2015

ANNUAL REPORT

" SPECIALITY MATERIALS WORLDWIDE "

CHARGEURS

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Chargeurs is a global champion in the production of specialty materials. FUNDAMENTALS Chargeurs has global leadership positions in its four core businesses – Chargeurs Protective Films, Chargeurs Fashion Technologies, Chargeurs Technical Substrates and Chargeurs Wool. Chargeurs' dynamism is built on robust fundamentals, including a widely recognized manufacturing heritage, an incomparable global market footprint, disciplined, efficient management, long-term shareholder impetus, a robust balance sheet and a remarkable ability to seize growth opportunities with the support of engaged employees. INSPIRATION Since our founding in 1872, globalization has been in Chargeurs' genes. We are a community of more than 1,500 employees – chemists, manufacturers, high level textile engineers and sales people – who make this adventure possible by bringing our products to life and effectively serving our customers' needs in 32 countries. VISION Today, by combining powerful innovation capabilities and new service solutions, while working tirelessly to improve its industrial performance, Chargeurs is writing a new chapter in its more than hundred years old history.

HERITAGE

AUDACITY

CORPORATE HERITAGE

— Chargeurs' rich heritage is intimately entwined with the history of French and international capitalism, which the Company has helped to forge. That heritage has also set up a powerful industrial and investment culture valued by our customers and employees, which has underpinned our prosperity and strength for more than a century.

1872

A GLOBAL ENTERPRISE FROM THE BEGINNING

Founded in 1872 by **French banker and businessman Jules Vignal, Compagnie des Chargeurs Réunis** was originally a transatlantic shipping regular line, **operating the first routes between France and Latin America,** followed by services between France and its empire in Africa and Asia.

1945-1970

FROM THE WORLD WAR 2 UNTIL THE END OF THE 70'S

The end of the second World War highlight the **new era of the internationalization of the Business of Chargeurs Réunis** with its sea transportation, airplane transportation through UTA and the specialized transportation (Causse-Walon).
The first Chargeurs' century marks its global success in the transportation industry.
As part of an **upstream and downstream diversification** drive, the Group also **invested in a variety of other industries,** such as i) tourism via Club Méditerranée and investments in two French hotel chains, Sofitel and Novotel; ii) chemicals by the development of Safic-Alcan & Cie and Seppic; iii) financial services by acquiring a controlling interest in a banking company, Société Financière de l'Armement (SFA), and in Caisse Centrale de Réescompte, Crédit Mobilier Industriel Sovac and Compagnie Financière de Paris et des Pays-Bas; and iv) insurance with the purchase of a major stake in Réunion Française. All these participations were sold gradually.

1980-1990

DIVERSIFICATION INTO TEXTILES, PLASTICS AND THE MEDIA

In the early eighties, a new business saga kicked off when French **captain of industry Jérôme Seydoux** acquired control of Chargeurs Réunis and merged it with **Pricel, one of Europe's leading textile conglomerates,** and made Chargeurs, for 30 years, **the spearhead of a new industrial adventure.** Thus began a period of aggressive business growth for Chargeurs, which acquired a controlling interest in the Prouvost textile empire and successfully moved into media by taking over Pathé, investing in BSkyB, creating the La Cinq television station and purchasing the Libération daily newspaper.

From the late eighties to the early nineties, Chargeurs disposed of its assets in maritime shipping (to Delmas-Vieljeux, which later sold them to CMA-CGM), air transport (to Air France) and specialty transport.

1996

FIRST SPIN-OFF OPERATION IN FRANCE

In 1996, the media empire was spun off into a separate company and the **manufacturing empire was refocused** to form what is today the Chargeurs Group.

2000-2014

REFOCUSING ON SPECIALITY MATERIALS

With reference shareholder, the concert party comprising **Jérôme Seydoux and Eduardo Malone,** Chargeurs **strategically refocused on world leading, high value-added technical businesses.**
In 2008, all of the remaining garment-making operations were sold. After successfully paying down all of its debt, **Chargeurs stepped up its innovation strategy.**
The business model for the wool division was transformed, shifting its core to trading finest wool while keeping an active minority stake in the manufacturing operations.

2015

A TRANSITION IN OWNERSHIP TO FRENCH INVESTORS

After having led Chargeurs for several decades, the shareholder concert party comprising Jérôme Seydoux and Eduardo Malone sold its equity interest to Colombus Holding SAS. Founded and currently headed by French **industrial Michaël Fribourg,** Colombus Holding is a very long-term to permanent investment structure **dedicated entirely to supporting the future of Chargeurs.** Its investors, by Mr Fribourg side, include leading French institutions (CM-CIC, BNP Paribas, Efficap, COVEA) and family offices.

01— CHARGEURS RÉUNIS
02— CHARGEURS RÉUNIS **03—** PROUVOST
04— UTA **05—** CHARGEURS RÉUNIS

Michaël Fribourg
— CHAIRMAN AND CHIEF EXECUTIVE OFFICER

« 2015, a successful year of transition and consolidation

MESSAGE FROM THE CHAIRMAN

— After a year shaped by success, change and consolidation, Michaël Fribourg reviews the major accomplishments – including the transition in governance, faster improvement in manufacturing performance, and a return to an attractive shareholder value creation policy – and talks about his strategy for securing a robust 2016.

Performance, Discipline, Ambition, Chargeurs has taken the offensive to open an assertive new chapter

Without a doubt, 2015 was a successful year of transition and consolidation for Chargeurs, which has moved to the next level, lifted by faster improvement in its manufacturing and financial performance and by the impetus from a new reference shareholder representing a source of stability and sustained commitment over the long term.

FASTER IMPROVEMENT IN OPERATING PERFORMANCE

With revenue up 4.3% to half a billion euros in 2015, Chargeurs delivered growth that was 1.5 times the growth of the global economy and more than 2.5 times the growth in the eurozone. Thanks to our global footprint, more than 90% of this revenue was derived outside France and more than 50% outside the eurozone. For shareholders, this is a remarkable opportunity to benefit from all of the growth cycles in the world economy.

During the year, our dynamic business model enabled Chargeurs to successfully reach a new milestone in its operating and financial performance. Recurring operating profit rose by 34% and net profit by 42% compared with 2014, while the balance sheet is now robust and healthy following the vast transformation led by the former management in recent years and the end of the 2010 convertible bond issue.

In this way, our financial results attest to the validity of our strategy focused on improving operating performance, sharpening competitiveness with technological differentiation and innovation, and driving sustained productivity gains. Our performance was well received by investors, who pushed the stock price up 74% over the year. The resulting increase in market value meant that in January 2016 our stock was transferred from the C trading compartment on the Euronext Paris exchange to the higher-cap B compartment.

A HIGH-QUALITY TRANSITION TO A NEW OWNERSHIP STRUCTURE

In October 2015, convinced that Chargeurs had strong potential for growth in its manufacturing operations and value creation, Colombus Holding, which I founded with the support of leading French long-term institutional investors and

...

INTO THE FUTURE

1872
Compagnie de Navigation des Chargeurs Réunis is created by French banker and businessman Jules Vignal

1925
Pricel textile company founded

1981
Pricel and Chargeurs Réunis merge

1981 — 1995
Chargeurs Réunis changes its name to Chargeurs and expands in two business segments: manufacturing (Chargeurs) and media (Pathé)

1996 — 2007
Chargeurs spins off Pathé and refocuses its business base

2010 — 2014
Successful transformation, with a reduction in debt, innovations and a return to profit

2015 – 2016
Colombus Holding SAS becomes the Group's lead shareholder and Michaël Fribourg is appointed Chairman and Chief Executive Officer

Michaël Fribourg, Chairman and Chief Executive Officer of the Group, with the Managing Directors of the 4 Chargeurs businesses (from left to right: Bernard Finckenbein, Federico Paullier, Laurent Derolez and Bernard Vossart).

highly reputed family offices, acquired the equity interest held by the concert party formed by Jérôme Seydoux and Eduardo Malone, who had served as the Company's lead shareholders for several decades. Given the quality of my fellow investors in Colombus Holding, this broad transition in ownership and management is a very positive signal for the French economy. It also demonstrates Colombus Holding's deep engagement, solid convictions and commitment to focusing all its energies on growing Chargeurs.

AN ATTRACTIVE SHAREHOLDER VALUE CREATION POLICY

This good news, which is helping to heighten our visibility in the international financial community and widen the market for our share, also serves the interests of all shareholders, who offer us their long-lasting support. Because we believe in an attractive return on investment and would like to reward our shareholders for their loyalty, while actively pursuing growth, the Board of Directors will ask, at the next Annual Meeting on May 4, to approve the payment of a dividend of €0.30 per share, up a significant 50% from last year.

2016, TAKING THE OFFENSIVE

Backed by a strong, ambitious manufacturing culture, Chargeurs is today a center of excellence in specialty materials, with operations in 32 countries on five continents. Our 1,500 employees, comprising around 50 nationalities, are dedicated and committed to the future of a benchmark French manufacturer with renowned coating technology expertise. These are the men and women, the engineers and sales people who enthusiastically and proudly fly the flag of a global, diversified producer of innovative, high value-added specialty technical materials.

Chargeurs brings together four niche manufacturing businesses with solid leadership positions in the global marketplace. They are all driven by a commitment to keeping production costs under control, driving continuous innovation, and maintaining a manufacturing and marketing presence capable of demonstrating firm resilience in the face of market volatility. Chargeurs has always been a visionary, with a trained eye and a carefully honed ability to analyze the risk-reward equation. In this way, it has successfully seized opportunities and entered emerging economies to support their growing sophistication, in a long-term vision based on careful choices in manufacturing, technology, geography and business.

In the years ahead, leveraging the financial tools usually used by similarly sized listed companies, we will consolidate our global manufacturing and marketing presence in economies outside the eurozone where opportunities and demand are high. In a revitalized spirit of aggressive growth, we intend to drive expansion by developing new niche markets, as illustrated by the recent example of Chargeurs Technical Substrates, and will pursue this strategy thanks to the investments in productivity gains on the manufacturing side and a dynamic policy of business selection.

Today, Chargeurs is writing a new chapter in its rich history, which has already spanned three centuries and seen it participate in the industrial revolutions that have successively reshaped the world since 1872.

A new era is opening for your company, an era of manufacturing gains, business challenges and technological innovations during which Chargeurs will capitalize on its solid fundamentals – a balanced business portfolio, a global geographic footprint, excellent operating performance, a healthy financial position and optimal quality of service – to successfully lead its growth strategy and seize opportunities as they arise, for the benefit of all its businesses.

Michaël Fribourg,
Chairman and Chief
Executive Officer of Chargeurs.

SIGNIFICANT EVENTS OF THE YEAR

— After a year spent strengthening its fundamentals in 2015, Chargeurs is robust and competitive enough to successfully run the endurance race required by global market dynamics.

FEBRUARY 2015

Chargeurs Fashion Technologies was the first to develop a light interlining thanks to a unique 40-gauge insertion industrial tool.

MARCH 2015

Thanks to its recognized expertise in services recommendation, **CHARGEURS PROTECTIVE FILMS** launched, in the first quarter 2015, an innovative film product solution for the stainless steel industry. By closely coordinating with the OEMs, Chargeurs Protective Films allowed these companies to optimize their productivity and on the other hand to develop its own leadership.

MAY 2015 Return to an attractive shareholder **VALUE CREATION POLICY** with the payment of a **DIVIDEND** rewarding shareholders for their continuing support.

JULY 2015

USING NEW ZEALAND RAW WOOL, CHARGEURS WOOL BEGINS PRODUCING HIGH VALUE-ADDED SUPERWASH WOOL TOPS IN CHINA FOR THE ICEBREAKER AND SMARTWOOL BRANDS, WITH FULL CAPACITY REACHED IN NOVEMBER.

OCTOBER 2015

Transition in ownership: **COLOMBUS HOLDING SAS,** led by **MICHAËL FRIBOURG** and supported by leading French long-term institutional investors and highly reputed family offices, acquires the equity interest held by the concert party formed by Jérôme Seydoux and Eduardo Malone, thereby becoming the Company's lead shareholder.

NOVEMBER 2015

Upon his assumption of duty, Michaël Fribourg, Chairman and Chief Executive Officer of Chargeurs, launched **a performance plan** in each business lines of the group and in Chargeurs SA.

NOVEMBER 2015

Chargeurs Technical Substrates inaugurates a new 5-meter wide production line at its Senfa subsidiary's Sélestat plant in Alsace.

5 meters

DECEMBER 2015

The **INCREASE IN MARKET CAPITALIZATION** and sustained efforts to drive operating and financial performance are rewarded when trading in the Chargeurs share is transferred to the B compartment on the Euronext Paris exchange in January 2016, thereby **HEIGHTENING THE GROUP'S VISIBILITY** in the international financial community.

STRENGTH

CONQUEST

— Backed by its robust business model, Chargeurs delivered strong growth in its operating performance and strengthened its financial position with a solid, relatively debt-free balance sheet.

With revenue of nearly €500 million, up 4.3% on 2014, and recurring operating profit of €30.6 million, up 34%, Chargeurs enjoyed a very successful year in 2015 and once again exceeded its annual performance targets. Led by its powerful innovation capabilities, global footprint, operating discipline and selective focus on profitable business, the Group will pursue its strategy of operational excellence in 2016 and consolidate its leadership positions in specialty materials in the years ahead.

2015 KEY FIGURES

4

BUSINESSES HOLDING HEADING POSITIONS

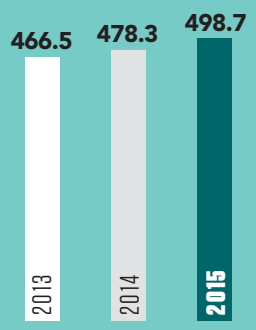
— Chargeurs Protective Films
— Chargeurs Fashion Technologies
— Chargeurs Technical Substrates
— Chargeurs Wool

€498.7 million

IN REVENUE

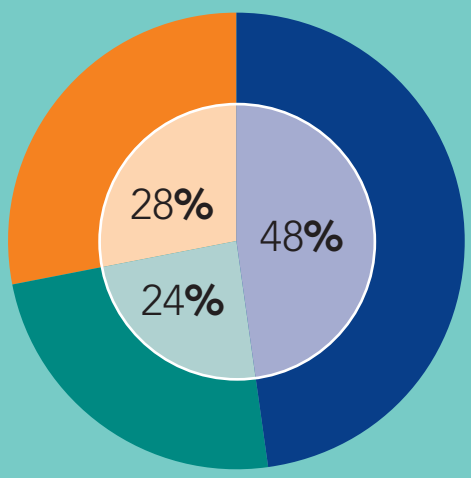
UP 4.3%
IN 2015

REVENUE
IN € MILLIONS



+6.9% in 3 years

REVENUE BY REGION
(IN € MILLIONS)

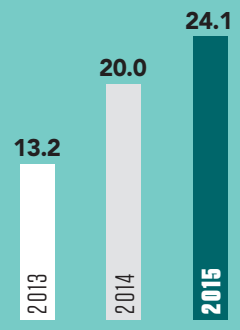


- **48% or €238.5M — EUROPE**
- **24% or €119.5M — AMERICAS**
- **28% or €140.7M — ASIA**

€23.3 MILLION
IN NET CASH AT DECEMBER 31, 2015

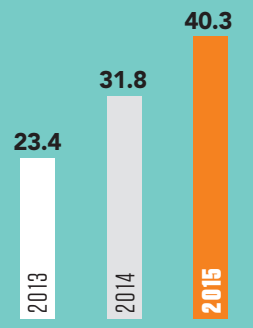
CHARGEURS enjoys a robust financial position that was further strengthened in 2015 with a net cash position of €23.3 million, compared with €9.3 million at year-end 2014.

CASH GENERATED BY OPERATIONS
IN € MILLIONS



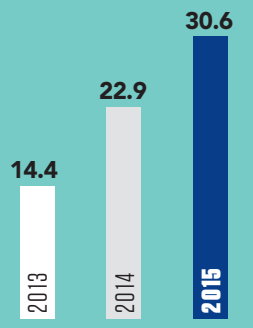
+83% in 3 years

EBITDA
IN € MILLIONS



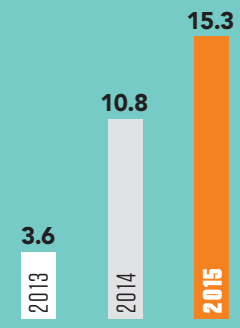
+72% in 3 years

RECURRING OPERATING PROFIT
IN € MILLIONS



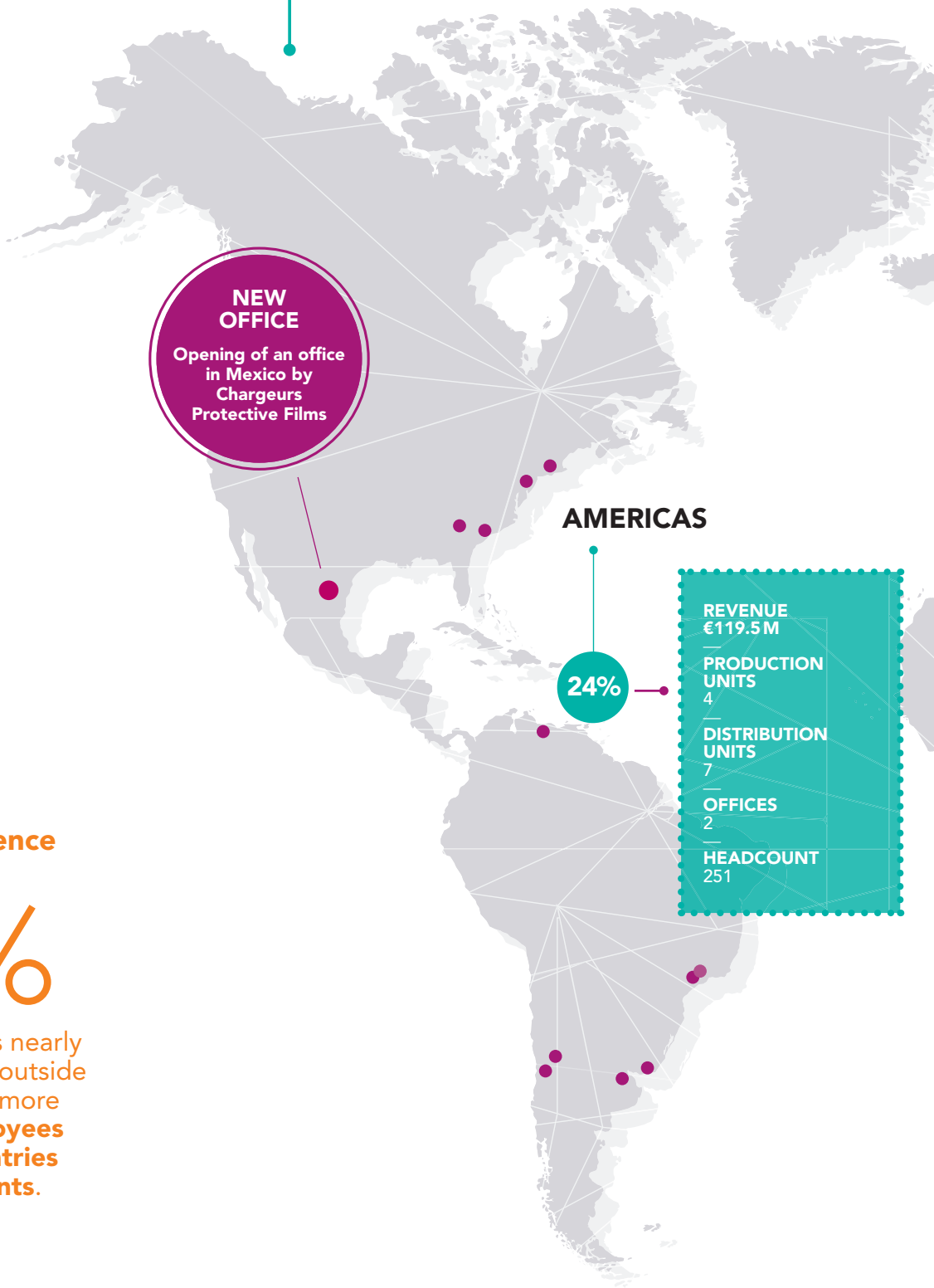
+113% in 3 years

ATTRIBUTABLE NET PROFIT
IN € MILLIONS



x4.2 in 3 years

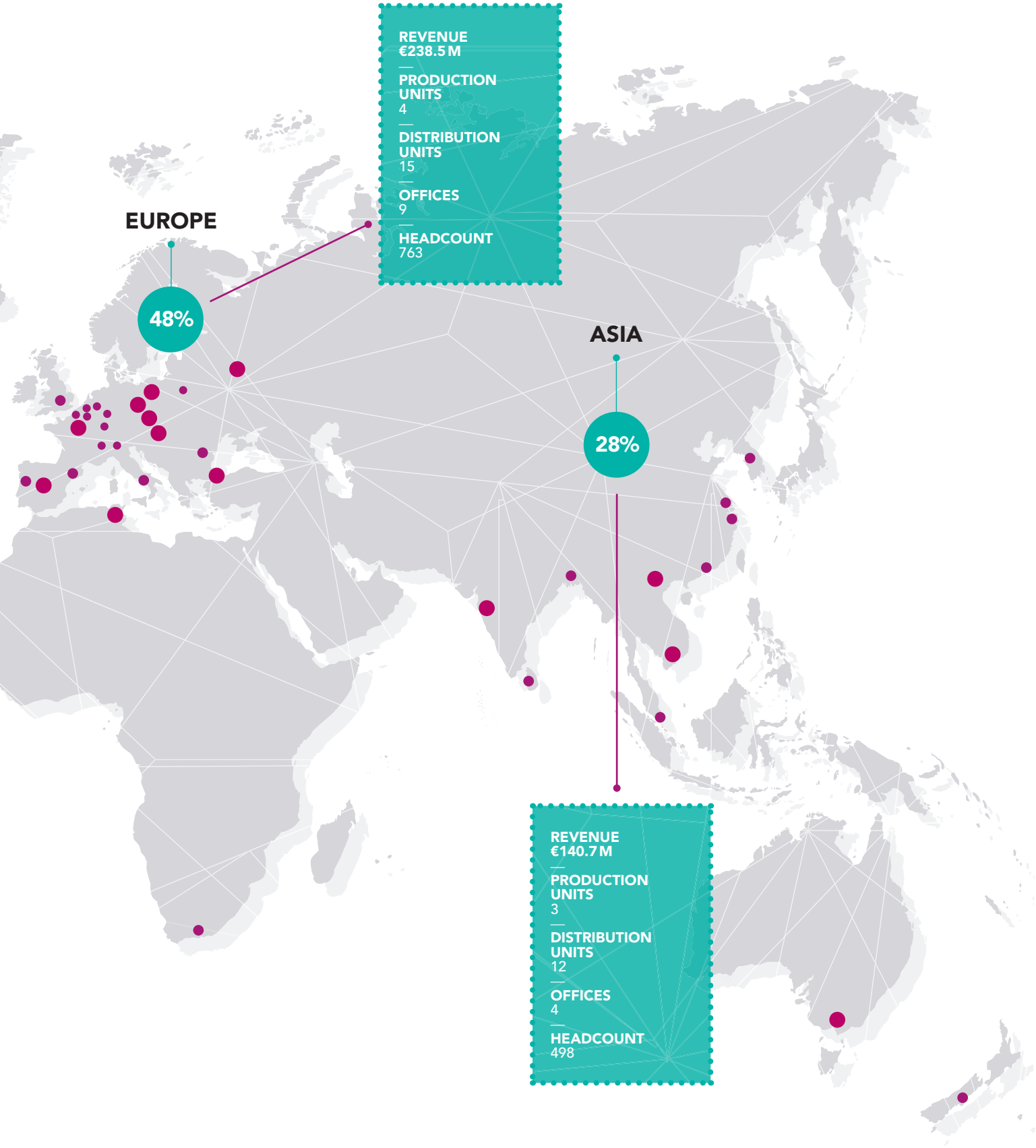
A GLOBAL GEOGRAPHIC FOOTPRINT



A Global Presence

93%

Chargeurs achieves nearly **93%** of its revenue outside France thanks to more than **1,500 employees** based in **32 countries** on **five continents**.


REVENUE
€238.5 M
PRODUCTION UNITS
4
DISTRIBUTION UNITS
15
OFFICES
9
HEADCOUNT
763
EUROPE
48%
ASIA
28%
REVENUE
€140.7 M
PRODUCTION UNITS
3
DISTRIBUTION UNITS
12
OFFICES
4
HEADCOUNT
498

PERFORMANCE

INSPIRATION

— Chargeurs is a global manufacturing and services group with leading positions in the markets for temporary surface protection, garment interlinings, technical textiles and wool trading.

A global expert in specialty materials, widely recognized for its unrivaled expertise in coating technology, Chargeurs comprises four leading businesses: Chargeurs Protective Films, Chargeurs Fashion Technologies (formerly Chargeurs Interlining), Chargeurs Wool and Chargeurs Technical Substrates, which has entered a new phase as a standalone business following its demerger from Chargeurs Fashion Technologies in 2015.
Operating in high-tech niche markets, Chargeurs is securing its sustainable future by capitalizing on its robust business model, which combines such solid competitive strengths as powerful innovation capabilities, strict operating discipline, a global footprint and a selective focus on profitable business.

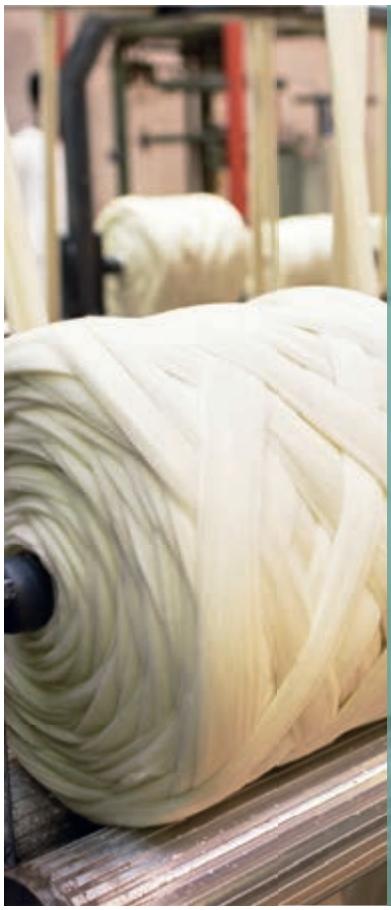
FOUR BUSINESSES

CHARGEURS
FASHION TECHNOLOGIES

WORLD
NUMBER
2

CHARGEURS
TECHNICAL SUBSTRATES

A
EUROPEAN
LEADER



CHARGEURS
WOOL

GLOBAL
LEADER

CHARGEURS
PROTECTIVE FILMS

THE WORLD LEADER IN TEMPORARY SURFACE PROTECTION

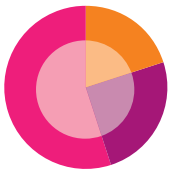
Chargeurs Protective Films is a fast growing, technology-intensive business that turned in a historic performance in 2015, the best ever in its industrial saga.

Chargeurs Protective Films supplies the construction, manufacturing, automotive and electronic industries with self-adhesive films for the temporary protection of fragile surfaces.

Our films maintain a finished product's surface integrity at every stage in the customer's manufacturing process (folding, stamping, profiling, etc.), as well as during handling, transportation and fitting. Surface protection is applied far upstream in this process to guarantee impeccable surface quality, by protecting products from smudging and scratching, improving their heat and stress resistance during production and priming the surface for painting before finalization. In this way, our films also help customers to lower their production costs.

The protection surface market is structurally growing, in step with the increasing sophistication of modern economies. For example, surfaces that are not yet protected in the developing world soon will be.

REVENUE
BY REGION



- **20% - ASIA**
- **25% - AMERICAS**
- **55% - EUROPE**

€227.2 million
in revenue
UP 10.0%

94%
of sales
outside France

542
employees in
17 countries

€21.8 million
IN RECURRING OPERATING PROFIT IN 2015

MARKET FOCUS

Collaborative innovation

Chargeurs Protective Films is boosting its R&D capabilities by working in close collaboration with universities in France and the rest of Europe, as well as with research laboratories, suppliers and customers. With a sharp ear to the market, the business unit is preparing a dual market-pull/techno-push strategy, to meet current needs and anticipate new ones.

Laurent Derolez
— Managing Director
Chargeurs Protective Films

Capital spending, higher productivity and strategic innovations will enable us to pursue the ambitious growth in our operating performance in 2016

What do you feel were the outcomes and lessons of 2015?
It was a good year because we delivered our best performance ever, in both revenue and recurring operating profit. These results have confirmed our position as a world leader in temporary surface protection, that our new governance aims to further strenghten. Our global presence was a decisive advantage in driving growth in Europe and elsewhere. Our marketing organization is very active and is enabling us to capture the growth in our markets around the world. What's more, innovation helped to widen our margins, in what we call the favorable combination of a good geographic mix and a good product mix.

Were currency rates favorable?
Exchange rates were certainly favorable, but there was also a cost impact that disrupted the market for our raw material. Without a doubt, the determining factor for Chargeurs Protective Films was innovation. A lot of new products launched in 2014 and 2015 are enabling us to support customers in their growth by offering high quality of service and optimized, high value-added solutions.
A large proportion of our investments in 2015 was allocated to innovation, and another big chunk to expanding production capacity in our plants.

CHARGEURS
FASHION TECHNOLOGIES

POSITIONED COMPETITIVELY AS ONE OF THE WORLD'S TOP TWO GARMENT INTERLINING MANUFACTURERS

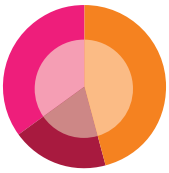
In 2015, Chargeurs Fashion Technologies increased its profitable revenue and became more competitive, which is now enabling it to target new apparel niches.

Chargeurs Fashion Technologies is our business that serves the world's leading menswear and womenswear brands by designing interlinings, the only technical fabric used in a garment. An irreplaceable technology, interlinings are generally hot-fused between the fabric and the lining, to help jackets, shirts, blouses and other garments to retain their shape and stay sharp.

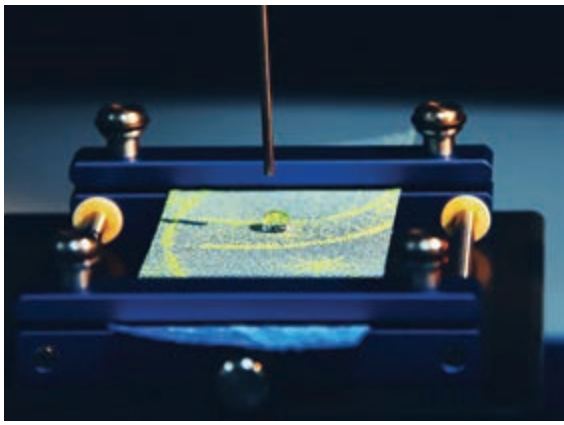
Interlinings, which use coating technology, are technical fabrics that demand extensive expertise to develop and the ability to continuously adapt to the fabrics chosen by the leading brands for their many collections throughout the fashion year. They are a value-added product, built around our intimate knowledge of the leading brands, ability to allocate production across a global manufacturing base, supply chain capabilities and innovative specification services. It is a niche business that combines speed, technical content, differentiation and know-how.

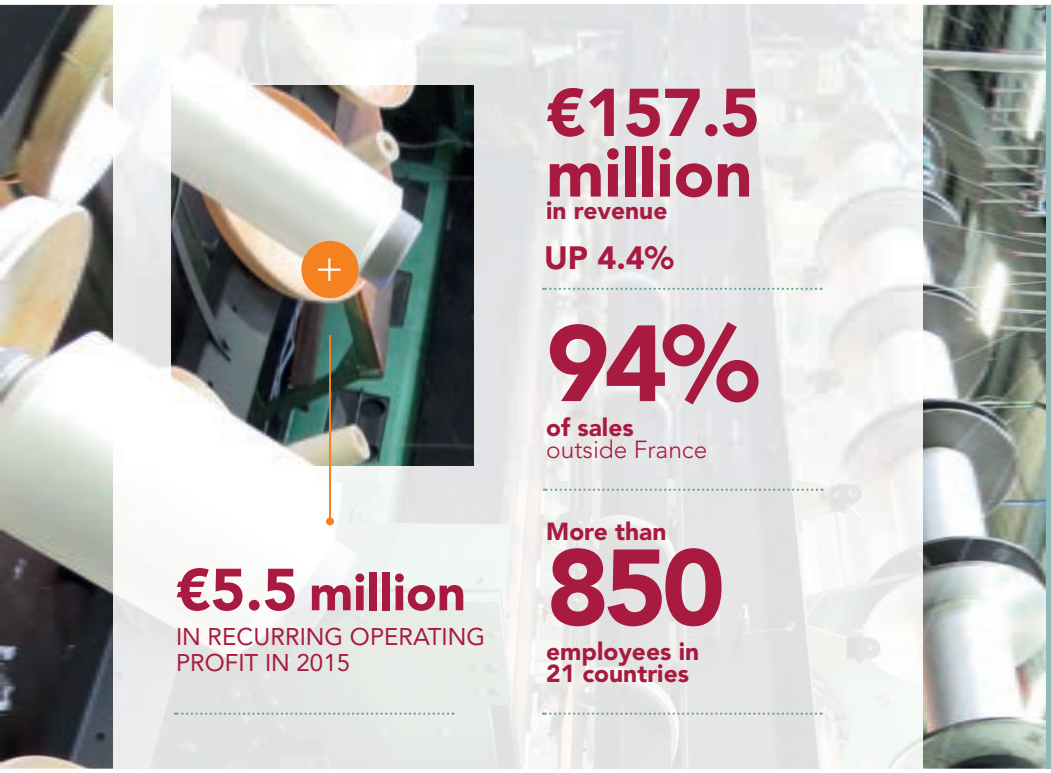
The whims of fashion mean that interlinings have to be constantly adapted to lighter and lighter fabrics that are difficult to make. Backed by its highly responsive product innovations thanks to its laboratories and excellent specification services, Chargeurs Fashion Technologies is also equipped with facilities that comply with the market's highest standards and play an essential role in enabling the business to meet the ever-changing needs of its customers.

