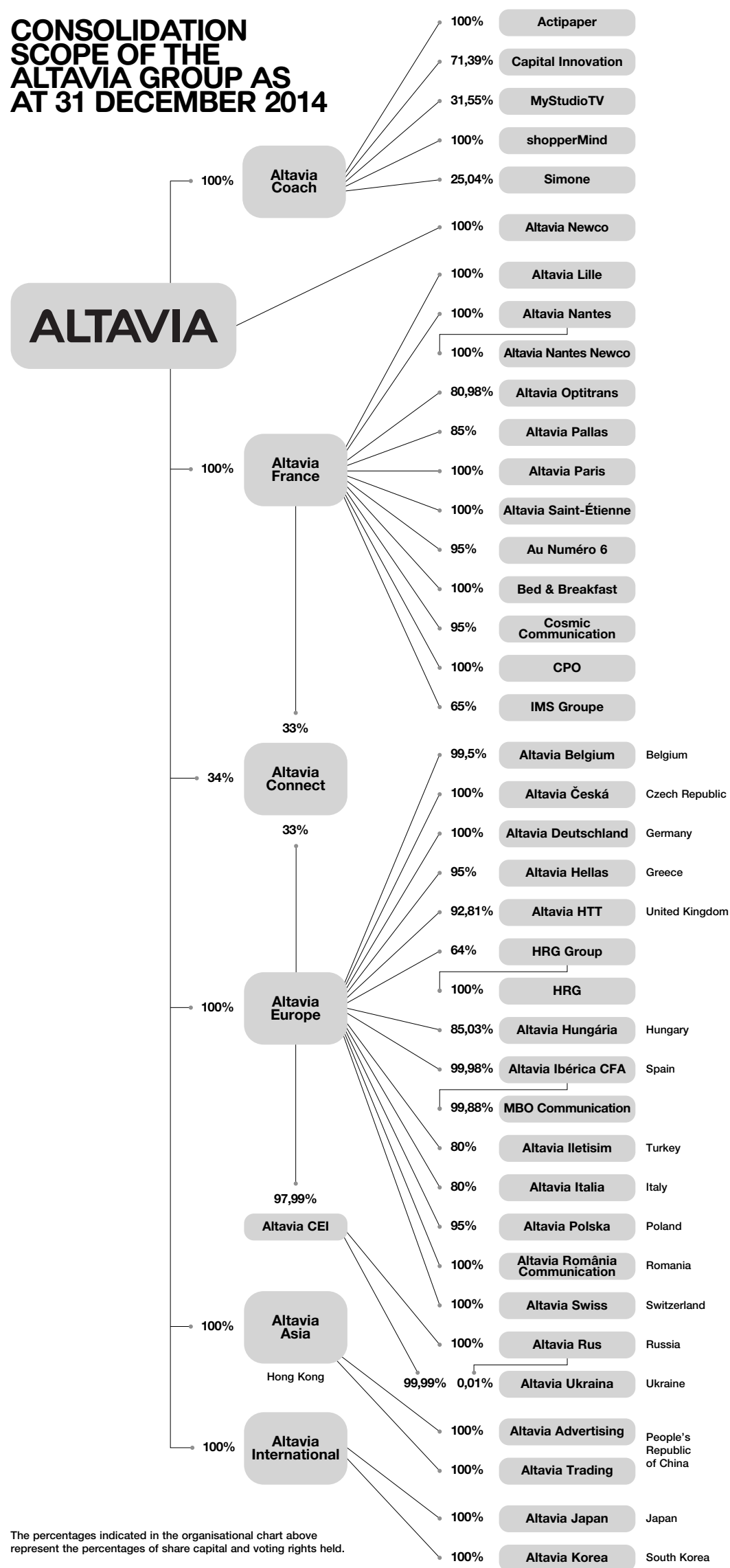




FINANCIAL REPORT

CONSOLIDATION SCOPE OF THE ALTAVIA GROUP AS AT 31 DECEMBER 2014



The percentages indicated in the organisational chart above represent the percentages of share capital and voting rights held.

CONSOLIDATED ACCOUNTS AT 31/12/2014

CONSOLIDATED BALANCE SHEET

In thousands of euros

Assets	31/12/14	31/12/13
Capital assets	33 828	28 612
Goodwill	note 3-1 24 727	23 444
Intangible fixed assets	note 3-2 486	394
Tangible fixed assets	note 3-3 6 559	3 333
Long-term investments	note 3-4 1 357	1 014
Securities accounted for under equity method	note 3-5 699	427
Current assets	232 044	193 518
Inventory and work in progress	note 3-6 21 289	19 043
Trade receivables and related accounts	note 3-7 133 517	117 384
Other receivables and accrual accounts	note 3-8 22 500	20 476
Marketable securities	note 3-9 14 274	10 525
Cash assets	40 464	26 090
Total assets	265 872	222 130
Liabilities & shareholders' equity	31/12/14	31/12/13
Shareholders' equity (group share)	note 3-10 42 449	38 679
Capital	3 846	3 846
Premiums	2 446	2 446
Consolidated reserves and earnings (1)	36 157	32 387
Minority interests	note 3-10 2 104	829
Provisions for contingencies and expenses	note 3-11 5 316	4 882
Debts	216 003	177 740
Borrowed funds and financial debts	note 3-12 28 207	14 657
Trade payables and related accounts	128 367	111 856
Other debts and accrual accounts	note 3-13 59 429	51 227
Total liabilities & shareholders' equity	265 872	222 130
(1) of which net earnings, group share, for the fiscal year	5 811	3 806

CONSOLIDATED INCOME STATEMENT

In thousands of euros

		31/12/14	31/12/13
Turnover	note 4-1	621 100	580 978
Other operating income	note 4-2	3 948	4 468
Purchases used		-541 810	-509 359
Payroll costs	note 4-3	-59 811	-55 176
Other operating expenses		-477	-2 215
Taxes and levies		-2 401	-2 550
Allocations to amortisation/depreciation and provisions	note 4-4	-3 038	-3 354
Operating earnings		17 511	12 792
Financial expenses and income	note 4-5	-183	-516
Current earnings of consolidated companies		17 328	12 276
Extraordinary expenses and income	note 4-6	-60	-24
Income tax	note 4-7	-5 921	-3 780
Net earnings of consolidated companies		11 347	8 472
Share of profit companies accounted under the equity method	note 3-5	272	9
Allocations to amortisation of goodwill		-4 857	-4 165
Net earnings of the consolidated group		6 762	4 316
Minority interests		951	510
Net earnings, group share		5 811	3 806
Group share of net earnings per share	in €	4,5	3,0
Earnings per share before allocation to goodwill amortisation	in €	8,3	6,2
Diluted earnings per share	in €	4,5	3,0
Gross income		103 283	92 596

CASH FLOW STATEMENT

In thousands of euros

	31/12/14	31/12/13
Cash flows from operations:		
Net earnings of consolidated companies after allocations and reversals for goodwill amortisation	6 490	4 307
Elimination of expenses and income with no cash flow impact or not related to operations:		
- Goodwill amortisation	4 857	4 165
- Amortisation, provisions, and reclassification of fixed assets	1 853	3 832
- Change in deferred taxes	-202	60
Cash flow from operations of consolidated companies	12 998	12 364
Change in working capital requirements for operations:		
- Inventories and work in progress	-2 246	-296
- Trade accounts receivable	-17 955	-12 159
- Trade accounts payable	24 874	7 079
Net cash flow generated from operations	17 671	6 988
Cash flow from investment operations:		
Acquisition of fixed assets	-2 452	-2 266
Disposals of fixed assets	177	21
Impact of changes in scope	-6 585	-3 062
Net cash flow from investment operations	-8 860	-5 307
Net cash flow from financing operations:		
Acquisitions and disposals of Altavia equities	0	-2 187
Dividends paid to shareholders in the parent company	-2 677	-3 595
Dividends paid to minority shareholders from consolidated companies	-594	-434
Altavia capital reduction	0	-2 000
Debt issues	8 833	-10 356
Debt repayments	-291	-57
Cash flow from financing operations	5 271	2 083
Change in cash position	14 082	3 784
Opening cash position	25 407	22 060
Closing cash position	40 043	25 407
Impact of changes in exchange rates	-554	417

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Highlights of fiscal year 2014

- Acquisition of IMS Groupe (65% owned by Altavia France)
- Creation of Altavia Japan (100% owned by Altavia International)
- Creation of Altavia Korea (100% owned by Altavia International)
- Acquisition of HRG Group (64% owned by Altavia Europe) and its subsidiary HRG (100% owned by HRG Group)
- Creation of Altavia Newco (100% owned by Altavia SA)

Events subsequent to the close

- A new line of credit of up to €135 m was signed on 7 January 2015, replacing the line of credit effective since 7 February 2011.

