CHARGEURS

Interim Financial Report
2015

CONTENT

1. Interim Activity Report

2. Condensed Interim Consolidated Financial Statements

3. Related Party Transactions

4. Statement by the Person responsible for the Interim Financial Report

5. Statutory Auditors' Review Report on the Condensed Interim Consolidated Financial Statements

The Interim Financial Report 2015 is a translation from the original, which was prepared in French. In all matters of interpretation of information, views or opinions expressed therein, the original language version of the report takes precedence over this translation.

CHARGEURS

2015 Interim Activity Report

Significant improvement in profitability
Chargeurs Technical Substrates, a fast growing operating segment

The Board of Directors of Chargeurs met yesterday under the chairmanship of Eduardo Malone and approved the consolidated financial statements for the six months ended June 30, 2015.

CONSOLIDATED FINANCIAL STATEMENTS *(in € millions)*	FIRST-HALF 2015	FIRST-HALF 2014
Revenue	256.6	243.9
Recurring Operating Profit	15.6	12.0
Operating profit	14.4	11.8
Net Result	8.0	6.4

Revenue

Revenue rose by 5.2% year-on-year as reported in the first six months of 2015, led by a favorable currency effect.

Operating profit

Recurring operating profit surged 30% over the period, to €15.6 million, led by an improvement in the product mix that reflected a strategic focus on the most profitable business volumes. Every business segment helped to drive this solid performance.

Net profit

Attributable net profit ended the period at €8.0 million, up 25% from the €6.4 million reported in first-half 2014.

It reflected the write-down of €10.5 million in goodwill in the Chargeurs Interlining unit and the strong projections, which led to the recognition of €9.8 million in tax assets arising on tax loss carryforwards.

ANALYSIS BY BUSINESS SEGMENT

To provide a better view of its performance, as of January 1, 2015, Chargeurs has analyzed its business according to four operating segments, when a new segment, Chargeurs Technical Substrates, was created.

Chargeurs Protective Films: strong improvement in operating margin

(in € millions)	FIRST-HALF 2015	FIRST-HALF 2014
Revenue	113.6	103.5
Recurring Operating Profit	11.0	8.9
Operating profit	11.0	8.8

By leveraging its expertise in bespoke surface protection solutions, Chargeurs Protective Films reported €113.6 million in revenue in the first half of 2015, a 9.8% gain led by an improved product mix and a positive currency effect.

These two factors, combined with a strategy of hedging against raw materials price volatility, enabled the unit to deliver a solid 23.6% increase in recurring operating profit, rising to €11.0 million.

Chargeurs Technical Substrates: a promising growth dynamic

(in € millions)	FIRST-HALF 2015	FIRST-HALF 2014	2014 (Pro forma)
Revenue	9.8	7.7	16.6
Recurring Operating Profit	1.5	0.9	2.2
Operating profit	1.5	0.9	2.2

Chargeurs Technical Substrates, which was previously part of Chargeurs Interlining, functionalizes technical substrates used in the fast growing advertising, decoration and safety markets. At June 30, €11.0 million in goodwill was allocated to Chargeurs Technical Substrates.

Revenue rose by a very robust 27.3% in the first half, to €9.8 million, thanks to the new unit's sustained development of innovations delivering new technical functions. As a result, recurring operating profit climbed 66.7% to end the period at €1.5 million.

A new production line, coming on stream in early October 2015, will have a full impact in 2016.

Chargeurs Interlining: improved recurring operating profit

(in € millions)	FIRST-HALF 2015	FIRST-HALF 2014*	2014 *
Revenue	79.7	76.4	150.9
Recurring Operating Profit	2.8	2.0	4.0
Operating profit	2.0	1.9	2.9

* Restated to reflect Chargeurs Technical Substrates

At €79.7 million, Chargeurs Interlining's revenue was up 4.3% year-on-year, lifted by an improved product mix and a favorable currency effect, which offset the withdrawal from certain business lines whose margins were too low.

This selective strategy, combined with a reduction in fixed costs, enabled Chargeurs Interlining to increase recurring operating profit by 40% year-on-year.

In response to the slowdown in the Chinese economy, goodwill on the 49%-owned Yak production company was written down by €10.5 million.

Chargeurs now intends to seize all value creation opportunities that may arise if and when this industry begins its required consolidation.

Chargeurs Wool: stable performance

(in € millions)	FIRST-HALF 2015	FIRST-HALF 2014
Revenue	53.5	56.3
Recurring Operating Profit	1.5	1.5
Operating profit	1.5	1.5

Lower raw wool prices and an unfavorable currency effect caused Chargeurs Wool's revenue to ease back slightly year-on-year, to €53.5 million.

Recurring operating profit was stable, at €1.5 million for the period.

FINANCIAL POSITION AT JUNE 30, 2015

Chargeurs enjoyed a robust financial position with €205.6 million in equity, compared with €182.6 million at December 31, 2014.

After payment of €3.2 million in dividends, the net cash position stood at €9.8 million at period-end, compared with €9.3 million at December 31, 2014.

Of the 415,083 convertible bonds issued in April 2010 with a total face value of €22.8 million and a January 1, 2016 maturity date, 144,899 were outstanding at June 30, 2015.

OUTLOOK

Backed by its very good first-half performance, Chargeurs reasserts its commitment to reporting further growth in recurring operating profit in 2015, with a target of at least €26 million (compared with €22.9 million in 2014).

Next announcement: Financial Information – Third Quarter 2015 – November 10, 2015

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Chargeurs is a global manufacturing and services group with leading positions in four segments: temporary surface protection, technical substrates, garment interlinings, and combed wool. It has nearly 1,600 employees based in 32 countries on five continents, who serve a diversified customer base spanning more than 45 countries. In 2014, consolidated revenue totaled €478 million, of which nearly 93% was generated outside France.

CHARGEURS

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CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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First-half 2015

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Consolidated Statement of Financial Position *(in euro millions)*

Assets	Note	June 30, 2015	December 31, 2014
Non-current assets			
Intangible assets	5	77.6	72.6
Property, plant and equipment	6	52.8	50.3
Investments in associates and joint ventures	8	18.6	27.1
Deferred taxes	9	23.3	13.5
Financial assets			
- Investments in non-consolidated companies		0.7	0.8
- Long-term loans and receivables		2.3	2.2
Derivative financial instruments		-	-
Other non-current assets		0.6	0.6
		175.9	**167.1**
Current assets			
Inventories and work-in-progress	10	99.3	98.2
Trade receivables	11	52.3	44.2
Factored receivables(*)	11 & 19	53.0	43.9
Derivative financial instruments		2.2	0.6
Other receivables	12	26.8	24.7
Cash and cash equivalents	13	68.9	72.7
		302.5	**284.3**
Assets held for sale		**0.4**	**0.2**
Total assets		**478.8**	**451.6**

Equity and liabilities	Note	June 30, 2015	December 31, 2014
Equity			
Attributable to owners of the parent			
Share capital		2.9	2.6
Share premium account		45.9	42.2
Other reserves and retained earnings		126.9	115.8
Profit for the period		8.0	10.8
Treasury stock		(0.2)	(0.2)
Translation reserve		22.1	11.4
		205.6	**182.6**
Non-controlling interests		**4.2**	**3.8**
Total equity	14	**209.8**	**186.4**
Non-current liabilities			
Convertible bonds	15	-	11.2
Long-term borrowings	16	37.9	42.0
Deferred tax liabilities	9	-	-
Pension and other long-term employee benefit obligations	17	14.6	15.5
Provisions	18	0.4	0.4
Other non-current liabilities	19	8.3	10.3
		61.2	**79.4**
Current liabilities			
Convertible bonds	15	7.6	-
Trade payables		90.8	88.6
Other payables	19	32.9	30.6
Factoring liabilities(*)	11 & 19	53.0	43.9
Current income tax liability		1.3	0.6
Derivative financial instruments		1.0	0.7
Short-term portion of long-term borrowings	16	6.1	6.7
Short-term bank loans and overdrafts	16	15.1	14.7
		207.8	**185.8**
Liabilities related to assets held for sale			-
Total equity and liabilities		**478.8**	**451.6**

(*) Receivables for which title has been transferred (see note 3.2)

Notes 1 to 29 are an integral part of the interim consolidated financial statements.

