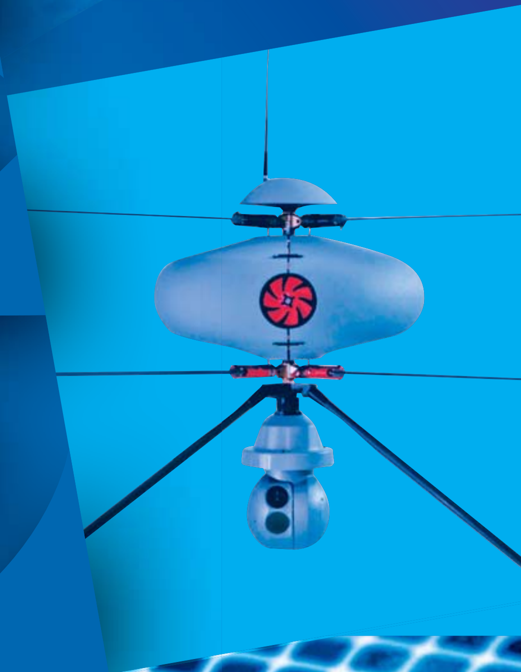
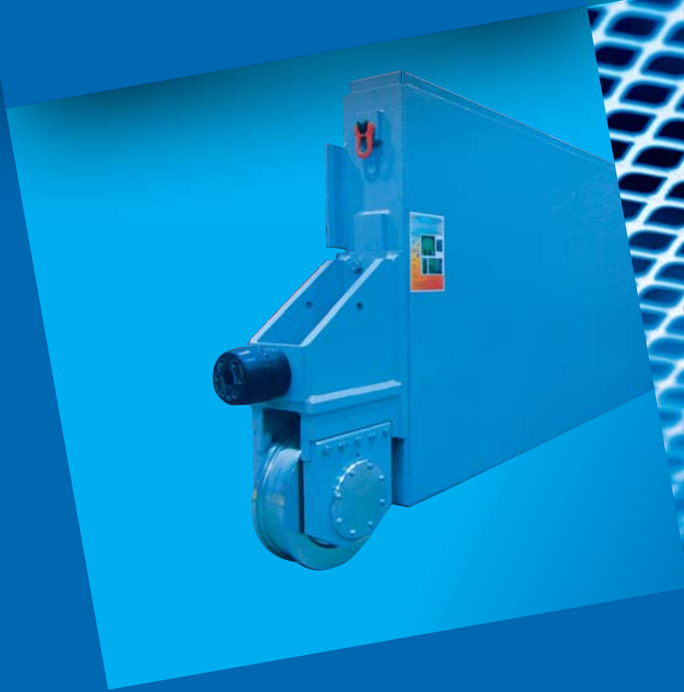




REGISTRATION DOCUMENT | **2015**

GROUPE Gorgé

2015 Registration Document

INCLUDING ANNUAL FINANCIAL REPORT

This Registration Document was filed with the French Financial Markets Authority (Autorité des Marchés Financiers - AMF) on 4 April 2016, in accordance with article 212-13 of the AMF's General Regulations. This document may be used in a financial transaction when accompanied by a prospectus approved by the AMF. This document has been prepared by the issuer and is binding upon its signatories.

This document also contains the 2015 Annual Financial Report.

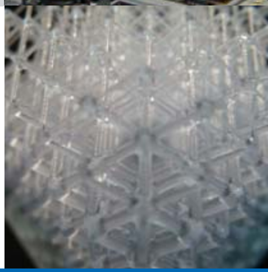
INCORPORATED BY REFERENCE

Pursuant to Article 28 of European regulation No. 809/2004 of 29 April 2004, the following information is incorporated by reference into this Registration Document, which the reader is encouraged to consult:

- for the financial year ended 31 December 2014: the management report, the consolidated financial statements and individual financial statements and the corresponding audit reports, included in the 2014 Registration Document filed with the AMF on 21 April 2015 (file number D.15-0387);
- for the financial year ended 31 December 2013: the management report, the consolidated financial statements and individual financial statements and the corresponding audit reports, included in the 2013 Registration Document filed with the AMF on 8 April 2014 (file number D.14-0309).

Copies of this Registration Document are available upon request and free of charge at the Company's registered office located at 19, rue du Quatre-Septembre, 75002 Paris, France or on its website www.groupe-gorge.com or on the AMF's website www.amf-france.org





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CHAIRMAN'S MESSAGE

«In 2016, the Group is continuing its ambitious development strategy»

2015 saw an acceleration in the Group's development in our safety technology and 3D printing markets. Group revenue effectively increased by over 18% to reach €265 million, mainly through organic growth. The 3D Printing business reached a significant size in 2015, getting close to 10% of the Group's activity. The Group's reputation continues to be enhanced, in particular with our major industrial customers.

In 2015, each division contributed to these successes. Smart Safety Systems (SSS, ECA subsidiary) crossed the threshold of €100 million in revenue, whilst improving its current operating margin by over 25%. The Industrial Projects & Services (IPS) division grew by over 25%. The Protection in Nuclear Environments (PNE) division recorded a good second half-year (revenue growth of ~20%), although this was not sufficient to offset the first half-year in the full year results. Lastly, the 3D Printing division saw its revenue multiplied by 3.6. These results were made possible by the commercial and research and development investments injected into all the Group's businesses. They also reflect the quality of the innovations and service provided by our 1,500 employees to our industrial customers.

In 2016, the Group is continuing its ambitious and sustainable development strategy, building on this growth dynamic whilst, at the same time, improving profitability:

- The SSS division continues to focus on strengthening its positions in its core markets: drones, robotic systems and simulation. It is aiming for revenue of €110 million and an improvement to profitability. A serious increase in international business successes in airborne robotics is expected.
- The IPS division is aiming to capitalise on its business-winning efforts of 2015 to improve its profitability and continue to grow in the areas of protection and fire safety, in particular in international markets. It will focus on the recovery of its AI Group subsidiary with the arrival of a new management team.
- The PNE division is pursuing the dynamic trend started during the second half-year of 2015 with sustained activity at the beginning of 2016, whilst embarking on a change in its operating model to improve profitability. Numerous calls for tender are in progress under the Grand Carénage programme in France, in which the Group is very well positioned.
- The 3D Printing division continues to grow, driven by the broadening of its range of machines and plastic materials, by following the market trend from rapid additive prototyping to the manufacture of additive parts in small series, and by the consolidation of its technology portfolio.

The Group is increasingly committed to breakthrough technological projects producing a strong impact on the industrial world. And it is by continuing to build solid positions in these high potential niche markets that the Group will be able to respond to the related technological challenges, for the benefit of our shareholders, our customers and our employees.

Raphaël Gorgé, Chairman and CEO

1

Overview of the Group and its businesses

1.1 Key figures

The key figures have been extracted from the consolidated financial statements. The 2013 figures have been restated as detailed in the Notes to the consolidated financial statements in paragraph 2.1 “reconciliation between the 2013 published financial statements and those presented on a comparative basis” for 2014. The 2014 figures have been restated as detailed in the Note 1.3 “reconciliation with financial information from previous years” in the Notes to the 2015 consolidated financial statements.

Change in revenue

(in millions of euros)	2015	2014	2013
Smart Safety Systems	105.22	93.87	93.21
Industrial Projects & Services	103.95	82.69	80.43
Protection in Nuclear Environments	38.66	41.98	40.88
3D Printing	18.10	5.04	0.09
Structure and disposals	(1.11)	(0.27)	(0.09)
CONSOLIDATED REVENUE	**264.82**	**223.30**	**214.52**

Change in EBITDA

(in millions of euros)	2015	2014	2013
Smart Safety Systems	14.03	13.10	10.71
Industrial Projects & Services	5.75	5.19	7.20
Protection in Nuclear Environments	4.60	6.38	6.03
3D Printing	(2.33)	(2.10)	(0.34)
Structure and disposals	(0)	0.15	(0.30)
CONSOLIDATED EBITDA[(1)]	**22.04**	**24.83**	**23.30**

(1) EBITDA: profit (loss) from continuing operations before depreciation, amortisation and provisions.

Change in profit (loss) from continuing operations

(in millions of euros)	2015	2014	2013
Smart Safety Systems	8.87	7.06	6.48
Industrial Projects & Services	4.06	5.42	5.84
Protection in Nuclear Environments	3.47	5.80	5.23
3D Printing	(3.95)	(2.38)	(0.38)
Structure and disposals	(0.11)	(0.15)	(0.33)
CONSOLIDATED PROFIT (LOSS) FROM CONTINUING OPERATIONS	**12.33**	**15.75**	**9.51**

Changes in adjusted operating income

(in millions of euros)	2015	2014	2013
Smart Safety Systems	8.31	6.58	4.94
Industrial Projects & Services	3.18	5.06	5.12
Protection in Nuclear Environments	3.36	5.38	5.20
3D Printing	(4.19)	(2.49)	(0.38)
Structure and disposals	(0.15)	(0.47)	(0.48)
OPERATING INCOME, ADJUSTED[1]	**10.51**	**14.08**	**14.42**
Relocation costs	(1.63)	-	-
Amortisation of intangible assets recognised at fair value during the acquisitions	(1.00)	(1.08)	(0.69)
BAé dispute	-	-	2.34
CONSOLIDATED OPERATING INCOME	**7.88**	**13.00**	**16.07**

(1) Operating Income, adjusted: operating income before costs of subsidiaries relocating in 2015, amortisation of intangible assets recognised at fair value during the acquisitions and net impact of BAé dispute.

Change in net income

(in millions of euros)	2014	2014	2013
NET INCOME, ADJUSTED[1]	**4.32**	**8.37**	**9.7**
Net contribution, REDHALL	(0.11)	(3.53)	(2.14)
Net impact of BAé dispute	-	-	1.56
CONSOLIDATED NET INCOME	**4.21**	**4.84**	**9.12**
NET INCOME (GROUP SHARE)	**1.62**	**2.62**	**6.58**

(1) Net Income, adjusted: net income before net contribution (after tax) from REDHALL (equity accounting and provision for securities) and the BAé dispute.

Key financial data

(in millions of euros)	2015	2014	2013
EQUITY[1]	**97.55**	**83.33**	**73.71**
Available cash and cash equivalents(a)	34.43	29.42	32.78
Financial debt(2)(b)	(73.56)	(55.29)	(47.27)
Net debt[3] -(a)-(b) (+: net debt)	39.13	25.87	14.49
NET DEBT, ADJUSTED[4]	**37.78**	**25.01**	**13.15**

(1) Equity attributable to owners of the Group plus non-controlling interests.
(2) A schedule of financial debt is presented in Note 8.1.1 to the consolidated financial statements.
(3) Financial debt less available cash.
(4) Net debt plus market value of treasury shares at 31 December 2015.

Seasonality

(percentage generated during the second half-year)	2015	2014
Revenue	57%	55%
EBITDA	73%	67%
Current operating income	87%	75%

Investments

(in millions of euros)	2015	2014
Total R&D expenditure[1]	11.3	10.3
R&D expenditure as a percentage of revenue	4.3%	4.6%
Other capitalised investments	9.7	5.2

(1) R&D charged against income plus R&D capitalised during the financial year

Workforce trends

	2015	2014	2013
Smart Safety Systems	593	568	551
Industrial Projects & Services	549	545	535
Protection in Nuclear Environments	212	182	188
3D Printing	188	61	5
Structure	7	7	7
TOTAL WORKFORCE	**1,549**	**1,363**	**1,286**

1.2 Overview of the Group and its businesses

GROUPE GORGÉ is an independent group that specialises in high-tech industries. Today, the Group is active in the fields of security and protection in extreme environments, as well as in the 3D printing sector. It employs around 1,500 people, is located in eight countries and directly exports around 40% of its activity. The Group has always enjoyed a strong entrepreneurial culture. It was founded in 1988 by Jean-Pierre GORGÉ, the father of the current Chairman and CEO, Raphaël GORGÉ. The GORGÉ family currently owns 57% of the capital of the Group which is listed on EURONEXT.

1.2.1 History and development of GROUPE GORGÉ

In its more than twenty-five year history, GROUPE GORGÉ has always developed and driven the latest technological and industrial innovations.

1988: FINUCHEM is created by Jean-Pierre GORGÉ (it becomes GORGÉ GROUPE in 2009).

1990-2005: ECA and industrial robotics.

1992: Acquisition of ECA.

1998: Listing on the secondary market of the Paris stock exchange.

1999: Acquisition of CIMLEC INDUSTRIE.

2004: Listing of ECA on the secondary market of the Paris stock exchange.

2005-2009: Move into new business sectors.

2005: Raphaël GORGÉ joins the Group and is appointed Deputy CEO. He embarks on a strategic reorientation of the Group to reduce its dependence on the automotive sector and investment in high potential sectors, in particular semi-conductors and naval construction, security and protection.

2006: Acquisitions of ECA FAROS and ECA SINDEL in the simulation sector.

2008: Raphaël GORGÉ is appointed Chief Executive Officer.

2009-2013: Strengthening of the security and protection sectors.

2009: The Group focuses on the safety of people and property with, in particular, the acquisitions of BAUMERT and CLF-SATREM.

2011: Raphaël GORGÉ is appointed Chairman and Chief Executive Officer. Bpifrance (at the time, Fonds Stratégique d'Investissement, FSI) acquires a stake in the Group.

In 2013: the Group enters the 3D printing sector and extended the mobile robotics offering.

2013: The Group enters the field of 3D printing with the purchase of PHIDIAS TECHNOLOGIES (since renamed PRODWAYS).

2014: The Group acquires DELTAMED and INFOTRON.

In September 2014, the Group was proud to receive the *Prix de l'Audace Créatrice* (Audacity and Creativity Prize) presented by the French President.

2015: **Growth accelerates in the 3D Printing Division**: €10 million of funds raised from the FIMILAC Group; acquisition of the INITIAL, NORGE Systems and EXCELTEC Companies; signature of a strategic partnership with the Chinese company, Farsoon; creation of a US subsidiary (PRODWAYS Americas).

In April, the Group received the visit of the French Minister of the Economy, Emmanuel Macron, to the site of its PRODWAYS subsidiary.

The Group also strengthened its positioning in the fire protection sector with the acquisition of the remainder of the capital of the AI GROUP subsidiary during the first half-year 2015.

1.2.2 Activities, markets and competition

The Group is structured into four divisions and into subsidiaries:

- smart Safety Systems division - ECA and its subsidiaries;
- industrial Projects & Services division - CLF-SATREM, AMOPSI, AI GROUP, VAN DAM, CIMLEC and their subsidiaries;
- protection in Nuclear Environments division - BAUMERT and SERES Technologies;
- 3D division - PRODWAYS GROUP and its subsidiaries.

The subsidiaries are in direct contact with their markets and competitors. The divisions bring together the subsidiaries depending on their businesses and sector of activity. Thanks to this organisation, GROUPE GORGÉ is positioned on three of the twelve disruptive technologies listed in the McKinsey Global Institute report of May 2013: advanced robotics, unmanned vehicles and 3D Printing.

1.2.2.1 Smart Safety Systems division - ECA and its subsidiaries

ECA Group is a world-class player recognised for its expertise in robotics, specialised automation systems and simulation. The Group has been developing complete, innovative technological solutions for complex missions in hostile and confined environments since 1936.

Its product offering is designed for an international client base that is demanding, both in terms of safety and effectiveness. The Group's main markets are in the defence, maritime, aeronautics, nuclear, energy, transportation and industrial equipment sectors.

The ECA Group focuses on three main businesses: Robotics and Integrated Systems, Aeronautics and Simulation.

ECA Group's revenue totalled €105.2 million in 2015, *i.e.* around 40% of GROUPE GORGÉ's overall revenue.

The Robotics and Integrated Systems division

Nine of the world's ten leading armies are equipped with solutions developed by ECA Group. With world-renowned know-how and expertise, ECA Group has combined its design skills in the field of mobile underwater, sea, land and airborne drones and in integrated systems development for a complete line of solutions aimed at the defence, maritime, nuclear, oil, gas and manufacturing markets.

Robotics and Integrated Systems markets

The global market for mobile robotics is currently growing strongly for a number of reasons:

- the increase in armed conflicts around the world has led governments to allocate new resources to assure the safety and security of their armed forces and reduce their exposure to threats and risks. This effect is being heightened by, on one hand, "mature armies" which are seeking to limit human losses through the use of drone and robot systems and, on the other, "new armies" which are looking for access to more modern solutions straight away;
- the increase in terrorist acts and threats is encouraging States to provide maximum security to sensitive sites (nuclear, petrochemical, etc.);
- dwindling natural resources are leading industrialists to turn to advanced technologies to access new reserves in increasingly extreme environments at optimum cost.

The ECA Group is meeting these new challenges as one of the only players in the world with a complete, mobile robotics offering that can operate in all environments (under and on water, on land and in the air). This unique competitive advantage enables it to address very specific needs in the different mobile robotics markets. The ECA Group offers both mobile robotics and robot systems designed for specific missions. In the robot systems business, ECA Group relies on its tactical simulation activities and expertise described in the Simulation business.

Defence and Security

For over 60 years, ECA Group mobile robotics, training simulation and remote control systems solutions have been meeting the specific needs of internal security and special forces of many countries and have been providing assistance and support to the naval, air and land forces of many armies. This is ECA Group's most important market and accounts for about 50% of its revenue

The Group is also involved in:

- anti-submarine combat (underwater mine disposal and submarine systems);
- tactical reconnaissance missions (protection of sensitive infrastructure, inland protection, protection of armies and bases, surveillance and protection of territorial waters).

Maritime

The ECA Group's advanced robotic offering meets the different requirements and specificities of the maritime sector's activities both on and under water very precisely. Its AUV (autonomous underwater vehicles) and ROV (Remotely Operated Vehicles) solutions equipped with cameras, sensors and articulated arms fulfil a wide range of mission requirements such as:

- ocean floor exploration (search for new underwater reserves, hydrographic and oceanographic research, inspection and study of underwater deposits);
- monitoring of sensitive zones (offshore platforms);
- search and rescue operations.

Energy and Industry

The solutions developed by the Group are particularly well-suited for the energy and industrial sectors which need to do work in close quarters in environments that are hazardous and difficult for people. All of the Group's drones are equipped with cameras or articulated arms, and can also be radiation resistant or equipped with a variety of sensors.

Thanks to the Group's expertise in these areas, it can contribute to missions such as:

- the inspection, protection and maintenance of water and industrial networks;
- infrastructure monitoring (dams, refineries, wind farms, nuclear plants, etc.);
- the decommissioning of nuclear plants;
- waste management.

Competition

The mobile robotics market includes a large number of applications. The ECA Group has different competitors depending on the type of application. They are nearly all large international groups. They include:

- for underwater robots, the KONGSBERG and BLUEFIN ROBOTICS groups in AUV (autonomous underwater vehicles), the ATLAS ELEKTRONIC group and BAé SYSTEMS group for underwater mine disposal robots and SAAB SEAEYE group in ROV (remotely operated vehicles)
- for naval drones, the ELBIT SYSTEMS group in USV (unmanned surface vehicles);
- for land robots, the NEXTER, iROBOT and TELEROB groups;
- for airborne drones, the AIRBUS, AIRROBOT, MICRODRONES, AERYON LABS and BERTIN TECHNOLOGIES groups.

R&D skills are critical in adapting the delivery systems, payloads, data analysis and systems to mission requirements. Its ability to provide this integrated offer in all environments distinguishes ECA from its competitors.

Our products and solutions are widely-recognised in the marketplace

Many of the solutions developed by the Group are now amongst the most widely-recognised in the mobile robotics marketplace. Here are a few examples:

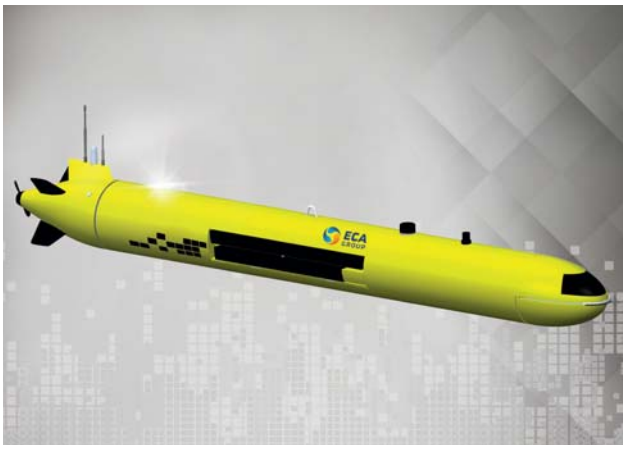
- The PAP MK6

The PAP MK6 is part of the self-propelled ROV (Remotely Operated Vehicles) range for mine disposal. It has a large payload capacity. Its robust and reliable design and its propulsion system enable it to manoeuvre in strong currents and withstand harsh environmental conditions.

The command and control software includes autopilot functions.

- The AUV line

The ECA Group offers a complete line of AUVs, from the most compact A9 to the largest versions with the A27 and ALISTAR 3000. AUVs all share the same IT architecture, autonomous software and supervision interface along with excellent endurance (more than 30 hours for certain models) and large sensor-carrying capability. They are designed for the most demanding missions. The French Navy uses the A27 AUV for hydrography and long-range underwater surveillance operations.



- INSPECTOR line

The INSPECTOR is a surface drone designed for the protection of critical maritime structures such as offshore platforms. The Inspector line provides operators with real-time situation status through surveillance, reconnaissance and the detection and identification of threats.

- The COBRA

The COBRA is a land drone equipped with a day and night camera. It is designed for inspection and reconnaissance operations. It can be easily deployed by a soldier on the ground, and controlled remotely over the terrain thanks to its remote control guidance system.

- IT180

The IT180 airborne drone is a member of the UAV (Unmanned Autonomous Vehicles) range. It is a pilotless inspection solution. The drone provides lengthy endurance (120 min), long-distance remote control functionality (10km) and reports high-quality data. This drone also exists in a captive version.

Simulation division

The ECA Group has a very complete line of driving and mission training simulators with state-of-the-art technology.

Simulation markets

The ECA Group works with the civilian and military driving and training simulation markets, and with the tactical mission simulation market.

Driver training simulation

The Group's offer covers all environments and is designed for both defence and civilian customers for:

- flight simulation training for AIRBUS and BOEING aircraft;
- land driving simulation (motorcycles, cars, buses and trucks – civilian or military);
- maritime navigation simulation (civilian or military applications).

The clients for these solutions include airlines, driver training centres and schools, maritime training schools and the armies and navies of a number of countries.

Tactical mission simulation

The Group also offers solutions that provide training for a range of different situations likely to be encountered by police forces, firefighters and armed forces, etc. without any risk to their personnel.

These solutions cover missions involving:

- internal security (police, firefighting);
- defence (exploration of hazardous zones, underwater mine disposal);
- maritime operations (pollution control, crisis management, dynamic positioning management).

Competition

The simulation market is competitive and comprised of both very large, international companies and low-cost local companies:

- the larger competitors focus on the military driving simulation and tactical simulation markets. They include BAé SYSTEMS, THALES Simulation, LOCKHEED MARTIN, SAAB and L3;
- competitors in the civilian driving simulation market are essentially national companies of numbers varying according to country. They include EDISER and DEVELTER in France and DORON and L3 in the United States;
- competitors in the flight simulation market include CAE in Canada, L3 Link Simulation Training, AEROSIM and INDRA in the United States and SIM Industrie in the Netherlands.

R&D is of critical importance in this competitive market to be able to provide the most realistic driving conditions possible. In addition, the global nature of the market means that the regulations in effect in each country for road, air and maritime safety must be monitored closely to be able to offer simulation software meeting the latest regulations.

Our products and solutions are widely-recognised in the marketplace

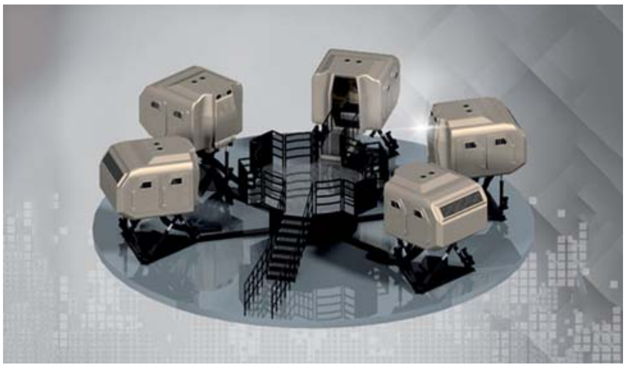
ECA Group has developed a very extensive line of solutions which ranges from land, air and maritime simulators to tactical mission simulators.

- Civilian driving simulators

This simulator provides a realistic cabin, complete training software and realistic visuals. It includes a motion platform which pitches, rolls and lifts the entire cabin to simulate the movement of a real vehicle driving on the road.

- Tactical military simulators

The simulator enables armies to train under the conditions they would find in a real theatre of operations.



- Tactical naval simulator

This naval simulator enables sailors of all levels to become familiar with tactical procedures and sensor parameters through complex and realistic scenarios in a totally secure training environment.

Aeronautics

The ECA Group's Aeronautics business offers solutions for civil and military aviation. Its expertise in the field, combined with its robotics and automation know-how, enables it to respond to the requirements of aircraft manufacturers, airline companies, maintenance and repair centres and air defence.

Aeronautics markets

The ECA Group designs assembly stations, production and maintenance tools, on-board electronic equipment and test equipment for aircraft manufacturers, as well as mechatronic repair and maintenance equipment (GSE - Ground - Support Equipment) for aircraft operators.

The increase in output of major French aircraft manufacturers is a growth factor for the business. The integrated offer proposed by this business is particularly well suited to the FAL (Final Assembly Lines) of the smaller manufacturers.

Competition

In a market whose economics are rapidly changing, aeronautics companies require their partners to be responsive, high quality and comply strictly with deadlines and costs.

Thanks to its recognised expertise in its different businesses, the ECA Group is able to guarantee innovation and economic effectiveness to its clients. The Group is now a leading supplier to aircraft manufacturers and operators. It competes with companies of varying size including GE Power Conversion for test equipment solutions; id3D for production and maintenance tools and SEROMA and PRONOË across all of the ECA Group's business lines in this field (test equipment, assembly lines and production tools).

Our products and solutions are widely-recognised in the marketplace

ECA Group's expertise is recognised by its clients, to which it provides proven products and solutions including:

- Production Line

The Group designs and delivers production lines to aircraft manufacturers.

- Power Board Test Bench

The test bench was developed for Airbus. It is used as a design aid for all new Airbus programmes. It is also supplied to the manufacturers of power-supply boards for their final production tests.

- ATR GSE (Ground Support Equipment)

The ECA Group is ATR-certified worldwide. The Group designs, manufactures, repairs and calibrates all ground support equipment tools for ATR.

1.2.2.2 Industrial Projects & Services division - CLF-SATREM, AMOPSI, AI GROUP, VAN DAM and CIMLEC and its subsidiaries

The Industrial Projects & Services consists of four subsidiaries. Three of them (CLF-SATREM, AI GROUP and VAN DAM) operate in the area of active and passive fire protection for energy markets, notably in oil and gas (less than one quarter of the business today) and in the industrial and tertiary sectors in France.

The fourth subsidiary in this business, CIMLEC, develops specific industrial robotics projects and services for industrial and service-sector clients in four main activity areas: electricity-automation, ironwork-structural metalwork, robotised island integration and renovation, and industrial robot path programming.

The Industrial Projects & Services achieved revenue of €104.0 million in 2015, *i.e.* some 39% of GROUPE GORGÉ's overall revenue.

Fire Protection business

The Fire Protection business consists of three subsidiaries (CLF-SATREM, AI GROUP and VAN DAM) which have complementary activities that each address different markets. It represents 70% of the division's revenue.

CLF-SATREM

CLF-SATREM designs, installs and maintains fixed fire protection systems. Its solutions range from traditional fixed systems (sprinklers, RIA) to more specialised systems for special risks (deluge, foam, water mist and gas systems). The Company covers all of France through 10 regional agencies.

CLF-SATREM markets

CLF-SATREM operates in the active fire protection market in the industrial and tertiary sectors in France.

About 60% of its revenue comes from new and extension work and the other 40% from recurring maintenance work on installed systems at over 500 client sites.

Competition

CLF-SATREM is the fifth largest company in France, behind three international groups, VINCI Énergies, COFELY AXIMA (subsidiary of SUEZ group), TYCO and a national company, ATLANTIQUE AUTOMATISME INCENDIE, and ahead of AIRES and MINIMAX. Together, these seven actors account for 80% of the French market, estimated at €360 million.

Our products and solutions are widely-recognised in the marketplace

CLF-SATREM's core business is the installation and maintenance of sprinkler systems. Innovative related solutions complement the services offering.

- Sprinkler network

A sprinkler is a device that detects excessive heat and automatically releases water (sometimes with additives) when a fire breaks out. Sprinkler systems are networked above the zone to be protected. An abnormal increase in temperature will burst the bulb or melt the fuse that keeps the sprinkler head closed. Sprinkler systems are activated without human intervention.

AI GROUP

The AI GROUP subsidiary specialises in the field of active fire protection for major industrial risks. This subsidiary designs and manufactures fixed systems, equipment and intervention vehicles for major industrial risks (fire safety and protection for major industrial and oil sites, power stations, international airports, military bases, etc.).

AI GROUP markets

AI GROUP's markets are global and growing. All business sectors are faced with major industrial risks. Whenever the property to be protected is of significant value, or highly flammable liquids, solids or gases are involved, the use of custom-designed fire protection systems is recommended. The AI GROUP's primary market is the energy industry, notably oil and gas.

Competition

This market has high barriers to entry (companies have to be on a "vendors list" to gain access to potential markets), but it is nevertheless very competitive. Among AI GROUP's competitors are medium-sized international companies such as ANGUS FIRE and major international groups such as UTC (with its SILVANI subsidiary), TYCO and MINIMAX.

Our products and solutions are widely-recognised in the marketplace

Of the products and solutions developed by AI GROUP, fixed systems (skids) are among the equipment most frequently sold:

- Fixed systems - skids

Manufacturing of all types of skids (special equipment at the heart of chassis-mounted systems) used to put out industrial and oil fires (onshore and offshore FPSOs) in line with the most demanding oil industry specifications:

  - powder skids, foam skids, twin agent skids, inert gas skids and clean agent skids (CO_2, Novec, etc.);
  - deluge skids, premix skids;
  - pump skids.