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 Japan	4-16-21 Shimouma, Setagaya - ku, Tokyo, Japon
Altavia Korea	Joy Tower Building 7 th Floor and 11 th Floor, 7 Teheran-ro 37-gil, Gangnam-gu SEOUL 135-915, Corée du Sud
Altavia Lille	23, rue du Molinel - 59800 Lille
Altavia Nantes	19 bis, rue La Noue Bras de Fer - 44200 Nantes
Altavia Nantes Newco	19 bis, rue La Noue Bras de Fer - 44200 Nantes
Altavia Newco	1, rue Rembrandt - 75008 Paris
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. Mlynska 48, 01-171 Varsovie - Pologne
Altavia Rus	42, Novokuznetskaya Street, bld. 5, Moscow, 115054 - Russie
Altavia România Communication	10, rue Sg. Constantin Apostol, 3 ^{ème} étage, bureau n°3 secteur 6 - Bucarest - Roumanie
Altavia Saint-Étienne	1, rue Pablo Picasso, Bâtiment l'Imprimerie - 42000 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	Anischenko 3 let B, Kiev - 01010, Ukraine
Au Numéro 6	6, rue Royale - 75008 Paris
Bed & Breakfast	6, rue Royale - 75008 Paris
Capital Innovation	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Cosmic Communication	6, rue royale - 75008 Paris
CPO	10, rue Blanqui - 93406 Saint-Ouen CEDEX
HRG Group	4, Rowan Avenue Mawley, Kettering, Northamptonshire NN14 1GP, Royaume-Uni
HRG	4, Rowan Avenue Mawley, Kettering, Northamptonshire NN14 1GP, Royaume-Uni
IMS Groupe	ZA du Bois, 4 rue du Tilleul, 59 840 Perenchies
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	31/12/14		31/12/13	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	99.50	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	92.81	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	100.00	Full consolidation
Altavia Italia	80.00	80.00	80.00	Full consolidation
Altavia Japan	100.00	100.00		Full consolidation
Altavia Korea	100.00	100.00		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 Newco	100.00	100.00		Full consolidation
Altavia Optitrans	80.98	80.98	80.98	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	97.99	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	95.00	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	95.00	Full consolidation
CPO	100.00	100.00	100.00	Full consolidation
HRG Group	64.00	64.00		Full consolidation
HRG	64.00	100.00		Full consolidation
IMS Groupe	65.00	65.00		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	31.55	Equity method
Simone	25.04	25.04	25.04	Equity method

1.2.3 Changes in the consolidation scope

The consolidation scope was modified because of the creation of Altavia Japan, Altavia Korea, and Altavia Newco and the takeover of IMS Groupe, HRG Group, as well as its subsidiary HRG.

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) after taxes 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 of takeover. 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.

The closing rates used at 31 December 2014 and at 31 December 2013 are expressed in currency units per €1:

Country	Currency	Companies	31/12/14	31/12/13
South Korea	Korean Won	Altavia Korea	1324,80	
Hong Kong	Hong Kong dollar	Altavia Asia	9,42	10,69
Hungary	Forint	Altavia Hungária	315,54	297,04
Japan	Japanese Yen	Altavia Japan	145,23	
Poland	Polish zloty	Altavia Polska	4,27	4,15
P.R. China	Yuan	Altavia Advertising	7,54	8,35
P.R. China	Yuan	Altavia Trading	7,54	8,35
Czech Republic	Czech koruna	Altavia Česká	27,74	27,43
Romania	New Romanian leu	Altavia România Communication	4,48	4,47
United Kingdom	Pound sterling	Altavia HTT	0,78	0,83
United Kingdom	Pound sterling	HRG Group	0,78	
United Kingdom	Pound sterling	HRG	0,78	
Russia	Rouble	Altavia Rus	72,34	45,32
Switzerland	Swiss franc	Altavia Swiss	1,20	1,23
Turkey	Turkish lira	Altavia Iletisim	2,83	2,96
Ukraine	Hryvnia	Altavia Ukraina	19,15	11,37

Average rates used as at 31 December 2014 and 31 December 2013 expressed in units of the currency equivalent to €1:

Country	Currency	Companies	31/12/14	31/12/13
South Korea	Korean Won	Altavia Korea	1399,03	
Hong Kong	Hong Kong dollar	Altavia Asia	10,31	10,30
Hungary	Forint	Altavia Hungária	308,70	296,94
Japan	Japanese Yen	Altavia Japan	140,38	
Poland	Polish zloty	Altavia Polska	4,18	4,20
P.R. China	Yuan	Altavia Advertising	8,19	8,17
P.R. China	Yuan	Altavia Trading	8,19	8,17
Czech Republic	Czech koruna	Altavia Česká	27,54	25,99
Romania	New Romanian leu	Altavia România Communication	4,44	4,42
United Kingdom	Pound sterling	Altavia HTT	0,81	0,85
United Kingdom	Pound sterling	HRG Group	0,81	
United Kingdom	Pound sterling	HRG	0,81	
Russia	Rouble	Altavia Rus	51,01	42,33
Switzerland	Swiss franc	Altavia Swiss	1,21	1,23
Turkey	Turkish lira	Altavia Iletisim	2,91	2,53
Ukraine	Hryvnia	Altavia Ukraina	15,85	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 to recognise deferred taxes is the liabilities method: 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 as at 31 December 2014 is 33.33% (33.33% in 2013) 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 methods

2.1 Changes in valuation or presentation methods

There were no changes in assessment and presentation methods at 31 December 2014.

2.2 Valuation methods

Intangible and tangible fixed assets

Tangible and intangible fixed assets are booked at their acquisition price.

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

- Software	1 years
- Fixtures and general facilities	4 to 10 years
- Office equipment and furniture	2 or 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 rented property under assets and the corresponding financial debt under liabilities. The fixed asset was depreciated over its economic life for the group. The debt is amortised for the duration of the lease contract. The impact of the restatement on the profit and loss 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, taking into consideration the application of the applied consolidation principles.

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 depreciation 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 accounts receivable and related accounts are recorded at their nominal value. Appropriate depreciation 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 transaction denominated in foreign currencies are recorded on the income statement.

Retirement compensation

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 amount of the commitment is determined pursuant to the provisions of annex 1 of ANC recommendation no. 2013-02.

The recognition of actuarial gains is determined according to method 1, "Corridor".

The retirement age assumption is 65, and the social contribution rate assumption is 45%. Discounting and growth rates of salaries used to calculate commitments are 2.01% and 1.55% respectively at 31 December 2014 and were 3.60% and 1.55% respectively at 31 December 2013. Deferred unrecognised actuarial gains at 31 December 2014 totalled €601 K, mainly corresponding to the change in the discounting rate from 3.60% in 2013 to 2.01% in 2014. The share of the change in actuarial gains exceeding 10% of the commitment is spread out over the average length of service remaining.

The provision totalled €2,965.7 at 31 December 2014.

Provisions for contingencies and expenses

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

Tax consolidation

A tax consolidation agreement include Altavia SA, Altavia Coach, Altavia Europe, Altavia France, Altavia Paris, Altavia Lille, Altavia Nantes, Altavia Nantes Newco, Altavia Saint Etienne, Bed & Breakfast, CPO, Altavia CEI, Actipaper, Shopper Mind, Cosmic, Au Numéro 6, and Altavia International.

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 in its profit and loss 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. Services billed on the basis of fixed fees are recorded monthly.

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 to the consolidated balance sheet

3.1 Positive goodwill

In thousands of euros	31/12/14	31/12/13
Gross value at 1 st January	55 690	52 827
New goodwill for the fiscal year (1)	6 140	3 207
Transfers for the fiscal year (2)	417	344
Gross value at close	61 413	55 690
Goodwill amortisation at 1 st January	32 246	28 425
Allocations for fiscal year	4 857	4 165
Disposals for fiscal year	417	344
Goodwill amortisation	36 686	32 246
Net goodwill value at end of period	24 727	23 444

(1) In 2014, the goodwill pertains to the acquisition of IMS Groupe and HRG Group and its subsidiary HRG as well as an earn-out relating to Cosmic. In 2013, the new goodwill corresponded to the acquisition of Cosmic and Au Numéro 6, transactions on the share capital of Simone and MSTV, and minority buyouts of Altavia HTT securities.

(2) Fully amortised goodwill has been cancelled, resulting in a reduction in gross values and amortisation of €417 K as at 31 December 2014.

3.2 Intangible fixed assets

Gross values

In thousands of euros	Gross value at 31 Dec. 2013	Increases during the financial year	Reductions during the financial year	Variation in scope	Misc. movements	Gross value at 31 Dec. 2014
Preliminary expenses	3		3			0
Research and development costs	856					856
Concessions, patents, and licences	3 348	322	3	262	21	3 950
Goodwill	316					316
Other intangible fixed assets	136	22			5	163
Intangible fixed assets in progress	0					0
TOTAL	4 659	344	6	262	26	5 285

Amortisation and provisions

In thousands of euros	Amortization and provisions at 31 Dec. 2013	Provisions for financial year	Reductions during the financial year	Variation in scope	Misc. movements	Amortization and provisions at 31 Dec. 2014
Preliminary expenses	3		3			0
Research and development costs	856					856
Concessions, patents, and licences	3 060	265	3	224	7	3 553
Goodwill	218	29	3			244
Other intangible fixed assets	128	13			5	146
TOTAL	4 265	307	9	224	12	4 799

3.3 Tangible fixed assets

Gross values

In thousands of euros	Gross value at 31 Dec. 2013	Increases during the financial year	Diminutions during the financial year	Variation in scope	Misc. movements	Gross value at 31 Dec. 2014
Buildings				2 309	110	2 419
Other tangible fixed assets	12 275	1 575	358	1 278	527	15 297
Tangible fixed assets in progress	516	40	84		-472	0
Advances and deposits on fixed assets	0					0
Own fixed assets	12 791	1 615	442	3 587	165	17 716
Other leased tangible fixed assets	203	73	74		7	209
Leased tangible fixed assets	203	73	74	0	7	209
TOTAL	12 994	1 688	516	3 587	172	17 925

Amortisation and provisions

In thousands of euros	Amortization and provisions at 31 Dec. 2013	Provisions for financial year	Reductions during the financial year	Variation in scope	Misc. movements	Amortization and provisions at 31 Dec. 2014
Buildings		35		204	8	247
Other tangible fixed assets	9 482	1 119	427	711	55	10 940
Own fixed assets	9 482	1 154	427	915	63	11 187
Other leased tangible fixed assets	179					179
Leased tangible fixed assets	179	0	0	0	0	179
TOTAL	9 661	1 154	427	915	63	11 366

3.4 Long-term investments

Gross values

In thousands of euros	Gross value at 31 Dec. 2013	Increases during the financial year	Diminutions during the financial year	Variations in scope	Misc. movements	Gross value at 31 Dec. 2014
Loans		266	4			262
Other long-term investments	1 014	154	87	14		1 095
TOTAL	1 014	420	91	14	0	1 357

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. 2013	Provisions for financial year	Reductions during the financial year	Movements during the financial year	Misc. movements	Amortization and provisions at 31 Dec. 2014
Loans	0					0
Other long-term investments	0					0
TOTAL	0	0	0	0	0	0

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	262			262
Other long-term investments		1 095		1 095

3.5 Securities accounted for under equity method

In thousands of euros	31/12/14	31/12/13
Net value at 1 st January	427	476
Share capital movements		-31
Distribution of dividends		-27
Earnings for fiscal year	272	9
TOTAL	699	427

3.6 Inventory and work in progress

In thousands of euros	Gross value at 31 Dec. 2014	Depreciation at 31 Dec. 2014	Net value at 31 Dec. 2014	Net value at 31 Dec. 2013
Raw materials and supplies	1 945	519	1 426	1 175
Work in progress	19 765		19 765	17 822
Finished products	106	28	78	36
Goods	31	11	20	10
TOTAL	21 847	558	21 289	19 043

3.7 Trades receivable and related accounts

In thousands of euros	31/12/14	31/12/13	Change
Gross value	135 939	119 631	16 308
Provisions	2 422	2 247	175
Net value	133 517	117 384	16 133

Receivables are debts due in under 1 year.