Consolidated Income Statement *(in euro millions)*

		Six months ended June 30	
	Note	2015	2014
Revenue		**256.6**	**243.9**
Cost of sales		(196.5)	(188.8)
Gross profit		**60.1**	**55.1**
Distribution costs		(27.3)	(25.3)
Administrative expenses		(15.4)	(15.9)
Research and development costs		(1.8)	(1.9)
Recurring operating profit		**15.6**	**12.0**
Other operating income	20	0.1	0.1
Other operating expenses	20	(1.3)	(0.3)
Operating profit		**14.4**	**11.8**
Finance costs, net		(1.5)	(1.8)
Other financial expenses		(1.3)	(1.3)
Other financial income		0.4	**0.2**
Finance costs and other financial income and expenses, net	22	**(2.4)**	**(2.9)**
Share of profit/(loss) of associates	8	(10.7)	(0.1)
Pre-tax profit for the period		**1.3**	**8.8**
Income tax expense	23	6.8	(2.3)
Profit from continuing operations		**8.1**	**6.5**
Profit/(loss) from discontinued operations		-	-
Profit for the period		**8.1**	**6.5**
Attributable to:			
Owners of the parent		8.0	6.4
Non-controlling interests		0.1	0.1
Basic earnings/(loss) per share (in euros):	24		
Basic earnings per share			
- From continuing operations		0.47	0.42
- From discontinued operations		-	-
From continuing and discontinued operations		**0.47**	**0.42**
Diluted earnings per share			
- From continuing operations		0.39	0.31
- From discontinued operations		-	-
From continuing and discontinued operations		**0.39**	**0.31**
Weighted average number of shares outstanding		17,095,742	15,425,338

Notes 1 to 29 are an integral part of the interim consolidated financial statements.

Consolidated Statement of Comprehensive Income *(in euro millions)*

	Six months ended June 30	
	2015	**2014**
Profit for the period	**8.1**	**6.5**
Exchange differences on translating foreign operations	11.0	0.1
Available-for-sale financial assets	-	-
Cash flow hedges	1.9	-
- Fair value adjustments for the period recognized in equity	*1.9*	-
- Cumulative fair value adjustments reclassified to profit	-	-
Share of other comprehensive income of associates	-	-
Income tax relating to items that may be reclassified	-	-
Total items that may be reclassified subsequently to profit	**12.9**	**0.1**
Other items of other comprehensive income/(expense)	0.6	(0.2)
Actuarial gains and losses on post-employment benefit obligations	1.0	(1.3)
Income tax relating to items that will not be reclassified		-
Total items that will not be reclassified to profit	**1.6**	**(1.5)**
Other comprehensive income/(expense) for the period, net of tax	**14.5**	**(1.4)**
Total comprehensive income for the period	**22.6**	**5.1**
Attributable to:		
Owners of the parent	22.2	5.1
Non-controlling interests	0.4	-

Notes 1 to 29 are an integral part of the interim consolidated financial statements.

Consolidated Statement of Changes in Equity *(in euro millions)*

	Share capital	Share premium account	Other reserves and retained earnings	Translation reserve	Cash flow hedges	Actuarial gains and losses on post-employment benefit obligations	Treasury stock	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
At December 31, 2013	**2.3**	**39.5**	**122.1**	**(3.0)**	**-**	**(2.8)**	**(0.2)**	**157.9**	**3.3**	**161.2**
Issue of share capital	0.2	2.3						2.5		2.5
Changes in treasury stock								-		-
Profit for the period			6.4					6.4	0.1	6.5
Impact of changes in scope of consolidation								-		-
Other comprehensive income/(expense)			(0.2)	0.2		(1.3)		(1.3)	(0.1)	(1.4)
At June 30, 2014	**2.5**	**41.8**	**128.3**	**(2.8)**	**-**	**(4.1)**	**(0.2)**	**165.5**	**3.3**	**168.8**
At December 31, 2014	**2.6**	**42.2**	**132.8**	**11.4**	**(0.4)**	**(5.8)**	**(0.2)**	**182.6**	**3.8**	**186.4**
Issue of share capital	0.3	3.7						4.0		4.0
Changes in treasury stock								-		-
Profit for the period			8.0					8.0	0.1	8.1
Payment of dividends			(3.2)					(3.2)		(3.2)
Impact of changes in scope of consolidation								-		-
Other comprehensive income/(expense)			0.6	10.7	1.9	1.0		14.2	0.3	14.5
At June 30, 2015	**2.9**	**45.9**	**138.2**	**22.1**	**1.5**	**(4.8)**	**(0.2)**	**205.6**	**4.2**	**209.8**

Notes 1 to 29 are an integral part of the interim consolidated financial statements.

Consolidated Statement of Cash Flows *(in euro millions)*

		Six months ended June 30			
	Note		**2015**		**2014**
Cash flows from operating activities					
Pre-tax profit of consolidated companies			12.0		8.9
Adjustments to reconcile pre-tax profit to cash generated from operations			5.3		4.7
- Depreciation and amortization expense	5 & 6	*5.1*		*4.7*	
- Provisions and pension and other long-term employee benefit obligations		*(0.6)*		*(0.4)*	
- Impairment of non-current assets		*0.2*		*-*	
- Fair value adjustments		*(0.5)*		*-*	
- Impact of discounting		*0.6*		*0.8*	
- Gains/(losses) on disposal of investments in non-consolidated companies and other non-current assets		*(0.1)*		*(0.2)*	
- Exchange gains and losses on receivables and payables denominated in foreign currencies		*0.6*		*(0.2)*	
- Other non-cash adjustments		*-*		*-*	
Income tax paid			(1.8)		(2.1)
Cash generated by operations			**15.5**		**11.5**
Dividends from equity-accounted companies			0.3		0.7
Change in operating working capital			(4.2)		0.5
Net cash from operating activities			**11.6**		**12.7**
Cash flows from investing activities					
Purchases of intangible assets	5		(0.6)		-
Purchases of property, plant and equipment	6		(6.3)		(2.5)
Proceeds from sales of property, plant and equipment			0.1		0.3
Net cash used in investing activities			**(6.8)**		**(2.2)**
Cash flows from financing activities					
Proceeds from issues of shares on conversion of bonds	15		4.0		2.5
Proceeds from new borrowings	16		1.2		5.4
Bond conversion	15		(4.0)		(2.5)
Repayments of bank borrowings and overdrafts	16		(6.4)		(17.4)
Other movements			(1.0)		(0.6)
Dividends paid to equity holders of the parent			(3.2)		-
Net cash used in financing activities			**(9.4)**		**(12.6)**
Decrease in cash and cash equivalents			**(4.6)**		**(2.1)**
Cash and cash equivalents at beginning of period	13		72.7		48.0
Cash and cash equivalents reclassified as "Assets held for sale"			-		(0.1)
Effect of foreign exchange rate changes on cash and cash equivalents			0.8		0.1
Cash and cash equivalents at end of period	13		**68.9**		**45.9**

Notes 1 to 29 are an integral part of the interim consolidated financial statements.