VAN DAM

VAN DAM designs, manufactures and installs passive fire protection systems (fire and blast-rated doors, walls and windows) to protect personnel and equipment in hostile environments in the energy industry and, particularly, in the oil and gas, maritime and offshore wind farm *industries.*

VAN DAM's markets

VAN DAM's energy sector markets are growing for several reasons:

- energy markets, particularly oil and gas markets, are growing, driven by increasing demand;
- energy resources are located in increasingly hostile environments (*e.g.*, deepwater drilling, gas in Siberia);
- safety standards are being tightened and regulations are becoming increasingly stringent, particularly in extreme environments. One of the strictest offshore exploration standards currently in place, for example, is the Norwegian NORSOK standard used as a reference worldwide. VAN DAM is one of the few companies to have received certification for this standard.

VAN DAM is also present in renewable energy markets, where it provides protection for offshore wind farm substations, and in the defence and maritime markets, where it supplies shipyards. VAN DAM, which is renowned for its quality and expertise, is particularly well-positioned to benefit from growth in these markets.

Competition

VAN DAM operates in niche markets with high barriers to entry. It is one of the few companies able to meet the strict standards in place in these markets. VAN DAM offers two types of products for these markets:

- special doors: with a 5-10% market share in the offshore and maritime fields, VAN DAM is in second place behind RAPP BOMEK, tied with INTERDAM and followed by BOOTH Industries and NORAC. These five companies account for 40-50% of global business;
- special walls: Special walls: VAN DAM is primarily active in the market for speciality riveted walls. It competes with companies such as MTE, DSC, INTERDAM, BOOTH Industries and CHARTEC, which offer all types of speciality walls, notably, speciality welded walls.

Our products and solutions are widely-recognised in the marketplace

VAN DAM offers a range of speciality door and wall systems which meet the strictest standards. For example:

- Pneumatically-operated doors

The door drive system is equipped with a patented fire safety valve that prevents the door from opening during a fire. Air bottles (20 litres) are installed to operate the door in the event of an emergency (at least four open/close cycles).

Industrial Robotics business

The industrial robotics business is managed by the CIMLEC Group which operates in four fields *via* three companies:

- automation-electricity and locksmith-structural metalwork with CIMLEC INDUSTRIE;
- robotised-island integration and renovation with the COMMERCY Robotique subsidiary;
- industrial robot path programming with the TENWHIL subsidiary.

All of these businesses meet the needs of industrial and tertiary sector clients.

CIMLEC GROUP MARKETS

CIMLEC Group markets are located in France. They rely on investment in industrial and tertiary sites by the subsidiaries of major groups and SMEs in France. 60% of the business consists of projects and the other 40% of services.

The electricity-automation business consists in automating tools and production lines and in electrical distribution for industrial and tertiary sites. The ironwork business combines different projects including metal framework, footbridges, wire mesh protection, superstructures for industrial sites and construction. A repositioning in historical sectors, particularly the vehicle manufacturing sector, and in more profitable niches (transport/logistics, energy/environment and smart buildings) is currently under way.

COMPETITION

CIMLEC Group's competition depends on the activity, but consistently includes the subsidiaries of major groups, small local companies and a few intermediate-sized companies comparable to CIMLEC Group's:

- the leaders in electricity and automation include CLEMESSY (EIFFAGE) and ACTÉMIUM (VINCI Énergies). Competitors of the same size as CIMLEC INDUSTRIE are differentiated geographically and/or by sector. They include OTHUA, APILOG and SOTEB;
- the competition in the locksmith business is primarily local and includes the subsidiaries of major construction groups such as BOUYGUES, VINCI and EIFFAGE. Competitors of the same size as CIMLEC INDUSTRIE include ERI and SAM+;
- the competitors in industrial robotics include robot manufacturers like YASKAWA, FANUC, ABB and KUKA, which also offer integration services.

OUR PRODUCTS AND SOLUTIONS ARE WIDELY-RECOGNISED IN THE MARKETPLACE

CIMLEC Group offers a wide range of solutions in a number of different fields, for example, welding station start-up:

This is the most widespread robotised application. Large manufacturers and SMEs can increase productivity by a factor of two to five while eliminating tasks that are dangerous and repetitive for employees.

1.2.2.3 PROTECTION IN NUCLEAR ENVIRONMENTS DIVISION - BAUMERT AND SERES TECHNOLOGIES SUBSIDIARIES

The Group has developed a complete offering in the field of nuclear environment protection and safety through its BAUMERT subsidiary. This subsidiary designs and produces high-performance partition systems:

- special and technical doors: neutron, biological, blast-resistant, soundproof, firebreak, air and watertight, etc.;
- special walls: anti-radiation, firebreaks, blast and aeroplane crash-resistant, etc.;
- related services/maintenance.

These high-security partition systems are primarily intended for nuclear plants, but are also used in research centres, reprocessing plants, sensitive industrial sites (petrochemical and pharmaceutical), etc.

SERES Technologies provides complementary consultancy services specialised in studies and research for nuclear installation safety, as well as for petrochemical sites and energy innovation industries.

The Protection in Nuclear Environments division generated revenue of €38.7 million in 2015, *i.e.* around 15% of GROUPE GORGÉ's overall revenue.

MARKETS

BAUMERT is the world leader in speciality and technical doors for nuclear plants operating French EPR and American WESTINGHOUSE AP1000 technologies (*internal source*). This subsidiary works with all current technologies (AREVA, KEPCO, CNNC, WESTINGHOUSE, ROSENERGOATOM) and among others, has equipped a large proportion of French nuclear plants, a large number of the nuclear plants built in China over the past twenty years and all six of Belgium's reactors in operation.

BAUMERT is one of the rare European subcontractors to provide services to Chinese energetics specialist working with WESTINGHOUSE AP1000 technology. Hence, it benefits from the strong growth in the Chinese nuclear market, and soon in countries where Chinese technology will be exported. BAUMERT currently designs, manufactures and installs high-security doors and partitions for new projects in China. Other construction projects are also under way in Europe, as is the case in Finland, where BAUMERT is designing and installing 60% of the technical doors and valves for the Olkiluto 3 programme.

The Group is also positioned on future large-scale programmes in Europe (the Hinkley Point project in Great Britain), China, United States, Russia, India, South Africa and Saudi Arabia.

In addition to these construction projects for new plants, there will be many maintenance and upgrade projects for existing plants, particularly within the EDF Grand Carénage project to update French nuclear plants to EPR and post-Fukushima standards. Thanks to its leadership and international presence, BAUMERT is well-positioned to play an important role in these post-Fukushima projects in France and internationally.

Competition

BAUMERT operates in high value-added niche markets with high barriers to entry (technical barriers, patents, vendor lists, etc.). The subsidiary is now the leader in EPR and AP1000 technologies (*internal source*) and continues to invest in research and development to maintain its technological lead.

BAUMERT's main competitor in Europe is the German company SOMMER. The other competition is local and country-specific. In France, one of BAUMERT's few competitors is the PORTAFEU company. The Group opened a subsidiary in China in 2014 to compete with local companies and to ensure that it was directly included in Chinese calls for tender. This subsidiary also covers the rest of Asia.

Our products and solutions are widely-recognised in the marketplace

BAUMERT has developed a wide range of high-security partition systems recognised globally and used by nuclear programmes around the world. Among our solutions, the most frequently installed products are:

- Neutron doors

Neutron doors installed in EPR plants (3rd generation reactors) are designed to enable secure interventions by professionals in the Reactor Building without the need to shut down operations.

- Fire doors

Fire doors and fire protection systems help to contain fires by preventing their spread in buildings by creating confinement zones.

- Blast-resistant doors

A blast deflector door is an airtight door built to specifications that make it strong enough to resist the pressure created by an explosion inside or outside of a nuclear building.

1.2.2.4 The 3D printing division - PRODWAYS GROUP and its subsidiaries

PRODWAYS GROUP is a significant world player in additive manufacturing, and is developing a complete line of additive industrial manufacturing solutions to meet the needs of industry by leveraging its capacity for innovation.

The offer focuses on three areas:

- **PRODWAYS Technology** provides an extensive range of 3D printing systems with nine machines using the patented MOVINGLight® technology (a combination of Moving DLP and strong UVA LEDs on photosensitive resins) and five machines using powder sintering technology (plastics). In addition to the machines, the Company has a services offering (advice on machine selection, complete installation at the client site and maintenance);
- **PRODWAYS Materials** offers a line of twenty liquid and viscous products (nine for machines using MOVINGLight® technology and eleven for machines using powder sintering technology) supplied in paste or powder form, primarily *through* the DELTAMED company, and since November 2015 through EXCELTEC, a company specialising in the development and distribution of polymer materials for 3D printing using powder sintering technology. These materials are either sold together with PRODWAYS Technology machines or directly. Some of the materials are developed by PRODWAYS Materials and the others by partners (for example, DREVE for the dental field and DSM-SOMOS for functional materials);
- **INITIAL-PRODWAYS** provides a Service Bureau parts-manufacturing offer that covers design, digitising, additive metal and plastics manufacturing, mould design and plastics injection for rapid prototyping, and the manufacturing of limited series for industrial clients. The sectors covered are extensive and include, in particular, the aeronautics, biomedical, luxury goods and design fields.

During 2015, PRODWAYS consolidated its business in 2 ways:

- first, technologically with the acquisition of NORGE systems for the SLS plastic machine technology (powder sintering technology), then the strategic partnership signed at the end of the year with the Chinese company, Hunan Farsoon, enabling it to extend its metal powder sintering offer. In parallel, the acquisition of EXCELTEC has strengthened the Group's offer in plastic powder materials for SLS technology;

- and also on the activities side, with the Group's acquisition of INITIAL in March 2015, a major parts manufacturer using additive manufacturing.

PRODWAYS GROUP continued its vertical integration with the launch in November of a division dedicated to additive manufacturing for the Aeronautical and Space sectors. Following these developments, PRODWAYS GROUP can claim to be the world's third largest company proposing a multi-technology offer, providing the full range of 3D printing services to its industrial clients *(internal source*).

The 3D Printing division generated revenue of €18.1 million in 2015, *i.e.* around 7% of GROUPE GORGÉ's overall revenue.

Markets

3D printing is one of 12 disruptive technologies that will transform our lives over the coming decade (McKinsey Global Institute, *2013*). 3D printing enables direct finished part and product creation from a virtual 3D file without the need for intermediate processing steps. This technique reduces inventories, limits materials waste and, especially, provides access to radically new designs and shapes. 3D printing is already playing a key role in some applications, particularly in the medical field (hearing aids, implants, etc.). Its users are drawn by the many benefits of this new manufacturing process and, in particular, by the improved quality of complex parts and products, the reduced product development time and costs and access to mass personalisation.

3D printing is currently a niche market ($4.9 billion worldwide in 2014) which is growing dramatically (+30% a year). It consists of three distinct segments (Wohlers report, *2015*):

- machine production ($1.3 billion) *using* three types of technology: i) Stereolithography (including DLP) and resin-based technologies (~30-40%), ii) metal and plastic powder sintering (~40%) and iii) plastic filaments (~20-30%);
- materials manufacturing ($700 million), particularly photopolymer resins, plastic and metal powders and filamentary materials;
- parts manufacturing ($2.9 billion), both direct Service-Bureau and indirect (moulds, tooling, etc.) production.

3D printing is currently used mainly for building prototypes, models, industrial components and production tools (for example, moulds used for some jewellery techniques) as well as for the manufacturing of finished products requiring a high degree of precision or the personalisation of finished parts (dental, medical and aeronautics fields).

Different technologies enable the use of several types of materials such as plastic, metal, ceramic, composites.

Competition

3D printing is a particularly dynamic market. It has strong barriers to entry (technology, patents). However, the major players are still quite limited in number and relatively small:

- the two market leaders, offering a full range of additive manufacturing technologies and activities, are the American 3D SYSTEMS ($666 million revenue in 2015) and the Israeli-American company STRATASYS ($696 million revenue in 2015);
- the third largest player is the German company EOS (unlisted), a specialist in metal and plastic powder sintering;
- the other European companies in the field have revenue of less than €60 million from their 3D Printing business and are each specialised in a specific technology: ENVISIONTEC in stereolithography, ARCAM ($60 million in 2015) in electron beam melting for metal, ExONE and VOXELJET ($24 million in 2015) in binder jetting, CONCEPT LASER and SLM in metal powder sintering;
- asiatic companies include BEIJING LONGYUAN, WUHAN BINHU MECH. & Elec., MATSUURA, ASPECT.

New entrants are expected to join this list soon, including HEWLETT PACKARD and TRUMPF.

The majority of the companies above also offer service bureau activities but they account for a small number of the players. They only represent a small proportion of companies: the service bureau market is very fragmented, featuring a large number of local companies with diverse backgrounds. A few larger players are emerging such as PROTO LABS ($264 million in 2015) which specialises in rapid prototyping based on additive manufacturing, and MATERIALISE (€102 million in 2015) which offers service bureau activities in addition to its software business for the 3D printing sector.

PRODWAYS GROUP has a large number of advantages compared to its competitors:

- the backing of GROUPE GORGÉ, which has strong acquisition skills in high value-added niche sectors, significant industrial BtoB experience, proven capacity in managing growth, and a solid financial position;
- the Company's unique expertise with the distinctive MOVINGLight® technology. Its inventor, Dr André-Luc ALLANIC is one of the world's leading specialists and a 3D printing pioneer. Over the past 25 years, he has contributed to the development of a significant number of innovative technologies in the field (notably, stereolithography and metal and polymer powder sintering). Dr André-Luc ALLANIC is the guarantor of this technology and is currently working on new technological advances with his R&D teams. The Group's technology is based on the combination of a Moving DLP and strong UVA LEDs. The moving DLP provides very high resolution and unique homogeneity without increasing parts manufacturing costs or time;

- a complementary SLS plastics offer to cover a large number of industrial applications;
- the ability, thanks to the purchase of DELTAMED in April 2014 and EXCELTEC in November 2015, to provide every client with the machine-material pair specific to each application;
- a parts manufacturing offer with the acquisition of INITIAL, the French service bureau leader, in early 2015.

Our products and solutions are widely-recognised in the marketplace

PRODWAYS GROUP now offers a line of nine machines, thirteen materials and a Service Bureau. Its flagship products include:

- ProMaker L5000

Thanks to its excellent reliability, the ProMaker L5000 offers the lowest operating cost, without compromising on performance. Compatible with 365-nm UV resins, the ProMaker L5000 is ideal for a wide variety of applications, no matter how demanding the requirements. The result is one of the lowest per unit production costs on the market, satisfying the most stringent demands for profitability.

- ProMaker P4000

The ProMaker P4000 series printer line offers industrial production capacities with large platforms and high productivity for high-precision parts printing. It differentiates itself from the current powder sintering standards by its high thermal stability combined with a fully digital, ultra-fast and very high-precision laser scan system.

- ProMaker V6000

Thanks to its unique ability to process highly viscous, heavily loaded materials (pastes), the ProMaker V6000 is the industrial solution for manufacturing composite parts, particularly ceramic and metal for additive manufacturing, combining productivity, high resolution and precision. After processing (sintering and debinding), the resulting parts are very high density, reaching 95% to 99% for ceramic.

- Plastcure Model300 resin

This material is compatible with a large range of applications, notably dental model applications. It provides high precision and excellent resolution as well as excellent properties.

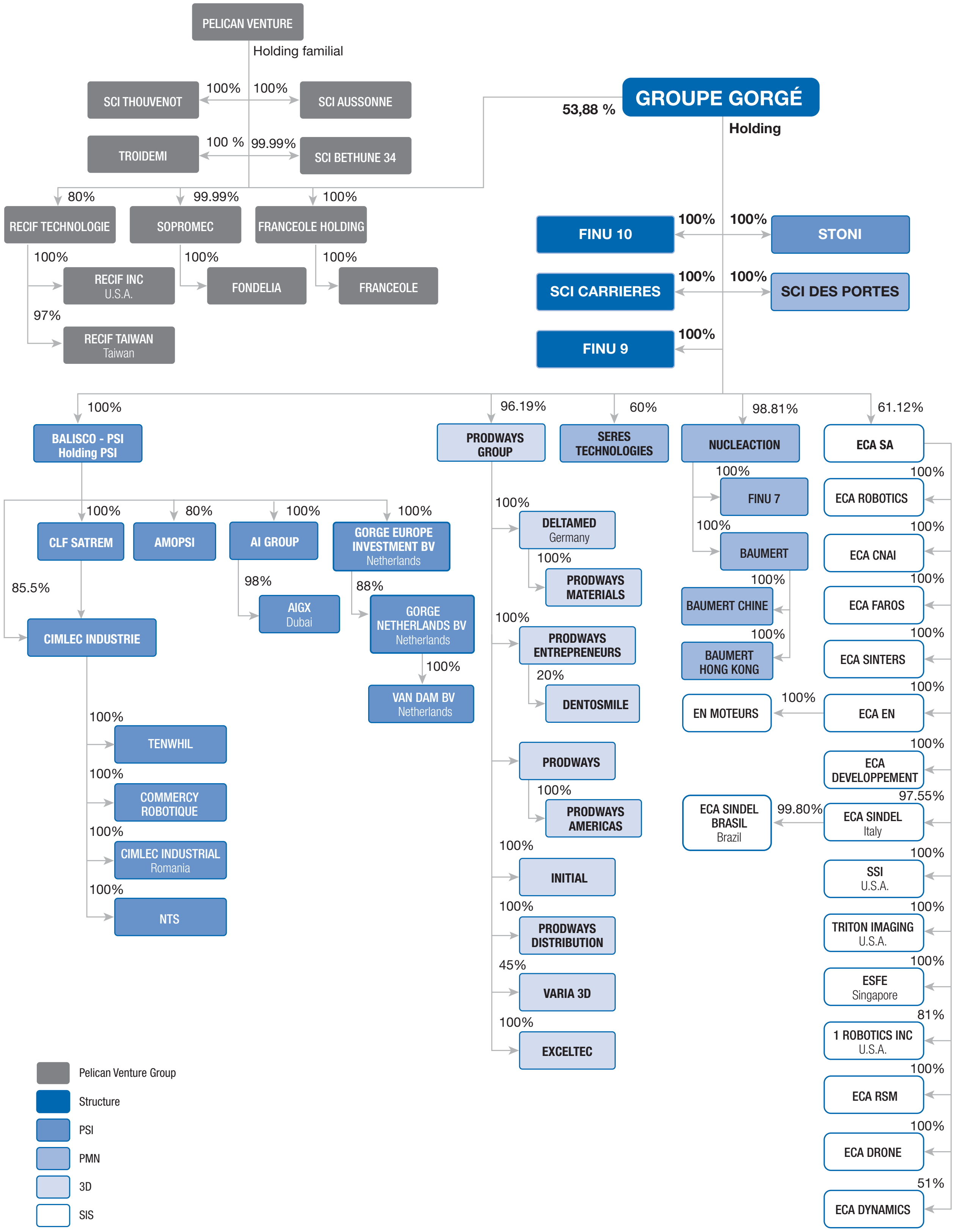
- Service Bureau

Parts manufacturing offer for rapid prototyping in polymers and metal using additive manufacturing technologies with 30 machines.

- Series parts production

Series parts manufacturing offer in polymers and metal using additive manufacturing technology, in particular for the aeronautical sector.

1.2.3 Principal Subsidiaries and organisational chart at 31 December 2015



The rates indicated correspond to the percentage share capital holding. The companies shown here are those that are included in the consolidation scope.

The major changes (acquisitions and disposals) in the organisational structure over the past three years were as follows:

	Newly consolidated	Deconsolidated
2015	NORGE industrial expertise (acquired by PRODWAYS) INITIAL WANDERCRAFT[1] VARIA 3D[1] EXCELTEC	-
2014	DELTAMED INFOTRON	-
2013	Robotics industrial expertise of AIR LIQUIDE WELDING France (taken over by COMMERCY ROBOTIQUE) PHIDIAS (became PRODWAYS) AMOPSI	OD ECA ECA AMERICA LATINA

(1) Non-controlling interest.

The full list of the Group's Companies, grouped by division, can be found in Note 13 to the consolidated financial statements. The table showing GROUPE GORGÉ SA subsidiaries and equity interests can be found in Note 6 of the notes to the Company's separate financial statements. The consolidated financial statements can be found in Section 3.1 of this document, and the separate financial statements of GROUPE GORGÉ SA in Section 3.2.

1.2.4 Significant events

In 2015, the highlights for the various divisions were as follows:

SMART SAFETY SYSTEMS DIVISION

In the Smart Safety Systems division, 2015 was a particularly dynamic year for R&D. Numerous technical developments have enhanced the already highly comprehensive range of solutions offered by the Smart Safety Systems division: the launch of the IGUANA land robot, the development of the captive version of the IT180 airborne drone and the marketing of a high-end latest-generation military simulator.

From a sales point of view, numerous significant contracts were won throughout the division, both in France and internationally: a first contract of nearly €1 million for airborne drones in the Middle East, the sale of the first latest-generation A18 autonomous underwater robot to earn several million euros, a contract for several million euros to supply autonomous underwater drones under the Franco-British MMCM programme, a contract for over €10 million to supply a new assembly line for A320 front fuselage sections, a contract for the supply of two portable A9-M autonomous underwater robots (AUV) for a total of over €1 million.

Lastly, from a capital point of view, the division announced a non-controlling interest in Wandercraft, one of the few companies specialising in the most recent dynamic robotics technologies, and the creation of a company: ECA Dynamics. Within this company, the division will develop biped and quadruped robots for the defence and security sectors.

INDUSTRIAL PROJECTS & SERVICES DIVISION

The Industrial Projects & Services division had a very positive year in 2015. Numerous major projects punctuated the year both internationally and in France, including: a flagship project won on the Yamal project (liquefied natural gas) for the supply of over 35,000 m² of thermal insulation fire wall systems, the delivery of fire wall systems for a refinery in India (the largest oil refinery worldwide), a more than €3 million contract to supply over 40 deluge skids for the Kaombo project in Angola, and lastly, the implementation of a complete water mist protection system for the Paris Tribunal de Grande Instance (Regional Court) for a total of €2 million.

Growth was strong over the year, and well above market growth, resulting from significant commercial investments launched at the beginning of the year when the division significantly overhauled the organisation of its operations. Actions were carried out to consolidate and implement synergies (support, sales, product functions) across all activities and in particular, for fire protection.

Lastly, the Group acquired all the non-controlling shareholdings in its AI GROUP subsidiary during the first half year 2015. This subsidiary's full consolidation is a step towards optimising its operation.

PROTECTION IN NUCLEAR ENVIRONMENTS DIVISION

The Protection in Nuclear Environments division won a number of significant projects during 2015, both in France and internationally. In France, the division won a call for tender for the two initial series units of the overall last-resort emergency diesel backup project for the post-Fukushima programme. This project could lead to 54 identical projects that remain to be won.

Internationally, the division won an important order as part of the NSC (New Safe Confinement) project for reactor No. 4 of the Chernobyl plant, carried by the NOVARKA European consortium. The division will supply all technical doors for the Chernobyl plant dismantling project, including over 14 large-dimension doors, 10 biological doors, 57 tornado doors and 6 special doors that will equip the buildings destined for the safe removal of the contaminated waste present within the sarcophagus.

Lastly, a highlight in 2015 was the entry into operation of its Hong Kong-based subsidiary.

3D PRINTING DIVISION

3D Printing had a large number of business successes and passed many milestones in its development strategy in 2015. The Group sold several machines for various industrial applications, including for the dental, medical, aeronautical industry and jewellery sectors. The Group announced the installation of 28 machines in 2015, compared with 9 in 2014.

2015 was strategically important for the division, as it continued to structure itself both operationally and technologically:

- by becoming the third global player to propose a multi-technology offer for the full range of 3D printing services, following the acquisition of the INITIAL service bureau and the assets of the UK company, NORGE Systems;
- by opening a subsidiary in the United States enabling it to provide proximity support for its customers, in particular for after-sales and technical support services;
- by signing new contracts with distributors (particularly in Turkey, Israel, Portugal, South Korea and Brazil) thus consolidating its worldwide coverage;
- by expanding its offer of plastic and metal powder sintering technologies, thanks to the signature of a strategic partnership with the Chinese company, HUNAN FARSOON;
- by signing a significant service partnership with the LSS Company for the maintenance of its machines installed in Europe;
- by completing the acquisition of the EXCELTEC Company, specialising in the development and distribution of polymer materials for powder-sintering 3D printing;
- by launching an aeronautical division, based in Toulouse, France, dedicated to the design of tooling, embedded parts and the manufacturing of finished plastic and metal parts for aeronautical industry customers.

Lastly, during the first half year, a significant €10 million financing round funded by the FIMALAC Group. This transaction should accelerate the Group's strategy to become the world's third largest company in proposing a multi-technology offer and wraparound 3D printing services to its clients.

1.3 Strategy and outlook, investment and R&D policy

1.3.1 Strategy

GROUPE GORGÉ is pressing ahead with its ambitious long-term development strategy focused around a number of key axes:

- becoming a top player in high-tech niche markets;
- stepping up its exposure to markets having high development potential and aligned with the long-term, durable, global, macro-economic trends that are shaping the future;
- balancing the Group's activities between high added-value products, complex projects and related recurring activities in the fields of safety of people and property and 3D printing.

In each of its four divisions, the Group draws on a strong entrepreneurial culture and a decentralised model that encourages rapid decision-making and a close relationship with clients.

SMART SAFETY SYSTEMS DIVISION

2015 saw an acceleration in ECA's growth. The work to consolidate its positions in its core markets, in particular mobile robotics and robot systems, started to show results. To achieve this, the division will benefit from a number of favourable factors, in particular, the growth of advanced robotic markets, requirements linked to the ramp-up of aeronautics and the reinforcement of simulation in training courses and practice sessions. The investments made in sales, marketing and communication will continue to show results in the order books and revenue and will allow ECA to consolidate its presence in the export market.

- the **Robotics and Integrated Systems** division is prioritising the development of robot systems. An increasing number of clients are looking for a set of different and complementary robots to carry out tasks. To step up this development, ECA is pursuing an ambitious Research & Development programme to provide interoperating robot systems with steadily-increasing autonomy. At the same time, ECA is starting to offer services for its airborne drones
- the **Aeronautics** division is reinforcing its position as a leading supplier of assembly systems and factory tests, while at the same time diversifying its customer base, and consolidating its positioning as a high-technology player.
- the **Simulation** division continues to focus on the area of mission training, in particular for the defence and security sectors.

INDUSTRIAL PROJECTS & SERVICES DIVISION

The Industrial Projects & Services division is continuing its development in the areas of fire protection and safety, which currently represent 70% of the division's business. The industrial robotics business continues its repositioning in a selection of historic markets and several high-potential niches.

In fire protection and safety, the division is aiming to become a major player in the passive and active fire protection sector for energy markets, in particular oil and gas (representing less than a quarter of the division today) and in the industrial and service sectors in France. The recurring industrial and service activity in France makes it possible to balance the cyclical effect of these energy sectors. To achieve this objective, our three fire protection and security subsidiaries are working to:

- support our historical clients in their new projects;
- expand their product offerings, solutions and services;
- develop in the international market.

The industrial robotics business is consolidating in its historical markets, in particular with recurrent business, whilst continuing its work to structure its product and services offering.

In 2015, the divisional management was reinforced in order to implement synergies within the division. Transversal support functions were structured. Emphasis is also being placed on the sharing and implementation of best practices in recurring service and maintenance activities, and in the export sales activity.

PROTECTION IN NUCLEAR ENVIRONMENTS DIVISION

The Protection in Nuclear Environments division continues to develop its activities around two main focuses:

- to consolidate its position as the leading global supplier of special doors for nuclear plants;
- to expand its offering in the protection and safety of nuclear power plants.

The division is also focusing on the structuring and expansion of its offering in the fields of protection and safety of nuclear power plants abroad and in France, in particular, within the EDF Grand Carénage programme dedicated to bringing French nuclear power plants up to EPR and post-Fukushima standards (budget of €55 billion).

After its remarkable breakthrough in China, BAUMERT is now one of the few European subcontractors to serve Chinese energy operators on the Westinghouse AP1000 technology. This situation makes it the world leader in speciality doors for EPR and AP1000 technologies and places BAUMERT in the optimum position to benefit from the sharp growth of nuclear markets in emerging countries. The target is now to i) maintain this position in the EPR and AP1000 programmes in China currently being launched, supported by our Chinese subsidiary and ii) reproduce this breakthrough in a new region, in particular as part of the UK new build programme.

3D PRINTING DIVISION

Having built itself up to become a key player in global additive manufacturing, GROUPE GORGÉ is confirming its ambition to become the world's third largest company offering a full range of 3D printing technologies.

3D printing is currently a niche market ($6.9 billion worldwide) that is growing exponentially (+30% per year, source: *Wohlers report 2015*). It is one of the twelve breakthrough technologies set to revolutionise the manufacturing sector over the next decade (*McKinsey Global Institute, 2013*).

Currently present in the two highest-potential plastic manufacturing technologies (stereolithography and SLS polymers), PRODWAYS GROUP is moving into the industrial 3D printing market, and continues to extend its potential market in two directions:

- broadening its technology portfolio;
- covering all the additive manufacturing businesses.

The 3D Printing division is the division in which the strongest growth is expected and on which the Group has focused its investments.

1.3.2 Future outlook

The Group began 2016 with a firm order book of €191 million, and aims for profitable growth with revenue that could exceed €280 million in 2016.

SMART SAFETY SYSTEMS DIVISION

For 2016, the division is positioned on numerous significant calls for tender: airborne drones, complete robot systems, assembly systems for the aeronautical industry, integrated underwater systems etc. The order book of SIS reached €94 million at the beginning of 2016.

The Group is aiming to achieve revenue of €110 million for this division in 2016.

INDUSTRIAL PROJECTS & SERVICES DIVISION

The order book for the Industrial Projects & Services division reached €49 million at the start of 2016. The transformation plan for the division's industrial robotics business has started to show results and will be completed in 2016.

PROTECTION IN NUCLEAR ENVIRONMENTS DIVISION

The Protection in Nuclear Environments division continues to show a very positive medium-term outlook. The order book reached €45 million at the start of 2016. Numerous calls for tender are in progress under the Grand Carénage programme in France, in which the Group is very well positioned. The new nuclear-plant construction wave in China is being prepared.