3.8 Other receivables and accrual accounts (assets)

In thousands of euros	Gross value at 31 Dec. 2014	Depreciation at 31 Dec. 2014	Net value at 31 Dec. 2014	Net value at 31 Dec. 2013
Advances and deposits	1 373		1 373	1 172
Other receivables	17 581		17 581	15 680
Prepayments and deferred charges	1 304		1 304	1 584
Deferred tax debits (see note 4-8)	2 242		2 242	2 040
TOTAL	22 500	0	22 500	20 476

The various debtors have due dates within one year.

3.9 Marketable securities

In thousands of euros	Gross value at 31 Dec. 2014	Depreciation at 31 Dec. 2014	Net value at 31 Dec. 2014	Net value at 31 Dec. 2013
Own shares	9 727		9 727	9 727
Marketable securities	4 554	7	4 547	798
TOTAL	14 281	7	14 274	10 525

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 31/12/2012 after allocation of earnings	3 919	2 446	34 472	40 837	744	41 581
Capital movements (1)	-73		-1 927	-2 000		-2 000
Scope changes (2)				0	46	46
Distribution of dividends			-3 595	-3 595	-434	-4 029
Change in exchange gains			-369	-369	-37	-406
Earnings at 31/12/2013	3 806	3 806	510	4 316		
Net situation as at 31/12/2013 after allocation of earnings	3 846	2 446	32 387	38 679	829	39 508
Capital movements				0		0
Scope changes (3)				0	877	877
Distribution of dividends			-2 677	-2 677	-594	-3 271
Change in exchange gains			636	636	41	677
Earnings at 31/12/2014	5 811	5 811	951	6 762		
Net situation as at 30/06/2014 after allocation of earnings	3 846	2 446	36 157	42 449	2 104	44 553

(1) The movement on capital corresponds to the reduction of share capital following the buyback and cancellation of the shares of a minority shareholder.

(2) The changes in scope correspond to the buyout of minority shareholders of Altavia HTT and the introduction of new minority shareholders following the acquisition of Cosmic Au Numéro 6.

(3) The changes in scope correspond to the minority shareholders of IMS Groupe and HRG Group.

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 (such as those defined by Article L.225-185, paragraph 4 of the French Commercial Code) and to eligible employees having a permanent contract of employment 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.

Stock subscription options granted during fiscal 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

The period during which the options could be exercised was until previously 6 months, 4 years after their allocation. The extraordinary general meeting of 20 November 2014 increased this period to 2 years and 6 months, still 4 years after the allocation date. This extension applies to all beneficiaries. All the other terms and conditions stipulated in plan regulations will remain unchanged.

3.11 Provisions for contingencies and expenses

In thousands of euros	31/12/14	31/12/13
Provisions for contingencies	1 472	1 508
Provisions for retirement payouts	3 844	3 374
Other provisions for expenses	0	0
Sub-total of provisions for contingencies and expenses	5 316	4 882
Deferred tax credits (see note 4-8)	0	0
TOTAL	5 316	4 882

Changes in provisions for contingencies and expenses

In thousands of euros	Provisions at 1 January 2014	Allocations for fiscal year	Reversals for fiscal year	Miscellaneous movements	Exchange gain/loss	Provisions at 31 Dec. 2014
Provisions for contingencies	1 508	507	553	10		1 472
Provision for pensions	3 374	504	66	32		3 844
Provisions for expenses	0					0
TOTAL	4 882	1 011	619	42	0	5 316

Provisions for contingencies mainly pertain to commercial and employee litigation. For the France scope, retirement commitments of €3,566K were booked in a provision for €2,966K because of the share in the change in actuarial gains exceeding 10% of the commitment spread out over 9 years.

3.12 Borrowed funds and financial debts

In thousands of euros	31/12/14	31/12/13
Loans from credit institutions	23 017	13 115
Other financial debts	163	0
Bank loans and overdrafts	4 968	1 481
Accrued interest not due on loans	59	61
TOTAL	28 207	14 657

The Altavia group has a confirmed line of credit of up to €80 M (effective since 7 February 2011). As at 31/12/2014, €19.6 M of this line of credit has been used.

The credit line is guaranteed in the following manner:

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

A new line of credit of up to €135 M was signed in January 2015 as indicated in "Events subsequent to the close".

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	555	21 825	637	23 017
Other financial debts	163			163
Bank loans and overdrafts	4 968			4 968
Accrued interest not due on loans	59			59
TOTAL	5 745	21 825	637	28 207

3.13 Other debts and accrual accounts (liabilities)

In thousands of euros	31/12/14	31/12/13
Tax and social liabilities	27 922	22 998
Miscellaneous debts	9 604	7 158
Other deferred revenue	21 903	21 071
TOTAL	59 429	51 227

All debts are due in less than one year.

3.14 Off-balance sheet commitments

Issued by Altavia

- Pledge of Financial Securities Account on 60% of the shares comprising the capital of Altavia France (10,292 shares) and Altavia Europe (3,356,957 shares), 51% of the shares as from 01/01/2015 if the maximum authorised outstandings < €20,000,000.
- Buyback of company shares by Altavia SA from partners of a subsidiary, under the condition precedent of the occurrence of events, under predefined conditions.
- Comfort letter in favour of BNP Japan to guarantee a maximum overdraft authorisation of 28,000,000 yen valid until 15/07/2015.

Issued by Altavia France

- Buyback of shares by Altavia France with value by mutual agreement or according to experts from the executive of subsidiaries in case of death, incapacity, or departure from the Group.
- Earn-out of €750,000 for fiscal year 2014, to be paid under a condition precedent of the achievement of goals, under predefined conditions, to a former partner of acquired companies, no later than 15/07/2015.
- Earn-outs of €162,500 for fiscal year 2014, to be paid under conditions precedent of the achievement of goals, under predefined conditions, to a former partner of a company, no later than 15/07/2015.

Issued by Altavia Europe

- Buyback of shares by Altavia Europe with value by mutual agreement or according to experts from the executive of subsidiaries in case of death, incapacity, or change in majority at Altavia SA.
- Earn-out of £790,000 for the fiscal year ending 30 June 2015, to be paid under conditions precedent of the achievement of goals, under predefined conditions, to partners of an acquired company, no later than 09/09/2015.
- Obligation to buy shares of partners of a company acquired between 12/01/2018 and 31/12/2018 inclusive and between 12/01/2019 and 31/12/2019 or within thirty (30) days after an event of change in control, under predefined conditions, no later than 31/12/2018 and within thirty (30) days after an event of change in control, under predefined conditions, no later than 31/12/2019.
- Guarantee dated 10/09/2014 in favour of Altavia Hellas, at the request of HSBC Greece (€700,000). Until 30/06/2015.

Issued by Altavia Connect

- Commitments relating to the loan agreement dated 11 July 2014, for a period of 7 years (11/07/2021). Retention on lent funds for €50,000. This sum will be retained by the borrower as cash collateral.

Received by Altavia Europe

- Assets and liabilities guarantee agreements (until 10/10/2016, 01/01/2019, and 10/10/2021), limited to the acquisition price, received from a partner of a subsidiary of the group.
- Obligation to sell shares of partners of a company acquired between 11/01/2018 and 31/11/2018 inclusive and between 11/01/2019 and 31/11/2019 or within thirty (30) days after the departure of one of the partners, under predefined conditions, no later than 30/11/2018 and within thirty (30) days after the departure of one of the partners, under predefined conditions, no later than 30/11/2019.

Received by Altavia France

- Assets and liabilities guarantee agreement (until 31/12/2015), limited to €15,000, for the period prior to 13/09/2012, received from a partner of a subsidiary of the group.
- Assets and liabilities guarantee agreement (until 31/12/ 2015), limited to the sale price received, including earn-outs received or to be received, plus €50,000, for the period prior to 18/10/12, received from the former partners of a subsidiary.
- Assets and liabilities guarantee agreement (until 28/07/2018) limited to €550,000, unless there are exceptions providing for the non-application of this ceiling, for the period prior to 29/07/2013, autonomous first-demand bank guarantee amounting to €400,000 (until 31/12/2017), autonomous first-demand bank security amounting to €400,000 (until 31/12/2017), and joint and several security on this guarantee amounting to €100,000, received from a former partner of acquired companies.
- Assets and liabilities guarantee agreement (until 06/01/2016), for the period prior to 07/01/2014, pledge agreement of a company, and first-demand bank guarantee amounting to €350,000 (until 31/03/2019) to secure the indemnification commitment received from an partner of a subsidiary.