REVENUE
BY REGION



- **19% - AMERICAS**
- **35% - EUROPE**
- **46% - ASIA**





€157.5 million
in revenue
UP 4.4%

94%
of sales
outside France

More than
850
employees in
21 countries

€5.5 million
IN RECURRING OPERATING PROFIT IN 2015

MARKET FOCUS

The 40-gauge lightness of being

In the highly competitive interlinings market that is rapidly consolidating, you have to constantly stay on the leading edge. Chargeurs Fashion Technologies was the first to develop 40 gauge (40 needles per inch) interlining fabrics, enabling it to develop new, extremely thin interlinings suitable for very light satin and voile fabrics.

Bernard Vossart
— Managing Director
Chargeurs Fashion Technologies

« Gains in competitiveness and innovation capabilities are opening up promising new markets for Chargeurs Fashion Technologies

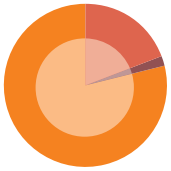
Chargeurs Fashion Technologies, which had already improved its operating performance in 2014, returned to revenue growth in 2015. How do you analyze that?
There are two important factors to consider: an increase in our profitable business volumes and our global footprint, which lets us take advantage of cycles across the world economy. Two-thirds of our revenue is in US dollars, which had a positive impact last year. But that's not the most important thing for the business. The essential factor is that we continued to improve and strengthen our operating performance by revitalizing our innovation drive and marketing clout, and by optimizing our manufacturing footprint and choices.

Is that a change in strategy?
Rather a shift and a determined commitment. With the backing of the new governance, Chargeurs Fashion Technologies is getting ready to take the offensive, with an aggressive stance to conquer new markets. We have long been positioned up-market. Now, we're starting to optimize our marketing, manufacturing and service presence. In this way, we'll improve our profitable growth across the interlining market. Thanks to the latest developments, we are offering our garment-maker customers bespoke solutions, while growing our revenue and margins.

CHARGEURS
TECHNICAL SUBSTRATES

FAST GROWING DEMAND FOR FUNCTIONALIZED TEXTILES

REVENUE
BY REGION



- 2% - AMERICAS
- 19% - ASIA
- 79% - EUROPE

Created in 2015, Chargeurs Technical Substrates, our new operating segment, is already up and running in the global marketplace.

Chargeurs Technical Substrates functionalizes technical textiles used in the fast growing advertising, decoration and interior architecture markets.

Coating technology, which is a core competency at Chargeurs Technical Substrates, Chargeurs Protective Films and Chargeurs Fashion Technologies, is one of our competitive strengths. Extremely delicate and complex to implement technically, coating enables Chargeurs Technical Substrates to functionalize textiles for specific applications, such as the shading or uniform diffusion of light, soundproofing or wave filtering. These functionalities can also be combined to create large advertising displays on which the fabric can diffuse light, be fireproofed and printed in very high resolutions (up to 1,200 dpi).

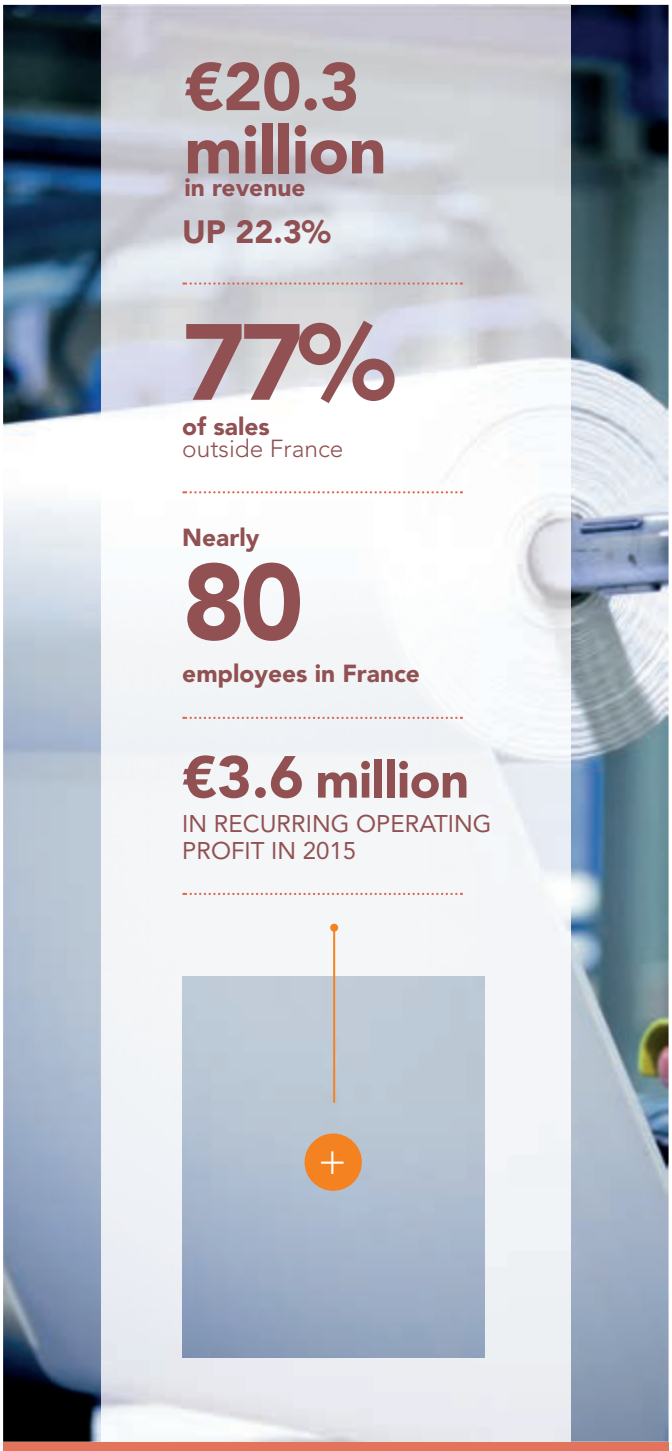
At the crossroads between chemicals and textiles know-how, Chargeurs Technical Substrates operates in a niche market that has experienced double-digit growth over the past two years, of which more than 20% in 2015. The new unit is being supported by an efficient, integrated production eco-system in Sélestat, in the Alsace region of France.

Bernard Finckenbein
— Managing Director
Chargeurs Technical Substrates

Neither paper (too fragile) nor PVC (too heavy and environmentally harmful) can deliver the sturdiness, light weight and quality of our coated textiles

Chargeurs Technical Substrates is celebrating its six months in the spotlight as Chargeurs' newest business unit. How are you doing?
Very well, even though we existed before as part of the Chargeurs Fashion Technologies division. However, becoming a stand-alone operating segment has strengthened our ambitions. Revenue rose by more than 20% in 2015 and, until the late November start-up of the new production line capable of producing 5-meter wide technical textiles, our plant was running at full capacity, 24/7. With Chargeurs' support and direct oversight, we're going to be able to take a much more offensive stance in the market. You have to remember that Chargeurs Technical Substrates doesn't sell conventional consumables, but instead operates in fast-growing markets. In advertising or decoration, image is everything. And today, we're the only ones who can supply print-ready textiles of that quality for installation in or outdoors.

How are you keeping pace with market growth?
By investing, as we did in 2015 with our new 5-meter line which, by the way, makes it possible to offer interior decorating applications, whose demand is going to ramp up very quickly. In 2016, we're going to get our salesforce fully involved and enhance our communication. In this way, we expect to pursue our dynamic of growth and operational performance.



€20.3 million
in revenue
UP 22.3%

77%
of sales
outside France

Nearly
80
employees in France

€3.6 million
IN RECURRING OPERATING PROFIT IN 2015

MARKET FOCUS

A short introduction to coating

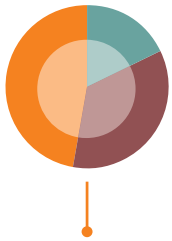
The coating process deposits, on a woven fabric, a layer of foam that has been chemically engineered to fulfill certain functions. After drying, the coating has to adhere perfectly to the fabric without compromising its sturdiness, printability or other functions.

CHARGEURS WOOL

AN ORIGINAL BUT EFFICIENT BUSINESS MODEL

After an exceptional year in 2014, Chargeurs Wool returned to a more normal situation in 2015, while improving its manufacturing performance compared with 2013, when the new business model was introduced.

REVENUE
BY REGION



- 18% - ASIA
- 35% - AMERICAS
- 47% - EUROPE

The world leader in premium wool trading, Chargeurs is pursuing its strategy of focusing on outstanding, high value-added products. The only global trader capable of offering customers wool from every producing region, including New Zealand, Australia, Uruguay, Argentina, South Africa and North America, Chargeurs Wool is deploying an optimized business model worldwide that operates through firm contracts, e.g. without any speculative trading or open positions.

> «
> **Chargeurs Wool is the exclusive supplier of the world's purest wools.**

The business leverages its expertise in determining quality, traceability and fiber stability to select the finest greasy wool tops from producers worldwide. It is then processed in combing mills in the United States, Uruguay, Argentina and China, in which Chargeurs ensures it retains an equity stake. Chargeurs Wool's marketing teams, who are in daily contact with the world's most prestigious brands, constantly match supply and demand to efficiently deliver the right solution to each customer.

Over the past five years, the division has focused its quality, research and inspection laboratories on developing increasingly finer, more absorbent, softer and warmer wool grades. It has also enhanced its model of a sustainable cycle of production and distribution, which is unlike any other in the world, and is constantly deepening its long-term integration into local communities and regional eco-systems. These developments, which are lifting the division's business performance, are helping to meet the enduring demand for high-quality wool applications in the fast-growing premium fashionwear and luxury sportswear segments.

€93.7 million
in revenue

100%
of sales
outside France

22
employees
in five countries

€2.5 million
IN RECURRING OPERATING PROFIT IN 2015

MARKET FOCUS

The superwash solution

The superwash process coats wool yarn with a thin layer of silicone to prevent all-wool garments like sweaters, socks and other knitwear from felting when washed in a machine. The superwash products can get a 10% additional value than conventional wool knits thanks to their specificity.

Federico Paullier
— Managing Director
Chargeurs Wool

Our integrated value chain — producers, combing mills and garment-makers — is unique in the global marketplace. That's the key to our profitability.

Would you say that Chargeurs had a successful year in 2015 despite the problems in the global wool trading industry?
I would say mainly that 2014 was an exceptional year and that 2015 represented a sort of natural correction. That said, while wool prices have held more or less firm, we saw a decline in the prices of other yarns, like cotton and synthetics, which tracked oil prices down. Also, overcapacity in China triggered a major price war. In response, our model demonstrated its flexibility and agility. We adjusted our wool tops to avoid exposure to the low prices offered on Merino wool by Chinese producers.

How do you plan to showcase the excellence of your products?
First of all, Chargeurs Wool is a stakeholder in an integrated value chain running from sheep ranchers to our partner combing mills and on to spinning mills and garment makers. This special relationship, which helps to create value by maintaining stable supply, enables us to guarantee our customers optimal quality products and services with seamless traceability, as illustrated by the major successes achieved by our Icebreaker and Smartwool customers, as well as with the Farm to Feet sock brand program in the United States. In the latter case, we are helping to fulfill the customer's promise that their socks are 100% made in the United States with US-sourced materials and by US workers. The hiring of new sales people should help to raise our visibility in 2016 and drive further improvement in performance.

INVESTOR INFORMATION

CHANGES IN SHARE CAPITAL

	Number of convertible bonds	Number of shares	Share capital (in euros)[1]
JANUARY 1, 2015	**218,069**	**16,021,311**	**2,563,409.76**
Conversion of bonds tendered in 2015	216,784	6,937,088	-
Convertible bonds redeemed at maturity	1,285	7,745	
JANUARY 31, 2016[2]	**0**	**22,966,144**	**3,674,583.04**
Of which number of shares held in treasury[3]	-	13 334	-
Of which number of Chargeurs shares held by subsidiaries	-	0	-
Of which number of Chargeurs shares held by employees[4]	-	0	-

(1) Par value: €0.16 per share.
(2) As of December 31, 2015 – 22,958,399 shares were in circulation.
(3) Article L.225-211 of the French Commercial Code. Total cost: €230,851.35 representing an average price of €17.31 per share.
(4) Article L.225-102 of the French Commercial Code.

Convertible bond issue launched in 2010 reaches maturity

The Chargeurs convertible bonds issued in April 2010 matured on January 1, 2016. Of the 415,083 subordinated convertible bonds initially issued, with pre-emptive subscription rights for existing shareholders, each with a face value of €55, a total of 413,798 (i.e., 99.7% of all the bonds issued) were converted into shares. The 1,285 bonds that were not converted were redeemed.
A total of 12,589,047 shares were created on conversion of bonds as part of the program, thereby increasing the number of shares making up Chargeurs' share capital to 22,966,144.

CHANGES IN SHARE OWNERSHIP

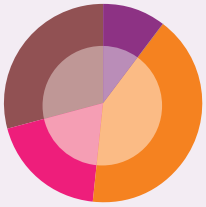
SHAREHOLDERS OWNING MORE THAN 5% OF THE SHARE CAPITAL

AS OF JANUARY 31, 2016	Number of shares	% interest	% voting rights
Colombus Holding SAS	6,334,805	27.58%	27.29%
Quaero Capital SA	1,574,000	6.85%	6.78%
Sycomore Asset Management	1,372,966	5.98%	5.91%

NUMBER OF SHARES WITH DOUBLE VOTING RIGHTS

At January 31, 2016, the total number of shares carrying double voting rights amounted to 249,810, out of a total of 23,215,954 voting rights.

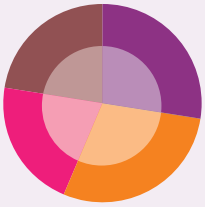
OWNERSHIP STRUCTURE
AS OF JANUARY 31
(% OF TOTAL OUTSTANDING SHARES)



Number of shares: 16,021,311

2015

- 10.4% - **Jérôme Seydoux /Eduardo Malone**
- 0.1% - **Treasury Stock**
- 41.4% - **Private shareholders**
- 19.0% - **Non-resident shareholders**
- 29.1% - **French institutions**



Number of shares: 22,966,144

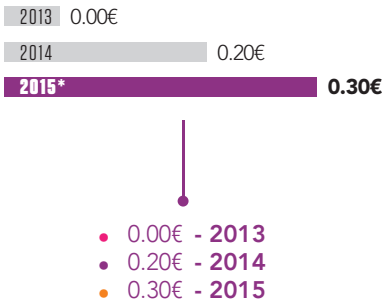
2016

- 27.6% - **Colombus Holding SAS**
- 0.1% - **Treasury stock**
- 28.8% - **Private shareholders**
- 21.0% - **Non-resident shareholders**
- 22.5% - **French institutions**

DIVIDEND

At its meeting held on March 9, 2015 under the chairmanship of Michaël Fribourg, the Board of Directors decided to ask shareholders at the May 4, 2016 Annual General Meeting to approve the payment of a dividend of €0.30 per share for 2015, representing a 50% increase on the dividend of €0.20 per share paid for 2014.
In light of the Group's stepped-up operating performance and stronger fundamentals, the Board of Directors wishes to reward Chargeurs' shareholders for their loyalty and long-term commitment.
Subject to shareholder approval at the Annual General Meeting, the ex-dividend date will be May 17, 2016 and the dividend will be paid on May 19, 2016.

DIVIDEND BY ACTION
DIVIDEND PAID IN RESPECT OF THE YEAR



**Dividend to be recommended to the Annual General Meeting of May 4, 2016.*

SHAREHOLDERS' CLUB

In late 2014, Chargeurs created a Shareholders Club open to private shareholders who own at least 300 Chargeurs shares. Its members benefit from exclusive advantages such as participation to industrial sites visits or invitation to attend the premiere screening of a film.
In 2015, to mark the Club's first anniversary, the Club invited its members to attend the premiere screening of a film and to participate to the Novacel industrial site visit, subsidiary of Chargeurs Protective Films situated in Déville-lès-Rouen, France.

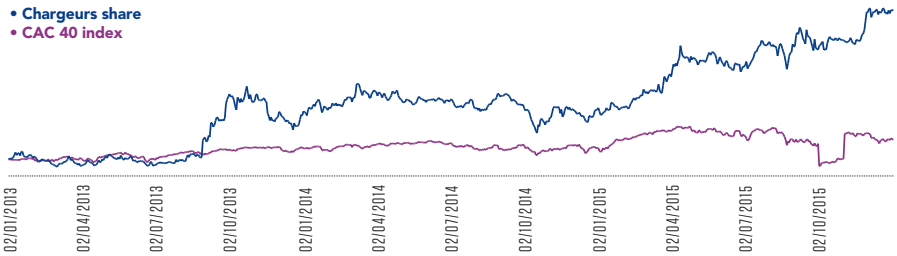
STOCK MARKET DATA

Market listing

Chargeurs shares are traded on the Euronext Paris stock market under ISIN code FR0000130692 – CRI.
The shares are eligible for the Euronext-Paris Deferred Settlement Service, with long-only status, and for investment in PEA-PME equity savings accounts.
Chargeurs' shares are included in the EnterNext© PEA-PME and CAC PME indexes.

ELIGIBLE PEA PME

SHARE PERFORMANCE



REPRESENTING A 186% INCREASE BETWEEN JANUARY 2, 2013 AND DECEMBER 31, 2015

In 2015, the Group's healthy manufacturing and financial performance was acknowledged by the financial markets with an increase in the value of the Chargeurs share and its transfer **from compartment C to compartment B of the Euronext Paris market in January 2016,** which makes Chargeurs more visible to the international financial community.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with France's Grenelle II Law, the following report describes how Chargeurs is addressing the impact of its operations on society and the environment, as well as its social responsibility commitments in favor of sustainable development.

Because we believe that growth and competitiveness go hand in hand with quality, we are shrinking our environmental footprint while also maximizing the value we create for our customers, employees, shareholders and other stakeholders.

Our values have been clearly explained so that everyone across the organization, regardless of their country or culture, has a framework to guide their decisions and behavior. These values act as a shared baseline for assessing managerial performance and every executive, manager and contributor has pledged to uphold them.

In serving our customers in more than 45 countries around the world, we feel duty-bound to comply with the highest standards of ethics and integrity in every aspect of our business, because it is by earning their trust and the trust of our host communities that we will serve them best.

In addition, to support our corporate social responsibility process, standards specifying our CSR commitments have been formally prepared and distributed to every subsidiary. They have been extended by a Reporting Guide structuring the CSR reporting procedures, based on French decree no. 2012-557 dated April 24, 2012.

These internal documents help to guide outside organizations in reviewing our performance in the various CSR indicators. Persons wishing to consult the documents may contact the Corporate Communications department. The Reporting Guide is updated every year to reflect the latest reporting requirements and CSR indicators.

PricewaterhouseCoopers Audit has been commissioned to serve as the independent third party tasked with reviewing the CSR data in this report.

CSR REPORTING METHODOLOGY

To ensure their reliability, CSR data have been reported according to the parameters and definitions described in the following methodology. The CSR Reporting Guide covers the indicators listed in the French decree that we feel are the most important and applicable to our operations. It clearly defines each one and, if appropriate, its calculation method.

- **Employee relations indicators** cover a variety of human capital issues, including number of employees, compensation, employee relations, health and safety, training and equal opportunity. Although all of the consolidated subsidiaries are required to report these data, the breakdown of the workforce by age, the numbers of new hires and terminations, absenteeism rates and the number of employees with disabilities are reported only for the subsidiaries in France since these indicators are not tracked worldwide.
- **Environmental indicators** reflect data reported by all of the consolidated production units for their organization, particularly regarding certification processes and the sustainable use of resources. To support an extremely detailed analysis, waste management, volatile organic compound (VOC) emissions and greenhouse gas emissions data are reported only by the largest production units.
- **Social responsibility indicators** concern the Group and, for some data, only France.

The following indicators in the decree are not tracked because their underlying issues do not have a material impact on our operations and are therefore not a priority: 1) noise pollution, 2) land use, 3) measures to adapt to climate change, 4) measures to safeguard biodiversity, 5) the impact of the company's operations on host communities, 6) philanthropic actions, 7) other actions undertaken to promote human rights and other ILO fundamental conventions.

As the aim of the CSR process is to drive continuous improvement, the validity of each issue and their exclusion will be reviewed every year.

LIMITATIONS OF SCOPE

As indicated above, certain employee relations indicators, such as absenteeism, hirings and terminations, are limited to France because these data are not tracked at the corporate level. Given its decentralized organization, Chargeurs feels that their management is the responsibility of the local teams.

As part of the continuous improvement plan, the scope of environmental data reporting was broadened in 2015 with the integration of a new business unit, Chargeurs Technical Substrates, which was formed from the Chargeurs Fashion Technologies division. In addition, each business unit strove to reduce disparities in calculation methods or tracking procedures in certain countries, where standards are not as strict and treatment channels are not as organized as in France.

EMPLOYEE INFORMATION

All of the men and women who help to drive Chargeurs' growth and performance make up our human capital. Issues related to this human capital include guaranteeing employee safety in the workplace, supporting employee skills development and encouraging diversity and dialogue.

WORKFORCE

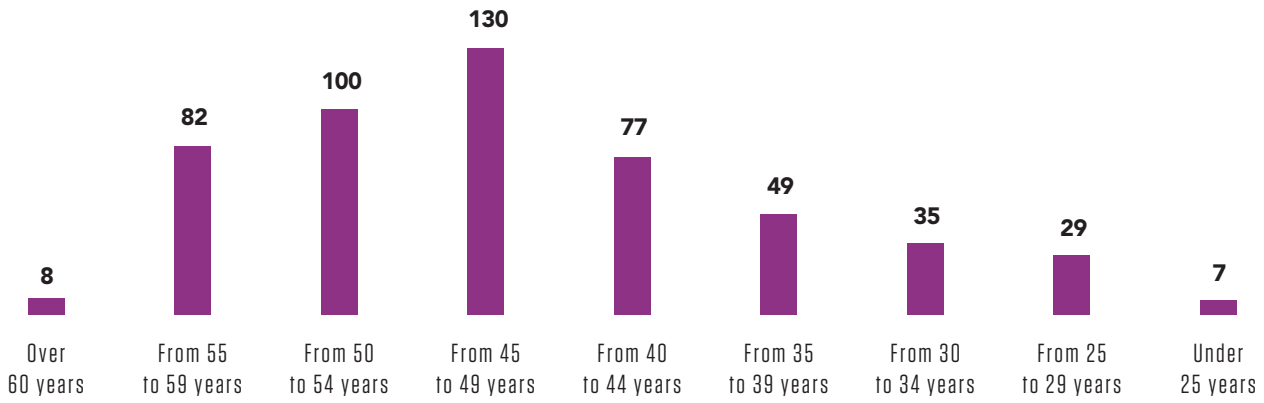
The Group had a total of **1,512 employees** as of December 31, 2015, down a slight 3.4% from the year before, when the number was unchanged from year-end 2013.

Group-wide, Europe accounted for 50.5% of the total workforce at year-end, versus 48.9% in 2014, with Asia, Africa and the Pacific region representing 32.9% of the total, versus 33.7% at end-2014, and the Americas 16.6%. The leading host country was France, with 517 people, or 34.2% of the global workforce, versus 33.4% in 2014, followed by China with 321 people, or 21.2% of total employees, compared with 21.9% the year before. The table of employee relations indicators on page 28 analyzes the workforce by region and business.

Temporary staff represented 2.8% of the total workforce, up from 1.8% in 2014 due to the increase in output in 2015, particularly in Europe where 72.1% of them work.

In terms of our regional, economic and employment impact, we are committed to preserving jobs in our host countries. In terms of employment and regional development, we are helping to maintain balanced labor markets, particularly in France where three production units are located. Because we operate in B2B niche markets that are not directly in contact with end-consumers, our operations have very little impact on local or neighboring communities.

AGE PYRAMID AT UNITS IN FRANCE



The age pyramid in France remained unchanged over the year, with employees under 40 accounting for 23% of the workforce, the same as in 2014. The largest demographic is the 45-49 group, at 25%, while people over 50 represented 37%.

In 2015, the French units reported 52 hirings and 58 separations, of which six terminations (for personal reasons or physical incapacity), for a net decline of six people, mainly in the Fashion Technologies division. This compared with a net increase of 13 people in 2014. Seven people had their fixed-term contracts changed to permanent contracts over the year, versus one person in 2014.

ORGANIZATION OF WORK

Chargeurs ensures that operating units comply with working hours legislation in every host country, while continuously seeking to align workforce management with its needs.

Absenteeism (excluding maternity leave, vacation and unpaid leave)

Total absenteeism in the French units stood at 12 days per person in 2015, based on year-end headcount. This indicator is not tracked outside of France.

EQUAL OPPORTUNITY

Of the total 2015 workforce, 27.6% were women, down slightly from 28.4% the year before. In the business units, the ratio was 17.2% at Chargeurs Protective Films, 55.3% at Chargeurs Technical Substrates, 31.0% at Chargeurs Fashion Technologies and 36.4% at Chargeurs Wool. Women also accounted for 60.0% of holding company employees, as well as for 23.8% of managers worldwide and 20% of the Board of Directors. This complies with French legislation on gender parity in the boardroom, designed to ensure fair and equal representation of men and women in corporate leadership structures. In the years ahead, measures will be pursued to promote women in positions of responsibility.

The worldwide management population currently counts 25 different nationalities. The cultural diversity of our teams is an asset in terms of talent, innovation and competitiveness. We are actively raising employee awareness of the value of diversity, which we see as a powerful source of innovative new solutions that address our customer needs more effectively. Because local managers are hired whenever possible, the number of expatriates is extremely low.

Disabled employees still accounted for nearly 6% of the workforce in the three French subsidiaries. This was close to the quota mandated under local legislation and far exceeded the actual average of 2.8% of French private sector jobs in 2010 (last known data, from the Agefiph Report published in May 2013).

HEALTH AND SAFETY

Extensive resources have been allocated to drive continuous improvement in the health and safety of our employees and subcontractors, which we consider to be an absolute priority.

As part of the risk management strategy, all of the plant managers have signed the Chargeurs Safety Charter, which demands constant vigilance at every stage of operations, proactive behavior, strict compliance with regulations and standards, and the deployment of multi-year action plans. This process is designed to i) identify and share best practices in such areas as encouraging employee engagement, improving support in understanding the risks at each workstation, managing subcontractor safety and ensuring a safe and secure environment for people working alone; and ii) drive continuous improvement while attenuating risks.

The health and safety data concern all of the production units.

In 2015, the lost-time frequency rate stood at 18.0, compared with 15.6 in 2014, while the severity rate came to 0.6, unchanged from the year before. The rise in the frequency rate reflected i) a more accurate accounting for workplace accidents resulting in at least one day of lost-time, and ii) an increase in the number of accidents, particularly at the Chargeurs Fashion Technologies production units. The severity rate is calculated in line with French practices, based on calendar days of lost-time.

At Chargeurs Protective Films, the frequency rate was 19.9, compared with the French chemical/rubber/plastic industry[1] average of 17.4, while the severity rate was 0.3, less than the industry average of 1.0.

During the year, the division's Italian production facilities and related marketing unit both earned OHSAS 18001 certification, which defines an occupational health and safety management system designed to drive continuous improvement across all these operations.

At Chargeurs Technical Substrates, the frequency rate was 15.7, compared with the French chemical/rubber/plastic industry[1] average of 17.4, while the severity rate was 1.2, slightly higher than the industry average of 1.0.

In the Technical Substrates division, safety issues and improving working conditions are top priorities. That's why the new 5-meter coating line that came on stream at the Sélestat, France plant in late 2015 is equipped with an automated paste preparation system. With it, the previously at-risk preparers now work at safer workstations performing less physically demanding tasks – all in a cooler, more comfortable environment thanks to the machine's optimized insulation. At the same time, the new system has also improved the plant's productivity.

(1) Source : http://www.risquesprofessionnels.ameli.fr

In the textile businesses, the average worldwide frequency rate stood at 17.9, compared with 28.7 for the textile industry in France[1] where safety regulations are often stricter than in other countries. The severity rate was 0.7, compared with the industry average of 1.7.

Occupational illnesses

The leading French units have deployed initiatives to prevent occupational illnesses, which were diagnosed in two people, or 0.4% of the French workforce in 2015. This was slightly under the national average[1]. This indicator is not tracked outside of France.

Quality, safety and environmental training accounted for 27% of total Group-wide training hours in 2015.

Safety agreement signed

In China, a Chargeurs Fashion Technologies production unit renewed its dedicated health and safety agreement.

TRAINING

Chargeurs is committed to developing the wide diversity of capabilities, potential and talent found across the organization, in the belief that motivated employees with the ability to lead a fulfilling career represent a major strength for the company.

Training plays an essential role in helping employees to adapt to changing markets. Our approach is based on a career development review procedure, in which each employee has the opportunity, at least once a year, to meet with his or her manager and discuss short and medium-term actions, identify needs and set career development objectives. Based on the review, an action plan can then prioritize the skills that need improvement and determine a training schedule.

Chargeurs is actively developing its human capital through training programs and assignments in the various corporate services, operating units or regions. Implementation is the responsibility of the unit chief executives, in line with our decentralized management structure. While supporting the development of our organization, the programs are aligned as closely as possible with local and regional needs.

A large percentage of employees attended a training course in both 2015 (62%) and 2014 (55%), in part due to quality, safety and environmental courses that were sometimes attended by a production facility's entire staff. In all, these courses accounted for 27% of total training hours during the year.

At the same time, the average amount of training rose to 16 hours per trainee from 12 in 2014, illustrating each unit's focus on developing the capabilities of all their employees, from production operators to senior executives. In all, 14,669 hours of training were conducted during the year, a 46% increase from 10,063 hours in 2014.

These hours did not include the 3,047 hours of training received by apprentices and interns in the French units, up 31% from 2,320 hours in 2014.

The Chargeurs Fashion Technologies production units in France continued to offer the training curricula set up several years ago to enhance the multi-tasking capabilities and employability of production operators in a mature textile industry that is losing jobs in Europe. In the same way, the two Chargeurs Protective Films production units in Europe are continuing to encourage operators to acquire new skills.

At the Chargeurs Technical Substrates plant in France, 50% of training in 2015 concerned technical and operational issues.

EMPLOYEE RELATIONS

While respecting its decentralized organization, Chargeurs remains committed to promoting social dialogue, especially with employee representatives. Representative bodies have been elected in 13 subsidiaries, including the three main Chargeurs Protective Films units, the Chargeurs Technical Substrates' production unit and the Chargeurs Fashion Technologies units with more than 50 employees worldwide. In France, the proportion of union representatives has held steady for many years, and stood unchanged at 5.12% in 2015.

Moreover, in Europe, the Group Works Council in France and the European Committee for Social Dialogue are helping to promote the constructive exchange of views between the Executive Committee and the French and European employee representatives.

(1) Source : http://www.risquesprofessionnels.ameli.fr

HUMAN RESOURCES INDICATORS

Employees	Definition	Measurement Unit	Scope	at Dec. 31, 2014	at Dec. 31, 2015
Total Employees	Employees on payroll at December 31	Employees under permanent and fixed-term contracts	World	1,566	1,512
Use of temporary staff	Temporary staff	% of total employees under permanent and fixed-term contracts	World	1.8%	2.8%
Employees by business	Group employees by business	Headquarters	World	13	15
		Protective Films	World	532	542
		Fashion Technologies	World	920	857
		Technical Substrates	World	80	76
		Wool	World	21	22
Employees by region	Group employees	France		523	517
		Rest of Europe		243	246
		Asia (including Africa/Oceania)		528	498
		Americas		272	251
	Chargeurs Protective Films	Europe		79%	79%
		Asia (including Africa/Oceania)		6%	6%
		Americas		15%	15%
	Chargeurs Fashion Technologies	Europe		27%	27%
		Asia (including Africa/Oceania)		54%	54%
		Americas		19%	19%
	Chargeurs Technical Substrates	Europe		100%	100%
		Asia (including Africa/Oceania)		0%	0%
		Americas		0%	0%
	Chargeurs Wool	Europe		38%	41%
		Asia (including Africa/Oceania)		19%	18%
		Americas		43%	41%
Gender parity	Group employees	Number of men	World	1,122	1,094
		Number of women	World	444	418
		Percentage of women	World	28.4%	27.6%

Training	Definition	Measurement Unit	Scope	at Dec. 31, 2014	at Dec. 31, 2015
Numbers of persons trained	Employees who attended at least one training course	% of total employees	World	55%	62%
Training hours	Time spent in training by employees who attended at least one training course	Average training hours per person	World	12 hours	16 hours

Safety	Definition	Measurement Unit	Scope	at Dec. 31, 2014	at Dec. 31, 2015
Accidents	Frequency rate: number of occupational accidents per million hours worked	Occupational accidents resulting in at least one day lost time	World	15.6	18.01
Absenteeism due to occupational accidents	Severity rate: number of days' absence per thousand hours worked	Days lost due to an occupational accident	World	0.6	0.61

Compensation	Definition	Measurement Unit	Scope	at Dec. 31, 2014	at Dec. 31, 2015
Payroll costs	Annual payroll costs recorded in the accounts (in euro millions)	Employees of fully consolidated companies worldwide	World	70.5	76.7

OUTCOMES OF CORPORATE AGREEMENTS

In compliance with local labor legislation, the French units conducted negotiations on the annual pay round during the year.

In addition, Novacel Déville-lès-Rouen renegotiated and signed agreements concerning gender equality in the workplace and working hours. Lainière de Picardie Buire-Courcelles renegotiated its gender equality agreement, which was signed in January 2016. Subsidiaries outside France signed agreements on working hours and/or compensation, depending on the country. In all, 15 agreements were signed in Group units during the year.

COMPENSATION

Chargeurs' commitment to decentralization also applies to the management of human resources and compensation, in compliance with local legislation. In this way, each subsidiary is responsible for setting employee compensation, either through contractual mechanisms, either through annual pay rounds for non-exempts or through annual people reviews for managers.

