

**FINANCIAL
REPORT
2015**



ALTAVIA



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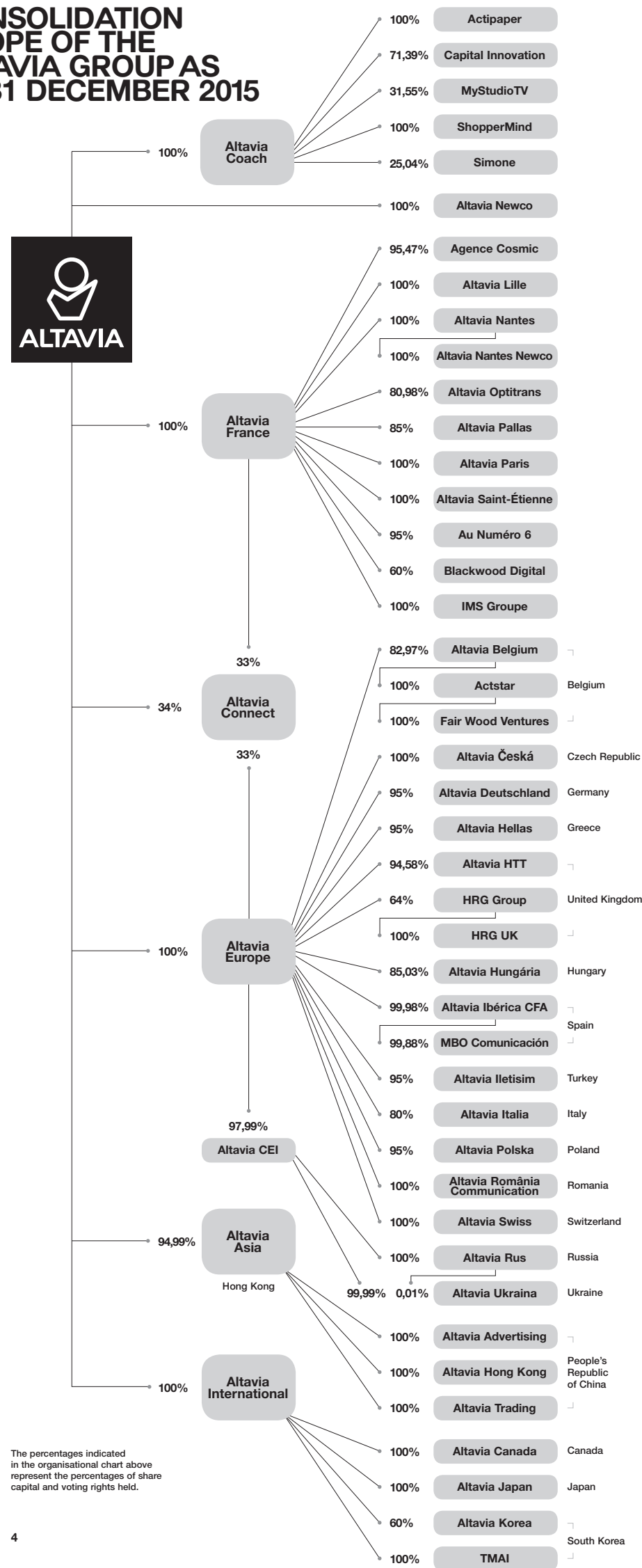
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**STATUTORY AUDITORS'
REPORT ON THE
ANNUAL FINANCIAL
STATEMENTS FISCAL
YEAR ENDED**

CONSOLIDATION SCOPE OF THE ALTAVIA GROUP AS AT 31 DECEMBER 2015



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

CONSOLIDATED ACCOUNTS AT 31/12/2015

CONSOLIDATED BALANCE SHEET

In thousands of euros

Assets	31/12/15	31/12/14	
Capital assets	33 874	33 828	
Goodwill	note 3-1 23 227	24 727	
Intangible fixed assets	note 3-2 653	486	
Tangible fixed assets	note 3-3 7 958	6 559	
Long-term investments	note 3-4 1 236	1 357	
Securities accounted for under equity method	note 3-5 800	699	
Current assets	247 379	232 044	
Inventory and work in progress	note 3-6 24 846	21 289	
Trade receivables and related accounts	note 3-7 143 658	133 517	
Other receivables and accrual accounts	note 3-8 24 011	22 500	
Marketable securities	note 3-9 15 777	14 274	
Cash assets	39 087	40 464	
Total assets	281 253	265 872	
Liabilities & shareholders' equity	31/12/15	31/12/14	
Shareholders' equity (group share)	note 3-10	45 250	42 449
Capital	3 846	3 846	
Premiums	2 446	2 446	
Consolidated reserves and earnings (1)	38 958	36 157	
Minority interests	note 3-10	2 532	2 104
Provisions for contingencies and expenses	note 3-11	6 330	5 316
Debts	227 141	216 003	
Borrowed funds and financial debts	note 3-12 31 930	28 207	
Trade payables and related accounts	135 066	128 367	
Other debts and accrual accounts	note 3-13 60 145	59 429	
Total liabilities & shareholders' equity	281 253	265 872	
(1) of which net earnings, group share, for the fiscal year	4 864	5 811	

CONSOLIDATED INCOME STATEMENT

In thousands of euros

		31/12/15	31/12/14
Turnover	note 4-1	674 805	621 100
Other operating income	note 4-2	5 248	3 948
Purchases used		-583 737	-541 810
Payroll costs	note 4-3	-69 672	-59 811
Other operating expenses		-992	-477
Taxes and levies		-2 574	-2 401
Allocations to amortisation/depreciation and provisions	note 4-4	-4 517	-3 038
Operating earnings		18 561	17 511
Financial expenses and income	note 4-5	-1 772	-183
Current earnings of consolidated companies		16 789	17 328
Extraordinary expenses and income	note 4-6	572	-60
Income tax	note 4-7	-4 813	-5 921
Net earnings of consolidated companies		12 548	11 347
Share of profit companies accounted under the equity method	note 3-5	101	272
Allocations to amortisation of goodwill		-6 144	-4 857
Net earnings of the consolidated group		6 505	6 762
Minority interests		1 641	951
Net earnings, group share		4 864	5 811
Group share of net earnings per share	in €	3,8	4,5
Earnings per share before allocation to goodwill amortisation	in €	8,6	8,3
Diluted earnings per share	in €	3,8	4,5
Gross income		118 978	103 283

CASH FLOW STATEMENT

In thousands of euros

	31/12/15	31/12/14
Cash flows from operations:		
Net earnings of consolidated companies after allocations and reversals for goodwill amortisation	6 404	6 490
Elimination of expenses and income with no cash flow impact or not related to operations:		
- Goodwill amortisation	6 144	4 857
- Amortisation, provisions, and reclassification of fixed assets	3 003	1 853
- Change in deferred taxes	-223	-202
Cash flow from operations of consolidated companies	15 328	12 998
Change in working capital requirements for operations:		
- Inventories and work in progress	-3 557	-2 246
- Trade accounts receivable	-11 429	-17 955
- Trade accounts payable	7 321	24 874
Net cash flow generated from operations	7 663	17 671
Cash flow from investment operations:		
Acquisition of fixed assets	-3 101	-2 452
Disposals of fixed assets	143	177
Impact of changes in scope	-4 233	-6 585
Net cash flow from investment operations	-7 191	-8 860
Net cash flow from financing operations:		
Acquisitions and disposals of Altavia equities	0	0
Dividends paid to shareholders in the parent company	-2 700	-2 677
Dividends paid to minority shareholders from consolidated companies	-1 586	-594
Altavia capital variation	0	0
Debt issues	5 088	8 833
Debt repayments	-411	-291
Cash flow from financing operations	391	5 271
Change in cash position	863	14 082
Opening cash position	40 043	25 407
Closing cash position	41 533	40 043
Impact of changes in exchange rates	-627	-554

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Highlights of fiscal year 2015

Merger of CPO an Cosmic with Bed & Breakfast, recently renamed Agence Cosmic

Acquisition of Tell Me About It (TMAI) (60% owned by Altavia International)

Creation of Altavia Hong Kong (100% owned by Altavia Asia)

Creation of Communication Altavia Canada (100% owned by Altavia International)

Acquisition of Actstar (100% owned by Altavia Belgium) and its subsidiary Fair Wood Ventures

Events subsequent to the close

No events.

