits during the certification period of validity). The Group also offers a wide range of **Consulting** and **Training** services, as well as **Outsourcing** solutions.

Bureau Veritas' services can apply to:

- **Assets** (56% of Bureau Veritas' revenues in 2011), such as:
  - ships (Marine business),
  - buildings and facilities (Construction and IVS businesses),
  - power plants, refineries, pipelines, and other industrial installations (Industry business);
- **Products** (34% of 2011 revenues), such as:
  - consumer goods sold by general or specialized retailers (Consumer Products business),
  - raw materials – i.e. oil, petrochemical products, minerals, metals, agricultural commodities (Commodities business),
  - imported/exported merchandise, in connection with international trade transactions (Government Services & International Trade business);
- **Systems** (10% of 2011 revenues), addressed primarily by the Certification business:
  - conventional QHSE management systems (ISO 9001, 14001, OHSAS 18001),
  - sector-specific QHSE management systems (automotive, aeronautics, food, etc.),
  - supply chain management including suppliers audit.

Depending on the clients' needs and the regulatory framework, Bureau Veritas can act as a third party (i.e. as an independent body, with reports and certificates independent of contractual obligations) or a second party (i.e. working for and under the direction of the customer).

CUSTOMERS

Bureau Veritas serves a wide range of industries, including Aerospace, Automotive, Construction and Real estate, Consumer Products, Electrical and electronics, Food, Government and public organizations, Industrial equipment, Maritime, Oil & Gas, Power and

Utilities, Process and Mining, Retail, Services and Transport and Infrastructure.

Its customer base includes over 400,000 clients, from mass-market customers to large international accounts.

ORGANIZATION

Bureau Veritas' businesses are organized to focus on specific industry needs and continuously strive to improve their QHSE performances:

Marine

As a classification society, Bureau Veritas assesses ships for conformity with specific sets of rules, mainly determining structural soundness and reliability of machinery on-board. Bureau Veritas also provides ship certification on behalf of flag administrations. Additional services based on its expertise include consultancy, technical assistance and training. Through these activities, Bureau Veritas contributes to global maritime safety and helps protect the marine environment.

Industry

Bureau Veritas supports industry by assessing equipment and processes from the design stage to installation, commissioning and operation. At stake are reliability and integrity of operations and conformity with regulations. Services include conformity assessment, production monitoring, asset integrity management and certification. With its laboratories, Bureau Veritas also checks the integrity of industrial equipment and products through services such as non-destructive testing and materials testing.

Construction

Bureau Veritas helps organizations manage all quality, health & safety and environmental aspects of their construction projects, from design to completion. It assesses conformity with all regulatory requirements, provides technical support at the design stage, soils and construction material testing, and structural engineering diagnosis. It also helps its clients in the project management of large infrastructure. For property investors, Bureau Veritas has developed specific solutions enabling them to assess or maintain their assets.

In-Service Inspection and Verification ("IVS")

Bureau Veritas performs regular inspections to assess conformity of equipment in operation with Health & Safety regulations or client-specific requirements. These missions aim at ensuring the safety of equipment ranging from electrical installations, fire safety systems, lifts and machinery to lifting equipment. Services include inspections during equipment installation, periodic inspection in service and after maintenance or repair.

Certification

As an independent certification body, Bureau Veritas Certification provides a full range of certification and auditing services. Its goal is to validate the conformity of management systems and processes of all kinds of organizations. It conducts audits against recognized standards, which may include customer specific requirements, in the fields of Quality, Health & Safety, Environment and Social Responsibility. Continuous improvement is promoted through follow-up audits.

Commodities

The Group provides a wide range of inspection and laboratory testing services for all type of commodities: Oil and Petrochemicals, Metals and Minerals and Agriculture. A new Commodities business has been established since January 1st, 2011, regrouping all the activities of Inspectorate acquired in September 2010, Bureau Veritas' Mining and Minerals activities and oil inspection services.

Consumer Products

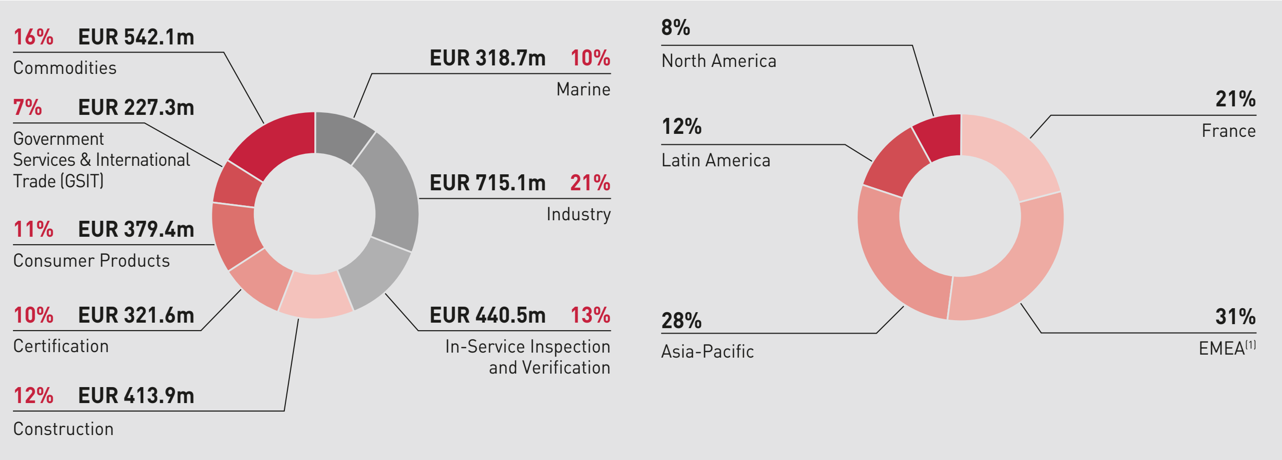
Bureau Veritas works with retailers and manufacturers of consumer products worldwide to assess their products and manufacturing processes for compliance with regulatory, quality and performance requirements. It tests products, inspects goods, assesses factories, conducts social audits and trains personnel. Its proactive solutions throughout the supply chain help its clients better manage risk, protect their brands, reduce costs and cut time to market.

Government Services & International Trade ("GSIT")

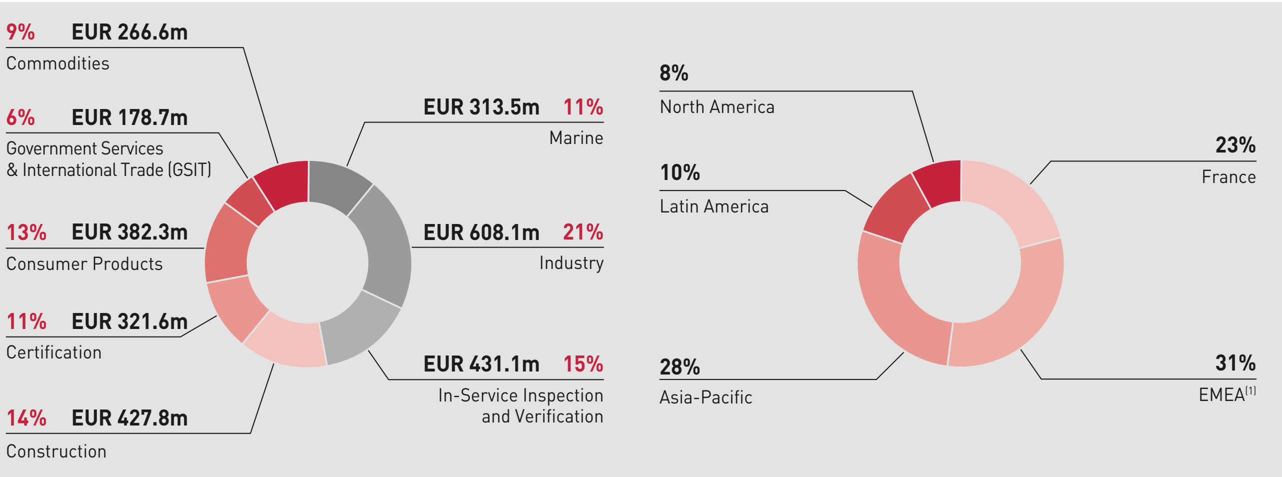
Bureau Veritas provides assistance to government authorities, implementing programs to maximize their revenues and check that imported products meet specified standards. Bureau Veritas also addresses the needs of private traders, international organizations and public bodies. Services include pre-shipment or destination inspection and verification of conformity, employing leading-edge techniques such as risk management analysis and X-ray scanning.

The charts below present the Group's revenue by business and geographic area in 2011 and 2010.

▶ 2011 REVENUE BREAKDOWN



▶ 2010 REVENUE BREAKDOWN



Since January 1, 2011, all of the Group's commodities inspection and testing activities have formed part of a new Commodities business, namely the Inspectorate activities, Bureau Veritas' Mining and Minerals activities, and more marginally oil inspection contracts, which were presented in the Industry and Government Services & International Trade businesses in 2010. The data for 2010 has been restated on this basis in order to provide better comparability.

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

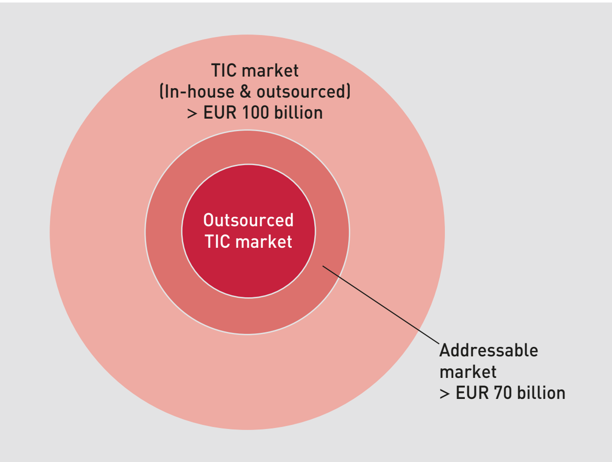
1.4.2. THE MARKET

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, an industry that is commonly referred to as Testing Inspection Certification ("TIC").

The TIC market has recognized appeal given its size, growth prospects, high barriers to entry, significantly fragmented competition and high visibility.

A LARGE MARKET ENJOYING SUSTAINABLE LONG-TERM GROWTH DRIVERS

The TIC market is estimated at over EUR 100 billion globally, including Bureau Veritas' revenue, revenue of competitors and similar activities conducted internally by companies or public authorities and which could be outsourced to the Group or its competitors. The markets served by Bureau Veritas ("addressable market") represent total revenue of over EUR 70 billion (in-house and outsourced).



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

(i) Growing public and consumer concern over QHSE risks and sustainable development, leading to:

- 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.

  For example, in the United States, toys recalled by a number of distribution groups led Congress to pass the Consumer Product Safety Improvement Act in August 2008, requiring compulsory testing on all toys by independent third party companies sold in the US and thereby enhancing control activities of dangerous materials present in products aimed at children. Equally, given increasing sustainability challenges, new international certification standards have recently emerged such as the Energy Management standard launched in June 2011 (ISO 50001 – energy performance). Other standards and norms that may underpin future growth in the TIC market include among others the European Directive on harmful substances REACH (Registration, Evaluation, Authorization and Restriction of Chemical substances), the Food Safety Modernization Act adopted in the US in January 2011 and new regulations on work conditions for Marine. In response to recent major disasters like the Deepwater Horizon or the Fukushima accidents, new regulations, norms and standards may be adopted or strengthened in the future, in particular in the Offshore and the Nuclear sectors respectively.

- The 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 include social-environmental considerations (CO_2-emission reduction, biodegradability, corporate social responsibility, health effects, etc.) voluntarily in their management decisions.

(ii) Market globalization and development of fast-growing economies

- Changing sourcing patterns

  The world economy has undergone dramatic changes over the last three decades, characterized by the opening-up of world trade, the migration of manufacturing to low-cost regions and the expansion of production platforms in the so-called BRIC countries (Brazil, Russia, India, China), in particular in Asia. These changes have been accompanied by greater supply chain complexity for manufacturers, operators and retailers (with materials and components sourced, manufactured and assembled in an increasing number of different countries) leading to growing needs for testing, inspection, certification services to meet consumer expectations and industry safety, regulatory, quality and performance standards. This increasing trend can be seen in many of the Group's markets, in particular in Marine, Industry, Consumer Products and GSIT activities.

- Global accounts

  The globalization of markets has also led to the growing internationalization of large industrial and service groups, which are increasingly looking for global assistance from TIC companies like Bureau Veritas to support them at all their facilities and for all of their QHSE needs with know-how and methodologies applied consistently throughout the world.

- Development of fast-growing economies

  Fast-growing economies (such as China, India, South East Asia and Latin America) have an increasing weight in the global economy and influence on the international stage. These geographies are turning from production platforms into more sophisticated consumer markets, with a rapidly growing urban and middle-class population, rising living standards, huge investments in large infrastructure and energy projects, emerging local brands. As fast-growing economies evolve, awareness of the importance of risk management increases among consumers, public and private players, accompanied by the emergence of new local regulations and new domestic requirements for QHSE services, thereby opening up new growth opportunities for the TIC industry.

For instance, new "green building" regulations and labels designed to ensure that the construction of new buildings is performed in a sustainable manner have started to be discussed and established in several Asian countries (e.g. Hong-Kong, Singapore, Malaysia).

(iii) Changing the needs of private and public organizations to efficiently manage their QHSE risks and optimize their costs

Today, a great part of TIC work in the world is still performed in-house by companies or governments. However, in order to concentrate on their core business, improve performance and reduce fixed costs, companies are increasingly tending to privatize and outsource QHSE controls to specialized players like Bureau Veritas, thereby feeding growth in the TIC market.

- Privatization of control and inspection functions

Public authorities are increasingly requesting the assistance of, or delegating their control activities to, private companies, which are organized to be very responsive and possess an international network of expertise.

For example, over the past seven years, the Japanese authorities decided to privatize activities related to the assessment of conformity of construction permits to local codes for new constructions, thus opening a new market in which Bureau Veritas 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. Likewise, since 1995, the Group has been carrying out quality control inspections in several areas of the urban environment of Barcelona on behalf of the municipality to verify that its suppliers in charge of street cleanliness, public transport and management of green spaces are effectively providing a high standard of service.

- Outsourcing of control and inspection functions

Companies are increasingly outsourcing their control and inspection functions in QHSE areas to specialized companies. By relying on companies such as Bureau Veritas, which has the expertise, know-how and methodologies applied consistently throughout the world, these companies are able to improve their management of QHSE-related risks across their facilities worldwide, thereby reducing costs. This increasing trend towards outsourcing is visible in all of the Group's markets (as set out in the table here after showing growth factors in key markets), and in particular in the areas of consumer products or commodities laboratories. 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.

(iv) Changing features of products and assets

- Innovation

Shortened product lifecycles and constant creation of new products and new technologies represent significant growth drivers in the TIC market. Touchscreen smartphones, green cars, biofuels and nanotechnologies are but a few examples of recent innovations that sometimes did not exist a couple of years ago and that could require increasing QHSE controls in the future.

- Ageing of industrial infrastructure in mature economies

The ageing of assets in industrialized countries and the need to extend their operating life-span and bring them up to new standard levels is also driving demand for increased TIC services.

For instance, many of the 250 offshore platforms in the North Sea are reaching or have now exceeded their original design lives with a good number now more than 30 years old. Managing the integrity of these ageing assets has become a major point of focus for the Offshore Oil and Gas industry and its regulators both locally and internationally. As a result of this focus, Oil and Gas companies operating in the North Sea along with industry associations and government regulatory bodies continue to invest heavily in the management of integrity caused by ageing, seeking the assistance of TIC players like Bureau Veritas. Equally, while most of nuclear reactors in Europe were originally designed to operate over 30-40 years, current plans to extend their operating lifetime are creating rising needs for quality and conformity assessment services, ensuring that possible nuclear power plant risks are mitigated.

The main growth drivers in Bureau Veritas' markets are set out below:

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

(a) Accessible market includes in-house and outsourced activities.
Source: Company, external consultants.

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 that 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 geographical network** of offices and laboratories at both the local and international levels. Local network density is particularly important for easily expanding the portfolio of services, approaching local customers and benefiting 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, undertake certain large contracts, and to stand out 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 that their testing services providers also 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 **top-notch technical experts**. The technical skills and professionalism of the Group's teams enable it to distinguish itself from 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 management of their QHSE-related risks;
- the importance of having **an internationally recognized brand**.

A FRAGMENTED MARKET UNDERGOING CONSOLIDATION

Most of the markets in which Bureau Veritas operates are highly fragmented. There are several hundreds of local or regional players specialized by market or type of service, as well as a few global players. Some competitors are also state-owned or quasi-state-owned organizations or are registered as associations.

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

	Degree of market fragmentation	Competitive environment
Marine	Medium	13 members of the International Association of Classification Societies (IACS), including Bureau Veritas, class more than 90% of the global shipping fleet.
Industry	High	A few large European or global players. Large number of highly specialized local players.
IVS	High	A few large local or European players. Large number of local specialized players.
Construction	High	A few large regional players and many local players. Bureau Veritas is the only one global player.
Certification	High	A few global players, quasi- state-owned national certification bodies, and many local players.
Commodities	Medium	A few global players. A few regional groups and specialized local players.
Consumer Products	Medium	A relatively concentrated market for toys, textiles and furnishings, with three world leaders. More fragmented markets for electrical and electronic products and food testing.
Government Services	Low	Four main players for government services.

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

HIGH RECURRENCE AND VISIBILITY

Business in the TIC industry is characterized by high visibility and its recurring nature as it involves a large part of regulatory-based services: customers need to verify and certify their assets, products and systems on a regular basis in order to meet regulatory requirements and to avoid reputational damage and costs if their products do not meet standards.

Once the TIC supplier has inspected a facility or verified that a process complies with regulations, this is followed by regular visits. In the Certification market for instance, systems are audited by cycle (every three years on average) and regular visits are thus required. In Marine, the order backlog (on average two years) means visibility on revenues is high.

The situation varies from one business and service to another but very often, contracts are long-term or show high retention rates in view of high levels of loyalty. Even for the "spot" markets, mainly for Commodities and GSIT, revenue predictability is high as this is mainly a repeat business.

1.4.3. BUREAU VERITAS' COMPETITIVE ADVANTAGES

Bureau Veritas is a world leader in the provision of conformity assessment and certification services in the areas of quality, health, safety, the environment and social responsibility. This global leadership relies on the following:

- an attractive **business portfolio**, diversified, balanced, resilient, with leadership positions in each of the market segments where the Group is present and strong growth potential;
- an efficient **international network**, comprehensive, with greater reach in key growing locations and offering significant investment opportunities;
- **strong brand image**, associated with a reputation of high technical expertise and for which quality and integrity are central to proposals to customers;
- **global size**, enabling Bureau Veritas to execute large contracts successfully and to provide efficient organization and processes and scalability;
- **talented staff**, with highly motivated and skilled people as well as an experienced management team;
- a **high cash-generating** financial model.

AN ATTRACTIVE BUSINESS PORTFOLIO

Leadership positions in key market segments

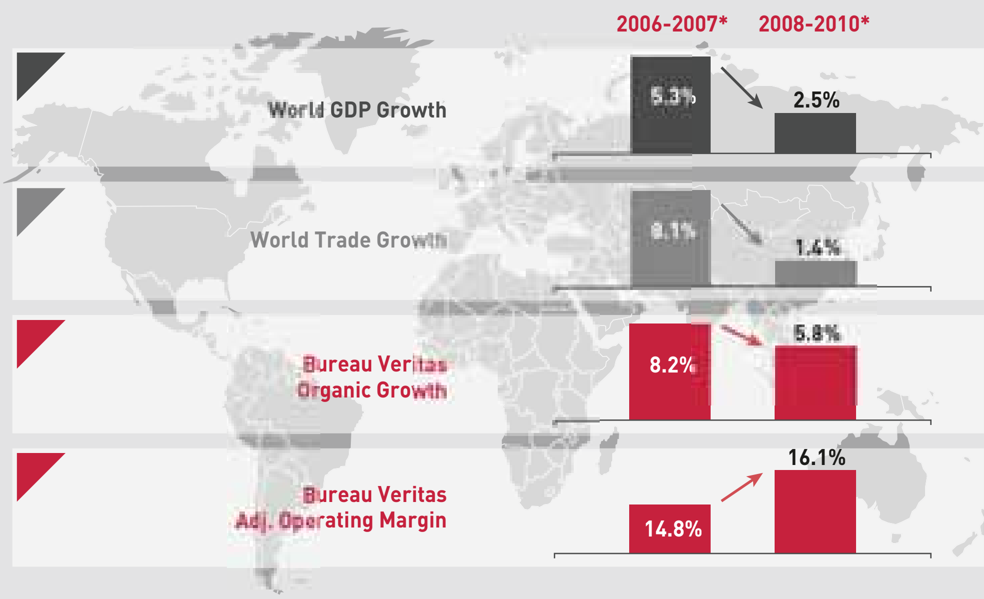
Bureau Veritas enjoys leadership positions in each of the market segments where its eight businesses are present:

- Marine: number two worldwide by number of classed vessels;
- Industry: the world leader. Strong positions in Europe, the United States and Australia, as well as in energy markets in the Middle East, Asia and Latin America;
- IVS: leader in Europe with key positions in France, Spain, the United Kingdom and Benelux;
- Construction: world leader, with strong positions in France, Spain, the United States and Japan;
- Certification: world leader with about 110,000 customers;
- Consumer Products: world leader for toys testing and number two worldwide for textiles testing;
- GSIT: leader in government services;
- Commodities: one of the three world leaders, with key positions for Metals and Minerals, Oil and Petrochemicals and Agriculture.

Over the four businesses forming the Industry & Facilities division (Industry, IVS, Construction and Certification), Bureau Veritas is 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 market segments should offer attractive growth opportunities over coming years in view of their size and degree of fragmentation and the trend towards privatization and outsourcing of control and inspection activities.

A diversified and resilient business portfolio

Bureau Veritas has demonstrated proven resilience to the effects of economic cycles, as illustrated by its performance during the last 2008-2010 downturn. Indeed, over the period, the Group posted average organic growth of 5.8% and improved its operating margin from 14.8% to 16.1%, whereas world GDP and trade growth decreased significantly.



Source: International Monetary Fund, World Economic Outlook Database, April 2011.
** Average over the period.*

Bureau Veritas' resilience to economic cycles results from the factors below:

- the Group possesses a diversified and balanced business portfolio:
  - Industry, the largest business, represents only 21% of consolidated revenue, while each of the other businesses represents between 7% and 16% of the Group's revenue,
  - the recurring activities, which are more dependent on regulations and less sensitive to world growth, represent the largest part of Bureau Veritas' revenues. Cyclical activities are exposed to four different cycles – Marine new construction, Real estate, Energy, Commodities (Oil and Minerals) – which do not have the same features and do not evolve the same way at the same time,
  - the portfolio is diversified in terms of geographic footprint, with revenues equally balanced between mature geographies (50%) and fast-growing economies (Asia excluding Japan, Pacific, Middle East, India, Latin America, Russia and Eastern Europe – 50%),
  - asset-related businesses (Marine, Construction, IVS and Industry) provide QHSE services throughout the lifecycle of assets and equipment, covering both the design and construction phases ("Capex" services) and the operation and decommissioning phases ("Opex" services). Capex and Opex services are balanced in Bureau Veritas' portfolio, reducing the dependence on GDP growth and on investments in new projects;
- the Group benefits from a fragmented customer base. With over 400,000 customers, average annual revenue per customer is around EUR 8,400. In addition, the Group's revenue is only marginally dependent on major customers. In 2011, revenue from the largest customer amounted to less than 2.3% of total revenue, and revenue from the 10 largest customers amounted to less than 7% of consolidated revenue.

The general trend toward increased QHSE regulation is likely to further reduce the effect of economic cycles on Bureau Veritas' performance.

High business recurrence and visibility

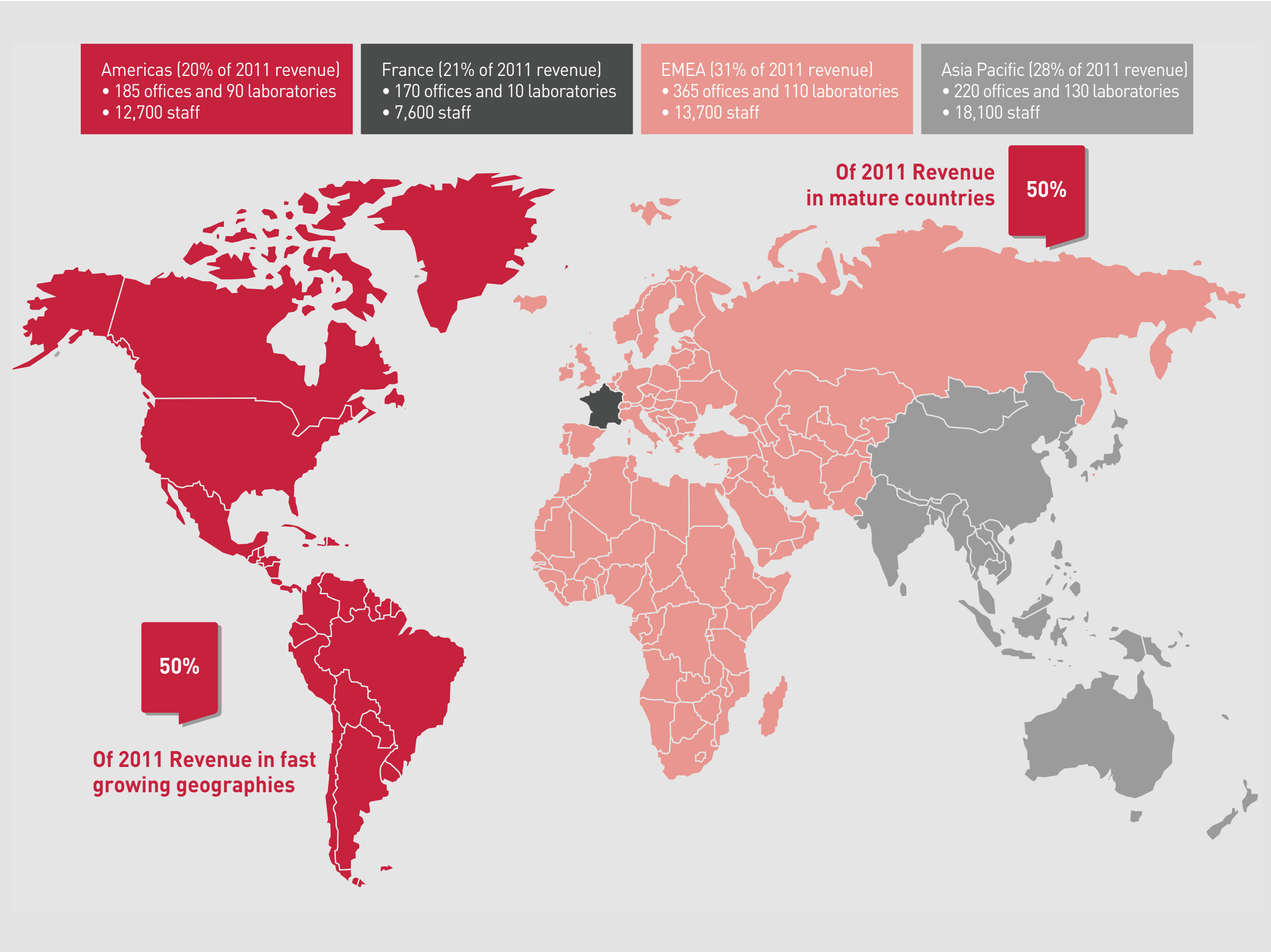
The Group benefits from a high level of visibility relative to its operations, given that a high proportion of activity is related to multi-year contracts, particularly in the Marine, IVS, Certification and GSIT businesses. In addition, certain businesses have a high renewal rate for existing contracts 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 revenue from the business) 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	A 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, the renewal rate on termination is very high.
Commodities	Low	Few long-term contracts but 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.

An efficient international network

With 940 offices and 340 laboratories in close to 140 countries, Bureau Veritas is one of the few market players boasting a comprehensive worldwide network.



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 enable the Group to help customers export or invest in new markets while complying with local regulations and contributing to the development of responsible management;
- multi-cultural teams, with expertise in a large number of technical fields and extensive knowledge of industrial markets, allow a better understanding of customers' QHSE-related issues and therefore the possibility of providing them unique solutions.

Bureau Veritas' network is particularly strong in leading industrialized countries (e.g. France, the United States, Japan, the United Kingdom, Spain, Italy), which have a strong regulatory culture and where the Group has been developing technical expertise and innovative production models.

Bureau Veritas is also well established in key fast-growing economies, like China, Brazil and India, where it has built solid growth platforms with strong local presence over time. For instance, in Greater China (including Taiwan and Hong-Kong), Bureau Veritas was the first foreign classification company to establish a presence in 1902. Today it employs over 8,000 employees via a dense network of 26 laboratories and more than 40 offices located in 34 cities. In Brazil, Bureau Veritas' brand recognition is high with large accounts such as Petrobras as well as with local customers. The Group has nine offices, 10 laboratories and over 3,600 employees located in 14 cities across the country. In these fast-growing economies, Bureau Veritas is among the market leaders and is well positioned to capture prospective growth opportunities in the TIC industry. The Group is to continue expanding its presence in these regions by opening new offices and laboratories and systematically developing its eight global businesses.

A STRONG BRAND IMAGE OF TECHNICAL EXPERTISE AND INTEGRITY

Bureau Veritas has built its successful global business based on its long-standing reputation of technical expertise, high quality and integrity. This reputation is one of the most valuable assets and competitive advantages for the Group worldwide.

A technical expertise recognized by delegating authorities and accreditation bodies

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. Bureau Veritas 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 Marine, it holds 150 delegations of authority on behalf of national maritime authorities for ship certification. In the Certification business, it is also accredited by 55 national and international certification organizations. Bureau Veritas 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 its procedures, the qualification of its personnel and its management systems comply with the applicable standards, norms, references or regulations.

Quality and integrity values embedded in the Group's culture and processes

Integrity, ethics, impartiality and independence are part of Bureau Veritas' core values and central to its brand reputation and the value proposition to its customers.

These values were the focal point of the work carried out by the TIC profession in 2003, under the leadership of the International Federation of Inspection Agencies (IFIA), which led to the drafting of the Group's first Code of Ethics, published in October 2003.

At the end of 2009, 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.

Today, the Bureau Veritas Code of Ethics is available in 21 languages, covering 98% of employees.

Global size and scalable organization

With revenue close to EUR 3.4 billion and a global network of 940 offices and 340 laboratories with over 52,000 staff, Bureau Veritas is a global leader in the Testing, Inspection and Certification industry.

This global size is a core asset for the Group, providing value and differentiation both commercially and operationally.

Commercially, Bureau Veritas' size provides the Group with the ability to serve global accounts on a worldwide basis and thereby to win and execute large international contracts, which represent a growing part of the Group's activity.

Operationally, it allows the Group to improve its profitability by generating economies of scale resulting in particular from office sharing, organizing back-office functions on a collective basis, sharing IT tools and amortizing the cost of developing new services, replicating them and industrializing the inspection processes over a larger base.

The organization into hubs, located in key countries, enables the spreading of knowledge, technical support and sales forces within a given region. As an example the Industry network is organized into 10 hubs or technical centers in order to be located as close as possible to main clients. These hubs are based in Paris, Aberdeen, Rio de Janeiro, Houston, Abu Dhabi, Mumbai, Shanghai, Kuala Lumpur, Perth and Brisbane.

In the future, the Group aims to strengthen this network organization around regional hubs enabling it to generate significant scale effects.

TALENTED STAFF

Highly motivated and skilled employees

Bureau Veritas' employees are its core assets and a differentiating factor in the TIC marketplace. They bring a unique breadth of expertise to clients. They are chosen for their understanding of local culture, their strong know-how (industry, technical, operational, sales), their passion for helping businesses and organizations in managing efficiently their QHSE needs, and their sharing of Bureau Veritas' values.

With more than 52,000 staff, Bureau Veritas enjoys an enriching mix of cultures, languages and personalities. The Group continuously invests in its employees and views staff training very seriously. Helping them to grow to their highest potential and advancing their professional skills has always been a priority.

An experienced management team

The management team has nearly 10 years of experience in the industry on average. 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 past 15 years, with revenue and employee numbers having been multiplied by more than seven over the period.

Top managers (approximately 950 people) have been granted stock options since 1996. Bureau Veritas intends to continue this profit-sharing policy aimed at a large number of managers, in particular by establishing stock option plans and/or granting free shares to managers and/or corporate officers.

HIGH CASH FLOW GENERATION

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 2011, the Group increased its revenue by a factor of over seven, in other words an average annual growth rate in excess of 14%. The Group also aims to continue improving profitability. Between 1996 and 2011, the Group's adjusted operating margin increased from 7.8% to 16.2%.

Over the past three years, the Group generated an average of EUR 281.6 million per year of levered free cash flow. This performance stemmed from three factors:

- high operating margin;

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

1.4.4. OBJECTIVES AND STRATEGY

Bureau Veritas presented the following 2007-2011 targets at the time of its listing on Euronext Paris on October 24, 2007:

- a doubling in revenue at constant currency;
- a 150 basis-point (bps) widening in adjusted operating margin to 16.0%;
- average annual growth of 15-20% in adjusted net profit (excluding non-recurring items).

Between 2006 and 2011, revenues grew by 14% per year on average (at constant currency), adjusted operating margin improved by 170bps and adjusted net income increased by 17% per year on average. The Group has proved its ability to grow and to improve operating performance, even during crisis years, and has rounded out its activities with the new commodities inspection and testing business, a large and rapidly-expanding market from which the Group was historically absent but now holds a world-leading position. Bureau Veritas has confirmed its leadership in all of its activities while consolidating its network, in particular in fast-growing economies, which represented half of the Group's revenue in 2011.

Strengthened by this success, in 2011, Bureau Veritas decided to re-examine its markets in the light of the changes witnessed during recent years, to review its growth opportunities and to set new objectives for 2015.

The BV 2015 strategic plan was presented on September 20, 2011 at the Group's investor day. All presentations are available on Bureau Veritas' website: http://finance.bureauveritas.com.

2012-2015 objectives: An international services group with revenue of around EUR 5 billion and 80,000 employees by end-2015 while delivering the following performance:

- average annual revenue growth: 9-12% on a constant currency basis[1], of which:
  - two-thirds from organic growth: 6-8% average annual growth,
  - one-third from external growth: 3-4% average annual growth;
- improvement in 2015 adjusted operating margin of 100-150bps;
- average annual growth in adjusted EPS: 10-15%;
- significant reduction in leverage ratio (below 1x EBITDA by 2015).

To achieve the BV 2015 plan, the Group's strategy will build on from the previous plan, based on greater critical mass, an extended and more balanced portfolio and a stronger network.

DEVELOPMENT STRATEGY

Bureau Veritas' first priority is to provide its customers with world-class services adapted to their increasing QHSE needs, based on a comprehensive network with critical size in their key markets and countries and a broad portfolio of innovative solutions showing a deep understanding of their evolving challenges.

Consequently, the growth strategy is focused on three main actions:

1. Filling the geography/services "matrix"

Bureau Veritas' current network has been built up over the years via organic growth and acquisitions. However, its expansion is not complete. The Group considers the consolidation of its network and the entire deployment of its expertise across this network as a source of widely unexploited opportunities.

Bureau Veritas is seeking to achieve critical mass in the key countries of each of its businesses, particularly in fast-growing 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 is to step up its expansion in fast-growing geographies that are to provide the majority of revenue further out while pursuing initiatives in the most attractive markets in mature countries.

The expansion of Bureau Veritas' geographic network (in terms of size, number of sites and expertise roll-out) should enable it to generate a high level of long-term growth, particularly through improved access to local clients, expanding its service offering in each country and improving its coverage of large accounts at the global level.

In the future, Bureau Veritas is to pursue its continuous screening of its geographies/services positioning in order to refine its growth opportunities and selectively fill the matrix holes with specific action plans each time the markets are open and attractive.

2. Extending the offering to high-value added services and attractive market segments

Bureau Veritas' investment strategy is to remain concentrated on its eight core business segments, but is to target the development of adjacent services and markets within these segments in order to continuously adapt its offering to client needs and seize opportunities with the highest potential.

(1) In a normal economic environment, excluding a major recession and any transforming acquisition project.

The Group considers the following markets as particularly key for its development strategy:

Marine: offshore (Oil & Gas and wind), inland navigation (with rivers and canals playing an increasing role in transportation of goods in some regions), new energy efficiency, labor and safety regulations;

Industry: development of inspection services for the upstream/exploration-production oil and gas industry (in particular for clients active in drilling, offshore, and liquid natural gas). Increased presence in the power (including nuclear, renewable and fossil energies) and process (mine-sites, food and chemicals) segments;

IVS: partnership with public authorities and insurance companies;

Construction: infrastructure projects in fast-growing economies, and reinforcement of the in-service offering/asset management assistance;

Certification: new schemes (e.g. energy management, biofuels, sustainability, organic food, carbon footprint, healthcare) and large contracts;

Commodities: biofuels, petrochemical products, petroleum additives and upstream minerals testing, bore core testing (coal);

Consumer Products: food safety and electronics and electrical products, including mobile products and automotive electronic devices;

GSIT: single-window offering (enabling port authorities and customs authorities to facilitate and secure foreign trade operations) as well as automotive inspections and vehicle damage tracking and evaluation.

In terms of services, the Group plans to:

- develop customized service offerings in each of its businesses to differentiate its value proposition and increase the proportion of revenue from higher value-added services;
- 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;
- build one-stop shopping solutions embracing clients' full QHSE needs;
- provide more outsourced solutions and seize market opportunities related to privatization of QHSE control and inspection functions.

3. Remaining a major consolidating player in the sector by pursuing a strategy of targeted acquisitions

Bureau Veritas has historically developed a unique "Buy and Build" development strategy, with a growth mix well balanced between organic and external growth (each representing 50% of revenue growth over 2006-2011). In all, between 2001 and 2011, the Group acquired about 90 companies, representing additional revenue of more than EUR 1.2 billion, and spent an average of EUR 169 million per year on acquisitions.

This policy of acquiring small and mid-sized businesses was implemented with the objective of accelerating Bureau Veritas' growth, reinforcing its network (both to expand its presence and to densify its existing network) and acquiring new capabilities. This successful acquisition and integration track record has been quite unique in the TIC industry and the Group considers it has been a key success factor in its development. The Group has indeed achieved significant revenue and cost synergies through these acquisitions that have enabled it to progressively improve their profitability and integrate them into the Group's business model.

Historically, these acquisitions were carried out mainly in the Consumer Products, Industry & Facilities and Commodities businesses. In 2007, the Group carried out its first major project in commodity inspection and testing with the acquisition of CCI, supplemented in 2008 by the acquisition of Amdel, Australia's leading provider of minerals analysis and of Geoanalitica in Chile. In 2010, Bureau Veritas crossed 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 in oil and petrochemicals, metals and minerals and agricultural products. In 2011, the Group continued its acquisitions policy, by acquiring 11 companies in fast-growing geographies and in high-potential activities, representing total annualized revenue of more than EUR 50 million.

The table below shows the proportion of external growth out of the Group's total growth in revenue since 2001:

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Organic growth	6%	3%	2%	13%	10%	7%	6%	10%	12%	7%	10%
External growth	10%	3%	2%	14%	5%	5%	9%	4%	7%	7%	9%
Currency and other	(1)%	5%	-	(4)%	(3)%	-	1%	(3)%	(7)%	(1)%	(1)%
Total growth	**15%**	**11%**	**4%**	**23%**	**12%**	**12%**	**16%**	**11%**	**12%**	**13%**	**18%**

Pursuing targeted acquisitions is to remain an important element in the Group's 2015 growth strategy. The Group is to 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 is constantly identifying possible targets and analyzing 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:

- boost its organic growth initiatives in the businesses of Industry (Non Destructive Testing, Drilling, Power and Utilities, Rail), Construction (Infrastructure), Consumer Products (Food, Electronics and Electrical) and Commodities (Oil and Petrochemicals upstream and Minerals);

- complement its global network, in the main developed countries and in some fast-growing countries/regions where targets enjoy local leadership positions that would enrich the Group's business portfolio (Asia, Pacific, Africa, Latin America in particular).

OPERATING PERFORMANCE AND CASH FLOW GENERATION

Between 1996 and 2011, the Group's adjusted operating margin increased from 7.8% to 16.2%. Despite the expected decline in margins in the most profitable businesses (Marine, Consumer Products), the Group aims to increase the adjusted operating margin by 100-150 basis points between 2011 and 2015, via increased profitability in all its other businesses (especially Commodities and Industry).

This improvement should stem from:

- a portfolio of higher valued-added services, more upstream-oriented;
- the investment in and the roll-out of new production tools, leveraging on leading information technology solutions and allowing an improvement in productivity, increased client satisfaction, improved pricing and contract management and reduced back office costs. The Certification, Industry, IVS and Commodities businesses in particular will benefit from this new Production Core Model ("PCM");
- the further standardization and simplification of inspection and reporting methods, in particular via the deployment of "Lean Management" solutions in production processes;
- economies of scale generated by the increasing size of the Group, the centralization of support functions into continental shares services, and the offshoring in low-cost countries of some back office functions;
- the profitability turn-around of under-performing units, which are identified and analyzed each year during the budget review and are subject to specific annual action plans dedicated to improve the unit's profitability;
- the successful integration of acquisitions thanks to a proven Post-Merger Integration Plan methodology, aimed at preserving targets' goodwill and optimizing revenue and cost synergies.

High cash-flow generation expected over the 2011-2015 period should enable the Group to finance organic and external investments while reducing the leverage ratio to less than 1.0x EBITDA at end-2015. Bureau Veritas intends to spend 3-4% of revenue on organic investments notably to step up the development of the Commodities platform, to continue expanding the Consumer Products business and to provide the Group with more efficient production tools.

SPECIFIC FOCUS ON TWO CRITICAL ENABLERS

The targets of this plan are to be delivered through two main levers: the Group's Human Resources policy and its excellence in information technologies and systems tools.

Retaining and strengthening a leading team of managers and experts

With prospective employees totaling 80,000 in 2015, Bureau Veritas is to focus on strengthening existing processes in terms of recruitment, leadership and talents development, and acquisitions integration.

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

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

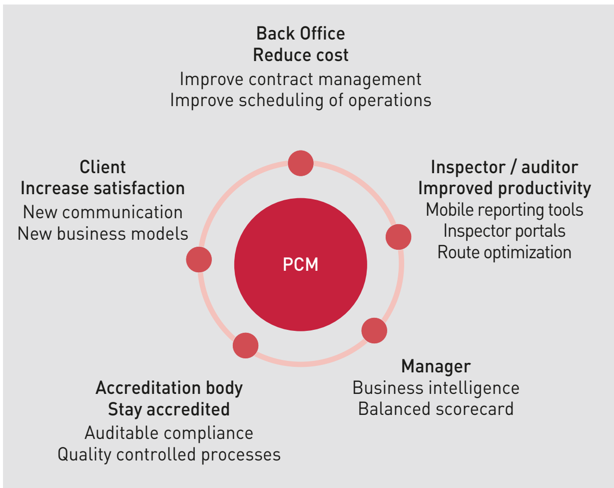
- creating training programs for the Group's key managers and its personnel, engineers, technicians and members of support functions, to enable them to adapt to technical changes in their businesses or markets;
- sharing best practices, both technical and managerial, by establishing practice communities ("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.

From now on, the Group is to continue launching training and development programs for its employees to internally generate the skills needed to achieve its growth objectives.

Technical and technological innovation

The Group aims to leverage its technical and technological edge to:

- bring commercial innovation, by continuing to develop new information management portals and systems that provide online results, automate, optimize and secure clients' business processes, resulting in higher customer satisfaction and new market share;
- serve operational excellence, by continuing to invest in the development of new generation reporting tools resulting into faster report creation, enhanced inspectors' productivity, and a shift from document-based reporting to data-base reporting.



1.4.5. ORGANIZATION

A CUSTOMIZED ORGANIZATION, TAILORED FOR THE GROUP'S MARKETS AND ALIGNED WITH ITS STRATEGY

In order to better address changes in its markets, meet the evolving needs of its customers, improve management of its geographic network and support its strategy execution, Bureau Veritas has continuously adapted its organization. At present, the Group's activities are organized as follows:

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 within the Industry & Facilities division, and share the same network.

The Industry & Facilities network covers seven geographic zones: Southern Europe, Northern and Central Europe, Asia, Pacific, North America, Latin America and Middle East – India – Russia – Africa).

The central departments of the four businesses are responsible for implementing best practice sharing across the network, defining and rolling-out 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 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 geographies.

Consumer Products

The Consumer Products business has been reorganized into:

- 4 global business lines: Toys, Electrical & Electronics, Softline and Supply Chain Solutions, and Food. Global business lines are accountable for developing new markets and products, ensuring the network has appropriate technical and management capabilities, and ensuring global consistency of services; and
- geographically, the business is organized into the following regions: North China, South China, North Asia, South-East Asia, South Asia, France/Spain, Germany/Turkey, the UK and the Americas.

This is supported globally by central functions, which include Market development, Technical services, Finance, Legal and IT, and Human Resources.

Government Services & International Trade

The Government Services & 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 of 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 Automotive 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.

Commodities

The Commodities business operates in seven large geographic areas: the Americas (North America and Northern Latin America), Southern Latin America (Argentina, Brazil, Chile, Peru), Asia, Pacific, Africa, Western Europe-Eastern Europe-Middle East, and Metals and Minerals Europe.

Five central product-based departments have been put in place (Oil and Petrochemicals, Minerals Upstream, Coal, Metals and Minerals Trade, Agriculture) and are responsible for implementing best practice sharing across the network, defining and rolling-out new services and new cutting-edge computer tools and ensuring the technical supervision of their respective businesses. The central departments are also responsible for coordinating country business development with regard to identification, preparation of sales proposals and the performance of major contracts.

A MATRIX ORGANIZATION ENCOURAGING SYNERGIES AND CROSS-SELLING

Within the Industry & Facilities division and the Marine, Consumer Products and Government Services & International Trade and Commodities businesses, the Group has implemented a matrix organization (based on service portfolio and geography). The Group believes that these matrix organizations are a key factor in its success as they help:

- take advantage more easily of the complementary nature of the services offered by its businesses and encourage opportunities for cross-selling within its shared network and clients base;
- easily spread 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 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 the given country to adapt it to the local environment or changes in local markets.

A CENTRAL LEADERSHIP

The Group's support functions are under the direct responsibility of Group Executive Committee members:

- the Finance, Tax, Internal Audit functions, Acquisitions Support and Investors Relations are under the responsibility of the Group's Chief Financial Officer, Sami Badarani;
- the Information System management functions are under the responsibility of the Group's Chief Operating Officer, Philippe Donche-Gay;
- the Compliance, Ethics, Legal, Risk management functions are under the responsibility of Group's Chief Compliance Officer, Andrew Hibbert;
- the internal Human Resources and Communication, Training and Knowledge-sharing, and Quality Health Safety functions are under the responsibility of 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 EUR 318.7 million in revenue in 2011 (10% of the Group's revenue) and had a 29.5% adjusted operating margin.

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 13 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.

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 four 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 offshore exploration and production, in particular: Total, Petrobras, BP, Shell, Exxonmobil, Chevron, Conocophilipps and CNOOC.

A high level of recurring revenue

In 2011, 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. The Company estimates that the global market for ship classification and certification services represents a total revenue of approximately EUR 3 billion.

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.

Global economic recovery began in 2009 and was confirmed in 2010, thanks to the dynamism of exports from emerging countries. 2011 was marked by the impact of particularly significant events on global macroeconomic conditions. In this environment, the recovery in global trade that began in 2010 remains fragile, with a risk of overcapacity in certain market segments (e.g. bulk carriers and container ships). Orders placed before the crisis led to an increase in supply, whereas demand is growing at a slower pace.

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. More recently, in July 2011, the IMO adopted a new regulation to reduce greenhouse gas emissions (CO_2, NOx, and SOx), with one section on construction of new ships and another covering the entire fleet in service.

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 companies for new orders of bulk carriers due to the development of effective calculation tools and the creation of specialized teams, particularly in China. Moreover, the Group participates, through IACS, in drafting changes to these rules, particularly concerning the harmonization of their application certain specific areas.

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 coming years, the Company believes that four new regulations should bring additional business to the Group:

- the consolidated maritime labor convention by the International Labour Organization (ILO) should make it mandatory to obtain a certificate of compliance with social standards and labor law for all ships. The number of nations that have ratified this convention continues to increase, and Bureau Veritas, which has already received authorization from a large number of countries on this subject, offers services to ship owners anticipating that this convention will become mandatory;
- 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; and
- 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 13 members of the IACS. These 13 members classify more than 90% of world tonnage, with the remaining fleet either classed by small classification companies operating mainly at the 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.

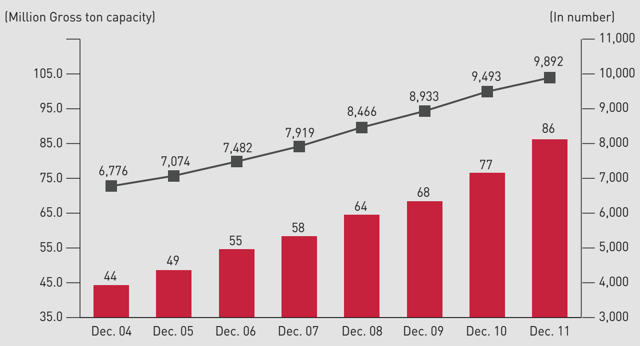
The Marine business continues to develop its activities on the Oil & Gas market, in particular in the offshore field. The demand for fossil energy drives exploration and production projects in the most difficult physical conditions (deep-water, polar regions). The role of the different players in the 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.

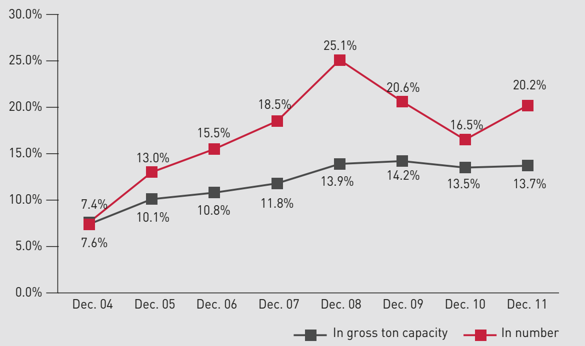
A SOLID PRESENCE IN THE MARKET

Market share gains

▶ GROWTH IN THE BUREAU VERITAS FLEET IN-SERVICE



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



As of December 31, 2011, the fleet comprised 9,892 ships representing a 86.2 million gross ton (GRT) capacity (compared to 38 million in 2001). The breakdown of the fleet in terms of ship type (gross registered tonnage and number of ships) was as follows:

Type of vessel	Millions of GRT	Number
Bulk carriers	32.6	889
Tankers	15.0	1,037
Container ships	11.0	322
Cargo ships	7.1	1,378
Gas carriers	6.9	246
Passenger ships	3.9	519
Other	9.5	5,501

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. In terms of the number of classed ships, the Group's market share grew from 13% in 2001 to 16% in all sectors on an aggregate basis in 2011. Market share nevertheless varies according to market segment, as shown below (sources: IACS fleet according to Seaway, Bureau Veritas):

- bulk carriers: 11%;
- tankers: 13%;
- container ships: 7%;
- cargo ships: 15%;
- gas carriers: 17%;
- passenger ships: 22%; and
- 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 2011, with growth accelerating since 2003.

Reputed for Its technical competence and its presence in all market segments, in 2011, Bureau Veritas maintained its market share for new construction orders at 14% in terms of tonnage, which represents more than 20% of the market in terms of the number of ships over 5,000 GRT (source: Bureau Veritas).