3D PRINTING DIVISION

The development of PRODWAYS GROUP will continue in 2016, driven by the broadening of the plastic additive manufacturing line in the machine/materials business, by following the market trend in rapid prototyping and the manufacture of small additive manufacturing series in the Service Bureau business, by the consolidation of our offering for certain vertical applications, in particular aeronautics, and by the consolidation of our technology portfolio.

All these actions are being rolled out with three transversal priorities in mind:

- a position of leader in our most promising high-tech markets;
- expansion of international operations;
- the ramp-up of recurring activities and standardised products.

RECENT PUBLICATIONS

In January 2015, the Group announced the creation of the ECA DRONE company (Smart Safety Systems division). This entity will have the aim of providing services to customers in the civil sector for the IT180 drone line and will provide maintenance for IT180 drones.

The Group also announced in February that it had entered into exclusive negotiations for the acquisition by GROUPE GORGÉ of the technical doors for the nuclear industry business developed by PORTAFEU, subsidiary of the ASSA ABLOY Group. The Group wishes thereby to boost the resources available to it to more effectively and durably meet the needs of its customers in France, in particular for the Post-Fukushima projects.

Lastly, GROUPE GORGÉ set up a new equity line of financing with KEPLER CHEUVREUX. This system will allow capital increases in successive small steps, strictly according to its needs and under optimised market conditions. Under this financing scheme, and subject to the conditions defined by the parties, KEPLER CHEUVREUX is committed to subscribing over the next 24 months to a maximum of 665,000 company shares, representing 4.97% of the current share capital.

1.3.3 Investment policy and R&D

R&D POLICY

The Group invests significantly in research and development to maintain and further develop its competitive edge. The Group files patent applications when necessary in protecting a technical, technological or commercial breakthrough.

In 2015, Research and Development (R&D) efforts related to the four divisions. The Group's research and development was mainly focused on the following areas:

- continuation of the "Robot systems" programme to improve decision-making autonomy, perception and cooperation between all of the Group's drones;
- development of the IT180-999 captive drone simulator. Demonstrations will take place during the 1st half-year 2016 for the Navy and Army;
- development and industrialisation of the IT180-60 long endurance (one-hour) drone. This drone was delivered to a first customer in November 2015;
- development of the new Iguana land robot;
- continuation of the Autonomous Underwater Vehicle (AUV) programme: energy management system, system for launch and recovery in heavy seas, high-efficiency modular electrical propulsion motor; the development of the A18D continued in 2015 - the first sale took place in 2015, and the first product will be delivered in mid-2016;
- development of the A350 maintenance training simulator;
- development of the armoured-vehicle land driving simulator, with the first products planned for delivery during the second half of 2016;
- continued development of a range of 3D printers and associated resins;
- continued development of specialist doors meeting the requirements of AP1000 nuclear plants and the ITER programme.

R&D expenditure amounted to some €11.3 million in 2015. The changes were as follows:

(in millions of euros)	**2015**	**2014**	**2013**
Capitalised research and development	6.3	4.2	2.7
Research and development ecognised as an expense	5.0	6.1	9.7
TOTAL RESEARCH AND DEVELOPMENT EXPENDITURE	**11.3**	**10.3**	**12.4**
Total Research and development as % of revenue	4.3%	4.6%	5.8%
Tax credits for the year	4.0	3.6	3.5
Research and development net of tax credits	7.3	6.7	8.9

The Smart Safety Systems (ECA and subsidiaries) and 3D Printing divisions accounted for most of the total expenditure (respectively €7.7 million and €1.6 million out of €11.3 million; €3.3 million and €1.6 million of capitalised expenditure out of a total of €6.3 million).

The Group consistently seeks external financing to cover these investments (French Defence Procurement, Bpifrance, FUI (French Single Inter-Ministry Fund), Europe, Regional, etc.) and uses its French tax credit for research. All of the Group's subsidiaries obtained research tax credits amounting to a total of €4.0 million, including €2.2 million recognised as income in the income statement for the year and €1.8 million recognised as deferred income, which will contribute to future results. Out of €4.0 million in tax credits for research, €2.7 million was utilised by the Smart Safety Systems business.

R&D expenditures are for the most part internal costs and it is very rare that R&D work is sub-contracted.

Major investments in 2015

In addition to research and development, the Group's ongoing investments include IT equipment, software, workshop tools and the fitting and installation of sites.

The Group's investments amounted to €16.0 million, nearly half of which comprised intangible investments (R&D, software). The 3D Printing Division accounted for nearly one-third of investments (€5.6 million), along with the Smart Safety Systems division (€6.6 million). Industrial investments are mainly funded out of own resources, and occasionally through leasing. Investments in real estate, which are infrequent, are funded through classic debt or debt in the form of a lease.

The value of investments in 2015 breaks down as follows:

(in millions of euros)	2015	2014	2013
Research and development(1)	6.3	4.2	2.7
Other intangible assets	1.1	0.9	0.5
Land and buildings	0.4	0.1	0.0
Technical installations, equipment	7.3	1.9	0.6
Other fixed assets(2)	0.9	2.3	1.3
TOTAL	**16.0**	**9.4**	**5.1**

(1) Only capitalised R&D.
(2) Advance payments and ongoing fixed assets.

In 2015, an investment in acquisitions was also made with the acquisition of a controlling stake in INITIAL.

There were no significant investments for which firm undertakings had already been made. No planned Group investment is conditional on receipt of anticipated significant funding.

Major property, plant and equipment/Property rentals

The Group's fixed assets comprise of certain real estate assets as described below, fittings and installations and IT equipment. The vehicle fleet is for the most part leased from specialised agencies. The Group only has a limited amount of production machinery as its business is not one of large-scale industrial production. However, it does have tooling for which it has not measured the usage rate.

With respect to real estate, the Group mainly leases its sites under standard leasing agreements. The Group owns certain sites used for its activities in La Garde (near Toulon in the French department 83, ECA's principal site), in Lannion (French department 22, ECA FAROS' site) and in Schaeffersheim (French department 67, principal site of the Protection in Nuclear Environments division). Other sites are under lease: Genoa (Italy, ECA SINDEL's site) and in Les Mureaux (French department 78, CIMLEC INDUSTRIE, TENWHIL, NTS, PRODWAYS and CLF-SATREM site). In addition to these operating sites, the Group also owns a vacant building in Les Mureaux. The sites that are currently being leased do not present any risk in terms of their extended availability or that of other similar operating sites. In 2015, several subsidiaries relocated to more suitable premises: the companies concerned were ECA CNAI and ECA SINTERS which will share premises, ECA EN and ECA FAROS. As part of its relocation, ECA FAROS exchanged its building for another one nearby, and will rent additional adjoining premises.

1.3.4 Events occurring since the closing of the financial year

Major events that have occurred between the closing of the financial year and the date on which the financial statements were approved (30 March 2016) are described in Note 12.2 to the consolidated financial statements.

1.4 Analysis of consolidated performance and business sectors

1.4.1 Analysis of Group results

The Board of Directors approved the 2015 consolidated financial statements on 30 March 2016, showing:

- revenue of €264,818 thousand;
- net income of €4,209 thousand;
- net income (Group share) of €1,619 thousand.

The consolidated financial statements were drawn up in compliance with the financial information presentation and evaluation rules of the IFRS (International Financial Reporting Standards) and interpretations adopted by the European Union and published in the *Official Journal* dated 13 October 2003. The figures presented below are from the financial statements for 2015 and 2014. The data can be compared only by taking into account the changes in the scope of business reported in the Notes to the consolidated financial statements.

The most significant events during the financial year are as follows:

- continued development of the 3D Printing division;
- acquisition of 100% of the INITIAL company,

  INITIAL is a company that manufactures parts using 3D Printing. This acquisition is a new major step for the 3D Printing division. The company will be consolidated from April 2015;
- acquisition of the 49% interest in AI GROUP held by non-controlling interests,

  AI GROUP is fully consolidated within the Industrial Projects & Services division. This acquisition does not have an impact on the financial statements other than the breakdown of equity between the Group and non-controlling interests;
- continuation of the equity financing line,

  In March 2014, GROUPE GORGÉ set up an equity financing line; the remaining balance of this line was used in 2015, with the issue of 285,000 new shares.

The consolidated revenue for the financial year stood at €264.82 million *versus* €223.30 million in 2014.

Profit (loss) from continuing operations was €12.33 million *versus* €15.75 million in 2014. Non-recurring items in operating income amounted to -€4.45 million, compared with -€2.75 million in 2014. They mainly concern fees related to external growth, reorganisation costs (relocations in 2015), restructuring costs and the amortisation of intangible assets recognised at fair value in connection with acquisitions.

Financial expenses (net of financial income) amounted to -€2.02 million compared with -€4.55 million in 2014. In 2014, financial expenses included a provision on the REDHALL shares, for €2.79 million. An additional provision for these shares was recorded for €0.11 million in 2015.

Tax came to €1.65 million *versus* €2.74 million in 2014. The earnings of equity-accounted companies were -€0.03 million compared with -€0.86 million in 2014; thus, the year ended 31 December 2015 generated a net profit for the consolidated Group of €4.21 million *versus* €4.84 million for the previous year.

Net income, Group share was €1.62 million (+€2.62 million in 2014) and net income, the share of non-controlling interests was €2.59 million (+€2.23 million in 2014).

MAIN AGGREGATES FROM THE CONSOLIDATED INCOME STATEMENT

(In thousands of euros)	2015	2014	Change
Revenue	264,818	223,304	18.6%
Current operating income	12,331	15,746	-21.7%
Operating income	7,877	12,997	-39.4%
Financial income and expense	(2,018)	(4,554)	ns
Equity method	(3)	(859)	ns
Tax	(1,647)	(2,741)	ns
NET INCOME	**4,209**	**4,842**	**-13.1%**
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT	**1,619**	**2,617**	**-38.1%**

Changes in the income statement between the two financial years should be analysed taking into account non-recurring items with no impact on Group cash in 2013 and 2014 (equity consolidation of REDHALL and impairment of securities), the positive impact on the income statement of the settlement of the BAé dispute in 2013, and the contribution of 3D Printing in the launch and structuring phase. The tables below show the contribution of these items:

Changes in adjusted operating income

(in millions of euros)	2015	2014	2013
Smart Safety Systems	8.31	6.58	4.94
Industrial Projects & Services	3.18	5.06	5.12
Protection in Nuclear Environments	3.36	5.38	5.20
3D Printing	(4.19)	(2.49)	(0.38)
Structure and disposals	(0.15)	(0.47)	(0.48)
OPERATING INCOME, ADJUSTED[1]	**10.51**	**14.08**	**14.42**
Relocation costs	(1.63)	-	-
Amortisation of intangible assets recognised at fair value during the acquisitions	(1.00)	(1.08)	(0.69)
BAé dispute	-	-	2.34
CONSOLIDATED OPERATING INCOME	**7.88**	**13.00**	**16.07**

(1) Operating Income, adjusted: operating income before relocation costs of subsidiaries incurred in 2015, amortisation of intangible assets recognised at fair value during the acquisitions and the impact of the BAé dispute.

Adjusted for the most exceptional items included in it and the change in earnings of the 3D Printing division, the operating income for the other divisions was relatively stable between 2013 and 2015.

The overall activity of the Group is summed up in the two tables below:

Financial year 2015

(In thousands of euros)	Industrial Projects & Services	Smart Safety Systems	Protection in Nuclear Environments	3D Printing	Structure	Disposals	Consolidated
Revenue	103,953	105,218	38,660	18,099	3,427	(4,539)	264,818
EBITDA[1]	5,753	14,026	4,599	(2,328)	(8)	-	22,042
% of revenue	*5.5%*	*13.3%*	*11.9%*	*-12.9%*	*-0.2%*	-	*8.3%*
Current operating income	4,058	8,868	3,471	(3,952)	(114)	-	12,331
% of revenue	*3.9%*	*8.4%*	*8.9%*	*-21.8%*	*-3.3%*	-	*4.7%*
Operating income	3,181	6,000	3,363	(4,517)	(150)	-	7,877
% of revenue	*3.1%*	*5.7%*	*8.7%*	*-25.0%*	*-4.4%*	-	*3.0%*
Research and development costs activated during the financial year	661	3,318	681	1,646	-	-	6,306
Other property, plant and equipment and intangible investments	1,416	3,411	748	3,923	-	-	9,725

(1) A reconciliation of EBITDA with the profit (loss) from continuing operations can be found in Note 3.2.1 of the Notes to the consolidated financial statements.

Financial year 2014

(In thousands of euros)	Industrial Projects & Services	Smart Safety Systems	Protection in Nuclear Environments	3D Printing	Structure	Disposals	Consolidated
Revenue	86,691	93,869	41,975	5,040	3,107	(3,378)	223,304
EBITDA[(1)]	5,194	13,103	6,383	(2,099)	152	-	22,733
% of revenue	*6.3%*	*14.0%*	*15.2%*	*-41.7%*	*4.9%*	-	*10.2%*
Current operating income	5,419	7,057	5,796	(2.380)	(147)	-	15,746
% of revenue	*7.5%*	*6.6%*	*13.8%*	*-47.2%*	*-4.7%*	-	*7.1%*
Operating income	5,061	5,809	5,383	(2,790)	(466)	-	12,997
% of revenue	*6.1%*	*6.2%*	*12.8%*	*-55.4%*	*-15%*	-	*5.8%*
Research and development costs activated during the financial year	786	2,234	715	515	-	-	4,249
Other property, plant and equipment and intangible investments	3,085	1,137	454	545	-	-	5,411

(1) A reconciliation of EBITDA with the profit (loss) from continuing operations can be found in Note 3.2.1 of the Notes to the consolidated financial statements.

Smart Safety Systems

Revenue from Smart Safety Systems grew by 12.1%. Around 44% of the division's revenue comes from outside France (direct exports only), as in 2014.

The current operating margin rate for the Smart Safety Systems division stands at 8.4%, *versus* 6.6% in 2014, confirming the improvement in operating performance started in 2013. The margin rate showed a clear improvement during the second half of the year, as in previous years: it amounted to 1.5% in the first half (current operating income of €653 thousand on €43.1 thousand in revenue) and 13.2% for the second half year.

At the end of the financial year, the order book was stable at €94 million.

Industrial Projects & Services

Industrial Projects & Services grew strongly by 25.7%. The division's business is driven by fire protection, particularly internationally. The international share of revenue increased to reach 28%.

The Industrial Projects & Services division achieved current operating income of €4.1 million, *i.e.* 3.9% of revenue (compared with €5.4 million and 7.5% in 2014). Current operating margin in the second half of 2015 amounted to 5.0%. The margin rate fell in a context of sales conquests.

The order book at the end of the financial year reached a very good level at €49 million compared with €56 million at the end of 2014, but the business cycle for this division evolves relatively faster than the other Group businesses.

Protection in Nuclear Environments

The international activity of the Protection in Nuclear Environments division saw a downturn in 2015 (42% of the division's revenue compared with 48% in 2014). The division generated revenue of €38.7 million (7.9% down from the €42 million earned in 2014). It is the first time that this division has seen its revenue fall since its creation.

The Protection in Nuclear Environments division achieved current operating income of €3.5 million, *i.e.* 9.0% of revenue (compared with €5.8 million and 13.8% in 2014), with better performance during the second half year (€22.1 million in revenue and 10.8% of current operating margin).

Orders were slightly up at the year-end, at €45 million compared with €44 million at end 2014.

3D Printing

The 3D Printing division generated revenue of €18.1 million in 2015, *versus* €5.0 million in 2014. INITIAL was consolidated for eight months and contributed €7.2 million.

Continuing operations generated a loss of €3.9 million *versus* a loss of €2.4 million in 2014. This outcome is due to continued expenditure incurred to set up, structure and develop the division (multiple hires, particularly in R&D and sales, setting up a distribution network).

The order book is stable at €3 million; unlike our other businesses, the order book for this division is not intended to earn a major share of revenue, as the lead times between order taking and delivery are considerably shorter.

1.4.2 The Group's financial position (cash and cash equivalents, financing and capital)

Consolidated net assets stood at €97.5 million, compared with €83.3 million as at 31 December 2014

As at 31 December 2015, the net consolidated financial debt (sum of loans and financial liabilities amounting to €66.3 million and bank borrowings amounting to €7.2 million, less cash and cash equivalents amounting to €34.4 million) was €39.1 million. As at 1 January 2015, it was €25.9 million. The treasury shares held by ECA and GROUPE GORGÉ are not included in these figures. The net debt adjusted for treasury shares was €37.8 million (compared with €25.0 million as at 1 January 2015).

The increase in net debt is due notably to the level of investments made over the year: several external-growth operations, one of which, INITIAL, was significant; high investments in the 3D Printing Division; continued high level of R&D investments in the Smart Safety Systems division. Furthermore, working capital requirement rose by €11.5 million, mainly due to activity growth and in particular, the high level of activity in the final quarter of 2015 and rising tax receivables (research tax credit, and competitiveness and employment tax credit) that could not be set off against tax payable.

Detailed information about the Group's financial liabilities and any related covenants is provided in the Notes to the consolidated financial statements (Notes 8 "Borrowings and financial liabilities").

1.5 Activities and results of GROUPE GORGÉ SA

1.5.1 GROUPE GORGÉ's role in the Group

The organisation of the Group is as follows:

GROUPE GORGÉ SA is a holding company, whose assets are made up of the stakes in its subsidiaries. The Company does not carry out any industrial activities, and its purpose is to:

- implement the Group's strategy;
- supervise the management of subsidiaries (human resources, communication, operations, etc.);
- liaise with the financial community (banks, analysts, etc.);
- provide technical assistance (financial control, legal, etc.);
- develop and maintain common procedures (reporting, financial control, accounting, etc.).

Its funding is ensured by the dividends that it receives and a contract for the provision of services based on the invoicing of actual costs concluded between GROUPE GORGÉ SA and its subsidiaries.

GROUPE GORGÉ SA and its subsidiaries have also concluded a contract for the provision of services with PÉLICAN VENTURE (holding company of the GORGÉ family and majority shareholder of GROUPE GORGÉ).

On account of this contract, PÉLICAN VENTURE defines the general policy and strategy of the Companies of the Group in terms of organisation, external growth, recruitment policy, financial communication and funding policy.

For this, PÉLICAN VENTURE gets paid by invoicing each company, through GROUPE GORGÉ, on the basis of actual costs. This agreement, in force since 2006, is concluded for an indefinite period. Since 2006, both Jean-Pierre GORGÉ (Director and former Chairman of GROUPE GORGÉ) and Raphaël GORGÉ (Chairman and CEO) have been remunerated by PÉLICAN VENTURE. Raphaël GORGÉ only receives Directors' fees and variable compensation from GROUPE GORGÉ.

PÉLICAN VENTURE is an SAS (simplified joint-stock company) with a capital of €3,309,778.08. Its consolidated shareholders' equity (2014) was €128 million, with its main asset being its stake in GROUPE GORGÉ. Its other assets are:

- SOPROMEC PARTICIPATIONS AS, a private-equity investment company, managing approximately €13 million of capital;
- RECIF TECHNOLOGIES SAS (a company designing and assembling robots for the semiconductor industry);
- FRANCEOLE HOLDING SAS (owner of FRANCEOLE, a wind turbine mast manufacturer); and
- real estate and financial assets.

1.5.2 Activities and results

At a meeting held on 30 March 2016, the Board of Directors approved the separate financial statements of GROUPE GORGÉ SA which showed:

- revenue of €3,731 thousand;
- net income of €9,388 thousand.

The financial statements were prepared using the same principles and rules as for previous years.

Revenue came to €3.73 million *versus* €3.11 million in 2014. The operating loss for the financial year was €0.09 million *versus* an operating loss of €0.31 million in 2014.

Income from continuing operations before tax was €4.67 million *versus* €2.02 million in 2014. Financial income of GROUPE GORGÉ in 2015 was €4.8 million (€2.3 million in 2014), including €4.5 million in dividends (€5.5 million in 2014).

After taking into account non-recurring income of €3.2 million (compared with €20.6 million in 2014) and tax income of €1.6 million arising from the tax consolidation grouping of which GROUPE GORGÉ SA is the lead company (€1.7 million the previous year), the financial year ended 31 December 2015 generated a profit of €9.39 million, compared with €24.30 million in 2014. As in 2014, the high level of non-recurring income is due to the capital gain arising from the transfer of securities to the newly-created company heading the Industrial Projects & Services division.

We are also asking the shareholders to approve the non tax-deductible expenses and charges that we incurred during the past financial year, amounting to a total of €8,845, as well as the corresponding theoretical tax amount of €2,948.

1.5.3 Proposed appropriation of income

The Company's income for the financial year ended 31 December 2015 showed a profit of €9,388,142.72. At its meeting on 30 March 2016, the Board of Directors decided to propose the allocation of the sum of €28,500 to the legal reserve, so as to bring it to 10% of the share capital, not to pay any dividend this year. and to allocate the balance of available income (*i.e.* €9,359,642.72) to Retained Earnings.

We would like to remind you that the dividend distributions made for the last three financial years were as follows:

	Dividend per share *(in euros)*	Number of shares comprising the share capital	Total dividend[1] *(in euros)*
2012	0.32	12,731,843	4,074,189.76
2013	0.32	12,981,843	4,154,189.76
2014	0.32	13,081,843	4,217,227

(1) These sums include the unpaid amount of the dividend corresponding to treasury shares, which is allocated to the retained earnings account.

1.5.4 Standard payment terms

In compliance with Article D. 441-4 of the French Commercial Code, we would like to specify that as at 31 December 2015, the balance of GROUPE GORGÉ SA's trade accounts payable was €379 thousand (€965 thousand as at 31 December 2014). These trade payables are not due and in general are payable at 30 days (in 2015 as in 2014).

1.5.5 Other financial and accounting information

SECURITIES PORTFOLIO AS AT 31 DECEMBER 2015

Company	Net asset values *(in euros)*
I - EQUITY SECURITIES	
1. French companies	
a/ Listed equity securities	
ECA	33,564,269
b/ Unlisted equity securities	
CNAI (in liquidation)	0
BALISCO (formerly FINU 5)	5,000
FINU 9	5,000
FINU 10	5,000
LASER TECHNOLOGIES (in liquidation)	0
MARINE INTERIM	34,000
NUCLÉACTION	7,463
PRODWAYS GROUP	30,072,982
SCI DES CARRIÈRES	610,000
SCI DES PORTES	999
SERES TECHNOLOGIES	950,000
STONI	5,690,000
2. Foreign companies	
None	
TOTAL I	**70,944,713**
II - OTHER LONG-TERM INVESTMENTS	
1. French companies	
a/ Listed securities	
None	
b/ Unlisted securities	
None	
2. Foreign companies	
a/ Listed securities	
None	
b/ Unlisted securities	
None	
TOTAL II	**-**
III - MARKETABLE SECURITIES	
a/ Money market funds (SICAVs) and term deposits	5,215,000
b/ Listed French shares	
None	
c/ Listed foreign shares	
d/ Treasury shares	70,606
TOTAL III	**5,285,606**
GRAND TOTAL (I+II+III)	**76,230,319**

FINANCIAL TABLE - ARTICLE R. 225-102 OF THE FRENCH COMMERCIAL CODE

Nature of information	2015	2014	2013	2012	2011
Share capital	13,366,843	€13,081,843	€12,731,843	€12,731,843	€12,731,843
Number of shares	13,366,843	13,081,843	12,731,843	12,731,843	12,731,843
Par value per share	€1	€1	€1	€1	€1
Revenue excluding taxes	3,731,165	3,107,420	2,545,612	2,229,634	2,282,688
Earnings before taxes, depreciation and amortisation	5,274,298	23,942,297	2,569,664	(3,443,972)	(226,854)
Income tax	(1,558,748)	(1,652,758)	(1,678,134)	(1,429,024)	(1,204,860)
Earnings after taxes but before depreciation and amortisation	6,833,046	25,595,055	4,247,797	(2,014,948)	978,006
Earnings after taxes, depreciation and amortisation	9,388,143	24,299,934	5,479,594	(1,428,003)	1,754,013
Distributed earnings	4,217,227	4,154,190	4,074,190	3,813,617	2,957,617
Earnings per share after taxes but before depreciation and amortisation	0.51	1.96	0.33	(0.16)	0.08
Earnings per share after taxes, depreciation and amortisation	0.70	1.86	0.43	(0.11)	0.14
Net dividend per share(1)	0.32	0.32	0.32	0.30	0.26
Average number of employees	7	7	7	8	9
Total payroll	868,187	861,175	639,202	1,162,173	1,012,215
Social security contributions and employee benefits	393,805	353,924	297,616	450,762	464,929

(1) Dividend paid during the year, in respect of the previous financial year.

1.6 Risk factors

The Company has reviewed the risks that could materially adversely affect its business, financial position or results and is not aware of any other significant risk not presented herein. For a proper understanding of the risks to which the Group is exposed, this chapter should be read in conjunction with the full consolidated financial statements and the Registration Document.

1.6.1 Legal risks

Regulatory compliance

Generally speaking, the Group's businesses can be adversely affected by legal risks arising from non-compliance with laws and regulations in France and in all other jurisdictions where the Group has interests.

In order to mitigate the legal risks inherent in their businesses, Group companies typically have recourse to the Group's legal department and to external advisers (lawyers, labour law experts and intellectual property experts).

Regulatory or administrative authorisations

The Group's businesses are not dependent on regulatory or administrative authorisations but may require accreditations or professional recognitions.

CLF-SATREM is APSAD certified for the installation and inspection of sprinkler systems. This certification is issued by CNPP, a certifying body recognised by the insurance industry. The Company needs it for the purposes of its routine maintenance activities and some new installations, at the request of customers and their insurers. The certification would only be lost were the Company to fail to satisfy the technical recommendations in the APSAD reference framework.

The Group's business activities in the nuclear sector require professional certification by CEFRI (*Comité français de certification des Entreprises pour la Formation et le suivi du personnel travaillant sous Rayonnements Ionisants* - Companies' French certification committee for training and follow-up of employees working in ionising radiation) or EDF (EDF-UTO certification). In order to obtain such certification, suitable structures, special procedures and staff training must be put in place. This certification would only be lost were the Company to fail to respect the required standards and procedures, which can be subject to periodic changes.

Several ECA Group Companies have security clearances allowing them to manage confidential defence contracts. The loss of these clearances would threaten the level of business, especially in R&D, conducted with the French military. Each of these companies has put in place the structure required by the accreditation bodies to ensure compliance with all the security clearance requirements.

Still on the subject of ECA and its subsidiaries, export permits, managed by various ministries and the Prime Minister's office, are required for the sale outside France of defence systems and equipment. Similarly, the sale and export of certain of the ECA Group's dual purpose technologies also requires authorisation by the Ministry for Industry. The Companies concerned must keep a list of these dual purpose technologies up to date and obtain these authorisations prior to making any sales.

Research and development

Given the size of its R&D budget, the Group uses the research tax credit system. Any scaling back of this system in the future would adversely affect the amount of R&D expenditure that the Group could reasonably fund. Furthermore, it is well known that tax audits involving the research tax credit often end up in the courts. The Group pays particular attention to compliance with the regulations and the quality of its supporting documentation, and had never been subject to a significant reassessment until 2013, when its BAUMERT subsidiary saw €340 thousand of its research tax credit claim challenged (out of €766 thousand audited). The Group used all available legal channels to challenge this reassessment, and was partly successful in its action at the Paris Administrative Tribunal in December 2015. The Group now awaits the decision to be taken by the Strasbourg Administrative Tribunal for the same case and the end of the time limit for appeals.

Industrial property

The Group has an active policy of patenting in order to protect its inventions. To this end, it has recourse to intellectual property experts.

Patent applications are reviewed by the competent local or international bodies. It takes a number of years before a patent application is approved. The review process may also result in a patent being granted with narrower claims than initially sought or in a patent being refused in certain jurisdictions. Furthermore, intellectual property rights registered in certain jurisdictions do not afford complete protection.

There is a risk of a third party initiating proceedings against the Group for infringement of industrial property, as has already occurred in the past (BAé dispute, see Registration Document 2012). The subsidiaries, drawing on their in-house capabilities or the services of outside experts, notably assess the risk of infringing patents held by third parties when conducting their R&D programmes.

Litigation

The Group may be involved in litigation and disputes with third parties. Ongoing litigation is reviewed and provisions funded in the financial statements or disclosures made in the Notes to the consolidated financial statements (Note 12.1 "Exceptional events and disputes").

No other state or legal proceeding or arbitration of which the Company is aware to date, either pending or threatened, has had a material impact on the financial position or profitability of the Company and/or Group in the past twelve months, or is likely to do so.

1.6.2 Operating risks

Risks associated with technological developments

In some of its markets, the Group is required to continually monitor leading edge technical and technological developments. The subsidiaries in question have substantial R&D budgets for the purpose of developing new products or solutions that best meet the needs of customers or prospects.

Risks associated with competition

Many Group buyers are increasingly looking to reduce their number of suppliers and build strong, enduring partnerships, with suppliers assisting them with their plans, and are exerting a great deal of pressure on product and service pricing. This difficulty is compounded by the economic climate, with competitors generally being inclined to accept price cuts that might be considered unreasonable in order to win orders.

In this regard, the Group's expertise, and the quality of its products and services are key success factors. The Group thus endeavours to keep quality levels extremely high across all its businesses and to obtain certification for them. The stock market listing of GROUPE GORGÉ and ECA, the Group's financial strength and low debt, the diversity of its businesses and markets, and its international footprint raise the Group's profile compared with its competitors.

Risks associated with market changes

The Group as a whole is positioned in a range of different markets, which can develop in opposing directions. A sharp slowdown in investment plans in one market may adversely affect the business of the subsidiary or subsidiaries in question whilst having limited consequences at Group level.

There has been substantial growth in the Protection in Nuclear Environments division over the past number of years. The potential hazards of nuclear energy are often a matter of public debate, and this may influence the approval and timing of plans to build new nuclear power stations. For this division and the 3D Printing division, difficulties in managing growth could also arise, whether commercial, technical or administrative. This growth means that it is necessary to regularly strengthen management structures, to successfully bring on board the necessary qualified staff and to exploit all possible synergies within the Group.

Key person risks

The Group's success and development are dependent on the work and experience of key employees and of the management team. The departure or loss of a key person could adversely affect the business, financial position and results of a subsidiary or of the Group.