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

Agence Cosmic	6, rue royale - 75008 Paris
Altavia (parent company)	1, rue Rembrandt - 75008 Paris
Actipaper	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Actstar	1200 Woluwe-Saint-Lambert rue Neerveld, 109, bâtiment 2 - Belgique
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 Hong Kong	Flat 7107B 71/F, International Commerce Center 1, Austin Road West Kowloon - Hong Kong
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	Calle Orense n°16, 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	6, rue Royale - 75008 Paris
Altavia Paris	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Altavia Polska	Portico Office Building, ul. Spokojna 5, Warsaw - Pologne
Altavia România Communication	178 rue Vasile Lascar, étage 2, appartement n°4, secteur 2, Bucarest - Roumanie
Altavia Rus	42, Novokuznetskaya Street, bld. 5, Moscow, 115054 - Russie
Altavia Saint-Étienne	1, rue Pablo Picasso, Bâtiment l'Imprimerie - 42000 Saint-Étienne
Altavia Swiss	Industriestrasse 47, Postfach 4461, 6304 Zug - Suisse
Altavia Trading	3 rd Floor, Block A, No. 381 Pan Yu Road, Chang Ning District, Shanghai 200052 - Chine
Altavia Ukraina	Anischenko 3 let B, Kiev - 01010 - Ukraine
Au Numéro 6	6, rue Royale - 75008 Paris
Blackwood Digital	147, rue Saint-Martin - 75003 Paris
Capital Innovation	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Communication Altavia Canada	1455, rue Drummond, bureau 2B, Montréal QC H3G 1W3 - Canada
Fair Wood Ventures	1200 Woluwe-Saint-Lambert rue Neerveld, 109, bâtiment 2 - Belgique
HRG Group Limited	4, Rowan Avenue Mawley, Kettering, Northamptonshire NN14 1GP - Royaume-Uni
HRG UK Limited	4, Rowan Avenue Mawley, Kettering, Northamptonshire NN14 1GP - Royaume-Uni
IMS Groupe	ZA du Bois, 4 rue du Tilleul - 59 840 Perenchies
MBO Comunicación	Calle Orense n°16, Madrid - Espagne
MyStudioTV	14, boulevard de la Madeleine - 75008 Paris
ShopperMind	10, rue Blanqui - 93406 Saint-Ouen CEDEX
Simone	40, rue Sainte-Anne - 75002 Paris
TMAI	N°306, 3F, Hyundai Liberty House, Hannam-dong, Yongsan-gu, Séoul - Corée du Sud

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

Companies	31/12/15		31/12/14	Consolidation method
	% holding	% of control	% holding	
Actipaper	100,00	100,00	100,00	Full consolidation
Actstar Digital	82,97	100,00		Full consolidation
Agence Cosmic	95,47	95,47	100,00	Full consolidation
Altavia (société consolidante)	100,00	100,00	100,00	Full consolidation
Altavia Advertising	94,99	100,00	100,00	Full consolidation
Altavia Asia	94,99	94,99	100,00	Full consolidation
Altavia Belgium	82,97	82,97	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	95,00	95,00	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 Hong Kong	94,99	100,00		Full consolidation
Altavia HTT	94,58	94,58	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	95,00	95,00	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	100,00	Full consolidation
Altavia Korea	100,00	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	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 România Communication	100,00	100,00	100,00	Full consolidation
Altavia Rus	97,99	100,00	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	94,99	100,00	100,00	Full consolidation
Altavia Ukraina	97,99	99,99	97,99	Full consolidation
Au Numéro 6	95,00	95,00	95,00	Full consolidation
Blackwood Digital	60,00	60,00		Full consolidation
Capital Innovation	71,39	71,39	71,39	Full consolidation
Communication Altavia Canada	100,00	100,00		Full consolidation
Cosmic Communication			95,00	Full consolidation
CPO			100,00	Full consolidation
Fair Wood Ventures	82,97	100,00		Full consolidation
HRG Group	64,00	64,00	64,00	Full consolidation
HRG UK	64,00	100,00	64,00	Full consolidation
IMS Groupe	100,00	100,00	65,00	Full consolidation
MBO Comunicación	99,86	99,88	99,86	Full consolidation
MyStudioTV	31,55	31,55	31,55	Equity method
ShopperMind	100,00	100,00	100,00	Full consolidation
Simone	25,04	25,04	25,04	Equity method
TMAI	60,00	60,00		Full consolidation

1.2.3 Change in consolidation scope

The consolidation scope has been modified on account of

- The creation of Altavia Hong Kong and Communication Altavia Canada
- The buyback of Tell Me About It (TMAI)
- The buyback of Actstar who also own the Fair Wood Ventures Branch
- The buyback of shares in Altavia HTT, IMS Group and Altavia Iletisim
- The disposal of shares in Altavia Asia and Altavia Deutschland

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 €50 K. Otherwise, it is generally amortised over a period of 1 to 15 years.

Furthermore, goodwill is analysed at the end of each fiscal year in order to evaluate its net value and to book extraordinary amortisation when the inventory value is less than the book value.

Moreover, complementary goodwill is determined when Group interest in a consolidated company increases without impacting the valuations of identified assets and liabilities on the date when control is taken. In this case, goodwill is treated as previously described.

1.2.6 Conversion of foreign companies' financial statements

At the end of the period, entries to the balance sheet of foreign companies, excluding shareholders' equity, which is maintained at historic rates, are converted using the exchange rate for the closing date. The difference is entered under the item 'exchange differential'.

Entries to the income statement are converted using the average rate for the fiscal year.

The rates used on 31 December 2015 and on 31 December 2014 are expressed in currency units per 1 €:

Closing rate

Country	Currency	31/12/15	31/12/14
Canada	Canadian Dollar	1,51	
South Korea	Korean Won	1 280,78	1 324,80
Hong Kong	Hong Kong dollar	8,44	9,42
Hungary	Forint	315,98	315,54
Japan	Japanese Yen	131,07	145,23
Poland	Polish zloty	4,26	4,27
People's Republic of China	Yuan	7,06	7,54
Czech Republic	Czech koruna	27,02	27,74
Romania	New Romanian leu	4,52	4,48
United Kingdom	Pound sterling	0,73	0,78
Russia	Rouble	80,67	72,34
Switzerland	Swiss franc	1,08	1,20
Turkey	Turkish lira	3,18	2,83
Ukraine	Hryvnia	26,17	19,15

Average rate

Country	Currency	31/12/15	31/12/14
Canada	Canadian Dollar	1,42	
South Korea	Korean Won	1 255,74	1 399,03
Hong Kong	Hong Kong dollar	8,60	10,31
Hungary	Forint	309,90	308,70
Japan	Japanese Yen	134,29	140,38
Poland	Polish zloty	4,18	4,18
People's Republic of China	Yuan	6,97	8,19
Czech Republic	Czech koruna	27,29	27,54
Romania	New Romanian leu	4,45	4,44
United Kingdom	Pound sterling	0,73	0,81
Russia	Rouble	68,01	51,01
Switzerland	Swiss franc	1,07	1,21
Turkey	Turkish lira	3,02	2,91
Ukraine	Hryvnia	24,22	15,85

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 incidence of changes in tax rate was posted in the financial year results in which the change occurred.

The tax rate used as at 31 December 2015 is 33.33% (33.33% in 2014) for French companies. In foreign countries, the tax rate complies with the taxation in force locally.

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.

No adjustments were made to current internal profits, as they did not significantly impact net earnings (margin on inventory).

Internal transfers of fixed assets from one company of the Group to another are not eliminated because of the absence of disposal gains and their minimal 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 Changements de méthodes d'évaluation ou de présentation

There were no changes in assessment and presentation methods at 31 December 2015.

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 complete. 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

Stocks of raw materials and other supplies were evaluated at their purchase price. 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

Accruals and related accounts posted under Assets comprise mainly:

- 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 I 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 2.23 % and 1.55% respectively at 31 December 2015 and were 2.01 % and 1.55% respectively at 31 December 2014.

The share of the change in actuarial gains exceeding 10% of the commitment is spread out over the average length of service remaining.

See paragraph 3.11

Provisions for risks 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-Étienne, Agence Cosmic, Altavia CEI, Actipaper, ShopperMind, Au Numéro 6, Altavia International and Altavia Newco.

The agreement stipulates that each company which is a member of the tax integration group should 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 applied to partially completed operations at the financial year closing date. The margin from such was established only upon delivery of the operation in question. Services billed on the basis of fixed fees are recorded monthly.

Gross income

Gross income is the difference between client billing and net external expenses directly related to services provided to clients and includes financially discounted revenue.

3. Notes to the consolidated balance sheet

3.1 Positive goodwill

In thousands of euros	31/12/15	31/12/14
Gross value at 1 st January	61 413	55 690
New goodwill for the fiscal year (1)	4 644	6 140
Transfers for the fiscal year (2)		417
Gross value at close	66 057	61 413
Goodwill amortisation at 1 st January	36 686	32 246
Allocations for fiscal year	6 144	4 857
Disposals for fiscal year		417
Goodwill amortisation	42 830	36 686
Net goodwill value at end of period	23 227	24 727

(1) In 2015, the goodwill pertains to the acquisition of TMI and Actstar and its subsidiary HRG as well as an earn-out relating to HRG Groups and its subsidiaries HRG, IMS Group, Altavia HTT and Iletisim. In 2014, the goodwill pertains to the acquisition of IMS Group and HRG Group and its subsidiary HRG as well as an earn-out relating to Cosmic.