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. In 2011, new orders returned to a more normal level of 6.8 million GRT. On December 31, 2011, the order book, which stands at 22.3 million GRT, is diversified by type of ship: bulk carriers represent 51% of this tonnage, tankers 18%, container ships 12%, gas carriers 3%, cargo ships 6%, and passenger ships 3%. It is also diversified in terms of clients (more than 700 ship owners and more than 500 shipyards).

(in millions of GRT)	2011	2010	2009	2008	2007	2006	2005
New Orders intake for the year	6.8	9.5	4.6	12.2	18.0	9.7	5.6
Order book	22.3	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. For the last several years, the Group extended its activities to classification of naval ships and provision of technical consulting to navies, with a great deal of know-how acquired in France, Spain, and Malaysia. These services will continue to be developed, particularly due to several countries' plans to renew and/or grow their respective navies.

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 behavior 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.

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

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.

Improvements in ship energy performance offer opportunities for growth. On the one hand, international regulations issued by the IMO impose an energy performance index on new ship construction (Energy Efficiency Design Index – EEDI), and an energy management plan for all ships (Ship Energy Efficiency Management Plan – SEEMP). On the other, ship owners keep a close eye on the energy performance of their fleets. The combination of these factors should lead to growing demand for services in this field from shipyards, equipment providers and ship owners. Bureau Veritas has developed a range of dedicated services and tools, such as the SEECAT (Ship Energy Efficiency Computer Aided Tool) software.

Lastly, the development of offshore power generation units using renewable energy (wind, wave, tide) represents another area in which the Marine business is investing, through participation in industrial and R&D projects and drafting 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 in international regulations regarding pollution control, or the Health program, which specifically addresses the cruise industry to protect passengers' health by defining preventative measures against Legionnaires' Disease, among others, which were developed initially for the hotel industry, but also apply to cruise ships. This is also the case for fuel quality verification services for which the Group has a number of laboratories; and
- 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.

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 is 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 IT tools for task management and automation, and real-time fleet monitoring classed by Bureau Veritas, such as the following systems:

- 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, equipment certification and complex project monitoring;
- VeriSTAR *Asset Integrity Management System*, a platform dedicated to monitoring offshore units in service, planning and monitoring inspection and maintenance programs, and sharing of related information between the parties involved;
- VeriSTAR *Hull Life Cycle*, which enables information to be attached to a 3D representation of a ship or offshore unit;
- VeriSTAR Info portal for client access to information relating to their ships and regulations currently in effect.

These tools and organization allow the ship owners and operators to be supported throughout the life cycle of their unit, and have the necessary flexibility to be adapted to their changing requirements. Moreover, this organization takes maximum advantage of economies of scale for the business to maintain high profitability.

OPERATIONAL ORGANIZATION

Generally speaking, 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 countries that are most active in maritime transportation.

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 ten key centers (Paris, Newcastle, Rotterdam, Madrid, Piraeus, Istanbul, Shanghai, Miami, Singapore and Dubai) and from 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.

Lastly, 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 international standards on a regulatory basis and with corporate policies implemented on a voluntary basis. Nowadays clients seek assurance from independent and competent bodies that their assets are designed, built and operated in conformity with standards and rules.

To address this market, Bureau Veritas has developed a worldwide network of engineers, inspectors and supply chain experts with core skills in safety, 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 following market segments are most active and promising in terms of revenue growth:

- 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.

Bureau Veritas serves a wide range of industry players: assets owners and operators, utilities, EPC contractors (Engineering Procurement Construction), equipment manufacturers, acting for them as accredited third party certifier, second party inspector, technical consultants on QHSE issues or as an outsourcing supplier.

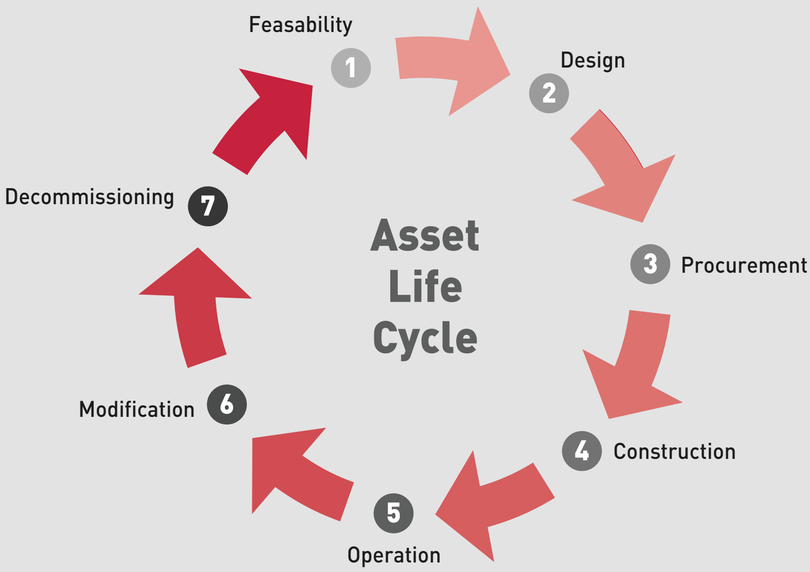
In 2011, the Industry business generated EUR 715.1 million in revenue (21% of the Group's 2011 revenue) and an adjusted operating margin of 11.5%.

AN INTEGRATED SERVICES OFFERING, COVERING ALL QUALITY, INTEGRITY, RELIABILITY AND SAFETY ASPECTS OF ASSETS THROUGHOUT THEIR USEFUL LIFE

Services offering along the whole life cycle of industrial assets

The Group's services cover the whole asset life cycle (CAPEX and OPEX) starting with the feasibility study and design, procurement, construction & commissioning, operations until decommissioning of the asset.

▶ INDUSTRIAL ASSETS



CAPEX

1

- Definition of standards & specifications
- Basic design review
- Project QHSE plans
- Reliability, Availability & Maintenance (RAM) studies
- Criticality assessment

2

- Process Hazard Analysis (PHA)
- Audit of designers
- Risks assessments
- Review and validation of design
- Safety Integrity Level (SIL) / ATEX* studies

3

- Supplier selection
- Equipment certification
- Shop inspection
- Supply conformity assessment

4

- Conformity assessment of the construction
- Performance assessment
- Third party independant verification

OPEX

5

- Management services
- QHSE audits
- Verification
- Asset integrity management
- Emergency planning
- Behaviour management
- Training
- Fugitive emissions monitoring

6

- Fitness for purpose
- Vibration studies (debottlenecking)
- Design review

DECOMMISSIONING

7

- Risk analysis
- Operational safety
- Conformity assessment

* *ATEX: Atmosphere Explosible.*

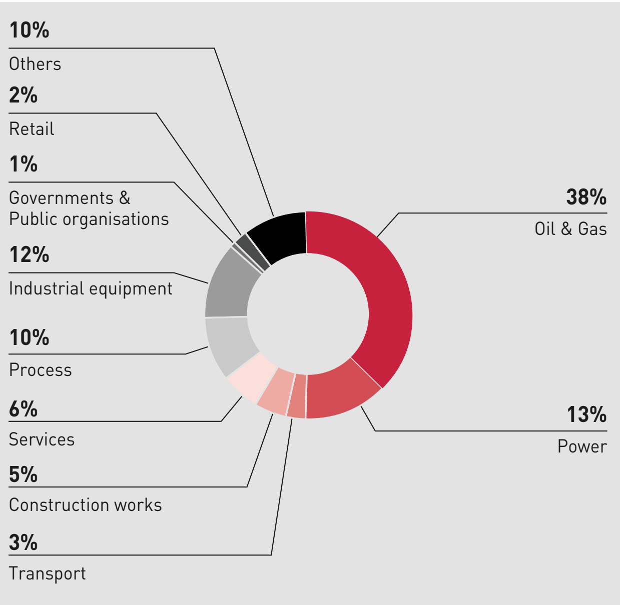
Industry CAPEX services represent around two thirds of total revenue with increasing importance of OPEX services. CAPEX projects are experiencing strong growth, especially in emerging countries in most market segments where Bureau Veritas is active: Oil and Gas, Power, Process and Transportation.

OPEX Industrial activity, especially in Oil and Gas accounts for an increasing part of overall industry expenses. This is due to the high proportion of ageing assets and the fact that owners monitor their "reputation" and therefore watch closely the environmental footprint of their operations, strive to ensure maximum safety for their personnel and availability of the assets (fitness for purpose, life extension). Moreover, in certain geographical areas, new opportunities are being thrown up by trends to outsource inspections and testing activities of the industrial assets during their operation.

A variety of sectors served

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

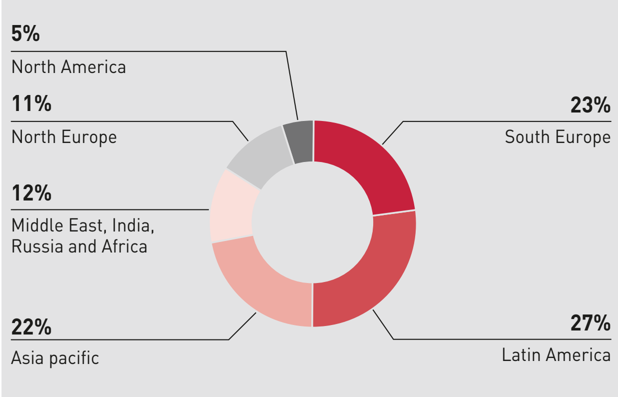
▸ 2011 INDUSTRY REVENUE BY SECTOR OF ACTIVITY



Global presence and high exposure to fast-growing zones

The Group's Industry business is active in all major mature industrial countries (France, Australia, the United States, Italy, the United Kingdom, Germany, the Netherlands, Spain and Japan) while fast-growing zones (Brazil, Argentina, India, China, Africa, Middle East, South-East Asia, Caspian Sea) represented 60% of 2011 revenue.

▸ 2011 INDUSTRY REVENUE BY GEOGRAPHY



A fairly concentrated client base

The Industry business client base is relatively concentrated: the 20 largest clients represented 34% of revenue in 2011. Key-accounts include:

- oil & gas operators (Petrobras, Total, Repsol-YPF, ENI, SHELL, Santos, Aramco, Pemex, Petronas, CNOOC, Pluspetrol, Chevron, ExxonMobil, BP, ADNOC, OMV, INPEX, WOODSIDE, BG, GDF-Suez, OSX);
- power & utilities (EDF, ALSTOM, GDF-Suez, Eskom, Eon, RWE, TVO, Nucleoelectrica Argentina, Enarsa) and key manufacturers in the nuclear industry (Areva, Westinghouse). In 2011, the Group continued to reinforce its position with windmill operators (Gamesa, Vestas, CNOOC China New Energy Division and Repower);
- leading mining companies (BHP Billiton, Rio Tinto, Codelco, Xstrata, Vale);
- engineering & EPC companies (GE O&G, Saipem, Technip, Subsea 7, Larsen & Toubro).

In addition to the large contracts generally generated with these global key accounts, the local client base originated by the regional network performs 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 EUR 15 billion.

Several factors should continue to contribute to this solid growth:

- **factors common to all industrial sectors, such as:**
  - increasing importance of the reliability of existing assets due to higher concerns about brand and reputation and people safety,
  - increasing importance of independent inspection due to diversification of procurement and sourcing in competitive new countries,
  - the strengthening of QHSE regulations and increasing awareness of industrial risks,

- ageing assets in industrialized countries and the need to extend their operating life-span and bring them up to the level of new standards,
- the growing complexity of projects and operations closely involving multiple countries, players and disciplines, as well as the need in some of these projects to introduce new technologies to be certified and inspected,
- the increased volume of frame contracts, due to the policy of reducing the number of certification bodies by large accounts;

- **factors specific to energy sectors:**
  - growth in infrastructure investments (oil, gas and power), especially in fast-growing zones, with for example, the recent expansion of the Group in the Pacific area, which is now the centre of gravity for the LNG capex market. Infrastructure will also be needed in mature areas to face the lower contribution of Nuclear power,
  - the development of new sources of fossil energy (coal base methane, shale gas) for which specific rules will apply,
  - the emergence of the integrated "asset integrity management" approach and trends among clients to outsource QHSE functions,
  - the demand for certification generated by new regulations and, for example, regulations on carbon dioxide emissions and the strengthening of regulations regarding the offshore industry.

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;
- 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 industry is highly fragmented due to the large number of local players in addition to a few large global players. The Group is the world leader in industrial inspection and certification.

Solid competitive advantages

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

- its worldwide network;
- a high degree of technical expertise;
- a leading position in key market segments: Oil and Gas, Power, Mining and Transportation;
- a comprehensive portfolio of services, from feasibility study to operations and decommissioning;
- a unique portfolio of accreditations allowing the Group to issue most of the required certifications;
- efficient information technology tools for managing the contracts and reporting to the clients;
- Strong internal quality systems with ISO 9000 and 14000 certifications.

An ambitious growth strategy

The Industry business strategy is built around the following components:

- the continuous improvement of the Group's position in its main markets:
  - developing further upstream in Oil and Gas (drilling, offshore and LNG),
  - building a second pillar in Power, a rapidly growing market (nuclear, fossil and renewable: BV accredited in 2011 for windmills certification);
- the development of the network by filling the geographical matrix, by leveraging the Industry expertise across the network on the back of the division's technical centers;
- the strengthening of Industry showcase offerings, in industrial projects assistance, in asset integrity management and in industrial products certification, with dedicated sales forces, packaged one-source services and innovative inspections and reporting tools.

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

Operating margin in the Industry business is set to increase over coming years as a consequence of:

- a higher share of high value-added services (offshore, nuclear, asset integrity management) and fast growing geographies;
- a solid pricing policy and contract management processes;
- an improvement in efficiency linked to scalability, the implementation of sophisticated integrated production tools and back office shared services.

OPERATIONAL ORGANIZATION

The global Industry business operates in 20 key countries or regions, where specific technical and commercial resources are located. These key countries are France, Brazil, Australia, the United States, Italy, the United Kingdom, Germany, Spain, China, Mexico, the Middle East, India, South-East Asia, Korea, Africa, Chile, Argentina, Kazakhstan and Peru.

The key countries are driven, for strategic markets, by a central organization (Business Line) dedicated to the development of new products, their deployment throughout the network as well as the rolling out of IT production tools. This central organization also drives the countries with the preparation of major international tenders and for strategic acquisitions diligence.

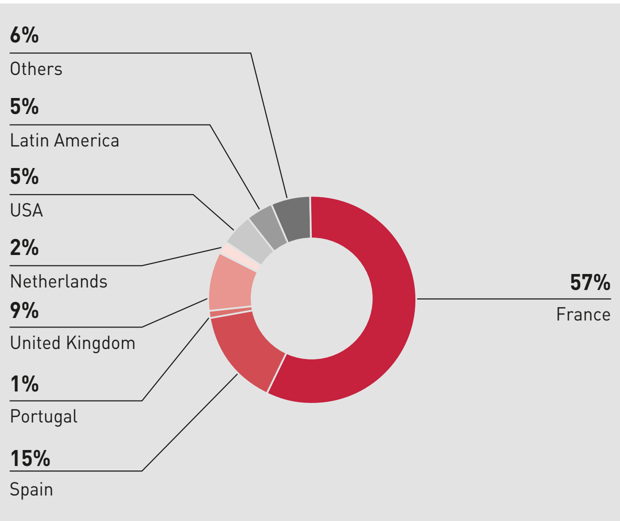
Technical Centers complete this global organization to support the packaging of new services and the spreading of innovation throughout their regional areas or major Industry technical centers that are operating in Brazil, France, the United Kingdom, the Middle East, China, South-East Asia, India, the 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 2011, the IVS business generated EUR 440.5 million in revenue (13% of the Group's 2011 consolidated revenue) and had an 11.0% adjusted operating margin. 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.

▶ 2011 IVS 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; and
- ionizing ray equipment.

This business also includes controlling and measuring water and gas emissions, and checking workers' exposure to pollutants and indoor air quality.

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.

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, autoclaves for hospital use, pressure equipment and heating equipment.

In the United States, they concern elevators and other personal transportation equipment and periodic verification of pressure vessels (including those installed in heating and air conditioning equipment).

In South America (Argentina, Mexico, Colombia, Brazil), they mainly concern verification of domestic gas installations.

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).

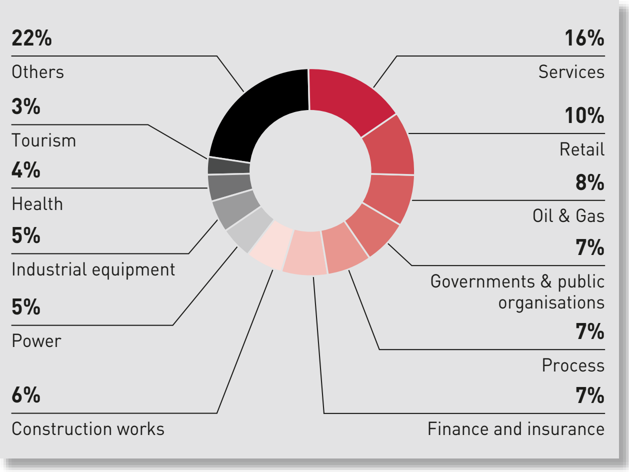
As a complement to the principal in-service inspection activities the Group also offers its clients:

- 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 & Gas.

2011 IVS REVENUE BY CLIENT SECTOR



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. 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 (EUR 350), with the maximum average obtained in the United Kingdom (EUR 3,000) and with an average of EUR 1,200 in France. However, contracts with key accounts (multinational companies) can be for greater amounts, from EUR 150,000 to EUR 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 GRADUAL OPENING OF THE MARKETS TO COMPETITION

The In-Service Inspection & Verification market, which is today mainly a European market, is estimated to be worth approximately EUR 10 billion. 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 market leader for In-Service Inspection & Verification in Europe, particularly with a leading position in France. 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.

In the United Kingdom, insurance companies 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 a position as market leader, continuing to improve production processes and seizing growth opportunities related to new regulatory requirements (furnaces, elevators, air conditioning systems, etc.);
- 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 mainly directed toward key accounts, improving returns on services by implementing IT tools and establishing new services taking advantage of the Group's network (global multisite services, offers combining the services of several businesses);
- Italy: consolidating the fragmented market by becoming the market leader through a targeted acquisition policy, benefiting from gradually opening up the market to private sector companies and increasing sales based on implementing regional sales structures;
- Germany: penetrating the market after obtaining 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.

Means for improving the operating margin

Initiatives aimed at increasing operational efficiency have already been tested successfully in France, and will be extended to all countries concerned, in particular, the UK and Spain:

- the roll-out of "Production Core Model" IT tools, which will allow optimization of the scheduling of inspectors' visits, standardization of inspection methodologies, and online production of reports directly accessible via a dedicated client interface;
- "Lean Management" technics, intended to make management of the operational entities more effective through the contribution of each staff member to the improvement of commercial and production processes.

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 United Arab Emirates, China, Saudi Arabia, and India.

A central business line department, along with the Industry & Facilities business' 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.

In 2011, the Construction business generated EUR 413.9 million in revenue (12% of the Group's revenue) and had a 10.9% adjusted operating margin. 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 global response to a comprehensive range of regulatory and contractual construction requirements. Its services consist of assessing the compliance of construction projects to different technical standards for:

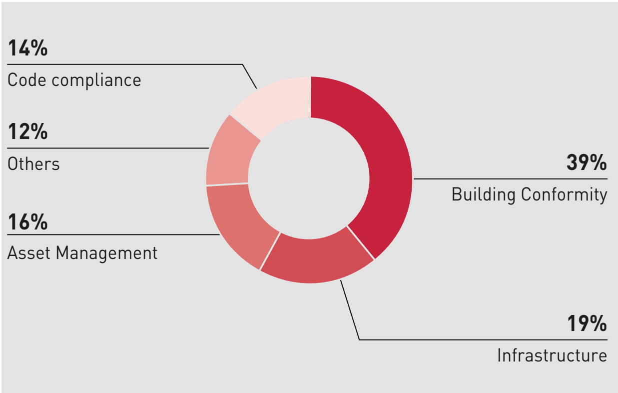
- stability (structural, earthquake, geotechnical);
- water tightness (building exteriors, roofing, basements);
- safety (intrusion, fire and falls);
- comfort (acoustics, temperature, air quality);
- zoning (compliance with applicable codes);
- environmental quality (label, sustainable development standards);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

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 or obtaining operating permits, participation in safety committees), operation (maintenance, preparing visits) and in some cases, sale or purchase transactions.

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

- verifying compliance with building or zoning 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 property (technical and environmental due diligence).

► 2011 CONSTRUCTION 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 16% of revenue in 2011 (compared to 14% in 2010). 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; and
- industrial companies moving closer to their markets or migrating production sites (in the automotive, energy and collective services sectors).

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

The Construction sector, which is estimated to be worth around EUR 26 billion globally, is composed of domestic and international markets.

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:

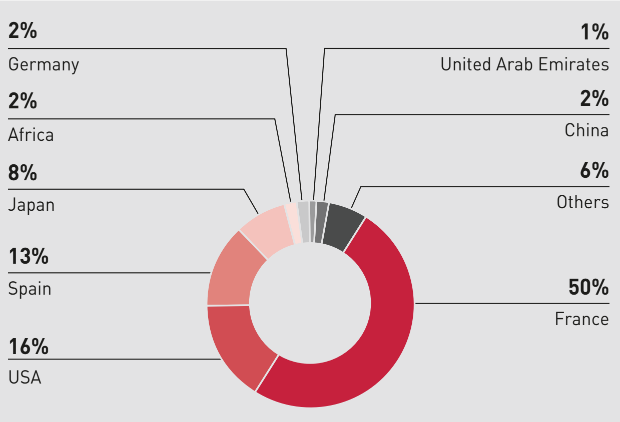
- the new building construction market, particularly the two key segments of collective housing, and tertiary buildings (office and commercial buildings);
- investment activity and, more generally, the volume of real estate transactions;
- the enactment of new regulations (such as earthquake resistance, asbestos and lead standards);
- the creation of new product labeling 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, HQE, BREAM); and
- in assisting managers to construct and monitor programs for the harmonizing of their assets.

DIFFERENT MARKET CHARACTERISTICS ACCORDING TO GEOGRAPHICAL ZONE

▶ 2011 CONSTRUCTION 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 labeling and certifying projects.

In France, growth in the number of construction projects has contributed to a significant increase in the order book for new constructions. Private investors' desire to improve the energy performance and carbon footprint of their real estate assets has increased demand for detailed pre-construction diagnoses and continues to boost this market segment.

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 currently being implemented 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 building real estate market will show 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 reduction in building technical control services to be partially offset.

The freezing of public funding for large infrastructure projects 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 efforts towards Public-Private Partnerships (PPP) and large international projects, assisting major Spanish construction firms.

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). The languor of the residential and commercial real estate market was partially offset by the vitality of business 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.

The Group's business has been growing steadily for a number of years, due to the ongoing privatization of the code compliance market, the development of new businesses (technical audits and asset management services for existing assets), and the strengthening of rules and audits for earthquakes, especially following the earthquake in 2011.

The Group also operates to a more limited extent in Germany and Italy, where an acquisition has just been made (Fidelio) to strengthen the Group's position in Northern Italy.

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'Oreal 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.

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. 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 the second-biggest player.

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.

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.

Means for improving the operating margin

In 2011, in a difficult environment for the construction market, the Group was able to maintain a satisfactory margin thanks to the repositioning of its services and ongoing measures to adapt its cost structure in Spain. By 2015, the operating margin should improve following the implementation of measures taken to boost productivity, the recovery of new construction volumes and the growth in regions undergoing rapid expansion.

OPERATIONAL ORGANIZATION

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

In addition to these locations in developed countries, the business has a presence in some countries in Eastern Europe, the Middle East, Africa, Asia, and Latin America, for which the Group's facilities in the main technical hubs (France, United States, Abu Dhabi, Shanghai) serve as technical competence centers.

These international operations are managed by a central team based in Paris and are focused on two specific segments: key accounts (hotel and retail) and major investors requiring technical audits on large portfolios of real estate assets.

There is also a transversal practice and knowledge group managed by a central team in Paris to allow the business' main geographic entities to:

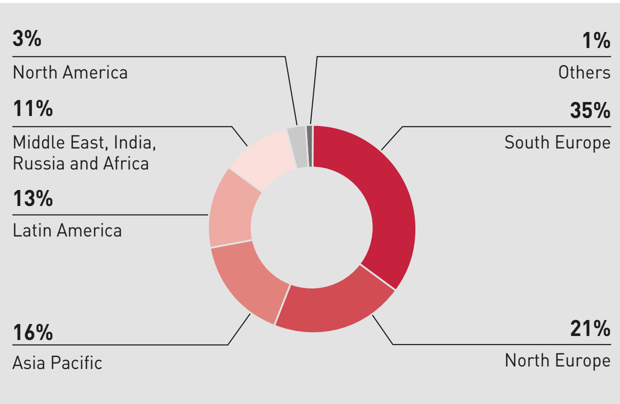
- share best practices, standards and tools;
- make an inventory of and allow for the sharing of high-level technical capabilities;
- prepare technical notes for each country (risks, legal environment, work methodologies);
- manage major multinational projects for asset management and technical due diligence.

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 EUR 321.6 million in 2011 (10% of the Group's 2011 revenue) and had an adjusted operating margin of 20.7%. 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.

▶ 2011 REVENUE BY GEOGRAPHICAL ZONE



A FULL AND INTEGRATED RANGE OF CUSTOMIZED AUDIT AND CERTIFICATION SERVICES

Services covering a broad range of standards or customized audits

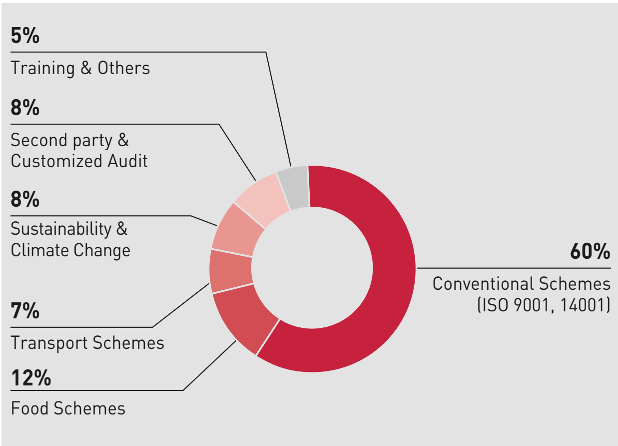
The Certification business provides a full and integrated service offering. Dedicated to assessing and certifying management, product, service and personnel systems, it covers all national and international, general and sector-specific quality, environment, health and safety and social responsibility 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 & 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;
- verification of sustainability practices in the fields of climate change (Kyoto Protocol's CDM & JI, EU ETS), energy management (ISO 50001), biomass and biofuels sustainability (EU Directive on Renewable Energy), Carbon footprinting (ISO 14064, PAS 2050), social accountability (SA 8000, ISO 26000) and sustainability reporting (AA 1000, GRI);
- assessment services dedicated to large clients who need to consolidate their various discrete certification programmes into one global programme using one certification provider, and also large clients who need to manage the risk in their supply chain;
- 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.

These projects can either be carried out according to a reference system drawn up by the customer or with the standard QSHE norms.

▶ 2011 REVENUE BY CERTIFICATION SCHEME



A diversified portfolio of clients

The Certification business client base, which has close to 110,000 contracts with clients, is divided into three categories:

- large international companies such as Accor, Arcelor Mittal, Arla Foods, BAE Systems, Coca Cola, Friesland Campina, Nokia Siemens Networks, Texas Instruments and Volvo. 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 Petrobras in Brazil, Diesel in Italy, SEIKO Instruments in Japan, REPSOL in Spain, Posten in Sweden and Kerry Food Ingredient in the UK also confirmed auditing and/or 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 & gas, automobile, aerospace or pharmaceutical industries.

A strong level of recurring revenue

Revenue in the Certification business is recurring given that around 90% of the contracts are multi-year. Due to the long-term contract portfolio, taking into account the new contracts acquired each year and growth in the business, the Group considers that it has a strong visibility on 70% of revenue to be generated 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 8% to 10%, and generally reflects clients who have ceased their activity, or who no longer seek to be active in the markets for which certification was required, or who have consolidated their numerous certification programmes into one single programme.

AN ACTIVE AND GROWING MARKET

A growing market

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 that initiate certification procedures (subsidies, tax reductions);
- possessing 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 of rationalizing processes and spreading 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 at around EUR 4 billion in 2011 and Bureau Veritas' market share is estimated at 8%. The market is evenly distributed into two main segments with different growth trends:

- the QHSE segment (mainly consisting of certification services based on ISO 9001, ISO 14001 and OHSAS 18001 standards) represents approximately 50% of the world market for systems certification. It should experience moderate growth in coming years, mainly sustained by emerging countries;
- the specific sector requirements segment represents approximately 50% of the global market. Rapid growth in this segment has stemmed from the greater use of food safety standards, reference systems in the Forestry/Wood sector or reference systems relating to information management security (ISO 27001), 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 30% 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). 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

Issues faced by the industry on a global scale are becoming increasingly complex. For example, the EU Regulation on Timber & Timber Products requires implementation of systems and data verifications to ensure traceability, in order to build confidence in the integrity of the whole supply chain. And only 10% of the world's forests are FSC certified and have the system in place. To support the industry, in order to comply with this regulation, Bureau Veritas Certification has joined forces with a partner to design a specific solution for the Timber Supply Chain from the "Forest to the Retailer".

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) or energy management (ISO 50001).

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, business continuity and energy management.

A LEADERSHIP POSITION IN THE CERTIFICATION MARKET

In 2011, the Group again believes it was the leading player, together with some other global companies, in a market which is still fragmented, with more than two thirds of the world's certification business conducted by local and/or small players. In particular, the Group believes it is the leading accredited certification market player in Brazil, Spain, the Netherlands and Thailand, and 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 boasts 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, thereby ensuring that the Group has critical size in local markets;
- expertise universally acknowledged by over 50 national and international accreditation bodies;
- a one-stop-shop, thanks to the very broad range of expertise, with Bureau Veritas' certification simplifying management of the most complex projects (multiple certifications, international capability, 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 Group activities 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 55 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 a local level, since minimal market share is necessary to be profitable in large countries.

A targeted growth strategy in line with the BV2015 plan

The Certification business has implemented 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 hubs in Poland (Northern and Eastern European zone) and China (Asia zone), aimed at providing a dedicated and efficient large contract delivery service;
- concentrating 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, of the new ISO 55001 (Asset Integrity Management System Requirements), where Bureau Veritas is participating in the ISO Committee via IIOC[1] to develop the standard created from PAS 55[2];
- increasing penetration of the mass market by taking advantage of business related to ISO 9001, ISO 14001 and OHSAS 18001 standards in areas where growth potential 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

Over 2010-2012, the Certification business is making significant investments in the new information system platform. The new tool has already been implemented in all key countries. This investment in high-performance information systems will provide a core module

(1) Independent International Organisation for Certification.

(2) The British Standards Institution's (BSI) Publicly Available Specification for the optimized management of physical assets.

for scheduling of auditors, the remote interaction with customers and auditors via dedicated portals and the production of audit reports. All this should help unlock economies of scale, maximize productivity and maintain customer information in real time.

In 2011, the Certification business already saw the benefits of this investment, and is now able to benchmark internal performance of the certification units in all the key countries and therefore better predict and manage performance.

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

The Certification business operates around 75 operational units driven by a central department. This department has four responsibilities: supervising major international contracts, developing new products adapted to new standards or the evolution in international standards, technical direction of the business and the maintenance of all existing accreditations throughout the world; and transforming its operations management, by creating as an example a global shared service center for the management of international schemes.

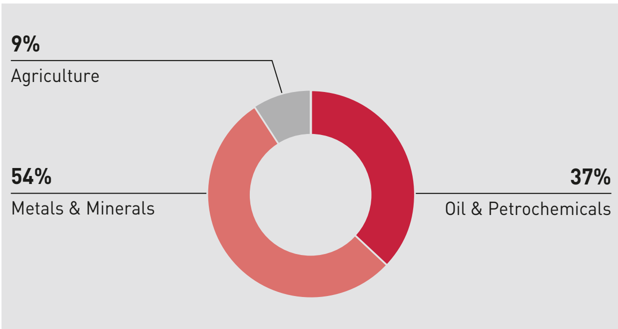
The implementation of the global shared service centre, which is believed to be the first in a global certification business, should enable the Certification business to become scalable for international schemes regardless of the size of operations in any given country, while ensuring the business continues to manage efficiently and compliantly these schemes, as required both by customers and accreditation bodies.

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 business provides a wide range of inspection and laboratory testing services to three main market segments: Oil & Petrochemicals, Metals & Minerals and Agriculture.

The Commodities business generated revenue of EUR 542.1 million in 2011 (16% of the Group's 2011 revenue) and an operating margin of 12.7%.

▸ 2011 REVENUE BY MARKET SEGMENT



OIL & PETROCHEMICALS (O&P)

The Group 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 specialty 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.

In 2010, Bureau Veritas acquired Inspectorate which had made a number of recent 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;
- Chemtaur group, South Africa, 2007;
- Hoff and Co, the Netherlands, 2008;
- CR Cox, Australia, 2008;
- Process Research Associates Ltd and International Plasma labs Ltd, Canada, 2008;
- Gordinne General International Surveyors, Belgium 2009;
- Inpechem, the Netherlands, 2009;

A full range of services supporting the Oil and Petrochemicals industry

The Commodities business provides the Oil & Petrochemical sector with 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. Bureau Veritas 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 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 services reduce business risk and protect 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 95 Oil and Petrochemical laboratories dedicated to supporting the Oil and Petrochemical industry. With laboratories strategically located close to major trading ports, terminals and refineries, Bureau Veritas 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.

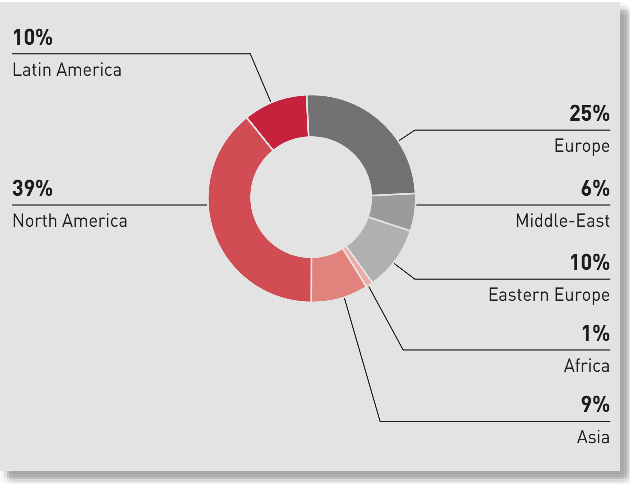
Additives: Commodities business offers cargo treatment services designed to assist products fully meeting contractual obligations. With the help of laboratory trial blending to ensure cost effective additivation, Inspectorate both facilitates and supervises addition of the treatment.

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 & 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.

Extensive global coverage and a strong position in key refining centers

▶ 2011 O&P REVENUE BY GEOGRAPHICAL ZONE



The Group has 95 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 two strategic locations: Houston and London. These 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 in Moscow, 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.

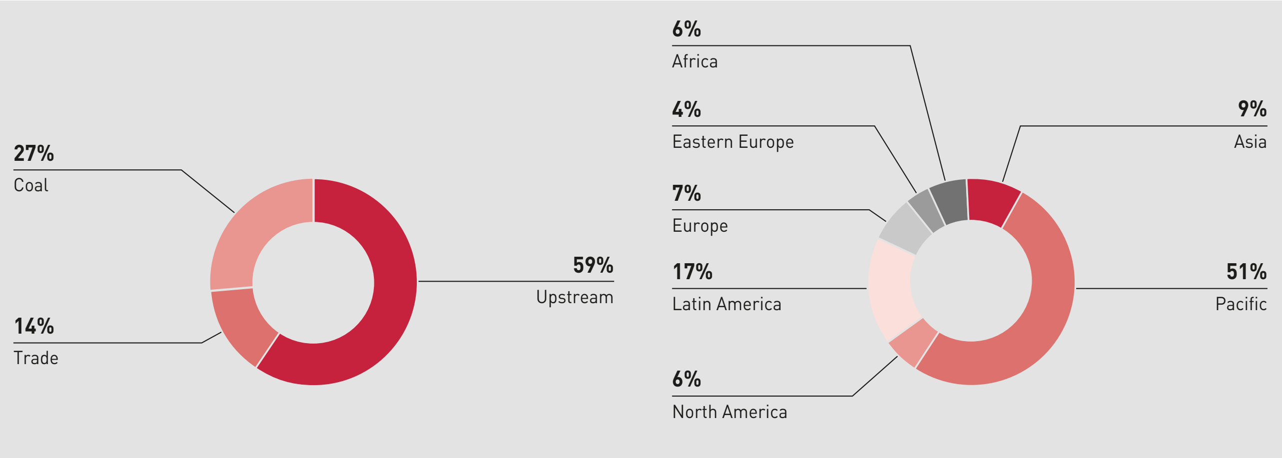
METALS & MINERALS

The Metals & Minerals segment encompasses the former Bureau Veritas Mining and Minerals segment (reported under the Industry business until December 31, 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 into 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 up via a series of acquisitions undertaken 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).

▸ 2011 METALS & MINERALS 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 lifespan 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** involving 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 involving an assessment of the mineral content or chemical assay of the ore body and primarily linked to mineral exploration and grade control analysis (production);
- **mineral processing testing** services undertaken to assess the optimal methodology or processing route available to extract the valuable minerals from the ore body and 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 encompassing:

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

The Group has 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:

- the Witham site, which is the largest umpire laboratory in the world, with world-class expertise in precious metals and non-ferrous metals.
- ultra Trace in Perth, which is one of the largest geochemical laboratories in the world and the largest XRF facility globally;
- the 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 built 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 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 into 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 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 business.

High technical capabilities

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

- the 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;
- in Santiago, Chile the Group 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;
- Galena Park, Texas 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 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 EUR 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 ongoing trend to outsource by laboratories driven by more sophisticated and increased cost of in-house testing, rise in commodity prices and the 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 customers require data continuity and integrity to minimize 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;
- 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.

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:

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

ACCELERATING 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 expansion of the 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 rising global demand for laboratory analysis and technological advances in testing protocols, the Group has embarked on an ambitious accelerated CAPEX plan to expand the capability of existing laboratories and open new laboratories in key strategic locations in existing, new or under-represented geographies;
- enlarging the portfolio of services with improved share in some of the petrochemical, LNG[1] and upstream markets. Increased laboratory capability and the expanded laboratory network coupled with existing infrastructure and strong customer loyalty should be used to increase market share in laboratory outsourcing in the upstream sector and petrochemical markets;
- key account optimization and network optimization. Our longstanding relationships with oil majors, Australian mining companies, and commodity trading companies will be leveraged for increased penetration, especially in the fastest growing zones. Dedicated key account management is being put in place for a number of identified under-penetrated accounts.

(1) Liquefied natural gas.

Strong potential for margin improvement

Operating margin in the Commodities business should increase sharply over the next few years as a consequence of:

- combining the Bureau Veritas and Inspectorate networks, thereby unlocking cost synergies at the head office level and within the network;
- rapid growth in Inspectorate revenue in key geographies backed by Bureau Veritas' network, benefiting from economies of scale;
- the shift in the revenue mix to favor the more value-added laboratory testing business rather than the inspection business;
- enhancing the portfolio of services with improved share in some of the petrochemical, LNG[1] and upstream more profitable markets;
- the launch of global and regional initiatives around operational excellence (lean management) in the laboratories, pricing management, and roll-out of integrated information systems providing increased automation and sharing between laboratories.

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

The strategic move by the Commodities business into the testing and inspection market was guided by the aim to position 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 provide Bureau Veritas 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 has already helped Inspectorate to position on bunkering services. In addition, other cross-selling opportunities exist, providing 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 operates in seven geographic regions: Americas (North America and Northern Latin America), Southern Latin America (Argentina, Brazil, Chile and Peru), Europe and Middle East, Africa, Asia, Pacific, and Metals and Minerals in Europe. Regional presence is driven by central global business line management for Oil and Petrochemicals, Agriculture, Coal, Upstream Minerals and Metals and Minerals Trade. The business line 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) Liquefied natural gas.

1.5.7. CONSUMER PRODUCTS

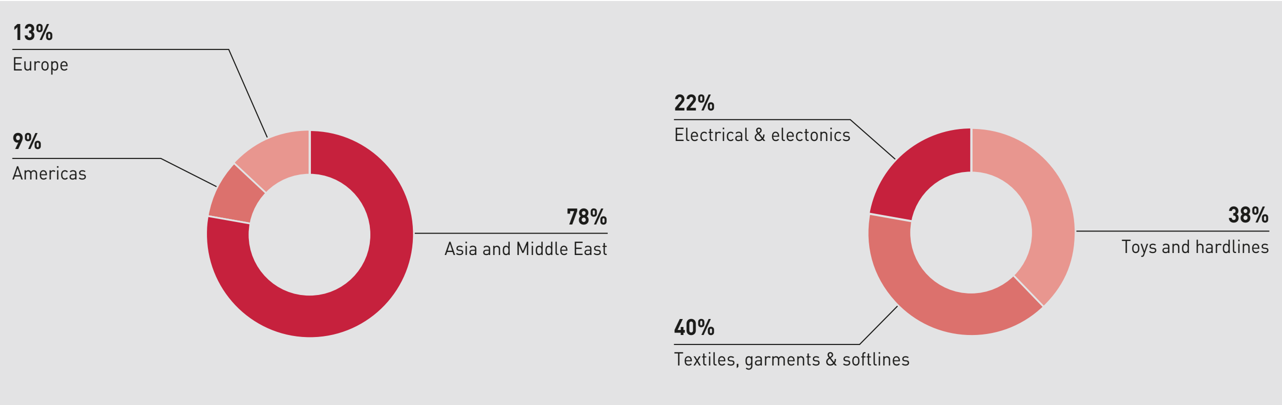
The Consumer Products business provides inspection services, laboratory testing and certification services to retailers and manufacturers of consumer products.

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 EUR 379.4 million in 2011 (11% of the Group's 2011 revenue) and had adjusted operating margin of 25.6%.

Revenue from the Consumer Products business in 2011 is shown by geographical zone and category in the charts below:

▶ 2011 REVENUE BREAKDOWN



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 from the business is traditionally generated by hundreds of 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 it was a few years ago. The 20 largest clients represented 33% of revenue from the business in 2011 compared with 49% in 2004. This change reflects commercial efforts, which brought in several new key accounts in recent year.

Four types of contractual relationships exist 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) 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;
- the Group may contract directly with a client–retailer as a partner in the supply chain quality management cycle. Services provided in this category include traditional testing and inspections as well as information services, along with additional value added benefits including regulatory requirements management, cost optimization, and brand protection.

For traditional testing and inspection services, trends over the past couple of years concerning agreements with client-retailers have shifted more to an approved arrangement rather than exclusive arrangement. Supply chain quality management agreements tend to be exclusive.

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 EUR 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;
- the continuing tendency of retailers to outsource quality control and product compliance.

In August 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, hardlines 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. Under CPSIA, the CPSC passed a new rule for children's products on October 19, 2011 which will become effective 15 months after publication in the Federal Register. As a manufacturer or importer, the rule establishes formalized program requirements that present changes and added requirements such as, but not limited to, tracking material changes, and the creation and storage of testing and product related documents.

While the section on defining requirements for a Reasonable Testing Program, which governs non-children's products including apparel and hard goods, was reserved on October 19, 2011, a reasonable testing program is still required for these products under CPSIA, leaving manufacturers and importers with the task of establishing programs based on CPSC guidance. These changes may have a positive impact on the third party testing market, with a likely impact to testing, auditing, inspection and consulting services in 2013.

In the future, proposed safety directives in Europe may also have a positive impact on the third party conformity assessment 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, with the chemical restrictions coming into effect after July 20, 2013.

High barriers to entry

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

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.

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.

Key acquisitions in electrical and electronic segment

Via the 2005 acquisition of Curtis Straus in the United States and ADT in Taiwan, the Consumer Products business has 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 compatiblity chambers in Greater China and its position in the electronic segment.

In the electrical and electronic products segment, the Group is one of the 10 main world players. 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, and the second largest player in the "Softlines" products (such as textiles and clothes) segment.

An ambitious growth strategy

In 2012 and going forward, the Group's strategy aims at delivering strong organic growth by:

- expanding into new product lines (food, E-Toys) and new geographical markets (Eastern Europe and Russia, Japan, Korea);
- capitalizing on the capabilities and expertise of the platform for electrical and electronic products, including the development of new markets (mobile and automotive), regions and the continued integration with other testing capabilities (e.g. toys);
- leveraging the Bureau Veritas' "OneSource" to provide supply chain solutions and enhanced integration within clients;
- 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 and hardlines;
- expanding government agency partnerships in emerging sourcing regions; and
- further developing skills in the supply chain, knowledge management and corporate social responsibility (CSR) solution areas globally.

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, and inspection and certification services. In addition, the acceleration of growth in electrical and food testing is set to dilute the overall margin. In order to protect margins, the business continuously seeks to achieve productivity gains, including the following initiatives:

- the relocation of certain testing capabilities from Hong Kong to 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;
- the improvement in positioning of technical and business development resources by locating closer to production geographically.

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

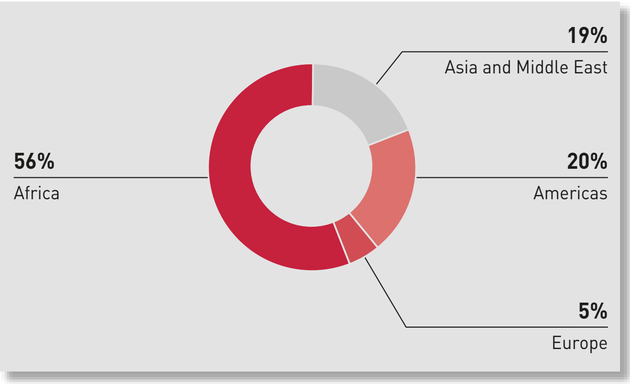
The Consumer Products business is headquartered in Hong Kong and runs operational units (laboratories and inspection centers) in 27 countries. The business is organized around the following regions: North China, South China, North Asia, South-East Asia, South Asia, France/Spain, Germany/Turkey, the UK 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 for governments (customs authorities, port authorities, standards organizations, etc.), exporters, importers, trade intermediaries, banks, and international organizations managing development aid programs (the European Union, the World Bank, and the International Monetary Fund).

In 2011, the GSIT business generated EUR 227.3 million in revenue (7% of the Group's revenue for 2011) and had an 18.5% adjusted operating margin.

2011 REVENUE BY GEOGRAPHICAL AREA



SERVICES DIRECTED MAINLY AT THE GOVERNMENTS OF EMERGING COUNTRIES, PARTICULARLY CUSTOMS AUTHORITIES

Services to governments (67% of 2011 revenue)

The GSIT business provides governments with a range of services for inspecting and verifying all their import transactions, whether through pre-shipment inspection services and scanner verification or compliance checks, or more recently the concession of single windows:

- 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;
- integrated solutions (SmartLane risk management solution, VeriValue declared transaction value database, tax and duty management software): these integrated risk management and database solutions are based on Bureau Veritas' vast experience in the field of international trade and on projects set up for customs authorities in several 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. This solution is often used alongside VeriValue, a database of declared transaction values that can be consulted by the authorities;
- 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 facilities through the inclusion of all national trade bodies, while the concept of management by concession is a unique solution offered by Bureau Veritas;
- 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 2011, the business had contracts with governments (PSI/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, Iran, and the Philippines) and Latin America (Ecuador and Mexico), and Compliance Verification Programs (Algeria, Saudi Arabia, Egypt, Ecuador, Iraq, Iran, Kuwait, Lebanon, Russia, Syria, and Yemen), and a single window concession in Benin.

Other services (33% of 2011 revenue)

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. A technical control center was opened in Accra, Ghana, in September 2011;

- vehicle insurance damage inspections. The Group carries out inspections and provides statistics to insurance companies. In January 2011, the Group strengthened its position in this segment with the acquisition of the Brazilian market leader Autoreg;
- 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: Authorized 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 Group estimates the market for government services and in-service vehicle inspection to be worth approximately EUR 4 billion.

The increase in international trade since the early 1980's is continuing to generate a large and growing need for trade inspections and verification.

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 2011, the Group continued to observe sustained interest in PSI through its impact on customs receipts, which were significantly drawn upon by governments in order to shore up their budgets. However, 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 2011 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 2011, with rapid expansion potential in many countries in Africa, the Middle East and Eastern Europe. The trend is also well-established for this market in East Africa, where five countries are now using these services.

Finally, the widespread use of paperless technology has accelerated demand for single port and national windows in Africa, South-East Asia and the Caribbean, and could be a new source of sustainable growth for the GSIT division.

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 leader in Government Services in 2011.

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). As part of the development of Verification of Conformity services, Bureau Veritas obtained accreditation from Iraq in 2011.

  In addition, the Group continues to actively promote single port windows, and July 2011 saw the successful start-up of the initial single window management operations for the port of Cotonou, which represents an excellent reference point as it is the only concession of this type granted by a government;
- 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 Exporter Service Centers (CREs), the number of which has progressively fallen from 30 in 2002 to four Regional Centers (RCs) 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 (18.5% of revenue in 2011). The gradual integration of the business into the Group's project to overhaul the "Core Model" production system will constitute a next step in the improvement of GSIT operational productivity. The project was launched in mid-December 2011 and will be rolled out throughout 2012.

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 13 largest international classification societies. At the European level, Bureau Veritas is a "recognized body" under the European Drective 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, JAS-ANZ and NATA in Australia and New Zealand, INMETRO in Brazil, ACCREDIA in Italy, DakkS 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, such as in the nuclear industry in France and Finland. 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 regularly renewed at the end of their period of validity, after the renewal audits have been successfully completed.

COMMODITIES BUSINESS

The Group is a member of a number of industry organisations including the International Federation of Inspection Agencies (IFIA), the American Association of Analytical Chemists (AOAC), the American Chemical Society (ACS), the American Institute of Chemists (AIC), the American Oil Chemists Society (AOCS), the American Petroleum Institute (API), the American Society of Quality (ASQ), the American Society of Safety Engineers (ASSE), the American Society of Testing and Materials (ASTM), the National Conference on Weights and Measures (NCWM) and the National Petroleum Refiners Association (NPRA). Many employees actively participate in a number of sub-committees for these organisations.

The Group is US customs bonded and approved and is also accredited by the American Association of State Highway and Transportation Officials (AASHTO) for AASHTO Materials Reference Laboratory, Bituminous Analysis. Certain minerals laboratories are included as listed Samplers and Assayers by the London Metal Exchange (LME) and as Superintendants and Facilitators by the London Bullion Metals Association (LBMA). Certain agro-food operations are accredited by the Federation of Oils, Seeds and Fats Associations (FOSFA) and the Grain & Feed Trade Association (GAFTA).

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

PSI (Pre-Shipment Inspection) and VOC (Compliance Verification) 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 businesses.

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), Zentralstelle der Lander fur Sicherheitstechnik (ZLS), 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, Deutsche Akkreditierungsstelle Chemie GmbH (DACH), Deutsche Akkreditierungsstelle GmbH (DAkkS), AKS Hannover, National Accreditation Board for Testing and Calibration Laboratories (NABL), Pakistan National Accreditation Council (PNAC), Laboratory Accreditation Correlation and Evaluation (LACE), Komite Akreditasi Nasional (KAN), Thai Industrial Standards Institute (TISI), Vietnam Laboratory Accreditation Scheme (VILAS).