Received by Altavia Connect

- Guarantee under the National Digital Loan Guarantee Fund for 80% of the outstanding credit signed 11 July 2014 for a total of €1,000,000.00.

Received by IMS

- Partner current account advance to be paid by one of the minority partners of the company, under predefined conditions.

Issued by Altavia Lille

- Pledge on the electric vehicle for the amount due under the lease agreement of 13 March 2014.

Issued by ShopperMind

- Return to better fortune clause, under certain conditions, with regard to the company for an amount capped at €31,160, until the close of fiscal year 2015.

Issued by Agence Cosmic (formerly Bed & Breakfast)

- Third-ranking pledging of business assets as part of a loan for a maximum of €26,000 for 5 years, until 24/08/2015.

Received by Au Numéro 6

- Lease deposit granted by Altavia France for an amount of annual rent of €89,000 excluding taxes and charges, annual charges of €15,768, land tax of €5,431, and a security deposit of €22,250, for 9 years beginning 01/04/2015, i.e., until 03/31/2024.

Issued by Altavia Belgium

- Bank guarantee in favour of the lessor for €89,120 K.

Issued by Altavia Deutschland

- Bank guarantee issued to the Swiss tax authorities (7,500 CHF).

Issued by Altavia Iberica

- First-demand bank guarantee for a total of €102,060 for 14 months, i.e., until February 2016.

Issued by HRG

- Mortgage of GBP 917,000 granted on 31 May 2012 to the Natwest bank on the Building 200, Point 15, Sandy Way, Grange Park, Northampton until 31 May 2017.
- Mortgage of GBP 228,750 granted on 22 October 2013 to the Natwest bank on the Building 200, Point 15, Sandy Way, Grange Park, Northampton and on Unit 11 Monarch Courtyard Salthouse Road, Brackmills Northampton until 21 October 2028.

4. Notes to the consolidated income statement

4.1 Breakdown of turnover by geographic region

	31/12/14		31/12/13	
	In thousands of euros	as percentage	In thousands of euros	as percentage
Sales in France	327 664	53%	316 009	54%
EU country sales	245 514	39%	217 891	38%
Sales outside the EU	47 922	8%	47 078	8%
TOTAL	621 100	100%	580 978	100%

4.2 Other operating income

In thousands of euros	31/12/14	31/12/13
Inventory production	1 800	536
Self-constructed assets		
Operating subsidies		
Reversals of operating provisions	1 095	1 406
Transfers of operating expenses	434	391
Other operating income	619	2 135
TOTAL	3 948	4 468

4.3 Payroll expenses and staff size

In thousands of euros	31/12/14	31/12/13
Personnel compensation	44 381	40 368
Social security charges	15 430	14 808
TOTAL	59 811	55 176

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

Staff size of fully consolidated companies

	31/12/14	31/12/13
FRANCE	561	561
ABROAD (outside China)	420	277
CHINA	173	165
GRAND TOTAL	1 154	1 003

4.4 Operating depreciation and provisions

In thousands of euros	31/12/14	31/12/13
Allocations to depreciation of tangible fixed assets	307	993
Allocations to depreciation of own fixed assets	1 154	1 058
Allocations to depreciation of leased tangible fixed assets	0	25
Allocations and reversals of provisions on inventories	66	72
Allocations and reversals of provisions on receivables	175	-440
Allocations and reversals of provisions for risks and operating expenses	241	240
TOTAL	1 943	1 948
of which total allocations	3 038	3 354
of which total reversals (note 4.2)	1 095	1 406

4.5 Financial expenses and income

In thousands of euros	31/12/14	31/12/13
Exchange gains and losses	87	-171
Allocations and reversals of financial provisions	0	0
Financial interest and expenses	-586	-535
Other financial income	264	169
Income from disposal of investment securities	52	21
TOTAL	-183	-516

4.6 Non-recurring expenses and income

In thousands of euros	31/12/14	31/12/13
Extraordinary income and expenses on capital operations	-23	-6
Allocations and reversals of extraordinary provisions	-32	-46
Extraordinary income and expenses on management operations	-5	28
TOTAL	-60	-24

4.7 Income tax

In thousands of euros	31/12/14	31/12/13
Taxes payable on profits	5 944	3 614
Deferred taxes	-23	166
TOTAL	5 921	3 780

4.8 Tax declaration

In thousands of euros	31/12/14
Net earnings of the consolidated entity	6 762
Allocations to amortisation of goodwill	4 857
Share of earnings from companies accounted for under the equity method	272
Income tax	5 921
Theoretical tax base	17 268
Tax rate applicable to the consolidating company	33,33
Theoretical tax	5 755
Impacts of permanent differences	854
Tax credits and other corporate tax elements	-612
Tax rate differences	-208
Capitalisation of tax loss	0
Deferred taxes not recorded on losses	132
Recognised tax	5 921

5. Miscellaneous information

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

	Audit		Audit sub-total	Other services			Grand Total
	Statutory audit, certification, examination of individual and consolidated accounts	Other related assignments and other auditing assignments		Legal, tax, social	Other	Other sub-total	
Altavia							
2014							
Deloitte	104 071	3 500	107 571			0	107 571
Angeli	27 000		27 000			0	27 000
2013							
Deloitte	71 922	3 500	75 422			0	75 422
Angeli	30 000		30 000			0	30 000
Subsidiaries							
2014							
Deloitte	271 104	3 304	274 408	9 975		9 975	284 383
MacIntyre Hudson	19 122		19 122	3 410		3 410	22 532
Eura Audit Revisa	5 000		5 000			0	5 000
2013							
Deloitte	271 128	944	272 072	14 254		14 254	286 326

BOARD OF DIRECTORS MANAGEMENT REPORT ON GROUP ACCOUNTS AT 31 DECEMBER 2014

During fiscal year 2014, Altavia SA continued the development of the Altavia group and synergies among its various subsidiaries, whose results were extremely satisfactory.

Your board of directors met six times during the fiscal year and, in particular, ruled on the following issues:

- We agreed to continue our development in Asia, beyond China and its good performance, and thus created a subsidiary in Japan and one in Korea.
- We also expanded our activity to the UK thanks to the acquisition of a new subsidiary in England, HRG.
- The Board of Directors also discussed the establishment of a new line of credit capable of ensuring the Group's development.

I. Altavia group operations in 2014

In 2014, the Altavia Group's activity increased significantly, with an 11.5% increase in gross revenue between 2014 and 2013.

Earnings and financial position

1. Earnings

Consolidated turnover amounted to €621.1 million in 2014, up sharply by 6.9% compared with 2013. The share of turnover generated outside France increased slightly to 47%.

Consolidated gross revenue (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) was €103.3 million in 2014 versus €92.6 million in 2013. It grew significantly thanks to organic growth and gains of structuring customers as well as acquisitions made during 2014 (IMS and HRG).

Operating earnings amounted to €17.5 million in 2014, a strong increase compared with €12.8 million in 2013. The rate of EBIT to Group Gross Revenue therefore reached 17% in 2014 thanks in particular to the Group's growth and good cost control.

Financial earnings continued to improve in 2014 (-€0.2 million compared with -€0.5 million in 2013).

Following a moderate increase in allocations to goodwill amortisation, and despite an increase in tax expenses, consolidated net earnings improved to €6.8 million in 2014.

2. Financial position

Consolidated shareholders' equity amounted to €44.6 million at 31 December 2014 compared with €39.5 million at 31 December 2013. The group's share of shareholders' equity was €42.4 million versus €38.7 million at 31 December 2013. This change is explained in particular by the strong positive contribution of earnings for the fiscal year and a stable dividend distribution policy.

Gross financial debt increased to €28.2 million at the end of 2014 versus €14.7 million at the end of 2013. The gross debt/equity ratio for the group (gross loans and financial debts over consolidated shareholders' equity) amounted to 63.3% at 31 December 2014. At 31 December 2014, gross financial debt included €19.6 million in usage of the line of credit. This usage corresponds to the amount of the loan put in place as part of the line of credit signed on 7 January 2015 for up to €135 million.

Consolidated available cash of the Altavia group (excluding treasury shares) increased significantly to €45 million at 31 December 2014 versus €26.9 million at 31 December 2013, following the €19.6 million drawdown on the line of credit.

In total, net cash (investments and available cash, excluding treasury shares, less gross loans and financial debts) at 31 December 2014 increased slightly to €16.8 million versus €12.2 million at 31 December 2013 thanks to an increase in WCR at the end of the year.

Events subsequent to the close

A new line of credit of up to €135 million was signed by the company on 7 January 2015 to ensure the financing needs envisaged for the entire group. It replaced the line of credit effective since 7 January 2011.

II. Outlook

To support changes in the marketplace and strengthen ties with the new proactive consumers, Altavia SA has developed a range of services through its group to cover all the needs of network brands and businesses. Already with a strong presence in multi-channel content production and management of commercial communication media printing, the Altavia group will continue to strengthen its sales activation expertise in 2015 with a priority of serving its Retail customers. It is also opening up new fields of application to its expertise thanks to digital and single-channel solutions, whether in sales activation, digital production, or digital asset management. Its large network of subsidiaries allows it to offer local or global solutions depending on the needs of its customers, up to each place of purchase. Further development of the currently booming Asian activities is also an important issue. Lastly, Altavia will make the most of its healthy financial position and the new line of credit established in January 2015 to 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

In addition to leading the group, defining and managing its policy, and verifying its implementation, ALTAVIA SA performs various services for companies of the group.

Its turnover, consisting mainly of income from services and rebilling of real estate rents, amounted to €12,064,498.68 versus €11,552,593.72 in 2013. Other income totalled €14,109.96 versus €30,102.66 in 2013. After accounting for €10,408,137.44 in operating expenses, operating earnings in 2014 amounted to €1,670,471.20 compared with €1,177,055.31 for 2013.