Notes to the Interim Consolidated Financial Statements

1- General information
2- Summary of significant accounting policies
3- Use of accounting estimates and assumptions
4- Significant events

NOTES ï to the statement of financial position

5- Goodwill and other intangible assets
6- Property, plant and equipment
7- Finance leases
8- Investments in associates and joint ventures
9- Deferred taxes
10- Inventories and work-in-progress
11- Trade receivables
12- Other receivables
13- Cash and cash equivalents
14- Equity
15- Convertible bonds
16- Borrowings
17- Pension and other long-term employee benefit obligations
18- Provisions
19- Other non-current liabilities, other payables and factoring liabilities

NOTES ï to the income statement

20- Other operating income and expenses
21- Employee information
22- Finance costs and other financial income and expenses
23- Income tax
24- Earnings per share

Additional information

25- Information by business segments
26- Related party transactions
27- Commitments and contingencies
28- Subsequent events
29- Seasonal fluctuations in business

1. General information

In first-half 2015, Chargeurs and its subsidiaries (the Chargeurs Group) were organized around four business lines:

- ***Chargeurs Protective Films*** develops and markets technical solutions to protect steel, aluminum, plastic and other surfaces during the production process.
- ***Chargeurs Technical Substrates*** develops and markets functionalized coated technical substrates (this business segment was previously included in Chargeurs Interlining, see note 4).
- ***Chargeurs Interlining*** manufactures and markets garment interlinings.
- ***Chargeurs Wool*** manufactures and markets wool tops.

Chargeurs is a *société anonyme* governed by the laws of France. Its headquarters are located at 112, avenue Kléber, 75016 Paris, France. Chargeurs shares are listed on Euronext Paris.

The interim consolidated financial statements for the six months ended June 30, 2015 were approved by the Board of Directors on August 26, 2015. All amounts are expressed in millions of euros, unless otherwise specified.

2. Summary of significant accounting policies

The significant accounting policies applied to prepare the consolidated financial statements are described below. Unless otherwise specified, these policies were applied consistently in all the periods presented.

2.1 Basis of preparation

The first-half 2015 consolidated financial statements of the Chargeurs Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. They have been prepared in accordance with IAS 34, Interim Financial Reporting, and therefore do not contain all of the information and disclosures required in annual consolidated financial statements. They should be read in conjunction with the consolidated financial statements for the year ended December 31, 2014.

The interim consolidated financial statements have been prepared under the historical cost convention, except for land and buildings revalued at January 1, 2004, available-for-sale financial assets, financial assets and liabilities measured at fair value through profit or loss (including derivative instruments), financial assets and liabilities measured at amortized cost and assets and liabilities underlying fair value hedges.

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving the highest degree of judgment or estimation complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

2.2 List of new, revised and amended standards and interpretations

New standards, interpretations and amendments to existing standards whose application was mandatory in the period ended June 30, 2015

Adopted by the European Union

- IFRIC 21 ï Levies
- Annual Improvements to IFRSs ï 2011-2013 Cycle, issued on December 12, 2013

The comparative figures have not been restated to reflect the first-time application of IFRIC 21 as it did not have a material impact on the consolidated financial statements (less than ú0.3 million increase in opening equity and ú0.3 million decrease in profit for the six month period ended June 30, 2014).

b) New standards, amendments to existing standards and interpretations applicable in future years and not early adopted by the Group:

Adopted by the European Union

- Annual Improvements to IFRSs ï 2010-2012 Cycle, issued on December 12, 2013
- Amendments to IAS 19 ï Defined Benefit Plans: Employee Contributions

Not yet adopted by the European Union

- IFRS 9 ï Financial Instruments
- IFRS 14 ï Regulatory Deferral Accounts
- IFRS 15 ï Revenue from Contracts with Customers
- Amendments to IFRS 10 and IAS 28 ï Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IAS 27 ï Equity Method in Separate Financial Statements
- Amendments to IAS 16 and IAS 41 ï Agriculture: Bearer Plants
- Amendments to IAS 16 and IAS 38 ï Clarification of Acceptable Methods of Depreciation and Amortization
- Amendments to IFRS 11 ï Accounting for Acquisitions of Interests in Joint Operations
- Amendments to IAS 1 ï Disclosure initiative
- Annual Improvements, 2012-2014 cycle, issued on September 25, 2014

3. Use of accounting estimates and assumptions

The preparation of financial statements under IFRS requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.

3.1 Critical accounting estimates and assumptions

The critical accounting estimates and assumptions that could result in a material adjustment to the carrying amount of assets and liabilities during subsequent periods are analyzed below.

(a) Impairment of goodwill

Goodwill is tested for impairment at least once a year and whenever there is an indication that its value may be impaired. These tests are performed in accordance with the accounting method described in note 2.6 to the 2014 consolidated financial statements.

(b) Income tax

Deferred tax assets are recognized for tax loss carryforwards only when their future recovery is considered probable

Deferred tax assets arising from tax loss carryforwards and deductible temporary differences are assessed based on taxable profit projections over a period of five years in every tax jurisdiction.

3.2 Critical judgments

For several years, the Group has sold receivables under no-recourse agreements involving the transfer of title. Accordingly, these receivables are no longer recognized in the financial statements of the relevant entities.

IAS 39 ï Financial Instruments: Recognition and Measurement, which deals with the derecognition of financial assets, including trade receivables, requires entities to base their analysis on the following three criteria:

- Whether the entity has transferred the contractual rights to receive the cash flows of the financial asset.
- Whether the entity has transferred substantially all the risks and rewards of ownership of the financial asset.
- Whether the entity has retained control of the financial asset.

Based on Chargeurs' analysis of the sale contracts in relation to these three criteria, it was deemed prudent to keep these receivables in the consolidated statement of financial position and to record a liability for the amount of the cash proceeds received. The receivables are covered by credit insurance, with the Chargeurs Group entities only retaining risks relating to foreign exchange, dilution and payment delays.

This presentation is unchanged from 2005, but may change in the future based on amendments to contracts or changes in sale procedures.

4. Significant events

4.1 Acquisitions ï Disposals

There were no changes in the scope of consolidation during first-half 2015.

4.2 Other

Since January 1, 2015, Chargeurs has analyzed its business according to four business segments to provide a better view of its performance. The newly introduced segment, Chargeurs Technical Substrates, functionalizes fabric-based and other technical substrates used in such fast growing markets such as advertising, decoration and safety.

Chargeurs Technical Substrates had previously been included in the Chargeurs Interlining segment but in light of the segment's very good performance and growth prospects, management decided to track it separately. The internal reporting process has been updated to reflect the new system.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

5. Goodwill and other intangible assets

a) Movements in goodwill related to fully consolidated companies can be analyzed as follows:

(in euro millions)	Chargeurs Protective Films	Chargeurs Technical Substrates	Chargeurs Interlining (excluding Yak and Etacol)	Etacol	Total
December 31, 2013	**46.9**	**-**	**13.6**	**3.3**	**63.8**
Additions	-	-	-	-	**-**
Impairment	-	-	-	**-**	**-**
Translation adjustment	0.5	-	-	**-**	**0.5**
June 30, 2014	**47.4**	**-**	**13.6**	**3.3**	**64.3**
December 31, 2014	**53.1**	**-**	**13.6**	**3.7**	**70.4**
Additions	-	-	-	-	**-**
Impairment	-	-	(0.1)	**-**	**(0.1)**
Translation adjustment	4.4	-	-	**0.4**	**4.8**
Other	-	11.0	(11.0)	**-**	**-**
June 30, 2015	**57.5**	**11.0**	**2.5**	**4.1**	**75.1**

Reallocation of Chargeurs Interlining goodwill

Chargeurs now analyzes its business according to four business segments (see note 4), with the new Chargeurs Technical Substrates business broken out from the Interlining business line. As part of this process, Chargeurs Interlining's goodwill was tested for impairment and ú11 million was reallocated to Chargeurs Technical Substrates.

