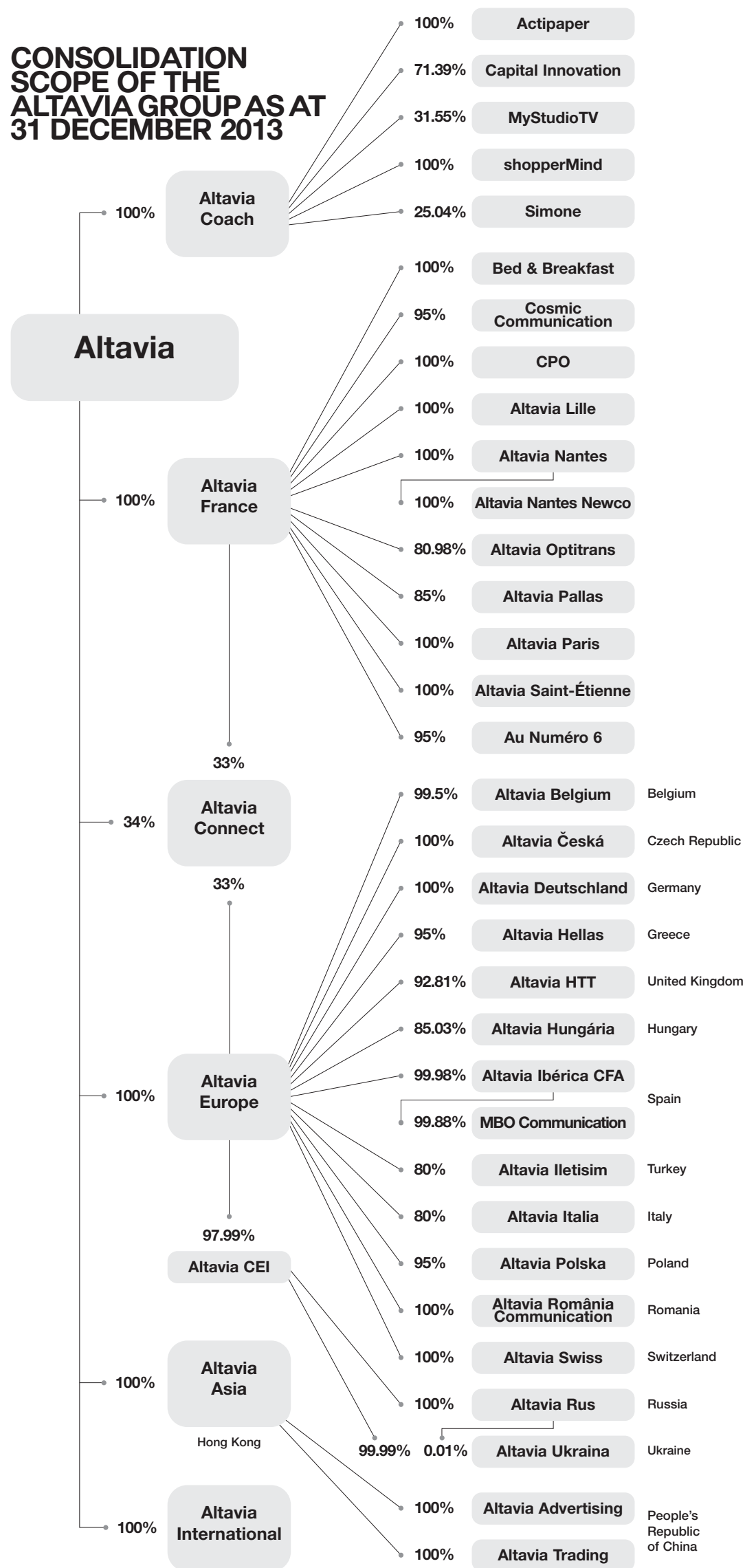




# FINANCIAL REPORT



# CONSOLIDATION SCOPE OF THE ALTAVIA GROUP AS AT 31 DECEMBER 2013



## CONSOLIDATED ACCOUNTS AT 31/12/2013

### CONSOLIDATED BALANCE SHEET

In thousands of euros

Assets	31/12/13	31/12/12	
<b>Capital assets</b>	<b>28 612</b>	<b>30 782</b>	
Goodwill	note 3-1 23 444	24 402	
Intangible fixed assets	note 3-2 394	2 612	
Tangible fixed assets	note 3-3 3 333	2 496	
Long-term investments	note 3-4 1 014	796	
Securities accounted for under equity method	note 3-5 427	476	
<b>Current assets</b>	<b>193 518</b>	<b>180 561</b>	
Inventory and work in progress	note 3-6 19 043	18 747	
Trade receivables and related accounts	note 3-7 117 384	107 793	
Other receivables and accrual accounts	note 3-8 20 476	17 968	
Marketable securities	note 3-9 10 525	10 476	
Cash assets	26 090	25 577	
<b>Total assets</b>	<b>222 130</b>	<b>211 343</b>	
<b>Liabilities &amp; shareholders' equity</b>	<b>31/12/13</b>	<b>31/12/12</b>	
<b>Shareholders' equity (group share)</b>	<b>note 3-10</b>	<b>38 679</b>	<b>40 837</b>
Capital	3 846	3 919	
Premiums	2 446	2 446	
Consolidated reserves and earnings (1)	32 387	34 472	
<b>Minority interests</b>	<b>note 3-10</b>	<b>829</b>	<b>744</b>
<b>Provisions for contingencies and expenses</b>	<b>note 3-11</b>	<b>4 882</b>	<b>4 428</b>
<b>Debts</b>	<b>177 740</b>	<b>165 334</b>	
Borrowed funds and financial debts	note 3-12 14 657	9 373	
Trade payables and related accounts	111 856	110 749	
Other debts and accrual accounts	note 3-13 51 227	45 212	
<b>Total liabilities &amp; shareholders' equity</b>	<b>222 130</b>	<b>211 343</b>	

(1) of which net earnings, group share, for the fiscal year

## CONSOLIDATED INCOME STATEMENT

In thousands of euros

		31/12/13	31/12/12
<b>Turnover</b>	<b>note 4-1</b>	<b>580 978</b>	<b>595 580</b>
Other operating income	note 4-2	4 468	-417
Purchases used		-509 359	-521 123
Payroll costs	note 4-3	-55 176	-55 994
Other operating expenses	note 4-4	-2 215	-649
Taxes and levies		-2 550	-2 424
Allocations to amortisation/depreciation and provisions	note 4-5	-3 354	-3 455
<b>Operating earnings</b>		<b>12 792</b>	<b>11 518</b>
Financial expenses and income	note 4-6	-516	-627
<b>Current earnings of consolidated companies</b>		<b>12 276</b>	<b>10 891</b>
Non-recurring expenses and income	note 4-7	-24	59
Income tax	note 4-8	-3 780	-2 563
<b>Net earnings of consolidated companies</b>		<b>8 472</b>	<b>8 387</b>
Proportion of earnings from equity-method companies	note 3-5	9	144
Allocations to amortisation of goodwill		-4 165	-3 816
<b>Net earnings of the consolidated group</b>		<b>4 316</b>	<b>4 715</b>
Minority interests		510	483
<b>Net earnings, group share</b>		<b>3 806</b>	<b>4 232</b>
Group share of net earnings per share	in €	3,0	3,2
Earnings per share before allocation to goodwill amortisation	in €	6,2	6,2
Diluted earnings per share	in €	3,0	3,2
<b>Gross income</b>		<b>92 596</b>	<b>90 395</b>

## CASH FLOW STATEMENT

In thousands of euros

	31/12/13	31/12/12
<b>Cash flows from operations:</b>		
Net earnings of consolidated companies after allocations and write-backs for goodwill amortisation	4 307	4 571
Elimination of expenses and income with no cash flow impact or not related to operations:		
- Goodwill amortisation	4 165	3 816
- Depreciation, provisions, and reclassification of fixed assets	3 832	1 678
- Change in deferred taxes	60	-378
<b>Cash flow from operations of consolidated companies</b>	<b>12 364</b>	<b>9 687</b>
Change in working capital requirements for operations:		
- Inventories and work in progress	-296	3 763
- Operating receivables	-12 159	16 669
- Operating debts	7 079	-20 801
<b>Net cash flow generated from operations</b>	<b>6 988</b>	<b>9 318</b>
<b>Cash flow from investment operations:</b>		
Acquisition of fixed assets	-2 266	-2 250
Proceeds from disposed fixed assets	21	120
Impact of changes in scope	-3 089	-683
<b>Net cash flow from investment operations</b>	<b>-5 334</b>	<b>-2 813</b>
<b>Net cash flow from financing operations:</b>		
Acquisitions and disposals of Altavia shares	-2 187	-524
Dividends paid to shareholders of the parent company	-3 595	-1 859
Dividends paid to minority shareholders of consolidated companies	-434	-531
Altavia capital reduction	-2 000	0
Debt issues	-10 356	291
Loan repayments	-57	0
<b>Cash flow from financing operations</b>	<b>2 083</b>	<b>-2 623</b>
<b>Change in cash position</b>	<b>3 737</b>	<b>3 882</b>
Opening cash position	22 060	18 138
Closing cash position	25 407	22 060
Impact of changes in exchange rates	417	-40

## APPENDIX TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Highlights of fiscal year 2013

- Creation of Altavia Ukraina (99.99% held by Altavia IEC and 0.01% held by Altavia Rus).
- Acquisition of an additional interest in Altavia HTT (92.81% held by Altavia Europe after the transaction).
- Acquisition of Cosmic (95% held by Altavia France after the transaction) and Au Numéro 6 (95% held by Altavia France after the transaction).
- Creation of Altavia Newco SAS (100% held by Altavia SA).

### Name changes

- Altavia Newco became Altavia Coach.
- Altavia Newco SAS became Altavia International.

### Events subsequent to the close

- Acquisition of IMS (65% owned by Altavia France).

## 1. Principles and methods of consolidation

### 1.1 General principles

Altavia Group's consolidated financial statements have been prepared in accordance with the accounting rules and methods applicable in France related to consolidated financial statements in accordance with regulation no. 99-02 of the Comité de la Réglementation Comptable (French Accounting Regulatory Committee) approved on 22 June 1999.

The financial statements are expressed in thousands of euros.

### 1.2 Consolidation methods and criteria

The full consolidation method is applied to the financial statements of companies that Altavia SA controls exclusively by directly or indirectly holding a majority of the voting rights.

The equity method of accounting is applied to the financial statements of companies over which Altavia SA exerts a significant influence.

### 1.2.1 Name and registered office of consolidated companies

Altavia (parent company)	1, rue Rembrandt - 75008 Paris
Actipaper	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Altavia Advertising	Room 2202 and 2203, Floor 22, Zhongyu Plaza, A6 Gongti North Road Chaoyang District, Beijing - Chine
Altavia Asia	Unit 7107B, Level 71, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Altavia Belgium	Avenue Louise, 287 Bte 5 - 1050 Bruxelles - Belgique
Altavia CEI	1, rue Rembrandt - 75008 Paris
Altavia Česká	Pocernicka 96/272, CP 108 00 - Prague 10 - République Tchèque
Altavia Coach	1, rue Rembrandt - 75008 Paris
Altavia Connect	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Altavia Deutschland	Am Wehrhahn 100, 40211 Düsseldorf - Allemagne
Altavia Europe	1, rue Rembrandt - 75008 Paris
Altavia France	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Altavia Hellas	Ethnikis Antistaseos 103 GR-15451 N. Psychiko (Athènes) - Grèce
Altavia HTT	4 Park Square, Newton Chambers Road, Thorncliffe Park, Chapeltown, Sheffield, S35 2PH - Royaume Uni
Altavia Hungária	H-1047 Budapest, Károlyi István út 10, Hongrie
Altavia Ibérica CFA	C/ Général Ramirez de Madrid 8 - 28020 Madrid - Espagne
Altavia Iletisim	Pazar Sokak N°2 Barelli Is Merkezi Kat: 3 Gayrettepe - 34387 Istanbul - Turquie
Altavia International	1, rue Rembrandt - 75008 Paris
Altavia Italia	Alzaia Naviglio Pavese 78/3 - 20142 Milano - Italie
Altavia Lille	23, rue du Molinel - 59800 Lille
Altavia Nantes	19 bis, rue La Noue Bras de Fer - 44 200 Nantes
Altavia Nantes Newco	19 bis, rue La Noue Bras de Fer - 44 200 Nantes
Altavia Optitrans	19, Chemin de la Plaine, 69390 Vourles
Altavia Pallas	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Altavia Paris	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Altavia Polska	Ul. Młynarska 48, 01-171 Varsovie - Pologne
Altavia Rus	42, Novokuznetskaya Street, bld. 5, Moscow, 115054 - Russie
Altavia România Communication	10, rue Sg. Constantin Apostol, rez-de-chaussée, bureau n°3 secteur 6 - Bucarest - Roumanie
Altavia Saint-Étienne	1, rue Pablo Picasso, Bâtiment l'Imprimerie - 42 000 Saint-Étienne
Altavia Swiss	Industriestrasse 47, Postfach 4461, 6304 Zug - Suisse
Altavia Trading	Unit 324&325, The Point Jingan, No. 555, Anyuan Road, Jingan District, Shanghai 200040, P.R. - Chine
Altavia Ukraina	24, rue Vorovskoho, Kiev - 01054
Au Numéro 6	6, rue Royale - 75008 Paris
Bed & Breakfast	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Capital Innovation	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Cosmic Communication	6, rue Royale - 75008 Paris
CPO	10, rue Blanqui - 93406 Saint-Ouen CEDEX
MBO Communication	C/ Général Ramirez de Madrid 8 - 28020 Madrid - Espagne
MyStudioTV	21, avenue de l'Opéra, 75001 Paris
shopperMind	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Simone	40, rue Sainte-Anne - 75002 Paris

