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Part 1

General presentation of the Group

KEY FIGURES

in EUR million	2009	2008	2007	2006	2005
RATIOS					
EBIT / revenue	10,2 %	11,9 %	10,0 %	9,0 %	7,1 %
ROCE (1)	53,9 %	63,0 %	57,8 %	44,8 %	29,8 %
Debt / equity (2)	(0,1)	0,2	0,8	2,2	(6,4)
Enterprise value / EBITDA (3)	4,4	3,3	7,8	6,5	3,9
DATA PER SHARE (in EUR/share)					
Group's share in net result for the year	2,42	2,57	2,54	2,19	1,58
Net result from continued operations	2,54	2,87	2,72	2,50	5,14
Equity (excl. minority interests)	9,00	6,77	4,74	3,16	(2,40)
Gross dividend	0,60	0,57	0	0	0
P/E (share price on 31.12) (4)	10,8	6,8	17,2	10,6	1,1
Total weighted number of shares	7 191 472	7 191 472	7 191 472	5 948 680	4 458 340
Total number of shares on 31.12	7 191 472	7 191 472	7 191 472	7 191 472	5 874 310
Market capitalization on 31.12 (EUR million)	197,0	140,2	336,1	190,6	34,4
Share closing price on 31.12	27,40	19,50	46,74	26,50	5,85
Year average share closing price	23,76	29,79	38,66	13,93	4,97

in EUR million	2009	2008	2007	2006	2005
INCOME STATEMENT					
Revenue	379,8	366,7	432,6	354,4	283,7
EBITDA (5)	42,8	46,6	46,3	35,8	25,9
EBIT (roperating profit after restructuring costs)	38,8	43,7	43,4	32,0	20,3
Net result from continued operations	18,3	20,7	19,6	14,9	22,9
Net result of discontinued operations	(0,2)	(1,8)	(1,2)	(1,8)	(15,7)
Group's share in net result for the year	17,4	18,5	18,3	13,0	7,1
Cash flow (6)	48,4	34,7	28,5	20,5	6,5
BALANCE SHEET					
Non-current assets	88,4	66,8	57,0	59,9	66,4
Non-current assets held for sale and current available-for-sale financial assets	0,0	0,2	0,0	0,1	1,8
Cash and cash equivalents	83,3	59,1	35,7	24,4	20,0
Other current assets	135,2	159,5	142,2	127,9	111,3
Total assets	**306,9**	**285,6**	**234,8**	**212,4**	**199,5**
Equity (7)	65,8	49,4	34,4	19,1	(10,5)
of which minority interests	1,1	0,7	0,3	0,3	0,2
Borrowings (cur. & non-cur.; excl. sub. loan)	75,1	69,9	62,6	66,4	86,9
Subordinated loans	0,0	0,0	0,0	0,0	0,0
Non-current provisions	5,0	3,9	3,6	4,2	8,3
Other non-current liabilities	9,3	5,4	10,2	6,1	3,3
Non-current liabilities held for sale	0,0	0,0	0,0	0,0	0,0
Current liabilities (excl. borrowings)	151,7	157,1	124,0	116,5	111,5
Total equity and liabilities	**306,9**	**285,6**	**234,8**	**212,4**	**199,5**
Net working capital (8)	(16,4)	2,4	18,2	11,3	(0,2)
Net financial debts (9)	(8,2)	10,8	26,9	42,0	66,9
Capital employed (10)	72,0	69,4	75,1	71,4	68,0
Average staff number (yearly average)	1 140	1 015	912	779	769

(1) EBIT / capital employed
(2) Net financial debts / equity (incl. minority interests)
(3) Enterprise value = 31.12 market capitalization + minority interests + net financial debt + subordinated loans - investment in associates
(4) Share price on 31.12 / net result from continued operations (per share)
(5) EBITDA = operating profit before depreciation, amortization and restructuring costs
(6) Cash flow = cash generated from operations after restructuring (excl. received and paid interests)
(7) Including minority interes
(8) Current assets (excluding Cash & equivalents) - non-financial current liabilities (continued operations only)
(9) Borrowings (excl. subordinated loans) - cash & equivalents
(10) Non-current assets + net working capital + non-current net assets & liabilities held for sale

DISCUSSION WITH FRANCIS LAMBILLIOTTE

Judging by the 2009 results, we might conclude that Francis Lambilliotte has the gift of foresight and that Hamon is one of those vessels that are resistant to storms. Equally though, the company knows how to select its crew and put down its anchor where its skills are most required, while still being sufficiently prescient to follow what will, no doubt one day be called the clean energy route. So when the Managing Director speaks of sustainable growth in the years to come, it makes you want to climb aboard!

Last year at this date, you refused to give a prognosis on the outcome of 2009, but you were nevertheless quietly confident. Have the results proved you were right?

Francis Lambilliotte – Yes. Consistent with our expectations and as our business volume has remained stable compared to 2008, the 2009 results are good, about 5% lower than the comparable figures of 2008. In the context of the current crisis, this is a good performance.

Where does this «steady as she goes» performance come from?

F.L. – Primarily from a large order backlog inherited from the past, notably 2007/2008. It has given us enough work in 2009 and we should be relatively immune to the crisis for both the next two years, despite lower orders for the last year. But things are picking up. Our entire industry has seen an upsurge in tender requests, which means that we are going back up the slope in terms of new orders. The question remains how quickly; this depends on the speed at which our end customers make their decisions. The last quarter of 2009 is in this respect better than the average of the first three quarters.

Have all your business units gone through the year with the same level of success?

F.L. – The majority, yes. However Air Pollution Control NAFTA has had a reduction in the number of orders, mainly caused by the lower demand for electricity and the lack of a clear energy policy. In turn, the Cooling Systems have produced a relatively good performance in terms of EBIT and revenue which are higher than those of 2008. China, India and Russia have been instrumental in filling our order book and we have had great success in Germany with our new fan-assisted natural draft cooling tower with our plume-abatement system, which measures only 80 meters high instead of the traditional 160 meters. The Heat Exchangers unit has also been very active receiving many new orders, a sales increase and an EBIT margin around 10%. As for the Chimneys business, it has had an excellent year in terms of performance and has produced results accordingly.

Is your geographical spread still a key strength?

F.L. – Without a doubt, especially in emerging markets like Brazil, India and China. In Brazil, we have received orders for several million euros related to our Air Pollution Control and Wet Cooling systems, and this clearly signals recovery. It is true that Brazil expects to grow by 5% in 2010. It is I believe a place with a bright future. If you recall, in 2008, we took 100% control of our Brazilian subsidiary, which we then completely restructured and where we installed a new management team.

Is the economic context as promising in India and China?

F.L. – Yes, especially since these countries have developed a very important internal market, in which Hamon is present. In India, where we are talking about growth of 6% despite the crisis, our Cooling Systems have considerable success and we have become one of three main players in the sector. Our Air Pollution Control activity has also developed, more slowly but still steadily. As for China, we acquired a 60% stake in the company DGE that specializes in fabric filters. This decision should help develop our Air Pollution Control business and ease our entry into the energy sector in China, as well as provide a competitive source for fabric filters for the rest of the Group around the world.

You had announced the resumption of your operations Dry Cooling and NAFTA Wet Cooling. Where are you with this?

F.L. – In 2009, we put new teams in place in the United States and are now doing the same thing in Europe and China. We have also developed new software and a new tube for our air condensers, manufacture of which started in mid-December in the United States. We expect much from the NAFTA Wet Cooling market in the future, especially with the restarting of the nuclear program.

Have you continued your policy of recruiting new talent?

F.L. – I would say, we have even enhanced it. I consider that one of Hamon's strengths is to constantly be at the forefront of progress in its niche sectors, which enables it to develop innovative new products such as the fan-assisted natural draft cooling tower with plume abatement that I mentioned earlier. Of course, this requires investments in R&D, and therefore, it is essential to recruit new young talents. They are usually engineers in mechanics, construction and thermodynamics, from the best universities in Belgium and elsewhere.

Have you also strengthened your commercial sales teams and management?

F.L. – Absolutely. Mainly with professionals with between 10 and 20 years of experience, who are enticed and motivated by our reputation for strength and stability. Specifically, we established a sales and management team in Germany for the Air Pollution Control activity, which not only covers Germany but also the countries of Eastern Europe. We have reinforced our business in Poland, one of our key future markets given their decision to invest in more coal-fired and nuclear power stations in the two years to come. In India, we have recruited many people who are specialists in the construction business and in China we have hired a team to develop the air condenser sector.

What are your projects as related to renewable energy?

F.L. – We have continued the ongoing projects with our two partners in this area. For the company Solel, world leader in solar panels for thermal solar power plants, we worked on optimizing the steam cycle (with the exception of the turbine / generator part). In autumn, this work was briefly interrupted following their acquisition by Siemens, but they now continue at their normal rhythm. With respect to biomass, our intention is to be more active in this growing sector. We also realized new investments in the company Xylowatt in December so that it can continue its program of development focused on the gasification of wood.

These activities must surely enhance your reputation as a player in the environmental protection world.

F.L. – Indeed. But this reputation is largely the logical consequence of our traditional business, for we have always made products that enable industries to limit pollution from their facilities. And as legislation in this area is becoming stricter, our role is becoming increasingly important. This situation is, I must admit, extremely positive for the development of Hamon in the future.

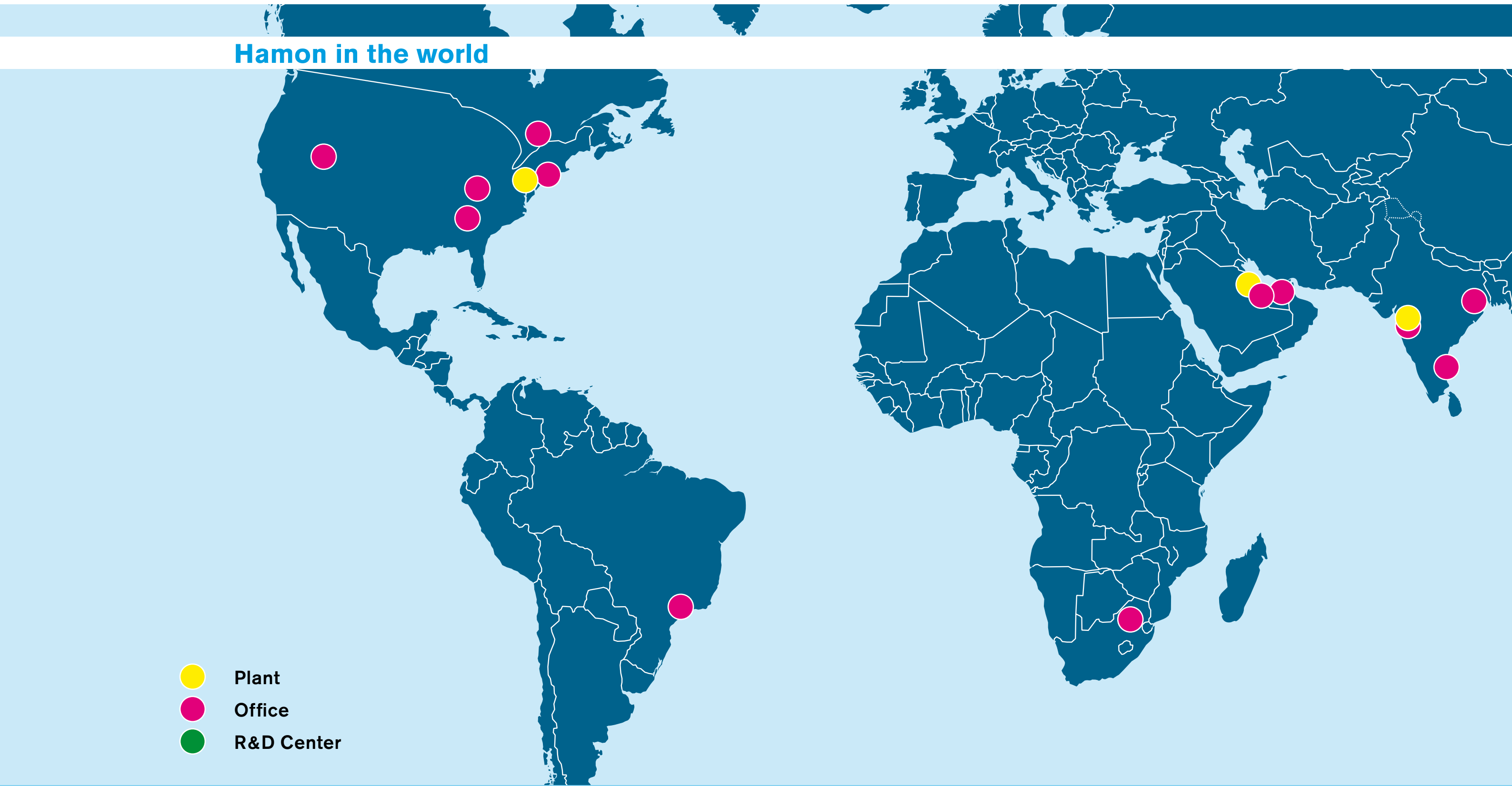
Presumably you do internally what you deliver for your customers ...

F.L. – We are indeed consistent! We make sure that our manufacturing processes do not pollute either the ground or the air, and that the plastic used in the exchange surfaces of our cooling systems is recyclable. Our safety program is also very important, and we make sure that all our employees and the environment are protected.

Woody Allen said: 'I would love to close on a message of hope. But I have none. So in exchange, will two messages of despair do?» Unlike Woody Allen, can you conclude with two messages of hope?

F.L. – Without hesitation! I think that as last year, 2010 will be a year of consolidation after the world economic crisis of 2008/2009. Today, it is a performance! Especially as we remain faithful to the long-term vision that characterizes Hamon and we continue to invest in further developing our products and technologies as well as our presence around the world, as illustrated by the many projects I have mentioned. Moreover, I am convinced that in the sectors that represent 80% of our business, specifically, power generation, oil and gas, all our customers are reinvesting and that we will benefit fully from this recovery. This will bear fruit in terms of financial results from 2011. This belief allows me therefore, unlike Woody Allen, to finish off with two messages of hope: we will continue to enjoy sustainable growth and our leadership position will be further strengthened. This is due in no small part to the quality of our men and women and to our excellent product range.

Hamon in the world



GROUP PROFILE

Hamon is one of the leaders in its niche markets, related to environment protection and energy.

Positioning and mission

Hamon, an international engineering and contracting company (EPC), is positioned as one of the world leaders, both for equipment and aftermarket sales and service in the following markets:

- Cooling systems
- Air Pollution Control systems
- Process Heat Exchangers
- Industrial chimneys

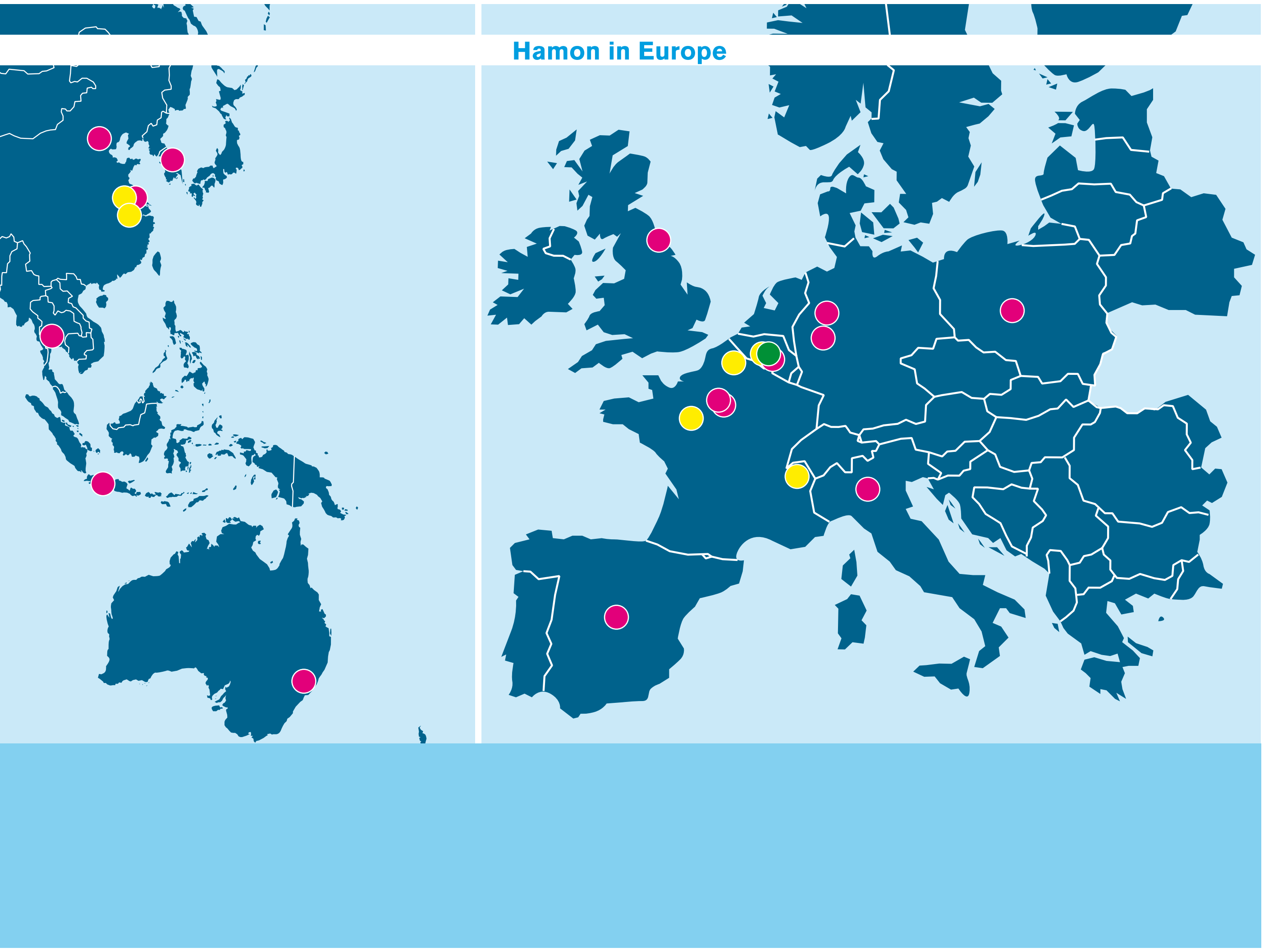
The services offered to clients include design, manufacture of certain key components, project management, installation on site, start-up and aftermarket sales and service.

The main clients are principally:

- Electric power plants
- The oil, gas and petrochemical industries
- Other heavy industries including steel, cement, glass, waste incineration.

Hamon's objective is to offer its shareholders a return on investment that is at least comparable to other companies in its sector. The Company offers its customers innovative systems that use the latest technology at competitive prices, and that effectively respond to their needs, all with strict cost control.

Apart from the satisfaction of its shareholders and clients, Hamon takes great care in assuring the satisfaction and



development of its personnel and its partners, while at the same time respecting the norms of sustainable development in each environment in which it operates.

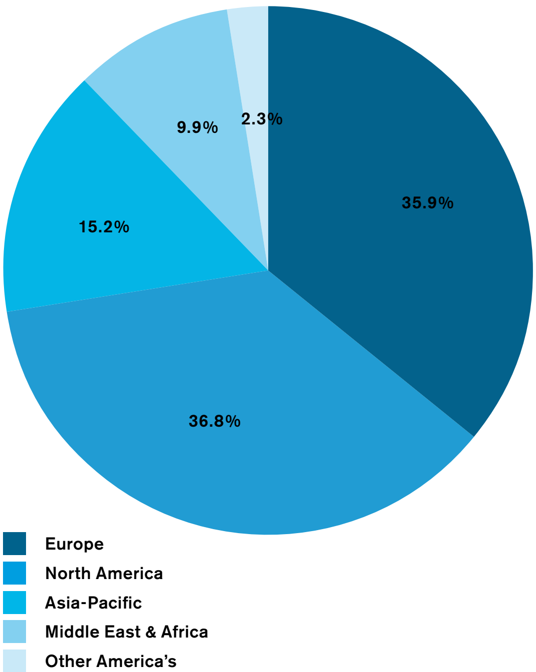
These values are explained in the sustainable development charter that Hamon is putting in place, which more clearly expresses its values.

Our presence in the world

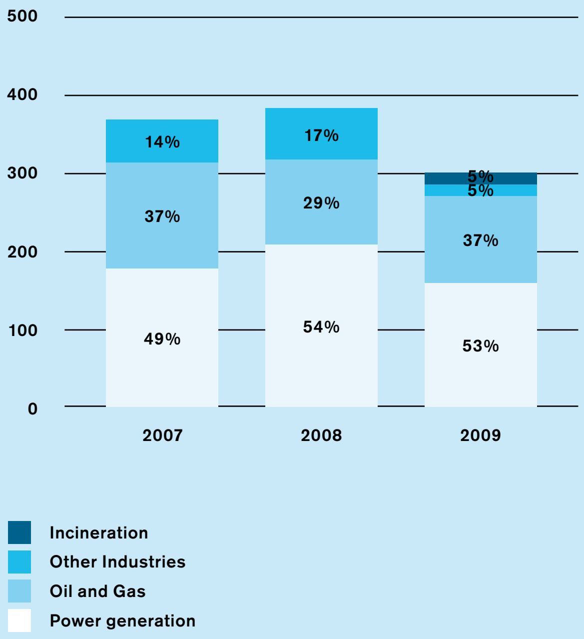
In 2009, Hamon employed 1 140 people in 20 countries and on 5 continents across the world. Several hundred others are hired on limited duration contracts (most notably on job sites). In 2009, the Group had sales of EUR 380 million. The other key figures are presented at the start of this annual report.

Hamon shares have been listed on the Euronext stock exchange of Brussels since 1997.

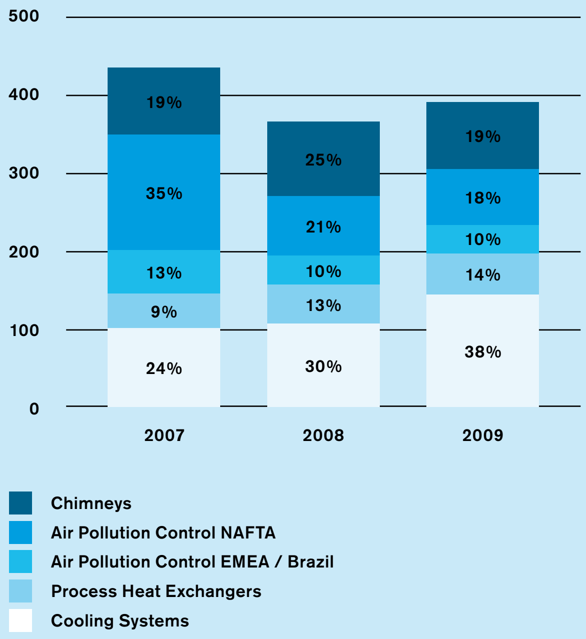
Sales breakdown by region (2009)



New order bookings by industry, in EUR million.



Breakdown of sales by business unit, in EUR million.



EVOLUTION OF OUR MARKETS

Hamon's markets were impacted by the 2009 economic recession.

Major markets for Hamon

The major customers (end users) of the Hamon Group are producers of electricity, followed by the oil and gas industry, as shown in the graph above. These are followed by other heavy industries, such as steel, non-ferrous metals, household waste incineration, cement, chemicals, etc. In recent years, Hamon has largely diversified its client portfolio.

It is worth noting that the new orders are divided between both new facilities and after-market service. For the breakdown by geographical area, see the Profile of the Group section.

Hamon's main activities are Cooling Systems and Air Pollution Control, as shown in the graph above.

Negative influence of general economic conditions in 2009

The economic situation was poor in 2009, with a decline in global world GDP of about 2%, against growth of about 2% in 2008. This is the consequence of the serious financial crisis of 2008. In most countries, the recession lasted until the summer 2009, followed by a weak recovery from the fall.

Our markets were also affected by the economic downturn and the lack of project funding due to the financial crisis. In such a situation, many industrial investors preferred to delay their investments. The impact was particularly felt in projects for the construction of new units. Refurbishing of existing units and after sales service suffered less from the crisis.

Overall, the major engineering companies have seen their orders reduced by about 20% to 25% in 2009 compared to 2008. This sharp decrease can also be explained by the very high investments during the first three quarters of 2008, making the decrease (in 2009) all the more pronounced. A recovery of sorts however has emerged in the fall of 2009, after very sharp declines in the fourth quarter of 2008 and the first half of 2009. This trend towards recovery is also confirmed by the strong growth of bid requests from customers received in the second half of 2009.

The lower volume of activity has put pressure on prices for certain orders, due to the extra competition. The average prices of many raw materials (steel, aluminum, etc.) also declined in 2009, which partly explains the lower total for new orders in 2009 (lower unit prices).

Note that the crisis not only slowed the level of new orders in 2009, but it also slowed the delivery of certain orders received in the past. This had a negative impact on sales in 2009.

Overall, power generators have reduced their investments in 2009 especially in thermal power plants. This is explained among other reasons by lower electricity demand in the United States mainly and in other developed countries; the reduction in consumption by industrial customers has reached about 20% in some countries. The oil and gas sector was strongly affected by the substantial drop in oil and gas prices in 2009. The average price of a barrel of crude oil was roughly USD 60 in 2009, compared to USD 100 in 2008.

As a consequence, investments fell in 2009 in some countries (e.g. USA) and certain sectors (e.g. refineries). But there are still many investment projects underway, particularly in the Middle East.

In geographic terms, North America followed by Europe have been the two regions most affected by the crisis. In the United States, many investments have been either delayed or canceled because of the uncertainty about the new environmental policy of the authorities.
This is also illustrated by the time the United States is taking to establish a clear policy in terms of the fight against climate change. In Europe, the recession has been severe, especially in Eastern Europe. For example, companies grouped within the German Engineering Federation (VDMA) saw orders down by 46% in the first 8 months of 2009 compared to the same period in 2008. The impact of the crisis on emerging economies has been significantly lower (Asia, South America). Some markets such as China or India (countries where Hamon is well established) have even managed to maintain significant growth.

Note too that the U.S. dollar has on average appreciated against the euro in 2009, which had a positive impact on the numbers from the U.S. market expressed in euro.

HIGHLIGHTS OF 2009

Hamon continued its expansion into emerging markets (BRIC) as well as the launching of new activities directly related to its core business.

July

Hamon took control of DG Environmental and TS Filtration, two Chinese companies active in the air pollution control business for cement and other heavy industries and in the manufacture of fabric filters. Hamon owns 60% of these companies; put and call options have been concluded with the minority shareholders enabling Hamon to become the sole shareholder in the future. This double acquisition allows a major development of Hamon's activities in Air Pollution Control not only in China, but also in other parts of the world.

August

Sopal International, the majority shareholder of Hamon, exercised its option to purchase 100 000 Hamon shares from Sogepa.