In addition, the Group's laboratories have accreditations in 20 countries issued by recognized organizations such as HOKLAS, A2LA, UKAS and COFRAC. Twenty-two (22) of the Group's laboratories are accredited by the Consumer Product Safety Commission (CPSC) to assess conformity with children's product safety rules under the Consumer Product Safety Improvement Act (CPSIA), 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. SIGNIFICANT CONTRACTS

In light of the nature of its business, the Company has not entered into, as of 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.

1.8. 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 during the 2011 financial year (cf. Note 6 to the consolidated financial statements in Chapter 4.1 of this Registration Document).

1.9. 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 overall relationship with its main equipment, software and telecommunications services suppliers.

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

In 2011, the total expenses for the Group's information systems (excluding CAPEX) represented 3,1% 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.

1.10. 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.

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

The Group is present in almost 140 countries through a network of 940 offices and 340 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 main competitors 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 2011, personnel expenses represented 50,9% 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 ten 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

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

- 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 filing date of this Registration Document, the Group had 33 programmes, 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 cancelation 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.

1.10.2. 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 judgment, 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 in this chapter).

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 paragraph 1.11 Procedures, government, administrative, legal and arbitration investigations, in this chapter.

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.

The insurance premiums paid by the Group over the last five years have remained relatively stable and comparable overall for the Group, while the coverage terms have been extended. 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 1.12 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.

1.10.3. FINANCIAL AND MARKET RISKS

RISKS RELATED TO GROUP INDEBTEDNESS, SOURCES OF FINANCING AND COMMITMENTS

The Group's indebtedness mainly consists of amounts drawn down from a syndicated credit loan (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"), a private placement with an American investor (the "USPP 2011 Loan"), the "Schuldschein" private placement with German investors (the "SSD 2011 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 USPP 2008 Loan, the USPP 2010 Loan, the French PP 2010 Loan, the USPP 2011 Loan, and the SSD 2011 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 disposals, 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:
  - carry out its external growth policy,
  - adapt its businesses to competitive pressures, a downturn in its markets or the overall economic conditions, and
  - maintain its financing costs;
- if the change of control clause is enforced (see Financing paragraph in Chapter 3.3 – Cash flows and sources of financing of this Registration Document), banks or investors that have lent funds could demand early reimbursement 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 USPP 2008 Loan, the USPP 2010 Loan, and the USPP 2011 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 USPP 2008 Loan and the USPP 2010 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 event within the meaning of the USPP 2008 Loan, the USPP 2010 Loan, and the USPP 2011 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;
- 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 3.3 – Cash flows and sources of financing and in Note 22 annexed to the 2011 consolidated financial statements in paragraph 4.1 of this Registration Document.

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.

A detailed description of interest rate risk is provided in Notes 3, 22 and 30 annexed to the 2011 consolidated financial statements in paragraph 4.1 of this Registration Document.

LIQUIDITY RISK

The Group may have to meet payment commitments related to the ordinary course of its business and its financing. The Group has undrawn lines of credit for its indebtedness.

A detailed description of liquidity risk is provided in Notes 3, 22 and 30 annexed to the 2011 consolidated financial statements in paragraph 4.1 of this Registration Document.

CURRENCY RISK

Due to the international scope of its operations, the Group is exposed to currency risk on its use of several different currencies.

A detailed description of liquidity risk is provided in Notes 3, 22 and 30 annexed to the 2011 consolidated financial statements in paragraph 4.1 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 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).

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 annexed to the 2011 consolidated financial statements in paragraph 4.1 of this Registration Document.

1.11. 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 EUR 145 million, and proposed the Company's liability as being between 8% and 10%. The Company has reached a compromise with the major companies involved in these proceedings, within the range of responsibility established 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 proceedings), which has 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.

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 USD 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.

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 litigation entered in the accounts by the Group is provided in Note 24 annexed to the consolidated financial statements (paragraph 4.1 of this Registration Document).

1.12. INSURANCE

The Group takes out various global and centralized insurance policies covering professional civil liability and directors and officers liability (D&O):

In 2011, the Group continued its policy of centralizing insurance programs, by increasing and improving its capabilities, while keeping tight control of costs:

- a "new" "Group" policy has been put in place, combining the previous "Marine" and "Land" policies into a single policy. Coverage has been increased and improved significantly. 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. This "Group" policy covers all the Group's businesses, with the exception of certain activities in the Construction and Aeronautics businesses;
- a "D&O" policy covers corporate officer liability. This insurance is taken out with Chartis Europe SA as lead insurer, with AXA CS as co-insurer. Liberty Mutual Insurance Europe Ltd and Nassau Assurances are the second-line insurers.

The Construction business' operations in France and the United States are not included in the "Group" 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 particularities of the US insurance market. In addition, local insurance policies exist in Spain and Germany.

Where legislation permits, the Group insurance policy offers an additional guarantee to these local policies. Some parts of the Construction business in France and the United States now benefit from these additional coverages since January 2011.

An "Aviation" policy, related in particular to aircraft inspections enabling airworthiness certificates to be obtained, has been taken out with Allianz.

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 Group insurance policy, 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 93% of the Group's consolidated revenue. The Group ensures that the yearly amount of undertakings of such company is capped. In 2011, the yearly amount of undertakings of the reinsurance company for the "Group" policy was EUR 3 million per claim and EUR 9 million per year.

The cost of the Group's professional civil 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 1.3%, 1.1% and 1.1% of the Group's consolidated revenue for the 2009, 2010, and 2011 financial 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 "worker's compensation" are taken out on a national basis according to local circumstances and needs.

At the same time, the Group began researching local property policies (property damage, business interuption). This research should lead to the drafting of a new global insurance strategy in 2012, which will take into account the change in the number of offices and laboratories in the Group.

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, or possibly more extensive. The Group will continue its policy of taking out global insurance policies when possible, increasing coverage where necessary and reducing costs through self-insurance policies as appropriate.

02

Corporate governance

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. The functions of Chairman of the Board of Directors and Chief Executive Officer were exercised by Mr. Frank Piedelièvre.

The Board of Directors, at its meeting on February 13, 2012, decided to separate the functions of Chairman of the Board of Directors and Chief Executive Officer. At the same time, Mr. Didier Michaud-Daniel was appointed Chief Executive Officer starting from March 1, 2012. Mr. Frank Piedelièvre will continue to carry out the functions of Chairman of the Board of Directors.

This system of governance will provide a clear distinction between the strategic, decision-making and control functions of the Board of Directors and the operational and executive functions that are the Chief Executive Officer's responsibility.

In accordance with the law, as Chairman of the Board of Directors, Mr. Frank Piedelièvre will organize and supervise the work of the Board of Directors and report on the same at the Shareholders' Meeting. He will oversee the proper functioning of the Company's executive bodies, ensuring, in particular, that the Directors are able to fulfill their functions. He will also be responsible for ensuring the new Chief Executive Officer's success and the continued growth of Bureau Veritas.

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 the most eighteen members.

As of the publication date of this Registration Document, the Board of Directors comprised of ten members.

These members are appointed at 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 at the Shareholders' Meeting on June 3, 2009, were appointed for a period of two years, and five others were appointed for the four statutory years.

The number of members on 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.

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	56 years	Bureau Veritas 67-71, boulevard du Château 92200 Neuilly sur Seine France	Chairman of the Board of Directors	Chairman of the Board of Directors of Bureau Veritas Chairman and Chief Executive Officer until March 1, 2012
Frédéric Lemoine	French	46 years	Wendel 89 rue Taitbout 75009 Paris France	Vice-Chairman of the Board of Directors	Chairman of the Management Board of Wendel
Stéphane Bacquaert	French	40 years	Wendel 89 rue Taitbout 75009 Paris – France	Member of the Board of Directors	Managing Director of Wendel
Patrick Buffet[a]	French	58 years	Eramet Tour Maine Montparnasse 33, avenue du Maine 75755 Paris cedex France	Member of the Board of Directors	Chairman and chief executive officer of Eramet
Aldo Cardoso[a]	French	55 years	45 Boulevard de Beauséjour 75016 Paris – France	Member of the Board of Directors	Director of companies
Pierre Hessler[a]	French	68 years	23 rue Oudinot 75007 Paris France	Member of the Board of Directors	Consultant, Researcher
Philippe Louis-Dreyfus[a]	French	66 years	Louis-Dreyfus Armateurs Les Écluses 28 quai Gallieni 92158 Suresnes Cedex France	Member of the Board of Directors	Chairman of Louis Dreyfus Armateurs SAS
Jean-Michel Ropert	French	45 years	Wendel 89 rue Taitbout 75009 Paris - France	Member of the Board of Directors	Chief financial officer of Wendel
Ernest-Antoine Seillière	French	74 years	Wendel 89 rue Taitbout 75009 Paris - France	Member of the Board of Directors	Chairman of the Supervisory Board of Wendel
Barbara Vernicos[a]	Greek	59 years	Notos Com Holdings SA 5 Kaliftaki Street 145 64 Kifissia Greece	Member of the Board of Directors	Chief Executive Officer of Notos Galleries (Department Store Division of Notos Com Holdings SA)
Jérôme Charruau[a]	French	55 years		Member of the Board of Directors until May 27, 2011	

(a) Independent Director.
(b) Annual Ordinary Shareholders' Meeting.
(c) Age on December 31, 2011.

Start of term of office	End of term of office	Audit and Risk Committee	Nomination and Compensation Committee	Strategic Committee	Shares held at 12/31/2011
Appointed as Chairman of the Management Board on September 16, 1999 Appointed as Chairman and Chief Executive Officer on June 3, 2009	AOSM[b] 2013		Member	Member	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	AOSM[b] 2013		Member	Chairman	300
Co-opted as a member of the Supervisory Board on June 2, 2008 Appointed as a Director on June 3, 2009	AOSM[b] 2013	Member			300
Appointed as a member of the Supervisory Board on June 18, 2007 Appointed as a Director on June 3, 2009	AOSM[b] 2015			Member	300
Appointed as Observer in June 2005 Appointed as a Director on June 3, 2009	AOSM[b] 2015	Chairman			3,000
Appointed as a Director on June 19, 2009 Appointed as Vice-Chairman of the Supervisory Board on June 27, 2005 Appointed as a Director on June 3, 2009	AOSM[b] 2015		Chairman	Member	300
Co-opted as a member of the Supervisory Board on June 27, 2005 Appointed as a Director on June 3, 2009	AOSM[b] 2015		Member		3,077
Co-opted as a member of the Supervisory Board on December 21, 2005 Appointed as a Director on June 3, 2009	AOSM[b] 2013	Member			300
Co-opted as a member of the Supervisory Board on March 27, 2005 Appointed as a Director on June 3, 2009	AOSM[b] 2013				300
Appointed as a Director on May 27, 2011	AOSM[b] 2015	Member			1,000

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 Company's Management Board since September 16, 1999, then Chairman and Chief Executive Officer from June 3, 2009, was appointed Chairman of the Board of Directors from March 1, 2012, following the decision made by the Board of Directors on February 13, 2012 to separate the functions of Chairman and Chief Executive Officer. Mr. Piedelièvre began his career in 1979 as General Secretary and then Deputy Chief Executive Officer of a small to medium-sized company specialized in medical equipment manufacturing. 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

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 for 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[1] 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. From March 2005 to April 2009, he was Chairman of the Supervisory Board for 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 Etudes 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 for Wendel[1]

Director of Saint-Gobain[1], of Legrand[1] and of Groupama SA

Chairman of the Supervisory Board of Oranje-Nassau Groep.

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

Chairman of the Supervisory Board of Areva

Observer, then Director of Générale de Santé

Director of Flamel Technologies[1]

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'Études Politiques* de Paris, and has an MBA from Harvard Business School.

Positions currently held

Director of Oranje-Nassau Mecatherm, Oranje-Nassau Developpement SA Sicar and Winvest International SA Sicar

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

Manager of Bacquaert HMG Patrimoine and Bacquaert HMG Gestion

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

Member of the Board of Directors for 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, 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.

(1) *Listed company*

Positions currently held

Chairman and Chief Executive Officer of Eramet[1] and the company Le Nickel (Eramet group)

Member of the Supervisory Board of Arcole Industries

Director of Banimmo[1] (Belgium) and Comilog (Eramet group)

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 Rhodia[1],, 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 for 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], Imerys[1], Axa Investment Manager and Mobistar[1]

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

Director of Accor, Orange, Penauille Polyservices, Gecina[1] and Rhodia[1]

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 various general management functions, including that of 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 board of observers on the Board of Directors for Capgemini, and adviser to Capgemini. Mr. Hessler is a holds a Bachelor's degree in law and political economy from the University of Lausanne, in Switzerland.

Positions currently held

Observer of Capgemini SA[1]

Advisor to Capgemini Government Solutions, Washington

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 of various 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 then became 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, he has played an active role in the establishment of LD Com, which is now Neuf Cegetel. In addition, he is Chairman of 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. Philippe 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, Cetragpa 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 Cetragpa SNC and Methane Transport SNC.

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 Vracs SAS

Permanent representative of the Administrateur de France Euro Tramp SA and ALDA Maritime SAS

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

(1) Listed company

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

Chairman of Saget SAS and ECSA

Member of the Board of Directors for 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 of 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, he has been Chief Financial Officer of Wendel. Jean-Michel Ropert holds a degree in Financial and Accounting Studies (*Études Comptables et Financières* – DECF).

Positions currently held

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

Executive Officer of Coba

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

Director of Deutsch group, Stahl Holdings BV (Netherlands) and Trief Corporation (Luxembourg)

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

Manager of DDMS & Cie, SCI les Trois Chênes and SCI Melynn

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

Director of Solfur and Helikos SE (Luxembourg)

Executive Officer and Director of Poincaré Participations and COBA

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 Directors for Winvest Part 4 and Winsecuritisation

Member of the Management Committee of Deutsch group

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 for Wendel

Member of the Board and President of Honor of Wendel Participations

Director of Sofisamc (Switzerland)

Member of the Supervisory Board of Hermes International[1] and Peugeot SA[1]

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

Director of Legrand[1]

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

Member of the Supervisory Board of Gras Savoye & Cie

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

Barbara Vernicos

Barbara Vernicos was appointed as a Director of the Company on May 27, 2011. She began her career in 1975 at Piraiki-Patraiki SA where she worked until the company was nationalized in 1984. She then founded Atalanti SA, a company operating in the distribution and sale of branded products, which merged with some other companies in 2000 to become Notos Com Holdings SA, one of the largest retail and wholesale distributors in Greece. Since 2000, Ms. Vernicos has been Chief Executive Officer of Notos Galleries (the Department Store Division of Notos Com Holdings SA). Barbara Vernicos holds a Master's degree in econometrics and public finance.

Positions currently held

Member of the Board of Directors for Notos Com Holdings SA and a number of maritime companies owned by Vernicos Shipping group.

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

None.

(1) Listed company

2.1.2. EXECUTIVE MANAGEMENT

At its meeting of February 13, 2012, the Board of Directors decided to separate the functions of Chairman of the Board of Directors and Chief Executive Officer, and named Mr. Didier Michaud-Daniel as Chief Executive Officer effective March 1, 2012.

From June 3, 2009 to March 1, 2012, the Executive Management of the Company was carried out by Mr. Frank Piedelièvre, as Chairman and Chief Executive Officer.

Mr. Piedelièvre was assisted by two Executive Officers appointed at the Board of Directors meeting on June 3, 2009: Messrs François Tardan and Philippe Donche-Gay.

Mr. François Tardan was Executive Officer and Chief Financial Officer of the Group until November 2, 2011. In this role, he managed, controlled and had responsibility for the areas covered by the Finance Department, 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.

Mr. Tardan was also responsible for supervising and monitoring acquisition transactions in the above areas, both at the analysis stage and at the stages of negotiation and then integration of entities acquired.

Mr. Tardan held the position of Adviser to the Chairman until December 31, 2011, the date on which he left the Group.

Mr. Philippe Donche-Gay was Executive Officer until March 1, 2012, responsible for initiatives to improve and maintain at the highest levels the Group's operations. In addition, Mr. Donche-Gay is Chief Operating Officer.

Name	Age[(a)]	Main business address	Position	Main function	Start of term of office	End of term of office	Shares held at 12/31/2011
Didier Michaud-Daniel	54 years	Bureau Veritas 67-71, boulevard du Château 92200 Neuilly-sur-Seine France	Chief Executive Officer	Chief Executive Officer of Bureau Veritas	Appointed on February 13, 2012 as Chief Executive Officer starting from March 1, 2012	February 28, 2017	-
Philippe Donche-Gay	54 years	Bureau Veritas 67-71, boulevard du Château 92200 Neuilly-sur-Seine France	Executive Officer until March 1, 2012	Chief Operating Officer of Bureau Veritas			
François Tardan	59 years	Bureau Veritas 67-71, boulevard du Château 92200 Neuilly-sur-Seine France	Executive Officer until November 2, 2011	Chief Financial Officer of Bureau Veritas until November 2, 2011			

(a) Age on December 31, 2011.

EXPERTISE AND EXPERIENCE IN CORPORATE MANAGEMENT AND POSITIONS HELD OVER THE LAST FIVE YEARS

Didier Michaud-Daniel

Didier Michaud-Daniel has been appointed as Chief Executive Officer of the Company starting from March 1, 2012. He began his professional career at Otis in 1981 as a technical salesperson and later worked in a number of roles in sales management and operational support. In 1991, he was appointed Chief Operating Officer of Otis France, and in 1992, was promoted to Chief Operating Officer in Paris and Sales Director. He was appointed Deputy Chief Executive Officer in charge of operations in January 1998. From September 2001 to August 2004, he worked as Chief Executive Officer of Otis UK and Ireland, after 20 years of service at Otis France. He was Chairman of Otis for the UK region and Central Europe from August 2004 to May 2008, until his appointment as Chairman of Otis Elevator Company in May 2008.

Didier Michaud-Daniel holds a degree in management from the *École Supérieure de Commerce de Poitiers* and is a graduate of INSEAD.

Positions currently held

None.

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

Chairman of Otis, Otis United Kingdom and Otis Central Europe.

Member of the Board of Directors of Kingswood Oxford School and Hartford HealthCare.

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 relationships linking the Directors.

AGREEMENTS IN WHICH DIRECTORS, THE CHIEF EXECUTIVE OFFICER AND EXECUTIVE OFFICERS ARE INTERESTED PARTIES, AND CONFLICTS OF INTEREST

The Directors, Chief Executive Officer and Executive Officers are required to inform the Chairman of the Board of Directors without delay of any related-party agreements that may exist between companies in which they have a direct interest and the Company. The Directors, Chief Executive Officer 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 2011 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, the Chief Executive Officer and the Executive Officers of the Company with regard to Bureau Veritas and their personal interests and/or other duties.

Aside from the obligation to hold at least 300 shares throughout their term of office, set forth in article 14.1, paragraph 2 of the Company by-laws, which was modified at the Shareholders' Meeting on May 27, 2011, 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 Chief Executive Officer and is composed of the heads of the Group's vertical operating businesses (Marine, GSIT, Consumer Products and Commodities), the heads 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.

As of the publication date of this Registration Document, the Executive Committee is composed of 15 members, including the Chief Executive Officer:

- **Didier Michaud-Daniel**, Chief Executive Officer;
- **Philippe Donche-Gay**, Chief Operating Officer;
- **Arnaud André**, in charge of Human Resources, Quality, Communication and Organization;
- **Sami Badarani**, Chief Financial Officer;
- **Andrew Hibbert**, in charge of Legal, Risks and Compliance;
- **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, THE APPLICATION OF THE PRINCIPLE OF BALANCED REPRESENTATION OF MEN AND WOMEN AMONG ITS MEMBERS, 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. 2009-1980 of January 22, 2009, this report contains details of the composition, the representation of men and women among its members and the conditions for the preparation and organization of the work of the Board of Directors during the 2011 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 Shareholders' 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 12, 2011 and January 20, 2012, and by the Nomination and Compensation Committee at its meetings of December 5, 2011 and January 30, 2012. The report was reviewed in draft form by the Board of Directors on December 14, 2011 and then approved at the meeting of February 22, 2012.

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, titled "*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 on December 16, 2008, the Company's 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 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.

This Code is available on the Medef website: www.medef.fr and from the Company's registered 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

Within the framework of diversifying the composition of the Board of Directors, and in particular, to increase its proportion of women members, the Board appointed Barbara Vernicos as a Director in 2011, to replace Jérôme Charruau upon the expiration of his term of office.

On December 31, 2011, the Board of Directors of the Company had ten members: Messrs Frank Piedelièvre, Chairman and Chief Executive Officer, Frédéric Lemoine, Vice-Chairman, Stéphane Bacquaert, Patrick Buffet, Aldo Cardoso, Pierre Hessler, Philippe Louis-Dreyfus, Jean-Michel Ropert and Ernest-Antoine Seillière, and Ms. Barbara Vernicos.

At its meeting of December 14, 2011, and based on the proposal of the Nomination and Compensation Committee that had met on December 05, 2011, 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 in the previous 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, and Philippe Louis-Dreyfus, and Ms. Barbara Vernicos.

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 May 27, 2011.

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 start of each financial year at the latest.

In addition to the Board's mandatory meetings (annual and half-year closing accounts) are added any extra 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 which will discuss 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 Board of Directors meeting held on June 3, 2009. The regulations were updated at the Board of Directors meetings on August 25, 2010 and May 27, 2011 to take into account the changes made in respect of the limitation of the powers of the Chief Executive Officer and Executive Officers concerning the authorization threshold for acquisitions, which was increased from EUR 5 million to EUR 10 million, and raises from 100 to 300 the minimum number of shares of the Company to be held by a Director.

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 resolves 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 limitation 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.

Lastly, the internal regulations state that each Director is given all of the information needed to carry out his duties and can request Executive Management to provide him/her with any useful documents.

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 2011, the Board of Directors met 11 times with an attendance rate of 94%. Meetings lasted on average for a period of two and a half hours.

With regard to financial matters, the Board of Directors examined the statutory and consolidated financial statements for the 2010 financial year and for the first half of 2011, the quarterly revenue for the fourth quarter of 2010 and first, second, and third quarters of 2011, 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 to cautions, endorsements and guarantees. It was also decided on November 2, 2011, to pay, in accordance with the conditions set out in article L. 3314-10 of the French Labor Code, a profit-sharing bonus due for 2010, in exchange for an increase in dividends. Lastly, at its meetings held in February and December 2011, the Board of Directors examined the Group's budget for the 2011 financial year and the draft budget for the 2012 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 2011, determined the remuneration of Corporate Officers, and defined the procedures for the distribution of Directors' fees. Moreover, on February 28, 2011, the Board of Directors noted, based on the financial statements for the year ended December 31, 2010, that the performance conditions had been achieved in relation to the bonus share and stock option plans of July 23, 2010. The Board of Directors also approved the report of its Chairman on corporate governance and on internal control and risk management procedures.

The Board of Directors, making use of the authority delegated to it by the Shareholders' Meeting, approved the implementation of free shares and stock options plans for managers and Executive Corporate Officers. It also authorized the Chairman and Chief Executive Officer to implement the share buyback program and to renew the liquidity agreement.

The work of the Board of Directors also extended to the BV Strategic Plan for 2015, as well as the various opportunities regarding acquisitions or disposals.

Assessment of the Board of Directors and its Committees

In accordance with the recommendations of the AFEP-MEDEF Code of April 2010 and pursuant to article 5.4 of its Internal Regulations, since 2009 the Company has assessed the composition, organization and functioning of the Board of Directors and its Committees.

For the 2011 financial year, the assessment of the Board of Directors and its Committees was entrusted to a specialist firm. This assessment was carried out through an individual meeting with each Director of the Company, based on an interview framework established in advance with the Chairman of the Nomination and Compensation Committee.

The results of this assessment was presented for discussion to the Nomination and Compensation Committee meeting on December 5, 2011, before being presented to the Board of Directors meeting on December 14, 2011.

In the context of this assessment, the following were deemed satisfactory: The work organization and functioning of the Board of Directors, the quality of disclosures, the depth of debate at Board meetings, and the role and functioning of the Committees. Certain areas of improvement were suggested, and based on a proposal from the Nomination and Compensation Committee, the Board of Directors adopted a three-point action plan for 2012 concerning the format of information communicated on business, the format of reports produced by the Committees for the Board, and the organization of an annual meeting of Directors to discuss business and strategy.

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 2011, 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;
- 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 EUR 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 EUR 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 April 2010, 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, 2011, the Audit and Risk Committee had four members: Messrs Aldo Cardoso, Chairman, Jean-Michel Ropert and Stéphane Bacquaert, and Ms. Barbara Vernicos. 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 April 2010 is not respected; however, a majority of members is independent.

The Audit and Risk Committee met eight times in 2011, with an attendance rate of 97%. 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 2011, the Audit and Risk Committee examined the statutory and consolidated financial statements for the 2010 financial year, the first half results from 2011, the revenue for the fourth quarter of 2010 and the first, second, and third quarters of 2011 and 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 attention.

The work of the Audit and Risk Committee also concerned the renewal of powers in relation to financial matters, the Group's financial documentation, the proposal for appropriation of profit for the 2010 financial year, changes in debt and the various financing opportunities for the Group.

The Audit and Risk Committee also reviewed the conclusions of internal audits carried out and was involved in the annual planning and monitoring of recommendations and action plans.

The Audit and Risk Committee also reviewed the results and action plans reported to it in relation to 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.

In addition, the Audit and Risk Committee assessed the management and prevention of risks, significant disputes, provisions, and the Internal Audit procedures. The Compliance Officer presented the Committee with a report on the roll out of the Group's compliance program.

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 made up. 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, 2011, the Strategic Committee had three members: Messrs Frédéric Lemoine, Chairman, Patrick Buffet and Pierre Hessler. Two-thirds of the members are independent.

In 2011, the Strategic Committee met seven times, with a 95% attendance rate. It mainly examined the opportunities for and the feasibility of different strategic options available to the Group as well as the Strategic Plan BV2015.

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, 2011, the Nomination and Compensation Committee had 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 2011, the Board of Directors' Nomination and Compensation Committee met five times, with a 100% attendance rate. It examined the remuneration policy for Executive Corporate Officers for the 2011 financial year as well as the quantitative and qualitative criteria used to determine the variable portion of the remuneration for the 2010 financial year, and recommended the implementation of free shares and stock options plans, which were approved by the Board of Directors on July 18 and December 14, 2011. It also examined the terms for distributing Directors' fees for 2011. The Nomination and Compensation Committee also worked on issues relating to the Company's Succession Plan as well as on the proposal to appoint a woman as an independent Director. Lastly, at its meeting in December, it examined, in particular, the results of the assessment of the Board and its Committees carried out by consulting firm Spencer Stuart, as well as the AFEP-MEDEF recommendations in light of the measures implemented within the Company in this area.

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 May 27, 2011, 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 EUR 50 million;

(ix) any operation referred to below if the unit amount in respect thereof exceeds EUR 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 EUR 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 EUR 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 EUR 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 set at EUR 500,000 at the Shareholders' Meeting on May 27, 2011.

For the period from January 1 to May 26, 2011, the amount of Directors' fees and the rules for distributing them remained unchanged from the previous year.

The amount allocated for the period from May 27 to December 31, 2011 was calculated *prorata temporis* and amounted to EUR 300,000. The distribution of Directors' fees was carried out taking into account the attendance of Directors at Board and Committee meetings. The conditions for allocating these fees were modified on July 18, 2011 by the Board of Directors.

Since May 27, 2011, Directors' fees have been allocated on the following basis:

Directors:

- flat rate of EUR 15,000 per Director; and
- attendance: EUR 1,250 per Board of Directors meeting.

Committee Chairmen:

- flat rate of EUR 20,000 and EUR 40,000 for the dual Audit and Risk Committee; and
- attendance: EUR 1,000 per Committee meeting.

Committee members:

- flat rate of EUR 5,000 per member; and
- attendance: EUR 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 2011 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 16, 2011, 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 2011 are provided in the section on Corporate Officers' remuneration and benefits in this chapter.

The Executive Corporate Officers do not receive Directors' fees in connection with the Corporate Officer functions they carry out for Group companies.

2.2.3. INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES IMPLEMENTED BY THE GROUP

ORGANIZATION AND GENERAL APPROACH TOWARDS INTERNAL CONTROL AND RISK MANAGEMENT

Executive 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;
- regular 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.

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.

After each meeting, the Chairman of the Audit and Risk Committee provides a detailed report of the Committee's work, proposals and recommendations to the Board of Directors.

In 2011, the Audit and Risk Committee examined the statutory and consolidated financial statements for the 2010 financial year, the first half results from 2011, the revenue for the fourth quarter of 2010 and the first, second, and third quarters of 2011 and 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 cash position. Significant off-balance sheet commitments and guarantees were also subject to particular attention.

The work of the Audit and Risk Committee also concerned the renewal of powers in relation to financial matters, the Group's financial documentation, the proposal of 2010 profit allocation year, changes in debt and the various financing opportunities for the Group.

The Audit and Risk Committee also reviewed the results of internal audits carried out and was involved in the annual planning and monitoring of recommendations and action plans.

The Audit and Risk Committee also reviewed the results and action plans reported to it in relation to 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.

In addition, the Audit and Risk Committee assessed the management and prevention of risks, significant disputes, provisions, and the internal audit procedures. The Compliance Officer presented the committee with a report on the implementation of the Group's compliance program.

Internal Audit

The Internal Audit and Acquisitions Support Departments' (AAS) task 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 results 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.

Central departments

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, among other things, 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 department itself and 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 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. Since 2008, this questionnaire has been gradually implemented

for the main countries and the accounting platforms of the biggest contributors in France, Spain, United Kingdom, Germany, Netherlands, Denmark, Italy, USA, South America, Pacific, Japan, China, Marine China, Consumer Products Services Shanghai, and Hong Kong, meaning over 60% of the Group's business in all geographical zones.

This continuous self-assessment enables the application of the Group's accounting principles defined in the Group's Administration and Management Manual (MAG) to be applied, to make an inventory of the control processes currently used in the various geographical zones and to introduce regularly improvement measures.

INTERNAL CONTROL AND RISK MANAGEMENT

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.

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 began work on the integration of Inspectorate in the last quarter of 2010, and continued this work throughout 2011.

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.

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 local networks 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 Group's policy of centralizing its professional civil liability insurance through global programs contributes to Executive Management controls and encourages the reporting of operating risks and disputes.

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 paragraph 4.1 – consolidated financial statements of this Registration Document).

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 procedures (for the application of 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 procedures and rules applicable throughout the world;
- in businesses that are managed locally and provide their services based on local technical standards, local Technical Departments provide methodologies 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 procedures and the proper application of rules defined by the Group and methodologies defined locally.

Quality and 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 16 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 ensuring that the measurement of customer satisfaction is effective throughout the network.

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 and Commodities). Its responsibility is to provide a definition of each person's goals and for ensuring that the tools are implemented to measure performance.

Human Resources

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 (approximately 1,900) and their annual performance are monitored using integrated software (PeopleSoft) which ensures the emergence of talented employees and verifies that the Group's key employees are compensated 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 21 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 December 31, 2011, more than 98% 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 Chief Executive Officer, the Chief Financial Officer 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.

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.

Precise and detailed action plans have been approved and are to be implemented by operational staff. Cross-functional measures have also been put in place by the various departments, particularly as regards technical standards, the monitoring of legal and regulatory environments and global insurance programs.

During the 2011 financial year, the Group continued the policy of managing operational risks it initiated in 2010, with the aim of increasing 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.

In addition, the operational departments, with the support of the Legal, Risks and Compliance Department, are preparing specific risk maps and creating dedicated procedures for new businesses or businesses undergoing expansion.

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

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.

For the year ended December 31, 2011

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, 2011.

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 21, 2012

The Statutory Auditors

PricewaterhouseCoopers Audit	Bellot Mullenbach & Associés
Olivier Thibault	Pascal de Rocquigny

2.3. EXECUTIVE OFFICERS' REMUNERATION AND BENEFITS

2.3.1. REMUNERATION OF CORPORATE OFFICERS

At its meeting on December 14, 2011, the Bureau Veritas Board of Directors analyzed the AFEP-MEDEF recommendations on the remuneration of Executive Corporate Officers of listed companies in light of measures put in place within the Company, and the Board indicated that it had adopted these recommendations.

All of the standard information in accordance with the AFEP-MEDEF recommendations is presented below.

The remuneration of Executive Corporate Officers is fixed by the Board of Directors upon the 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 EUR 910,000 and EUR 455,000 respectively, unchanged compared to 2010. 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. Variable remuneration is capped at 75% of gross annual fixed remuneration.

After examining the achievement of targets in 2011, this variable remuneration was fixed by the Board of Directors following proposals by the Nomination and Compensation Committee at EUR 427,643. Moreover, Frank Piedelièvre 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 EUR 550,000 and EUR 300,000 respectively, unchanged compared to 2010. 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. Variable remuneration is capped at 75% of gross annual fixed remuneration.

After examining the achievement of targets in 2011, this variable remuneration was fixed by the Board of Directors following proposals by the Nomination and Compensation Committee at EUR 243,694. Gross annual remuneration as Executive Officer is maintained at EUR 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 EUR 474,023. The target variable remuneration (achievement of all targets) of François Tardan is maintained at EUR 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. Variable remuneration is capped at 1.5 times the target amount.

After examining the achievement of targets in 2011, this variable remuneration was fixed by the Board of Directors following proposals by the Nomination and Compensation Committee at EUR 205,018.

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 2011 Registration Document does not present the detail of this.

Under the terms of his employment contract, Philippe Donche-Gay was to 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[1], except in the case of gross negligence, serious misconduct or *force majeure*. The amount of the termination benefits was 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.

Financial year 2012

In connection with the change in governance at Bureau Veritas following the meeting of the Board of Directors of February 13, 2012, which led to the appointment of Didier Michaud-Daniel as Chief Executive Officer from March 1, 2012, the decisions concerning the compensation of the Group's corporate officers are as follows:

- From January 1 to February 29, 2012, the gross annual fixed remuneration, excluding benefits in kind, and the target variable remuneration (achievement of 100% of the targets) of Frank Piedelièvre, in his capacity as Chairman and Chief Executive Officer, are unchanged compared with 2011. They are EUR 910,000 and EUR 455,000, respectively. From March 1, 2012, the gross annual fixed remuneration, excluding benefits in kind, and the target variable remuneration (achievement of 100% of the targets) of Frank Piedelièvre, in his capacity as Chairman of the Board of Directors, are set at EUR 550,000 and EUR 250,000, respectively. Variable remuneration is based on individual targets.
- From March 1, 2012, the date on which he became Chief Executive Officer, the gross annual fixed remuneration, excluding benefits in kind, and the target variable remuneration (achievement of 100% of the targets) of Didier Michaud-Daniel are set at EUR 800,000 and EUR 560,000, respectively. Target variable remuneration represents 70% of fixed remuneration and is based half on the achievement of a management operating profit (*résultat d'exploitation et de gestion, REG*[2]) target and half on the achievement of qualitative individual targets. Should the targets be exceeded, variable remuneration is capped at 105% of fixed remuneration.
- From January 1 to February 29, 2012, the fixed remuneration and target variable remuneration of Philippe Donche-Gay are unchanged compared with 2011. From March 1, 2012, Philippe Donche-Gay has exercised his operational responsibilities within the Group without corporate officer status.

(1) i.e. until August 27, 2011.

(2) The Company's management operating profit (REG) corresponds to adjusted operating profit corrected for extraordinary items (restructurings, change in accounting method, etc.). It may also potentially be restated for fluctuations in exchange rates and changes in the Group's scope.

TABLE NO. 1: TABLE SUMMARIZING THE REMUNERATION, OPTIONS AND SHARES GIVEN TO EACH EXECUTIVE CORPORATE OFFICER

(in euros)	**Frank Piedelièvre** Chairman and Chief Executive Officer		**Philippe Donche-Gay** *Executive Officer* in Charge of Operations		**François Tardan** *Executive Officer* in charge of Finances, Legal Affairs and Information Systems	
	Financial year 2011	**Financial year 2010**	**Financial year 2011**	**Financial year 2010**	**Financial year 2011**	**Financial year 2010**
Remuneration owed for the financial year *(shown in Table 2)*	1,341,146[(a)]	1,408,278	846,574[(a)]	914,065	681,921[(a)]	701,902
Valuation of options allocated during the financial year *(shown in Table 4)*	405,450[(b)]	587,400[(b)]	180,200[(b)]	293,700[(b)]	-	440,550[(b)]
Valuation of performance shares granted during the financial year (shown in Table 6)	*672,300*[(b)]	*846,000*[(b)]	*403,380*[(b)]	*423,000*[(b)]	-	*634,500*[(b)]
TOTAL	**2,418,896**	**2,841,678**	**1,430,154**	**1,630,765**	**681,921**	**1,776,952**

(a) *Variable remuneration charged to 2011 was established on February 22, 2012 by the Board of Directors upon the proposal of the Nomination and Compensation Committee.*

(b) *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. 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

(in euros)	**Frank Piedelièvre** Chairman and Chief Executive Officer				**Philippe Donche-Gay** *Executive Officer* in Charge of Operations				**François Tardan** *Executive Officer* in Charge of Finances, Legal Affairs and Information Systems			
	Financial year 2011		**Financial year 2010**		**Financial year 2011**		**Financial year 2010**		**Financial year 2011**		**Financial year 2010**	
	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	474,023	474,023	471,568	471,568
Variable remuneration	427,623[(a)]	494,931	494,931	425,000	243,694[(a)]	296,328	296,328	268,500	205,018[(a)]	227,454	227,454	200,000
Contractual profit-sharing	-	-	-	-	-	350[(c)]	14,484[(d)]	14,901	-	-	-	-
Profit sharing	-	-	-	-	-	373	373	-	-	-	-	-
Directors' fees	-[(b)]	-[(b)]	-[(b)]	-[(b)]	-	-	-	-	-	-	-	-
Benefits in kind (company car)	3,503	3,503	3,347	3,347	2,880	2,880	2,880	2,880	2,880	2,880	2,880	2,880
TOTAL	**1,341,146**	**1,408,434**	**1,408,278**	**1,338,347**	**846,574**	**899,931**	**914,065**	**886,281**	**681,921**	**704,357**	**701,902**	**674,448**

(a) *Variable remuneration charged to 2011 was established on February 22, 2012 by the Board of Directors upon the proposal of the Nomination and Compensation Committee.*

(b) *Frank Piedelièvre waived payment of his Directors' fees.*

(c) *The stated amount corresponds to the profit-sharing bonus paid in 2011.*

(d) *The stated amount includes profit-sharing due for 2010, which was placed in the Company savings plan by Philippe Donche-Gay, together with a matching contribution from Bureau Veritas SA, and the profit-sharing bonus paid in 2011.*

It is noted that the fixed remuneration and the target amounts of variable remuneration for Frank Piedelièvre and Philippe Donche-Gay did not change between 2010 and 2011.

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 company in the Group for the 2010 and 2011 financial years:

Members of the Board of Directors *(in euros)*	**Directors' fees, allocated for the 2010 financial year, paid in January 2011**	**Directors' fees, allocated for the 2011 financial year, paid in January 2012**
Frank Piedelièvre[(a)]		
Directors' fees	-	-
Frédéric Lemoine		
Directors' fees	59,000	62,300
Pierre Hessler		
Directors' fees	60,000	62,300
Jérôme Charruau[(b)]		
Directors' fees	34,000	12,800
Ernest-Antoine Seillière		
Directors' fees	22,000	25,300
Jean-Michel Ropert		
Directors' fees	35,000	38,300
Philippe Louis-Dreyfus		
Directors' fees	27,000	31,550
Patrick Buffet		
Directors' fees	36,000	36,300
Aldo Cardoso		
Directors' fees	70,000	72,300
Stéphane Bacquaert		
Directors' fees	30,000	38,300
Barbara Vernicos[(c)]		
Directors' fees	-	23,250
TOTAL	**373,000**	**402,700**[(d)]

(a) Frank Piedelièvre waived payment of his Directors' fees.
(b) Jérôme Charruau's term of office expired at the Shareholders' Meeting on May 27, 2011.
(c) Barbara Vernicos was appointed as a member of the Board of Directors at the Shareholders' Meeting on May 27, 2011, to replace Jérôme Charruau.
(d) The annual amount of Directors' fees that can be allocated to members of the Board of Directors was set at EUR 500,000 by the Shareholders' Meeting on May 27, 2011.

LONG-TERM INCENTIVE POLICY

As part of its remuneration policy, Bureau Veritas grants stock options and free shares to a certain number of staff in the Group around the world. The Board of Directors, at its meeting on December 14, 2011, therefore decided to allocate stock options and free shares to the Executive Corporate Officers.

This grant is in addition to that approved by the Board of Directors at its meeting on July 18, 2011, concerning 504 employees of the Group and corresponding to a total of 555,930 shares (377,430 free shares and 178,500 stock options), equivalent to approximately 0.5% of share capital.

The maximum number of stock options and free shares granted to the Executive Corporate Officers is shown in the table below:

		Maximum number of options granted	Maximum number of shares granted
Frank Piedelièvre	Chairman and Chief Executive Officer	45,000	15,000
Philippe Donche-Gay	Executive Officer – Chief Operating Officer	20,000	9,000

Grants to Executive Corporate Officers are subject to the achievement of a performance condition: depending on the extent that the management operating profit[(1)] for the 2011 financial year is achieved, the recipients could exercise/acquire between 0% and 100% of the options/shares granted; moreover, if the margin (management operating profit/revenue ratio) in the 2012 or the 2013 financial year is less than the target level set by the Board of Directors, no free shares can be acquired by the recipients.

The option purchase price was set at EUR 53.10 corresponding to the average without discounts of the first traded prices on the last 20 stock market trading days preceding the grant date.

The vesting period for stock options is three years, and the performance period for free shares is three years, followed by a retention period of two years.

In accordance with article L. 225-197-1 of the French Commercial Code, Bureau Veritas SA Corporate Officers 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 subscription or purchase options until their terms of office expire.

TABLE NO. 4: STOCK OPTIONS OR SHARE PURCHASE OPTIONS ALLOCATED DURING THE 2011 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 allotted during the financial year	Exercise price	Exercise period
Frank Piedelièvre	12/14/2011	share purchase options	EUR 405,450	45,000	EUR 53.10	12/14/2014 to 12/14/2019
Philippe Donche-Gay	12/14/2011	share purchase options	EUR 180,200	20,000	EUR 53.10	12/14/2014 to 12/14/2019
François Tardan	-	-	-	-	-	-

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
- a performance condition, linked to the extent of achievement of the management operating profit[(1)] of the Company in the 2011 financial year. A minimum level and a target level were defined for management operating profit for the 2011 financial year. If the management operating profit recorded for the 2011 financial year is less than or equal to the minimum level, then none of the options granted can be exercised by the recipient. If the management operating profit recorded for the 2011 financial year is greater than or equal to the target level, then 100% of the options granted can be exercised. If the management operating profit recorded for the 2011 financial year is between the minimum level and the target level, then the number of options that may be exercised will be between 0% and 100%, determined on a proportional basis.

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.

(1) The Company's management operating profit corresponds to adjusted operating income revised for exceptional items (restructuring, change in accounting method, etc.). It may also be restated for changes in exchange rates and the Group's scope of consolidation.

TABLE NO. 5: STOCK OPTIONS OR SHARE PURCHASE OPTIONS EXERCISED DURING THE 2011 FINANCIAL YEAR BY EACH EXECUTIVE CORPORATE OFFICER

The Executive Corporate Officers did not exercise any options during the 2011 financial year.

TABLE NO. 6: PERFORMANCE SHARES GRANTED TO EACH CORPORATE OFFICER DURING THE 2011 FINANCIAL YEAR

▶ PERFORMANCE SHARES ALLOCATED TO FRANK PIEDELIÈVRE – 2011 FINANCIAL YEAR

No. and date of the plan	Number of shares granted during the financial year	Valuation of the shares according to the method used in the consolidated financial statements	Vesting date	Date of availability
12/14/2011	15,000	EUR 672,300	12/14/2014	12/14/2016
Conditions of presence, performance and obligation to retain shares	Performance condition: depending on the extent that the management operating profit for the 2011 financial year is achieved, the recipient could acquire between 0% and 100% of the shares granted; moreover, if the margin (management operation profit/revenue ratio) in the 2012 or the 2013 financial year is less than the target level set by the Board of Directors, no performance shares can be acquired by the recipient. Presence condition: a three-year acquisition period has been fixed, followed by a two-year retention period. Once the retention period expires, 50% of the shares acquired on the acquisition date cannot be sold by the recipient before all of his functions as a Corporate Officer at the Company expire.			

▶ PERFORMANCE SHARES ALLOCATED TO PHILIPPE DONCHE-GAY – 2011 FINANCIAL YEAR

No. and date of the plan	Number of shares granted during the financial year	Valuation of the shares according to the method used in the consolidated financial statements	Vesting date	Date of availability
12/14/2011	9,000	EUR 403,380	12/14/2014	12/14/2016
Conditions of presence, performance and obligation to retain shares	Performance condition: depending on the extent that the management operating profit for the 2011 financial year is achieved, the recipient could acquire between 0% and 100% of the shares granted; moreover, if the margin (management operation profit/revenue ratio) in the 2012 or the 2013 financial year is less than the target level set by the Board of Directors, no performance shares can be acquired by the recipient. Presence condition: a three-year acquisition period has been fixed, followed by a two-year retention period. Once the retention period expires, 50% of the shares acquired on the acquisition date cannot be sold by the recipient before all of his functions as a Corporate Officer at the Company expire.			

▶ PERFORMANCE SHARES ALLOCATED TO FRANÇOIS TARDAN – 2011 FINANCIAL YEAR

No. and date of the plan	Number of shares granted during the financial year	Valuation of the shares according to the method used in the consolidated financial statements	Vesting date	Date of availability
-	-	-	-	-
Conditions of presence, performance and obligation to retain shares				

TABLE NO. 7: PERFORMANCE SHARES BECOMING AVAILABLE TO EACH EXECUTIVE CORPORATE OFFICER DURING THE FINANCIAL YEAR

Name of Executive Corporate Officer	No. and date of the plan	Number of shares that became available during the financial year	Terms of acquisition
Frank Piedelièvre	-	-	-
Philippe Donche-Gay	09/22/2008	55,000	Presence
François Tardan	-	-	-

TABLE NO. 8: HISTORY OF ALLOCATIONS OF OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES

Information on stock subscription and purchase options			
Date of meeting	06/18/2007	06/18/2007	05/27/2011
Date of the Board of Directors meeting	07/03/2009	07/23/2010	12/14/2011
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	65,000
Corporate Officers:			
Frank Piedelièvre	60,000	60,000	45,000
Philippe Donche-Gay	30,000	30,000	20,000
François Tardan	30,000	45,000	-
Starting date for the exercising of options	07/03/2012	07/23/2013	12/14/2014
Expiration date	07/03/2017	07/23/2018	12/14/2019
Subscription or purchase price	EUR 34.98[a]	EUR 46.31[a]	EUR 53.10[a]
Number of shares subscribed for or purchased at February 28, 2012	-	-	-
Total number of options to subscribe for or purchase shares that have been cancelled or become null and void at February 28, 2012	15,100	-	-
Options to subscribe for or purchase shares remaining at February 28, 2012	251,400	244,200	65,000

(a) The stock subscription or purchase option price corresponds to the average without discounts of the first traded prices on the last 20 stock market trading days preceding the grant 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: 06/27/2005 02/01/2006 Plan	Date of Shareholders' Meeting: 06/27/2005 07/12/2006 Plan	Date of Shareholders' Meeting: 05/27/2011 07/18/2011 Plan
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)	103,500	Subscription price EUR 57.66	-	-	In total 178,500 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)	214,319	EUR 24,993	132,500	81,819	-

A summary of the situation relating to stock option plans in force at December 31, 2011 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 expiration or change in functions as Corporate Officer		Indemnity relating to a non-competition clause	
Executive Corporate Officers	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Frank Piedelièvre Chairman and Chief Executive Officer *Term of office start and end dates: see page 75*		√		√		√		√
Philippe Donche-Gay Executive Officer *Term of office start and end dates: see page 75*	√			√		√		√
François Tardan Executive Officer *Term of office start date: see page 75* *Term of office end date: 11/02/2011*	√ Deferred			√		√		√

Continuation of Mr. Philippe Donche-Gay's employment contract 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.

On June 19, 2002, the date on which François Tardan was appointed as a new member of the Management Board, his employment contract was deferred. Mr. Tardan's contract became effective again on November 3, 2011, following his resignation as Executive Officer on November 2, 2011, and then ended on December 31, 2011.

Under the terms of his employment contract, Philippe Donche-Gay was to receive compensation in the event that his employment contract was 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 was subject to a performance condition and can account for up to 12 months of gross remuneration (fixed remuneration and bonus under the employment contract)[1]. 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.

(1) i.e. until August 27, 2011.

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.

2.4. INTERESTS OF CORPORATE OFFICERS, DIRECTORS AND CERTAIN EMPLOYEES

2.4.1. INTERESTS OF EXECUTIVE CORPORATE OFFICERS AND DIRECTORS IN THE CAPITAL OF BUREAU VERITAS

As of December 31, 2011, 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%
Philippe Donche-Gay	55,000	0.05%

(a) Including 400,000 through the company Piedelièvre et Associés.

Directors	Number of shares	Percentage of capital
Frédéric Lemoine	300	NS
Stéphane Bacquaert	300	NS
Patrick Buffet	300	NS
Aldo Cardoso	3,000	NS
Pierre Hessler	300	NS
Philippe Louis-Dreyfus	3,077	NS
Jean-Michel Ropert	300	NS
Ernest-Antoine Seillière	300	NS
Barbara Vernicos	1,000	NS

Mr. Frank Piedelièvre, Chairman and Chief Executive Officer, holds 165,000 stock options granted under the July 3, 2009, July 23, 2010, and December 14, 2011 plans.

Mr. Philippe Donche-Gay, Executive Officer, holds 80,000 stock options granted under the July 3, 2009, July 23, 2010, and December 14, 2011 plans.

A detailed description of share purchase or subscription plans is provided in section 2.4.4 of this chapter, Options to subscribe for or purchase shares.

2.4.2. 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 2011 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	01/21/2011	53.00	212,000.00	Shares
Frédéric Lemoine	Vice-Chairman	Acquisition	03/07/2011	54.15	10,830.00	Shares
Stéphane Bacquaert	Director	Disposal	03/10/2011	54.17	5,417.00	Shares
Stéphane Bacquaert	Director	Acquisition	03/10/2011	54.68	15,911.88	Shares
Stéphane Bacquaert	Director	Acquisition	03/10/2011	54.58	491.22	Shares
Jean-Michel Ropert	Director	Acquisition	03/11/2011	54.2125	10,842.50	Shares
Ernest-Antoine Seillière	Director	Acquisition	03/14/2011	53.24	5,324.00	Shares
François Tardan	Executive Officer	Disposal	03/25/2011	55.00	275,000.00	Shares
Patrick Buffet	Director	Acquisition	06/06/2011	56.99	11,398.00	Shares
Pierre Hessler	Director	Acquisition	06/21/2011	57.05	11,410.00	Shares
François Tardan	Executive Officer	Disposal	09/21/2011	55.8853	391,197.10	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, 2011 and the date of this Registration Document were as follows:

Name	Capacity	Nature of the transaction	Transaction date	Unit price *(in euros)*	Transaction amount *(in euros)*	Description of the financial instrument
Piedelièvre et Associés	Legal entity related to Frank Piedelièvre, Chairman of the Board of Directors	Disposal	March 14, 2012	64.7518	2,266,313.00	Shares
Piedelièvre et Associés	Legal entity related to Frank Piedelièvre, Chairman of the Board of Directors	Disposal	March 15, 2012	64.7255	970,882.50	Shares
Piedelièvre et Associés	Legal entity related to Frank Piedelièvre, Chairman of the Board of Directors	Disposal	March 19, 2012	64.4968	1,612,420.00	Shares

2.4.3. FREE SHARES

The table below illustrates an account of the position regarding the allotment of free shares in force on December 31, 2011:

Date of the ordinary Shareholders' Meeting ("OSM")	Grant date	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	13/12/2007	9,811[(a)]	9,811	7,652	2,159	-
06/18/2007	13/12/2007	45,354[(b)]	45,354	28,161	17,193	-
06/18/2007	13/12/2007	33,725[(c)]	33,725	21,044	12,681	-
06/18/2007	13/12/2007	150,000	150,000	144,750	5,250	-
06/18/2007	09/06/2008	426,050	426,050	146,850	83,850	195,350
06/18/2007	22/09/2008	55,000	55,000	55,000	-	-
06/18/2007	07/03/2009	363,500	363,500	-	48,700	314,800
06/18/2007	07/23/2010	45,000	45,000	-	-	45,000
06/18/2007	07/23/2010	353,900	353,900	-	21,700	332,200
06/18/2007	07/23/2010	64,500	64,500	-	5,700	58,800
05/27/2011	07/18/2011	380,230	380,230	-	3,630	376,600
05/27/2011	12/14/2011	24,000	24,000	-	-	24,000
TOTALS		**1,951,070**	**1,951,070**	**403,457**	**200,863**	**1,346,750**

(a) Grant of free shares for 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 of 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 issued to each beneficiary depends on the level of Adjusted Operating Profit (AOP) achieved and recorded for 2008 in comparison to the target that was set. If the AOP recorded for 2008 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 shares granted. 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 granted.