### 1.2.2 Interest and control expressed as a percentage and consolidation method applied

Companies	31/12/13		31/12/12	Consolidation method
	% holding	% of control	% holding	
Altavia (parent company)	100.00	100.00	100.00	Full consolidation
Actipaper	100.00	100.00	100.00	Full consolidation
Altavia Advertising	100.00	100.00	100.00	Full consolidation
Altavia Asia	100.00	100.00	100.00	Full consolidation
Altavia Belgium	99.50	99.50	99.25	Full consolidation
Altavia CEI	97.99	97.99	97.99	Full consolidation
Altavia Česká	100.00	100.00	100.00	Full consolidation
Altavia Coach	100.00	100.00	100.00	Full consolidation
Altavia Connect	100.00	100.00	100.00	Full consolidation
Altavia Deutschland	100.00	100.00	100.00	Full consolidation
Altavia Europe	100.00	100.00	100.00	Full consolidation
Altavia France	100.00	100.00	100.00	Full consolidation
Altavia Hellas	95.00	95.00	95.00	Full consolidation
Altavia HTT	92.81	92.81	92.29	Full consolidation
Altavia Hungária	85.03	85.03	85.03	Full consolidation
Altavia Ibérica CFA	99.98	99.98	99.98	Full consolidation
Altavia Iletisim	80.00	80.00	80.00	Full consolidation
Altavia International	100,00	100,00	NA	Full consolidation
Altavia Italia	80.00	80.00	80.00	Full consolidation
Altavia Lille	100.00	100.00	100.00	Full consolidation
Altavia Nantes	100.00	100.00	100.00	Full consolidation
Altavia Nantes Newco	100.00	100.00	100.00	Full consolidation
Altavia Optitrans	80.98	80.98	80.96	Full consolidation
Altavia Pallas	85.00	85.00	85.00	Full consolidation
Altavia Paris	100.00	100.00	100.00	Full consolidation
Altavia Polska	95.00	95.00	95.00	Full consolidation
Altavia Rus	97.99	100.00	97.99	Full consolidation
Altavia România Communication	100.00	100.00	100.00	Full consolidation
Altavia Ukraina	97.99	99.99	NA	Full consolidation
Altavia Saint-Étienne	100.00	100.00	100.00	Full consolidation
Altavia Swiss	100.00	100.00	100.00	Full consolidation
Altavia Trading	100.00	100.00	100.00	Full consolidation
Au Numéro 6	95.00	95.00	NA	Full consolidation
Bed & Breakfast	100.00	100.00	100.00	Full consolidation
Capital Innovation	71.39	71.39	71.39	Full consolidation
Cosmic Communication	95.00	95.00	NA	Full consolidation
CPO	100.00	100.00	100.00	Full consolidation
MBO Communication	99.86	99.88	99.86	Full consolidation
shopperMind	100.00	100.00	100.00	Full consolidation
MyStudioTV	31.55	31.55	30.23	Equity method
Simone	25.04	25.04	25.00	Equity method

### 1.2.3 Changes in the scope of consolidation

The scope of consolidation was changed because of the creation of Altavia Ukraina and Altavia International and the takeover of Cosmic Communication and Au Numéro 6. It should also be noted that Altavia SA contributed securities of Actipaper, shopperMind, Capital Innovation, MSTV, and Simone to Altavia Coach (formerly Altavia Newco).

### 1.2.4 Non-consolidated companies

Altavia does not hold any non-consolidated companies.

### 1.2.5 Treatment of goodwill

Goodwill represents the difference between the acquisition price (plus related costs) of the subsidiary's securities and the group's share in the fair value of its net assets on the date when the interest was acquired.

Goodwill on equity securities is fully amortised within the fiscal year when it is less than €50K. Otherwise, it is generally amortised over a period of 1 to 15 years.

Goodwill is also analysed at the close of each fiscal year to assess its net value and account for exceptional amortisation when the inventory value is less than the book value.

Additional goodwill amounts are determined upon an increase in the percentage of Group interest in a company that has already been consolidated, without calling into question the asset and liability valuations made as at the date when control is taken. These differences are subject to the same method as described above.

### 1.2.6 Restatement of foreign companies' financial statements

At the end of the period, items on the balance sheets of foreign companies, except shareholders' equity (which remains at the historical rate), are converted at the exchange rate of the closing date of the fiscal year. The difference is entered under the item 'exchange differential'.

Profit and loss account items are converted at the average rate for the fiscal year.

Closing rates used at 31 December 2013 and at 31 December 2012 expressed in currency units per €1:

Country	Currency	Companies	31/12/13	31/12/12
Hong Kong	Hong Kong Dollar	Altavia Asia	10,69	10,23
Hungary	Forint	Altavia Hungária	297,04	292,30
Poland	Polish Zloty	Altavia Polska	4,15	4,07
People's Republic of China	Yuan	Altavia Advertising	8,35	8,22
People's Republic of China	Yuan	Altavia Trading	8,35	8,22
Czech Republic	Czech crown	Altavia Česká	27,43	25,15
Romania	New Romanian leu	Altavia România Communication	4,47	4,44
United Kingdom	Pound sterling	Altavia HTT	0,83	0,82
Russie	Rouble	Altavia Rus	45,32	40,33
Switzerland	Swiss franc	Altavia Swiss	1,23	1,21
Turkey	Turkish pound	Altavia Iletisim	2,96	2,36
Ukraine	Hryvnia	Altavia Ukraina	11,37	

Average rates used at 31 December 2013 and at 31 December 2012 expressed in currency units per €1:

Country	Currency	Companies	31/12/13	31/12/12
Hong Kong	Hong Kong Dollar	Altavia Asia	10,30	9,97
Hungary	Forint	Altavia Hungária	296,94	289,32
Poland	Polish Zloty	Altavia Polska	4,20	4,18
People's Republic of China	Yuan	Altavia Advertising	8,17	8,11
People's Republic of China	Yuan	Altavia Trading	8,17	8,11
Czech Republic	Czech crown	Altavia Česká	25,99	25,15
Romania	New Romanian leu	Altavia România Communication	4,42	4,46
United Kingdom	Pound sterling	Altavia HTT	0,85	0,81
Russie	Rouble	Altavia Rus	42,33	39,92
Switzerland	Swiss franc	Altavia Swiss	1,23	1,21
Turkey	Turkish pound	Altavia Iletisim	2,53	2,31
Ukraine	Hryvnia	Altavia Ukraina	10,72	

### 1.2.7 Deferred taxes

Deferred taxes are calculated based on temporary differences between the tax basis and the balance sheet.

The method used for recognition of deferred taxes is the accrual method: deferred taxes are calculated at each year-end based on the last known tax rate applicable to future fiscal years.

The effects of tax rate changes are posted in the earnings for the fiscal year in which the change occurred.

The tax rate used at 31 December 2013 was 33.33% (33.33% in 2012) for French companies. In foreign countries, the tax rate is consistent with the applicable local tax.

Deferred tax assets are analysed on a case-by-case basis and posted in the balance sheet when they are likely to be recovered during subsequent years.

In addition, the application of the tax consolidation system makes it possible to book the losses of subsidiaries included within the tax consolidation scope of Altavia SA.

### 1.2.8 Treatment of Group internal operations

Reciprocal operations between fully consolidated companies have been eliminated both from the balance sheet and the income statement.

Pending internal profits have not been restated, considering their insignificant impact on earnings (margin on inventory).

Internal sales of fixed assets transferred from one Group company to another have not been eliminated due to the absence of a capital gain on disposal and their low impact on balance sheet items.

No adjustment has been made for differences resulting from the different amortisation rates applied within the Group's companies to the same type of fixed assets, as they are insignificant.

## 2. Accounting principles and valuation method

### 2.1 Changes in valuation and presentation methods

There were no changes in valuation and presentation methods at 31 December 2013.

### 2.2 Valuation methods

#### Intangible and tangible fixed assets

Intangible and tangible fixed assets are accounted for at their acquisition price.

Depreciation is calculated using the straight-line method for the following estimated useful lives:

- Software	1 year
- Fixtures and fittings	4 to 10 years
- Office and IT equipment	2 to 10 years
- Furniture	5 to 10 years

Some fixed assets are regulated by lease contracts under the terms of which the Group assumes the benefits and risks of ownership. In this case, an adjustment is made in order to recognise the value of the leased property under assets and the corresponding financial debt under liabilities. The fixed asset is depreciated over its economic life for the group. The debt is amortised over the duration of the lease contract. The impact of the restatement on the income statement is the cancellation of rents and the recording of the allocation to depreciation and amortisation and the debt-related interest charges.

#### Development costs

The recognition of development costs as an asset is related to the development of substantially individualised projects whose technical feasibility is proven and that the company anticipates and is able to achieve. Capitalisation of these costs is justified insofar as these projects provide future economic benefits.

The accounting depreciation term used is based on the evaluated marketing lifetime of each developed product or, in case of non-marketing, the useful life.

### Equity securities and securities accounted for using the equity method

The value of securities of companies accounted for by the equity method represents the Group's share in shareholders' equity and in the profits of these companies, based on the consolidation principles applied.

Equity securities in these companies are valued at their gross book value or at their inventory value if it is lower. In this case, a provision for impairment is established.

The inventory value is determined on the basis of the corresponding share in the shareholders' equity of the company in question, adjusted where applicable according to specific future risks.

### Inventory and work in progress

Inventories of raw materials and other supplies are valued at their acquisition value. Products and work in progress have been valued at their production cost. They correspond to work for which the margin is dependent on delivery.

### Trade receivables

Trade receivables and related accounts are recorded at their nominal value. Appropriate impairment provisions have been established to cover the risks of non-recovery. They were determined individually or on the basis of length of time outstanding.

### Marketable securities

Marketable securities include securities of the company Altavia SA.

### Accrual and similar accounts

Accrual and similar accounts are recorded as assets and include the following primary items:

- prepaid expenses
- deferred tax assets

### Exchange gains and losses

Unrealised exchange gains or losses resulting from transactions denominated in foreign currencies are recorded on the income statement.

### Retirement compensation

In France, contractual retirement payments are payable when an employee retires, if said employee is still part of the Group at the retirement date. These payments are evaluated and set aside on the basis of the employee's salary and seniority on the date of retirement at the age of 65, in accordance with the regulations of the applicable agreements. Payroll taxes at the rate of 45% have been applied to these compensation amounts at 31 December 2013 and 31 December 2012.

The assumptions pertaining to the discounting and growth rates of salaries used to calculate commitments are 3.60% and 1.55% respectively at 31 December 2013 and 3.60% and 1.55% respectively at 31 December 2012.

### Provisions for contingencies and expenses

Provisions for contingencies and expenses are booked when their purpose has been clearly specified at the close of the fiscal year or before the financial statements were drawn up.



### Tax consolidation

A tax consolidation agreement includes Altavia SA, Altavia NewCo (which became Altavia Coach in 2013), Altavia Europe, Altavia France, Altavia Paris, Altavia Lille, Altavia Nantes, Altavia Nantes Newco, Altavia Saint Etienne, Bed & Breakfast, CPO, Altavia CEI, Actipaper, and shopperMind.

This agreement stipulates that each member company of the tax consolidation group must book its own taxes. Tax consolidation expenses and income are booked by the Group's head company on its income statement.

### Recognition of turnover

The various services and income from ordinary activity were accounted for using the completion method. The same applies to operations that are partially completed at the closing date of the fiscal year, as the margin is established only upon delivery of the operation.

### Gross income

Gross income is understood to be the difference between invoicing of customers and net expenditure directly associated with services provided to customers; it includes income from discounts.

## 3. Notes on the consolidated balance sheet

### 3.1 Positive goodwill

In thousands of euros	31/12/13	31/12/12
Gross value at 1 January	52 827	55 996
New goodwill for the fiscal year (1)	3 207	817
Disposals for fiscal year (2)	344	3 986
<b>Gross value at close</b>	<b>55 690</b>	<b>52 827</b>
Goodwill amortisation at 1 January	28 425	28 595
Allocations for fiscal year	4 165	3 816
Disposals for fiscal year	344	3 986
<b>Goodwill amortisation</b>	<b>32 246</b>	<b>28 425</b>
Net goodwill value at end of period	23 444	24 402

(1) In 2013, the new goodwill corresponded to the acquisition of Cosmic and Au Numéro 6, operations on the share capital of Simone and MSTV, and Altavia HTT securities bought back from minority holders.

In 2012, the new goodwill pertained to the purchase of the securities of shopperMind and Altavia HTT and the acquisitions of Altavia Pallas and Bed & Breakfast.

(2) Fully amortised goodwill has been cancelled, resulting in a reduction in gross values and amortisation of €344K as at 31 December 2013.