Impairment of goodwill

During first-half 2015, the slowdown both in the Chinese economy and in certain markets served by Chargeurs Interlining's China-based CGU (comprising the 51%-owned Chargeurs Yak Trading JV and the 49%-owned Ningbo Lailong Bertero Interlining Co. Ltd) prompted Chargeurs to test the CGU's goodwill for impairment as at June 30, 2015.

After these tests revealed that the CGU's book value exceeded its recoverable amount, Chargeurs decided to write off all of the unit's goodwill, in the amounts of ú0.1 million on intangible assets and of ú10.5 million on investments in associates and joint ventures (see note 8).

The CGU's recoverable amount was determined based on value-in-use calculations, using the five-year cash flow projections contained in the business plans approved by management, as adjusted to comply with IAS 36. Cash flows beyond this five-year period were extrapolated by using the estimated growth rates shown below.

The uncertain economic environment has been taken into account in the CGUsô business plans, with a prudent approach adopted for growth and therefore revenue and profitability forecasts. Projections assume reasonable growth in the Groupôs profitability indicators over the duration of the plans.

The assumptions used at June 30, 2015 remained unchanged from December 31, 2014, i.e., a perpetuity growth rate of 1% and a discount rate of 8.17%.

b) Other intangible assets

(in euro millions)	Trademarks and patents	Development costs	Licenses	Other	Total
December 31, 2013	**0.4**	**0.9**	**0.3**	**0.9**	**2.5**
Additions(*)	-	-	-	0.2	**0.2**
Amortization	-	(0.2)	-	(0.1)	**(0.3)**
Other	-	(0.1)	(0.1)	0.2	**-**
Translation adjustment	-	-	-	-	**-**
June 30, 2014	**0.4**	**0.6**	**0.2**	**1.2**	**2.4**

(in euro millions)	Trademarks and patents	Development costs	Licenses	Other	Total
December 31, 2014	**0.6**	**0.5**	**0.3**	**0.8**	**2.2**
Additions	-	-	-	0.6	**0.6**
Amortization	-	(0.1)	-	(0.2)	**(0.3)**
Other	-	-	-	-	**-**
Translation adjustment	-	-	-	-	**-**
June 30, 2015	**0.6**	**0.4**	**0.3**	**1.2**	**2.5**

(*) Of which €0.2 million corresponding to assets acquired under finance leases.

6. Property, plant and equipment

Changes in the carrying amount of property, plant and equipment can be analyzed as follows:

(in euro millions)	Land	Buildings	Plant and equipment	Fixtures and fittings	Assets under construction	Total
December 31, 2013	**2.6**	**11.6**	**18.2**	**3.9**	**1.2**	**37.5**
Additions (*)	-	-	14.1	0.1	1.4	15.6
Disposals	-	-	(0.8)	-	-	(0.8)
Depreciation	-	(0.8)	(3.2)	(0.4)	-	(4.4)
Impairment	-	-	-	-	-	-
Other	-	-	-	0.3	(0.6)	(0.3)
Translation adjustment	-	-	(0.2)	-	(0.1)	(0.3)
June 30, 2014	**2.6**	**10.8**	**28.1**	**3.9**	**1.9**	**47.3**

(*) Of which €13.1 million corresponding to assets acquired under finance leases.

(in euro millions)	Land	Buildings	Plant and equipment	Fixtures and fittings	Assets under construction	Total
December 31, 2014	**2.6**	**10.7**	**31.6**	**3.9**	**1.5**	**50.3**
Additions	-	0.2	4.1	0.2	1.8	6.3
Disposals	-	-	(0.1)	-	-	(0.1)
Depreciation	-	(0.9)	(3.7)	(0.2)	-	(4.8)
Impairment	-	-	-	-	-	-
Other	-	0.1	0.5	0.1	(0.7)	-
Translation adjustment	0.1	0.4	0.6	-	-	1.1
June 30, 2015	**2.7**	**10.5**	**33.0**	**4.0**	**2.6**	**52.8**

7. Finance leases

The carrying amount of property, plant and equipment acquired under finance leases is as follows:

(in euro millions)	June 30, 2015	December 31, 2014
Land	1.2	1.2
Buildings	19.5	19.5
Plant and equipment	31.3	31.1
Fixtures, fittings and other	7.0	7.0
Gross value	**59.0**	**58.8**
Accumulated depreciation	**(41.3)**	**(39.3)**
Net value	**17.7**	**19.5**

Future minimum lease payments under finance leases and the carrying amount of the corresponding liabilities can be analyzed as follows:

(in euro millions)	June 30, 2015	December 31, 2014
Future minimum lease payments under finance leases	23.0	25.9
Finance lease liabilities	20.9	23.2
Future finance cost	**2.1**	**2.7**

Future lease payments can be analyzed by maturity as follows:

(in euro millions)	Future minimum lease payments	Finance lease liabilities
Due in less than one year	5.4	4.7
Due in one to five years	15.4	14.1
Due in more than five years	2.2	2.1
Total at June 30, 2015	**23.0**	**20.9**
Due in less than one year	5.5	4.6
Due in one to five years	17.4	15.8
Due in more than five years	3.0	2.8
Total at December 31, 2014	**25.9**	**23.2**

The main finance leases correspond to sale-and-leaseback transactions on real estate and to equipment leases for machinery. Financing is generally obtained for periods ranging from six to fifteen years and corresponds to secured debt.

8. Investments in associates and joint ventures

a) Companies

<u>Interlining</u>
Ningbo Lailong Bertero Interlining Co. Ltd

<u>Wool</u>

CW Uruguay includes Lanera Santa Maria SA and its subsidiary, Hart Newco, and Lanas Trinidad SA.

CW Argentina comprises Chargeurs Wool (Argentina) SA and its subsidiary, Peinaduría Río Chubut.

Zhangjiagang Yangtse Wool Combing Co. Ltd comprises Zhangjiagang Yangtse Wool Combing Co. Ltd and Yangtse (Australia) Pty Ltd.