Group employees are naturally motivated by the commercial or technical appeal of the projects on which they work. The introduction of profit-sharing and shareholding plans may also serve as additional motivation.

The GROUPE GORGÉ management team also endeavours to ensure that a company's success is not built around an overly small group of people and that managers at subsidiaries consider drawing up succession plans for key people.

Risks associated with confidentiality

Some of our skills, knowledge and technologies are not protected by patents. Despite the implementation of confidentiality procedures, there is nevertheless a risk that confidential information may be disclosed.

Furthermore, competitors may attempt to develop identical or similar technologies, which could have an adverse effect on the business of the subsidiaries in question.

Insuring operating risks

In the course of conducting its business, the Group may be confronted by disputes, proceedings and claims concerning its activities and products. The Group has taken out insurance to cover the cost of these potential risks. However, these insurance policies contain exclusions and exceptions that make it impossible to cover the totality of the potential harm suffered. Furthermore, the amount of expenses could exceed the limits of our insurance coverage.

The insurance taken out by the Group to insure against possible risks encompasses:

- civil liability;
- property, plant and equipment;
- leased premises.

All policies are entered into with reputable insurance companies.

Specific insurance policies have been taken out for post-delivery maritime and aviation risks.

Customers are asking more frequently for substantial guarantees for post-delivery risks. For the most material contracts, we conduct a risk analysis with our insurance carrier to ensure that these risks have been appropriately covered under our civil liability policies. When necessary, additional insurance is taken out for the performance of a contract.

Performance obligation – product liability

The Group cannot totally discount the risk that it might have problems meeting a performance obligation it has contractually promised a customer. The Group has long experience managing this risk and applies controls when approving contracts. Such a risk may, nevertheless, occur and adversely impact the margin on the contract in question.

The products sold by the Group are complex and may contain design or production defects. These defects may also be caused by parts bought from suppliers. The Group may receive complaints concerning the quality of its products and these could lead to costs.

Verification and control procedures have been put in place by the Group to detect any such faults, but these may not be sufficient to detect hidden defects.

Risks associated with acquisitions

The Group has regularly acquired businesses or third party companies in the course of its development and intends to continue with this strategy as opportunities are identified.

Any acquisition involves risks related to the integration into the Group of the business or company acquired, the existence of unforeseen expenditure and the departure of key personnel from these Companies.

The Group systematically conducts financial, legal and technical audits in anticipation of these risks and negotiates asset and liability guarantees. The Group also takes the measures necessary to retain the individuals identified as being key personnel, thus ensuring the long term future of these companies.

In most cases, goodwill is recognised in the consolidated financial statements at the time of acquisition. Impairment tests are carried out each year. If an impairment loss for goodwill is recognised, this could have an impact on the Group's financial situation (revenue and equity), and would indicate that the business outlook is not at the level hoped-for at the time of the acquisition.

1.6.3 Financial risks

Credit and/or counterparty risk

Changes to the economic situation around the world may affect our partners, customers and suppliers due to economic slowdowns and financial, geopolitical or social difficulties, or any other factors. However, given the diversity of the Group's business activities and markets, the profile of its customers (primarily institutional and major buyers) and its ability to obtain a growing number of new contracts, the Group is not exposed to a specific customer risk.

The Group as a whole is not over-reliant on any one customer, as can be seen from the percentage of consolidated revenue earned from each of the top five customers (for each of the top five customers in 2015, the percentage of 2014 revenue earned from it is also indicated):

	2015	2014
• Customer A:	6.9%	7.6%
• Customer B:	4.0%	5.4%
• Customer C:	4.0%	5.2%
• Customer D:	2.5%	4.7%
• Customer E:	2.2%	1.9%

In 2015, the top five customers accounted for 19.5% of the Group's revenue (compared with 26.6% in 2014). The top 20 Group customers accounted for 38% of revenue (43% in 2014). However, a Group subsidiary may have a significant volume of business with one particular customer: for example ECA CNAI with AIRBUS, BAUMERT with EDF. The contacts and number of transactions done with these customers make it possible to avoid concentrating the risk on too few deals.

The quality of the Group's customers and the credit management and collection procedures mean that customer credit risk can be controlled. Provisions for impaired trade receivables represented 1.5% of trade receivables, compared with 2.3% in 2014. Past-due trade receivables are disclosed in the Notes to the consolidated financial statements, (Note 4.4 "Trade receivables").

The Group's business activities are primarily concentrated in Western Europe and in this region the Group is not heavily dependent on the public sector. Internationally, the Group only deals with major buyers or public buyers. Aside from AI GROUP, there is no exposure to significant country risk. AI GROUP, which became part of the Group at end 2011, had business ties with Iran. The Group made sure that AI GROUP's exports complied with European Union rules whilst also ensuring the proper filing of the requests for approval by the French Treasury (Direction Générale du Trésor - DGT) required for every order. Changes to European sanctions against Iran may nevertheless have a marginal impact on the level of business conducted by the Group (less than 1%).

Geopolitical developments in a country can complicate or suspend trade relations with that country. The diversity of countries to which the Group exports its products and services means that the impact of this risk can be limited. In 2013-2014, the Group won a number of contracts in Russia. Because of the European embargo on that country, particular attention was paid to the guarantees and contractual clauses detailed in these contracts. We regularly monitor changes in the sanctions against Russia and its nationals to limit the risks associated with this situation.

The Group employs a range of sources to procure components or sub-assemblies. Given this high level of fragmentation, there is no dependence on any subcontractor or supplier.

Liquidity risk

The liquidity risk is described in the Notes to the consolidated financial statements (Note 8.3.1 "Liquidity risk"). The Group's low net debt and its financial position give it access to substantial financing, notably enabling it to fund acquisitions.

The Company specifically reviewed its liquidity risk and believes it is in a position to meet all future maturities.

Market risk

The risks associated with interest rates, foreign exchange rates, equities and other financial instruments are discussed in the Notes to the consolidated financial statements (Note 8.3 "Financial Risk Management Policy"). Most international deals are denominated in euros. Foreign exchange risk is thus relatively easy to control. The risk associated with equities and other financial instruments is marginal in light of the Group's prudent policy, and is only significant with respect to treasury shares. Interest rate risk is discussed in detail in the Notes to the consolidated financial statements.

The Group is not exposed to any particular commodity risk. When a customer order is likely to expose the subsidiary in question to a commodity risk (steel, lead), an escalator clause is typically included in the contract at the subsidiary's request.

1.6.4 Industrial and environmental risks

Group Companies with sites that fall under the French 'Installations Classified for the Protection of the Environment' (ICPE) regulations have made the required declarations or possess the necessary authorisations.

As for any industrial activity, our activities may involve the handling and storage of hazardous substances. The Companies concerned implement the safety procedures recommended for the handling and storage of such products.

The Group is not exposed to any other specific risk.

Corporate **governance**

2

2.1 Composition of the Board of Directors

The Board of Directors of GROUPE GORGÉ consisted of six Directors at 31 December 2015: Raphaël GORGÉ (Chairman and Chief Executive Officer), Jean-Pierre GORGÉ, Sylvie LUCOT, Martine GRIFFON-FOUCO, Catherine GORGÉ, and Hugues SOUPARIS.

In 2014, the Board of Directors appointed Amélie FINAZ de VILLAINE (representing Bpifrance) as observer. Amélie FINAZ de VILLAINE participates in meetings of the Board of Directors but is not entitled to vote.

Jean-Pierre GORGÉ is Raphaël GORGÉ's father and Catherine GORGÉ is Raphaël GORGÉ's spouse. Martine GRIFFON-FOUCO was appointed as a Director on the recommendation of Bpifrance. Sylvie LUCOT and Hugues SOUPARIS are independent Directors (*i.e.* Directors who do not have any links to the Company, its group or management, such as might compromise the exercise of their freedom of judgment).

Three specialised Board committees (audit, remuneration and strategy) were established. The roles and composition of these committees are presented in the Chairman's report (see Section 2.5 below).

As far as the Company is aware, no member of the Board of Directors or corporate officer has, over the past five years, been convicted of fraud, been involved in his/her capacity as a member of the Board of Directors or manager in a bankruptcy, receivership or liquidation, been charged and/or officially sanctioned by a legal or regulatory authority, or been barred by Court order from serving on an administrative, Management or Supervisory Board of an issuer or from being involved in the management or running of an issuer.

As far as GROUPE GORGÉ is aware, there are no conflicts of interest between the personal interests of members of the administrative bodies and their duties to the Company.

As far as GROUPE GORGÉ is aware, the Directors and executive corporate officers have not agreed to any restriction on the free transferability of any interests they may have save as mentioned in Section 4.3.2.

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2.2 Presentation of the members of the Board

Management experience and expertise of the Directors and observer

Raphaël GORGÉ	Raphaël GORGÉ joined GROUPE GORGÉ (named FINUCHEM at the time) in 2004 after a ten-year career in finance and technology. He initiated and implemented the Group's withdrawal from the automotive sector (70% of its revenue in 2004), then steered its development toward new areas of business. Raphaël GORGÉ has been the Chief Executive Officer of the Group since 2008. Raphaël GORGÉ has an engineering degree from the École Centrale de Marseille and holds an advanced degree in molecular modelling.
Jean-Pierre GORGÉ	Before founding GROUPE GORGÉ (previously named FINUCHEM) in 1988, Jean-Pierre GORGÉ held various positions in public administration, including deputy Director of the chemical industries department of the French Ministry of Industry as well as SMI delegate and head of the regional affairs department at the Ministry of Industry. Jean-Pierre GORGÉ is currently the Chairman of FRANCEOLE, a wind turbine manufacturing company controlled by the holding company of the GORGÉ family. Jean-Pierre GORGÉ has an armaments engineering degree from the École Polytechnique (1962) and a degree from the Institut d'Études Politiques in Paris (1967).
Catherine GORGÉ	Catherine GORGÉ began her career as a process engineer at ATLANTIC RICHFIELD, then joined the TECHNIP Group as a project engineer. After working at the Industrial Projects & Services business at GROUPE GORGÉ, she joined the luxury sector. There, she held the position of Director of Development and Operations at the PUIG group, first for the Paco Rabanne brand, then for the Maje brand. She currently runs the company CBG CONSEIL, specialising in business consulting. Since 2014, she has carried out a consulting assignment at PRODWAYS (as Corporate secretary). Catherine GORGÉ is also a Director of ECA. Catherine GORGÉ has an engineering degree from the École Centrale de Marseille and holds an advanced degree in project management.
Sylvie LUCOT	Sylvie LUCOT was Vice-Chairman of International Corporate Affairs at the THALES group from 2008 until her retirement in February 2014. From 1986 to 1997, she was the Director of Investor Relations at the Thomson Group and THOMSON-CSF, and then from 1998 to 2008, at the THOMSON-CSF Group, which became the THALES Group in 2000. From 1974 until joining the THOMSON Group in 1984, she was a financial analyst at DAFSA and the French Ministry of Industry. Since 2011, Sylvie LUCOT has been an employee shareholders' representative on the Board of the AMF.
Martine GRIFFON-FOUCO	Martine GRIFFON-FOUCO held the positions of Member of the Executive Board, Executive Vice-Chairman and Head of Corporate & Business Development at ASSYSTEM SA until March 2014. In April 2014, she joined the engineering group, AKKA Technologies. She previously held various positions at CEGELEC, EDF and the French CEA (Atomic Energy Commission). At EDF, Martine GRIFFON-FOUCO was the Director of the Blayais Nuclear Power Plant from June 1994 to November 1998. During the 1980s, she created the first "human factor" teams in the nuclear industry while at EDF and the CEA. Martine GRIFFON-FOUCO has a degree in engineering (ENSMA in Poitiers) along with, among others, a degree in psychology.
Hugues SOUPARIS	Hugues SOUPARIS is the founder and Chairman of SURYS (formerly HOLOGRAM Industries), a French company specialising in document authentication and traceability and products based on the optical sciences, such as holograms, nano-structures, and digital solutions. SURYS is the designer and supplier of holograms of high-denomination euro banknotes and optical films for authenticating French biometric passports. Hugues Souparis is a graduate of the École Centrale Marseille, and specialises in the design and creation of industrial products.
Amélie FINAZ de VILLAINE (observer, representing Bpifrance Participations)	Amélie Finaz de Villaine is the Investment Manager at Bpifrance Investissement ETI/GE (formerly Fonds Stratégique d'Investissement), which she joined in 2009. She began her career working in Mergers & Acquisitions at Rothschild & Cie in Paris before moving to Société Générale where she worked in structured financing in New York for nearly five years. Amélie FINAZ de Villaine is a graduate of the ESSEC business school.

List of offices and positions held by the Directors

Surname and given name	Date of first appointment	Date term expires	Main position held in the Company	Main position held outside the Company	Other terms of office and positions held in any company
GORGÉ Catherine	Shareholders' Meeting dated 8 June 2012	Shareholders' Meeting approving the financial statements for the financial year ending 31/12/2017	Director	Chairman of CBG CONSEIL SAS	Director of ECA SA Secretary of PRODWAYS (consultant)
GORGÉ Jean-Pierre	Meeting of the Board of Directors dated 11 March 1991	Shareholders' Meeting approving the financial statements for the financial year ending 31/12/2020	Director	Chairman of PÉLICAN VENTURE SAS Chairman of FRANCEOLE HOLDING SAS Chairman of FRANCEOLE SAS	Director of ECA SA Vice-Chairman of the Supervisory Board of SOPROMEC Manager of SOCIÉTÉ CIVILE G21 Chairman of FRANCEOLE Holding SAS Chairman of FRANCEOLE SAS Manager of SARL TROIDEMI
GORGÉ Raphaël	Shareholders' Meeting dated 17 June 2004	Shareholders' Meeting approving the financial statements for the financial year ending 31/12/2015 The renewal of his term of office is on the agenda for the Shareholders' Meeting of June 2016	Chairman of the Board of Directors and CEO	Deputy CEO of PÉLICAN VENTURE SAS	Office held outside the Group: Member of the Executive Committee of La Vélière Capital (formerly PROMELYS Participations SA) Chairman of the Supervisory Board of SOPROMEC SA Manager of Société Civile Compagnie Industrielle du Verdelet Manager of SCI THOUVENOT Manager of SCI AUSSONNE Office held within the Group: Director of ECA SA Chairman of the Board of Directors of the listed subsidiary ECA (since 13/11/2012) Chairman of NUCLÉACTION SAS Manager of SCI DES CARRIÈRES Chairman of STONI SAS General Manager of GORGÉ EUROPE INVESTMENT BV Chairman of PRODWAYS, FINU 9, FINU 10 Permanent Representative of GROUPE GORGÉ SA in the office of Chairman of BALISCO and Chairman of PRODWAYS Entrepreneurs Chief Executive Officer and Director of PRODWAYS GROUP SA
GRIFFON-FOUCO Martine	Shareholders' Meeting of 8 June 2012	Shareholders' Meeting approving the financial statements for the financial year ending 31/12/2017	Director	Chairman of GALI	Director of ISAE-ENSMA Director of KEDGE Director of GIAT INDUSTRIES Manager of SCI LAUFRED Manager of SCI GALA
LUCOT Sylvie	Shareholders' Meeting of 18 December 2006	Shareholders' Meeting approving the financial statements for the financial year ending 31/12/2016	Independent Director	Vice-Chairman, International Corporate Affairs, THALES until February 2014	Member of the Board of the AMF
SOUPARIS Hugues	Shareholders' Meeting of 18 June 2014	Shareholders' Meeting approving the financial statements for the financial year ending 31/12/2019	Independent Director	Chairman of SURYS (formerly HOLOGRAM INDUSTRIES)	Manager of ENOWOOD Chairman of ENOWE Chairman of ENOGRAM Chairman of HOLOGRAM FOUNDATION Director of USINE IO

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Professional addresses of the Directors

Raphaël GORGÉ	C/o GROUPE GORGÉ, 19, rue du Quatre-Septembre – 75002 Paris
Jean-Pierre GORGÉ	C/o GROUPE GORGÉ, 19, rue du Quatre-Septembre – 75002 Paris
Catherine GORGÉ	C/o GROUPE GORGÉ, 19, rue du Quatre-Septembre – 75002 Paris
Sylvie LUCOT	C/o GROUPE GORGÉ, 19, rue du Quatre-Septembre – 75002 Paris
Hugues SOUPARIS	C/o SURYS (formerly HOLOGRAM INDUSTRIES), 22 avenue de l'Europe Parc d'Activités Gustave Eiffel – 77600 Bussy Saint Georges
Martine GRIFFON-FOUCO	Chez GALI, 10, rue Daru – 75008 Paris

During the last five years, the corporate officers have served terms of office in the following companies:

	2011	2012	2013	2014	2015
Jean-Pierre GORGÉ					
ECA	x	x	x	x	x
GROUPE GORGÉ	x	x	x	x	x
PÉLICAN VENTURE	x	x	x	x	x
SOPROMEC PARTICIPATIONS	x	x	x	x	x
AUPLATA	x	x			
LA VELIERE CAPITAL SAS (formerly PROMELYS PARTICIPATIONS)	x	x	x		
AF MATHURINS COMMANDITE SARL	x	x	x		
SOCIÉTÉ CIVILE G21	x	x	x	x	x
FRANCEOLE HOLDING SAS		x	x	x	x
FRANCEOLE SAS		x	x	x	x
SARL TROIDEMI					x
Raphaël GORGÉ					
GROUPE GORGÉ	x	x	x	x	x
SCI THOUVENOT	x	x	x	x	x
PÉLICAN VENTURE	x	x	x	x	x
PLEIADE INVESISSEMENT	x				
AUPLATA	x	x			
ECA	x	x	x	x	x
SOPROMEC PARTICIPATIONS	x	x	x	x	x
SCI DES CARRIÈRES	x	x	x	x	x
STONI	x	x	x	x	x
NUCLÉACTION	x	x	x	x	x
SCI AUSSONNE	x	x	x	x	x
CNAITEC	x				
COMMERCY ROBOTIQUE	x	x	x		
LA VELIERE CAPITAL SAS (formerly PROMELYS PARTICIPATIONS)	x	x	x	x	x
GORGÉ EUROPE INVESTMENT BV		x	x	x	x
SC COMPAGNIE INDUSTRIELLE DU VERDELET		x	x	x	x
BALISCO			x	x	x
PRODWAYS			x	x	x
PRODWAYS GROUP				x	x
PRODWAYS ENTREPRENEURS				x	x
FINU 7				x	
PRODWAYS DISTRIBUTION (formerly FINU 8)				x	
FINU 9				x	x
FINU 10					x

	2011	2012	2013	2014	2015
Sylvie LUCOT					
GROUPE GORGÉ	x	x	x	x	x
THALES CANADA	x	x			
Martine GRIFFON-FOUCO					
GROUPE GORGÉ		x	x	x	x
ASSYSTEM SA (until March 2014)	x	x	x	x	
ALPHATEST SA (until March 2014)	x	x	x	x	
GIAT INDUSTRIES	x	x	x	x	x
ISAE-ENSMA			x	x	x
KEDGE			x	x	x
ASG SA	x	x			
INSIEMA	x	x			
ANAFI SAS	x	x			
SCI LAUFRED				x	x
SAS GALI			x	x	x
SCI GALA					x
Catherine GORGÉ					
GROUPE GORGÉ		x	x	x	x
ECA SA	x	x	x	x	x
IMMOBILIÈRE BENON SCI (radiation on February 2014)	x	x	x	x	
CBG CONSEIL SAS			x	x	x
Hugues SOUPARIS					
SURYS (formerly HOLOGRAM INDUSTRIES)	x	x	x	x	x
ENOWE	x	x	x	x	x
ENOGRAM			x	x	x
ENOWOOD					x
HOLOGRAM FOUNDATION					x
USINE IO					x

2.3 Information on the securities transactions by corporate officers

To the knowledge of the Company, the corporate officers and Group managers and persons referred to in Article L. 621-18-2 of the French Monetary and Financial Code subject to voluntary reporting of their securities transactions completed the following in 2015:

(in number of shares)	Acquisitions	Disposals
Raphaël GORGÉ	-	20,000
PÉLICAN VENTURE[1]	22,520	-
Bpifrance Participations[2]	4,200	-

(1) PÉLICAN VENTURE is a company with ties to Directors of the Company. See Section 1.5.1.
(2) Amélie FINAZ de VILLAINE, observer, representing Bpifrance Participations.

2.4 Remuneration of corporate officers

The tables below present the remuneration and benefits paid to each of the corporate officers by the Company, companies controlled by GROUPE GORGÉ or the controlling company of GROUPE GORGÉ, during the past year.

Raphaël GORGÉ (Chairman and Chief Executive Officer) is primarily remunerated by PÉLICAN VENTURE (the company controlling GROUPE GORGÉ). PÉLICAN VENTURE charges the main part of this remuneration to GROUPE GORGÉ for the services that it provides. Raphaël GORGÉ is paid Director's fees by GROUPE GORGÉ as well as variable remuneration based on targets set annually by the Board of Directors on a proposal by the Remuneration Committee.

The Company has not made any other remuneration commitment for 2015 in favour of its executive corporate officer, for any reason whatsoever. Raphaël GORGÉ does not have any stock subscription or purchase options, nor does he have a free share grant plan.

Jean-Pierre GORGÉ (Director) also receives remuneration from PÉLICAN VENTURE. This remuneration is not in connection with his term of office as Director at GROUPE GORGÉ.

Catherine GORGÉ (Director) has acted as a consultant to the PRODWAYS subsidiary since 2014 and charges a fee for this (see Table 3 and Section 2.6.1 hereinafter).

The total amount of Director's fees to be allocated to the Board of Directors from 1 January 2015 was fixed at €60,000.

TABLE 1 - SUMMARY TABLE OF THE REMUNERATION AND THE OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER

Raphaël GORGÉ, Chairman and Chief Executive Officer	2015	2014
Remuneration due for the financial year[(1)] (details in Table 2)	€252,069	€259,719
Value of multiannual variable remuneration granted during the financial year	None	None
Value of the options granted during the financial year (details in Table 4)	None	None
Valuation of bonus shares (details in Table 6)	None	None
TOTAL FOR RAPHAËL GORGÉ	**€252,069**	**€259,719**

(1) of which 175,489 owed in 2015 by PÉLICAN VENTURE (company controlling GROUPE GORGÉ).

TABLE 2 - SUMMARY TABLE OF THE REMUNERATION OF EACH EXECUTIVE CORPORATE OFFICER

	Amounts for 2015		Amounts for 2014	
Raphaël GORGÉ, Chairman and Chief Executive Officer	**Due**	**Paid**	**Due**	**Paid**
• fixed remuneration[(1)]	€172,000	€161,000	€165,000	€177,333
• annual variable remuneration[(2)]	€59,350	€74,000	€74,000	€79,547
• multiannual variable remuneration	None	None	None	None
• non-recurring remuneration	None	None	None	None
• Director's fees	€10,000	€10,000	€10,000	€10,000
• benefits in kind	€10,719	€10,719	€10,719	€10,719
TOTAL	**€252,069**	**€255,719**	**€259,719**	**€277,599**

(1) This remuneration was paid by PÉLICAN VENTURE, the company controlling GROUPE GORGÉ, and not by GROUPE GORGÉ.
(2) The Board of Directors has decided to allocate to Raphaël GORGÉ variable remuneration of up to €83,000 gross for 2015 subject to the fulfilment of quantitative and qualitative criteria. The criteria have been precisely predefined by the Board of Directors on a proposal by the Remuneration Committee. These criteria are not public knowledge, and remain confidential.

TABLE 3 - TABLE OF DIRECTOR'S FEES AND OTHER REMUNERATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

Members of the Board of Directors	**Paid in 2015**	**Paid in 2014**
Jean-Pierre GORGÉ		
Director's fees	€10,000	€10,000
Other remuneration(1)	€132,000	€132,000
Sylvie LUCOT		
Director's fees	€10,000	€10,000
Other remuneration	-	-
Michel BAULÉ (Director who left the Board at end 2014)		
Director's fees	-	€7,500
Other remuneration	-	-
Amélie FINAZ de VILLAINE (observer)		
Director's fees	-	-
Other remuneration	-	-
Martine GRIFFON-FOUCO		
Director's fees	€10,000	€10,000
Other remuneration	-	-
Catherine GORGÉ(2)		
Director's fees	€10,000	€10,000
Other remuneration	€77,000	€65,500
Hugues SOUPARIS		
Director's fees	€5,000	-
Other remuneration	-	-

(1) Jean-Pierre GORGÉ's remuneration was paid by a controlling company.
(2) Catherine GORGÉ's "other remuneration" corresponds to fees, exclusive of tax, billed to PRODWAYS by its Company CBG Conseil.

TABLE 4 - STOCK SUBSCRIPTION OR PURCHASE OPTIONS GRANTED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER BY THE ISSUER OR BY ANY GROUP COMPANY

Name of the executive corporate officer	
Plan No. and date	
Type of options (purchase or subscription)	
Value of the options as per the method used for the consolidated financial statements	None
Number of options granted during the financial year	
Strike price	
Strike period	

TABLE 5 - STOCK SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE YEAR BY EACH EXECUTIVE CORPORATE OFFICER

Name of the executive corporate officer	
Plan No. and date	None
Number of options exercised during the year	
Strike price	

TABLE 6 - BONUS SHARES GRANTED FREE TO EACH CORPORATE OFFICER

	Grants in the 2015 financial year
Bonus shares granted by the Shareholders' Meeting during the financial year to each corporate officer by the issuer or by any Group Company (bearer list)	None
Plan No and date	
Number of shares granted during the financial year	
Value of shares according to the method used for consolidated financial statements	
Acquisition date	
Availability date	
Performance conditions	

TABLE 7 - BONUS SHARES THAT BECOME AVAILABLE TO EACH CORPORATE OFFICER

Bonus shares that become available to each corporate officer	None
Plan No. and date	
Number of shares that became available during the financial year	
Acquisition conditions	

TABLE 8 - HISTORY OF ALLOCATION OF STOCK SUBSCRIPTION OR PURCHASE OPTIONS

Information on stock subscription or purchase options	None

TABLE 9 - STOCK SUBSCRIPTION OR PURCHASE OPTIONS GRANTED TO THE FIRST TEN EMPLOYEES WHO ARE NOT CORPORATE OFFICERS AND OPTIONS EXERCISED BY THEM

	Total number of options allocated for shares subscribed or purchased	Weighted average price	Plan No. 1	Plan No. 2
Options granted, during the financial year, by the issuer and any company included within the scope of granting options, to the last ten employees of the issuer and any company included within this scope, of which the number of options granted is the highest (global information)	None			
Options held in the issuer company and the companies mentioned above, exercised, during the financial year, by the ten employees of the issuer and these companies, of which the number of options thus purchased or subscribed to is the highest (global information)	None			

TABLE 10 - HISTORY OF BONUS SHARE AWARDS

Date of meeting	18/12/2006	08/06/2010	08/06/2014
Date of Board of Directors' meeting	22/02/2008	06/06/2011	12/05/2014
Total number of bonus shares distributed[1]	62,000	49,000	30,000
including corporate officers	31,000	-	-
Raphaël GORGÉ	31,000	-	-
Acquisition date of the shares	22/04/2010	06/06/2013	12/05/2016 and 31/12/2016
Date of end of the lock-up period	22/04/2012	06/06/2015	12/05/2018 and 31/12/2018
Number of shares acquired	20,668	42,000	-
including corporate officers	10,334	-	-
Raphaël GORGÉ	10,334	-	-
Number of cancelled shares	41,332	7,000	-
Bonus shares distributed during the acquisition period	-	-	30,000

(1) Distribution subject to performance conditions associated with the profits of the Group and of the subsidiaries.

TABLE 11 - INFORMATION RELATING TO EMPLOYMENT CONTRACTS, SUPPLEMENTARY PENSION SCHEME AND INDEMNITIES FOR EACH EXECUTIVE CORPORATE OFFICER

Executive corporate officers	Raphaël GORGÉ, Chairman and Chief Executive Officer
Employment contract	no
Supplementary pension scheme	yes[1]
Compensation or benefits due or likely to be due on account of the end or change of office	no
Compensation relating to a non-compete clause	no

(1) Supplementary pension plan with defined contributions of 2.5% of the gross salary, paid by PÉLICAN VENTURE, the company controlling GROUPE GORGÉ, and not by GROUPE GORGÉ.

2.5 Chairman's report

2.5.1 Chairman's report on the work of the Board and internal control

Dear Shareholders,

Pursuant to the provisions of Article L. 225-37, paragraphs 6 to 10 of the French Commercial Code, I am hereby reporting on:

- Board membership and the application of the principle of gender balance;
- the preparation and organisation of the proceedings of the Board of Directors during the financial year ended 31 December 2015;
- the internal control and risk management procedures established by the Company;
- the scope of the CEO's powers;
- the Company's reference to a Corporate Governance Code and its application by the Company;
- any special arrangements regarding shareholders participation in Shareholders' Meetings;
- the principles and rules established by the Board of Directors to determine the remuneration and benefits-in-kind of corporate officers.

The information required pursuant to Article L. 225-100-3 of the French Commercial Code (factors likely to have an impact in the event of a public offer) is given in Section 4.3.4 of the Registration Document.

1. Members of the Board, preparation and organisation of the Board's proceedings

1.1 Board members

The Board of Directors has six Directors and one observer. The current list of members is as follows:

Raphaël GORGÉ, Chairman and CEO;

Jean-Pierre GORGÉ, Director;

Sylvie LUCOT, independent Director;

Martine GRIFFON-FOUCO, Director representing Bpifrance;

Catherine GORGÉ, Director;

Hugues SOUPARIS, independent Director;

Amélie FINAZ de VILLAINE, observer representing Bpifrance.

The rules governing the operation of the Board of Directors can be found in the bylaws and are set out in detail in the Board's Internal Regulations.

With respect to the application of the principle of gender balance on the Board, it should be noted that women are in the majority on the Board.

1.2 Frequency of meetings - Attendance record of Directors

Over the past year, the Board of Directors met six times. Directors have a very strong attendance record.

1.3 Calling Board meetings

In accordance with Article 15 of the bylaws, Board meetings may be called by any means, including verbally.

In 2015, Board meetings were called by email.

Pursuant to Article L. 225-238 of the French Commercial Code, the Statutory Auditors were invited to attend the Board meetings held to review and approve the interim and annual financial statements.