Financial earnings amounted to €5,269,361.76 in 2014 compared with €4,808,159.97 in 2013.

Earnings before tax and extraordinary items totalled €6,088,930.95 compared with €5,971,145.02 for fiscal year 2013.

Extraordinary earnings totalled €[60,638.73] compared with €90,756.07 in 2013.

In 2014, Altavia SA's tax expense was €[42,904.00]. The tax expense was negative in 2013 at €1,527,626.00. Net earnings for fiscal year 2014 amounted to €5,985,388.22 compared with €7,589,527.09 in 2013.

Altavia Newco, wholly owned by Altavia, has opted for the tax consolidation scheme as from 1 January 2015 and belongs to the same scope.

All the French companies of the Altavia Group, apart from Altavia Optitrans, MyStudioFactory, Capital Innovation, Pallas, IMS Groupe, and Simone, are more than 95% directly or indirectly held at 7 January 2014 by Altavia SA and are therefore part of its tax consolidation scope.

By decision of the general meeting of shareholders of 18 December 2014, the company made an extraordinary distribution taken from "Other reserves".

The terms of the Statutory Auditor, Deloitte et associés, and the Alternate Statutory Auditor, BEAS, were renewed for a period of six fiscal years, ending following the general meeting of shareholders ruling on the accounts for fiscal year 2019, which will meet in 2020.

The terms as board member of Catherine Dunand and ViTEAM, represented by Mr Sébastien Reydon, were renewed for a period of six years, i.e., until the end of the general meeting called to rule on the accounts for fiscal year 2019, to be held in 2020.

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

Vincent Danjoux was appointed as a member of the audit committee for a period of three years, i.e., until the board meeting responsible for approving the 2017 accounts to be held in 2018.

At its meeting on 20 November 2014, the Board approved ALTEAM, a company in the process of formation, as a new shareholder of Altavia. Altavia was authorised to transfer a maximum of 43,500 shares to ALTEAM.

In order to take account of the deterioration of economic conditions, necessarily extending the reasonable period to expect to reach the overall performance goals set by the Board of Directors, the Extraordinary General Meeting decided, on 20 November 2014, without changing the performance conditions, to extend the period during which the stock options authorised by the extraordinary general meeting of 20 May 2010 may be exercised by two years. Provided that the conditions set for this purpose are met, the options will entitle the holders to purchase shares of Altavia during a period always starting from the end of a period of four years following the date of their grant by the Board of Directors and no later than two years and six months after the expiry of this four-year vesting period.

At its meeting on 18 December 2014, the Board of Directors authorised the company to enter into a global financing agreement for the group for €135 million, signed on 7 January 2015. To guarantee this loan, the shares of Altavia France and of Altavia Europe were partially pledged.

2. Earnings - Allocation

In euros	2014	2013	Change %
Turnover excl. Tax	12 064 499	11 552 594	4,43
Other income	14 110	30 103	[53,13]
Operating income	12 078 609	11 582 696	4,28
Operating expenses	10 408 137	10 405 641	0,02
Including employee-related expenses and social security contributions	5 078 988	4 892 228	3,81
Operating earnings	1 670 471	1 177 055	41,92
Joint ventures	[850 902]	[14 070]	ns
Financial earnings	5 269 362	4 808 160	9,59
Earnings before tax and extraordinary items	6 088 931	5 971 145	1,97
Extraordinary earnings	[60 639]	90 756	ns
Earnings before tax	6 028 292	6 061 901	[0,55]
Tax	42 904	[1 527 626]	ns
Earnings after tax	5 985 388	7 589 527	[21,14]

We hereby request that you approve the following allocations:

Allocation of 2014 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. €5,985,388.22:

a. Amounts to be allocated

Retained Earnings €23.289.590,52*
*(including dividends for fiscal year 2013 attached to shareholders' equity for €197,448.02)

Earnings for fiscal year 2014 €5.985.388,22

Total to be allocated €29.274.978,74

b. Allocations

Dividends €3.000.200,58
To a special reserve account with respect to Article 238bis AB of the general tax code €50.000,00
To "Retained Earnings" €26.224.778,16

The dividends attached to the 128,213 treasury shares, amounting to €300,018.42, will be booked to Retained Earnings, increasing it from €26,224,778.16 to €27,524,796.58.

The gross dividend of €3,000,200.58 to be distributed for the fiscal year is thus €2.34 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 Ordinary General Meeting convened to approve the accounts for fiscal year 2014.

In accordance with the adopted tax changes, dividends received by natural persons (with the exception of those collected as part of an equity savings plan) are subject to the following rules since 1 January 2013:

- mandatory social security contributions totalling 15.5% are withheld when the dividends are paid.
- dividends received by natural persons are subject to the progressive income tax scale after application of a 40% reduction.
- dividends, before application of the progressive income tax scale, are the subject to a mandatory 21% withholding tax. This withholding tax constitutes an advance payment on income tax, which can be applied against the income tax due the following year for the year during which it was levied. This withholding tax is refundable in case of overpayment. However, exemptions from this withholding tax on dividends received in 2015 apply to partners who are natural persons who have sent to the company a sworn statement mentioning that their reference taxable income for 2013 is less than €50,000 (for unmarried persons) and €75,000 (for those subject to joint taxation) before 30 November 2014. To qualify for this exemption on dividends received in 2016, a sworn statement regarding 2014 taxable income must be sent to the Company no later than 30 November 2015, in accordance with the provisions of Article 242 quater of the French general tax code.

The company will make the mandatory deduction at source, declare the transaction, and make the payment to the Treasury no later than the 15th 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 2015, so as to benefit from the exemption from the aforementioned deductions at source.

It is further recalled that with regard to the Company, it must pay a 3% tax in view of this distribution.

In application of article 243a 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*
2011	1.306.291 shares	€1,54	40%
2012	1.306.291 shares	€1,54	40%
2013	1.282.137 shares	€1,54	40%
	1.282.137 shares (exceptional distribution of reserves)	€1,78	40%

* Dividend eligible for the 40% reduction provided for by Article 158.3 of the French general tax code that certain natural persons may claim

3. Registered capital and shareholders

The breakdown of capital and share ownership was modified slightly during 2014.

At 31 December 2014, capital amounted to €3,846,411 comprising 1,282,137 shares with nominal value of €3 per share, 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 ⁽¹⁾ :	9.60% of the capital
Treasury shares ⁽²⁾ :	10.00% of the capital

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

At 31 December 2014, no other shareholders held, directly or indirectly, more than 5% of the registered capital or voting rights of the company.

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

4. Stock 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 giving the right to acquire a share of Altavia, within the limit of 10% of the registered capital. Options may be granted to executives (such as those defined by Article L.225-185, paragraph 4 of the French Commercial Code) and to eligible employees having a permanent contract of employment with Altavia, as well as to only employees of companies or economic interest groups of which at least 10% of the capital or voting rights are held directly or indirectly by Altavia.

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

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

At its meetings on 4 February, 20 June, and 17 July 2013, the Board of Directors granted a total of 35,596 stock options.

The Extraordinary General Meeting of 20 November 2014 decided, without changing the performance conditions, to extend the period during which the stock options authorised by the extraordinary general meeting of 20 May 2010 may be exercised by two years. Provided that the conditions set for this purpose are met, the options will entitle the holders to purchase shares of Altavia during a period always starting from the end of a period of four years following the date of their grant by the Board of Directors and no later than two years and six months after the expiry of this four-year vesting period.

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

5. Employee shareholding

Outside the aforementioned stock option plan, the company has not set up any mechanism for employee shareholding.

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

None.

7. 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 2014, Altavia did not buy back any of its own shares.

Summary table:

	Number of shares acquired by the company during the financial year 2014	Average price of shares acquired during the financial year 2014	Number of shares subscribed in the name of the company at end of the financial year 2014	Value of control shares held at 31/12/14
2014	0	€82,91	128 213	€9 727 100

8. Subsidiaries and Equity Interests

8.1 Equity investments and divestments occurring during fiscal year 2014 (direct and indirect)

In accordance with the deliberations of your board of directors and our development strategy, we continued external growth operations within the group. We thus acquired equity interests or control in the following companies during the fiscal year:

- By a document dated 10 October 2014, ALTAVIA EUROPE acquired 64% of the registered capital of HRG Group Limited, a company with a capital of £3000, divided into 3,000 shares of £1 each, whose headquarters is located at 4 Rowan Avenue, Mawsley Kettering, Northamptonshire NN14 1GP, United Kingdom.
- On 25 February 2014, a Japanese company was created, Altavia Japan KK, a public company with a capital of 9,000,000 yen whose registered office is located at 4-16-21 Shimouma, Setagaya – ku, Tokyo. This company is wholly owned by Altavia International, a simplified joint-stock company with a capital of €10,000, registered with the Paris Trade and Companies Register under number 799 401 633.
- On 28 February 2014, a Korean company was created, Altavia Korea LLC, a limited liability company with a capital of 100,000,000 won whose registered office is located at Joy Tower Building 7th Floor and 11th Floor, 7 Teheran-ro 37-gil Gangnam-gu, Seoul. This company is wholly owned by Altavia International, a simplified joint-stock company with a capital of €10,000, registered with the Paris Trade and Companies Register under number 799 401 633.

- d. On 7 January 2014, Altavia France acquired 325 shares of IMS Groupe, representing 65% of its registered capital. On 7 July 2014, Altavia France paid an earn-out as part of this acquisition.
- e. On 18 July 2014, Altavia France paid an earn-out as part of the acquisition of 95% of the shares of Cosmic Communication.
- f. In May 2014, a new simplified joint-stock company called Altavia Newco was created with a capital of €10,000, registered with the Paris Trade and Companies Register under number 803 900 612, domiciled at 1, rue Rembrandt, Paris (75008). Altavia holds a 100% stake in this company.