In several subsidiaries, compensation levels are set by internal agreements. Measures are in place to ensure that wages and salaries are determined without any form of discrimination throughout the working relationship with employees.

A significant proportion of managers receive performance-related bonuses, in line with our value creation strategy.

Directors' and officers' compensation

The information below has been prepared based on the recommendations in the Corporate Governance Code for Small- and Mid-caps published by MiddleNext in December 2009.

Note that in 2015, the Board of Directors opted for a simpler organization by combining the functions of Chairman of the Board of Directors and Chief Executive Officer. On October 30, Eduardo Malone resigned as Chairman of the Board, Martine Odillard's term as Chief Executive Officer came to an end and Michaël Fribourg was appointed by the Board as Chairman and Chief Executive Officer.

Compensation for the Chairman until October 30, 2015

Eduardo Malone joined Chargeurs in 1973. Following his retirement in late October 2014, he served as Chairman of the Board of Directors without compensation and shared the benefits of his experience with the Group under a services agreement between Chargeurs Boissy and Sofi Emy, a company of which he is the primary manager. In respect of the services provided as advisor to senior operating management concerning specific technical and geographical issues, Sofi Emy was paid a fee of €125,000 net of VAT in 2015.

As part of the change in governance on October 30, 2015, Mr. Malone resigned as Chairman of the Board of Directors, without receiving any termination benefit.

As a member of the Board, Mr. Malone was paid directors' fees in a gross amount of €6,850 in respect of 2015.

Compensation for the Chief Executive Officer until October 30, 2015

Martine Odillard joined the Chargeurs Group in 1979 and held various salaried management positions before being appointed Chief Operating Officer in September 2010, when her employment contract with Chargeurs SA was suspended.

From March 7, 2014 to October 30, 2015, she served as Chief Executive Officer. Following termination of her office, her employment contract with Chargeurs SA was reinstated on October 31, 2015, under the same terms and conditions as previously.

From that same date until January 8, 2016, Ms. Odillard acted as an advisor to Chairman and Chief Executive Officer Fribourg, providing support as part of the management transition process.

The gross base compensation paid to Ms. Odillard in her capacity as Chief Executive Officer totaled €1,400,652 in 2015.

This overall amount comprises three standard components: salary, benefits and an incentive bonus based on consolidated earnings performance and qualitative objectives set at the beginning of each year.

As Chief Executive Officer, Ms. Odillard received a salary of €458,333 for the period from January 1 to October 30, 2015, compared with €522,619 for full-year 2014.

She also enjoyed the use of a company car from January 1 to October 30, 2015, valued at €5,481 over that period, versus €6,577 euros for full-year 2014.

In respect of the net profit reported in 2015 and the fact that her qualitative objectives for the year were met, Ms. Odillard was paid a gross incentive bonus of €500,000 in 2015, in accordance with her performance plan as Chief Executive Officer, as validated by the Board of Directors, and on the recommendation of the Compensation Committee. This compares with the €396,838 paid in 2015, given the net profit reported in 2014 and the achievement of her qualitative objectives. In 2015, Ms. Odillard was also paid an exceptional gross bonus of €40,000 in respect of a financing transaction completed in June.

She did not receive any directors' fees for her participation on the Board of Directors.

Lastly, upon her resignation as a Chargeurs SA employee at the beginning of 2016 a gross termination benefit of €1,683,322 was paid in accordance with contractual obligations and in light of her 37 years of service to the Group.

Compensation of the Chairman and Chief Executive Officer as from October 30, 2015

Michaël Fribourg joined Chargeurs on October 30, 2015 as Chairman and Chief Executive Officer.

As part of the general performance and cost-cutting plan implemented under his leadership of the Group and all of its divisions in France and around the world, Mr. Fribourg recommended to the Board, as soon as he took up his duties, that the costs related to the office of the Chairman and Chief Executive Officer be substantially reduced.

As a result, Mr. Fribourg will be paid a gross annual salary of €375,000 in respect of 2015 and 2016, without any benefits in kind. At his request, he has not been granted any stock options or performance shares nor will he be entitled to a supplementary pension plan.

While receiving gross compensation of €40,000 as a corporate officer of the Group's subsidiaries, he has also requested that he not be paid any directors' fees in respect of his participation on the Board of Directors of Chargeurs SA.

The gross base compensation paid to Mr. Fribourg in his capacity as Chairman and Chief Executive Officer totaled €63,920 in the period from October 30 to December 31, 2015. In light of the quantitative and qualitative performance in 2015, as recognized by the Board of Directors, and based on the recommendation of the Compensation Committee, Mr. Fribourg was paid a bonus of €31,960, representing 50% of his annual base salary, prorated to the length of his time in office.

On a proposal from the Compensation Committee, the Board of Directors approved that in respect of 2016, Mr. Fribourg may be eligible for a similar percentage bonus calculated on the degree to which the quantitative and qualitative objectives have been met, as well as an additional bonus in the case of over-performance.

SOCIAL RESPONSIBILITY COMMITMENTS

Our regional, economic and employment impact is analyzed solely in terms of jobs created and local economic development due to the business operations of our units. The analysis of jobs created by business and region may be found on page 28.

RELATIONS WITH LOCAL ORGANIZATIONS

Both in France and abroad, relations with local organizations, subcontractors and suppliers are conducted in accordance with Chargeurs' values – in particular the creation of value for our customers, employees and shareholders, the respect for people and property, and fair and honest business practices – and with the standards of good practice embraced by every plant or corporate manager.

Our management organization combines decentralization and empowerment, so that local management is responsible for relationships with schools and universities, trade federations and other host community organizations.

In France, for example, Novacel, Lainière de Picardie and Senfa are deeply involved in the local, national and international industrial scene through their support for general, business and trade schools (in particular by paying the French apprenticeship tax to selected institutions), their partnerships with universities, technical laboratories and innovation clusters, and their participation in national and international trade federations. These partners provide them with invaluable expertise and an outside perspective.

In as much as Chargeurs operates in B2B niche markets without any direct contact with end-consumers, there are only limited opportunities for dialogue with stakeholders interested in our activities, such as associations to combat social exclusion, educational institutions, environmental protection associations, consumer associations and host communities. Nevertheless, to the extent possible, we are committed to acting in harmony with the cultures and traditions of our host countries.

Chargeurs has long forged dedicated **partnership agreements** in its businesses.

For example, Chargeurs Wool has backed its powerful worldwide combed wool sales network with four industrial partnerships in four countries on two continents to guarantee the reliability, traceability and quality of the delivered products and services, based on trust, respect and transparent relationships. Chargeurs Fashion Technologies has also partnered with a Chinese company.

SUBCONTRACTORS AND SUPPLIERS

Relations with subcontractors and suppliers are guided by the values and procedural principles that every unit and corporate manager has pledged to uphold and that express our expectations for the suppliers, resellers and partners with whom we work in accordance with sustainable, responsible and ethical social and environmental practices.

Subcontracting is used by the businesses to enable them to focus on their core competencies. In the case of Chargeurs Wool, for example, this has led to agreements with the partner combing mills to ensure the traceability of wool labeled OEKO-TEX® Standard 100 and Global Organic Textile Standard (GOTS), thanks to their CSR commitments and OHS 18000 and/or ISO 14001 and ISO 9001 certifications.

The purchasing policies applied by the businesses are focused on meeting our customers' demanding standards of quality, reliability and competitiveness, so as to maintain the quality of our portfolio of value-added products and services.

For Chargeurs Protective Films, nearly all of the raw materials sourced in 2015 by its French unit came from companies or corporations that either affirm a formal CSR commitment or have demonstrated the quality of their operations.

For example, its largest subcontractor is equipped with efficient, highly automated installations and an organization built on international quality standards that enable it to meet the business unit's demands.

Chargeurs Technical Substrates' leading supplier is ISO 9001 and EN 9100-certified, and is also certified to the OEKO-TEX® Standard 100, which is a globally uniform testing and certification system for textile raw materials, intermediate and end products at all stages of production. Testing for harmful substances covers substances that are prohibited or regulated by law, chemicals that are known to be harmful to health and parameters that are included as a precautionary measure to safeguard health.

For Chargeurs Fashion Technologies, the main expectations of its garment-maker customers also concern product quality and the assurance that the Fashion Technologiess are harmless, as attested by our units' ability to provide OEKO-TEX® Standard 100 certification, including the highly demanding class 1 certification for products that could come into contact with a baby's skin.

MEASURES TO PROMOTE CONSUMER HEALTH AND SAFETY

Chargeurs Protective Films is deeply engaged in the CSR process. The two European production units have earned certification according to the international ISO 9001 quality management standard and the international ISO 14001 standard, which defines the procedures for developing, implementing, maintaining and assessing an environmental management system. They can also demonstrate to customers their compliance with European REACH legislation. The Italian production unit has also been certified to the OHSAS 18001 standard, which stipulates a method for deploying an occupational health and safety management system and corresponding guidelines.

The goal is to improve risk management to reduce the number of accidents, comply with legislation and improve performance. As of end-December 2015, the Italian production unit had had a record 912 days without an accident, demonstrating the effectiveness of its safety management system and the engagement of all its employees in the safety process. Note that protective films are designed for the temporary protection of surfaces at every stage of the production process and are not intended for sale to consumers.

Senfa, the Technical Substrates' French production unit, has been awarded the AFAQ Confirmed Eco-Design label, which certifies the maturity of the unit's eco-design process. Continuous improvement in the process is being driven by the objectives set at the beginning of each year.

As mentioned above, Chargeurs Fashion Technologies and Chargeurs Wool offer their garment-maker and spinning-mill customers products that carry the OEKO-TEX® Standard 100 label and comply, in the case of Chargeurs Fashion Technologies, with the European REACH Directive, which guarantees that these products do not contain any PFCs or phthalates.

FAIR AND HONEST BUSINESS PRACTICES

Constant attention is paid to the practices of our employees and the subsidiaries, to ensure that they consistently set an outstanding example. Trust is one of our core values. To prevent and manage cases of bribery, conflicts of interest or fraud, every plant manager has pledged to comply with the principles of good practice applicable in all of our operations, while constantly raising standards. This commitment is in line with our corporate values and supported by the close relationships between the corporate business teams and their subsidiaries, as demonstrated by regular visits to host countries by senior executives and by members of the general management, finance and human resources departments.

ENVIRONMENTAL REPORT

Managing the environmental risks posed by our operations enhances our customer image and supports a trusting relationship with our host communities, who are increasingly concerned about safety, health and environmental issues.

The environment is a priority for our partner combing mill in Uruguay. It uses around 800 cu.m of cleaning water a day, supplied via a seven-kilometer aqueduct from a rainfed, one-million cu.m dam reservoir. This means that there are no withdrawals from the water table. After treatment according to local standards, the water is released into rivers or used as irrigation.

Effluent containing biodegradable organic matter is treated aerobically and anaerobically. To improve efficiency, the mill recently upgraded its old anaerobic treatment tanks with technology that generates biogas, which can be used as a renewable energy source while reducing greenhouse gas emissions by 95%.

Find out all about Lanas Trinidad on: **http://lanastrinidad.com**

Measures to prevent, reduce or remediate releases into the air, water or the soil that could seriously damage the environment are tracked subsidiary by subsidiary with the goal of complying with local legislation. They are not tracked at the corporate level.

The Protective Films and Wool businesses have long been involved in managing environmental issues, as attested by the ISO 14001 and ISO 9001 certifications earned by their leading production facilities and partner combing mills. These certification processes also cover employee awareness building and training.

Committed since 2010 to promoting eco-design, Chargeurs Technical Substrates' main production unit in France, Senfa, has integrated an eco-design management system into its organization and applies standards that aim to continually improve the design process that leads to the manufacture of eco-designed products.

Eco-design is an innovative process that designs environmental criteria into a product or service in order to reduce its lifecycle impact, from raw materials extraction to end-of-life/reuse.

French standards association AFAQ-AFNOR has awarded Senfa the AFAQ Confirmed Eco-Design label, with a score of 551 points or level three out of a possible four.

In the Fashion Technologies division, several subsidiaries are deploying certification processes. In addition, the business supplies products that comply with the European REACH Directive and are certified according to the OEKO-TEX® Standard 100, an eco-label that guarantees that textiles are harmless to human health (especially class 1 products that could come into contact with a baby's skin). The REACH Directive, which entered into force in 2007, is designed to ensure the safe production and use of chemical substances in European industry by Registering, Evaluating, Authorizing and restricting Chemicals produced or imported for sale in the European market. To comply, manufacturers or importers of substances in quantities of one or more tonnes a year must register them with a central European agency. By 2018, the EU will have the legal and technical resources in place to ensure that all stakeholders enjoy a high level of protection against chemical risks.

In response to the Directive, the Fashion Technologies division replaced the now banned formaldehyde in its coatings with an acrylic, which unfortunately had some quality issues. To eliminate them, in 2015, it developed a new polyurethane undercoating that not only reduces wastage and run-related seconds, but also improves the final product for customers.

The same production unit also successfully passed an on-site quality audit conducted by a key customer, earning an excellent rating that gave it tier-one supplier status.

In 2015, it also pursued the initiative underway to build CSR awareness among all of its plant employees.

Indicator performance for the year is calculated on the basis of raw data reported by the units. Most of the data reported below are expressed on a unit-of-production basis, e.g. millions of square meters (Mm2) of film for the Protective Films business, square kilometers (km2) of product for the Technical Substrates business, and millions of linear meters (Mlm) of interlinings for the Fashion Technologies business.

The data and/or indicators reported by the subsidiaries may sometime lack consistency due to the use of different methodologies, particularly as concerns volatile organic compound (VOC) and greenhouse gas emissions.

The reporting process was defined according to the same criteria as in 2014. As part of the continuous improvement plan, the scope of environmental data reporting was broadened in 2015 with the integration of a new business unit, Chargeurs Technical Substrates, which was formed from the Chargeurs Fashion Technologies division.

Every year, Chargeurs invests in research designed to reduce its use of energy, water and other resources. These programs will be pursued in 2016. Several production units also already recycle their packaging waste.

The 2015 environmental data were reported from 11 production facilities operated by the Group during the year, of which three Chargeurs Protective Films units, one Chargeurs Technical Substrates unit and 7 Chargeurs Fashion Technologies units. This was three more than in 2014, which further improved the quality of reported data.

Total water and energy used by our production plants edged up by a slight 3.5% and 3.2% respectively in 2015, as a direct result of the increase in output over the year.

Chargeurs is committed to steadily expanding the scope of reporting, in line with the improvement targets set for data reporting and the analysis of ways to reduce its environmental footprint.

AMOUNT OF PROVISIONS AND GUARANTEES FOR ENVIRONMENTAL RISKS

None.

CHARGEURS PROTECTIVE FILMS

Energy and water use

The French production plant is not authorized to withdraw more than 50,000 cubic meters of groundwater and 6,000 cubic meters of municipal water a year. On the energy side, the electric radiators in the head office building were replaced in 2015 by radiators that self-adjust heating to occupancy. The windows on the building's northwest facade were also changed. Moreover, the plant commissioned an energy audit whose findings will guide its future energy-efficiency investments. So far, it has not used any renewable energies.

In Italy, local authorities have authorized our plant to withdraw water from two wells, primarily to generate steam for the solvent recovery unit. The water is not used in the air conditioning system or for drinking. The authorization does not limit withdrawals but requires that annual usage volumes be reported for invoicing. To improve its energy efficiency, the facility has begun to explore the feasibility of installing solar panels on the roof of the production building. In 2016, new investments to install an evaporator and a boiler will drive a further reduction in gas and power consumption.

At the US production facility, water use is not restricted because it is drawn from the country's largest water table. The plant simply pays an annual metered bill. In addition, LED lighting, which uses only 10% of the power consumed by the replaced sodium-vapor lamps, has been installed in the main coating shops, which account for 25% of the total surface area.

The 11 million square meters rise in the division's output over the year drove a corresponding increase in water and energy use.

Energy use rose by 6% year-on-year. Thanks to its latest incinerator and new refrigeration unit, whose higher coefficient of performance has lowered its power use, the Italian subsidiary was able to limit the increase in consumption over the year. Water use rose significantly at the US production plant due to a sharp increase in the use of water-based coatings and a significant undetected leak in one of its tanks.

ENERGY USE IN MWH/MM²

WATER USE IN M³/MM²

Waste production

The amount of hazardous waste produced held steady in 2015, reflecting the special attention paid by the production units, especially in the United States, where quantities were reduced by 33% by making solvent-based coating processes more efficient.

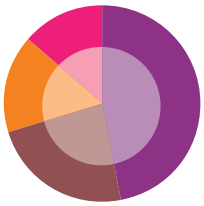
Non-hazardous waste volumes rose steeply during the year following the bulk disposal of old papers by the US production unit.

NON-HAZARDOUS WASTE IN T/MM²

HAZARDOUS WASTE IN T/MM²

Waste disposal methods

The US facility's bulk disposal of non-recyclable old papers shifted the breakdown of waste disposal methods for the year, with in particular a significant increase in landfilled volumes.



- 47.1% - **Recycling**
- 23.3% - **Incineration**
- 16.1% - **Landfilling**
- 13.5% - **Waste-to-energy**

Volatile organic compound (VOC) emissions

VOC emissions per unit-of-production rose by a slight 5% in 2015, as the temporary malfunction of an adsorber in the French facility's solvent recovery unit offset the impact of improved performance by the incinerator installed in Italy in 2013, which cut VOC emissions by more than 50% year-on-year in 2015.

The US production unit reduced its emissions by improving the efficiency of its solvent-based coating processes.

In addition to recycling and managing its waste, the plant in Déville-lès-Rouen, France is committed to deploying solutions that are environmentally and economically sustainable. Its solvent recovery unit, for example, has enabled it to reduce its solvent purchases, significantly cut its VOC emissions and shrink its environmental footprint during the transportation, handling and storage of hazardous substances.

VOC EMISSIONS IN TONS OF CARBON/MM²

Greenhouse gas emissions

Greenhouse gas emissions per unit-of-production jumped 21% year-on-year due to the increase in output at the Italian plant. In 2015, a more detailed analysis of greenhouse gas emissions from burning of natural gas was performed on the Déville-lès-Rouen site, in order to integrate the GHG emissions from the generation of purchased electricity.

GREENHOUSE GAS EMISSIONS IN T/MM²

Environmental management and certifications

One person is in charge of environmental, health and safety issues in France, two people at the Italian production unit and one person at each of the production and distribution facilities in the United States, for a total of five dedicated employees. During the year, the French plant in Déville-lès-Rouen maintained its ISO 14001 and ISO 9001 certifications, while the Italian plant in Sessa Aurunca maintained its ISO 14001, ISO 9001 and OHSAS 18001 certifications. In addition, the distribution units in Italy and the United States have been certified ISO 9001, and those in Italy are certified OHSAS 18001 as well.

Compliance with REACH legislation

In 2015, the European units of the Protective Films division verified that none of their products contained any substances of very high concern (SVHC) in concentrations exceeding 0.1% w/w. These substances have been identified as having the potential to seriously and irreversibly damage the environment or human health. The goal is to replace the most harmful substances with other substances or technologies that are safer for human health and the environment. Compliance information may be provided to customers on request.

CHARGEURS FASHION TECHNOLOGIES

Data for 2014* have been adjusted to reflect the 2015 spin-off from Chargeurs Fashion Technologies of the new Chargeurs Technical Substrates business unit.

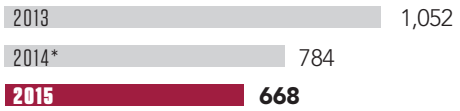
Energy and water use

Energy and water use declined sharply in 2015, by 15% and 13% respectively, because the scope of reporting included two additional units without any dyeing operations, which use more water. This means that seven production plants now report their water, power and gas use for the year.

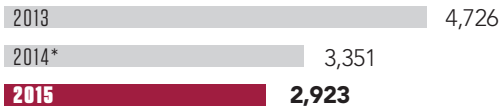
The French production unit significantly reduced its energy and water use on a unit-of-production basis, by 28% and 24% respectively. Conventional neon tubes are now being systematically replaced by LEDs, whose high lighting quality and intensity remain constant over time.

In addition, glass vaulted ceilings were installed along with the smoke vents, thereby reducing the need for artificial lighting. Water use has been reduced by canalizing dye tank cleaning surfaces. These initiatives are part of the unit's continuous improvement plan, along with the sharing and implementation of best practices.

ENERGY USE IN MWH/MML



WATER USE IN M³/MML



Waste production

In 2015, particular attention was paid to reducing the amount of waste produced, particularly by the French production unit, which disposed of its obsolete chemicals. In response to new REACH regulations restricting the use of formaldehyde, the plant modified all of its coatings in ways that reduced both wastage and seconds.

Note as well that the main Chinese production unit reduced the water content in its sewage sludge, driving a noticeable 23% decrease in its hazardous waste produced per unit-of-production.

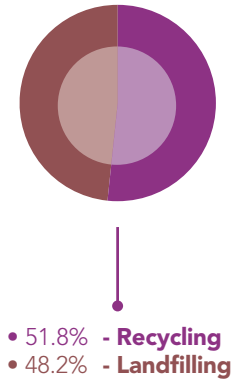
In all, the Fashion Technologies business reduced its waste tonnages by 10% per unit-of-production.

NON-HAZARDOUS WASTE IN T/ MML

HAZARDOUS WASTE IN T/ MML

Waste disposal methods

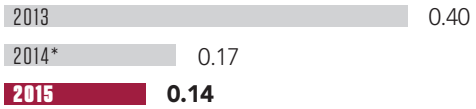
In 2015, the French production unit reduced its waste volumes by 13% despite bottlenecks in the leftover fabric recycling channels over the year.



Volatile organic compound (VOC) emissions

VOC emissions per unit-of-production concerned three facilities representing 59% of output in 2015, versus three facilities and 49% of output in 2014. Emissions declined during the year, with a particularly significant decrease at the French unit, based on the more accurate data derived from actual measurements as opposed to the estimates reported in 2014.

VOC EMISSIONS IN TONS OF CARBON/MML



Greenhouse gas emissions

Greenhouse gas emissions per unit-of-production declined by 6% over the year, led by the significant 30% drop in power and gas use at the French plant thanks to the continuous improvement plan.

GREENHOUSE GAS EMISSIONS IN T/MML

Environmental management and certifications

In 2015, a total of 12 people were in charge of managing environmental, health and safety issues in the business, of which three in France, eight at the four Asian production facilities and one at the Argentine unit. The French plant retained both its ISO 9001 certification, which was renewed in late December for three years, and its OEKO-TEX® Standard 100 certification. Four Asian production plants have earned OEKO-TEX® Standard 100 certification and one of them is ISO 9001-certified as well.

All of the garment interlinings produced by the French unit are OEKO-TEX®-certified, but not the technical products intended for the automotive and other markets.

Compliance with REACH legislation

In 2015, the European units of the Fashion Technologies business verified that their suppliers had pre-registered all of the chemicals they use and that none of these chemicals contained substances of very high concern (SVHC) in concentrations exceeding 0.1% w/w. All of the compliance information may be provided to customers on request.

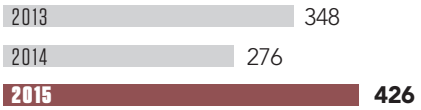
Energy and water use

The increase in production at the Senfa plant in France drove a 33% rise in power and gas use per unit-of-production, reflecting i) the plant's seven-days-a-week operating schedule throughout most of the year to keep up with demand, and ii) the start-up of the Sélestat facility's new 5-meter wide coating line in late November 2015.

Water used per unit-of-production also rose during the year, by 54%, due to a leak that was undetected by the plant but noticed by the local water and sewage agency. It was repaired early in the fourth quarter of 2015 so that water withdrawals should return to normal in 2016.

ENERGY USE IN MWH/KM²

WATER USE IN M³/KM²

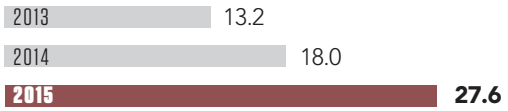


Waste production

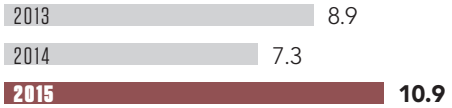
Hazardous waste volumes per unit-of-production climbed 49% year-on-year due to the seven-days-a-week operating schedule in 2015, which led to the release of more effluent, paste residue and dry sludge from the sewage plant.

Non-hazardous waste produced per unit-of-production also rose significantly year-on-year, by 53%, due to the large amount of wood and other packaging waste involved in the installation of the new 5-meter coating line. As a result, volumes are expected to return to normal in 2016.

NON-HAZARDOUS WASTE IN T/KM²

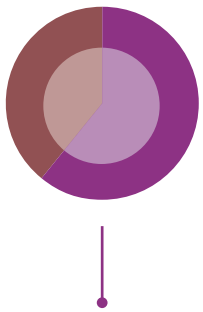


HAZARDOUS WASTE IN T/KM²



Waste disposal methods

Most of the non-hazardous waste is hauled away in dump-trucks for incineration.

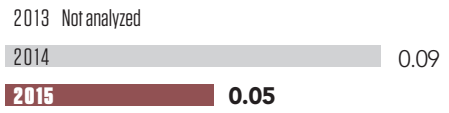


- 61.1% - **Incineration**
- 38.9% - **Recycling**

Volatile organic compound (VOC) emissions

VOC emissions per unit-of-production dropped by a steep 45% over the year. Senfa is deploying a solvent management plan that has drastically reduced solvent use, in particular for cleaning, by replacing them with less harmful products.

VOC EMISSIONS IN TONS OF CARBON/KM²



Greenhouse gas emissions

Greenhouse gas emissions per unit-of-production rose by 20% over the year, reflecting the higher energy use following the increase in output and the start-up of the new production line, as indicated above.

GREENHOUSE GAS EMISSIONS IN T/KM²

Environmental management and certifications

At Senfa, an HSE technician reporting to the Production Manager is in charge of environmental, health and safety issues. The plant in Sélestat, France maintained its certification under OEKO-TEX® Standard 100, which is an independent testing and certification system for textile raw materials, intermediate and end products at all stages of production.

The requirement for certification of textile products according to OEKO-TEX® Standard 100 is that all components of an item have to comply with the required criteria without exception. The unit was also awarded the AFAQ Confirmed Eco-Design label in 2015.

Compliance with REACH legislation

In 2015, the Senfa production unit in France verified that none of its products contained any substances of very high concern (SVHC) in concentrations exceeding 0.1% w/w. These substances have been identified as having the potential to seriously and irreversibly damage the environment or human health. Compliance information may be provided to customers on request.

REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED ENVIRONMENTAL, LABOUR AND SOCIAL INFORMATION PRESENTED IN THE MANAGEMENT REPORT

For the year ended December 31st, 2015

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditor of Chargeurs, appointed as an independent third party and certified by COFRAC under number 3-1060[1], we hereby report to you our report on the consolidated human resources, environmental and social information for the year ended December 31st, 2015, included in the management report (hereinafter named "CSR Information"), pursuant to article L.225-102-1 of the French Commercial Code (*Code de commerce*).

COMPANY'S RESPONSIBILITY

The Board is responsible for preparing a company's management report including the CSR Information required by article R.225-105-1 of the French Commercial Code in accordance with the guidelines used by the Company (hereinafter the "Guidelines"), summarised in the management report and available on request from the Company's head office.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the French Code of ethics (*Code de déontologie*) of our profession and the requirements of article L.822-11 of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

STATUTORY AUDITOR'S RESPONSIBILITY

On the basis of our work, our responsibility is to:

- attest that the required CSR Information is included in the management report or, in the event of non-disclosure of a part or all of the CSR Information, that an explanation is provided in accordance with the third paragraph of article R.225-105 of the French Commercial Code (Attestation regarding the completeness of CSR Information);
- express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CSR Information).

Our work involved 5 persons and was conducted between December 2015 and March 2016 during a 4 week period. We were assisted in our work by our CSR experts.

We performed our work in accordance with the French professional standards and with the order dated 13 May 2013 defining the conditions under which the independent third party performs its engagement and with ISAE 3000[2] concerning our conclusion on the fairness of CSR Information.

ATTESTATION REGARDING THE COMPLETENESS OF CSR INFORMATION

Nature and scope of our work

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the Company's sustainability strategy regarding human resources and environmental impacts of its activities and its social commitments and, where applicable, any actions or programmes arising from them.

We compared the CSR Information presented in the management report with the list provided in article R.225-105-1 of the French Commercial Code.

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, i.e., the Company, its subsidiaries as defined by article L.233-1 and the controlled entities as defined by article L.233-3 of the French Commercial Code within the limitations set out in the methodological note, presented in 3.4 section of the management report.

Conclusion

Based on the work performed and given the limitations mentioned above, we attest that the required consolidated CSR Information has been disclosed in the management report.

As mentioned in the methodological information, the CSR Information presented in this report covers the consolidated undertaking, i.e., the Company, its subsidiaries and controlled entities. It does not concern the Company alone, as specified by law, since the Company deems that this presentation provides more meaningful information.

(1) Whose scope is available at www.cofrac.fr

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

CONCLUSION ON THE FAIRNESS OF CSR INFORMATION

Nature and scope of our work

We conducted 10 interviews with persons responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account industry best practices where appropriate;
- verify the implementation of data-collection, compilation, processing and control process to reach completeness and consistency of the CSR Information and obtain an understanding of the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and procedures based on the nature and importance of the CSR Information with respect to the characteristics of the Company, the human resources and environmental challenges of its activities, its sustainability strategy and industry best practices.

Regarding the CSR Information that we considered to be the most important[1]:

- at parent entity level, we referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report;
- at the level of a representative sample of sites selected by us[2] on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify that procedures are properly applied and to identify potential undisclosed data, and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents. The selected sample represents between 21% of the workforce and between 52% and 86% of quantitative environmental data.

For the remaining consolidated CSR Information, we assessed its consistency based on our understanding of the company.

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part in the light of good professional standards set out in the Global Reporting Initiative.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

CONCLUSION

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the consolidated CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

French original signed by:

Neuilly-sur-Seine – April 5, 2016

One of the Statutory Auditors
PricewaterhouseCoopers Audit

Éric Bertier
Partner

Sylvain Lambert
Corporate Social Responsibility Department
Partner

(1) *Detailed in appendix.*
(2) *The sites selected are: Lainière de Picardie at Buire Courcelles (France), Senfa (France) et Novacel (France).*

APPENDIX - LIST OF CSR INFORMATION THAT WE CONSIDERED TO BE THE MOST IMPORTANT

Social performance indicators

- Total workforce and breakdown by gender and geographical region.
- Hires and redundancies.
- Workplace health and safety conditions.
- Workplace accidents, in particular their frequency and severity, and occupational diseases.
- Training policies.
- Number of training hours.
- Elimination of discrimination in employment and occupation.
- Promotion and adherence to the terms of the conventions of the International Labour Organization.

Environmental performance indicators

- Company organisation to address environmental issues and if relevant, performance monitoring or certification in terms of environment.
- Training and communication to employees issues relative to environmental protection.
- Resources allocated to prevent environmental risks and pollution.
- Measures to prevent, reduce or remedy emissions into the air, water or soil that seriously affect the environment.
- Measures to prevent, recycle and dispose of waste.
- Water consumption and supply according to local constraints.
- Raw materials consumption and measures taken to use them more efficiently.
- Energy consumption, measures taken to improve energy efficiency and use of renewable energy.
- Greenhouse gas emissions.

Corporate responsibility indicators

- Conditions of dialogue with stakeholders.
- Inclusion of social and environmental criteria in the procurement policy.
- Extent of sub-contracting and consideration of the corporate responsibility of suppliers and contractors in dealings with them.
- Measures taken in favour of consumer health and safety.

FINANCIAL AND LEGAL INFORMATION

In 2015, Chargeurs record excellent performance in a difficult global macro-economic environment. 2015 results are very strong with sharp growth in earnings significantly exceeding performance targets, a proven capability to optimize revenues, a robust and reinforced financial position and a renewed shareholding structure.
In 2016, Chargeurs will continue strong performance in a global economic environment still subject to volatility by reinforcing Chargeurs' business model for industrial and marketing excellence, by stepping up "*sales to profit to cash*", by reinforcing the Group's financials.
On a long term outlook, the objective is to put the Group at the heart of a sustainable business model based on excellence and industrial differenciation.

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The Annual Report can be downloaded in English or French from the Company's website www.chargeurs.fr

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CHAIRMAN'S REPORT
ON CORPORATE GOVERNANCE AND INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

This report has been prepared by the Chairman for presentation to the Annual General Meeting of Chargeurs shareholders of May 4, 2016, as required by article L. 225-37 of the French Commercial Code *(Code de commerce)*.

The preparation process included making inquiries of the departments involved in overseeing internal control and risk management processes.

The report was submitted to the Audit Committee and the Compensation Committee for review on March 9, 2016 and was approved by the Board of Directors on the same date.

REFERENCE

The Board of Directors has decided to use the Corporate Governance Code for Small- and Mid-caps published by Middlenext in December 2009 as Chargeurs' reference for corporate governance practices and procedures and particularly for the preparation of this report. This Code may be downloaded from the Middlenext website (in French only).

Chargeurs has been gradually implementing the recommendations contained in the Middlenext Code and intends to continue this process.

[NB: during the Board meeting held on March 14, 2016, post mixed general meeting, it was decided to put in place a set of internal regulations designed to identify clearly the internal procedures, the rights and obligations of the Directors, non-voting Directors and Committee members.]

In addition to this report and as recommended by France's securities regulator (AMF) in its "comply or explain" recommendation 2013-20 issued on November 18, 2013, the Chargeurs annual report contains a summary table setting out the recommendations in the Middlenext Code that are not relevant to the Company or that the Company has elected not to apply, with explanations provided in each case.

The members of the Board of Directors have been informed of the *"Points de vigilance"* ("Points to be watched") section of the Code, which describes the main issues to be addressed in order to ensure that the Company's governance system operates smoothly. The Directors recognize that the purpose of this section of the Code is to encourage the Board to consider these issues, without necessarily being required to prepare explicit, detailed responses.

