

**Aktionærforeningen
(the Shareholders' Association)
for Résidence 30, Rue Massena Nice**

Annual report 2009/10

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

Association details

Association

Aktionærforeningen for Résidence 30, Rue Massena Nice

Board of Directors

Poul Petersen

Margit Retvig

Preben Høeg

Søren Stenum

Nicolai Mallet

Poul Stæhr

Poul-Erik Christiansen

Company auditors

Deloitte Statsautoriseret Revisionsaktieselskab

The Annual General Meeting adopted the annual report on

Chairman of the General Meeting

Statement by Board of Directors on the annual report

The Board of Directors has today presented the annual report of Aktionærforeningen (the Shareholders' Association) for Résidence 30, Rue Massena Nice for the financial year 1 July 2009 to 30 June 2010.

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 Association's financial position and results. Also, 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.

Farum, 4 October 2010

Board of Directors

Poul Petersen
Chairman

Margit Retvig

Preben Høeg

Søren Stenum

Nicolai Mallet

Poul Stæhr

Poul-Erik Christiansen

Independent auditor's report

To the shareholders of Aktionærforeningen (the Shareholders' Association) for Résidence 30, Rue Massena Nice

We have audited the financial statements of Aktionærforeningen (the Shareholders' Association) for Résidence 30, Rue Massena Nice for the financial year 1 July 2009 to 30 June 2010, 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 commentary. The procedures selected depend on the auditor's judgement, 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 Association's financial position at 30 June 2010 and of its financial performance for the financial year 1 July 2009 to 30 June 2010 in accordance with the Danish Financial Statements Act and the management commentary contains a fair review in accordance with the Danish Financial Statements Act.

Emphasis of matters regarding other issues

The budgets are not included in our audit.

Copenhagen, 4 October 2010

Deloitte

Statsautoriseret Revisionsaktieselskab

Christian K. Jørgensen

State Authorised Public Accountant

Report to the shareholders

The property

Expenses for ordinary maintenance of the property have still been moderate, but it is expected that they will increase the coming years.

In the course of the year, defrayed expenses have amounted to € 179.875.

Performance

The Association realised a profit for the year of € 51.011 against an expected profit for the year of € 43.799 which is considered satisfactory. The Association's equity is positive by € 7.123.

Budget 2010/11

The budget shows a profit of € 27.963. Large new acquisitions are budgeted for at € 17.452. As the association cannot have a deficit out of consideration for the liquidity, an extraordinary amount of € 46.316 is charged as compensation for the expenses.

Aktionærforeningen (the Shareholders' Association) for Résidence 30, Rue Massena, Nice - Board of Directors

Poul Petersen Head of the Association	Civil Engineer, Aksel V. Jensen A/S Engineering consultancy F.R.I.
Preben Høeg	Purchasing Manager, Dampskibsselskabet NORDEN A/S
Nicolai Mallet	Lawyer, Horten, advokatfirma
Margit Retvig	Retvig's Ejendoms kontor
Søren Stenum	Executive Director
Poul Stæhr	Executive Director
Poul-Erik Christiansen	Works Manager

Accounting policies

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with adjustments as a consequence of the Association's special circumstances.

The annual report has 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 Association, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Association 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 Association, 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

Revenue

The weekly payments are recognised in the income statement at the time of invoicing on an accruals basis.

Other external expenses

Other external expenses comprise expenses for management of property, sale, administration, premises, bad debts, etc.

Balance sheet

Receivables

Receivables are measured at amortised cost usually equalling nominal value less provisions for bad debts.

Other financial liabilities

Other financial liabilities are measured at amortised cost which usually corresponds to nominal value.

Accounting policies

Foreign currency translation

Foreign currency transactions are translated applying the exchange rate at the balance sheet date.