1.4 Provision of information to Directors

Directors were provided with all the papers, technical dossiers and information required to carry out their duties either when meetings were called or prior to Board meetings.

1.5 Holding of meetings

Meetings of the Board of Directors are held at the registered office. The Internal Regulations approved by the Company's Board of Directors, allow the use of video-conferencing or other telecommunications technologies subject to the regulatory requirements for holding the meetings of the Board of Directors.

1.6 Board committees

Three Board committees (audit, remuneration and strategy) were established in 2012:

- the Appointments and Remuneration Committee consists of Martine GRIFFON-FOUCO (Chairman), Catherine GORGÉ and Hugues SOUPARIS;
- the Audit Committee consists of Sylvie LUCOT (Chairman) and Amélie FINAZ de VILLAINE (Board observer);
- the Strategy Committee consists of Raphaël GORGÉ (Chairman), Martine GRIFFON-FOUCO, Jean-Pierre GORGÉ, Hugues SOUPARIS and Amélie FINAZ de VILLAINE. However, it is preferred to discuss strategy issues directly at Board meetings.

The Audit Committee is responsible for monitoring the following:

- the financial reporting process;
- the effectiveness of the internal-control and risk-management systems;
- the statutory audit of the separate and consolidated financial statements by the Statutory Auditors;
- the independence of the Statutory Auditors.

It issues a recommendation regarding the Statutory Auditors proposed to the Shareholders' Meeting.

In the course of preparing the interim and annual financial statements, the Audit Committee met with the Company's Statutory Auditors to prepare the closing of accounts and to get updates from the Statutory Auditors on their work.

1.7 Decisions taken

In the course of the past year, the Board of Directors took routine decisions that were in the Company's best interests.

1.8 Meeting minutes

Minutes of Board of Directors meetings are drawn up following each meeting and sent to all Directors at the latest before the next Board meeting.

2. Internal control and risk management procedures

The Company has developed internal control procedures with a view to achieving, to the extent possible, strict financial management and risks control, and preparing the information provided to shareholders on the financial position and financial statements.

The main risks facing the Group are discussed in the Registration Document published by the Company and filed with the AMF ("Risk Factors").

The internal control system is built around the following organisation and methodologies:

2.1 General organisation of internal control

The Chairman & CEO, assisted by the Chief Financial Officer, established the Company's internal control system with a view to ensuring:

- the safeguarding and integrity of assets; and
- the reliability of information flows.

This internal control system primarily encompasses:

- oversight of the Group's business by the introduction of a procedure for monthly reporting and analysis of sales, profit (loss) and cash flow;
- a procedure for organising accounts closing and the production of consolidated financial statements every half-year;
- a special reporting procedure for the quarterly preparation of consolidated revenue figures and the satisfaction of legal disclosure requirements.

2.2 Group organisation

GROUPE GORGÉ SA does not carry out any industrial activities and its purpose is to:

- define and implement the Group's strategy;
- supervise the management of subsidiaries (human resources, communication, procurement, etc.);
- liaise with the financial community (banks, stock market, etc.);
- develop and maintain common procedures (reporting, management control, accounting, etc.).

The Group is organised around four business divisions: Smart Safety Systems, Protection in Nuclear Environments, Industrial Projects & Services, and 3D Printing. Each business is independent and has its own operational structures (senior management, finance department, management control, etc.).

Management at the Group's main operating subsidiaries reports directly to the Group's senior management.

2.3 Implementing internal control

2.3.1 Business reporting

All direct and indirect subsidiaries of GROUPE GORGÉ complete the Group's reporting scorecards which include the following business indicators:

- monthly and year-to-date sales;
- monthly order intakes;
- total order book;
- highlights.

These scorecards, once approved by the finance chiefs and senior management in the operating entities, are sent to HQ on the fifth of each month together with any notes or commentaries required to analyse and understand them.

2.3.2 Performance reporting

All direct and indirect subsidiaries of GROUPE GORGÉ prepare a monthly income statement in the Group's format with a comparison against the budget. The cash flow position and a three-month cash flow forecast are also included. These reports also include a section on Working Capital Requirements (WCR), human resources, and risks/litigation.

This information, together with any commentary required for understanding it and following approval by management, is sent to HQ on the twentieth of each month.

Monthly meetings are held between Group management and management of subsidiaries to discuss the information sent and to consider any corrective measures taken or to be taken and to update forecasts.

These monthly reports are accompanied by an end-of-year income statement, which is updated several times during the year.

2.3.3 Accounting closes

All Group companies share the same annual reporting date of 31 December and interim reporting date of 30 June (except for REDHALL GROUP, which was accounted for under the equity method until the first half 2014 and uses 30 September as its annual reporting date and 31 March as its interim reporting date).

The interim and annual financial statements as well as the consolidation reporting are audited by the Statutory Auditors.

A review meeting between Group management and management at subsidiaries is held at each accounting close in order to agree the relevant options for said accounting closes.

The data required for preparing the consolidated financial statements are entered in a decentralised input system. The software used is SAP BFC, with an automatic module that immediately reconciles reported intra-group transactions. An internal manual details the principles and policies applied by the Group for the purposes of preparing the consolidation reporting. This manual was updated after the change of software at end 2014.

The Group's consolidated financial statements are prepared internally in accordance with applicable principles and are audited by the Statutory Auditors.

Following these accounting closes, all legal disclosure requirements are satisfied.

2.3.4 Quarterly business reports

The Group publishes its quarterly consolidated revenue. These numbers are prepared in the same way as for the preparation of the consolidated financial statements. The press releases disclosing quarterly revenue numbers are prepared on the basis of the business and profit (loss) reports as well as discussions with management at the subsidiaries.

2.3.5 Assessment of internal control

In 2009, the Group, in consultation with its Statutory Auditors, drew up an internal control self-assessment procedure. The risk mapping done in 2011 used these responses as general background. In 2015, the decision was made to update the risk mapping and define an internal control accounting system. This project was launched in January 2016 with the firm of PricewaterhouseCoopers. It should be carried out over the first half of 2016.

The Italian subsidiary ECA SINDEL recorded an increase in its working capital requirement in recent years. An internal audit was ordered in 2014, which revealed, in particular, a lack of stringency in applying the terms of payment granted to customers. Corrective actions were implemented accordingly, to better control customer payment times. An anomaly in accounting for a client receivable in 2012 was also revealed, resulting in the correction of the historical accounts. The accounting procedures were clarified and improved controls were put in place. In spite of these measures, further anomalies have been detected in this subsidiary's accounts regarding the accounting for paid leave entitlement, receivables, and project costs improperly maintained as works in progress. These anomalies are discussed in detail in the Notes to the consolidated financial statements. This state of affairs has incurred loss to the Group; this subsidiary's manager and public accountant have been replaced, and the Group is analysing what further steps to take. The new auditor, PricewaterhouseCoopers Italy, has conducted checks in greater depth, and all of the procedures will be reviewed with a new public accountant.

SAP BFC software was deployed in the Group in 2015. It was first used for the consolidation of the 2014 separate financial statements. The system is being used for all budgets, reportings and forecasts and for sending these to senior Group management.

2.4 Preparation and control of accounting and financial information for shareholders

The Chairman and CEO, assisted by the Chief Financial Officer, establish the financial communications policy.

Since September 2014, it has been decided to replace the traditional information meetings with the French Society of Financial Analysts (SFAF) with the publication on the Group's website of the presentation of highlights, outlook and interim and annual financial statements.

2.5 Legal and regulatory compliance

In order to ensure that their businesses are in compliance with applicable regulations, Group companies have recourse to the Group's legal department and to external advisers (lawyers, labour law experts and intellectual property experts).

3. Powers of the CEO

At its 14 September 2011 meeting, the Board of Directors resolved that the positions of Chairman of the Board of Directors and of CEO would be held by a single person.

It should be noted that when he was appointed, no restrictions were placed on the powers of the CEO. Subsequently, the investment agreement entered into with Bpifrance did restrict some of the CEO's powers. The main provisions of this investment protocol were published on the AMF's website ("Publication of the clauses of a shareholder's agreement" dated 3 January 2012).

4. Company reference to a Corporate Governance Code and its application by the Company

In December 2009, MIDDLENEXT published a Corporate Governance Code for small and medium-sized companies, and at the 7 April 2010 meeting of the Board of Directors the Company resolved to adhere to this new code. Thus, the Company referred to the MIDDLENEXT Governance Code for the purpose of drawing up this report. This code can be consulted on the MIDDLENEXT website (www.middlenext.com).

The Board of Directors took note of the items in the "Items requiring careful attention" section. Most of the recommendations are respected:

- Recommendation 1 (concurrent holding of an employment contract and a corporate office): corporate officers do not combine an employment contract with their corporate office within GROUPE GORGÉ or its subsidiaries. It should, however, be noted that PRODWAYS signed a service agreement with Catherine GORGÉ in early 2014, appointing her as Corporate Secretary of the company.
- Recommendation 2 (setting and transparency of the remuneration of executive corporate officers): details of the remuneration of corporate officers are presented in the management report.
- Recommendation 3 (severance pay): corporate officers do not enjoy any severance pay or any benefit likely to become due through their departure, any change in position or under a non-competition clause.
- Recommendation 4 (supplementary pension schemes): corporate officers enjoy a supplementary pension system, the cost of which is borne by PELICAN VENTURE as indicated in Section 2.4 of the Registration Document.
- Recommendation 5 (stock options and allocation of free shares): the corporate officers received no allocations of stock options or free shares during the 2015 financial year.
- Recommendation 6 (implementation of Internal Regulations for the Board): to comply with this recommendation, on 17 February 2012 the Board decided to adopt new Internal Regulations specifying the role of the Board, the criteria for considering members of the Board to be independent, the obligations of Directors and how the Board should function.

- Recommendation 7 (Code of Ethics for Board members): on 17 February 2012, the Board adopted Internal Regulations that specified, amongst others, the ethical obligations of its members. In particular, every Director must inform the Board in the event of a conflict of interest, and as the case may be, either refrain from voting on the matter at hand, not attend the Board meeting, or resign as Director;
- Recommendation 8 (Board members – inclusion of independent members): the Board has two independent members (namely Sylvie LUCOT and Hugues SOUPARIS). The independence of these two Directors was assessed by reference to the four independence criteria adopted by the MIDDLENEXT Corporate Governance Code
- Recommendation 9 (selection of Directors): details of the experience and skills of Directors must be provided when they are put forward for appointment or reappointment. This information is repeated in the management report. The appointment of each Director must be the subject of a separate resolution;
- Recommendation 10 (term of office of Board members): the term of office of Directors is set at six years in compliance with the law. This gives enough time to gain an understanding of the Group's various businesses;
- Recommendation 11 (provision of information to Board members): as far as possible, the Company sends the Directors draft minutes of meetings and any other document required to prepare for meetings, by e-mail and before Board meetings are held. Particularly sensitive or urgent matters may be discussed without papers first being distributed or with prior notification being given shortly before the date of the Board meeting. Directors may also be informed of any major event or plan outside of Board meetings;
- Recommendation 12 (establishment of committees): 2012 saw the establishment of an Audit Committee (separate from the full Board), a Strategy Committee (primarily tasked with reviewing any planned acquisition by the Company) and an Appointments and Remuneration Committee (primarily tasked with reviewing the membership of the Board of Directors, including its committees, and the remuneration and benefits of corporate officers). Until now, strategy issues have been directly reviewed and discussed at Board meetings rather than Strategy Committee meetings.
- Recommendation 13 (meetings of the Board and committees): as indicated above, the Board of Directors meets an average six to eight times per year, and Directors have a very good attendance record. Minutes are drawn up for each meeting;
- Recommendation 15 (assessment of the work of the Board): once a year, the Chairman of the Board calls on the Directors to express their opinion of the way the Board functions and the preparation of its work.

Due to the size of the Group or of the Board of Directors, the Board opted out of the application of the following recommendation in the MIDDLENEXT code:

- Recommendation 14 (distribution of Director's fees in accordance with the attendance record of the Directors): since the Directors have an excellent attendance record at Board meetings and the total amount of Director's fees remains relatively modest, the distribution of Director's fees in accordance with the attendance record was not adopted.

5. Special arrangements, if any, regarding shareholder participation in Shareholders' Meetings

The bylaws do not contain any provision waiving the ordinary legal provisions governing the arrangements for shareholders participation in Shareholders' Meetings (see Article 22 of the bylaws partially inserted in the "Corporate Charter and Articles of Incorporation" section of the Company's Registration Document).

6. Principles and rules established by the Board of Directors to determine the remuneration and benefits-in-kind of corporate officers

The remuneration and benefits-in-kind received by corporate officers are detailed in the Registration Document prepared by the Company and incorporating the management report by reference.

This report was prepared by the Chairman on 16 March 2016 and approved by the Board of Directors on 30 March 2016.

The Chairman of the Board of Directors

2.5.2 Statutory auditors' report prepared in accordance with article L. 225-235 of the French commercial code and dealing with the report of the Chairman of the board of directors of Groupe Gorgé

Financial year ended December 31, 2015

To the Shareholders,

In our capacity as Statutory Auditors of Groupe Gorgé and in accordance with article L. 225-235 of the French commercial code, we hereby present our report dealing with the report prepared by the Chairman of your company in accordance with article L. 225-37 of the French commercial code for the financial year ending December 31, 2015.

The Chairman is responsible for preparing and submitting for the approval of the board of directors, a report describing the internal control and risk management procedures implemented by the company and disclosing other information as required by article L. 225-37 of the French commercial code dealing in particular with corporate governance.

Our own responsibility is to:

- communicate to you any observations we may have as to the information contained in the Chairman's report and relating to the company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information; and
- certify that the report includes the other disclosures required by article L. 225 37 of the French commercial code. It should be noted that we are not responsible for verifying the fair presentation of those other disclosures.

We have performed our work in accordance with the professional standards applicable in France.

Information relating to the company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information

Our professional standards require the application of procedures designed to assess the fair presentation of the information contained in the Chairman's report and relating to the company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information.

Those procedures involve in particular:

- Obtaining an understanding of the underlying internal control and risk management procedures in the area of the preparation and processing of financial and accounting information presented in the Chairman's report, and of the related documentation;
- Obtaining an understanding of the work performed as a basis for preparing that information and the existing documentation;
- Determining if any major internal control weaknesses in the area of the preparation and processing of financial and accounting information identified by us during the course of our engagement have been appropriately disclosed in the Chairman's report.

On the basis of the procedures performed, we have nothing to report on the information relating to the company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information contained in the report of the Chairman of the board of directors prepared in accordance with article L. 225-37 of the French commercial code.

Other disclosures

We hereby attest that the report of the Chairman of the board of directors includes the other disclosures required by article L. 225-37 of the French commercial code.

Paris and Courbevoie, March 31, 2016

The statutory auditors

PricewaterhouseCoopers Audit	**Mazars**
David CLAIROTTE	Daniel ESCUDEIRO

2.6 Agreements with related parties and agreements covered in Article L. 225-102-1 of the French Commercial Code

2.6.1 Presentation of agreements

In 2015, the Company authorised its subsidiary PRODWAYS GROUP to issue to FIMALAC Développement bonds redeemable in shares of PRODWAYS GROUP or of GROUPE GORGÉ. In view of the value of this bond issue for PRODWAYS GROUP and the favourable valuations applied for PRODWAYS GROUP and GROUPE GORGÉ, the Board of Directors, at its meeting on 20 May 2015, authorised entry into the contract for the issuance of bonds redeemable in shares of PRODWAYS GROUP or of GROUPE GORGÉ, between FIMALAC Développement, the Company and PRODWAYS GROUP. Raphaël GORGÉ, as Permanent Representative of GROUPE GORGÉ SA holding office and as Chairman of PRODWAYS GROUP, was classed as an interested Director and did not take part in the vote.

The Board of Directors' meeting, at which the 2015 financial statements were approved, reviewed the regulated agreements entered into in prior years that are still current. Only one regulated agreement authorised in a prior year continued in performance during 2015: the investment agreement dated 12 December 2011, entered into between Bpifrance (formerly FSI), GROUPE GORGÉ, PELICAN VENTURE, Jean-Pierre GORGÉ and Raphaël GORGÉ. This agreement is for an initial term of 10 years. This agreement does not contain any financial obligations incumbent on GROUPE GORGÉ.

In accordance with Article L. 225-102-1 of the French Commercial Code, it is stated that Catherine GORGÉ (*via* CBG Conseil) entered into a service agreement with PRODWAYS in 2014. The contract was continued in 2015. Under this contract, Catherine GORGÉ performs duties as Corporate Secretary of PRODWAYS. The services billed to PRODWAYS in 2015 amounted to €77,000 net of tax, and PRODWAYS paid €92,400 inclusive of VAT.

2.6.2 Statutory auditors' report on regulated agreements and commitments

(Shareholders' meeting for the approval of the financial statements for the year ended December 31, 2015)

To the Shareholders,

In our capacity as your company's statutory auditors, we hereby report to you on regulated agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. Under the provisions of article R. 225-31 of the French commercial code, it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by article R. 225-31 of the French commercial code in relation to the implementation during the year of agreements and commitments already approved by the Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with the guidance issued by the French Institute of statutory auditors (Compagnie nationale des commissaires aux comptes) for this type of engagement. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

Agreements and commitments submitted to the approval of the shareholders' meeting

Agreements and commitments authorized during the last year

In accordance with article L.225-40 of the French commercial code, we have been advised of the following agreements and commitments authorized by the Board during the past fiscal year to be submitted for the approval of the shareholders' meeting.

- Issuance to Fimalac Développement of bonds convertible into shares in PRODWAYS Group ou GROUPE GORGÉ

Persons concerned: Raphaël Gorgé, GROUPE GORGÉ, PRODWAYS Group

Nature and purpose:

On May 20, 2015, Management Board of Groupe Gorgé authorized Prodways Group to issue to Fimalac Développement bonds convertible into shares in Prodways Group or Groupe Gorgé.

Conditions:

On June 17, 2015, 10 M€ were provided by Fimalac Development, in the form of bonds convertible into shares in PRODWAYS Group ou GROUPE GORGÉ.

- In Prodways Group shares
  - At any time at the holder's request ;
  - Automatically in the event of an IPO of Prodways Group ;
  - Automatically for the bonds that are still outstanding on January 1, 2021 ;
- In Groupe Gorgé shares between January 1st, 2019 and December 31, 2020, at the holder's request (in the absence of an IPO of Prodways Group).

Relevance of the agreement for Groupe Gorgé:

The board has considered that this issuance would allow Prodways Group to finance its development, and that the valuation of the companies used are favourable.

Agreements and commitments previously approved by the shareholders' meeting

Agreements and commitments approved in previous years

a) which have been pursued during the last year

In accordance with article R. 225-30 of the French commercial code, we have been informed of the following agreements and commitments approved in prior years and which remained current during the last year.

- Conclusion of an investment agreement between BPI France (ex. Fonds d'Investissement Stratégique), Groupe Gorgé, Pélican Venture, Mr. Jean-Pierre Gorgé and Mr. Raphaël Gorgé

Persons concerned: Jean-Pierre Gorgé, Raphaël Gorgé

Nature and purpose:

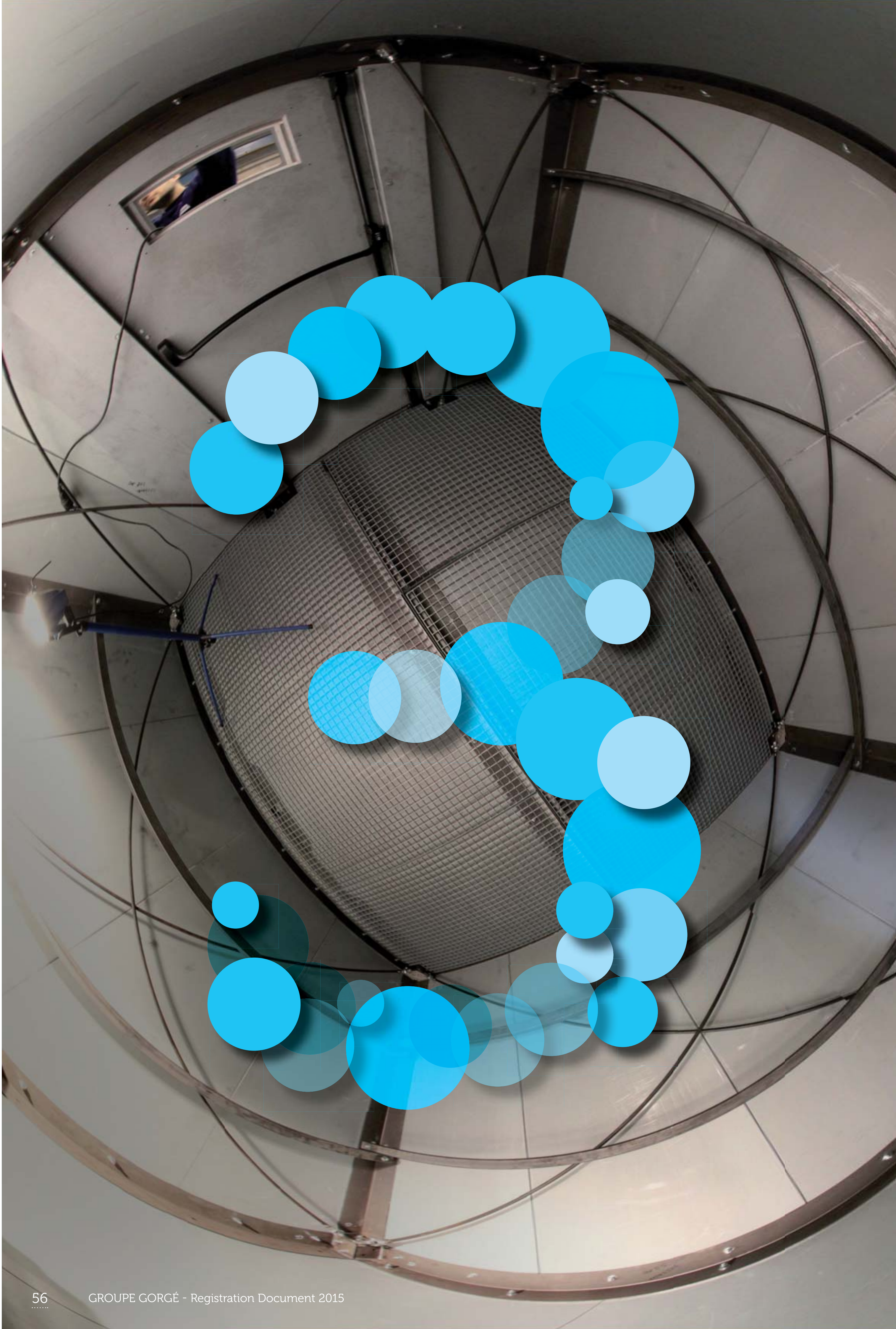
An investment agreement was signed December 12, 2011 for a period of 10 years between French sovereign wealth fund BPI France (ex. Fonds Stratégique d'Investissement), Groupe Gorgé, Pélican Venture, Mr. Jean-Pierre Gorgé and Mr. Raphaël Gorgé. This agreement aims to define the modalities of the participation of BPI France in the governance of Groupe Gorgé. This agreement defines in particular the changes to the management of Groupe Gorgé, the reinforce of the Board of Groupe Gorgé's right to information, the terms of exercise of a joint exit right and a right of first offer, anti-dilution measures in favor of BPI France and finally the terms of an equity stability.

The execution of this agreement has no financial impact on the Groupe Gorgé financial accounts for the fiscal year 2015.

Neuilly-sur-Seine and Courbevoie, March 31, 2016

The statutory Auditors

PricewaterhouseCoopers Audit	Mazars
David CLAIROTTE	Daniel ESCUDEIRO



Financial and accounting information

3

3.1 Financial and accounting information

Les états financiers consolidés du Groupe sont établis conformément au référentiel IFRS publié par l'*International Accounting Standards Board* (IASB) et tel qu'approuvé par l'Union européenne. Les principes comptables sont exposés en détail dans les notes annexes aux états financiers consolidés, section 3.1.6.

3.1.1 Consolidated income statement

(In thousands of euros)	Notes	2015	2014*
REVENUE	4.1	**264,818**	**223,304**
Capitalised production		6,659	4,614
Inventories and work in progress		2,061	653
Other income from operations	4.2	6,364	8,777
Purchases and external charges		(164,284)	(130,883)
Personnel expenses	5.2	(91,072)	(81,229)
Tax and duties		(2,477)	(2,549)
Depreciation, amortisation and provisions (net of reversals)	4.3	(9,711)	(6,988)
Other operating income and expenses		(27)	47
CURRENT OPERATING INCOME		**12,331**	**15,746**
Non-recurring items in operating income	4.6	(4,454)	(2,748)
OPERATING INCOME		**7,877**	**12,997**
Interest on gross debt		(2,290)	(2,071)
Interest on cash and cash equivalents		54	115
COST OF NET FINANCIAL DEBT (A)	8.2	**(2,236)**	**(1,956)**
Other financial income (B)		1,173	541
Other financial expense (C)		(955)	(3,140)
FINANCIAL INCOME AND EXPENSE (D=A+B+C)	8.2	**(2,018)**	**(4,554)**
Income tax	9.1	(1,647)	(2,741)
Group share of the earnings of affiliated companies		(3)	(859)
NET INCOME FROM CONTINUING ACTIVITIES AFTER TAX		**4,209**	**4,842**
Net income from discontinued activities		-	-
NET INCOME		**4,209**	**4,842**
Net income - minority share [1]		2,590	2,226
NET INCOME - GROUP SHARE		**1,619**	**2,617**
Average no. of shares	10.2	13,217,562	13,077,220
Net income from continuing operations per share (in euros)	10.2	0.193	0.195
Net income per share (in euros)	10.2	0.193	0.195

* *2014 column restated to reflect the items described in Note 1.3.*
(1) *Essentially concerns the minority interests of the ECA Group.*

3.1.2 Income statement - gains and losses recognised directly in shareholders' equity

(In thousands of euros)	2015	2014*
NET INCOME	**4,209**	**4,842**
Currency translation adjustment	138	112
Tax relating to currency translation adjustments	-	-
Revaluation of hedging derivatives	8	20
Tax relating to revaluation of hedging derivatives	(3)	(7)
Revaluation of hedging derivatives - liabilities	119	310
Tax relating to revaluation of hedging derivatives - liabilities	-	-
Actuarial gains and losses on defined benefit plans	578	(1,368)
Tax relating to actuarial gains and losses on defined benefit plans	(193)	456
Group share of gains and losses recognised directly in equity of equity-accounted companies	-	-
TOTAL GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**648**	**(477)**
of which can be reclassified subsequently to profit and loss	643	(490)
of which cannot be subsequently reclassified to profit and loss [(1)]	5	13
NET INCOME AND GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**4,857**	**4,365**
of which Group share	2,156	2,289
of which non-controlling interests	2,701	2,075

* *2014 column restated to reflect the items described in Note 1.3.*
(1) Concerns only hedging instruments.