### 3.2 Intangible fixed assets

#### Gross values

In thousands of euros	Gross value at 31 Dec. 2012	Increases during the financial year	Reductions during the financial year	Variation in scope	Misc. movements	Gross value at 31 Dec. 2013
Preliminary expenses	6				-3	3
Research and development costs	858				-2	856
Concessions, patents, and licences	3 052	177	4	124	-1	3 348
Business capital	316					316
Other intangible fixed assets	155	9	1		-27	136
Intangible fixed assets in progress	1 412				-1 412	0
<b>TOTAL</b>	<b>5 799</b>	<b>186</b>	<b>5</b>	<b>124</b>	<b>-1 445</b>	<b>4 659</b>

Items appearing on the balance sheet under "Intangible fixed assets" primarily represent software licenses.

Intangible assets in progress at 31 December 2012 corresponded to an IT project that was stopped without results during fiscal year 2013.

#### Amortisation and provisions

In thousands of euros	Amortization and provisions at 31 Dec. 2012	Provisions for financial year	Reductions during the financial year	Variation in scope	Misc. movements	Amortization and provisions at 31 Dec. 2013
Preliminary expenses	6				-3	3
Research and development costs	857				-1	856
Concessions, patents, and licences	1 994	950	4	123	-3	3 060
Business capital	191	27				218
Other intangible fixed assets	139	16			-27	128
<b>TOTAL</b>	<b>3 187</b>	<b>993</b>	<b>4</b>	<b>123</b>	<b>-34</b>	<b>4 265</b>

### 3.3 Tangible fixed assets

#### Gross values

In thousands of euros	Gross value at 31 Dec. 2012	Increases during the financial year	Diminutions during the financial year	Variation in scope	Misc. movements	Gross value at 31 Dec. 2013
Other tangible fixed assets	11 703	1 375	944	131	10	12 275
Current tangible fixed assets	106	501			-91	516
Advances and deposits on fixed assets	0					0
<b>Own fixed assets</b>	<b>11 809</b>	<b>1 876</b>	<b>944</b>	<b>131</b>	<b>-81</b>	<b>12 791</b>
Other leased tangible fixed assets	211				-8	203
<b>Leased tangible fixed assets</b>	<b>211</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-8</b>	<b>203</b>
<b>TOTAL</b>	<b>12 020</b>	<b>1 876</b>	<b>944</b>	<b>131</b>	<b>-89</b>	<b>12 994</b>

#### Amortisation and provisions

In thousands of euros	Amortization and provisions at 31 Dec. 2012	Provisions for financial year	Reductions during the financial year	Variation in scope	Misc. movements	Amortization and provisions at 31 Dec. 2013
Other tangible fixed assets	9 367	1 058	944	95	-94	9 482
<b>Own fixed assets</b>	<b>9 367</b>	<b>1 058</b>	<b>944</b>	<b>95</b>	<b>-94</b>	<b>9 482</b>
Other leased tangible fixed assets	157	25			-3	179
<b>Leased tangible fixed assets</b>	<b>157</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>-3</b>	<b>179</b>
<b>TOTAL</b>	<b>9 524</b>	<b>1 083</b>	<b>944</b>	<b>95</b>	<b>-97</b>	<b>9 661</b>

### 3.4 Long-term investments

#### Gross values

In thousands of euros	Gross value at 31 Dec. 2012	Increases during the financial year	Diminutions during the financial year	Variations in scope	Misc. movements	Gross value at 31 Dec. 2013
Loans						0
Other long-term investments	796	204	20	35	-1	1 014
<b>TOTAL</b>	<b>796</b>	<b>204</b>	<b>20</b>	<b>35</b>	<b>-1</b>	<b>1 014</b>

Other long-term investments correspond to security deposits related to commercial leases.

#### Amortisation and provisions

In thousands of euros	Amortization and provisions at 31 Dec. 2012	Provisions for financial year	Reductions during the financial year	Movements during the financial year	Misc. movements	Amortization and provisions at 31 Dec. 2013
Loans	0					0
Other long-term investments	0					0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Schedule of loans and other long-term investments

In thousands of euros	Due in less than 1 year	Due in more than 1 year	Accrued interest	TOTAL
Loans	0			0
Other long-term investments		1 014		1 014

### 3.5 Securities accounted for under equity method

In thousands of euros	31/12/13	31/12/12
Net value at 1 January	476	270
Changes in consolidation scope	-31	62
Distribution of dividends	-27	
Earnings for fiscal year	9	144
<b>TOTAL</b>	<b>427</b>	<b>476</b>

### 3.6 Inventory and work in progress

In thousands of euros	Gross value at 31 Dec. 2013	Depreciation at 31 Dec. 2013	Net value at 31 Dec. 2013	Net value at 31 Dec. 2012
Raw materials and supplies	1 626	451	1 175	1 348
Work in progress	17 822		17 822	17 296
Finished products	66	30	36	93
Goods	21	11	10	10
<b>TOTAL</b>	<b>19 535</b>	<b>492</b>	<b>19 043</b>	<b>18 747</b>

### 3.7 Trade receivables and related accounts

In thousands of euros	31/12/13	31/12/12	Change
Gross value	119 631	110 480	9 151
Provisions	2 247	2 687	-440
Net value	117 384	107 793	9 591

Receivables are debts due in less than one year.

### 3.8 Other receivables and accrual accounts (assets)

In thousands of euros	Gross value at 31 Dec. 2013	Depreciation at 31 Dec. 2013	Net value at 31 Dec. 2013	Net value at 31 Dec. 2012
Advances and deposits	1 172		1 172	1 881
Other receivables	15 680		15 680	12 308
Prepayments and deferred expenses	1 584		1 584	1 678
Deferred tax assets (see note 4-8)	2 040		2 040	2 100
<b>TOTAL</b>	<b>20 476</b>	<b>0</b>	<b>20 476</b>	<b>17 968</b>

The various debtors have due dates within one year.

### 3.9 Marketable securities

In thousands of euros	Gross value at 31 Dec. 2013	Depreciation at 31 Dec. 2013	Net value at 31 Dec. 2013	Net value at 31 Dec. 2012
Own shares	9 727		9 727	7 540
Marketable securities	805	7	798	2 936
<b>TOTAL</b>	<b>10 532</b>	<b>7</b>	<b>10 525</b>	<b>10 476</b>



### 3.10 Group share of shareholders' equity and minority interests

Share capital is made up of 1,282,137 shares at €3 each.

In thousands of euros	Registered capital	Share premium account	Consolidated income and reserves	Shareholders' equity (Group share)	Minority interests	Total
Net situation as at 31/12/11 after allocation of earnings	3 919	2 446	32 071	38 436	774	39 210
Capital movements				0		0
Scope changes (1)				0	3	3
Distributions of dividends			-1 859	-1 859	-531	-2 390
Change in foreign exchange gains or losses			28	28	15	43
<b>Earnings at 31/12/11</b>			<b>4 232</b>	<b>4 232</b>	<b>483</b>	<b>4 715</b>
Net situation as at 31/12/12 after allocation of earnings	3 919	2 446	34 472	40 837	744	41 581
Capital movements (2)	-73		-1 927	-2 000		-2 000
Scope changes (3)				0	46	46
Distributions of dividends			-3 595	-3 595	-434	-4 029
Change in foreign exchange gains or losses			-369	-369	-37	-406
<b>Earnings at 31/12/13</b>			<b>3 806</b>	<b>3 806</b>	<b>510</b>	<b>4 316</b>
Net situation as at 30/06/13 after allocation of earnings	3 846	2 446	32 387	38 679	829	39 508

- (1) Changes in scope correspond to the buyout of minority interests in Altavia HTT.  
(2) The movement on capital corresponds to the reduction of the share capital following the buyback and cancellation of the shares of a minority shareholder.  
(3) The changes in scope correspond to the buyout of minority interests of Altavia HTT and the introduction of new minority interests following the acquisition of Cosmic and Au Numéro 6.

The General Meeting on 20 May 2010 authorised the Board of Directors to grant, at one or more times, over a period of thirty-eight months, i.e. no later than 20 July 2013, stock options each giving the right to acquire a share of Altavia, within the limit of 10% of the share capital. Options may be granted to executives (as defined by Article L.225-185, paragraph 4 of the French Commercial Code) and to eligible employees who have a permanent employment contract with Altavia, as well as to only employees of companies or economic interest groups of which at least 10% of capital or voting rights are held directly or indirectly by Altavia.

Subscription options for shares awarded during financial years 2010, 2011, 2012 and 2013

GM date	Board meeting date	Number of options granted	Starting point of purchase options	Expiry date of options	Price of options
20/05/2010	16/12/2010	50 519	16/12/2014 or 01/05/2015	01/01/2015 or 16/06/2015	€72,34
20/05/2010	17/03/2011	8 179	01/05/2015	01/07/2015	€72,34
20/05/2010	19/05/2011	19 019	19/05/2015 or 01/11/2015	01/07/2015 or 19/11/2015	€72,34
20/05/2010	22/09/2011	2 115	01/11/2015	01/01/2016	€72,34
20/05/2010	28/06/2012	1 138	28/06/2016 or 01/11/2016	01/07/2016 or 28/12/2016	€74,72
20/05/2010	22/09/2012	15 848	01/11/2016	01/01/2017	€74,72
20/05/2010	04/02/2013	5 621	01/05/2017	01/07/2017	€74,72
20/05/2010	20/06/2013	20 800	20/06/2017 or 01/11/2017	01/07/2017 or 20/12/2017	€74,87
20/05/2010	17/07/2013	9 175	01/11/2017	01/01/2018	€74,87

### 3.11 Provisions for contingencies and expenses

In thousands of euros	31/12/13	31/12/12
Provisions for contingencies	1 508	1 338
Provisions for retirement payouts	3 374	3 076
Other provisions for expenses	0	14
Sub-total of provisions for contingencies and expenses	4 882	4 428
Deferred tax liabilities (see note 4-8)	0	0
<b>TOTAL</b>	<b>4 882</b>	<b>4 428</b>

#### Changes in provisions for contingencies and expenses

In thousands of euros	Provisions at 1 January 2013	Allocations for fiscal year	Reversals for fiscal year	Miscellaneous movements	Exchange gain/loss	Provisions at 31 Dec. 2013
Provisions for contingencies	1 338	641	484	13		1 508
Provision for pensions	3 076	306	119	114	-3	3 374
Provisions for expenses	14	2	2	-14		0
<b>TOTAL</b>	<b>4 428</b>	<b>949</b>	<b>605</b>	<b>113</b>	<b>-3</b>	<b>4 882</b>

Provisions for contingencies mainly pertain to commercial and employee litigation.

### 3.12 Borrowed funds and financial debts

In thousands of euros	31/12/13	31/12/12
Loans from credit institutions	13 115	2 816
Other financial debts	0	0
Bank loans and overdrafts	1 481	6 453
Accrued interest not due on loans	61	104
<b>TOTAL</b>	<b>14 657</b>	<b>9 373</b>

The Altavia group has a confirmed line of credit of up to €80 million (effective since 7 February 2011).

As at 31/12/2013, €11.6 million of this line of credit has been used.

The credit line is guaranteed in the following manner:

- a) A rate cap at 2.30% (initial notional of €10 million) on the start date of 10/04/2011, maturing 10/01/2014
- b) A rate swap at 2.95% (initial notional of €4.3 million) on the start date of 10/01/2012, maturing 10/01/2016
- c) A rate cap at 2.50% (initial notional of €3.2 million) on the start date of 10/01/2012, maturing 10/01/2016

#### Schedule of loans and debts

In thousands of euros	Debts of under 1 year	Debts from 1 to 5 years	Debts of more than 5 years	TOTAL
Loans from credit institutions	164	12 951		13 115
Other financial debts	0			0
Bank loans and overdrafts	1 481			1 481
Accrued interest not due on loans	61			61
<b>TOTAL</b>	<b>1 706</b>	<b>12 951</b>		<b>14 657</b>

### 3.13 Other debts and accrual accounts (liabilities)

In thousands of euros	31/12/13	31/12/12
Tax and social liabilities	22 998	18 933
Miscellaneous debts	7 157	7 543
Other deferred revenue	21 071	18 736
<b>TOTAL</b>	<b>51 226</b>	<b>45 212</b>

All debts are due in less than one year.

### 3.14 Off-balance sheet commitments

#### Issued by Altavia

- Pledging of 80% of Altavia France's shares held by Altavia SA as collateral for the loan and credit agreement entered into on February 7th, 2011 with a banking institution for a maximum outstanding amount of €70 M.
- Buyback of company shares by Altavia SA from shareholders of a subsidiary, under the condition precedent of the completion of certain events, under predefined conditions.

#### Issued by Altavia France

- Buyback of shares by Altavia France from the director of a subsidiary in the event he or she leaves the Group, at a value to be determined by experts.
- Additional price of €750,000 for FY2013 and FY2014 to be paid to a former shareholder of acquired companies, no later than 15/07/2014 and 15/07/2015, subject to the condition precedent of reaching certain objectives, under predefined conditions.
- Adjustment of the purchase price of an acquired company's shares, purchased from a shareholder of said acquired company, for FY2013 (up to €227,500), under predefined conditions and no later than 20/07/2014.
- Additional prices of €162,500 and €155,000 for FY2014 to be paid to a shareholder of an acquired company, subject to the condition precedent of reaching certain objectives, under predefined conditions, no later than 15/07/2015.

