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Résidence Massena Nice A/S
Central Business Registration No 78 81 96 18

Annual report 2010/11

Contents

	<u>Page</u>
Company details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	4
Accounting policies	5
Income statement for 2010/11	7
Balance sheet at 30 June 2011	8
Notes	10

This document is an unofficial translation of the Danish original. In the event of any inconsistencies, the Danish version shall apply.

Company details

Company

Résidence Massena Nice A/S

Copenhagen, Denmark

Central Business Registration No: 78 81 96 18

Registered in: Copenhagen, Denmark

Board of Directors

Margit Retvig

Preben Brøns Høeg

Nicolai Mallet

Poul Petersen

Søren Stenum

Poul Stæhr

Poul-Erik Christensen

Executive Board

Margit Retvig

Company auditors

Deloitte Statsautoriseret Revisionspartnerselskab

The Annual General Meeting adopted the annual report on

Chairman of the Annual General Meeting

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Résidence Massena Nice A/S for the financial year 1 July 2010 to 30 June 2011.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30 June 2011 and of its financial performance for the financial year 1 July 2010 to 30 June 2011.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 25 October 2011

Executive Board

Margit Retvig

Board of Directors

Margit Retvig

Nicolai Mallet

Poul Petersen

Poul Stæhr

Preben Brøns Høeg

Søren Stenum

Poul-Erik Christensen

Independent auditor's report

To the shareholders of Résidence Massena Nice A/S

We have audited the financial statements of Résidence Massena Nice A/S for the financial year 1 July 2010 to 30 June 2011, which comprise the accounting policies, income statement, balance sheet and notes as well as the management commentary. The financial statements and the management commentary have been prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements and the management commentary

Management is responsible for the preparation and fair presentation of financial statements and for the preparation of a management commentary that contains a fair review in accordance with the Danish Financial Statements Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of financial statements and a management commentary that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility and basis of opinion

Our responsibility is to express an opinion on these financial statements and this management commentary based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements and the management commentary are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the management report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and the management commentary, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of financial statements and to the fair review of a management commentary in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements and the management commentary.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30 June 2011 and of its financial performance for the financial year 1 July 2010 to 30 June 2011 in accordance with the Danish Financial Statements Act and the management commentary contains a fair review in accordance with the Danish Financial Statements Act.

Copenhagen, 25 October 2011

Deloitte

Statsautoriseret Revisionspartnerselskab

Christian K. Jørgensen
State Authorised Public Accountant

Management commentary

Primary activity

The object of the Company is to own and manage the property situated at 30, Rue Massena, Nice, France.

In accordance with a separate agreement, Aktionærforeningen for Résidence 30, rue Massena, Nice (the Shareholders' Association for Résidence 30, rue Massena, Nice) is in charge of the management of the property, collects rent and defrays all the expenses related to the management of the property.

At the present level of the market rent for this type of apartments which the Company's property contains, there are, as in previous years, no profit on the management of the property.

According to the Company's Articles of Association, the Company is not allowed to mortgage the property.

Development in activities and finances

The financial performance for the year and the financial position at year-end are evident from the income statement and balance sheet below.

Outlook

The Company expects developments on a par with last year.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

The financial statements have been presented applying the accounting policies consistently with last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Other external expenses

Other external expenses comprise expenses for distribution, sale, marketing, administration, premises, bad debts, etc.

Financial income and expenses

Financial income and expenses comprise interest income and interest expenses.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit/loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities.

Accounting policies

Balance sheet

Property, plant and equipment

In accordance with the leases that have been incepted, the Company's apartments are used by the shareholders one, two or more weeks annually. Nice Invest A/S is in charge of the administration. The Shareholders' Association handles the maintenance of Résidence 30, rue Massena, and compensates for all of the company's annual operating expenses.

Land and buildings are measured at cost. The market value is higher than the carrying amount, and therefore no depreciation of the property is made. On measurement, the special use and the underlying service organisation have also been taken into consideration.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement for 2010/11

	<u>Note</u>	<u>2010/11</u> <u>€</u>	<u>2009/10</u> <u>€'000</u>
Other external expenses		<u>(932)</u>	<u>(1)</u>
Operating loss		(932)	(1)
Tax on loss for the year	1	<u>0</u>	<u>0</u>
Loss for the year		<u>(932)</u>	<u>(1)</u>
Proposed distribution of loss			
Retained earnings		<u>(932)</u>	<u>(1)</u>

Balance sheet at 30 June 2011

	<u>Note</u>	<u>2011</u> <u>€</u>	<u>2010</u> <u>€'000</u>
Land and buildings	2	<u>1.706.998</u>	<u>1.709</u>
Property, plant and equipment		<u>1.706.998</u>	<u>1.709</u>
Fixed assets		<u>1.706.998</u>	<u>1.709</u>
Cash		<u>1.956</u>	<u>2</u>
Current assets		<u>1.956</u>	<u>2</u>
Assets		<u><u>1.708.954</u></u>	<u><u>1.711</u></u>

Balance sheet at 30 June 2011

	<u>Note</u>	<u>2011</u> <u>€</u>	<u>2010</u> <u>€'000</u>
Share capital	3	1.699.358	1.702
Retained earnings	4	<u>4.195</u>	<u>5</u>
Equity		<u>1.703.553</u>	<u>1.707</u>
Other payables		<u>5.401</u>	<u>4</u>
Current liabilities other than provisions		<u>5.401</u>	<u>4</u>
Liabilities other than provisions		<u>5.401</u>	<u>4</u>
Equity and liabilities		<u><u>1.708.954</u></u>	<u><u>1.711</u></u>
Contingent liabilities etc	5		

Notes

	<u>2010/11</u> €	<u>2009/10</u> €'000
1. Tax on loss for the year		
Current tax	<u>0</u>	<u>0</u>
		Land and buildings DKK
2. Property, plant and equipment		
Cost at 1 July 2010		1.706.998
Additions		0
Disposals		<u>0</u>
Cost at 30 June 2011		<u>1.706.998</u>
Carrying amount at 30 June 2011		<u>1.706.998</u>

3. Share capital

The share capital consists of 114,000 class A shares at DKK 100 and 12,750 class B shares at DKK 100. There have not been any changes in share capital in the past five years.

	<u>2011</u> €	<u>2010</u> €'000
4. Retained earnings		
Retained earnings at 1 July 2010	5.127	6
Loss for the year	<u>(932)</u>	<u>(1)</u>
Retained earnings at 30 June 2011	<u>4.195</u>	<u>5</u>

5. Contingent liabilities

The Company is liable for expenses in respect of public authorities regarding the management of the property 30, rue Massena, Nice, France as well as wages and social security expenses regarding the "conciergerie" of the property. These expenses are paid by the Shareholders' Association for Résidence 30, rue Massena Nice.