Income statement for 2009/10

	<u>Notes</u>	<u>Budget 2010/11 €</u>	<u>Budget 2009/10 €</u>	<u>Accounts 2009/10 €</u>	<u>Accounts 2008/09 €</u>
Income					
Weekly payments	25	161.267	161.307	161.267	161.307
Extraordinary digging up		46.316	46.327	46.316	46.327
Interest income and dunning charges		<u>268</u>	<u>671</u>	<u>6</u>	<u>221</u>
Income		<u>207.851</u>	<u>208.305</u>	<u>207.589</u>	<u>207.855</u>
Expenses					
Property tax	1	6.712	5.640	6.303	5.591
Residence tax	2	8.726	6.983	8.050	6.853
Water rate	3	8.055	5.371	7.141	5.246
Electricity	4	10.068	10.071	9.826	9.903
Heating/gas	5	9.397	9.400	7.179	9.021
Insurance	6	4.027	3.223	3.091	3.054
Lift service and gas furnace	7	4.027	4.028	2.949	5.457
Inspection of fire prevention equipment	8	403	403	318	283
Sundries	9	<u>403</u>	<u>403</u>	<u>423</u>	<u>542</u>
Contribution to the management of the property		<u>51.818</u>	<u>45.522</u>	<u>45.280</u>	<u>45.950</u>
Maintenance of air condition	10	4.027	5.371	3.518	4.519
Replacement of pump, etc	10	0	0	97	5.278
Heating and sanitation work – electrical appliances	10	6.712	2.686	2.145	10.257
Painting	10	7.384	7.386	7.747	3.171
Bricklayer, carpenter, cabinet maker	10	2.685	2.686	0	0
Various repairs	10	1.342	1.343	0	1.506
Caretaker and cleaning	11	32.220	27.528	30.529	27.388
Cleaning articles and commodities	12	2.282	2.283	1.699	2.105
Large new acquisitions	13	17.452	17.457	13.122	62.824
Small new acquisitions	14	<u>6.712</u>	<u>6.714</u>	<u>6.467</u>	<u>5.872</u>
transfer		<u>80.816</u>	<u>73.454</u>	<u>65.324</u>	<u>122.920</u>

Income statement for 2009/10

	<u>Notes</u>	<u>Budget 2010/11 €</u>	<u>Budget 2009/10 €</u>	<u>Accounts 2009/10 €</u>	<u>Accounts 2008/09 €</u>
transfer		80.816	73.454	65.324	122.920
Telephone, fax and Internet	15	2.685	2.686	2.229	4.280
Television license fee and repairs	16	2.014	4.028	1.726	3.833
Bank charges and exchange adjustments	17	2.685	1.343	4.103	1.482
Administration, accounting, audit, etc	18	26.849	25.514	26.487	25.089
Office supplies, postage, etc	19	3.356	3.357	3.069	3.123
Charges to the Danish Securities Center	20	8.726	7.654	8.360	7.558
Sundries and unforeseen expenditures	21	671	671	0	0
Costs for board meetings	22	268	269	0	0
Other external expenses		128.070	118.976	111.298	168.285
Expenses		179.888	164.498	156.578	214.235
Profit/loss for the year		27.963	43.807	51.011	(6.380)
Proposed distribution of profit/loss					
Transferred from last year		7.123		(43.888)	
Budget/profit/loss for the year		27.963		51.011	
Transferred to next year		35.086		7.123	

Balance sheet at 30 June 2010

	Notes	2010 €	2009 €
Outstanding weekly payments 2010		18.426	19.358
Outstanding account, Résidence Massena Nice A/S		3.729	2.891
Other receivables		<u>2.289</u>	<u>0</u>
Receivables		<u>24.444</u>	<u>22.249</u>
Cash		<u>93.596</u>	<u>49.922</u>
Current assets		<u>118.040</u>	<u>72.171</u>
Assets		<u><u>118.040</u></u>	<u><u>72.171</u></u>

Balance sheet at 30 June 2010

	<u>Notes</u>	<u>2010</u> €	<u>2009</u> €
Retained earnings		7.123	(43.918)
Equity		7.123	(43.918)
Other payables	23	29.314	30.229
Prepaid weekly payments, ordinary	24	77.408	77.427
Prepaid weekly payments, in addition		0	5.431
Payables to Nice Invest A/S		4.195	3.002
Short-term liabilities other than provisions		110.917	116.089
Liabilities other than provisions		110.917	116.089
Equity and liabilities		118.040	72.171

Notes to the annual report 2009/10**Notes to the budget 2010/11****1. Property tax**

Collection received for 2009.

Covers 2010/11

2. Residence tax

Collection received for 2009.

Covers 2010/11

3. Water rate

Collection received for 2009.

The amount in part includes a fixed wire tax and in part the expenditures estimated by measurer.

4. Electricity

Covers 12 months' consumption.

The budget for the consumption is unchanged.