#### Received by Altavia France

- Assets' and liabilities' guarantee agreement (until 31/12/2015), capped at €15,000, for the period prior to 13/09/2012, received from one of the Group's subsidiaries' shareholders.
- Assets' and liabilities' guarantee agreement (until 31/12/2015), capped at the received selling price, including received or receivable additional prices, all increased by €50,000, for the period prior to 18/10/12, received from one of the Group's subsidiaries' shareholders.
- Assets' and liabilities' guarantee agreement (until 28/07/2018), a first demand independent bank guarantee capped at €550,000 (until 31/12/2017), first demand independent bank security amounting to €400,000 (until 31/12/2007) and joint and several guarantee as a security for such guarantee, amounting to €210,000, received from a former shareholder of the acquired companies.
- Assets' and liabilities' guarantee agreement (until 06/01/2016) for the period prior to 07/01/2014, a pledge agreement on the shares of a company and a first demand bank guarantee amounting to €350,000 (until 31/03/2019) as security for the indemnity received from a subsidiary's shareholder.

#### Received by IMS

- Advances on a shareholder's current account to be paid by one of the company's minority shareholders, under predefined conditions.

#### Issued by shopperMind

- An earn-out clause, under certain conditions, with a company, for an amount capped at €31,160 until the close of fiscal year 2015.

#### Issued by Altavia Belgium

- Bank guarantee issued in favour of the landlord for €89 K.

#### Issued by Altavia Deutschland

- Bank guarantee issued in favour of the Swiss tax authorities (7,500 CHF).

## 4. Notes on the consolidated income statement

### 4.1 Breakdown of turnover by geographic region

	31/12/13		31/12/12	
	In thousands of euros	as percentage	In thousands of euros	as percentage
Sales in France	316 009	54%	319 938	56%
EU country sales	217 891	38%	227 288	38%
Sales outside the EU	47 078	8%	48 354	6%
<b>TOTAL</b>	<b>580 978</b>	<b>100%</b>	<b>595 580</b>	<b>100%</b>

### 4.2 Other operating income

In thousands of euros	31/12/13	31/12/12
Production placed in inventory	536	-3 523
Capitalised production		346
Operating subsidies		0
Write-backs of operating provisions	1 406	1 705
Transfers of operating expenses	391	385
Other operating income	2 135	670
<b>TOTAL</b>	<b>4 468</b>	<b>-417</b>

#### 4.3 Payroll expenses and staff size

In thousands of euros	31/12/13	31/12/12
Personnel remuneration	40 368	41 462
Social security contributions	14 808	14 532
<b>TOTAL</b>	<b>55 176</b>	<b>55 994</b>

A profit-sharing agreement was entered into between Altavia France and some of its subsidiaries in 2004.

Staff size of fully consolidated companies

	31/12/13	31/12/12
<b>FRANCE</b>	<b>561</b>	<b>544</b>
<b>ABROAD (outside China)</b>	<b>277</b>	<b>262</b>
<b>CHINA</b>	<b>165</b>	<b>147</b>
<b>GRAND TOTAL</b>	<b>1 003</b>	<b>953</b>

#### 4.4 Autres charges d'exploitation

"Other operating expenses" includes the impacts of the law of June 2008 reforming the statutes of limitation in commercial matters as well as the expenses associated with discontinuing an IT project.

#### 4.5 Operating amortisation and provisions

In thousands of euros	31/12/13	31/12/12
Allocations to depreciation of tangible fixed assets	993	545
Allocations to depreciation of own fixed assets	1 058	1 074
Allocations to depreciation of leased tangible fixed assets	25	24
Allocations and write-backs of provisions on inventories	72	-98
Allocations and write-backs of provisions on receivables	-440	319
Allocations and write-backs of provisions for contingencies and operating expenses	240	-114
<b>TOTAL</b>	<b>1 948</b>	<b>1 750</b>
incl. total allocations	3 354	3 455
incl. total write-backs (note 4.2)	1 406	1 705

#### 4.6 Financial expenses and income

In thousands of euros	31/12/13	31/12/12
Exchange gains and losses	-171	-245
Allocations and write-backs of financial provisions	0	15
Financial interest and expenses	-535	-708
Other financial income	169	139
Income from disposal of investment securities	21	172
<b>TOTAL</b>	<b>-516</b>	<b>-627</b>

#### 4.7 Non-recurring expenses and income

In thousands of euros	31/12/13	31/12/12
Non-recurring income and expenses on capital operations	-6	122
Allocations and write-backs of extraordinary provisions	-46	-48
Non-recurring income and expenses on management operations	28	-15
<b>TOTAL</b>	<b>-24</b>	<b>59</b>

#### 4.8 Income tax

In thousands of euros	31/12/13	31/12/12
Income taxes payable	3 614	2 802
Deferred taxes	166	-239
<b>TOTAL</b>	<b>3 780</b>	<b>2 563</b>

#### 4.9 Tax declaration

In thousands of euros	31/12/13
Net earnings of the consolidated entity	4 316
Allocations to amortisation of goodwill	4 165
Share of earnings from companies accounted for under the equity method	9
Income tax	3 780
<b>Theoretical tax base</b>	<b>12 252</b>
Tax rate applicable to the consolidating company	33,33
<b>Theoretical tax</b>	<b>4 084</b>
Impacts of permanent differences	324
Tax credits and other corporate tax elements	-477
Tax rate differences	-209
Capitalisation of tax loss	0
Deferred taxes not recorded on losses	58
<b>Recognised tax</b>	<b>3 780</b>

## 5. Miscellaneous information

Professional fees for auditors and members of their networks recorded by the Group.

	Audit			Other services			Grand Total
	Statutory audit, certification, examination of individual and consolidated accounts	Other related assignments and other auditing assignments	Audit sub-total	Legal, tax, social	Other	Other sub-total	
<b>Altavia</b>							
2013							
Deloitte	71 922	3 500	<b>75 422</b>			<b>0</b>	<b>75 422</b>
Angeli	30 000		<b>30 000</b>			<b>0</b>	<b>30 000</b>
2012							
Deloitte	122 520	500	<b>123 020</b>			<b>0</b>	<b>123 020</b>
Angeli	30 000		<b>30 000</b>			<b>0</b>	<b>30 000</b>
<b>Subsidiaries</b>							
2013							
Deloitte	271 128	944	<b>272 072</b>	14 254	0	14 254	<b>286 326</b>
2012							
Deloitte	285 508	2 300	<b>287 808</b>	3 100	2 300	5 400	<b>293 208</b>

## I. Altavia group operations in 2013

In 2013, the Altavia Group saw a further rise in the volume of its operations, with a 2.4% increase in gross income between 2012 and 2013.

## Earnings and financial position

### 1. Earnings

Consolidated turnover amounted to €581 million in 2013. It was slightly down (by 2.5%) compared with 2012, given the decline in the price of paper. In fact, it was primarily generated in Publishing Services. The share of turnover generated outside France remained at 46%.

Consolidated gross income (the main indicator of the Group's level of activity, made up of both turnover minus external purchases directly related to projects completed and income from discounts) increased in 2013 to €92.6 million compared with €90.4 million in 2012. This increase resulted from the acquisition, in 2013, of clients having a decisive impact on our business.

Operating income amounted to €12.8 million in 2013, a substantial increase compared with €11.5 million in 2012. The Group's ratio of EBIT to gross income increased by more than 1% in 2013, reaching 13.8%, thanks in particular to the Group's growth and good cost control.

Financial income continued to improve in 2013 (-€0.5 million compared with -€0.6 million in 2012).

Following the increase in allocations to goodwill impairment due to the recent acquisitions and the rise in tax expenses, consolidated net earnings amounted to €4.3 million.

### 2. Financial position

Consolidated shareholders' equity totalled €39.5 million at 31 December 2013 compared with €41.6 million at 31 December 2012. The group share of shareholders' equity amounted to €38.7 million compared with €40.8 million at 31 December 2012. This change is explained by the exceptional distribution from "Other reserves" in December 2013 and the capital reduction in July 2013.

Gross financial debt increased slightly to €14.7 million at the end of 2013 compared with €9.4 million at the end of 2012. The gross debt/equity ratio for the group (gross loans and financial debts over consolidated shareholders' equity) was 37.1% at 31 December 2013. At 31/12/2013, gross financial debt included €11.6 million of credit line use.

The Altavia group's consolidated available cash (excluding treasury shares) totalled €26.9 million at 31 December 2013, varying only slightly compared with last year.

In total, net cash (investments and cash, excluding treasury shares, less gross loans and financial debts) at 31 December 2013 decreased to €12.2 million compared with €19.1 million at 31 December 2012.

This change in net cash is explained in particular by the investments made in 2013 to support the group's growth.

### Events subsequent to the close

In accordance with the provisions of articles L. 232-1 and L. 233-26 of the French Commercial Code, we hereby inform you that no significant event has occurred since the end of fiscal year 2013.

## II. Outlook

In 2014, the Altavia group will continue to strengthen its marketing activation expertise to serve its Retail customers as a priority, particularly by relying on its experience in the field of publishing and marketing services. Digital and multi-channel solutions mean Altavia's expertise now has new fields of application. Its large network of independent yet interdependent subsidiaries allows it to offer local or global solutions depending on the needs of its customers, up to each individual point of sale. The further development of the currently booming operations in China is also an important issue. Lastly, it will take advantage of its healthy financial position to establish a presence in new countries, particularly in Europe and Asia, and carry out targeted external growth operations in a number of countries and on certain business lines in which it would like to have a stronger presence.

## III. Financial and legal information for Altavia – parent company

### 1. Altavia operations

Turnover for Altavia SA, the group's parent company, primarily made up of income from services and rebilling of property rents, amounted to €11,552,593.72 compared with €10,948,496.97 in 2012. Other income totalled €30,102.66 versus €14,038.22 in 2012. After accounting for €10,405,641.07 in operating expenses, operating income for 2013 totalled €1,177,055.31 compared with €529,251.82 for 2012.

Financial income amounted to €4,808,159.97 for 2013 compared with €2,887,981.22 for 2012.

Profit before tax and extraordinary items amounted to €5,971,145.02 compared with €3,298,257.51 for fiscal year 2012.

Extraordinary income totalled €90,756.07 versus €84,525.69 for 2012.

In 2013, the tax expense for Altavia SA was negative at [€1,527,626.00] because of the tax savings generated through tax consolidation. The negative tax expense also in 2012 was [€576,660.00].

Net earnings for fiscal year 2013 amounted to €7,589,527.09 compared with €3,959,443.20 in 2012.

Altavia International, a company wholly owned by Altavia, and the companies Cosmic Communication and Au Numéro 6, more than 95% owned by Altavia France SA, opted for the tax consolidation system as from 1 January 2014 and belong to the same scope.

At 1 January 2013, all French companies of the Altavia Group, except Altavia Optitrans, MyStudioTV, Capital Innovation, Altavia Pallas, and Simone, were more than 95% owned directly or indirectly by Altavia SA and are therefore part of its tax consolidation scope.

Pursuant to a decision of the general meeting of shareholders on 13 December 2013, the company carried out an exceptional distribution from "Other reserves".

At its meeting on 19 September 2013, the Board of Directors proceeded with the reduction of the company's share capital through the buy-back and cancellation of 24,154 shares held by a minority shareholder, following the resolution of the general meeting of shareholders of 16 July 2013. The capital was decreased from €3,918,873 to €3,846,411, divided into 1,282,137 shares with a nominal value of €3 each.

Mr Raphaël Palti's term as board member and Chairman and Managing Director was renewed for a period of six years, expiring at the end of the general meeting called to approve the financial statements for fiscal year 2018 to be held in 2019.

Mr Lorenzo Bertagnolio's term as Deputy Managing Director for Europe and Mr Laurent Gampel's term as Deputy Managing Director of Business Development were renewed for a period of three years, expiring at the end of the general meeting called to approve the financial statements for fiscal year 2015 to be held in 2016.

Mr Philippe Finkelstein and Mr Michael Likierman resigned as board members as from the Board of Directors meeting of 11 April 2013.

Ms Corinne Evens was appointed board member for a period of six years, expiring at the end of the ordinary general meeting called to approve the financial statements for fiscal year 2018 to be held in 2019.

Mr Luc Bertholat's term as a non-voting member was renewed for a period of six years, expiring at the end of the ordinary general meeting called to approve the 2018 financial statements to be held in 2019.

The terms of Mr Michel Duval and Mr Alain Roubach as members of the audit, accounts, and investments committee were renewed for a period of three years, until the meeting of the board of directors responsible for approving the 2015 financial statements to be held in 2016. Mr Michel Duval was renewed in his capacity as Chairman of this committee.

The terms of Mr Raphaël Palti, Mr Alain Roubach, and Mr Daniel de Botton as members of the appointments and remuneration committee were renewed for a period of three years, until the meeting of the board of directors responsible for approving the 2015 financial statements to be held in 2016.

Mr Daniel de Botton was renewed in his capacity as Chairman of this committee.