(e) At the end of the Acquisition Period, the number of shares issued to each beneficiary depends on the level of Adjusted Operating Profit (AOP) achieved and recorded for 2009. 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 granted 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 granted 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 shares granted. 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 granted.

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	Three years and two years respectively for members of salaried staff and/or Company Officers of Spanish and Italian subsidiaries	Presence	39.02	36.65
-	-	12/13/2011	None	Presence	39.02	35.43
-	-	12/13/2011	None	Presence	39.02	35.43
-	-	12/13/2009	Two years	Presence and performance	39.02	32.82
-	57,000	06/09/2012 06/09/2011 for employees of a French company	None except for two years for employees of a French company	Presence and performance[(d)]	37.81	33.88
-	-	22/09/2011	Two years	Presence	39.29	31.47
40,000	36,200	07/03/2013 or 07/03/2012, for employees of a French company	None except for two years for employees of a French company	Presence and performance[(e)]	34.50	28.19
45,000	-	07/23/2013	Two years	Presence and performance[(f)]	48.10	42.30
-	29,400	07/23/2014 or 07/23/2013, for employees of a French company	None except for two years for employees of a French company	Presence and performance[(f)]	48.10	43.47
-	3,000	07/23/2014 or 07/23/2013, for employees of a French company	None except for two years for employees of a French company	Presence	48.10	43.47
-	34,500	07/18/2015 or 07/18/2014, for employees of a French company	None except for two years for employees of a French company	Presence and performance[(g)]	57.20	51.00
24,000	-	12/14/2014	Two years	Presence and performance[(g)]	53.99	44.82
109,000	**160,100**					

(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 only 50% (0% for Corporate Officers) of the granted 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 granted 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 employees (or Corporate Officers) throughout the entire acquisition period in order to acquire the shares granted.

(g) At the end of the Acquisition Period, the number of shares issued to each beneficiary depends on the level of management operating profit achieved and recorded for the 2011 financial year and the margin (management operating profit/revenue ratio) recorded for the 2012 and 2013 financial years. A minimum level and a target level for management operating profit to achieve were defined for the 2011 financial year. If the management operating profit recorded for the 2011 financial year is less than or equal to the minimum level, then only 50% (0% for Corporate Officers) of the granted shares can be acquired by the beneficiaries. If the management operating profit recorded for the 2011 financial year is greater than or equal to the target level, then 100% of the shares granted can be acquired by the beneficiaries. If the management operating profit recorded for the 2011 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 margin of either of the financial years 2012 and 2013 is less than the target level established by the Board of Directors upon granting, then 50% of the performance shares (0% for Corporate Officers) can be acquired by the beneficiary. Beneficiaries must remain employees (or Corporate Officers) throughout the entire acquisition period in order to acquire the shares granted.

2.4.4. STOCK SUBSCRIPTION OR PURCHASE OPTIONS

The table below illustrates an account of the position regarding stock subscription or purchase option plans in force on December 31, 2011:

Date of the ordinary Shareholders' Meeting ("OSM")	Grant date	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	07/25/2003 Plan[a]	1,549,000	1,549,000	1,312,000	237,000
06/30/2004	11/15/2004 Plan[a]	117,500	117,500	58,000	59,500
06/27/2005	02/01/2006 Plan[a] [b]	1,711,000	1,711,000	1,048,020	440,500
06/27/2005	07/12/2006 Plan[a]	142,000	142,000	127,000	5,000
01/18/2007	01/31/2007 Plan[a]	700,000	700,000	-	172,000
06/18/2007	06/09/2008 Plan	137,400	137,400	9,000	12,300
06/18/2007	07/03/2009 Plan	266,500	266,500	-	15,100
06/18/2007	07/23/2010 Plan	135,000	135,000	-	-
06/18/2007	07/23/2010 Plan	109,200	109,200	-	-
05/27/2011	07/18/2011 Plan[d]	178,500	178,500		
05/27/2011	12/14/2011 Plan[d]	65,000	65,000		
TOTALS		**5,111,100**	**5,111,100**	**2,554,020**	**941,400**

(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 on June 18, 2007.*

(b) *The number of options initially granted was 1,711,000 (adjusted); two cancellations for a total of 27,500 options (adjusted) having occurred when they were granted, 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 EUR 15.165 (adjusted) per share with a par value of EUR 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.*

(d) *Stock purchase options plans.*

Number of stock options granted and in force	Total number of shares that can be subscribed / purchased for by Corporate Officers	Total number of shares that can be subscribed / purchased for by the ten largest employee option holders	Starting date for the option exercise period	Option expiration date	Adjusted subscription / purchase price on the registration date of the present Registration Document *(in euros)*
-	-	-	07/25/2006	07/25/2011	9.582
-	-	-	11/15/2007	11/15/2012	12.094
222,480	-	190,000	02/01/2011	02/01/2014	15.165[c]
10,000	-	137,000	07/12/2011	07/12/2014	17.304[e]
528,000	-	67,500	01/31/2012	01/31/2015	17.304
116,100	-	88,500	06/09/2011	06/09/2016	38.35
251,400	120,000[f]	100,000	07/03/2012	07/03/2017	34.98
135,000	135,000[f]	-	07/23/2013	07/23/2018	46.31
109,200	-	85,000	07/23/2013	07/23/2018	46.31
178,500		103,500	07/18/2014	07/18/2019	57.66
65,000	65,000		12/14/2014	12/14/2019	53.10
1,615,680	**320,000**	**771,500**			

(e) The subscription price for shares in the Company was set by the Management Board at EUR 17.304 (adjusted) per share with a par value of EUR 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.

(f) 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 2011 financial year

Overall information

Number of options allotted	Plan	Exercise price *(in euros)*
178,500	07/18/2011	57.66
65,000	12/14/2011	53.10
TOTAL 243,500		

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 2011 financial year

Overall information

Number of options exercised[a]	Plan	Exercise price[a] *(in euros)*
20,460	07/25/2003	9.582
4,000	11/15/2004	12.094
1,048,020	02/01/2006	24.103
127,000	07/12/2006	26.107
9,000	06/09/2008	38.350
TOTAL 1,208,480		

(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.

2.4.5. POTENTIAL IMPACT OF SHARES GIVING ACCESS TO COMPANY CAPITAL

At December 31, 2011, the total number of shares able to be issued in the event of all 1,372,180 stock options in Bureau Veritas being exercised (adjusted) is 1,372,180 shares (adjusted). Based on the number of shares making up the share capital of Bureau Veritas as of December 31, 2011, which is 110,526,286 shares, issuing all of these shares would represent 1.24% Bureau Veritas' capital.

Based on the share capital at December 31, 2011, issuing all of the 1,346,750 free shares granted would result in a further maximum potential dilution of 1.22%, thus taking the total dilution (stock options and free shares) to 2,718,930 shares, or 2.46% 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 2012.

03

Management report

This report covers the Group's results and business activities during the financial year ending December 31, 2011 and is prepared based on the 2011 consolidated financial statements, provided in paragraph 4.1 of this Registration Document.

3.1. HIGHLIGHTS OF THE FINANCIAL YEAR

3.1.1. INSPECTORATE: A SUCCESSFUL INTEGRATION

With the acquisition of Inspectorate at end-2010, Bureau Veritas marked a decisive stage in its strategic development, rounding out its offering with the new Commodities Inspection and Testing business, a fast growing market in which the Group now boasts a leading position. The integration of Inspectorate within the Group is virtually complete and is already a success. The Group has created a new Commodities business by merging regional teams and setting up central development and support functions means adapted to an overall workforce of 11,000 employees throughout the world. A joint strategy has been established and commercial and operating synergies have already started to pay off. This new business is set to be one of the major pillars of the Group's future growth.

3.1.2. TARGETED ACQUISITIONS, POSITIONED IN HIGH-POTENTIAL MARKETS

During 2011, the Group continued its acquisitions policy, by acquiring a dozen companies in fast growing countries and in high potential markets, representing combined full-year revenue of more than EUR 50 million, including mainly:

- the Auto Reg Group, a leader in vehicle insurance damage inspection in Brazil;
- Atomic Technologies and Scientige, specialized in non-destructive testing services and asset integrity management services in Asia;
- Civil-Aid, an Indian company specialized in conformity assessment in the field of construction and infrastructure;
- two laboratories specialized in food testing: Sargam in India and Kontrollab in Turkey.

The Group has rounded out its portfolio of target companies and is in the late stages of negotiations for a series of acquisitions that should enhance its services offering and extend its geographical coverage.

3.1.3. RIGHTSIZING OF OPERATIONS IN SPAIN

In an extremely deteriorated backdrop in Spain, especially in the construction market, the Group implemented serious measures to ensure a recovery, including notably:

- a new management team;
- an overhauled strategic development project;
- an adapted organization, including cuts in costs and headcount.

The impact of the rightsizing of operations resulted in an expense of EUR 25.5 million in 2011, excluded from adjusted operating profit.

3.1.4. RENEWED GROWTH AMBITIONS: BV2015

In 2011, Bureau Veritas undertook a strategic review of its markets, re-examined its growth opportunities and defined a plan and targets for 2015. The entire project was presented in September and is described in paragraph 1.4.4 Objectives and strategy of this Registration Document.

3.2. CHANGE IN ACTIVITY AND RESULTS

As of December 31, 2011, the Group was organized into eight operating businesses: Marine, Industry, In-Service Inspection & Verification, Construction, Certification, Commodities, Consumer Products and Government Services & International Trade.

(in millions of euros)	2011	2010	Change
Revenue	**3,358.6**	**2,929.7**	**+14.6%**
Purchases and external charges	(995.5)	(843.4)	
Personnel costs	(1,709.4)	(1,479.4)	
Other expenses	(173.4)	(150.6)	
Operating profit	**480.3**	**456.3**	**+5.3%**
Net financial expense	(58.4)	(45.7)	
Share of profit of associates	0.3	(0.1)	
Profit before income tax	**422.2**	**410.5**	**+2.9%**
Income tax expense	(116.9)	(112.9)	
Consolidated net profit	**305.3**	**297.6**	**+2.6%**
Minority interests	7.7	7.2	
Attributable net profit	**297.6**	**290.4**	**+2.5%**

3.2.1. REVENUE

For the entire 2011 financial year, Bureau Veritas' revenue totaled EUR 3,358.6 million. The 14.6% increase compared to the 2010 financial year breaks down as follows:

- organic growth of 6.2% (6.5% of which in the fourth quarter);
- a 9.5% change in scope due to acquisitions made (mainly Inspectorate and Auto Reg);
- a negative impact from exchange rate movements of 1.1%, linked to the weakening of the US dollar, the Hong Kong dollar, the pound sterling and the Brazilian real against the euro over the entire financial year.

DEVELOPMENT OF REVENUE BY BUSINESS

(in millions of euros)	**2011**	**2010**	**Total growth**	**Organic growth**
Marine	318.7	313.5	+1.7%	+2.4%
Industry	715.1	608.1	+17.6%	+17.1%
In-Service Inspection & Verification	440.5	431.1	+2.2%	+2.8%
Construction	413.9	427.8	(3.2)%	(2.2)%
Certification	321.6	321.6	-	+0.1%
Commodities	542.1	266.6	+103.3%	+10.1%
Consumer Products	379.4	382.3	(0.8)%	+1.5%
Government Services & International Trade	227.3	178.7	+27.2%	+13.5%
Bureau Veritas Group	**3,358.6**	**2,929.7**	**+14.6%**	**+6.2%**

3.2.2. OPERATING PROFIT

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 Group's operating profit increased by 5.3% to EUR 480.3 million in 2011 compared to EUR 456.3 million in 2010.

DEVELOPMENT OF OPERATING PROFIT BY BUSINESS

(in millions of euros)	**2011**	**2010**	**Change**
Marine	93.8	90.5	+3.6%
Industry	75.7	64.0	+18.3%
In-Service Inspection & Verification (IVS)	42.1	48.3	(12.8)%
Construction	21.3	39.0	(45.4)%
Certification	62.7	65.4	(4.1)%
Commodities	48.8	15.2	+221.1%
Consumer Products	95.4	103.5	(7.8)%
Government Services & International Trade (GSIT)	40.5	30.4	+33.2%
Bureau Veritas Group	**480.3**	**456.3**	**+5.3%**

3.2.3. ADJUSTED OPERATING PROFIT

The Group internally follows an "adjusted" operating profit which the Management considers more representative of the operating performance in its business sector. Adjusted operating profit is defined as operating profit before income and expenses related to acquisitions and other non-recurring elements.

The table below shows a breakdown of adjusted operating profit in 2011 and 2010.

(in millions of euros)	2011	2010	Change
Operating profit	**480.3**	**456.3**	**5.3%**
Amortization of acquisition intangibles	36.4	25.7	
Transaction-related costs	2.5	4.3	
Discontinued activities	(0.4)	2.4	
Restructuring	9.4	-	
Impairment of goodwill	16.1	1.8	
Adjusted operating profit	**544.3**	**490.5**	**+11.0%**

Other operating expenses increased to EUR 64.0 million, compared to EUR 34.2 million in 2010. They mainly include:

- EUR 36.4 million in amortization of intangibles, compared to EUR 25.7 million in 2010, following the full-year consolidation of Inspectorate; and
- EUR 25.5 million in exceptional expenses linked to Spain.

The sharp deterioration in the Spanish economy, particularly with regard to the construction market, led the Group to take significant restructuring measures (EUR 9.4 million in provisions and restructuring costs as of December 31, 2011) and to impair goodwill EUR 16.1 million as of December 31, 2011. Revenue recorded in Spain in 2011 was down by 12% to EUR 196 million (6% of consolidated revenue).

The adjusted operating margin, expressed as a percentage of revenue, amounted to 16.2% in 2011, almost unchanged compared to the 16.3% *pro-forma* margin (integrating Inspectorate over 12 months) in 2010.

DEVELOPMENT OF ADJUSTED OPERATING PROFIT BY BUSINESS

(in millions of euros)	2011	2010	Change
Marine	93.9	90.5	+3.8%
Industry	82.0	70.0	+17.1%
In-Service Inspection & Verification (IVS)	48.4	52.9	(8.5)%
Construction	45.2	44.1	+2.5%
Certification	66.5	66.5	-
Commodities	69.1	30.4	+127.3%
Consumer Products	97.1	105.5	(8.0)%
Government Services & International Trade (GSIT)	42.1	30.6	+37.6%
Bureau Veritas Group	**544.3**	**490.5**	**+11.0%**

3.2.4. NET FINANCIAL EXPENSE

The Group's net financial expense essentially includes 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.

DEVELOPMENT OF NET FINANCIAL EXPENSE

(in millions of euros)	**2011**	**2010**
Finance costs, gross	(43.7)	(38.4)
Income from cash and cash equivalents	2.0	1.9
Finance costs, net	**(41.7)**	**(36.5)**
Exchange differences	(8.0)	2.3
Interest cost on pension plans	(4.4)	(5.1)
Other	(4.3)	(6.4)
Net financial expense	**(58.4)**	**(45.7)**

The increase in net financial expense to EUR 58.4 million in 2011, compared to EUR 45.7 million in 2010, is primarily linked to:

- the rise in net finance costs to EUR 41.7 million in 2011, compared to EUR 36.5 million in 2010, attributable to an increase in average indebtedness in the financial year, with new loans taken out at the end of 2010 to finance the acquisition of Inspectorate; and
- EUR 8.0 million in foreign exchange losses (compared to a EUR 2.3 million in foreign exchange gains in 2010) linked to the extreme volatility in 2011 of the main currencies against the US dollar.

The financial cost of pension plans was also slightly down, to EUR 4.4 million, compared to 2010.

Other net financial expenses fell to EUR 4.3 million, compared to EUR 6.4 million in 2010.

3.2.5. INCOME TAX EXPENSE

Income tax expense on consolidated revenue amounted to EUR 116.9 million in 2011 compared to EUR 112.9 million in 2010. The effective tax rate, corresponding to the income tax expense divided by the amount of pre-tax profit, was 27.7%, relatively stable compared to the rate in 2010 (27.5%).

3.2.6. ATTRIBUTABLE NET PROFIT

The Group's attributable net profit for the financial year amounted to EUR 297.6 million, a 2.5% increase compared to 2010. Earnings per share were EUR 2.72 as of December 31, 2011, compared to EUR 2.68 en 2010.

3.2.7. ATTRIBUTABLE ADJUSTED NET PROFIT

Attributable adjusted net profit is defined as attributable net profit adjusted for other operating expenses after tax.

▶ DEVELOPMENT OF ADJUSTED NET PROFIT

(in millions of euros)	2011	2010
Attributable net profit	**297.6**	**290.4**
EPS[a] (in euros per share)	*2.72*	*2.68*
Impairment of goodwill - Spain	16.1	-
Other	47.9	34.2
Total other operating expenses	**64.0**	**34.2**
Tax effect on impairment of goodwill - Spain	-	-
Tax effect on “Others”	(13.5)[b]	(9.4)[c]
Total – tax effect on other operating expenses	**(13.5)**	**(9.4)**
Attributable adjusted net profit	**348.1**	**315.2**
Adjusted EPS[a] (in euros per share)	*3.18*	*2.91*

(a) Income per share calculated using the weighted average number of shares: 109,354,907 shares in 2011 and 108,403,796 shares in 2010.
(b) Calculated based on specific tax rates per item.
(c) Calculated based on the Group’s effective tax rate.

Attributable adjusted net profit amounted to EUR 348.1 million, a 10.4% increase compared to 2010. Adjusted earnings per share totaled EUR 3.18 in 2011, compared to EUR 2.91 en 2010, a 9.3% increase.

3.2.8. EARNINGS BY BUSINESS

On December 31, 2011, the Group was organized into eight operating businesses: Marine, Industry, In-Service Verification & Inspection, Construction, Certification, Commodities, Consumer Products and Government Services & International Trade.

Since January 1, 2011, all of the Group’s commodities inspection and testing activities have been merged in the new Commodities business, namely the Inspectorate activities, the Mining & Minerals activities and more marginally, the Bureau Veritas oil inspection contracts, which were presented respectively under the Industry and Government Services & International Trade businesses in 2010. 2010 data has been adjusted in accordance with this new organization in order to enable better comparison.

MARINE

(in millions of euros)	2011	2010	Change
Revenue	318.7	313.5	+1.7%
Adjusted operating profit	93.9	90.5	+3.8%
Adjusted operating margin	*29.5%*	*28.9%*	*+60bps**

** bps: basis points.*

Revenue in the Marine business totaled EUR 318.7 million in 2011 vs. EUR 313.5 million in 2010. Growth was driven by:

- same-scope and same-currency revenue growth of 2.4% (organic growth);
- a 0.7% decline in revenue due to a disadvantageous currency impact over the full year (primarily the US dollar).

New construction (53% of 2011 revenue in the Marine business)

2011 was affected by a slowdown in worldwide new ship orders. In this context, Bureau Veritas took 694 new ship orders, representing 6.8 million gross tons (GRT) and a slight increase in market share to 20.2% in the number of new ships and to 13.7% in GRT. Deliveries also surged, prompting an expected decline in the order backlog to GRT 22.3 million, compared with GRT 28.8 million on December 31, 2010.

Ships in service (47% of 2011 revenue in Marine business)

On December 31, 2011, the fleet classed by Bureau Veritas included 9,892 ships (+4.2% relative to December 31, 2010), representing GRT 86.2 million (+12.7%). Growth in revenue in the ships in-service segment nevertheless remained modest due to fleet rejuvenation.

Adjusted operating margin in the Marine business increased relative to 2010 to stand at 29.5%. This growth reflected the exceptional level of business in ship equipment certification in China.

In 2012, the Marine business is set to post modest growth in the ships in-service business and a decline in the new construction segment. The business should nevertheless benefit from the implementation of new regulations concerning energy efficiency and new outlets in offshore (oil and wind). As announced, operating margin is set to narrow to a range of 25-27%.

INDUSTRY

(in millions of euros)	2011	2010	Change
Revenue	715.1	608.1	+17.6%
Adjusted operating profit	82.0	70.0	+17.1%
Adjusted operating margin	*11.5%*	*11.5%*	-

Revenue in the Industry business totaled EUR 715.1 million in 2011 vs. EUR 608.1 million in 2010, representing growth of 17.6% which stemmed from:

- organic growth of 17.1%;
- changes in the scope of consolidation of +1.5% prompted by acquisitions in the non-destructive testing sector and asset integrity management in Asia (Scientige et Atomic);
- a 1.0% decline in revenue due to disadvantageous currency fluctuations over the year.

Growth was robust in all regions and all market segments, and more specifically:

- in Oil & Gas, where contracts were signed with major oil companies (Shell, Chevron, Petrobras) looking for suppliers with global presence to assist them in all of their QHSE inspection requirements. In addition, major opportunities were taken in Brazil (drilling), Kazakhstan (capex and opex), as well as in China and Australia in new LNG projects (liquefied natural gas);
- in power, in view of robust growth in the nuclear segment and a breakthrough in the wind turbine segment.

Adjusted operating profit in the Industry business rose by 17.1% to EUR 82.0 million vs. EUR 70.0 million in 2010, driven by growth in revenue, whereas adjusted operating margin of 11.5% was stable relative to 2010.

In 2012, the Industry business should post robust organic growth on the back of a well-filled order book, reflecting further investments in oil, gas and power in emerging regions and the roll-out of major global contracts. The Group is to continue its targeted acquisitions policy in adjacent services such as non-destructive testing where it recently acquired German company Pockrandt. As part of the BV2015 plan, the Group has established an action plan to improve operating margin in the business. This plan is based on scalability, an improvement in the mix to benefit from higher value-added activities (offshore, nuclear, asset integrity management), the roll-out of new automated production systems and the turnaround of underperforming units.

IN-SERVICE INSPECTION & VERIFICATION (IVS)

(in millions of euros)	2011	2010	Change
Revenue	440.5	431.1	+2.2%
Adjusted operating profit	48.4	52.9	(8.5)%
Adjusted operating margin	*11.0%*	*12.3%*	*(130)bps*

Revenue in the In-Service Inspection & Verification business rose by 2.2% to EUR 440.5 million and stemmed from the following:

- organic growth of 2.8%;
- a slightly negative impact from currency fluctuations of 0.6%.

With the exception of Spain (15% of IVS revenue in 2011), where activity was penalized by the deteriorated economic backdrop, organic growth in the business was robust at 5%, reflecting modest growth in France (57% of revenue), a recovery in UK activities (9% of revenue) following the successful revamping of operations, and high growth in new zones which now represent more than 10% of revenue: Latin America, China and Saudi Arabia.

Adjusted operating profit in the In-Service Inspection & Verification business fell by 8.5% to EUR 48.4 million in 2011 vs. EUR 52.9 million in 2010, due to the narrowing in adjusted operating margin to 11.0% and the impact of the crisis in Spain.

In 2012, the IVS activities are set to post mid-single digit growth, underpinned by development in fast growing zones and expansion in the services offering (domestic gas, lifts, HSE compliance). Operating margin should widen on the back of lean management initiatives currently being rolled out in France.

CONSTRUCTION

(in millions of euros)	2011	2010	Change
Revenue	413.9	427.8	(3.2)%
Adjusted operating profit	45.2	44.1	+2.5%
Adjusted operating margin	*10.9%*	*10.3%*	*+60bps*

Revenue in the Construction business totaled EUR 413.9 million in 2011, compared with EUR 427.8 million in 2010. This 3.2% decline was the result of:

- an organic decline in revenue of 2.2%;
- a 0.3% drop in revenue due to asset disposals effective since the end of Q1 2010;
- a 0.7% negative impact from disadvantageous currency fluctuations.

Revenue was harshly affected by the Spanish market and the Group implemented the restructuring measures necessary to adapt to the market collapse. Adjusted for Spain, which accounted for 13% of 2011 Construction revenue, organic growth stood at 3% and reflected:

- stable construction business in the US (16% of revenue);
- a healthy performance in France (50% of revenue) and Japan (8% of revenue);
- revenue growth in fast growing regions (more than 10% of revenue), primarily in the Middle East (Saudi Arabia), China and Latin America. In addition, the Group broke into the Indian market with the acquisition of Civil-Aid.

Adjusted operating profit in the Construction business rose by 2.5% to EUR 45.2 million.

In 2012, business should remain healthy in France, thanks to the healthy level of orders taken in 2011. In Spain, while the Group expects no recovery, the situation should start to stabilize towards the year-end. In addition, the Group is pursuing its expansion in Green Building and in fast growing zones such as China, the Middle East, Brazil, Turkey and Russia.

CERTIFICATION

(in millions of euros)	2011	2010	Change
Revenue	321.6	321.6	-
Adjusted operating profit	66.5	66.5	-
Adjusted operating margin	*20.7%*	*20.7%*	-

Revenue in the Certification business was stable at EUR 321.6 million, in view of:

- organic growth of 0.1%;
- a 0.5% increase in revenue prompted by the acquisitions of Oceanic (France) and Certitex (Italy);
- a 0.6% decline in revenue due to disadvantageous currency fluctuations.

In France, the halt to the GSAC civil aviation security contract has been effective since October 13, 2010. Adjusted for the loss of the GSAC contract, organic growth stood at 7.3% in 2011, underpinned by:

- further growth in new certification schemes related to climate change and sustainable development (JI/CDM, Biofuels, SA 8000, ISO 50001);
- bolstered presence in fast growing zones;

- the development of business with global clients aiming to entrust all of their certificates to a single certification body.

Adjusted operating profit in the Certification business was stable at EUR 66.5 million in 2011, as well as adjusted operating margin, which totaled 20.7%.

In 2012, growth should remain buoyant on the back of identified growth initiatives (organic food, food safety, timber supply chain, healthcare services etc.), fast sales of global contracts and the roll-out of new certification schemes concerning the environment and social responsibility.

COMMODITIES

(in millions of euros)	2011	2010	Change
Revenue	542.1	266.6	+103.3%
Adjusted operating profit	69.1	30.4	+127.3%
Adjusted operating margin	*12.7%*	*11.4%*	*+130bps*

Revenue in the Commodities business totaled EUR 542.1 million in 2011 compared with EUR 266.6 million in 2010. Growth of 103.3% in revenue stemmed from:

- organic growth of 10.1% *pro-forma* (including Inspectorate);
- a 93.2% increase in revenue prompted by the full-year consolidation of Inspectorate and ACT (South Africa).

Organic growth was robust in the Metals & Minerals segment (54% of revenue in the business in 2011), particularly in the upstream segment and despite the upheaval caused by industrial action at some clients in Australia and Chile.

Growth in Oil & Petrochemicals (37% of revenue) gained momentum in the second half, particularly thanks to the recovery in volumes traded in the US and the increase in Group's capacity in strategic locations (Singapore, Dubai, Amsterdam, New Orleans).

Growth in Agriculture (9% of revenue) was also robust. As of January 1, 2012, the Bureau Veritas agricultural products activities previously booked to the GSIT business are to be consolidated by the Commodities business.

Operating profit totaled EUR 69.1 million, up 127.3% relative to 2010, on the back of revenue growth and a 130 basis point widening in adjusted operating margin to 12.7%. This performance was driven by margin improvement in the Metals & Minerals segment, the roll-out of new laboratories and the synergies unlocked between Bureau Veritas and Inspectorate.

Growth prospects are significant, with further expansion in the Metals & Minerals platform in North America, Africa, Asia and Latin America, the development of adjacent services in Oil & Petrochemicals and further targeted acquisitions. As part of the BV2015 plan, the Group has established a program to improve operating margin, based on optimizing operating efficiency (lean management initiatives), new better performing laboratories, and improving the mix to favor laboratory testing activities, which carry higher valued-added than the inspection activities.

CONSUMER PRODUCTS

(in millions of euros)	2011	2010	Change
Revenue	379.4	382,3	(0.8)%
Adjusted operating profit	97.1	105.5	(8.0)%
Adjusted operating margin	*25.6%*	*27.6%*	*(200)bps*

Revenue in the Consumer Products business totaled EUR 379.4 million in 2011 vs. EUR 382.3 million in 2010. The 0.8% decline was due to:

- organic growth of 1.5%;
- a 0.5% increase in revenue prompted by the acquisition of NS Technology in China;
- a 2.8% decline in turnover caused by disadvantageous currency fluctuations.

Growth was limited by the decline in toys testing (38% of revenue in the business in 2011), following the loss of exclusive supplier status with a number of US retailers.

Other segments showed healthy revenue growth:

- tests on textiles (40% of revenue) showed strong growth, especially in new supply-chain zones including Bangladesh, India and North China, with market share gains for the Group;
- revenue in the electrical and electronics activities (22% of revenue) rose sharply on the back of network expansion in China.

As part of the Group's growth initiatives in food, two laboratories were acquired in India and Turkey.

Adjusted operating profit in the Consumer Products business fell by 8.0% due to the narrowing in adjusted operating margin from 27.6% in 2010 to 25.6% in 2011 following lower revenue from toys testing and disadvantageous mix effects, with the electrical and electronics segment showing a wider margin but still below that in the toys segment.

In 2012, the Group should restore healthy organic growth (modest in the first half and faster in the second half) with:

- the development of new integrated solutions for improving supply-chain safety at clients, such as the outsourcing contract awarded to the Group by US retail chain JC Penney;
- the strengthening of development teams in Asia, in order to improve market share with regional supply chain channels;
- further high growth in the electrical and electronics segment with development in new products (mobiles, automotive, electronic toys) and in the textiles segment.

GOVERNMENT SERVICES & INTERNATIONAL TRADE

(in millions of euros)	**2011**	**2010**	**Change**
Revenue	227.3	178.7	+27.2%
Adjusted operating profit	42.1	30.6	+37.6%
Adjusted operating margin	*18.5%*	*17.1%*	*+140bps*

Revenue in the Government Services & International Trade business totaled EUR 227.3 million in 2011 vs. EUR 178.7 million in 2010. The 27.2% increase was driven by:

- organic growth of 13.5%;
- changes in the scope of consolidation of 16.2% prompted by the acquisition of Auto Reg in Brazil;
- a negative impact of 2.5% from currency fluctuations.

The Government Services & International Trade business had an excellent performance in 2011, despite the political turmoil that affected countries in the Middle East and the Ivory Coast.

New contracts were won in verification of conformity of imported merchandise (Iraq) and the roll-out of a single window at the Cotonou Port in Benin. The Group successfully developed automotive inspection activities with the opening of vehicle inspection stations in Africa (Ghana and Senegal) and the acquisition of Auto Reg in Brazil, which opened up new outlets in vehicle damage inspections.

Adjusted operating profit in the business rose by 37.6% to EUR 42.1 million in view of higher volumes and productivity gains prompted by the rising momentum of the new centralized back office in India.

In 2012, the outlook remains bright for both revenue and margins in the business, with the development of new services (port single window, automotive) and the rising momentum of verification of conformity contracts won in Tanzania, Kenya, Indonesia and Kurdistan.

3.3. CASH FLOWS AND SOURCES OF FINANCING

3.3.1. CASH FLOWS

GROUP CASH FLOW FOR FINANCIAL YEARS 2011 AND 2010

(in millions of euros)	2011	2010
Profit before income tax	422.2	410.5
Elimination of cash flows from financing and investing activities	44.8	42.2
Provisions and other non-cash items	(4.9)	8.8
Depreciation, amortization and impairment	129.1	96.6
Movements in working capital attributable to operations	(39.2)	(23.9)
Income tax paid	(149.6)	(136.9)
Net cash generated from operating activities	**402.4**	**397.3**
Acquisitions of subsidiaries	(70.2)	(567.5)
Proceeds from sales of subsidiaries	0.5	8.8
Purchases of property, plant and equipment and intangible assets	(115.8)	(76.9)
Proceeds from sales of property, plant and equipment and intangible assets	2.7	1.6
Purchases of non-current financial assets	(8.8)	(17.8)
Proceeds from sales of non-current financial assets	6.4	4.6
Other	(0.3)	1.1
Net cash used in investing activities	**(185.5)**	**(646.1)**
Capital increase	29.5	1.6
Purchases/sales of treasury shares	(1.0)	1.4
Dividends paid	(131.2)	(91.3)
Increase in borrowings and other debt	515.3	727.2
Repayment of borrowings and other debt	(562.2)	(304.5)
Interest paid	(42.3)	(34.4)
Net cash generated from (used in) financing activities	**(191.9)**	**300.0**
Impact of currency translation differences	4.5	10.9
Net increase in cash and cash equivalents	**29.5**	**62.1**
Net cash and cash equivalents at beginning of year	201.4	139.3
Net cash and cash equivalents at end of year	**230.9**	**201.4**
O/w cash and cash equivalents	244.1	225.0
Of which bank overdrafts	(13.2)	(23.6)

NET CASH GENERATED FROM THE GROUP'S OPERATING ACTIVITIES

The cash flow before variation in working capital requirement (WCR) and tax paid amounted to EUR 591.2 million in 2011, which represents a 5.9% increase in relation to 2010 (EUR 558.1 million).

The change in WCR as of December 31, 2011 corresponds to the utilization of EUR 39.2 million, compared to the utilization of EUR 23.9 million in 2010. The working capital requirement totaled EUR 237.0 million on December 31, 2011, representing 7.1% of annual revenue. This ratio has increased by 1% compared to December 31, 2010 (6.1% of *pro-forma* revenue integrating the Inspectorate business over 12 months).

After the change in WCR and the increase in tax payments, net cash generated from operating activities in 2011 was EUR 402.4 million, a 1.3% increase against 2010.

(in millions of euros)	2011	2010
Net cash generated from operating activities	**402.4**	**397.3**
Purchases of property, plant and equipment and intangible assets	(115.8)	(76.9)
Proceeds from sales of property, plant and equipment and intangible assets	2.7	1.6
Interest paid	(42.3)	(34.4)
Levered free cash flow	**247.0**	**287.6**

Levered free cash flow (net cash flow available after tax, interest expenses and capital expenditure) totaled EUR 247.0 million in 2011, versus EUR 287.6 million in 2010, a 14.1% reduction.

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 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 net of proceeds (Net CAPEX) in property, plant and equipment and intangible assets in 2011 amounted to EUR 113.1 million, representing a 50.2% increase from the 2010 level (EUR 75.3 million). Therefore, the Group's CAPEX is as expected at 3.4% of its 2011 revenue, a marked increase against 2010 (2.6%), resulting from an increase in the weight of testing activities in the Group's portfolio and the accelerated expansion of the global platform of analysis laboratories for commodities.

Interest paid

The EUR 7.9 million increase in interest payments between the 2010 and 2011 financial years is attributable to the combined impact of:

- the increase in interest rates related to the unhedged proportion of gross financial debt, partially offset by the maturing of certain interest rate hedging instruments;
- the increase in the level of average gross debt between 2010 and 2011, following new financing arrangements taken out in the second half of 2010, 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 was 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 2011 and 2010 financial years can be presented as follows:

(in millions of euros)	2011	2010
Cost of acquisitions	(84.0)	(581.8)
Cash and cash equivalents of acquired companies	0.9	15.4
Acquisition costs outstanding at December 31	16.1	4.3
Purchase price paid in relation to prior-year acquisitions	(0.7)	1.2
Impact of acquisitions on cash and cash equivalents	**(67.7)**	**(563.3)**

The amount of EUR 70.2 million listed under the heading "Acquisition of subsidiaries" of the consolidated statement of cash flows table includes EUR 2.5 million in acquisition costs.

Acquisitions

In 2011 the Group acquired eleven companies and businesses for a total of EUR 67.7 million, compared to EUR 563.3 million in 2010. The main acquisitions relate to:

- Auto Reg, the Brazilian leader in inspection of automotive vehicles damages; and
- Civil-Aid, an Indian company specialized in compliance assessment services for public and industrial infrastructures.

A detailed description of acquisitions carried out during the 2011 financial year is given in Note 10 annexed to the 2011 consolidated financial statements, provided in paragraph 4.1 of this Registration Document.

Company disposals

Total disposals carried out in 2011 amounted to EUR 0.5 million (income from disposals only).

NET CASH GENERATED FROM FINANCING ACTIVITIES

Capital transactions (increases, reductions and share buybacks)

In 2011, the Company increased its capital by EUR 29.5 million following the exercising of stock options.

Dividends paid

In 2011, the Company paid out EUR 131.2 million in dividends, EUR 124.9 million of which was paid by Bureau Veritas SA to its shareholders for the 2010 financial year.

Financial debt

The amount of financial debt was reduced by EUR 46.9 million as of December 31, 2011 against December 31, 2010, with the cash generated by the Group allowing it to finance acquisitions and reduce its indebtedness.

Interest paid

This item corresponds to interest paid on all of the Group's loans. Interest mainly corresponds to interest due on USPP 2008, USPP 2010, USPP 2011 and SSD 2011 as they are payable each half or each year, depending on the loan.

3.3.2. FINANCING

SOURCES OF GROUP FINANCING

Excluding the use of its equity, the Group mainly finances itself through several loans.

As of December 31, 2011, the Group's gross debt was EUR 1,265.6 million and primarily includes the syndicated loan (EUR 434.5 million), the October 2007 Club Deal (EUR 150.0 million), the 2008 US Private Placement (EUR 281 million), the 2010 US Private Placement (EUR 184.1 million), the 2010 French Private Placement (EUR 50 million), the 2011 US Private Placement (EUR 77.3 million), a Schuldschein (EUR 54 million) and other bank debt (EUR 34.7 million), including bank overdrafts totaling EUR 13.2 million.

The Group's gross debt as of December 31, 2010 and December 31, 2011 was as follows:

(in millions of euros)	2011	2010
Bank borrowings due after 1 year	999.4	1,185.8
Bank borrowings due within 1 year	253.0	85.2
Bank overdrafts	13.2	23.6
Gross financial debt	**1,265.6**	**1,294.6**

The following table shows the cash and cash equivalents as of December 31, 2010 and December 31, 2011, as well as the Group's net debt on these two dates:

(in millions of euros)	2011	2010
Marketable securities	4.2	40.2
Cash at bank and on hand	239.9	184.8
Cash and cash equivalents	244.1	225.0
Gross financial debt	1,265.6	1,294.6
NET FINANCIAL DEBT	**1,021.5**	**1,069.6**

Adjusted net financial debt (net financial debt after currency hedging instruments as defined in the calculation of banking covenants) amounted to EUR 983.9 million as of December 31, 2011, compared to EUR 1,051.8 million as of December 31, 2010.

The Group's cash on hand is spread amongst over 500 entities located in more than 140 countries. In countries where setting up loans or financial current accounts is difficult or impossible (in particular, but not only, in China, Brazil, South Korea, India or Turkey), cash in hand increases from one financial year to the next upon payment of dividends or in the same financial year upon payment of amounts due under franchise agreements within the Group.

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 129.6 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 EUR 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, 2011, the key terms of the amounts drawn down under the 2006 Syndicated Loan are set forth in the table below:

Facility	Amounts drawn down *(in millions of euros)*	Currency	Amortization
A (amortizable)	95.1	USD	Half yearly
	5.0	EUR	
B (revolving)	84.0	EUR	On maturity
	20.4	GBP	
	230.0	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, 2011, all of these commitments 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, 2011 this ratio was 14.73; 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, 2011 this ratio was 1.60.

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 EUR 50 million, not likely to bring about non-compliance with the financial ratios described above).

As of December 31, 2011 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 ≤ L < 3.0	50
2.0 ≤ L < 2.5	40
1.5 ≤ 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 EUR 150 million and matures in October 2012. The terms of the 2007 Club Deal are 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 ≤ L < 3.0	57.5
2.0 ≤ L < 2.5	47.5
1.5 ≤ L < 2.0	40
L < 1.5	32.5

Main characteristics of the 2008 US Private Placement

On July 16, 2008, the Group introduced a private placement in the United States (2008 USPP) for EUR 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 EUR 127.6 million at the maturity date of July 2018 and EUR 120.8 million at the maturity date of July 2020, that is to say a total of EUR 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.

Main characteristics 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 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%).

As of December 31, 2011, the 2010 US Private Placement was fully drawn down in euros for a total of EUR 184.1 million.

Principal terms of the 2010 French Private Placement

In June 2010, the Group set up a bank line of credit with French institutional investors for a total of EUR 200 million, available for five years (maturing 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: EUR 100 million	Revolving	Amortization	150
Tranche B: EUR 50 million	Revolving	On maturity	150
Tranche C: EUR 50 million	Loan	On maturity	165

As of December 31, 2011, EUR 50 million was drawn down under the 2010 French Private Placement (Tranche C).

Principal terms of the 2011 US Private Placement

In October 2011 the Group set up an unconfirmed, multi-currency credit line of USD 200 million with an investor, available for three years.

The Group confirmed the use of part of the line for a total of USD 100 million. The terms and conditions of this US Private Placement ("USPP 2011") are similar to those for the 2010 Private Placement, with the exception of the term (ten years, maturing in October 2021), the drawdown currency (US dollars) and the interest rate (fixed rate of 4.45%).

As of December 31, 2011, the 2011 US Private Placement was 50% drawn down in US dollars for a total of USD 100 million.

Main characteristics of the Schuldschein SSD 2011

In December 2011, the Group introduced a Schuldschein private placement on the German market for EUR 54 million, repayable on maturity. The terms of the Schuldschein are similar to those of the Club Deal and the Syndicated Loan, except for the Leverage Ratio which must remain below 3.25. The margins of the SSD 2011 vary depending on the duration of the loans according to the following table:

	Duration	**Rate**	**Margin** *(in basis points)*
EUR 5 million	3.5 years	variable	Euribor 6M +165
EUR 35 million	5 years	Variable	Euribor 6M +200
EUR 14 million	5 years	fixed	3.89%

In addition, interest on the fixed portion is payable annually.

Other payables

Other payables include mainly 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 EUR 3.4 million as of December 31, 2011.

Commitments given

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)	**2011**	**2010**
Operating lease commitments	254.2	237.9
Guarantees and pledges	198.4	119.4

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 annexed to the 2011 consolidated financial statements, provided in paragraph 4.1 of this Registration Document.

Guarantees and pledges

Guarantees and pledges granted during 2011 and 2010 are summarized below:

(in millions of euros)	**2011**	**2010**
Due within 1 year	61.0	45,8
Due between 1 and 5 years	130.0	65.7
Beyond 5 years	7.4	7.9
TOTAL	**198.4**	**119,4**

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 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 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, 2011, the Group believed that the risk of payout under the guarantees described above was low. Accordingly, no provisions were recorded.

On December 31, 2011, the guarantees and pledges granted were as follows:

(in millions of euros)	2011	2010
Bank guarantees	106.9	87.4
Parent company guarantees	91.5	32.0
TOTAL	**198.4**	**119.4**

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 provided by:

- available cash flow after taxes, financial charges and dividends;
- its cash and cash equivalents;
- the 2006 Syndicated Loan. As of December 31, 2011, EUR 215.6 million from this 2006 Syndicated Loan was available;
- the 2010 French Private Placement. As of December 31, 2011, EUR 150 million was available; and
- the US Private Placement 2011. As of December 31, 2011, USD 100 million was available, it being noted that the use of this amount is subject to the investor's prior authorization.

ONGOING AND PLANNED INVESTMENTS

Main ongoing CAPEX

At the end of December 2011, the Consumer Products business had ongoing CAPEX of EUR 2.5 million. This ongoing CAPEX relates mainly to laboratories in China and a testing project relating to mobile telephony.

For Spain, total ongoing CAPEX at the end of December 2011 amounted to EUR 1.3 million and relates to the purchase of equipment for geotechnical analyses.

Principal anticipated investments

The 2012 CAPEX budget amounts to EUR 133 million, a 15% increase compared to 2011 expenditures.

3.4. EVENTS AFTER THE END OF THE REPORTING PERIOD

Since January 1, 2012, the Group has made the following main acquisitions:

- Pockrandt GmbH, a German company providing in non-destructive testing services to major power plant contractors and operators with revenues of around EUR 4 million in 2011;
- AcmeLabs, the number three player in Canada in upstream minerals testing (exploration, production). The company operates 29 testing and sample preparation laboratories in 12 countries, mainly in North America and South America, and employs 978 people. Its revenues for the financial year ending March 31, 2012 are estimated at approximately EUR 55 million;
- 70% of the capital of Beijing HuaXia Supervision Co. ("HuaXia"), a private Chinese company specializing in the technical control and construction supervision of petrochemical plants, electrical power plants, buildings and municipal projects. In 2011, the company had 350 employees and generated revenues on the order of EUR 11 million; and
- TH Hill, a worldwide leader in oil & gas drilling systems failure prevention and analysis services. The transaction is expected to be completed in April, upon clearance by the relevant authorities. TH Hill operates in more than 50 countries and has offices in Canada and Brazil. It has over 250 employees and reported revenue of around EUR 36 million (US$47 million) in 2011.

3.5. SIGNIFICANT CHANGES IN FINANCIAL AND COMMERCIAL CONDITIONS

As far as the Company is aware, no other significant change occurred between the end of the year ended December 31, 2011 and the date of this Registration Document.

3.6. 2012 OUTLOOK

In 2012, without further deterioration to current economic forecast, the Group should deliver strong growth in revenues (in both organic terms and via acquisitions) and adjusted operating profit, in line with the targets set out in the BV2015 strategic plan.

04

Consolidated financial statements

4.1. IFRS CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2011

CONSOLIDATED INCOME STATEMENT

(in millions of euros, except per share data)	Notes	2011	2010
Revenue	**5**	**3,358.6**	**2,929.7**
Purchases and external charges	6	(995.5)	(843.4)
Personnel costs	6	(1,709.4)	(1,479.4)
Taxes other than on income		(71.1)	(60.8)
Net (additions to)/reversals of provisions	6	8.4	2.1
Depreciation and amortization	11/12	(112.9)	(89.1)
Other operating income and expense, net	6	2.2	(2.8)
Operating profit		**480.3**	**456.3**
Income from cash and cash equivalents		2.0	1.9
Finance costs, gross		(43.7)	(38.4)
Finance costs, net		**(41.7)**	**(36.5)**
Other financial income and expense, net	7	(16.7)	(9.2)
Net financial expense		**(58.4)**	**(45.7)**
Share of profit (losses) of associates	13	0.3	(0.1)
Profit before income tax		**422.2**	**410.5**
Income tax expense	8	(116.9)	(112.9)
Net profit from continuing operations		**305.3**	**297.6**
Net profit from discontinued operations and operations held for sale		**-**	**-**
Net profit for the year		**305.3**	**297.6**
Attributable to:			
owners of the Company		*297.6*	*290.4*
non-controlling interests		*7.7*	*7.2*
Basic earnings per share *(in euros)*	**27**	**2.72**	**2.68**
Diluted earnings per share *(in euros)*	**27**	**2.67**	**2.63**

The notes on pages 129 to 182 are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in millions of euros)	Notes	2011	2010
Net profit for the year		**305.3**	**297.6**
Other comprehensive income			
Currency translation differences[(a)]		14.2	70.8
Actuarial gains/(losses)[(b)]		2.2	(10.3)
Cash flow hedges[(c)]		(1.5)	73.5
Available-for-sale financial assets		-	-
Tax effect on other comprehensive income[(d)]	**8**	**(5.0)**	**(1.1)**
Total other comprehensive income, after tax		**9.9**	**132.9**
Total comprehensive income		**315.2**	**430.5**
Attributable to:			
owners of the Company		308.3	423.0
non-controlling interests		6.9	7.5

(a) Currency translation differences: this item includes exchange differences on net investments in foreign operations (see consolidated statement of changes in equity).

(b) Actuarial gains and losses: the Group chose to recognize actuarial gains and losses arising on the measurement of long-term employee benefits in equity. These actuarial differences reflect the impact of changes in valuation assumptions (discount rate, salary inflation rate, rate of increase in pensions and expected return on plan assets) regarding the Group's obligations in respect of defined benefit plans.

(c) The change in cash flow hedges results from changes in the fair value of derivative financial instruments eligible for hedge accounting (see Note 17 – Derivative financial instruments).

(d) The tax effect is detailed in Note 8 – Income tax expense.

The notes on pages 129 to 182 are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in millions of euros)	Notes	Dec. 2011	Dec. 2010
Goodwill	9	1,378.3	1,329.3
Intangible assets	11	333.0	330.4
Property, plant and equipment	12	319.6	281.1
Investments in associates	13	0.7	0.5
Deferred income tax assets	14	91.9	74.2
Investments in non-consolidated companies	15	0.7	0.7
Derivative financial instruments	17	46.5	31.9
Other non-current financial assets	16	45.1	41.6
Total non-current assets		**2,215.8**	**2,089.7**
Trade and other receivables	18	974.4	929.7
Current income tax assets		36.3	21.3
Current financial assets	16	6.9	6.9
Derivative financial instruments	17	0.1	-
Cash and cash equivalents	19	244.1	225.0
Total current assets		**1,261.8**	**1,182.9**
Assets held for sale			-
TOTAL ASSETS		**3,477.6**	**3,272.6**
Share capital	20	13.3	13.1
Retained earnings and other reserves		1,052.1	831.3
Equity attributable to owners of the Company		**1,065.4**	**844.4**
Non-controlling interests		18.8	15.5
Total equity		**1,084.2**	**859.9**
Bank borrowings	22	999.4	1,185.8
Derivative financial instruments	17	19.6	20.1
Other non-current financial liabilities	22	2.6	0.2
Deferred income tax liabilities	14	66.3	59.9
Pension plans and other long-term employee benefits	23	104.8	102.7
Provisions for other liabilities and charges	24	81.1	101.1
Total non-current liabilities		**1,273.8**	**1,469.8**
Trade and other payables	25	737.3	736.7
Current income tax liabilities		84.8	81.4
Bank borrowings	22	266.2	108.8
Derivative financial instruments	17	4.8	3.1
Other current financial liabilities	22	26.5	12.9
Total current liabilities		**1,119.6**	**942.9**
Liabilities held for sale		-	-
TOTAL EQUITY AND LIABILITIES		**3,477.6**	**3,272.6**

The notes on pages 129 to 182 are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in millions of euros)	Share capital	Share premium	Currency translation reserves	Other reserves	Total equity	Attributable to owners of the Company	Attributable to non-controlling interests
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[(a)]	-	-	-	(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**
Capital reduction	-	-	-	-	-	-	-
Exercise of stock options	0.2	29.4	-	-	29.6	29.6	-
Fair value of stock options	-	-	-	12.6	12.6	12.6	-
Dividends paid[(a)]	-	-	-	(131.0)	(131.0)	(124.9)	(6.1)
Treasury share transactions	-	-	-	(1.0)	(1.0)	(1.0)	-
Acquisition of non-controlling interests	-	-	-	-	-	0.5	(0.5)
Additions to the scope of consolidation	-	-	-	(0.2)	(0.2)	(3.4)	3.2
Other movements[(b)]	-	(0.2)	63.4	(64.1)	(0.9)	(0.7)	(0.2)
Total transactions with owners	**0.2**	**29.2**	**63.4**	**(183.7)**	**(90.9)**	**(87.3)**	**(3.6)**
Total comprehensive income	**-**	**-**	**14.2**	**301.0**	**315.2**	**308.3**	**6.9**
DECEMBER 31, 2011	**13.3**	**147.0**	**103.9**	**820.0**	**1,084.2**	**1,065.4**	**18.8**

(a) On June 14, 2011, the parent company paid out dividends to eligible shareholders in respect of the 2010 financial year. The dividend payout totaled EUR 124.9 million, corresponding to a dividend per share of EUR 1.15 (2010: EUR 0.84).