(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. 2014	Increases during the financial year	Reductions during the financial year	Variation in scope	Misc. movements	Gross value at 31 Dec. 2015
Preliminary expenses	0					0
Research and development costs	856					856
Concessions, patents, and licences	3 950	459	537	225	-87	4 010
Goodwill	316					316
Other intangible fixed assets	163	29			91	283
Intangible fixed assets in progress	0					0
TOTAL	5 285	488	537	225	4	5 465

Amortisation and provisions

In thousands of euros	Amortization and provisions at 31 Dec. 2014	Provisions for financial year	Reductions during the financial year	Variation in scope	Misc. movements	Amortization and provisions at 31 Dec. 2015
Preliminary expenses	0					0
Research and development costs	856					856
Concessions, patents, and licences	3 553	523	702	157	-99	3 432
Goodwill	244	30	3			271
Other intangible fixed assets	146	15			92	253
TOTAL	4 799	568	705	157	-7	4 812

3.3 Tangible fixed assets

Gross values

In thousands of euros	Gross value at 31 Dec. 2014	Increases during the financial year	Diminutions during the financial year	Variation in scope	Misc. movements	Gross value at 31 Dec. 2015
Buildings	2 419				147	2 566
Other tangible fixed assets	15 297	2 428	586	442	103	17 684
Tangible fixed assets in progress	0	69			-62	7
Advances and deposits on fixed assets	0					0
Own fixed assets	17 716	2 497	586	442	188	20 257
Other leased tangible fixed assets	209	27	24	101		313
Leased tangible fixed assets	209	27	24	101	0	313
TOTAL	17 925	2 524	610	543	188	20 570

Amortisation and provisions

In thousands of euros	Amortization and provisions at 31 Dec. 2014	Provisions for financial year	Reductions during the financial year	Variation in scope	Misc. movements	Amortization and provisions at 31 Dec. 2015
Buildings	247	112			41	400
Other tangible fixed assets	10 940	1 302	531	278	-10	11 979
Own fixed assets	11 187	1 414	531	278	31	12 379
Other leased tangible fixed assets	179	28	18	44		233
Leased tangible fixed assets	179	28	18	44	0	233
TOTAL	11 366	1 442	549	322	31	12 612

3.4 Long-term investments

Gross values

In thousands of euros	Gross value at 31 Dec. 2014	Increases during the financial year	Diminutions during the financial year	Variations in scope	Misc. movements	Gross value at 31 Dec. 2015
Other fixed equity investments	0			10		10
Loans	262	3	195	10	11	91
Other long-term investments	1 095	86	55	9		1 135
TOTAL	1 357	89	250	29	11	1 236

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

Amortisation and provisions

In thousands of euros	Amortization and provisions at 31 Dec. 2014	Provisions for financial year	Reductions during the financial year	Movements during the financial year	Misc. movements	Amortization and provisions at 31 Dec. 2015
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	91			91
Other long-term investments		1 135		1 135

3.5 Securities accounted for under equity method

In thousands of euros	31/12/15	31/12/14
Net value at 1 st January	699	427
Share capital movements		
Distribution of dividends		
Earnings for fiscal year	101	272
TOTAL	800	699

3.6 Inventory and work in progress

In thousands of euros	Gross value at 31 Dec. 2015	Depreciation at 31 Dec. 2015	Net value at 31 Dec. 2015	Net value at 31 Dec. 2014
Raw materials and supplies	2 696	460	2 236	1 426
Work in progress	22 518		22 518	19 765
Finished products	58	27	31	78
Goods	18		18	20
Stocks in transit	43		43	
TOTAL	25 333	487	24 846	21 289

3.7 Trades receivable and related accounts

In thousands of euros	31/12/15	31/12/14	Change
Gross value	146 881	135 939	10 942
Provisions	3 223	2 422	801
Net value	143 658	133 517	10 141

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. 2015	Depreciation at 31 Dec. 2015	Net value at 31 Dec. 2015	Net value at 31 Dec. 2014
Advances and deposits	630		630	1 373
Other receivables	19 131		19 131	17 581
Prepayments and deferred charges	1 785		1 785	1 304
Deferred tax debits (see note 4-8)	2 465		2 465	2 242
TOTAL	24 011	0	24 011	22 500

The various debtors have due dates within one year.

3.9 Marketable securities

In thousands of euros	Gross value at 31 Dec. 2015	Depreciation at 31 Dec. 2015	Net value at 31 Dec. 2015	Net value at 31 Dec. 2014
Own shares	9 727		9 727	9 727
Marketable securities	6 056	6	6 050	4 547
TOTAL	15 783	6	15 777	14 274

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 31/12/2013						
after allocation of earnings	3 846	2 446	32 387	38 679	829	39 508
Capital movements				0		0
Scope changes (1)				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	5 811	5 811	951	6 762
Net situation as at 31/12/2014						
after allocation of earnings	3 846	2 446	36 157	42 449	2 104	44 553
Capital movements				0		0
Scope changes (2)				0	291	291
Distribution of dividends			-2 700	-2 700	-1 586	-4 286
Change in exchange gains			637	637	82	719
Earnings at 31/12/2015	4 864	4 864	4 864	4 864	1 641	6 505
Net situation as at 31/12/2015						
after allocation of earnings	3 846	2 446	38 958	45 250	2 532	47 782

(1) The changes in scope correspond to the minority shareholders of IMS Group and HRG Group.
(2) The changes in scope correspond to the minority shareholders of TMAI and Actistar.

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 (postponed by AG of 20/11/2014)	Price of options
20/05/2010	16/12/2010	50 519	16/12/2014	01/01/2015 or 16/06/2015 postponed by AG to 16/06/2017	€72,34
20/05/2010	17/03/2011	8 179	01/05/2015	01/07/2015 postponed by AG to 01/07/2017	€72,34
20/05/2010	19/05/2011	19 019	19/05/2015	01/07/2015 or 19/11/2015 postponed by AG to 19/11/2017	€72,34
20/05/2010	22/09/2011	2 115	01/11/2015	01/01/2016 postponed by AG to 01/01/2018	€72,34
20/05/2010	28/06/2012	1 138	28/06/2016	01/07/2016 or 28/12/2016 postponed by AG to 28/12/2018	€74,72
20/05/2010	20/09/2012	15 848	01/11/2016	01/01/2017 postponed by AG to 01/01/2019	€74,72
20/05/2010	04/02/2013	5 621	01/05/2017	01/07/2017 postponed by AG to 01/11/2019	€74,72
20/05/2010	20/06/2013	20 800	20/06/2017	01/07/2017 or 20/12/2017 postponed by AG to 20/12/2019	€74,87
20/05/2010	17/07/2013	9 175	01/11/2017	01/01/2018 postponed by AG to 01/01/2020	€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	31/12/15	31/12/14
Provisions for contingencies	1 831	1 472
Provisions for retirement payouts	4 499	3 844
Other provisions for expenses	0	0
Sub-total of provisions for contingencies and expenses	6 330	5 316
Deferred tax credits (see note 4-8)	0	0
TOTAL	6 330	5 316

Changes in provisions for contingencies and expenses

In thousands of euros	Provisions at 1 January 2015	Allocations for fiscal year	Reversals for fiscal year	Miscellaneous movements	Exchange gain/loss	Provisions at 31 Dec. 2015
Provisions for contingencies	1 472	989	630			1 831
Provision for pensions	3 844	655	21	22	-1	4 499
Provisions for expenses	0					0
TOTAL	5 316	1 644	651	22	-1	6 330

Provisions for contingencies mainly pertain to commercial and employee litigation.

For the France scope, retirement commitments of €3,280K were booked in a provision for €2,863K 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	31/12/15	31/12/14
Loans from credit institutions	28 198	23 017
Other financial debts	49	163
Bank loans and overdrafts	3 604	4 968
Accrued interest not due on loans	79	59
TOTAL	31 930	28 207

The Altavia group has a confirmed line of credit of up to 135 m€ (effective since 7 January 2015).

As of 31/12/2015, 19.7m€ of this line of credit has been used.

The credit line is guaranteed in the following manner:

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

The Group took out a new €5m amortizable loan in 2016.

Schedule of loans and debts

In thousands of euros	Debts of under 1 year	Debts from 1 to 5 years	Debts of more than 5 years	TOTAL
Loans from credit institutions	1 400	26 134	664	28 198
Other financial debts	49			49
Bank loans and overdrafts	3 604			3 604
Accrued interest not due on loans	79			79
TOTAL	5 132	26 134	664	31 930

3.13 Other debts and accrual accounts (liabilities)

In thousands of euros	31/12/15	31/12/14
Tax and social liabilities	28 659	27 922
Miscellaneous debts	10 187	9 604
Other deferred revenue	21 299	21 903
TOTAL	60 145	59 429

All debts are due in less than one year.

3.14 Off-balance sheet commitments (above €50 K)

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 31/12/2016.

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.
- Lease deposit granted to the company Au Numéro 6 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 31/03/2024.
- Additional price of €140,000, to be paid under the condition precedent of the achievement of targets concerning 2015 and 2016, under predefined conditions, to a former partner of a subsidiary of Altavia France.

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.
- Obligation to buy shares of partners of a company acquired between 01/12/2018 and 31/12/2018 inclusive and between 01/12/2019 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 09/06/2015 in favour of a subsidiary, at the request of a bank (€700,000). Until 31/12/2016.
- Purchase option permitted to the partners of an acquired company concerning the securities they hold in a subsidiary of Altavia in the event of the death of a minority partner under predefined conditions.
- Purchase option permitted to the partners of an acquired company exercisable between 1st May and 30 June of each year from 2021 and within 60 days of the occurrence of a blockage situation under predefined conditions.