### 2. Earnings – Allocation

In euros	2013	2012	Change %
Turnover excl. tax	11 552 594	10 948 497	5,52
Other income	30 103	14 038	ns
Operating income	11 582 696	10 962 535	5,66
Operating expenses	10 405 641	10 433 283	[0,26]
Including employee-related expenses and social security contributions	4 892 228	4 795 372	2,02
Operating earnings	1 177 055	529 252	ns
Joint ventures	[14 070]	[118 976]	ns
Financial earnings	4 808 160	2 887 981	66,49
Earnings before tax and extraordinary items	5 971 145	3 298 258	81,04
Extraordinary earnings	90 756	84 526	7,37
Earnings before tax	6 061 901	3 382 783	79,19
Tax	[1 527 626]	[576 660]	ns
Earnings after tax	7 589 527	3 959 443	91,68

We hereby request that you approve the following allocations:

#### Allocation of 2013 earnings

After discussion and exchanges of views, the Board decided to propose at the next general meeting of shareholders the following allocation of the earnings for the fiscal year, i.e. €7,589,527.09:

##### a. Amounts to be allocated

Retained Earnings €23.092.142,50\*  
\*(including 2012 dividends attached to own shares for an amount of €193.650,38)

Earnings for fiscal year 2013 €7.589.527,09

**Total to be allocated €30.681.669,59**

##### b. Allocations

Dividends €1.974.490,98  
To a special reserve account under Article 238bis AB of the CGI €34.000,00  
To "Other reserves" €5.581.036,11  
To "Retained Earnings", the balance for €0

The dividends attached to the 128,213 own shares, amounting to €197,448.02, will be booked in Retained Earnings, which will therefore increase from €23,092,142.50 to €23,289,590.52.

The gross dividend of €1,974,490.98 to be distributed for the fiscal year is therefore set at €1.54 per share for each of the 1,282,137 shares. It will be made available for payment at the instruction of the Chairman with effect from the Annual General Meeting of Shareholders convened to approve the financial statements for fiscal year 2013.



In accordance with the tax changes adopted, starting 1 January 2013, dividends received by individuals (with the exception of those received as part of a share savings plan) are subject to the following rules:

- mandatory social security contributions totalling 15.5% will be withheld.
- dividends received by individuals are subject to income tax on a progressive scale after application of a 40% allowance.
- dividends, before being taxed on a progressive scale, are subject to a mandatory 21% deduction at source. This deduction is a prepayment of income tax that can be offset against the income tax payable the following year for the year during which it was made. This deduction at source is refundable in the event of overpayment. However, dividends received in 2014 are exempt from this prepaid income tax deduction, as the individual shareholders have sent to the company a declaration on their honour indicating that their 2012 reference taxable income was less than €50,000 (if unmarried) and €75,000 (for those subject to joint taxation) before 30 November 2013. To qualify for this exemption for dividends received in 2015, individuals must send a declaration on their honour pertaining to their 2013 taxable income to the Company no later than 30 November 2014, in accordance with the provisions of Article 242 quater of the French General Tax Code.

The company shall make the mandatory deduction at source, declare the transaction, and make the payment to the Treasury no later than the 15<sup>th</sup> of the month following the payment of the dividends.

Furthermore, it is the duty of shareholders holding shares in a share savings plan to notify the company and to provide any evidence required before 15 May 2014 in order to qualify for the exemption from the aforementioned deductions at source.

In addition, as regards the Company, it must pay a 3% tax on the basis of this distribution. In application of Article 243 bis of the French General Tax Code, we hereby remind you that dividends paid out for the last three fiscal years were, per share, as follows:

#### Table of dividends

Fiscal years of distribution decisions	Number of shares	Dividend distributed per share	Allowance*
2010	1.306.291 actions	€1.53	40%
2011	1.306.291 actions	€1.54	40%
2012	1.306.291 actions	€1.54	40%

\* Dividend eligible for the 40% allowance provided for by Article 158.3 of the French General Tax Code for which certain individuals may qualify.

### 3. Registered capital and shareholders

The breakdown of capital and shareholders were modified slightly during 2013.

At 31 December 2013, registered capital amounted to €3,846,411, divided into 1,282,137 shares with nominal value of €3 each and distributed as follows:

Raphaël Palti:	45.17% of the capital
Firapa:	15.52% of the capital
Lorenzo Bertagnolio:	6.81% of the capital
Viateam company:	6.53% of the capital
BNP Paribas developpement:	6.37% of the capital
Other shareholders <sup>(1)</sup> :	9.60% of the capital
Treasury shares <sup>(2)</sup> :	10.00% of the capital

(1) These are primarily other members of the company's board of directors and employees or corporate officers of the Company or of its subsidiaries.

At 31 December 2013, no other shareholders held, directly or indirectly, more than 5% of the registered capital or voting rights of the company.

In 2013, Altavia bought back 29,267 of its own shares from minority shareholders in order to contribute to the stock option plan in progress until July 2013.

The memorandum and articles of association provide for double voting rights to be attached to all fully paid-up shares for which proof can be provided of registration in the name of the same shareholder for at least four years. All shareholders have the option to waive their double voting rights temporarily on all or part of their shares.

### 4. Share subscription options and treasury shares

A Stock Options scheme, authorised by the Combined General Meeting of Shareholders held on 20 May 2010, has been put in place. The General Meeting on 20 May 2010 authorised the Board of Directors to grant, at one or more times, over a period of thirty-eight months, i.e. no later than 20 July 2013, stock options each entitling the holder to acquire a share of Altavia, within the limit of 10% of the share capital. Options may be granted to executives (as defined by Article L.225-185, paragraph 4 of the French Commercial Code) and to eligible employees who have a permanent employment contract with Altavia, as well as to only employees of companies or economic interest groups of which at least 10% of capital or voting rights are held directly or indirectly by Altavia.

In principle, the options can be exercised at the end of a four-year waiting period following the date of their award by the Board of Directors, and subject to the awardees still working within the group at that date, and at the latest six months after the expiry date of the four-year freeze.

Note that officers of Altavia must keep at least 50% of the shares that they hold, after exercising the stock options allocated to them, and until the end of their term of office.

On 4 February, 20 June, and 17 July 2013, the Board of Directors allocated 35,596 stock options in total.

A special report on stock options was drawn up as required by French Law no. 2001-420 of 15 May 2001.

Summary of delegations of powers or authority granted by the General Meeting of Shareholders to the Board of Directors for capital increases:

None.

### 5. Control shares held by the Company

We hereby inform you that, as at 31 December 2013, the company holds 128,213 of its own shares, or 10% of the capital.

During fiscal year 2013, Altavia bought back 29,267 of its own shares from several shareholders, with a view to fund a Stock Option plan.

Summary table:

	Number of shares acquired by the company during the financial year 2013	Average price of shares acquired during the financial year 2013	Number of shares subscribed in the name of the company at end of the financial year 2013	Value of control shares held at 31/12/13
2013	29.267	€74.73	128.213	€9.727.100



## 6. Subsidiaries and Equity Interests

### 6.1 Acquisitions and disposals of equity interests carried out during fiscal year 2013 (direct and indirect)

In accordance with the provisions of Articles L. 233-6 and L. 247-1 of the French Commercial Code, we hereby inform you that your company acquired an interest or controlling interest during the fiscal year in the following companies:

- a. Altavia subscribed to a capital increase reserved for it within Simone. 34 new shares were created in connection this capital increase, bringing Altavia's stake in Simone from 250 to 284 shares.
- b. Altavia contributed to Altavia NewCo sarl (transformed into a non-trading company prior to the contribution and newly named Altavia Coach) all of its holdings in companies having activities "related" to those of the Altavia group, Simone, MSTV, Capital Innovation, Actipaper, shopperMind, as well as the related current account receivables. These contributions made it possible to create a "Related activities" division in order to facilitate the monitoring of these subsidiaries by preparing for the group's head company the work for monitoring these activities and the analysis of arbitrage operations and developments that may be proposed to Altavia's competent bodies.
- c. In December 2013, a new company was created, a simplified joint stock company called Altavia Newco, then renamed Altavia International, with a capital of €10,000, registered in the Paris Trade and Companies Register under number 799.401.633, located at 1, rue Rembrandt - 75008 Paris. Altavia holds a 100% stake in this company.
- d. On 29 July 2013, Altavia France acquired 95% of Cosmic Communication, a simplified joint stock company with a share capital of €100,000, registered with the Paris Trade and Companies Register under no. 352 455 604, whose registered office is located at 6, rue Royale - 75008 Paris, and 95% of Au Numéro 6, a simplified joint stock company with a share capital of €10,000, registered with the Paris Trade and Companies Register under no. 528 320 039, whose registered office is located at 6, rue Royale - 75008 Paris.
- e. To improve the financial position of Altavia Nantes, its sole shareholder of Altavia Nantes carried out a reduction of the share capital by €1,156,000 in order to clear the losses, then increased the share capital by €550,000 to bring it to €614,000 by issuing 137,500 new shares at par, subscribed by Altavia France.
- f. During 2013, Altavia France acquired a share in Altavia Optitrans from a minority shareholder.
- g. During fiscal year 2013, Altavia Europe acquired 0.05% of the capital of Altavia HTT from a minority shareholder, thus bringing its equity interest to 92.81% of the share capital of this company, and also acquired 0.25% of the capital of Altavia Belgium from a minority shareholder, thus bringing its equity interest to 99.50% of the share capital of this company.
- h. On 16 January 2013, Altavia Ukraina, a limited liability company established under Ukrainian law, was created in Ukraine, with 99.99% of its capital held by Altavia CEI, itself 97.99% held by Altavia Europe.
- i. In 2013, Altavia Ibérica formed a branch in Portugal (Lisbon).
- j. A Memorandum of Agreement for the acquisition of 325 shares, i.e. 65% of IMS (SAS), was signed on 22 November 2013 and ratified on 7 January 2014.

### 6.2 Operations of subsidiaries and investments:

The table of subsidiaries and investments included in the notes to the accounts provides comprehensive information about the identity and results of the subsidiaries directly or indirectly owned by Altavia.

#### a. In France :

##### Altavia France:

The subsidiaries of Altavia France are: Altavia Paris, Altavia Nantes, Altavia Lille, Altavia Optitrans, Altavia Saint-Etienne, CPO, Altavia Pallas and Bed & Breakfast, Cosmic Communication, Au Numéro 6.

The subsidiary of Altavia Nantes, Altavia Nantes New Co, is inactive.

France's contribution to the group's consolidated turnover amounted to €316,009 K.

Altavia also holds a stake in Altavia Connect.

##### Altavia Connect (EIG):

The EIG experienced considerable difficulties in the implementation of an IT project. In 2013, the EIG also continued its objective of structuring and optimisation of the operational and functional services contributed to the group's subsidiaries.

The negative earnings generated by the EIG, taking fiscal transparency into account, will be returned to shareholders in proportion to their holdings, i.e. 34% to be returned to Altavia.

##### Altavia Coach:

Altavia Coach holds equity interests in Actipaper, shopperMind, Capital Innovation, Simone, and MSTV.

##### Actipaper:

The company generated €137,558 in turnover during fiscal year 2013, slightly down compared with 2012. Nevertheless, better cost control helped to reduce the losses.

##### Capital Innovation:

The company had a better fiscal year than last year but remained insufficient with negative net accounting earnings of €95K. Nevertheless, services were up sharply.

##### MyStudioTV:

The company continued its growth, posting €2,699K in turnover, up 16% compared with last year. However, it generated losses as a result of expenses pertaining to the development of new offerings to be marketed in 2014.

##### Simone:

2013 was a year of consolidation of the customer portfolio and brand/artistic direction strategy services. Prestigious advertisers relied on Simone to formalise their (re)positioning.

##### Altavia International SAS:

– Altavia International, a simplified joint stock company with a capital of €10,000 (formerly Altavia NewCo SAS), was created in December 2013 and is wholly owned by Altavia.

Two subsidiaries wholly owned by Altavia International were created in February 2014:

- Altavia Korea LLC, a limited liability company established under Korean law with a share capital of 100,000,000 won.
- Altavia Japan KK, a public limited company established under Japanese law with a share capital of 9,000,000 yen.

#### b. In Europe:

The Altavia Europe's subsidiaries are: Altavia CEI, Altavia Belgium, Altavia Česká, Altavia Deutschland, Altavia Hellas, Altavia Htt, Altavia Ibérica CFA, Altavia Iletisim, Altavia Italia, Altavia Polska, Altavia Swiss, Altavia România Communication, Altavia Hungária. Note that MBO Communication is a subsidiary of Altavia Ibérica CFA and that Altavia Rus and Altavia Ukraina are subsidiaries of Altavia CEI.

The contribution of Altavia Europe and its subsidiaries to the group's consolidated turnover amounted to €236,628 K.

**c. In China:**

Altavia Beijing Advertising closed fiscal year 2013 in a satisfactory manner and in line with the budget. Altavia Beijing Advertising's contribution to the group's overall turnover was €12,360K.

Altavia Shanghai Trading, a subsidiary of Altavia Asia, generated €15,982K in turnover for fiscal year 2013.

**7. Modifications to the presentation of annual financial statements or to the methods of valuation applied in previous years**

We hereby inform you that our company's financial statements were drawn up according to the formats and methods set out in the French General Accounting Plan ("Plan Comptable Général").

**8. Research and development operations**

The company did not book any expenses of this nature during the fiscal year.