3.1.3 Report of the consolidated financial position

ASSETS

(In thousands of euros)	Notes	31/12/2015	31/12/2014*
NON-CURRENT ASSETS		**109,177**	**94,001**
Goodwill	6.1	44,219	36,209
Other intangible assets	6.2	31,294	29,602
Property, plant and equipment	6.3	22,969	18,385
Investment property	6.3	298	298
Investments in affiliated companies	8.1.4	1,395	744
Other financial assets	8.1.4	4,418	3,299
Deferred tax assets	9.2	4,580	5,459
Other non-current assets	4.7	5	5
CURRENT ASSETS		**253,697**	**201,296**
Net inventories	4.5	26,307	20,014
Net trade receivables	4.4	159,853	124,825
Other current assets	4.7	16,850	14,762
Tax receivables payable	9.1.1	16,258	12,277
Cash and cash equivalents	8.1.2	34,429	29,418
ASSETS HELD FOR SALE		**-**	**-**
TOTAL ASSETS		**362,874**	**295,298**

* *2014 column restated to reflect the items described in Note 1.3.*

TOTAL EQUITY AND LIABILITIES

(In thousands of euros)	Notes	31/12/2015	31/12/2014*
SHAREHOLDERS' EQUITY (GROUP SHARE)		**67980**	**56,062**
Share capital (1)	10.1	13,367	13,082
Share premiums (1)		24,540	18,363
Retained earnings and other reserves (2)		30,073	24,618
MINORITY INTERESTS (3)		**29,565**	**27,270**
NON-CURRENT LIABILITIES		**69,045**	**59,507**
Long-term provisions	5.3	6,987	6,911
Long-term liabilities – portion due in more than one year	8.1.1	59,549	47,478
Financial instruments and derivatives	8.1.3	652	771
Deferred tax liabilities	9.2	206	2,440
Other non-current liabilities	4.8	1,652	1,906
CURRENT LIABILITIES		**196,284**	**152,460**
Short-term provisions	11	5,099	4,561
Long-term liabilities – portion due in less than one year	8.1.1	14,011	7,816
Financial instruments and derivatives	8.1.3	1	9
Operating payables	4.8	58,718	36,744
Other current liabilities	4.8	118,381	102,837
Tax liabilities payable	9.1.1	74	492
LIABILITIES HELD FOR SALE		**-**	**-**
TOTAL LIABILITIES AND EQUITY		**362,874**	**295,298**

**	2014 column restated to reflect the items described in Note 1.3.*
*(1)	Of the consolidating parent company.*
*(2)	Including net income (loss) for the year.*
*(3)	Essentially concerns the minority interests of the ECA Group.*

3.1.4 Consolidated cash flow statement

(In thousands of euros)	Notes	2015	2014*
NET INCOME FROM CONTINUING OPERATIONS		**4,209**	**4,842**
Accruals		10,341	9,731
Capital gains and losses on disposals		147	(412)
Group share of income of equity-accounted companies		3	860
CASH FLOW FROM OPERATING ACTIVITIES (BEFORE ELIMINATION OF THE COST OF NET DEBT AND TAXES)	7.1	**14,699**	**15,021**
Cost of net debt	8.2	2,236	1,956
Tax expense	9.1	1,647	2,741
CASH FLOW FROM OPERATING ACTIVITIES (AFTER THE ELIMINATION OF NET BORROWING COSTS AND TAXES)		**18,583**	**19,719**
Tax paid		(2,913)	(3,231)
Change in working capital requirements	7.2	(11,504)	(9,787)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		**4,166**	**6,700**
Investing activities			
Payments/acquisition of intangible assets		(7,464)	(5,111)
Payments/acquisition of property, plant and equipment		(8,317)	(3,676)
Proceeds/disposal of property, plant and equipment and intangible assets		564	615
Payments/acquisition of long-term investments		(1,494)	(838)
Proceeds/disposal of long-term investments		1,478	99
Net cash inflow/outflow on the acquisition/disposal of subsidiaries	7.3	(9,013)	(8,777)
NET CASH FLOW GENERATED BY INVESTING ACTIVITIES (B)		**(24,246)**	**(17,688)**
Financing activities			
Capital increase or contributions	10.1.1	16,341	6,786
Dividends paid to parent company shareholders	10.1.2	(4,217)	(4,152)
Dividends paid to non-controlling interests		(1,058)	(1,052)
Proceeds from borrowings	7.3	21,271	11,388
Repayment of borrowings	8.1.1	(10,762)	(3,718)
Cost of net debt	8.2	(2,236)	(1,956)
NET CASH FLOW GENERATED BY FINANCING ACTIVITIES (C)		**19,337**	**7,296**
CASH GENERATED BY CONTINUING OPERATIONS (D=A+B+C)		**(743)**	**(3,692)**
CASH GENERATED BY DISCONTINUED OPERATIONS		**-**	**-**
NET CHANGE IN CASH BALANCES		**(743)**	**(3,692)**
Effects of exchange rate changes		52	78
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	8.1.2	**27,841**	**31,307**
Restatement of cash and cash equivalents [1]		24	149
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	8.1.2	**27,175**	**27,841**

(1) Flows due to treasury shares.
** 2014 column restated to reflect the items described in Note 1.3.*

3

3.1.5 Statement of changes in consolidated shareholders' equity

(In thousands of euros)	Capital	Share capital reserves	Treasury shares	Retained earnings and other reserves	Equity - Group share or owners of the parent company	Equity - Minority interests or non-controlling interests	Total equity
	(Group share or owners of the parent company						
2013 CLOSING EQUITY	**12,732**	**11,794**	**(797)**	**27,277**	**51,006**	**22,707**	**73,712**
ECA SINDEL error corrections	-	-	-	(829)	(829)	(560)	(1,390)
2013 CLOSING EQUITY RESTATED	**12,732**	**11,794**	**(797)**	**26,448**	**50,177**	**22,147**	**73,323**
Share capital transactions	350	6,423	-	-	6,773	-	6,773
Free share and stock option plan	-	146	-	45	191	11	202
Treasury share transactions	-	-	12	-	12	61	73
Dividends	-	-	-	(4,135)	(4,135)	(1,070)	(5,204)
Net income for the period [1]	-	-	*125*	*2,492*	*2,617*	*2,226*	*4,842*
Gains and losses recognised directly in equity	-	-	-	*(328)*	*(328)*	*(149)*	*(477)*
NET INCOME AND GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**-**	**-**	**125**	**2,164**	**2,289**	**2,077**	**4,365**
Changes in scope	-	-	(9)	768	759	4,044	4,803
Others	-	-	-	(3)	(3)	(1)	(5)
2014 CLOSING EQUITY	**13,082**	**18,363**	**(670)**	**25,287**	**56,062**	**27,270**	**83,332**
Share capital transactions	285	5,974	-	-	6,259	-	6,259
Free share and stock option plan	-	203	-	17	220	2	222
Treasury share transactions	-	-	55	-	55	(15)	40
Equity instruments				9,409	9,409	373	9,782
Dividends	-	-	-	(4,200)	(4,200)	(1,079)	(5,279)
Net income (loss) for the period	-	-	*(278)*	*1,898*	*1,620*	*2,590*	*4,210*
Gains and losses recognised directly in equity	-	-	-	*417*	*417*	*111*	*529*
NET INCOME AND GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**-**	**-**	**(278)**	**2,315**	**2,037**	**2,701**	**4,738**
Changes in scope	-	-	104	(1,967)	(1,863)	314	(1,549)
Others	-	-	-	(3)	(3)	(1)	(5)
2015 CLOSING EQUITY	**13,367**	**24,540**	**(788)**	**30,861**	**67,980**	**29,565**	**97,545**

(1) 2014 net income restated to reflect the items described in Note 1.3.

3.1.6 Notes to the consolidated financial statements

Detailed contents of the notes

Note 1 Accounting principles

The consolidated financial statements of GROUPE GORGÉ for the year ended 31 December 2015 include:

- the financial statements of the company GROUPE GORGÉ;
- the financial statements of its subsidiaries;
- the proportion of the net assets and the net income of the companies accounted for using the equity method (joint ventures and partnership businesses).

The consolidated financial statements of GROUPE GORGÉ for the 2015 financial year were approved by the Board of Directors on 30 March 2016.

They will be subject to approval by the next Ordinary Shareholder's Meeting.

1.1 Standards applied

The accounting standards used to prepare the consolidated financial statements comply with the regulations and interpretations of the International Financial Reporting Standards (IFRS) as adopted by the European Union as of 31 December 2015. These accounting standards are consistent with those used to prepare the annual consolidated financial statements for the year ended 31 December 2014, with the exception of the new standards, revised standards and interpretations applicable from 1 January 2015:

The new standards and the following interpretations applicable within the Group over the period did not have any significant effect on the consolidated financial statements at 31 December 2015:

- IFRIC 21 – Fees or taxes; this interpretation relating to the recognition of taxes coming within the scope of application of IAS 37 provisions specifies that the originating event for the recognition of the debt is the fiscal due date;
- annual improvements to IFRS 2011-2013 Cycle (December 2013).

The Group has not applied the following standards and interpretations, which had not been adopted by the European Union at 31 December 2015 or for which application is not mandatory as of 1 January 2015:

- standards adopted:
  - amendments to IAS 19: Defined Benefit Plans: Employee Contributions,
  - annual improvements to IFRS 2010-2012 Cycle (December 2013),
  - amendments to IAS 1: Initiative concerning the information to be supplied,
  - annual improvements to IFRS 2012-2014 Cycle (September 2014),
  - amendment to IFRS 11: Recognition of acquisitions of equity stakes in joint ventures;
  - amendments to IAS 16 and IAS 38: Clarification of acceptable methods of depreciation and amortisation.

  These interpretations and amendments should not have any material impact on the Group's financial statements.
- standards not adopted:
  - IFRS 9 – Financial instruments,
  - IFRS 15 – Income from contracts drawn from contracts concluded with customers,
  - IFRS 16 – Rentals,
  - amendments to IAS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture,
  - amendments to IFRS 10, IFRS 12 and IAS 28: Investment entities: Application of the exception to the consolidation.

1.2 Basis for preparation

The financial statements are presented in Euros and are rounded to the nearest thousand.

The financial statements have been prepared under the historical cost convention, except in the case of derivatives and available-for-sale financial assets, which are measured at fair value. Financial liabilities are measured at amortised cost. The carrying amount of hedged assets and liabilities and the related hedging instruments corresponds to their fair value.

The preparation of the financial statements requires that Group management or the subsidiaries' management make estimates and assumptions that affect the reported amounts of assets and liabilities on the consolidated balance sheet, the reported amounts of income and expense items on the income statement and the commitments relating to the period under review. The actual results may differ.

The above-mentioned assumptions mainly concern:

- the calculation of the recoverable amounts of assets;
- the calculation of provisions for liabilities and expenses;
- the calculation of income upon completion of work in progress;
- the calculation of pension and other post-employment benefit obligations (assumptions set out in Note 5.3).

As the Group's consolidated companies operate in different sectors, the valuation and impairment methods used for certain items may vary according to the sector.

Restatement of the financial information for prior years

The financial statements as at 31 December 2014 have been modified for two reasons:

- the definitive allocation of the goodwill on INFOTRON and DELTAMED. Indeed, according to the IFRS 3R, the value of the items concerned must be modified retrospectively, as if these modifications had occurred with effect from the acquisition date;
- several corrections of errors in the financial statements of the Italian company ECA SINDEL, relating to the 2015 opening balances concerning adjustments to the trade receivables for €351 thousand which were unjustified, the recognition of employee related liabilities to be provisioned for €396 thousand, and the incorrect recognition of a simulator 2012 for €1,138 thousand. The cost of this prototype simulator had been recognised between 2012 and 2014, partly in expenses and partly in inventory, instead of the entire amount being capitalised and depreciated. The contribution by a third party to the financing of the prototype had furthermore been recognised in revenue in 2012 and 2013, instead of being recorded in other income, at the same rate as the depreciation on the asset financed.

The modifications to the 2014 financial statements are set out in the tables below:

(In thousands of euros)	31/12/2014 published	Adjustments DELTAMED	INFOTRON	ECA SINDEL	31/12/2014 restated
REVENUE	**223,304**	**-**	**-**	**-**	**223,304**
Capitalised production	4,417	-	-	197	4,614
Inventories and work in progress	850	-	-	(197)	653
Other income from operations	7,744	-	-	1,033	8,777
Purchases and external charges	(130,883)	-	-	-	(130,883)
Personnel expenses	(81,188)	-	-	(41)	(81,229)
Tax and duties	(2,549)	-	-	-	(2,549)
Depreciation, amortisation and provisions (net of reversals)	(5,957)	-	-	(1,031)	(6,988)
Other operating income and expenses	47	-	-	-	47
CURRENT OPERATING INCOME	**15,784**	**-**	**-**	**(39)**	**15,746**
Non-recurring items in operating income	(2,697)	(36)	(15)	-	(2,748)
OPERATING INCOME	**13,087**	**(36)**	**(15)**	**(39)**	**12,997**
FINANCIAL INCOME AND EXPENSE	**(4,554)**	**-**	**-**	**-**	**(4,554)**
Income tax	(2,929)	10	5	172	(2,741)
Group share of the earnings of affiliated companies	(859)	-	-	-	(859)
NET INCOME FROM CONTINUING OPERATIONS	**4,745**	**(26)**	**(10)**	**133**	**4,842**
Net income attributable to non-controlling interests	2,177	(1)	(4)	54	2,226
NET INCOME - GROUP SHARE	**2,568**	**(25)**	**(6)**	**80**	**2,617**

(In thousands of euros)	31/12/2014 published	Adjustments DELTAMED	INFOTRON	ECA SINDEL	31/12/2014 restated
NON-CURRENT ASSETS	**91,800**	**574**	**113**	**1,514**	**94,001**
Goodwill	37,010	(478)	(323)	-	36,209
Other intangible assets	28,115	1,052	436	-	29,602
Property, plant and equipment	17,484	-	-	901	18,385
Investment property	298	-	-	-	298
Investments in affiliated companies	744	-	-	-	744
Other financial assets	3,299	-	-	-	3,299
Deferred tax assets	4,846	-	-	613	5,459
Other non-current assets	5	-	-	-	5
CURRENT ASSETS	**202,929**	**-**	**-**	**(1,632)**	**201,296**
Net inventories	21,150	-	-	(1,136)	20,014
Net trade receivables	125,321	-	-	(497)	124,825
Other current assets	14,762	-	-	-	14,762
Tax receivables payable	12,277	-	-	-	12,277
Cash and cash equivalents	29,418	-	-	-	29,418
ASSETS HELD FOR SALE	**-**	**-**	**-**	**-**	**-**
TOTAL ASSETS	**294,729**	**574**	**113**	**(118)**	**295,298**

(In thousands of euros)	31/12/2014 published	Adjustments DELTAMED	INFOTRON	ECA SINDEL	31/12/2014 restated
SHAREHOLDERS' EQUITY (GROUP SHARE)	**56,843**	**(25)**	**(6)**	**(750)**	**56,062**
Share capital (1)	13,082	-	-	-	13,082
Share premiums (1)	18,363	-	-	-	18,363
Retained earnings and other reserves (2)	25,398	(25)	(6)	(750)	24,618
NON-CONTROLLING INTERESTS	**27,781**	**(1)**	**(4)**	**(507)**	**27,270**
NON-CURRENT LIABILITIES	**59,216**	**183**	**123**	**(15)**	**59,603**
Long-term provisions	6,911	-	-	-	6,911
Long-term liabilities – portion due in more than one year	47,478	-	-	-	47,478
Financial instruments and derivatives	771	-	-	-	771
Deferred tax liabilities	2,253	183	20	(15)	2,440
Conditional advances	1,804	-	103	-	1,906
CURRENT LIABILITIES	**150,889**	**417**	**-**	**1,154**	**152,460**
Short-term provisions	4,561	-	-	-	4,561
Long-term liabilities – portion due in less than one year	7,816	-	-	-	7,816
Financial instruments and derivatives	9	-	-	-	9
Operating payables	36,744	-	-	-	36,744
Other current liabilities	101,266	417	-	1,154	102,837
Tax liabilities payable	492	-	-	-	492
LIABILITIES HELD FOR SALE	**-**	**-**	**-**	**-**	**-**
TOTAL LIABILITIES	**294,729**	**574**	**113**	**(118)**	**295,298**

Note 2 Scope of Consolidation

2.1 Accounting principles related to the Consolidation scope

Consolidation method

The companies that are either directly or indirectly controlled by the Group are fully consolidated. Companies over which the Group exercises significant influence are accounted for using the equity method. Significant influence is assumed to exist when the Group holds more than 20% of the voting rights.

Acquisitions (or disposals) of companies during the year are recognised in the consolidated financial statements from the date on which the Group took direct or indirect control or gained significant influence (or until the date on which control or significant influence was lost).

All significant transactions between consolidated subsidiaries are eliminated, as is income that is internal to the Group (capital gains, profits on stocks and dividends).

Consolidation is carried out with reference to the financial statements or positions as of 31 December.

The list of consolidated subsidiaries and equity interests is shown in Note 3.1. Certain subsidiaries, which are not significant in terms of the Group, may not be consolidated.

Translation of the financial statements of foreign companies

The currency in which the consolidated financial statements are prepared is the euro.

The financial statements of subsidiaries that have a different functional currency are translated into euros using:

- the official exchange rate on the reporting date, in the case of assets and liabilities;
- the average exchange rate for the year, in the case of income statement and cash flow statement items.

The average exchange rates for the year may be calculated using monthly exchange rates prorated in relation to revenue.

Translation differences arising from the application of these exchange rates are recognised under the item “Cumulative translation reserves” in consolidated equity.

Transactions in foreign currencies

Transactions in foreign currencies are recognised using the exchange rate applicable on the date the transactions are recognised or the hedging rate. At closing, payables or receivables denominated in foreign currencies are converted into euros at the closing exchange rate or at the hedging rate. Currency exchange rate differences on foreign currency transactions are recognised in financial income.

Business combinations

The Group is applying, on an advance basis, the revised IFRS 3 standard - *Business combinations*.

Business combinations are recognised in accordance with the acquisition method:

- the cost of an acquisition is evaluated at the fair value of the consideration transferred, including any price adjustment, at the date of taking control. Any subsequent variation in the fair value of a price adjustment is recognised in the income statement or in other items of the overall net income, in accordance with the standards applicable;
- the difference between the consideration transferred and the fair value of the identifiable assets acquired and liabilities taken over as at the date of taking control represents the *goodwill*, recognised in the assets in the report on the financial position.
- Adjustments to the fair value of identifiable assets acquired and liabilities taken over recognised on a provisional basis (as a result of expert assessment work in progress or additional analyses) are recognised as retrospective adjustments to the *goodwill* if they occur within a period of one year with effect from the date of acquisition and if they result from facts or circumstances existing at the date of acquisition. Beyond this deadline, the effects are recognised directly in the income statement, as are any changes in estimates or error corrections.

For each takeover of control which involves the taking of an equity stake of less than 100%, the interest fraction which is not required (equity stakes which do not give control) is valued:

- either at its fair value: in this case, *goodwil*l is recognised for the proportion relating to equity stakes which do not give control (complete goodwill method);
- or at its proportion of the net identifiable assets of the acquired entity: in this case, only *goodwill* in respect of the proportion acquired is recognised (partial goodwill method).

The costs directly attributable to the acquisition are recognised in expenses over the period during which they are incurred.

Any price adjustments or additions concerning the business combination are valued at the fair value at the date of acquisition, even if their realisation is not considered probable.

After the date of acquisition, changes to the estimate of the fair value of price adjustments involving an adjustment to the goodwill only if they occur within the application deadline (one year maximum with effect from the date of acquisition) and if they result from facts and circumstances which existed at the date of acquisition. In all other cases, the changes recognised in the income statement or in the other items of overall net income in accordance with the appropriate IFRS standard.

2.2 Changes in the consolidation scope

2.2.1 Transactions carried out in 2015

Changes in consolidation scope are as follows:

- acquisition of all the property, plant and equipment of the NORGE company on 5 February by PRODWAYS. This acquisition has been treated in accordance with IFRS 3R; a price supplement is recognised in the financial statements in liabilities, in view of the very high probability that it will be paid;
- consolidation of the INITIAL company acquired on 24 March 2015;
- merger of the INFOTRON company with ECA ROBOTICS on 30 April 2015; this transaction has no impact on the consolidated financial statements;
- in May 2015, acquisition of 49% of AI GROUP, which was held by minority interests; probable price supplements are recognised in liabilities; this acquisition only has an impact on the breakdown of the consolidated shareholders' equity;
- acquisition of a 9% equity stake in the WANDERCRAFT company in July 2015; this company is not consolidated due to the lack of control;
- creation of the ECA DYNAMICS company in July 2015; this company is 51% owned by ECA SA and 49% owned by WANDERCRAFT;
- acquisition of a 45% equity stake in the VARIA 3D company, consolidated using the equity method;
- acquisition in September of the EXCELTEC company;
- creation of the ECA DRONE company in December 2015; this company is 100% owned by ECA SA;
- creation of the FINU 10 company which is 100% owned by GROUPE GORGÉ.

The fair value measurements of the acquired assets, liabilities and contingent liabilities acquired from INITIAL have not been finalised and may be adjusted over the 12 months following their acquisition date.

The fair value measurements of the assets, liabilities and contingent assets acquired from the INFOTRON et DELTAMED companies (acquired in the first half of 2014) were finalised during the year and were the subject of adjustments.

2.2.2 Contribution of business combinations to 2015 consolidated income

(In thousands of euros)	INITIAL
1 - Contributions from the acquisition date	
Revenue	7,167
Operating income	693
Net income	518
2 - Contributions from the start of the period	
Revenue	9,168
Operating income	848
Net income	631

Goodwill associated with the first-time consolidation of INFOTRON

Purchase price	7,060
Non-controlling interests	-
TOTAL (A)	**7,060**
Net assets (B)	128
GOODWILL (A)-(B)	**6,931**

The measurement of the fair value of the assets, liabilities and contingent liabilities acquired from the INFOTRON company has been finalised. The assets and liabilities acquired break down as follows:

(In thousands of euros)	Carrying amount	Revaluation at fair value	First consolidation
Intangible assets	-	451	451
Property, plant and equipment and financial assets	102	-	102
Inventories	137	-	137
Tax and operating receivables	174	-	174
Cash and cash equivalents	43	-	43
Prepaid expenses	23	-	23
Retirement indemnities	-	(74)	(74)
Conditional advances	-	(103)	(103)
Tax and operating debt	(526)	-	(526)
Miscellaneous and deferred income	(98)	-	(98)
Deferred tax/revaluations at fair value	-	-	-
TOTAL	**(146)**	**274**	**129**

Goodwill associated with the first-time consolidation of DELTAMED

Purchase price	7,065
Non-controlling interests	-
TOTAL (A)	**7,065**
Net assets (B)	2,474
GOODWILL (A)-(B)	**4,591**

The measurement of the fair value of the assets, liabilities and contingent liabilities acquired from the DELTAMED company has been finalised. The assets and liabilities acquired break down as follows:

(In thousands of euros)	Carrying amount	Revaluation at fair value	First consolidation
Intangible assets	14	1,088	1,102
Property, plant and equipment	220	-	220
Inventories	363	-	363
Receivables	350	-	350
Cash and cash equivalents	1,471	-	1,471
Prepaid expenses	12	-	12
Provisions for risks	(288)	-	(288)
Financial debt	(11)	-	(11)
Operating payables	(134)	(417)	(550)
Miscellaneous and deferred income	(3)	-	(3)
Deferred tax/revaluations at fair value	-	(193)	(193)
TOTAL	**1,997**	**478**	**2,474**

2.3 Off balance sheet commitments related to the consolidation scope

On 16 April 2014, GROUPE GORGÉ acquired all shares comprising the share capital of INFOTRON, before contributing these INFOTRON shares to ECA on 3 June 2014. The assets and liabilities guarantee granted by REMOTE REWARD, the vendor of INFOTRON, was transferred to ECA. The term of this guarantee is equal to the statute of limitations for tax and personnel matters in respect of tax and personnel claims and expires on 14 April 2017 for other claims. It was capped at €1,500 thousand in the first year, then the cap was reduced to €1 million with effect from 15 April 2015; it will then be further reduced to €500 thousand with effect from 15 April 2016.

On 23 April 2014, GROUPE GORGÉ acquired all shares comprising the share capital of German company DELTAMED GmbH from various individual German shareholders and an American company, COSMEDENT. The vendors granted an assets and liabilities guarantee with a term of 18 months or 3 years depending on the nature of any claim. This guarantee is capped at €2,119 thousand in the first year, after which it was reduced to €1,059 thousand.

On 25 March 2015, PRODWAYS GROUP acquired all the shares making up the share capital of the INITIAL SAS company. The vendor granted an assets and liabilities guarantee with a term of 2 to 3 years depending on the nature of any claim. This guarantee is capped at €2,500 thousand in the first year, after which it will be reduced to €1,250 thousand.

On 30 November 2015, PRODWAYS GROUP acquired all the shares making up the share capital of the EXCELTEC SARL company. In the deed of sale, the vendors confirmed that the information provided during the course of the audit is correct to the best of their knowledge.

On 18 September 2015, PRODWAYS GROUP acquired a 45% equity stake in the Texan company VARIA 3D Inc. As part of this transaction, PRODWAYS GROUP was obliged to take over certain commitments from the vendors *vis-à-vis* VARIA 3D and its two main founders: PRODWAYS GROUP undertook to transfer to the two main founders of the company 10% of the capital of VARIA 3D over two years (or 5% per year), subject to the fulfilment of certain conditions of performance and presence. PRODWAYS GROUP also took over for its own account the commitment by the vendors *vis-à-vis* VARIA 3D to pay to the company USD 300 thousand in respect of payment of the balance of the capital, once certain conditions are fulfilled.

Note 3 Segment information

In accordance with the provisions of the IFRS 8 standard - *Operating segments*, the segment information presented below is based on the internal reporting used by the General Management to assess the performances and allocate resources to the various segments. The General Management is the principal operational decision maker within the meaning of the IFRS 8 standard.

The four segments used correspond to the organisation of the Group by division.

The four divisions defined as operational segments of the following:

- Industrial Projects & Services division: CLF-SATREM, AMOPSI, AI GROUP, VAN DAM, CIMLEC and their subsidiaries;
- Smart Safety Systems division: ECA and its subsidiaries;
- Protection in Nuclear Environments division: BAUMERT and SERES Technologies;
- 3D Printing division: PRODWAYS GROUP and its subsidiaries.

The key indicators by division presented in the tables below are the following:

- the revenue indicated by division includes revenue made with other divisions;
- the EBITDA (*Earnings Before Interest, Taxes, Depreciation, and Amortization*) which corresponds to the ordinary operating net income before depreciation, losses of value and other income and non-recurring items;
- current operating income;
- operating income;
- the Research and Development expenses recognised in the assets during the financial year;
- the other tangible and intangible investments;
- the segment assets which describe the current assets used within the operational businesses (stocks, receivables, advances from suppliers, other operating debtors), the property, plant and equipment and intangible assets (including the *goodwill*);
- segment liabilities refer to supplier and other operating liabilities, accrued liabilities, customer advances, warranty provisions and costs related to goods and services sold.

3.1 Key indicators by division

2015 FINANCIAL YEAR

(In thousands of euros)	Industrial Projects & Services	Smart Safety Systems	Protection in Nuclear Environments	3D Printing	Structure	Disposals	Consolidated
Revenue	103,953	105,218	38,660	18,099	3,427	(4,539)	264,818
EBITDA	5,753	14,026	4,599	(2,328)	(8)	-	22,042
As a % of Revenue	*5.5%*	*13.3%*	*11.9%*	*- 12.9%*	*- 0.2%*	-	*8.3%*
Current operating income	4,058	8,868	3,471	(3,952)	(114)	-	12,331
As a % of Revenue	*3.9%*	*8.4%*	*8.9%*	*- 21.8%*	*- 3.3%*	-	*4.7%*
Operating income	3,181	6,000	3,363	(4,517)	(150)	-	7,877
As a % of Revenue	*3.1%*	*5.7%*	*8.7%*	*- 25.0%*	*- 4.4%*	-	*3.0%*
Research and development expenses capitalised over the year	661	3,318	681	1,646	-	-	6,306
Other property, plant and equipment and intangible investments	1,416	3,411	748	3,923	-	-	9,725
Segment assets	61,373	159,368	41,989	38,858	34,924	(34,034)	302,478
Segment liabilities	41,417	87,666	19,229	8,970	2,201	(3,869)	155,614

2014 FINANCIAL YEAR

(In thousands of euros)	Industrial Projects & Services	Smart Safety Systems	Protection in Nuclear Environments	3D Printing	Structure	Disposals	Consolidated
Revenue	82,691	93,869	41,975	5,040	3,107	(3,378)	223,304
EBITDA	5,194	13,103	6,383	(2,099)	152	-	22,733
As a % of Revenue	*6.3%*	*14.0%*	*15.2%*	*- 41.7%*	*4.9%*	-	*10.2%*
Current operating income	5,419	7,057	5,796	(2,380)	(147)	-	15,746
As a % of Revenue	*7.5%*	*6.6%*	*13.8%*	*- 47.2%*	*- 4.7%*	-	*7.1%*
Operating income	5,061	5,809	5,383	(2,790)	(466)	-	12,997
As a % of Revenue	*6.1%*	*6.2%*	*12.8%*	*- 55.4%*	*- 15%*	-	*5.8%*
Research and development expenses capitalised over the year	786	2,234	715	515	-	-	4,249
Other property, plant and equipment and intangible investments	3,085	1,137	454	545	-	-	5,411
Segment assets	48,886	130,984	42,433	19,031	25,678	(23,466)	243,545
Segment liabilities	31,825	58,846	18,340	3,255	2,582	(2,841)	112,005

3.2 Reconciliations with the Group data

3.2.1 Reconciliation of EBITDA with operating income

2015 FINANCIAL YEAR

(In thousands of euros)	Industrial Projects & Services	Smart Safety Systems	Protection in Nuclear Environments	3D Printing	Structure	Disposals	Consolidated
EBITDA	**5,753**	**14,026**	**4,599**	**(2,328)**	**(8)**	**-**	**22,042**
Depreciation, amortisations and provisions	(1,695)	(5,158)	(1,128)	(1,624)	(106)	-	(9,711)
Non-recurring items in operating income	(878)	(2,868)	(108)	(565)	(36)	-	(4,454)
OPERATING INCOME	**3,181**	**6,000**	**3,363**	**(4,517)**	**(150)**	**-**	**7,877**

2014 FINANCIAL YEAR

(In thousands of euros)	Industrial Projects & Services	Smart Safety Systems	Protection in Nuclear Environments	3D Printing	Structure	Disposals	Consolidated
EBITDA	**5,194**	**13,103**	**6,383**	**(2,099)**	**152**	**-**	**22,733**
Depreciation, amortisations and provisions	225	(6,046)	(588)	(281)	(299)	-	(6,988)
Non-recurring items in operating income	(358)	(1,248)	(413)	(411)	(319)	-	(2,748)
OPERATING INCOME	**5,061**	**5,809**	**5,383**	**(2,790)**	**(466)**	**-**	**12,997**

3.2.2 Reconciliation of the segment assets and liabilities

The total segment assets and liabilities are reconciled as follows with the total assets and liabilities of the Group:

2015 FINANCIAL YEAR

(In thousands of euros)	Industrial Projects & Services	Smart Safety Systems	Protection in Nuclear Environments	3D Printing	Structure	Disposals	Consolidated
Segment assets	61,373	159,368	41,989	38,858	34,924	(34,034)	302,478
Deferred tax assets	2,230	116	(1,073)	150	3,158	-	4,580
Tax receivables payable	1,381	10,253	64	604	3,956	-	16,258
Other current and non-current assets	6,162	2,516	332	1,463	9,469	(14,813)	5,129
Cash and cash equivalents	5,100	12,795	2,010	7,821	6,703	-	34,429
TOTAL CONSOLIDATED ASSETS	**76,245**	**185,049**	**43,322**	**48,895**	**58,210**	**(48,847)**	**362,874**
Segment liabilities	41,417	87,666	19,229	8,970	2,201	(3,869)	155,614
Long-term provisions	2,457	3,716	424	350	40	-	6,987
Long-term financial debts	37,080	9,584	5,726	3,315	48,019	(30,165)	73,559
Financial instruments and derivatives	-	-	-	-	653	-	653
Other current and non-current liabilities	15,765	11,576	6,073	3,655	5,980	(14,814)	28,236
Deferred tax liabilities	-	-	-	206	-	-	206
Tax liabilities payable	55	-	6	13	-	-	74
TOTAL CONSOLIDATED LIABILITIES (1)	**96,773**	**112,542**	**31,457**	**16,510**	**56,893**	**(48,847)**	**265,329**

(1) Total liabilities less shareholders' equity and minority interests.