Lastly, we wish to specify that as Sole Shareholder of Altavia Nantes And Bed & Breakfast, Altavia France wrote off receivables in favour of these subsidiaries for €450,000 each time by decisions on 18 December 2014.

8.2 Subsidiary and equity interest operations:

The table of subsidiaries and equity interests included in the notes to the financial statements provides comprehensive information about the identity and results of the subsidiaries directly or indirectly owned by Altavia.

a. In France:

Altavia France:

The principal subsidiaries of Altavia France are: Altavia Paris, Altavia Nantes, Altavia Lille, Altavia Optitrans, Altavia Saint-Etienne, CPO, Altavia Pallas, Agence Cosmic (formerly Bed & Breakfast), Cosmic Communication, Au N°6, and IMS.

The Altavia subsidiary Altavia NewCo and the Altavia Nantes subsidiary Altavia Nantes New Co are inactive.

France's contribution to the group's consolidated turnover was €326.9 million.

Altavia Paris:

2014 was marked by structuring gains of new customers, particularly in large-scale distribution. The Company's activity was relatively stable compared with the previous year. The deployment of new offerings led to changes in the organisation that will continue into 2015.

On 1 February 2015, Louis Fraisse was appointed as salaried Managing Director of Altavia Paris.

Altavia Nantes:

The development strategy deployed in 2014 will be continued, just like the goals of enriching existing accounts, which should generate an increase in activity in 2015.

Altavia Lille:

In 2014, Altavia Lille's turnover declined slightly compared with 2013. However, the gain in new customers at the end of the year suggests the integration of new customers for 2015 and an increase in activity.

Altavia Optitrans:

Turnover at Altavia Optitrans increased slightly (€7,683,692 in 2014 versus €7,241,027 at 31 December 2013).

This slight increase in turnover explains the increase in earnings, which amounted to €363,926 versus €281,109 at 31 December 2013.

Altavia Saint-Étienne:

The company's activity in 2014 was greater than budgeted and equivalent to the preceding year. The customer gains at the end of the year suggest growth in 2015.

CPO:

The company's activity declined in 2014. Despite good cost control, the company generated an operating loss in 2014.

The Company will continue to deploy the synergies identified with the group's other Marketing Services entities.

Agence Cosmic is CPO's lessee manager for the period from 1 January to 30 June 2015.

Altavia Pallas:

2014 marked a transition in the structuring of its customer portfolio: the breakdown of income from its historical customers compared with income from new customers evolved. The profitability goals were maintained despite the commercial activity development efforts. The net profit for fiscal year 2014 was €61,365.

Altavia Cosmic (formerly Bed & Breakfast):

The Company's turnover increased compared with the previous year, related to an increase in budgets entrusted by most of its customers.

Thanks to good cost control, operating earnings were significantly higher than in 2013.

The Company will continue to deploy the synergies identified with the other Marketing Services entities of the group and signed two leasing-management contracts dated 31 December 2014:

- one with Cosmic Communication, a subsidiary of Altavia France;
- the other with CPO, a subsidiary of Altavia France.

These two contracts, entered into for the period from 1 January to 30 June 2015 at the latest, ended early through the merger of the capacities as Lessor and Lessee upon the completion of the proposed merger takeover between the parties.

Cosmic Communication:

The Company's turnover declined over the fiscal year, reflected in operating earnings, which were down over the fiscal year.

The Company will continue to deploy the synergies identified with the group's other Marketing Services entities and signed a leasing-management contract dated 31 December 2014 with B&B (newly named Agence Cosmic), a subsidiary of Altavia France.

Agence Cosmic is CPO's lessee manager for the period from 1 January to 30 June 2015.

Au Numéro 6:

The Company had a dynamic 2014 in terms of activity, which positively affected its turnover, which increased compared with the previous year.

The Company will continue to deploy the synergies identified with the group's other Marketing Services entities.

IMS:

Following its integration into the Altavia group in 2014, IMS continued its growth with an increase in turnover thanks to the consolidation of the base of historical customers and the development of the new business won at the end of 2013.

The development of synergies with the Altavia group should allow it to further accelerate its growth.

Altavia also holds a stake in Altavia Connect.

Altavia Connect (EIG):

In 2014, the EIG pursued its goal of structuring and optimising the operational and functional services provided to the group's subsidiaries.

In 2015, the EIG will continue its activity in accordance with its purpose.

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 holds stakes in Actipaper, Shopper Mind, Capital Innovation, Simone, and MyStudioFactory.

Actipaper:

The company generated €296,294.07 in turnover in fiscal year 2014, up sharply compared with 2013 (€137,558). In addition, better cost control resulted in a profit of €25,502.88.

Capital Innovation:

The company had a difficult fiscal year from a lack of activity, resulting in a loss of -€83,962.

MyStudioFactory:

The company generated very significant growth with turnover of €3,876,240, up 44% compared with last year. The company should generate a profit of €537,734.

Simone:

2014 was a year of growth with the acquisition of new large customers in the luxury sector. As a corollary of its historical offering in brand strategy and artistic direction, Simone is expanding in digital and production.

ShopperMind:

In 2014, ShopperMind continued its development focused on knowledge of the consumer without managing to achieve the volume of business allowing it to reach the operating breakeven point.

c. In Europe:

Altavia Europe's subsidiaries are: Altavia CEI, Altavia Belgium, Altavia Ceska, Altavia Deutschland, Altavia Hellas, Altavia Htt, Altavia Iberica CFA, Altavia Iletisim, Altavia Italia, Altavia Polska, Altavia Swiss, Altavia Romania Communication, Altavia Hungaria, and HRG. Note that MBO Communication is a subsidiary of Altavia Iberica 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 was €262.4 million.

- Altavia CEI is the holding company that holds the securities of Altavia Rus and Altavia Ukraina.
- Activity at Altavia Rus grew over 2014, particularly on international customers with a gain of customers allowing the subsidiary to achieve its goals.
- Altavia Ukraina had a very low level of activity due to an unstable political situation.
- Altavia Belgium experienced significant gains of new customers and a confirmation of its potential in Packaging resulting from an acquisition completed in 2012.
- Altavia Česká achieved its budget goals thanks to the enrichment of international customers.
- Altavia Deutschland gained few new customers, but existing customers, particularly international customers, remain stable and solid.
- Altavia Hellas enjoyed strong growth thanks to the development of international customers.
- Altavia Htt had a structuring year in terms of organisation, which allowed it to look to its future goals in working order.
- Altavia Ibérica CFA enjoyed a very good year in terms of both acquisition of new customers and enrichment of existing customers.
- Altavia Iletisim had a year of stabilisation of major customers and structuring of the subsidiary.
- Altavia Italia achieved its budget goals thanks to gains of new customers and a solid customer base.
- Altavia Polska had a positive year despite the low number of new customers.
- Altavia Swiss is inactive.
- Altavia România Communication managed to diversify its activities in a consistent manner thanks to the gain of new customers.
- Altavia Hungária had quite a difficult year in terms of development and offering with regard to Digital.

c. In Asia:

Altavia Beijing Advertising had a satisfactory finish to fiscal year 2014 in line with the budget. Altavia Beijing Advertising's contribution to the group's global turnover was €12,240 K.

Altavia Shanghai Trading, a subsidiary of Altavia Asia, generated €15,718 K in turnover for fiscal year 2014.

Altavia Korea and Altavia Japan, both subsidiaries of Altavia International, were created in 2014 to serve an important customer of the group located in these two countries.

9. Modifications to the presentation of financial statements or to the methods of evaluation 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 regulation no. 2014-03 of 05/06/2014 of the ANC.

10. Research and development operations

The company did not book any expenses for this type of operation during the fiscal year.

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

We hereby inform you that the accounts for the fiscal year just ended included charges amounting to €48,254 that are not deductible from taxable income as specified in Article 39-4 of the French General Tax Code. However, these charges do not have any impact due to the tax loss carry-forward.

12. 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 2013 and 2014, of the balance of debts to suppliers by due date:

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				

Operating suppliers

404	Fixed asset suppliers						
4047	Holdbacks						
405	Notes payable						
4084	Inv. not received						

Fixed asset suppliers

Amounts in euros	Nature	Balance as at 31/12/2014	Invoices not received	Due dates			
				Due	January 2015	February 2015	March 2015 and beyond
401	Operating suppliers	-160 820	-4 975	-135 871	-5 574	-14 400	
403	Notes payable						
4081	Inv. not received	-264 089	-264 089				

Operating suppliers

404	Fixed asset suppliers						
4047	Holdbacks						
405	Notes payable						
4084	Inv. not received						

Fixed asset suppliers

13. 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.

14. Agreements referred to in Articles L. 225-38 and L. 225-102-1 of the French Commercial Code

In accordance with Articles 225-38 et seq. of the French Commercial Code, we request that you approve the proposed agreements provided for in the said articles and signed during the fiscal year just ended after having been duly authorised by your Board of Directors.

It is also specified, as required under Article L. 225-102-1 of the same Code, that no Agreements were entered into during fiscal year 2014 between the Managing Director, a Deputy Managing Director, a board member, or a shareholder with more than 10% of the voting rights of the company and another company whose company directly or indirectly owns more than half of the registered capital.

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

15. Administration and control of the company

The board decided to propose to the general meeting the renewal of the terms of Daniel de Botton, Michel Duval, Pierre Milchior, and Alain Roubach as board members, for a further period of six years to end following the ordinary general meeting of shareholders called to rule on the accounts for fiscal year 2020, to be held in 2021.