**9. Non-deductible expenses referred to in Article 39-4 of the French General Tax Code**

We hereby inform you that the financial statements for the fiscal year just ended included charges amounting to €42,504 that are not deductible from taxable income as specified in Article 39-4 of the French General Tax Code. These charges do not, however, have any impact, due to the tax loss carry-forward.

**10. Payment periods**

In accordance with the law of 4 August 2008 enacting Article L. 441-6-1 of the French Commercial Code, we hereby provide the breakdown, at the close of fiscal years 2012 and 2013, of the balance of debts to suppliers by due date:

Amounts in euros	Nature	Balance as at 31/12/2012	Invoices not received	Due dates			
				Due	January 2013	February 2013	March 2013 and beyond
401	Operating suppliers	131 726	-43 669	119 215	56 181		
403	Notes payable						
4081	Inv. not received	324 366	324 366				
<b>Operating suppliers</b>		<b>456 092</b>					
404	Fixed asset suppliers						
4047	Holdbacks						
405	Notes payable						
4084	Inv. not received						
<b>Fixed asset suppliers</b>							

Amounts in euros	Nature	Balance as at 31/12/2013	Invoices not received	Due dates			
				Due	January 2014	February 2014	March 2014 and beyond
401	Operating suppliers	165 235	31 219	127 147	6 869		
403	Notes payable						
4081	Inv. not received	526 002	526 002				
<b>Operating suppliers</b>		<b>691 237</b>					
404	Fixed asset suppliers						
4047	Holdbacks						
405	Notes payable						
4084	Inv. not received						
<b>Fixed asset suppliers</b>							

**11. Table of the Company's earnings for the past five fiscal years or of each of the completed fiscal years since the company was formed**

The table required by the French Companies Act is attached to this report.

**12. Agreements provided for under Article 225-38 of the French Commercial Code**

In accordance with Article 225-41 of the French Commercial Code, we request that you approve the proposed agreements referred to in Article 225-38 of the French Commercial Code which were signed during the fiscal year just ended after having been duly authorised by your Board of Directors.

The Statutory Auditor has been duly informed of these agreements as described in the special report.

**13. Administration and control of the company**

The Board decided to propose to the general meeting the renewal of the terms of office of Ms Catherine Dunand and VIATEAM as board members for a further period of six years to end following the ordinary general meeting of shareholders convened to rule on the financial statements for fiscal year 2019 to be held in 2020.

Mr Philippe Geslin is renewed as a member of the audit, accounts, and investments committee for a period of three years, i.e. until the meeting of the Altavia board of directors responsible for approving the 2016 financial statements to be held in 2017.

As the terms of Deloitte et Associés, incumbent Statutory Auditor, and BEAS, deputy Statutory Auditor, have expired, it was decided to propose that they be renewed at the next General Meeting of Shareholders, for a period of six years.

## 14. List of corporate offices held in all companies by each corporate officer during the fiscal year

### Offices held by Raphaël Palti

#### In the Altavia group, in France:

Altavia SA: Chairman and Managing Director and Board Member  
 Altavia France SA: Chairman of the Board of Directors and Board Member until 18/12/2013, then Chairman and Managing Director and Board Member as from 18/12/2013  
 Actipaper SA: Chairman and Managing Director and Board Member  
 Altavia Connect GIE: Representative of Altavia SA on the Board of Directors  
 Altavia Europe SA: Representative of Altavia SA on the Board of Directors  
 Altavia Nantes Newco SARL: Manager  
 Altavia Nantes SAS: Legal representative of Altavia France SA, a legal entity Chairman of SAS (as from 18/12/2013)  
 Altavia Paris SAS: Legal representative of Altavia France SA, a legal entity Chairman of SAS (as from 18/12/2013 and until 08/01/2014).  
 Altavia Coach SC (formerly Altavia Newco SARL): Representative of Altavia SA, Manager of the company (as from 23/12/2013).  
 Altavia International SAS (formerly Altavia Newco SAS): Representative of Altavia SA, Chairman of the company (as from 16/12/2013).

#### In the Altavia group, abroad:

Altavia Belgium SA (Belgian subsidiary): Board Member and Chairman  
 Altavia Hellas AE (Greek subsidiary): Board Member  
 Altavia Polska Sp. z.o.o. (Polish subsidiary): Member of the Executive Board  
 Altavia Česká SRO (Czech subsidiary): Joint Manager  
 Altavia Deutschland GmbH (German subsidiary): Joint Manager  
 Altavia HTT Ltd (English subsidiary): Board Member (Non-Executive Director)  
 MBO Communication LSA (Spanish subsidiary): Board Member, Vice-Chairman  
 Altavia Ibérica CFA (Spanish subsidiary): Board Member, Vice-Chairman  
 Altavia Iletisim AS (Turkish subsidiary): Board Member, Vice-Chairman  
 Altavia Swiss SA (Swiss subsidiary): Chairman  
 Altavia Italia Srl (Italian subsidiary): Board Member  
 Altavia România Communication SRL (Romanian subsidiary): Board Member  
 Altavia Hungária KFT (Hungarian subsidiary): Member of the Supervisory Board  
 Altavia Ukraina SARL (Ukrainian subsidiary): Member of the Supervisory Board  
 Altavia Asia Limited Ltd (Hong Kong): Board Member  
 Altavia Beijing Advertising Co. Ltd (Chinese subsidiary): Chairman of the Board of Directors and Board Member  
 Altavia Shanghai Trading Co. Ltd (Chinese subsidiary): Chairman of the Board of Directors and Board Member  
 Altavia Korea LLC: Representative Board Member  
 Altavia Japan KK: Chairman and Representative Board Member

#### Outside the Altavia group:

Foncière Blanqui SA: Chairman and Managing Director and Board Member  
 Firapa SAS: Chairman  
 Viatteam SAS: Representative of Firapa SAS, Chairman of Viatteam  
 SCI Rembrandt Courcelles: Joint Manager  
 Fondiaria 78/3 Srl: Board Member  
 Etam Développement SCA: Member of the Supervisory Board  
 Association PlaNet Finance: Board Member  
 Fondation PlaNet Finance: Board Member  
 Sas PlaNet Finance Social Business: Board Member

### Offices held by Lorenzo Bertagnolio

#### In the Altavia group, in France:

Altavia SA: Deputy Managing Director  
 Altavia Europe SA: Chairman and Managing Director, Board Member  
 Altavia Connect GIE: Representative of Altavia Europe SA on the Board of Directors  
 Altavia CEI SARL: Manager

#### In the Altavia group, abroad:

Altavia Belgium SA (Belgian subsidiary): Executive Director  
 Altavia Hellas AE (Greek subsidiary): Chairman of the Board of Directors and Executive Director  
 Altavia Polska Sp. z.o.o. (Polish subsidiary): Member and Chairman of the Management Board  
 Altavia Česká SRO (Czech subsidiary): Joint Manager  
 Altavia Deutschland GmbH (German subsidiary): Joint Manager  
 Altavia HTT Ltd (English subsidiary): Board Member (Non-executive Director)  
 MBO Communication LSA (Spanish subsidiary): Chairman and Board Member  
 Altavia Ibérica CFA (Spanish subsidiary): Chairman and Board Member  
 Altavia Iletisim AS (Turkish subsidiary): Board Member  
 Altavia Italia Srl (Italian subsidiary): Board Member

Altavia România Communication SRL (Romanian subsidiary): Chairman of the Board of Directors  
 Altavia Hungária KFT (Hungarian subsidiary): Member of the Supervisory Board  
 Altavia Ukraina (Ukrainian subsidiary): Member of the Supervisory Board

#### Outside the Altavia group:

Fondiaria 78/3 srl: Director since 19/07/2012

### Offices held by Corinne Evens

#### In the Altavia group:

Altavia SA: Board Member

#### Outside the Altavia group:

SIFFA SAS, France: President  
 BMIP-Bethlehem: Vice-President  
 Bold Rock Management Ltd., UK: Director  
 G. Evens Diamonds & Co. N. V., Belgium: Chairman  
 Link Point SA, Luxembourg: President of the Supervisory Board  
 Microworld, Luxembourg: Member of the Board  
 Wilcza Sp. z.o.o., Poland: Director  
 ZTL, Poland: Member of the Board

### Offices held by Daniel de Botton

#### In the Altavia group:

Altavia SA: Board Member  
 Altavia France: Board Member  
 Altavia Europe: Board Member

#### Outside the Altavia group:

SA UFIP: Chairman and Managing Director  
 Foncière Blanqui SA: Deputy Managing Director and Board Member  
 Fundiaria 78/3 Srl: Chairman and Board Member  
 Manager of the following SCI real estate partnerships: EPP Ile de France, Paradis Ile de France, Rafiloc, Suresnes Nieuport, Rugelec, Le Nil, Rembrandt-Courcelles, Ivry Michelet, Scar temple, Audoen et Paul, Rhône-Alpes  
 Joint manager of the following SCIs (real estate partnerships): Eurocolombes, Colombia Finlande, Immobiliere Valmy, Immobiliere Kennedy, Paradalp, Ferber Ile de France, FDL 1, Saint-Antoine 18/30  
 Manager of the following SARL (limited liability companies): TIGRE, EPP Montreuil Beaune, EPP Montreuil Holdings, Le Raphael, EPP Vanves, EPP Ile de France Holdings, SB Investissements, Techninvest, FRS Conseils, EPP Rue Martel, Le Martel, EPP Colombia Real Estate, FPP Real Estate, EPP Ivry Hoche, EPP Suresnes Curie, Classic European Real Estate, EPP Noisy le Grand 2012 Holding, Romainville Shared Office, EPP Bezons, EPP Funding  
 Joint manager of the following SARLs (limited liability companies): KVE, Le Diderot, Evry du Lac, Le Noisy le Grand, Le St Ouen, EPP Saint-Ouen, TMRE 2006 Charonne, TMRE 2006 Colombes, TMRE 2006 Suresnes, TMRE 2006 Noisy, TMRE 2006 Evry, TMRE 2006 Saint-Ouen, Sezarr, Petinan, A&G Valcke et Cie, V De Villiers  
 Manager of SC Bermou  
 Joint manager of SC 3B  
 Manager of the following SNCs (general partnerships): EPP Bezons, EPP Massy Ile de France.

### Offices held by Catherine Dunand

#### In the Altavia group:

Altavia SA: Board Member

#### Outside the Altavia group:

Yxene SAS: Board Member  
 Promontoires SAS: Chairman  
 Kalibox SAS: Chairman of the Board of Directors  
 HRA Pharma: Independent Board Member, Chairman of the audit committee  
 Novinvest Partners: Manager  
 Arenadour: Member of the Supervisory Board  
 Alkantis SA (Switzerland): Board Member

### Offices held by Michel Duval

#### In the Altavia group:

Altavia SA: Board Member  
 Altavia France SA: Board Member

#### Outside the Altavia group:

SCI La Mare: Manager  
 MD Conseil: Joint Manager  
 Majencia (office furniture): Board Member  
 Orige/Adduxi (Plastics): Member of the Board of Directors

### Offices held by Philippe Finkelstein

#### In the Altavia group:

Altavia SA: Board Member (until 11/04/2013)

#### Outside the Altavia group:

Cross Partners (New-York): Chief Executive Officer  
Nature Capitale INTL (New-York): Board Member

### Offices held by Laurent Gampel

#### In the Altavia group, in France:

Altavia SA: Deputy Managing Director  
Altavia France SA: Board Member  
Altavia Europe SA: Board Member

#### In the Altavia group, abroad:

Altavia HTT: Board Member (Non-Executive Director) (since 02/09/2013)

#### Outside the Altavia group:

None

### Offices held by Michael Likierman

#### In the Altavia group:

Altavia SA: Board Member (until 11 April 2013)

#### Outside the Altavia group:

Chateauform: Member of the Supervisory Board  
Chateauform Holding: Member of the Supervisory Board  
Atria Capital Partenaires: Member of the Supervisory Board  
EAPV3: Manager

### Offices held by Pierre Milchior

#### In the Altavia group:

Altavia SA: Board Member

#### In the ETAM group:

##### Held in France:

Etam SAS: Chairman  
Etam Développement SCA: Full partner statutory manager  
Nortex SA: Board Member  
Covi Deux SAS: Chairman  
Gerset SAS: Chairman of the Board of Directors and Board Member  
Elan Industries SA: Representative of Etam SA on the Board of Directors

##### Held outside France – Belgium:

Etamint: Permanent representative of Etam SAS on the Board of Directors  
Société Belge Etam: Permanent representative of Etam SAS on the Board of Directors  
Société Foncière Etel: Société Belge Etam Representative on the Board of Directors  
Nora Limited: Board Member

##### Held outside France - China:

Shanghai Intermoda Clothing: Board Member  
Shanghai Aige: Board Member  
Shanghai Intermay: Board Member  
Elagant Shanghai: Board Member  
Taizhou Aige Clothing: Board Member

##### Held outside France - Spain:

Ifem: Board Member

##### Held outside France - Luxembourg:

123 Luxembourg SA: Representative of Etamint on the Board of Directors  
Modasia Holding: Representative of Etam SAS on the Board of Directors and Board Member in his own name  
Société Luxembourgeoise Etam: Representative of Etamint on the Board of Directors

#### Outside the Etam group:

Pivest: Manager  
Selau: Manager  
Seva: Manager  
Tami: Manager  
Finora SA: Board Member