2014 FINANCIAL YEAR

(In thousands of euros)	Industrial Projects & Services	Smart Safety Systems	Protection in Nuclear Environments	3D Printing	Structure	Disposals	Consolidated
Segment assets	48,886	130,984	42,433	19,031	25,678	(23,466)	243,545
Deferred tax assets	2,303	761	(756)	343	2,808	-	5,459
Tax receivables payable	970	8,302	46	459	2,501	-	12,277
Other current and non-current assets	5,875	2,166	230	46	7,361	(11,079)	4,598
Cash and cash equivalents	5,220	8,887	3,352	1,467	10,492	-	29,418
TOTAL CONSOLIDATED ASSETS	**63,254**	**151,100**	**45,305**	**21,345**	**48,840**	**(34,546)**	**295,298**
Segment liabilities	31,825	58,846	18,340	3,255	2,582	(2,841)	112,005
Long-term provisions	2,494	3,856	495	44	22	-	6,911
Long-term financial debts	27,343	4,176	2,913	78	41,482	-	55,295
Financial instruments and derivatives					781	-	781
Other current and non-current liabilities	10,817	13,840	11,249	4,739	4,406	(11,007)	34,043
Deferred tax liabilities	-	2,257	-	183	-	-	2,440
Tax liabilities payable	155	-	6	6	325	-	492
TOTAL CONSOLIDATED LIABILITIES (1)	**72,633**	**82,975**	**33,003**	**8,304**	**49,597**	**(34,546)**	**211,967**

(1) Total liabilities less shareholders' equity and minority interests.

3.3 Information by geographic region

2015 FINANCIAL YEAR

(In thousands of euros)	France	%	Europe	%	Others	%	Total	%
Industrial Projects & Services	74,820	46%	6,046	24%	23,087	30%	103,953	39%
Smart Safety Systems	58,493	36%	5,881	23%	40,844	52%	105,218	40%
Protection in Nuclear Environments	22,546	14%	5,159	21%	10,955	14%	38,660	15%
3D Printing	6,807	4%	8,038	32%	3,255	4%	18,099	7%
Structure and disposals	(1,108)	(1%)	(5)	0%	-	-	(1,112)	(1%)
TOTAL	**161,559**	**100%**	**25,119**	**100%**	**78,141**	**100%**	**264,818**	**100%**
%	61%		9%		30%		100%	

2014 FINANCIAL YEAR

Structure and disposals	France	%	Europe	%		%		%
Industrial Projects & Services	61,794	45%	5,209	28%	15,687	23%	82,691	37%
Smart Safety Systems	52,834	38%	9,732	52%	31,303	47%	93,869	42%
Protection in Nuclear Environments	21,932	16%	1,302	7%	18,740	28%	41,975	19%
3D Printing	1,244	1%	2,550	14%	1,247	2%	5,040	2%
Structure and disposals	(270)	0%	-	-	-	-	(270)	0%
TOTAL	**137,534**	**100%**	**18,793**	**100%**	**66,977**	**100%**	**223,304**	**100%**
%	62%		8%		30%		100%	

Note 4 Operational data

4.1 Recognition of income and revenue

The Group's income mainly comprises sales of goods, the provision of services and revenue from the completion of projects (supply of turnkey systems):

- sales of goods: the revenue are recognised at the time of the transfer of the risks and benefits, normally on delivery;
- provisions of services: the revenue are recognised over the term, and in accordance with the terms of, the contract. The revenues related to the provisions of services are recognised when the results of the transaction can be reliably determined, based on the state of progress of the service provided by the Group;
- projects (long-term contracts): where companies are able to assess overall results with sufficient certainty, the method used is the recognition of revenue and income as projects progress, by reference to the estimated total cost of the project. This method correctly translates the Company's level of activity and income.

  When a termination loss is predictable, a provision is made.

In 2015, the Group's revenue increased by 18.6%.

4.2 Other income from the business

The other income from the business mainly comprises public subsidies, research tax credits (RTC) and tax credits for competitiveness and employment (TCCE).

These subsidies and research tax credits (RTC), which partially or totally cover the cost of an asset, are recognised in the income statement at the same rate as the asset's depreciation. The income thereby deferred which appears in liabilities includes €4.5 million in research tax credits and €2.5 million in grants funding non-current assets not yet amortised.

(In thousands of euros)	2015	2014
Subsidies	1,770	4,283
Research tax credit	2,885	2,900
Employment and competitiveness tax credit	1,709	1,593
TOTALS OF OTHER INCOME FROM THE BUSINESS	**6,364**	**8,777**

The tax credits recognised in the income statement and which were not able to be deducted from the tax charge payable appear in the assets on the consolidated balance sheet under the heading "Tax receivables payable". They amount to €16.6 million, including €12.6 million of research tax credit and €2.6 million of tax credit for competitiveness and employment.

4.3 Net charges to amortisation and provisions

(In thousands of euros)	2015	2014
CHARGES TO AMORTISATION AND PROVISIONS		
Intangible assets	(4,881)	(4,071)
Property, plant and equipment	(3,916)	(3,029)
Capital leases	(499)	(271)
SUBTOTALS	**(9,296)**	**(7,371)**
CHARGES TO PROVISIONS, NET OF REVERSALS		
Inventory and work in process	289	(77)
Current assets	343	(459)
Liabilities and expenses	(1,046)	919
SUBTOTALS	**(415)**	**383**
TOTAL NET CHARGES TO AMORTISATION AND PROVISIONS	**(9,711)**	**(5,957)**

4.4 Net trade receivables

The receivables are recognised at their fair value at the time of initial recording, and then reduced for any losses of value.

Provisions for impairment of bad debts are recognised when it becomes probable that the receivable will not be collected and it is possible to make a reasonable estimate of the amount of the loss.

Identification of bad debts and the amount of the corresponding provisions is based on historical experience of final losses on receivables, analysis by age of accounts receivable and a detailed estimate of specific accounts receivable and the related credit risks.

(In thousands of euros)	2015	2014
Trade receivables	63,868	54,905
Invoices to be drawn up	98,361	72,863
TRADE RECEIVABLES, GROSS VALUES	**162,229**	**127,768**
Impairment losses	(2,375)	(2,944)
TOTAL TRADE RECEIVABLES	**159,853**	**124,825**

The risk of customer default is the main credit risk to which the Group is exposed. The Group has implemented a policy of monitoring its credit risk at all of its subsidiaries.

Overdue trade receivables for which there is no provision were €18.2 million, including €6.2 million for the Smart Safety Systems business, and are broken down as follows:

Overdue	0 to 30 days	30 to 60 days	Over 60 days	Total
Overdue receivables for which there is no provision	7,006	3,511	7,728	18,245

Of the total receivables, almost €10.3 million has been paid as at 1 March 2016. The Group is not aware of additional difficulties which might justify a provision.

4.5 Inventories and work in progress

Inventories of raw materials and semi-finished and finished goods are valued at the lower of their acquisition cost or their estimated net realisable value. The cost price is calculated using the FIFO or weighted average cost method.

The methods for valuing and impairing work in progress are tailored to the context of each consolidated company. However, the valuation principles generally accepted in the field are followed, including:

- work in progress is valued at direct and indirect production costs, excluding all sales and financial costs;
- hourly production rates are based on normal activity excluding any sub-activity cost;
- when, based on the forecast revenue and cost estimates, a termination loss is probable, said loss is covered by an impairment provision for the portion included in work in progress and a provision for liabilities and expenses for the part of the costs yet to be committed.

3

Movements in inventories in the consolidated balance sheet are as follows:

	2015			2014		
(In thousands of euros)	Gross values	Impairment losses	Net values	Gross values	Impairment losses	Net values
Raw materials	18,383	(5,085)	13,298	17,081	(5,329)	11,752
Work in progress	3,800	-	3,800	4,203	(33)	4,170
Semi-finished and finished goods	6,137	(814)	5,323	3,587	(632)	2,955
Goods	3,910	(24)	3,887	1,162	(24)	1,138
TOTAL INVENTORY AND WORK IN PROGRESS	**32,230**	**(5,923)**	**26,307**	**26,033**	**(6,018)**	**20,014**

Over the period, impairment net of reversals recognised in the income statement was -€289 thousand (net reversal).

4.6 Non-recurring items in operating income

Operating income includes all income and expenses other than:

- interest income and expense;
- other financial income and expense;
- Group share of net income of equity-accounted companies;
- corporate income tax.

To improve comparability among financial years, the Group has decided to isolate the non-recurring items in operating income and show a "current operating income".

Non-current items include restructuring costs, recognised or fully provisioned if they are liabilities arising from a Group obligation to third parties, which stem from a decision taken by a competent body, and which materialise before the reporting date through the announcement of said decision to third parties and provided the Group no longer expects consideration for these costs. These costs consist primarily of compensation for termination of employment contracts, severance pay, as well as miscellaneous expenses. In 2015, the restructuring costs include the costs of moving Group companies for €1.6 million.

Other non-recurring items of operating income concern the acquisition costs of companies, amortisation of intangible assets recognised under acquisitions, impairment of goodwill and all unusual items by their occurrence or amount.

(In thousands of euros)	2015	2014
CURRENT OPERATING INCOME (A)	**12,331**	**15,746**
Restructuring costs (1)	(2,947)	(1,121)
Acquisition costs	(45)	(292)
Amortisation of intangible assets recognised at fair value during the acquisitions	(1,003)	(1,078)
Provisions for impairment of asset values	(460)	-
Deconsolidation of ROBOKEEP and CIMLEC IBERICA	-	135
Others	-	(392)
NON-RECURRING ITEMS TOTALS (B)	**(4,454)**	**(2,748)**
OPERATING INCOME (C)=(A)–(B)	**7,877**	**12,997**

(1) Of which, in 2015, moving costs for subsidiaries for €1,628 thousand.

4.7 Other current and non-current assets

	2015			2014
(In thousands of euros)	Gross values	Write-downs	Net values	Net values
Current accounts receivable	10,418	(10,413)	5	5
TOTAL OTHER NON-CURRENT RECEIVABLES	**10,418**	**(10,413)**	**5**	**5**
Advances and down-payments made	2,602	-	2,602	2,968
Other receivables (1)	3,737	(416)	3,321	1,908
Social and tax receivables	9,124	-	9,124	7,200
Current accounts receivable	94	-	94	16
Prepaid expenses	1,708	-	1,708	2,669
TOTAL OTHER CURRENT RECEIVABLES	**17,265**	**(416)**	**16,850**	**14,762**

(1) Including outstanding subsidies for €863 thousand and a credit note due for €412 thousand.

4.8 Other current and non-current liabilities

(In thousands of euros)	2015	2014
Suppliers	57,250	35,731
Fixed asset suppliers	1,468	1,013
TOTAL TRADE PAYABLES	**58,718**	**36,744**
Advances and down-payments received	55,830	37,699
Social Security liabilities (1)	19,881	17,730
Tax liabilities	17,454	16,285
Current accounts payable	264	216
Miscellaneous debts	3,605	3,668
Deferred income	21,247	27,239
TOTAL OTHER CURRENT LIABILITIES	**118,381**	**102,837**
Conditional advances	1,652	1,906
TOTAL OTHER NON-CURRENT LIABILITIES	**1,652**	**1,906**
TAX PAYABLE	**74**	**492**

(1) The 2014 social security liabilities are restated for the items detailed in Note 1.3.

Trade payables are paid on their normal due dates, provided the services from the suppliers are fully completed and in the absence of litigation.

Advances and payments on account received correspond to payments made by customers in respect of projects in progress. These advances are in part counterbalanced by the amount of the invoices to be issued (see Note 4.4). Deferred income corresponds either to subsidies and research tax credits which will be recognised in the income statement in line with the amortisation of the corresponding assets (€7 million, see Note 4.2), or to the surplus identified on projects in progress of the revenue invoiced by reference to the revenue calculated in terms of progress (€13.6 million, see Note 4.1).

4.9 Off balance sheet commitments related to operations

(In thousands of euros)	2015	2014
Endorsements, security deposits and guarantees given	48.3	25.6
Other commitments given	-	-
TOTAL	**48.3**	**25.6**

		Payments due per period		
Other contractual obligations *(In millions of euros)*	Total	Under 1 year	From 1 to 5 years	Over 5 years
Long-term debt	61.6	5.7	48.8	7.1
Finance lease obligations	4.7	1.1	2.8	0.8
Irrevocable purchase obligations	-	-	-	-
Other long-term obligations	-	-	-	-
TOTAUX	**66.3**	**6.8**	**51.6**	**7.9**

Note 5 Employee costs and benefits

5.1 Workforce

	31/12/2015	31/12/2014
Total workforce	1,549	1,363

As at 31 December 2015, 158 people are based abroad.

5.2 Employee expenses and benefits

The employee benefits are estimated in accordance with the revised IAS 19 Standard, applicable since 1 January 2014. They are broken down between short term and long term benefits.

The employees of the Group receive short term benefits such as holiday pay, sickness pay, bonuses and other benefits (other than contract termination payments) payable within the 12 months following the end of the period during which the employees provided the corresponding services.

These benefits are recognised in current liabilities and recorded in the expenses in the year in which the service is provided by the employee.

The long term benefits cover two categories of employee benefit:

- the benefits subsequent to employment, which include the allowance paid on retirement;
- the other long term benefits (during employment), which mainly concern long service awards.

The various benefits offered to each employee depend on the local legislation and the conventions and agreements in effect in each Group company.

Employee costs include the following items:

(In thousands of euros)	2015	2014
Salaries and benefits	(62,092)	(55,024)
Social security contributions	(25,511)	(22,936)
Payments in shares	(222)	(202)
Profit sharing and incentive schemes	(771)	(1,032)
Others	(2,476)	(2,035)
TOTAL	**(91,072)**	**(81,229)**

5.3 Provisions for pensions and similar commitments

The Group makes provisions for post-employment benefits (retirement pay) and long term employee benefit plans (awards). The cost of retirement and related benefits (awards) is provisioned for the remaining obligations. It is estimated for the entire workforce on the basis of accrued rights and a projection of current salaries, taking into account the risk of mortality, staff turnover and a discounting assumption.

The discount rates are determined by reference to the yields on bonds issued by first class corporations over terms equivalent to those of the commitments on the date of valuation.

Actuarial variances are generated where differences are recorded between the actual data and the forecasts made previously, or following changes in actuarial assumptions. The actuarial variances generated are recognised in the overall income statement, net of deferred taxes.

The expense recognised in the income statement includes:

- the costs of services provided during the financial year, the cost of past services, as well as any effects of any reduction or liquidation of the scheme;
- the net interest expense on bonds and hedging assets.

The provision for claims is updated annually on the basis of the prevailing fee schedules, changes to the assessment base, staff turnover and mortality assumptions and discount rates.

The main parameters used for the year are as follows:

- departure at the employee's initiative (voluntary departure);
- calculation of compensation under the collective agreement in force in each of the companies (metallurgy, SYNTEC, etc.);
- assumed retirement age 65;
- IBOXX discount rate in the euro zone 2.03%;
- loading rate 50%;
- turnover: 10% up to 34 years, 7% from 35 to 45 years, 2% from 46 to 55 years, 0% beyond that;
- revaluation rate for the calculation bases 2.22%, inflation included;
- INSEE mortality table 2009-2011.

Change in the obligation *(in thousands of euros)*	2015	2014
OPENING PROVISION	6,911	5,221
Cost of services provided for the period	642	382
Interest on discounting	134	161
Cost of services provided	-	-
Acquisition/Disposal	267	74
Profit/Loss relating to liquidation or curtailment	(238)	(181)
Actuarial losses/(gains) generated on the obligation	(577)	1,368
Benefits paid	(153)	(114)
CLOSING PROVISION	**6,987**	**6,911**

With respect to retirement and other post-employment benefits, a 0.5 point increase in the discount rate would reduce the amount of the obligation by approximately €458 thousand. An equivalent reduction would increase the obligation by €502 thousand.

5.4 Payments in shares (stock options, share subscription warrants, allocation of free shares)

Certain employees of the Group receive a remuneration in equity instruments, for which the payment is based on shares. The costs of the free share award schemes, share subscription warrants or options are recognised in employee costs. This expense, which corresponds to the fair value of the instrument issued, is spread over the vesting period for the rights, counterbalanced by a corresponding adjustment to the shareholders' equity. The Group periodically re-examines the number of potential shares. Where applicable, it recognises the consequences of the revision of its estimates in the income statement.

ECA, a subsidiary of GROUP GORGÉ, put in place a stock option scheme which came to an end in 2015. Stock purchase or subscription option prices are set on the date the Board of Directors grants the options. They cannot be less than 80% of the average opening price over the 20 trading days preceding that date. The price of stock options may not be less than 80% of the average purchase price of the shares held by the Company. The fair value of options and warrants is calculated using the Black-Scholes model.

GROUPE GORGÉ have also set up free share allocation schemes. Under the terms of these plans, the vesting period is at least two years and the obligation to retain any acquired shares is also at least two years. The final allocation is always subject to presence and performance conditions. A scheme came to an end in 2015 (end of the retention commitment). A scheme put in place in 2014 is in its vesting period. The fair value of free shares is calculated using the CNC valuation model, corrected by the IFRIC observations.

Changes in value subsequent to the grant date values do not affect initial option valuations, the number of options taken into account in valuing the plans being adjusted on each reporting date to reflect the probability of the beneficiaries being present at the end of the vesting period.

The valued benefit equates to a remuneration of the beneficiaries which is therefore recognised in payroll expenses, on a straight line basis over the vesting period in exchange for a corresponding adjustment in equity.

Stock options and share subscription warrants	Option 10.92
Number of recipients	17
Support share	ECA
Original potential number of shares (distribution with conditions)	120,000
Potential number of shares effectively distributed	41,000
Number of options exercised/cancelled during the year	7,000/34,000
Cumulative number of options exercised/cancelled	7,000/113,000
Potential share balance	0
Date of establishment	December 2009
Start of the exercise period	April 2012
End of the exercise period	March 2015
Subscription price	€10.92
Potential value of the shares *(in thousands of euros)*	0

Free share allocation plans	GROUPE GORGÉ 2014 Annual Shareholders' Meeting	GROUPE GORGÉ 2011 Annual Shareholders' Meeting
Number of recipients	2	3
Support share	GROUPE GORGÉ	GROUPE GORGÉ
Potential number of shares	30,000	49,000
Final allocations in the year/cancellations	0/0	0/0
Cumulative final allocations/cancellations	0/0	42,000/7,000
Potential share balance	30,000	-
Date of establishment	May 2014	June 2011
Start of the acquisition period	May 2014	June 2011
End of the acquisition period	May 2016 and December 2016	June 2013
End of lock-up period	May 2018 and December 2018	June 2015
Potential value of the shares *(in thousands of euros)*	286	-

5.5 Remuneration of the Directors and related parties

5.5.1 Directors' remuneration

The members of the Board of Directors of GROUPE GORGÉ received Director's fees for a total amount of €55,000.

The Chairman/CEO and a Director are paid by the company PÉLICAN VENTURE which is linked to GROUPE GORGÉ by a services provision agreement. PÉLICAN VENTURE paid them a total gross remuneration of €297,000, together with €15,399 in benefits in kind. The Chairman/CEO also receives a variable remuneration from the GROUPE GORGÉ, which paid €74,000 in 2015 in this regard.

5.5.2 Related parties

Related parties are persons (Directors, managers of GROUPE GORGÉ or of its principal subsidiaries) or companies owned or managed by such persons (except for subsidiaries of GROUPE GORGÉ). The following transactions with related parties conducted during the year have been identified in the GROUPE GORGÉ financial statements:

(In thousands of euros)	PÉLICAN VENTURE	FONDELIA	SOPROMEC	MAIN DIRECTORS	CBG CONSEIL
2015 INCOME STATEMENT					
Revenue	265	-	43	-	-
Other income	-	-	-	-	-
Purchases and external charges	(515)	-	-	-	(77)
Financial income	-	-	-	-	-
2015 BALANCE SHEET					
Trade accounts receivable	-	-	-	-	-
Debtors	-	-	-	507	-
Suppliers	-	-	-	-	24
Creditors	-	-	-	-	-
Deposits and guarantees received	14	2	8	-	-

PÉLICAN VENTURE is a holding company, and the main shareholder of GROUPE GORGÉ. It is chaired by Jean-Pierre GORGÉ, a Director of GROUPE GORGÉ. SOPROMEC is a subsidiary of PÉLICAN VENTURE. FONDELIA is a subsidiary of SOPROMEC. CBG Conseil is owned and chaired by Catherine GORGÉ, a Director of GROUPE GORGÉ.

Note 6 Property, plant and equipment and intangible assets

6.1 Goodwill

Goodwill is initially recognised at the time of a combination of businesses as described in Note 2.1.

Goodwill corresponds to the difference between the cost of an acquisition and the fair value of the Group's share in the identifiable net assets acquired. Positive differences are recognised under "Goodwill" on the assets side of the balance sheet, while negative differences are recognised directly in the income statement. Income from the disposal of an entity includes the carrying amount of goodwill relating to the entity sold. The essential elements of the business are treated in the same way as goodwill.

Goodwill may be adjusted in the 12 months following the acquisition date to reflect the final calculation of the fair value of the assets and liabilities acquired.

Subsequent to their initial recognition, they are not amortised but are the subject of an impairment test on the appearance of indications of loss of value, and at least once a year. The processes for the impairment tests carried out in 2014 and 2015 are described in Note 6.4.

(In thousands of euros) Net value	
At 1 January 2015*	**36,209**
Acquisitions	-
Changes in scope	8,010
Departures	-
Other changes	-
Impact of changes in exchange rates	-
At 31 December 2015	**44,219**
Of which depreciation at 31 December 2014	

* *2014 column restated to reflect the items described in Note 1.3.*

Goodwill is distributed as follows:

• Smart Safety Systems:	43%
• Industrial Projects & Services:	12%
• Protection in Nuclear Environments:	10%
• 3D Printing:	35%

6.2 Other intangible assets

Intangible assets acquired separately are recognised in the balance sheet at their acquisition cost. They are subsequently measured at amortised cost, as recommended by IAS 38 - *Intangible Assets.* Intangible assets acquired in a business combination are recognised in the balance sheet at their fair value, determined on the basis of external valuations. These valuations are performed using generally accepted methods, based on future inflows. The value of intangible assets is tested on a regular basis for impairment.

With the exception of brands, intangible assets are amortised on a straight-line basis over their useful life, taking into account the period of legal protection, if applicable.

The value of amortised intangible assets is tested when there is any indication that their recoverable amount may be less than their carrying amount. Any impairment identified as a result of these tests is recognised under "Other operating income and expense".

Intangible assets acquired in a business combination are not amortised when their useful life cannot be determined. The criteria for ascertaining whether or not the useful life of an intangible asset can be determined, and the length of useful life, if applicable, are as follows:

- the reputation of the asset;
- the period over which the asset is expected to be used in the Group's operations.

The value of intangible assets with an indefinite useful life is tested for impairment at least once a year and whenever there is an indication of impairment. An impairment loss is recognised whenever the recoverable amount of an asset is found to be below its carrying amount.

Fixed assets generated internally, concerning mainly expenses for development of new projects. They are capitalised where the following criteria are strictly fulfilled:

- the technical feasibility necessary for the completion of the intangible assets with a view to its commissioning or its sale;
- the intention to complete the intangible assets and to commission it or to sell it;
- the capacity to use or sell the intangible assets;
- the way in which the intangible assets will generate probable future economic benefits. The entity must demonstrate, among other things, the existence of a market for the production from the intangible assets or for the intangible assets itself or, if the latter has to be used internally, its utility;
- the availability of technical, financial and other resources necessary to complete the development and to commission or sell the intangible assets;
- the capacity to reliably estimate the expenses attributable to the intangible assets during its development.

Development costs that do not meet these criteria are expensed in the period in which they are incurred. This is notably the case for research and development work that may be carried out in connection with customer orders where the costs cannot be separated from the costs involved in fulfilling the order.

Capitalised development projects are amortised over the lifespan of the underlying technology, which generally ranges from 3 to 15 years from their date of completion, or in accordance with the number of products delivered as part of the project, with, in this case, an amortisation schedule beginning at the time the first product is sold.

Development costs are subject to impairment tests whenever there is an indication of impairment.

(In thousands of euros)	Development projects	Other intangible assets*	Property, plant and equipment under construction	Total
Gross value				
At 1 January 2015	**47,379**	**12,588**	**286**	**60,253**
Acquisitions	6,306	1,022	115	7,443
Changes in scope	-	1,189	-	1,189
Departures	-	(144)	-	(144)
Other changes	(80)	202	(250)	(129)
Impact of changes in exchange rates	39	15	-	55
At 31 December 2015	**53,644**	**14,872**	**151**	**68,667**
Depreciation and amortisation, and impairment				
At 1 January 2015	**22,699**	**7,952**	**-**	**30,651**
Depreciation and amortisation	4,758	1,126	-	5,884
Changes in scope	-	950	-	950
Impairment losses	81	-	-	81
Departures	-	(127)	-	(127)
Other changes	(119)	1	-	(118)
Impact of changes in exchange rates	36	17	-	53
At 31 December 2015	**27,455**	**9,918**	**-**	**37,373**
Net value				
At 1 January 2015	**24,680**	**4,636**	**286**	**29,602**
At 31 December 2015	**26,188**	**4,954**	**151**	**31,294**

* *2014 column restated to reflect the items described in Note 1.3.*

Development projects and other intangible asset line items are as follows:

Net values *(in thousands of euros)*	Structure	Industrial Projects & Services	Protection in Nuclear Environments	Smart Safety Systems	3D Printing	Total
Special doors for EPR	-	-	2,400	-	-	2,400
AUV programme	-	-	-	6,973	-	6,973
Mine Killer programme	-	-	-	1,863	-	1,863
USV programme	-	-	-	770	-	770
Land robots	-	-	-	380	-	380
IT 180 Aerial drone				572		572
Flight simulation [1]	-	-	-	2,917	-	2,917
Naval systems [2]	-	-	-	1,345	-	1,345
Naval simulation	-	-	-	487	-	487
Imaging [3]	-	-	-	800	-	800
3D printers [4]	-	-	-	-	4,105	4,105
Others	-	859	1,824	792	-	3,576
DEVELOPMENT PROJECTS SUBTOTAL	**-**	**859**	**4,224**	**16,900**	**4,105**	**26,188**
ECA SINTERS and DELTAMED customer relations [5]	-	-	-	500	997	1,497
INFOTRON patents [6]	-	-	-	413	-	413
Other [7]	248	214	218	2,066	449	3,195
TOTAL INTANGIBLE ASSETS	**248**	**1,173**	**4,442**	**19,879**	**5,551**	**31,294**

(1) Including revaluation of assets at fair value through acquisitions, €500 thousand.
(2) Including revaluation of assets at fair value through acquisitions, €500 thousand.
(3) Including revaluation of assets at fair value through acquisitions, €800 thousand.
(4) Including revaluation of assets at fair value through acquisitions, €2,142 thousand.
(5) Including revaluation of assets at fair value through acquisitions, €1,497 thousand.
(6) Including revaluation of assets at fair value through acquisitions, €413 thousand.
(7) Including costs and purchases of licences for ECA's new ERP for €1,311 thousand (direct costs).

6.3 Property, plant and equipment

Property, plant and equipment primarily comprises land, buildings and production equipment, and is recognised at purchase cost, less accumulated depreciation and any impairment losses, as recommended by IAS 16 - Property, Plant and Equipment.

Each component of an item of property, plant and equipment with a useful life that differs from that of the item as a whole, is depreciated separately on a straight-line basis, without taking into account the residual values. The useful lives of items of property, plant and equipment are generally considered to be the following:

- buildings: 10 to 35 years;
- technical facilities, equipment and tools: 3 to 10 years;
- other: 3 to 12 years.

The useful life of items of property, plant and equipment used in operating activities reflect the estimated life cycles of the products. The useful life of items of property, plant and equipment are reviewed periodically, and may be adjusted prospectively, if appropriate.

Depreciation is expensed in the year incurred.

Items of property, plant and equipment are tested for impairment when there is an indication that they may be impaired. If applicable, a provision will be made on the income statement in current operating income under "Depreciation, amortisation and provisions (net of reversals)".

Finance leases

Properties used in the framework of a lease are capitalised, in consideration of a debt, when the effect of the lease is to transfer almost all the risks and benefits of the ownership of the properties to the Group.

Leases where the risks and benefits are not transferred to the Group are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight-line basis over the term of the lease.

(In thousands of euros)	Land and buildings	Fixtures and equipment*	Land and buildings held under finance leases	Equipment held under finance leases	Fixed assets in progress	Advances and down-payments	Investment property	Total
Gross value								
At 1 January 2015	**10,714**	**21,527**	**7,034**	**238**	**2,458**	**182**	**298**	**42,450**
Acquisitions	426	6,310	-	982	582	288	-	8,588
Changes in scope	-	6,511	-	985	-	-	-	7,495
Departures	(3)	(1,930)	-	-	(19)	(204)	-	(2,156)
Other changes	2,101	(48)	(105)	-	(2,070)	-	-	(122)
Impact of changes in exchange rates	5	40	-	-	-	-	-	45
At 31 December 2015	**13,243**	**32,410**	**6,929**	**2,204**	**951**	**266**	**298**	**56,301**
Depreciation and amortisation, and impairment								
At 1 January 2015	**5,261**	**16,092**	**3,198**	**118**	**-**	**-**	**-**	**24,669**
Depreciation and amortisation	491	3,425	219	280	-	-	-	4,415
Changes in scope	-	4,354	-	709	-	-	-	5,063
Impairment losses	-	215	-	-	-	-	-	215
Departures	(3)	(1,228)	-	-	-	-	-	(1,231)
Other changes	39	(48)	(113)	-	-	-	-	(122)
Impact of changes in exchange rates	5	21	-	-	-	-	-	26
At 31 December 2015	**5,794**	**22,830**	**3,304**	**1,107**	**-**	**-**	**-**	**33,035**
Net value								
At 1 January 2015	**5,454**	**5,435**	**3,836**	**120**	**2,458**	**182**	**298**	**17,782**
At 31 December 2015	**7,450**	**9,580**	**3,625**	**1,097**	**951**	**266**	**298**	**23,266**

* *2014 column restated to reflect the items described in Note 1.3.*

6.4 Value impairments on fixed assets

Open-ended non-current assets are not amortised and are tested for impairment at each reporting date. These assets consist primarily of goodwill and open-ended intangible assets.

Amortised assets are tested for impairment when, due to special events or circumstances, the probability of recovering their carrying amount comes into question.

For the purposes of measuring impairment, assets are grouped into cash-generating units (CGUs), which represent the lowest level of unit generating separate cash flow.

Impairment is accounted for to match the surplus of the carrying amount over the recoverable amount of a CGU. In the absence of market value, the recoverable amount of a CGU is its value after tax, calculated using discounted future cash flows.