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 01/11/2018 and 31/11/2018 inclusive and between 01/11/2019 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.
- Permitted sale obligation for the minority shareholders of a subsidiary to sell their securities in the case of the death of a minority shareholder to the benefit of Altavia Europe under predefined conditions.
- Permitted sale obligation for the minority shareholders in the case of the departure of a minority shareholder before 10/11/2020 under predefined conditions in the case of with-fault departure, and before or after 09/11/2020 in the case of no-fault departure under predefined conditions.
- Permitted sale obligation for the minority shareholders of a subsidiary exercisable within 60 days after the occurrence of a blockage situation or within three months before an event involving change of control under predefined conditions.
- Obligation to sell shares of the partner of a subsidiary between 17 December 2015 and 31 December 2024 or within six months of knowledge of the departure of this partner under predefined conditions.
- Obligation to sell shares of a partner of a subsidiary between 21/12/2015 and 31/12/2019 inclusive or after 31/12/2019 or within six months of knowledge of the departure of this partner or after the departure of a partner representing at least 95% of the share capital of this subsidiary under predefined conditions.
- Buyback of shares by Altavia Europe with value by mutual agreement or according to experts from the executive of subsidiaries in case of death.

Received by Altavia France

- 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 29/07/2018) 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 €100,000 (until 31/01/2017), and joint and several security on this guarantee amounting to €100,000 (until 31/01/2019) 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 a partner of a subsidiary.
- Option to buy shares of an acquired company, permitted by each of the minority partners, between 18/11/2015 and 01/01/2021 inclusive and after 31 December 2020 in the case of departure of this company or, more generally, of the Altavia Group to the benefit of Altavia France under predefined conditions.
- Option to buy shares of an acquired company, permitted by each of the minority partners in the case of death to the benefit of Altavia France under predefined conditions.
- Obligation to sell shares of an acquired company, permitted by each of the minority partners, in the case of sale of 95% of the securities and voting rights of this company.

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 Group

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

Issued by Agence Cosmic (formerly Bed & Breakfast)

- Third-ranking pledging of business assets as part of a loan for a maximum of €180,000 for 5 years, until 24/08/2015 (outstanding amount in June 2015: €6,604.42).

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 31/03/2024.

Issued by Altavia Belgium

- Bank guarantee in favour of the lessor for €89,120 K.
- Additional price in respect of the years ended 31/12/2016, 31/12/2017, 31/12/2018, 31/12/2019 and 31/12/2020 of between €20,000 and €200,000, to be paid under the condition precedent of the achievement of targets, under predefined conditions, to the partners of an acquired company.
- Assets and liabilities guarantee agreement (until 10/11/2017 or up to 30 working days after the applicable tax or social time limit), limited to 83.4% of the amount of the loss sustained, received by two partners of a subsidiary of the Group.

Received by Altavia Belgium

- Assets and liabilities guarantee agreement (exercisable at the latest 30 working days after the expiry of the tax or social time limit or at the latest 10 November 2017), limited to half of the purchase price under predefined conditions.

Issued by Altavia Deutschland

- Assets and liabilities guarantee agreement (exercisable at the latest 30 working days after the expiry of the tax or social time limit or at the latest 10 November 2017), limited to half of the purchase price under predefined conditions.

Issued by Altavia Ibérica

- 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 in favour of 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 in favour of 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.

Issued by Altavia International

- Comfort letter in favour of Dai Nippon Printing which provides services for the benefit of Altavia Japan KK to guarantee payment of invoices issued up to 31 December 2016.

4. Notes to the consolidated income statement

4.1 Breakdown of turnover by geographic region

	31/12/15		31/12/14	
	In thousands of euros	as percentage	In thousands of euros	as percentage
Sales in France	327 329	51%	327 664	53%
EU country sales	260 564	39%	245 514	39%
Sales outside the EU	66 912	10%	47 922	8%
TOTAL	674 805	100%	621 100	100%

4.2 Other operating income

In thousands of euros	31/12/15	31/12/14
Inventory production	2 516	1 800
Self-constructed assets		
Operating subsidies	22	
Reversals of operating provisions	1 116	1 095
Transfers of operating expenses	404	434
Other operating income	1 190	619
TOTAL	5 248	3 948

4.3 Payroll expenses and staff size

In thousands of euros	31/12/15	31/12/14
Personnel compensation	52 451	44 381
Social security charges	17 221	15 430
TOTAL	69 672	59 811

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

Staff size of fully consolidated companies

	31/12/15	31/12/14
FRANCE	601	561
ABROAD (outside China)	492	420
CHINA	186	173
GRAND TOTAL	1279	1 154

4.4 Operating depreciation and provisions

In thousands of euros	31/12/15	31/12/14
Allocations to depreciation of tangible fixed assets	568	307
Allocations to depreciation of own fixed assets	1 414	1 154
Allocations to depreciation of leased tangible fixed assets	28	0
Allocations and reversals of provisions on inventories	-71	66
Allocations and reversals of provisions on receivables	801	175
Allocations and reversals of provisions for risks and operating expenses	661	241
TOTAL	3 401	1 943
of which total allocations	4 517	3 038
of which total reversals (note 4.2)	1 116	1 095

4.5 Financial expenses and income

In thousands of euros	31/12/15	31/12/14
Exchange gains and losses	-578	87
Allocations and reversals of financial provisions	0	0
Financial interest and expenses	-1 386	-586
Other financial income	186	264
Income from disposal of investment securities	6	52
TOTAL	-1 772	-183

4.6 Non-recurring expenses and income

In thousands of euros	31/12/15	31/12/14
Extraordinary income and expenses on capital operations	617	-23
Allocations and reversals of extraordinary provisions	-39	-32
Extraordinary income and expenses on management operations	-6	-5
TOTAL	572	-60

4.7 Income tax

In thousands of euros	31/12/15	31/12/14
Taxes payable on profits	4 988	5 944
Deferred taxes	-175	-23
TOTAL	4 813	5 921

4.8 Tax declaration

In thousands of euros	31/12/15
Net earnings of the consolidated entity	6 505
Allocations to amortisation of goodwill	6 144
Share of earnings from companies accounted for under the equity method	101
Income tax	4 813
Theoretical tax base	17 361
Tax rate applicable to the consolidating company	33,33
Theoretical tax	5 786
Impacts of permanent differences	-270
Tax credits and other corporate tax elements	-342
Tax rate differences	-634
Capitalisation of tax loss	0
Deferred taxes not recorded on losses	272
Recognised tax	4 813

5. Miscellaneous information

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

	Audit			Other services			Grand Total
	Statutory audit, certification, examination of individual and consolidated accounts	Other related assignments and other auditing assignments	Audit sub-total	Legal, tax, social	Other	Other sub-total	
Altavia							
2015							
Deloitte	92 969		92 969			0	92 969
Angeli	27 000		27 000			0	27 000
2014							
Deloitte	104 071	3 500	107 571			0	107 571
Angeli	27 000		27 000			0	27 000
Subsidiaries							
2015							
Deloitte	298 000	2 930	300 930	5 700	4 198	9 898	310 828
MacIntyre Hudson	5 510		5 510	8 609		8 609	14 119
Eura Audit Revisa	5 000		5 000			0	5 000
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

BOARD OF DIRECTORS MANAGEMENT REPORT ON GROUP ACCOUNTS AT 31 DECEMBER 2015

During fiscal year 2015, ALTAVIA SA continued the development of the ALTAVIA group and synergies among its various subsidiaries, whose results were satisfactory.

Your Board of Directors has met five times during the fiscal year, and in particular discussed the MOVE 2020 strategic plan before validating its content and financial trajectory.

Moreover, as agreed, we continued the external growth and thus conducted 3 acquisitions: TMAI in Korea, Blackwood Digital in France and Actstar and Fair Wood Ventures in Belgium.

I. Altavia group operations in 2015

In 2015, the Altavia Group's activity clearly improved, with an 15.27% increase in gross revenue between 2015 and 2014.

Earnings and financial position

1. Earnings

Consolidated turnover amounted to €674.8 million in 2015, up by 8.7% compared with 2014. The share of turnover generated outside France increased slightly to reach 49% compared to 47% in 2014.

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 €118.9 million in 2015 versus €103.3 million in 2014. It grew significantly by a little more than half thanks to organic growth and gains of structuring customers as well as for the rest due to acquisitions made during 2015 (TMAI, Actstar and Blackwood Digital) and the effect of a year 2014 full of acquisitions (HRG).

The consolidated Gross Operating Margin amounted to €22 million in 2015, a gradual increase compared with €19.5 million in 2014. The year 2015 therefore has an EBITDA rate for the Group's Gross Income stabilized at 18.5% in 2015 for 18.8% in 2014 thanks, in particular, to the growth of the Group. The year 2015 has seen a significant increase in provisions for retirement payments and on current assets that significantly impact the operating result.

Consolidated financial loss amounted to -€1.8 million in 2015 compared to -€0.2 million in 2014. It is strongly impacted by the costs of implementation of the new credit line signed in January 2015, as well as to a lesser extent, foreign exchange losses.

Thanks to the good level of EBITDA for the year and despite an increase in financial charges and in allocations to goodwill amortization, the consolidated net earnings remains in line in 2015 to reach €6.5 million compared to €6.8 million in 2014.