Chargeurs' practices and procedures in the areas of risk management and internal control are based on the general principles defined by the AMF in its July 22, 2010 document entitled *"Cadre de Référence sur les dispositifs de gestion des risques et de contrôle interne: Guide de mise en œuvre pour les valeurs moyennes et petites"*, which provides a risk management and internal control framework and guidelines for small- and mid-cap companies.

CORPORATE GOVERNANCE

2015 was a pivotal year in the Company's history.

On October 30, 2015, Chargeurs acquired a new reference shareholder with the purchase by Columbus Holding SAS from the concert group comprising Jérôme Seydoux and the companies he controls (Pathé and OJEJ), and Eduardo Malone and the company he controls (SOFI EMY), all of their respective interests in Chargeurs, representing 6,334,805 shares and 27.76% of the capital.

Jérôme Seydoux, Eduardo Malone and Martine Odillard stepped down after spending 35 years, 41 years and 36 years respectively at the helm of the Company.

APPOINTMENT OF NEW DIRECTORS

Following the resignation of Jérôme Seydoux, Eduardo Malone and Martine Odillard, the Board of Directors appointed the following new members:

- **Columbus Holding SAS**, represented by Nicolas Urbain, to replace Jérôme Seydoux;
- **Michaël Fribourg** to replace Eduardo Malone;
- **Emmanuel Coquoin** to replace Martine Odillard.

[NB: In accordance with the law and the Company's bylaws, these appointments have been proposed at the General Meeting held on March 14, 2016 and they were ratified with a large majority.]

GOVERNANCE STRUCTURE

At its meeting on October 30, 2015, the Board of Directors decided to change the Company's governance structure, as allowed for in article 14.2 of the bylaws, by combining the positions of Chairman of the Board and Chief Executive Officer.

Reflecting his executive role, the Chairman of the Board has been given the title of Chairman and Chief Executive Officer.

Chairman and Chief Executive Officer

Following the decision to change the Company's governance structure, on October 30, 2015 the Board of Directors appointed Michaël Fribourg as:

- Chairman of the Board of Directors, for his term as a member of the Board; and
- Chief Executive Officer, for a period of five years.

As Chairman and Chief Executive Officer, Michaël Fribourg (i) organizes and leads the work of the Board and reports thereon to the shareholders at General Meetings; oversees the effectiveness of the Company's governance structures and monitors compliance with generally accepted governance principles and best practices; and (ii) assumes responsibility for implementing the strategy decided by the Board of Directors and for the day-to-day management of the Company.

Restrictions on the Chairman and Chief Executive Officer's powers

In accordance with the Company's bylaws, the Chairman and Chief Executive Officer (or the Chief Executive Officer when the two positions are held by different people) has the broadest powers to act in all circumstances in the Company's name, within the limits of the corporate purpose and except for those powers that the law attributes to the shareholders in General Meeting and to the Board of Directors. He represents the Company in its dealings with third parties.

Internal restrictions on the Chairman and Chief Executive Officer's powers concern the requirement to obtain the Board of Directors' prior approval before issuing any guarantees that are binding on the Company, except in cases where the Board of Directors has expressly delegated its authority within the limits defined in articles L. 225-35 and R. 225-28 of the French Commercial Code.

BOARD OF DIRECTORS

Membership

The membership of the Board of Directors is presented in the "Corporate governance" section of the Annual Report.

The Board had five directors, including the Chairman and Chief Executive Officer.

Following a case-by-case review of the Directors' situation based on the independence criteria set out in the Middlenext Code and adopted by Chargeurs, two members of the Board in its new configuration qualify as independent, Catherine Sabouret and Georges Ralli (whose term of office as a Director comes to an end after the Annual General Meeting on May 4, 2016).

Changes to the Board of Directors as proposed to the Shareholders Meeting of May 4, 2016

We draw to your attention, in the context of changes to the Board of Directors, the following appointments as proposed to the Shareholders Meeting of May 4, 2016 :

- the appointment of Isabelle Guichot, independent director, will be put forward and will thus bring to two the number of women on the Board of Directors. Isabelle Guichot has a significant track record in the luxury fashion industry through her experience as Head of many leading International brands. In this way, Chargeurs will comply in advance with the provisions regarding corporate governance required by law 2011-103 of January 27, 2011 in relation to the gender balance on Board of Directors;
- after the appointment of Colombus Holding SAS as a Director, taken over from Jerôme Seydoux, is due to end after the Shareholders Meeting of May 4, 2016 and its reappointment is put to the vote of such Shareholders Meeting;
- the appointment of Georges Ralli, as non-voting director (censeur) will also be put to the vote of Shareholders Meeting. Georges Ralli, who has years of experience as a managing executive and international banker, is considered a a renowned authority of international group management. As a non-voting director (censeur), Mr Ralli will attend Board meetings and take part in deliberations, by way of consultation.

Board members have diverse professional and personal backgrounds and significant international experience.

In accordance with AMF recommendation 2013-20 issued on November 18, 2013, the annual report includes a summary table describing changes in the Board of Directors' membership during 2015, as well as the situation of each Director in relation to the independence criteria contained in the Middlenext Code.

The Board does not have any members representing either employee shareholders or employees in general, as the Company's headcount is below the thresholds specified in articles L. 225-23 and L. 225-27-1 of the French Commercial Code that trigger the requirement for employee representation.

Organization of the work of the Board of Directors

The Board of Directors decides the Company' business strategy and oversees its implementation.

The Board of Directors meets at least four times a year: twice to examine the interim and annual financial statements, once to review Group strategy as reflected in the budget and business plan and once after the Annual General Meeting to implement the decisions voted by shareholders. At each meeting, the Directors also discuss the Group's business performance, major projects and the matters submitted to the Board for a decision.

In 2015, the Board met six times, twice more than in a normal year. The main reason for the additional meetings was to make various decisions related to last October's change of governance.

The role of the Board and its main operating procedures are described in the Company's bylaws.

Following the change of governance structure, the Board of Directors in its new configuration reviewed some of its procedures and identified a need to bring them up to date. This led to the decision to present a resolution at the General Meeting called on March 14, 2016, concerning Board decisions and the Board's adoption of a set of internal rules.

The Directors receive in a timely manner the information required for them to make an informed contribution to the Board's discussions. They may also ask the Chairman and Chief Executive Officer to give them any additional information they may consider useful for performing their duties.

Prior to the change of governance structure, the Chief Executive Officer regularly provided the Board with competitor analyses and updates on market trends. This information is now provided by the Chairman and Chief Executive Officer with input from the Managing Directors of the business segments.

At the Board meeting held to review accounting projections and the budget, the Managing Directors of the business segments present their operations and the outlook for each unit concerned.

The total fees awarded to the members of the Board of Directors in 2015 amounted to €45,000. These fees were allocated among the former and new members based on their attendance at Board meetings, except for the new Chairman and Chief Executive Officer and the former Chief Executive Officer who did not receive any fees in their capacity as Directors of Chargeurs SA.

The six Board meetings held in 2015 lasted for an average of three hours and the average attendance rate was 93%.

The Board of Directors did not carry out a formal self-assessment of its work and procedures in 2015. However, the Directors discussed these issues at various times during the year, therefore complying with the overall objectives of the Middlenext Code's recommendations. Following the change of reference shareholder on October 30, 2015, when the new Chairman and Chief Executive Officer took up his position he also reviewed the Board's work and procedures.

COMPENSATION COMMITTEE

At its meeting on December 16, 2015, the Board of Directors decided to set up a Compensation Committee. The members of the Committee are Georges Ralli (independent Director and Committee Chairman) and Nicolas Urbain (permanent representative of Columbus Holdings SAS on the Chargeurs SA Board).

The Compensation Committee is tasked with assisting the Board of Directors and recommending senior management compensation packages that enable the Company to retain, motivate and hire the best talent, while ensuring that executive pay is aligned with shareholders' interests and the Company's performance. The Compensation Committee applies the seven criteria listed in the second recommendation (R2) of the Middlenext Code: Completeness, Balance, Benchmark, Consistency, Clarity, Measurement and Transparency.

The Committee's membership and the experience of its members are consistent with the size and needs of the Board of Directors.

The Compensation Committee met for the first time on December 16, 2015 in connection with the 2016 budget exercise. During the meeting, it formulated recommendations concerning (i) the criteria to be applied by the Board for the determination of senior management compensation, and (ii) the attendance fees to be awarded to the Directors and the members of the Committees of the Board for 2016.

AUDIT COMMITTEE

At its meeting on December 3, 2009, the Board decided to set up an Audit Committee in application of article L. 823-19 of the French Commercial Code.

During most of 2015, the Audit Committee comprised two Directors—Catherine Sabouret (Committee Chairman) and Georges Ralli. On December 16, 2015, the Board of Directors decided to appoint a third member, Emmanuel Coquoin.

The Board considers that this membership structure is appropriate in view of the skills and experience of each of the Committee's members.

When determining the roles and responsibilities of the Audit Committee, and for the execution of these responsibilities, the Company referred to the report of the AMF Working Group on Audit Committees, which was issued in 2010 and can be viewed on the AMF's website at http://www.amf-france.org.

The Audit Committee meets at least twice a year, before the Board meetings held to approve the publication of the annual and interim financial statements. It is tasked with assisting the Board in its role of approving the annual and interim financial statements of the parent company and the Group and preparing information to be disclosed to shareholders and the markets. It monitors the procedures used for Chargeurs' financial reporting process and ensures that the Group's internal control and risk management systems are effective. The Audit Committee also oversees the Statutory Auditors' audit of the financial statements of the parent company and the Group and verifies the Auditors' independence.

The Audit Committee Chairman reports to the Board on the Committee's work on a regular basis.

The Audit Committee met twice in 2015.

During these meetings it examined the process for preparing the annual financial statements for 2014 and the interim financial statements for first-half 2015, the Statutory Auditors' engagements and fee proposal, and the Company's corporate social responsibility (CSR) guidelines and action plans.

INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

DEFINITION AND OBJECTIVES OF INTERNAL CONTROL

Internal control is a system that a company defines and implements under its own responsibility to provide reasonable assurance concerning:

- compliance with laws and regulations;
- implementation of the instructions and guidelines set by senior management or the Board of Directors;
- efficient operation of the Company's internal processes, particularly those contributing to the protection of its assets;
- reliability of financial reporting.

More generally, it contributes to the control of the Company's businesses, the effectiveness of its operations and the efficient use of its resources.

By helping to anticipate and control risks that could prevent the Company from meeting its objectives, internal control plays a key role in managing and overseeing its various business operations. It cannot, however, provide an absolute guarantee that all risks have been eliminated.

SCOPE OF INTERNAL CONTROL

The Group is organized around a lean holding company and four business segments:

- Chargeurs Protective Films;
- Chargeurs Fashion Technologies (the new name of Chargeurs Interlining);
- Chargeurs Technical Substrates;
- Chargeurs Wool.

Chargeurs Technical Substrates was previously part of Chargeurs Fashion Technologies. It became the Group's fourth operating segment in 2015.

COMPONENTS OF INTERNAL CONTROL

An Efficient Organization

Chargeurs is organized around decentralized operating structures and efficient information systems that provide the corporate teams with (i) high-quality financial information; (ii) detailed understanding of how the businesses work and how they generate earnings and cash; and (iii) the ability to swiftly identify risks.

The Group is engaged in several very different businesses and has operations around the world. To take into account this diversity, organizational measures have been put into place to manage the risks that could have a material adverse effect on earnings, assets and commitments.

The cornerstones of the system are:

- empowerment and accountability: the Chairmen and Managing Directors of the subsidiaries have full responsibility for managing their units;
- short lines of communication;
- regular reporting on strategic issues;
- Group insurance programs covering all insurable risks;
- an Insurance Manager for each business segment and at corporate level;
- Corporate Social Responsibility (CSR) teams at both corporate level and in each business segment.

An Information System Focused on Accountability

All Group companies produce monthly management reporting packages using the same information system and the same accounting standards (IFRS).

The Chargeurs' information system is based on the monthly income statements and key balance sheet indicators reported by each of our consolidated companies (57 companies at December 31, 2015).

Each subsidiary's Managing Director and Finance Director produce written comments on their monthly results, presented in a standard format.

These results, together with the updated annual forecasts reflecting the impact of any significant new developments, are reviewed during monthly meetings between the Chairman and Chief Executive Officer and the Managing Directors of the business segments.

A System to Map, Analyze and Address the Main Identifiable Risks

The Executive Committee pinpoints mission-critical issues and designates the most appropriate manager for each one, regardless of his/her position relative to other managers. A specific reporting system is in place so that the Chairman and Chief Executive Officer is informed directly, at regular intervals, of the status of these managers' work. The quality of their status reports is one of the areas covered during their annual performance review.

The issues dealt with generally concern events that could have a material adverse effect on our financial results and our Group's various risk exposures.

An outside consulting firm, specialized in economic forecasting, is used to help evaluate macro-economic risks specific to each of our host countries. The consultants periodically present their findings to the Executive Committee and model certain specific risks when requested by one of our business segments.

From time to time, we retain the services of specialized firms to either perform key analyses or temporarily support our operational teams when critical projects are being implemented.

In 2013, CSR reporting guidelines were prepared for the consolidated subsidiaries describing our CSR commitments, the indicators used to report the CSR performance of each business and the CSR reporting process.

The Executive Committee plays a central role in the risk management process.

RISK FACTORS

The Group has prepared a risk map that is regularly updated. The risks discussed in this report correspond to the main risks that we believe may have a material adverse effect on the Group's business, financial position, results or outlook.

Other risks and uncertainties that we are not currently aware of or that are not currently material may nevertheless have a material adverse effect on the Group's business, financial position, results or outlook in the future.

Operational Risks

Economic Risks

Chargeurs' global footprint represents a natural partial hedge against regional economic risks.

The Group has operations primarily in Europe, the United States and Asia, and its business is therefore sensitive to changes in economic conditions in these regions.

Although we endeavor to anticipate and offset the impact of an economic slowdown in any of our host countries, there is no guarantee that the Group will always be able to adapt quickly enough. Its global footprint, with operations in four business segments with diversified geographic and end-customer profiles, nevertheless helps to attenuate the risk.

Emerging Market Risks

Although the Group's businesses are conducted primarily in Europe and the United States, it also has operations in emerging markets in Asia, South America and Africa. Operations in these countries give rise to a certain number of risks that are different from those arising in more developed economies, including greater exchange rate, interest rate and GDP volatility, relatively unstable government, collection difficulties, significant regulatory changes (tax rules, exchange controls, etc.) or erratic application of existing regulations. In 2015, these risks took the shape of currency devaluations in Argentina and Brazil.

In order to anticipate and more effectively ward against measures that could have a material adverse effect on our businesses, we seek advice from local managers who understand the specific features of their respective countries.

When it is relevant, the Group could use financial instrument on the FOREX market.

As the Group's operations in emerging markets are spread across several countries and continents, the occurrence of unfavorable events or circumstances in one of these countries should have only a limited adverse effect on its financial position, results and outlook.

Technology Risks

A key feature of the Group's protective film, interlining and technical fabric markets is the rapid pace of technological change. For this reason, the development of new technologies is an important driver of business growth.

Each business must be able to continuously maintain, protect and improve its technical and technological expertise.

For a number of years, research and development in both products and processes has been a priority and a critical success factor for the Group.

Competition Risks

The Group operates in highly competitive markets and the pressure may further increase in the future.

Competitors—particularly those operating in low-cost economies—may adopt aggressive pricing strategies, diversify their product offer, enter into long-term strategic or contractual relationships with current or prospective customers in the Group's markets or expand or acquire companies or assets that represent potential targets for the Group.

In order to manage this risk effectively, the business segments focus on controlling costs, offering customers the best possible service and meeting high standards of product quality, technical content and innovation. In addition, they have developed systems to monitor developments affecting their customers and competitors.

The Group is always looking to optimize its process.

Customer Dependence Risks

The Group has a broad customer base spread throughout the world. In 2015, its top ten customers accounted for 12.7% of consolidated revenue.

This diversification attenuates the potential impact of customer default or a change of customer behavior.

Supplier and Partner Dependence Risks

Thanks to its diversified business base, the Group was not exposed to any particular risk of dependence on suppliers in 2015. However, some Group companies may deal with a limited number of suppliers for some of their activities.

When a company deals with a single supplier for a significant proportion of its purchases, a master agreement is signed to avoid the risk of deliveries being interrupted and establish a long-term relationship with the supplier concerned.

In several mainly emerging markets, we operate through a local partner that manufactures part of our local product offer, seeks out new customers and manages relations with the local authorities. These partnerships enable us to benefit from the support of experienced teams with deep local roots.

When the partnerships take the form of joint ventures, the Group may not exercise legal or *de facto* control over the joint venture's operating and financial policies. To reduce the unfavorable impact of a possible dispute with a partner, a long-term agreement is signed dealing with such matters as dispute resolution.

Information Systems Failure Risk

The business segments are increasingly dependent on IT infrastructure and applications to manage their various business processes, including purchasing, product distribution, billing, reporting and consolidation.

A single reporting and consolidation application has been deployed that is used by all entities. Apart from this system, each segment has its own IT infrastructure and applications operated under its direct responsibility.

Causes of system failures or downtime may be external (viruses, hacking, power cuts, network failure, etc.) or internal (malicious damage, data security breaches, etc.)

To minimize the impact of system failures, data are protected by automatically producing regular back-up copies at several sites and/or using secure external data centers, and by applying strict security rules (intruder tests, firewalls, etc.).

Environmental and Industrial Risks

Environmental Risks

The Group's production facilities may be responsible for environmental disamenities or damage or be the source of injuries or an industrial accident, such as a fire at a plant. There is no guarantee that these facilities will not be a source of pollution, disamenities, environmental damage or injury. In addition, acts of violence, vandalism, sabotage or terrorism committed on the premises of our production facilities could have similar consequences.

Group policy has always been to maintain the highest level of protection of its production facilities against natural hazards, technological risks and environmental risks.

The Group's businesses are subject to various, regularly revised environmental regulations in their host countries, requiring them to apply increasingly strict environmental standards and workplace health and safety standards. They are therefore exposed to a regulatory compliance risk. The Group's environmental policy, performance and certifications are described in the "Environmental Information" section of this report, on page 32.

Industrial Risks

The Group's production facilities are exposed to industrial risks resulting from their operations, such as fire, explosion and/or machine breakdown risks. The Group pays close attention to properly managing its production facilities. However, there is no guarantee that it will not experience any unplanned production stoppages, due for example to human error, power cuts, interruptions in the supply of essential raw materials (such as polyethylene or wool), malicious or other damage, natural disasters or cases of *force majeure*.

To minimize the impact of these risks, we have deployed a risk management system combining an appropriate insurance program covering property damage, personal injury, business interruption and liability risks, and control processes and procedures to limit the potential consequences (such as sprinkler systems and containment ponds).

Legal Risks

Legal Risks

In the normal course of business, Group companies may be involved in a number of legal, administrative or arbitration proceedings.

Several such proceedings are currently in progress, in France and abroad. These proceedings are overseen by the Group Legal Department, assisted by local legal advisors specialized in the matter concerned.

For each known dispute, the associated risks are assessed at each period-end after obtaining legal advice, and a provision is set aside to cover the estimated exposure, if considered necessary.

Although the outcome of the proceedings currently in progress is not known, the Group believes that they will not have any material adverse effect on its financial position.

Intellectual Property Risks

Intellectual property rights play an important role in protecting the Group's assets and value creation process.

The Group believes that it is essential to innovate and to develop proprietary products and processes. Protection of the underlying intellectual property rights is often a key factor enabling the Group to use its innovations to create value.

To obtain and guarantee this protection, we have built up a portfolio of registered patents, trademarks and models, and we also use various confidentiality agreements, copyright agreements, registered trade secrets and other measures to protect the Group's rights.

Tax Risks

Group policy is to comply with local tax laws and regulations in each of its host countries and also with international tax laws and regulations. Certain laws or regulations may nonetheless represent a source of risks, because they are ambiguous or give rise to differing interpretations by tax lawyers and/or the local tax authorities.

In order to effectively anticipate changes in tax laws and regulations based on available information, we use the services of tax advisors throughout the world.

In addition, Group companies may be audited by their local tax authorities in the normal course of business.

Ethical Risks

The Group pays close attention to observing the highest ethical standards.

There is no guarantee that these standards will not be breached by individual employees acting independently from their co-workers.

In this case, any victims of the breach could bring liability claims against Group employees, executives or companies.

To effectively manage these risks based on the information available, the Group monitors legal and regulatory changes in this area. Since 2013, Group managers give a signed commitment to support fair and honest business practices.

Financial Risks

Financial risks, such as market, currency, interest rate, commodity, credit and liquidity risks, are described in note 23 to the 2015 consolidated financial statements.

Control Procedures Sized to Address the Challenges of Each Process

The main management processes have been analyzed in order to document and map financial statement risks, the related potential financial impact and the internal controls in place to contain them.

As part of this exercise, each business segment has identified the three or four most sensitive processes and reviewed the highest risk transactions within each one. The procedures in place to manage and control these transactions have also been duly identified.

These analyses serve to prioritize future measures, representing the starting point for the Group's drive to strengthen control over its processes.

CONSTANT OVERSIGHT OF INTERNAL CONTROL PROCEDURES

Supervising Internal Control

The subsidiaries' Finance Directors are responsible for controlling the accounting and reporting processes. Second-tier controls are performed by the Finance Directors of the business segments as part of their oversight role with regard to the subsidiaries.

Internal Audit

Chargeurs does not have an integrated internal audit department and therefore generally relies on local specialized firms in each region.

Their activities are overseen by the Group Finance Department, which reports to the Chairman and Chief Executive Officer, and are also discussed by the Audit Committee.

During 2015, the Group continued to apply its administrative and finance manual.

External Audit

Two audit firms share the task of auditing our consolidated financial statements. All of the local Auditors' observations arising from their audits of our subsidiaries' accounts are reported to the subsidiaries' senior management. The Group Auditors produce a summary of these observations, which is presented to the Chairman and Chief Executive Officer during twice-yearly meetings.

The Group Finance Department is responsible for ensuring that the Auditors' recommendations involving organizational changes or changes to procedures are implemented without delay.

The representation letters issued by the subsidiaries' Managing Directors to the Auditors are centralized by Chargeurs, to emphasize each Managing Director's accountability for information related to his or her subsidiary included in the Group financial statements.

Chargeurs' Risk Management and Internal Control Situation at End-2015

The risk management and internal control procedures related to the processing and preparation of accounting and financial information at the end of 2015 were considered to be appropriate given the Group's size and complexity.

The 2016 action plan represents part of the continuous improvement process and is based on the following priorities:

- continuing to monitor the internal control system and effective application of procedures;
- regularly updating the internal control risk maps to reflect changes in our environments and continuing to raise awareness of internal control and risk management issues within the Group's operating entities;
- continuing to deploy the CSR action plans in line with the commitments given in the CSR report;
- regularly documenting delegations of authority and updating them to reflect any changes in the roles and responsibilities of the authorized parties.

SHAREHOLDER PARTICIPATION IN GENERAL MEETINGS

Article 19 of the Chargeurs bylaws, relative to attendance and representation at General Meetings, provides for the following:

Shareholders may give proxy to their spouse or another shareholder in accordance with the applicable laws and regulations.

Minors and incapacitated persons may be represented by their legal guardian or conservator, and companies and other legal entities may be represented by a person with power of attorney or other authority, in accordance with the law.

Spouses, guardians, conservators and other representatives are not required to be shareholders of Chargeurs.

Only shareholders whose shares are registered or recorded in a securities account on the basis prescribed by law are entitled to participate in General Meetings.

The Board may decide to issue admission cards, in the form of its choice, to eligible persons in their name and for their use only.

Shareholders can vote by filling out and returning to the Company a postal voting form or proxy form, in accordance with the applicable regulations.

Prior to each Meeting, the Board may decide that shareholders who take part in the Meeting *via* video conference (or any other telecommunication means that allows them to be identified and whose nature and conditions of use are determined by a decree of the *Conseil d'État*) will be deemed present and included for quorum and majority voting purposes.

ITEMS THAT COULD HAVE AN IMPACT IN THE EVENT OF A PUBLIC TENDER OFFER

None of the items mentioned in article L. 225-100-3 of the French Commercial Code would have an impact in the event of a public tender offer, except for the following:

- the Company's capital structure, as described in the Report of the Board of Directors presented at the Annual General Meeting and published on Chargeurs' website;
- direct or indirect investments in the Company's shares of which Chargeurs is notified pursuant to articles L. 233-7 and L. 233-12 of the French Commercial Code, and which are discussed in the Report of the Board of Directors presented at the Annual General Meeting and published on Chargeurs' website;
- the rules governing the election or replacement of Board members and changes to the Company's bylaws, referred to in articles 9, 10 and 22 of the bylaws;
- the powers of the members of the Board of Directors, defined in article 14 of the bylaws;
- following the adoption of certain resolutions by the Shareholders' Meeting of March 14, 2016, a list of which is set out at page 109, powers have been given to the Board of Directors in relation to the issuance and purchase of shares.

Michaël Fribourg
Chairman of the Board of Directors
and Chief Executive Officer

March 2016

MIDDLENEXT CORPORATE GOVERNANCE CODE RECOMMENDATIONS THAT WERE NOT APPLICABLE OR WERE NOT APPLIED

At December 31, 2015

AMF RECOMMENDATION 2013-20 OF NOVEMBER 18, 2013

Purpose	Description	Chargeurs' position
R1: Combining corporate office with an employment contract	The Board of Directors should assess, in compliance with the relevant regulations, whether or not to authorize the Chairman, the Chairman and Chief Executive Officer, the Chief Executive Officer or the Chairman of the Management Board to continue to have an employment contract with the Company following their appointment as a corporate officer. The reasons for the decision should be presented in detail in the Board's report to the Annual General Meeting.	This recommendation does not apply to Chargeurs.
R4: Supplementary pension plans	In the interests of transparency, the Board of Directors' report to the Annual General Meeting should include details of any defined benefit supplementary pension plans set up for corporate officers, and the reasons for such benefits.	This recommendation does not apply to Chargeurs.
R5: Stock options and stock grants	Stock option grants and stock grants should not disproportionately benefit the corporate officers. In addition, corporate officers should not receive any stock options or stock grants when they step down from their position. Furthermore, corporate officers' stock options and stock grants should be subject to performance conditions that align the officer's interests with the Company's medium to long-term interests.	This recommendation does not apply to Chargeurs.
R15: Self-assessment of the Board of Directors' work and procedures	Once a year, the Chairman of the Board should ask the Directors to comment on the Board's work and procedures. The discussion should be recorded in the minutes of the meeting concerned.	Chargeurs applies the "comply or explain" principle. *Refer to the Chairman's Report on Corporate Governance and Internal Control: "The Board of Directors did not carry out a formal self-assessment of its work and procedures in 2015 but the Directors discussed these issues at various times during the year".*

STATUTORY AUDITORS' REPORT PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE FRENCH COMMERCIAL CODE ON THE REPORT PREPARED BY THE CHAIRMAN OF THE BOARD OF DIRECTORS OF CHARGEURS S.A.

For the year ended December 31, 2015

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Chargeurs S.A., and in accordance with article L. 225-235 of the French Commercial Code *(Code de commerce)*, we hereby report to you on the report prepared by the Chairman of your Company in accordance with article L. 225-37 of the French Commercial Code for the year ended December 31, 2015.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report describing the internal control and risk management procedures implemented by the Company and providing the other information required by article L. 225-37 of the French Commercial Code in particular relating to corporate governance.

It is our responsibility to:

- report to you on the information set out in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information; and
- attest that the report sets out the other information required by article L. 225-37 of the French Commercial Code, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted our work in accordance with professional standards applicable in France.

INFORMATION CONCERNING THE INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

The professional standards require that we perform procedures to assess the fairness of the information on internal control and risk management procedures relating to the preparation and processing of financial and accounting information set out in the Chairman's report. These procedures mainly consisted of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information on which the information presented in the Chairman's report is based, and of the existing documentation;
- obtaining an understanding of the work performed to support the information given in the report and of the existing documentation;
- determining if any material weaknesses in the internal control and risk management procedures relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly described in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, set out in the Chairman of the Board's report prepared in accordance with article L. 225-37 of the French Commercial Code.

OTHER INFORMATION

We attest that the Chairman's report sets out the other information required by article L. 225-37 of the French Commercial Code.

Neuilly-sur-Seine and Paris – April 5, 2016

The Statutory Auditors

PricewaterhouseCoopers Audit	S&W Associés
Éric Bertier	Virginie Coniau

STATEMENT BY THE PERSON RESPONSIBLE FOR THE ANNUAL FINANCIAL REPORT

I hereby declare that, to the best of my knowledge, (i) the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of Chargeurs and the consolidated companies, and (ii) the management report included in the annual financial report presents a true and fair view of the business development, results and financial position of Chargeurs and the consolidated companies, together with a description of the main risks and uncertainties they face.

Michaël Fribourg,
Chairman and Chief Executive Officer

March 2016

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2015 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31 (in euro millions)

ASSETS

	Note	2015	2014
Non-current assets			
Intangible assets	4	78.5	72.6
Property, plant and equipment	5	55.9	50.3
Investments in associates and joint ventures	7	18.1	27.1
Deferred tax assets	8	27.1	13.5
Non-current financial assets			
▪ Investments in non-consolidated companies	9	0.4	0.8
▪ Long-term loans and receivables		1.7	2.2
Derivative financial instruments	10	-	-
Other non-current assets		0.5	0.6
		182.2	**167.1**
Current assets			
Inventories and work-in-progress	11	101.0	98.2
Trade receivables	12	44.6	44.2
Factored receivables [(1)]	12 & 21	48.9	43.9
Derivative financial instruments	10	1.1	0.6
Other receivables	13	24.9	24.7
Cash and cash equivalents	14	97.7	72.7
		318.2	**284.3**
Assets held for sale	**15**	**-**	**0.2**
TOTAL ASSETS		**500.4**	**451.6**

(1) Related to receivables for which title has been transferred (see note 3.2).
Notes 1 to 33 are an integral part of the 2015 consolidated financial statements.

EQUITY AND LIABILITIES

At December 31 (in euro millions)

	Note	2015	2014
Equity			
Attributable to owners of the parent			
Share capital	16	3.7	2.6
Share premium account	16	53.0	42.2
Other reserves and retained earnings	16	126.1	115.8
Profit for the period		15.3	10.8
Treasury stock	16	(0.2)	(0.2)
Translation reserve	22	21.4	11.4
		219.3	**182.6**
Non-controlling interests		**3.1**	**3.8**
TOTAL EQUITY		**222.4**	**186.4**
Non-current liabilities			
Convertible bonds	17	-	11.2
Long-term borrowings	18	49.1	42.0
Deferred tax liabilities	8	-	-
Pension and other post-employment benefit obligations	19	14.6	15.5
Provisions	20	0.7	0.4
Other non-current liabilities	21	8.1	10.3
		72.5	**79.4**
Current liabilities			
Trade payables		90.6	88.6
Other payables	21	38.9	30.6
Factoring liabilities [1]	12 & 21	48.9	43.9
Current income tax liability		1.5	0.6
Derivative financial instruments	10	0.3	0.7
Short-term portion of long-term borrowings	18	8.6	6.7
Short-term bank loans and overdrafts	18	16.7	14.7
		205.5	**185.8**
Liabilities related to assets held for sale	**15**	**-**	**-**
TOTAL EQUITY AND LIABILITIES		**500.4**	**451.6**

(1) Related to receivables for which title has been transferred (see note 3.2).
Notes 1 to 33 are an integral part of the 2015 consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

Years ended December 31 (in euro millions)

	Note	2015	2014
Revenue		**498.7**	**478.3**
Cost of sales		(378.2)	(370.9)
Gross profit		**120.5**	**107.4**
Distribution costs		(53.9)	(49.7)
Administrative expenses		(32.1)	(30.9)
Research and development costs		(3.9)	(3.9)
Recurring operating profit		**30.6**	**22.9**
Other operating income	23	0.2	0.2
Other operating expense	23	(6.8)	(1.7)
Operating profit		**24.0**	**21.4**
Finance costs, net		(3.5)	(3.7)
Other financial expense		(2.3)	(2.9)
Other financial income		0.5	0.3
Net financial expense	**25**	**(5.3)**	**(6.3)**
Share of profit/(loss) of associates	7	(10.7)	(0.3)
Pre-tax profit for the period		**8.0**	**14.8**
Income tax expense	26	7.5	(4.1)
Profit from continuing operations		**15.5**	**10.7**
Profit/(loss) from discontinued operations	15	-	0.2
PROFIT FOR THE PERIOD		**15.5**	**10.9**
Attributable to:			
Owners of the parent		15.3	10.8
Non-controlling interests		0.2	0.1
Earnings per share (in euros)	**27**		
Basic earnings per share			
▪ From continuing operations		0.78	0.67
▪ From discontinued operations		-	0.01
From continuing and discontinued operations		**0.78**	**0.68**
Diluted earnings per share			
▪ From continuing operations		0.78	0.51
▪ From discontinued operations		-	0.01
From continuing and discontinued operations		**0.78**	**0.52**
Weighted average number of shares outstanding		19,615,969	15,659,563

Notes 1 to 33 are an integral part of the 2015 consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Years ended December 31 (in euro millions)

	2015	2014
Profit for the period	**15.5**	**10.9**
Exchange differences on translating foreign operations	10.2	14.8
Cash flow hedges	0.7	(0.4)
Total items that may be reclassified subsequently to profit or loss	**10.9**	**14.4**
Other components of other comprehensive income	0.8	(0.1)
Actuarial gains and losses on post-employment benefit obligations	0.8	(3.0)
Income tax on items that will not be reclassified to profit or loss	(0.1)	-
Total items that will not be reclassified to profit or loss	**1.5**	**(3.1)**
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**12.4**	**11.3**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**27.9**	**22.2**
Attributable to:		
Owners of the parent	27.5	21.7
Non-controlling interests	0.4	0.5

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Years ended December 31 (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)**	**0.0**	**(2.8)**	**(0.2)**	**157.9**	**3.3**	**161.2**
Issue of share capital	0.3	2.7						3.0		3.0
Profit for the period			10.8					10.8	0.1	10.9
Other comprehensive income for the period			(0.1)	14.4	(0.4)	(3.0)		10.9	0.4	11.3
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	1.1	10.8						11.9		11.9
Payment of dividends			(3.2)					(3.2)		(3.2)
Profit for the period			15.3					15.3	0.2	15.5
Effect of changes in scope of consolidation [1]			0.5					0.5	(1.1)	(0.6)
Other comprehensive income for the period			0.8	10.0	0.7	0.7		12.2	0.2	12.4
AT DECEMBER 31, 2015	**3.7**	**53.0**	**146.2**	**21.4**	**0.3**	**(5.1)**	**(0.2)**	**219.3**	**3.1**	**222.4**

(1) Corresponding to the first-time consolidation of Chargeurs Insertii SRL (Chargeurs Fashion Technologies' subsidiary in Romania), which was previously included in "Investments in non-consolidated companies".