5. Heating/gas

Covers 12 months' consumption.

The budget for the consumption is unchanged.

6. Insurance

Covers the period 1 March 2010 to 28 February 2011. Normal price increase is expected.

Insurance sum:

Buildings: Full value

Furnishing, installations and inventory:

€ 140,000, though by theft only € 15,000.

The property, furnishing, installations and inventory are insured against fire and explosion, theft, storm and water damages, frost damages and glass damages.

However, certain objects are not insured against theft.

7. Lift service and gas furnace

Subscription from 1 July 2009 to
30 June 2010

2.949

2.949

Most of the expenses for safety requirements are fulfilled, which is why the expenses are declining.

Notes to the annual report 2009/10**Notes to the budget 2010/11****8. Inspection of fire prevention equipment**

Normal annual inspection.

Annual inspection and minor expenditures for replacement of fire prevention equipment.

9. Sundries

Reserve for unforeseen expenses.

10. Service, repairs and maintenance

General maintenance expenses in 2009/10:

Service air condition	3.518
Replacement of pump, etc	97
Plumbing	2.145
Various painting	7.747
	<u>13.507</u>

Annual service and maintenance expenses are expected to amount to € 22.151.

11. Caretaker

Covers wages and social expenses for Khadija Dupuis as follows:

Wage, caretaker	16.009
Wage, cleaning	6.610
Social security expenses	7.910
Total	<u>30.529</u>

Agreed payment including social security expenses for Khadija Dupuis.

12. Cleaning articles and commodities

Various cleaning articles and commodities.

It is expected that the consumption is unchanged.

13. Large new acquisitions

Tile facing	3.019
TV antenna	1.909
Banister	3.102
Kitchen cabinet doors	1.123
Replacement of pipes	3.969
Total	<u>13.122</u>

Notes to the annual report 2009/10**Notes to the budget 2010/11****14. Small new acquisitions and furnishing**

Coffee machines and electric water boilers	218
China and kitchen furniture elements	349
Refrigerator, microwave ovens and vacuum cleaners	942
Bathroom equipment	175
Curtains, etc	904
Remote control & fax	441
Lampshade, parasol and cushions, etc	438
Ink cartridge and printers	338
Bed linen, etc	1.842
Computer	668
Tools	93
Sundries	59
Total	<u>6.467</u>

Include replacement and maintenance of furniture, TV, etc. Estimated to amount to € 6.712.

15. Telephone and fax

Cover expenditures for card phone, fax, office phone, use of internet as well as expenditures for the caretaker's telephone.

Cover expenditures for card phone, fax, office phone, internet as well as the caretaker's telephone.

16. Television license fee

TV license	1.365
Satellite dish	361
	<u>1.726</u>

Unchanged license fee and costs for maintenance of satellite channels.

17. Bank charges and exchange adjustment

Service charges and exchange adjustments concerning transfers to France and payment in Euro.

Estimate.

18. Administration

Management fee	14.767
Accounts and audit 2009/10 incl. VAT	6.712
Provision for lawyer	4.698
French auditor, assistance with payroll	310
Total	<u>26.487</u>

Auditor's fee. Legal fee including General Meeting. Management fee in accordance with agreement with administrator.

Notes to the annual report 2009/10**19. Office supplies, postage, etc**

Office supplies, postage, subscriptions.	
Advertisements, translator, etc	201
Postage	97
Office supplies	<u>2.771</u>
Total	<u>3.069</u>

20. Fee, the Danish Securities Center

Fixed annual fee	3.671
Fee stock administration	<u>4.689</u>
Total	<u>8.360</u>

21. Sundries and unforeseen expenditures

None.

22. Costs for board meeting

None.

23. Other payables

Provision for lawyer	14.767
Provision for auditor	6.712
Other accrued expenses	<u>7.835</u>
	<u>29.314</u>

24. Weekly payments

Second half of year 2009	77.408
First half of year 2010	<u>83.859</u>
	<u>161.267</u>

Notes to the budget 2010/11

As a result of the increasing memberships and a greater range of different nationalities, expenditures are expected to increase.

As a result of the increasing memberships, expenditures are expected to increase as well as a general price increase from Nordea Bank.

Reserve for unforeseen expenses.

Expected cost € 268.

Second half of year 2010	77.408
First half of year 2011	<u>83.859</u>
	<u>161.267</u>