2. Financial position

Consolidated shareholders' equity amounted to €47.8 million at 31 December 2015 compared with €44.6 million at 31 December 2014. The group's share of shareholders' equity was €45.3 million versus €42.4 million at 31 December 2014. This change is explained in particular by the strong positive contribution of earnings for the fiscal year and a stable dividend distribution policy.

The gross financial debt increased to €32 million by the end of 2015 compared to €28.2 million end of 2014 following the implementation of a new loan for €5 million. The gross debt/equity ratio for the group (gross loans and financial debts over consolidated shareholders' equity) amounted to 66.8% at 31 December 2015. On 31 December 2015, the gross financial debt included €19.7 million matching 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.

The Altavia group's consolidated available cash (excluding treasury shares) was in line with the past year and reached €45.1 million as at 31 December 2015.

In total, net cash (investments and available cash, excluding treasury shares, less gross loans and financial debts) at 31 December 2015 decreased slightly to €13.2 million compared to €16.8 million at 31 December 2014.

Events subsequent to the close

N/A

II. Outlook

To address the challenges related to profound changes and structuring of the distribution sector and new consumer buying patterns, Altavia SA has, through its group, developed a range of services covering all needs in commercial communication for brands and retailers. Already well established in terms of creating traffic and activating sales through multi-channel content production and management of commercial communication media printing, the Altavia group will continue in 2016 to strengthen its marketing services expertise with a priority of serving its Retail customers. It is also opening up new fields of application to its expertise thanks to digital and omni-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 clients, up to each place of purchase.

The continuation of the development of the Asian activities, currently booming, as well as the expansion of its international network to new continents, are major challenges. 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 €12,567,902.08 compared to €12,064,498.68 in 2014. Other income totalled €30.41 compared to €14,109.96 in 2014. After accounting for €12,691,462.10 in operating expenses, operating earnings in 2015 amounted to €-123.529,61 compared to 1,670,471.20 for 2014.

Financial earnings amounted to €5,758,429.43 in 2015 compared to €5,269,361.76 in 2014.

Earnings before tax and extraordinary items totalled €5,272,327.14 compared with €6,088,930.95 for the fiscal year 2014.

Extraordinary earnings totalled €-7.741,99 compared with €-60,638.73 in 2014.

In 2015, Altavia SA's tax expense was €631.708,00. The tax expense was negative in 2014 at €42,904.00.

Net earnings for fiscal year 2015 amounted to €5,896,293.15 compared with €5,985,388.22 in 2014.

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, Simone, and Blackwood Digital are more than 95% directly or indirectly held at 17 February 2015 by Altavia SA and are therefore part of its tax consolidation scope.

The terms of the Statutory Auditor, the firm Angeli Sarl, and the Alternate Statutory Auditor, Dubel, were renewed for a period of six fiscal years, ending following the general meeting of shareholders ruling on the accounts for fiscal year 2020, which will meet in 2021.

The terms as board members of Daniel de Botton, Michel Duval, Pierre Milchior and Alain Roubach, 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 2020, to be held in 2021.

The company Edmond De Rothschild Investment Partners (EDRIP), represented by Pierre-Yves Poirier and Lorenzo Bertagnolio were appointed as board members 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 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.

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.

François-Régis de Vulpien was re-appointed as a member of the audit committee for a period of three fiscal years from this day, i.e., until the Altavia board meeting responsible for approving the 2017 accounts to be held in 2018.

The company EDRIP (Edmond de Rothschild Investment Partners) represented by Pierre-Yves Poirier was appointed as member of the audit committee for a period of 3 years, i.e. until the Board of Directors closes the accounts for the fiscal year 2017 and which will take place in 2018.

Philippe Geslin resigned from his term as member of the audit committee as of 18 June 2015 given the increase in his professional obligations.

Pierre-Michel Passy was appointed as member of the Compensation Committee for a period of 3 years, i.e. until the Board of Directors closes the accounts for the fiscal year 2017 and which will take place in 2018.

The Board meeting of 12 February 2015 approved Winch Capital 3 FPCI represented by Edmond de Rothschild Investment Partners, partnership limited by shares, as a new shareholder and approved the transfer of 122.641 Altavia shares to Winch Capital 3.

The Authorization requested by the Board of Directors in order to carry out a capital increase reserved for employees, under the conditions of article L. 225-129-6 of the French Commercial Code and waiver of the shareholders' preferential right of subscription to new shares to be issued within this framework, was rejected by the General Meeting of 18 June 2015.

2. Earnings - Allocation

In euros	2015	2014	Change %
Turnover excl. Tax	12 567 902	12 064 499	4,17
Other income	30	14 110	ns
Operating income	12 567 932	12 078 609	4,05
Operating expenses	12 691 462	10 408 137	21,94
Including employee-related expenses and social security contributions	5 200 288	5 078 988	2,4
Operating earnings	[123 530]	1 670 471	ns
Joint ventures	[362 573]	[850 902]	ns
Financial earnings	5 758 429	5 269 362	9,28
Earnings before tax and extraordinary items	5 272 327	6 088 931	[13,41]
Extraordinary earnings	[7 742]	[60 639]	
Earnings before tax	6 528 001	6 028 292	5,17
Tax	[631 708]	42 904	ns
Earnings after tax	5 896 293	5 985 388	[1,49]

We hereby request that you approve the following allocations:

Allocation of 2015 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. €5,896,293.15:

a. Amounts to be allocated

Retained Earnings € 26.524.796,58*
*(including dividends for fiscal year 2014 attached to shareholders' equity for €300,018.42)

Earnings for fiscal year 2015 € 5.896.293,15

Total to be allocated € 32.421.089,73

b. Allocations

Dividend € 3.000.200,58
to a special reserve account with respect to Article 238bis AB of the general tax cod € 54.273,00
to "Retained Earnings" € 29.366.616,15

The dividends attached to the 128,213 treasury shares, amounting to €300,018.42, will be booked to Retained Earnings, increasing it from €29,366,616.15 to €29,666,634.57.

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 2015.

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 2016 apply to partners who are natural persons who have sent to the company a sworn statement mentioning that their reference taxable income for 2014 is less than €50,000 (for unmarried persons) and €75,000 (for those subject to joint taxation) before 30 November 2015. To qualify for this exemption on dividends received in 2016, a sworn statement regarding 2015 taxable income must be sent to the Company no later than 30 November 2016, 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 2016, 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*
2012	1.306.291 shares	€1,54	40%
2014	1.282.137 shares	€1,54	40%
	1.282.137 shares (exceptional distribution of reserves)	€1,78	40%
2014	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 2015.

At 31 December 2015, capital amounted to €3,846,411 comprising 1,282,137 shares with nominal value of €3 per share, distributed as follows:

Raphaël Palti:	42.17 % of capital
Firapa:	11.52% of capital
Whinch Capital 3	9.57% of capital
Lorenzo Bertagnolio:	6.81 % of capital
BNP Paribas Developpement:	6.37 % of capital
Viateam:	5.03 % of capital
Other shareholders (1):	8.53 % of capital
Treasury stock:	10.00 % of 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 2015, 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 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.

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. Treasury shares

We hereby inform you that, as at 31 December 2014, the company holds 128,213 of its own shares, or 10% of the capital.

During fiscal year 2015, Altavia did not buy back any of its own shares.

Summary table:

	Number of shares acquired by the company during the financial year 2015	Average price of shares acquired during the financial year 2015	Number of shares subscribed in the name of the company at end of the financial year 2015	Value of control shares held at 31/12/15
2015	0	€92,27	128 213	€11 830 213

8. Subsidiaries and Equity Interests

8.1 Equity investments and divestments occurring during fiscal year 2015 (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:

- On 18 November 2015, the company Altavia France acquired 60% of the share capital of the company Blackwood Digital, simplified joint stock company with a capital of €16,000, whose headquarters is located at 147, rue Saint-Martin in Paris (75003).
- On 31 December 2015, the company Altavia France also acquired the minority shareholder stake in its subsidiary IMS Group (35%) and now owns 100% of the capital of its subsidiary.
- The Belgian subsidiary of Altavia Europe company Altavia Belgium, acquired as of 9 November 2015 all of the share capital of Actstar under Belgian law, a company with a capital of 18,600 euros divided into 750 shares, and headquartered at 1200 Woluwe-Saint-Lambert - rue Neerveld, 109, bte 2, Brussels, Belgium, and its subsidiary Fair Wood Ventures under Belgian law, with a capital of 19.350 euros divided into 2,700 shares without par value. In return for these acquisitions, Anne-Catherine Triron and Azuro in particular received shares from the company Altavia Belgium: 53 category B shares and 186 category B shares, respectively.