October

Hamon signed a cooperation agreement with a major Chinese design institute, the State Nuclear Electric Power Planning Design & Research Institute (SNPDRI). This agreement covers the design of very large natural draft cooling towers for nuclear power plants whose

From left to right :
- Signature of agreements with Chinese institute SNPDRI
- Signature of Chinese company purchase agreement
- Inauguration of new offices in India

construction is scheduled in the coming years. The agreement was signed in the presence of the Chinese Vice President, Mr. Xi Jinping, during his official visit to Brussels.

November

- Hamon Research-Cottrell (U.S.) signed a licensing agreement with J-Power EnTech (Japan) for the commercialization of the ReACT technology in North America. The ReACT technology (Regenerative Activated Coke Technology) allows the effective elimination of several pollutants (SOx, NOx, mercury and particles) emitted from, for example, coal-fired boilers.
- Hamon Shriram Cottrell inaugurated its new offices in Mumbai (India).

December

- Hamon signed a new senior credit agreement with a bank syndicate in connection with the refinancing of its debt. This four-year agreement for an amount of EUR 275 million allows the Group to reduce the interest margins paid and ensures that there are bank guarantees available for its future growth.
- Hamon opened a representative office in Beijing to promote its products in the Chinese market, particularly in the field of air cooled condensers.

Throughout the year 2009

- Hamon launched its Wet Cooling activities in North America and Dry Cooling (air cooled condensers for power plant) in several regions around the world. December also saw the start of production of the new finned tubes for the air cooled condensers.
- The BU Air Pollution Control EMEA / Brazil continued its development begun in 2008 outside Europe, mainly in India, Brazil, Central Europe, and of course in China with the acquisition made in July.

From left to right:
- Event organized by the Cooling Systems BU to celebrate the signature of a big contract in Germany
- Workers building a concrete chimney in USA
- Workers building a natural draft cooling tower in Germany
- Design engineers working for the APC EMEA/Brazil BU

CORPORATE SOCIAL RESPONSIBILITY

In its more-than 100-year history, the family-owned Hamon Group has always given a very high importance to its employees, fully aware of the importance of the human factor for the future of the Company. Additionally, Hamon has positioned itself as a major player in environment protection. Hamon has decided to formalize its values in these areas through a sustainable development charter.

Growing importance of sustainable development

The Hamon Group integrates in all its activities the two essential dimensions of sustainable development, namely the human aspects and the environmental aspects. This is done through the following areas :

- Ethics
- Human resources
- Health & safety
- Environment protection
- Quality assurance
- Risk management
- Corporate governance

In this context and in a constantly changing world, Hamon has also decided to increase its dialog with all its stake-holders and with the world at large.

This increased focus on sustainable development also implies changes to the way we work, changes to our organization and the involvement of every member of our workforce and of our main suppliers (through our qualification process).

Sustainable development charter

Hamon has selected the following objectives for its sustainable development charter:

1. Respect and protection of the environment.
2. Commitment to act as good citizens, well integrated in our local communities.
3. Recognition as a quality employer for our personnel and for the candidates who are considering Hamon as a future employer.
4. Respect for our values: professionalism, corporate culture, cultural diversity, team spirit and our « do it right from the first time » approach. These values are Hamon's key differentiators.

Details on the 4 objectives of our sustainable development charter

1. Respect and protection of the environment.
Hamon has chosen as an objective to put in place environmental protection action plans for all its industrial premises by 2015. Additionally, we will get environmental certification for our engineering activities within the next five years.

Environment protection: a key issue for Hamon
Hamon has positioned itself as a key proactive player in the environment protection area. This can be considered at several levels. Firstly, through the products and services provided to customers. This of course includes our Air pollution control systems, by which our customers can operate while emitting less dust, less sulfur oxide, less nitrogen oxide, less heavy metals, etc. Our Cooling systems, which increase the efficiency of steam turbines (as per thermodynamic laws) thanks to their high performances, allow power producers to produce a given amount of power with lower consumption of primary energy and thus pollute less. Our steam condensers additionally allow sharp reduction of water consumption and elimination of plume. Finally, our tall chimneys (up to 300 meter high) allow a better flue gas dispersion in the atmosphere. Through the development of new products, we also improve the environmental impact of our units. For instance for our cooling systems, we have reduced their noise impact, their visual impact, etc. We also use recyclable plastics for the heat-exchange surfaces of our cooling systems.

Secondly, through the development of activities in renewable energies. This is illustrated by the stake we took in Xylowatt in 2008. Xylowatt is active in biomass gasification for the combined production of heat and power. Other examples include the development of activities in thermal solar power plants.

The third level is a better control of the environmental impact of Hamon activities, through our plants, our offices, our employees, etc. Hamon has decided to make an increased effort in this area, as illustrated by the first objective of our charter.

2 a) Commitment to act as good citizens, respecting among others the universal human right act and our ethical code.
The key points of the human right act, adopted by the United Nations in 1948, are:

- No employment of children below the age of 15.
- Ensure and protect the health and safety of its workforce during its professional activities.
- Freedom of joining an association and right to collective bargaining.
- No discrimination based on sex, religion or race.
- No disciplinary action (in relation to joining an association).
- Right to reasonable limits to the amount of working hours, to periodical vacations, to weekly rest.
- Fair remuneration, at least in line with the legal norms and which respond to the basic needs of our employees.

A detailed action plan will be put in place in every location employing at least 50 people by 2011. Other locations will follow by 2015.

2 b) Good integration into our local communities.
Hamon will continue to develop its good relationship with the local authorities and communities, in the frame of an action plan to be put in place in every location.

3. To be a quality employer for our personnel and for the candidates who are considering Hamon as a future employer.
The key points that Hamon commits to respect regarding its role as a quality employer are the following:

- Ensure that all employees benefit from remuneration conditions in line with the local practices.
- Ensure that everyone is treated not only the same way but also receives the same opportunities (for a given level of competency).
- Ensure that Hamon hires and promotes the best candidates and that the positive contribution of its employees is rewarded.
- Develop the skills of our employees not only to benefit from their current skills but also to ensure that the skills and competencies required in the future will be available within the desired corporate culture.
- Respect health & safety regulations applying to the workplace.

An action plan will be put in place in each location by 2015.

4. Respect of our values: our professionalism, our corporate culture, our cultural diversity, our team spirit and our « do it right from the first time » approach.
These values, deeply embedded in the origins of our Group, will be translated into action plans by business unit and by country during the year 2010.

We should also mention that some measures have already been implemented by our subsidiaries. For instance we are progressing in the area of ISO 14000 (environment) and OHSAS 18001 (health & safety) certification at several locations.

Headcount evolution in 2009

Globally, the Group average headcount increased by 125 people in 2009, or a 12% increase. This increase is mainly due to:

- The consolidation of ACS for 12 months in 2009, versus only 5 months in 2008 (from August 2008).
- The sharp increase of our staff in Great Britain (mainly workers for on-site assembling), necessitated by some important projects.
- The consolidation of our Brazilian activities for 12 months in 2009, versus only 3 months in 2008 (from October 2008).
- The acquisition of new air pollution control activities in China (DGE consolidated from July 2009).
- The development of our air pollution control team in Germany (BU APC EMEA / Brazil).

These increases were partially compensated by the decrease in our workforce in our three main U.S. subsidiaries (Hamon Research-Cottrell Inc., Hamon Custodis and TTC). These subsidiaries were impacted by the slow down of our activities in North America.

Average headcount per region	2009	2008	2007
Europe	647	560	534
North America	209	241	249
Australia & Asia	214	173	112
Africa	24	22	17
Others (=Brazil)	46	19	0
Total	**1 140**	**1015**	**912**

Notes:

1. These figures take into account the staff of the fully consolidated subsidiaries and the proportional numbers for partially consolidated subsidiaries, and this on a pro rata basis of capital held by Hamon.
2. These figures are based on full time equivalents and only include staff on an open-ended contract.
3. Hamon also employs a number of temporary workers not included in these tables, primarily for its on-site projects. These projects usually last a few months and are scattered worldwide.

Analyzed by region, the main increases come from:

- Europe (ACS consolidated for 12 months instead of five in 2008; increase in Great Britain and in Germany).
- Asia (Chinese acquisition).
- South America (consolidation of our Brazilian activities for 12 months instead of three in 2008).

Average headcount per BU	2009	2008	2007
Cooling Systems	482	432	417
Process Heat Exchangers	174	170	163
Air Pollution Control EMEA/Brazil	172	112	59
Air Pollution Control NAFTA	147	175	182
Chimneys	56	63	64
Corporate & others	109	63	27
Total	**1 140**	**1015**	**912**

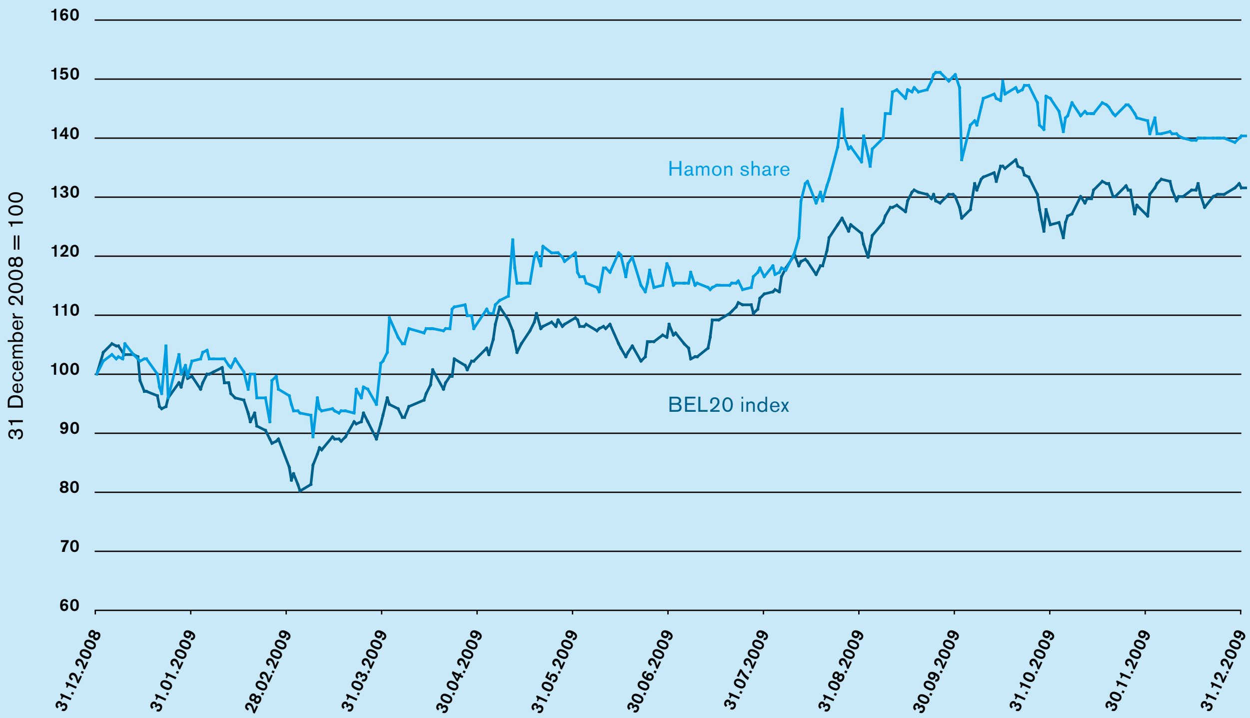
If we look at the business units, the main increases are coming from:

- APC EMEA / Brazil: acquisition in China; consolidation of our Brazilian activities for 12 months instead of three in 2008; developments in Germany.
- Cooling Systems: increase in Great Britain.
- Others, which include ACS (consolidated for 12 months instead of five in 2008).

Average headcount per category	2009	2008	2007
Management	46	39	39
Employees	652	582	511
Workers	442	394	362
Total	**1 140**	**1015**	**912**

In terms of category of employees, each one saw a two-digit increase in 2009.

Evolution of the Hamon share price relative to the BEL20 index



SHAREHOLDER RELATIONS

Hamon Shares

Hamon shares are listed on the regulated market Euronext Brussels, on the continuous market in the quotation group A1. The main elements relating to the Hamon share are listed below:

in EUR/share	2009	2008	2007
Average closing price	23,76	29,79	38,66
Maximum closing price	29,50	46,74	49,04
Minimum closing price	17,41	15,85	25,10
Closing price on 31 December	27,40	19,50	46,74
Average daily trading volume (number shares / day)	4 777	4 879	10 100
Total number of shares on 31 December	7 191 472	7 191 472	7 191 472
Mean total number of shares	7 191 472	7 191 472	7 191 472
Market capitalization on 31 December (EUR million)	197,0	140,2	336,1

Hamon's share price increased considerably in 2009, namely +40,5%. This excellent performance is better than the BEL20 index, which (only) increased by 31,6% during the same period, as illustrated at the top of the page.

In compliance with the law of 14 December 2005 on the suppression of bearer shares and article 96 of the law of 25 April 2007 containing various requirements, the intangible form of the Hamon shares was adopted by the Board of Directors during its meeting of 17 December 2007 and the articles of association of the Company have been modified in consequence. This process of de-materialization of shares runs from 1 January 2008 until 31 December 2013.

From the 1st January 2008, Hamon shares are represented either by named inscription in the shareholder register of the Company or via the inscription on a share account with a financial institution. It means that those shareholders with physical shares who wish to participate in the next Annual General Meeting (27 April 2010) should convert their physical shares into intangible shares. Additionally, owners of physical shares should deposit their shares in a share account in order to receive the payment of a dividend directly into their bank account.

Granting of options on shares

There were no share options given out to personnel in 2009.

Hamon's shareholding structure

Conforming to the terms of Article 9 of the Hamon & Cie (International) articles of association as modified on 27 May 2008, shareholders who pass the level of 2%, 3%, 4%, 5%, 7,5% and 10% and then every multiple of 5% thereafter are required to inform the Company and the banking, financial and insurance Commission, following the legal requirements.

Conforming to the terms of the Royal statute of 14 February 2008 as it relates to the communication of important participations, Hamon & Cie has received the following notifications of participation, thus indicating the repartition of the shareholding on 31 December 2009:

Shareholders	31/12/2009 Shares	31/12/2009 in %	31/12/2008 Shares	31/12/2008 in %
Sopal International SA (1)	4 548 155	63,24 %	4 452 911	61,92 %
Esindus S.A.	303 506	4,22 %	303 506	4,22 %
Walloon Region, represented by the Société Wallonne de Gestion et de Participation SA	150 000	2,09 %	250 000	3,48 %
Ratio Asset Management	247 407	3,44 %	247 407	3,44 %
Fortis Investment Management SA	175 106	2,43 %	175 106	2,43 %
Baillie Gifford	148 469	2,06 %	148 469	2,06 %
Other public	1 618 829	22,51 %	1 614 073	22,44 %
Total	**7 191 472**	**100 %**	**7 191 472**	**100 %**

(1) acting in concert with Sogepa; the figure at the end of 2008 includes the 2900 shares held by Mr. Francis Lambilliotte

Thirty-six thousand warrants were issued in 2008 in the scope of the stock option plan.

On 24 August 2009, Sopal International acquired 100 000 Hamon shares from Sogepa by exercising a purchase option on 30 June 2009, in agreement with the shareholders convention of June 2005, amended in 2007. This sale did not affect the free float shares.

The companies Ratio Asset Management, Fortis Investment Management and Baillie Gifford are institutional investors who have bought shares in Hamon for their investment funds.

Financial Calendar

The statutory date for the Annual General Meeting has been modified by the Extraordinary General Meeting held on 27 May 2008; from that date it will take place on the 4th Tuesday of April.

2010 Annual General Meeting	> **27.04.2010**
Publication of the results of 1st quarter 2010	> **27.04.2010**
Publication of the results of the 1st half year of 2010	> **31.08.2010**
2011 Annual General Meeting	> **26.04.2011**

Investor Relations and financial communication

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Financial information, notably annual reports and press releases are also available on our web site: www.hamon.com

MANAGEMENT REPORT

In 2009, Hamon has again had a very good year, with:

- Revenue of EUR 379,8 million
- A net result of EUR 18,0 million
- An extremely strong balance sheet structure
- A dividend increasing by 5%, to EUR 0,60 per share
- A good closing order backlog, representing almost one year of activity

Overview of the main changes of the year

1. Commercial activities

Group in EUR million	2009	2008
New order bookings	301,5	469,5
Backlog at closing date	339,2	391,0

New orders, at EUR 301,5 million, suffered from the regulatory uncertainties in the power sector in the United States, negatively affecting our APC NAFTA and Chimneys business units. The general economic uncertainties have nevertheless had so far a limited impact on our activities. Moreover, significant contracts were awarded to Hamon during 2009 under the form of letters of intent or unconfirmed options, which are not reported in bookings or backlog.

The backlog, at EUR 339,2 million, represents about 90% of one year revenues, creating good prospects for 2010.

2. Consolidated income statement

in EUR million	2009	2008
Revenue	379,8	366,7
EBITDA	42,8	46,6
Operating profit before restructuring costs	39,2	43,8
Restructuring costs	-0,4	-0,1
Operating profit after restructuring costs (EBIT)	**38,8**	**43,7**
EBIT/Revenue	**10,2%**	**11,9%**
Net finance costs	-7,2	-8,6
Result before tax (continued operations)	31,6	35,1
Income tax expenses	-13,3	-14,4
Net result from continued operations	18,3	20,7
Net result of discontinued operations	-0,3	-1,8
Net result for the period	18,0	18,9
Share of the Group in the net result	17,4	18,5
Results in EUR per share		
Average number of shares	7.191.472	7.191.472
EBITDA per share	5,90	6,48
Earnings per Share (EPS)	**2,42**	**2,57**

The EBIT margin at 10,2% has been maintained above the target of the Group of 10% of revenues. The level of activity stayed at a high level, with overhead costs under strict control. The net result, at EUR 18,0 million, is slightly below the record level of 2008. It should be noted that the 2008 results benefited from the sale of the GEI shares in India for EUR 0,8 million before tax but were negatively impacted by EUR 1,5 million of costs related to the agreement concluded between Hamon and SPX in December 2008. Changes in the USD parity allowed for higher reported EBIT from our US operations as EBIT would have been lower by EUR 1,1 million at constant exchange rates.

It should be noted that the consolidation scope has been modified as follows compared to 2008:

- ACS full year vs. 5 months (from 1st August) in 2008 ;
- Hamon Research Cottrell do Brazil full year vs. 3 months (from 1st October) in 2008 ;
- from 1st July 2009 the APC activities in China.

The change in scope impacted revenues by EUR 9,7 million, EBIT by EUR -0,6 million and net result by EUR -1,7 million. Detailed explanations of the activities of each business unit are given in the second part of this report (Overview by business unit).

Net finance costs decreased thanks to lower interest rates prevailing in 2009 and because debt in foreign currency was fully hedged in 2009 while exchange losses impacted net finance cost by EUR 2 million in 2008. Net finance costs include a one time charge of EUR 0,7 million of debt issuance costs further to the debt refinancing that took place in December 2009.

3. Consolidated balance sheet

Consolidated balance sheet in EUR million	31/12/09	31/12/08
Non-current assets	88,4	66,8
Current assets excl. cash	135,3	159,8
Cash & equivalent	83,3	59,1
Total assets	306,9	285,6
Equity	65,8	49,4
Group share	64,7	48,7
Minority interests	1,1	0,7
Non-current liabilities, ex. borrowings	14,3	9,3
Non-current borrowings	57,4	40,3
Current liabilities, excl. borrowings	151,7	157,1
Current borrowings	17,6	29,6
Total equity and liabilities	306,9	285,6
Net financial debt	-8,2	10,8
Net working capital (continued operations)	-16,4	2,4

Hamon's Group balance sheet structure continued to improve; Equity at the end of December 2009 reached EUR 65,8 million. The net financial debt turned to a net cash position of EUR 8,2 million on the back of a very well controlled net working capital, which also became negative during the current year.

Hamon's goal is to keep operating at low net working capital, knowing however that the nature of its business, with significant individual payments, can generate significant swings from one day to the next.
Also, Hamon signed a new Senior Facilities Agreement with a pool of banks on 17 December 2009. This four-year agreement foresees credit lines amounting to EUR 275 million, of which EUR 200 million relates to bonding facilities. It replaces the syndicated loan agreements existing since 2007.

CAPEX were committed to support the development of our activities in Korea, China and India, the development of the production capacity of the Heat Exchangers plant in Saudi Arabia and the set up of our dry cooling production capacity. In addition to CAPEX, the acquisition of the Chinese Air Pollution Control companies generated substantial goodwill, well justified by the excellent profitability and prospects for these companies within the Hamon Group.

Research & Development

In 2009, the main R&D programs on which the BUs worked were the following:

- Wet cooling systems: development of new thermal exchange surfaces; advanced development of fan-assisted hybrid natural draft cooling towers (to remove the plume).
- Air-cooled condensers: development of a new thermal design software and an advanced fin tube design marketed under the CTEC™ brand.
- Air pollution control: optimization program for ESPs and fabric filters; license agreement with J-Power Entech and adaptation of ReACT ™ multi-pollutant control technology licensed for the US market.
- Optimization of design and specification of Heat Transfer Fluid Solar Steam Generating System for use on solar thermal power plants.

Additionally, a dedicated team has been put in place to manage R&D within the APC EMA/Brazil business unit.

Risk management

The Group must manage a series of risks growing out of its activities, the extent and the kinds of markets in which it operates. The main risks are the following (partial list):

- Risks related to economic, regulatory, competitive and market environment.
- Uncertainties related to new environmental regulations and their periods of entry into force (impact on the air pollution control activities mainly).
- Risks related to acquisitions, partnerships and to activities in emerging countries, including political risks.
- Supplier risks; including products of inferior quality, which do not meet specifications, or delivery delays.
- Monetary risks, such as fluctuations of the US dollar exchange rate.
- Technical risks, related to the design or proper implementation of some projects.
- Risks related to guarantees given on executed projects.
- Risks related to the environment, e.g. on Hamon's customers sites, or in our plants.
- Industrial (accidents) or human risks, or risks related to occupational diseases.
- Risks related to litigation in which the Group is involved, to liquidation of Hamon Research Cottrell Italia, or to guarantees given for asset disposals.
- Financial risks: realization of the deferred tax assets; possible impairment tests on the value of some assets; delay in repayment schedules of some debts as negotiated with creditors, etc.

Hamon takes measures to control these risks through an active risk management program.

As far as covering monetary risks is concerned, Hamon has put in place a risk management policy for interest rates, exchange rates and counterparty risks:

- Interest rate risks: they are mitigated by using interest rate swaps (IRS) when the long-term rates go beyond some limits defined by the Group.
- Exchange rate risks: the positions in foreign currencies resulting from the execution of our construction contracts are covered by derivative instruments (term exchange, swaps, NDF) when they go beyond the limits fixed by the Group.
- Counterparty risks: short-term deposits and investments must comply with safety and liquidity criteria, and only thereafter with return criteria.

The monetary risk management policy is defined by the CFO of the Group and reviewed on a regular basis.

For projects, Hamon mainly uses bank guarantees issued in the context of construction contracts, or parent company guarantee letters.

For more information on risk management, see note 39 in the Financial report.

Post balance sheet events

Hamon is extremely happy to have been awarded the turnkey contract for the design and construction of two natural draft cooling towers for Plant Vogtle, Waynesboro, GA, in the USA. The new nuclear generation units 3 & 4 of Plant Vogtle will be among the first nuclear units built in the US in the last three decades. This order, worth approximately USD 95 million, was awarded to our subsidiary Research Cottrell Cooling Inc, representing the return of the Hamon Group to the Wet Cooling business in North America. This order, confirmed on 24 February 2010, bodes well for the future of our return to the cooling business in North America, just one year after the end of a five-year non-compete period.

Prospects

In view of the general economic environment, it has been decided not to release any guidance on the future results. However the Group confirms its good positioning for 2010 given its backlog and its strong financial structure.

After several quarters of decline, general commercial activities seem to be bouncing back in all our business areas. Our 'hot tender' list is very promising; however some customers are taking more time than usual to decide and book their new orders. New order forecasts are thus more difficult to assess from quarter to quarter.

Miscellaneous

For items which could be of importance in case of a public offering on the Hamon shares, see the Corporate Governance part further down in this annual report.

Part 2

Overview by Business Unit

From left to right:
- Fixing of the exhaust gas duct inside of a natural draft cooling tower
- Hybrid cooling system built in Great Britain
- Natural draft cooling towers in Germany at night

COOLING SYSTEMS

The Cooling Systems business unit offers equipment and services intended to cool water through contact with air and to condense steam resulting from the production processes of power stations and heavy industry most notably chemicals, petrochemicals, iron and steel, paper making, and sugar refining.

Products and services

Hamon delivers technical solutions adapted to the needs and requirements of its customers: electric power plants, engineering companies of international renown and industries.

The evaporative cooling systems are differentiated by their method of air flow generation: natural draft in the case of a chimney or induced draft when fans are used and whether they include or not a system reducing or eliminating the visibility of the plume: so-called ‘hybrid’ or ‘wet-dry’ or ‘humid-dry’. Dry cooling systems (air condensers or indirect systems) allow the cooling of the steam in closed circuits, without water consumption and without release of plume. They are therefore the solution to cooling problems in areas where water is scarce, for example in parts of continental China, South Africa or the Middle East.

The range of services offered by the BU Cooling Systems is complete: from inception to the final dismantling of the system and including each stage on the way: construction, start-up, maintenance, repair, and thermal performance improvement.

Hamon is responsible for the sales & marketing, engineering, manufacturing of certain components, assembling, project management, and after-sales service of cooling systems everywhere in the world. One of the key aspects of the BU strategy is to maximize the amount of local resources, where possible.

Organization

The business unit's center of expertise is located in Mont-St-Guibert (Belgium), while its R&D centre is situated situated in Drogenbos (Belgium). The unit has offices in several countries: Australia, Bahrain, Brazil, China, England, France, Germany, India, Indonesia, South Africa, South Korea, Thailand, United Arab Emirates, United States of America as well as a network of independent agents. Key components are manufactured in factories of the Group in France, India and China as well as in the United States of America.

Key figures

In EUR million	2009	2008
New order bookings	110,1	147,0
Revenue	143,8	109,4
Backlog	104,3	122,6
EBIT	12,5	9,7
EBIT / revenue	8,7 %	8,8 %
Average headcount	482	432

2009 results

The Cooling Systems business unit booked new orders amounting to EUR 110,1 million in 2009, which includes orders for:

- The renovation and performance improvement of natural draft cooling towers for nuclear power plants in France, Russia and Switzerland.
- The construction of a 30 cell cooling system with plume abatement in Great Britain.
- The construction of mechanical draft cooling towers in Germany, Thailand, Abu Dhabi, North Africa and Poland.
- The construction of mechanical draft cooling towers for the petro-chemical industry in Belgium and for independent power producers (IPP) in India.
- The renovation of five natural draft cooling towers in Germany.