(b) Exchange differences arising on net investments in foreign operations were reclassified during the year from "Other reserves" to "Currency translation reserves" within comprehensive income. The impact on comprehensive income for 2011 was EUR 13.1 million. The reclassification of the opening balance at January 1, 2011 concerned an amount of EUR 63.4 million (recorded in other movements).

The notes on pages 129 to 182 are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(in millions of euros)	Notes	2011	2010
Profit before income tax		422.2	410.5
Elimination of cash flows from financing and investing activities		44.8	42.2
Provisions and other non-cash items		(4.9)	8.8
Depreciation, amortization and impairment		129.1	96.6
Movements in working capital attributable to operations	26	(39.2)	(23.9)
Income tax paid		(149.6)	(136.9)
Net cash generated from operating activities		**402.4**	**397.3**
Acquisitions of subsidiaries	10	(70.2)	(567.5)
Proceeds from sales of subsidiaries	10	0.5	8.8
Purchases of property, plant and equipment and intangible assets		(115.8)	(76.9)
Proceeds from sales of property, plant and equipment and intangible assets		2.7	1.6
Purchases of non-current financial assets		(8.8)	(17.8)
Proceeds from sales of non-current financial assets		6.4	4.6
Other		(0.3)	1.1
Net cash used in investing activities		**(185.5)**	**(646.1)**
Capital increase	20	29.5	1.6
Purchases/sales of treasury shares		(1.0)	1.4
Dividends paid		(131.2)	(91.3)
Increase in borrowings and other debt		515.3	727.2
Repayment of borrowings and other debt		(562.2)	(304.5)
Interest paid		(42.3)	(34.4)
Net cash generated from (used in) financing activities		**(191.9)**	**300.0**
Impact of currency translation differences		4.5	10.9
Net increase in cash and cash equivalents		**29.5**	**62.1**
Net cash and cash equivalents at beginning of year		201.4	139.3
Net cash and cash equivalents at end of year		**230.9**	**201.4**
Of which cash and cash equivalents	19	244.1	225.0
Of which bank overdrafts	22	(13.2)	(23.6)

The notes on pages 129 to 182 are an integral part of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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, 2011, Wendel held 50.9% of the capital of Bureau Veritas and 66.1% of its voting rights.

These consolidated financial statements were adopted on February 22, 2012 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, 2011 and December 31, 2010 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, 2011, the Group applies the following new and/or amended standards and interpretations:

- *Amendment to IFRS 3, Business Combinations (effective for accounting periods beginning on or after July 1, 2010).*

  This amendment concerns mainly contingent consideration in business combinations carried out before the effective date of IFRS 3 revised, which is now recognized in the cost of the combination (with an offsetting entry to goodwill) rather than in profit or loss.

  The Group has applied this amendment since July 1, 2010.

- *Amendment to IAS 1, Presentation of Financial Statements (effective for accounting periods beginning on or after January 1, 2011).*

  This amendment concerns the disclosures required in respect of other comprehensive income and has no impact on the 2011 consolidated financial statements.

- *Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates; IAS 28, Investments in Associates; and IAS 31, Interests in Joint Ventures (effective for accounting periods beginning on or after July 1, 2010).*

  These amendments concern reductions in ownership interests and have no impact on the 2011 consolidated financial statements.

- *Amendment to IFRS 7, Financial Instruments: Disclosures (effective for accounting periods beginning on or after January 1, 2011).*

  This amendment providing clearer guidance on required disclosures has no impact on the 2011 consolidated financial statements.

- *IAS 24R, Related Party Disclosures (effective from January 1, 2011).*

  The revised IAS 24 providing clearer guidance on required disclosures has no impact on the 2011 consolidated financial statements.

The following new and/or amended standards and interpretations - effective for accounting periods beginning on or after January 1, 2011 – are not relevant to the Group's operations:

- IFRS 1 (amendment), First-time Adoption of International Financial Reporting Standards (effective from July 1, 2010 and January 1, 2011);
- IAS 32 (amendment), Classification of Rights Issues (effective from February 1, 2010);
- IFRS 7, Disclosures – Transfers of Financial Assets (effective from July 1, 2011);
- IFRIC 13 (amendment), Customer Loyalty Programs (effective from January 1, 2011);
- IFRIC 14 (amendment), Prepayments 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 acquisition 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. Costs directly attributable to the acquisition are expensed in the year in which they are incurred.

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 with 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

Reportable segments are defined in accordance with IFRS 8. 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 2010 or 2011.

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 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 CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. In view of the global management approach used, the Group allocates goodwill to each business segment in which it operates, apart from In-Service Inspection & Verification where goodwill is managed on a country-by-country basis (see Note 9 – Goodwill).

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, 2011:

Customer relationships	5 to 20 years
Brands	5 to 15 years
Concessions	7 years
Non-competition agreements	2 to 3 years

Software

Costs incurred in respect of acquired computer software and software development are capitalized on the basis of the costs incurred to acquire, develop 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 one 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 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 of 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 or groups of 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 for the CGU;
- where the CGU's performance proves significantly worse than expected;
- where significant changes with an adverse effect on the CGU 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 the carrying amount of a CGU or group of CGUs exceeds its recoverable amount. The recoverable amount of a CGU or group of CGUs 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 the end of each annual or interim reporting period to determine whether the impairment should be reversed. If the value in use of a CGU or group of CGUs 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 intangible assets 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 CVAE tax (*Cotisation sur la valeur ajoutée des entreprises*) has been shown in income tax expense since January 1, 2010.

2.12 INVESTMENTS IN NON-CONSOLIDATED COMPANIES

This caption includes investments in companies over which the Group does not exercise control or significant influence.

On 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 profit 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 and other 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 "Share-based payments".

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 awards. 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 financial statements.

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. Currency swaps may also be taken out to hedge subsidiaries' cash surpluses and requirements in other currencies.

Additional analyses and disclosures regarding currency risk are provided in Note 30 – Additional financial instrument disclosures.

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.

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 EUR 8,400. The Group's revenue is not dependent on major customers. In 2011, the Group's largest customer accounted for less than 2.3% of its consolidated revenue. The Group's ten largest customers represent less than 7% of consolidated revenue.

However, some Group businesses such as Consumer Products, Government Services & International Trade, and the Industry business, derive a large proportion of their revenue from a small number of customers. For example in 2011, the biggest customer of the Consumer Products division and the Government Services & International Trade business accounted for 4.6% and 10.2% respectively of that business's revenue. The loss of these major customers could have a material adverse impact on the activity, financial position, results or outlook of the business 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 "Trade and other receivables".

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 EUR 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 EUR 550 million maturing in 2012 and 2013. At December 31, 2011, EUR 334.4 million had been drawn down from this facility, leaving an available balance of EUR 215.6 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 (EUR 184.1 million) was drawn down in 2010. Repayment is due in July 2019.

In June 2010, the Group set up a bank line of credit with French institutional investors for a total of EUR 200 million. This facility is for a term of five years and falls due in June 2015. At December 31, 2011, a total of EUR 50 million had been drawn down under this "French PP" facility, leaving an available amount of EUR 150.0 million. This facility provides the Group with the flexibility needed to fund its acquisitions policy.

In October 2011, the Group set up a master agreement with a US investor concerning a multi-currency facility for USD 200 million able to be drawn down at any time over a period of three years. In 2011, the Group drew down USD 100 million of this line. This "USPP 2011" facility falls due in October 2021. Pending prior approval from the investor, a total of USD 100 million was available under the facility at December 31, 2011.

In December 2011, the Group carried out a private placement of Schuldschein notes on the German market for EUR 54 million, of which EUR 5 million mature in June 2015 and EUR 49 million in December 2016.

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-2011, Bureau Veritas respected all of its financial commitments. Accordingly, the Group considers that it is not exposed to any liquidity risk.

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 mainly 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 EUR 244.1 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 "Provisions for other liabilities and charges".

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 "Impairment of non-financial assets". 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 "Goodwill".

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 carryforwards 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	
	2011	2010	2011	2010
Marine	318.7	313.5	93.8	90.5
Industry	715.1	608.1	75.7	64.0
In-Service Inspection & Verification	440.5	431.1	42.1	48.3
Construction	413.9	427.8	21.3	39.0
Certification	321.6	321.6	62.7	65.4
Commodities	542.1	266.6	48.8	15.2
Consumer Products	379.4	382.3	95.4	103.5
Government Services & International Trade	227.3	178.7	40.5	30.4
Total	**3,358.6**	**2,929.7**	**480.3**	**456.3**

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 segment was created on January 1, 2011. This segment chiefly includes Inspectorate, which had previously been a separate segment, and the Mining & Minerals activity previously classified within the Industry segment. It also includes oil inspection contracts recorded in 2010 in the Government Services & International Trade segment.

To provide a meaningful comparison, data for 2010 have been adjusted to reflect this new presentation.

At December 31, 2011, only the Government Services & International Trade segment had a customer representing more than 10% of its revenue (see Note 3.C – Credit risk).

Note 6 OPERATING INCOME AND EXPENSE

	2011	2010
Supplies	(50.5)	(35.0)
Subcontracting	(230.7)	(196.5)
Lease payments	(115.8)	(104.9)
Transport and travel costs	(303.3)	(261.4)
Service costs rebilled to clients	47.8	45.2
Other external services	(343.0)	(290.8)
Total purchases and external charges	**(995.5)**	**(843.4)**
Salaries and bonuses	(1,331.5)	(1,158.6)
Payroll taxes	(319.8)	(270.3)
Other employee-related expenses	(58.1)	(50.5)
Total personnel costs	**(1,709.4)**	**(1,479.4)**
Provisions for receivables	(16.0)	(13.4)
Provisions for other liabilities and charges	24.4	15.5
Total (additions to)/reversals of provisions	**8.4**	**2.1**
Gains/(losses) on disposals of property, plant and equipment and intangible assets	(3.1)	(2.7)
Goodwill impairment	(16.1)	(1.8)
Other operating income and expense	21.4	1.7
TOTAL OTHER OPERATING INCOME AND EXPENSE, NET	**2.2**	**(2.8)**

In 2011, "Other operating income and expense" included EUR 6.5 million in indemnities collected on the late implementation of a contract, and EUR 4.1 million in insurance indemnities received as compensation for a claim.

The research tax credit collected in 2011 amounted to EUR 2.5 million (EUR 2.9 million in 2010).

Note 7 OTHER FINANCIAL INCOME AND EXPENSE

	2011	2010
Expected return on funded pension plan assets	2.2	1.4
Foreign exchange gains/(losses)	-	2.3
Other financial income	**2.2**	**3.7**
Interest cost on pension plans	(6.6)	(6.5)
Foreign exchange gains/(losses)	(8.0)	-
Other	(4.3)	(6.4)
Other financial expense	**(18.9)**	**(12.9)**
OTHER FINANCIAL INCOME AND EXPENSE, NET	**(16.7)**	**(9.2)**

Note 8 INCOME TAX EXPENSE

	2011	2010
Current income tax	(144.3)	(138.3)
Deferred income tax	27.4	25.4
Total	**(116.9)**	**(112.9)**

The Company was subject to a tax audit for the 2005 through 2009 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:

	2011	2010
Profit before income tax	422.2	410.5
French parent company tax rate	36.1%	34.4%
Theoretical income tax charge based on the parent company tax rate	(152.4)	(141.3)
Income tax impact of transactions subject to a reduced tax rate	1.7	2.6
Differences in foreign tax rates	37.2	26.5
Impact of unrecognized tax losses	(1.6)	(0.7)
Utilization of previously unrecognized tax losses	0.9	1.4
Permanent differences	5.7	5.4
Changes in estimates	1.8	5.4
CVAE tax	(10.1)	(9.8)
Other	(0.1)	(2.4)
Actual income tax expense	**(116.9)**	**(112.9)**
EFFECTIVE INCOME TAX RATE	**27.7%**	**27.5%**

The breakdown of the tax effect on other comprehensive income is as follows:

	2011			2010		
	Before tax	**Tax**	**After tax**	**Before tax**	**Tax**	**After tax**
Currency translation differences	14.2		14.2	70.8		70.8
Actuarial gains/(losses)	2.2	(1.0)	1.2	(10.3)	3.0	(7.3)
Cash flow hedges	(1.5)	(4.0)	(5.5)	73.5	(4.1)	69.4
Total other comprehensive income	**14.9**	**(5.0)**	**9.9**	**134.0**	**(1.1)**	**132.9**

Note 9 GOODWILL

CHANGES IN GOODWILL IN 2011

	Dec. 2011	Dec. 2010
Gross value	1,345.7	848.7
Accumulated impairment	(16.4)	(16.5)
Net goodwill at January 1	**1,329.3**	**832.2**
Acquisitions of consolidated businesses	57.9	417.0
Disposals of consolidated businesses	(0.2)	(2.6)
Impairment for the period	(16.1)	(1.8)
Exchange differences and other movements	7.4	84.5
Net goodwill at December 31	**1,378.3**	**1,329.3**
Gross value	1,410.9	1,345.7
Accumulated impairment	(32.6)	(16.4)
Net goodwill at December 31	**1,378.3**	**1,329.3**

ALLOCATION OF GOODWILL TO CGUS IN 2011

Goodwill allocated to the Group's main cash-generating units (CGUs) at December 31, 2011 can be analyzed as follows:

	Dec. 2011	Dec. 2010
Industry	139.9	135.3
In-Service Inspection & Verification	129.2	127.0
Construction	138.4	139.3
Certification	35.6	29.5
Total Industry & Facilities	**443.1**	**431.1**
GSIT	32.6	2.7
Consumer Products	206.2	201.7
Commodities	696.4	693.8
TOTAL	**1,378.3**	**1,329.3**

A country-by-country analysis of goodwill for the main CGUs of the In-Service Inspection & Verification (IVS) business is as follows:

	In-Service Inspection & Verification	
	Dec. 2011	Dec. 2010
United States	36.0	34.9
Spain	40.9	40.9
United Kingdom	28.4	27.6
Other countries	23.9	23.6
Total	**129.2**	**127.0**

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) or to groups of CGUs for impairment testing purposes:

- for the Industry & Facilities division, up to 2010 a CGU corresponded to a separate business line for each country where a material amount of goodwill was recognized;
- certain businesses were reorganized in 2010 and 2011 within the scope of the in-house "BV One Company" program. The resulting new organization was taken into account in the goodwill impairment tests, and the components of each CGU were analyzed along with the CGU goodwill allocation. The reorganization also led to a more in-depth operational review of business lines as a whole, better management of international key accounts, and a more seamless integration of businesses acquired within the scope of the Group's existing activities (which previously had more decision-making powers at local level). As a result, the Group adjusted its management of goodwill and redefined its CGUs to reflect the economic and operational substance of its business lines. Three groups of CGUs were created: Construction, Industry and Certification. Goodwill was then allocated to these groups of CGUs generating cash flows and synergies that are largely independent of those generated by other CGUs or groups of CGUs. Since the In-Service Inspection & Verification business continues to be managed locally despite a number of regional initiatives (particularly in Europe), the current country-by-country organization of its CGUs has been maintained for the present time. Further analyses will be carried out in the next few years to reflect changes in the business in terms of the level of management and impairment tests of IVS goodwill;
- as from January 1, 2011 and the creation of the "Commodities" segment including mainly the Inspectorate business (presented differently at December 31, 2010) and the Mining & Minerals businesses (shown in the "Industry" segment in 2010), the future synergies expected to be derived from the new-look organization prompted the Group to define a Commodities CGU in line with the scope of the Commodities segment (see Note 5 - Segment reporting). Goodwill allocated to the CGUs resulting from the Inspectorate and Mining & Minerals businesses up to December 31, 2010 were therefore reclassified to the Commodities CGU with effect from January 1, 2011;
- data for 2010 are presented based on the 2010 definition, with separate CGUs for each country for which a material amount of goodwill had been identified. The total for Construction, Industry and Certification represents the CGUs defined as of 2011. For the Mining & Minerals businesses, the data were restated in line with the new goodwill allocation to the Commodities CGU in order to enable a meaningful comparison;
- for Consumer Products, the CGU covers the entire worldwide division, since the activities carried on by the entities in this division are interdependent;
- for Government Services & International Trade, the CGU in 2011 corresponds to Brazil, since a material amount of goodwill was allocated to the country as a result of the Autoreg acquisition (in the process of consolidation). Further analyses will be carried out in the next few years to reflect changes in expected synergies associated with the Government Services & Industrial Trade business for the purpose of goodwill impairment testing.

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 or group of CGUs, 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 inflation rate of the CGU or group of CGUs. The perpetual growth rate used for the Group's main regions is 2.0% in Europe and the United States;
- **discount rate:** value in use is based on estimated surplus 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 or groups of CGUs are present.

RESULTS OF 2011 IMPAIRMENT TESTS

The growth outlook remains largely stable for the Group as a whole, except for Construction in Spain, where the persistent contraction in the market prompted a downward revision of business prospects.

For the 2011 impairment tests, a specific analysis was carried out regarding estimated future cash flows for the Construction business in Spain and the US to ensure a meaningful comparison with the risks identified at end-December 2010 and end-June 2011 based on the CGUs defined at those dates. No specific impairment test was performed on the Mining & Minerals segment in Australia at end-December 2011, since the end-June 2011 test did not raise any risk of a loss in value due to the ongoing recovery of this business within the Commodities CGU. The discount rates used at December 31, 2011 were 8% for groups of CGUs and Europe, and 7.8% for the US (end-2010: 7% in Europe and 8% in the US). Country risk was taken into account to determine value in use for Spain.

Value in use for the Construction business in the US was USD 155.2 million, compared to a carrying amount of USD 137.1 million.

Value in use for the Construction business in Spain was USD 29.0 million, compared to a carrying amount of USD 45.1 million.

An impairment loss of EUR 16.1 million was therefore recognized in 2011 against the Spanish Construction business, reflecting:

- the contraction of the Spanish infrastructure market since 2010;
- the restructuring measures launched in 2011 to scale back production capacity in this business.

In 2010, impairment losses concerned:

- a EUR 0.5 million write-down of goodwill relating to a highly specialized business in the UK due to the loss of a number of clients;
- a EUR 1.3 million write-down of goodwill recognized in Denmark due to a structural change in volumes on the market concerned.

The table below presents a sensitivity analysis of the provision for impairment and the rates which would result in the recoverable amount exceeding the carrying amount:

Country	Business	Discount rate		Growth rate		Margin	
		Rate used	Value in use > carrying amount if rate below	Rate used	Value in use > carrying amount if rate above	Average rate used	Value in use > carrying amount if rate above
Spain	Construction	8.00%	5.98%	2.00%	4.33%	6.00%	9.20%

The table below presents a sensitivity analysis and the discount rates which would result in the recoverable amount falling below the carrying amount:

Country	Business	Discount rate		Growth rate		Margin	
		Rate used	Value in use < carrying amount if rate below	Rate used	Value in use < carrying amount if rate above	Average rate used	Value in use < carrying amount if rate above
US	Construction	7.80%	8.52%	2.00%	1.08%	12.60%	11.13%

Note 10 ACQUISITIONS AND DISPOSALS

ACQUISITIONS DURING THE YEAR

The table below provides details of acquisitions in 2011.

ACQUISITIONS OF 100% INTERESTS

Month	Company	Business	Country
January	Autoreg-Autovis	Government Services & International Trade	Brazil
February	Atomic Technologies	Industry	Singapore
March	Scientige	Industry	Malaysia
July	Oceanic Développement	Certification	France
August	Civil Aid	Construction	India
October	Medi-Qual	In-Service Inspection & Verification	France
October	Sargam	Consumer Products	India
November	Fidelio	Construction	Italy
December	Falcon	Industry	Japan
December	Kontrollab	Consumer Products	Turkey

OTHER ACQUISITIONS

Month	Company	% acquired	Business	Country
August	Toplis	80%	CTD	Philippines

The purchase price for companies acquired in 2011 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 2011:

	Dec. 2011		Dec. 2010	
Total purchase price	**84.0**		**581.8**	
Assets and liabilities acquired/assumed	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Non-current assets	11.5	35.6	65.9	228.8
Current assets (excluding cash and cash equivalents)	5.5	5.5	79.2	79.2
Current liabilities (excluding borrowings)	(7.0)	(7.0)	(74.0)	(74.0)
Non-current liabilities (excluding borrowings)	0.0	(7.8)	(30.7)	(78.7)
Borrowings	(1.1)	(1.1)	-	0.0
Non-controlling interests acquired	(0.1)	(0.1)	(6.0)	(6.0)
Cash and cash equivalents of acquired companies	0.9	0.9	15.4	15.4
Total assets and liabilities acquired/assumed	**9.7**	**26.1**	**49.9**	**164.8**
GOODWILL		**57.9**		**417.0**

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 2011, the Group did not adjust the 2010 comparative data 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 were paid exclusively in cash.

The impact of these acquisitions on cash and cash equivalents for the period was as follows:

	2011	2010
Cost of acquisitions	**(84.0)**	**(581.8)**
Cash and cash equivalents of acquired companies	0.9	15.4
Purchase price outstanding at December 31 in respect of acquisitions during the year	16.1	4.3
Purchase price paid in relation to prior-year acquisitions	(0.7)	(1.2)
IMPACT OF ACQUISITIONS ON CASH AND CASH EQUIVALENTS	**(67.7)**	**(563.3)**

The amount of EUR 70.2 million shown on the "Acquisitions of subsidiaries" line of the consolidated statement of cash flows includes EUR 2.5 million in acquisition-related fees.

COMPARATIVE DATA

In 2011, Bureau Veritas acquired companies with aggregate annual revenue of around EUR 51.5 million for 2011 and operating profit before amortization of intangible assets resulting from the business combinations of around EUR 14.5 million.

In 2010, Bureau Veritas acquired companies and groups with aggregate annual revenue of around EUR 350.9 million and operating profit before amortization of intangible assets resulting from the business combinations of around EUR 37.3 million.

The table below shows the Group's key financial indicators including major acquisitions (e.g., Autoreg-Autovis and Scientige in 2011) as if they had been included in the consolidated financial statements at January 1, 2011. Operating profit includes 12-month amortization charged against intangible assets resulting from business combinations.

The main acquisitions carried out in 2011 do not have a material impact on comparative indicators in the consolidated statement of cash flows.

	2011	2010
Revenue		
As per financial statements	3,358.6	2,929.7
Comparable	3,365.6	3,157.6
Operating profit		
As per financial statements	480.3	456.3
Comparable	481.9	471.7
Net profit for the year		
As per financial statements	305.3	297.6
Comparable	306.4	309.7

DISPOSALS DURING THE YEAR

In 2011, the Group received an earn-out payment relating to the disposal of a non-core US operational business in 2009. The earn-out payment resulted in income of EUR 0.5 million recorded in the income statement.

Note 11 INTANGIBLE ASSETS

	Dec. 2010	Acquisitions/ Additions to provisions	Disposals/ Reversals of provisions	Changes in scope of consolidation	Exchange differences and other movements	Dec. 2011
Software	61.5	12.4	(0.2)	0.4	(1.2)	72.9
Customer relationships	336.7	-	-	24.7	12.0	373.4
Brands	52.7	-	(0.2)	-	1.3	53.8
Gross value	**450.9**	**12.4**	**(0.4)**	**25.1**	**12.1**	**500.1**
Software	(37.4)	(7.5)	0.2	(0.1)	1.3	(43.5)
Customer relationships	(79.4)	(33.0)	-	-	4.2	(108.2)
Brands	(3.7)	(3.5)	0.2	-	(8.4)	(15.4)
Accumulated amortization and impairment	**(120.5)**	**(44.0)**	**0.4**	**(0.1)**	**(2.9)**	**(167.1)**
Software	24.1	4.9	-	0.3	0.1	29.4
Customer relationships	257.3	(33.0)	-	24.7	16.2	265.2
Brands	49.0	(3.5)	-	-	(7.1)	38.4
Intangible assets, net	**330.4**	**(31.6)**	**-**	**25.0**	**9.2**	**333.0**

	Dec. 2009	Acquisitions/ Additions to provisions	Disposals/ Reversals of provisions	Changes in scope of consolidation	Exchange differences and other movements	Dec. 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**

In 2011, an amount of EUR 8.6 million was recorded within “Customer relationships” following the allocation of assets belonging to entities acquired in 2010. The amount recorded within “Customer relationships” in 2010 in respect of acquisitions in 2009 was not material.

Amortization charged against intangible assets in 2011 totaled EUR 44.0 million (EUR 32.1 million in 2010).

Note 12 PROPERTY, PLANT AND EQUIPMENT

	Dec. 2010	Acquisitions/ Additions to provisions	Disposals/ Reversals of provisions	Changes in scope of consolidation	Exchange differences and other movements	Dec. 2011
Land	2.5	-	(0.1)	0.4	(0.2)	2.6
Buildings	37.6	6.1	(1.1)	4.9	(1.8)	45.7
Fixtures and fittings, machinery and equipment	455.1	54.0	(13.9)	3.1	14.4	512.7
IT equipment and other	198.1	28.3	(8.9)	9.6	(0.5)	226.6
Construction in progress	14.8	15.6	-	-	(10.4)	20.0
Gross value	**708.1**	**104.0**	**(24.0)**	**18.0**	**1.5**	**807.6**
Land	-	-	-	-	-	-
Buildings	(21.3)	(1.6)	0.4	(0.4)	0.9	(22.0)
Fixtures and fittings, machinery and equipment	(264.2)	(45.1)	10.8	(1.3)	(3.3)	(303.1)
IT equipment and other	(141.5)	(21.6)	7.2	(5.5)	(0.1)	(161.5)
Construction in progress	-	(1.2)	-	-	(0.2)	(1.4)
Accumulated depreciation and impairment	**(427.0)**	**(69.5)**	**18.4**	**(7.2)**	**(2.7)**	**(488.0)**
Land	2.5	-	(0.1)	0.4	(0.2)	2.6
Buildings	16.3	4.5	(0.7)	4.5	(0.9)	23.7
Fixtures and fittings, machinery and equipment	190.9	8.9	(3.1)	1.8	11.1	209.6
IT equipment and other	56.6	6.7	(1.7)	4.1	(0.6)	65.1
Construction in progress	14.8	14.4	-	-	(10.6)	18.6
Property, plant and equipment, net	**281.1**	**34.5**	**(5.6)**	**10.8**	**(1.2)**	**319.6**

	Dec. 2009	Acquisitions/ Additions to provisions	Disposals/ Reversals of provisions	Changes in scope of consolidation	Exchange differences and other movements	Dec. 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**

Depreciation charged against property, plant and equipment in 2011 totaled EUR 68.9 million (EUR 57.0 million in 2010).

Note 13 INVESTMENTS IN ASSOCIATES

	Dec. 2011	Dec. 2010
Investments in associates at January 1	**0.5**	**0.6**
Gains/(losses) during the year	0.3	(0.1)
Other movements	(0.1)	-
INVESTMENTS IN ASSOCIATES AT DECEMBER 31	**0.7**	**0.5**

Investments in associates	Country	Assets	Liabilities	Revenue	Contribution to consolidated net profit for the year	% interest
At December 31, 2011						
ATSI	France	2.9	1.8	4.8	0.2	49.9%
BV EM & I LTD	UK	5.7	5.2	8.8	0.1	50.0%
At December 31, 2010						
ATSI	France	2.1	1.5	3.8	-	49.9%
BV EM & I LTD	UK	4.5	4.4	9.9	(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. 2011	Dec. 2010
Deferred income tax assets		
Non-current	**54.4**	**42.1**
Current	37.5	32.1
Total	**91.9**	**74.2**
Deferred income tax liabilities		
Non-current	(77.2)	(65.2)
Current	10.9	5.3
Total	**(66.3)**	**(59.9)**
NET DEFERRED INCOME TAX ASSETS	**25.6**	**14.3**

Deferred taxes at December 31, 2011 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	Dec. 2011	Dec. 2010
Net deferred income tax assets at January 1	**14.3**	**31.1**
Impact of change in accounting method for actuarial differences		
Deferred tax income/(expense) for the year	27.4	25.4
Deferred income taxes recognized directly in equity	(4.9)	0.8
Acquisitions of subsidiaries	(12.8)	(43.9)
Exchange differences	1.6	0.9
NET DEFERRED INCOME TAX ASSETS AT DECEMBER 31	**25.6**	**14.3**

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 carryforwards	Gains taxable in future periods	Customer relationships	Other	Total
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**
Recognized in the income statement	0.8	(0.2)	6.4	(4.6)	11.5	13.5	27.4
Recognized directly in equity	(1.0)					(4.0)	(5.0)
Reclassifications				1.0		2.0	3.0
Acquisitions of subsidiaries			(0.5)	0.4	(13.3)	(2.4)	(15.8)
Exchange differences	0.1		0.1	(0.2)	0.4	1.3	1.7
At December 31, 2011	**29.3**	**2.4**	**24.3**	**(21.2)**	**(74.9)**	**65.7**	**25.6**

Other deferred taxes relate mainly to non-deductible accrued charges and provisions.

At December 31, 2011, cumulative unrecognized tax loss carryforwards totaled EUR 48.5 million, of which EUR 5.5 million arose in 2011 (end-2010: EUR 68.9 million, of which EUR 2.4 million arose in 2010).

At December 31, 2011, the corresponding unrecognized deferred tax assets totaled EUR 12.7 million, of which EUR 1.5 million arose in 2011 (end-2010: EUR 18.3 million, of which EUR 0.7 million arose in 2010).

Note 15 INVESTMENTS IN NON-CONSOLIDATED COMPANIES

	Dec. 2011	Dec. 2010
Other investments in non-consolidated companies		
Investments in non-consolidated companies at January 1	**0.7**	**0.4**
Movements during the year		
Acquisitions		0.2
Other movements		0.1
Investments in non-consolidated companies at December 31	**0.7**	**0.7**

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. 2011	Dec. 2010
Deposits and guarantees	33.2	29.6
Other	11.9	12.0
Other non-current financial assets	**45.1**	**41.6**
Non-monetary mutual funds (SICAV)	2.3	2.3
Other	4.6	4.6
Current financial assets	**6.9**	**6.9**

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, 2011 and December 31, 2010.

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 EUR 9.8 million at December 31, 2011 and December 31, 2010.

Note 17 DERIVATIVE FINANCIAL INSTRUMENTS

Following the floating-rate syndicated loan set up in 2006 and the "Club Deal" arranged in 2007, the Group took out interest rate swaps (fixed-rate borrower/floating-rate lender swaps and collars) to hedge a portion of the interest rate risk arising on its euro-denominated debt.

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.

The interest rate derivatives in place at the end of the reporting period were as follows:

Interest rate derivatives	Maturity	Notional amount	Fair value of derivative
Basic swap	04/20/2012	EUR 70 million	(0.2)
Basic swap	06/29/2012	EUR 50 million	(0.0)
Collar	06/15/2012	EUR 50 million	(0.8)
Swap	04/22/2013	EUR 70 million	(3.7)
Swap	06/27/2013	EUR 50 million	(1.9)
Total at December 31, 2011		**Liabilities**	**(6.7)**

A currency hedge has been contracted swapping for euros (i) the Group's US Private Placement (USPP) debt in US dollars and pounds sterling, and (ii) part of the amortizable tranche in US dollars of the 2006 Syndicated Loan.

The currency derivatives in place at December 31, 2011 were as follows:

Currency derivatives	Maturity	Notional amount	Fair value of derivative
	05/22/2013	USD 71 million	(2.0)
	07/16/2018	GBP 23 million	(1.3)
	07/16/2018	USD 155 million	25.2
	07/16/2020	GBP 40 million	(2.4)
	07/16/2020	USD 111 million	19.2
Total at December 31, 2011		**Assets**	**38.5**

The Group took out currency hedges in 2011 to protect itself against currency risk on its multi-currency intra-group loans. These hedges were contracted on a centralized basis.

The following table lists currency derivatives not eligible for hedge accounting at the end of the reporting period:

Currency derivatives	Maturity < 6 months	Notional amount	Fair value of derivative
		USD 113 million	(0.1)
		JPY 1,413 million	0.0
		AUD 20 million	0.1
		SGD 10 million	(0.0)
		RUB 31 million	0.0
		GBP 2 million	(0.0)
		CAS 5 million	0.0
Total at December 31, 2011			**(0.0)**

Gains totaling EUR 39.2 million accumulated in equity at December 31, 2011 in respect of cash flow hedges will be reclassified to net financial expense over the residual life of the items hedged, i.e., the USPP for currency hedges, the "Club Deal" agreement and the syndicated loan for interest rate hedges. A description of the maturity of these loans is provided in Note 22 – 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 EUR 1.8 million in 2011.

No ineffective portion is recognized in net financial expense in 2011 in respect of these cash flow hedges.

Note 18 TRADE AND OTHER RECEIVABLES

	Dec. 2011	Dec. 2010
Trade receivables	960.7	889.4
Inventories	5.3	4.8
Other receivables	91.4	112.8
Total, gross	**1,057.4**	**1,007.0**
Provisions at January 1	**(77.3)**	**(61.5)**
Net additions/reversals during the period	(4.9)	(3.1)
Changes in scope of consolidation	-	(6.2)
Exchange differences and other movements	(0.8)	(6.5)
Provisions at December 31	**(83.0)**	**(77.3)**
TRADE AND OTHER RECEIVABLES, NET	**974.4**	**929.7**

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 (EUR 17.0 million at December 31, 2011) 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. 2011	Dec. 2010
Trade receivables	**960.7**	**889.4**
of which		
▪ Not provisioned and not yet due	520.1	470.0
▪ Not provisioned and due:		
Less than 1 month past due	166.5	142.0
1 to 3 months past due	98.8	99.4
3 to 6 months past due	49.3	52.7
More than 6 months past due	44.4	49.0

Note 19 CASH AND CASH EQUIVALENTS

	Dec. 2011	Dec. 2010
Marketable securities	4.2	40.2
Cash at bank and on hand	239.9	184.8
Total	**244.1**	**225.0**

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.

The Group considers that cash and cash equivalents primarily comprise available cash. Unavailable cash is defined as cash balances in countries which forbid or severely restrict transfers of dividends or franchise arrangements. The list of countries concerned changes frequently and is reviewed by the Group on a regular basis.

At December 31, 2011, unavailable cash as defined above represents less than 3% of the cash and cash equivalents line. Only three countries are concerned: Iran, Venezuela and Algeria, for a total amount of around EUR 6.5 million.

Approximately 75% of cash and cash equivalents consist of cash balances located in more than 50 countries with a specific regulatory framework, more than half of which are in China. In China, the Group transfers more than 85% of these cash balances within 12 months of the end of the reporting period, chiefly through dividends and franchise arrangements.

Net cash and cash equivalents as reported in the consolidated statement of cash flows comprise:

	Dec. 2011	Dec. 2010
Cash and cash equivalents	244.1	225.0
Bank overdrafts (Note 22)	(13.2)	(23.6)
Net cash and cash equivalents as reported in the consolidated statement of cash flows	**230.9**	**201.4**

Note 20 SHARE CAPITAL

SHARE CAPITAL

The total number of shares comprising the share capital was 110,526,286 at December 31, 2011 and 109,268,601 in 2010.

All shares have a par value of EUR 0.12 and are fully paid up.

CAPITAL INCREASE

Following the exercise of 1,208,480 stock options and the creation of 49,205 shares, the Group carried out a capital increase for a principal amount of EUR 0.2 million and a share premium of EUR 29.4 million.

TREASURY SHARES

At December 31, 2011, the Group owned 564,880 of its own shares. The carrying amount of these shares was deducted from equity.

Note 21 SHARE-BASED PAYMENT

The Group has set up four types of equity-settled compensation plans:

- stock option plans;
- stock option 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 employee 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 EUR 2.5 million. The estimated employee turnover rate was the same in 2011 and 2010.

STOCK OPTION PLANS

Description

Stock options are granted to senior managers and other selected employees. Awards in 2011 consisted solely of stock purchase option plans which will give rise to share buybacks on the market. Stock option plans awarded up to 2010 concerned solely stock subscription options giving rise to the issue of new shares on exercise of the 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 the options are exercised by the beneficiary.

Pursuant to a decision of the Board of Directors on July 18, 2011, the Group awarded 178,500 stock purchase options to certain employees. The options granted may be exercised at a fixed price of EUR 57.66. Pursuant to a decision of the Board of Directors on December 14, 2011, the Group awarded 65,000 stock purchase options to two corporate officers. The options granted may be exercised at a fixed price of EUR 53.10.

The awards are conditional on the employee having completed three years' service, and on achieving a performance target based on consolidated operating profit and operating profit for management reporting purposes for 2011. The options are valid for eight years after the grant date.

The average fair value of options granted during the year was EUR 8.41 per option (2010: EUR 9.79).

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, 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**
Options granted during the year	56.44	243,500	
Options cancelled during the year	15.46	(64,935)	
Options exercised during the year	21.44	(1,208,480)	
AT DECEMBER 31, 2011	**31.54**	**1,614,445**	**4.7 YEARS**

Of the total number of outstanding options, 348,580 were exercisable at December 31, 2011 (end-2010 29,460 options).

OVERVIEW OF STOCK OPTIONS OUTSTANDING AT THE YEAR-END

		Exercise price (in euros per share)	Number of options (share equivalents)	
Start date of plan	**Expiration date**		**Dec. 2011**	**Dec. 2010**
07/25/2003 Plan	07/25/2011	9.58		25,460
11/15/2004 Plan	11/15/2012	12.09		4,000
02/01/2006 Plan	02/01/2014	15.17	222,480	1,283,500
07/12/2006 Plan	07/12/2014	17.30	10,000	137,000
01/31/2007 Plan	01/31/2015	17.30	528,000	558,000
06/09/2008 Plan	06/09/2016	38.35	116,100	129,000
07/03/2009 Plan	07/03/2017	34.98	251,400	263,200
07/23/2010 Plan	07/23/2018	46.31	244,200	244,200
07/18/2011 Plan	07/18/2019	57.66	178,500	
12/14/2011 Plan	12/14/2019	53.10	63,765	
Number of options at December 31			**1,614,445**	**2,644,360**

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 2011 was calculated based on the following assumptions:

- exercise price: EUR 47.20 (July plan) and EUR 53.99 (December plan);
- expected share volatility: 19.6% (July plan) and 22.7% (December plan) (2010: 26%);
- dividend yield: 2.0% (July plan) and 2.1% (December plan) (2010: 1.8%);
- expected option life: 4 years (2010: 4 years);
- risk-free interest rate: 2.13% (July plan) and 1.82% (December plan) (2010: 1.59%), determined by reference to the yield on government bonds over the estimated life of the options.

The performance condition attached to the July 23, 2010 stock option plan was based on adjusted operating profit for 2010. This performance condition was met. The number of options that will vest is estimated based on an attrition rate of 5% per year in 2011 and 2010.

In 2011, the expense recognized by the Group in respect of stock options amounted to EUR 2.1 million (2010: EUR 1.7 million).

STOCK OWNERSHIP PLANS 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 EUR 1.87 per share based on the methodology described in Note 2.22.

The main valuation assumptions used were as follows:

- share price at the listing date: EUR 37.75;
- subscription price: EUR 30.20;
- discount corresponding to risks and liquidity requirements: 15.05%.

No expense was recognized in 2011 or 2010 for stock purchases at preferential terms.

FREE SHARE PLANS

Description

Pursuant to a decision of the Board of Directors, the Group awarded free shares to certain employees on July 18, 2011 and to two corporate officers on December 14, 2011. Beneficiaries 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 consolidated operating profit and operating profit for management reporting purposes for 2011 and on the Group's operating margin and operating margin for management reporting purposes in 2012 and 2013. Shares granted in France are subject to a two-year non-transferability period.

▶ OVERVIEW OF FREE SHARE PLANS OUTSTANDING AT THE YEAR-END

Grant date	Expiration date	Number of shares
06/09/2008 Plan	-	195,350
07/03/2009 Plan	07/03/2014	151,450
07/03/2009 Plan	-	163,350
07/23/2010 Plan	07/23/2015	181,200
07/23/2010 Plan	-	254,800
07/18/2011 Plan	07/18/2016	123,720
07/18/2011 Plan	-	253,080
12/14/2011 Plan (corporate officers)	12/13/2016	23,544
Number of shares at December 31, 2011		**1,346,494**

Measurement

The weighted average fair value of free shares granted in 2011 comes out at EUR 50.67 per share (2010: EUR 43.47).

The following main assumptions were used to value the free shares granted in 2011:

- share price at the grant date;
- dividend yield: 2.0% (July plan) and 2.1% (December plan) (2010: 1.8%);
- discount corresponding to risks and liquidity requirements: 8.8% (July plan) and 10.9% (December plan) (2010: 6.8%).

The performance condition attached to the July 23, 2010 free share plan was based on adjusted operating profit for 2010. This performance condition was met. The number of options that will vest is estimated based on an attrition rate of 5% per year in 2011 and 2010.

In 2011, the expense recognized by the Group in respect of free shares amounted to EUR 12.8 million (2010: EUR 10.1 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

	Expiration date	Exercise price *(in euros per share)*	Number of options *(share equivalents)*	
Start date of plan			**Dec. 2011**	**Dec. 2010**
12/13/2007 Plan	12/12/2013	30.20	51,017	57,344
Number of options at December 31			**51,017**	**57,344**

Measurement

The fair value of these instruments was estimated at EUR 27.35 per right under the Black-Scholes option pricing model (2010: EUR 29.95 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: 22.7% (2010: 26%);
- risk-free interest rate of 1.03% (2010: 1.51%), determined by reference to the yield on government bonds over the estimated life of the rights.

At December 31, 2011, the debt recognized by the Group in respect of stock appreciation rights amounted to EUR 1.5 million (2010: EUR 1.7 million). The decrease in the debt was recognized in operating income for EUR 0.2 million, compared to an increase in the debt recognized in operating expenses for EUR 0.9 million in 2010.

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 EUR 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 an expense of EUR 0.1 million in 2011 (2010: income of EUR 1.1 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, 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**			
At December 31, 2011					
Bank borrowings (long-term portion)	999.4		351.7	105.7	542.1
Other non-current financial liabilities	2.6		2.6		
Non-current financial liabilities	**1,002.0**	**-**	**354.3**	**105.7**	**542.1**
Bank borrowings (short-term portion)	253.0	253.0			
Bank overdrafts	13.2	13.2			
Other current financial liabilities	26.5	26.5			
Current financial liabilities	**292.7**	**292.7**			
Estimated interest payable on bank borrowings	254.4	37.3	34.2	97.7	85.2
Impact of cash flow hedges (principal and interest)	(43.9)	3.6	(0.6)	(7.9)	(39.0)

The year-on-year decrease in debt in 2011 chiefly reflects cash flows generated by the Group which were used to finance acquisitions and pay down debt.

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 EUR 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 EUR 434.5 million at December 31, 2011. The amortizable tranche had been fully drawn down, while EUR 215.6 million remained available under the revolving facility.

"CLUB DEAL 2007" LOAN AGREEMENT

In October 2007, the Group set up a five-year loan for EUR 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 2008) 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 EUR 184.1 million (USPP 2010). 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 EUR 200 million (French PP 2010). 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.

2011 US PRIVATE PLACEMENT FACILITY

In October 2011, the Group set up a multi-currency facility for USD 200 million with a US institutional investor (USPP 2011). A total of USD 100 million of this facility has been drawn down. The terms and conditions of the facility are similar to those for the USPP 2010, with the exception of the term (ten years maturing in October 2021), the drawdown currency (US dollars) and the interest rate (4.45%).

2011 SCHULDSCHEIN FACILITY

In December 2011, the Group set up a Schuldschein private placement issue on the German market for EUR 54 million, repayable at maturity (SSD 2011). The terms and conditions of this facility are similar to those for the 2006 Syndicated Loan and "Club Deal 2007", except for the leverage ratio, which must remain below 3.25. The margin varies depending on the term of the loans, respectively 165bp over 3.5 years and 200bp over five years.

COVENANTS

The syndicated credit line, "Club Deal 2007" agreement, and the USPP 2010 and French PP 2010 facilities are subject to the following covenants:

- the interest cover ratio (EBITDA divided by net interest 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 and SSD 2011 agreements. However, the leverage ratio must be less than 3.25.

The Group complied with all such covenants at December 31, 2011.

CURRENCY RISK

Short-and long-term bank borrowings can be analyzed as follows by currency:

Currency	Dec. 2011	Dec. 2010
US dollar (USD)	348.0	286.9
Euro (EUR)	875.2	917.3
Pound sterling (GBP)	20.4	52.3
Other currencies	8.8	14.5
TOTAL	**1,252.4**	**1,271.0**

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, 2011 and 2010, gross debt can be analyzed as follows:

	Dec. 2011	Dec. 2010
Fixed rate	559.8	462.4
Floating rate	692.6	808.6
TOTAL	**1,252.4**	**1,271.0**

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 margins at December 31, 2011 and 2010 are detailed below:

Currency	Dec. 2011	Dec. 2010
US dollar (USD)	0.62%	0.51%
Euro (EUR)	1.88%	1.24%
Pound sterling (GBP)	1.10%	0.84%

Effective interest rates 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. 2011	Dec. 2010
Present value of defined benefit obligations	**149.9**	**145.4**
o/w pension benefits	89.8	88.6
o/w termination benefits	44.6	41.4
o/w long-service awards	15.5	15.4
Fair value of plan assets	**(45.1)**	**(42.7)**
DEFICIT/(SURPLUS)	**104.8**	**102.7**

Income statement charge by type of benefit:

	2011	2010
Pension benefits	(7.7)	(5.6)
Termination benefits	(8.1)	(6.4)
Long-service awards	(2.1)	(2.6)
TOTAL	**(17.9)**	**(14.6)**

PENSION BENEFITS

The amounts recognized in the statement of financial position in respect of pension benefit obligations were computed as follows:

	Dec. 2011	Dec. 2010
Present value of funded obligations	55.0	51.9
Fair value of plan assets	(45.1)	(42.7)
Deficit/(sur plus) on funded obligations	**9.9**	**9.2**
Present value of unfunded obligations	34.7	36.7
Liability recognized in the statement of financial position	**44.6**	**45.9**

The table below shows the amounts recognized in the income statement:

	2011	2010
Current service cost, included in operating profit	**(5.0)**	**(2.5)**
Interest cost	(4.5)	(4.2)
Expected return on plan assets	2.2	1.4
TOTAL INCLUDED IN NET FINANCIAL EXPENSE	**(2.3)**	**(2.8)**

The actual return on plan assets was EUR 8.8 million in 2011 and EUR 6.3 million in 2010.

Movements in the related benefit obligation were as follows:

	2011	2010
At January 1	**88.6**	**73.5**
Current service cost	5.0	2.5
Interest cost	4.5	4.2
Actuarial losses/(gains)	(4.2)	12.7
Currency translation differences	1.1	1.8
Benefits paid	(3.5)	(3.2)
Liabilities assumed in a business combination and other movements	(1.7)	(2.9)
AT DECEMBER 31	**89.8**	**88.6**

Movements in the fair value of plan assets were as follows:

	2011	2010
At January 1	**42.7**	**35.0**
Expected return on pension plan assets	2.2	1.4
Actuarial (losses)/gains	(2.4)	6.1
Currency translation differences	0.8	1.0
Employer contributions	2.3	1.2
Other movements	(0.5)	(2.0)
AT DECEMBER 31	**45.1**	**42.7**

Plan assets break down as follows by type of financial instrument:

	Dec. 2011		Dec. 2010	
Equity instruments	12.5	28%	12.7	30%
Debt instruments	5.3	12%	2.3	5%
Other	27.3	61%	27.7	65%
TOTAL	**45.1**	**100%**	**42.7**	**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	2011
Discount rate	4.8%	4.6%	4.5%	5.0%	4.7%	4.8%
Expected return on plan assets				5.0%	5.2%	5.0%
Estimated increase in future salary levels	2.5%	3.3%	2.0%	1.7%	2.8%	2.5%
Estimated increase in future pension benefit levels	2.0%	2.0%	3.0%	1.7%	2.8%	2.0%

	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%

Data for 2011 and 2010 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, 2011, the benefit obligation relating to France, representing the Group's most significant obligation, totaled EUR 26.9 million (end-2010: EUR 30.2 million). The discount rate used for France in 2011 was 4.60%.

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:

	2011	2010
At January 1	41.4	36.2
Current service cost	5.2	4.3
Interest cost	1.6	1.7
Actuarial losses/(gains)	(0.4)	3.7
Currency translation differences	0.3	0.5
Benefits paid	(5.9)	(5.4)
Liabilities assumed in a business combination and other movements	1.2	-
Curtailments and settlements	1.1	0.3
AT DECEMBER 31	44.6	41.4

The main actuarial assumptions used were as follows:

	Dec. 2011	Dec. 2010
Discount rate	4.8%	4.7%
Estimated increase in future salary levels	2.5%	2.8%

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, 2011, the benefit obligation relating to France, representing the Group's most significant obligation, totaled EUR 30.4 million (end-2010: EUR 29.9 million). The discount rate used for France in 2011 was 4.60%.

LONG-SERVICE AWARDS

Movements in the Group's obligation relating to long-service awards were as follows:

	2011	2010
At January 1	15.4	13.3
Current service cost	1.6	1.9
Interest cost	0.5	0.6
Currency translation differences	-	0.3
Benefits paid	(2.2)	(0.9)
Other movements	0.2	0.2
AT DECEMBER 31	15.5	15.4

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, 2011, the benefit obligation relating to France, representing the Group's most significant obligation, totaled EUR 12.4 million (end-2010: EUR 12.6 million). The discount rate used for France in 2011 was 4.60%.

ACTUARIAL GAINS AND LOSSES

	Dec. 2011	Dec. 2010
Cumulative actuarial (gains)/losses recognized in equity	(17.1)	(14.9)
Actuarial (gains)/losses recognized in equity during the year	**(2.2)**	**(10.3)**
o/w arising from:		
Experience adjustments	(0.4)	(7.6)
Changes in actuarial assumptions	(5.4)	1.1
Changes in return on plan assets	3.6	(3.8)

DEFINED CONTRIBUTION PLANS

Payments made under defined contribution plans in 2011 totaled EUR 60.9 million (2010: EUR 51.6 million).

Note 24 PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Dec. 2010	Additions	Utilized provisions reversed	Surplus provisions reversed	Impact of discounting	Changes in scope of consolidation	Exchange differences and other movements	Dec. 2011
Provisions for contract-related disputes	74.7	6.7	(15.8)	(9.0)	0.5	-	(1.6)	55.5
Other provisions for liabilities	26.4	11.7	(10.8)	(7.2)		-	5.5	25.6
TOTAL	**101.1**	**18.4**	**(26.6)**	**(16.2)**	**0.5**	**-**	**3.9**	**81.1**

	Dec. 2009	Additions	Utilized provisions reversed	Surplus provisions reversed	Impact of discounting	Changes in scope of consolidation	Exchange differences and other movements	Dec. 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	26.4
TOTAL	**102.8**	**25.1**	**(19.8)**	**(20.7)**	**1.1**	**11.9**	**0.8**	**101.1**

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 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, 2011 take into account the following major claims:

- 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 1.11. - Legal, administrative, government and arbitration procedures and investigations in the 2011 Registration Document.