- d. On 16 November 2015 the company Altavia Europe bought, from Madam Zeynep Necipoglu, a portion of the shares she held in the capital of Altavia Iletisim, namely 15% of the 20% she held.
- e. On 31 December 2015 Altavia Europe bought up all the shares that Mr James Reid held in the company HTT, and now holds 9,080 shares of HTT (94.58% of the capital).
- f. Altavia Europe sold 5% of its stake in Altavia Deutschland to one of the co-managers of this company, Mr Peter Schober, on 17 December 2015.
- g. On 23 March 2015, Altavia Canada, the joint stock company under Quebec law with a capital of C\$400,000 whose headquarters is located 1455, Drummond Street, office 2B in Montreal, QC H3G 1W3 in Canada was incorporated. It is now fully owned (100%) by Altavia International, company with a capital of €10,000, itself owned by the Altavia company.
- h. On 26 January 2016, Altavia Coach agreed to a capital increase to own 7.8% of the capital in Stimshop. Altavia Coach has also been awarded 26 shares with equity warrants each giving rise to the allocation of a share in the company Stimshop. Such shares with equity warrants may be exercised within a period of two years from 28 December 2015. Altavia Coach would hold 9.9% of the capital upon the exercise of these shares with equity warrants.
- i. In July 2015, Mrs Jing Legrand endorsed a capital increase of Altavia Asia to acquire 5% of the share capital of this company.
- j. On 27 April 2015, Altavia Hong Kong Limited, a limited company under Hong Kong law with a capital of 500,000 HKD, was founded. This company 100% owned by Altavia Asia is located Flat 7107 B 71/F International Commerce Center, 1 Austin Road West Kowloon in Hong Kong.
- k. On 24 April 2015, the company Altavia International acquired 60% of the share capital in TMAI, company under Korean law.

8.2 Subsidiary operations and shareholdings:

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

a. In France:

Altavia France:

The principal subsidiaries of Altavia France are: Altavia Paris, Altavia Nantes, Altavia Lille, Altavia Optitrans, Altavia Saint-Étienne, Altavia Pallas, Agence Cosmic, Au Numéro 6 and IMS Groupe, Blackwood Digital. Altavia Nantes Newco is a 100% subsidiary of Altavia Nantes.

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 €346.4 million.

Altavia Paris:

2015 was marked by structuring gains of new customers, particularly in large-scale distribution. The deployment of new offerings led to changes in the organisation that will continue into 2016.

On 1 February 2015, Louis Fraise 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 2015, Altavia Lille recorded a strong growth of its activity which is expected to continue during the year 2016 due to winning new customers.

Altavia Optitrans:

Altavia Optitrans achieved a good year in 2015 in a transport market context which remains difficult.

Altavia Saint-Étienne:

The activity of the company in 2015 rose sharply. The year 2016 should allow the development of new proposals.

Altavia Pallas:

The year 2015 was a transition year for the company that carried out a change in the breakdown of its activities and focused its efforts on winning new customers.

Agence Cosmic (anciennement dénommée Bed & Breakfast):

During the first half of 2015, the company took over the following companies:

- Cosmic Communication, a subsidiary of Altavia France;
- CPO, Altavia France subsidiary;

The year 2015 helped to start implementing the synergies resulting from this closeness.

Au Numéro 6:

The Company had a good year in 2015 and will continue to deploy the synergies identified with the group's other Marketing Services entities.

IMS:

2015 was a year of strong growth for IMS following the acquisition of structuring customers. This growth should continue in 2016.

Blackwood Digital:

This company was acquired at the end of 2015.

Altavia also holds a stake in Altavia Connect.

Altavia Connect (EIG):

In 2015, the EIG pursued its goal of structuring and optimising the operational and functional services provided to the group's subsidiaries.

In 2016, 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, ShopperMind, Capital Innovation, Simone, MyStudioFactory and Stimshop.

Actipaper:

Although the company recorded minor losses during the fiscal year 2015, it should be profitable in 2016.

Capital Innovation:

The company earned a positive Gross Operating Margin in 2015, a key year in its development.

MyStudioFactory:

The company continues its growth in the development of mobile applications and experienced strong growth in 2015.

Simone:

Simone had a good year in 2015 which contributes to validating its strategy of diversification of its traditional range.

ShopperMind:

In 2015, ShopperMind continued its development focused on knowledge of the consumer without yet managing to achieve the volume of business allowing it to reach the operating breakeven point.

Stimshop:

The acquisition took place in early 2016.

b. In Europe:

Altavia Europe's subsidiaries are: Altavia CEI, Altavia Belgium, Altavia Česká, Altavia Deutschland, Altavia Hellas, Altavia HTT, Altavia Ibérica CFA, Altavia Iletisim, Altavia Italia, Altavia Polska, Altavia Swiss, Altavia România Communication, Altavia Hungária, HRG Group.

Note that MBO Comunicación is a subsidiary of Altavia Iberica CFA and that Altavia Rus and Altavia Ukraina are subsidiaries of Altavia CEI, that HRG UK is a subsidiary of HRG Group, that Actstar is a subsidiary of Altavia Belgium and that Fair Wood Ventures is a subsidiary of Actstar.

The contribution of Altavia Europe and its subsidiaries to the group's consolidated turnover was €275.2 million.

- Altavia CEI is the holding company that holds the securities of Altavia Rus and Altavia Ukraina.
- Altavia Rus experienced an activity heavily impacted by the situation in the Russia in 2015.
- Altavia Ukraina had a very low level of activity due to an unstable political situation.
- Altavia Belgium acquired the Company Actstar, which holds the society Fair Wood Ventures. Major synergies are expected from this acquisition.
- Altavia Česká continues its development, in particular due to international customers.
- Altavia Deutschland strongly invested in 2015 to win new customers. This policy should bear fruit in 2016.
- Altavia Hellas has seen its activity strongly impacted by the economic and financial situation of the country.
- Altavia HTT and HRG are beginning to develop synergies in the English territory thanks to the complementarity of their offers
- Altavia Ibérica CFA had a very good year and continues its strong growth which lead it to relocate to new premises
- Altavia Iletisim had a fairly stable activity in a complex geopolitical context
- Altavia Italia continued its growth in 2015, which was a real transition year in its organisation and in the diversification of its offers
- Altavia Polska had a year of growth which will allow it to diversify its offer in 2016.
- 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 continued to experience difficult times in terms of development and offer with regard to Digital.

c. In Asia:

Altavia Beijing Advertising and Altavia Shanghai Trading, subsidiaries of Altavia Asia, showed a significant increase in turnover as well as the Gross Margin. The development of the company focused on acquiring new customers while developing new offers.

To accompany our Asian customers in the Hong Kong region, Altavia Hong Kong was founded and is a 100% Altavia Asia subsidiary

Altavia Korea and Altavia Japan, both subsidiaries of Altavia International were founded in 2014 and have failed to find a balance in 2015. The acquisition of TMAI in Korea should stabilize the activities in this country.

d. In America:

Altavia Canada, a 100% subsidiary Altavia International, was founded in 2015 in order to continue the Group's international development.

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 charges provided for by 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 €27,031 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 2014 and 2015, of the balance of debts to suppliers by due date:

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		424909	264 089	4 975	135 871	5 574	14 400
404	Fixed asset suppliers						
4047	Holdbacks						
4084	Inv. not received						
Fixed asset suppliers							

Amounts in euros	Nature	Balance as at 31/12/2015	Invoices not received	Due dates			
				Due	January 2016	February 2016	March 2016 and beyond
401	Operating suppliers	130 597		-24 640	165 189	-9 953	
403	Notes payable						
408	Inv. not received	477 131					
Operating suppliers		607 727		-24 640	165 189	-9 953	
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 2015 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

Michel Duval (Chairman) and Alain Roubach members of the audit, accounts, and investment committee, were renewed as a member of the audit, accounts, and investment committee, and Chairman regarding Michel Duval, for a period of three years, i.e., until the meeting of the Altavia board of directors responsible for approving the 2018 accounts to be held in 2019.

Daniel de Botton (Chairman), Raphaël Palti, Michel Duval and Alain Roubach members of the appointments and remuneration Committee were re-appointed as members of the appointments and remuneration Committee and Chairman regarding Daniel de Botton, for a period of three years, i.e., until the meeting of the Altavia board of directors responsible for approving the 2018 accounts to be held in 2019.

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 2015 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 Director, then Chairman and CEO from 6 January 2014 legal representative of ALTAVIA within the Board of Directors of 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 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) and member of the Management Committee in his own name.
 Altavia Newco SAS: Chairman
 IMS Groupe SAS: Member of the Management Committee
 Agence Cosmic SAS: Member of the Management Committee

In the Altavia group, abroad:

Altavia Belgium SA (Belgian subsidiary): Board Member and Chairman
 Altavia Hellas AE (Greek subsidiary): Board Member
 Altavia Polska Sp. z.o.o. (Polish subsidiary): Member of the Executive Board
 Altavia Česká SRO (Czech subsidiary): Joint manager
 Altavia Deutschland GmbH (German subsidiary): Joint manager
 Altavia HTT Ltd (English subsidiary): Board Member (Non-Executive Director)
 MBO Comunicación LSA (Spanish subsidiary): Director, Vice-Chairman
 Altavia Ibérica CFA (Spanish subsidiary): Director, Vice-Chairman
 Altavia Iletisim AS (Turkish subsidiary): Director, 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 (Hong Kong subsidiary): Board Member
 Altavia Beijing Advertising Co. Ltd (Chinese subsidiary): Chairman of the Board of Directors and Board Member
 Altavia Shanghai TRADING Co. Ltd (Chinese subsidiary): Chairman of the Board of Directors and Board Member
 Altavia Korea LLC (Korean subsidiary): Representing Board Member and Chairman
 Altavia Japan KK (Japanese subsidiary): Chairman and Representing Board Member
 HRG Group Limited: Board Member
 Tell Me About It (TMAI) (Korean subsidiary): Board Member
 Altavia Hong Kong Ltd (Hong Kong subsidiary): Board Member
 Communication Altavia Canada Inc. (Canadian subsidiary): Board Member