In 2009, Hamon was awarded the contract for the construction of a fan- assisted natural draft cooling tower with reduced plume and noise attenuation of 1500 MW for a coal-fired power plant in Hamburg - Moorburg (a power station belonging to Vattenfall, Germany). This tower is innovative because it simultaneously uses technologies (wet and dry cooling) that had never been combined in this way before. It responds to a level of environmental constraints unmatched and thus reinforces the position of Hamon as a technology leader. This contract will almost certainly result in more orders in 2010 as this client proceeds with «Limited notices to proceed» during the engineering phase. The first two stages of approval and engineering were awarded to us in 2009.

In addition, Hamon and the «State Nuclear Electric Power Planning Design & Research Institute» (SNPDRI) in China signed a cooperation agreement on 7 October 2009 related to very large cooling towers for nuclear power plants. This agreement strengthens relations between Hamon and the power generation sector in China, which already uses the Hamon wet cooling technology.

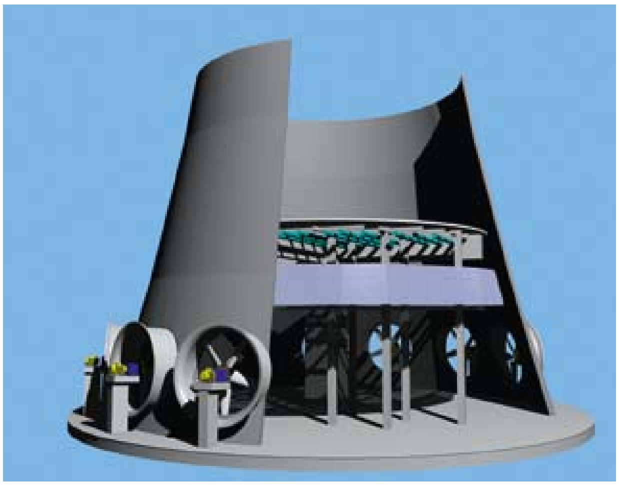
Even if some regions (Great Britain, USA, Dubai, ...) have been heavily affected by the economic crisis, the business unit has managed to keep an excellent backlog at the end of 2009 (EUR 104,3 million), lower than towards the end of 2008 but well above the one at the end of 2007.

Revenue amounted to EUR 143,8 million, mainly due to orders booked from early 2008.

EBIT increased by 29% versus 2008, thanks to a higher turnover, and excellent professionalism in project implementation and strict management of costs at every level.

Outlook for 2010 - 2011

The activities of the business unit should continue at a good level in 2010, with development of activities in dry cooling as a bonus. The wet cooling activities developed in North America under the name Research-Cottrell Cooling should also contribute positively to the results of the business unit.



3D sketch of a fan-assisted natural draft cooling tower



From left to right:
- Air cooler built in a gas treatment plant in Algeria
- 3D sketch of an aircooler
- Top view on an aircooler at client site
- Worker inspecting aircooler bundles in our French plant
- Preassembled aircooler in our factory before delivery
- Hair pin heat exchanger

PROCESS HEAT EXCHANGERS

The Process Heat Exchangers business unit offers various systems intended to cool or heat, often at high pressure, more or less corrosive liquids or gases resulting mainly from petrochemical processes. It operates either directly with its industrial clients like Aramco, BASF, Exxon-Mobil, Gazprom, GDF, Sabic, Shell and Total, or indirectly via engineering companies of international renown like Fluor, Foster Wheeler, Jacobs, Mitsubishi, Saipem, Tecnicas Réunidas, Technip, Linde, CBI, SNC Lavalin, ...

Products and services

This unit delivers design, manufacturing and assistance with the assembly of thermal equipment – mainly air coolers, but also hairpin tubular heat exchangers, heaters, welded steel finned tubes, and other heat exchangers.

It also offers integrated aftermarket sales services including maintenance, rehabilitation and the sale of spare parts.

Organization

The Process Heat Exchangers business consists of two companies established in France, as well as a joint venture in Saudi Arabia:

- Hamon D'Hondt represents the major part of this business unit. It is in charge of the design, marketing & promotion, manufacturing, and after-sales service of air coolers as well as the manufacturing of welded steel finned tubes. Hamon D'Hondt also owns 40% of a joint venture in Jubail in Saudi Arabia, Hamon D'Hondt Middle East, specializing in the manufacturing of air coolers for the Persian Gulf market.
- Brown Fintube France designs, sells and manufactures hair-pin heat exchangers and line and suction tank heaters. Brown Fintube France is one of the leaders in this market in Europe.

Key figures

In EUR million	2009	2008
New order bookings	55,6	49,4
Revenue	54,4	48,9
Backlog	38,4	36,8
EBIT	5,3	4,6
EBIT / revenue	9,7%	9,4 %
Average headcount	174	170

2009 results

In 2009, new orders reached a new record at EUR 55,6 million. Many projects in the Middle East, previously delayed due to the request of new offers by some end users, are now nearing their award and execution. Among the major orders are compressor stations for Gazprom and Exxon in Russia, as well as for Shell in Europe and Aramco in the Middle East.

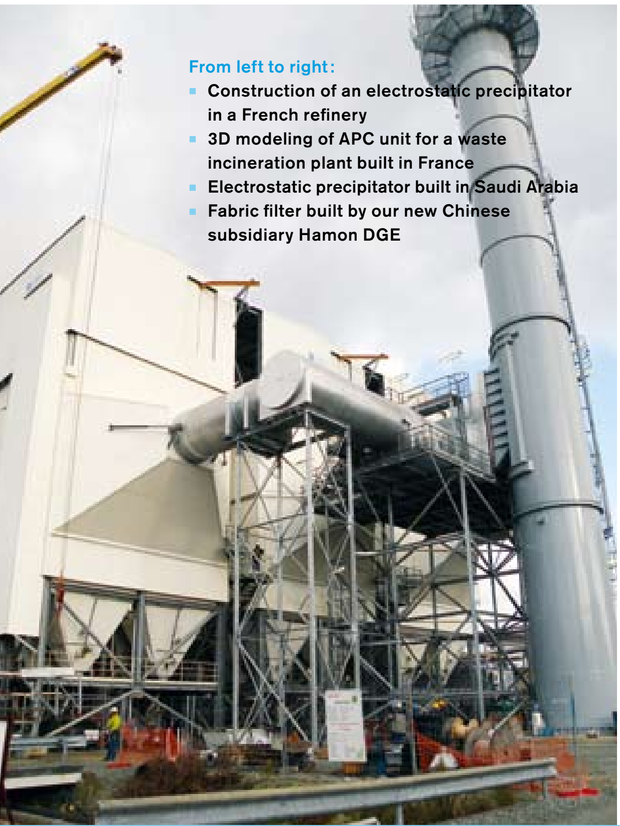
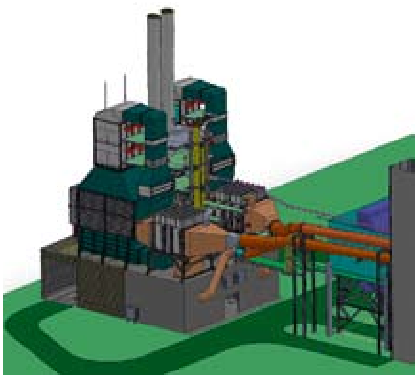
Revenue is increasing thanks to investments made in our factories and their optimized operations.

Good performance in project management and a positive volume effect have helped achieve an EBIT of EUR 5,3 million, representing 9,7% of revenue.

Outlook for 2010-2011

Activities are expected to continue at a good level in 2010. This reflects the high backlog and the high level of tenders.

In the longer term, the evolution of the market is linked to the economic situation in general and, more specifically, to changes in the price of crude oil and natural gas.

From left to right:
- Construction of an electrostatic precipitator in a French refinery
- 3D modeling of APC unit for a waste incineration plant built in France
- Electrostatic precipitator built in Saudi Arabia
- Fabric filter built by our new Chinese subsidiary Hamon DGE

AIR POLLUTION CONTROL EMEA / BRAZIL

The objective of the Air Pollution Control EMEA/Brazil business unit is to provide industries with the means to control the impact of their businesses on the environment. Other than providing an integrated service, this unit also designs, makes and installs air pollution control systems for different kinds of pollutants, thus ensuring strict conformity to the air protection regulations in force.

Products and services

The business unit offers, on its own or in partnership, turnkey solutions for the environmental problems faced by its customers.
The market is segmented between:
- power stations and energy production in general,
- heavy industry such as iron and steel, cement, glass-making and petrochemicals,
- biomass energy producers utilizing household, industrial and hospital wastes, and water purification sludge.

The internationally renowned technologies that make up its product portfolio can be divided into two groups: one is a physical kind, de-dusting, while the other is physicochemical: neutralization of acid gases, deSOx, deNOx, elimination of heavy metals. The acquisition of new technologies has allowed Hamon to adapt and progressively complete its product range so that it can now deliver to every specific need in the market.

The BU activity is divided into two parts. On the one hand is the design and installation of new equipment for new plants or to retrofit existing ones; and on the other is after-sales services including among other things maintenance and the supply of spare parts.

Air Pollution Control is a complex business. Mitigating the technological risks requires know-how and solid experience, as well as an excellent knowledge of the customers' processes. This is the case of Hamon Research-Cottrell, also known as Hamon Environmental. The BU enjoys an excellent reputation in its target markets; energy, glass, cement, waste-to-energy facilities, steel and the petrochemical industry. Hamon is one of the leaders in Western Europe in bringing waste incinerators up to present air quality standards.

Organization

2009 has seen the completion of the reorganization of the business unit, which was completely reviewed in 2008. It also saw the acquisition of a company in China, DGE, thereby enhancing the strength of the business unit in Asia and in certain technologies and markets, particularly cement. It now covers the world outside North America, the latter region being the responsibility of the North American business unit (see following pages). In 2009, the unit continued to consolidate coordination and supervision of air pollution control activities in Europe, Middle East and Africa (EMEA) and subsidiaries in Brazil, India and China. Thus, the activity is now spread out amongst a network of companies established in Belgium, France, Germany, India, China, Brazil, and South Africa, also with a branch in Italy.

Hamon has expanded its German office significantly, underlining its commitment to the heart of Central and Eastern Europe. This desire is motivated by the existence of a potentially important market in the area of air pollution control, characterized by renewed investments, among others, in the energy sector.

Note the establishment of a dedicated management team for the R&D department of this specific business unit.

The companies in Belgium, France, Germany and South Africa saw the renewal of their ISO 9001:2008 certifications. ISO 14001:2004 and OHSAS 18001:2007 certifications are under way for these same companies.

Key figures

In EUR million	2009	2008
New order bookings	67,3	53,2
Revenue	39,1	37,6
Backlog	85,6	41,9
EBIT	0,0	3,1
EBIT / revenue	-0,1%	8,2%
Average headcount	172	112

2009 results

In 2009, orders amounted to EUR 67,3 million, including contracts for the delivery of a flue gas treatment unit for a waste incinerator in France, a gas scrubber for a fertilizer plant in North Africa and electrostatic precipitators for factories in India and Brazil. Hamon also won large orders for power stations, including one for an electrostatic precipitator in Guadeloupe and one for a deNOx system in Guyana.

EBIT, close to zero, is due mainly to the low level of sales. The new orders were booked primarily during the fourth quarter 2009 and will not be converted into sales before 2010. Sluggish sales were not enough to cover the additional overhead costs associated with the development teams for Central and Eastern Europe, the restructuring of the Brazilian activities, the development costs of our JV in India and the consolidation of our activities in South Africa. In addition, Hamon has recorded a provision on a client whose financial situation has meant that we have not received payments on the due dates.

The increase in staff levels results from the acquisition in China in the second half of 2009, and the creation of a team in charge of Central and Eastern Europe.

Outlook for 2010-2011

In 2010, the business unit Air Pollution Control EMEA / Brazil should benefit from the investments made in China, Brazil and Central & Eastern Europe as well as from the general economic recovery. Favorable growth forecasts for the economies of China, India and Brazil bode well for future orders in these countries.

Given these factors, the BU should see a return to growth and profitability in 2010.





From left to right :
- Boat with fabric filters for HRCUS
- Wet gas scrubbers
- Fabric filter for a power plant in Arizona
- Wet gas scrubber for a refinery in Louisiana
- Fabric filter under construction in a power plant in Michigan

AIR POLLUTION CONTROL NAFTA

The business unit's objectives are to provide industry with the means to control and limit the environmental impact of its processes, while helping to reduce its energy consumption. Tailor-made solutions are proposed to each customer, using leading- edge technologies. The business unit designs and supplies (and in some cases installs) Air Pollution Control systems and provides strong after sales service. Products supplied are designed to control various types of air pollutants in accordance with the stringent environmental regulations in the NAFTA region. The business unit also designs and supplies heat recovery systems.

Products and services

Air pollution control technologies are divided into two groups :
- Physical : de-dusting.
- Chemical : neutralization of acid gases, deSOx, deNOx, and elimination of heavy metals.

The air pollution control products offered use leading-edge, sector- best technologies which are honed and tuned to meet the various market segment requirements.

Existing technologies are constantly updated to match changing regulatory and customer requirements. The business unit has a proven track record of acquiring new technologies which yield early commercial successes.

The product portfolio of the business unit includes technologies tested and accepted by industrialists of international renown.

The business unit presently markets seven main air pollution control technologies:

1. De-dusting by means of electrostatic precipitators.
2. De-dusting by means of fabric filters.
3. Wet gas scrubbing (an “ExxonMobil” process), used in the petrochemical industry; it is a deSOx and particulate removal system for gases emitted by catalytic cracking plants. It has recently been complemented by a deNOx process, with the combined offering called WGS+.
4. Dry flue-gas desulphurization (a “Marsulex” process), used for desulphurizing the gases emitted by coal – and biomass-fired power stations.
5. U2A process to transform urea into ammonia, a difficult to handle reagent used in SCR deNOx systems.
6. SNCR DeNOx systems (Exxon Mobil process) used for the capture of NOx.
7. ReACT (J-Power EnTech process) used for the simultaneous capture of SOx, NOx, particulates and mercury without any use of water.

Business unit activities are subdivided into two parts:

- Design and supply, and in some cases, installation, of new equipment on new plants or on existing plants so as to bring them up to standard.
- After-sales service, including among other things the maintenance and the supply of spare parts.

Air pollution control is a complex business. Mitigating the technological risks requires know-how and solid experience, as well as a complete understanding of the customers' processes. Hamon Research-Cottrell has, for over a century, benefited from an unrivaled reputation in its target markets (power stations, petrochemical plants, glass making facilities, cement plants, waste-to-energy facilities and the iron and steel industry).

The Heat Recovery product line includes recuperators, economizers, and gas-to-gas heat exchangers.

Organization

The business unit consists of three subsidiaries:

- Hamon Research-Cottrell U.S. (HRCUS) - specializing in the design and supply of new air pollution control units and Heat Transfer Fluid systems (HTF) for solar steam generations systems (SSGS) on solar thermal power plants.
- Hamon Custodis Cottrell Canada-supporting both HRCUS and Hamon Custodis activities in Canada.
- Thermal Transfer Corporation (TTC)- specializing in the manufacturing of heat recovery systems, electrodes for electrostatic precipitators and fin tube bundles for Air Cooled Steam Condensers. TTC also serves as a logistics base for HRCUS.

Key figures

In EUR million	2009	2008
New order bookings	34,4	113,0
Revenue	68,0	76,8
Backlog	30,8	65,8
EBIT	11,7	17,1
EBIT / revenue	17,2 %	22,3 %
Average headcount	147	175

2009 results

New orders were at a low point in 2009 because of the lack of clear guidelines from the new U.S. administration in matters relating to the environment, and the current decrease in demand for electricity and petroleum products and, of course, the ongoing economic and financial crisis. The majority of orders booked in 2009 related to fabric filters, an area in which HRCUS continues to have a significant competitive advantage compared to competing technologies with clients such as Alliant Energy and Pacificorp. Other new orders include the major rehabilitation of four electrostatic precipitators and a smaller one in Canada.

Despite the unfavorable economic environment, the business unit still showed a very good performance in 2009 thanks to a strict control of operating expenses, a good backlog of orders at the beginning of the year and flawless execution of projects that have enabled several contracts to be completed with margins significantly higher than what was originally budgeted.

Outlook for 2010 - 2011

Hamon sees some positive signs such as the higher level of requests for tenders, but the actual level of orders will depend on the timing of the resumption of the U.S. economy and further clarifications on environmental regulation.

From left to right:
- Detail view on inner duct elements
- Detail view on lower part of a chimney built in USA
- Construction of a new chimney in USA with inner duct elements

CHIMNEYS

This business unit offers complete systems, designed to vent to atmosphere flue gas generated by power plant boilers and other various industries (incinerators, steel mills, pulp & paper facilities, cement factories, glass factories, etc.). These systems include the chimney and its auxiliaries (linings, silencers and intermediate elements), and are designed and adapted to the customer's various needs and constraints.

Products and services

Hamon Custodis designs tall chimneys; they are often more than 200 meters tall. Made from various materials, but mainly concrete, they include a flue liner depending on the nature of the waste gases: steel, brick, fiberglass-reinforced plastic and special alloys to handle corrosive gases.

The design and construction of high chimneys require specialized expertise, equipment, labor, and other resources that only a few companies possess, creating a competitive advantage for Hamon. These barriers to market entry explain the limited number of players involved in this market in the US. Hamon Custodis also has a complete aftermarket division which provides regional customer service to the repair and maintenance markets.

Organization

In North America, Hamon is active in the chimney market through its subsidiary companies Hamon Custodis, based in the United States, and Hamon Custodis Cottrell Canada, located in Ontario, Canada. Moreover, Hamon Custodis operates three regional offices strategically located in the contiguous United States, which offer mainly after-sales services (maintenance and repair). The market segments in which the business unit is involved consist mainly of end-users, in large part coal-fired power stations.

Key figures

In EUR million	2009	2008
New order bookings	19,7	99,6
Revenue	72,8	91,5
Backlog	62,0	117,1
EBIT	12,7	9,1
EBIT / revenue	17,4 %	10,0 %
Average headcount	56	63

2009 Results

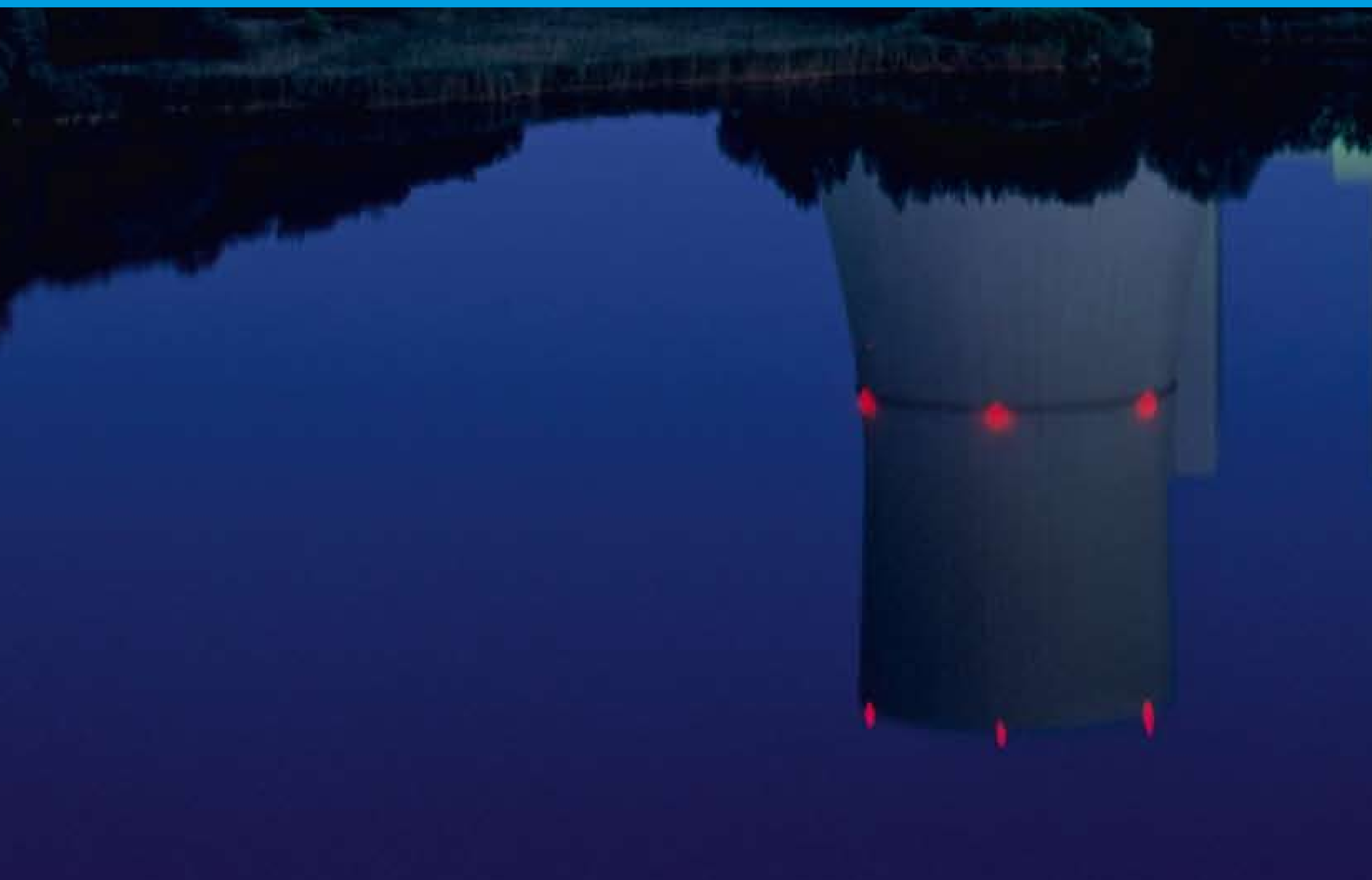
Like the BU Air Pollution Control NAFTA, the Chimneys BU saw a slowdown in the level of tenders and orders for new projects, resulting from uncertainty regarding American regulations and the current economic crisis. With the postponement of most renovation projects and construction of new coal-fired power plants, orders in 2009 were almost entirely on after sales service. Letters of serious intent have not been included in the numbers given for new orders nor in the backlog.

Special mention must be made on the EBIT margin, which at 17,4% is well above the average for the industry. It sets a new record for this business unit.

Outlook for 2010 - 2011

2010 should see an upturn in orders linked to the timing of economic recovery in the USA.

Part 3



Corporate Governance

The members of the Hamon Executive Committee. From left to right:
René Robert, Bernard Vuylsteke, Bernard Van Diest, Rodica Exner, Francis Lambilliotte, Michèle Vrebos, Philippe Delvaux.
insert: Aart Nobel.

CORPORATE GOVERNANCE DECLARATION

1. General Considerations

Consistent with the recommendations of the 2009 Belgian Corporate Governance Code, the Board of Directors has adopted a Corporate Governance Charter, published on our web site www.hamon.com. It is also available for review at the head office of the Company. The information that follows includes several elements of the Charter, mainly the principles of corporate governance that took place in 2009.

2. Board of Directors

The composition of the Board of Directors is determined in accordance with Article 14 of the Articles of Association and the shareholder agreement signed with the Walloon Region on 8 June 2005, and amended on 28 August 2007. The members of the Board of Directors are nominated at the Annual General Meeting of shareholders. Their term is for a duration of no more than six years. If it becomes necessary to replace one of the directors, the new director will be chosen from candidates presented by the shareholder having proposed the outgoing director.

The directors whose mandate is at an end will stay in place until such time as the General Assembly has approved a replacement. The General Assembly has the power to dismiss a director at any time. Note too, that outgoing directors are re-electable and no age limit is imposed for the exercise of a mandate.

Currently, the Board of Directors is composed of eight members, seven of whom are non-executive directors, and three are independent directors. Four of them are proposed by Sopal International S.A. The mandates of the majority of them were renewed at the Annual General Meeting of 27 May 2008.

Baron Philippe Bodson, Messrs Pierre Meyers and Martin Gonzalez del Valle are independent directors. They meet the requirement of independence imposed by article 526 of the Company Code. Sogepa SA, represented by Mrs. Sabine Colson, represents the interests of the Walloon Region on the Board of Directors. No mandates expire at the next General Meeting scheduled for 27 April 2010.

Name	Position	Start	End
Baron Philippe Bodson	Chairman, Independent Director	27.05.08	26.04.11
Mr. Jacques Lambilliotte	Honorary Chairman, Director	27.05.08	26.04.11
Mr. Francis Lambilliotte	Managing Director	28.04.09	28.04.15
Mr. Jean Hamon	Director	27.05.08	26.04.11
Mr. Bernard Lambilliotte	Director	28.04.09	22.04.14
Sogepa SA represented by Ms. Sabine Colson	Director	27.05.08	26.04.11
Mr. Pierre Meyers	Independent Director	27.05.08	26.04.11
Mr. Martin Gonzalez del Valle	Independent Director	27.05.08	22.04.14

Main subjects discussed by the Board of Directors in 2009

The Board of Directors met four times in 2009. The main subjects discussed were the approval of the results of the Group, the reviews of forecasts, annual budgets and the strategic business plan, the monitoring of the business and the financial situation of the Group, in particular some subsidiaries, the review of some development and investment projects, the overview of the new regulation related to corporate governance.

Directors' Remuneration

All the directors are remunerated for their directorship with the exception of Francis Lambilliotte, in accordance with the decision of the General Shareholders Meeting. The Annual General meeting of 27 May 2008 had decided to allocate, from 2008 onwards, a remuneration for the directors, of up to a maximum of EUR 200 000 per year (to be indexed on the retail price index every January against the level in January 2008), to be divided up annually amongst its members by the Board of Directors. It is proposed to the General Shareholders Meeting of 27 April 2010 to increase this maximum to EUR 240 000 per year, with effect as from 1st January 2009.

Committees

Under its own responsibility, the Board of Directors set up Audit, Remuneration and Appointment Committees in June 2005. The composition of these Committees was reviewed on 27 May 2008, when the new Chairman of the Board of Directors was appointed.

The members of these Committees are as follows:

Name	Audit Committee	Appointment Committee	Remuneration Committee	End of term
Baron Philippe Bodson (i)		Chairman	Chairman	26.04.11
Mr. Jacques Lambilliotte		Member	Member	26.04.11
Sogepa SA represented by Ms. Sabine Colson	Chairman	Member	Member	26.04.11
Mr. Pierre Meyers (i)	Member		Member	26.04.11
Mr. Martin Gonzalez del Valle (i)	Member	Member		22.04.14
Mr. Bernard Lambilliotte	Member			22.04.14

(i) independent directors

The Audit Committee made up of four non-executive directors of which two are independent, met two times during the course of 2009, together with the Deloitte audit team. The subjects discussed by the Audit Committee were principally the closing of the annual accounts of 31 December 2008 and of the half-year accounts as of 30 June 2009.

The Remuneration Committee and the Nomination Committee, both made up with two non-executive directors and two independent directors, met together three times in 2009. The main subjects which were discussed were the establishment of basis remunerations, the establishment of variable remunerations for managers and top executives and the search of a new CEO for the Unites States in preparation for of the retirement of Aart Nobel, the current North American CEO, in 2010.