Based on the insurance coverage in place, the amounts currently provisioned and the latest available information, Bureau Veritas 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. 2011	Dec. 2010
Trade payables	228.4	225.0
Prepaid income	86.5	90.6
Accrued taxes and payroll costs	380.4	383.4
Other payables	42.0	37.7
TOTAL	**737.3**	**736.7**

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 EUR 39.2 million in 2011 and a negative EUR 23.9 million in 2010, and can be analyzed as follows:

	Dec. 2011	Dec. 2010
Trade receivables	(61.8)	(18.1)
Trade payables	5.6	11.4
Other receivables and payables	17.0	(17.2)
MOVEMENTS IN WORKING CAPITAL ATTRIBUTABLE TO OPERATIONS	**(39.2)**	**(23.9)**

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:

(In thousands)	2011	2010
Number of shares comprising the share capital at beginning of year	**109,269**	**109,096**
Number of shares issued during the year *(accrual basis)*		
Free share grants	2	
Exercise of stock options	745	54
Number of treasury shares	(661)	(746)
Weighted average number of ordinary shares in issue	**109,355**	**108,404**
Dilutive impact		
Free share grants	1,168	761
Stock options	833	1,358
Weighted average number of shares used to calculate diluted earnings per share	**111,356**	**110,523**

BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year.

	2011	2010
Net profit attributable to owners of the Company *(in thousands of euros)*	297,583	290,434
Weighted average number of ordinary shares outstanding *(in thousands)*	109,355	108,404
BASIC EARNINGS PER SHARE *(in euros)*	**2.72**	**2.68**

DILUTED EARNINGS PER SHARE

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to reflect the 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, 2011 were taken into account to calculate diluted earnings per share.

	2011	2010
Net profit attributable to owners of the Company *(in thousands of euros)*	297,583	290,434
Weighted average number of ordinary shares used to calculate diluted earnings per share *(in thousands)*	111,356	110,523
DILUTED EARNINGS PER SHARE *(in euros)*	**2.67**	**2.63**

Note 28 DIVIDEND PER SHARE

On June 14, 2011, the parent company paid out dividends to eligible shareholders in respect of the 2010 financial year. The dividend payout totaled EUR 124.9 million, corresponding to a dividend per share of EUR 1.15 (2010: EUR 0.84).

Note 29 OFF-BALANCE SHEET COMMITMENTS

The Group's commitments primarily relate to financing activities (credit lines, 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 EUR 550 million, maturing in 2012 and 2013. At December 31, 2011, EUR 334.4 million had been drawn down from this facility, leaving an available balance of EUR 215.6 million.

The Group also has access to funds under the 2010 French Private Placement (see Note 3.d – Liquidity risk). At December 31, 2011, EUR 150.0 million remained available under this facility.

As part of its three-year USPP 2011 loan set up in October 2011, USD 100.0 million were available at December 31, 2011. However, amounts can only be drawn down on this facility with the prior agreement of the lender.

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, 2011	**198.5**	**61.1**	**130.0**	**7.4**
At December 31, 2010	119.4	45.8	65.7	7.9

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 concern:
  - performance bonds which may be for a unlimited amount and duration or an unlimited amount. The amount taken into account to measure performance bonds for a limited amount and duration corresponds to either (i) the equivalent of one billing year or (ii) the residual value of the contract. The amount taken into account to measure performance bonds for an unlimited amount reflects the total value of the contract;
  - guarantees for a limited amount, granted by the parent company to financial institutions in order to cover bank guarantees granted by these financial institutions in connection with the Group's commercial operations;
  - 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, 2011 and December 31, 2010, 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 EUR 7 million, expiring in less than one year.

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:

	2011	2010
Operating lease charges	**115.8**	**104.9**
o/w property leases	102.3	90.7
o/w equipment leases	13.5	14.2

Future aggregate minimum lease payments under non-cancelable operating leases relating to property (excluding rental service charges) can be analyzed as follows:

	Dec. 2011	Dec. 2010
Future minimum lease payments	**254.2**	**237.9**
Due within 1 year	72.6	59.1
Due between 1 and 5 years	142.4	134.1
Beyond 5 years	39.2	44.7

Pledges

	Type	Inception	Expiration date	Amount of assets pledged (a)	Total amount in statement of financial position (b)	Corresponding % (a)/(b)
At December 31, 2011						
Intangible assets	-	-	-			
Property, plant and equipment	-	-	-			
Other non-current financial assets	Pledge	-	-	9.8	45.1	21.7%
Total assets pledged				**9.8**	**3,477.6**	**0.3%**
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%**

Long-term investments have been pledged in an amount of EUR 9.8 million.

None of the Group's intangible assets or property, plant and equipment had been pledged at either December 31, 2011 or December 31, 2010.

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 EUR 9.8 million at December 31, 2011.

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 measurement method				
	IAS 39 category	Carrying amount	Amortized cost	Cost	Fair value through equity	Fair value through profit or loss	Fair value
At December 31, 2011							
Financial assets							
Investments in non-consolidated companies	FVPL	0.7	-	-	-	0.7	0.7
Other non-current financial assets	HTM	45.1	45.1	-	-	-	45.1
Trade and other receivables	LR	942.3	942.3	-	-	-	942.3
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	46.6	-	-	45.3	1.3	46.6
Cash and cash equivalents	FVPL	244.1	-	-	-	244.1	244.1
Financial liabilities							
Bank borrowings	AC	1,252.4	1,252.4	-	-	-	1,313.6
Bank overdrafts	FVPL	13.2	-	-	-	13.2	13.2
Other non-current financial liabilities	AC	2.6	2.6	-	-	-	2.6
Trade and other payables	AC	737.3	737.3	-	-	-	737.3
Current financial liabilities	AC	26.5	26.5	-	-	-	26.5
Derivative financial instruments	FVPL/FVE	24.4	-	-	4.2	7.6	24.4
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

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: Fair value	Amortized cost	Exchange differences	Accumulated impairment	Net gains/ (losses) in 2011	Net gains/ (losses) in 2010
Held-to-maturity assets	HTM		-	-	-	-	-	0.1
Loans and receivables	LR		-	-	(7.9)	(4.9)	(12.8)	1.1
Financial assets and liabilities at fair value through profit or loss	FVPL	1.7	0.5	-	-	-	2.2	3.1
Debt carried at amortized cost	AC	(44.3)	-	0.1	(0.1)	-	(44.3)	(43.5)
TOTAL		**(42.6)**	**0.5**	**0.1**	**(8.0)**	**(4.9)**	**(54.9)**	**(39.2)**

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 2011, more than half of the Group's revenue was generated in currencies other than the euro, including 16% in US dollars, 7% in Australian dollars, 5% in Chinese yuan, 5% in Brazilian real and 4% in Hong Kong dollars. 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 in the US and in 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 2011;
- a 1% change in the value of the euro against the Australian dollar would have had an impact of 0.07% on consolidated revenue and 0.04% on operating profit for 2011;
- a 1% change in the value of the euro against the yuan would have had an impact of 0.05% on consolidated revenue and 0.09% on operating profit for 2011;
- a 1% change in the value of the euro against the Brazilian real would have had an impact of 0.05% on consolidated revenue and 0.04% on operating profit for 2011;
- a 1% change in the value of the euro against the Hong Kong dollar would have had an impact of 0.04% on consolidated revenue and 0.08% on operating profit for 2011.

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 following table 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, 2011:

	Non-functional currency		
	USD	EUR	GBP
Financial liabilities	(996.5)	(96.5)	(203.6)
Financial assets	735.8	54.2	128.9
Net position (assets - liabilities) before hedging	**(260.7)**	**(42.4)**	**(74.7)**
Off-balance sheet (currency hedging instruments)	260.7		75.4
NET POSITION (ASSETS - LIABILITIES) AFTER HEDGING	**(0.0)**	**(42.4)**	**0.7**
Impact of a 1% rise in exchange rates			
On equity	(5.4)	-	(1.1)
On net profit before income tax	0.6	(0.4)	0.0
Impact of a 1% fall in exchange rates			
On equity	5.6	-	1.1
On net profit before income tax	(0.4)	0.4	(0.0)

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, 2011:

	< 1 year	1 to 5 years	> 5 years	Total
Fixed-rate bank borrowings	(3.2)	(14.2)	(542.4)	(559.8)
Floating-rate bank borrowings	(249.8)	(443.2)	0.3	(692.6)
Bank overdrafts	(13.2)			(13.2)
TOTAL - FINANCIAL LIABILITIES	**(266.1)**	**(457.4)**	**(542.1)**	**(1,265.6)**
TOTAL - FINANCIAL ASSETS	**244.1**			**244.1**
Floating-rate net position (assets - liabilities) before hedging	(22.1)	(457.4)	(542.1)	(1,021.5)
Interest rate hedges	50.0	120.0	0.0	170.0
Floating-rate net position (assets - liabilities) after hedging	**31.1**	**(323.2)**	**0.3**	**(291.7)**
Impact of a 1% rise in interest rates				
On equity				0.2
On net profit before income tax				(1.5)
Impact of a 1% fall in interest rates				
On equity				(0.2)
On net profit before income tax				1.5

At December 31, 2011, the Group considers that a 1% rise in short-term interest rates across all currencies would lead to an increase of around EUR 2.9 million in interest payable.

Debts maturing after five years, representing a total amount of EUR 542.1 million, are at fixed rates. The overall notional amount of hedging contracts whose fair value is recognized in the statement of financial position is EUR 170.0 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 EUR 170.0 million notional amount.

Taking account of these hedging instruments and of the Group's fixed-rate debt, 58% of consolidated gross debt was at a fixed interest rate at December 31, 2011.

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:

	2011	2010
Wages and salaries	2.7	2.6
Stock options	0.9	0.6
Free share grants	1.0	0.3
Total expense for the period	**4.6**	**3.5**

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 a minimum period of service and to 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 318,765 stock options at December 31, 2011 (255,000 at December 31, 2010), with an average exercise price of EUR 10.18 (end-2010: EUR 10.48).

The number of free shares granted to executive corporate officers amounted to 108,544 at December 31, 2011 and 140,000 at December 31, 2010.

Note 32 EVENTS AFTER THE END OF THE REPORTING PERIOD

ACQUISITIONS

Since January 1, 2012, Bureau Veritas has acquired:

- German company Pockrandt GmbH, which provides non-destructive testing services to major power plant contractors and operators. Pockrandt had revenues of around EUR 4 million in 2011.

DIVIDENDS

The resolutions to be submitted for approval at the Ordinary Shareholders' Meeting of May 31, 2012 include a recommended dividend payout of EUR 1.27 per share in respect of 2011.

Note 33 SCOPE OF CONSOLIDATION

FULLY CONSOLIDATED COMPANIES AT DECEMBER 31, 2011

Type: Subsidiary (S); Branch (B); Economic interest grouping (G).

			2011		2010	
Country	**Company**	**Type**	**% 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	100.00	100.00
Argentina	ACSA Loss Control SA	S	100.00	100.00	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	100.00	100.00
Australia	Inspectorate Australia (Assay) Pty Ltd	S	100.00	100.00	100.00	100.00
Australia	Leonora Laverton Assay Laboratories Pty Ltd	S	100.00	100.00	100.00	100.00
Australia	Inspectorate Australia (Inspection) Pty Ltd	S	100.00	100.00	100.00	100.00
Austria	Bureau Veritas Certification Austria (formerly Zertiefizierung 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	100.00	100.00
Bahamas	Inspectorate Bahamas Ltd	S	100.00	100.00	100.00	100.00
Bahrain	Inspectorate International (Bahrain) Ltd WLL	S	100.00	100.00	100.00	100.00
Bahrain	BV SA – Bahrain	B	100.00	100.00	100.00	100.00
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
Bangladesh	BV CPS Chittagong Ltd	S	99.8	99.8		
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

			2011		2010	
Country	**Company**	**Type**	**% control**	**% interest**	**% control**	**% interest**
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	100.00	100.00
Belgium	Gordinne General International Surveyors NV	S	100.00	100.00	100.00	100.00
Belgium	Inspectorate Antwerp NV	S	100.00	100.00	100.00	100.00
Benin	BIVAC Benin	S	100.00	100.00	100.00	100.00
Benin	BV Benin	S	100.00	100.00	100.00	100.00
Benin	Société d'exploitation du guichet unique du Bénin (SEGUB)	S	100.00	90.00		
Bosnia	BV Sarajevo	S	100.00	100.00		
Bosnia	Inspectorate Balkan DOO	S	100.00	100.00	100.00	100.00
Brazil	BV do Brasil	S	99.96	99.96	96.40	96.40
Brazil	BVQI do Brasil	S	100.00	100.00	100.00	100.00
Brazil	Tecnitas do Brasil	S	100.00	99.99	100.00	96.40
Brazil	MTL Engenharia	S	100.00	100.00	100.00	100.00
Brazil	Analytical solutions	S	100.00	100.00	100.00	98.16
Brazil	Autoreg	S	100.00	99.96		
Brazil	Autovis	S	100.00	99.96		
Brazil	Loss Control do Brasil S/C Ltda	S	100.00	100.00	100.00	100.00
Brazil	Inspectorate do Brasil Inspeções Ltda	S	100.00	100.00	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	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	100.00	100.00
Canada	Chas Martin Canada Inc	S	100.00	100.00	100.00	100.00
Canada	0832484 BC Ltd	S	100.00	100.00	100.00	100.00
Cayman Islands	Inspectorate Group Holdings Limited	S	100.00	100.00	100.00	100.00
Central African Republic	BIVAC RCA	S	100.00	100.00	100.00	100.00
Chad	BV Chad	S	100.00	100.00	100.00	100.00
Chad	BIVAC Chad	S	100.00	100.00	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
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	100.00	100.00
Chile	Panamerica de leasing	S	100.00	100.00	100.00	100.00

			2011		2010	
Country	**Company**	**Type**	**% control**	**% interest**	**% control**	**% interest**
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 Shanghai	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	71.00	71.00
China	BV-Fairweather Inspection & Consultants	S	100.00	71.00	100.00	71.00
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	100.00	100.00
China	BV Quality Services Shanghai	S	100.00	100.00	100.00	100.00
China	Inspectorate (Shanghai) Ltd	S	50.00	50.00	50.00	50.00
China	BVCPS Jiangsu Co (JV)	S	60.00	51.00		
China	BV HK Ltd (009) branch Marine (338)	S	100.00	100.00		
China	Inspectorate Hong Kong Ltd	S	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 Colombia	S	100.00	100.00	100.00	100.00
Colombia	Inspectorate Colombia Ltda	S	100.00	100.00	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	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	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	100.00	100.00
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 RDC	S	100.00	100.00	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	100.00	100.00

			2011		2010	
Country	**Company**	**Type**	**% control**	**% interest**	**% control**	**% interest**
Dubai	Inspectorate International Ltd (Dubai branch)	S	100.00	100.00	100.00	100.00
Ecuador	BIVAC Ecuador	S	100.00	100.00	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	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	100.00	100.00
Egypt	BV SA – Egypt	B	100.00	100.00	100.00	100.00
Equatorial Guinea	BV Equatorial 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	100.00	100.00
Finland	BV SA – Finland	B	100.00	100.00	100.00	100.00
France	BVCPS 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	LCIE France	S	100.00	100.00	100.00	100.00
France	Qualité France	S	100.00	100.00	100.00	100.00
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	100.00
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	100.00	100.00
France	Inspectorate SA	S	100.00	100.00	100.00	100.00
France	Guichet unique commerce extérieur Bénin (GUCEB)	S	90.00	90.00		
France	BIVAC MALI	S	100.00	100.00		
France	Arcalia France	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
France	Océanic Developpement SAS	S	100.00	100.00		
France	Medi-Qual	S	100.00	100.00		
Fujairah	Inspectorate International Ltd (Fujairah branch)	S	100.00	100.00	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	100.00	100.00
Germany	BV Certification Germany	S	100.00	100.00	100.00	100.00

			2011		2010	
Country	Company	Type	% control	% interest	% control	% interest
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	100.00	100.00
Germany	Inspectorate Deutschland GmbH	S	100.00	100.00	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	100.00	100.00
Ghana	Inspectorate Ghana Ltd	S	100.00	100.00	100.00	100.00
Greece	Inspectorate Hellas SA	S	100.00	100.00	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	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
Hungary	BV Hungary	S	100.00	100.00	100.00	100.00
India	BVIS – India	S	100.00	100.00	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	100.00	100.00
India	Environmental Services India Private Ltd	S	100.00	100.00	100.00	100.00
India	BV SA – India	B	100.00	100.00	100.00	100.00
India	Civil Aid	S	100.00	100.00		
India	Sargam Laboratory Private Ltd	S	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	100.00	100.00
Iran	Inspectorate Iran (Qeshm) Ltd	S	51.00	51.00	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	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	Nexta	S	100.00	100.00	100.00	100.00
Italy	Inspectorate Italy SRL	S	90.00	90.00	90.00	90.00
Italy	Certitex	S	100.00	100.00	100.00	100.00
Jamaica	Petrospec Ltd	S	100.00	100.00	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	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	100.00	100.00

			2011		2010	
Country	Company	Type	% control	% interest	% control	% interest
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	100.00	100.00
Kazakhstan	BV Marine Kazakhstan	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	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	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	100.00	100.00
Liberia	BIVAC Liberia	S	100.00	100.00	100.00	100.00
Libya	Inspectorate international Limited, Libya Branch	S	100.00	100.00	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	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	49.00	49.00
Malaysia	Scientige Sdn Bhd	S	100.00	100.00		
Mali	BV Mali	S	100.00	100.00	100.00	100.00
Malta	Inspectorate Acacus Limited	S	51.00	51.00	51.00	51.00
Malta	Inspectorate Malta Ltd	S	100.00	100.00	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	100.00	100.00
Mexico	Chas Martin Mexico City Inc	S	100.00	100.00	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
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	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

			2011		2010	
Country	**Company**	**Type**	**% control**	**% interest**	**% control**	**% interest**
Netherlands	BV Nederland Holding	S	100.00	100.00	100.00	100.00
Netherlands	Inspectorate Investments BV	S	100.00	100.00	100.00	100.00
Netherlands	Inspectorate Netherlands BV	S	100.00	100.00	100.00	100.00
Netherlands	Inspection Worldwide Services BV	S	100.00	100.00	100.00	100.00
Netherlands	Inspectorate International BV	S	100.00	100.00	100.00	100.00
Netherlands	Griffith Holland BV	S	100.00	100.00	100.00	100.00
Netherlands	IOL Investments BV	S	100.00	100.00	100.00	100.00
Netherlands	National Oil and Inspection Services Rotterdam BV	S	100.00	100.00	100.00	100.00
Netherlands	Inspectorate Hoff BV	S	100.00	100.00	100.00	100.00
Netherlands	Inpechem Inspectors BV	S	100.00	100.00	100.00	100.00
Netherlands	Inspectorate Bonaire NV	S	100.00	100.00	100.00	100.00
Netherlands	Inspectorate Curacao NV	S	100.00	100.00	100.00	100.00
Netherlands	Inspectorate Curaçao NV – Aruba	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
Nicaragua	NI01b Inspectorate America Corp. – Nicaragua	S	100.00	100.00		
Nigeria	Inspectorate Marine Services (Nigeria) Ltd	S	100.00	100.00	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	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
Oman	Inspectorate International Limited Oman	S	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	100.00	100.00
Papua New Guinea	BV Asset Integrity and Reliability Services Pty Ltd Branch	B	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	100.00	100.00
Peru	Inspectorate Services Peru SAC	S	100.00	100.00	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	100.00	100.00
Philippines	BV SA – Philippines	B	100.00	100.00	100.00	100.00
Philippines	Toplis Marine Philippines	S	80.00	80.00		
Poland	BV Poland	S	100.00	100.00	100.00	100.00
Poland	BV Certification Poland	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 Consultadorio 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

			2011		2010	
Country	**Company**	**Type**	**% control**	**% interest**	**% control**	**% interest**
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	100.00
Portugal	Inspectorate Portugal SA	S	100.00	100.00	100.00	100.00
Portugal	Peritagens Cargas E Seguros Ltda (ISO PCS)	S	100.00	100.00	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	100.00	100.00
Qatar	Inspectorate International Limited Qatar WLL	S	49.00	49.00	49.00	49.00
Qatar	BV SA – Qatar	B	100.00	100.00	100.00	100.00
Qatar	QA03b Inspectorate Watson Grey, UAE - Qatar Op	S	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	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	100.00	100.00
Saint Lucia	Inspectorate America Corporation	S	100.00	100.00	100.00	100.00
Sainte Croix	Inspectorate America Corporation	S	100.00	100.00	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	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 D.O.O.	S	100.00	100.00	100.00	100.00
Singapore	Atomic Technologies Pte Ltd	S	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	100.00	100.00
Singapore	Inspectorate (Singapore) PTE Ltd	S	100.00	100.00	100.00	100.00
Singapore	BV SA – Singapore	B	100.00	100.00	100.00	100.00
Slovakia	BV Certification Slovakia	S	100.00	100.00	100.00	100.00
Slovenia	Bureau Veritas D.O.O.	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	100.00	100.00
South Africa	Inspectorate Chemtaur (Pty) Ltd	S	73.30	73.30	73.30	73.30
South Africa	Inspectorate M&L (Pty) Ltd	S	100.00	73.30	100.00	73.30
South Africa	Inspectorate Marine (Pty) Ltd	S	51.00	37.38	51.00	37.38
South Africa	Inspectorate Metals & Minerals (Pty) Ltd	S	100.00	73.30	100.00	73.30
South Africa	M&L Laboratory Services (Pty) Ltd	S	100.00	73.30	100.00	73.30
South Africa	Inspectorate Gazelle Testing Services (Pty) Ltd	S	70.00	70.00	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 KOTITI Korea Ltd	S	51.00	51.00		
South Korea	BV SA – South Korea	B	100.00	100.00	100.00	100.00
South Korea	BVCPS ADT Korea Ltd	S	100.00	100.00		
Spain	BV Iberia	S	100.00	100.00	100.00	100.00

			2011		2010	
Country	**Company**	**Type**	**% control**	**% interest**	**% control**	**% interest**
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	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	100.00	100.00
Spain	Payma Cotas Levante	S	100.00	100.00	100.00	100.00
Spain	Inspectorate Andalucia SA	S	100.00	100.00	100.00	100.00
Spain	Inspectorate Española, SA	S	100.00	100.00	100.00	100.00
Spain	Getinsa Paymacotas SL	S	50.00	50.00		
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	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	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	100.00	100.00
Syria	BIVAC Branch Syria	B	100.00	100.00	100.00	100.00
Syria	BIVAC BV Branch	B	100.00	100.00		
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	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
Taiwan	MTL TAIWAN Branch of BV CPS HKG	S	100.00	100.00		
Taiwan	BVCPS HK, Taoyuan Branch	S	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	75.00	75.00

			2011		2010	
Country	**Company**	**Type**	**% control**	**% interest**	**% control**	**% interest**
Togo	BV Togo	S	100.00	100.00	100.00	100.00
Trinidad and Tobago	Inspectorate America Corporation	S	100.00	100.00	100.00	100.00
Tunisia	STCV - Tunisia	S	49.98	49.98	49.98	49.98
Tunisia	Inspectorate Tunisia	S	100.00	100.00	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
Turkey	Kontrollab	S	100.00	100.00		
Turkmenistan	Inspectorate Suisse SA Turkmenistan branch	S	100.00	100.00	100.00	100.00
Uganda	BV Uganda	S	100.00	100.00	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	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
United Kingdom	Casella Science & Environment	S	100.00	100.00	100.00	100.00

			2011		2010	
Country	Company	Type	% control	% interest	% control	% interest
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	100.00	100.00
United Kingdom	Inspectorate Holdings (U.S.) Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate International Limited	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate (International Holdings) Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Daniel C Griffith Holdings Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate Inspection and Testing Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate Investments Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate Investments (Number Two) Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate (Overseas) Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate Quality Consultancy Services Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate (US) Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate Worldwide Services Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Watson Gray Limited	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate Investments America Ltd	S	100.00	100.00	100.00	100.00
United Kingdom	Inspectorate American Holdings Limited	S	100.00	100.00	100.00	100.00
United Kingdom	BV SA – United Kingdom	B	100.00	100.00	100.00	100.00

			2011		2010	
Country	**Company**	**Type**	**% control**	**% interest**	**% control**	**% interest**
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	100.00	100.00
United States	Inspectorate Holdco Inc	S	100.00	100.00	100.00	100.00
United States	Inspectorate Delaware Holdings	S	100.00	100.00	100.00	100.00
United States	Inspectorate America Corporation	S	100.00	100.00	100.00	100.00
United States	Inspectorate Investments (US) Inc	S	100.00	100.00	100.00	100.00
United States	Inspectorate New Holdings Inc	S	100.00	100.00	100.00	100.00
United States	Chas Martin Montreal Inc	S	100.00	100.00	100.00	100.00
United States	Petroleum Fuel Consultants Inc	S	100.00	100.00	100.00	100.00
United States	Inspectorate America Investments LLC	S	100.00	100.00	100.00	100.00
United States	Inspectorate US Holdings 1 LLC	S	100.00	100.00	100.00	100.00
United States	Inspectorate US Holdings 2 LLC	S	100.00	100.00	100.00	100.00
United States	Inspectorate US Holdco LLC	S	100.00	100.00	100.00	100.00
United States	Inspectorate American Holdco Inc	S	100.00	100.00	100.00	100.00
United States	Inspectorate American New Pledgeco Inc	S	100.00	100.00	100.00	100.00
Uruguay	Inspectorate Uruguay SRL	S	100.00	100.00	100.00	100.00
Uzbekistan	BV Industrial Services Tashkent	S	100.00	100.00	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	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	100.00	100.00
Yemen	BIVAC Branch Yemen	B	100.00	100.00	100.00	100.00
Yemen	Inspectorate International Limited Yemen	S	100.00	100.00	100.00	100.00
Zambia	BIVAC Zambia	B	100.00	100.00		

Companies accounted for by the equity method

		2011		2010	
		% 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

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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.

For the year ended December 31, 2011

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, 2011, 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 consolidated 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, 2011 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 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, on March 21, 2012

The Statutory Auditors

PricewaterhouseCoopers Audit	Bellot Mullenbach & Associés
Olivier Thibault	Pascal de Rocquigny

4.2. BUREAU VERITAS SA STATUTORY FINANCIAL STATEMENTS AT DECEMBER 31, 2011

BALANCE SHEET AT DECEMBER 31

(in thousands of euros)	Notes	Gross value	Depr., amort. and impair.	2011 net	2010 net
Assets					
Intangible assets	1	80,817	(33,651)	47,166	55,628
Property, plant and equipment	1	92,460	(60,562)	31,898	31,221
Long-term investments	2	2,129,552	(32,382)	2,097,170	2,038,706
Total non-current assets		**2,302,829**	**(126,595)**	**2,176,234**	**2,125,555**
Work-in-progress		39,057		39,057	36,313
Trade receivables	4	309,513	(8,705)	300,808	262,528
Other receivables	4	634,991	(31,195)	603,796	390,476
Marketable securities	4	2,983		2,983	35,878
Cash at bank and on hand		42,053		42,053	24,483
Total current assets		**1,028,598**	**(39,900)**	**988,698**	**749,678**
Accrual accounts					
Prepaid expenses	4	9,324		9,324	10,573
Currency translation losses		6,465		6,465	690
TOTAL ASSETS		**3,347,216**	**(166,495)**	**3,180,721**	**2,886,495**
Equity and liabilities					
Share capital				13,263	13,112
Share premium				146,999	117,606
Reserves and retained earnings				567,573	442,906
Net profit for the year				217,583	250,302
Regulated provisions				1,457	1,964
Total equity	**3**			**946,875**	**825,890**
Provisions for other liabilities and charges	**5**			**142,103**	**151,426**
Payables					
Bank borrowings	4			1,217,208	1,260,334
Trade payables	4			85,915	87,325
Other payables	4			737,384	511,902
Accrual accounts					
Prepaid income	4			49,606	49,087
Currency translation gains				1,630	532
TOTAL EQUITY AND LIABILITIES				**3,180,721**	**2,886,495**

INCOME STATEMENT

(in thousands of euros)	Notes	2011	2010
Revenue	7	863,952	877,574
Other income		273,477	179,958
Total operating income		**1,137,429**	**1,057,532**
Operating expenses			
Supplies		(586)	(625)
Other purchases and external charges		(325,162)	(324,082)
Taxes other than on income		(28,396)	(28,188)
Wages and salaries		(373,750)	(359,358)
Payroll taxes		(153,388)	(147,833)
Depreciation, amortization and impairment, net			
Depreciation and amortization of non-current assets		(13,303)	(12,600)
Change in provisions on operating items		13,934	691
Other expenses		(88,598)	(45,397)
Operating profit		**168,180**	**140,140**
Net financial income	8	71,085	150,563
Profit from ordinary operations before income tax		**239,265**	**290,702**
Net exceptional income/(expense)	9	15,324	(6,275)
Employee profit sharing		(2,785)	(2,347)
Income tax expense	10	(34,221)	(31,778)
NET PROFIT FOR THE YEAR		**217,583**	**250,302**

STATEMENT OF CASH FLOWS

(in thousands of euros)	2011	2010
Cash flow from operations	229,955	266,944
Change in working capital	(12,051)	(1,866)
Net cash from operating activities	**217,904**	**265,078**
Capital expenditure	(17,824)	(18,326)
Acquisitions of equity interests	(53,376)	(560,434)
Sales of equity interests	10,225	10,277
Sales of non-current assets	136	136
Change in loans and other financial assets	(365)	(869)
Net cash used in investing activities	**(61,204)**	**(569,215)**
Capital increase	29,539	1,597
Purchases of treasury shares, net	(986)	1,410
Dividends paid	(124,952)	(90,995)
Net cash used in financing activities	**(96,399)**	**(87,989)**
Decrease (increase) in net debt	**60,300**	**(392,126)**
Decrease (increase) in gross debt	**63,824**	**(403,368)**
Increase (decrease) in cash and cash equivalents	**(3,524)**	**11,242**
Cash and cash equivalents at beginning of year	47,079	35,837
Cash and cash equivalents at end of year	43,555	47,079

NOTES TO THE STATUTORY FINANCIAL STATEMENTS

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.

The financial statements of foreign branches are translated using the closing rate method: assets and liabilities are translated at the year-end exchange rate, while income and expense 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:
  - fixture 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, including acquisition fees.

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 impairment 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, 2011, the provision was booked based on the same criteria as those used at end-2010:

- customers in liquidation are fully provisioned;
- customers subject to legal proceedings are provisioned at a rate of 50%.

Marketable securities

Marketable securities are carried at cost and written down to their estimated net realizable value if this falls below their cost.

Accrual accounts

Prepaid expenses

This caption includes operating expenses recognized in 2011 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

The functional 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 other liabilities and charges

Provisions for other liabilities and charges are recognized when the Company considers that at year-end 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 year-end. 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- 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 where 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 the tax consolidation group set up pursuant to articles 223 et seq. of the French Tax Code (*Code général des impôts*).

SIGNIFICANT EVENTS IN 2011

- Following legal restructuring in France, the Company carried out partial asset transfers in exchange for equity interests. These equity investments were valued at EUR 0.6 million and were sold for EUR 9.7 million during 2011.
- Certain assets of the Company's Spanish branch were transferred to BV Inversiones SA in return for BV Inversiones shares totaling EUR 2.4 million.
- In 2011, Bureau Veritas SA subscribed to the share capital increase carried out by its subsidiaries BV do Brasil (EUR 38.7 million) and BV Consulting (EUR 11.9 million).
- Dividends: Pursuant to the resolutions adopted by the May 27, 2011 Annual General Meeting, on June 14, 2011 the Company paid eligible shareholders a dividend of EUR 1.15 per share in respect of 2010, representing a total amount of EUR 125.0 million.
- The Group's discretionary profit-sharing agreement expired in 2011 and was not renewed due to a failure to reach an agreement with employee representatives.
- Proceedings relating to Terminal 2E at Paris-Roissy CDG airport: a settlement was reached in 2011 regarding property damage arising under the decennial guarantee, for which the Company is covered by its insurers. Concerning the consequential losses assessed at around EUR 145 million, the Company has agreed with the main parties involved in these proceedings that its liability would be within the range specified by independent experts, i.e., between 8% and 10%. Since provisions had been booked in this respect in previous financial years, these settlements did not have a material impact on the Company's 2011 financial statements.
- 2011 US Private Placement: In October 2011 ("USPP 2011"), the Company set up a multi-currency facility for USD 200 million with an institutional investor in the US. A total of USD 100 million has been drawn down on this facility. The terms and conditions of the facility are similar to those for the "USPP 2010", with the exception of the term (ten years maturing in October 2021), the drawdown currency (US dollars) and the interest rate (4.45%).
- 2011 Schuldschein facility ("SSD 2011"): In December 2011, the Group set up a Schuldschein private placement issue on the German market for EUR 54 million, repayable at maturity. The terms and conditions of this issue are similar to those for the 2006 Syndicated Loan and "Club Deal 2007", except for the leverage ratio, which must remain below 3.25. The margin varies depending on the term of the loans, respectively 165bp over 3.5 years and 200bp over five years.

NOTES TO THE STATUTORY FINANCIAL STATEMENTS

Note 1 NON-CURRENT ASSETS

NON-CURRENT ASSETS – GROSS VALUES

(in thousands of euros)	Jan. 1, 2011	Increases	Decreases	Reclassifications and other movements	Currency translation differences	Dec. 31, 2011
Goodwill	14,440		(4,121)		(1)	10,318
Other intangible assets	62,748	1,417	(227)	6,544	18	70,500
Intangible assets	**77,187**	**1,417**	**(4,348)**	**6,544**	**17**	**80,817**
Land	17	-	(16)	-	-	1
Buildings	262	-	(114)	-	-	148
Fixtures and fittings	18,759	1,571	(824)	107	47	19,660
Machinery and equipment	30,148	3,160	(1,694)	210	7	31,831
Vehicles	2,847	374	(405)		(34)	2,782
Furniture and office equipment	14,222	774	(476)		62	14,582
IT equipment	19,623	3,561	(873)	1	2	22,314
Construction in progress	1,040	6,968		(6,866)		1,142
Property, plant and equipment	**86,918**	**16,408**	**(4,402)**	**(6,548)**	**84**	**92,460**
Investments in subsidiaries and affiliates	2,055,469	55,759	(1,753)			2,109,475
Investments in non-consolidated companies	156					156
Deposits, guarantees and receivables	7,459	1,416	(1,102)		35	7,808
Treasury shares	14,668	70,602	(73,157)			12,113
Long-term investments	**2,077,752**	**127,777**	**(76,012)**	**-**	**35**	**2,129,552**
TOTAL	**2,241,857**	**145,602**	**(84,762)**	**(4)**	**136**	**2,302,829**

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 recorded in long-term investments.

DEPRECIATION, AMORTIZATION AND PROVISIONS FOR IMPAIRMENT OF NON-CURRENT ASSETS

(in thousands of euros)	Jan. 1, 2011	Increases	Decreases	Currency translation differences	Dec. 31, 2011
Goodwill	(0)	(7,436)	-	-	(7,436)
Other intangible assets	(21,559)	(4,866)	226	(16)	(26,215)
Intangible assets	**(21,559)**	**(12,302)**	**226**	**(16)**	**(33,651)**
Buildings	(135)	(8)	114		(29)
Fixtures and fittings	(9,004)	(1,710)	622	(36)	(10,128)
Machinery and equipment	(20,893)	(2,648)	1,201	(1)	(22,341)
Vehicles	(2,106)	(405)	400	18	(2,093)
Furniture and office equipment	(9,320)	(1,016)	452	(36)	(9,920)
IT equipment	(14,240)	(2,650)	842	(3)	(16,051)
Property, plant and equipment	**(55,697)**	**(8,437)**	**3,631**	**(58)**	**(60,562)**
Investments in subsidiaries and affiliates	(38,886)	(1,449)	14,526	-	(25,809)
Investments in non-consolidated companies	(160)	-	13	-	(147)
Treasury shares	-	(6,426)	-	-	(6,426)
Long-term investments	**(39,046)**	**(7,875)**	**14,539**	**0**	**(32,382)**
TOTAL	**(116,303)**	**(28,614)**	**18,396**	**(74)**	**(126,595)**

The goodwill shown initially arose on the Winvest 7 full asset transfer, comprising Bureau Veritas SA shares as the only asset.

At December 31, 2011, it is highly probable that the shares underlying the 2008 and 2009 free share plans for non-salaried employees of the Company will be granted out of the shares resulting from the Winvest 7 full asset transfer.

As a result, a provision was recognized against the related goodwill and treasury shares for a total of EUR 13,862,555.

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	Reserves and retained earnings in foreign currency	Average exchange rate		% interest
			Currency	2011	
Bureau Veritas D.O.O. SLV	122	1,809	EUR	1.000	100.00%
Bureau Veritas India	757	1,005,498	INR	0.015	99.99%
Bureau Veritas Marine China	50,000	51,758	CNY	0.111	6.00%
BV – Senegal	840,400	198,416	XOF	0.002	100.00%
BV Argentina	3,200	2,426	ARS	0.171	98.00%
BV Certification Slovakia	7	596	EUR	1.000	100.00%
BV Certification Belgium	546,397	(1,753)	EUR	1.000	99.98%
BV Certification Czech Republic	5,982	62,764	CZK	0.041	100.00%
BV Chile	665,120	490,296	CLP	0.001	99.98%
BV Colombia	1,542,236	2,468,341	COP	0.000	99.96%
BV Consulting China	6,673	14,042	CNY	0.111	100.00%
BV Côte d'Ivoire	1,482,140	978,579	XOF	0.002	100.00%
BV do Brasil	86,042	27,500	BRL	0.430	99.96%
BV Douala	431,050	101,053	XAF	0.002	100.00%
BV France	14,797	65,422	EUR	1.000	100.00%
BV Gabon	919,280	671,246	XAF	0.002	100.00%
BV Gozetim Hizmetleri	2,241	7,678	TRY	0.428	94.17%
BV International	843,677	591,645	EUR	1.000	100.00%
BV Inversiones, SA	7,650	119,359	EUR	1.000	49.73%
BV Japan	300,000	967,967	JPY	0.009	87.25%
BV Lebanon	752,000	877,056	LBP	0.000	99.84%
BV Mexicana	25,785	(1,685)	MXN	0.058	96.43%
BV Nigeria	40,000	624,687	NGN	0.005	60.00%
BV Poland	248	10,095	PLN	0.243	100.00%
BV QS Shanghai	5,308		CNY	0.111	100.00%
BV Venezuela	389	5,797	VEF	0.168	100.00%
BV Vietnam	4,025	(71)	VND	0.035	100.00%
BVCPS Bangladesh	10	368,391	BDT	0.010	98.00%
BVCPS France	143	72	EUR	1.000	100.00%
BVCPS India Ltd	22,445	403,365	INR	0.015	99.99%
BVCPS Indonesia	2,665	22,061	IDR	0.082	85.00%
BVCPS Singapore	100	1,748	SGD	0.572	100.00%
BVCPS Turkey	975	915	TRY	0.428	99.94%
BVHI – USA	1	69,684	USD	0.718	100.00%
BVIS – India	1,933	25,330	INR	0.015	100.00%
ECS	262	1,101	EUR	1.000	100.00%
Soprefira	1,262	22,468	EUR	1.000	99.98%
Affiliates (10% to 50%-owned by the Company)					
One Tüv	54	206	EUR	1.000	33.33%
STCV – Tunisia	2,400	1,194	TND	0.511	49.86%

	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 net profit/(loss)	Dividends received by the Company during the year
	Gross	Net					
	4,086	4,086			4,334	301	
	11,973	11,973		1,000	16,907	2,497	13
	346	346			70,676	33,491	1,288
	1,281	1,281		250	1,502	379	401
	3,426	3,426	1,161		52,171	4,611	2,455
	1,144	1,144			1,362	196	
	546,272	546,272			3,588	29,014	
	5,768	5,768	294		7,220	750	
	1,109	1,109			17,236	2,243	(101)
	809	809			9,576	381	
	867	867		4,019	25,005	715	1,310
	2,260	2,260			6,543	1,449	1,573
	39,477	39,477			102,260	5,073	9,975
	657	657	60		1,789	(28)	
	73,971	73,971	5,928			4,865	3,722
	1,376	1,376			5,908	919	389
	185	185			22,490	4,332	2,193
	1,270,571	1,270,571	128,141			105,918	122,000
	30,041	30,041	51,147			(20,222)	
	1,950	1,950			58,484	8,194	
	446	446			1,360	308	
	2,061	2,061		138	14,562	1,040	
	507	507			3,113	111	
	152	152			4,186	1,645	
	591	591			8,149	985	
	782	782			2,359	198	
	273	273		1,546	4,486	642	410
	675	675			8,218	3,856	(18)
	1,496	256	364		3,999	41	276
	5,822	5,822			9,936	416	2,497
	1,901	1,901			4,434	857	
	13,408	13,408			4,827	1,607	
	642	642	760		3,132	(122)	
	74,346	53,001	130,879			(855)	
	356	356		22,252	8	(37)	
	2,065	2,065	957		3,227	243	977
	1,262	1,262		13,000		3,734	
	143	143			4,815	542	94
	230	230			3,442	665	182

B. GENERAL INFORMATION ABOUT OTHER SUBSIDIARIES AND AFFILIATES

	Share capital in foreign currency	Reserves and retained earnings in foreign currency	Average exchange rate		% interest
			Currency	2011	
BIVAC International	5,337	1,346	EUR	1.000	0.01%
Bureau Veritas Controle	1,300	919	MZN	0.025	90.00%
Bureau Veritas D.O.O SRB	315	15,790	RSD	0.010	100.00%
Bureau Veritas Latvia	175	203	LVL	1.416	100.00%
BV Algeria	500	38,903	DZD	0.010	99.80%
BV Angola	1,980	(1,214,273)	AOA	0.008	99.00%
BV Azeri	74	170	AZN	0.911	100.00%
BV Bangladesh Private Ltd	5,500	11,481	BDT	0.010	99.99%
BV Belarus Ltd	43,060	8,021	BYR	0.000	99.00%
BV Benin	1,000	221,528	XOF	0.002	100.00%
BV Chile Capacitacion Ltda	954	207,193	CLP	0.001	99.00%
BV Congo	69,980	1,370,690	XAF	0.002	100.00%
BV CPS Vietnam Ltd	2,388	8,219	VND	0.035	100.00%
BV Croatia	54	1,230	HRK	0.134	100.00%
BV Ecuador	3	374	USD	0.718	69.23%
BV Egypt	100	40,948	EGP	0.121	90.00%
BV Estonia	15	231	EUR	1.000	100.00%
BV Guinea	803,590	(3,665,759)	GNF	0.000	100.00%
BV Hungary	8,600	138,637	HUF	0.004	100.00%
BV Indonesia	943	18,695	IDR	0.082	99.00%
BV Kazakhstan	11,100	(88,637)	KZT	0.005	100.00%
BV Kenya	2,000	(2,543)	KES	0.008	99.90%
BV Lanka ltd	5,000	12,420	LKR	0.007	99.99%
BV Lithuania	150	1,809	LTL	0.290	100.00%
BV Luxembourg	31	(17)	EUR	1.000	99.90%
BV Mali	10,000	(3,672,645)	XOF	0.002	100.00%
BV Marine Belgium & Luxembourg	62	1,057	EUR	1.000	99.92%
BV Monaco	150	(36)	EUR	1.000	99.94%
BV Pakistan	2,000	56,609	PKR	0.008	99.00%
BV Panama	50	1,042	PAB	0.718	100.00%
BV Peru	237	3,637	PEN	0.261	99.04%
BV Romania CTRL	48	1,581	RON	0.236	100.00%
BV Russia	1,500	14,979	RUB	0.024	100.00%
BV SATS	2,000	(23,537)	SAR	0.192	60.00%

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 net profit/(loss)	Dividends received by the Company during the year
Gross	Net					
		2,479			338	1
38		1,182		19	(1,487)	
4	4			445	98	148
111	111			1,835	322	
5	5	711		1,398	174	91
73		1,717		34,421	(592)	
60	60			492	(10)	
88	88			662	111	
15	15			378	105	28
2	2	169		59	21	173
1	1	172		1,536	580	
107	107			8,255	1,457	1,295
127	127	3		5,362	1,857	375
8	8			4,557	1,053	1,084
55	55			1,878	237	
22	22			3,552	1,151	
15	15			1,493	199	
763		437		694	37	
92	92			2,165	353	
100	100		686	4,333	854	
59		2,296	1,005	687	(355)	
19	19			1,388	295	211
47	47			715	158	37
30	30			2,188	593	
31					(24)	
149		12,408		4,628	70	
61	61			7,174	1,247	
79	79			661	90	
25	25			1,282	179	
47	47			297	287	
64	64			11,767	983	
28	28			2,443	885	1,064
47	47			6,734	790	(3)
266		6,401		4,745	1,214	

	Share capital in foreign currency	Reserves and retained earnings in foreign currency	Average exchange rate		% interest
			Currency	2011	
BV Chad	10,000	(297,813)	XAF	0.002	100.00%
BV Togo	1,000	(192,000)	XOF	0.002	100.00%
BV Ukraine	45	783	UAH	0.091	99.00%
BV Varna	85	153	BGN	0.511	100.00%
BVCPS Mexico	6,100	10,881	MXN	0.058	98.52%
BVCPS Thailand	4,000	2,383	THB	0.024	99.98%
IPM Spain	61	(655)	EUR	1.000	100.00%
Rinave Registro Int'l Naval	250	(402)	EUR	1.000	100.00%
Affiliates (10% to 50%-owned by the Company)					
ATSI - France	80	613	EUR	1.000	49.92%
BV Inspection Malaysia			MYR	0.235	N/A
BV Italy	4,454	5,508	EUR	1.000	11.68%
BV Malaysia	350	18,965	MYR	0.235	39.00%
BV Thailand	4,000	2,191	THB	0.024	49.00%
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 net profit/(loss)	Dividends received by the Company during the year
Gross	Net					
15		401		1	6	
2		282			(4)	
21	21			4,248	812	559
45	45			1,338	72	496
68	68			2,182	311	
169		43		133	(162)	
61					(100)	
1,578		2,696		573	(200)	
38	38				170	
23						
9	9	266		47,977	3,081	
18	18	3,053	7,729	11,653	1,423	
63	63		398	4,685	1,588	1,298
2,109,474	**2,083,666**	**354,406**	**29,771**	**682,337**	**221,224**	**156,491**

Note 3 SHAREHOLDERS' EQUITY

SHARE CAPITAL

At December 31, 2011, share capital was composed of 110,526,286 shares with a par value of EUR 0.12 each.

Movements in share capital during the year are shown below:

In number of shares	2011	2010
At January 1	109,268,601	109,096,410
Capital increase	49,205	14
Exercise of stock options	1,208,480	172,177
AT DECEMBER 31	**110,526,286**	**109,268,601**

MOVEMENTS IN EQUITY IN 2011

Share capital at January 1, 2011	13,112
Share capital on exercise of options	145
Reclassification	6
Share capital at December 31, 2011	**13,263**
Share premium at January 1, 2011	117,606
Share premium on exercise of options	29,393
Share premium at December 31, 2011	**146,999**
Reserves at January 1, 2011	442,906
Retained earnings (2010 profit)	250,302
Dividend distribution (AGM of May 27, 2011)	(124,952)
Currency translation differences	(677)
Reclassification	(6)
Reserves at December 31, 2011	**567,573**
2011 profit	217,583
Regulated provisions in 2011 (accelerated tax depreciation)	1,457
TOTAL EQUITY AT DECEMBER 31, 2011	**946,875**

BREAKDOWN OF EQUITY AT DECEMBER 31, 2011

Share capital	**13,263**
Share premium	**146,999**
Retained earnings	349,368
Legal reserve	1,711
Other reserves	216,493
Net profit for the year	**217,583**
Regulated provisions	**1,457**
TOTAL EQUITY AT DECEMBER 31, 2011	**946,875**

Note 4 RECEIVABLES AND PAYABLES

ANALYSIS OF RECEIVABLES

	Gross	1 year or less	More than 1 year
Trade receivables	**309,513**	**309,513**	
Social security and other social taxes	405	405	
Income tax	14,128	14,128	
Other taxes, duties and similar levies	7,219	7,219	
Joint ventures and economic interest groupings (EIG)	11,258	11,258	
Receivable from Group and associated companies	599,239	599,239	
Miscellaneous debtors	2,741	2,741	
Other receivables	**634,991**	**634,991**	
Marketable securities	**2,983**	**2,983**	
Prepaid expenses	**9,324**	**9,324**	
TOTAL RECEIVABLES	**956,811**	**956,811**	

ANALYSIS OF PAYABLES

	Gross	1 year or less	Between 1 and 5 years	Beyond 5 years
Bank borrowings	1,201,781	233,618	458,342	509,821
Miscellaneous borrowings	15,427	15,427		
Bank borrowings	**1,217,208**	**249,045**	**458,342**	**509,821**
Trade payables	**85,915**	**85,915**		
Payable to employees	134,972	134,972		
Social security and other social taxes	28,264	28,264		
Value added tax	40,809	40,809		
Other taxes, duties and similar levies	9,767	9,767		
Payable to Group and associated companies	510,346	510,346		
Miscellaneous payables	13,226	13,226		
Other payables	**737,384**	**737,384**		
Prepaid income	**49,606**	**49,606**		
TOTAL PAYABLES	**2,090,113**	**1,121,950**	**458,342**	**509,821**

Note 5 PROVISIONS

A. PROVISIONS FOR IMPAIRMENT OF ASSETS

	Dec. 2011	Dec. 2010
Long-term investments	32,382	39,046
Inventories and work-in-progress	-	
Trade receivables	8,705	7,893
Other receivables	31,195	5,951
PROVISIONS FOR IMPAIRMENT OF ASSETS	**72,282**	**52,890**

Provisions for impairment of assets relating to other receivables concern current accounts in Spain for EUR 12 million and Mali for EUR 10.3 million.

B. REGULATED PROVISIONS CARRIED IN LIABILITIES

	Dec. 2011	Dec. 2010
REGULATED PROVISIONS	**1,457**	**1,964**

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

	Dec. 2011	Dec. 2010
Pensions and other employee benefits	73,770	74,956
Contract-related disputes	23,950	34,273
Provision for exchange losses	12,290	3,839
Other contingencies	30,562	36,839
Losses on completion	1,531	1,518
PROVISIONS FOR OTHER LIABILITIES AND CHARGES	**142,103**	**151,426**

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 4.80% for French businesses at December 31, 2011, compared to 4.30% at end-2010.

Following an amendment to the National Collective Agreement of the metallurgy industry in terms of pension entitlements in 2010, the Group recognized an additional obligation of EUR 2.9 million.

This expense will be amortized over the remaining term of the obligations, i.e., 8.6 years.

Movements during the year are shown below:

	2011	2010
At January 1	**151,426**	**147,595**
Additions	32,065	44,781
Reversals (utilized provisions)	(28,078)	(25,511)
Reversals (surplus provisions)	(13,886)	(12,895)
Other movements	576	(2,544)
AT DECEMBER 31	**142,103**	**151,426**

Bureau Veritas and its subsidiaries are involved in various disputes and legal action 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 year-end.

In 2011, an out-of-court settlement was reached in the dispute concerning Terminal 2E at Paris-Roissy CDG airport (see note on significant events).