The board decided to propose to the general meeting the appointment of EDRIP, represented by Pierre-Yves Poirier, as board member, for a period of six years to end following the ordinary general meeting of shareholders called to rule on the accounts for fiscal year 2020, to be held in 2021.

Lorenzo Bertagnolio was appointed as board member of the company for a term of six fiscal years ending following the ordinary general meeting called to approve the accounts for the fiscal year ending on 31 December 2020, which will be held in 2021.

Pierre-Michel Passy was appointed as Observer of the company for a term of six fiscal years ending following the ordinary general meeting called to approve the accounts for the fiscal year ending on 31 December 2020, which will be held in 2021.

François-Régis de Vulpian, member of the audit, accounts, and investment committee, was renewed as a member of the audit, accounts, and investment committee for a period of three years, i.e., until the meeting of the Altavia board of directors responsible for approving the 2017 accounts to be held in 2018.

EDRIP, represented by Pierre-Yves Poirier, was appointed as a member of the audit, accounts, and investment committee for a period of three years, i.e., until the meeting of the Altavia board of directors responsible for approving the 2017 accounts to be held in 2018.

Pierre-Michel Passy was appointed as a member of the nomination and remuneration committee for a period of three years, i.e., until the meeting of the Altavia board of directors responsible for approving the 2017 accounts to be held in 2018.

The terms of Angeli SARL, Statutory Auditor, and Bertrand Dubel, Alternate Statutory Auditor, having expired, it was decided to propose their renewal for a term of six years to your General Meeting.

In addition, it is specified that the strategic orientation committee, the audit, accounts, and investments committee, as well as the nomination and remuneration committee, as part of their tasks in preparing the works and supporting the decision-making of the Board of Directors of our Company, met on a regular basis during 2014 and fulfilled their examination and advisory role in full.

16. 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 the General Meeting to approve the accounts for fiscal year 2016, then Chairman and Managing Director starting 6 January 2014 and Board Member starting 18/12/2013 and legal representative of Altavia within Altavia France.

Actipaper SA: Chairman and Managing Director and Board Member

Altavia Connect GIE: Representative of Altavia SA on the Board of Directors

Altavia Europe SAS: 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 (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).

Altavia Newco SAS: Chairman

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): Co-manager

Altavia Deutschland GmbH (German subsidiary): Co-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 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 Shangai Trading Co. Ltd (Chinese subsidiary): Chairman of the Board of Directors and Board Member

Altavia Korea LLC: Representing Board Member and Chairman

Altavia Japan KK: Chairman and Representing Board Member

HRG Group Limited: Board Member

Outside the Altavia group:

Foncière Blanqui SA: Chairman and Managing Director and Board Member

Firapa SAS: Chairman

Viateam SAS: Representative of Firapa SAS, Chairman of Viateam

SCI Rembrandt Courcelles: Co-manager

Fondiaría 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 (until 31 December 2014), 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 Executive Board

Altavia Česká SRO (Czech subsidiary): Co-manager

Altavia Deutschland GmbH (German subsidiary): Co-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

HRG Group Limited (English subsidiary): Board Member

Outside the Altavia group:

Fondiaría 78/3 srl: Board Member

Offices held by Corinne Evens

In the Altavia group:

Altavia SA: Board Member

Outside the Altavia group:

SIFFA SAS, France: Chairman

BMIP-Bethlehem: Vice-Chairman

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 Supervisory Board

ERIS Production SARL, France: Director

Montaigne Lincoln SARL, France: Director

SCI DU 34-38 Rue Camille Pelletan, France: Director

Offices held by Daniel de Botton

In the Altavia group:

Altavia SA: Board Member

Altavia France SA: Board Member

Altavia Europe SAS: Board Member

Outside the Altavia group:

SA UFIP: Chairman and Managing Director

Foncière Blanqui SA: Deputy Managing Director and Board Member

Fondiaría 78/3 Srl: Chairman and Board Member

Manager of the following SCIs (real estate partnerships): EPP Ile de France, Paradis Ile de France, Rafiloc, Suresnes Nieuport, Rugelec, Le Nil, Ivry Michelet, Scar temple, Audoen et Paul, Rhône-Alpes
 Joint manager of the following SCIs (real estate partnerships): Rembrandt-Courcelles, Eurocolombes, Colombia Finlande, Immobiliere Valmy, Immobiliere Kennedy, Paradalp, Ferber Ile de France, FDL 1, Saint-Antoine 18/30

Manager of the following SARLs (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 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 Bermau

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, in France:

Altavia SA: Board Member

Altavia France SA: Board Member

Outside the Altavia group:

Yxene SAS: Board Member until February 2014

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 (Suisse): 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: Co-manager

Majencia (mobilier de bureau): Board Member

Orige/Adduxi (Plasturgiste): Member of the Board of Directors

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)

Outside the Altavia group:

None

Offices held by Pierre Milchior

In the Altavia group:

Altavia SA: Board Member

In the ETAM group:

Held in France:

Etam SAS: Chairman

Nortex SA: Deputy Managing Director

Covi Deux SAS: Chairman

Gerset SAS: Chairman of the Board of Directors and Board Member

Elan Industries SA: Deputy Managing Director

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: Representative of Societe Belge Etam on the Board of Directors

Nora Limited: Board Member

Held outside France - China:

Shanghai Intermoda Clothing: Board Member

Shanghai Aige Clothing: Board Member

Shanghai InterMay 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 its 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

Mordka SA: Chairman of the Board of Directors

Vivar Global LTD: 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): Co-manager

Altavia Deutschland GmbH (German subsidiary): Co-manager

Altavia HTT Ltd (English subsidiary): Board Member (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 Shanghai Trading Co. Ltd (Chinese subsidiary): Board Member

Altavia Korea LLC: Representing Board Member

Altavia Japan KK: Representing Board Member

HRG Group Limited: 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 SAS: Board Member

Outside the Altavia group:

Easyvista: Board Member

Opéra Immobilier SARL: Manager

Alclan SC: Manager

Anegada Compagny SARL: Co-manager

Covent Partners SAS: Managing Director

Actovent SAS: Chairman

CFA Ort: Vice-Chairman Treasurer

Ogury LTD: Board Member

Praditus SAS: Member of the Supervisory Board

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 2014

To the 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 2014, concerning:

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

The consolidated 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 would like to bring the following points to your attention: 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 verifications and disclosures

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 and Paris, 17 April 2015

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.

ALTAVIA S.A. COMPANY ACCOUNTS

ASSETS

Euros	Gross Value	31/12/2013		31/12/2012
		Amort. & deprec.	Net Value	Net Value
Capital assets				
Intangible fixed assets				
Development costs	856 162	856 162		
Concessions, patents, and similar rights	103 539	103 539		
Goodwill (1)	1		1	1
Tangible fixed assets				
Other tangible fixed assets	3 525 586	2 477 948	1 047 637	837 191
Advances and deposits				84 020
Long-term investments (2)				
Equity interests	30 461 069	234 354	30 226 715	30 418 056
Receivables related to equity interests				7 700 275
Other fixed equity investments	76		76	76
Other long-term investm	579 148		579 148	589 163
Total (I)	35 525 580	3 672 003	31 853 577	39 628 782
Current assets				
Advances and deposits paid on orders				
				35 000
Receivables				
Trade receivables and related accounts (3)	1 670 038	49 641	1 620 397	1 432 904
Other receivables (3)	21 697 944	30 015	21 667 929	3 878 397
Marketable securities				
Own shares	9 727 100		9 727 100	9 727 100
Other securities	2 044 280		2 044 280	
Cash assets				
	1 336 346		1 336 346	424 657
Prepayments (3)	68 050		68 050	76 254
Total (II)	36 543 758	79 656	36 464 102	15 574 312
Grand Total (I + II)	72 069 338	3 751 659	68 317 679	55 203 094

(1) Of which leasehold

(2) Of which under one year (gross)

(3) Of which over one year (gross)

LIABILITIES & SHAREHOLDERS' EQUITY

Euros	Value at 31/12/2014	Value at 31/12/2013
Shareholders' equity		
Capital (of which paid: 3 846 411)	3 846 411	3 846 411
Issue, merger, contribution premiums	2 446 046	2 446 046
Reserves:		
- Legal reserve	391 888	391 888
- Regulated reserves	316 235	209 213
- Other reserves	5 493 479	885 525
Retained earnings	23 289 591	23 092 143
Earnings for the fiscal year (profit or loss)	5 985 388	7 589 527
Net position	41 769 038	38 460 753
Regulated provisions	28 045	23 119
Total (I)	41 797 083	38 483 872
Provisions		
Provisions for contingencies	201 473	162 607
Provisions for expenses	365 182	322 071
Total (II)	566 655	484 678
Debts (1)		
Borrowed funds and debts with credit institutions (2)	19 707 121	12 111 046
Miscellaneous borrowed funds and financial debts (3)	1 910 935	729 264
Trade payables and related accounts	424 909	691 237
Tax and social liabilities	2 257 726	2 266 097
Other debts	1 586 118	436 901
Total (III)	25 886 808	16 234 544
Unrealised exchange gains (IV)	67 133	
Grand Total (I - IV)	68 317 679	55 203 094
(1) Of which more than one year	850 000	1 450 000
(1) Of which less than one year	25 036 808	14 784 544
(2) Of which bank loans, overdrafts, and bank credit balances		
(3) Of which equity loans		