3. Executive Committee

Composition

The Company has not set up any management board as outlined in the article 524 bis of the Company Code. The Board of Directors has appointed an Executive Committee most notably to assist the Managing Director in his functions. The members of the Executive Committee have no mandate, and are nominated for an indeterminate period of time.
The composition of the Executive Committee was not modified in 2009; its members are the following:
Francis Lambilliotte, Managing Director, Chairman of the Executive Committee
Aart Nobel, General Manager Americas, Vice President of the Executive Committee
Philippe Delvaux, General Manager of the Air Pollution Control EMEA / Brazil BU
Rodica Exner, General Manager of the Cooling Systems BU
René Robert, General Manager of the Process Heat Exchangers BU
Bernard Van Diest, Group Financial Director
Michèle Vrebos, Group Legal Director and Secretary General
Bernard Vuylsteke, Group Human Resources Director

Mr. Francis Lambilliotte, as the Company's Managing Director, performs the day-to-day management function.

4. Remuneration and benefits of Board of Directors and Executive Committee

The Remuneration Committee has established, in accordance with the recommendations of the 2009 Corporate Governance code, a remuneration report as follows:

« This report was prepared under the provisions of the Belgian Code of Corporate Governance 2009.

Procedure

The Remuneration Committee has developed, in consultation with the CEO, a policy to remunerate directors and members of the Hamon & Cie Executive Committee. In this context, the Committee hired an HR consultant to benchmark the going market rates in this area both in Belgium and abroad, given the international character of the composition of the Executive Committee of the Group.

Market practice is reviewed annually and each time discussed in the Committee, decisions from which could lead to the revision of certain elements.

The remuneration of directors equates to a fixed sum and a variable amount per meeting in which they are present, the Chairman also receives a higher annual lump sum in compensation for his advice and experience. The directors, except the Managing Director, did not receive any stock options. The mandate of the Managing Director is, in turn, exercised free of charge.

The remuneration of the members of the Executive Committee is made up of a fixed sum and a variable amount:

- *The sum corresponds to the going market rate for the various functions involved.*
- *The purpose of the variable remuneration is to ensure Executive Committee members are paid according to the Group's performance on the one hand and their individual performance on the other. Variable remuneration is linked to the results of the Business Units and the Group and the achievement of personal goals; the percentage representing the variable compensation depends on the degree of importance and the contribution made by that function to the results of the Business Units and the Group. The performance of the individuals concerned is subject to an annual appraisal by the Managing Director who takes into account how far the objectives -mutually agreed during the previous year- have been met. This performance analysis of the members of the Executive Committee is then discussed by the Managing Director with the Remuneration Committee.*

Among the long-term incentives, the members of the Executive Committee and the Managing Director received stock options during the year 2008. Details of these options, attributed in 2008, can be found in note 34 (page 80) of the 2008 annual report.

There was no allocation of stock options in 2009. »

In 2009, the total amount of remunerations and benefits in kind allocated to the company's directors and to the members of the Executive Committee for their work in the Company and its subsidiaries amounted to EUR 6,562 million. For more detailed information, please see note 45 of the consolidated accounts.

5. Important aspects in case of a public offer of purchase

Article 5 of the articles of association of Hamon & Cie states that the Board of Directors is authorized to increase the capital one (or more times) up to EUR 2 157 441,60. This authorization is limited to 5 years; it can however be renewed once or several times for a further 5 years, by the Annual General Meeting. The increase in capital as decided by this authorization, whether made in kind or in cash, can be made by using available or unavailable reserves or share premium, with or without the creation of new shares, preferential or not, with or without voting rights, and with or without subscription rights. Within the authorization given to it by the articles of association, the Board may decide to issue bonds, subscription rights, or the right to options just as it can also cancel or limit the preference rights of existing share holders if it is in the interest of the Company and within the legal framework to do so and including one or more persons or members of the Company's personnel, or a related company. The Extraordinary General Shareholders Meeting of Hamon & Cie has also given clear authority to the Board of Directors to increase, in case there is a public offer on the shares of the Company, the capital either in nature or in kind, by limiting or canceling, as the case may be, the preference rights of shareholders including those favoring one or more particular persons.

The articles of association of Hamon & Cie also foresee that the Company is authorized to buy its own shares on the stock market without necessarily making an offer to shareholders. The Board of Directors is authorized to dispose of shares of the Company through the stock market or in any other way that is foreseen by the law, without prior authorization of the Annual General Meeting. The Board is authorized to acquire or dispose of shares in the Company to ward off any serious or imminent danger to the Company, as is possible within the law.

Note too that the shareholder convention signed in June 2005 by both Sopal International and the Walloon Region, represented by Sogepa, and amended on 28 August 2007, provides that the two groups mutually inform each other if there is intent to reduce or increase their participation in Hamon & Cie.
The convention also authorizes the existence of a pre-emptive right in favor of one of the two groups, and a right to buy in favor of Sogepa if Sopal International should decide to sell its shares. The convention also provides for a put option for the Walloon Region and a call option in favor of Sopal International.

6. Auditors

The Company accounts and consolidated accounts ending 31 December 2009 were audited by Deloitte, Reviseurs d'Entreprises, SC s.f.d. SCRL, Berkenlaan 8B, 1831 Diegem, represented by Mr. Laurent Boxus.

The appointment of the auditor for a term of three years was approved by the Annual General Meeting of 27 May 2008.

7. Appropriation of profits

On 25 September 2009, the Company paid an advance dividend for the results of 2009 of EUR 0,15 per share. The Board of Directors proposes to the 27 April 2010 General Shareholders Meeting to distribute a complement to this dividend of EUR 0,45 per share for the result of 2009, payable on 10 May 2010. The total dividend for the fiscal year 2009 will amount to EUR 0,60 per share.

The dividend policy aims to make a payout of around 25% of the result of the year, which it is felt will correctly remunerate shareholders while still keeping the required funds necessary for continued growth within the Group.

8. Code of good behavior

The Group has developed a Code of Ethics for all employees covering various aspects including (i) compliance with the law on insider trading, (ii) the prevention of conflicts of interest within the Group, (iii) respect of confidentiality as part of the exercise of their function, (iv) correct and proper conduct in the management of their business.

This Code aims to educate employees to the need to respect a code of good behavior when exercizing their professional duties and ensure that all staff carry out their activities with respect to the ethical and legal laws of each country.

This Code reflects the determination of the Group to maintain a relationship of trust and professionalism with all its stakeholders.

The Charter of Corporate Governance published on the Hamon website has a specific section relating to insider trading.

Part 4

Financial statements

FINANCIAL STATEMENTS - TABLE OF CONTENT

1. Consolidated income statement

in EUR '000'	Note	2009	2008	2007
Revenue	8	379 777	366 679	432 648
Cost of sales		(289 976)	(279 240)	(339 799)
Gross profit		**89 801**	**87 439**	**92 849**
Sales & marketing costs	9	(10 776)	(8 697)	(9 872)
General & administrative costs	9	(39 922)	(34 018)	(35 147)
Research & development costs	9	(817)	(663)	(580)
Other operating income / (expenses)	10	889	(210)	(3 813)
Operating profit before restructuring costs		**39 175**	**43 851**	**43 437**
Restructuring costs	11	(390)	(132)	(8)
Operating profit (EBIT)		**38 785**	**43 719**	**43 429**
Interest income	12	323	1 255	1 240
Interest charges	12	(7 521)	(9 904)	(11 126)
Result before tax		**31 587**	**35 070**	**33 543**
Income taxes	13	(13 332)	(14 411)	(13 952)
Net result from continued operations		**18 255**	**20 659**	**19 591**
Net result of discontinued operations	14	(243)	(1 788)	(1 246)
Net result for the year		**18 012**	**18 871**	**18 345**
Equity holders of the company		17 369	18 505	18 258
Minority interest		643	366	87
Earnings per share	16			
Continued and discontinued operations				
Basic earnings per share (EUR)		2,42	2,57	2,54
Diluted earnings per share (EUR)		2,42	2,57	2,54
Based on their strike price, the stock options granted to Group employees have no dilutive impact at 31 December 2008 and 2009				
Continued operations				
Basic earnings per share (EUR)		2,45	2,82	2,71
Diluted earnings per share (EUR)		2,45	2,82	2,71

2. Consolidated statement of comprehensive income

in EUR '000'	2009	2008	2007
Net result for the year	**18 012**	**18 871**	**18 345**
Changes in available-for-sale financial assets reserve (net of taxes)	294	(26)	-
Changes in hedging reserve (net of taxes)	711	(693)	-
Changes in currency translation reserve (net of taxes)	572	(1 162)	(2 849)
Comprehensive income for the period	**19 589**	**16 990**	**15 496**
Equity holders of the company	18 980	16 734	15 420
Minority interest	609	256	76

3. Consolidated balance sheet

in EUR '000'	Note	31/12/09	31/12/08	31/12/07
ASSETS				
Non-current assets				
Intangible assets	21	5 176	3 832	1 240
Goodwill	22	41 647	29 589	17 317
Property, plant & equipment	23	30 231	23 374	19 079
Investment in associates	24	-	-	681
Deferred tax assets	26	6 170	5 975	9 364
Available-for-sale financial assets	25	2 416	1 383	1 001
Trade and other receivables	29	2 756	2 602	8 292
Derivative financial assets	37	-	-	-
		88 396	**66 755**	**56 974**
Current assets				
Inventories	27	9 695	8 892	6 296
Amount due from customers for contract work	28	32 526	37 877	44 090
Trade and other receivables	29	88 176	108 583	90 549
Derivative financial assets	37	444	434	-
Cash and cash equivalents	30	83 253	59 089	35 658
Current tax assets		4 407	3 756	1 217
Available-for-sale financial assets	25	5	244	9
		218 506	**218 875**	**177 819**
Total assets		**306 902**	**285 630**	**234 793**
EQUITY	31			
Share capital		1 892	1 892	1 892
Reserves		10 874	9 200	15 296
Retained earnings		51 922	37 566	16 906
Minority interest		1 115	711	268
Total equity		**65 803**	**49 369**	**34 362**
LIABILITIES				
Non-current liabilities				
Financial liabilities	35	57 447	40 252	50 509
Provisions for pensions	33	2 938	2 603	2 284
Provisions for other liabilities and charges	32	2 093	1 280	1 355
Deferred tax liabilities	26	2 523	3 273	7 183
Other non-current liabilities		6 786	2 146	3 052
		71 787	**49 554**	**64 383**
Current liabilities				
Financial liabilities	35	17 618	29 606	12 055
Amount due to customers for contract work	28	64 230	69 403	30 106
Trade and other payables	36	75 459	79 788	87 773
Current tax liabilities		6 352	2 817	2 492
Derivative financial liabilities	37	59	1 597	-
Provisions for other liabilities and charges	32	5 594	3 496	3 622
		169 312	**186 707**	**136 048**
Total liabilities		**241 099**	**236 261**	**200 431**
Total equity and liabilities		**306 902**	**285 630**	**234 793**

4. Consolidated cash flow statement

in EUR '000'	Note	2009	2008	2007
Cash flows from operating activities	17			
Cash received from customers		392 784	426 820	381 664
Cash paid to suppliers and employees		(332 342)	(374 302)	(339 846)
Cash generated from operations before interests and taxes		**60 442**	**52 518**	**41 818**
Other financial expenses and income (paid)/received		(591)	(325)	(4 153)
Income taxes paid		(11 249)	(17 214)	(8 556)
Other cash received / (paid)		(71)	-	(341)
Net cash from operating activities		**48 531**	**34 979**	**28 768**
Restructuring costs		(176)	(302)	(297)
Net cash from operations after restructuring		**48 355**	**34 677**	**28 471**
Cash flows from investing activities	18			
Dividends received		79	43	34
Proceeds on disposal of subsidiaries (net of cash disposed)		-	-	259
Proceeds on disposal of PP&E		123	587	416
Proceeds/(Purchase) of available for sale financial assets		(437)	1 032	(324)
Acquisition of Subsidiaries (net of cash acquired)	15	(4 458)	(1 528)	-
Acquisition of PP&E		(9 104)	(3 362)	(3 402)
Disposal/(purchase) of intangible assets		(970)	(2 152)	(194)
Expenditures on R&D		(1 810)	(1 199)	(740)
Net cash from investing activities		**(16 577)**	**(6 579)**	**(3 951)**
Cash flows from financing activities	19			
Dividends paid to shareholders		(2 773)	(2 130)	
Dividends paid to minorities		(12)	(5)	-
Proceeds from issuance of shares		55	198	-
Interest received		322	1 489	1 282
Interest paid		(5 304)	(6 448)	(7 142)
Proceeds from new bank borrowings		67 574	24 386	129 075
Repayment of borrowings		(67 800)	(22 586)	(131 558)
Net cash from financing activities		**(7 938)**	**(5 096)**	**(8 343)**
Other cash flow mouvements				
Other variations from discontinued operations	14,20	(242)	(513)	(2 746)
Net cash on acquisition of subsidiaries	15	1 304	72	-
Other net cash flows		**1 062**	**(441)**	**(2 746)**
Net variation of cash and cash equivalents		**24 902**	**22 561**	**13 431**
Cash and cash equivalents at beginning of period		59 089	35 658	24 442
Impact of translation differences		(738)	870	(2 215)
Cash and cash equivalents at end of period		83 253	59 089	35 658
Net variation of cash and cash equivalents		24 902	22 561	13 431

5. Consolidated statement of changes in equity

in EUR '000'	Share capital	Legal reserve	Share premium	Retained earnings	AFS reserve	Share-based payments	Hedging reserve	Translation reserves	Equity - Attributable to equity holders of the parent	Minority Interest	Total equity
Balance at 1 January 2007	**1 892**	**671**	**18 858**	**(1 262)**	**-**			**(1 377)**	**18 782**	**278**	**19 060**
Translation differences								(2 838)	(2 838)	(11)	(2 849)
Profit or loss of the period				18 258					18 258	87	18 345
Other movements				(90)			(18)		(108)	(86)	(194)
Balance at 31 December 2007	**1 892**	**671**	**18 858**	**16 906**			**(18)**	**(4 215)**	**34 094**	**268**	**34 362**
Balance at 1 January 2008	**1 892**	**671**	**18 858**	**16 906**	**-**	**-**	**(18)**	**(4 215)**	**34 094**	**268**	**34 362**
Translation differences								(1 071)	(1 071)	(91)	(1 162)
Profit or loss of the period				18 505					18 505	366	18 871
Dividends paid to shareholders				(2 157)					(2 157)	(5)	(2 162)
Change in fair value of available-for-sale assets					(26)				(26)	-	(26)
Recognition of share-based payments						(17)			(17)	-	(17)
Change in fair value of hedging instruments							(674)		(674)	(19)	(693)
Other movements			(4 308)	4 312					4	192	196
Balance at 31 December 2008	**1 892**	**671**	**14 550**	**37 566**	**(26)**	**(17)**	**(692)**	**(5 286)**	**48 658**	**711**	**49 369**
Balance at 1 January 2009	**1 892**	**671**	**14 550**	**37 566**	**(26)**	**(17)**	**(692)**	**(5 286)**	**48 658**	**711**	**49 369**
Translation differences								627	627	(55)	572
Profit or loss of the period				17 369					17 369	643	18 012
Dividends paid to shareholders				(3 021)					(3 021)	(12)	(3 033)
Change in fair value of available-for-sale assets					291				291	3	294
Change in share based payments reserve						63			63	-	63
Change in fair value of hedging instruments						693			693	18	711
Other movements			-	8		17	(17)		8	(193)	(185)
Balance at 31 December 2009	**1 892**	**671**	**14 550**	**51 922**	**265**	**63**	**(16)**	**(4 659)**	**64 688**	**1 115**	**65 803**

6. Notes to the consolidated financial statements

1. GENERAL INFORMATION

Hamon & Cie (International) SA (hereafter called 'Hamon' or 'the Company') is a limited liability company under Belgian law. Its registered office is in Axisparc, rue Emile Francqui 2, 1435 Mont-St-Guibert, Belgium; telephone: 32 10 39 04 00.

The principal activities of Hamon and the various subsidiaries of the Group are described in the first part of this annual report.

The legislation governing the activities of Hamon & Cie (International) is Belgian law or the law of the countries in which its subsidiaries are established. The country of origin of the Company is Belgium.

The Company's financial year begins on the 1 January and closes on the 31 December of each year.
The Company was founded on 31 December 1927 for an unlimited period.

The Company registration number is 0402.960.467.

2. DECLARATION OF COMPLIANCE AND RESPONSIBILITY

The consolidated financial statements were approved by the Board of Directors on 26 February 2010.

We declare that to our knowledge:

- The consolidated financial statements have been prepared according to the International Financial Reporting Standards (IFRS) as approved by the European Union.
- The financial statements are a faithful view of the assets, the financial situation and results of the Group.
- The Management report is a faithful review of the ongoing business, the results and the situation of the Group and it includes a description of the principle risks and uncertainties which the Group is facing.

26 February 2010.
Francis Lambilliotte, Managing Director
Bernard Van Diest, CFO

3. PRINCIPAL ACCOUNTING STANDARDS

Principal accounting standards

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards.

They have been prepared on basis of the historical cost convention except for some financial instruments measured at fair value in conformity with IAS 39.
The financial statements are presented in thousands of Euros, rounded to the nearest thousand.

Standards and Interpretations that became applicable in 2009

This year, the Group has adopted new interpretations and amendments to the following Standards applicable for accounting years beginning on or after 1 January 2009.

- IFRS 1 (revised in 2008) – *First-time adoption of IFRS* (applicable for accounting years beginning on or after 1 January 2009).
- IFRS 8 – *Operating Segments* (applicable for accounting years beginning on or after 1 January 2009).
- IAS 1 – *Presentation of Financial Statements* (applicable for accounting years beginning on or after 1 January 2009). This Standard replaces IAS 1 – *Presentation of Financial Statements* (revised in 2003) as amended in 2005.
- Improvements to IFRS's (2007-2008) (normally applicable for accounting years beginning on or after 1 January 2009).
- Amendments to IFRS 1 – *First-time Adoption of IFRS* and IAS 27 – *Separate and Combined Financial Statements* (normally applicable for accounting years beginning on or after 1 January 2009)
- Amendments to IFRS 2 – *Share-based Payment* (applicable for accounting years beginning on or after 1 January 2009).
- Amendments to IFRS 7 – *Financial Intruments: Disclosures – Improve Disclosures* (applicable for accounting years beginning on or after 1 January 2009).
- Amendments to IAS 23 – *Borrowing Costs* (revised in 2007) (applicable for accounting years beginning on or after 1 January 2009).
- Amendments to IAS 32 – *Financial Instruments: Presentation* and IAS 1 – *Presentation of Financial Statements – puttable financial instruments and obligations due to a liquidation* (applicable for accounting years beginning on or after 1 January 2009).
- IFRIC 13 – *Customer Loyalty Programs* (applicable for accounting years beginning on or after 1 July 2008)

- IFRIC 16 – *Hedges of a net investment in a Foreign Operation* (applicable for accounting years beginning on or after 1 October 2008).
- IFRIC 18 – *Transfer of Assets from Customers* (applicable for transfers received on or after 1 July 2009)
- Amendments to IFRIC 9 – *Remeasurements of Embedded Derivatives* and IAS 39 – *Financial Instruments: Recognition and Measurement* (applicable for accounting years ended as from 30 June 2009).

The adoption of those new standards and interpretations did not cause any material impact on the consolidated financial statements of the Group.

Early application of standards and interpretations
The Group has decided not to anticipate the application of standards and interpretations.

At the approval date of the financial statements, the following interpretations were published but not yet applicable:

- IFRS 3 – *Business Combinations* (revised in 2008) (applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009).
- IFRS 9 – *Financial Instruments* (applicable for accounting years beginning on or after 1 January 2013)
- Improvements to IFRS's (2008-2009) (applicable for accounting years beginning on or after 1 January 2010).
- Amendments to IFRS 1 – *First-time Adoption of IFRS – additional exemptions* (applicable for accounting years beginning on or after 1 July 2010)
- Amendments to IFRS 1 – *First-time Adoption of IFRS – exemptions related to IFRS 7* (normally applicable prospectively for accounting years beginning on or after 1 January 2010)
- Amendments to IFRS 2 – *Share-Based Payment* (applicable for accounting years beginning on or after 1 January 2010).
- Amendments to IAS 24 – *Related Party Disclosure* (applicable for accounting years beginning on or after 1 January 2011). This standard supersedes IAS 24 – *Related Party Disclosure* published in 2003.
- Amendments to IAS 27 – *Consolidated And Separate Financial Statements* (revised in 2008) (applicable for accounting years beginning on or after 1 July 2009).
- Amendments to IAS 32 – *Financial Instruments: Presentation- Classification of Right Issues* (applicable for accounting years beginning on or after 1 February 2010).
- Amendments to IAS 39 – *Financial Instruments: Recognition and Measurement – Eligible Hedged Items* (applicable for accounting years beginning on or after 1 July 2009).
- IFRIC 15 – *Agreements for the construction of real estate* (applicable for accounting years beginning on or after 1 January 2010).
- IFRIC 17 – *Distribution of Non-cash Assets to Owners* (applicable for accounting years beginning on or after 1 July 2009)
- IFRIC 19 – *Extinguishing Financial Liabilities with Equity Instruments* (applicable for accounting years beginning on or after 1 July 2010).
- Amendments to IFRIC 14 IAS 19 – *Asset Ceiling for Defined Benefit Plans, minimum funding obligations and their interrelations – Prepayment of a minimum funding requirement* (applicable for accounting years beginning on or after 1 January 2011).

Adoption of these new standards and interpretations in subsequent years will not cause any material impact on the consolidated financial statements.

The financial statements also include the information prescribed by the 4th and the 7th European directive.

Conversion of Foreign Currencies Operations

Foreign currency transactions (i.e. in a currency other than the functional currency of the entity) are recorded at the spot exchange rate on the date of the transaction. At each closing date, monetary assets and liabilities denominated in foreign currencies are translated using the closing rate. Gains and losses arising from the settlement of foreign currency monetary items or on their re-evaluation at the closing date are recognized in the Income statement in the 'Other operating income/(expenses)'; and in net finance costs for gains/losses related to the financial debt.

The assets and liabilities of the Group activities whose working currency is not the Euro are converted into Euros at the financial year's closing rate. Income and charges are converted at the average rate of the period except if the exchange rates have been subject to major fluctuations. Resulting exchange gains and losses are accounted for as a distinct component of the equity.
At the time of the disposal of an activity whose working currency is not the Euro, the accumulated deferred exchange gains and losses recorded under the 'Foreign Exchange Reserve' heading are reversed in the income statement.

Goodwill and other adjustments of the fair value resulting from the acquisition of an activity whose working currency is not the Euro are treated as assets and liabilities of the activity and posted in accordance with the preceding paragraph.

Consolidation Principles

The consolidated financial statements include the financial statements of all subsidiaries; the financial investments in joint ventures are consolidated according to the proportionate method and associated companies are accounted for using the equity method. The consolidated financial statements are prepared using uniform accounting policies for transactions and events occurring in similar circumstances. All intra-group balances and transactions including income, dividends and expenses are eliminated in the consolidation.

Subsidiaries

Subsidiaries are companies that are directly or indirectly controlled. Control is deemed to exist as soon as the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity or as soon as it has the power to govern the entity's financial and operating policies in order to obtain benefits from its activities. Consolidation of the subsidiary companies starts as of the moment when Hamon controls the entity until the date on which that control ceases.

Joint Ventures

Entities for which the Group contractually shares control with one or more co-contractor(s) qualify as joint ventures. Contractual agreements of this kind ensure that strategic financial and operating decisions require the unanimous consent of all the co-contractors. Proportional consolidation of the jointly controlled entities starts as of the moment joint control is established until the date on which it ceases.

Associated Companies

Associated companies are the entities over which Hamon exerts a significant influence by taking part in the entity's decisions, without holding control or joint control. The significant influence is supposed to exist as soon as the parent owns, directly or indirectly through subsidiaries, more than twenty percent of the voting power of an entity. Consolidation of the associated companies is accounted for using the equity method until the date on which the significant influence ceases.

Business Combinations

The purchase or acquisition method is used for all business combinations.

Applying the purchase method involves the following steps:
a) identifying the acquirer;
b) measuring the cost of the business combination; and
c) allocating, at the acquisition date, the cost of the business combination to the assets acquired and liabilities and contingent liabilities assumed.

The cost of a business combination is the aggregate of:
a) the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the purchased company; plus
b) any costs directly attributable to the business combination.

Assets and liabilities of the purchased entity are measured at their fair value at the acquisition date. The Minority Interests are measured at their proportionate share of net assets of the acquired entity.

Put options on minority stakes

Other non-current liabilities primarily include put options granted by the Group to minority interests. As no specific guidance is provided by IFRS, the Group has adopted the following accounting treatment for these commitments:
- when the put option is initially granted, the present value of the strike price is recognized as a non-current liability, with a corresponding increase of goodwill;
- at each balance sheet date, the amount of the non-current liability is revised and any changes in the amount are recorded with a corresponding adjustment to goodwill;
- payments of dividends to minority interests result in a decrease of the non-current liability;
- in the consolidated income statement, minority interests are allocated their share of the result. In the consolidated balance sheet, the share of the result allocated to minority interests impacts the other non-current liability.

In the case of a fixed-price put, the liability corresponds to the present value of the strike price.
In the case of a fair value or variable-price put, the liability is measured based on estimates of the fair value at the consolidated balance sheet date or contractual conditions applicable to the exercise price based on the latest available information.

Balance Sheet Elements

Intangible Assets

Intangible assets are recognized if it is probable that the future economic benefits attributable to the asset will flow to the Group and if their costs can be measured reliably. After initial recognition, an intangible asset shall be carried at its cost less any accumulated amortization and impairments.

Patents, Trademarks and Similar Rights

Patents and trademarks are initially measured at cost and are amortized on a straight-line basis over the shorter of their useful lives or their contractual period.

Development Costs

In-house development costs are capitalized as intangible assets only if all following conditions are met:

- An identifiable asset has been created (such as software and new processes)
- It is probable that the asset will generate future economic benefits; and
- The asset's development costs can be measured reliably.

The development phase starts when the new products, processes or software programs ('Identifiable Asset') are defined. The objective consists of developing an Identifiable Asset, which fulfils the customers' technical and qualitative requirements or enables the customers' requirements to be met at a lower cost for the Company. The development activities are based on the results obtained from industrial research or from existing knowhow and are generating profit. This condition is reviewed each year in order to determine the project's profitability potential. Development costs are amortized over a maximum period of 5 (five) years. When the above recognition criteria are not met, the development expenditure is charged to expenses.

Other internally generated intangible assets

Except for development costs meeting the above conditions, costs linked to any other internally generated intangible element such as brands, customer lists, goodwill, research are charged to expenses and are not capitalized.

Goodwill

Goodwill acquired in a business combination is recognized by the Hamon Group as an asset and is initially measured at its cost, being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities.