Investments in associates and joint ventures can be analyzed as follows:

(in euro millions)	**Equity in net assets**		**Equity in profit/(loss)**	
	June 30, 2015	December 31, 2014	June 30, 2015	June 30, 2014
Ningbo Lailong Bertero Interlining Co. Ltd	3.5	13.2	(10.5)	-
CW Uruguay	7.5	6.8	0.1	0.1
CW Argentina	2.0	1.8	-	0.2
Zhangjiagang Yangtse Wool Combing Co Ltd	5.1	4.8	(0.3)	(0.4)
Other	-	0.1	-	-
Total joint ventures	**18.1**	**26.7**	**(10.7)**	**(0.1)**
USA Wool	0.5	0.4	-	-
Total associates	**0.5**	**0.4**	**-**	**-**
Total investments in associates and joint ventures	**18.6**	**27.1**	**(10.7)**	**(0.1)**

(in euro millions)	Ningbo Lailong Bertero Interlining Co. Ltd	CW Uruguay	CW Argentina	Zhangjiagang Yangtse Wool Combing Co Ltd	Other	Total
January 1, 2014	**12.6**	**5.8**	**1.6**	**5.3**	**0.4**	**25.7**
Share of profit/(loss) for the period	-	0.1	0.2	(0.4)	-	(0.1)
Dividends received	(0.7)	-	-	-	-	(0.7)
Translation adjustment	(0.2)	-	(0.2)	0.1	-	(0.3)
June 30, 2014	**11.7**	**5.9**	**1.6**	**5.0**	**0.4**	**24.6**

(in euro millions)	Ningbo Lailong Bertero Interlining Co. Ltd	CW Uruguay	CW Argentina	Zhangjiagang Yangtse Wool Combing Co Ltd	Other	Total
January 1, 2015	**13.2**	**6.8**	**1.8**	**4.8**	**0.5**	**27.1**
Share of profit/(loss) for the period(*)	(10.5)	0.1	-	(0.3)	-	(10.7)
Dividends received	(0.3)	-	-	-	-	(0.3)
Other	-	-	-	0.3	-	0.3
Translation adjustment	1.1	0.6	0.2	0.3	-	2.2
June 30, 2015	**3.5**	**7.5**	**2.0**	**5.1**	**0.5**	**18.6**

(*) See note 5: Impairment of goodwill

b) Key figures for the main equity-accounted companies

Key figures for material joint ventures are presented below (on a 100 % basis):

(in euro millions)	June 30, 2015				December 31, 2014			
	Ningbo Lailong Bertero Interlining Co. Ltd	CW Uruguay	CW Argentina	Zhangjiagang Yangtse Wool Combing Co Ltd	Ningbo Lailong Bertero Interlining Co. Ltd	CW Uruguay	CW Argentina	Zhangjiagang Yangtse Wool Combing Co Ltd
Non-current assets	3.2	3.9	2.0	6.1	3.2	3.7	1.7	5.4
Current assets	5.8	41.5	14.7	25.7	5.0	42.8	13.6	32.3
Cash and cash equivalents	1.0	0.7	0.7	3.8	0.7	0.9	0.5	2.1
Non-current financial liabilities	-	-	-	-	-	-	-	-
Other non-current liabilities	0.7	0.1	0.4	-	0.6	0.1	0.3	0.1
Current financial liabilities	-	24.7	10.5	9.9	-	24.8	8.1	11.2
Other current liabilities	2.2	6.3	2.4	15.5	1.0	8.9	3.8	18.1
Total net assets	**7.1**	**15.0**	**4.1**	**10.3**	**7.3**	**13.6**	**3.6**	**10.4**
Percentage of interest	49%	50%	50%	50%	49%	50%	50%	50%
Group share	3.5	7.5	2.0	5.1	3.6	6.8	1.8	5.2
Goodwill	-	-	-	-	9.6	-	-	(0.4)
Carrying amount	**3.5**	**7.5**	**2.0**	**5.1**	**13.2**	**6.8**	**1.8**	**4.8**

(in euro millions)	Six months ended June 30, 2015				Six months ended June 30, 2014			
	Ningbo Lailong Bertero Interlining Co. Ltd	CW Uruguay	CW Argentina	Zhangjiagang Yangtse Wool Combing Co Ltd	Ningbo Lailong Bertero Interlining Co. Ltd	CW Uruguay	CW Argentina	Zhangjiagang Yangtse Wool Combing Co Ltd
Revenue	4.4	34.3	8.4	21.5	3.3	24.0	6.6	19.2
Depreciation, amortization and impairment	(0.3)	(0.3)	-	(0.7)	(0.3)	(0.3)	-	(0.9)
Finance costs, net	-	(0.7)	(0.9)	(0.4)	-	(0.2)	(0.4)	(0.3)
Income tax expense	-	-	-	-	-	-	-	0.1
Profit/(loss) from continuing operations	**-**	**0.2**	**-**	**(0.7)**	**-**	**0.1**	**0.3**	**(0.8)**
Percentage of interest	49%	50%	50%	50%	49%	50%	50%	50%
Impairment of goodwill(*)	(10.5)	-	-	-	-	-	-	-
Group share of profit/(loss)	**(10.5)**	**0.1**	**-**	**(0.3)**	**-**	**0.1**	**0.2**	**(0.4)**

(*) See note 5: Impairment of goodwill

9. Deferred taxes

a) Analysis by probable recovery/settlement date (before netting asset and liability positions)

(in euro millions)	June 30, 2015	December 31, 2014
Deferred tax assets		
- recoverable beyond 12 months	18.9	8.7
- recoverable within 12 months	11.2	11.2
Deferred tax liabilities, net		
- to be settled beyond 12 months	(6.2)	(5.8)
- to be settled within 12 months	(0.6)	(0.6)
Total	**23.3**	**13.5**

b) Analysis by source (before netting asset and liability positions)

(in euro millions)	June 30, 2015	December 31, 2014
Deferred tax assets:		
- deductible temporary differences	12.1	12.2
- tax loss carryforwards and tax credits	18.0	7.7
Deferred tax liabilities:		
- taxable temporary differences	(6.8)	(6.4)
Total	**23.3**	**13.5**

Based on the updated taxable profit projections, the tax assets arising from group relief in France, tax loss carryforwards and deductible temporary differences, amounted to ú16.7 million at June 30, 2015 and ú6.9 million at December 31, 2014.

No deferred tax assets have been recognized for a significant portion of the Group's evergreen losses.

10. Inventories and work-in-progress

Inventories and work-in-progress can be analyzed as follows:

(in euro millions)	June 30, 2015	December 31, 2014
Gross value		
Raw materials and supplies	32.1	37.5
Finished and semi-finished goods and work-in-progress	71.9	65.5
Other	0.3	0.5
Total – gross value	**104.3**	**103.5**
Provisions for impairment	(5.0)	(5.3)
Net value	**99.3**	**98.2**

(in euro millions)	June 30, 2015	December 31, 2014
Provisions for impairment at beginning of period	**(5.3)**	**(5.0)**
Increase in provisions for impairment of inventory	(0.9)	(1.6)
Reversals of provisions used	0.7	1.0
Reversals of surplus provisions	0.7	0.5
Transfers to assets held for sale	-	-
Changes in scope of consolidation	-	-
Translation adjustment	(0.2)	(0.2)
Provisions for impairment at end of period	**(5.0)**	**(5.3)**

11. Trade receivables

(in euro millions)	June 30, 2015	December 31, 2014
Trade receivables		
Gross value	58.3	50.6
Provisions for impairment	(6.0)	(6.4)
Net	**52.3**	**44.2**

As these receivables are all short term and do not bear interest, changes in interest rates do not generate any material interest rate risk.

Given their short maturities, their fair value may be considered to be close to their carrying amount.

Factored receivables (IAS 39)

At June 30, 2015, certain receivables had been sold under no-recourse agreements with factoring companies in France and abroad. These receivables are still shown in Chargeursô consolidated statement of financial position even though they have been sold and despite the fact that title has been transferred to the factoring company (see note 3.2).

The amounts paid by the factoring companies for receivables totaled ú53.0 million at June 30, 2015 (ú43.9 million at December 31, 2014).

12. Other receivables

(in euro millions)	**June 30, 2015**	**December 31, 2014**
Short-term tax receivables	0.1	0.5
Other receivables	26.4	24.2
Accruals	1.9	1.6
Provisions for impairment	(1.6)	(1.6)
Net	**26.8**	**24.7**

The fair value of these assets approximates their carrying amount.