INCOME STATEMENT

Euros	31/12/14 Total	31/12/13 Total	Variation As amount	Variation As %
Sales of merchandise				
Production sold (goods/services) of which export: 3 989 188	12 064 499	11 552 594	511 905	4,43
Net turnover	12 064 499	11 552 594	511 905	4,43
Reversals on provisions (amortisation), transfers of charges	14 081	9 736	4 345	44,63
Other income	29	20 367	-20 338	-99,86
Total operating income (I) (1)	12 078 609	11 582 696	495 912	4,28
Operating expenses				
Other purchases and external expenses	4 606 341	4 702 965	-96 624	-2,05
Taxes, duties, and similar payments	484 887	573 665	-88 777	-15,48
Salaries and wages	3 576 487	3 253 393	323 094	9,93
Social security charges	1 502 500	1 638 835	-136 335	-8,32
Allocations to amortisation and depreciation:				
- On fixed assets: allocations to amortisation	163 882	157 181	6 701	4,26
- Allocations to provisions	43 111	39 005	4 106	10,53
Other expenses	30 928	40 597	-9 669	-23,82
Total operating expenses (II) (2)	10 408 137	10 405 641	2 496	0,02
Operating earnings (I - II)	1 670 471	1 177 055	493 416	41,92
Share of income from joint ventures				
Profit or transferred loss (III)				
Loss or transferred profit (IV)	850 902	14 070	836 832	
Financial income				
From equity interest (3)	5 612 798	5 141 875	470 924	9,16
Other interest and similar income (3)	189 722	175 736	13 986	7,96
Positive exchange differences	131 617		131 617	
Total financial income (V)	5 934 138	5 317 611	616 527	11,59
Financial expenses				
Allocations to amortisation, depreciation, and provisions	231 357	28 097	203 260	723,42
Interest and similar expenses (4)	423 599	481 324	-57 724	-11,99
Negative exchange differences	9 820	30	9 789	
Total financial expenses (VI)	664 776	509 451	155 325	30,49
Financial earnings (V - VI)	5 269 362	4 808 160	461 202	9,59
Earnings before extraordinary items and taxes (I+II+III-IV+V-VI)				
	6 088 931	5 971 145	117 786	1,97
Extraordinary income (VII)	5 131	6 920 552	-6 915 422	-99,93
Extraordinary expenses (VIII)	65 769	6 829 796	-6 764 027	-99,04
Extraordinary earnings (VII - VIII)	-60 639	90 756	-151 395	-166,82
Income tax (X)	42 904	-1 527 626	1 570 530	102,81
Total income (I+III+V+VII)	18 017 877	23 820 860	-5 802 983	-24,36
Total expenses (II+IV+VI+VIII+IX+X)	12 032 489	16 231 333	-4 198 844	-25,87
Profit or Loss (total income - total expenses)	5 985 388	7 589 527	-1 604 139	-21,14
(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		
(4) Of which interest from related entities		548		

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 31/12/2014 is 68,317,679 euros and the year's income statement, presented in a list form, shows a profit of: 5,985,388 euros.

The fiscal year lasted 12 months, covering a period from 01/01/2014 to 31/12/2014.

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

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 historic 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 ANC regulation 2014-03 of 05 June 2014.

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 general facilities	straight-line 5 to 10 years
- Furniture	straight-line 5 to 10 years
- Computer 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, historic value is compared to useful value taking into account the asset share withdrawn and the results trend as well as the economic interest of group companies. An unfavourable amount is subject to provisions for depreciation of securities and loans of a financial nature.

As such, the provision for depreciation for securities totalled €234,354 at 31/12/2014.

Clients

Trade debtors and accounts receivable were booked at their nominal value. Appropriate depreciation provisions have been established to cover the risks of non-recovery. They were determined individually. The amount of the provision totalled at €49,641 at 31/12/2014.

Other receivables

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

As such, a provision for depreciation of the group current accounts was recorded for €30,015 as at 31/12/2014.

Marketable securities

Negotiable 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 depreciation is recorded.

Negotiable 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.

En euros	Gross value at 31 Dec. 2014	Depreciation at 31 Dec. 2014	Net value at 31 Dec. 2014	Net value at 31 Dec. 2013
Own shares	9 727 100		9 727 100	9 727 100
Marketable securities	2 044 280		2 044 280	0
TOTAL	11 771 380	0	11 771 380	9 727 100

Stock options

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 (such as those defined by Article L.225-185, paragraph 4 of the French Commercial Code) and to eligible employees having a permanent contract of employment 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.

The general meeting of 20/11/2014 decided to extend the subscription option period by two years for shares allocated in 2010.

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 01/05/2017	01/01/2015 or 16/06/2017	€72,34

Of the 50,519 options allocated in 2010, 16,372 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

Of the 29,313 options allocated 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

Of the 16,996 options allocated in 2012, 2,735 have become null and void .

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	17/07/2013	9 175	01/11/2017	01/01/2018	€74,87

Of the 35,596 options allocated in 2013, 9,977 have become null and void.

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 amount of the commitment is determined pursuant to the provisions of annex 1 of ANC recommendation no. 2013-02.

The recognition of actuarial differences is determined according to method 1 of the "Corridor".

The theoretical figures used to calculate commitments resulting from the discount rate and the wage inflation rates were 2.01% and 1.55% in 2014. The retirement age assumption is 65. The rate of social contributions is 45%.

The provision at 31/12/2014 totalled €365,182, i.e. an allocation of €43,111 and a corresponding deferred tax of -€14,370 for fiscal year 2014.

CICE

Accrued income relating to the application of the CICE (Competitiveness and Employment Tax Credit) was recognised as a deduction to personnel costs.

The amount for fiscal year 2014 was €15,174.

The company did not request any pre-financing under this scheme. The use of this tax credit is in compliance with article 244 quater C of the French general tax code.

Provisions for contingencies and expenses

The company applies ANC regulation 2014-03 to its liabilities.

Provisions for contingencies and expenses are formed to cover clearly defined contingencies and expenses, whether for events that have occurred or may occur due to current events.

The provisions formed correspond to provisions on own shares under a stock option plan and retirement payments. The provision for labour dispute risk was written back for €14,081.

Résultats et autres éléments caractéristiques de la société au cours des cinq derniers exercices

(Code de commerce - Article R225-102)

Euros	31/12/2014	31/12/2013	31/12/2012	31/12/2011	31/12/2010
Share capital at the end of the period					
Share capital	3 846 411	3 846 411	3 918 873	3 918 873	3 918 873
Number of ordinary shares in issue (A)	1 282 137	1 282 137	1 306 291	1 306 291	1 306 291
Operations and result for the financial year					
Turnover before tax	12 064 499	11 552 594	10 948 497	10 721 054	12 152 807
Income before tax (B), employee shareholding schemes, provisions and charges on amortization, depreciation and provisions	6 510 434	2 024 538	4 182 209	3 734 833	2 328 019
Corporate income tax	42 904	-1 527 626	-576 660	-1 216 844	-1 408 354
Net profit (C)	5 985 388	7 589 527	3 959 443	6 190 787	1 584 138
Provisions and charges on amortization, depreciation, provisions	482 142	-4 037 363	799 426	-1 239 110	2 152 235
Distributed profit (D)	2 677 104		3 986 179	2 011 688	1 998 625
Result per share					
Result before tax, employee shareholding schemes, and provisions and charges on depreciation, amort. and provisions = (B) / (A)	5,08	1,58	3,20	2,86	1,78
Result after tax, employee shareholding schemes, and provisions and charges on depreciation, amort. and provisions	5,04	2,77	3,64	3,79	2,86
Result after tax, employee shareholding schemes and provisions and charges on depreciation, amort. and provisions = (C) / (A)	4,67	5,92	3,03	4,74	1,21
Dividend per share = (D) / (A)	2,09		3,05	1,54	1,53
Workforce					
Average number of salaried employees during the financial year	30	30	26	25	16
Total payroll for the financial year	3 576 487	3 253 393	3 363 550	3 143 052	2 814 686
Amounts paid in company benefits (social security, employee benefits)	1 502 500	1 638 835	1 431 822	1 374 802	1 269 681

Other important information**Compensation of managers**

Compensation paid to Altavia corporate officers totalled €1,210,000.

Individual Right to Training (DIF)

The total volume of hours of training corresponding to rights acquired under DIF totalled 1,636 hours for the entire workforce present as at 31 December 2014.

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 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 become Altavia Coach and Altavia France in 2013, 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, shopperMind and Bed and Breakfast since 1 January 2013, Altavia International, Cosmic Communication and Au Numero 6 since 1 January 2014.

The group's head company is liable for corporate tax and contributions related to this tax 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 €3,274,486 after allocation of losses carried forward. These taxable earnings take the profits and losses of our subsidiaries into account. The own taxable earnings of Altavia totalled €1,838,172.

The tax savings associated with the tax consolidation recorded at Altavia totalled €633,209 as at 31/12/2014. Altavia covered the tax on behalf of companies that have become profitable as at 31/12/2014, i.e., Actipaper for €9,851 and Altavia CEI for €1,185.

Borrowed funds and financial debts

The Altavia group had a confirmed line of credit of up to €80 M.

As at 31/12/2014, €19.4 M of this line of credit has been used.

The credit line is guaranteed in the following manner:

- a - an interest rate swap at 2.95% (initial notional of €4.3 m) with start date 10/01/2012, maturing 10/01/2016,
- b - a rate cap at 2.50% (initial notional of €3.2 m) with start date 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
Subsidiaries and shareholdings					
A. Detailed information about subsidiaries and holdings					
1. Subsidiaries more than 50% owned					
Altavia Asia	363 254	100	2 556 763	1 870 685	1 781 778
Altavia Europe	5 594 928	100	10 007 838	3 662 810	3 804 548
Altavia France	1 646 784	100	15 183 488	2 063 070	
Altavia International	10 000	100	-30 015	-40 015	
Altavia Coach	1 931 292	100	1 711 859	-191 530	
Altavia Newco	10 000	100	8 373	-1 627	
2. Equities interests (5% - 50% owned)					
B. General information on other securities with a gross value not exceeding 1% of the capital of the company required to publish financial statements					
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 2014

To the 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 2014, 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 would like to bring the following points to your attention:

The note "Financial fixed assets" 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, 17 April 2015

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.