Goodwill is not depreciated but it is tested for impairment at least once a year. Any impairment loss is charged to the Income Statement.

An impairment loss accounted for on goodwill cannot be reversed at a later date.

At the time of the sale of a subsidiary or a jointly controlled entity, the relevant goodwill is included in the determination of the result of the sale. Goodwill on associated companies is presented under 'Investments In Associated Companies'

Tangible Assets

An item of property, plant and equipment is recognized as a tangible asset if it is probable that the future economic benefits attributable to the asset will flow to the Group and if their costs can be measured reliably.

After the initial accounting, all tangible assets are stated at cost less the accumulated depreciation and impairment losses. The cost includes all the costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

Repair and maintenance costs and other subsequent expenditure linked to an asset are charged as expenses in the income statement of the financial year during which they are incurred.

The depreciable amount of an asset is allocated systematically over its useful life using the straight-line method.
The depreciation of an asset begins when it is available for use. The estimated useful lives of the most significant elements of tangible assets are as follows:

Description	Useful live
Land	No depreciation
Administrative buildings	33 years
Industrial buildings	33 years
Machines	10 years
EDP equipment	4 years
Other equipment	10 years
Leasehold Improvements	10 years
Tools	4 years
Furniture	10 years
Vehicles	4 years

Depreciation charges are posted to operating expenses by reference to the function of the underlying assets (cost of sales, selling & marketing expenses, general and administration costs, research and development costs).

Gains or losses arising from the sale or disposal of tangible assets are determined as the difference between the sale proceeds and the carrying amount of the asset and are charged to the income statement under 'Other Operating Income / (Expenses)'.

The Group has elected to use the cost model for the measurement of property, plant and equipment. Therefore items of property plant and equipment may not be carried at a re-valued amount after their initial recognition.

Impairment of Tangible and Intangible Assets

Except for intangible assets in progress that are tested for impairment annually, tangible and intangible assets are subject to an impairment test only when there is an indication that their carrying amount exceeds their recoverable amount.

If an asset does not generate cash flows independently of those of other assets, the Group makes an estimate of the recoverable value of the cash-generating unit to which the asset belongs. The recoverable value is the highest value between the fair value less costs to sell and the value in use. If the recoverable value of an asset (cash flow generating unit) is lower than its carrying amount, an impairment loss is immediately recognized as an expense in the income statement.

When an impairment is reversed at a later date, the carrying amount of the asset (cash flow generating unit) is increased to the revised estimate of its recoverable value, without however being higher than the carrying amount which would have been determined if no impairment had been recognized for this asset (cash flow generating unit) during previous periods.

Lease Agreements

Finance Leases

A lease is classified as a finance lease if it substantially transfers the entire risks and rewards incidental to ownership to the lessee. The other lease agreements are classified as operating leases.

At the commencement of the lease term, the Group recognizes finance leases as assets and liabilities in its balance sheet at amounts equal to the lower of fair value of the leased property or the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability is posted in the obligations under finance leases. The minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to obtain a constant periodic interest rate on the remaining balance of the liability. Leased assets are depreciated over their estimated useful live consistently with the method applicable to similar depreciable assets owned by the Group.

Operating Leases

Lease agreements that do not substantially transfer the entire risks and rewards incidental to ownership to the lessee are classified as operating leases. The lease payments are recognized as an expense on a straight-line basis over the period of the rental agreement.

Financial Assets and Liabilities

Financial assets or liabilities are recognized on the balance sheet at the date of the transaction, which corresponds to the date on which the entity contractually commits to buy or sell an asset.

When a financial asset or financial liability is recognized initially, it is measured at its fair value plus (in case of financial asset) or minus (in case of financial liability) transaction costs except for financial assets at fair value through income statement.

Fair value is defined as the amount for which an asset could be exchanged or a liability settled between knowledgeable willing parties in an arm's length transaction. Fair value of a financial liability will be for instance, the cash received from the lenders when the liability is issued.

There are four categories of financial assets:

- Financial assets at fair value through profit or loss (designated by the entity or classified as held for trading)
- Held-to-maturity investments
- Loans and receivables
- Available-for-sale financial assets

There are two categories of financial liabilities:

- Financial liabilities at fair value through profit or loss
- Other financial liabilities measured at amortized cost

Subsequently,

- the fair value changes in financial assets and liabilities at fair value through profit or loss are recognized through the income statement.
- the fair value changes in available for sale assets are recognized directly in the equity until the asset is sold or is identified as impaired. Then the cumulative gain/loss that had been recognized in equity shall be removed and recognized in income statement.
- investments in equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured by an alternative pricing method are evaluated at cost.
- loans and receivables, held-to-maturity Investments and other financial liabilities are measured at amortized cost using the effective interest rate method, except for fixed term/time deposits, which are valued at cost.

The effective interest rate is the rate that exactly discounts estimated future net cash settlements or receipts through the expected life of the financial asset or liability to its net carrying amount.

Trade and Other Receivables (Payables)
Receivables and payables are recognized using the amortized cost method i.e. the discounted value of the receivable. Appropriate impairment losses are recognized on receivables in case of expected default of payments.

Cash and Cash Equivalents
Cash and cash equivalents comprise cash on hand and demand deposits together with short-term, highly liquid investments, that are readily convertible into a known amount of cash, that have a maturity of three months or less, and that are subject to an insignificant risk of change in value. These elements are taken into the Balance Sheet at their nominal value. Bank overdrafts are included in the current financial liabilities.

Equity Instruments
Any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities is an equity instrument. Equity instruments issued by the Company are measured at their fair value net of issuance costs.

Loans & borrowings
Loans and borrowings are initially recognized at fair value, plus or minus transaction costs. They are subsequently measured at amortized cost using the effective interest method. Any subsequent change in value between the fair value and the settlement value (including the redemption premium to be received or paid) is recognized in the income statement over the period of the borrowing (effective interest rate method). The borrowing issuance costs related to mixed facilities including debt and bank guarantee lines agreement are prorated between the different lines and presented as a deduction from the financial liabilities on the balance sheet.

Amounts borrowed as part of the “Credit Revolving Facility” are accounted for under ‘Non-current Financial Liabilities’ when the maturity of that borrowing is above one year and the Group has the discretion to roll-over that facility.

Derivative Financial Instruments
The Group enters into derivative financial instruments to manage its exposure to interest rate risks arising from financing activities and foreign exchange rate risks arising from operational activities (cash flow hedges). The Group’s policy is not to enter into speculative transactions nor issue or hold financial instruments for negotiation purposes.

Derivative financial instruments are initially recognized at their fair value and are subsequently revaluated to their fair value at each reporting date.

a) *Derivatives qualifying for cash flow hedging*

The effective portion of changes in the fair value of derivatives qualifying as cash flow hedges are immediately deferred in equity. The gain or loss relating to the ineffective portion is recognized immediately in the income statement.

When the forecast transaction that is hedged results in the recognition of a non-financial asset or liability, then the gains or losses previously deferred in the equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

When the forecast transaction that is hedged results in the recognition of a financial asset or liability, then the gains or losses previously deferred in the equity are transferred to or recognized in the income statement in the periods when the hedged item is recognized in the income statement. However if it is likely that a portion or the whole cumulative loss posted in equity will not be offset in the future periods, the (portion of the) loss unlikely to be offset is recognized in the income statement.

When the forecast transaction that is hedged does not result in the recognition of an asset or liability, then the gains or losses previously deferred in the equity are transferred to or recognized in the income statement in the periods when the hedged item is recognized in the income statement.

b) *Derivatives which do not qualify for hedging*

The changes of fair value of financial instruments that do not qualify for hedge accounting are immediately posted in the income statement.

Stock options

Share options are measured at their fair value at the date of grant. This fair value is assessed using the Black & Scholes option pricing model and is expensed on a straight-line basis over the vesting period of these rights, taking into account an estimate of the number of options that will eventually vest.

Inventory

Inventory is carried at the balance sheet at the lower of cost and net realizable value. The cost of inventory includes the cost of purchase of direct materials, the cost of conversion (including manufacturing costs) and other costs incurred in bringing the inventory to their present location and condition. The cost of interchangeable inventory items is determined using the weighted average cost method. The net realizable value is the estimated selling price less the estimated costs of completion and the estimated distribution, selling and marketing costs.

Pensions and other Employee Benefits

In accordance with the local legislation and practices, the Group's subsidiaries subscribe to post-employment defined contribution or defined benefit plans.

Defined Contribution Plans

Contributions that are payable for defined contribution plans in exchange for services rendered by employees during the period are charged to the income statement as incurred.

Defined Benefit Plans

For defined benefit plans, the amount recognized in the balance sheet is the present value of the defined benefit obligation, as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and reduced by the fair value of plan assets at the balance sheet date. If the calculation of the balance sheet amount as set out above results in an asset, the amount recognized should be limited to the net total of unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

In the income statement, the current service cost, the past service cost and the amortization of actuarial gains/losses are posted as cost of sales, sale and marketing costs or general and administrative costs, research and development costs, while the interest costs and the expected return on the plan assets are charged to the 'other financial charges.

The present value of the defined benefit obligation is determined using the Projected Unit Credit Method. The discount rate is determined annually by reference to market yields at the balance sheet date on high quality corporate bonds with a term similar to the weighted average payment term of the obligation.

Actuarial gains/losses resulting from the effects of the differences between the previous actuarial assumptions and the actuals and from the effects of the changes in actuarial assumptions are calculated separately for each 'defined benefit plan'. When the accumulated actuarial gains/losses exceed 10% of the greater of the defined benefit obligation or the fair value of the plan assets (corridor), the portion in excess is recognized in the income statement through its amortization over the average remaining working lives of the employees.

Past service costs due to changes in benefits under the plan are amortized on a straight-line basis over the average period until the amended benefits become vested.

Early Retirement Plan

Early retirement plans are treated as post-employment defined benefit plans.

Provisions for Liabilities and Charges

Provisions are recognized if and only if the Group has a present obligation (legal or constructive) arising from a past event, which will probably result in an outgoing payment for which the amount can be reliably estimated.

Provisions for guarantee are recognized upon the sale of the product, on basis of the best estimate of the expenditure necessary to extinguish the Group's obligation. Provisions for restructuring are recognized only after the Group has adopted a detailed formal plan that has been publicly announced to the parties involved before the closing date.

Provisions are measured at their present value where the effect of the time value of money is material.

Income Statement Elements

Income

Income is recognized when it is probable that the future economic benefits attributable to a transaction will flow to the Group and if its amount can be measured reliably.

Revenues are measured at the fair value of the counterpart received or to be received and represent amounts to be received following the supply of goods or the rendering of services in the course of the ordinary activities of the Group.

- Sales revenue is recognized once the delivery has been made and when the transfer of the risks and benefits has been completed.
- Construction revenue is recognized in accordance with the Group's accounting methods relating to construction contracts (see below).
- Interest revenue are computed based on the time passed, the outstanding liability and the effective interest rate, which is the rate that exactly discounts future cash flows through the expected life of the financial asset to its net carrying amount.
- Dividends are recognized when the shareholder's right to receive the payment is established.

Construction Contracts

When the outcome of a construction contract can be estimated reliably, the contract's revenues and costs are recognized in proportion to the stage of completion of the contract activity at the closing date. The contract stage of completion is determined by reference to the contract's components (engineering, supply, erection and manufacturing).

When the outcome of a construction contract cannot be estimated reliably, the revenue is recognized only to the extent that contract costs incurred are expected to be recoverable while contract costs are expensed as incurred.

The costs of the contracts are recognized in the income statement during the period in which they are incurred. An expected loss on a construction contract is immediately recognized as an expense as soon as such loss is probable.

Contract revenues include the initial agreed amount of the contract, the agreed change orders as well as forecasted incentive payments and forecasted claims only when it is probable that the incentives/claims are accepted and when their amounts can be measured reliably.

Contract costs include the direct costs attributable to the contracts and the costs relating to the general contracting activity to the extent that they can reasonably be allocated to the contract (indirect costs). Tender costs are included in contract costs only if they can be identified separately and measured reliably, and if it is probable that the contract will be obtained.

The amounts included under the 'Amounts Due From Customers For Contract Work' correspond to the costs incurred plus the margin (less the losses) recognized on contracts in excess of the advances billed to the customers for contracts for which this difference is positive. While the amounts included under the 'Amounts Due To Customers For Contract Work' correspond to the advances billed to the customers in excess of the costs incurred plus the margin (less the losses) recognized on contracts for other contracts.

Government Grants

Government grants related to staff costs are recognized as income over the periods necessary to match them with the related costs which they are intended to compensate on a systematic basis.

Government grants related to tangible assets are presented as a deduction of the property, plant and equipment's carrying amounts. These grants are recognized as income over the life of the depreciable assets.

Repayable government grants are transferred to financial liabilities.

Income Taxes

Income taxes include both current and deferred taxes. They are recognized in the Income statement except if they relate to elements recognized directly in the equity, in which case they are posted to equity.

The current tax is the amount of income tax payable/recoverable in respect of the taxable profit/loss for a period. Current income taxes for current and prior periods are calculated based on the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred taxes originate from temporary differences i.e. differences between the carrying amounts of assets and liabilities in the balance sheet and their tax base. Deferred taxes are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liabilities related to financial assets in subsidiaries are not recognized since the Group does not expect that the timing difference will be reversed in the foreseeable future.

Deferred tax assets are recognized for the deductible temporary differences as well as for the carry forward of unused tax losses and credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and the unused tax losses and credits could be utilized.

The carrying value of the deferred tax assets is reviewed at each closing date. They are impaired when it becomes unlikely that the deferred tax assets will be utilized against future taxable profits.

Discontinued Business

A discontinued operation is a portion of an entity that either is being or has been sold or disposed by the Group.
This portion of the entity represents a significant separate major line of business or geographical area of operations and can be distinguished on the operational field and for the communication of financial information.

Besides general information detailing the discontinued operations, financial statements disclose the amounts of assets and liabilities, and the profit or loss and the tax charge as well as the net cash flows attributable to the operating, investing, and financing activities of discontinued operations.

Assets classified in discontinued operations or held for sale are measured at the lower of their carrying amount and their fair value less costs to sell. They are not depreciated anymore but they are considered for impairment upon any indication of a decrease of their net realizable value.

Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

4. KEY ASSUMPTIONS AND ESTIMATES

Within the framework of preparation of its consolidated financial statements, the Group must, on certain occasions, formulate assumptions and/or carry out estimates affecting the balance sheet and/or the income statement.

Management bases its estimates on its previous experience and formulates certain assumptions that seem reasonable taking into account the circumstances. The actual results can differ from these estimates.

Estimates are used in the assessment of impairment losses/write-offs on current and non-current assets, in the estimate of the result and the percentage of completion of the construction contracts in progress, in the assessment of the residual lifetime of tangible and intangible fixed assets except for the goodwill, in the provisions for pensions, reorganizations and potential litigations as well as in the assessment of the recoverability of the deferred tax assets.

Accounting estimates and their key assumptions are reexamined regularly and the effects of their revisions are reflected in the financial statements in the corresponding period.

When such assumptions and estimates have been made, they are explained in the notes relating to the elements to which they refer.

5. CONSOLIDATED ENTITIES

As of 31 December 2009, the Group has the following subsidiaries:

Subsidiary	Country	% Group interest	% Group control
1. SUBSIDIARIES CONSOLIDATED BY FULL INTEGRATION METHOD			
Hamon & Cie (International) SA	Belgium	Parent company	Parent company
Hamon Thermal Europe SA	Belgium	100 %	100 %
Hamon Research-Cottrell SA	Belgium	99,98 %	100 %
ACS Anti Corrosion Structure SA (1)	Belgium	80,11 %	100 %
Compagnie Financière Hamon S.A.	France	99,10 %	100 %
Hamon Thermal Europe (France) S.A.	France	99,10 %	100 %
Hamon D'Hondt S.A.	France	99,10 %	100 %
Brown Fintube France S.A.	France	99,10 %	100 %
Hamon Environmental S.A.R.L.	France	99,98 %	100 %
Hacom Energiesparsysteme GmbH	Germany	100 %	100 %
Hamon Thermal Germany GmbH	Germany	100 %	100 %
Hamon Environmental GmbH	Germany	100 %	100 %
Hamon Polska Sp.Zo.O	Poland	100 %	100 %
Hamon UK Ltd.	Great Britain	100 %	100 %
Hamon Dormant Co. Ltd	Great Britain	100 %	100 %
Hamon (Nederland) B.V.	Netherlands	100 %	100 %
Heat Transfer Ré Services S.A.	Luxemburg	100 %	100 %
Hamon Corporation	United States	100 %	100 %
Hamon Custodis Inc.	United States	100 %	100 %
Hamon Research-Cottrell Inc.	United States	100 %	100 %
Thermal Transfer Corporation	United States	100 %	100 %
Research-Cottrell Cooling Inc. (1)	United States	100 %	100 %
Research-Cottrell Dry Cooling Inc. (1)	United States	100 %	100 %
Hamon Custodis Cottrell (Canada) Inc.	Canada	100 %	100 %
Hamon Australia (Pty) Ltd.	Australia	100 %	100 %
Hamon (South Africa) (Pty) Ltd.	South Africa	70 %	100 %
Hamon Korea Co Ltd.	South Korea	89,73 %	90 %
Hamon Korea Youngnam Ltd.	South Korea	45,76 %	100 %
Hamon - B.Grimm Ltd.	Thailand	49,20 %	49,2 %
Hamon India PVT Ltd.	India	100 %	100 %
P.T. Hamon Indonesia	Indonesia	89,73 %	100 %
Hamon Malaysia SDN. BHD.	Malaysia	100 %	100 %
Hamon DGE (HK) Ltd. (1)	Hong Kong	60 %	60 %
Hamon DG Environmental Technology (Shanghai) Co., Ltd (1)	China	60 %	60 %
TS Filtration Environmental Protection Products (Shanghai) Co. Ltd (1)	China	60 %	60 %
Hamon Thermal & Environmental Technology (Jiaxing) Co. Ltd	China	65,9 %	100 %
Hamon Trading (Jiaxing) Co.,Ltd.	China	62,8 %	100 %
Hamon Research-Cottrell do Brasil	Brazil	100 %	100 %
Hamon Do Brasil Ltda.	Brazil	100 %	100 %
2. SUBSIDIARIES CONSOLIDATED BY PROPORTIONAL INTEGRATION			
Hamon Shriram Cottrell PVT Ltd	India	50 %	50 %
Hamon D'Hondt Middle East Company Ltd	Saudi Arabia	39,64 %	40 %
Hamon Cooling Towers Company FZCo	United Arab Emirates	50 %	50 %

(1) Changes in 2009 (see management report)

6. EXCHANGE RATES USED BY THE GROUP

Exchange rates for 1 EUR		Year-end exchange rate			Average exchange rate		
		2009	2008	2007	2009	2008	2007
UAE Dirham	AED	5,2849	5,1057	5,4057	5,1230	5,4172	5,0448
Australian Dollar	AUD	1,6008	2,0274	1,6757	1,7834	1,7342	1,6377
Brazilian Real	BRL	2,5113	3,2436	2,6189	2,7876	2,6366	2,6596
Canadian Dollar	CAD	1,5128	1,6998	1,4449	1,5897	1,5581	1,4691
Chinese Yuan	CNY	9,8350	9,4956	10,7524	9,5229	10,2787	10,4306
Pound Sterling	GBP	0,8881	0,9525	0,7334	0,8927	0,7934	0,6841
Hong-Kong Dollar	HKD	11,1709	10,7858	11,4800	11,4070	11,5200	10,7069
Indonesian Rupiah (100)	IDR	136,2613	152,3912	138,3038	145,1034	141,7556	125,5367
Indian Rupee	INR	67,0400	67,7232	58,0155	67,1449	63,7679	56,6725
South Korean Won (100)	KRW	16,6697	18,3913	13,7796	17,7722	16,0640	12,7410
Malaysian Ringgit	MYR	4,9326	4,8048	4,8682	4,9050	4,9106	4,7125
Polish Zloty	PLZ	4,1045	4,1535	3,5935	4,3490	3,5018	3,7857
Saudi riyal	SAR	5,3897	5,2170	5,5190	5,2310	5,5326	5,1454
Thai Baht	THB	47,9860	48,2850	43,8000	47,8563	48,6770	45,9905
U.S. Dollar	USD	1,4406	1,3917	1,4721	1,3943	1,4604	1,3728
South African Rand	ZAR	10,6660	13,0667	10,0298	11,6207	11,9545	9,6407

7. INFORMATION BY SEGMENT

The Group has adopted IFRS 8 – *Operating Segments* with effect from 1 January 2009. IFRS 8 requires operating segments to be identified based on internal reports regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. In contrast, the previous Standard (IAS 14 - *Segment Reporting*) required an entity to identify two sets of segments (business and geographical), using a risks and returns approach, with the entity' system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments. The adoption of IFRS 8 has not changed the list of Group's reportable segments.

The Group is organized in five Business Units: Cooling Systems, Process Heat Exchangers, Air Pollution Control EMEA/Brazil, Air Pollution Control NAFTA and Chimneys. Additional Business Unit information is presented in the first part of this annual report.

The results of a segment and its assets and liabilities include all the elements that are directly attributable to it as well as the elements of the income, expenses, assets and liabilities that can reasonably be allocated to a segment. Segment profit represents the profit earned by each segment after allocation of central administration costs and top management salaries, share of profits of associates and investment revenues, to the extent that they can be allocated to a segment but before finance costs. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performances.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3.

in EUR '000'	Cooling Systems	Process Heat Exchangers	Air pollution control EMEA/Brazil	Air pollution control NAFTA	Chimneys	Non allocated	Elimination	Total
For the period ended 31 December 2007								
Revenue third party	102 342	39 742	56 873	150 604	83 077	10	-	432 648
Inter-segment revenue	303	108	-	95	-	-	(506)	-
Total revenue	102 645	39 850	56 873	150 699	83 077	10	(506)	432 648
Operating profit before restructuring costs	4 212	2 424	6 106	28 105	4 865	(2 275)	-	43 437
Restructuring costs	(5)	-	-	-	-	(3)	-	(8)
Operating profit (EBIT)	4 207	2 424	6 106	28 105	4 865	(2 278)	-	43 429
Interest income						1 240		1 240
Interest charges						(11 126)		(11 126)
Share of the profit/(loss) of associates	-	-	-	-	-	-	-	-
Result before tax								**33 543**
Income taxes						(13 952)		(13 952)
Net result from continued operations								**19 591**

in EUR '000'	Cooling Systems	Process Heat Exchangers	Air pollution control EMEA/Brazil	Air pollution control NAFTA	Chimneys	Non allocated	Elimination	Total
For the period ended 31 December 2008								
Revenue third party	109 312	48 758	37 493	76 709	91 461	2 946	-	366 679
Inter-segment revenue	47	114	150	50	-	930	(1 291)	-
Total revenue	109 359	48 872	37 643	76 759	91 461	3 876	(1 291)	366 679
Operating profit before restructuring costs	9 657	4 731	3 096	17 135	9 144	88	-	43 851
Restructuring costs	(5)	(127)	-	-	-	-	-	(132)
Operating profit (EBIT)	9 652	4 604	3 096	17 135	9 144	88	-	43 719
Interest income						1 255	-	1 255
Interest charges						(9 904)	-	(9 904)
Share of the profit/(loss) of associates	-	-	-	-	-	-	-	-
Result before tax								**35 070**
Income taxes						(14 411)		(14 411)
Net result from continued operations								**20 659**

in EUR '000'	Cooling Systems	Process Heat Exchangers	Air pollution control EMEA/Brazil	Air pollution control NAFTA	Chimneys	Non allocated	Elimination	Total
For the period ended 31 December 2009								
Revenue third party	143 434	53 306	39 024	67 873	72 771	3 369	-	379 777
Inter-segment revenue	391	1 121	104	175	16	734	(2 541)	-
Total revenue	143 825	54 427	39 128	68 048	72 787	4 103	(2 541)	379 777
Operating profit before restructuring costs	12 498	5 322	(29)	11 731	12 697	(3 044)		39 175
Restructuring costs	(21)	(23)	-	-	-	(346)		(390)
Operating profit (EBIT)	12 477	5 299	(29)	11 731	12 697	(3 390)		38 785
Interest income						323		323
Interest charges						(7 521)		(7 521)
Share of the profit/(loss) of associates	-	-	-	-	-	-		-
Result before tax								**31 587**
Income taxes						(13 332)		(13 332)
Net result from continued operations								**18 255**

Other elements of the income statement

in EUR '000'	Cooling Systems	Process Heat Exchangers	Air pollution control EMEA/Brazil	Air pollution control NAFTA	Chimneys	Non allocated	Total
For the period ended 31 December 2007							
Depreciation and amortization	(823)	(769)	(53)	(375)	(293)	(565)	(2 878)
Impairment of inventory and WIP	(13)	(240)	-	23	-	-	(230)
Impairment of trade receivables	(320)	(305)	505	(792)	-	-	(912)
(Increase) / decrease in provisions	(2 206)	(72)	-	(780)	-	607	(2 451)
For the period ended 31 December 2008							
Depreciation and amortization	(596)	(827)	(109)	(345)	(322)	(544)	(2 743)
Impairment of inventory and WIP	14	(159)	(6)	-	-	-	(151)
Impairment of trade receivables	347	(14)	(101)	(33)	-	-	199
(Increase) / decrease in provisions	128	(79)	(258)	(658)	(178)	476	(569)
For the period ended 31 December 2009							
Depreciation and amortization	(998)	(827)	(180)	(386)	(356)	(867)	(3 614)
Impairment of inventory and WIP	(4)	9	2	-	-	-	7
Impairment of trade receivables	(83)	15	(490)	(15)	-	-	(573)
(Increase) / decrease in provisions	(347)	(231)	(737)	2	(1 445)	(557)	(3 315)

Balance sheet information

in EUR '000'	Cooling Systems	Process Heat Exchangers	Air pollution control EMEA/Brazil	Air pollution control NAFTA	Chimneys	Non allocated	Total
As of 31 December 2007							
Assets	28 074	19 585	26 457	43 943	14 539	101 514	234 112
Investments in associates	-	1 686	(1 005)	-	-	-	681
Total assets	**28 074**	**21 271**	**25 452**	**43 943**	**14 539**	**101 514**	**234 793**
Total liabilities	**47 054**	**16 404**	**18 164**	**23 873**	**13 866**	**81 070**	**200 431**
Capital expenditures	1 628	1 166	78	208	241	696	4 017
As of 31 December 2008							
Assets	40 975	22 433	37 318	34 536	17 224	133 144	285 630
Investments in associates	-	-	-	-	-	-	-
Total assets	**40 975**	**22 433**	**37 318**	**34 536**	**17 224**	**133 144**	**285 630**
Total liabilities	**59 620**	**14 142**	**21 234**	**26 040**	**30 574**	**84 651**	**236 261**
Capital expenditures	3 508	899	200	272	217	966	6 062
As of 31 December 2009							
Assets	43 281	32 928	41 389	22 044	4 499	162 761	306 902
Investments in associates	-	-	-	-	-	-	-
Total assets	**43 281**	**32 928**	**41 389**	**22 044**	**4 499**	**162 761**	**306 902**
Total liabilities	**52 141**	**18 230**	**33 136**	**20 115**	**23 061**	**94 416**	**241 099**
Capital expenditures	5 264	1 424	302	3 654	125	1 358	12 127

All assets and liabilities (except for cash and cash equivalent, financial debts and current/deferred tax assets and liabilities) are allocated to reportable segments.