Outside the Altavia group:

Foncière Blanqui SA: Chairman and Managing Director and Board Member
 Les Ingénieurs Sociaux: Chairman (as of 08/06/2015) and member of the Management Committee
 Firapa SAS: Chairman
 SNC Terre de la Côte: Manager
 Viatteam SAS: Representative of Firapa SAS, Chairman of Viatteam
 SCI Rembrandt Courcelles: Joint manager
 Fondiaria 78/3 SRL: Board Member
 Etam Développement SCA: Member of the Supervisory Board

Association Positive Planet: Board Member
 Fondation Positive Planet: Board Member
 SAS Planet Finance Social Business: Board Member
 Star shea Limited (company under Ghanaian law): Board Member

Offices held by Lorenzo Bertagnolio

In the Altavia group, in France:

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

In the Altavia group, abroad:

Altavia Belgium SA (Belgian subsidiary): Board Member
 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): Joint manager
 Altavia Deutschland GmbH (German subsidiary): Joint manager
 Altavia HTT LTD (English subsidiary): Board Member (Non-Executive Director)
 MBO Comunicación 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
 Communication Altavia Canada (Canadian subsidiary): Board Member
 Altavia Asia (Hong Kong subsidiary): Board Member
 Altavia Japan (Japanese subsidiary): Board Member
 Tell Me About It (Korean subsidiary): Board Member
 Altavia Hong Kong LTD (Hong Kong subsidiary): Board Member

Outside the Altavia group:

Fondiaría 78/3 SRL: Board Member

Offices held by Daniel de Botton

In the Altavia group:

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

Outside the Altavia group:

SA UFIP: Chairman and Managing Director
 Foncière Blanqui SA: Deputy Managing Director and Board Member
 Fondiaria 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, Scartemple, Audoen et Paul, Rhône-Alpes, Manzabott
 Joint manager of the following SCIs (real estate partnerships): Rembrandt-Courcelles, Eurocolombes, Colombia Finlande, Immobilière Valmy, Immobilière Kennedy, Paradalp, Ferber Ile de France, FDL 1, Saint-Antoine 18/30
 Manager of the following SARL (limited liability companies): TIGRE, EPP Montreuil Beaune, EPP Montreuil Holdings, Le Raphael, EPP Varves, 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, Petinar, A&G Valcke et Cie, V De Villiers, K De Kleber, S.B. Investissements
 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:

Altavia SA: Board Member
 Altavia France: Board Member

Outside the Altavia group:

Promontoires SAS: Chairman
 Kalibox SAS: Chairman of the Board of Directors
 Novinvest Partners: Manager
 Arenadour: Member of the Supervisory Board
 Metabolic Explorer (Eurolist Company Compartment C)

Offices held by Michel Duval

In the Altavia group:

Altavia SA: Board Member
Altavia France SA: Board Member

Outside the Altavia group:

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

Offices held by EDRRIP represented by Pierre-Yves Poirier

In the Altavia group:

Altavia SA: Board Member

Outside the Altavia group:

CIGS - Groupe Segex: EDRIP Permanent Representative on the Supervisory Committee
Intescia: EDRIP Permanent Representative on the Supervisory Committee
Gamma Developpement: EDRIP Permanent Representative on the Supervisory Committee
HGR - Rougnon: Observer (non-voting board member) in its personal capacity
Ocea Participations: EDRIP Permanent Representative on the Strategic Committee
Saphymo: EDRIP Permanent Representative on the Follow-up Committee

Offices held by Corinne Evens

In the Altavia group:

Altavia SA: Board Member

Outside the Altavia group:

Fondation Evens: Chairwoman (Belgium)
SIIFFA SAS, France: Chairman
BMIP-Bethlehem: Vice-Chairman
Bold Rock Management Ltd., UK: Director
G. Evens Diamonds & Co. N. V., Belgium: Chairman
Gorolska SAS: Chairman
Link Point SA, Luxembourg: President of the Supervisory Board
Microworld, Luxembourg: Member of the Board
Positive Planet: Director
Wilcza Sp. z.o.o., Poland: Director
ERIS Production SARL, France: Director
SCI DU 34-38 Rue Camille Pelletan, France: Director

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 Société 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
Vivar Resources Limited: Board Member

Offices held by Sébastien Reydon

In the Altavia group:

Altavia SA: Representative of Viatteam SAS on the Board of Directors
Altavia France SA: Representative of Altavia SA on the Board of Directors
Altavia Europe SA: Board Member
Altavia International: Member of the Management Committee
Actipaper SA: Board Member
Agence Cosmic: Member of the Management Committee
IMS Groupe: Member of the Management Committee

In the Altavia group, abroad:

Altavia Belgium SA (Belgian subsidiary): Board Member
Altavia Hellas AE (Greek subsidiary): Board Member
Altavia Polska Sp. z.o.o. (Polish subsidiary): Member of the Executive Board
Altavia Česká SRO (Czech subsidiary): Joint manager
Altavia Deutschland GmbH (German subsidiary): Joint manager
Altavia HTT Ltd (English subsidiary): Board Member (Non-Executive Director)
MBO Comunicación 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 Limited (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
Tell Me About It (TMAI): Member of the Board of Directors
Altavia Hong Kong Limited: Board Member
Communication Altavia Canada INC.: 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: Joint manager
Covent Partners SAS: Chairman
Actovent SAS: Chairman
CFA Ort: Vice-Chairman Treasurer
Ogury LTD: Board Member
Praditus SAS: Member of the Supervisory Board
Augmentdev SAS: Board Member

Your Board invites you, after reading the reports submitted by your external auditor, to adopt the resolutions that it submits to your vote.

The Board of Directors

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FISCAL YEAR ENDED ON 31 DECEMBER 2015

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 2015, 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, 31 March 2016

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	31/12/2015		31/12/2014
		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	3 763 435	2 645 742	1 117 692	1 047 637
Long-term investments (2)				
Equity interests	30 461 069	437 661	30 023 408	30 226 715
Other fixed equity investments	76		76	76
Other long-term investm	579 695		579 695	579 148
Total (I)	35 763 976	4 043 104	31 720 872	31 853 577
Current assets				
Receivables				
Trade receivables and related accounts (3)	2 570 706	49 641	2 521 065	1 620 397
Other receivables (3)	25 746 485		25 746 485	21 667 929
Marketable securities				
Own shares	9 727 100		9 727 100	9 727 100
Other securities	4 439 118		4 439 118	2 044 280
Cash assets				
Prepayments (3)	45 340		45 340	68 050
Total (II)	43 404 872	49 641	43 355 231	36 464 102
Grand Total (I à II)	79 168 848	4 092 745	75 076 104	68 317 679
(1) Of which leasehold				
(2) Of which under one year (gross)				
(3) Of which over one year (gross)				

LIABILITIES & SHAREHOLDERS' EQUITY

Euros	Value at 31/12/2015	Value at 31/12/2014
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	366 235	316 235
- Other reserves	5 493 479	5 493 479
Retained earnings	26 524 797	23 289 591
Earnings for the fiscal year (profit or loss)	5 896 293	5 985 388
Net position	44 965 149	41 769 038
Regulated provisions	30 282	28 045
Total (I)	44 995 431	41 797 083
Provisions		
Provisions for contingencies	204 548	201 473
Provisions for expenses	410 494	365 182
Total (II)	615 042	566 655
Debts (1)		
Borrowed funds and debts with credit institutions (2)	24 789 721	19 707 121
Miscellaneous borrowed funds and financial debts (3)	1 388 439	1 910 935
Trade payables and related accounts	607 727	424 909
Tax and social liabilities	1 975 835	2 257 726
Other debts	703 909	1 586 118
Total (III)	29 465 631	25 886 808
Unrealised exchange gains (IV)		67 133
Grand Total (I à IV)	75 076 104	68 317 679
(1) Of which more than one year	4 000 000	850 000
(1) Of which less than one year	25 465 631	25 036 808
(2) Of which bank loans, overdrafts, and bank credit balances		
(3) Of which equity loans		