Notes 1 to 33 are an integral part of the 2015 consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Years ended December 31 (in euro millions)

	Note	2015	2014
Cash flows from operating activities			
Pre-tax profit of consolidated companies		18.7	15.1
Adjustments to reconcile pre-tax profit to cash generated from operations		11.3	9.5
▪ Depreciation	4 & 5	9.7	8.9
▪ Provisions and pension and other post-employment benefit obligations		(0.1)	(1.3)
▪ Impairment of non-current assets		0.3	0.4
▪ Fair value adjustments		(0.2)	0.3
▪ Impact of discounting		1.0	1.4
▪ (Gains)/losses on sales of investments in non-consolidated companies and other non-current assets		(0.2)	0.1
▪ Exchange (gains)/losses on foreign currency receivables and payables		0.8	(0.3)
Income tax paid		(5.9)	(4.6)
Cash generated by operations		**24.1**	**20.0**
Dividends from equity-accounted companies		0.3	0.7
Change in operating working capital		8.0	8.6
Net cash from operating activities		**32.4**	**29.3**
Cash flows from investing activities			
Acquisitions of subsidiaries, net of the cash acquired			
Proceeds from disposals of subsidiaries			
Purchases of intangible assets	4	(0.8)	(0.3)
Proceeds from sales of intangible assets		0.1	0.1
Purchases of property, plant and equipment	5	(13.3)	(9.7)
Proceeds from sales of property, plant and equipment		0.4	0.8
Other movements		0.7	(0.8)
Net cash from/(used in) investing activities		**(12.9)**	**(9.9)**
Cash flows from financing activities			
Proceeds from issues of shares on conversion of bonds	16	11.9	3.0
Bond conversions	16	(11.9)	(3.0)
Returns of capital to minority shareholders of subsidiaries		(1.1)	-
Proceeds from new borrowings	18	17.7	28.3
Repayments of borrowings and overdrafts	18	(9.0)	(22.5)
Change in bank overdrafts	18	1.5	-
Other movements		(1.1)	(1.1)
Dividends paid to owners of the parent		(3.2)	-
Net cash from/(used in) financing activities		**4.8**	**4.7**
Increase/(decrease) in cash and cash equivalents		**24.3**	**24.1**
Cash and cash equivalents at beginning of period	14	72.7	48.0
Cash and cash equivalents reclassified as assets held for sale		-	(0.3)
Effect of changes in foreign exchange rates on cash and cash equivalents		0.7	0.9
CASH AND CASH EQUIVALENTS AT PERIOD-END	**14**	**97.7**	**72.7**

Notes 1 to 33 are an integral part of the 2015 consolidated financial statements.

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Chargeurs and its subsidiaries (the Chargeurs Group) are 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 Fashion Technologies, see note 1.2).
- **Chargeurs Fashion Technologies** 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 consolidated financial statements for the year ended December 31, 2015 were approved by the Board of Directors on March 9, 2016 and will be submitted to shareholders for approval on May 4, 2016. All amounts are expressed in millions of euros, unless otherwise specified.

The Board of Directors has decided to ask shareholders at the Annual General Meeting on May 4, 2016 to approve payment of a dividend of €0.3 per share for 2015.

1 – Significant events of the year

1.1 Changes in ownership structure

On October 30, 2015, Columbus Holding SAS acquired from the concert group comprising Jérôme Sedoux and the companies he controls (Pathé and OJEJ), and Eduardo Malone and the company he controls (SOFI EMY), all of their respective interests in Chargeurs, representing 6,334,805 shares.

Subsequent to year end, the Sycomore company announced, on behalf of funds it manages, it had crassed upward the threshold of 5%.

1.2 Operating segments

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 as advertising, decoration and safety.

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

1.3 Acquisitions – Disposals

There were no material changes in the scope of consolidation during 2015.

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 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. These standards can be downloaded from the European Commission's website (http://ec.europa.eu/internal_market/accounting/ias/index_en.htm#adopted-commission).

The 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 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

A) NEW STANDARDS, AMENDMENTS TO EXISTING STANDARDS AND INTERPRETATIONS WHOSE APPLICATION WAS MANDATORY FOR THE FIRST TIME IN THE YEAR ENDED DECEMBER 31, 2015:

Adopted by the European Union

- IFRIC 21 – Levies;
- Annual Improvements, 2011-2013 cycle, published on December 12, 2013.

Application of IFRIC 21 did not have any material impact on the consolidated financial statements at December 31, 2015 and the comparative information has therefore not been restated. Retrospective application of this standard would have an impact of less than €0.3 million on opening equity.

B) NEW STANDARDS, AMENDMENTS TO EXISTING STANDARDS AND INTERPRETATIONS APPLICABLE IN FUTURE PERIODS AND NOT EARLY ADOPTED BY THE GROUP:

Adopted by the European Union

- Annual Improvements, 2010-2012 cycle, published on December 12, 2013;
- Amendment to IAS 19 – Defined Benefit Plans: Employee Contributions;
- Amendments to IAS 16 and IAS 41 – Agriculture: Bearer Plants;

- Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortization;
- Amendment to IFRS 11 – Accounting for Acquisitions of Interests in Joint Operations.

Not yet adopted by the European Union

- IFRS 9 – Financial Instruments;
- IFRS 14 – Regulatory Deferral Accounts;
- IFRS 15 – Revenue from Contracts with Customers;
- Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;
- Amendments to IAS 27 – Equity Method in Separate Financial Statements;
- Amendments to IAS 1 – Disclosure initiative;
- Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception;
- Annual Improvements, 2012-2014 cycle, published on September 25, 2014.

2.3 Consolidation methods

A) SUBSIDIARIES

Subsidiaries are all entities that are controlled by the Group directly or indirectly. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Investments that meet the above criteria but which are not material are measured at cost less any impairment.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Acquisitions of subsidiaries are accounted for by the acquisition method. The cost of acquisition is measured as the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. The directly attributable costs of the business combination are recognized as an expense for the period in which they are incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill arising on a business combination is measured as the excess of (a) over (b) below: (a) the aggregate of: (i) the acquisition-date fair value of the consideration transferred; (ii) the amount of any non-controlling interest in the acquiree (which can be measured either at fair value or based on the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets); (iii) the fair value of any previously held equity interest in the acquiree (as remeasured at the acquisition date with any resulting gain or loss recognized in profit); (b) the net of the acquisition-date fair values of the identifiable assets acquired and the liabilities assumed.

If the cost of the acquisition is less than the fair value of the Group's share of the net assets of the acquired subsidiary, the difference is recognized directly in the income statement.

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated in consolidation.

Accounting policies of subsidiaries have been aligned with the policies adopted by the Group to ensure consistency.

B) TRANSACTIONS WITH NON-CONTROLLING INTERESTS

Sales of shares to non-controlling interests resulting in a loss of control of the subsidiary give rise to gains and losses for the Group that are recorded in the income statement. Sales of shares to non-controlling interests that do not result in a loss of control are treated as an equity transaction with owners and recognized in the statement of changes in equity.

Acquisitions of additional shares in a subsidiary (above 50%) are recognized in the statement of changes in equity.

C) ASSOCIATES AND JOINT VENTURES

Joint arrangements are arrangements of which Chargeurs and one or more other parties have joint control.

The Group has joint control of an arrangement when decisions about the relevant activities require the unanimous consent of Chargeurs and the other parties sharing control.

The Group has significant influence over an entity when it has the power to participate in the financial and operating policy decisions of the entity but does not have control or joint control of those policies, generally accompanying a shareholding representing between 20% and 50% of the voting rights.

Investments in joint ventures (entities of which the Group has joint control) and associates (entities over which the Group has significant influence) are accounted for by the equity method and are initially recognized at cost. The carrying amount of investments in associates and joint ventures includes goodwill (net of any accumulated impairment losses) identified on acquisition (see note 2.6).

The Group's share of post-acquisition profits or losses of associates and joint ventures is recognized in the income statement, and its share of post-acquisition movements in equity – which have no impact on profit or loss – is recognized directly in equity.

Cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture, including any unsecured receivables, the Group does not recognize further losses unless it has incurred obligations or made payments on behalf of the associate or joint venture.

Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associate or joint venture concerned. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Accounting policies of associates and joint ventures have been aligned with the policies adopted by the Group to ensure consistency.

D) NON-CONSOLIDATED COMPANIES

Distribution companies that have been recently created and/or individually generate less than €3 million in annual revenue are not consolidated.

This threshold may be raised in certain very specific cases, particularly for entities that operate in hyper-inflationary economies.

The effect on equity of including these companies in the scope of consolidation at December 31, 2015 would be an increase of less than €1.0 million.

2.4 Operating Segments

An operating segment is a group of assets and operations corresponding to a management unit. Chargeurs' senior management team – which is the Group's chief operating decision maker – has identified four operating segments for the Chargeurs Group:

- "Protective Films", which encompasses activities relating to the temporary protection of surfaces;
- "Chargeurs Fashion Technologies", which corresponds to the Group's technical textile operations;
- "Technical Substrates", which concerns functionalized coated technical substrates;
- "Wool", which comprises top making and sales of combed wool.

The reported segment information also includes a "non-operating" segment that primarily consists of the Group's holding companies.

The Group's segment information is based on the sectors identified above, which are the segments used in the Group's internal reporting system and reported to Chargeurs' senior management team for the purposes of making decisions about allocating resources and assessing performance.

A geographical area is a distinguishable component of the Group that is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of components operating in other economic environments. Chargeurs has three geographical areas: Europe (including the Group's home market, France), the Americas and Asia (including the Pacific region and Africa).

2.5 Foreign currency translation

A) FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entities operate (the "functional currency").

The consolidated financial statements are presented in euros, which is Chargeurs' functional currency.

B) TRANSACTIONS AND BALANCES

Foreign currency transactions are translated into each entity's functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in the income statement. Gains and losses on foreign currency cash flow hedges are accumulated in equity and reclassified to the income statement when the exchange gain or loss on the hedged item is recognized.

Exchange gains and losses arising from translation of foreign currency receivables and payables are recognized in the income statement, under "Other financial income" or "Other financial expense".

C) FOREIGN OPERATIONS

The results and financial position of all Group entities that have a functional currency other than the euro are translated as follows: (i) items in the statement of financial position are translated at closing exchange rates, (ii) income statement items are translated at average exchange rates for the period, and (iii) all resulting exchange differences are recognized as a separate component of equity under "Translation reserve" and "Non-controlling interests".

Exchange differences arising from the translation of the net investment in subsidiaries with a functional currency other than the euro, and of instruments designated as hedges of such investments, are recorded under "Translation reserve" in equity.

When a foreign operation is sold, the exchange differences accumulated in the translation reserve are reclassified to the income statement and taken into account in determining the gain or loss on sale.

2.6 Intangible assets

A) GOODWILL

Goodwill represents the excess of the cost of an acquisition over the acquisition-date fair value of the Group's share of the net identifiable assets of the acquired subsidiary. Goodwill on acquisitions of subsidiaries is included in "Intangible assets".

Goodwill on each acquisition is tested annually for impairment and carried at cost less accumulated impairment losses. Any impairment losses recognized as a result of these tests are irreversible.

Gains and losses on the disposal of an entity include the carrying amount of any goodwill relating to that entity.

Goodwill arising on acquisitions of associates and joint ventures is recorded under "Investments in associates and joint ventures" and is included in the impairment tests carried out on equity-accounted companies.

B) TRADEMARKS AND LICENSES

Trademarks and licenses are initially recognized at historical cost. They have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of trademarks and licenses over their estimated useful lives (between fifteen and twenty years).

C) COMPUTER SOFTWARE

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over the estimated useful lives of the software concerned (between three and five years).

Costs associated with developing or maintaining computer software are recognized as an expense as incurred.

D) DEVELOPMENT COSTS

Development costs are capitalized when the Group can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical and financial resources to complete the development;
- its ability to reliably measure the expenditure attributable to the intangible asset during its development.

Capitalized development costs are amortized over the estimated useful life of the asset concerned.

E) IMPAIRMENT OF INTANGIBLE ASSETS

Goodwill and other intangible assets with indefinite lives are tested as soon as there are indices for impairment and at least every year, to determine if their recoverable amount is at minimum equal to their carrying amount, irrespective of whether there is any indication that they may be impaired (see note 4).

Any impairment losses recognized on goodwill as a result of these tests are irreversible.

The carrying amount of goodwill in the consolidated statement of financial position corresponds to the gross amount less any accumulated impairment losses.

2.7 Property, plant and equipment

Property, plant and equipment are stated at cost, less subsequent depreciation and impairment, except for land, which is not depreciated and is stated net of any accumulated impairment losses. Cost comprises the purchase price, capitalized interest and initial fair value adjustments. Capitalized interest corresponds to interest costs, whether on designated borrowings or on other designated sources of financing, that arise during the period preceding the date the asset is put into service.

On first-time adoption of IFRS, land and buildings were measured at fair value at January 1, 2004 (the IFRS transition date) based on independent valuations, and said fair values were used as the assets' deemed cost at that date.

The cost of dismantling and removing old assets or restoring the site on which new assets are located is included in the cost of the new assets.

Each significant part of an item of property, plant or equipment whose useful life is different from that of the asset as a whole is recognized and depreciated separately.

Depreciation is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life as follows:

- Buildings: 15 to 40 years;
- Plant and equipment: 4, 8, 12 or 20 years;
- Fixtures and fittings: 5 to 10 years.

A) LEASES

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Lease payments under operating leases are recognized as an expense on a straight-line basis over the lease term.

Leases that transfer substantially all the risks and rewards incidental to ownership of an asset are classified as finance leases and recognized as assets and liabilities. The capitalized amount corresponds to the lower of the fair value of the leased property at the inception of the lease and the present value of the minimum lease payments.

B) IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

Impairment tests are performed whenever there is any internal or external indication that the carrying amount of any items of property, plant or equipment may be impaired and they are also included in the annual impairment tests performed by the Group on its individual businesses.

If these tests show that the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in addition to accumulated depreciation. For the purposes of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

In the absence of an observable market price, the recoverable amount of a cash-generating unit is considered to be equal to the higher of its value in use, corresponding to the discounted future cash flows expected to be generated by the unit, and its fair value less costs to sell. In practice, most calculations are based on value in use.

Gains and losses on the sale of property, plant and equipment are calculated by comparing the sale proceeds with the carrying amount of the sold asset and are recognized in the income statement.

2.8 Financial assets and liabilities

A) DEFINITIONS

The Group classifies its financial assets into the following categories in accordance with IAS 39: financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets.

Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and financial assets designated upon initial recognition as at fair value through profit or loss. Derivative instruments are categorized as held for trading, unless they are designated as part of a hedging relationship. Assets in this category are classified as current assets if they are either held for trading or are expected to be realized within twelve months of the reporting date.

In the consolidated statement of financial position, these items are recorded under "Derivative instruments" (note 10).

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in "Other receivables" under current assets, except when they are due more than twelve months after the reporting date, in which case they are recorded as non-current assets under "Long-term loans and receivables" or "Other non-current assets".

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or are not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of them within twelve months of the reporting date.

Available-for-sale financial assets correspond to "Investments in non-consolidated companies" (note 9) in the consolidated statement of financial position.

Financial liabilities

Financial liabilities as defined by IAS 39 include borrowings measured at amortized cost and financial liabilities measured using the fair value option.

They correspond to borrowings (note 18) as well as to other non-current liabilities, trade payables and other payables (note 21) in the consolidated statement of financial position.

B) RECOGNITION AND MEASUREMENT OF FINANCIAL ASSETS

Investments in non-consolidated companies

Investments in non-consolidated companies represent Group interests in entities that are not controlled by the Group. They are stated at cost, which the Group considers to represent fair value, as no active market exists which would enable the fair value to be measured reliably. Impairment losses are recorded for a prolonged decline in value in use, which is determined based on the most appropriate financial criteria, including the Group's equity in the underlying net assets and the earnings outlook of the company concerned.

Loans and receivables

Loans and receivables are measured at amortized cost using the effective interest method. If there is objective evidence that they are impaired, an impairment loss is recorded to write these assets down to their fair value. They are tested for impairment at each reporting date, or whenever there is an indication that they may be impaired, by comparing their recoverable amount with their carrying amount. Any impairment losses are recorded in the income statement.

Trade receivables have short maturities and are therefore stated at nominal value.

Marketable securities

Gains and losses arising on changes in the fair value of marketable securities are recognized in the income statement during the period in which they arise.

C) RECOGNITION AND MEASUREMENT OF FINANCIAL LIABILITIES

Borrowings and other financial liabilities are generally measured at amortized cost using the effective interest method. Operating liabilities have original maturities of less than one year and are therefore stated at nominal value.

D) FAIR VALUE DISCLOSURES

IFRS 7 requires companies to disclose the technique used to measure financial instruments at fair value, based on the three levels of inputs introduced in the fair value hierarchy. These are: quoted prices for similar instruments (level 1), directly observable market inputs other than level 1 inputs (level 2) and inputs not based on observable market data (level 3).

The table below shows the fair value hierarchy classification for the Group's financial assets measured at fair value. No financial liabilities are measured at fair value other than derivative instruments.

	Level 1	Level 2	Level 3
Marketable securities	x		
Derivative instruments		x	
Investments in non-consolidated companies			x

2.9 Derivative instruments and hedges

The Group uses derivatives to hedge its exposure to currency risks. All derivative instruments are recognized in the statement of financial position at fair value, irrespective of whether that fair value is positive or negative.

The Group hedges forecast transactions in foreign currencies, such as sales of products in dollars. Changes in the fair value of derivative instruments that qualify as hedges of forecast transactions are recognized directly in equity and subsequently reclassified to profit or loss in the same period or periods when the transaction is settled and impacts profit or loss.

Changes in the fair value of hedged firm commitments and of currency derivatives that qualify as fair value hedges are recorded in the income statement.

Changes in the fair value of financial instruments used to hedge currency risks on the Group's net investment in foreign operations that result from changes in exchange rates, are recognized in equity under "Translation reserve", offsetting all or part of the opposite change in the fair value of the underlying net investment caused by changes in exchange rates.

Depending on the circumstances, interest rate swaps are used to convert variable rate debt into fixed rate debt and vice versa. In the first case, gains and losses arising from remeasurement of the swaps at fair value are initially recorded in other comprehensive income and reclassified into profit or loss when the variable rate interest is recognized.

In the second case, the gains and losses are recognized directly in profit or loss and the carrying amount of the hedged portion of the underlying debt is adjusted to reflect the rate change.

Fair value adjustments to interest rate and currency derivatives classified as held for trading are recognized immediately in the income statement.

2.10 Deferred taxes

Deferred taxes are recognized for temporary differences between the carrying amount of assets and liabilities and their tax base, as follows:

- All deferred tax liabilities are recognized;
- Deferred tax assets arising from temporary differences or from tax loss carryforwards are recognized only when it is probable that the differences will reverse or the assets will be recovered in the foreseeable future.

Deferred tax assets and liabilities are adjusted at the year-end for enacted changes in tax rates and tax laws.

A deferred tax liability is recognized for withholding taxes only in respect of dividends for the year to be received in the following year.

Deferred tax assets and liabilities are offset within each company or taxable entity.

2.11 Inventories

Inventories are carried at the lower of cost and net realizable value. Cost is determined by the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. The cost of finished products and work-in-progress includes raw materials, direct production costs and production overheads based on normal capacity utilization rates.

Turnover and obsolescence of inventories are analyzed by segment and category of inventory in order to determine the appropriate level of impairment.

2.12 Trade and other receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost, less any provisions for impairment. Amortized cost is measured by the effective interest method. A provision for impairment of trade receivables is recognized when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the transaction. Indications that a receivable may be impaired include significant financial difficulties encountered by the debtor, the probability of the debtor filing for bankruptcy or a financial restructuring, a risk of default or a missed payment. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the initial effective interest rate. It is recorded in the income statement under "Distribution costs".

2.13 Cash and cash equivalents

Cash and cash equivalents analyzed in the statement of cash flows correspond to cash in hand, marketable securities and short-term deposits. Cash equivalents are highly liquid instruments with short maturities (less than three months) that are not exposed to any material risk of changes in value.

Marketable securities are classified as financial assets at fair value through profit or loss. Short-term bank deposits and cash in hand are classified as loans and receivables and are measured at amortized cost.

Bank overdrafts are recorded under "Short-term bank loans and overdrafts" in current liabilities.

2.14 Assets held for sale and discontinued operations

A) ASSETS HELD FOR SALE

Non-current assets are classified as held for sale and presented on a separate line of the statement of financial position when (i) the Group has made a decision to sell the asset(s) concerned, (ii) the sale is considered to be highly probable, and (iii) the sale is expected to be completed within twelve months. These assets are measured at the lower of their carrying amount and fair value, which corresponds to the estimated selling price less costs to sell.

Income statement and cash flow statement items relating to assets held for sale are not presented on a separate line if they do not meet the IFRS 5 definition of a discontinued operation.

B) DISCONTINUED OPERATIONS

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale; and:

- represents a separate major line of business or geographical area of operations; or
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

The results and cash flows of discontinued operations are presented on a separate line in the consolidated income statement and statement of cash flows for each period. The Group decides whether a discontinued operation represents a major line of business or geographical area of operations based on both qualitative criteria (technology, market, products, geographic region) and quantitative criteria (revenue, earnings, cash flows, assets).

If the assets held by a discontinued operation are classified as held for sale they are measured at the lower of their carrying amount and fair value less costs to sell. The results and cash flows of discontinued operations are presented on a separate line in the consolidated income statement and statement of cash flows for each period presented.

2.15 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or stock options are recorded in equity as a deduction from the issue proceeds, net of tax.

Where any Group company purchases Chargeurs shares (treasury stock), the consideration paid, including directly attributable incremental costs (net of income taxes), is deducted from equity attributable to owners of the parent until the shares are canceled, re-issued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to owners of the parent.

2.16 Bond debt

Convertible bonds are compound financial instruments comprising two components – a financial liability and an equity instrument – which are measured and accounted for separately. In accordance with IAS 32 – Financial Instruments: Presentation, the carrying amount of the equity instrument corresponds to the difference between the fair value of the compound instrument as a whole and the fair value of the financial liability, calculated as the fair value of a similar liability that does not have an associated equity component. The carrying amount of the equity instrument represented by the option to convert the instrument into ordinary shares is not adjusted during the life of the instrument. The liability component is measured at amortized cost over the instrument's expected life.

2.17 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs. They are subsequently measured at amortized cost and any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement for at least twelve months after the reporting date, in which case they are classified as non-current.

2.18 Employee benefits

Obligations for the payment of post-employment benefits and other long-term employee benefits are measured by the projected unit credit method and recognized in accordance with IAS 19R.

The recognized obligation takes into account the fair value of plan assets – for example under insured plans – at the reporting date.

Actuarial gains and losses on post-employment benefit obligations are recognized in other comprehensive income and may not be subsequently reclassified to profit.

Actuarial gains and losses on other long-term employee benefits and length-of-service awards payable to employees on retirement are recognized in the income statement in the period in which they arise.

Gains and losses arising from plan amendments are recognized in the income statement under "Other operating income" or "Other operating expense".

Employee benefit expense is divided into two categories as follows:

- The increase in the provision due to the passage of time, net of the return on plan assets, is recognized as a financial expense. The expected return on plan assets is measured using an interest rate that is the same as the discount rate used for calculating the provision;
- The expense corresponding to service cost is allocated to the relevant operating expense line items by function.

2.19 Provisions

Provisions for site remediation, restructuring costs and legal claims are recognized when (i) the Group has a present legal or constructive obligation as a result of past events, (ii) it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation, and (iii) the amount of the provision can be reliably estimated. Restructuring provisions include lease termination penalties and employee termination payments. Provisions are not recognized for future operating losses.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used reflects current market assessments of the time value of money and the risks specific to the liability concerned. The increase in the carrying amount of provisions to reflect the passage of time is recognized as interest expense.

2.20 Revenue recognition

Revenue from sales of goods and services is recognized, net of value-added tax, rebates and discounts, when the risks and rewards incidental to ownership of the goods are transferred to the customer or when the service is rendered.

2.21 Recurring operating profit

Recurring operating profit is used by the Group as an indicator of long-term sustainable performance. It is stated before other operating income and expense, corresponding to items of income and expense that represent material amounts, are unusual in nature and occur infrequently, and which distort assessments of the Group's underlying performance.

Recurring operating profit corresponds to gross profit less distribution costs, administrative expenses and research and development costs.

2.22 Other operating income and expense

Other operating income and expense are material items of income and expense that are unusual in nature and occur infrequently, with the result that they are difficult to estimate reliably. The main items recorded under this caption are restructuring costs, impairment losses and gains and losses on disposal of property, plant and equipment and intangible assets.

2.23 Earnings per share

Basic earnings per share are computed by dividing profit attributable to owners of the parent by the weighted average number of shares outstanding, representing the number of shares issued less the average number of Chargeurs shares held by the Company or its subsidiaries.

Depending on the circumstances and financial market conditions at the year-end, the dilutive effect taken into account for the calculation of diluted earnings per share may result from employee stock options, stock warrants and/or convertible bonds. The dilutive instruments concerned are taken into account as from their grant or issue date, except in cases where their exercise price exceeds the market price of Chargeurs shares.

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 on an annual basis as described in note 2.6. The recoverable amounts of cash-generating units (CGUs) are determined based on calculations of value in use, which require the use of estimates (note 4).

B) INCOME TAX

Tax assets arising from group relief in France (tax losses and deductible temporary differences) are assessed based on taxable profit projections over a period of five years.

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 – 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.

The presentation of these items in the consolidated financial statements is unchanged since 2005, but may change in the future based on amendments to contracts or changes in sale procedures.

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

4 – Intangible assets

A) GOODWILL

The table below provides a breakdown by CGU of goodwill related to fully consolidated companies:

(in euro millions)	Chargeurs Protective Films	Chargeurs Fashion Technologies	Etacol	Chargeurs Technical Substrates	Total
DECEMBER 31, 2013	**46.9**	**13.6**	**3.3**	**-**	**63.8**
Translation adjustment	6.2	-	0.4	-	6.6
DECEMBER 31, 2014	**53.1**	**13.6**	**3.7**	**-**	**70.4**
Impairment [(1)]	-	(0.1)	-	-	(0.1)
Translation adjustment	6.0	-	0.4	-	6.4
Other	-	(11.0)	-	11.0	-
DECEMBER 31, 2015	**59.1**	**2.5**	**4.1**	**11.0**	**76.7**

(1) Impairment of goodwill related to Chargeurs Yak Trading JV recognized in the first half of 2015.

PROTECTIVE FILMS

The Protective Films operating segment is managed on a global basis to meet the needs of global customers, and is considered to represent a single cash-generating unit.

Chargeurs Protective Films goodwill is measured in US dollars and the €6.0 million increase in its carrying amount between December 31, 2014 and December 31, 2015 was due to the dollar's appreciation against the euro over the period.

FASHION TECHNOLOGIES AND ETACOL

The Fashion Technologies segment also has a global management structure that is aligned with local needs. However, the Chargeurs Fashion Technologies CGU does not include the Group's two most recently acquired Interlining companies – Etacol in Bangladesh, acquired in 2008, and Yak in China, acquired in 2006 – which are treated as two separate CGUs.

The Yak CGU comprises two Chinese entities, Chargeurs Yak Trading JV, which is 51%-owned by the Group, and 49%-owned Ningbo Lailong Bertero Interlining Co. Ltd, which is accounted for by the equity method at an amount equal to the Group's share of its net assets plus goodwill (see note 7).

TECHNICAL SUBSTRATES

Since January 1, 2015, the Group has analyzed its business according to four operating segments: Chargeurs Protective Films, Chargeurs Technical Substrates, Chargeurs Fashion Technologies and Chargeurs Wool, with the new Technical Substrates segment broken out from the Fashion Technologies segment. As part of this process, goodwill allocated to the Fashion Technologies segment was tested for impairment and €11.0 million was reallocated to the Technical Substrates segment.

Goodwill impairment tests

The recoverable amounts of the three CGUs to which goodwill has been allocated were 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 in the table below.

The uncertain economic environment was taken into account in the CGUs' business plans, by basing revenue and earnings growth forecasts on conservative estimates. Projections assumed reasonable growth in the Group's profitability indicators over the duration of the plans.

The following method was used:

- A cash flow simulation model was developed based on various market parameters;
- The cash flow simulations were broken down into various scenarios based on different assumptions for WACC, growth rates and/or EBIT, taking into account the probability of each situation occurring.

The final value allocated to these CGUs' goodwill corresponds to the average value of all of the different simulated scenarios.

	2015				2014		
The main value-in-use assumptions applied were as follows:	Chargeurs Protective Films	Chargeurs Fashion Technologies (excluding Etacol & Yak)	Etacol	Chargeurs Technical Substrates	Chargeurs Protective Films	Chargeurs Fashion Technologies (excluding Etacol & Yak)	Etacol
Average operating margin over the business plan period [1]	11.00%	6.00%	12.00%	13.80%	8.52%	4.44%	8.70%
Perpetuity growth rate [2]	1.00%	1.00%	1.00%	2.00%	1.00%	1.00%	1.00%
Discount rate	8.09%	8.66%	8.66%	8.62%	8.53%	8.17%	8.17%

(1) Recurring operating profit as a % of revenue.
(2) The perpetuity growth rate is equal to or less than the medium- to long-term growth rate for the industry as a whole. The rate is used only for inflation.

The tests performed at the level of each CGU showed that their recoverable amount was greater than their carrying amount, except in the case of the Yak CGU.

During first-half 2015, the slowdown both in the Chinese economy and in certain markets served by the companies making up the Yak CGU prompted Chargeurs to test the CGU's goodwill for impairment at June 30, 2015.

These tests showed that the CGU's recoverable amount was less than its carrying amount and the Group therefore decided to record an impairment loss for the total amount of the related goodwill, including the €0.1 million in goodwill on the subsidiary recognized in "Intangible assets" and the €10.4 million in goodwill on the joint venture recognized in "Investments in associates and joint ventures" (see note 7).

Sensitivity tests

Tests were performed to determine the sensitivity of the values obtained to changes in all of the key assumptions presented above. A 100 basis-point increase in the discount rate used to calculate the recoverable amount of goodwill, combined with a 100 basis-point reduction in operating margin (corresponding to changes in the key assumptions that management considers "reasonably possible"), would not lead to the recognition of any impairment losses on the goodwill allocated to any of the Group's CGUs.

Similarly, the goodwill allocated to the Group's CGUs would not be affected if the objectives contained in the five-year business plans were achieved a year later than forecast.

B) OTHER INTANGIBLE ASSETS

In 2015, no development projects satisfied the asset recognition criteria in IAS 38.

(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 [1]	0.1	-	-	0.5	0.6
Disposals	-	-	-	(0.1)	(0.1)
Amortization	(0.1)	(0.4)	-	(0.3)	(0.8)
Other	0.2	-	-	(0.2)	-
DECEMBER 31, 2014	**0.6**	**0.5**	**0.3**	**0.8**	**2.2**
Additions	-	-	0.1	0.7	0.8
Disposals	-	-	(0.1)	-	(0.1)
Amortization	(0.1)	(0.4)	-	(0.6)	(1.1)
DECEMBER 31, 2015	**0.5**	**0.1**	**0.3**	**0.9**	**1.8**

(1) Including €0.3 million worth of assets acquired under finance leases.

5 – 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 [1]	-	0.1	19.5	0.3	1.6	21.5
Disposals	-	-	(0.3)	(0.9)	(0.3)	(1.5)
Depreciation	-	(1.5)	(5.9)	(0.7)	-	(8.1)
Impairment	-	-	(0.2)	-	-	(0.2)
Other	-	0.1	(0.4)	1.3	(1.0)	-
Translation adjustment	-	0.4	0.7	-	-	1.1
DECEMBER 31, 2014	**2.6**	**10.7**	**31.6**	**3.9**	**1.5**	**50.3**
Additions [2]	-	0.8	7.9	1.8	3.2	13.7
Disposals	(0.1)	-	(0.1)	-	-	(0.2)
Depreciation	-	(1.6)	(5.9)	(1.1)	-	(8.6)
Impairment	-	-	(0.2)	-	-	(0.2)
Other	0.1	0.1	0.4	-	(0.4)	0.2
Translation adjustment	-	0.3	0.5	-	(0.1)	0.7
DECEMBER 31, 2015	**2.6**	**10.3**	**34.2**	**4.6**	**4.2**	**55.9**

(1) Including €11.8 million worth of assets acquired under finance leases (see note 6).
(2) Including €0.4 million worth of assets acquired under finance leases (see note 6).

Measurement of property, plant and equipment

(i) Land and buildings were valued in 2004 by independent international valuers in order to determine the fair values of these assets to be used as their deemed cost in the opening IFRS statement of financial position at January 1, 2004 (the IFRS transition date).

(ii) Plant and equipment are tested for impairment when there is an indication that their carrying amounts may be impaired. Impairment indicators include industrial reorganizations, site closures and business divestments.

(iii) Impairment tests on the goodwill allocated to the Group's four cash-generating units – Chargeurs Protective Films, Chargeurs Technical Substrates and Chargeurs Fashion Technologies – are based in part on a review of the value of their respective assets based on the above approaches.