The analysis of Group's revenue per type of activities is mentioned under note 8.
The split of revenue and non-current assets by main countries is as follows:

in EUR '000'	2009	2008	2007
Revenues			
Belgium	6 056	10 733	19 120
Germany	16 040	15 168	10 238
Saudi Arabia	7 309	11 101	11 877
China	10 298	11 120	15 123
South Korea	6 134	9 789	7 223
United Arab Emirates	5 243	7 504	3 598
United States	138 672	164 650	226 841
France	42 008	49 115	70 642
United Kingdom	34 775	9 832	16 864
Others	113 242	77 667	51 122
Total	**379 777**	**366 679**	**432 648**
Non current assets (*)			
Belgium	16 836	15 199	7 482
Brazil	12 558	10 447	948
China	10 315	309	135
South Korea	4 910	1 598	1 695
United States	12 243	10 585	10 330
France	14 288	13 880	14 112
Others	5 904	4 777	3 615
Total	**77 054**	**56 795**	**38 317**

(*) excluding financial and deferred tax assets

The Group's most important client in 2009 is an American customer that represents 12% of the Group's revenue.

8. REVENUE

Despite the unfavorable economic environment, the regular activities of the Group (excluding discontinued operations) remained at a very high level, with an increase of 4% compared to 2008 (-12% compared to 2007).

This performance mainly results from a good level and quality of the opening backlog and, to a lesser extent:

- the changes in the consolidation scope;
- the appreciation of the US dollar (impact of + EUR 6.4 million compared to 2008 exchange rate).

The breakdown by type of activities is as follows:

in EUR '000'	2009	2008	2007
Construction contracts	348 528	347 229	414 939
Manufacturing	21 375	11 048	10 875
Spare parts	4 956	4 476	5 181
Services	4 433	3 735	1 442
Royalties	485	191	211
Total	**379 777**	**366 679**	**432 648**

9. OPERATING EXPENSES

in EUR '000'	2009	2008	2007
Remuneration and direct social benefits	*55 596*	*51 131*	*46 342*
Employer's contribution for social security	*11 964*	*10 826*	*9 032*
Other personnel costs	*1 960*	*2 127*	*1 567*
Charges/costs of the personnel	69 520	64 084	56 941
Depreciation & amortization	3 614	2 743	2 878
Other operating expenses	26 571	26 030	25 633
Total gross operating expenses	**99 705**	**92 857**	**85 452**
Costs allocation (1)	(48 190)	(49 479)	(39 853)
Total net operating expenses	**51 515**	**43 378**	**45 599**
Sale & marketing costs	10 776	8 697	9 872
General & administrative costs	39 922	34 018	35 147
Research & development costs	817	663	580
Total net operating expenses	**51 515**	**43 378**	**45 599**
Average Headcount	1 140	1 015	912

(1) Costs of time spent by employees on development projects, proposals and customer contracts

The increase in gross operating expenses of the Group (predominantly personnel costs), a direct consequence of the continuous development of our activities and new entries in the consolidation scope could not, in 2009, be offset by a corresponding increase of the costs allocated to business as the level of activities of the Group remained relatively stable compared to 2008. The net operating expenses have therefore increased by close to 19%. This increase comes from the changes in the consolidation scope (Brazil, ACS, APC China) and the development of new activities (APC Eastern Europe, Dry Cooling).

10. OTHER OPERATING INCOME/(EXPENSES)

The operating income and expenses are broken down as follows

in EUR '000'	2009	2008	2007
Dividends and financial income	79	61	118
Profit/(loss) on disposals of assets	(239)	1 111	(103)
Exchange differences, net	1 445	(1 506)	(623)
Other operating income	263	648	513
Various transactions on related parties	(46)	171	171
Impairment of current assets	(478)	(406)	(1 162)
Closing of "Fire Protection" product line in South Africa			(1 501)
Other operating expenses	(135)	(289)	(1 226)
Total	**889**	**(210)**	**(3 813)**

The gains on the disposal of assets in 2008 essentially related to the sale of 2 500 000 shares of GEI Industrial Systems (GEI) to the main GEI shareholders.

The strong (positive) variation of exchange differences is mainly due to the rise of USD, BRL and ZAR compared to Euro.

The other operating income mainly consists of insurance products and sub-letting of installations.

The other operating expenses principally include banking charges and fees not directly attributable to construction contracts.

11. RESTRUCTURING COSTS

The expense for 2009 (EUR 390 thousand) is mostly related to a provision accrued in a recently acquired company. As a reminder, restructuring costs amounted to EUR 132 thousand in 2008 and EUR 8 thousand in 2007.

12. NET FINANCE COSTS

The detail of net finance costs is as follows:

in EUR '000'	2009	2008	2007
Interest charges	(5 232)	(6 523)	(7 142)
Costs related to anticipated reimbursement	(690)		(1 985)
Other borrowing costs	(1 599)	(3 381)	(1 999)
Sub Total	**(7 521)**	**(9 904)**	**(11 126)**
Interest income	323	1 255	1 240
Sub Total	**323**	**1 255**	**1 240**
Total	**(7 198)**	**(8 649)**	**(9 886)**

Interest charges on the debt of the Group have been reduced in 2009 (EUR 5 232 thousand) compared to 2008 (EUR 6 523 thousand). This is the result of lower Euro and US dollar average interest rates applied on a gross average debt similar to last year. We have not been able to benefit from this decrease of short term rates on the entire average amount of the debt as we had, until September 2009, interest rate swaps (IRS) with a fixed rate of 4,4 % for a total notional amount of EUR 35 000 thousand.

The section "Other borrowing costs" includes, for EUR 1 599 thousand, the amortization of refinancing costs, excluding interests, incurred for the implementation of credit facilities in December 2007.

Following the early repayment of these credit facilities in December 2009, we have expensed, without any cash impact, EUR 690 thousand of those costs.

The average cost of the debt was 6,92% for 2009, (8,91% for 2008) or 8,67% (10,91% in 2008) if the amortized refinancing costs of the credit facilities are included.

Interest income in 2009 has drastically decreased compared to 2008. This is again the consequence of the decrease of short term interest rates.

13. INCOME TAX

in EUR '000'	2009		2008		2007	
Components of tax (expense)/income	**(13 332)**		**(14 411)**		**(13 952)**	
Current tax	**(14 036)**		**(15 769)**		**(7 148)**	
Related to current year	(13 787)		(15 010)		(8 088)	
Related to past years	(249)		(759)		940	
Deferred tax	**704**		**1 358**		**(6 804)**	
Related to current year	998		1 358		(7 504)	
Related to past years	(294)		-		700	
Reconciliation of Group income tax charge						
Result before tax	31 587		35 070		33 543	
Share of the profit (loss) of associates	-		-		-	
Result before tax and before share of the profit (loss) of associates	**31 587**		**35 070**		**33 543**	
Domestic income tax rate	33,99%		33,99%		33,99%	
Group theoretical income tax charge	**(10 736)**	**-33,99%**	**(11 920)**	**-33,99%**	**(11 401)**	**-33,99%**
Effect of different tax rates of subsidiaries operating in other juridictions	(1 032)	-3,27%	(904)	-2,58%	(1 630)	-4,86%
Withholding tax on intra group dividend distribuition	-	0,00%	-	0,00%	(805)	-2,40%
Impact of deferred tax assets not recognised	(2 484)	-7,86%	(1 459)	-4,16%	(2 117)	-11,43%
Other movements	1 463	4,63%	631	1,80%	361	6,19%
Income tax expense related to current year	**(12 789)**	**-40,49%**	**(13 652)**	**-38,93%**	**(15 592)**	**-46,48%**

The income tax rate of the Group related to the current year, at 40,5%, has been pushed upwards due to the non recognition of deferred tax assets on tax losses generated by the holding company and, to a lesser extent, by the high income tax rate in the United States (39,0%).

14. DISCONTINUED OPERATIONS

The results of discontinued operations are as follows:

in EUR '000'	2009	2008	2007
Miscellaneous expenses FBM & HRCI		(47)	(46)
Entech (USA)		-	(865)
Dry & Wet NAFTA cooling activities sold to SPX	(15)	(1 715)	(6)
Others	(228)	(26)	(329)
Total	**(243)**	**(1 788)**	**(1 246)**

At EUR 243 thousand, discontinued cost supported in 2009 are mostly relating to post disposal costs (EUR 165 thousand) of Air Industrie Thermique-Loreatt.

As a reminder, the costs supported by the Group on discontinued operations during the last years consisted for the most part of:

- cost of the transactional agreement concluded between Hamon and SPX in December 2008 regarding the Holdback Transaction of EUR 5 million related to the sale, in December 2003, of the global Dry and Wet NAFTA Cooling activities.
- Post disposal costs of Air Industrie Thermique-Loreatt.
- Disposal costs of Entech in the United States.

The impact of discontinued activities on the cash flow of the Group for the 2009 financial year is EUR -242 thousand (EUR -513 thousand and EUR -2 746 thousand for the 2008 and 2007 financial years) (see note 20).

As of 31 December 2009, 2008 and 2007, assets and liabilities of discontinued activities amount to zero.

15. BUSINESS COMBINATIONS

The impact of the business combinations on the consolidation financial statements is as follows:

in EUR '000'	2009	2008	2007
Non-current assets	509	3 841	-
Current assets	3 005	3 665	-
Non-current liabilities	0	-1 536	-
Current Liabilities	-2 843	-16 279	-
Net assets acquired	**671**	**-10 309**	-
Group's share in net assets acquired	671	-10 343	-
Goodwill	9 482	11 007	-
Purchase price	-10 153	-663	-
Deferred Payment	5 695	0	-
Non-cash consideration	0	-937	-
Purchase price in cash	-4 458	-1 600	-
Net cash & cash equivalents acquired	1 304	72	-
Net cash outflow for acquisition of subsidiaries	**-3 154**	**-1 528**	-

On 29 July 2009, Hamon acquired 60% of DG Environmental and TS Filtration, two Chinese companies, active in the air pollution control, mainly for the cement industry, and the manufacturing of bag filters.

The purchase agreement includes the grant of a call option for Hamon (in order for Hamon to become the sole shareholder in the future) and a put option (for the sellers) on the shares not yet acquired by Hamon. In accordance with the Group accounting policies, the present value of the strike price of the put option has been accounted for as a non-current liability under the caption 'Other non-current liability' with a corresponding increase of goodwill.

Since their entry into the consolidation scope, these acquisitions have contributed EUR 6 017 thousand to the consolidated turnover of the Group and generated an EBIT of EUR 1 784 thousand.

As of today, the Group is not in a position to show the 12-month results of the acquired companies.

The generated goodwill is primarily attributable to expected synergies, to the penetration of the Chinese market and the know-how of the companies in bag filters for cement plants. This goodwill has been provisionally allocated to the identifiable assets and liabilities without necessarily recognizing other assets, liabilities or eventual liabilities. This allocation is not final and is subject to revision during the course of a year.

During the year 2009, Hamon has finalized its purchase price allocation on the acquisition of ACS (that took place on 31 July 2008) and Hamon Research Cottrell do Brasil acquired on 30 September 2008.

16. EARNINGS PER SHARE

Continued and discontinued operations

The basic earnings per share coming from the continued and discontinued operations are calculated by dividing the net result for the year attributable to the equity holders of the Company by the weighted average number of ordinary shares in circulation during the fiscal year.

in EUR '000'	2009	2008	2007
Net result for the year (equity holders of the Company)	17 369	18 505	18 258
Weighted average number of ordinary shares during the year	7 191 472	7 191 472	7 191 472
Basic earnings per share (EUR/share)	2,42	2,57	2,54

The weighted average number of shares is calculated based on the numbers in note 31.
The basic earnings per share are identical to the diluted earnings per shares. Indeed, given their strike price, the stock options granted to Group employees have no diluting impact as of 31 December 2009 and 2008 – see note 34.

Continued operations

The basic earnings per share coming from the continued operations are calculated by dividing the net result coming from the continued operations of the year attributable to the equity holders of the Company by the weighted average number of ordinary shares in circulation during the fiscal year. The number of shares representing the share capital has not changed during the three last years. It amounts to 7 191 472 shares.

Discontinued operations

The basic and diluted earnings per share for the discontinued operations amounted to EUR -0,03 per share on 31 December 2009 (EUR -0,25 and EUR -0,17 per share on the 31 December 2008 and 2007), calculated on the basis of the net result of the discontinued operations of EUR -242 thousand in 2009 (EUR -1 788 thousand and EUR -1 246 thousand in 2008 and 2007) and of the denominators detailed above.

17. CASH FLOW FROM OPERATING ACTIVITIES

Cash generated from operations (after restructuring costs) improved by EUR 13 678 thousand compared to 2008 despite a relative stability of the turnover (+4%) This excellent performance mainly comes from keeping gross margin at a high level, a good management of the working capital and a modification of the tax payments (EUR -5 965 thousand).

18. CASH FLOW FROM INVESTING ACTIVITIES

Net cash flow from investments amounts to EUR -16 577 thousand, a strong increase compared to previous years (EUR - 9 998 thousand compared to 2008).
The investments of the year are mainly related to:

- The partial payment of the acquisition of the companies DG Environmental and TS Filtration in July 2009 (see note 15);
- The investments in Research and Development;
- The increase of production capacity in our JV active in Process Heat Exchangers in Saudi Arabia;
- The development of our production capacity of air-cooled condensers;
- The acquisitions and/or improvements of buildings in Korea, China and India following the strong increase of our activities in those countries; and
- The investments for recurring replacements.

19. CASH FLOW FROM FINANCING ACTIVITIES

The cash flow from financing activities amounts to EUR -7 938 thousand in 2009.

'Proceeds from new bank borrowings', at EUR 67 574 thousand mainly come from the use, in December 2009, of a revolving credit loan and term loans of the new syndicated credit facilities in order to repay existing debts.

'Reimbursement of bank borrowings', at EUR 67 800 thousand, results from the early repayment of the credit facilities signed on 21 December 2007 (see note 35).

'Dividend paid to shareholders' results from the payment, on 15 May 2009, of the final dividend for the year 2008 for EUR 1 912 thousand, or EUR 0,27 per share, and the payment, on 25 September 2009, of an advance on dividend for the year 2009 of EUR 861 thousand, or EUR 0,15 per share.

We invite you to consult note 12 for the information on interests received and paid during the year 2009.

20. CASH FLOW FROM DISCONTINUED ACTIVITIES

The disbursements related to discontinued operations logically decreased compared to previous years and amount to EUR 242 thousand. They primarily relate to post disposal costs of Air Industrie Thermique-Loreatt (see note 14).

21. INTANGIBLE ASSETS

in EUR '000'	Patents and trademarks	Development costs	Total
As of 31 December 2006			
Cost	8 387	4 366	12 752
Accumulated amortization and impairment	(7 192)	(3 804)	(10 995)
Net carrying amount	**1 195**	**562**	**1 757**
For the year ended 31 December 2007			
Exchange difference	(57)	(234)	(290)
Additions	213	401	615
Disposals	(162)	-	(162)
Amortization charge for the year	(438)	(241)	(679)
Transferred from an account to another	-	-	-
Net carrying amount at closing date	**751**	**489**	**1 240**
As of 31 December 2007			
Cost	7 883	4 205	12 088
Accumulated amortization and impairment	(7 132)	(3 716)	(10 848)
Net carrying amount	**751**	**489**	**1 240**
For the year ended 31 December 2008			
Exchange difference	21	137	158
Additions	2 152	548	2 700
Disposals	-	-	-
Amortization charge for the year	(254)	(12)	(266)
Transferred from an account to another	-	-	-
Net carrying amount at closing date	**2 670**	**1 162**	**3 832**
As of 31 December 2008			
Cost	10 054	4 891	14 945
Accumulated amortization and impairment	(7 384)	(3 729)	(11 113)
Net carrying amount	**2 670**	**1 162**	**3 832**
For the year ended 31 December 2009			
Exchange difference	(5)	(89)	(94)
Additions	970	1 298	2 268
Disposals	-	-	-
Amortization charge for the year	(477)	(353)	(830)
Transferred from an account to another	-	-	-
Net carrying amount at closing date	**3 158**	**2 018**	**5 176**
As of 31 December 2009			
Cost	10 991	6 099	17 090
Accumulated amortization and impairment	(7 833)	(4 081)	(11 914)
Net carrying amount	**3 158**	**2 018**	**5 176**

All intangible assets have a finite utility period on which the assets are amortized.

The trademarks and licenses are predominantly composed of software licenses and include also, since the end of 2008, the name 'Clean Flow'.

22. GOODWILL

in EUR '000'	
As of 31 December 2006	
Cost	18 340
Accumulated amortization and impairment	(639)
Net carrying amount	17 701
For the year ended 31 December 2007	
Exchange difference	(384)
Net carrying amount at closing date	17 317
As of 31 December 2007	
Cost	17 956
Accumulated amortization and impairment	(639)
Net carrying amount	17 317
For the year ended 31 December 2008	
Exchange difference	(231)
Acquisitions through business combinations	11 007
Changes in the consolidation scope	1 496
Net carrying amount at closing date	29 589
As of 31 December 2008	
Cost	30 228
Accumulated amortization and impairment	(639)
Net carrying amount	29 589
For the year ended 31 December 2009	
Exchange difference	2 576
Acquisitions through business combinations	9 482
Net carrying amount at closing date	41 647
As of 31 December 2009	
Cost	42 286
Accumulated amortization and impairment	(639)
Net carrying amount	41 647

During 2009, Hamon proceeded with the acquisition of DG Environmental and TS Filtration (see note 15). The goodwill generated by these acquisitions of EUR 10 037 thousand, were allocated to the EMEA/Brazil Air Pollution Control. Other movements (excluding exchange differences) are related to the finalization of the purchase price allocation for ACS and Hamon Research Cottrell do Brasil.

The Group annually performs an impairment test of goodwill in conformity with the accounting principles under note 3. The recoverable value of cash generating units was determined on the basis of their fair value decreased by the sale expenses related to those cash generating units.

The fair value of cash generating units is estimated on the basis of:

- Current and future EBITDAs as derived from the budgets of the Group, approved by the Board of Directors.
- Usual market multiples for similar activities
- Corrections due to non-operational assets and liabilities of which the value is not reflected by the EBITDAs.

Market multiples were researched by referring to a number of other quoted companies in our sector and compared with recent transactions, principally on the American markets and go from 6 to 13 x EBITDA. This analysis confirmed the prudent nature of the adopted multiples. The fair value obtained was, thereafter, compared to the net book value, including goodwill, of the activity evaluated. On the basis of the tests carried out, no impairment of the value of the Group's goodwill was deemed necessary in 2009.

On 31 December 2009 the allocation of the net book value of the goodwill between the cash generating units is as follows:

in EUR '000'	2009	2008	2007
Cooling systems	4 798	4 543	5 016
Process heat exchangers	851	851	851
Air Pollution Control EMEA/Brazil	29 871	18 226	7 168
Air Pollution Control NAFTA	4 008	4 099	3 952
Chimneys	335	341	330
Others	1 784	1 529	-
Total	**41 647**	**29 589**	**17 317**

23. PROPERTY, PLANT & EQUIPMENT

in EUR '000'	Land and buildings	Furniture and vehicles	Plant, machinery and equipment	Other tangible assets	Assets under construction and advance payments	Total
As of 31 December 2006						
Cost	18 202	4 709	19 842	1 001	410	44 164
Accumulated depreciation	(7 320)	(3 477)	(13 801)	(252)	(5)	(24 855)
Net carrying amount	**10 882**	**1 232**	**6 041**	**749**	**405**	**19 309**
For the year ended 31 December 2007						
Exchange difference	(443)	(54)	(220)	(2)	(8)	(727)
Additions	383	675	1 914	181	249	3 402
Disposals	(23)	(33)	(256)	-	(233)	(544)
Depreciation charge for the year	(625)	(400)	(1 044)	(130)	-	(2 199)
Derecognised on disposal of a subsidiary	(95)	(20)	(47)	-	-	(162)
Transferred from an account to another	-	-	4	-	(4)	-
Net carrying amount at closing date	**10 079**	**1 400**	**6 392**	**798**	**410**	**19 079**
As of 31 December 2007						
Cost	17 267	4 559	18 753	1 171	409	42 159
Accumulated depreciation	(7 188)	(3 159)	(12 361)	(373)	1	(23 080)
Net carrying amount	**10 079**	**1 400**	**6 392**	**798**	**410**	**19 079**
For the year ended 31 December 2008						
Exchange difference	(229)	(23)	65	(9)	(38)	(234)
Additions	900	418	1 432	104	508	3 362
Disposals	(135)	(19)	(68)	(2)	(24)	(248)
Depreciation charge for the year	(755)	(432)	(1 117)	(173)	-	(2 477)
Additions through business combinations	2 738	116	629	149	260	3 892
Transferred from an account to another	17	-	266	-	(283)	-
Net carrying amount at closing date	**12 615**	**1 460**	**7 599**	**867**	**833**	**23 374**
As of 31 December 2008						
Cost	22 308	5 172	25 303	1 468	832	55 083
Accumulated depreciation	(9 693)	(3 712)	(17 704)	(601)	1	(31 709)
Net carrying amount	**12 615**	**1 460**	**7 599**	**867**	**833**	**23 374**
For the year ended 31 December 2009						
Exchange difference	188	37	(83)	7	3	152
Additions	5 333	329	3 807	35	355	9 859
Disposals	-	(56)	(77)	(3)	(399)	(535)
Depreciation charge for the year	(637)	(498)	(1 448)	(201)	-	(2 784)
Additions through business combinations	-	37	128	-	-	165
Transferred from an account to another	30	-	466	-	(496)	-
Net carrying amount at closing date	**17 529**	**1 309**	**10 392**	**705**	**296**	**30 231**
As of 31 December 2009						
Cost	27 859	5 519	29 544	1 507	295	64 724
Accumulated depreciation	(10 330)	(4 210)	(19 152)	(802)	1	(34 493)
Net carrying amount	**17 529**	**1 309**	**10 392**	**705**	**296**	**30 231**

The amount included under the 'Land and buildings' heading includes a net amount of EUR 8 373 thousand for assets under finance lease on 31 December 2009 (EUR 5 126 thousand on 31 December 2008).

24. INVESTMENT IN ASSOCIATES

in EUR '000'	2009	2008	2007
Opening balance		681	884
Sale		(1 423)	
Transfer from one caption to another		(263)	
Other variations		1 005	
Exchange difference			(203)
Balance as at closing date	**-**	**-**	**681**
Cost of investment in associates			1 764
Share of post-acquisition profit, net of dividend received			(1 083)
Balance as at closing date	**-**	**-**	**681**

At the end of 2009, Hamon no longer has stakes in associated enterprises.

The stakes previously held concerned GEI Industrial Systems Ltd, held at 20,8% and Hamon Research Cottrell do Brasil (Brazil) (HRCBRA) held at 45%.

On 11 August 2008, Hamon received the proceeds of the sale of 2 500 000 of 2 995 000 shares held in GEI. The remaining 495 000 shares (or a stake of 2,98% as of 31 December 2009) were reclassified in available-for-sale financial assets (note 25).

Regarding HRCBRA, Hamon increased its stake from 45% to 100% as of 1 October 2008. For more details regarding this transaction, refer to note 15 – Business combinations.

25. AVAILABLE-FOR-SALE FINANCIAL ASSETS

in EUR '000'	Non-current	Current
For the year ended as of 31 December 2007		
Balance as at opening date	1 070	141
Additions	132	14
Disposals	(84)	(146)
Other variations	(115)	
Exchange difference	(2)	-
Balance as at closing date	**1 001**	**9**
For the year ended as of 31 December 2008		
Balance as at opening date	1 001	9
Additions	669	-
Disposals	(113)	-
Transfer from one caption to another	-	263
Fair value adjustment	-	(26)
Exchange difference	(174)	(2)
Balance as at closing date	**1 383**	**244**

in EUR '000'	Non-current	Current
For the year ended as of 31 December 2009		
Balance as at opening date	1 383	244
Additions	560	-
Disposals	(138)	(2)
Transfer from one caption to another	237	(237)
Fair value adjustment	294	-
Exchange difference	80	0
Balance as at closing date	**2 416**	**5**

Non-current 'available-for-sale financial assets' are investments in companies in which the Group holds no notable influence.

26. DEFERRED TAX

	Assets			Liabilities		
in EUR '000'	31/12/09	31/12/08	31/12/07	31/12/09	31/12/08	31/12/07
Temporary differences						
Intangible assets and goodwill	-	-	-	(921)	(751)	(456)
Property, plant & equipment	24	16	-	(209)	(387)	(776)
Construction contracts	529	439	47	(2 488)	(2 092)	(6 854)
Provisions	756	326	1 240	(360)	(269)	(214)
Finance lease contracts	18	56	104	(982)	(892)	(895)
Others	2 165	2 085	1 123	(244)	(1 294)	(284)
Total temporary differences	**3 492**	**2 922**	**2 514**	**(5 204)**	**(5 685)**	**(9 479)**
Tax losses and other tax credits	5 359	5 465	9 146			
Total deferred tax assets/liabilities	**8 851**	**8 387**	**11 660**	**(5 204)**	**(5 685)**	**(9 479)**
Compensation of assets and liabilities per tax entity	(2 681)	(2 412)	(2 296)	2 681	2 412	2 296
Total, net	**6 170**	**5 975**	**9 364**	**(2 523)**	**(3 273)**	**(7 183)**

Table of variation of deferred taxes

in EUR '000'	2009	2008	2007
Net deferred taxes as of 1 January	2 702	2 181	8 972
Income tax (expense)/income	704	1 358	(6 804)
Exchange difference	191	(838)	17
Others	50	1	(4)
Net deferred taxes as of 31 December	**3 647**	**2 702**	**2 181**

Deferred tax assets are recognized only if their use is probable, that is to say if sufficient taxable benefit is expected in the future years. These assets are only recognized, after extensive review of the business plans for the next five years by the Board of Directors, if it can be considered that there is a high probability these amounts would be used thanks to the positive markets in which the Group is involved, the Group's strong performance in those markets and the growing profitability of its operations.

The Group did not recognize deferred tax assets for a total amount of EUR 26 660 thousand as of 31 December 2009 (respectively EUR 24 176 thousand and EUR 22 902 thousand on 31 December 2008 and 2007) and will review this situation during later financial years according to the profitability of the various tax entities.