Provisions for other liabilities and charges recorded in the balance sheet at December 31, 2011 take into account the following two major claims:

- 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 the 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. 2011	Dec. 2010
Commitments given	**143,874**	**74,670**
Bank guarantees on contracts	31,635	19,224
Miscellaneous bank guarantees	17,114	17,677
Parent company guarantees	95,125	37,769

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 Group 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 end-2011 were as follows:

Interest rate derivatives	Maturity	Notional amount	Fair value of derivative
Basic swap	06/29/2012	EUR 50 million	(0.1)
Basic swap	04/20/2012	EUR 70 million	(0.2)
Collar	06/15/2012	EUR 50 million	(0.8)
Swap	04/22/2013	EUR 70 million	(3.7)
Swap	06/27/2013	EUR 50 million	(1.9)
TOTAL AT DECEMBER 31, 2011			**(6.7)**

A currency hedge has been contracted swapping for euros (i) the Company's USPP debt in US dollars and pounds sterling, and (ii) part of the amortizable USD tranche of the 2006 Syndicated Loan.

The Company took out currency hedges in 2011 to protect itself against currency risk on its multi-currency intra-group loans in 2011. These hedges were contracted on a centralized basis.

The currency derivatives in place at end-2011 were as follows:

Currency derivatives	Maturity	Notional amount	Fair value of derivative
	05/22/2013	USD 71 million	(2.0)
	07/16/2018	GBP 23 million	(1.3)
	07/16/2018	USD 155 million	25.2
	09/08/2019	GBP 17 million	(0.3)*
	09/08/2019	USD 297.6 million	(4.4)*
	07/16/2020	GBP 40 million	(2.4)
	07/16/2020	USD 111 million	19.2
TOTAL AT DECEMBER 31, 2011			**33.8**

* *Measurement based on the difference between the closing price at December 31, 2011 and the price when the instrument was set up.*

Note 7 ANALYSIS OF REVENUE BY INDUSTRY AND GEOGRAPHIC AREA

INDUSTRY ANALYSIS

	2011	2010
Marine	170,021	174,836
Industry	138,243	125,917
In-Service & Inspection Verification	253,898	244,698
Construction	209,844	209,872
Certification	34,587	60,314
Consumer Products	1,070	1,086
Government Services & International Trade	56,289	60,851
TOTAL	**863,952**	**877,574**

GEOGRAPHIC ANALYSIS

	2011	2010
France	645,922	639,947
EMEA	160,115	178,694
Americas	356	369
Asia-Pacific	57,560	58,563
TOTAL	**863,952**	**877,574**

The EMEA region includes Europe (excluding France), Africa and the Middle East.

Bureau Veritas SA invoices its French and foreign subsidiaries and branches for fees. These amounts were recognized in other income for EUR 167.3 million in 2011 and EUR 117.3 million in 2010.

Note 8 FINANCIAL INCOME AND EXPENSE

	2011	2010
Financial income		
Investment income	156,491	168,238
Income from other marketable securities and receivables on non-current assets	272	8,219
Other interest income	6,855	4,049
Reversals of provisions	19,072	12,875
Exchange gains	23,239	13,763
Total	**205,929**	**207,143**
Financial expense		
Additions to provisions	(57,419)	(11,029)
Interest expense	(54,654)	(38,995)
Exchange losses	(22,770)	(6,555)
Total	**(134,844)**	**(56,580)**
NET FINANCIAL INCOME	**71,085**	**150,563**

Additions to provisions include EUR 13.8 million set aside in respect of treasury shares set aside to cover free share plans.

Note 9 EXCEPTIONAL ITEMS

	2011	2010
Exceptional items		
On management transactions	396	1,390
On capital transactions	10,327	10,414
Reversals of provisions	7,283	3,510
Total	**18,006**	**15,314**
Exceptional expense		
On management transactions	(336)	(166)
On capital transactions	(1,854)	(10,910)
Additions to provisions	(492)	(10,513)
Total	**(2,682)**	**(21,589)**
NET EXCEPTIONAL INCOME/(EXPENSE)	**15,324**	**(6,275)**

Note 10 INCOME TAX

BREAKDOWN OF CURRENT AND EXCEPTIONAL INCOME TAX

	2011		2010	
	Amount before income tax	Income tax	Amount before income tax	Income tax
Profit from ordinary operations	239,265	(34,417)	290,702	(32,329)
Net exceptional income/(expense)	15,324	196	(6,275)	551

The Company was subject to a tax audit for fiscal years 2005 through 2009 and recorded the provisions it deemed appropriate.

The deferred income tax position at December 31 was as follows:

	2011	2010
Deferred tax assets	45,686	45,836
Deferred tax liabilities	(328)	(362)
NET DEFERRED TAX ASSETS	**45,358**	**45,474**

Deferred taxes at December 31, 2011 are presented after offsetting deferred tax assets and deferred tax liabilities relating to the same tax entity.

At end-2011, 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, 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, Tecnitas, CEPI, Sedhyca, BV International, BV France, BV CPS France, LCIE, ECS, SSICOOR, Transcable, Halec, Qualité France, BV Laboratoires, BV Operation France, Ecalis and Codde, Arcalia SAS.

Under tax consolidation rules, subsidiaries pay contributions in respect of income tax. Regardless of the tax effectively due, these contributions shall be 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)	2011	2010
Compensation	**6.6**	**6.4**

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 grants.

STOCK OPTION PLANS

Description

Stock options are granted to the Company's senior managers and other selected employees. Awards in 2011 consisted solely of stock purchase options which will require the Company to buy back its shares on the market. All stock option plans granted up to 2010 concern stock subscription options which 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 the options are exercised by the beneficiary.

Pursuant to a decision of the Board of Directors on July 18, 2011, the Group awarded 178,500 stock purchase options to senior managers and other selected employees. The options granted may be exercised at a fixed price of EUR 57.66. Pursuant to a decision of the Board of Directors on December 14, 2011, the Company awarded 65,000 stock purchase options to two corporate officers. The options granted may be exercised at a fixed price of EUR 53.10.

The awards are conditional on the employee having completed three years' service, and on achieving a performance target based on consolidated operating profit and operating profit for management reporting purposes for 2011. The options are valid for eight years after the grant date.

▸ OVERVIEW OF STOCK OPTION PLANS FOR COMPANY EMPLOYEES AT YEAR-END

Start date of plan	Expiration date	Exercise price (euros per share)	Number of options (share equivalents) to be issued		Contribution basis (euros per option)
			2011	**2010**	
07/25/2003 Plan	07/25/2011	9.58	0	1,460	
02/01/2006 Plan	02/01/2014	15.17	116,080	442,500	
01/31/2007 Plan	01/31/2015	17.3	233,000	222,500	
06/09/2008 Plan	06/09/2016	38.35	80,400	71,400	0.95
07/03/2009 Plan	07/03/2017	34.98	184,700	180,200	0.86
07/23/2010 Plan[(a)]	07/23/2018	46.31	189,100	175,100	0.98
07/18/2011 Plan	07/18/2019	57.66	64,500		1.14
12/14/2011 Plan	12/14/2019	53.1	65,000		1.26
NUMBER OF OPTIONS AT DECEMBER 31, 2011			**932,780**	**1,093,160**	

(a) Maximum number of options exercisable - pending the extent to which the performance condition has been met.

FREE SHARE PLANS

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 senior managers 144,750 Bureau Veritas shares resulting from the full transfer of Winvest 7's assets under the December 13, 2007 plan. This represents a total of EUR 2.5 million in Bureau Veritas shares and EUR 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 Group employees. The award is conditional on the employees 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 performance 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 Group 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 Group 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 2010 and adjusted operating margin for 2011 and 2012. The shares are subject to a non-transferability period of two years;
- pursuant to a decision of the Board of Directors, the Company awarded free shares to certain Group employees on July 18, 2011 and to two corporate officers on December 14, 2011. Beneficiaries 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 operating profit and operating profit for management reporting purposes for 2011 and on the Group's operating margin and operating margin for management reporting purposes in 2012 and 2013. Shares awarded in France are subject to a two-year non-transferability period.

Up to 2010, personnel costs recognized by the Group in respect of free share plans were based solely on the number of shares awarded to Company employees.

The cost of free shares awarded to other beneficiaries who are not direct salaried employees of the Company is assumed by Bureau Veritas SA, either by buying back its shares on the market, or by awarding shares out of those obtained as part of the Winvest 7 acquisition in 2007.

The type of shares to be allocated under each outstanding plan has not yet been defined. However, the Company is likely to opt to buy back its own shares.

In 2011, Bureau Veritas SA therefore recognized the cost of these June 2008, July 2009 and July 2010 free share plans for those beneficiaries not employed by the Company.

Total share-based payment expense came to EUR 43.6 million in the year, including the following amounts relating to beneficiaries not directly employed by the Company:

- a EUR 13.8 million addition to the provision for impairment of long-term investments (treasury shares);
- EUR 26.1 million in personnel costs, reflecting the estimated cost of buying back the shares on the market based on the closing share price on December 31, 2011.

At December 31, 2011, the liability (amount payable to employees) totaled EUR 22.1 million (end-2010: EUR 13.4 million).

As from 2012, the Company will put in place a procedure under which the cost of free shares granted to these beneficiaries will be rebilled to the Group companies employing them. Accrued income totaling EUR 39.9 million was recognized in this respect in 2011.

▸ OVERVIEW OF FREE SHARE PLANS FOR COMPANY EMPLOYEES AT YEAR-END

	Expiration date	Number of shares to be issued		Contribution basis *(euros per share)*
Start date of plan		**2011**	**2010**	
06/09/2008 Plan (employees)	06/09/2013	0	129,750	3.11
09/22/2008 Plan (senior managers)	09/22/2013	0	55,000	3.15
07/03/2009 Plan (senior managers)	07/03/2014	40,000	40,000	2.48
07/03/2009 Plan (employees)	07/03/2014	95,200	98,850	2.48
07/23/2010 Plan (senior managers)[(a)]	07/23/2015	45,000	45,000	4.23
07/23/2010 Plan (employees)[(a)]	07/23/2015	122,900	137,500	4.23
07/18/2011 Plan[(a)]	07/18/2016	126,270		6.84
12/14/2011 Plan[(a)]	12/14/2016	24,000		6.28
Number of shares at December 31, 2011		**453,370**	**506,100**	

(a) Maximum number of options exercisable - pending the extent to which the performance condition has been met.

Note 13 EMPLOYEES

	2011	2010
Employees	8,436	8,410

Note 14 STATUTORY TRAINING ENTITLEMENT

	2011	2010
Cumulative training hours outstanding at December 31	655,875	575,083
Number of training hours used during the year	3,486	3,235

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. 2011	Dec. 2010
Assets		
Trade receivables	63,726	72,490
Other receivables	10,104	4,613
Loans	598,806	379,317
Liabilities		
Borrowings	509,533	314,560
Trade payables	38,794	30,019
Other payables	4,895	10
Income statement		
Financial income	162,984	171,997
Financial expense	(2,802)	(536)
Net exceptional income/(expense)	8,506	(453)

Note 16 FEES PAID TO STATUTORY AUDITORS

	2011		2010	
	PricewaterhouseCoopers Audit	Bellot Mullenbach & Associés	PricewaterhouseCoopers Audit	Bellot Mullenbach & Associés
Statutory audit	687	374	759	367
Legal, tax, labor-related services			166	11
Due diligence	271	40	1,486	-
FEES PAID TO STATUTORY AUDITORS	**958**	**414**	**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, 2011.

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

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.

For the year ended December 31, 2011

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, 2011, 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, 2011 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 measures the 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 the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine and Paris on March 21, 2012

The Statutory Auditors

PricewaterhouseCoopers Audit
Olivier Thibault

Bellot Mullenbach & Associés
Pascal de Rocquigny

4.3. ADDITIONAL INFORMATION REGARDING THE COMPANY IN VIEW OF THE APPROVAL OF THE 2011 FINANCIAL STATEMENTS

4.3.1. REVIEW OF OPERATIONS AND RESULTS OF THE PARENT COMPANY

The Company reported revenue of EUR 863,951,994.25 in the year to December 31, 2011 compared to EUR 877,573,860.06 in the year to December 31, 2010.

Operating profit was EUR 168,179,999.20 in 2011 and EUR 140,139,731.37 in 2010.

Exceptional items represented net income of EUR 15,323,641.77 in 2011 and a net expense of EUR 6,275,222.96 in 2010.

Bureau Veritas SA reported EUR 217,582,639.26 in net profit for 2011 versus EUR 250,301,808.08 for 2010.

Equity stood at EUR 946,874,585.19 at December 31, 2011 and EUR 825,890,027.19 at end-2010.

The basis of presentation and measurement used to prepare the statutory financial statements are identical to those adopted in previous years.

4.3.2. RECOMMENDED APPROPRIATION OF 2011 NET PROFIT

The Board of Directors informed shareholders that as of December 31, 2011:

- the legal reserve amounted to EUR 1,711,097.00 and the share capital to EUR 13,263,154.32. The legal reserve therefore represented the requisite one-tenth of the share capital at end-December 2011;
- the 110,526,286 shares comprising the share capital are fully paid up;
- net profit for the fiscal year ended December 31, 2011 totaled EUR 217,582,639.26;
- retained earnings totaled EUR 349,368,162.24;
- the Company's distributable profit therefore amounted to EUR 566,950,801.50.

The Board will recommend to shareholders the following income appropriation:

- EUR 140,368,383.22 to be appropriated to dividends, representing a dividend per share of EUR 1.27, payable based on the number of shares making up the share capital at December 31, 2011 (110,526,286 shares, of which 564,880 treasury shares);
- EUR 426,582,418.28 to be appropriated to "Retained earnings".

In accordance with article 158-3, paragraph 2, of the French Tax Code (*Code général des impôts*), individual shareholders are entitled to a 40% deduction on any dividends they receive, unless they have opted for the flat-rate withholding tax (*prélèvement libératoire forfaitaire*).

The dividend will be paid as from June 14, 2012. Shareholders will be asked to approve any dividends payable on treasury shares being allocated to "Retained earnings".

DIVIDEND PAYOUTS OVER THE LAST THREE FINANCIAL YEARS

In accordance with article 243 bis of the French Tax Code, the Management Board recalls that the following dividends were paid in the previous three financial years:

Year	Total amount distributed *(in euros)*	Number of shares concerned	Total earnings per share[(a)] *(in euros)*
2010	124,952,370.25	108,654,235	1.15
2009	90,995,427.60	108,327,890	0.84
2008	77,522,339.52	107,666,916	0.72

(a) These amounts were paid in 2008 and 2009. In accordance with article 243 bis of the French Tax Code, these dividends entitle the shareholders to the 40% deduction referred to in article 158-3, paragraph 2 of the French Tax Code.

The Company's dividend policy is described in Chapter 6 – Information on the Company and on the share capital.

4.3.3. TOTAL SUMPTUARY EXPENDITURE AND RELATED TAX

In accordance with the provisions of article 223 quater of the French Tax Code, it should be noted that the Company's financial statements for the year ended December 31, 2011 take into account an amount of EUR 516,109.31 in non-deductible expenditure within the meaning of article 39-4 of the French Tax Code, resulting in a tax effect of EUR 186,315.46. This non-deductible expenditure will be submitted to shareholders for approval.

4.3.4 SUBSIDIARIES AND AFFILIATES

The table illustrating the Company's subsidiaries and affiliates can be found in section 4.2 2011 Statutory financial statements. In France, Bureau Veritas SA acquired a 76% interest in BV Laboratoires in 2011 as part of a partial transfer of assets in respect of the laboratories business. This interest was fully transferred during the same year to the Company's subsidiary, BV France.

4.3.5. BUREAU VERITAS SA FIVE-YEAR FINANCIAL SUMMARY

		2011	2010	2009	2008	2007
I -	**Financial position**					
a)	Share capital *(in thousands of euros)*	13,263	13,112	13,091	13,032	13,939
b)	Number of shares issued	110,526,286	109,268,601	109,096,410	108,600,755	116,159,775
c)	Maximum number of future shares to be created	2,962,630	3,929,910	3,550,785	3,733,960	3,791,990
II -	**Comprehensive income from operations** *(in thousands of euros)*					
a)	Revenue excluding taxes	863,952	877,574	869,666	830,608	770,698
b)	Profit before profit sharing, taxes, depreciation, amortization and provisions	285,514	299,145	126,037	132,208	108,241
c)	Income tax	34,221	31,778	22,653	11,791	18,121
d)	Employee profit sharing due in respect of the period	2,785	2,347	-	-	-
e)	Profit after profit sharing, taxes, depreciation, amortization and provisions	217,583	250,302	104,052	80,436	119,935
f)	Distributed profit	124,952	90,995	77,630[a]	64,332	99,998
III -	**Earnings per share data** *(in euros)*					
a)	Profit after taxes, but before depreciation, amortization and provisions	2.27	2.45	0.93	1.11	0.78
b)	Profit after taxes, depreciation, amortization and provisions	1.97	2.29	0.95	0.74	1.03
c)	Net dividend per share	1.15	0.84	0.72	0.60	1.00
IV -	**Personnel costs**					
a)	Number of employees	8,436	8,410	8,467	8,536	8,395
b)	Total payroll *(in thousands of euros)*	373,750	359,358	353,149	347,272	319,327
c)	Total amount paid in respect of employee benefits *(in thousands of euros)*	153,388	147,833	144,752	123,909	131,477

(a) Dividends paid include distribution costs totaling EUR 0.1 million.

4.3.6. INFORMATION REGARDING SUPPLIER PAYMENT TERMS

Since December 31, 2008, Bureau Veritas has applied the provisions of the French Economic Modernization ("LME") Act and paid its suppliers at 60 days. Contracts with suppliers and payments have been adapted accordingly.

In accordance with articles L. 441-6-1 and D. 441-4 of the French Commercial Code (*Code de commerce*), the Company's French entities had outstanding trade payables totaling EUR 33,044,489 at end-2011 (excluding unbilled payables). These could be analyzed as follows:

2011	Outstanding amount	Due date *(number of days)* Current	31-60	61-90	91-120	More than 120
Payable in respect of goods and services	33,044,489	24,746,561	6,291,619	585,587	212,849	1,207,872
Ratio *(%)*	100.00	74.89	19.04	1.77	0.64	3.66

At end-2010, outstanding trade payables (excluding unbilled payables) totaled EUR 27,210,364, as follows:

2010	Outstanding amount	Due date *(number of days)* Current	31-60	61-90	91-120	More than 120
Payable in respect of goods and services	27,210,364	24,644,551	1,151,217	185,953	288,173	940,470
Ratio *(%)*	100.00	90.57	4.23	0.68	1.06	3.46

05

Social and Environmental Responsibility

5.1. QHSE: THE GROUP'S CORE BUSINESS

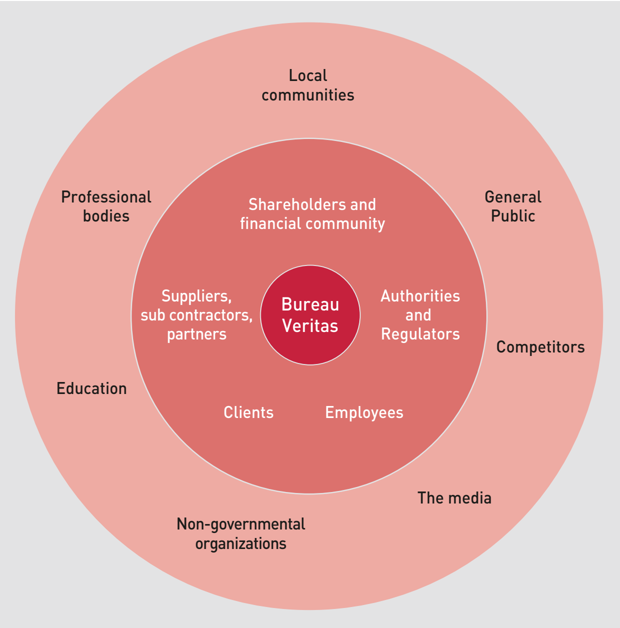
Bureau Veritas' mission is to help its clients improve their performance by offering innovative services and solutions to ensure that their assets, products, infrastructure and processes comply with quality, health and safety, environmental protection and social responsibility standards and regulations (QHSE).

The table below describes the missions of each of Bureau Veritas' operating businesses in greater detail and lists some of the improvements anticipated in terms of QHSE:

Business	Mission	Reinforcement of QHSE standards
Marine	To help develop and implement technical standards related to maritime safety for the protection of people, ships and the environment	Convention of the International Labor Organization, Ballast Water Management Convention, Ship Recycling Convention, regulations on air pollution from ships and inland navigation (transportation of hazardous materials)
Industry	To assess the conformity of industrial equipment with QHSE regulations or standards	Development of new energy sources, the aging of existing facilities, new regulations (carbon dioxide emissions, offshore oil, nuclear industry)
In-Service Inspection & Verification	To assess the regulatory compliance of equipment in service in order to reduce occupational hazards and protect employee health and safety	Harmonization of regulatory requirements in Europe Strengthening of regulations in emerging countries
Construction	To assess the compliance of construction projects to different technical standards and related tasks (technical audits, energy performance audits, environmental impact studies)	Green Building (founding member of the Green Rating Alliance) Development of "green" labels: LEED, HQE, BREEAM, CASBEE
Certification	To certify QHSE management systems (ISO standards and industry-specific schemes) To audit supply chains (suppliers, franchises)	Development of certification schemes related to sustainable development and social responsibility: ISO 50001, SA 8000 Sustainability of biofuels (European Directive 2009/28/EC) and of forests (FSC, PEFC)
Commodities	To inspect and test commodities, including oil, metals & minerals and agricultural products	ISO 8217 standard - marine fuels US regulations regarding benzene and sulfur content in gasoline and diesel The Food Safety Enhancement Act in the United States European regulation on pesticide residues
Consumer Products	To test consumer products to assess their conformity with regulatory safety standards or voluntary quality and performance standards Social audits, factory inspections	Strengthening of standards and regulations regarding safety, health and environmental protection Food safety, European Directive on toys, development of eco-friendly packaging
Government Services	To inspect and verify the compliance of imported merchandise in order to protect consumers and local industry	Development of compliance verification programs for imported merchandise

5.2. RELATIONS WITH STAKEHOLDERS

As part of its business activities, Bureau Veritas works with a wide range of stakeholders.



The Group has strengthened its organization and developed initiatives to promote close, constructive relationships with its key stakeholders.

AUTHORITIES AND REGULATORS

Many services require local, regional or global licences to operate, issued by public authorities or professional organizations, which must be renewed on a regular basis. Each business of Bureau Veritas has a department that is responsible to handle relationships with authorities and regulators. In 2011, the Group strengthened the internal teams of the Technical, Quality and Risk Management (TQR) Department, which is in charge of maintaining and expanding accreditations.

FINANCIAL COMMUNITY

Bureau Veritas has committed to providing regular, complete information on the Group's activities, strategy and outlook to its investors and the financial community. Over the course of the 2011 financial year, Bureau Veritas' management met with over 500 investors at roadshows, meetings and industrial conferences (France, the United Kingdom, the United States, Switzerland, Luxembourg, the Netherlands, Italy, Spain and Germany) and at an Investor Day on September 20 in Paris, where the BV2015 strategic plan was presented.

CLIENT RELATIONSHIPS

Working with almost 400,000 clients worldwilde, Bureau Veritas aims to be a trusted partner and is constantly adapting to the changing needs of its clients and improving its services.

The Group invests in Internet portals and information systems in order to optimize inspection and certification service delivery. The new systems enhance client satisfaction through faster, more efficient scheduling and reporting.

PERSONNEL

Bureau Veritas is able to grow thanks to the commitment and expertise of its personnel. The Group's objective is to recruit, train and retain top employees by offering them rewarding positions and opportunities for professional development. The development of high-potential employees is a key factor in the Group's rapid growth and expansion. Under the BV2015 plan, there will be a special focus on the development of the middle management.

5.3. PROFESSIONAL ETHICS

Bureau Veritas has built an international wwith a solid, long-standing reputation. This reputation, based on the recognition of core professional values, is one of the Group's greatest assets.

5.3.1. THE CODE OF ETHICS

The core values "Integrity and Ethics" and "Impartiality and Independence" were the focal point of the work carried out by the industry under the leadership of the International Federation of Inspection Agencies (IFIA) in 2003. This initiative led to the drafting of the Group's first Code of Ethics, published in October 2003.

This Code of Ethics, in compliance with IFIA requirements, describes values, principles and rules applicable to all within Bureau Veritas upon which it bases its development and relationships based on trust with its customers, employees and commercial partners.

Our clients require exemplar behavior with regard to integrity, impartiality and independence. Adherence to these core values is at the forefront of the daily concerns of all Bureau Veritas employees. It has become one of the primary competitive advantages of the Group and a source of pride for all personnel. All employees must make sure that the decisions they make in their work adhere to the requirements set forth in the Code of Ethics. Business partners, intermediaries, joint ventures, subcontractors, agents and suppliers are also required to comply with the Code of Ethics when dealing with Bureau Veritas.

The Code of Ethics is available in 21 languages, covering 98% of the Group's employees as of December 31, 2011. It can be consulted online at www.bureauveritas.com. The core values of the Code of Ethics are as follows:

1. Integrity and ethics

We act in good faith and with honesty and fairness.

We do what we say we will do.

We deliver our services based on clearly established contracts and well defined actions.

We follow company policies and procedures.

We respect confidentiality of business and personal information.

We respect and apply local and international ethics and professional standards.

We provide information, instruction and training as may be necessary to ensure health and safety.

We meet our health and safety duties and responsibilities at work.

2. Impartiality and independence

We deliver professional and unbiased advice.

We draft reports which are accurate records of our findings in line with our best practices.

3. Respect for all individuals

We treat others the way we would like to be treated.

We always consider how our actions will affect others.

We recognize and value individual contribution and we give accurate and constant feedback on individual performance.

We respect differences, care about others and do not discriminate against others on the basis of nationality, ethnic origin, age, sex or religious or political beliefs.

4. Social and environmental responsibility

The growing commitment of Bureau Veritas and of its employees to social responsibility creates new challenges to combine profitability and accountability. We all respect the community, people and the environment in which we live and work and we always consider the impact of our actions upon the community, people and the environment.

The Code of Ethics Compliance Program is described in section 2.4.3 Internal control and risk management procedures of this Registration Document.

5.3.2. ORGANIZATION

The Group's Ethics Committee, whose members have been appointed by the Board of Directors, consists of the Chief Executive Officer, the Chief Financial Officer 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.

5.4. HUMAN RESOURCES

5.4.1. EMPLOYMENT

At December 31, 2011, the Group had 52,148 employees in 140 countries, versus 47,969 employees at December 31, 2010. The 8.7% growth in the workforce primarily results from an increase recruitment and, to a lesser extent, the integration of companies acquired during the financial year.

BREAKDOWN OF PERSONNEL AT DECEMBER 31

(in number of employees)	2011	2010	2009
France	7,654	7,411	7,317
EMEA[a]	13,712	13,061	10,597
Asia-Pacific	18,056	16,735	13,300
Americas	12,726	10,762	7,853
TOTAL EMPLOYEES	**52,148**	**47,969**	**39,067**

(a) Europe (excluding France), Middle East, Africa.

HIRING

Bureau Veritas took on 11,093 new staff around the world in 2011. Despite a few localized recruitment difficulties, particularly for positions requiring a high level of expertise, the Group did not experience any major issues in its recruitment operations.

Group-wide, the voluntary departure rate (resignations) was approximately 11.7% in 2011, compared to 10% in 2010. The highest departure rates were in Asia and the Middle East due to the strong demand for qualified personnel.

INFORMATION ON HEADCOUNT AT THE PARENT COMPANY, BUREAU VERITAS SA

At December 31, 2011, the Company had 6,538 employees (4,351 men and 2,187 women), versus 6,383 employees at December 31, 2010, an increase of 2.4%.

In 2011, there were 894 new hires, with 328 fixed-term contracts and 566 open-ended contracts. 74 people were laid off. The voluntary departure rate (resignations) was 3.6%.

In addition, 41,563 overtime hours were recorded in 2011, representing a cost of EUR 353,546. The Company's outside workforce was 47 employees.

The Company's Social Audit is available from the head office upon request.

5.4.2. REMUNERATION

The table below illustrates the Group's personnel costs over the past three years:

(in millions of euros)	2011	2010	2009
Salaries and bonuses	1,331.5	1,158.6	1,051.2
Payroll taxes	319.8	270.3	247.4
Other employee-related expenses	58.1	50.5	37.8
TOTAL PERSONNEL COSTS	**1,709.4**	**1,479.4**	**1,336.5**

5.4.3. ORGANIZATION OF WORK TIME

WORKING HOURS

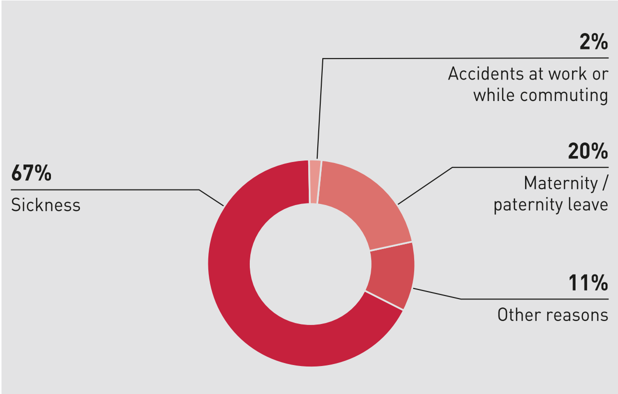
Working hours vary depending on the country and comply with the relevant laws of each country.

In France, the agreement signed on January 11, 2011 regarding the organization and reduction of work time, pursuant to France's 35-hour workweek laws and the agreement by the Metallurgy branch, reduced the workweek from 38 hours 30 minutes to 35 hours.

In France, 450 employees (6.8% of the workforce) work on a part-time basis.

ABSENTEEISM

In 2011, the absentee rate was 4.2% in France.



5.4.4. DIVERSITY AND EQUAL OPPORTUNITIES

The Group's presence in more than 140 countries around the world helps promote diversity. Respect for individuals is one of the core values of Bureau Veritas. By accepting the Code of Ethics, all of the Group's employees and commercial partners agree to behave with respect for differences and for others, without any type of discrimination regarding their nationality, ethnic origin, age, sex, religious or political-beliefs.

90 nationalities are represented among the Group's managers (1,910 people). Six nationalities are represented in the Executive Committee.

EQUAL OPPORTUNITIES BETWEEN MEN AND WOMEN

On a global level, 65% of employees are men and 35% are women. As regards managers, 87% are men and 13% are women.

Each year Bureau Veritas SA draws up and presents a report on equal opportunities between men and women.

A collective bargaining agreement was signed on December 15, 2011 demonstrating the Group's desire to implement a corporate equal opportunity policy. The provisions of the agreement should serve to ensure:

- equal treatment for women and men throughout their professional career;
- professional development for women and men under identical conditions;
- greater consistency in the breakdown between men and women in all business areas;
- the elimination of any unjustified wage gaps between women and men; and
- the implementation of actions to promote better work-life balance.

This agreement defines proactive, pragmatic continual improvement objectives aiming to improve gender diversity in the workplace, actions to implement and indicators to be monitored in the following areas:

- education and communication;
- recruitment;
- training;
- professional advancement;
- remuneration; and
- balance between professional life and family responsibilities.

EMPLOYMENT OF DISABLED WORKERS

After carrying out a study on the employment of disabled persons, Bureau Veritas SA wished to put its commitment into writing by signing a partnership agreement with the AGEFIPH (a French government agency promoting the employment of disabled people) in July 2010.

Actions aiming to create favorable conditions for a policy governing the hiring and retention of disabled persons were rolled out in France in 2011:

- an awareness-raising campaign targeting Management Committees and all personnel, with a poster campaign at 178 sites and the creation of a film, giving disabled employees an opportunity to tell their story;
- actions to boost the recruitment of disabled people, including the signature of a partnership agreement with Jobekia, actions taken in collaboration with the MEDEF (French Business Confederation), and participation in recruitment forums, "HandiCafés" (informal meetings between disabled job seekers and recruiters) and morning disability-awareness events.

In terms of job retention, steps were taken to adapt the job responsibilities or vehicles of handicapped workers. 25 people identified themselves as disabled workers following this internal communication.

5.4.5. A HUMAN RESOURCES POLICY TO SERVE THE GROUP'S STRATEGY

As part of its strategic plan for 2015, Bureau Veritas plans to increase its global workforce to 80,000 people over the next five years, versus 52,148 employees in 2011 and 11,000 in 2000. To achieve this objective, the Group is deploying a Human Resources (HR) strategy focusing on the integration of entities acquired, talent development, the identification of future leaders, as well as the recruitment of resources allowing the Group to strengthen its position in emerging countries, especially China and India.

An HR network of almost 450 professionals, present on all continents, is working to meet this challenge, and is able to draw on a common policy, organization, processes and tools. The Group HR Department ensures that this policy is applied in a consistent manner. This department comprises around 20 experts and is divided into four areas: Organizational Development; Career Development; Remuneration Policies; HR Systems, Organization and Processes.

Additionally, in 2011 Bureau Veritas developed a plan to transform its HR-specific information system while continuing to optimize the existing platform. Under this HRIS transformation plan, an HR information center will be established to automate and secure data exchanges with local HR systems. The plan also includes the implementation of new HR processes (Career Committees, Remuneration Reviews, Internal Mobility Portal).

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 in order to guarantee its 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.

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 a very flexible way of accessing "e-learning" modules – to speed up the integration of new hires, improve performance management or develop "QHSE" (Quality, Health, Safety and Environment) issues – and with a "toolbox" to support the development of managerial behavior and leadership qualities in managers.

With respect to training costs, the Group has detailed information available for each country. For instance, in France the percentage of payroll dedicated to training was estimated at 3.8%, and the amount allocated to training remained at EUR 9.5 million in 2011.

MANAGING EMPLOYEE PERFORMANCE AND CAREERS

Performance assessments

All of the Group's managers 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.

In addition to this system run by the Group HR Department for the 1,910 Group managers, around 80% of employees also had one annual appraisal managed by local Human Resources departments. For example, in France, annual appraisals have been performed for all staff. They are the subject of an internal memo and a specific medium providing for assessment of the employee's performance, his or her ability to act in accordance with the Group's values and his or her mobility aspirations in addition to establishing the need for an individualized development plan.

Internal mobility and career management

Bureau Veritas has continued to strengthen its career management policy by refining the management processes and rules associated with internal mobility, performance management, talent development and international mobility. All of these policies are defined in the "Career Management @ BV" program, which aims to strengthen internal mobility and the career development plans of key resources within the Group.

The Group HR Department introduced Career Committees referred to as "Leadership Reviews" in which managers are assessed collectively by their superiors (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 2011, 82% of vacant management posts were filled internally (versus 78% in 2010).

In addition, the "Talent Pipeline" program identifies the best-performing employees who may eventually be promoted to managerial positions. 252 "talents" have thus been listed and benefit from career monitoring. The goal is to identify and monitor 500 such talents.

In France, this specific system is called DRA (*Détecter Révéler Accompagner*). It aims to identify employees with potential, to assess their abilities both internally and externally, through the assistance of an external consultant. Candidates identified under this program receive specific support, including, in particular, training covering all key skills that a manager needs (leadership, team management and commercial activity). Since this system was rolled out in 2003, around 350 employees have been evaluated. 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 2011, out of a total of 42 vacant department-head posts, 34 (81%) were filled through internal appointment.

In addition, Bureau Veritas maps types of jobs, describes the duties and skills required and ranks them on a common scale ("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. This task was further developed for certain new job types in order to adapt training needs or career planning. 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. 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.

Remuneration policy

The bonus policy is used to develop employee loyalty and motivation. In addition to their annual base salary, the Group's 1,910 managers may receive an annual bonus awarded on the basis of achieving financial and individual objectives. The percentage bonus varies from 15% to 50% of the annual base salary depending on the managers' responsibility band:

- for band I (approximately 20 managers), the bonus represents 40% to 50% of the annual base salary;
- for band II (approximately 90 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 1,500 managers), the bonus represents 15% to 20% of the annual base salary.

This individual bonus is 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 the institutions that represent staff. Structures representing staff are in place in all key countries. These structures take various forms depending on local legislation and the size of the workforce. They generally fall into 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 (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 signature of a number of employee collective bargaining agreements setting out the terms of representation in addition to legal provisions:

- the agreement related to equal opportunities between women and men, signed on December 15, 2011;
- the agreement on contractual profit-sharing for employees; additional profit-sharing-based compensation granted in consideration of the increase in dividends for the 2010 financial year under the profit-sharing bonus system, signed on October 27, 2011;
- agreement on the means of communication for labor unions, the works council, and the health, safety and working conditions committee, signed on June 22, 2011;
- amendment No. 2 to the regulations governing the Group savings plan dated July 19, 2007, signed on May 26, 2011;
- agreement on employee profit sharing for the year 2010, signed April 28, 2011;
- amendment No. 1 to the agreement on the use of new information and communication technologies by the union organizations and other bodies representing staff at Bureau Veritas, signed February 1, 2011; and
- amendment No. 2 to the agreement on the use of new information and communication technologies by the union organizations and other bodies representing staff at Bureau Veritas, signed March 24, 2011.

5.4.6. HR INFORMATION GATHERING METHODS

The Group HR report is published and submitted on a quarterly basis to the members of the Executive Committee and to the HR Departments of the various zones and businesses. This document (known as the "PeopleBook") includes charts covering a wide range of indicators on changes in the workforce, sources for new hires, internal promotion, "Talents", turnover, etc. Each indicator is assigned a specific, standardized definition. Within the Corporate HR Department, an HR Global Reporting team is in charge of verifying and publishing this data.

TOOLS USED

The integrated Group tools known as "PeopleSoft" and "SAS Business Intelligence" are used to gather, consolidate and consult HR and QHSE data. The OrgPlus system, which is connected to PeopleSoft, also allows users to view and verify data in the form of organizational charts enriched with HR data. Local indicators and requests are also available via the HR information systems (pay, administrative management) used in the countries. All Group employees are covered by these tools. Newly acquired companies (e.g., Inspectorate in 2010) are gradually integrated into the Group's HR processes and HRIS tools (PeopleSoft, SAS, OrgPlus).

DATA CONSOLIDATION

Individual data (biography, employment data) are continuously updated in the Group HRIS for 30% of Bureau Veritas' workforce (all managers, France, China, Australia and New Zealand). Individual data for the other countries are closely monitored in local systems. The HR data collection process begins at the beginning of each quarter (April, July, October, January) for the prior quarter. Each HR Department of the different zones and businesses downloads their corresponding data in the SAS HR application based on a pre-defined, secure format available online. Each entity is responsible for the quality of the data provided. The Corporate HR Department double checks this data using automatic verification tools developed in MS Office. The quarterly "PeopleBook", which restates these data in the form of indicators, must be approved by the zone/business HR Departments before publication.

DOCUMENTATION AND TRAINING FOR USERS

Detailed, regularly-updated documentation is available both within the SAS HR portal (SAS HR User Guide, QHSE Reporting Procedure, SAS tutorials) and within the HR community's knowledge-sharing tool (CenterStage). Each newcomer identified as a user and/or contributor to the HR reports must complete training on how to collect and enter data as well as online consultation of indicators. This training is provided by the Corporate HR Department.

5.4.7. 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, are entitled to a special reserve calculated according to the method set out under article L. 3324-1 of the French Labor Code.

Bureau Veritas applies the profit-sharing regime provided for under article L. 3323-5 of the French Labor Code. From 2005 to 2009, there was no payment, due to the absence of a profit-sharing reserve.

The application of the legally mandated formula for the profit-sharing reserve generated a profit-sharing amount of EUR 2,347,365 for 2010, paid in 2011. An employee profit-sharing agreement for the year 2010 was signed on April 28, 2011 for a term of one year.

The application of the legally mandated formula for the profit-sharing reserve generated a profit-sharing amount of EUR 2,785,203 for 2011, which will be paid in 2012.

CONTRACTUAL PROFIT-SHARING

On June 30, 2008, Bureau Veritas reached an 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 is replaced by the following formula: 16% of REG - RSP.

(in euros)	2011	2010	2009
Beneficiaries	N/A	6,941	6,879
Total amount paid for the financial year	**N/A**	**7,542,642**	**10,984,234**

Since the contractual profit-sharing agreement for the 2011 to 2013 financial years was not signed by the Works Council, negotiations were resumed for the signing of a new agreement for the years 2012 to 2014.

Additional profit-sharing-based compensation granted in consideration of the increase in dividends for the 2010 financial year under the profit-sharing bonus system, resulted in the payment of EUR 2,208,098 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 a "sustainable 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 employee mutual fund (*FCPE - 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 EUR 500, the contribution is set at 60% of the employee contribution,
  - beyond EUR 500, the rate is set at 30% of the employee contribution.

  Annual contributions may not exceed EUR 1,525 per calendar year per beneficiary.

As of December 31, 2011, the total amount invested in this employee mutual fund was EUR 92.9 million, broken down as follows:

- *BV VALEUR* sub-fund: EUR 78.9 million,
- *BV DYNAMIQUE* sub-fund: EUR 6.3 million,
- *BV ÉQUILIBRE* sub-fund: EUR 7.7 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 EUR 600.

As of December 31, 2011, the amount invested in the “BV next” FCPE was EUR 37.2 million;

- a “*CAAM Label Équilibre Solidaire*” FCPE opened on December 31, 2009, holding EUR 1.2 million in assets as of 31 December, 2011.

5.5. QHSE POLICY

The Group’s QHSE commitments, updated in 2011 and signed by the Chairman and Chief Executive Officer of the Group applies to all levels and entities. 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.

5.5.1. 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 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 and team. This group has particular responsibility for the following:

- defining and reviewing Quality and HSE policies and performance criteria;
- monitoring action plans; and
- sharing best practices.

5.5.2. COMMUNICATION

Key QHSE initiatives are communicated internally and externally:

- the Group’s website (www.bureauveritas.com and www.bureauveritas.fr), the Registration Document and the activity report provide regular information on the QHSE commitments of Bureau Veritas as well as ongoing details regarding this initiative; and
- dedicated sections within the Group’s intranet as well as a semi-annual newsletter enable to exchange documents, presentations and good practices internally.

During calls for tender, Bureau Veritas provides its clients with this information and further details, such as risk analyses, training given to staff, instructions and the QHSE insurance plan in relation to projects.

The Group encourages the main countries to provide information to local stakeholders, existing and prospective clients, authorities, analysts and job seekers regarding their aims, programs and indicators.

QHSE SECTION OF THE GROUP’S WEBSITE

This section was greatly expanded in 2010:

- **gives information on programs and indicators, with 17 available case studies;**
- **provides most recent documentation.**

Connection statistics: +70% in number of visitors since 2009.

http://www.bureauveritas.fr/qhse
and http://www.bureauveritas.com/qhse

5.5.3. QUALITY

THE QUALITY COMMITMENT

The commitment to implement the Quality Statement is based on the involvement of operational Management, supported by the Quality network within each business, region and country.

The strategy set up to improve Quality is based on 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.

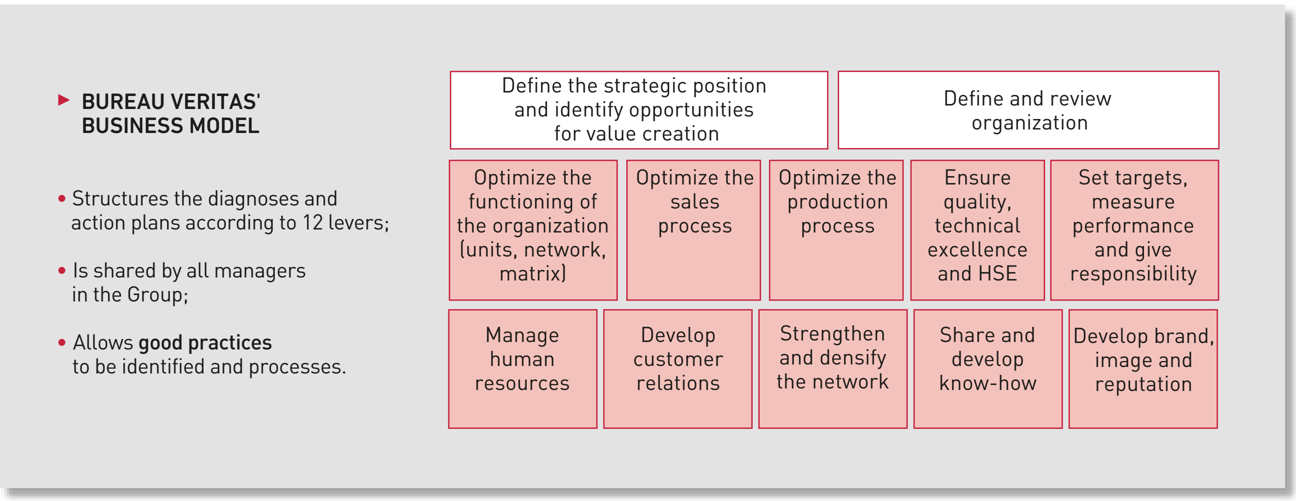
To achieve the above, the Group has a Quality Manual approved by the Chairman and Chief Executive Officer of Bureau Veritas and distributed throughout the network. This manual is supplemented locally to meet the requirements of authorities and clients.

In 2011 this Manual was supplemented by a series of Group policies in the areas of Technical Quality and Risk (TQR) Management meeting the requirements of certifications and accreditations. Since 2010 these policies have been analyzed in order 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 that audits about 30 countries every year across all Group businesses (only the Certification business is excluded because it is monitored by its own accrediting organizations). The program meets the requirements of ISO 9001 V2008.

Bureau Veritas' business model



INDICATORS

Aims and key performance indicators (KPIs) are monitored across 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	2011	2010	Objectives
Customer complaints	Closing time: (total number of ongoing complaints/number of closed complaints) x number of calendar days over the reference period	20 days	31 days	30 days
Supervision of inspectors	Frequency of supervision, in years, of technical staff on the ground in their main areas of expertise	2.5 years	2.6 years	3-year cycle
Internal audits of the Quality system	Number of internal audits of the Quality system carried out internally by the network	1,174	506	3-year cycle: approx. 1,000 audits
Internal audits of the Quality system	Average closing time for non-conformities identified during internal audits	86 days	NA	90 days
ISO 9001 certification non-conformities	Number of non-conformities identified during certification audits of the Quality system carried out by the external certification body	24	8	Zero
ISO 9001 certification good practices	Number of good practices identified during certification audits of the Quality system carried out by the external certifcation body	16	64	Availability on the internal portal
ISO 9001 certification integration of acquisitions	Average time taken to integrate new acquisitions in the Group's ISO 9001 Quality system certification program	11 months	26 months	No more than 18 months after acquisition

ACHIEVEMENTS IN 2011

As part of its Quality commitment, all existing processes have been reinforced, in particular:

- **management of customer complaints:** by investigating the root causes of complaints and implementing corrective actions. The roll out of CRM (Customer relationships management) information systems also provided better traceability of this process and the ability to monitor "closing time". 2011 marked the first time that we achieved the target closing time of 30 days for this indicator;
- **management of qualifications and supervision of technical staff:** the Group continued to roll out the Group qualification management tool (BVQualif) in order to meet the higher demands of clients and authorities. In 2011, the number of qualified inspectors in the database rose significantly to 2,900, representing a total of 6,400 approved qualifications.

  In addition, the processes for supervising inspectors on-site, which involve inspecting the quality of work provided to clients, were strengthened. The three-year target was met in 2011, with an average frequency of 2.5 years.

  A new tool (Q&S), developed in 2011 for managing the qualification and supervision processes and able to interface with the production systems, will be rolled out in 2012 in the main countries of the Industry & Facilities division;
- **internal audits** of the Quality Management system are carried out by the TQR Departments. They ensure that the Quality commitment is met and that the Management system continues to improve. Over 1,100 audits were carried out within the Group in 2011. The closing time for non-compliances resulting from these internal audits has been monitored since 2011. The 90-day target set for 2011 was almost met (86 days);
- **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 2011 the objective was achieved, with the integration of Inspectorate operations in Argentina, Peru, Brazil and Australia under the Group's certificate.

OBJECTIVES

In 2012, 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, integrating these with the monitoring process (implementation of the Q&S tool) 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;
- furthering the integration of Inspectorate, especially in North and Central America, Eastern Europe (Russia and the Ukraine) and South Asia (India). The goal is for Inspectorate to be fully integrated under the scope of the certification before the end of 2014.

Under the BV2015 strategic plan, the following objectives have been set:

- adaptation of the Business Model, in order to bring it in line with the priorities defined under the strategic plan;
- systematic integration of acquisitions under the Group certification program within a set time frame;
- improved management of quality assurance processes (customer complaints, inspector qualifications and supervision, non-compliances identified in internal and external audits) in order to meet the requirements of stakeholders (clients and authorities) and to reduce the cost of quality defects.

5.5.4. 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 adverse environmental impact through the introduction of sustainable development initiatives minimizing the use of resources and waste generation;
- to increase employees' awareness of HSE concerns and issues;
- to ensure that 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;
- driving;
- risk assessment;
- accident analysis;
- medical surveillance;
- fire safety; and
- travels safety.

New policies, which will be published at the beginning of 2012, are being approved in relation to the following areas:

- drugs, alcohol and tobacco;
- Health & Safety Committee.

In 2011, 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.

HEALTH AND SAFETY IN THE WORKPLACE

Investment by Bureau Veritas in activities relating to occupational health and safety represented about EUR 400,000. As a result, programs such as "OHSAS 18001 Certification" and "Defensive Driving Awareness" have been reinforced.

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 29% of Group employees were covered by OHSAS 18001 certification at the end of 2011, corresponding to all of Spain, Italy, Malaysia, Indonesia, Vietnam, Thailand, Brunei, Singapore, India, Gabon, Abu Dhabi, Russia, the Ukraine, Belarus, Australia and the main Brazilian and Chilean sites. The 2012 certification program includes new entities such as three laboratories in the Consumer Products business (India, China and Hong Kong) and three laboratories in the Commodities business (the United Kingdom, Singapore, Dubai). The aim is to achieve OHSAS 18001 certification for 41% of the Group by the end of 2012.

HEALTH AND SAFETY INDICATORS

Bureau Veritas has been monitoring health and safety indicators in each country in which it operates for the last six 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	2011	2010	Objectives
Lost Time Rate (LTR)	0.76	0.69	-15% per year
Total Accident Rate (TAR)	1.65	1.58	-10% per year
Accident Severity Rate (ASR)	0.07	0.06	-
Fatality (FAT)	3	2	Zero

Expansion of OHSAS 18001 certification led to better monitoring of these indicators in certified countries and explains the increased accident rate in 2011 (LTR, TAR and ASR).

ACHIEVEMENTS IN 2011

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 2011, seven new entities joined this program, increasing the total number of entities covered to 23.

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.

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 Group has developed, with an external partner, an e-learning module specifically relating to defensive driving. In 2011, this module was rolled out within Bureau Veritas entities, and more than 4,000 drivers were trained on driving-related risks. In 2012, a new module on driving two-wheeled vehicles will be developed and implemented.

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 2011, 37 days were allocated to carrying out audits and writing up the related reports.

E-learning modules

E-learning modules have been developed since 2009 and uploaded to the intranet to aid understanding of internal HSE requirements and ensure the deployment of a general culture within the Group.

In 2011, these e-learning modules were consolidated into a "Training Library" where these items are available in several languages. In 2012, new training modules on major risks will be added to the library.

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 2011 were as follows:

- to achieve objectives related to reduced consumption of paper, water and energy;
- to roll out the BV Carbon tool in 50% 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 EUR 400,000 in 2011 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 2011.

▶ WORLD ENVIRONMENT DAY 2011: THREE AWARDS

In 2011, Bureau Veritas celebrated World Environment Day (WED) throughout the Group for the third time. Over 50 entities were involved in initiatives based on the topic selected by the UN: "Forests: Nature at Your Service".

Creativity

The team in Taiwan won the Creativity prize.

Education

The team in Malaysia won the Education prize.