6 – Finance leases

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

(in euro millions)	12/31/2015	12/31/2014
Land	1.2	1.2
Buildings	19.5	19.5
Plant and equipment:	31.7	31.1
Fixtures, fittings and other	7.0	7.0
GROSS VALUE	**59.4**	**58.8**
Accumulated depreciation	**(42.7)**	**(39.3)**
NET VALUE	**16.7**	**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)	12/31/2015	12/31/2014
Future minimum lease payments under finance leases	20.2	25.9
Finance lease liabilities	19.0	23.2
Future finance cost	**1.2**	**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	7.5	7.3
Due in one to five years	11.1	10.3
Due in more than five years	1.6	1.4
TOTAL AT DECEMBER 31, 2015	**20.2**	**19.0**
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 equipment leases for machinery. Financing is generally obtained for periods ranging from six to fifteen years and corresponds to secured debt.

7 – Investments in associates and joint ventures

A) COMPANIES

Interlining segment

Ningbo Lailong Bertero Interlining Co. Ltd.

Wool segment

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

CW Argentina comprises Chargeurs Wool Argentina and its subsidiary, Peinadura Rio Chubut.

Zhangjiagang Yangtse Wool Combing Co. Ltd comprises Zhangjiagang Yangtse Wool Combing Co. Ltd and its subsidiary Yangtse (Australia) PTY Ltd.

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

(in euro millions)	12/31/2013	Share of profit/(loss) for the period	Dividends received	Translation adjustment	Other	12/31/2014
Ningbo Lailong Bertero Interlining Co. Ltd	12.6	-	(0.7)	1.3	-	13.2
CW Uruguay	5.8	0.2	-	0.8	-	6.8
CW Argentina	1.6	0.3	-	(0.1)	-	1.8
Zhangjiagang Yangtse Wool Combing Co Ltd	5.3	(0.9)	-	0.4	-	4.8
Other	0.1	-	-	-	-	0.1
Total joint ventures	**25.4**	**(0.4)**	**(0.7)**	**2.4**	**-**	**26.7**
Wool USA	0.3	0.1	-	-	-	0.4
Total associates	**0.3**	**0.1**	**-**	**-**	**-**	**0.4**
Total associates and joint ventures	25.7	(0.3)	(0.7)	2.4	-	27.1

(in euro millions)	12/31/2014	Share of profit/(loss) for the period	Dividends received	Translation adjustment	Other	12/31/2015
Ningbo Lailong Bertero Interlining Co. Ltd [1]	13.2	(10.4)	(0.3)	0.9	-	3.4
CW Uruguay	6.8	0.4	-	0.8	-	8.0
CW Argentina	1.8	-	-	(0.2)	-	1.6
Zhangjiagang Yangtse Wool Combing Co Ltd	4.8	(0.8)	-	0.2	0.3	4.5
Other	0.1	-	-	-	-	0.1
Total joint ventures	**26.7**	**(10.8)**	**(0.3)**	**1.7**	**0.3**	**17.6**
Wool USA	0.4	0.1	-	-	-	0.5
Total associates	**0.4**	**0.1**	**-**	**-**	**-**	**0.5**
Total associates and joint ventures	27.1	(10.7)	(0.3)	1.7	0.3	18.1

(1) See note 4: goodwill impairment recognized as of June 30, 2015.

B) KEY FIGURES FOR THE MAIN JOINT VENTURES

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

	December 31, 2015				December 31, 2014			
(in euro millions)	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	2.8	3.8	1.4	5.6	3.2	3.7	1.7	5.4
Current assets	5.4	44.4	13.1	29.3	5.0	42.8	13.6	32.3
Cash and cash equivalents	0.6	1.2	0.4	2.2	0.7	0.9	0.5	2.1
Other non-current liabilities	0.7	0.1	0.4	-	0.6	0.1	0.3	0.1
Current financial liabilities	-	18.7	7.6	11.2	-	24.8	8.1	11.2
Other current liabilities	1.2	14.6	3.7	16.9	1.0	8.9	3.8	18.1
TOTAL NET ASSETS	**6.9**	**16.0**	**3.2**	**9.0**	**7.3**	**13.6**	**3.6**	**10.4**
% interest	49%	50%	50%	50%	49%	50%	50%	50%
Group share	3.4	8.0	1.6	4.5	3.6	6.8	1.8	5.2
Goodwill	-	-	-	-	9.6	-	-	(0.4)
CARRYING AMOUNT	**3.4**	**8.0**	**1.6**	**4.5**	**13.2**	**6.8**	**1.8**	**4.8**

	2015				2014			
(in euro millions)	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	8.6	68.6	17.9	39.3	7.5	52.8	15.9	36.2
Depreciation, amortization and impairment	(0.6)	(0.6)	-	(1.3)	(0.5)	(0.6)	-	(1.4)
Finance costs, net	-	(1.1)	(2.0)	(0.7)	-	(0.6)	(0.9)	(0.6)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	**-**	**0.7**	**0.1**	**(1.7)**	**0.1**	**0.4**	**0.6**	**(1.8)**
% interest	49%	50%	50%	50%	49%	50%	50%	50%
Impairment of goodwill [1]	(10.4)	-	-	-	-	-	-	-
GROUP SHARE OF PROFIT/(LOSS)	**(10.4)**	**0.4**	**0.0**	**(0.8)**	**0.0**	**0.2**	**0.3**	**(0.9)**

(1) See note 4: goodwill impairment recognized as of June 30, 2015.

8 – Deferred taxes

A) ANALYSIS BY PROBABLE RECOVERY/SETTLEMENT DATE (BEFORE NETTING ASSET AND LIABILITY POSITIONS FOR THE SAME TAXABLE ENTITY)

(in euro millions)	12/31/2015	12/31/2014
Deferred tax assets		
▪ Recoverable beyond 12 months	27.7	8.7
▪ Recoverable within 12 months	7.8	11.2
Deferred tax liabilities, net		
▪ To be settled beyond 12 months	(7.7)	(5.8)
▪ To be settled within 12 months	(0.7)	(0.6)
TOTAL	**27.1**	**13.5**

B) ANALYSIS BY SOURCE (BEFORE NETTING ASSET AND LIABILITY POSITIONS FOR THE SAME TAXABLE ENTITY)

(in euro millions)	12/31/2015	12/31/2014
Deferred tax assets		
▪ Deductible temporary differences	8.6	12.2
▪ Tax loss carryforwards and tax credits	26.9	7.7
Deferred tax liabilities		
▪ Taxable temporary differences	(8.4)	(6.4)
NET	**27.1**	**13.5**

Deferred tax assets are recognized for tax loss carryforwards only when their future recovery is considered probable based on projected taxable profits for the next five years.

The tax assets arising from group relief in France (tax loss carryforwards and deductible temporary differences) amounted to €20.1 million at December 31, 2015 (€6.9 million at December 31, 2014).

No deferred tax assets have been recognized for most of the evergreen losses of the various tax groups (see below).

Tax loss carryforwards were as follows at December 31, 2015:

(in euro millions)	French tax group	US tax group	German tax group	Other countries, excluding tax groups	**Total tax loss carryforwards**	o/w unrecognized
Available until						
2016	-	-	-	-	-	-
2017	-	-	-	0.7	0.7	0.7
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
2020 and beyond	-	85.1	-	4.3	89.4	78.6
Evergreen losses	215.1	-	27.5	25.2	267.8	206.6
TOTAL TAX LOSS CARRYFORWARDS	**215.1**	**85.1**	**27.5**	**30.2**	**357.9**	
o/w unrecognized	*156.4*	*75.9*	*25.2*	*28.4*	*285.9*	*285.9*

9 – Investments in non-consolidated companies

The carrying amount of investments in non-consolidated companies can be analyzed as follows:

(in euro millions)	**12/31/2015**	12/31/2014
Interests of over 50%	0.3	0.7
Interests of between 20% and 50%	-	-
Interests of less than 20%	0.1	0.1
TOTAL	**0.4**	**0.8**

The decrease in this item in 2015 was due to the consolidation of LP Romania during the year.

As these investments are not listed they cannot be valued using observable market inputs and are therefore classified at level 3 in the fair value hierarchy, in accordance with IFRS 7R.

The fair value of these assets is close to their carrying amount. An impairment loss is recorded where necessary.

10 – Derivative financial instruments

The carrying amount of derivatives can be analyzed as follows:

(in euro millions)	**12/31/2015**	12/31/2014
Assets	1.1	0.6
Liabilities	(0.3)	(0.7)
NET	**0.8**	**(0.1)**

Derivatives are classified at level 2 in the fair value hierarchy, in accordance with IFRS 7R and as explained in note 2.8 d).

(in euro millions)	**12/31/2015**		12/31/2014	
Assets net of liabilities	**Fair value**	**Notional**	Fair value	Notional
Fair value hedges				
▪ Currency hedges [1]	0.2	21.3	0.2	20.7
▪ Commodity hedges	-	-	-	0.4
Cash flow hedges				
▪ Currency hedges [1]	0.5	19.0	(0.2)	13.2
▪ Interest rate hedges	(0.2)	(30.0)	-	-
▪ Commodity hedges	-	-	(0.1)	6.6
Derivatives not qualifying for hedge accounting				
▪ Currency derivatives [1]	0.3	-	-	-
DERIVATIVE INSTRUMENTS – NET ASSET/ (LIABILITY)	**0.8**	**10.3**	**(0.1)**	**40.9**

(1) Notional amounts shown in parentheses correspond to net borrower positions for interest rate derivatives and net seller positions for all other derivatives.

NET NOTIONAL AMOUNTS OF CURRENCY DERIVATIVES BY CURRENCY (NEGATIVE NOTIONAL AMOUNT = NET SELLER POSITION)

(in euro millions)	12/31/2015	12/31/2014
US dollar	25.9	27.9
Euro	-	0.5
Chinese yuan	9.3	5.1
British pound	5.1	0.4
TOTAL	**40.3**	**33.9**

Currency hedges on a notional amount of €40.3 million at December 31, 2015 include fair value hedges of assets and liabilities and firm commitments by subsidiaries, and cash flow hedges of net sales and net purchases, mainly in US dollars.

NET NOTIONAL AMOUNTS OF INTEREST RATE DERIVATIVES BY CURRENCY (NEGATIVE NOTIONAL AMOUNT = NET BORROWER POSITION)

(in euro millions)	12/31/2015	12/31/2014
Euro	(30.0)	-

MATURITIES OF DERIVATIVES AT FAIR VALUE

(in euro millions)	12/31/2015	12/31/2014
Less than 6 months	0.5	(0.2)
More than 6 months	0.3	0.1

11 – Inventories and work-in-progress

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

(in euro millions)	12/31/2015	12/31/2014
Gross value		
Raw materials and supplies	36.5	37.5
Finished and semi-finished goods and work-in-progress	70.1	65.5
Other	0.4	0.5
TOTAL – GROSS VALUE	**107.0**	**103.5**
Provisions for impairment	(6.0)	(5.3)
NET VALUE	**101.0**	**98.2**

(in euro millions)	12/31/2015	12/31/2014
Provisions for impairment at January 1	(5.3)	(5.0)
Increase in provisions for impairment of inventory	(2.2)	(1.6)
Reversals of provisions used	0.9	1.0
Reversals of surplus provisions	0.7	0.5
Translation adjustment	(0.1)	(0.2)
Provisions for impairment at December 31	(6.0)	(5.3)

No inventories have been pledged as collateral.

12 – Trade receivables

(in euro millions)	12/31/2015	Not yet due	Past-due	12/31/2014	Not yet due	Past-due
Trade receivables						
Gross value	48.2	38.9	9.3	50.6	37.5	13.1
Provisions for impairment	(3.6)	(0.3)	(3.3)	(6.4)	(0.3)	(6.1)
NET VALUE	**44.6**	**38.6**	**6.0**	**44.2**	**37.2**	**7.0**

TRADE RECEIVABLES BY DUE DATE

Receivables by maturity (gross values) *(in euro millions)*	12/31/2015	12/31/2014
Less than one month past due	2.8	3.6
One -to-three months past due	2.4	2.0
Three-to-six months past due	0.5	0.7
More than six months past due	0.3	0.7
NET VALUE	**6.0**	**7.0**

As these receivables are all short term and are not interest bearing, 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.

Customer credit risks are managed on a local, decentralized basis. Provisions for past-due receivables are determined on a case-by-case basis, taking into account the amount recoverable under credit insurance, local practices, the customer's payment history and the total balance due (see note 22).

Factored receivables (IAS 39)

At December 31, 2015, certain receivables had been sold under no-recourse agreements with factoring companies in France and abroad. These receivables are still shown in Chargeurs' 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).

The amounts paid by the factoring companies for the receivables totaled €48.9 million at December 31, 2015 (€43.9 million at December 31, 2014).

13 – Other receivables

(in euro millions)	12/31/2015	12/31/2014
Short-term tax receivables	1.3	0.5
Other receivables	23.6	24.2
Accruals	1.4	1.6
Provisions for impairment	(1.4)	(1.6)
NET VALUE	**24.9**	**24.7**

"Other receivables" primarily include tax credits, the difference between the nominal amount of receivables sold under no-recourse contracts and the sale proceeds, and supplier advances.

The fair value of these assets approximates their carrying amount.

14 – Cash and cash equivalents

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

(in euro millions)	12/31/2015	12/31/2014
Marketable securities	36.2	16.1
Term deposits	1.0	1.1
SUB-TOTAL	**37.2**	**17.2**
Cash at bank	60.5	55.5
TOTAL	**97.7**	**72.7**

There were no restrictions on the use of the cash and cash equivalents held by Group at December 31, 2015.

15 – Assets held for sale and profit/(loss) from discontinued operations

A) ASSETS HELD FOR SALE

The assets classified as held for sale at December 31, 2014 for an amount of €0.2 million were sold in 2015.

B) DISCONTINUED OPERATIONS

There were no discontinued operations in 2015.

16 – 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 by bondholders	1,680,736
Shares outstanding at December 31, 2014	**16,021,311**
Issuance of shares on conversion of bonds by bondholders	6,944,833
Shares outstanding at December 31, 2015	22,966,144

Based on a par value of €0.16 per share, shares outstanding at December 31, 2015 represented issued capital of €3,674,583 (December 31, 2014: €2,563,410).

All Chargeurs shares have been called and are fully paid-up. The convertible bonds issued by Chargeurs in April 2010 were convertible by the bondholders up until 5:00 p.m. on December 22, 2015 (see note 17). During December, 101,216 new shares were issued on conversion of bonds and 7,745 shares were issued in settlement of the interest due on unconverted bonds. These 108,961 shares called in December 2015 and delivered on January 11, 2016, are included in the number of shares outstanding at December 31, 2015.

Double voting rights

Chargeurs' bylaws provide that shares registered in the name of the same owner for more than two years carry double voting rights. Consequently, in accordance with article L. 225-124 of the French Commercial Code, holders of said shares are entitled to double voting rights at Chargeurs Shareholders' Meetings. At December 31, 2015, 249,850 shares carried double voting rights.

17 – Convertible bonds

A) DESCRIPTION OF THE ISSUE

In April 2010, Chargeurs SA issued 415,083 convertible bonds with a nominal value of €55, with pre-emptive subscription rights for existing shareholders. The offer ran from March 15 to 29, 2010 and was subscribed 1.78 times.

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 websites of Chargeurs and the AMF (http://www.chargeurs.fr/en/content/convertible-bond).

During 2015, 216,784 bonds were converted into shares. The aggregate par value of the shares issued on conversion was €1.1 million and the aggregate premium was €10.8 million, representing a total increase in equity of €11.9 million. Following these conversions, 1,285 bonds were redeemed at maturity.

	12/31/2015	12/31/2014
1 – Number of convertible bonds		
At beginning of period	218,069	272,393
Conversions for the period	216,784	54,324
At end of period	1,285	218,069
2 – Number of shares issued in respect of convertible bonds		
At beginning of period	5,644,214	3,963,478
Shares issued on conversions for the period	5,853,168	1,466,748
Shares issued in payment of interest	1,083,920	213,988
At end of period	12,581,302	5,644,214
3 – Number of shares potentially issuable between the period-end and January 1, 2016		
Minimum number of shares	-	1,321,498
Maximum number of shares	-	6,978,208
4 – Total number of shares potentially issuable between the period-end and January 1, 2016		
Maximum number of shares issuable on conversion of bonds	-	6,978,208
Shares outstanding at December 31	22,966,144	16,021,311
TOTAL	**22,966,144**	**22,999,519**
5 – Aggregate face value of the original issue *(in euros)*	**€22,829,565**	**€22,829,565**
6 – Maximum amount repayable at maturity of the convertible bonds *(in euros)*	**€70,675**	**€11,993,795**

Coupon

Holders of bonds redeemed at maturity on January 1, 2016 received a stock-based remuneration equal to 6.06 Chargeurs shares per bond.

In the case of early redemption or conversion, the stock-based remuneration was calculated ratably based on the period that had elapsed since the issue date as shown below:

Year of conversion	Coupon
2011	0.76 share
2012	1.82 shares
2013	2.88 shares
2014	3.94 shares
2015	5.00 shares

The stock-based coupon paid on conversion was recognized directly in equity as a deduction from the premium on the shares in accordance with the "fixed-for-fixed" rule and had no impact on profit. The finance cost recorded in the income statement corresponds to the effect of unwinding the discount on the liability component of the bonds, determined using the effective interest method.

A total of 216,784 bonds were converted in 2015, leading to the issue of 1,083,920 shares in respect of the stock-based coupon.

Life of the bonds

Five years and 261 days.

Redemption at maturity

The bonds were redeemable at maturity on January 1, 2016 (or the next business day if January 1, 2016 was not a business day) at their nominal value.

Listing

The convertible bonds were listed on the NYSE Euronext Paris stock market (ISIN: FR0010870931).

Conversion ratio adjustments

The usual adjustments that could be necessary as a result of any corporate actions were described in the prospectus published on the AMF website.

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: €4.6 million;
- Fair value of the liability component on the issue date: €16.8 million.

During 2015, as the issue approached maturity, the remaining 216,784 outstanding bonds were converted, leading to an €11.2 million reduction in bond debt and a discounting adjustment of €0.8 million (included in financial expense), offset by a corresponding increase in equity, including €1.1 million added to share capital and €10.8 million recorded in the share premium account.

No bonds were outstanding at December 31, 2015. The effective interest rate for the year was 7.3% and the finance cost for the year was €0.8 million.

18 – Borrowings

A) NET CASH POSITION

CHANGE IN NET CASH POSITION

		Cash movements		Non-cash movements				
(in euro millions)	12/31/2014	Increase	Decrease	Changes in scope of consolidation	Changes in exchange rates	Other	**12/31/2015**	**Interest rate derivatives 12/31/2015**
Bank borrowings	25.5	17.7	(4.2)	-	-	(0.3)	38.7	3.02%
Finance lease liabilities	23.2	0.4	(4.8)	-	0.2	-	19.0	
Bank overdrafts	14.7	1.5	-	-	0.2	0.3	16.7	
Total bank borrowings and overdrafts	**63.4**	**19.6**	**(9.0)**	**-**	**0.4**		**74.4**	
Cash and cash equivalents	(72.7)	(24.1)	-	(0.2)	(0.7)	-	(97.7)	
(Net cash position)/Net debt position	(9.3)	(4.5)	(9.0)	(0.2)	(0.3)		(23.3)	

ANALYSIS OF THE CHANGE IN NET CASH POSITION

(in euro millions)	**2015**
Cash flows from operating activities (see Consolidated Statement of Cash Flows)	**32.4**
Cash flows from investing activities (see Consolidated Statement of Cash Flows)	**(12.9)**
Return of capital to minority shareholders of subsidiaries	(1.1)
Other movements	(1.1)
Dividends paid to equity holders of the parent	(3.2)
Other cash flows	**(5.4)**
New finance lease liabilities	(0.4)
Exchange gains/(losses)	0.3
Change in net cash	14.0

B) BORROWINGS

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

(in euro millions)	**12/31/2015**	12/31/2014
Bank borrowings	38.7	25.5
Finance lease liabilities	19.0	23.2
TOTAL	**57.7**	**48.7**

Long-term debt at December 31, 2015 can be analyzed as follows by repayment currency:

(in euro millions)	**12/31/2015**	12/31/2014
Euro	56.5	47.8
Other	1.2	0.9
TOTAL	**57.7**	**48.7**

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

(in euro millions)	**12/31/2015**	Fixed rate	Variable rate	12/31/2014	Fixed rate	Variable rate
Due in less than one year	8.6	6.9	1.7	6.7	4.0	2.7
Due in one to two years	5.1	4.0	1.1	5.9	4.0	1.9
Due in two to three years	20.0	18.8	1.2	5.7	4.3	1.4
Due in three to four years	3.3	1.6	1.7	20.7	3.9	16.8
Due in four to five years	17.8	16.5	1.3	3.8	1.9	1.9
Due in more than five years	2.9	1.4	1.5	5.9	1.8	4.1
TOTAL	**57.7**	**49.2**	**8.5**	**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 December 31, 2015, the carrying amount of borrowings originally contracted at fixed rates was €49.2 million. Average fixed-rate borrowings represented 77.7% of total average borrowings in 2015 (47.8% in 2014).

The average interest rate on long-term borrowings was 3.02% at December 31, 2015 (5.09% at December 31, 2014).

In 2015, Chargeurs SA obtained a new €15.0 million 5-year bank loan that was used to refinance existing facilities on more attractive terms and to finance development operations.

The Group's two bank loans at December 31, 2015, representing a total of €30.0 million, are subject to the following hard covenants that were complied with at that date:

- Net debt/equity ≤ 0.55;
- Net debt/EBITDA ≤ 3.50.

As of December 31, 2015, Group companies had access to lines of financing (of any maturity) totaling €95.0 million, of which €22.0 million was unused.

Furthermore, during the first quarter 2016, the Group negotiated €15.0 million of additional confirmed 3- and 5-year lines.

19 – Pension and other post-employment benefit obligations

Pension and other post-employment benefit obligations can be analyzed as follows:

(in euro millions)	12/31/2015	12/31/2014
Post-employment benefit obligations	12.5	13.3
Post-employment healthcare plans	0.5	0.6
Other long-term benefit obligations	1.6	1.6
NET LIABILITY IN THE STATEMENT OF FINANCIAL POSITION	**14.6**	**15.5**

Post-employment benefits under defined benefit plans correspond to statutory length-of-service awards payable to employees on retirement in France and other plans giving rise to less significant obligations. Other long-term employee benefits consist mainly of long-service awards.

The amounts recognized in the statement of financial position for these plans can be analyzed as follows:

(in euro millions)	12/31/2015	12/31/2014
Present value of obligations – funded plans	20.9	20.6
Fair value of plan assets	(16.8)	(16.1)
Net present value of obligations – funded plans	**4.1**	**4.5**
Present value of obligations – unfunded plans	10.5	11.0
NET LIABILITY IN THE STATEMENT OF FINANCIAL POSITION	**14.6**	**15.5**

Movements in the projected benefit obligation underfunded plans were as follows:

(in euro millions)	12/31/2015	12/31/2014
Projected benefit obligation at January 1	**20.6**	**19.2**
Service cost	0.2	0.1
Interest cost	0.8	0.8
Curtailments and settlements	(0.1)	(1.4)
Benefits paid out of plan assets	(1.6)	(1.2)
Actuarial (gains)/losses for the period	(1.0)	1.6
Translation adjustment	2.0	2.2
Change from a funded to an unfunded obligation	-	(0.6)
Other	-	(0.1)
PROJECTED BENEFIT OBLIGATION AT DECEMBER 31	**20.9**	**20.6**

Movements in the fair value of plan assets for funded plans were as follows:

(in euro millions)	12/31/2015	12/31/2014
Fair value of plan assets at January 1	**16.1**	**15.7**
Actuarial gains/(losses) for the period	(0.8)	0.1
Expected return on plan assets	0.7	0.7
Employer contributions	0.7	1.3
Benefits paid out of plan assets	(1.6)	(1.8)
Curtailments and settlements	-	(1.0)
Translation adjustment	1.7	1.7
Reimbursement of plan surpluses	-	(0.6)
FAIR VALUE OF PLAN ASSETS AT DECEMBER 31	**16.8**	**16.1**

The breakdown of plan assets was as follows at December 31, 2015 and 2014:

	12/31/2015	12/31/2014
Money market funds	3%	5%
Equities	56%	54%
Bonds	37%	37%
Real estate	4%	4%
TOTAL	**100%**	**100%**

Movements in the projected benefit obligations under unfunded plans can be analyzed as follows:

(in euro millions)	12/31/2015	12/31/2014
Projected benefit obligation at January 1	**11,0**	**9,2**
Service cost	0.5	0.4
Interest cost	0.2	0.3
Benefits paid out of Company reserves	(0.7)	(1.3)
Actuarial (gains)/losses for the period	(0.6)	1.5
Translation adjustment	0.1	0.2
Change from a funded to an unfunded obligation	-	0.6
Other	-	0.1
PROJECTED BENEFIT OBLIGATION AT DECEMBER 31	**10.5**	**11.0**

The amounts recognized in the income statement for defined benefit plans and other long-term employee benefits can be analyzed as follows:

(in euro millions)	12/31/2015	12/31/2014
Service cost	0.7	0.5
Interest cost	0.3	0.4
Settlements	-	(0.6)
NET EXPENSE RECOGNIZED IN THE INCOME STATEMENT	**1.0**	**0.3**

The service cost is accounted for by function in cost of sales, distribution and administrative expenses, and research and development costs. The interest cost is recognized in financial expense.

Changes in the net liability recognized in the statement of financial position can be analyzed as follows:

(in euro millions)	12/31/2015	12/31/2014
Net liability at January 1	**15.5**	**12.7**
Net expense recognized in the income statement	1.0	0.3
Benefits paid during the period	(0.7)	(2.0)
Employer contributions	(0.7)	-
Actuarial (gains)/losses for the period	(0.8)	3.0
Reimbursement of plan surpluses	-	0.6
Exchange differences on foreign plans	0.4	0.7
Other	(0.1)	0.2
NET LIABILITY AT DECEMBER 31	**14.6**	**15.5**

The main actuarial assumptions at December 31, 2015 and 2014 were as follows:

	12/31/2015	12/31/2014
Europe		
Discount rate applied to projected benefit obligation [1]	2.00%	1.50%
Estimated future salary increases		
▪ Managers	2.50%	2.50%
▪ Other employees	2.00%	2.00%
Long-term (underlying) inflation rate	2.00%	2.00%
North America		
Discount rate applied to projected benefit obligation [1]	4.38%	3.97%
Probable retirement age	62 to 65 years	60 to 65 years

(1) Discount rates are based on market interest rates for prime corporate bonds.

A 1-point increase or decrease in the estimated growth rate for healthcare costs would not have a material impact on the related projected benefit obligation, service cost or interest cost.

A 1-point increase in the discount rate and inflation rate would have a €1.4 million negative impact on the projected benefit obligation.

At December 31, 2015, the average duration of the Group's employee benefit obligations was between seven and 20 years.

The Group pays contributions into funded plans and also pays benefits directly under unfunded plans. The total estimated amount of benefits that will be paid under defined benefit plans during the year ending December 31, 2016 is €2.2 million.

20 – Provisions

The amount reported under "Provisions" in the statement of financial position does not include short-term provisions, which are included in "Other payables".

(in euro millions)	12/31/2015	12/31/2014
Long-term provisions	0.7	0.4
Short-term provisions	0.8	0.4
TOTAL	**1.5**	**0.8**

Movements in provisions:

(in euro millions)	Long-term provisions	Short-term provisions	Total
DECEMBER 31, 2013	**0.4**	**2.0**	**2.4**
Reversals of provisions used	-	(0.9)	(0.9)
Reversals of surplus provisions	-	(0.7)	(0.7)
DECEMBER 31, 2014	**0.4**	**0.4**	**0.8**
Additions	0.3	0.6	0.9
Reversals of surplus provisions	-	(0.2)	(0.2)
DECEMBER 31, 2015	**0.7**	**0.8**	**1.5**

(in euro millions)	**12/31/2015**	12/31/2014
Provisions for industrial restructuring costs	-	-
Provisions for other contingencies	1.5	0.8
TOTAL	**1.5**	**0.8**

Cash outflows covered by provisions for other contingencies will amount to €0.8 million in 2016 and €0.7 million in subsequent years.

21 – Other non-current liabilities and factoring liabilities

"Other non-current liabilities" include the €7.8 million long-term portion of a guarantee received in respect of a license.

Receivables sold under no-recourse agreements are shown in the statement of financial position for €48.9 million (see note 12), with the corresponding liability recorded under "Factoring liabilities".

22 – Financial risk management

By virtue of its global footprint the Chargeurs Group is exposed to financial risks in the normal course of business, including market risks (foreign exchange risk, interest rate risk and price risk on certain commodities), as well as credit and liquidity risks. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance. Derivative instruments are used to hedge certain risk exposures.

A) MARKET RISKS

Market risks are monitored internally using reporting schedules that compare the entities' exposure to identified risks with market value indicators. These indicators are based on data covering foreign currencies and commodity prices that directly or indirectly affect the Group's operations and the value of its assets.

(i) Foreign exchange risk

The Group operates internationally, with 92.9% of revenue generated outside France and 52.0% outside Europe. Its exposure to foreign exchange risk, which mainly concerns the US dollar and Chinese yuan, relates to future commercial transactions, recognized assets and liabilities denominated in foreign currencies and net investments in foreign operations.

In order to manage exposures to changes in exchange rates for the US dollar and various Asian currencies on a long-term basis, Chargeurs has relocated production facilities to Asia and the dollar zone. A total of 40.3% of assets are located outside Europe.

Group entities use forward contracts and expert advice to manage foreign exchange risk arising from (i) future commercial transactions and (ii) recognized assets and liabilities denominated in foreign currencies.

External foreign exchange contracts are designated by each business segment as fair value hedges, cash flow hedges or hedges of a net investment in a foreign operation, as appropriate.

The risk management policy for Chargeurs Protective Films and Chargeurs Fashion Technologies involves hedging a portion of forecast transactions (mainly export sales) in each major currency for the subsequent twelve months. Forecast transactions are determined during the budget process and the percentage applied is determined in line with the IFRS definition of "highly probable forecast transactions" for hedge accounting purposes.

Chargeurs Wool's main foreign exchange exposures relating to transactions and borrowings in foreign currencies concern the US dollar and the New Zealand dollar, and are hedged using forward contracts.

The following table presents the sensitivity of consolidated equity to foreign exchange risk, based on data at December 31, 2015.

(in euro millions)	Translation reserves by currency	Effect of a 10% increase in the exchange rate against the euro	Effect of a 10% decrease in the exchange rate against the euro
AUD	(0.8)	0.1	(0.1)
ARS	(8.6)	0.9	(0.9)
BDT	1.3	0.1	(0.1)
BRL	(0.7)	0.1	(0.1)
CLP	(0.2)	0.0	(0.0)
GBP	0.1	0.0	(0.0)
HKD	2.0	0.2	(0.2)
LKR	(0.3)	0.0	(0.0)
NZD	1.3	0.1	(0.1)
RMB	13.5	1.4	(1.4)
SID	0.6	0.1	(0.1)
USD	13.8	1.4	(1.4)
WON	0.1	0.0	(0.0)
ZAR	(0.7)	0.1	(0.1)
TOTAL	**21.4**	**4.4**	**(4.4)**

(ii) Interest rate risk

A 1-point increase in interest rates would have a €0.4 million impact on net debt (including amounts received for no recourse receivables sales) that is not hedged against interest-rate risks.

(iii) Price risk

The Group is exposed to price risk on certain materials that are essential for its production operations. The Protective Films segment is exposed to risks relating to certain oil byproducts, which it manages via its supplier contracts and sales pricing strategy. The Interlining segment is exposed to fluctuations in the prices of fibers used in its products, a risk it manages by placing suppliers in competition with one another and through its sales pricing strategy. The Wool segment systematically matches its fixed-price sale commitments with fixed-price purchase commitments.

B) CREDIT RISK

(i) Trade receivables

The Group has no significant concentrations of credit risk as no one customer represents more than 5% of revenue. In addition, it obtains protection against receivables risk through credit insurance and letters of credit wherever possible.

The risk of non-recovery of trade receivables is reviewed at each monthly close and provisions for impairment are recognized for the following:

- doubtful receivables: these correspond to receivables for which legal proceedings have been launched. Such receivables are written down in an amount representing their full value excluding tax less any credit insurance settlements receivable;
- past due receivables: these correspond to receivables that are not disputed by customers but for which the Group has not yet obtained the related settlement despite several reminders. The impairment recognized on these receivables depends on the payments already received, or which are expected, and any changes in the customer's legal and financial situation.

(ii) Country risk

The Group's geographical diversity means that it is not significantly exposed to political risk.

At December 31, 2015, four of the five main countries in which the Group's customers are located were rated at least "A" by Standard & Poor's.

2015/Country	% of total revenue	Credit rating [1]
United States	16.3%	AA+
Italy	14.8%	BBB-
		AAA (Hong Kong)
China and Hong Kong	12.2%	AA- (China)
Germany	9.0%	AAA
France	7.1%	AA

(1) S&P/Moody's rating.

(iii) Banking counterparty risk

The Group deals only with leading financial institutions for derivative instruments, cash-settled transactions and cash deposits.

(iv) Insurance counterparty risks

Chargeurs has set up insurance policies covering customer default, freight, property and casualty, business interruption, liability and other risks. These policies are taken out with a number of different insurance companies, which were all rated at least "A" by Standard & Poor's at December 31, 2015.

Insured risks	Credit rating [1]
Customer default	A
Freight	A+
Property & casualty	A+
Liability	A+

(1) S&P/Moody's rating.