27. STOCKS

in EUR '000'	31/12/09	31/12/08	31/12/07
Raw materials & consumables	4 347	4 191	2 577
Inventories and WIP - not related to construction contracts	2 805	2 330	1 879
Finished goods	2 543	2 371	1 840
Total	**9 695**	**8 892**	**6 296**

As of 31 December 2009, write-offs accounted for on stocks amounted to EUR 1 045 thousand (respectively EUR 1 056 thousand and 905 thousand at 31 December 2008 and 2007).

On 31 December 2009, as well as for 2008 and 2007, the net book value of the pledged inventories was null.

28. CONSTRUCTION CONTRACTS

in EUR '000'	31/12/09	31/12/08	31/12/07
Contract costs incurred plus recognized profits (less recognized losses to date)	387 515	279 447	364 684
Less progress billings	(419 219)	(310 973)	(350 700)
Total	**(31 704)**	**(31 526)**	**13 984**
Amount due from customers for contract work	32 526	37 877	44 090
Amount due to customers for contract work	(64 230)	(69 403)	(30 106)
Total	**(31 704)**	**(31 526)**	**13 984**

Contracts in progress, i.e. those for which the guarantee period has not yet started, are maintained in the balance sheet. The variation of both costs incurred and advances billed to clients, is thus linked to the timing of acceptance of orders by our customer rather than the growth of our activities.

Retentions held by our customers on progress billings and which, in conformity with contractual conditions, will be paid to Hamon on the final acceptance of considered projects, stand at EUR 1 295 thousand as of 31 December 2009 (respectively EUR 1 390 thousand and EUR 656 thousand on 31 December 2008 and 2007).

29. TRADE AND OTHER RECEIVABLES

in EUR '000'	31/12/09	31/12/08	31/12/07
Trade receivables	76 571	89 461	69 807
Less : impairment of doubtful receivables	(2 299)	(2 227)	(2 883)
Trade receivables - net	**74 272**	**87 234**	**66 924**
Retentions	1 295	1 390	656
Prepayments	2 574	3 649	3 079
Cash deposits and guarantees paid	845	560	726
Receivables on related parties	1 062	4 980	7 424
Other receivables	10 884	13 372	20 032
Total	**90 932**	**111 185**	**98 841**
Trade and other receivables - non-current			
Receivables on related parties	-	706	412
Cash deposits and guarantees paid	756	560	726
Other non-current receivables	2 000	1 336	7 154
Less: non-current receivables	**(2 756)**	**(2 602)**	**(8 292)**
Trade and other receivables - current	**88 176**	**108 583**	**90 549**

On 31 December 2009, the amount of receivables assigned without recourse to financial organizations and that are deducted from the section 'Trade receivables' is EUR 0 thousand (EUR 2 346 thousand on 31 December 2008).

Local practice sometimes requires that clients retain a percentage on payments (called retention) until the final acceptance of the contract. This percentage is generally limited to 10%.

30. CASH AND CASH EQUIVALENTS

in EUR '000'	31/12/09	31/12/08	31/12/07
Credit Institutions	34 920	16 078	8 022
Cash in hand	133	47	1 482
Fixed Income Securities	46 171	40 846	24 382
Short term cash deposits	2 029	2 118	1 772
Cash and cash equivalents	**83 253**	**59 089**	**35 658**

On 31 December 2009, the amount of cash and cash equivalents that the Group cannot dispose of freely stands at EUR 2 654 thousand against EUR 2 931 thousand on 31 December 2008 and EUR 3 664 on 31 December 2007.

Fixed income securities (EUR 46 171 thousand) are composed of placements in two Money Market Funds invested in American Treasury bonds and guaranteed bonds of the US Department of Treasury. The sum placed in such funds as of 31 December 2008 was EUR 40 538 thousand.

31. SHARE CAPITAL

The share capital and number of shares stand as follows:

	31/12/09	31/12/08	31/12/07
Number of shares as of 31 December	7 191 472	7 191 472	7 191 472
Share capital (in EUR)	2 157 442	2 157 442	2 157 442
Face value per share (in EUR/share)	0,30	0,30	0,30

Shareholders:

Shareholder	Shares 31/12/09	%
Sopal International S.A.	4 548 155	63,2 %
Esindus S.A.	303 506	4,2 %
Walloon Region, represented by the Société Wallonne de Gestion et de Participation S.A.	150 000	2,1 %
Ratio Asset Management LLP	247 407	3,4 %
Fortis Investment Management S.A.	175 106	2,4 %
Baillie Gifford	148 469	2,1 %
Other public	1 618 829	22,6 %
Total	**7 191 472**	**100 %**

On 31 December 2009 the share capital amounts to EUR 2 157 442 made up of 7 191 472 shares with no stated value. None of the Company' shares are held by the Group.

The number of shares has not changed during the last three years.

Dividends :

On 25 September 2009, the Group paid an advance dividend of EUR 0,15 per share for the year 2009. Thanks to its excellent results, the Group proposes to distribute an additional dividend of EUR 0,45 per share, or a total of EUR 0,60 per share, for the year 2009 (corresponding to an increase of 5% compared to the year 2008). This supplement, pending approval by the Annual General Assembly of Shareholders on 27 April 2010, will be paid on 10 May 2010.

32. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

Provisions for restructuring, warranty, losses on contracts and others are accounted for and estimated on the basis of the probability of future cash-out payments as well as historical information based on facts and circumstances known at the closing date. The actual charge may differ from the amounts accrued.

'Provisions for restructuring' relate to entities located in Belgium, the related cash-out being spread out in time.

The main movement during the year is related to the increase of provisions for warranty due to the completion of several chimney contracts in the United States.

The Board of Directors considers that these amounts constitute the best current estimate and that the Group will not have to bear any additional charge.

in EUR '000'	Restructuring	Warranty	Losses on contracts	Other provisions	Total
Balance as of 1st January 2007	**1 194**	**790**	**552**	**1 038**	**3 574**
Additions	80	853	488	1 176	2 597
Reversals	(81)	(57)	(14)	(182)	(334)
Use of provision	(288)	(266)	(86)	(112)	(752)
Exchange difference	-	(107)	(1)	-	(108)
Other movements	-	-	(200)	200	-
Balance as of 31 December 2007	**905**	**1 213**	**739**	**2 120**	**4 977**
Additions	-	864	299	94	1 257
Reversals	-	-	-	(905)	(905)
Use of provision	(170)	(70)	(23)	(898)	(1 161)
Exchange difference	-	97	24	(4)	117
Change in consolidation scope	-	-	367	124	491
Other movements	-	-	-	-	-
Balance as of 31 December 2008	**735**	**2 104**	**1 406**	**531**	**4 776**
Additions	400	1 948	932	1 130	4 410
Reversals	-	(707)	(151)	(237)	(1 095)
Use of provision	(186)	(203)	-	(176)	(565)
Exchange difference	-	(94)	95	160	161
Change in consolidation scope	-	-	-	-	-
Other movements	(226)	(30)	(688)	944	-
Balance as of 31 December 2009	**723**	**3 018**	**1 594**	**2 352**	**7 687**
Of which non-current provisions	590	58	47	1 398	2 093
Of which current provisions	133	2 960	1 547	954	5 594

33. PROVISIONS FOR PENSIONS

The provisions for pension benefits amount to EUR 2 938 thousand at the end of 2009. They are primarily made up of post-employment benefit in line with local practices.

Retirement and other long term personnel benefit

in EUR '000'	Provisions for pension plan	Provisions for retirement lump sum	Other long term benefits	TOTAL
As of 1st January 2007	2 078	21	113	2 212
Additions	383	39	15	437
Reversals (-)	-	-	-	-
Utilization (-)	(261)	-	(14)	(275)
Currency translation differences	(66)	-	(24)	(90)
As of 31 December 2007	2 134	60	90	2 284
Additions	458	13	9	480
Reversals (-)	(3)	-	-	(3)
Utilization (-)	(219)	(6)	(12)	(237)
Acquisitions & changes in consolidation scope	297	-	-	297
Currency translation differences	(189)	(1)	(28)	(218)
As of 31 December 2008	2 478	66	59	2 603
Additions	453	4	-	457
Reversals (-)	-	-	(36)	(36)
Utilization (-)	(117)	(7)	(4)	(128)
Currency translation differences	35	-	7	42
As of 31 December 2009	2 849	63	26	2 938
Of which defined benefit plan net obligation	**2 849**	**63**	**-**	**2 912**

Retirement Obligations

The post-employment benefits are categorized as either defined contribution plans or defined benefit plans.

The retirement plans based on defined contributions are plans for which the organization pays determined contributions to a separate entity in accordance with the plan's provisions. The Group has no obligation beyond these contribution payments. The contributions paid for these plans amounted respectively to EUR 847 thousand in 2009, EUR 696 thousand in 2008 and EUR 496 thousand in 2007. These plans are primarily offered by Belgian, British and South African companies within the Hamon Group.

The defined benefit plans require the accounting for the obligations of the Company towards its employees in its financial statements. These benefits are granted by some Belgian, German, French, Indian, Indonesian and Korean companies. The net obligations resulting from these plans and their changes are subject to a yearly actuarial review. The amounts accounted for in these plans are:

in EUR '000'	31/12/09	31/12/08	31/12/07
Service cost: employer	266	236	264
Interest cost	224	213	167
Expected return on plan asset	(40)	(40)	(29)
Amortization of actuarial net losses/(gains)	7	16	19
Past service cost recognized this year	-	42	-
Losses/(gains) on curtailments/settlements	-	-	(169)
Net expense recognised - Defined benefit plans	**457**	**467**	**252**

The cost is recorded under 'Cost of sales', 'General and Administration' costs and 'Financial Expenses'. The cost is relatively stable from one year to another except for an exceptional gain of EUR 169 thousand on a plan's curtailment in 2007.

The balance sheet amounts for the defined benefit plans are as follows:

Funding Status in EUR '000'	31/12/09	31/12/08	31/12/07
Funded plans - defined benefit obligations	1 277	1 039	895
Fair value of plan assets	(1 031)	(898)	(753)
Deficit of funded plans	**246**	**141**	**142**
Unfunded plans - defined benefit obligations	3 308	2 789	2 460
Deficit	**3 554**	**2 930**	**2 602**
Unrecognised actuarial gain/(losses)	(642)	(386)	(408)
Net liability/(asset) in the balance sheet	**2 912**	**2 544**	**2 194**
Liability recognized in the balance sheet	2 912	2 544	2 194
Asset recognized in the balance sheet	-	-	-

The obligations are financed in part by assets that have evolved during the year as such:

Changes in plan assets in EUR '000'	2009	2008	2007
Fair value of plan assets at beginning of period	898	753	595
Actual return on plan assets	40	40	29
Actual Employer contributions	119	116	91
Actual Employee contributions	28	28	36
Actual Benefits paid	(57)	(41)	(32)
Others	3	2	34
Fair value of plan assets at end of period	**1 031**	**898**	**753**

The movement of net obligations in 2009 is as follows:

Change in net liability/asset in EUR '000'	2009	2008	2007
Net amount at beginning of period	2 544	2 194	2 078
Net expense - defined benefit plans	457	467	252
Company contributions and direct benefit payments	(124)	(225)	(91)
Changes in consolidation scope	-	8	-
Others	35	100	(45)
Net amount at end of period	**2 912**	**2 544**	**2 194**

The increase of the net obligation mainly comes from an increase of the total salary charge and the average yearly wage of the employees.

The changes in gross obligations during the year are presented below:

in EUR '000'	2009	2008	2007
Defined benefit obligation at beginning of period	3 828	3 355	3 270
Service cost: employer	266	236	264
Interest cost	224	213	167
Actual employee Contribution	28	28	36
Plan Amendment	-	27	-
Curtailments/Settlements	-	-	(169)
Actuarial loss / (gain)	249	(69)	(203)
Actual Benefits paid	(124)	(225)	(32)
Others	114	263	22
Defined Benefit Obligation at end of period	**4 585**	**3 828**	**3 355**

The actuarial assumptions used for the valuation of the obligations and their movements give the following weighted average rates:

Actuarial assumptions	31/12/09	31/12/08	31/12/07
Discount rate	5,31%	5,50%	5,66%
Expected future salary increase rate	3,73%	3,47%	4,02%
Underlying Inflation rate	2,51%	3,00%	3,00%
Expected return rate on plan assets	4,15%	4,25%	5,00%

The interest rates used to discount the obligations have slightly decreased this year compared to previous years according to the market rate fluctuations.

The number of employees covered by the plans in 2009 amounts to 478 (of which 8 are inactive) in comparison to 461 (of which 7 are inactive) in 2008 and 352 in 2007. It has not changed significantly compared to last year. The increase compared to 2007 was mainly due to the requalification of the benefits to the employees of our Indian Joint-Venture in defined benefit plans.

34. SHARE BASED COMPENSATION (STOCK OPTIONS)

The Board of Directors, with the approval of the Extraordinary General shareholders meeting of 27 May 2008 decided to grant a stock option plan to the top managers of the Group (around 40 persons) with the goal of focusing them on the long-term development of the Group. The details of these plans are as follows:

Stock option plans granted by the company

Plan	Beneficiaries	Grant date	End Date	Exercise Price	Exercise Periods	Outstanding options at 31/12/2009	Outstanding options at 31/12/2008
ESOP 2008 (B+G)	Belgium and Germany	27/05/08	26/05/15	33,58	From 2012 to 2015, from 15 March till 31 May and from 15 September to 15 november	17 050	17 050
ESOP 2008 (F)	France	6/10/08	26/05/15	29,71	In 2012 from 6 October to 15 November; from 2013 to 2015 from 15 March to 31 May and 15 September to 15 november	5 500	5 500
Total						**22 550**	**22 550**

Each option is a right to buy a Hamon share at the price and dates indicated. This right can only be exercised if the beneficiary is still working for the Group at the date of the exercise period. The American management of the Group benefits from 'Phantom stock options' under the same conditions as the French Management. These phantom options are thus a plan by which the settlement is made through payment and not shares.

Stock Option Plan

	2009		2008	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Number of stock options as of 1 January	22 550	32,64	0	
Stock options granted	0	0,00	22 550	32,64
Forfeitures of rights & options expired	0	0,00	0	0,00
Stock options exercised	0	0,00	0	0,00
Stock options expired	0	0,00	0	0,00
Number of stock options as of 31 December	22 550	32,64	22 550	32,64
Stock options exercisable as of 31 December	0	0,00	0	0,00

The model values the options as follows:

Valuation of options granted during the year	2009		2008	
	NILL	NILL	ESOP 2008 (B+G)	ESOP 2008 (F)
Number of stock options granted	-	-	17 050	5 500
Valuation model	-	-	Black & Scholes	Black & Scholes
Assumed volatility (% pa)	-	-	50,00%	50,00%
Risk free interest rate (% pa)	-	-	2,27%	2,27%
Dividend yields	-	-	1,56%	1,56%
Rate of pre-vesting forfeiture (% pa)	-	-	0,00%	0,00%
Rate of post-vesting forfeiture (% pa)	-	-	0,00%	0,00%
Proportion who exercise given minimum gain achieved (% pa)	-	-	100,00%	100,00%
Fair Value per granted instrument at the Grant date (€)	**-**	**-**	**7,42**	**4,97**
Total fair value of the options granted (EUR thousands)	**-**	**-**	**127**	**27**
Total				**154**

Volatility is estimated on the basis of historical volatilities on 50 and 500 days.
The cumulative impact of the stock option plan represents a charge of EUR 63 thousand (EUR 17 thousand in 2008) calculated according to the Black & Scholes model and was charged to the income statement.

35. BORROWINGS

in Eur '000'	31/12/09	31/12/08	31/12/07
Bank borrowings	65 873	62 105	58 385
Bank overdrafts	3 889	4 301	1 001
Sub-total bank borrowings	69 762	66 406	59 386
Other financial commitments	735	1 101	399
Obligations under finance lease	4 568	2 351	2 779
Sub-total other borrowings	5 303	3 452	3 178
Total	**75 065**	**69 858**	**62 564**
Of which:			
- Amount due for settlement within the year (current)	17 618	29 606	12 055
- Amount due for settlement in the 2nd year	5 613	10 014	9 784
- Amount due for settlement in the 3rd year	5 085	28 378	9 780
- Amount due for settlement in the 4th year	44 005	355	29 799
- Amount due for settlement in the 5th year and after	2 744	1 505	1 146
Sub-total non-current	57 447	40 252	50 509
Total	**75 065**	**69 858**	**62 564**
Borrowings due for settlement within the year in			
EUR	9 945	19 372	5 087
USD	135	7 631	6 278
Others	7 538	2 603	690
Non-current borrowings in			
EUR	56 135	30 638	36 552
USD	1 110	9 007	13 667
Others	202	607	290

The Hamon Group took advantage of the improvement of its results to refinance credit facilities signed in December 2007. A new syndicated credit facility was signed on 17 December 2009 for a total amount of EUR 75 000 thousand.

The first utilization and, thereby, refinancing of debts with the preceding bank syndicate, was carried out on 22 December 2009.
As of 31 December 2009, this syndicated credit facility is made of the following facilities:

in EUR '000'	Original amount	Margin vs. EURIBOR	Maturities 1 year	2 years	3 years	4 years
Revolving credit facility	55 000	2,15 %				55 000
Term loan facility	20 000	1,90 %	5 000	5 000	5 000	5 000
Total	**75 000**		**5 000**	**5 000**	**5 000**	**60 000**

This new syndicated credit line carries much more advantageous conditions not only in terms of financing margin, but also for the maturities of the credit lines. Standard securities and undertakings have been granted to the bank syndicate as follow:

- The implementation of pledges on stock held in the main subsidiaries of the Group;
- The absence of pledges on assets to the profit of third parties;
- The absence of major investment or divestment;
- The disclosure of regular financial information;
- Non-occurrence of 'MAC' – material adverse changes or elements with a significant negative influence; and
- The limitation of payment of dividends to maximum 33% of the distributable profit.

Concerning financial covenants, this new syndicated credit facility requires the compliance with the following ratios: Net Debt/EBITDA, Net Debt/Net Cash Interest Payable, Total Debt/Book Equity, a minimum contribution margin on new orders; it also limits the amount of capital expenditures.

The financing margins are subject to an increase if the Net Debt/EBITDA ratio is above 1 or 1,5. All those ratios were largely achieved by the Group as of 31 December 2009.

Bank borrowings of the Group on 31 December 2009 (EUR 69 672 thousand) are mainly with the bank syndicate (EUR 61 698 thousand).

The average cost of the debt was 6,92% for 2009, (8,91% for 2008) or 8,67% (10,91% in 2008) if the amortized refinancing costs relating to the implementation of the credit lines signed in 2007 are included.

The debt of the Hamon Group – with the exception of leasing debts – has variable interest rate references.

36. TRADE AND OTHER PAYABLES

in EUR '000'	31/12/09	31/12/08	31/12/07
Trade payables	44 787	49 425	59 581
Amounts due to related parties	532	3 750	4 187
Other received advances	1 732	298	609
Social security and other payables	13 169	10 891	11 717
Other (non income) tax payable	8 467	8 017	5 017
Other current liabilities	3 046	2 124	2 572
Accruals and deferred income	3 726	5 282	4 090
Total	**75 459**	**79 788**	**87 773**

Companies of the Group receive on average between 30 and 60 days of credit from their suppliers.

37. DERIVATIVE INSTRUMENTS

Derivative financial instruments designated as "cash flow hedge"

in EUR '000'	Notional or Contractual amount 31/12/09	31/12/08	31/12/07	Fair Values 31/12/09	31/12/08	31/12/07
Forward currency contracts sales	9 232	1 940	1 046	157	(241)	
Forward currency contracts purchases						
Interests rate swaps		35 000	35 000		(470)	(18)
Options						
Embedded derivatives						
Total fair values				**157**	**(711)**	**(18)**
Fair values recognized in the hedging reserves in Equity				(16)	(692)	(18)

The Hamon Group had negotiated, at the end of September 2007, two interest rate swaps (IRS) for a total sum of EUR 35 000 thousand. Those IRS hedged our Euro debt until 22 September 2009 as this debt had a floating rate. On 31 December 2009, there are no more IRS, even though floating rates are in effect on the new credit facilities negotiated in December 2009.

As of 31 December 2009, the fair values of forward currency contracts designated as 'cash flow hedge' amounted to EUR 157 thousand. Those are hedges against the Korean Won (KRW) for a total of USD 13 300 thousand (equivalent to EUR 9 232 thousand).

Derivative financial instruments designated as "held for trading"

in EUR '000'		Notional or Contractual amount 31/12/09	31/12/08	Fair Values 31/12/09	31/12/08
Forward currency contracts sales	Assets	2 461	21 669	287	422
	Liabilities				(694)
Forward currency contracts purchases	Assets	2 171	3 843		12
	Liabilities			(59)	(192)
Fair values recognized in the income statement					
under "Unrealized exchange gains"				287	434
under "Unrealized exchange losses"				(59)	(886)

Forward currency contracts used to hedge the transactional risks on currencies are accounted as if they were held for trading.

However, such forward currency contracts are being used to hedge existing transactions and commitments, and therefore cannot be considered as speculative transactions.

The fair values were immediately recognized in the income statement in unrealized exchange gains or losses.

38. FINANCIAL INSTRUMENTS

Financial Assets and Liabilities

in EUR '000'	31/12/09	31/12/08	31/12/07	Hierarchy of fair values
Financial Assets				
Cash and cash equivalents	83 253	59 089	35 658	Level 1
Available-for-sale financial assets	2 421	1 627	1 010	Level 1
Loans and receivables	83 681	102 888	91 622	Level 2
Derivative financial assets	14 309	62 886	36 046	Level 1
	183 664	**226 490**	**164 336**	
Financial Liabilities				
Borrowings at amortized cost	75 065	69 858	62 564	Level 1
Other payables	56 569	58 181	64 308	Level 2
Derivative financial liabilities	13 924	64 049	36 064	Level 1
	145 558	**192 088**	**162 936**	

Fair value and book value

In order to show the importance of datas used for the valuations of fair values, the Hamon Group classifies these valuations according to a hierarchy that includes the following levels:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets are mostly current. Their fair value thus does not differ from their book value. Their book value already takes into account possible provisions when the collection seems compromised. Available-for-sale financial assets include on the one hand, our share in GEI, valued at stock market price, and on the other hand investments in various small companies not quoted on the stock market and valued at their acquisition value, slightly below their fair value.

Non-current financial liabilities were evaluated at amortized cost; which is net of transaction costs. Borrowings principally include the debt renegotiated at the end of the year for which the fair value is comparable to the value in the accounts. "Other payables" are mainly trade payables for which the fair value does not differ from the book value due to its current nature.

Financial instruments include Interest Rate Swaps, except for 2009, and forward currency contracts. They are included in this note on the asset and liability sides for their notional amount corrected by their fair value at the asset and liability side depending whether they are positives or negatives.

39. RISK MANAGEMENT POLICIES

Management of foreign exchange risk

Operations and international transactions of the Group, and in particular the construction contracts carried out in distant countries create exposures to foreign exchange risks in the day-to-day management of its business. Foreign exchange risks can be defined as the risk of fluctuation in fair values of future cash flows due to the fluctuations in foreign currencies.
The most significant foreign exchange risks of the Group are related to transactions in US dollars and English pounds.

Conversion impacts for subsidiaries located outside of the Euro zone

The accounts of entities located outside the Euro zone are converted into Euro in order to be incorporated in the consolidated accounts of the Group. The effects of the fluctuations in foreign currencies on the conversion of net assets of those entities are recognized in the consolidated equity of the Group. This is the reason why the Group had decided to hedge the translation risk of its net assets in US dollars with bank borrowings in US dollars (net investment hedge under IFRS). The Group stopped those net investment hedge transactions during the course of 2009 while the US dollar was much weaker compared to Euro than the exchange rate as of 31 December 2009. The Group no longer has US dollar debt since and so, has benefited from the strengthening of the US dollar. For the calculation of the exposure to foreign exchange risks, the assumption has been made that the investments in the operational entities located outside the Euro zone are permanent and the reinvestment in these entities is continuous.

Foreign exchange risk on financial assets and liabilities

The Group uses different strategies to reduce its foreign exchange rate risk exposure, in particular:

- By trying to match its sales and purchases commitments in the same currencies
- By limiting the invoicing in currencies different from the functional currency of the Hamon entity
- By reporting the foreign exchange rate risk exposures to the Corporate department, which after consolidation decides to hedge the net consolidated exposures with adequate financial instruments, in particular forward currency contracts.

The following table presents for all the subsidiaries of the Group the consolidated financial assets and liabilities in currencies other than their functional currency as well as firm commitments in other currencies (contracts to be invoiced, signed orders) and finally, forward currency contracts that they have made to reduce their exposure to these currencies:

	31/12/09				31/12/08				31/12/07			
in EUR '000'	**USD**	**GBP**	**Other currencies**	**TOTAL**	**USD**	**GBP**	**Other currencies**	**TOTAL**	**USD**	**GBP**	**Other currencies**	**TOTAL**
Gross balance sheet exposure	414	121	1 152	**1 687**	(13 726)	1 217	4 233	**(8 276)**	(5 174)	(586)	49	**(5 711)**
thereof financial assets	5 744	515	2 202	**8 461**	6 672	2 829	5 338	**14 839**	5 650	838	1 185	**7 673**
thereof financial liabilities	(5 330)	(394)	(1 050)	**(6 774)**	(20 398)	(1 612)	(1 105)	**(23 115)**	(10 824)	(1 424)	(1 136)	**(13 384)**
Gross exposure from firm commitments	7 494	-	(838)	**6 656**	15 997	-	5 161	**21 158**	2 630	-	(654)	**1 976**
Derivative financial instruments	(10 540)	-	(1 021)	**(11 561)**	(14 532)	-	(5 234)	**(19 766)**	(1 046)	-	-	**(1 046)**
Net exposure	**(2 632)**	**121**	**(707)**	**(3 218)**	**(12 261)**	**1 217**	**4 160**	**(6 884)**	**(3 590)**	**(586)**	**(605)**	**(4 781)**

+ for incoming flow/ ( ) for outgoing flow

As explained above, the amounts of financial liabilities in US dollars have significantly decreased in 2009 compared to 2008 as the Group has stopped its net investment hedge transactions made with bank borrowings in US dollar. The main part of the derivatives that hedges the foreign exchange rate risks on US dollar are forward contracts, designated as 'cash flow hedge' (see note 37).

in EUR '000'	**31/12/09**	**31/12/08**	**31/12/07**
Sensitivity to market rates			
% variation EUR	10 %	10 %	10 %
Impact on current year P&L	169	828	571
Impact on future cash flows	17	812	478

Compared to year end rates used by the Group, an appreciation/depreciation of the Euro of 10% against all currencies used by the Group would result in a positive/negative impact of EUR 169 thousand on the income statement of the current year and EUR 17 thousand on future financial flows after hedging.

This calculation refers to the balance sheet items only.

The impact of the EUR/USD exchange rate fluctuations on the 2009 results of the Group is explained in the management report (impact on revenues EUR +6 400 thousand and on EBIT EUR + 1 100 thousand).