13. Cash and cash equivalents

Cash and cash equivalents analyzed in the statement of cash flows break down as follows:

(in euro millions)	**June 30, 2015**	**December 31, 2014**
Marketable securities	26.7	16.1
Term deposits	0.9	1.1
Sub-total	**27.6**	**17.2**
Cash at bank	41.3	55.5
Total	**68.9**	**72.7**

14. Equity

All Chargeurs shares have been called and are fully paid-up.
Changes in the number of shares outstanding since December 31, 2013 are as follows:

Shares outstanding at December 31, 2013	**14,340,575**
Issuance of shares on conversion of bonds	1,680,736
Shares outstanding at December 31, 2014	**16,021,311**
Issuance of shares on conversion of bonds	2,341,440
Shares outstanding at June 30, 2015	**18,362,751**

Based on a par value of ú0.16 per share, Chargeurs SAôs share capital amounted to ú2,938,040 at June 30, 2015 (December 31, 2014: ú2,563,410).

a) Conversion of bonds into shares

During first-half 2015, 73,170 bonds were converted into shares. The aggregate par value of the shares issued on conversion was ú0.3 million and the aggregate premium was ú3.7 million, representing a total increase in equity of ú4.0 million.

	June 30, 2015	December 31, 2014
1 – Number of convertible bonds		
At beginning of period	218,069	272,393
Number of bonds converted during the period	73,170	54,324
At end of period	**144,899**	**218,069**
2 – Number of shares issued on conversion of bonds		
At beginning of period	5,644,214	3,963,478
Shares issued on conversions for the period	365,850	1,466,748
Shares issued in payment of interest	1,975,590	213,988
At end of period	**7,985,654**	**5,644,214**
3 – Number of shares potentially issuable between June 30, 2015 and January 1, 2016		
Minimum number of shares	878,088	1,321,498
Maximum number of shares	4,636,768	6,978,208
4 – Maximum number of shares potentially issuable between June 30, 2015 and January 1, 2016		
Maximum number of shares issuable on conversion of bonds	4,636,768	6,978,208
Shares outstanding at June 30	18,362,751	16,021,311
Total	**22,999,519**	**22,999,519**

b) Treasury stock

There were no movements in treasury stock during first-half 2015.

c) Other reserves

At June 30, 2015 "Other reserves" included:

- cumulative net gains on cash flow hedges for ú1.5 million, compared with a net loss of ú0.4 million a year earlier.
- net actuarial losses on post-employment benefit obligations for ú4.8 million, versus a net ú5.8 million loss at December 31, 2014 (see note 17).

15. Convertible bonds

a) Description of the operation

In April 2010, Chargeurs SA issued 415,083 subordinated convertible bonds with a nominal value of ú55, with pre-emptive subscription rights for existing shareholders.

The principal terms of this bond issue are described in note 18 to the 2014 consolidated financial statements.

The prospectus for the issue, which was approved by the AMF under visa number 10-044 on March 11, 2010, may be viewed on the Chargeurs and AMF websites (http://chargeurs.fr/fr/content.lobligation-convertible).

b) Accounting treatment

The market interest rate used on initial recognition of the bonds in 2010 to calculate the fair value of the debt and the initial breakdown between the bonds' equity and liability components are presented below:

- Market interest rate used to calculate fair value: 5.35%.
- Equity component of the convertible bonds: ú4.6 million.
- Fair value of the liability component on the issue date: ú16.8 million.

A total of 73,170 bonds were converted in 2015, leading to a ú4.0 million decrease in the outstanding debt and a corresponding increase in equity, including ú0.3 million added to share capital and ú3.7 million recorded in the share premium account.

As of June 30, 2015:

- The outstanding convertible bond debt of ú7.6 million (ú11.2 million at December 31, 2014) is now presented under current liabilities as it must be repaid in full before January 1, 2016.
- The effective interest rate was 7.2% and the finance cost for the period was ú0.4 million.

16. Borrowings

a) Net debt (net cash)

(in euro millions)	**June 30, 2015**	**December 31, 2014**	**Effective interest rate June 30, 2015**
Bank borrowings	44.0	48.7	3.1%
Bank overdrafts	15.1	14.7	
Total borrowings	**59.1**	**63.4**	
Cash and cash equivalents	(68.9)	(72.7)	
Net cash	**(9.8)**	**(9.3)**	

b) Borrowings

Chargeurs' financial liabilities fulfill the criteria for classification as "Other financial liabilities". Borrowings are measured using the amortized cost method.

(in euro millions)	June 30, 2015	December 31, 2014
Bank borrowings	23.1	25.5
Finance lease liabilities	20.9	23.2
Total	**44.0**	**48.7**

Long-term debt can be analyzed as follows by maturity:

(in euro millions)	June 30, 2015	Of which fixed rate	Of which variable rate	December 31, 2014	Of which fixed rate	Of which variable rate
Due in less than one year	6.1	4.2	1.9	6.7	4.0	2.7
Due in one to two years	6.1	4.3	1.8	5.9	4.0	1.9
Due in two to three years	5.4	4.2	1.2	5.7	4.3	1.4
Due in three to four years	19.9	18.0	1.9	20.7	3.9	16.8
Due in four to five years	2.7	1.2	1.5	3.8	1.9	1.9
Due in more than five years	3.8	1.9	1.9	5.9	1.8	4.1
Total	**44.0**	**33.8**	**10.2**	**48.7**	**19.9**	**28.8**

The carrying amount of variable-rate borrowings approximates their fair value in view of the interest rates applied.

At June 30, 2015, the carrying amount of borrowings originally contracted at fixed rates was ú33.8 million. Average fixed-rate borrowings represented 44.2% of total average borrowings in first-half 2015, compared to 47.8 % in 2014.

The average interest rate on long-term borrowings was 3.1% at June 30, 2015 and 5.1% at December 31, 2014.

The cost of medium-term borrowings declined in first-half 2015, reflecting the reduction in gross debt over the period and the refinancing arranged following the Company's release from the debt restructuring agreement in June 2014. In one example, the ú15-million loan contracted by Chargeurs SA in December 2014 helped to refinance existing facilities on more attractive terms and to finance development projects. The loan's hard covenants (net debt/equity <= 0.55 and net debt/EBITDA <= 3.5) were complied with at June 30, 2015.

Long and medium-term borrowings at June 30, 2015 break down as follows by repayment currency:

(in euro millions)	June 30, 2015	December 31, 2014
Euro	43.2	47.8
US dollar	-	-
Other	0.8	0.9
Total	**44.0**	**48.7**

17. Pension and other long-term employee benefit obligations

The total expense recognized in first-half 2015 for pension and other long-term employee benefit obligations was ú0.5 million, of which ú0.3 million was recorded in operating profit and ú0.2 million as a financial expense.

United States: actuarial gains and losses arising during the first half of 2015 were estimated based on sensitivity tests performed at December 31, 2014, using a discount rate of 4.5% compared with 3.97% in 2014. A net actuarial gain of ú0.6 million was recognized for the period.

Europe: actuarial gains and losses arising during the first half of 2015 were estimated based on sensitivity tests performed at December 31, 2014, using a discount rate of 2% compared with 1.5% in 2014. A net actuarial gain of ú0.4 million was recognized for the period.

18. Provisions

Provisions can be analyzed as follows:

(in euro millions)	June 30, 2015	December 31, 2014
Long-term provisions	0.4	0.4
Short-term provisions(*)	0.3	0.4
Total	**0.7**	**0.8**

(*) Classified as "Other payables".