(C) LIQUIDITY RISK

An analysis of the Group's borrowings is provided in note 18. The Group manages its liquidity risk via the following three main strategies:

(i) Ensuring that short-term assets exceed short-term liabilities

(in euro millions)	December 31, 2015				December 31, 2014			
	Total	**Due in less than one year**	**Due in one to five years**	**Due beyond five years**	Total	Due in less than one year	Due in one to five years	Due beyond five years
FINANCIAL ASSETS AND LIABILITIES								
Cash and cash equivalents	97.7	97.7	-	-	72.7	72.7	-	-
Long-term borrowings	(49.1)	-	(46.2)	(2.9)	(42.0)	-	(36.1)	(5.9)
Short-term portion of long-term borrowings	(8.6)	(8.7)	-	-	(6.7)	(6.7)	-	-
Short-term bank loans and overdrafts	(16.7)	(16.7)	-	-	(14.7)	(14.7)	-	-
Net cash position (+) / Net debt position (-)	**23.3**	**72.3**	**(46.2)**	**(2.9)**	**9.3**	**51.3**	**(36.1)**	**(5.9)**
Derivative instruments – assets	1.1	1.1	-	-	0.6	0.6	-	-
Deposits	1.7	-	1.7	-	2.2	-	2.2	-
Derivative instruments – liabilities	(0.3)	(0.3)	-	-	(0.7)	(0.7)	-	-
Other financial assets and liabilities	**2.5**	**0.8**	**1.7**	**-**	**2.1**	**(0.1)**	**2.2**	**-**
SUB-TOTAL, FINANCIAL ASSETS AND LIABILITIES	**25.8**	**73.1**	**(44.5)**	**(2.9)**	**11.4**	**51.2**	**(33.9)**	**(5.9)**
WORKING CAPITAL								
Trade receivables	44.6	44.6	-	-	44.2	44.2	-	-
Inventories	101.0	101.0	-	-	98.2	98.2	-	-
Trade payables	(90.6)	(90.6)	-	-	(88.6)	(88.6)	-	-
SUB-TOTAL – OPERATING ASSETS AND LIABILITIES	**55.0**	**55.0**	**-**	**-**	**53.8**	**53.8**	**-**	**-**
TOTAL FINANCIAL AND OPERATING ASSETS AND LIABILITIES	**80.8**	**128.1**	**(44.5)**	**(2.9)**	**65.2**	**105.0**	**(33.9)**	**(5.9)**

NB: receivables sold by the Group under no-recourse agreements are not included in the above table as the sales involve the transfer of title (see note 3). However, for reasons of prudence the Group has kept these receivables in the consolidated statement of financial position with a liability recognized for the amount of the cash proceeds received.

(ii) Forging partnerships with banks while maintaining a diversified lender base

The Group works with over 25 banks and financial institutions, of which the five largest represent 76% of its available credit facilities (see note 18). At December 31, 2015,the five main banking partners had short-term ratings of at least A1 to F1+ and P1 and long-term ratings of at least A to Aa1, with stable outlooks.

(iii) Applying strict rules for financing arrangements

When negotiating financing arrangements, the Group is particularly careful to ensure that the related documentation minimizes liquidity risk. To this end, specific negotiation standards have been issued and documentation for material financing arrangements has to be validated at several different levels.

NOTES TO THE INCOME STATEMENT

23 – Other operating income and expenses

Other operating income and expenses can be analyzed as follows:

(in euro millions)	12/31/2015	12/31/2014
Gains and losses on disposal of non-current assets	0.1	-
Goodwill impairment	(0.1)	-
Restructuring costs	(2.5)	(0.9)
Impairment of non-current assets	(0.4)	(0.5)
Other	(3.7)	(0.1)
TOTAL	**(6.6)**	**(1.5)**

Restructuring costs correspond to costs incurred by the Fashion Technologies segment.

The line "Other" for 2015 includes €2.2 million in compensation for loss of office (see note 30.b) and €1.2 million in costs related to a strategic research project.

24 – Employee information

A) NUMBER OF EMPLOYEES

The average number of employees of fully consolidated subsidiaries was as follows in 2015 and 2014:

	12/31/2015	12/31/2014
Employees in France	517	519
Employees outside France	1,025	1,062
TOTAL EMPLOYEES	**1,542**	**1,581**

B) PAYROLL COSTS

(in euro millions)	12/31/2015	12/31/2014
Wages and salaries	53.5	50.1
Payroll taxes	20.3	18.6
Discretionary profit sharing	2.9	1.8
TOTAL	**76.7**	**70.5**

25 – Finance costs and other financial income and expense, net

(in euro millions)	12/31/2015	12/31/2014
▪ Finance costs	(4.0)	(4.2)
▪ Interest income on loans and investments	0.5	0.5
Cost of net debt	**(3.5)**	**(3.7)**
Factoring cost	**(0.8)**	**(0.9)**
▪ Convertible bond interest cost	(0.8)	(1.0)
▪ Interest expense on employee benefit obligations	(0.3)	(0.4)
▪ Exchange gains and losses on foreign currency receivables and payables	0.2	0.1
▪ Fair value adjustments to financial instruments	-	-
▪ Other	(0.1)	(0.4)
Other financial income and expenses	**(1.0)**	**(1.7)**
FINANCE COSTS AND OTHER FINANCIAL INCOME AND EXPENSE, NET	**(5.3)**	**(6.3)**

26 – Income tax

Income tax expense reported in the income statement is analyzed in the table below.

(in euro millions)	12/31/2015	12/31/2014
Current taxes	(6.0)	(5.2)
Deferred taxes	13.5	1.1
TOTAL	**7.5**	**(4.1)**

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):

(in euro millions)	**12/31/2015**	12/31/2014
Income tax expense for the period	7.5	(4.1)
Standard French income tax rate	38.00%	34.43%
Tax at the standard rate	(7.1)	(5.2)
DIFFERENCE BETWEEN INCOME TAX EXPENSE FOR THE PERIOD AND TAX AT THE STANDARD RATE	**14.6**	**1.1**
Effect of differences in foreign tax rates	0.5	0.3
Effect of permanent differences between book profit and taxable profit	0.6	(0.3)
Change in tax assets recognized for tax losses:		
▪ Reversals of valuation allowances on tax loss carryforwards recognized in prior periods [1]	13.2	1.2
▪ Utilizations of tax loss carryforwards covered by valuation allowances	2.5	2.2
▪ Effect of unrelieved tax losses	(0.8)	(1.2)
▪ Valuation allowance on deferred tax assets (tax loss carryforwards arising in prior periods)	(0.1)	-
Other	(1.3)	(1.1)
DIFFERENCE BETWEEN INCOME TAX EXPENSE FOR THE PERIOD AND TAX AT THE STANDARD RATE	**14.6**	**1.1**

(1) In 2015, €13.2 million in deferred tax assets were recognized for the tax loss carryforwards of the French tax group, based on earnings forecasts for the next five years (see note 8).

27 – Earnings per share

Basic earnings per share are calculated by dividing profit from continuing operations attributable to owners of the parent by the weighted average number of shares outstanding during the period.

Basic earnings per share (i.e., net profit divided by the average number of shares outstanding) amounted to €0.78 in 2015.

Diluted earnings per share are the same as basic earnings per share, as the last convertible bonds outstanding were converted or redeemed in 2015.

(in euros)	Basic earnings per share	Diluted earnings per share
From continuing operations	15.3	15.3
Weighted average number of shares	19,615,969	19,615,969
EARNINGS PER SHARE FOR 2015 IN EUROS	**0.78**	**0.78**

NOTES – ADDITIONAL INFORMATION

28 – Information by operating segment

Chargeurs now analyzes its business according to four business segments (see note 1). In accordance with IFRS 8, the comparative periods have been restated.

28.1 Profits and losses by business segment

Year ended December 31, 2015 *(in euro millions)*	Chargeurs Protective Films	Chargeurs Fashion Technologies	Chargeurs Technical Substrates	Chargeurs Wool	Non-operating	Inter-segment eliminations	Consolidated
Revenue	**227.2**	**157.5**	**20.3**	**93.7**	**-**	**-**	**498.7**
Ebitda	**26.8**	**9.6**	**4.1**	**2.6**	**(2.8)**	**-**	**40.3**
Amortization	(5.0)	(4.1)	(0.5)	(0.1)	-	-	(9.7)
Recurring operating profit/(loss)	**21.8**	**5.5**	**3.6**	**2.5**	**(2.8)**	**-**	**30.6**
Other operating income and expenses	-	(2.8)	(0.2)	-	(3.6)	-	(6.6)
Operating profit/(loss)	**21.8**	**2.7**	**3.4**	**2.5**	**(6.4)**	**-**	**24.0**
Net financial expense							(5.3)
Share of profit/(loss) of associates							(10.7)
Pre-tax profit for the period							**8.0**
Income tax expense							7.5
Profit from continuing operations							**15.5**
Profit/(loss) from discontinued operations							**-**
Profit for the period							**15.5**

Year ended December 31, 2014 *(in euro millions)*	Chargeurs Protective Films	Chargeurs Fashion Technologies	Chargeurs Technical Substrates	Chargeurs Wool	Non-operating	Inter-segment eliminations	Consolidated
Revenue	**206.6**	**150.9**	**16.6**	**104.2**	**-**	**-**	**478.3**
Ebitda	**21.4**	**7.7**	**2.6**	**3.5**	**(3.4)**	**-**	**31.8**
Amortization	(4.6)	(3.7)	(0.4)	(0.1)	(0.1)	-	(8.9)
Recurring operating profit/(loss)	**16.8**	**4.0**	**2.2**	**3.4**	**(3.5)**	**-**	**22.9**
Other operating income and expenses	(0.3)	(1.1)	-	(0.1)	-	-	(1.5)
Operating profit/(loss)	**16.5**	**2.9**	**2.2**	**3.3**	**(3.5)**	**-**	**21.4**
Net financial expense							(6.3)
Share of profit/(loss) of associates							(0.3)
Pre-tax profit for the period							**14.8**
Income tax expense							(4.1)
Profit from continuing operations							**10.7**
Profit/(loss) from discontinued operations							**0.2**
Profit for the period							**10.9**

28.2 Additional information by business segment

Year ended December 31, 2015 *(in euro millions)*	Chargeurs Protective Films	Chargeurs Fashion Technologies	Chargeurs Technical Substrates	Chargeurs Wool	Non-operating	**Consolidated**
Depreciation of property, plant and equipment	(4.3)	(3.7)	(0.5)	-	(0.1)	(8.6)
Impairment losses:						
▪ Goodwill	-	(0.1)	-	-	-	(0.1)
▪ Property, plant and equipment	-	-	(0.2)	-	-	(0.2)
Impairment losses:						
▪ Inventories	(1.6)	(0.6)	-	-	-	(2.2)
▪ Trade receivables	-	2.7	-	-	-	2.7
Restructuring costs (note 23)	-	(2.5)	-	-	-	(2.5)

Year ended December 31, 2014 *(in euro millions)*	Chargeurs Protective Films	Chargeurs Fashion Technologies	Chargeurs Technical Substrates	Chargeurs Wool	Non-operating	**Consolidated**
Depreciation of property, plant and equipment	(4.2)	(3.5)	(0.3)	-	(0.1)	(8.1)
Impairment losses:						
▪ Goodwill	-	-	-	-	-	-
▪ Property, plant and equipment	-	-	-	-	-	-
Impairment losses:						
▪ Inventories	(1.0)	(0.5)	(0.1)	-	-	(1.6)
▪ Trade receivables	(0.2)	0.3	0.1	-	-	0.2
Restructuring costs (note 23)	(0.1)	(0.8)	-	-	-	(0.9)

Segment profit includes gains and losses on cash flow hedges of currency risks accumulated in equity that are recycled into the income statement in the period when the hedged purchase or sale transactions affect profit or loss.

Finance costs include gains and losses corresponding to the effective portion of cash flow hedges used to hedge future interest payments. Unallocated costs represent Group-level costs and include gains and losses on derivatives held for trading.

Inter-segment transfers and transactions are carried out on an arm's length basis.

28.3 Segment assets and liabilities

At December 31, 2015 *(in euro millions)*	Chargeurs Protective Films	Chargeurs Fashion Technologies	Chargeurs Technical Substrates	Chargeurs Wool	Non-operating	Total
Assets [1]	151.9	98.4	22.4	54.6	26.5	353.8
Liabilities [2]	73.8	43.9	6.7	25.3	8.0	157.7
Capital employed	**78.1**	**54.5**	**15.7**	**29.3**	**18.5**	**196.1**
Purchases of assets	6.4	3.9	4.3	0.1	-	14.7

At December 31, 2014 *(in euro millions)*	Chargeurs Protective Films	Chargeurs Fashion Technologies	Chargeurs Technical Substrates	Chargeurs Wool	Non-operating	Total
Assets [1]	138.1	103.6	24.1	56.3	12.9	335.0
Liabilities [2]	68.5	42.0	6.8	27.6	5.5	150.4
Capital employed	**69.6**	**61.6**	**17.3**	**28.7**	**7.4**	**184.6**
Purchases of assets	15.9	3.0	3.2	-	-	22.1

(1) Assets other than cash and cash equivalents and factored receivables.
(2) 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.
"Purchases of assets" now include purchases of intangible assets. The table at December 31, 2014 has been modified accordingly.

29 – Information by geographical area

A) REVENUE

Revenue is analyzed by geographical area based on the location of the customer.

The Group's operations are carried out on a global scale as shown in the tables below.

(in euro millions)	12/31/2015	12/31/2014
Europe	238.5	229.0
Asia-Pacific and Africa	140.7	141.2
Americas	119.5	108.1
TOTAL	**498.7**	**478.3**

The main countries where the Group's customers are located are the following:

(in euro millions)	12/31/2015	12/31/2014
United States	81.1	73.5
Italy	74.0	61.6
China and Hong Kong	60.9	55.7
Germany	44.9	51.6
France	35.4	35.5

B) SEGMENT ASSETS

Assets and capital expenditure are analyzed based on the geographical area in which the assets are located.

NON-CURRENT ASSETS

(in euro millions)	12/31/2015	12/31/2014 (1)
Europe	82.1	64.9
Asia-Pacific and Africa	21.2	31.5
Americas	78.9	70.7
TOTAL	**182.2**	**167.1**

(1) The 2014 amounts have been modified to present only non-current assets.

PURCHASES OF PROPERTY, PLANT AND EQUIPMENT

(in euro millions)	12/31/2015	12/31/2014
Europe	12.0	18.0
Asia-Pacific and Africa	0.5	1.1
Americas	1.2	2.4
TOTAL	**13.7**	**21.5**

30 – Related party transactions

A) TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES (SEE NOTE 7)

In 2015, the main transactions with associates and joint ventures concerned:

- purchases from the Chinese company Ningbo Lailong Bertero Interlining Co. Ltd, which were recognized by the Fashion Technologies segment under cost of sales in an amount of €8.0 million and in trade payables for €2.7 million;
- purchases from Lanas Trinidad, Chargeurs Wool Argentina, Zhangjiagang Yangtse Wool Combing Co. Ltd and its subsidiary Yangtse Pty Ltd. These transactions were recognized by the Wool segment under cost of sales in an amount of €44.5 million and in trade payables for €14 million.

B) MANAGEMENT COMPENSATION

(in euros) awarded	12/31/2015	12/31/2014 *
Compensation to directors	45.0	27.5
Compensation to officers	1,189.3	1,655.9
SHORT-TERM BENEFITS	**1,234.3**	**1,683.4**
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	1,683.3	383.4
Share-based payments	-	-
TOTAL AWARDED FOR THE PERIOD	**2,917.6**	**2,066.8**

* *The 2014 amounts have been modified to reflect the new presentation based on compensation awarded for the period instead of compensation paid during the period.*
In addition to the amounts disclosed above, Sofi Emy, a company whose primary manager is Eduardo Malone, received €125,000 in fees from Chargeurs Boissy for services as advisor to senior operations management concerning specific technical and geographic issues.

31 – Commitments and contingencies

31.1 Commercial commitments

At December 31, 2015, Chargeurs and its subsidiaries had given firm commitments to purchase manufacturing assets representing an aggregate amount of €2.5 million.

31.2 Guarantees

At December 31, 2015, Chargeurs and its subsidiaries had given guarantees for a total of €3.5 million.

31.3 Collateral

At December 31, 2015, Chargeurs and its subsidiaries had granted collateral representing a total of €3.2 million.

31.4 Operating leases

Future minimum payments under non-cancelable medium-term operating leases break down as follows by maturity:

(in euro millions)	12/31/2015
Due in less than one year	2.0
Due in one to five years	5.8
Due in more than five years	1.7
TOTAL	**9.5**

31.5 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 €5.5 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 €0.8 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 that the former employees had lodged an appeal. The appeal is scheduled to be heard in March 2016. The Company continues to believe that the claims are without merit.

31.6 Tax and customs risks

In early February 2011, a subsidiary received a €0.8 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 tax authorities have not appealed to a higher court.

32 – Subsequent events

In January 2016, the Group sold 2% of the shares in Ningbo Chargeurs Yak Textile Trading Co. Ltd to its Chinese partner, thereby reducing its own interest to 49%. As a result, Ningbo Chargeurs Yak Textile Trading Co. Ltd will be classified as an associated company in 2016.

33 – Main consolidated companies

At December 31, 2015, 57 companies were fully consolidated (compared with 61 in 2014), and 10 were accounted for by the equity method (10 in 2014).

Chargeurs	Parent Company
A – MAIN FULLY CONSOLIDATED COMPANIES	
Chargeurs Deutschland GmbH	
Chargeurs Textiles SAS	
Leipziger Wollkämmerei AG	
Chargeurs Entoilage SA	
PROTECTIVE FILMS SEGMENT	
Chargeurs Films de Protection SA	**Holding company for the segment**
France	Novacel SA
Italy	Boston Tapes S.p.A. – Boston Tapes Commercial S.r.l. – Novacel Italia S.r.l.
Germany	Novacel GmbH
United Kingdom	Novacel UK
Spain	Novacel Spain
Belgium	Novacel Belgium
North America	Chargeurs Protective Films Inc. – Novacel Inc.
FASHION TECHNOLOGIES SEGMENT	
Fitexin	**Holding company for the segment**
France	Lainière de Picardie BC SAS
Italy	Chargeurs Interfodere Italia
Germany	Lainière de Picardie Deutschland GmbH
United Kingdom	Chargeurs Interlining (UK) Ltd
Portugal	Chargeurs Entretelas (Iberica) Ltd
North America	Lainière de Picardie Inc.
South America	Lainière de Picardie Golaplast Brazil Textil Ltda – Entretelas Americanas SA – Lainière de Picardie_DHJ Chile SA
South Africa	Stroud Riley (Proprietary) Limited
Asia	Chargeurs Interlining (H.K.) Limited – LP (Wujiang) Textiles Co. Ltd – Lainière de Picardie Korea Co. Ltd – C.I. Guangzhou – DHJ Interlining Limited – Ningbo Chargeurs Yak Textile Trading Co. Ltd – Etacol Bangladesh Ltd
TECHNICAL SUBSTRATES SEGMENT	
France	**Senfa**
WOOL SEGMENT	
Chargeurs Wool Holding GmbH	**Holding company for the segment**
France	Chargeurs Wool (Eurasia) SAS
Italy	Chargeurs Wool Sales (Europe) S.r.l.
South Africa	Chargeurs Wool (South Africa) (Pty) Ltd
New Zealand	Chargeurs Wool (NZ) Limited
U.S.A.	Chargeurs Wool (USA) Inc.
B – COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD	
Ningbo Lailong Bertero Interlining Co. Ltd (49%)	
USA Wool (35%)	
Lanera Santa Maria (50%) and its subsidiary Hart Newco	
Lanas Trinidad SA (50%)	
Chargeurs Wool (Argentina) SA (50%), and its subsidiary Peinaduria Rio Chubut (25%)	
Zhangjiagang Yangtse Wool Combing Co Ltd (50%) and its subsidiary Yangtse (Australia) Pty Ltd	

Percentages indicate Chargeurs' percentage of control at December 31, 2015 for companies that are not almost or entirely wholly owned by the Group.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2015

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by the Annual General Meeting, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying consolidated financial statements of Chargeurs S.A.;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I – OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at December 31, 2015 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II – JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we bring to your attention the following matters:

Note 3 to the consolidated financial statements describes the critical accounting estimates and judgments applied by management, particularly those related to impairment of goodwill and income tax. We assessed the data and assumptions on which these estimates and judgments were based, and examined, on a test basis, the calculations performed by the Company. We compared accounting estimates of prior periods with the actual results and reviewed procedures for the approval of these estimates by management. We also obtained assurance that the notes to the consolidated financial statements disclose appropriate information on the assumptions and options applied by the Company.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III – SPECIFIC VERIFICATION

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the Group's management report.

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

Neuilly-sur-Seine and Paris – April 5, 2016

The Statutory Auditors

PricewaterhouseCoopers Audit	S&W Associés
Éric Bertier	Virginie Coniau

PARENT COMPANY

STATEMENT OF FINANCIAL POSITION

At December 31 (in euro thousands)

ASSETS

	Note	2015 Gross	2015 Accumulated depreciation, amortization and provisions	2015 Net	2014 Net
FIXED ASSETS	Note 2				
Intangible assets					
Patents, licenses, trademarks, processes and other rights		5	4	1	2
Property and equipment					
Land		-	-	-	-
Buildings		-	-	-	-
Other		417	230	187	255
Assets under construction		-	-	-	-
Advances and prepayments		-	-	-	-
Investments and other financial assets (1)					
Shares in subsidiaries and affiliates	Note 3.2	473,159	139,248	333,911	295,669
Loans to subsidiaries and affiliates	Note 4	5,565	-	5,565	351
Other long-term investments		342	186	156	101
Other long-term loans	Note 4	5,089	6	5,083	-
Other		94	-	94	97
TOTAL I		**484,671**	**139,674**	**344,997**	**296,474**
CURRENT ASSETS					
Prepayments to suppliers		14	-	14	5
Trade receivables (2)		-	-	-	-
Other receivables (2)	Note 4	3,304	-	3,304	2,174
Marketable securities	Note 8	20,216	-	20,216	4,192
Cash at bank and in hand		19,278	-	19,278	24,621
Accruals and other assets		-	-	-	-
Prepaid expenses (2)	Note 4	367	-	367	175
TOTAL II		**43,179**	**-**	**43,179**	**31,167**
Deferred charges		-	-	-	-
TOTAL III		**-**	**-**	**-**	**-**
Unrealized translation losses		-	-	-	-
TOTAL IV		**-**	**-**	**-**	**-**
TOTAL ASSETS (I + II + III + IV)		**527,850**	**139,674**	**388,176**	**327,642**
(1) Due within one year (gross value)		*295*	*80*	*215*	*484*
(2) Due beyond one year (gross value)		-	-	-	-

EQUITY AND LIABILITIES

	Note	2015	2014
EQUITY			
Share capital		3,675	2,563
Share premium account		53,015	42,203
Revaluation reserve		-	-
Reserves:			
▪ Legal reserve		400	400
▪ Untaxed reserves		-	-
▪ Other reserves		244,978	230,808
Retained earnings		-	-
Profit for the period		45,496	17,372
Untaxed provisions			
TOTAL I		**347,564**	**293,347**
Provisions for contingencies and charges	Note 3.1		
Provisions for contingencies		72	112
Provisions for charges		-	-
TOTAL II		**72**	**112**
Liabilities (1)	Note 4		
Convertible bonds	Note 11	-	11,994
Other bonds		15	15
Bank borrowings (2)	Note 12	30,097	15,009
Other borrowings	Note 13	5,602	4,135
Trade payables		1,056	1,315
Accrued taxes and payroll costs		2,741	671
Customer prepayments		257	372
Other payables		772	670
Accruals and other liabilities (1)			
Deferred income		-	-
TOTAL III		**40,540**	**34,183**
Unrealized translation gains		-	-
TOTAL IV			
TOTAL EQUITY AND LIABILITIES (I + II + III + IV)		**388,176**	**327,642**
(1) Due beyond one year		*30,000*	*26,994*
Due within one year		*10,540*	*7,116*
(2) Including short-term bank loans and overdrafts		-	-

INCOME STATEMENT

Years ended December 31 (in euro thousands)

	2015	2014
Operating revenues [1]	**1,303**	**1,146**
Operating expenses [3]		
Purchases of goods and external charges	(3,933)	(2,882)
Taxes other than on income	(284)	(199)
Salaries and wages	(2,731)	(1,331)
Payroll taxes	(1,117)	(334)
Amortization, depreciation and provisions:		
▪ Amortization and depreciation of fixed assets	(75)	(73)
▪ Provisions for contingencies and charges	-	-
Other	(45)	(30)
OPERATING PROFIT/(LOSS)	**(6,882)**	**(3,703)**
Financial income [1]		
From investments [2]		
▪ Shares in subsidiaries and affiliates	9,116	7,210
▪ Loans to subsidiaries and affiliates	207	67
From other marketable securities and investments [2]	-	-
Other interest income [2]	664	631
Provision reversals and expense transfers	38,188	12,823
Foreign exchange gains	-	-
Income from disposals of marketable securities	-	6
	48,175	**20,737**
Financial expense [3]		
Amortization and provisions	(90)	(2,278)
Interest expense [4]	(402)	(171)
Other financial expenses	-	-
Foreign exchange losses	-	-
Losses on disposals of marketable securities	-	-
	(492)	**(2,449)**
NET FINANCIAL INCOME/(EXPENSE)	**47,683**	**18,288**
Profit/(loss) before tax and non-recurring items	**40,801**	**14,585**
Non-recurring income [1]		
From revenue transactions	227	647
From capital transactions		
▪ Proceeds from sales of fixed assets	-	-
▪ Other	-	-
Provision reversals and expense transfers	47	7,830
	274	**8,477**
Non-recurring expenses		
On revenue transactions	(14)	(1)
On capital transactions		
▪ Carrying amount of assets sold	-	(7,821)
▪ Other	(3)	-
Amortization and provisions		
▪ Untaxed provisions	-	-
▪ Other provisions	-	-
	(17)	**(7,822)**
NET NON-RECURRING INCOME/(EXPENSE)	**257**	**655**
PROFIT/(LOSS) BEFORE TAX	**41,058**	**15,240**
INCOME TAX BENEFIT	**4,438**	**2,132**
PROFIT/(LOSS) FOR THE PERIOD	**45,496**	**17,372**
(1) Of which income related to prior years	-	-
(2) Of which income from related companies	*9,885*	*7,862*
(3) Of which expenses related to prior years	-	-
(4) Of which interest paid to related companies	*3*	*4*

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

(in euro millions)

Chargeurs SA is the parent company of the consolidated Chargeurs Group.

1 – Accounting principles and policies

Chargeurs' parent company financial statements have been prepared in accordance with French generally accepted accounting principles, as set out in articles L. 123-12 to L. 123-28 of the French Commercial Code *(Code de commerce)*, and in the 2014 accounting plan set out in regulation 2014-03 of the *Autorité des normes comptables*, including the principles of prudence and segregation of accounting periods. They are presented on a going concern basis and accounting methods have been applied consistently from one year to the next, except for the changes in methods described below.

1.1 Property and equipment

Property and equipment are stated at cost excluding capitalized interest, or at their transfer value.

For property and equipment that cannot be broken down into separate component parts, depreciation is calculated by the straight-line method based on the estimated useful life of each category of asset, as follows:

- furniture: 10 years;
- computer equipment: 3 years.

1.2 Investments and other non-current financial assets

- Shares in subsidiaries and affiliates are stated at cost. In 2005, Chargeurs elected to recognize the incidental expenses on acquisitions of these shares directly as an expense. Since 2007, these costs have been added back for tax purposes and deferred over five years.
- Other long-term investments are stated at cost excluding incidental expenses, or at their transfer value.

Where appropriate, these investments are written down to their fair value, determined by reference to Chargeurs' equity in the net assets of the acquired companies, adjusted for unrealized capital gains or losses and profitability criteria.

This item also includes Chargeurs shares acquired through share buyback programs.

1.3 Marketable securities

Marketable securities are stated at the lower of cost and market value on the basis of the average price for the last month of the year.

1.4 Foreign currency translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the transaction date. Assets and liabilities in foreign currencies are converted at the year-end rates. Gains or losses arising on translation are carried under "Unrealized translation gains" or "Unrealized translation losses". Provision is made for unrealized losses by way of a charge to the income statement, except when they can be set off against unrealized gains in linked transactions.

1.5 Forward currency transactions

Losses or gains arising from forward currency contracts not used as hedges are taken to the income statement in cases where they are settled by taking a reverse position in the same period, whatever the final maturity.

2 – Fixed assets

	12/31/2014	Acquisitions/ increases	Disposals/ decreases	12/31/2015
Intangible assets	**n.m.**	**-**	**-**	**n.m.**
Property and equipment	**0.4**	**-**	**-**	**0.4**
Investments and other non-current financial assets				
Shares in subsidiaries and affiliates [1]	473.0	0.2	-	473.2
Loans to subsidiaries and affiliates [2]	0.4	7.7	2.5	5.6
Other long-term loans [3]	-	5.1	-	5.1
Other long-term investments [4]	0.3	-	-	0.3
Other [5]	0.1	-	-	0.1
TOTAL	**474.2**	**13.0**	**2.5**	**484.7**

(1) The increase in shares in subsidiaries and affiliates in 2015 corresponds to the €0.2 million capital increase by Chargetex 34 that was underwritten by Chargeurs SA.
(2) The increase in loans to subsidiaries and affiliates in 2015 corresponds to two loans – for €5.7 million and €2.0 million respectively – granted during the year to two subsidiaries in order to optimize the Group's overall cost of debt. The decrease reflects the part repayment of its 2015 loan by one of these subsidiaries.
(3) The increase in other long-term loans corresponds to a loan made to an indirect subsidiary of Chargeurs SA.
(4) This item corresponds primarily to 13,334 Chargeurs shares acquired at a cost of €0.2 million with a view to being canceled. No Chargeurs shares were bought back or canceled during the year.
(5) This item consists for the most part of the security deposit paid to the owners of the Company's headquarters.

3 – Provisions

3.1 Provisions for contingencies and charges

In accordance with regulation 2014-03 of the *Autorité des normes comptables*, the Company records a provision to cover clearly identified contingencies and charges of uncertain timing or amount arising from past or present events, the settlement of which is expected to result in an outflow of resources embodying economic benefits.

	12/31/2014	Charges for the year	Reversals for the year (used)	Reversals for the year (unused)	12/31/2015
Provisions for contingencies	0.1	-	-	-	0.1
Provisions for charges	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**
Of which movements included in operating income and expense		-	-	-	
Of which movements included in financial income and expense		-	-	-	
Of which movements included in non-recurring income and expense		-	-	-	

3.2 Impairment

	12/31/2014	Charges for the year	Reversals for the year	12/31/2015
Impairment of investments	177.7	0.1	38.1	139.7
Impairment of other receivables	-	-	-	-
TOTAL	**177.7**	**0.1**	**38.1**	**139.7**
Of which movements included in operating income and expense		-	-	
Of which movements included in financial income and expense		0.1	38.1	
Of which movements included in non-recurring income and expense		-	-	

- Chargeurs' policy is to classify impairment losses and reversals relating to investments under financial income and expense. However, in accordance with the recommendations issued by the *Ordre des experts comptables*, this general rule is not applied to reversals of impairment losses relating to divested shares, which are recorded under non-recurring income.
- Receivables are measured at their nominal value and written down based on the recovery risk as assessed at year-end.

4 – Maturities of receivables and payables

Total loans and receivables, before impairment, amounted to €14.4 million at December 31, 2015, breaking down as follows:

- Loans to subsidiaries and affiliates for €5.6 million;
- Other long-term loans for €5.1 million;
- Other receivables for €3.7 million.

Maturities of loans and receivables are as follows:

	2015
Due within one year	3.7
Due beyond one year	10.7
TOTAL	**14.4**

Maturities of debt and other payables are as follows:

	2015
Due within one year	10.5
Due in one to five years	30.0
TOTAL	**40.5**

The total includes €30.1 million in bank loans, €5.6 million in other debt and €4.8 million in other payables.

Debt due beyond one year corresponds to two bank loans from Landesbank Saar for a total of €30.0 million. The two loans are subject to the following covenants that were complied with at December 31, 2015:

- Net debt/equity ≤0.55 and,
- Net debt/EBITDA ≤3.50

5 – Items recorded under several statement of financial position headings

	Gross amounts concerning	
	Related companies	Other investments
Shares in subsidiaries and affiliates and other long-term investments	473.2	-
Receivables	12.7	-
Debt and other payables	6.8	-

6 – Breakdown of accrued income

At December 31, 2015, accrued income amounted to €0.1 million, corresponding mainly to a Group research tax credit.

Accrued income is recorded in current assets under "Other receivables".

7 – Accrued expenses

Accrued expenses totaled €3.0 million at December 31, 2015 and primarily consisted of professional fees, service costs and various payroll costs.

8 – Marketable securities

At December 31, 2015, marketable securities amounted to €20.2 million and mainly comprised money market mutual fund units and time deposits.

9 – Equity

9.1 Changes in equity

At January 1, 2015 (before appropriation)	276.0
2014 profit appropriated by decision of the AGM on May 5, 2015	17.4
At January 1, 2015 (after appropriation)	293.4
Profit for the period	45.5
Issuance of shares on conversion of bonds by bondholders	11.9
Payment of the 2014 dividend decided at the AGM on May 5, 2015	(3.2)
At December 31, 2015 (before appropriation)	347.6

9.2 Changes in share capital

	Number of shares	Par value
Shares outstanding at January 1, 2015	16,021,311	€0.16
Issuance of shares on conversion of bonds by bondholders	6,944,833	€0.16
Shares outstanding at December 31, 2015	22,966,144	€0.16

All Chargeurs shares have been called and are fully paid-up. The convertible bonds issued by Chargeurs in April 2010 were convertible by the bondholders up until 5:00 p.m. on December 22, 2015 (see note 11). During December, 101,216 new shares were issued on conversion of bonds and 7,745 shares were issued in settlement of the interest due on unconverted bonds. These 108,961 shares called in December 2015 and delivered on January 11, 2016, are included in the number of shares outstanding at December 31, 2015.