Management of interest rate risk

Interest rate risk comes from the exposure of the Group to the fluctuations of interest rates and their possible impact on the cost of financing. The major part of the cost of the Group's debt is based on the EURIBOR-3 months. It is the policy of the Group to limit its exposure to the interest rates volatility by using financial instruments which swap a variable interest rate into a fixed rate, in particular interest rate Swaps (IRS) in place until 29 September 2009. Since then, the Group dynamically manages interest rate risk by constantly monitoring rate changes with a "stop loss" policy.

The following table shows the debts of the Group (excluding refinancing costs) with a fixed interest rate and those with a variable interest rate:

in EUR '000'	31/12/09		31/12/08		31/12/07	
	Average rate	Principal	Average rate	Principal	Average rate	Principal
Fixed Rate						
Financial liabilities	5,85 %	2 137	6,82 %	2 666	5,91 %	2 789
Variable Rate						
Financial liabilities	6,95 %	74 527	8,99 %	70 247	10,62 %	61 935
	6,92 %	76 664	8,91 %	72 913	10,42 %	64 724

in EUR '000'	2009	2008	2007
Sensitivity to market rate			
bp change	220	180	90
Impact on P&L	1 640	1 190	570
IRS hedging effect		(774)	(78)
Net Profit or (loss)	1 640	416	492

Calculation of the markets interest rate sensitivity is based on a hypothetical variation of 220 basis points on the reference markets interest rate (comparable with the variation of the EURIBOR- 3 month over the year 2009).

In the event of an increase or decrease of the market interest rates by 220 basis points, the gross impact in absolute value on the income would be EUR 1 640 thousand.

The costs of financing of the Group are presented as follows (for more detail, see note 12):

in EUR '000'	31/12/09	31/12/08	31/12/07
Interest on bank overdrafts and loans	(5 048)	(6 384)	(6 960)
Interest on finance leases	(184)	(139)	(182)
Total interest expense	**(5 232)**	**(6 523)**	**(7 142)**
Costs related to anticipated reimbursement	(690)		(1 985)
Refinancing costs (amortized cost treatment under IFRS)	(1 362)	(1 102)	(983)
Foreign exchange losses on management of US debts		(2 099)	
Other financing costs	(237)	(180)	(1 016)
Total other finance costs	**(2 289)**	**(3 381)**	**(3 984)**
Total	**(7 521)**	**(9 904)**	**(11 126)**

Financial assets as well as trade payables of the Group have generated negligible interest given the fact that, for investments, priority is given to safety and liquidity, with a preference for investments in "treasury bounds" issued by the United States Government.

Management of credit risk

Due to its construction activities, the Group is exposed to credit risks. However, credit risk is lesser than the one of more traditional constructions companies, as credit rating of most of the Group customers is very high since they are mainly large international Engineering & Contracting (EPC) groups or energy producers.

The customer risk materializes in the accounts when a non-payment by a customer leads to a write-off of the underlying receivable. When a receivable becomes doubtful, following suspension of payment or bankruptcy of a customer, the Group records a provision for doubtful receivable. If, thereafter, the receivable becomes uncollectible, a corresponding write-off is accounted for.

The Group does not have significant concentration of credit risk since this risk is distributed over a large number of customers and counterparts around the world. Currently, the most important customer is a financially very strong German customer and accounts for 4% of the total trade receivables.

When finalizing important contracts, the finance department carries out a credit analysis of the customer based on credit reports obtained from external companies.

According to the financial risk profile of the customer, the Group will decide to cover or not its credit risk. Moreover, the Group takes particular measures for customers located in countries where the risk is significant.
As credit risk solutions, the Group can, among others, request payment prior to delivery, irrevocable and confirmed (by our banks) letters of credits as well as credit insurance policies covering the residual risks (political, embargo...) and the risks of unfair calls on the bank guarantees.

The following table presents an analysis of the financial receivables of the Group. They include the trade and other receivables of the Group, with the exception of the non-financial receivables like tax assets. The amounts presented in the following table are the gross values of the receivables before provisions for doubtful receivables.

Monitoring of financial receivables

in EUR '000'	TOTAL	Overdue > 3 months	Overdue 2-3 months	Overdue 1-2 mois	Current	Not due
As of 31 December 2009	83 681	10 627	2 317	6 029	34 929	29 779
As of 31 December 2008	103 801	14 429	3 399	7 506	45 375	33 092
As of 31 December 2007	94 851	9 055	2 243	5 616	41 580	36 357

Payment terms with our customers are usually between 30 and 60 days.

Trade receivables with terms that have been renegotiated are not significant. The Group does not hold guarantees or other forms of credit enhancement on its receivables. Provisions for doubtful receivables have evolved, for the last 3 years, as follows:

in EUR '000'	31/12/09	31/12/08	31/12/07
Balance at beginning of the year	(2 227)	(3 229)	(2 120)
Amounts written off during the year	(629)	(162)	(1 474)
Amounts recovered during the year	58	483	562
Others (forex, transfer,...)	499	681	(197)
Balance at end of the year	(2 299)	(2 227)	(3 229)
Net impairment on receivables in P&L	(573)	199	(912)

Liquidity Risk Management

The Group's liquidity risk is related to the capacity of the Group to meet its obligations with regard to its financial liabilities.

The net liquidity position of the Group has continued to improve in 2009.

in EUR '000'	31/12/09	31/12/08	31/12/07
Cash and cash equivalents	83 253	59 089	35 658
Total liquidity	83 253	59 089	35 658
Short term debt & current maturities of long term debt	(17 618)	(29 606)	(12 055)
Long term debt	(57 447)	(40 252)	(50 509)
Total debt	(75 065)	(69 858)	(62 564)
Net liquidity	**8 188**	**(10 769)**	**(26 906)**

The Group has a revolving credit facility with a bank syndicate in order to address possible short term treasury needs (see note 35). New credit facilities signed in December 2009 allow the Group to secure and spread its liquidity needs over a longer period as is clearly shown by the following tables presenting the contractual due dates of the consolidated liabilities of the Group:

Monitoring of liquidity risk 31/12/09

in EUR '000'	TOTAL	Due before 6 months	Due 6-12 months	Due 1-2 years	Due 2-5 years	Due over 5 years
Loans from Banks	69 762	-	16 273	5 164	47 956	369
Obligations under finance leases	4 568	487	487	402	992	2 200
Other financial liabilities	735	-	371	47	142	175
Trade and other Payables	56 569	49 989	305	1 284	4 991	-
Derivative financial instruments	59	-	59	-	-	-
Total	**131 693**	**50 476**	**17 495**	**6 897**	**54 081**	**2 744**

Monitoring of liquidity risk 31/12/08

in EUR '000'	TOTAL	Due before 6 months	Due 6-12 months	Due 1-2 years	Due 2-5 years	Due over 5 years
Loans from Banks	66 406	1 808	27 133	9 368	28 097	-
Obligations under finance leases	2 351	263	280	458	678	672
Other financial liabilities	1 101	-	122	188	336	456
Trade and other Payables	51 497	48 937	414	2 136	10	-
Derivative financial instruments	1 163	-	1 163	-	-	-
Total	**122 519**	**51 008**	**29 112**	**12 150**	**29 121**	**1 128**

Monitoring of liquidity risk 31/12/07

in EUR '000'	TOTAL	Due before 6 months	Due 6-12 months	Due 1-2 years	Due 2-5 years	Due over 5 years
Loans from Banks	59 386	1 165	10 383	9 280	38 558	-
Obligations under finance leases	2 779	245	262	301	1 177	794
Other financial liabilities	399	-	-	203	196	-
Trade and other Payables	64 308	60 032	1 105	1 450	1 721	-
Derivative financial instruments	18	-	-	18	-	-
Total	**126 890**	**61 442**	**11 750**	**11 252**	**41 652**	**794**

40. GUARANTEES ON THE GROUP'S ASSETS

The following table shows the Group's assets which have guarantees attached.
The guaranteed financial assets are principally restricted bank accounts and buildings located in Korea.

in EUR '000'	31/12/09	31/12/08	31/12/07
Inventories	-	-	-
Intangible assets	-	-	-
Property, plant & equipment	6 023	979	581
Financial Assets	2 654	2 931	4 009
Total	**8 678**	**3 910**	**4 590**

In the framework of the new syndicated credit facilities signed in December 2009, pledges on the shares held in the main subsidiaries of the Group have been granted to the bank syndicate, as for the previous credit facilities (see note 35).

41. FINANCE AND OPERATING LEASE AGREEMENTS

Finance lease agreements

The main finance lease contracts relate to land and buildings in Belgium, France and North America and denominated respectively in Euros and dollars.
During the year 2009, the Group has concluded a new finance lease agreement for an amount (excluding financial charges) of EUR 2 475 thousand to be reimbursed in 15 years and to finance an operation of "sale and lease back" on lands and buildings of its Belgian subsidiary ACS
Less significant leases exist for vehicles and office equipment.

The commitments of the Group in terms of finance lease for the years to come can be resumed as follows:

in EUR '000'	Minimum lease payments			Present value of minimum lease payments		
	31/12/09	31/12/08	31/12/07	31/12/09	31/12/08	31/12/07
Amounts due for finance leases						
within one year	926	641	646	974	543	506
in the second to fifth years inclusive	2 699	1 429	1 803	1 394	1 136	1 478
after 5 years	1 823	715	883	2 200	672	795
Subtotal	**5 448**	**2 785**	**3 332**	**4 568**	**2 351**	**2 779**
Less: future finance charges	(880)	(434)	(553)	N/A	N/A	N/A
Present value of lease obligations	**4 568**	**2 351**	**2 779**	**4 568**	**2 351**	**2 779**
Less: Amounts due for settlement within 12 months				(974)	(543)	(506)
Amount due for settlement after 12 months				**3 594**	**1 808**	**2 273**

The average term for the obligations on finance lease is 9,9 years. The average interest rate is 6,94%. The fair value of these finance leases is close to its nominal value.

Operating lease agreements

The commitments taken by the Group for operating leases for future years are as follows:

in EUR '000'	31/12/09	31/12/08	31/12/07
Minimum lease payments under operating leases recognized as an expense during the year	3 793	3 831	4 153
Minimum lease payments due for operating leases			
within one year	2 914	2 885	2 488
in the second to fifth years inclusive	8 105	8 744	8 451
after five years	211	1 099	881
Total	**11 230**	**12 728**	**11 820**

Operating leases mainly relate to offices and to a lesser extent, vehicles, machines and office equipment.

42. COMMITMENTS

As part of its business, the Group is often required to issue guarantees in favor of clients for the reimbursement of advance payments, the correct execution of contracts or obligations of technical guarantees.

Some of these commitments require bank guarantees or insurance bonds to be provided by the Group:

in EUR '000'	31/12/09	31/12/08	31/12/07
Bank guarantees	91 942	69 849	48 717
Insurance bonds	35 843	2 479	6 245
Total	**127 786**	**72 328**	**54 962**

The total amount of outstanding bank guarantees increased during the year 2009 as our activity is closely linked to the issuance of bank guarantees.

The line available for letters of credit and bank guarantees increased to EUR 200 000 thousand with the new syndicated credit facilities signed in December 2009, coming from EUR 100 000 thousand with the previous bank syndicate. Moreover, the Group also has at its disposal a "U.S. bonds" line of USD 50 000 thousand.

The Group has also endorsed commitments relating to companies sold in 2005 (FBM), bankrupt (HRCI) or associated companies as follows:

in EUR '000'	31/12/09	31/12/08	31/12/07
Commitment of good project execution	-	8 685	10 634
Comfort letters to banks	2 110	2 110	2 110
Comfort letters to suppliers	4 080	4 080	4 080
Total	**6 190**	**14 876**	**16 824**

The commitments for which payment is probable are recorded as liabilities. The contractual end of commitments explains the reduction in both 2008 and 2009.

43. CONTINGENT LIABILITIES

Bankruptcy of Hamon Research-Cottrell Italia (HRCI)

The General Assembly of HRCI decided to put this company into voluntary liquidation in April 2005. In June 2005, the liquidator filed the books at the commercial court of Milan. An agreement was signed between Hamon and the bankruptcy administrator of HRCI in July 2008. The closing of the bankruptcy has not yet been pronounced. Hamon believes that this operation will not have any material impact on the consolidated financial statements.

FBM Hudson Italiana

The company that purchased the Italian company FBM Hudson Italiana Spa in December 2005 has claimed to Hamon and its directors of the board of FBM Hudson Italiana Spa liability indemnities for an amount of approximately EUR 14 million in July 2007. As of today, none of the claims initiated by the purchaser have succeeded. As explained in previous annual reports, Hamon considers this complaint to be unfounded and rejects any responsibility of the Company or of the directors who represented it.
As a reminder, the sales agreement foresees a cap on the possible compensations by Hamon of EUR 550 000.

Asbestos

The Group is involved in various proceedings for physical injuries related to asbestos. These litigations relate to a period prior to the acquisition by the Group in 1998 of the assets of Research Cottrell, Inc. Asbestos is not used in the operations of Hamon in the USA. In the acquisition agreements of 1998, the seller committed itself to compensate the Group for all damage sustained because of such proceedings. The costs of these proceedings are, until now, exclusively handled by the seller. Insofar as these proceedings go back to a period prior to the acquisition of the US subsidiaries of the Group and taking into account the compensation clause, Hamon's management thinks that these do not present risks of significant liability for the Group.

Other litigations

The nature of the Group's activities leads us to file/receive complaints about/from our suppliers and our customers. The complaints are covered by specific provisions from the moment that payouts are probable and where their amount can be reliably estimated. The Group believes that these complaints will not have globally a significant impact on Hamon's financial situation.

44. RELATED PARTIES

The ultimate parent company of the Group is Sopal International SA. See note 31 for detailed structure of the shareholders of the Group.
The transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated from the consolidated accounts and are not considered in this note.

Details of the transactions between the Company and the other related parties are detailed below:

Income statement as of 31/12/09

in EUR '000'	Purchases				Revenue		
	of goods	of services	lease of assets	management fees	of goods	of services	Royalties
Controlling shareholder and other entities directly and indirectly controlled by the controlling shareholder	99	-	82	75	710	8	-
Other shareholders with significant influence	5	-	-	10	50	-	350
Associates	-	36	-	-	-	25	
Other related parties	-	-	-	-	-	-	-

Balance sheet as of 31/12/09

in EUR '000'	Non-current assets	Current assets	Non-current liabilities	Current liabilities
Controlling shareholder and other entities directly and indirectly controlled by the controlling shareholder	-	267	-	257
Other shareholders with significant influence	-	677	-	13
Associates	-	118	-	262
Other related parties	-	-	-	-

Income statement as of 31/12/08

in EUR '000'	Purchases of goods	Purchases of services	Purchases lease of assets	Purchases management fees	Revenue of goods	Revenue of services	Revenue Royalties
Controlling shareholder and other entities directly and indirectly controlled by the controlling shareholder	10	7	63	79	760	174	-
Other shareholders with significant influence	797	-	-	12	2 252	-	95
Associates	-	611	-	-	-	-	-
Other related parties	-	-	-	-	-	-	-

Balance sheet as of 31/12/08

in EUR '000'	Non-current assets	Current assets	Non-current liabilities	Current liabilities
Controlling shareholder and other entities directly and indirectly controlled by the controlling shareholder	351	507	-	-
Other shareholders with significant influence	-	3 472	-	2 692
Associates	355	295	121	1 058
Other related parties	-	-	-	-

During the last two years, no write-off was accounted for on receivables with related parties. The other entities directly or indirectly controlled by the controlling shareholder are the following companies:

- Gefimco SA;
- Cogim NV; and
- Promo Services (Belgium) SA.

Relations with the related parties mainly include commercial relations (purchase/sale of goods and services, payment of management fees to shareholders, office space rental).

The Group has not issued any guarantees or off balance sheet commitments to related parties other than commitments towards associates, as described in note 42. The sales and purchase of goods with those related parties are made under the standard terms and conditions of the Group.

45. MANAGEMENT COMPENSATION

The table below details the remuneration (cumulative and including charges) of the Managing Director, the directors and the management team, who should be regarded as the 'key executives' in the sense of the IAS 24 definition (these amounts include the social security charges born by the employer).

in EUR '000'	2009 (3)	2008 (2)	2007 (1)
Short term benefits			
Fixed remuneration	3 051	3 006	2 751
Variable remuneration	3 150	2 954	2 993
Subtotal	**6 201**	**5 960**	**5 744**
Long term benefits	361	310	133
Total	**6 562**	**6 270**	**5 877**

(1) In 2007, the Executive Committee increased to 9 members, but on a yearly basis this corresponds to a pro-rated 8,3 full time equivalents;
(2) In July 2008, the Executive Committee was reduced to 8 members (retirement of Jean Gilbert); a 9th member joined it in December (René Robert); this corresponded to 8,6 full-time equivalents;
(3) Full time equivalent of 9 members in 2009.

The total of gross compensation granted to the non executive directors during the year 2009 amounts to EUR 238 thousand (EUR 175 thousand during the previous year). This compensation is dependant of the approval of the Annual General Assembly of Shareholders.

There was no profit sharing allocation and the Company has not made any loans to the directors. The directors have also not made any special or unusual transactions with the Company.

46. STAFF

Charges and costs of the personnel are presented under note 9.

The distribution of personnel within the Group by segment is as follows:

Average headcount per BU	2009	2008	2007
Cooling Systems	482	432	417
Process heat Exchangers	174	170	163
Air Pollution Control EMEA/Brazil	172	112	59
Air Pollution Control NAFTA	147	175	182
Chimneys	56	63	64
Corporate & Others	109	63	27
Total	**1 140**	**1 015**	**912**

The main variations are coming from the following Business Units:

- Cooling systems, following the strong increase of our site/field teams in England (+ 29 people), the strengthening of our teams in India and Asia (+ 13 people) and, to a lesser extent, the development of our Dry Cooling team.
- Air Pollution Control EMEA/Brazil, as a result of the consolidation of our activity in Brazil (+27 people) for a full year (3 months in 2008) and despite a significant headcount reduction during the year, the entry of China as from the month of July (+19 people) and the development of our team based in Germany (+10 people).
- Air Pollution Control NAFTA mainly in TTC (-23 people); consequence of the temporary slowing down of ours activities in North America.
- Corporate and Others (+43 people) that includes the staff of ACS, not included in a specific segment.

47. EVENTS AFTER THE BALANCE SHEET DATE

Hamon is extremely proud to announce that it has been awarded a turnkey contract for the construction of two natural draft cooling towers for the Plant Vogtle nuclear power station located in Waynesboro, GA, United States. Vogtle Units 3 and 4 will be among the first new nuclear units built in the U.S. in the last three decades. This order, close to USD 95 million, has been awarded to Research-Cottrell Cooling, Inc which is in charge of the return of the Hamon Group in the Wet Cooling business in the NAFTA region. This order, confirmed on 24 February 2010, bodes well for Hamon's return to the cooling business in the NAFTA region, just one year after the expiration of a 5 year non compete agreement.

48. AUDITOR'S FEES

For the entire consolidated Group, the fees paid to the auditor and its network (Deloitte) for 2009 amounted to EUR 855 378 and are broken down as follows:

- Fees linked to financial statements audit EUR 749 201
- Other certification missions EUR 72 854
- Legal missions EUR 2 525
- Tax assistance missions EUR 30 798

7. Auditor's report

Unqualified audit opinion

Statutory auditor's report on the consolidated financial statements for the year ended 31 December 2009 to the shareholders' meeting

To the shareholders

As required by law and the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the consolidated financial statements together with the required additional comment.

UNQUALIFIED AUDIT OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of Hamon & Cie (International) SA (the "company") and its subsidiaries (jointly the "group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. Those consolidated financial statements comprise the consolidated balance sheet as at 31 December 2009, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes.
The consolidated balance sheet shows total assets of 306 902 (000) EUR and the consolidated income statement shows a consolidated profit (group share) for the year then ended of 17 369 (000) EUR.
The financial statements of several significant entities included in the scope of consolidation which represent total assets of 21.361 (000) EUR and a total loss (group share) of 1.583 (000) EUR have been audited by other auditors. Our opinion on the accompanying consolidated financial statements, insofar as it relates to the amounts contributed by those entities, is based upon the reports of those other auditors.
The board of directors of the company is responsible for the preparation of the consolidated financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements 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.
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the group's preparation and fair presentation of the consolidated financial statements 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 group's internal control. We have assessed the basis of the accounting policies used, the reasonableness of accounting estimates made by the company and the presentation of the consolidated financial statements, taken as a whole. Finally, the board of directors and responsible officers of the company have replied to all our requests for explanations and information. We believe that the audit evidence we have obtained, together with the reports of other auditors on which we have relied, provides a reasonable basis for our opinion.

In our opinion, and based upon the reports of other auditors, the consolidated financial statements give a true and fair view of the group's financial position as of 31 December 2009, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the EU and with the legal and regulatory requirements applicable in Belgium.

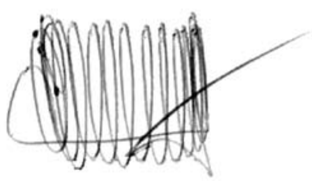
ADDITIONAL COMMENT

The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements are the responsibility of the board of directors.

Our responsibility is to include in our report the following additional comment which does not change the scope of our audit opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law and is in agreement with the consolidated financial statements. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the group, or on the status, future evolution, or significant influence of certain factors on its future development. We can, nevertheless, confirm that the information given is not in obvious contradiction with any information obtained in the context of our appointment.

Diegem, 1 March 2010
The statutory auditor



DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Laurent Boxus

8. Statutory accounts of Hamon & Cie (International) SA

SUMMARIZED BALANCE SHEET AS OF 31 DECEMBER, AFTER APPROPRIATION

The statutory accounts of the parent company, Hamon & Cie (International) S.A., are presented below in a summarized form. The Management Report and statutory accounts of Hamon & Cie (International) S.A., as well as the Audit Report, will be filed at the National Bank of Belgium once approved by the Annual General Meeting of shareholders of 27 April 2010, in accordance with Clauses 98, 100, 101 and 102 of the Companies Code published on 6 August 1999.

These reports are available, on request, at the Company's address:

Rue Emile Francqui 2
1435 Mont-St-Guibert
Belgium.

The Auditor has issued an unqualified opinion on the 2009 annual accounts of Hamon & Cie (International) SA.

in EUR '000'	31/12/09	31/12/08	31/12/07
Fixed assets	**95 131**	**91 173**	**69 244**
I. Formation expenses	3 931	3 587	4 798
II. Intangible assets	1 163	642	193
III. Tangible assets	517	678	824
IV. Financial assets	89 520	86 266	63 429
Current assets	**14 291**	**26 061**	**15 503**
VI. Stock and contracts in progress	0	3 542	1 184
VII. Amounts receivable within one year	13 546	21 990	14 148
VIII. Short term deposits	0	0	0
IX. Cash at bank and in hands	498	139	22
X. Deferred charges and accrued income	247	389	150
Total assets	**109 422**	**117 234**	**84 747**
Equity	**41 263**	**40 209**	**29 087**
I. Capital	2 157	2 157	2 157
II. Share premium account	15 360	15 360	19 668
IV. Reserves	11 569	11 569	11 569
V. Profit carried forward	12 177	11 122	(4 308)
Provisions and deferred taxes	**0**	**5**	**752**
Amounts payable	**68 159**	**77 020**	**54 907**
VIII. Amounts payable after more than one year	41 736	30 934	32 836
IX. Amounts payable within one year	26 197	45 644	21 562
X. Accrued charges and deferred income	226	442	509
Total liabilities and equity	**109 422**	**117 234**	**84 747**

SUMMARIZED INCOME STATEMENT AS OF 31 DECEMBER

in EUR '000'	2009	2008	2007
I. Operating revenues	**10 720**	**10 742**	**10 180**
A. Turnover	10 567	10 416	10 180
D. Other operating revenues	153	326	0
II. Operating expenses (-)	**10 476**	**9 881**	**10 733**
A. Cost of materials	0	522	1 317
B. Services and other goods	4 873	4 515	4 119
C. Remuneration, social security and pension costs	3 525	3 138	3 597
D. Depreciation and amortization	1 972	1 578	1 637
F. Increase (decrease) in provisions for liabilities & charges	(5)	(13)	(11)
G. Other operating expenses	111	141	74
III. Operating income	**244**	**861**	**(553)**
IV. Financial income	11 587	16 779	17 992
V. Financial expenses	(6 266)	(7 487)	(5 162)
VI. Net operating income before taxes	**5 565**	**10 153**	**12 277**
VII. Extraordinary income	2 900	4 929	494
VIII. Extraordinary expenses	(3 095)	(139)	(2 221)
IX. Net income before taxes	**5 370**	**15 221**	**10 551**
X. Income taxes	0	(0)	(805)
XI. Net income	**5 370**	**15 221**	**9 746**

Glossary

Air Cooler (or AFC):
heat exchanger in which an often corrosive liquid or gas, under high pressure and high temperature, passes through special alloy finned tubes and is cooled by air from a ventilator. Used mainly in petrochemicals, and the Oil & Gas industry, but also in the cooling of auxiliaries, for example water in the steel industry.

Bank Guarantees:
guarantees given by a bank for a certain amount and over a fixed period, when contracts are made (sold) and executed. Principal categories: advance payment bond, performance bond, and warranty bond.

Cooling System when referred to in the context of electricity generation:
in a traditional electricity generating power plant, water is heated and transformed into high pressure steam. This turns a steam turbine connected to an alternator, which converts mechanical energy to electrical energy. At the exit of the turbine, the steam is cooled in a surface condenser due to the indirect contact between the steam and cold water running through the cooling circuit. This water is then sent to a cooling system, before it is re-injected into the cooling circuitry again.

deNOx:
elimination of Nitrogen oxides, NOx in short form, from waste gases.

deSOx:
elimination of Sulphur oxides, SOx in short form, from waste gases.

Dry cooling system or air condenser:
used in the production of electricity, this system directly condenses steam at the exit of the steam turbine, in finned tube bundles cooled by the surrounding air.

EBIT:
Earnings before interest and tax, and after any costs for restructuring.

EBITDA:
Earnings before interest, taxes, depreciation and amortization.

EMEA:
Europe, Middle East and Africa.

ESP:
electrostatic Precipitator, an electrostatic filter that eliminates particles from the waste gases.

FRP:
Fiberglass-Reinforced Polyester, used for example for exhaust gas ducts in chimneys.

Group or Hamon Group:
the name for Hamon and its subsidiaries in the sense of the Company Code, article 6, 2°.

Hamon:
the name of the limited company (under Belgian law) Hamon & Cie (International) SA, with its head office at Axisparc, rues Emile Francqui 2, 1435 Mont-St-Guibert, Belgium.

Hybrid cooling system:
combination of a wet cooling system and finned tube bundles that slightly heats the saturated humid air, in order to reduce the plumes of steam.

NAFTA or North America:
the territory regrouping the United Sates of America, Canada and Mexico.

Wet cooling system:
a system that cools the water from 30-40° C to 20-30° C. The cooling happens via direct contact between the water and the air on surface streaming, with evaporation of a part of the water.

General information

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Ce rapport annuel est également disponible en français.

Integrated solutions for a clean environment

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