Movements in provisions:

(in euro millions)	Long-term provisions	Short-term provisions	Total
January 1, 2014	**0.4**	**2.0**	**2.4**
Additions	0.1	0.1	**0.2**
Reversals of provisions used	-	(0.5)	**(0.5)**
Reversals of surplus provisions	-	(0.7)	**(0.7)**
Other	-	-	**-**
Translation adjustment	-	-	**-**
June 30, 2014	**0.5**	**0.9**	**1.4**
January 1, 2015	**0.4**	**0.4**	**0.8**
Additions	-	-	**-**
Reversals of provisions used	-	-	**-**
Reversals of surplus provisions	-	(0.1)	**(0.1)**
Transfers to assets held for sale	-	-	**-**
Other	-	-	**-**
Translation adjustment	-	-	**-**
June 30, 2015	**0.4**	**0.3**	**0.7**

(in euro millions)	June 30, 2015	December 31, 2014
Provisions for industrial restructuring costs	-	-
Provisions for other contingencies	0.7	0.8
Total	**0.7**	**0.8**

Cash outflows covered by provisions for other contingencies will amount to ú0.3 million in 2015 and ú0.4 million in subsequent years.

19. Other non-current liabilities, other payables and factoring liabilities

"Other non-current liabilities" include a ú8.0 million guarantee received in respect of a license.

Receivables sold under no-recourse agreements are shown in the statement of financial position in an amount of ú53.0 million (see note 11), with the corresponding liability recorded under "Factoring liabilities".

NOTES TO THE INCOME STATEMENT

20. Other operating income and expenses

Other operating income and expenses can be analyzed as follows:

	Six months ended June 30	
(in euro millions)	**2015**	**2014**
Gains and losses on disposal of non-current assets	-	0.1
Impairment of goodwill	(0.1)	-
Restructuring costs	(0.5)	(0.3)
Write-offs of fixed assets	(0.1)	-
Other	(0.5)	-
Total	**(1.2)**	**(0.2)**

21. Employee information

a) Number of employees

The average number of employees of fully consolidated subsidiaries was as follows in first-half 2015 and full-year 2014:

	June 30, 2015	December 31, 2014
Employees in France	518	519
Employees outside France	1,033	1,062
Total employees	**1,551**	**1,581**

b) Payroll costs

Payroll costs and discretionary profit-shares are recorded in cost of sales, distribution costs, administrative expenses and research and development costs.

22. Finance costs and other financial income and expenses

	Six months ended June 30	
(in euro millions)	**2015**	**2014**
- Finance costs	(1.8)	(2.2)
- Interest income on loans and investments	0.3	0.4
Finance costs, net	**(1.5)**	**(1.8)**
Factoring cost	**(0.5)**	**(0.5)**
- Convertible bond interest cost	(0.4)	(0.5)
- Proceeds from the disposal of subsidiaries	-	-
- Interest expense on employee benefits	(0.2)	(0.3)
- Exchange gains and losses	0.1	-
- Fair value adjustments to investments in non-consolidated con	-	-
- Fair value adjustments to financial instruments	0.1	-
- Other	-	0.2
Other financial income and expenses	**(0.4)**	**(0.6)**
Finance costs and other financial income and expenses, net	**(2.4)**	**(2.9)**

23. Income tax

The income tax expense reported in the income statement may be analyzed as follows.

	Six months ended June 30	
(in euro millions)	**2015**	**2014**
Current taxes	(2.7)	(2.0)
Deferred taxes	9.5	(0.3)
Total	**6.8**	**(2.3)**

The table below reconciles the Group's actual tax charge to the theoretical tax charge that would apply based on the weighted average tax rate of the consolidated companies (which is similar to the French tax rate):

	Six months ended June 30	
(in euro millions)	**2015**	**2014**
Income tax expense for the period	6.8	(2.3)
Standard French income tax rate	33.33%	33.33%
Tax at the standard rate	(4.0)	(3.0)
Difference between income tax expense for the period and tax at the standard rate	**10.8**	**0.7**
Effect of differences in foreign tax rates	0.1	-
Effect of permanent differences between book profit and taxable profit	(0.1)	(0.1)
Change in tax assets recognized for tax losses:		
- Reversals of valuation allowances on tax loss carryforwards recognized in prior periods(*)	9.7	-
- Utilizations of tax loss carryforwards covered by valuation allowances and deferred tax assets for tax loss carryforwards recognized during the current period	1.9	1.5
- Effect of unrelieved tax losses	(0.3)	(0.2)
- Valuation allowance on deferred tax assets (tax loss carryforwards arising in prior periods)	-	-
Other	(0.5)	(0.5)
Difference between income tax expense for the period and tax at the standard rate	**10.8**	**0.7**

(*) See note 9: Deferred taxes

24. Earnings per share

Basic earnings per share are calculated by dividing profit attributable to owners of the parent by the weighted average number of shares outstanding during the period. The Group reported basic earnings per share of ú0.47 for first-half 2015.

	Basic earnings per share	**Diluted earnings per share**
Profit from continuing operations *(in euro millions)*	8.0	8.4
Weighted average number of shares outstanding	17,095,742	21,732,510
Earnings for share for the six months ended June 30, 2015 in euros	**0.47**	**0.39**

As a result of the convertible bond issue, diluted earnings per share were determined by taking into account potential ordinary shares at June 30, 2015 and by adjusting profit to exclude the interest paid on the bonds. On this basis, diluted earnings per share for the period came to ú0.39.

ADDITIONAL INFORMATION

25. Information by business segments

Chargeurs now analyzes its business according to four business segments (see note 4). In accordance with IFRS 8, the comparative periods have been restated.

25.1 *Profits and losses by business segment*

At June 30, 2015 *(in euro millions)*	Chargeurs Protective Films	Chargeurs Technical Substrates	Chargeurs Interlining	Chargeurs Wool	Non-operating	Inter-segment eliminations	Consolidated
Revenue	**113.6**	**9.8**	**79.7**	**53.5**	**-**	**-**	**256.6**
Recurring operating profit/(loss)	**11.0**	**1.5**	**2.8**	**1.5**	**(1.2)**	**-**	**15.6**
Operating profit/(loss)	**11.0**	**1.5**	**2.0**	**1.5**	**(1.6)**	**-**	**14.4**
Finance costs and other financial income and expenses, net							(2.4)
Share of profit/(loss) of associates							(10.7)
Pre-tax profit for the period							**1.3**
Income tax							6.8
Profit from continuing operations							**8.1**
Profit/(loss) from discontinued operations							**-**
Profit for the period							**8.1**

At June 30, 2014 *(in euro millions)*	Chargeurs Protective Films	Chargeurs Technical Substrates	Chargeurs Interlining	Chargeurs Wool	Non-operating	Inter-segment eliminations	Consolidated
Revenue	**103.5**	**7.7**	**76.4**	**56.3**	**-**	**-**	**243.9**
Recurring operating profit/(loss)	**8.9**	**0.9**	**2.0**	**1.5**	**(1.3)**	**-**	**12.0**
Operating profit/(loss)	**8.8**	**0.9**	**1.9**	**1.5**	**(1.3)**	**-**	**11.8**
Finance costs and other financial income and expenses, net							(2.9)
Share of profit/(loss) of associates							(0.1)
Pre-tax profit for the period							**8.8**
Income tax expense							(2.3)
Profit from continuing operations							6.5
Profit/(loss) from discontinued operations							-
Profit for the period							**6.5**