### Offices held by Sébastien Reydon

#### In the Altavia group in France:

Altavia SA: Representative of VIATEAM SAS on the Board of Directors  
Altavia France SA: Representative of Altavia SA on the Board of Directors  
Altavia Europe SA: Board Member  
Junium SA: Board Member  
Actipaper SA: Board Member

#### In the Altavia group abroad:

Altavia Belgium SA (Belgian subsidiary): Board Member  
Altavia Hellas AE (Greek subsidiary): Board Member  
Altavia Polska Sp. z.o.o. (Polish subsidiary): Member of the Executive Board  
Altavia Česká SRO (Czech subsidiary): Joint Manager  
Altavia Deutschland GmbH (German subsidiary): Joint Manager  
Altavia HTT Ltd (English subsidiary): Director (Non-Executive Director)  
MBO Communication LSA (Spanish subsidiary): Board Member  
Altavia Ibérica CFA (Spanish subsidiary): Board Member  
Altavia Iletisim AS (Turkish subsidiary): Board Member  
Altavia Italia Srl (Italian subsidiary): Board Member  
Altavia România Communication SRL (Romanian subsidiary): Board Member  
Altavia Hungária KFT (Hungarian subsidiary): Member of the Supervisory Board  
Altavia Ukraina SARL (Ukrainian subsidiary): Member of the Supervisory Board  
Altavia Asia (Hong Kong): Board Member  
Altavia Beijing Advertising Co. Ltd (Chinese subsidiary): Board Member  
Altavia Shangai Trading Co. Ltd (Chinese subsidiary): Board Member  
Altavia Korea LLC: Representative Board Member  
Altavia Japan KK: Representative Board Member

#### Outside the Altavia group:

MSTV SA: Board Member

### Offices held by Alain Roubach

#### In the Altavia group:

Altavia SA: Board Member  
Altavia Europe: Board Member

#### Outside the Altavia group:

Easyvista: Board Member  
Opéra Immobilier SARL: Manager  
Alclan SC: Manager  
Anegada Compagny SARL: Joint Manager  
Covent Partners SAS: Managing Director  
Actovent SAS: Chairman  
CFA Ort: Vice-Chairman and Treasurer

### Censors

Luc Bertholat  
Jean-Michel Gabriel, Representing BNP Paribas Développement

The Board of Directors



# STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FISCAL YEAR ENDED ON 31 DECEMBER 2013

## ALTAVIA S.A. COMPANY ACCOUNTS

Dear Shareholders,

As part of the duties assigned to us by your general meetings, we submit to you our report relating to the fiscal year ended 31 December 2013, concerning:

- our audit of the accompanying consolidated financial statements of Altavia
- the justification of our assessments
- the specific verifications stipulated by law.

The annual financial statements were finalised by the board of directors. It is our duty, on the basis of our audit, to express an opinion on these financial statements.

### 1. Opinion on the consolidated financial statements

We carried out our audit under the professional standards applicable in France; these standards require due diligence in order to provide reasonable assurance that the consolidated financial statements do not contain any major discrepancies. An audit involves using sampling or other selection methods to verify the evidence supporting the amounts and disclosures appearing in the consolidated financial statements. It also involves assessing the accounting principles followed, the significant estimates adopted, and the overall presentation of the financial statements. We believe that the information that we collected, on which we based our opinion, was sufficient and appropriate.

We hereby certify that, with regard to accounting principles applicable in France, the consolidated financial statements are in good order and accurately present the assets, financial situation, and earnings of the consolidated entities.

### 2. Justification of our assessments

Pursuant to the provisions of Article L. 823-9 of the French Commercial Code concerning the justification of our assessments, we hereby inform you that the assessments that we conducted focused on the appropriateness of the accounting principles applied, particularly with regard to the following items:

Note 1.2.5 of the appendix sets out the rules and methods for assessing goodwill. We checked the suitability of the aforementioned accounting methods and the information provided in the notes of the appendix and ensured that they were correctly applied.

The assessments performed are consistent with our approach to auditing consolidated financial statements, taken in their entirety, and therefore contributed to the formation of our opinion expressed in the first part of this report.

### 3. Specific verification

In accordance with the professional standards applicable in France, we also carried out a specific verification of the disclosures, stipulated by law, relating to group data contained in the management report.

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

Neuilly-sur-Seine, 30 April 2013

The Statutory Auditors  
**Deloitte & Associés**

**Cabinet Angeli**

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in the French language and is provided solely for the convenience of English speaking users. The Statutory Auditors' report on the consolidated financial statements includes information specifically required by French law in all audit reports, whether modified or not. This information presents below the opinion on the consolidated financial statements and includes explanatory paragraphs discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made 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 on the consolidated financial statements should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

## ASSETS

Euros	Gross Value	31/12/2013		31/12/2012
		Amort. & deprec.	Net Value	Net Value
<b>Fixed assets</b>				
<b>Intangible fixed assets</b>				
Development costs	856 162	856 162		
Concessions, patents, and similar rights	103 539	103 539		
Goodwill (1)	1		1	1
<b>Tangible fixed assets</b>				
Other tangible fixed assets	3 168 082	2 330 891	837 191	761 371
Advances and deposits	84 020		84 020	85 596
<b>Long-term investments (2)</b>				
Equity interests	30 451 068	33 012	30 418 056	29 447 444
Receivables related to equity interests	7 700 275		7 700 275	
Other fixed equity investments	76		76	76
Other long-term investments	589 163		589 163	574 236
<b>Total (I)</b>	<b>42 952 386</b>	<b>3 323 604</b>	<b>39 628 782</b>	<b>30 868 724</b>
<b>Current assets</b>				
Advances and deposits paid on orders	35 000		35 000	55 000
<b>Receivables</b>				
Trade receivables and related accounts (3)	1 482 545	49 641	1 432 904	1 041 225
Other receivables (3)	3 878 397		3 878 397	2 337 591
<b>Marketable securities</b>				
Own shares	9 727 100		9 727 100	7 539 974
Other securities				1 648 856
<b>Cash assets</b>				
Prepayments (3)	76 254		76 254	136 127
<b>Total (II)</b>	<b>15 623 953</b>	<b>49 641</b>	<b>15 574 312</b>	<b>12 769 300</b>
<b>Grand Total (I at II)</b>	<b>58 576 339</b>	<b>3 373 245</b>	<b>55 203 094</b>	<b>43 638 024</b>

(1) Of which leasehold

(2) Of which less than one year (gross)

(3) Of which more than one year (gross)

## LIABILITIES

Euros	Value at 31/12/2013	Value at 31/12/2012
<b>Shareholders' equity</b>		
Capital (of which paid: 3 846 411)	3 846 411	3 918 873
Issue, merger, contribution premiums	2 446 046	2 446 046
Reserves:		
- Legal reserve	391 888	391 888
- Regulated reserves	209 213	44 100
- Other reserves	885 525	879 926
Retained earnings	23 092 143	24 825 981
Earnings for the fiscal year (profit or loss)	7 589 527	3 959 443
<b>Net position</b>	<b>38 460 753</b>	<b>36 466 258</b>
Regulated provisions	23 119	21 954
<b>Total (I)</b>	<b>38 483 872</b>	<b>36 488 212</b>
<b>Provisions</b>		
Provisions for contingencies	162 607	125 835
Provisions for expenses	322 071	283 066
<b>Total (II)</b>	<b>484 678</b>	<b>408 901</b>
<b>Debts (1)</b>		
Borrowed funds and debts with credit institutions (2)	12 111 046	2 793 541
Miscellaneous borrowed funds and financial debts (3)	729 264	1 119 621
Trade payables and related accounts	691 237	455 526
Tax and social liabilities	2 266 097	1 733 715
Other debts	436 901	631 957
Deferred revenue		6 550
<b>Total (III)</b>	<b>16 234 544</b>	<b>6 740 911</b>
<b>Grand Total (I at III)</b>	<b>55 203 094</b>	<b>43 638 024</b>
(1) Of which more than one year	1 450 000	2 050 000
(1) Of which less than one year	14 784 544	4 690 911
(2) Of which bank loans, overdrafts, and bank credit balances		35 892
(3) Of which equity loans		

## INCOME STATEMENT

Euros	31/12/13 Total	31/12/12 Total	Variation As amount	Variation As %
<b>Sales of merchandise (1)</b>				
Production sold (goods/services) of which exports: 3 635 901	11 552 594	10 948 497	604 097	5,52
<b>Net turnover</b>	<b>11 552 594</b>	<b>10 948 497</b>	<b>604 097</b>	<b>5,52</b>
Reversals on provisions (amortisation), transfers of expenses	9 736	1 120	8 616	769,30
Other income	20 367	12 918	7 448	57,66
<b>Total operating income (I)</b>	<b>11 582 696</b>	<b>10 962 535</b>	<b>620 161</b>	<b>5,66</b>
<b>Purchases of merchandise (2)</b>				
Other purchases and external costs	4 702 965	4 856 201	-153 236	-3,16
Taxes, duties, and similar payments	573 665	488 664	85 001	17,39
Salaries and wages	3 253 393	3 363 550	-110 156	-3,28
Social security charges	1 638 835	1 431 822	207 013	14,46
<b>Allocations to amortisation and depreciation:</b>				
- On assets: allocations to amortisation	157 181	188 094	-30 913	-16,43
- Allocations to provisions	39 005	51 270	-12 265	-23,92
- Other expenses	40 597	53 683	-13 086	-24,38
<b>Total operating expenses (II)</b>	<b>10 405 641</b>	<b>10 433 283</b>	<b>-27 642</b>	<b>-0,26</b>
<b>Operating earnings (I - II)</b>	<b>1 177 055</b>	<b>529 252</b>	<b>647 803</b>	<b>122,40</b>
<b>Share of income from joint ventures</b>				
Profit or transferred loss (III)				
Loss or transferred profit (IV)	14 070	118 976	-104 905	-88,17
<b>Financial income</b>				
From equity interest (3)	5 141 875	3 787 230	1 354 645	35,77
From other securities and fixed asset receivables (3)	175 736	198 950	-23 214	-11,67
Reversals on provisions & depreciation and transfers of expenses		355 777	-355 777	-100
Positive exchange differences		163	-163	-100
Net gains from sales of negotiable securities		78 653	-78 653	-100
<b>Total financial income (V)</b>	<b>5 317 611</b>	<b>4 420 773</b>	<b>896 838</b>	<b>20,29</b>
<b>Financial expenses</b>				
Allocations to amortisation, depreciation, and provisions	28 097	865 362	-837 265	-96,75
Interest and similar expenses (4)	481 324	667 429	-186 106	-27,88
Negative exchange differences	30	30		
<b>Total financial expenses (IV)</b>	<b>509 451</b>	<b>1 532 791</b>	<b>-1 023 341</b>	<b>-66,76</b>
<b>Financial earnings (V - VI)</b>	<b>4 808 160</b>	<b>2 887 981</b>	<b>1 920 179</b>	<b>66,49</b>
<b>Earnings before extraordinary items and taxes (I+II+III-IV+V-VI)</b>				
	<b>5 971 145</b>	<b>3 298 258</b>	<b>2 672 888</b>	<b>81,04</b>
Extraordinary income (VII)	6 920 552	151 016	6 769 537	
Extraordinary expenses (VIII)	6 829 796	66 490	6 763 306	
<b>Extraordinary earnings (VII - VIII)</b>	<b>90 756</b>	<b>84 526</b>	<b>6 230</b>	<b>7,37</b>
Income tax (X)	-1 527 626	-576 660	-950 966	-164,91
<b>Total income (I+III+V+VII)</b>	<b>23 820 857</b>	<b>15 534 324</b>	<b>8 286 536</b>	<b>53,34</b>
<b>Total expenses (II+IV+VI+VIII+IX+X)</b>	<b>16 231 333</b>	<b>11 574 880</b>	<b>4 656 452</b>	<b>40,23</b>
<b>Profit or Loss (total income - total expenses)</b>	<b>7 589 527</b>	<b>3 959 443</b>	<b>3 630 084</b>	<b>91,68</b>
(1) Of which income from previous fiscal years				
(2) Of which expenses from previous fiscal years				
(3) Of which income from related entities	5 311 097	3 971 562		
(4) Of which interest from related entities	548	66		



## Accounting rules and methods

(Decree no. 83-1020 of 29-11-1983 - Articles 7, 21, 24 beginning, 24-1, 24-2 and 24-3)

### Extract from the appendix to the balance sheet and the income statement

The balance sheet total before distribution for the year ended 31/12/2013 is €55,203,094, and the year's income statement, presented in a list form, shows a profit of €7,589,527.

The fiscal year lasted 12 months, covering a period from 01/01/2013 to 31/12/2013.

The notes or tables below are an integral part of the annual financial statements.

General accounting principles have been applied, in compliance with the principle of prudence, in accordance with the following basic assumptions:

- Continuity of the business,
- Consistency of accounting methods from one fiscal period to the next,
- Independence of fiscal periods,

and in accordance with the general principles for preparing and presenting annual financial statements currently in force in France.

The basic method used for assessing the items entered into the accounts is the historical costs method.

Only noteworthy information is provided.