9.3 Share premium account and reserves at December 31, 2015

These items break down as follows:

	2015
Share premium account	53.0
Legal reserve	0.4
Other reserves	80.6
Restricted reserve (capital reduction)	164.4
TOTAL	**298.4**

10 – Double voting rights

Chargeurs' bylaws provide that registered shares held in the name of the same shareholder for more than two years carry double voting rights. Consequently, in accordance with article L. 225-124 of the French Commercial Code, holders of said shares are entitled to double voting rights at Chargeurs Shareholders' Meetings.

At December 31, 2015, 249,850 shares carried double voting rights.

11 – Convertible bonds

11.1 Description of the issue

In April 2010, Chargeurs SA issued 415,083 convertible bonds with a nominal value of €55, with pre-emptive subscription rights for existing shareholders. The offer ran from March 15 to 29, 2010 and was subscribed 1.78 times.

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 websites of Chargeurs and the AMF (http://www.chargeurs.fr/en/content/convertible-bond).

Principal terms of the bond issue:

11.2 Conversion of bonds into shares

During 2015, 216,784 bonds were converted into shares. The aggregate par value of the shares issued on conversion was €1.1 million and the aggregate premium was €10.8 million, representing a total increase in equity of €11.9 million. Following these conversions, 1,285 bonds were redeemed at maturity.

	2015	2014
1 – Number of convertible bonds		
At beginning of period	218,069	272,393
Conversions for the period	216,784	54,324
At end of period	1,285	218,069
2 – Number of shares issued in respect of convertible bonds		
At beginning of period	5,644,214	3,963,478
Shares issued on conversions for the period	5,853,168	1,466,748
Shares issued in payment of interest	1,083,920	213,988
At end of period	12,581,302	5,644,214
3 – Number of shares potentially issuable between the period-end and January 1, 2016		
Minimum number of shares	-	1,321,498
Maximum number of shares	-	6,978,208
4 – Total number of shares potentially issuable between the period-end and January 1, 2016		
Maximum number of shares issuable on conversion of bonds	-	6,978,208
Shares outstanding at December 31	22,966,144	16,021,311
TOTAL	**22,966,144**	**22,999,519**
5 – Aggregate face value of the original issue *(in euros)*	**€22,829,565**	**€22,829,565**
6 – Maximum amount redeemable at maturity of convertible bond issue *(in euros)*	**€70,675**	**€11,993,795**

Coupon

Holders of bonds redeemed at maturity on January 1, 2016 received a stock-based remuneration equal to 6.06 Chargeurs shares per bond.

In the case of early redemption or conversion, the stock-based remuneration was calculated ratably based on the period that had elapsed since the issue date as shown below:

Year of conversion	Coupon
2011	0.76 share
2012	1.82 share
2013	2.88 shares
2014	3.94 shares
2015	5.00 shares

The stock-based coupon paid on conversion was recognized directly in equity as a deduction from the premium on the shares and had no impact on profit.

A total of 216,784 bonds were converted in 2015, leading to the issue of 1,083,920 shares in respect of the stock-based coupon.

Life of the bonds

Five years and 261 days.

Redemption at maturity

The bonds were redeemable at maturity on January 1, 2016 (or the next business day if January 1, 2016 was not a business day) at their nominal value.

Listing

The convertible bonds were listed on the Euronext Paris stock market (ISIN: FR0010870931).

Conversion ratio adjustments

The usual adjustments that could be necessary as a result of any corporate actions were described in the prospectus published on the AMF website.

12 – Bank borrowings

On July 30, 2015, Chargeurs SA obtained a €15.0 million loan from Landesbank Saar. The loan pays interest at a variable rate (swapped for a fixed rate) and is repayable in full on October 30, 2020.

The €15.0 million loan from Landesbank Saar obtained on December 12, 2014 also pays interest at a variable rate (swapped for a fixed rate) and is repayable in full on September 28, 2018.

13 – Other borrowings

Other borrowings, totaling €5.6 million, primarily correspond to loans from several Group subsidiaries whose sole purpose is to act as financial holding companies.

These loans are generally repaid by way of capital reductions or by winding up the companies concerned.

14 – Financial income and expense

14.1 Amortization and provisions

Additions *(in euro millions)*	2015
▪ Impairment of Chargetex 35 shares	0.1
TOTAL	**0.1**

Reversals *(in euro millions)*	2015
▪ Impairment of Chargeurs Films de Protection SA shares	30.7
▪ Impairment of Chargeurs Textiles SAS shares	4.4
▪ Impairment of Chargeurs Entoilage SA shares	3.0
TOTAL	**38.1**

15 – Non-recurring income and expense

	2015	
(in euro millions)	Non-recurring expenses	Non-recurring income
AIG insurance settlement	-	0.1
Liquidation of Colores	-	0.1
TOTAL	**-**	**0.2**

16 – Income tax

16.1 Analysis of income tax

(in euro millions)	2015	2014
Tax on recurring profit	-	-
Tax on distributed income	(0.1)	-
Group relief	4.5	2.1
Other	-	-
INCOME TAX BENEFIT	**4.4**	**2.1**

16.2 As of January 1, 1996, Chargeurs and most of its French subsidiaries that are at least 95%-owned, directly or indirectly, elected to file a consolidated tax return. Under French group relief rules, the losses of certain subsidiaries in the tax group can be set off against the taxable profit of other companies in the Group. The profitable subsidiaries pay an amount corresponding to the tax that would be due on their profit to Chargeurs, which in turn pays the tax due by the tax group.

16.3 The €40,000 provision for repayment of tax benefits to subsidiaries that were expected to return to profit in 2016 was reversed in full at December 31, 2015.

16.4 The setting off of losses reported by certain subsidiaries against the taxable profits of other subsidiaries resulted in a tax saving of €4.5 million, representing a cash flow benefit.

16.5 Non-deductible expenses that are disclosable to shareholders pursuant to articles 223 quater and 39-4 of the French Tax Code and the related tax impact amounted to €0.02 million in 2015.

17 – Commitments given, guarantees and sureties

(in euro millions)	2015
Guarantees and sureties concern:	
▪ Subsidiaries and related companies	37.4
▪ Other	-

The interest rate risk on the Saar LB loans totaling €30.0 million has been hedged by means of variable-to-fixed rate swaps. At December 31, 2015, these swaps had an estimated negative fair value of €245,591.42.

18 – Unrecognized deferred taxes

At December 31, 2015, under French group relief rules, Chargeurs had evergreen tax loss carryforwards of €215.1 million.

Timing differences between book income and expenses and income and expense for tax purposes were not material in 2015.

19 – Management compensation

Compensation paid to Directors and Officers in 2015 amounted to €44,970 and €2,872,618 respectively. The total included the compensation for loss of office of €1,683,322 paid to the Chief Executive Officer.

20 – Employee benefit obligations

Retirement benefits

At December 31, 2015, Chargeurs SA had no obligation for the payment of statutory length-of-service awards to employees on retirement.

21 – Fees paid to the statutory auditors

Chargeurs SA paid €298 thousand in fees to the Statutory Auditors in 2015 (disclosure made in application of French Decree 2008-1487 of December 30, 2008).

22 – Stock options

There were no employee stock option plans at December 31, 2015.

23 – 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 the Company held an indirect interest. The total amount of these claims represented around €5.5 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 €0.8 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 that the former employees had lodged an appeal in April 2014. The appeal is scheduled to be heard in March 2016.

The Company continues to believe that the claims are without merit.

INFORMATION CONCERNING SUBSIDIARIES AND AFFILIATES

At December 31, 2015 (in euro thousands)

Companies	Share capital	Reserves	% interest	Cost of investment	Carrying amount of investment	2015 revenue [1]	2015 profit/(loss) included in equity	Gross dividends received by Chargeurs during 2015
A. DETAILED INFORMATION CONCERNING EQUITY INVESTMENTS WITH A CARRYING AMOUNT IN EXCESS OF 1% OF CHARGEURS' CAPITAL								
1. Subsidiaries (at least 50%-owned by Chargeurs)								
Chargeurs Textiles SAS	31,085	15,456	100	69,480	46,643	-	8,797	4,538
Chargeurs Films de Protection SA	139,617	17,121	100	286,266	187,421	-	6,184	4,578
Chargeurs Entoilage SA	11,540	35,371	99,99	109,049	98,540	-	(4,210)	-
Chargetex 34	114	-	100	6,277	114	-	-	-
Chargetex 35	1,337	(836)	100	1,337	501	-	7	-
2. Affiliates (10% to 50%-owned by Chargeurs)								
Other companies	-	-	-	-	-	-	-	-
B. AGGREGATE INFORMATION CONCERNING OTHER SUBSIDIARIES AND AFFILIATES								
1. Subsidiaries not listed in A								
French companies	150	157	-	76	18	-	173	-
Foreign companies	-	-	-	-	-	-	-	-
2. Affiliates not listed in A								
French companies	-	-	-	-	-	-	-	-
Foreign companies	296	1,857	-	671	671	53,425	485	-

(1) The majority of the companies owned by Chargeurs are purely financial holding companies and therefore do not generate any revenue.

FIVE-YEAR FINANCIAL SUMMARY

(in euros unless otherwise specified)

(in euros)	**2015**	2014	2013	2012	2011
I – Capital at December 31					
Share capital	3,674,583	2,563,410	2,294,492	2,163,986	2,099,716
Number of shares	22,966,144	16,021,311	14,340,575	13,524,913	13,123,225
Number of convertible bonds	-	218,069	272,393	299,691	313,629
II – Results of operations					
Operating revenues, investment income, interest income and other revenues (excluding tax)	11,289,475	9,058,815	6,879,530	4,256,044	2,210,555
Profit/(loss) before tax, amortization, depreciation and provisions	2,994,212	(3,053,374)	2,114,564	(1,947,980)	(8,859,541)
Income tax benefit	4,438,134	2,132,779	1,605,204	1,511,100	646,607
Net profit/(loss)	45,495,734	17,372,253	(4,551,704)	(4,448,797)	8,753,732
Total dividends	6,887,520	3,204,262	-	-	-
III – Per share data					
Earnings/(loss) per share after tax, before amortization, depreciation and provisions	0.32	(0.06)	0.26	(0.03)	(0.63)
Earnings/(loss) per share	1.98	1.08	(0.32)	(0.33)	0.67
Dividend per share	0.30	0.20	-	-	-
IV – Employee data					
Number of employees	2	1	2	2	2
Total payroll (in euro thousands)	2,731	1,322	913	940	772
Total benefits (in euro thousands)	1,117	334	273	302	259

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

For the year ended December 31, 2015

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by the Annual General Meeting, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying financial statements of Chargeurs S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I – OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2015 and of the results of its operations for the year then ended in accordance with French accounting principles.

II – JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we bring to your attention the following matter:

Note 1.2 to the financial statements describes the methods used to measure investments in subsidiaries and affiliates. We reviewed the methods applied by the Company and examined, on a test basis, the application of these methods.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III – SPECIFIC VERIFICATIONS AND INFORMATION

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French Commercial Code relating to remuneration and benefits received by corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling it or controlled by it. Based on this work, we attest to the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the identity of shareholders and holders of the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine and Paris – April 5, 2016

The Statutory Auditors

PricewaterhouseCoopers Audit	S&W Associés
Éric Bertier	Virginie Coniau

STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

Annual General Meeting held to approve the financial statements for the year ended December 31, 2015

This is a free translation into English of the Statutory Auditors' special report on related party agreements and commitments issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Chargeurs S.A., we hereby report to you on related party agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of, and the reasons for, the agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. Under the provisions of article R. 225-31 of the French Commercial Code *(Code de commerce),* it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.

Where applicable it is also our responsibility to provide shareholders with the information required by article R. 225-31 of the French Commercial Code in relation to the implementation during the year of agreements and commitments already approved by the General Meeting.

We have performed the procedures that we deemed necessary in accordance with professional guidelines applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

AGREEMENTS AND COMMITMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE ANNUAL GENERAL MEETING

We were not informed of any agreement or commitment entered into during the year to be submitted for approval at the Annual General Meeting pursuant to the provisions of article L. 225-38 of the French Commercial Code.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE ANNUAL GENERAL MEETING

Agreements and Commitments Approved in Prior Years

In accordance with article R. 225-30 of the French Commercial Code, we were informed that the following agreement and commitment, approved in previous years by the Annual General Meeting, remained in force during the year ended December 31, 2015.

Management Services Contract between Chargeurs and Chargeurs Boissy (an Indirectly Wholly-Owned Subsidiary)

Person concerned: Michaël Fribourg, Chairman and Chief Executive Officer of Chargeurs S.A. and legal manager of Chargeurs Boissy.

In accordance with the terms of the contract signed on January 2, 2002 and the addendum signed on January 30, 2014, Chargeurs undertakes to provide management, financial and human resources management services to Chargeurs Boissy. In 2015, Chargeurs Boissy paid Chargeurs the sum of €670,000 (excluding VAT) pursuant to the addendum.

Neuilly-sur-Seine and Paris – April 5, 2016

The Statutory Auditors

PricewaterhouseCoopers Audit	S&W Associés
Éric Bertier	Virginie Coniau

ANNUAL GENERAL MEETING
OF MAY 4, 2016

REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS PRESENTED AT THE ANNUAL GENERAL MEETING OF MAY 4, 2016

ORDINARY RESOLUTIONS

First and second resolutions

(APPROVAL OF THE PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015)

The purpose of these two resolutions is for shareholders to approve the parent company and consolidated financial statements for the year ended December 31, 2015 as presented.

Third resolution

(APPROPRIATION OF PROFIT AND APPROVAL OF A DIVIDEND)

The Board of Directors recommends that shareholders:

- note that income available for distribution amounts to €126,101,081.76, comprising profit for the year of €45,495,733.69 and "Other reserves" of €80,605,348.07;
- decide to pay a total of €6,887,519.70 to shareholders as a dividend;
- credit the balance of income available for distribution to "Other reserves", which would therefore increase to €119,213,562.06.

Based on the 22,958,399 shares with a par value of €0.16 outstanding as of December 31, 2015, the dividend per share would amount to €0.30.

The amounts corresponding to dividends not paid on shares held in treasury stock on May 19, 2016 will be credited to "Other reserves".

The ex-dividend date will be May 17, 2016 and the dividend will be paid on May 19, 2016.

The total dividend is eligible for the 40% deduction provided for in article 158-3-2 of the French General Tax Code *(Code Général des Impôts)* for individual taxpayers domiciled in France.

In accordance with the provisions of article 243 *bis* of the French General Tax Code, shareholders are informed that no dividend was paid in respect of 2012 or 2013 and that a dividend of €3,204,262.20 was paid in 2015 in respect of 2014.

The total amount of the dividend paid in respect of 2014 (€3,204,262.20) entitled individual shareholders domiciled in France to a 40% tax deduction, in accordance with article 158-3-2 of the Code.

Fourth resolution

(APPROVAL OF AGREEMENTS GOVERNED BY ARTICLE L. 225-38 OF THE FRENCH COMMERCIAL CODE)

The Board of Directors recommends that you approve the conclusions of the Statutory Auditors' special report on related party agreements and commitments for the year ended December 31, 2015, as well as the agreement described therein.

Fifth resolution

(NEW TOTAL AMOUNT OF DIRECTORS' FEES)

The Board of Directors is asking shareholders to set at €200,000 the total fees payable to Directors for the current year and all subsequent years until a new amount is set by the Annual General Meeting. The new amount is designed to take into account the expanded membership of the Board of Directors and the work of the Audit Committee and Compensation Committee.

Sixth resolution

(ELECTION OF AN INDEPENDENT DIRECTOR)

We recommend that you elect Isabelle Guichot as an independent Director for a three-year term, thereby increasing the number of women on the Board of Directors to two and maintaining the total number of Directors at five. This would enable Chargeurs S.A. to early adopt the provisions of French Act 2011-103 dated January 27, 2011 concerning gender balance on Boards of Directors.

Isabelle Guichot's profile is provided in the Appendix.

Seventh resolution

(RE-ELECTION OF A DIRECTOR)

You are asked to re-elect Colombus Holding SAS as a Director for a three-year term.

The profile of Colombus Holding SAS is presented in the Appendix.

Eighth resolution

(ELECTION OF A NON-VOTING DIRECTOR)

We recommend that you elect Georges Ralli as a non-voting Director for a three-year term. Mr. Ralli will give the Board and its Committees the advantage of his extensive experience and deep knowledge of the Chargeurs Group.

Georges Ralli's profile is provided in the Appendix.

Ninth resolution

(POWERS TO CARRY OUT LEGAL FORMALITIES)

Shareholders are asked to grant all of the necessary powers to carry out the legal formalities required in relation to the above-described resolutions.

We thank you in advance for demonstrating your confidence in Chargeurs by voting for these resolutions tabled by the Board.

The Board of Directors

SUMMARY OF THE CURRENT FINANCIAL AUTHORIZATIONS

Transactions/securities concerned	Duration of the authorization from the date of this Meeting and expiration date	Ceiling
Share buyback program (15th resolution of the Combined General Meeting of March 14, 2016)	18 months September 13, 2017	€16 per share, maximum investment: €2,296,614 (par value). The Company may not hold more than 10% of its capital
Issues with pre-emptive subscription rights Issue of all types of securities, paid up in cash or by capitalizing additional paid-in capital, reserves, profits or other capitalizable items (5th resolution of the Combined General Meeting of March 14, 2016)	26 months May 13, 2018	€900,000 (par value) for shares and €100 million for debt securities (with issues deducted from the blanket ceiling of €1.5 million) ("the Blanket Ceiling")
Issues without pre-emptive subscription rights Issues of all types of securities through public offerings (6th resolution of the Combined General Meeting of March 14, 2016)	26 months May 13, 2018	€350,000 (par value) (with issues deducted from the Blanket Ceiling)
Greenshoe option (8th resolution of the Combined General Meeting of March 14, 2016)	26 months May 13, 2018	Up to 15% increase in securities issued with or without pre-emptive subscription rights (with the additional securities deducted from the ceiling set in the relevant resolution and from the Blanket Ceiling)
Issues of securities in payment for the shares of other companies tendered to a public exchange offer initiated by the Company (10th resolution of the Combined General Meeting of March 14, 2016)	26 months May 13, 2018	€900,000 (par value) (with issues deducted from the Blanket Ceiling)
Issues of securities in payment for the shares or other securities of other companies contributed to the Company (11th resolution of the Combined General Meeting of March 14, 2016)	26 months May 13, 2018	10% of the share capital on the issue date (with issues deducted from the Blanket Ceiling)
Employee rights issue (12th resolution of the Combined General Meeting of March 14, 2016)	26 months May 13, 2018	€100,000 (par value) (with issues deducted from the Blanket Ceiling)
Cancellation of shares held in treasury (14th resolution of the Combined General Meeting of March 14, 2016)	26 months May 13, 2018	10% of the share capital per 24-month period

PROPOSED RESOLUTIONS

ORDINARY RESOLUTIONS

First resolution

(APPROVAL OF THE PARENT COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015)

The Annual General Meeting, voting in accordance with the quorum and majority vote rules applicable to ordinary meetings, having heard the report of the Board of Directors and the Statutory Auditors' report on the parent company financial statements, approves the parent company financial statements for the year ended December 31, 2015, as presented, showing profit for the year of €45,495,733.69, together with all the transactions for the year reflected in the financial statements or referred to in the aforementioned reports.

The Annual General Meeting therefore gives full discharge to the members of the Board of Directors for the fulfillment of their duties during the year ended December 31, 2015.

Second resolution

(APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015)

The Annual General Meeting, voting in accordance with the quorum and majority vote rules applicable to ordinary meetings, having heard the report of the Board of Directors and the Statutory Auditors' report on the consolidated financial statements, approves the consolidated financial statements for the year ended December 31, 2015, as presented, showing profit for the year of €15.3 million, together with all the transactions for the year reflected in the consolidated financial statements or referred to in the aforementioned reports.

Third resolution

(APPROPRIATION OF PROFIT AND APPROVAL OF A DIVIDEND)

The Annual General Meeting, voting in accordance with the quorum and majority vote rules applicable to ordinary meetings, having noted that 2015 profit of €45,495,733.69 and "Other reserves" of €80,605,348.07 together represent income available for distribution of €126,101,081.76, approves the appropriations recommended by the Board of Directors.

The Annual General Meeting therefore resolves to appropriate income available for distribution as follows:

- to the payment of a dividend: €6,887,519.70
- to "Other reserves": €119,213,562.06

  Total: €126,101,081.76

Based on the 22,958,399 shares with a par value of €0.16 outstanding as of December 31, 2015, the dividend per share will amount to €0.30.

The amounts corresponding to dividends not paid on shares held in treasury stock on May 19, 2016 will be credited to "Other reserves".

The ex-dividend date will be May 17, 2016 and the dividend will be paid on May 19, 2016.

The total dividend is eligible for the 40% deduction provided for in article 158-3-2 of the French General Tax Code *(Code Général des Impôts)* for individual taxpayers domiciled in France.

In accordance with the provisions of article 243 *bis* of the French General Tax Code, the Annual General Meeting is hereby informed that no dividend was paid in respect of 2012 or 2013 and that a dividend of €3,204,262.20 was paid in 2015 in respect of 2014.

The total amount of the dividend paid in respect of 2014 (€3,204,262.20) entitled individual shareholders domiciled in France to a 40% tax deduction, in accordance with article 158-3-2 of the Code.

Fourth resolution

(APPROVAL OF AGREEMENTS GOVERNED BY ARTICLE L. 225-38 OF THE FRENCH COMMERCIAL CODE)

The Annual General Meeting, voting in accordance with the quorum and majority vote rules applicable to ordinary meetings, having heard the Statutory Auditors' special report, approves this report and all the agreements governed by article L. 225-38 of the French Commercial Code *(Code de commerce)* referred to therein.

Fifth resolution

(NEW TOTAL AMOUNT OF DIRECTORS' FEES)

The Annual General Meeting, voting in accordance with the quorum and majority vote rules applicable to ordinary meetings, resolves to set at €200,000 the total fees payable to Directors for the current year and all subsequent years until a new amount is set by the Annual General Meeting.

Sixth resolution

(ELECTION OF AN INDEPENDENT DIRECTOR)

The Annual General Meeting, voting in accordance with the quorum and majority vote rules applicable to ordinary meetings, resolves to elect Isabelle Guichot as an independent Director for a three-year term expiring at the close of the Annual General Meeting to be held in 2019 to approve the 2018 financial statements.

Seventh resolution

(RE-ELECTION OF A DIRECTOR)

The Annual General Meeting, voting in accordance with the quorum and majority vote rules applicable to ordinary meetings, having noted that Colombus Holding SAS' term of office expires at the close of this Meeting, resolves to re-elect Colombus Holding SAS as a Director for a three-year term expiring at the close of the Annual General Meeting to be held in 2019 to approve the 2018 financial statements.

Eighth resolution

(ELECTION OF A NON-VOTING DIRECTOR)

The Annual General Meeting, voting in accordance with the quorum and majority vote rules applicable to ordinary meetings, having noted that Georges Ralli's term of office as a Director expires at the close of this Meeting, resolves to elect Mr. Ralli as a non-voting Director for a three-year term expiring at the close of the Annual General Meeting to be held in 2019 to approve the 2018 financial statements.

Ninth resolution

(POWERS TO CARRY OUT LEGAL FORMALITIES)

The Annual General Meeting gives full powers to the bearer of an extract or copy of the minutes of the Meeting to carry out all publication, filing and other formalities.

CORPORATE GOVERNANCE

Michaël Fribourg
Chairman and Chief Executive Officer, Chargeurs

Laurent Derolez
Managing Director, Chargeurs Protective Films

Bernard Vossart
Managing Director, Chargeurs Fashion Technologies

Bernard Finckenbein
Managing Director, Chargeurs Technical Substrates

Federico Paullier
Managing Director, Chargeurs Wool

BOARD OF DIRECTORS

Name Directorship and other positions held in Chargeurs, date term expires	Directorships and other positions held in other companies
Michaël Fribourg **Chairman and Chief Executive Officer** Current term expires: At the Annual General Meeting to be held in 2018	Directorships and positions held **Chairman of the Board of Directors:** – Chargeurs SA **Chairman:** – Colombus Holding SAS – MF Holding SAS – Médicis Participations SAS – Benext Venture SAS – Chargeurs Textiles SAS **Member of the Supervisory Board:** – JOA Group **Legal Manager:** – Financière Herschel SARL – Chargeurs Boissy SARL **Permanent representative:** – Chargeurs Textiles SAS on the Board of Directors of Chargeurs Films de Protection SA **Member:** – Association Le Millénaire Other directorships and positions held in the last five years **Chairman:** – Colombus Family Holding SAS (2015)
Colombus Holding SAS Head Office: 55, avenue Marceau 75116 Paris, France **Director** **Permanent representative on the Board of Directors: Nicolas Urbain,** **Member of the Compensation Committee** Current term expires: At the Annual General Meeting to be held on May 4, 2016	Director whose re-election is recommended to the Annual General Meeting *See page 114 for details*
Emmanuel Coquoin **Director** **Member of the Audit Committee** Current term expires: At the Annual General Meeting to be held in 2017	Directorships and positions held **Investment Manager:** – Habert Dassault Finance **Non-Executive Director:** – Geary LSF Other directorships and positions held in the last five years None
Isabelle Guichot **Director**	Director whose election is recommended to the Annual General Meeting *See page 113 for details*
Catherine Sabouret **Director** **Chairman of the Audit Committee** Current term expires: At the Annual General Meeting to be held in 2017	Directorships and positions held **Member, as a statutory auditor** – The French Auditors' Oversight Body (H3C) Other directorships and positions held in the last five years None

NON-VOTING DIRECTOR (CENSEUR)

Georges Ralli **Non-voting Director (Censeur)** **Member of the Audit Committee** **Chairman of the Compensation Committee** Current term expires: At the Annual General Meeting to be held on May 4, 2016	Non-Voting Director whose election is recommended to the Annual General Meeting *See page 114 for details*

SUMMARY OF CHANGE IN THE MEMBERSHIP OF THE BOARD OF DIRECTORS DURING 2015

AMF Recommendation 2013-20 of November 18, 2013

Board Members as of December 31, 2015

Five Directors, including two independent Directors, one of whom is a woman:

- Michaël Fribourg (Chairman and Chief Executive Officer);
- Colombus Holding SAS (permanent representative: Nicolas Urbain);
- Emmanuel Coquoin;
- Georges Ralli (independent Director);
- Catherine Sabouret (independent Director).

Changes in Board Membership in 2015 (during the Board of Directors' Meeting of October 30, 2015)

Resignation of the following Directors:

- Eduardo Malone (Chairman of the Board);
- Martine Odillard (Chief Executive Officer);
- Jérôme Seydoux.

Appointment of three Directors, ratified at the Ordinary and Extraordinary General Meeting of March 14, 2016:

- Michaël Fribourg (also appointed as Chairman and Chief Executive Officer);
- Colombus Holding SAS (permanent representative: Nicolas Urbain);
- Emmanuel Coquoin.

DIRECTOR WHOSE ELECTION IS SUBMITTED TO THE VOTE AT THE ANNUAL GENERAL MEETING

Name:
Isabelle Guichot
3 bis, rue Jean Ferrandi – 75006 Paris
Chargeurs shares held: None
Date of birth: October 1st, 1964

Director

Profile
Graduated from "Ecole des Hautes Etudes Commerciales" (HEC), Madam Guichot started her career at Cartier International as: project manager at Cartier Incorporated in New York (USA) (1988-1989), vice secretary general (1989-91), Sales director of Cartier International (1992-95), CEO of Cartier SA France (1996-99), President and CEO of Van Cleef & Arpels International (1999-2005) & Lancel (2003-05); at Pinault Printemps Redoute group (PPR) ; Director of development of Gucci Group (2005-07), President and CEO of Sergio Rossi (2005-07).
She is currently Chairman and CEO of Balenciaga SA since 2007.
Board Member Committee of Kering Foundation.
Awards: Chevalier de la Légion d'honneur, chevalier de l'ordre national du Mérite.
Prize : Femme en or-Trophée Whirlpool (2003 & 2004) ; Prix Trofémina Siemens (2005).

Directorships and positions held
NB: Directorships other than Balenciaga SA result from her Chairman and Chief Executive Officer position in Balenciaga SA.

Chairman and Chief Executive Officer:
- Balenciaga SA

Chairman:
- Arcades Ponthieu SAS (France)
- Balenciaga Retail Italia
- Balenciaga Spain
- Balenciaga America

Director:
- Fondation Kering
- Balenciaga UK
- Balenciaga Asia Pacific Limited (HK)
- Balenciaga Asia Pacific Limited (Taïwan Branch)
- Balenciaga Korea
- Balenciaga Japan

Legal Manager:
- Balenciaga Fashion Shanghai (China)

Delegated Director:
- Balenciaga Logistica (Switzerland)

Other directorships and positions held in the last five years
None

DIRECTOR WHOSE RE-ELECTION IS SUBMITTED TO THE VOTE AT THE ANNUAL GENERAL MEETING

Name:
Colombus Holding SAS
Head office: 55, avenue Marceau – 75116 Paris, France
Chargeurs shares held: 6,634,805 shares

Director
Permanent representative on the Board of Directors: Nicolas Urbain, Member of the Compensation Committee
Date of birth: September 20, 1960

Profile
Nicolas Urbain is currently Chief Executive Officer of EFFICAP II. He holds post-graduate degree in corporate and tax law from Paris II University and is a certified public accountant.
Mr. Urbain has worked for Clinvest in both Paris and New York and has served in various management positions at companies in the pharmaceutical, services and real estate industries. He has also been a financial engineering consultant.

Directorships and positions held
Chief Executive Officer:
— EFFICAP II
Chairman of the Board of Directors:
— Financière Sicomax SA
— Outside Living Industries SA
Chairman:
— « ID » Immobilier Développement SAS
Legal Manager:
— CDB Finances SARL

Other directorships and positions held in the last five years
None

NON-VOTING DIRECTOR (CENSEUR) WHOSE ELECTION IS SUBMITTED TO THE VOTE AT THE ANNUAL GENERAL MEETING

Name:
Georges Ralli
Date of birth: July 23, 1948

Non-Voting Director
Member of the Audit Committee
Chairman of the Compensation Committee

Profile
Georges Ralli holds a DESS (post graduate diploma) in banking and finance from the University of Paris-V, and is a graduate of the Paris Institut d'Études Politiques (economics and finance option) and the Institut Commercial in Nancy. He joined Crédit Lyonnais in 1970 where he served in a number of management positions until 1981 (General Accounting Research department responsible for monitoring statutory ratios and consolidation procedures for the Group - Alsace Regional Head Office in charge of corporate customers - Financial Affairs department responsible for the primary equity market business). In 1982, he became Secretary to the Commission for Savings Development and Protection, then, from 1982 to 1985, managed the Financial Negotiations department of Crédit du Nord (primary equity and bond markets, mergers and acquisitions, proprietary investment). He joined Lazard in 1986 to develop its primary equity market business. In 1989 he moved to the mergers and acquisitions department. He became managing partner in 1993 and was appointed as co-head of mergers and acquisitions from 1999. From 2000 to 2012, Georges Ralli was Managing director and Deputy Chairman of the Lazard LLC Executive Committee (USA). At the same time, he headed up its French branch (Maison Française) until 2009. Until 2012, he was President of the European mergers and acquisitions activities (Maison Lazard) and European asset management and private banking businesses activities (Lazard Frères Gestion and Lazard Wealth Management Europe). Currently, he is both shareholder and manager of IPF Partners, an investment fund specialized in the healthcare sector.

Directorships and positions held
— Member of the Board of Directors of Chargeurs SA (Appointment expires at the Shareholders' Meeting approving the Financial Statements for the year ending December 31, 2015)
— Vice-Chairman and member of the Board of Directors of Carrefour
— Chairman of the Accounts Committee of Carrefour
— Manager of IPF Management 1 SARL (Luxembourg)
— Manager of IPF Partners SARL (Switzerland)
— Director of Veolia Environnement
— Director of Quadrature Investment Managers

Other directorships and positions held in the last five years
— Chairman of Maison Lazard SAS (Appointment expired: 2012)
— Chairman of Lazard Frères Gestion SAS (Appointment expired: 2012)
— Managing Partner of Compagnie Financière Lazard Frères SAS (Appointment expired: 2012)
— Managing Partner of Lazard Frères SAS (Appointment expired: 2012)
— Managing Partner of Lazard Frères Gestion SAS (Appointment expired: 2012)
— Member of the Supervisory Board of VLGI SAS (Appointment expired: 2012)
— Deputy Chairman and Managing director of Lazard Group LLC (USA) (Appointment expired: 2012)
— Chief Executive of the European Investment Banking Business of Lazard (USA) (Appointment expired: 2012)
— Co-Chairman of the European Investment Banking Committee of Lazard (USA) (Appointment expired: 2012)
— Chairman of the Board of managers of Lazard Wealth Management Europe SARL (Luxembourg) (Appointment expired: 2012)
— Chairman of the Advisory Board of Lazard GmbH (Switzerland) (Appointment expired: 2012)
— Member of LFCM Holdings LLC (USA) (Appointment expired: 2012)
— Member of the Advisory Committee of Lazard BV (Belgium) (Appointment expired: 2012)
— Member of the European Advisory Board of Lazard (USA) (Appointment expired: 2012)
— Director of Lazard Wealth Management Holding SL (Spain) (Appointment expired: 2012)
— Director of LAZ-MD Holding LLC (USA) (Appointment expired: 2012)
— Director of Lazard Aserores Financieros SA (Spain) (Appointment expired: 2012)
— Director of Lazard AB (Sweden) (Appointment expired: 2012)
— Director of Lazard & Co Srl (Italy) (Appointment expired: 2012)
— Director of Lazard Investments Srl (Italy) (Appointment expired: 2012)
— Director of SILIC SA (Appointment expired: 2013)

CONCORDANCE TABLES OF THE ANNUAL FINANCIAL REPORT AND OF THE MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT

To assist in the reading of this document, the concordance table below identifies the information included in the annual financial report that must be published by listed companies pursuant to Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the general regulations of the French financial markets authority (Autorité des marchés financiers).

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www.chargeurs.fr in both French and English

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