Biodiversity

The team in Indonesia won the Forestry prize.

http://www.unep.org/french/wed/2011

CERTIFICATION

The Group strongly encourages its entities to develop environmental management systems in line with the ISO 14001 standard. 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.

At the end of 2011, 32% 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, India, Australia, Gabon, Abu Dhabi, as well as the main sites in Brazil and England and five sites in France, including the head office.

INDICATORS

Under its Energy & Waste program, Bureau Veritas has introduced environmental indicators to monitor progress in the consumption of energy, water and paper per person per year on a like for like basis. 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	2011	Change vs. 2010 on a like for like basis (%)	Objectives
Energy	MWh/person/year			-10%
Offices		*2.6*	*-19.6*	
Laboratories		*5.2*	*-15.8*	
Water	Tons/person/year			-10%
Offices		*16.9*	*+6.5*	
Laboratories		*39.4*	*-12.9*	
Paper	Kg/person/year			-15%
Offices		*27.0*	*-7.6*	
Laboratories		*53.6*	*-13.3*	

ACHIEVEMENTS

Energy & waste

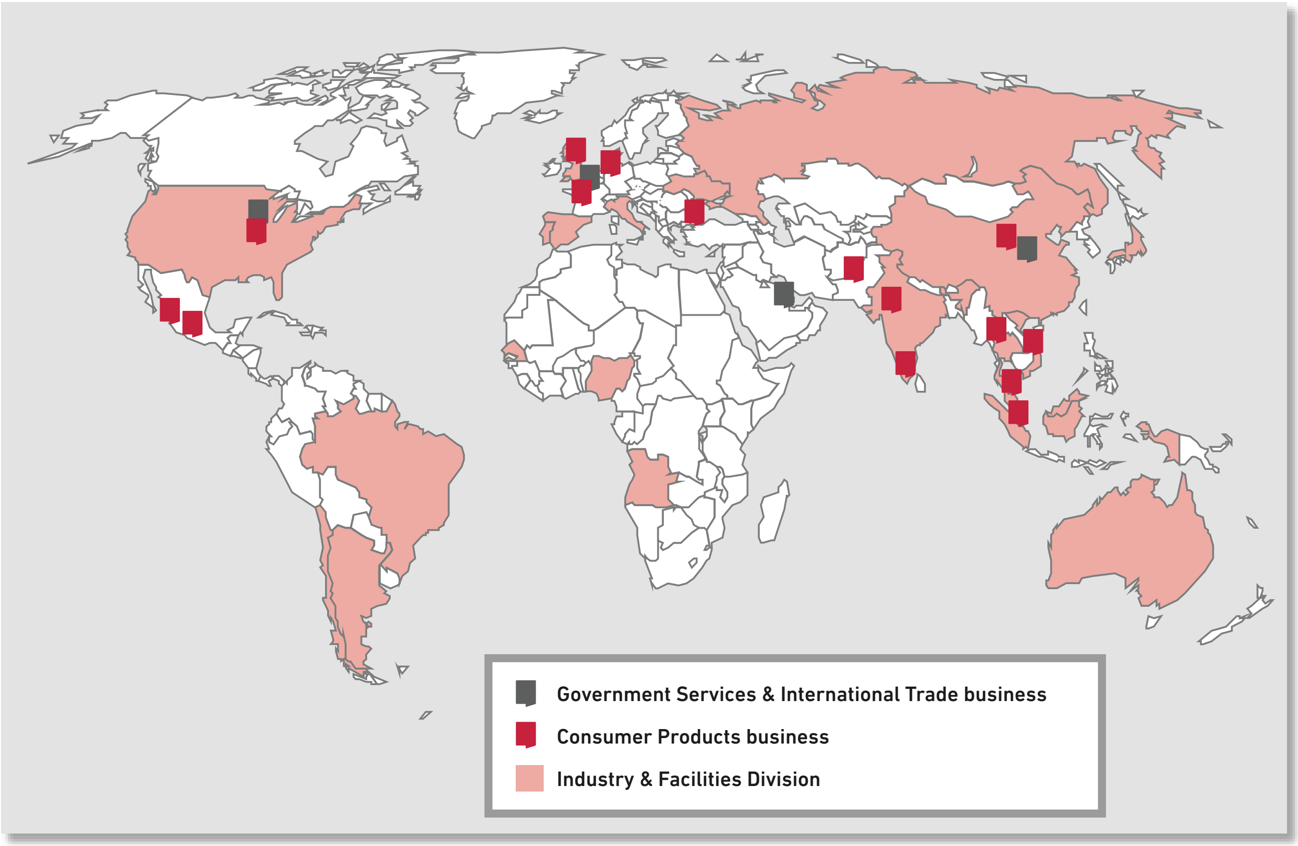
This program was developed from a pilot initiative launched by Bureau Veritas in 2007 to reduce the consumption of energy, paper and water and the quantity of waste. In 2011 geographical coverage of these initiatives increased significantly and now stands at 75% of the Group.

Geographic distribution of the program

In 2011, most of the consumption reduction targets were met. However, there is still room for improvement in terms of paper consumption in the laboratories (13.3% reduction versus a target of -15%) and water consumption in the offices (+6.5% increase versus a target of -10%).

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 behavior (regulated watering, controlling indoor temperatures, optimized lighting, etc.), or to management (procedures, management systems, etc.).

▸ ENTITIES PARTICIPATING IN THE ENERGY & WASTE PROGRAM



Carbon footprint

The BV Carbon tool was developed internally by experts in 2009 to measure the Group's CO_2 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 2011, the BV Carbon tool was rolled out more extensively throughout 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. The consolidation of Bureau Veritas' carbon footprint will be finalized in 2012.

OBJECTIVES

In 2012, the operational teams at Bureau Veritas, with the support of the internal HSE network, will concentrate on:

- strengthening HSE training: initial training (induction), specific training for high-risk activities, improvement and distribution of training materials, recording and monitoring of training statistics;
- carrying out internal audits regarding compliance with Group requirements, which are now aligned with those set forth in the ISO 14001 and OHSAS 18001 standards;
- implementing medical surveillance processes based on the activities carried out to ensure that employees are fit for work; and
- furthering the integration of Inspectorate, especially in North and Central America, Eastern Europe (Russia and the Ukraine) and South Asia (India). Inspectorate will be integrated under all HSE indicators before the end of 2012.

As part of the strategic plan for 2015, the goal will be to certify all Bureau Veritas entities (including acquisitions) under ISO 14001 and OHSAS 18001 by and the end of 2014.

5.5.5. 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 will provide staff with effective, user-friendly tools.

2011 ACHIEVEMENTS

In 2011, the KM Department accelerated the migration of the knowledge-sharing platforms in order to broaden information exchange possibilities and to refine search tools:

- migration from "Tribes" to the new "CenterStage" platform is 90% complete and almost 90 communities are already active. This platform allows users to collaborate not only by sharing documents but also through wikis, blogs and discussion forums;
- improved capabilities of the KM network through the creation of a group of community leaders, the coordination of 13 training sessions and the dissemination of KM best practices and key indicators;
- the upgrade to Bureau Veritas Group's search engine, QuickSearch, was finalized, with integration of the image library and the CenterStage platform;
- an internal survey of over 200 frequent users showed clear improvement in the KM environment. The survey pertained to their expectations in terms of KM tools and practices, as well as their opinions on current tools and practices.

OBJECTIVES

In 2012, upon completion of the KM tool transformation phase and data migration, the Group KM team will concentrate on change management activities. In particular, this team will collaborate with the KM network to ensure:

- better leadership of the Communities of Practice by assisting leaders with their community management responsibilities and by providing appropriate best practices, training and communication tools;
- employee training. Webinars and training workshops will be offered in this regard. An e-learning module designed for new hires will be developed and launched on BV Portal;
- dissemination of best practices for local content management. A series of best practices will be distributed to end users to help them effectively and securely manage their local content (e-mails, hard drive files and content in shared service directories);
- reinforcement of the KM network. Effective KM is largely dependent on the quality of the KM network, which must encourage and facilitate knowledge-sharing within regions or business entities. We will seek to ensure that the role of this network is better understood and recognized.

Under the strategic plan for 2015, the following objectives have been set:

- BV One Company - Collaboration between Bureau Veritas employees must be efficient, easy and unhindered by organizational barriers;
- a set of active Communities of Practice that allows newcomers (young new hires and those from newly acquired companies) to integrate quickly and develop a network within Bureau Veritas;
- the merging of KM platforms to reduce costs and streamline communications between tools;
- an update to the Group's internal portal and alignment with the new knowledge sharing priorities.

5.5.6. QHSE INFORMATION GATHERING METHODS

STANDARDS AND DEFINITIONS

In the absence of recognized public standards for inspection operations, Bureau Veritas has defined its own set of QHSE indicators, as described below, including specific definitions, scopes and methods of consolidation, responsibilities, and information verification.

These items are described in the manuals for the areas in question (Quality, HSE). They are regularly updated to account for the introduction of additional programs and changes to the scope (expansion to include existing entities, integration of new acquisitions).

INFORMATION GATHERING AND VERIFICATION

QHSE indicators fall under the responsibility of the QHSE Department, which draws on the data entered into the network of information systems. Consistency checks are carried out when this information is consolidated. As part of these checks, discrepancies and comparisons between entities are reviewed.

During the internal audits conducted by the QHSE Department or by business- or region-specific QHSE Directors, the indicators are reviewed with local management. In addition, as part of the certification process, QHSE indicators are audited by the representatives of the independent certification bodies.

Quality indicators are taken from the quarterly reports issued by the corresponding businesses. HSE indicators are entered by Group entities in an online tool (SAS). Environmental data are entered twice per year. 2011 consumption figures were extrapolated from data collected in the first half of 2011 due to the time it takes to receive the invoices used to calculate these figures. Actual 2011 data will be published in 2012. Health and safety data are entered every quarter.

SCOPE AND METHODS OF CONSOLIDATION

QHSE indicators are consolidated at a worldwide level or within specific programs, as indicated below. Any exclusions are indicated.

QUALITY INDICATORS

Indicator	Unit	Scope	Consolidation
Customer complaints	Closing time in days	80% of the Group[(a)]	Local closing time is weighted by the number of complaints for each unit
Supervision of inspectors	Frequency in years	70% of the Group[(a)(b)]	Local frequency is weighted by the headcount of the unit in question
Internal audits of the Quality system	Number	100% of the Group[(a)]	Consolidated without weighting
Non-conformities identified during internal audits	Closing time in days	100% of the Group[(a)]	Local closing time is weighted by the number of non-conformities of each unit
ISO 9001 Certification		**90% of the Group[(c)]**	
Non-conformities	Number of non-conformities		Consolidated without weighting
Certification - good practices	Number		Consolidated without weighting
Certification - integration of new acquisitions	Integration time in months		Local integration time is weighted by the headcount of each unit integrated

(a) Excludes Inspectorate.
(b) Support and laboratory personnel are excluded.
(c) The Certification business is excluded (approx. 10% of total personnel). Inspectorate's entities are currently in the process of being integrated.

HSE INDICATORS

Indicator	Unit	Scope	Consolidation
Electricity consumption	% of change in consumption per year per person on a like for like basis	75% of the Group	Data are gathered for each entity within the Group twice a year and consolidated, but only those entities that reported information in year N and N-1 are taken into account. The result is then divided by the number of employees
Water consumption		46% of the Group	
Paper consumption		75% of the Group	
Lost Time Rate (LTR)	(Number of accidents with lost time x 200,000)/ Number of hours worked	100% of the Group	Local closing time is weighted by the number of non-conformities of each unit
Total Accident Rate (TAR)	Number of accidents with and without lost time x 200,000/Number of hours worked	100% of the Group	Consolidated without weighting
Accident Severity Rate (ASR)	Number of days lost x 1000/Number of hours worked	100% of the Group	Consolidated without weighting
Fatality (FAT)	Number of fatalities	100% of the Group	Local integration time is weighted by the headcount of each unit integrated
ISO 14001 and OHSAS 18001 certification	% of employees covered by certifications	100% of the Group[(a)]	Consolidated without weighting

(a) The statistics are calculated for the Group as a whole, but the % covered by the certifications is 32% and 29%, respectively, for ISO 14001 and OHSAS 18001.

Addition information regarding 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 or http://www.bureauveritas.fr/qhse

06

Information on the Company and the Capital

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 Shareholders' Meeting in accordance with the law and its by-laws, on December 31, 2080.

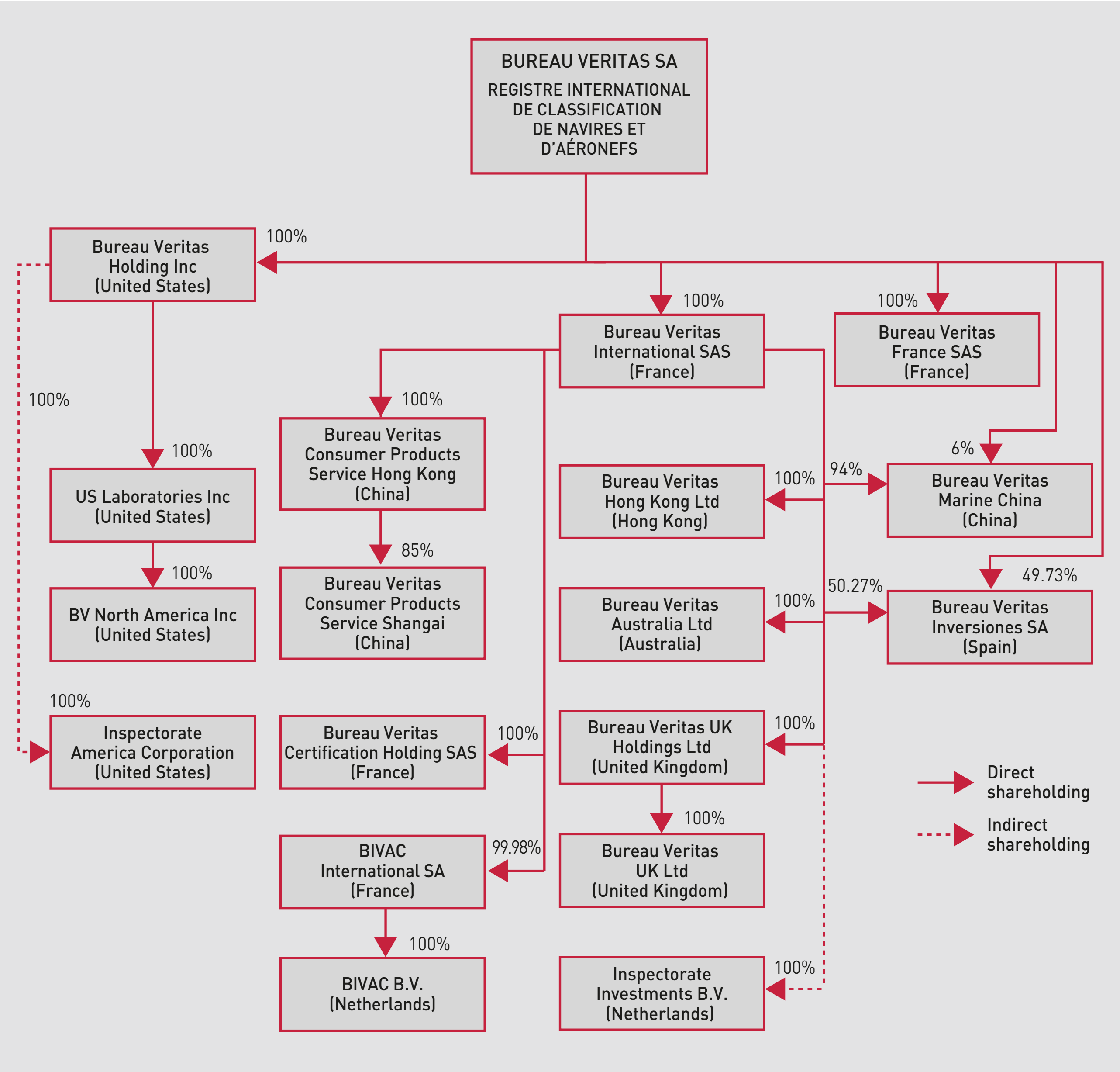
LEGAL FORM AND APPLICABLE LEGISLATION

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. SIMPLIFIED GROUP ORGANIZATIONAL STRUCTURE AS OF DECEMBER 31



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.

In 2011, Bureau Veritas SA recorded EUR 864 million in revenue.

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", annexed to the 2011 consolidated financial statements, in paragraph 4.1 of this Registration Document.

The principal subsidiaries are essentially selected based on the net book value of the securities held (generally at least EUR 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 1601 Sawgrass Corporate Parkway, Ste 400, Fort Lauderdale, FL 33323, 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 Holding Inc. Its main 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 is 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. In 2011, it recorded USD 129.7 million in external revenue (EUR 93.2 million).

INSPECTORATE AMERICA CORPORATION (UNITED STATES)

Inspectorate America Corporation Inc is an American company and its registered office is located at 12000 Aerospace Avenue, Suite 200, Houston, Texas 77034, United States. The company has been indirectly fully owned by Bureau Veritas Holding Inc since September 2010, following the 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. In 2011, it recorded USD 131.2 million in external revenue (EUR 94.2 million).

BUREAU VERITAS INTERNATIONAL SAS (FRANCE)

Bureau Veritas International SAS is a French simplified limited liability company (*société par actions simplifiée*), and its registered office is at 67/71, Boulevard du Château, 92200 Neuilly-sur-Seine, France. 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, Zhuanqiao Town, Minhang, Shanghai 201108, China. It is 85%-owned by Bureau Veritas CPS Hong Kong Ltd. Its main business is to supply services through the Consumer Products business, and in 2011, it recorded CNY 444.2 million in external revenue (EUR 49.4 million).

BUREAU VERITAS CERTIFICATION HOLDING SAS (FRANCE)

Bureau Veritas Certification Holding SAS is a French simplified limited liability company (*société par actions simplifiée*), and its registered office is at 67/71, Boulevard du Château, 92200 Neuilly-sur-Seine, France. 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 BV (NETHERLANDS)

BIVAC BV 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 BV is a fully owned subsidiary of BIVAC International SA. Its main business is the administrative management of the GSIT business' government services activities and it recorded EUR 56.2 million in external revenue in 2011.

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 HKD 1,393 million in external revenue (EUR 128.5 million) in 2011.

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. In 2011, this operational activity recorded AUD 5.8 million in revenue (EUR 4.3 million). 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 its registered office is at Brandon House, 180 Borough High Street, London SE1 1LB, United Kingdom. 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 Brandon House, 180 Borough High Street, London SE1 1LB, United Kingdom. Bureau Veritas Inspection Ltd, previously named "Plant Safety Ltd", is a fully owned subsidiary of Bureau Veritas UK Holdings Ltd. Its main business is In-Service Inspection & Verification. In 2011, it recorded GBP 60.5 million in external revenue (EUR 69.7 million).

INSPECTORATE INVESTMENTS BV (NETHERLANDS)

Inspectorate Investments BV 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 main business is supplying services through the Marine business and, in 2011, it recorded CNY 668.2 million in external revenue (EUR 74.3 million).

BUREAU VERITAS INVERSIONES SA (CPAIN)

Bureau Veritas Inversiones SA, formerly named "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 Avenida Can Fatjó dels Aurons, núm. 9, Parque Empresarial A-7, Edificio Palausibaris, 08174-Sant Cugat del Vallès, Barcelona, Spain. Bureau Veritas Inversiones SA is jointly owned by Bureau Veritas International SAS (50.27%) and Bureau Veritas SA (49.73%). 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*), and its registered office is at 67/71, Boulevard du Château, 92200 Neuilly-sur-Seine, France. 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 2011 financial year whose acquisition price was at least EUR 10 million are described in detail. The prices for these acquisitions include earn-outs and any costs and fees associated with these acquisitions.

AUTO REG

In January 2011, Bureau Veritas acquired the Brazilian group Auto Reg, the country's leader for vehicle insurance damage inspections. Formed in 1995 and based in Sao Paulo, the group performs technical inspections and provides statistics to the largest insurance companies in Brazil via a large network of 26 offices across Brazil. In 2011, Auto Reg had 620 employees and reported EUR 28.9 million in revenue.

CIVIL-AID

In August 2011, Bureau Veritas acquired Civil-Aid Technoclinic Pty Ltd, an Indian company specializing in compliance assessment services for public and industrial infrastructure. Civil-Aid, which was formed in 1998, offers a wide range of quality assurance and technical control services, from the design stage through to construction. These services also include reviewing plans, construction site inspections and materials tests. Based in Bangalore, Civil-Aid is one of the leaders in this market in southern India, where it has two laboratories and a number of mobile units that it uses to carry out on-site tests. In 2011, the company had 235 employees and generated EUR 3.3 million in revenue.

All of the acquisitions carried out in 2011 are presented in Note 10 annexed to the 2011 consolidated financial statements in Chapter 4.1 – 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 ROYALTIES AND EXPERTISE LICENSING CONTRACTS

Since 2007, Bureau Veritas has had franchise contracts in place with the Group's subsidiaries.

The aim of this industrial franchise contract is to make BVSA's industrial property available to Group entities and provide technical and administrative services to Group subsidiaries.

The use of industrial property and services rendered is paid in the form of royalties calculated based on a percentage of third-party revenues, which may vary depending on the activities carried out by the subsidiaries.

6.6. SHARE CAPITAL AND VOTING RIGHTS

6.6.1. SHARE CAPITAL

CHANGE IN SHARE CAPITAL DURING THE FINANCIAL YEAR ENDED ON DECEMBER 31, 2011

As of December 31, 2010, the capital was EUR 13,112,232.12 and was divided into 109,268,601 shares with a par value of EUR 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 totaled 169,742,543 and the number of exercisable voting rights totaled 168,993,125.

As of December 31, 2011, the capital amounted to EUR 13,263,154.32 and was divided into 110,526,286 shares with a par value of EUR 0.12 each.

The Company's share capital changed over the course of the 2011 financial year as a result of:

- the creation of 49,205 shares to be issued as free shares; and
- the creation of 1,208,480 shares following the exercise of options to subscribe for Company shares in 2011.

The increase in capital resulting from the exercise of share subscription options in 2011 was noted by the Board of Directors at its meeting on February 22, 2012.

As of December 31, 2011, the total number of theoretical voting rights totaled 170,950,103 and the number of exercisable voting rights totaled 170,379,930.

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 and Extraordinary Shareholders' Meeting ("OESM")	Duration and expiry of the authorization	Maximum nominal amount	Uses at 12/31/2011
Issuance, with preferential subscription rights, of (i) ordinary Company shares and/or (ii) securities giving immediate and/or future access to existing or new ordinary shares, and/or senior notes of the Company and/or its Subsidiaries	OESM of May 27, 2011 (14th resolution)	26 months i.e. until July 26, 2013	Maximum nominal amount of capital increases: EUR 2 million(a) (b) Maximum nominal amount of senior notes: EUR 1 billion(c)	Not used
Issuance, by public offering, with cancellation of preferential subscription rights, of (i) ordinary Company shares and/or (ii) securities giving immediate and/or future access to existing or new ordinary shares, and/or senior notes of the Company and/or its Subsidiaries(d)	OESM of May 27, 2011 (15th resolution)	26 months i.e. until July 26, 2013	Maximum nominal amount of capital increases: EUR 1 million(a) (b) Maximum nominal amount of senior notes: EUR 1 billion(c)	Not used
Issuance, by private placement, with cancellation of preferential subscription rights, of (i) ordinary Company shares and/or (ii) securities giving immediate and/or future access to existing or new ordinary shares, and/or senior notes of the Company and/or its Subsidiaries(d)	OESM of May 27, 2011 (16th resolution)	26 months i.e. until July 26, 2013	Maximum nominal amount of capital increases: EUR 1 million(a) (b) Maximum nominal amount of senior notes: EUR 1 billion(c)	Not used
In the event of excess demand, increasing the issue amount, with or without preferential subscription rights, in accordance with the 14th, 15th and 16th resolutions (OSM on May 27, 2011)	OESM of May 27, 2011 (18th resolution)	26 months i.e. until July 26, 2013	15% of the initial issue(a) (b)	Not used
Issuance, with cancellation of preferential subscription rights, for members of a company savings plan of (i) ordinary company shares and/or (ii) securities giving immediate and/or future access to existing or new ordinary shares of the Company	OESM of May 27, 2011 (19th resolution)	26 months i.e. until July 26, 2013	1% of the share capital(a) (b)	Not used
Increasing the share capital through capitalization of share premiums, reserves, earnings or any other sum allowed to be capitalized	OESM of May 27, 2011 (20th resolution)	26 months i.e. until July 26, 2013	EUR 1.5 million(b)	Not used
Issuance of ordinary shares and/or securities giving access immediately and/or in future to existing or new ordinary shares of the Company in payment for contributions in kind granted to the Company	OESM of May 27, 2011 (21st resolution)	26 months i.e. until July 26, 2013	10% of the share capital(a) (b)	Not used

(a) *The overall maximum nominal amount of capital increases that may be made under the 14th, 15th, 16th, 18th, 19th, 21st and 22nd resolutions adopted at the Combined Ordinary and Extraordinary Shareholders' Meeting on May 27, 2011 may not exceed EUR 2 million.*

(b) *The overall nominal amount of capital increases that may be made under the 14th, 15th, 16th, 18th, 19th, 20th, 21st and 22nd resolutions adopted at the Ordinary and Extraordinary Shareholders' Meeting on May 27, 2011 may not exceed EUR 3.5 million.*

(c) *The maximum nominal amount of senior notes that may be issued under the 14th, 15th and 16th resolutions adopted at the Ordinary and Extraordinary Shareholders' Meeting on May 27, 2011 may not exceed EUR 1 billion.*

(d) *The Ordinary and Extraordinary Shareholders' Meeting on May 27, 2011 authorized the Board of Directors, in the event of an issuance of preferential subscription rights with cancellation, by public offering (15th resolution) and/or by private placement (16th resolution), up to a limit of 10% of capital per year, to set the issue price according to the terms approved by said meeting.*

Nature of the authorization given to the Board of Directors	Date of the Ordinary and Extraordinary Shareholders' Meeting ("OESM")	Duration and expiry of the authorization	Maximum nominal amount	Uses at 12/31/2011
Issuance of ordinary Company shares and/or securities giving access immediately and/or in future to existing or new ordinary shares of the Company in payment for share contributions made under a public exchange offering initiated by the Company	OESM of May 27, 2011 (22nd resolution)	26 months i.e. until July 26, 2013	EUR 1 million[a] [b]	Not used
Grant of stock options to employees and/or Executive Corporate Officers of the Group	OESM of May 27, 2011 (24th resolution)	26 months i.e. until July 26, 2013	2% of the share capital[e]	Authorization used in July and December 2011 to allocate 243,500 options. Common ceiling used: 644,930 shares
Grant of existing or new ordinary shares of the Company, free of charge, to employees and/or Executive Corporate Officers of the Group	OESM of May 27, 2011 (25th resolution)	26 months i.e. until July 26, 2013	2% of the share capital[e]	Authorization used in July and December 2011 to grant 401,430 shares Overall ceiling: 644,930 shares
Share buyback	OESM of May 27, 2011 (12th resolution)	18 months, i.e. until November 26, 2012	Maximum unit price per share: EUR 110 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	OESM of May 27, 2011 (23rd resolution)	24 months, i.e. until May 26, 2013	10% of the capital	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 company savings plan or an offering reserved for certain beneficiary categories	OESM of June 3, 2009 (16th resolution)	38 months, i.e. until August 2, 2012	0.15% of the share capital	Not used

(e) The number of shares likely to be granted pursuant to the 24th and 25th resolutions adopted at the Shareholders' Meeting on May 27, 2011 cannot exceed 2% of the share capital.

6.6.2. SECURITIES NOT REPRESENTING CORPORATE CAPITAL

As of December 31, 2011, 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 May 31, 2012.

TRANSFER AND BUYBACK OF COMPANY SHARES DURING THE 2011 FINANCIAL YEAR

During the 2011 financial year, the Company continued the liquidity agreement entrusted to Exane BNP Paribas on February 8, 2008. Under this liquidity agreement, 1,278,781 shares were purchased at an average price of EUR 55.21 and 1,259,042 shares were sold at an average price of EUR 55.34.

Apart from this liquidity agreement, the Company did not buy back any shares during the 2011 financial year.

On June 9 and September 22, 2011, by deduction from its treasury shares, the Company delivered 146,850 and 55,000 treasury shares which had been allocated respectively during the plans of June 9 and September 22, 2008.

On December 31, 2011, the Company held a total of 564,880 shares (including the 60,480 shares appearing in the liquidity agreement), representing approximately 0.51% of its share capital, with a book value of EUR 19,205,563.39 and a par value of EUR 67,785.60.

Of these 564,880 shares held by the Company on December 31, 2011, 60,480 shares are allocated to the liquidity agreement and the rest, that is to say 504,400 shares, are allocated to option schemes or other share allocations.

NEW SHARE BUYBACK PROGRAM TO BE SUBMITTED TO THE ANNUAL SHAREHOLDERS' MEETING FOR THE APPROVAL OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2011

A new share buyback program will be put to the next Annual Shareholders' Meeting of May 31, 2012 for approval.

In accordance in particular with the provisions of the European Regulation No. 2273/2003 of December 22, 2003 implementing Directive 2003/6/EC, and with the general regulations, instructions and communications of the *Autorité des marchés financiers* (AMF), the objectives of this program in order of priority, subject to approval by the Annual Shareholders' Meeting to be held on May 31, 2012 are:

- 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 et seq. of the French Labor Code, any free share grants under the provisions of articles L. 225-197-1 *et 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 31, 2012, i.e., by way of indication, a number of shares not exceeding 11,052,628; 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 EUR 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 EUR 1,215,789,080.

This new authorization would be granted for a period of eighteen months as from the decision of the Shareholders' Meeting convened on May 31, 2012, i.e. until November 30, 2013, and would replace, for its unused portion, the authorization granted by the Shareholders' Meeting on May 27, 2011.

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 paragraph 2.4 Interests of Executive Corporate Officers, Directors and certain employees of this Registration Document.

The Company also granted free shares, the main terms and conditions of which are set out in paragraph 2.4 Interests of Executive Corporate Officers, Directors and certain employees in of this Registration Document as well as in Note 21 annexed to the 2011 consolidated financial statements in paragraph 4.1 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, 2011 and to the Company's knowledge, 253,680 shares in the Company (i.e. around 0,23% of the number of shares constituting the Company share capital), held by individuals, are pledged.

As indicated in Note 29 annexed to the 2011 consolidated financial statements in paragraph 4.1 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 EUR 9.8 million as of December 31, 2011 (including EUR 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.

	2011	2010	2009	2008	2007	2006
Capital at the beginning of the financial year	**13,112,232**	**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	**1,257,685**	**172,191**	**495,655**	**440,980**	**16,559,985[b]**	**78,619**
By free allocation of shares	49,205	14	7,672	-	-	-
By the exercise of stock options	1,208,480	172,177	487,983	440,980	1,348,350[b]	78,619
By the exercise of share warrants	-	-	-	-	8,951,000[b]	-
By issuing new shares within the framework of contributions in kind	-	-	-	-	5,116,730[b]	-
By issuing new shares for share capital increases reserved for Company employees	-	-	-	-	1,143,905[b]	-
Capital at the end of the financial year[a]						
In euros	**13,263,154[f]**	**13,112,232[e]**	**13,091,569[d]**	**13,032,090[c]**	**13,939,173[a]**	**13,010,228**
In shares	**110,526,286**	**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 EUR 1.20 to EUR 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).

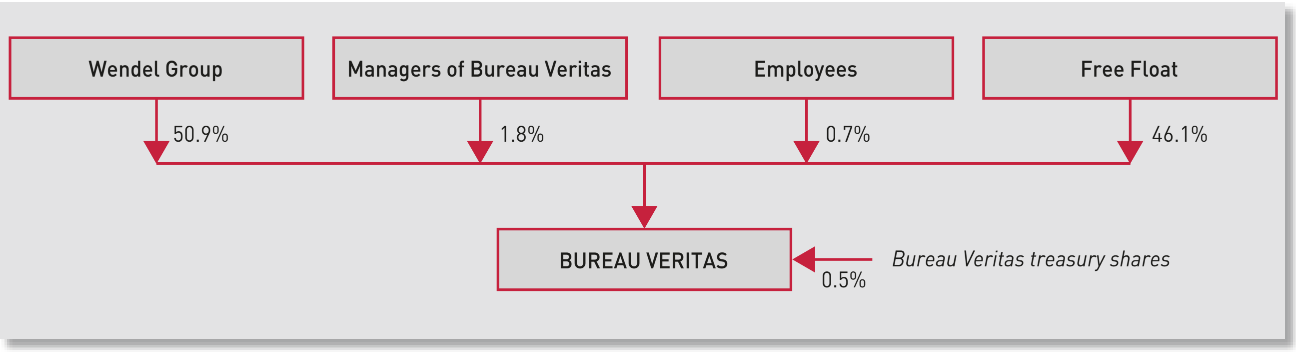
(e) Share capital as recorded by the Board of Directors at its meeting on February 28, 2011, excluding options exercised after January 1, 2011.

(f) Share capital recorded by the Board of Directors at its meeting on February 22, 2012, excluding options exercised after January 1, 2012.

6.7. SHAREHOLDER BASE

6.7.1. GROUP STRUCTURE

SIMPLIFIED STRUCTURE AS OF FEBRUARY 29, 2012



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 and Stahl. Wendel plays an active role as an industry shareholder. It implements long-term development strategies, which involve boosting companies' growth and profitability in order to enhance their leading market positions. Via Oranje-Nassau Développement, which brings together investment opportunities for growth, diversification or innovation, Wendel also has holdings in Van Gansewinkel Groep in the Netherlands, Exceet in Germany, and Mecatherm and Parcours in France.

Wendel is 34% owned by Wendel-Participations, a company grouping together the interests of more than 1,000 members of the 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%.

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, 2011, Wendel held 66% of the Company's theoretical voting rights.

DISTRIBUTION OF THE SHARE CAPITAL AND VOTING RIGHTS

Shareholders	At February 29, 2012				At December 31, 2011			
	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	50.88%	112,586,600	66.04%	56,293,340	50.93%	112,586,600	66.08%
Free float[(b) (c)]	50,993,515	46.09%	52,346,551	30.71%	50,531,103	45.72%	51,598,847	30.28%
Employees under Group savings plan	828,716	0.75%	1,641,598	0.96%	833,175	0.75%	1,669,993	0.98%
Of which FCP BV Next	*648,617*				*660,844*			
Managers[(d)]	1,987,115	1.80%	3,904,730	2.29%	2,298,495	2.08%	4,524,490	2.66%
Treasury shares	540,000	0.49%	-	-	570,173	0.52%	-	-
TOTAL	**110,642,686**	**100%**	**170,479,479**	**100%**	**110,526,286**	**100%**	**170,379,930**	**100%**

(a) Information provided in accordance with article L. 233-13 of the French Commercial Code.
(b) Calculated by difference.
(c) Including the shareholdings of the institutional investor Capital Research and Management Company mentioned below.
(d) Managers are defined as members of the Group Executive Committee restated following departures during 2011 (François Tardan is no longer a member of the Executive Committee of Bureau Veritas as of December 31, 2011).

.Exceeding of thresholds

By letter received on December 14, 2011, the company Capital Research and Management Company (CRMC) (333 South Hope Street, 55th Floor, Los Angeles, CA 90071-1406, USA), declared that on December 13, 2011, it had crossed the 5% threshold of the capital of Bureau Veritas Registre International de Classification de Navires et d'Aéronefs (Bureau Veritas), and that it held 5,543,624 Bureau Veritas shares representing as many voting rights, i.e. 5.02% of the capital and 3.25% of the voting rights in this company.

To the Company's knowledge, with the exception of the Wendel group and CRMC, no shareholder owns more than 5% of the Company's capital or voting rights.

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.

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, 2011, 60,423,817 shares enjoyed double-voting rights out of the 110,526,286 shares in the share capital.

At December 31, 2010				At December 31, 2009[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	51.52%	112,586,600	66.62%	56,293,340	51.97%	112,586,680	66.57%
48,579,207	44.46%	49,559,111	29.33%	47,756,437	44.09%	48,466,241	28.66%
894,627	0.82%	1,615,468	0.96%	1,009,432	0.93%	1,840,805	1.09%
720,841				*831,373*			
2,752,009	2.52%	5,231,946	3.09%	3,256,289	3.01%	6,225,828	3.68%
749,418	0.69%	-	-	779,912	0.71%	-	-
109,268,601	**100%**	**168,993,125**	**100%**	**109,096,410**	**100%**	**169,899,466**	**100%**

Control of the Company

At December 31, 2011, the Company was controlled directly and indirectly by Wendel, which held 50.93% of the capital and 65.86% 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 of December 31, 2011, Messrs. Patrick Buffet, Philippe Louis-Dreyfus, Pierre Hessler and Aldo Cardoso, as well as Ms. Barbara Vernicos are independent members of the Board of Directors. The independent members of the Board of Directors are presented in paragraph 2.1 Corporate Officers and members of the Executive Committee of this Registration Document.

In addition, the Company ensures that the Board of Directors maintains independent members in its specialist committees (see paragraph 2.2.2. Composition and conditions governing the preparation and organization of the work of the Board 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. STOCK MARKET INFORMATION

6.8.1. THE BUREAU VERITAS SHARE

Listing market	Euronext Paris, compartment A, eligible for the SRD
Initial public offering (IPO)	October 23, 2007 at EUR 37.75 per share
Inclusion in the indices	CAC Next 20 SBF 120, CAC Large 60 DJ STOXX 600, DJ STOXX 600 Industrial Goods and Services Index Euro Stoxx 600 MSCI Standard
Codes	ISIN: FR 0006174348 Ticker symbol: BVI Reuters: BVI. PA Bloomberg: BVI-FP
Number of outstanding shares at February 29, 2012	110,642,686
Number of exercisable voting rights at February 29, 2012	110,479,479
Stock market capitalization at February 29, 2012	EUR 6,861 million

6.8.2. DIVIDEND

DIVIDEND DISTRIBUTION POLICY

The Group has set itself the objective of paying an annual dividend representing approximately 40% of its adjusted net profit for the year.

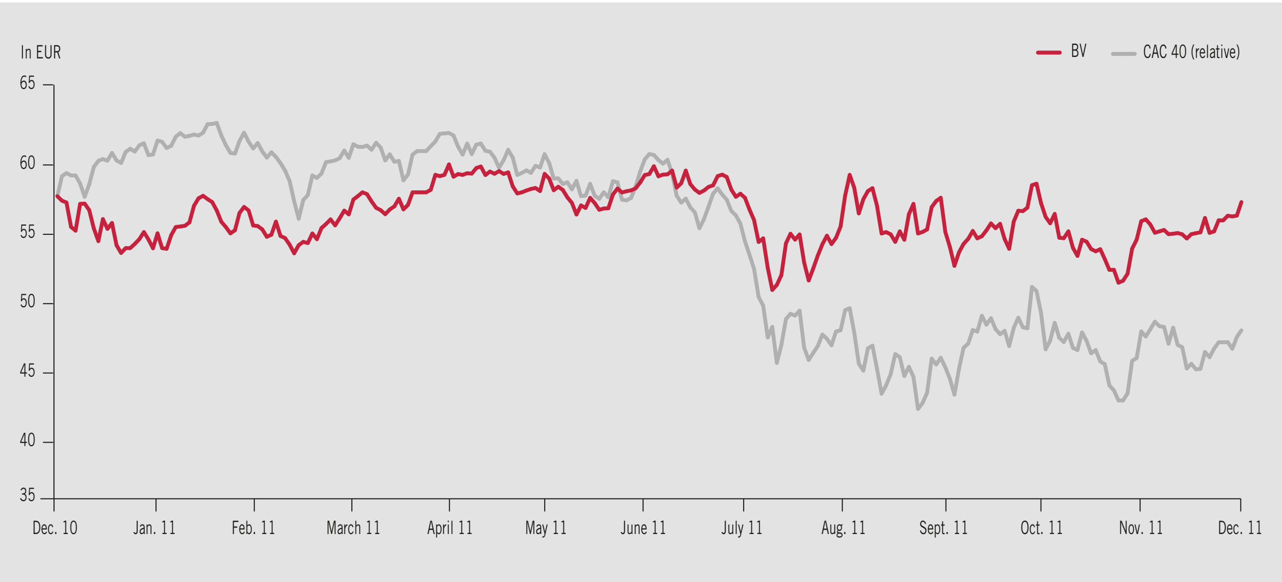
This objective does not, however, represent any commitment on the Group's part, as future dividends will depend on its business results and financial position.

A EUR 1.27 per share dividend will be proposed to the Annual Shareholders' Meeting on May 31, 2012, representing 40% of the adjusted earnings per share, up 10.4% from the previous financial year.

6.8.3. SHARE TREND ON THE STOCK MARKET

Over the course of the 2011 financial year, the Bureau Veritas share price remained stable (-0.7% compared to December 31, 2010), outperforming the CAC 40 index (-17.0%) by a significant margin. On December 30, 2011, the Bureau Veritas share price stood at EUR 56.30, an increase of close to 50% on the IPO level of EUR 37.75 on October 24, 2007.

On average, 180,000 shares were traded on the Euronext-Paris Exchange each day in 2011, representing an average daily trading value of approximately EUR 10 million.



TRANSACTIONS SINCE JANUARY 2011

Period	Number of shares traded	Value *(in millions of euros)*	Adjusted highs and lows *(in euros)* Low	High
January 2011	5,215,575	281.71	51.20	57.10
February 2011	3,522,972	193.14	52.41	57.00
March 2011	5,590,718	303.08	51.15	57.00
April 2011	3,967,786	224.38	55.05	59.46
May 2011	3,365,191	195.26	56.10	59.81
June 2011	11,893,160	669.45	55.05	59.00
July 2011	2,873,082	165.80	56.09	59.00
August 2011	4,378,299	232.70	48.57	57.79
September 2011	5,555,444	305.13	52.27	58.30
October 2011	3,011,424	163.16	51.00	58.35
November 2011	3,328,171	177.01	50.14	55.96
December 2011	2,718,457	147.94	53.15	56.3

Source: NYSE Euronext.

6.8.4. 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 biannual presentations, etc.) and regulated information are available upon request or from the website http://finance.bureauveritas.com. 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.

Throughout the 2011 financial year, the management of Bureau Veritas met with over 500 investors at road shows, meetings and industry conferences (in France, the United Kingdom, the United States, Switzerland, Luxembourg, the Netherlands, Italy, Spain and Germany) and at an Investor Day held in Paris on September 20 to present the Group's strategic plan for 2015.

2012 FINANCIAL CALENDAR

May 3, 2012
First Quarter 2012 information

May 31, 2012
Annual Shareholders' Meeting

August 28, 2012
First Half 2012 results

November 06, 2012
Third Quarter 2012 information

CONTACTS

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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 annexed to the 2011 consolidated financial statements are presented in paragraph 4.1 of this Registration Document.

6.9.2. STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS Annual General Meeting for the approval of the financial statements for the year ended december 31, 2011

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.

For the year ended December 31, 2011

To the Shareholders,

In our capacity as Statutory Auditors of Bureau Veritas SA, we hereby report to you on related party agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements and commitments that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. 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.

Where applicable it is also our responsibility to provide shareholders with the information required by article R. 225-31 of the French Commercial Code in relation to the implementation during the year of agreements and commitments already approved by the Annual General Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

AGREEMENTS AND COMMITMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE ANNUAL GENERAL MEETING

Agreements and commitments authorized during the year

In accordance with article L. 225-40 of the French Commercial Code, we were informed of the following agreements and commitments authorized by the Board of Directors.

Comfort letter issued to Axa CS

Companies concerned: Bureau Veritas SA and Soprefira.

Agreement authorized by the Board of Directors on February 28, 2011.

In connection with the annual renewal of its professional civil liability insurance, Bureau Veritas SA issued a comfort letter to its primary insurer, Axa CS, which is reinsured with Soprefira (a subsidiary of Bureau Veritas SA). The comfort letter is for a maximum amount of EUR 9,000,000 per annum in the event of default by Soprefira.

François Tardan, Executive Officer of Bureau Veritas SA until November 2, 2011, was also a director of Soprefira.

Amendment to the employment contract of François Tardan

Director concerned: François Tardan.

Agreement authorized by the Board of Directors on November 2, 2011.

The Board of Directors authorized modifications to the employment contract of François Tardan, which was suspended upon his appointment as a member of the Bureau Veritas Management Board on June 19, 2002, relating in particular to his role as Advisor to the Chairman and the compensation received in respect of this position which was identical to that paid to François Tardan in his role as Executive Officer.

François Tardan's employment contract came back into effect on November 3, 2011 following his resignation from his position as Executive Officer on November 2, 2011.

In respect of 2011, François Tardan received total annual compensation in the amount of EUR 681,921.

François Tardan was Executive Officer of Bureau Veritas SA until November 2, 2011.

Agreements and commitments authorized after the reporting date

We were informed of the following commitment authorized by the Board of Directors after the reporting date.

Special termination benefit in favor of Didier Michaud-Daniel

Director concerned: Didier Michaud-Daniel.

Commitment authorized by the Board of Directors on February 22, 2012.

The Board of Directors authorized a special termination benefit in favor of Didier Michaud-Daniel.

The benefit is equal to 12 months' fixed and variable compensation, calculated based on the average gross fixed and variable monthly compensation received by Didier Michaud-Daniel in the 12 calendar months preceding the termination of his term of office. In the event that the termination occurs during the first 12 months of his term of office, the benefit will be calculated pro rata to the number of whole months' served, and in any event based on at least six months. In this case, the fixed and variable compensation will be calculated based on 170% of the gross fixed monthly compensation.

The payment of the benefit is subject to a performance condition, defined as achieving a management operating income-to-revenue ratio of more than 15% for the financial year preceding the termination of his term of office. In the event that the ratio is less than 15%, no termination benefit will be payable; if it is more than 15%, the full termination benefit will be payable. No payment may be made in respect of the termination benefit until the Board of Directors has formally notified the achievement of the performance condition.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE ANNUAL GENERAL MEETING

Agreements and commitments approved in previous years which 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, approved by the Annual General Meeting in previous years, remained in force during the year ended December 31, 2011.

Comfort letter issued to Morton Insurance Company Ltd

Companies concerned: Bureau Veritas SA and Soprefira.

Agreement authorized by the Board of Directors 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 EUR 5,000,000 per annum in the event of default by Soprefira.

A new comfort letter was issued on February 28, 2011.

François Tardan, Executive Officer until November 2, 2011, was a member of the Bureau Veritas Management Board at the time the agreement was signed, and was also a director of Soprefira.

Amendment to the employment contract of Philippe Donche-Gay

Director concerned: Philippe Donche-Gay.

Commitment 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.

Under the terms of his employment contract, as Chief Operations Officer, Philippe Donche-Gay would be entitled to 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, Executive Officer until March 1, 2012, 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 EUR 4,000,000 per annum in the event of default by Soprefira.

A new comfort letter was issued on February 28, 2011.

François Tardan, Executive Officer until November 2, 2011, was a member of the Bureau Veritas Management Board at the time the agreement was signed, and was also a director of Soprefira.

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.

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, Executive Officer until November 2, 2011, was a member of the Bureau Veritas Management Board at the time the agreement was signed, and was also a member of the Board of Directors of Bureau Veritas Malaysia.

Cash pooling agreement with Royal Bank of Scotland

Companies concerned: Bureau Veritas SA, Bureau Veritas UK Ltd and Bureau Veritas UK Holdings 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, Executive Officer until November 2, 2011, was a member of the Bureau Veritas Management Board at the time the agreement was signed, and was also a member of the Board of Directors of Bureau Veritas Holdings UK Ltd and Bureau Veritas UK Ltd.

Neuilly-sur-Seine and Paris, March 21, 2012

The Statutory Auditors

PricewaterhouseCoopers Audit	Bellot Mullenbach & Associés
Olivier Thibault	Pascal de Rocquigny

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 corporate 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 (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 for 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 Shareholders' Meetings and to the bare owner at Extraordinary Shareholders' 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 registered office 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 Shareholders' Meeting shall be drawn up by the author of the notice of meeting.

The Shareholders' 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)

Any shareholder, regardless of the number of shares held, may participate in 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) business 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 can be represented by any legal entity or individual of their choice in accordance with the conditions provided for by the legal provisions and regulations in force.

Any shareholder who wishes to vote by post or proxy must, at least three (3) days prior to the date of the Shareholders' Meeting, submit a proxy, vote-by-post 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.

Furthermore, shareholders who do not wish to participate in the Shareholders' Meeting in person may also notify the appointment or withdrawal of a proxy by electronic means in accordance with the provisions in force and the conditions set out on the notice of meeting.

Additionally, 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, vote by mail or 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 French Civil Code.

If the Board of Directors decides as such at the time the meeting is convened, shareholders may also attend the General Meeting via videoconferencing or other telecommunication systems through which their identity can be verified, in case they shall be considered present for calculation of the quorum and 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-post 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 Shareholders' 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 division of a shareholder company. The merger or division 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 the 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 IN THE EVENT OF 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 SHAREHOLDERS AND THRESHOLDS (articles 10 and 11.2 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.

As such, 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 11.2 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 Shareholders' Meeting can also decide to proceed with a division of the par value of the shares or with their consolidation.

6.11. PERSONS RESPONSIBLE

PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Didier Michaud-Daniel, Chief Executive Officer of Bureau Veritas.

Frank Piedelièvre, Chairman of the Board of Bureau Veritas.

CERTIFICATION OF THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

We certify, after taking all reasonable measures for such purpose, that the information contained in the French language Registration Document is, to our knowledge, consistent with reality and does not include any omission which could change its scope.

We certify that, to the best of our 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 that the information from the management report listed in paragraph 6.13.2 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.

We 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.

Didier Michaud-Daniel

Chief Executive Officer of Bureau Veritas

Frank Piedelièvre

Chairman of the Board of Directors of Bureau Veritas.

PERSON RESPONSIBLE FOR THE FINANCIAL INFORMATION

Sami Badarani

Chief Financial Officer of Bureau Veritas Group

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6.12. STATUTORY AUDITORS

6.12.1. 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.

6.12.2. 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.

6.12.3. STATUTORY AUDITORS' FEES

Amounts excluding tax (in thousands of euros)	PricewaterhouseCoopers Audit				Bellot, Mullenbach & Associés			
	Amount ex-VAT		%		Amount ex-VAT		%	
AUDIT	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Statutory Auditors' duties, certification, review of individual and consolidated accounts								
Issuer	687	759			374	367		
Globally consolidated subsidiaries	3,048	2,996			272	250		
Other duties and services directly linked to the duties of Statutory Auditor								
Issuer	271	1,652			40	6		
Globally consolidated subsidiaries	800	216			6	-		
Subtotal	**4,806**	**5,623**	**97%**	**87%**	**692**	**623**	**100%**	**100%**
Other services provided by the networks to the globally consolidated subsidiaries								
Legal, tax, labor	173	827			-	-		
Other services provided by the networks to the fully consolidated subsidiaries	-	-			-	-		
Subtotal	**173**	**827**	**3%**	**13%**	**-**	**-**	**-**	**-**
TOTAL	**4,979**	**6,450**	**100%**	**100%**	**692**	**623**	**100%**	**100%**

In 2011, other duties and services directly linked to the work of the Statutory Auditor mainly concerned due diligence carried out in the context of company acquisitions. The decrease in this item compared with the previous year is attributable to the due diligence performed in relation to the significant acquisition, in 2010, of Inspectorate.

6.13. CROSS-REFERENCE INDEX

6.13.1. CROSS-REFERENCE INDEX IN ACCORDANCE WITH EUROPEAN "PROSPECTUS" DIRECTIVE 2003/71/EC

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Move Forward with Confidence

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