The company applied the new accounting rules relating to the definition, valuation, amortisation, and depreciation of assets, specifically regulations 2002-10 of 12 December 2002 and 2004-6 of 23 November 2004 of the Comité de la Réglementation Comptable (French Accounting Regulatory Committee).

### Intangible and tangible fixed assets

Amortisations for depreciation are calculated using the straight-line method according to the estimated length of use.

- |                           |                             |
|---------------------------|-----------------------------|
| - Software                | straight-line 1 year        |
| - Fixtures and fittings   | straight-line 5 to 10 years |
| - Furniture               | straight-line 5 to 10 years |
| - IT and office equipment | straight-line 3 years       |

### Long-term investments

Long-term investments are entered onto the balance sheet at their historic value. They are broken down into subsidiary equity investments, receivables related to holdings and deposits and sureties paid. At the close of the fiscal year, the historic value is compared to the useful value, taking into account the asset portion withdrawn and the earnings trend as well as the economic interest of the group's companies. An unfavourable amount is subject to provisions for impairment of securities and loans of a financial nature.

As such, the provision for impairment of securities totalled €33,012 at 31/12/2013.

In order to avoid creating an imbalance in financial earnings and extraordinary earnings, the allocations for the fiscal year and reversal of provisions on securities pertaining to securities contributed during the fiscal year, and of which the allocations had an impact on the financial earnings of the previous fiscal years, have been recognised in extraordinary earnings.

### Trade receivables

Trade receivables and related accounts are recognised at their nominal value. Appropriate depreciation provisions determined individually were established to cover the risks of non-recovery. The amount of the provision totalled €49,641 at 31/12/2013.

### Other receivables

Receivables are valued at their nominal value. A provision for impairment is applied when the inventory value is less than the book value.

The provisions for impairment of group current accounts were reversed at 31/12/2013, given the contribution of securities of companies, and these provisions have been included in extraordinary accounts (see above).

### Marketable securities

Marketable securities are valued at purchase prices or the past month's market price, if the latter is lower. For unlisted securities, if the inventory value is lower than the probable trading value, a provision for impairment is recorded.

Marketable securities include ALTAVIA securities acquired as part of a share option plan established during the first half of 2003 and a shareholder share purchase plan in 2008, 2009, 2010, 2012, and 2013.

In euros	Gross value at 31 Dec. 2013	Depreciation at 31 Dec. 2013	Net value at 31 Dec. 2013	Net value at 31 Dec. 2012
Own shares	9 727 100		9 727 100	7 539 974
Marketable securities	0		0	1 648 856
<b>TOTAL</b>	<b>9 727 100</b>	<b>0</b>	<b>9 727 100</b>	<b>9 188 830</b>

### Stock options

The General Meeting on 20 May 2010 authorised the Board of Directors to grant, on one or more occasions, over a period of thirty-eight months, i.e. no later than 20 July 2013, stock options each giving the right to acquire a share of Altavia, within the limit of 10% of the share capital. Options may be granted to executives (as defined by Article L.225-185, paragraph 4 of the French Commercial Code) and to eligible employees who have a permanent employment contract with Altavia, as well as to only employees of companies or economic interest groups of which at least 10% of capital or voting rights are held directly or indirectly by Altavia.

Share subscription options allocated during fiscal year 2010.

GM date	Board meeting date	Number of options granted	Starting point of purchase options	Expiry date of options	Price of options
20/05/2010	16/12/2010	50 519	16/12/2014 or 01/05/2015	01/01/2015 or 16/06/2015	€72,34

Out of the 50,519 options granted in 2010, 15,829 have become null and void.

Share subscription options allocated during fiscal year 2011.

GM date	Board meeting date	Number of options granted	Starting point of purchase options	Expiry date of options	Price of options
20/05/2010	17/03/2011	8 179	01/05/2015	01/07/2015	€72,34
20/05/2010	19/05/2011	19 019	19/05/2015 or 01/11/2015	01/07/2015 or 19/11/2015	€72,34
20/05/2010	22/09/2011	2 115	01/11/2015	01/01/2016	€72,34

Out of the 29,313 options granted in 2011, 10,146 have become null and void.

Share subscription options allocated during fiscal year 2012.

GM date	Board meeting date	Number of options granted	Starting point of purchase options	Expiry date of options	Price of options
20/05/2010	28/06/2012	1 138	28/06/2016 or 01/11/2016	01/07/2016 or 28/12/2016	€74,72
20/05/2010	20/09/2012	15 858	01/11/2016	01/01/2017	€74,72

Share subscription options allocated during fiscal year 2013.

GM date	Board meeting date	Number of options granted	Starting point of purchase options	Expiry date of options	Price of options
20/05/2010	04/02/2013	5 621	01/05/2017	01/07/2017	€74,72
20/05/2010	20/06/2013	20 800	20/06/2017 or 01/11/2017	01/07/2017 or 20/12/2017	€74,87
20/05/2010	17/05/2013	9 175	01/11/2017	01/01/2018	€74,87

### Retirement payments

In France, contractual retirement payments are payable when an employee retires, if still part of the group at the retirement date. Payments are evaluated and provisioned on the basis of the employee's salary and seniority on the date of retirement, in accordance with the regulations of applicable agreements. The theoretical figures used to calculate commitments resulting from the discount rate and the wage inflation rates were 3.60% and 1.55% in 2013. The retirement age used was 65.

The social security contribution rate stood at 45%.  
The provision at 31/12/2013 totalled €322,071, i.e. an allocation of €39,005 and a corresponding deferred tax of -€13,002 for fiscal year 2013.

#### Provisions for contingencies and expenses

The company applies CRC regulation 2000-06 to its liabilities.

Provisions for contingencies and expenses are established to cover clearly defined contingencies and expenses, whether for events that have occurred or may occur due to current events. The provisions established correspond to provisions on industrial tribunal litigation risk and provisions on own shares under a free share allocation scheme and retirement payments.

#### Results for the company for the last five financial years

(Article R225-102 of the French Commercial Code)

Euros	31/12/2013	31/12/2012	31/12/2011	31/12/2010	31/12/2009
<b>Share capital at the end of the period</b>					
Share capital	3 846 411	3 918 873	3 918 873	3 918 873	3 918 873
Number of ordinary shares in issue (A)	1 282 137	1 306 291	1 306 291	1 306 291	1 306 291
<b>Operations and result for the financial year</b>					
Turnover before tax	11 552 594	10 948 497	10 721 054	12 152 807	12 751 387
Income before tax (B), employee shareholding schemes, provisions and charges on amortization, depreciation and provisions	2 024 538	4 182 209	3 734 833	2 328 019	2 286 103
Corporate income tax	-1 527 626	-576 660	-1 216 844	-1 408 354	-1 264 919
Net profit (C)	7 589 527	3 959 443	6 190 787	1 584 138	3 875 691
Provisions and charges on amortization, depreciation, provisions	-4 037 363	799 426	-1 239 110	2 152 235	-324 669
Distributed profit (D)		3 986 179	2 011 688	1 998 625	2 024 751
<b>Result per share</b>					
Result before tax, employee shareholding schemes, and provisions and charges on depreciation, amort. and provisions = (B) / (A)	1,58	3,20	2,86	1,78	1,75
Result after tax, employee shareholding schemes, and provisions and charges on depreciation, amort. and provisions	2,77	3,64	3,79	2,86	2,72
Result after tax, employee shareholding schemes and provisions and charges on depreciation, amort. and provisions = (C) / (A)	5,92	3,03	4,74	1,21	2,97
Dividend per share = (D) / (A)		3,05	1,54	1,53	1,55
<b>Workforce</b>					
Average number of salaried employees during the financial year	30	26	25	16	14
Total payroll for the financial year	3 253 393	3 363 550	3 143 052	2 814 686	2 751 205
Amounts paid in company benefits (social security, employee benefits)	1 638 835	1 431 822	1 374 802	1 269 681	1 063 696

## Other important information

#### Remuneration for managers

Remuneration paid to Altavia corporate officers totalled €1,140,207.

#### Individual Right to Training (D.I.F.)

The total volume of hours of training corresponding to rights acquired under DIF totalled 1,666 hours for the entire workforce present as at 31 December 2013.

#### Information on entries

At the end of 2000, we opted for the tax consolidation system starting from the fiscal year beginning on 1 January 2001.

Altavia heads the group. The tax consolidation scope expanded as at 01/01/2009 from the subsidiaries initially consolidated under Altavia France.

The subsidiaries within the tax consolidation scope are Altavia Europe since 1 January 2007, Altavia Newco since 1 January 2008, which became Altavia Coach in 2013, Altavia France, Altavia Paris, Altavia Nantes, Altavia Saint-Étienne, Altavia Lille, CPO, and Altavia Nantes Newco since 1 January 2009, Altavia CEI and Actipaper since 1 January 2010, and shopperMind and Bed and Breakfast since 1 January 2013.

The group's head company is liable for corporate tax, contributions related to this tax, as well as annual fixed taxation for itself and for its consolidated subsidiaries.

Each company pays tax as if it were not a group member, and any tax savings are entered into the accounts of the group's head company.

The group's taxable earnings totalled -€601,082.

These taxable earnings take the profits and losses of our subsidiaries into account.

Altavia's taxable earnings alone totalled -€400,855.

The tax savings associated with the tax consolidation recognised at ALTAVIA totalled €1,692,402 as at 31/12/2013.

Altavia incurred the tax on behalf of the companies that became profitable again as at 31/12/2013, i.e. CPO for €2,837 and Altavia CEI for €6,621.

#### Borrowed funds and financial debts

Altavia benefited from a confirmed line of credit of up to €80 m.

As at 31/12/2013, €11.6 M of this line of credit has been used.

The credit line is guaranteed in the following manner:

- a - a rate cap at 2.30% (initial notional of €10 M) on the start date of 10/04/2011, maturing 10/01/2014
- b - a rate swap at 2.95% (initial notional of €4.3 M) on the start date of 10/01/2012, maturing 10/01/2016
- c - a rate cap at 2.50% (initial notional of €3.2 M) on the start date of 10/01/2012, maturing 10/01/2016

#### List of subsidiaries and shareholdings

Financial information	Share capital	Share of capital held (in %)	Shareholders' equity	Profit or loss at close of financial year just ended	Dividends collected by the company during the year
<b>Subsidiaries and shareholdings</b>					
<b>A. Detailed information about subsidiaries and equity interests</b>					
<b>1. Subsidiaries (&gt;50% owned)</b>					
Altavia Asia	363 254	100	2 151 859	1 764 361	833 784
Altavia Europe	5 594 928	100	10 128 548	3 819 029	4 308 091
Altavia France	1 646 784	100	13 058 027	2 402 628	
Altavia International	10 000	100	10 000		
Altavia Coach	1 931 292	100	1 903 390	-27 908	
<b>2. Equity interests (5% - 50% owned)</b>					
<b>B. General information about other securities with a gross value not exceeding 1% of the capital of the company subject to publication</b>					
French subsidiaries					
Foreign subsidiaries					
Equity interests in French companies					
Equity interests in foreign companies					

# STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS FISCAL YEAR ENDED ON 31 DECEMBER 2013

Dear Shareholders,

As part of the duties assigned to us by your general meetings, we submit to you our report relating to the fiscal year ended 31 December 2013, concerning:

- our audit of the accompanying annual financial statements of Altavia
- the justification of our assessments
- the specific checks and information stipulated by law.

The annual financial statements were finalised by the board of directors. It is our duty, on the basis of our audit, to express an opinion on these financial statements.

## 1. Opinion on the annual financial statements

We carried out our audit according to the professional standards applicable in France; these standards require due diligence in order to provide reasonable assurance that the annual financial statements do not contain any major discrepancies. An audit involves using sampling or other selection methods to verify the evidence supporting the amounts and disclosures appearing in the annual financial statements. It also involves assessing the accounting principles followed, the significant estimates adopted, and the overall presentation of the financial statements. We believe that the information that we collected, on which we based our opinion, was sufficient and appropriate.

We hereby certify that, with regard to accounting principles applicable in France, the annual financial statements feature no irregularities and accurately present the assets, financial situation, and earnings of the company at the end of this fiscal year.

## 2. Justification of our assessments

Pursuant to the provisions of Article L. 823-9 of the French Commercial Code concerning the justification of our assessments, we hereby inform you that the assessments that we conducted focused on the appropriateness of the accounting principles applied, particularly with regard to the following items:

The "Long-term investments" note in the appendix sets out the rules and methods for assessing equity interests and receivables related to these equity interests.

We checked the suitability of the aforementioned accounting methods and the information provided in the notes of the appendix and ensured that they were correctly applied.

The assessments performed are linked to our procedure for auditing annual financial statements, taken in their entirety, and therefore contributed to the formation of our opinion expressed in the first part of this report.

## 3. Specific verifications and disclosures

We also carried out the specific checks stipulated by law, in accordance with the professional standards applicable in France.

We have no observations to make regarding the genuineness and concordance with the annual financial statements of the information given in the Board of Directors' management report and in the documents sent to the shareholders on the financial position and the annual financial statements.

In accordance with the law, we ensured that the various disclosures related to equity interests and control held, and to the identity of the holders of capital and voting rights, were communicated to you in the management report.

Neuilly-sur-Seine, 30 April 2013

The statutory auditors  
**Deloitte & Associés**

**Cabinet Angeli**

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 users. 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 annual 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 annual financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the annual financial statements. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.