INCOME STATEMENT

Euros	31/12/15 Total	31/12/14 Total	Variation As amount	Variation As %
Sales of merchandise				
Production sold (goods/services) of which export: 4 265 614	12 567 902	12 064 499	503 403	4,17
Net turnover	12 567 902	12 064 499	503 404	4,17
Reversals on provisions (amortisation), transfers of charges		14 081	-14 081	-100
Other income	30	29	1,69	5,88
Total operating income (I) (1)	12 567 932	12 078 609	489 324	4,05
Operating expenses				
Other purchases and external expenses	6 625 849	4 606 341	2 019 508	43,84
Taxes, duties, and similar payments	592 671	484 887	107 784	22,23
Salaries and wages	3 663 929	3 576 487	87 442	2,44
Social security charges	1 536 358	1 502 500	33 858	2,25
Allocations to amortisation and depreciation:				
- On fixed assets: allocations to amortisation	184 450	163 882	20 568	12,55
- Allocations to provisions	45 312	43 111	2 201	5,11
Other expenses	42 893	30 928	11 965	38,69
Total operating expenses (II) (2)	12 691 462	10 408 137	2 283 325	21,94
Operating earnings (I - II)	-123 530	1 670 471	-1 794 001	-107,39
Share of income from joint ventures				
Profit or transferred loss (III)				
Loss or transferred profit (IV)	362 573	850 902	-488 329	-57,39
Financial income				
From equity interest (3)	5 853 959	5 612 798	241 161	4,30
Other interest and similar income (3)	303 158	189 722	113 436	59,79
Reversals on prov. & depreciation and transfers of expenses	40 015		40 015	
Positive exchange differences	172 923	131 617	41 306	31,38
Total financial income (V)	6 370 056	5 934 138	435 918	7,35
Financial expenses				
Allocations to amortisation, depreciation, and provisions	213 307	231 357	-18 050	-7,80
Interest and similar expenses (4)	379 534	423 599	-44 065	-10,40
Negative exchange differences	18 785	9 820	8 965	91,30
Total financial expenses (VI)	611 626	664 776	-53 150	-8,00
Financial earnings (V - VI)	5 758 429	5 269 362	489 068	9,28
Earnings before extraordinary items and taxes (I+II+III-IV+V-VI)				
	5 272 327	6 088 931	-816 604	-13,41
Extraordinary income (VII)	10 809	5 131	5 678	110,68
Extraordinary expenses (VIII)	18 551	65 769	-47 218	-71,79
Extraordinary earnings (VII - VIII)	-7 742	-60 639	52 897	87,23
Income tax (X)	-631 708	42 904	-674 612	
Total income (I+III+V+VII)	18 948 797	18 017 877	930 920	5,17
Total expenses (II+IV+VI+VIII+IX+X)	13 052 504	12 032 489	1 020 015	8,48
Profit or Loss (total income - total expenses)	5 896 293	5 985 388	-89 095	-1,49
(1) Of which income from previous fiscal years				
(2) Of which expenses from previous fiscal years				
(3) Of which income from related entities		6 153 160	5 787 019	
(4) Of which interest from related entities		19 743	629	

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 31/12/2015 is 75,076,104 euros and the year's income statement, presented in a list form, shows a profit of: 5,896,293 euros.

The fiscal year lasted 12 months, covering a period from 01/01/2015 to 31/12/2015.

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 €437,661 at 31/12/2015.

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 31/12/2015.

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 31/12/2015.

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.

In euros	Gross value at 31 Dec. 2015	Depreciation at 31 Dec. 2015	Net value at 31 Dec. 2015	Net value at 31 Dec. 2014
Own shares	9 727 100		9 727 100	9 727 100
Marketable securities	4 439 118		4 439 118	2 044 280
TOTAL	14 166 218	0	14 166 218	11 771 380

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 (postponed by GM of 20/11/2014)	Price of options
20/05/2010	16/12/2010	50 519	16/12/2014	01/01/2015 or 16/06/2015	€72,34
Postponed by GM of 16/06/2017					

Of the 50,519 options allocated in 2010, 16,372 have lapsed.

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 (postponed by GM of 20/11/2014)	Price of options
20/05/2010	17/03/2011	8 179	01/05/2015	01/07/2015	€72,34
Postponed by GM of 01/07/2017					
20/05/2010	19/05/2011	19 019	19/05/2015	01/07/2015 or 19/11/2015	€72,34
Postponed by GM of 19/11/2017					
20/05/2010	22/09/2011	2 115	01/11/2015	01/01/2016	€72,34
Postponed by GM of 01/01/2018					

Of the 29,313 options allocated in 2011, 12,244 have lapsed.

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 (postponed by GM of 20/11/2014)	Price of options
20/05/2010	28/06/2012	1 138	28/06/2016	01/07/2016 or 28/12/2016	€74,72
Postponed by GM of 28/12/2018					
20/05/2010	20/09/2012	15 858	01/11/2016	01/01/2017	€74,72
Postponed by GM of 01/01/2019					

Of the 16,996 options allocated in 2012, 5,841 have lapsed.

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 (postponed by GM of 20/11/2014)	Price of options
20/05/2010	04/02/2013	5 621	01/05/2017	01/07/2017	€74,72
Postponed by GM of 01/11/2019					
20/05/2010	20/06/2013	20 800	20/06/2017	01/07/2017 or 20/12/2017	€74,87
Postponed by GM of 20/12/2019					
20/05/2010	17/07/2013	9 175	01/11/2017	01/01/2018	€74,87
Postponed by GM of 01/01/2020					

Of the 35,596 options allocated in 2013, 14,470 have lapsed.

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 2.23% and 1.55% in 2015. The retirement age assumption is 65.

The rate of social contributions is 45%.

The provision at 31/12/2015 totalled €410,494, i.e. an allocation of €45,312 and corresponding deferred tax of -€15,104 for fiscal year 2015.

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 2015 was €18,099.

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

Provisions for contingencies and expenses

The company applies ANC regulation 2014-03 on 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.

Résultats et autres éléments caractéristiques de la société au cours des cinq derniers exercices (Code de commerce - Article R225-102)

Euros	31/12/2015	31/12/2014	31/12/2013	31/12/2012	31/12/2011
Share capital at the end of the period					
Share capital	3 846 411	3 846 411	3 846 411	3 918 873	3 918 873
Number of ordinary shares in issue (A)	1 282 137	1 282 137	1 282 137	1 306 291	1 306 291
Operations and result for the financial year					
Turnover before tax	12 567 902	12 064 499	11 552 594	10 948 497	10 721 054
Income before tax (B), employee shareholding schemes, provisions and charges on amortization, depreciation and provisions	5 672 951	6 510 434	2 024 538	4 182 209	3 734 833
Corporate income tax	-631 708	42 904	-1 527 626	-576 660	-1 216 844
Net profit (C)	5 896 293	5 985 388	7 589 527	3 959 443	6 190 787
Provisions and charges on amortization, depreciation, provisions	408 366	482 142	-4 037 363	799 426	-1 239 110
Distributed profit (D)	3 000 201	2 677 104	3 788 731	3 986 179	2 011 688
Result per share					
Result before tax, employee shareholding schemes, and provisions and charges on depreciation, amort. and provisions = (B) / (A)	4,42	5,08	1,58	3,20	2,86
Result after tax, employee shareholding schemes, and provisions and charges on depreciation, amort. and provisions	4,92	5,04	2,77	3,64	3,79
Result after tax, employee shareholding schemes and provisions and charges on depreciation, amort. and provisions = (C) / (A)	4,60	4,67	5,92	3,03	4,74
Dividend per share = (D) / (A)	2,34	2,09	2,96	3,05	1,54
Workforce					
Average number of salaried employees during the financial year	31	31	30	26	25
Total payroll for the financial year	3 663 929	3 576 487	3 253 393	3 363 550	3 143 052
Amounts paid in company benefits (social security, employee benefits)	1 536 358	1 502 500	1 638 835	1 431 822	1 374 802

Other important information

Compensation of managers

Compensation paid to Altavia corporate officers totalled €1,423,884.

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, and Altavia Nantes Newco since 1 January 2009, Altavia CEI and Actipaper since 1 January 2010, ShopperMind and since 1 January 2013, Altavia International, Agence Cosmic and Au Numéro 6 since 1 January 2014, Altavia Newco since 1 January 2015. CPO and Cosmic Communication were deconsolidated in 2015 following their merger with Agence Cosmic (formerly Bed And Breakfast).

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 €2,305,961.

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

The own taxable earnings of Altavia totalled €164,128.

The tax savings associated with the tax consolidation recorded at Altavia totalled €496,779 at 31/12/2015.

Altavia covered the tax on behalf of companies that had become profitable at 31/12/2015, namely Actipaper for €832 Altavia France for €34,560 and Altavia Nantes for €32,541.

Borrowed funds and financial debts

The Altavia group had a confirmed credit line of up to €135m.

At 31/12/2015, €19.7m of this line of credit had been used.

The credit line is guaranteed in the following manner:

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

List of subsidiaries and shareholdings

Financial information	Share capital	Share of capital held (in %)	Shareholders' equity	Profit or loss at close of financial year just ended	Dividends collected by the company during the year
Subsidiaries and shareholdings					
A. Detailed information about subsidiaries and holdings					
1. Subsidiaries more than 50% owned					
Altavia Asia	363 254	94,99	2 997 589	2 340 561	2 217 259
Altavia Europe	5 594 928	100	11 683 630	5 219 589	3 636 701
Altavia France	1 646 784	100	16 876 349	1 757 891	
Altavia International	10 000	100	-620 685	-600 517	
Altavia Coach	1 931 292	100	1 498 552	-213 307	
Altavia Newco	10 000	100	5 607	-2 767	
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 2015

Dear Shareholders,

As part of the duties assigned to us by your general meetings, we submit to you our report relating to the fiscal year ended 31 December 2015, concerning:

- our audit of the accompanying annual financial statements of Altavia, as attached to this report
- 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, 31 March 2016

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.

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This 2015 edition of Altavia's annual report was produced with the help from our entire international network. Thank you to all our staff members photographed in this edition.

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