25.2 *Additional information by business segment*

At June 30, 2015 *(in euro millions)*	Chargeurs Protective Films	Chargeurs Technical Substrates	Chargeurs Interlining	Chargeurs Wool	Non-operating	Consolidated
Depreciation of property, plant and equipment	(2.3)	(0.3)	(2.2)	-	-	(4.8)
Impairment:						
- Goodwill	-	-	(0.1)	-	-	(0.1)
- Property, plant and equipment	-	-	-	-	-	-
Impairment:						
- Inventories	(0.7)	(0.1)	(0.1)	-	-	(0.9)
- Trade receivables	-	-	0.4	-	-	0.4
Restructuring costs	-	-	(0.5)	-	-	(0.5)

At June 30, 2014 *(in euro millions)*	Chargeurs Protective Films	Chargeurs Technical Substrates	Chargeurs Interlining	Chargeurs Wool	Non-operating	Consolidated
Depreciation of property, plant and equipment	(2.2)	(0.2)	(2.0)	-	-	(4.4)
Impairment:						
- Goodwill	-	-	-	-	-	-
- Property, plant and equipment	-	-	-	-	-	-
Impairment:						
- Inventories	(0.6)	-	(0.4)	-	-	(1.0)
- Trade receivables	(0.2)	-	0.3	-	-	0.1
Restructuring costs	(0.1)	-	(0.2)	-	-	(0.3)

25.3 Segment assets and liabilities

At June 30, 2015 *(in euro millions)*	**Chargeurs Protective Films**	**Chargeurs Technical Substrates**	**Chargeurs Interlining**	**Chargeurs Wool**	**Non-operating**	**Total**
Assets[a]	155.2	23.5	105.7	50.6	21.9	356.9
Liabilities[b]	73.8	9.0	45.5	21.3	3.8	153.4
Capital employed	**81.4**	**14.5**	**60.2**	**29.3**	**18.1**	**203.5**
Purchases of assets	2.1	3.0	1.8	-	-	6.9

At December 31, 2014 *(in euro millions)*	**Chargeurs Protective Films**	**Chargeurs Technical Substrates**	**Chargeurs Interlining**	**Chargeurs Wool**	**Non-operating**	**Total**
Assets[a]	138.1	24.1	103.6	56.3	12.9	335.0
Liabilities[b]	68.5	6.8	42.0	27.6	5.5	150.4
Capital employed	**69.6**	**17.3**	**61.6**	**28.7**	**7.4**	**184.6**
Purchases of assets	15.9	3.2	3.0	-	-	22.1

(a) Excluding cash and cash equivalents and receivables sold to factoring companies.
(b) Excluding equity attributable to owners of the parent, borrowings (convertible bonds, long-term borrowings, short-term portion of long-term borrowings and short-term bank loans and overdrafts) and factoring liabilities.
(*) Intangible assets are now included in this line. The figures at December 31, 2014 have been modified accordingly.

26. Related party transactions

Transactions with equity-accounted companies

In first-half 2015, the main transactions with companies accounted for by the equity method concerned:

- Purchases from the Chinese company Ningbo Lailong Bertero Interlining Co. Ltd., which were recognized by Chargeurs Interlining under cost of sales in an amount of ú4.2 million.
- Purchases from Lanas Trinidad, Chargeurs Wool Argentina and Zhangjiagang Yangtse Wool Combing Co. Ltd and its subsidiary Yangstse Pty Ltd., which were recognized by Chargeurs Wool under cost of sales in an amount of ú21.9 million.

27. Commitments and contingencies

Commercial commitments

At June 30, 2015, Chargeurs and its subsidiaries had given firm commitments to purchase manufacturing assets representing an aggregate amount of ú0.5 million (December 31, 2014: ú6.6 million).

Guarantees

At June 30, 2015, Chargeurs and its subsidiaries had given guarantees for a total of ú0.2 million.

Collateral

At June 30, 2015, Chargeurs and its subsidiaries had granted collateral representing a total of ú3.4 million.

Commitments under non-cancelable medium-term operating leases

Chargeurs and its subsidiaries no longer have any material commitments under operating leases.

Legal risks

In 2010, the Company was summoned on several occasions to appear before the French Employment Tribunal due to claims lodged by individuals previously employed and laid off by companies in which Chargeurs held an indirect interest. The total amount of these claims represented around ú5.5 million. They were initially dismissed by the Employment Tribunal but in late 2010 the former employees filed a new claim against the Company on the same grounds, but for double the amount.

In the first half of 2011, new Employment Tribunal claims were lodged against the Company on the same grounds for an additional amount of about ú0.8 million. On February 20, 2014, all of the above claims filed by former employees were rejected by the judge to whom the cases had been referred by the Employment Tribunal (*juge départiteur*). In December 2014, the Company was informed of an appeal lodged in April 2014 and scheduled to be heard in March 2016. The Company continues to consider that these claims are totally without merit.

Tax and customs risks

In early February 2011, a subsidiary received a ú0.8 million tax reassessment, corresponding to excise duty on energy products for the years 2007 to 2010. The Company formally contested this reassessment on April 11, 2011. A judgment in favor of the Company was issued in June 2014, which the tax authorities appealed. The appeal was rejected in May 2015. The Group is now awaiting the decision of the customs authorities following the ruling.

28. Subsequent events

No significant events occurred between June 30, 2015 and the date on which these financial statements were approved for issue.

29. Seasonal fluctuations in business

Seasonal fluctuations in business do not have a material impact on the Group's financial statements.

CHARGEURS

RELATED PARTY TRANSACTIONS

A description of related party transactions is provided in Note 26 to the condensed interim consolidated financial statements for the first-half of 2015. Related parties are companies that are up to 50%-owned under cooperation agreements. Chargeurs having significant influence over their management, those companies are therefore accounted for by the equity method. Those companies are industrial and sales companies.

During the first-half 2015, there were no material changes in the nature and volume of related party transactions.

August 26, 2015

CHARGEURS

STATEMENT BY THE PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT

I declare that, to the best of my knowledge, (i) the condensed financial statements for the six months ended June 30, 2015 have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the consolidated companies, and (ii) the interim management report includes a fair review of significant events of the past six months, their impact on the interim financial statements and the main related party transactions for the period, as well as a description of the main risks and uncertainties in the second half of the year.

Paris, August 26, 2015

Martine Odillard
Chief Executive Officer

PricewaterhouseCoopers Audit
63, rue de Villiers
92908 Neuilly-sur-Seine Cedex

S & W Associés
8, avenue du Président Wilson
75116 Paris

Statory AuditorsôReview Report
on the Interim Financial Information

This is a free translation into English of the Statutory Auditorsô review report on the half-yearly consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking readers. This report also includes information relating to the specific verification of information given in the Groupôs interim management report. This report should be read in conjunction with and construed in accordance with French law and professional standards applicable in France.

To the Shareholders,
CHARGEURS
112, avenue Kléber
75116 Paris

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of article L. 451-1-2 III of the French monetary and financial code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed interim consolidated financial statements of Chargeurs, for the six months ended June 30th, 2015;
- the verification of the information contained in the interim management report.

These condensed interim consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that the financial statements, taken as a whole, are free from material misstatements, as we would not become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - the standard of IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information provided in the interim management report on the condensed interim consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed interim consolidated financial statements.

Neuilly-sur-Seine and Paris, August 26, 2015
The Statutory Auditors
French original signed by:

PricewaterhouseCoopers Audit	S & W Associés
Eric Bertier	Virginie Coniau