The principal CGUs used in the current configuration and organisation of the Group are: ECA CNAI, ECA EN, EN MOTEURS, ECA SINDEL, ECA SINTERS, ECA ROBOTICS/TRITON, ECA FAROS/SSI, AI GROUP, BAUMERT, SERES, VAN DAM, PRODWAYS, DELTAMED, INITIAL.

Moreover, in some cases, the appearance of loss factors specific to certain assets other than goodwill may be grounds for testing and justify an impairment of these assets regardless of an impairment test on the CGU to which they were previously attached. These impairment factors may be related either to internal factors (e.g., changes in the assessment of management's ability to bring an R&D project to a conclusion) or external events (e.g., changing commercial outlook).

For non-current assets other than goodwill that are impaired, the possible recovery of the impairment is reviewed on each reporting date. Goodwill impairment losses are irreversible.

Process for the impairment tests

At 31 December 2015, the completion of impairment tests on all the property, plant and equipment and intangible assets led to the recognition of losses of value concerning some development projects for a total amount of €81 thousand and a prototype for €215 thousand. These impairments are non-recurring items in operating income. No impairment of goodwill was observed.

The recoverable value of a CGU is determined using the discounted future cash flows. The discount rate used is the weighted average cost of capital (WACC), calculated using the ten-year OAT (risk-free rate 0.92%) rate, a market risk premium and Beta calculated based on the share price of the company (ECA or GROUPE GORGÉ) and the performance of the CAC 40 index. Flows after taxes are projected conservatively over the forecast period of the relevant activity (five years) and may include a terminal value with a growth assumption of 1.5%.

The discount rates used in 2015 are 6.27% for ECA and 6.32% for GROUPE GORGÉ, excluding the specific risk premium allocated to each CGU (between 0% and 5%). It should be noted that for the 3D division, the discount rate used is 20% for PRODWAYS and 12% for DELTAMED. The risk premium is 0% for the Intelligent Safety Systems division, 1 to 2% depending on the CGU for the Protection in Nuclear Environments division, 1 to 5% depending on the CGUs or the Industrial Projects and Services division. The tests made include a measurement of the sensitivity of assumptions (discount rate of +/-0.5 points (-0.5/+1 point for the ECA division) and growth rate to infinity of +/-0.5 points)

Management does not believe that any reasonably possible change in the key assumptions used to calculate the recoverable value might lead to the carrying amount of a CGU being considerably higher than its recoverable. value

The CGUs and the discount rates used are therefore the following:

CGU	Goodwill	Discount rates used, including risk premiums
ECA CNAI	1,332	6.27%
ECA EN	5,000	6.27%
EN MOTEURS	1,563	6.27%
ECA SINDEL (1)	-	6.27%
ECA SINTERS (1)	-	6.27%
ECA ROBOTICS+TRITON	9,937	6.27%
ECA FAROS+SSI	498	6.27%
ECA SA	718	6.27%
SIS	**19,048**	
AI GROUP	1,950	11.3%
CIMLEC	274	10.3%
CLF	476	7.3%
VAN DAM	2,465	9.3%
PSI	**5,165**	
BAUMERT	3,669	7.3%
SERES	806	8.3%
PMN	**4,475**	
PRODWAYS	3,431	20%
EXCELTEC	166	
DELTAMED	4,591	12%
INITIAL (2)	7,344	
3D	**15,531**	
TOTAL GROUPE GORGÉ	**44,219**	

(1) For ECA SINTERS and ECA SINDEL, there is no goodwill to test, but only R&D.
(2) Company acquired in the first half of 2015.

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Note 7 Details of cash flows

7.1 Calculation of cash flow

(In thousands of euros)	2015	2014*
NET INCOME FROM CONTINUING OPERATIONS	**4,209**	**4,842**
Allowances for/reversals of depreciation, amortisation and provisions	10,493	9,450
Cancellation of capital gains and losses on treasury shares	24	(113)
Calculated expense related to stock options and similar items	222	202
Earnings of equity-accounted companies	3	860
Capital gains and losses on disposals	147	(412)
Others	(398)	193
CASH FLOW FROM OPERATING ACTIVITIES BEFORE ELIMINATION OF THE NET COST OF DEBT AND TAXES	**14,699**	**15,021**

* *2014 column restated to reflect the items described in Note 1.3.*

EBITDA is reconciled with the operating cash flow as follows:

(In thousands of euros)	2015	2014*
EBITDA	**22,042**	**22,733**
Cancellation of capital gains and losses on treasury shares	24	(113)
Capital gains and losses on disposals	147	(412)
Calculated expense related to stock options and similar items	222	202
Appropriations and reversals concerning current assets	467	(536)
Offsetting of reversals of provisions with an expense	(1,425)	(745)
Non-recurring items excluding charges and reversals	(2,809)	(1,768)
Financial income excluding financial charges and reversals	(1,923)	(1,766)
Corporation tax	(1,647)	(2,741)
Other calculated expenses	(398)	167
CASH FLOW FROM OPERATING ACTIVITIES BEFORE ELIMINATION OF THE COST OF NET DEBT AND TAXES	**14,699**	**15,021**

* *2014 column restated to reflect the items described in Note 1.3.*

7.2 Change in working capital requirements

(In thousands of euros)	Note	Start of period(1)	Changes in scope	Change over the year	Other changes [2]	Currency translation adjustment	Closing
Net inventories[1]		20,014	596	5,633	-	64	26,307
Net receivables[1]		124,825	1,804	33,154	-	71	159,853
Advances and down-payments		2,968	63	(429)	-	-	2,602
Prepaid expenses		2,669	185	(1,149)	-	4	1,708
SUBTOTAL	**A**	**150,476**	**2,647**	**37,209**	**-**	**138**	**190,471**
Trade payables		35,731	838	20,683	-	(1)	57,250
Advances and down-payments		37,699	4	18,127	-	-	55,830
Deferred income		27,239	-	(6,006)	-	14	21,247
SUBTOTAL	**B**	**100,669**	**841**	**32,804**	**-**	**12**	**134,327**
WORKING CAPITAL REQUIREMENT	C=A-B	**49,808**	**1,806**	**4,405**	**-**	**125**	**56,144**
Social and tax receivables		19,477	218	5,706	(28)	9	25,382
Current accounts receivable		21	96	(18)	-	-	99
Other receivables		1,908	3	1,400	-	8	3,320
SUBTOTAL	**D**	**21,406**	**316**	**7,089**	**(28)**	**17**	**28,800**
Tax and social security liabilities[1]		34,506	1,023	1,935	32	13	37,510
Accrued interest		218	-	(49)	-	-	170
Other payables and derivative instruments		6,336	779	(1,945)	628	81	5,879
Current accounts payable		215	-	48	-	-	264
SUBTOTAL	**E**	**41,276**	**1,802**	**(10)**	**660**	**94**	**43,821**
OTHER ITEMS OF WORKING CAPITAL REQUIREMENT	F=D-E	**(19,870)**	**(1,486)**	**7,099**	**(688)**	**(77)**	**(15,021)**
WORKING CAPITAL REQUIREMENT	G=C+F	**29,938**	**320**	**11,504**	**(688)**	**49**	**41,123**

(1) At the beginning of the year, corrections of €3,306 thousand to various balance sheet items (see Note 1.3).
(2) The column "Other changes" contains financial inflows that did not affect income from continuing operations or generate cash flows.

In 2015, the operational working capital requirement increased due to the growth of the business (revenue up by 18.6%). This increase primarily impacted the Intelligent Safety Systems division. The operational working capital requirement of the Protection in Nuclear Environments division also increased due to the volume of business over the last two months of the financial year and this despite a fall in its revenue over the whole year.

Tax and social security receivables increased by €5.7 million. This is mainly explained by the increase in research tax credit receivables which it was not possible to deduct from the tax payable.

7.3 Acquisitions/Disposals of equity holdings

(In thousands of euros)	AIG	EXCELTEC	PRODWAYS GROUP	INITIAL	VARIA 3D	GORGÉ EUROPE	Total
Proceeds	-	-	120	-	-	14	134
Payments	(1,100)	(250)	-	(11,001)	(377)	-	(12,728)
Cash and cash equivalents	-	15	-	3,567		-	3,582
TOTAL	**(1,100)**	**(235)**	**120**	**(7,434)**	**(377)**	**14**	**(9,013)**

7.4 Subscription and redemption of long term loans

The main movements in 2015 involved:

- two loans contracted by ECA SA and BAUMERT from Bpifrance for respectively €3 million and €0.5 million; the capital is repayable with effect from November and October 2017;
- three new loans contracted by GROUPE GORGÉ SA, of €9.0 million, €5.0 million and €1.5 million. The first was used for the financing of the acquisition of INITIAL, the other two for the refinancing of Bpifrance (formerly OSEO) loans, of which the amount remaining due amounted to €4.2 million, and for the financing of general requirements;
- a zero rate loan for innovation (PTZI) was contracted by PRODWAYS from Bpifrance for €1.4 million;
- a loan for €0.6 million contracted by INITIAL for the financing of capital expenditure.

Reimbursements for the financial year (€10.9 million) include the early repayment by GROUPE GORGÉ SA of two Bpifrance loans for €4.0 million.

Note 8 Financing and financial instruments

The financial assets and liabilities consist mainly of the following items:

- •long term financial liabilities, short term loans and bank overdrafts which make up the gross financial debt (*see* Note 8.1.1);
- •loans and other long term financial assets and the cash and cash equivalents which are added to the gross financial debt to arrive at the net financial debt *(see* Note 8.1.2);
- •derivative instruments (*see* Note 8.1.3);
- •other financial assets and liabilities (*see* Note 8.1.4).

8.1 Financial assets and liabilities

8.1.1 Gross financial debt

Gross financial debt includes long term financial liabilities, short term loans and bank overdrafts.

Financial liabilities consist primarily of current and non-current financial debt contracted with credit institutions, as well as bonds. These liabilities are initially recognised at fair value, from which are deducted if need be any directly attributable transaction costs. They are then valued at amortised cost based on their actual interest rate.

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Changes in borrowings and financial debt

(In thousands of euros)	(lStart of period	Changes in scope	Increase	Decrease	Other changes	Closing
Finance lease liabilities	4,446	280	982	(979)	-	4,730
Convertible bonds	44	-	-	(2)	-	42
Other bonds	15,424	-	76	-	94	15,594
Bank borrowings	31,438	889	21,066	(9,584)	(166)	43,643
Other borrowings	2,364	45	272	(384)	20	2,297
FINANCIAL DEBT EXCLUDING CURRENT BANK FACILITIES	**53,718**	**1,214**	**22,395**	**(10,950)**	**(72)**	**66,305**
Bank overdrafts	1,577	-	7,254	(1,577)	-	7,254
TOTAL FINANCIAL DEBT	**55,295**	**1,214**	**29,649**	**(12,527)**	**(72)**	**73,559**

Schedule of borrowings and financial debt

(In thousands of euros)	31/12/2015	<1 year	>1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	>5 years
Finance lease liabilities	4,730	1,108	3,621	1,007	938	649	266	761
Convertible bonds	42	-	42	-	42	-	-	-
Other bonds	15,594	76	15,517	100	14,239	400	400	378
Bank borrowings	43,643	5,276	38,368	15,798	6,934	5,549	4,739	5,348
Other borrowings	2,297	297	2,000	94	207	249	57	1,393
FINANCIAL DEBT EXCLUDING CURRENT BANK FACILITIES	**66,305**	**6,757**	**59,550**	**16,999**	**22,361**	**6,848**	**5,462**	**7,880**
Bank overdrafts	7,254	7,254	-	-	-	-	-	-
TOTAL FINANCIAL DEBT	**73,559**	**14,011**	**59,550**	**16,999**	**22,361**	**6,848**	**5,462**	**7,880**

The costs attributable to the implementation of loans are amortised over the term of the debt (amortised cost method) based on their true interest rate.

"Other borrowings" include repayable advances received by the Group in respect of research and development in particular. These advances cannot be repaid, or only repaid partially according to the success of the operations on the basis of which they were granted.

8.1.2 Restated net cash and cash equivalents

Cash and cash equivalents presented in the balance sheet consist of cash in hand, bank accounts, term deposits of no more than three months and marketable securities meeting the criteria in IAS 7.

Accrued interest earned on term accounts is recorded under investment income. A provision for impairment is recognised when the net asset value is less than the acquisition cost.

(In thousands of euros)	2015	2014
Marketable securities	3,207	1,467
Cash and cash equivalents	31,222	27,951
GROSS CASH (A)	**34,429**	**29,418**
Bank overdrafts (B)	7,254	1,577
CASH (C)=(A)-(B)	**27,175**	**27,841**
Financial debt (D)	66,305	53,717
NET (DEBT) CASH (C)-(D)	**(39,130)**	**(25,876)**
ECA treasury shares	1,281	734
GROUPE GORGÉ treasury shares	73	137
NET DEBT CASH, ADJUSTED	**(37,776)**	**(25,005**

8.1.3 Derivative financial instruments

Composite financial instruments such as convertible or redeemable bonds are recognised in accordance with IAS 32, i.e. separate posting of the bond component recorded as debt at amortised cost and of the share component recognised as equity (similar to selling a stock purchase option), expenses related to the issue being recognised as equity and debt respectively in proportion to the proceeds of the issue.

The Group may use, if it deems it necessary, derivative financial instruments to hedge against foreign exchange risks associated with operations. These risks mainly arise from sales in USD. The corresponding future cash flows are partially hedged by firm or optional forward exchange transactions. On initial posting, derivatives are recorded in the balance sheet at their acquisition cost. They are then valued at their fair value calculated on the basis of market prices provided by the relevant financial institutions. The Group applies hedge accounting for foreign exchange transactions according to the criteria defined by IAS 39. This is macro-hedging, with changes in the fair value of the hedging instrument being recognised as income.

The Group uses swap agreements to manage and hedge changes in interest rates.

The derivative instruments used are backed economically by the maturities, rates and currencies of the hedged loans. These contracts involve fixed and floating exchange rates. The interest differential is recognised as financial income or expense in return for interest receivable or payable as appropriate. For these rate instruments, the Group uses cash flow hedging in accordance with IAS 39: the instruments are recognised at their cost of acquisition and then revalued at their fair value at the year-end date.

The Group's financial instruments are allocated to hedging future transactions (cash flow hedge). Thus, measurement of the change in fair value is as follows:

- • the effective portion of changes in fair value is recognised in the hedging reserve until the proposed transaction is closed. When the proposed transaction is completed, the amount recognised in equity is reclassified in earnings, with the income or expense being adjusted by the actual portion of the gain or loss on the fair value of the hedging instrument;
- • the ineffective portion of the change in fair value is recognised as financial income.

The fair value of swap agreements is calculated using valuation techniques based on observable market data, pursuant to IFRS 7.

A swap concluded in October 2011 has a final maturity on 31 January 2016. The value recorded at 31 December is the negative fair value of the financial instrument and it is not material.

SERES' minority shareholders have put options exercisable from 2017 or 2021. GROUPE GORGÉ has a call option exercisable from 2017. By an amendment concluded in January 2016, the minority shareholders may only, from now on, exercise their option from 2021 onwards. These options have been valued at fair value through equity. The valuation is equivalent to the estimated current value of the option to date, which is itself a multiple of the estimated income of the subsidiary over the period in question

(In thousands of euros)	Start of period	In	2015 income	Equity effect	Others	Closing
Rate *swaps*	9	-	-	(8)	-	1
CURRENT TOTALS	**9**	**-**	**-**	**(8)**	**-**	**1**
SERES purchase option	771	-	-	(119)	-	652
NON-CURRENT TOTAL	**771**	**-**	**-**	**(119)**	**-**	**652**

8.1.4 Other non-current financial assets

Non-consolidated equity interests are initially recognised in the balance sheet at their acquisition cost, and subsequently at fair value if this can be reliably measured. Where the fair value cannot be reliably measured, the equity interests are maintained at their acquisition cost, less any recognition of impairment that is deemed to be necessary.

In particular, an impairment loss is recognised when the value of an equity interest falls below the Company's stake in its equity, unless the results and outlook suggest that the situation could be reversed in the short or medium term.

Certain financial assets are recognised at their fair value by an adjustment to the income statement (IAS 39). They are shares listed on an active market and deliberately classified in this category with effect from their initial recognition. The fair value may be determined reliably and corresponds to the stock market price at the year end closing date (Level 1 of the hierarchy of fair values - IFRS 7).

Where the fair value cannot be based on observable market data, the securities are maintained at their cost net of any impairments. In this case, the recoverable value is determined based on the Group's share of the net assets, expected future profitability and the development prospects of the entity representative of the investment. This rule is applied in particular for unlisted securities.

Changes in fair value are recognised in Other items of net income within the overall income statement and, in the balance sheet, under a separate equity heading (other reserves) until the effective disposal of the securities, at which date they are recycled into the income statement. Furthermore, where an identified loss of value is considered to be significant or long term with regard to the circumstances, it is recognised in financial income.

Loans and receivables listed among non-current financial assets are recognised at amortised cost and are subject to impairment if there is an objective indication of a loss of value. Long-term financial receivables are discounted where the effect of discounting is deemed to be significant.

Net values *(in thousands of euros)*	**2015**	**2014**
Loans	749	564
Deposits and guarantees	1,590	1,225
Non-consolidated holdings	713	110
Available-for-sale assets	860	970
Other long-term investments	506	431
TOTAL OF OTHER FINANCIAL ASSETS	**4,418**	**3,299**

Non-consolidated equity securities

(In thousands of euros)	**% control**	**Capital** *Equity*	Gross value of securities **Net value of securities**	**Revenue** *Net income*	**Comments**
		56	60	1,659	
CEDETI	10.07%	*317*	*60*	*88*	No significant influence
		100	34	2,033	
MARINE INTÉRIM[(1)]	34%	*257*	*34*	*70*	No significant influence
		29	500	0	
WANDERCRAFT	9%	*3,093*	*500*	*62*	No significant influence
			16		
Others	n/a	n/a	*16*	n/a	No significant influence

(1) 2014 Information.

Investments in affiliated companies

The movements over the year are as follows:

(In thousands of euros)	**Start of period**	**In**	**Income**	**Currency translation adjustment**	**Exit**	**Closin**
1ROBOTICS	4	-	-	-	-	4
DENTOSMILE	741	-	33	-	-	774
VARIA 3D	-	647	(36)	7	-	618
TOTAL	**744**	**647**	**(3)**	**7**	**-**	**1,395**

In September 2015, PRODWAYS GROUP took a 45% equity stake in VARIA 3D, a company based in the United States. VARIA 3D is consolidated for the first time using the equity method for this financial year.

8.2 Financial income and expenses

On the one hand, financial income and expenses comprise interest income and expense related to the cost of net financial debt and, on the other hand, financial income and expenses.

Interest expenses correspond to the amount of interest recognised in respect of the financial debts and the interest income to the amount of the interest received from cash investments.

(In thousands of euros)	2015	2014
Interest expense	(2,290)	(2,071)
Income from other securities	33	95
Net income on sales of marketable securities	21	20
COST OF NET DEBT	**(2,236)**	**(1,956)**
Other interest income	129	(3)
Net exchange gain or loss	184	193
Financial allowances net of reversals	(95)	(2,788)
TOTAL FINANCIAL INCOME AND EXPENSE	**(2,018)**	**(4,554)**

In 2014, the Group recognised a provision against non-consolidated securities (REDHALL) for an amount of €2.7 million. An additional provision was recognised in 2015 for €0.1 million.

8.3 Policy for the management of risks

8.3.1 Liquidity risk

At 31 December, the Group's net cash amounted to €27.2 million (€34.4 million in cash, minus €7.3 million in bank overdrafts).

The Group has the funding it needs and there are no loans essential to its activity being negotiated. The Group has no bank financing that depends on the Group's rating and no significant concentration of credit risk.

The arrangements for repaying the principal loans are as follows:

Borrowing *(in thousands of euros)*	Rate	Amount	Outstanding capital	Maturity
SOGEBAIL (leasing)	TEC10 +0.55%	6,320	2,239	48 quarterly instalments from June 2007
SG Leasing S.p.a. (leasing)	1.62% reviewable fixed rate	2,250	1,389	179 monthly payments starting in 2007
LCL	1.95%	2,200	2,062	75 monthly payments starting in July 2015
LCL	E3M +1.2%	1,400	280	5 annual instalments from January 2012
LCL	E3M +1.2%	950	570	5 annual instalments from January 2014
CIC	2.05%	5,000	2,595	20 quarterly instalments from September 2013
GIAC 2022 bond	E3M +3.05%	2,000	2,000	20 quarterly instalments from October 2017
MICADO 2018 bond	5.75%	4,000	4,000	Bullet repayment October 2018
FEDERIS 2018 bond	5.40%	10,000	10,000	Bullet repayment December 2018
Schuldschein	E6M +3.0%	10,000	10,000	Bullet repayment December 2017
BPI France	1.93%	2,900	2,900	20 quarterly instalments from March 2017
BPI France	1.78%	1,500	1,500	20 quarterly instalments from October 2017
BPI France	1.78%	5,000	5,000	20 quarterly instalments from October 2017
BPI France	1.78%	3,000	3,000	20 quarterly payments starting in November 2017
BPI France	1.78%	500	500	20 quarterly instalments from October 2017
BPI France	0%	1,400	1,400	20 quarterly instalments from June 2017
BNP PARIBAS	0.96%	600	590	60 monthly payments starting in December 2015
BNP PARIBAS	E3M +1.40%	4,800	3,645	20 quarterly instalments from October 2014
BNP PARIBAS	E3M +1.2%	9,000	7,878	72 quarterly instalments from June 2015

The terms of several loans were renegotiated in 2015. The rates indicated are the rates after renegotiation.

Covenants associated with loans, all honoured, are:

- LCL loans:
  - called in immediately in the event of non-compliance with covenants, in particular financial covenants related to debt, to equity, to EBITDA and consolidated GROUPE GORGÉ cash flows,
- Schuldschein:
  - called in immediately in the event of non-compliance with two covenants, covering GROUPE GORGÉ's net debt/EBITDA ratio and the net debt, which must be less than equity.

8.3.2 Interest rate risk

Generally, the Group's policy for managing interest rate risk is to examine on a case by case basis credit agreements concluded on the basis of a variable interest rate and to consider, with the help of its external financial advisors, whether it is opportune to use ad hoc financial instruments to hedge, where appropriate, identified rate risks. Liabilities and assets exposed to changes in interest rates are as follows, by maturity:

(In thousands of euros)	DD to 1 year	1 to 5 years	Beyond
Financial liabilities(1)	10,747	22,419	700
Financial assets(2)	-	749	-
Net position before hedging	10,747	21,670	700
Off-balance sheet	-	-	-
Net position after hedging	10,747	21,670	700

(1) Excluding funds that do not bear interest but including bank overdrafts amounting to €7,254 thousand.
(2) Excluding marketable securities for €3,197 thousand.

Overdrafts and short-term loans (financing of trading receivables) are concluded at variable rates and therefore expose the Group to fluctuations in interest rates.

Net debt exposed to interest rate fluctuations is approximately €29.9 million at 31 December 2015. A rise or fall of 100 basis points (1%) of all rates would have an impact of about +/-€299 thousand on the Group's annual pre-tax financial expense, assuming strict stability of the debt.

8.3.3 Foreign exchange risk

Foreign currency transactions are concentrated in ECA (mainly US dollar) and are developing in the 3D Printing division. The share of revenue made in foreign currency by the Group's French companies remains limited, the Protection in Nuclear Environments division denominating all its export transactions in euros.

ECA has established a policy of monitoring foreign exchange risk by anticipating all the currency flows of the Group constituted by ECA and its subsidiaries (receipts and payments), measuring the Group's net exposure by maturity and, if necessary, using currency hedging if the net position with an identified deadline warrants it. This requires an assessment of the risk of currency changes, which is issued by the management of ECA advised by its banks. Due to the balanced nature of the currency flows in both directions, it was not considered necessary to use hedging in 2015. Financial debt in foreign currencies is marginal; only a few foreign subsidiaries having temporary bank overdrafts.

(In thousands of euros)	USD	CAD	HKD	Others
Assets	8,205	593	218	622
Liabilities	3,011	-	566	422
Net position before hedging	5,193	593	(348)	200
Off-balance sheet position	-	-	-	-
Net position after hedging	5,193	593	(348)	200

A uniform exchange rate with a rise or fall of 1 euro cent against the major currencies could have an impact of +/-€52 thousand on the net position, assuming a strict stability of assets and liabilities.

8.3.4 Market risk

Treasury shares are held by ECA (83,707 shares) and by GROUPE GORGÉ (2,972 shares). These shares were acquired under liquidity contracts or in order to deliver shares when exercising rights attached to securities giving access to capital through redemption, granting stock purchase options to employees, cancelling all or some of the shares thus redeemed, delivering securities in payment or exchange in the framework of external growth transactions, or regulating the share price on the stock market.

The carrying amount of the treasury shares stands at €1.24 million; the market value at 31 December 2015 is €1.35 million (including, respectively, €0.1 million for the treasury shares of GROUPE GORGÉ and €1.25 million for those of ECA).

A uniform change of 10% in share prices could have an impact on equity of €135 thousand compared with the position at 31 December 2015 (ECA and GROUPE GORGÉ shares).

The rest of the cash invested by the Group is in money market funds or deposits.

8.4 Off balance sheet commitments related to the Group's financing

Pledges of the issuer's assets

Equity securities of companies included in the scope of consolidation are pledged to financial institutions as collateral for loans:

Equity securities	Pledge start date	Pledge expiry date	Number of shares pledged	% capital pledged	Debt initially guaranteed	Outstanding capital
ECA	06/2013	06/2018	195,534*	2.21%	€5,000 thousand	€2,595 thousand
SERES TECHNOLOGIES	05/2012	05/2018	480	60%	€950 thousand	€570 thousand
PRODWAYS GROUP	03/2015	03/2021	1,571,729	10%	€9,000 thousand	€7,878 thousand

* *At 31 December 2015, 769,231 remained pledged, but a request for partial release made at the end of 2015 was granted in February 2016.*

There is no other collateral, guarantee or security at the end of the 2015 financial year.

Note 9 Corporate income tax

9.1 Details of corporate income tax

The tax charge on net income includes the tax payable and the deferred taxes of the consolidated companies.

The taxes related to items recognised directly in other items of total net income are recognised in Other items of total net income and not in the income statement.

9.1.1 Details of corporate income tax

Breakdown of tax expense

(In thousands of euros)	2015	2014*
Deferred tax liabilities	1,199	331
Taxes payable	(2,845)	(3,072)
TAX EXPENSE	**(1,647)**	**(2,741**

* Column restated to reflect the items described in Note 1.3.

Tax expense does not include research tax credits, classified as other income (see Notes 4.2 and 9.1.2). It does, however, include CVAE in the amount of €1,623 thousand in 2015 and €1,515 thousand in 2014.

Tax receivables and payable

(In thousands of euros)	2015	2014
Tax receivables	16,258	12,277
Tax payable	(74)	(492)
NET TAX RECEIVABLE/(DUE)	**16,183**	**11,786**

Tax receivable is mainly made up of research tax credit receivables for €12.6 million and CICE receivables for €2.6 million, which it was not possible to deduct from the tax charge payable.

9.1.2 Analysis of the tax charge

In accordance with standard practice and with IAS 12 and IAS 20, as the research tax credit is neither an element of taxable income, nor computed on the basis of taxable income, and as it is neither a tax liquidation component nor limited to the amount of tax liquidated, it is classified as operating income.

Research tax credits for subsidiaries are recognised in current operating income rather than as a decrease in tax expense if they are not generated by research and development expenses included in the consolidated balance sheet. If they are generated by research and development expenses recognised in the consolidated balance sheet, research tax credits are recognised as deferred income in liabilities and recognised in income at the rate of future amortisation.

Contributions on Corporate Added Value (CVAE) are recognised in income tax accounts, this tax being based on value added. The Group's analysis is based in particular on the definition of income tax as defined in IAS 12 and on an IFRIC position from 2006 that states that the term "taxable income" implies a notion of a net rather than a gross amount, although not necessarily identical to the accounting income. IRAP (Italian tax, also based on value added) is measured the same way.

(In thousands of euros)	
NET INCOME FROM CONTINUING OPERATIONS	**4,209**
Tax Income/(Expense)	(1,647)
Earnings of equity-accounted companies	(3)
Earnings before tax	5,859
Tax rate	33.33%
THEORETICAL TAX CHARGE	**(1,953)**
Reconciliation items	
Uncapitalised tax losses incurred for the period	(1,084)
Use of uncapitalised tax losses	115
Reassessment of deferred tax assets	2,144
Differential rates France/Foreign countries and reduced rates	(22)
CVAE	(1,623)
Tax impact associated with the accounting classification of the value added contribution (CVAE) and tax credits/or tax savings on the CVAE and the theoretical restatement/cancellation on tax credit	1,957
Other permanent differences(1)	(1,181)
ACTUAL NET TAX INCOME (EXPENSE)	**(1,647)**

(1) Related essentially to a differential in tax/consolidation treatment for a reversal of a provision against securities (-€529 thousand).

The tax rate matches the parent company's current rate.

9.2 Deferred taxes

Deferred taxes corresponding to time differences between the tax and accounting bases of consolidated assets and liabilities are recognised using the liability method. Deferred tax assets are recognised when their future realisation seems likely on a date which can be reasonably determined.

Future income tax breaks arising from the use of tax loss carry-forwards (including unlimited carry-forward) are recognised only when they can be reasonably anticipated.

The main timing differences are related to tax losses carried forward, to provisions for pensions and other similar benefits, to other provisions which are temporarily non tax-deductible and to capitalised development expenses. The deferred tax assets and liabilities are calculated using tax rates which will be in effect at the time of the reversal of the timing differences.

Deferred tax assets and liabilities are not discounted and are offset if they relate to the same taxable entity and have identical repayment maturities.

Breakdown of deferred taxes by type

(In thousands of euros)	2015	2014*
Differences over time		
Retirement and related benefits	2,221	2,217
Development costs	(6,573)	(6,462)
Grants	48	29
Finance leases	17	184
Derivative financial instruments	(226)	(184)
Fair value - IFRS 3	(389)	(378)
Others	73	317
Error correction	-	629
SUBTOTAL	**(4,830)**	**(3,648)**
Temporary differences and other restatements	1,445	1,487
Deficits carried forward	7,855	5,293
CVAE	(96)	(114)
TOTAL	**4,374**	**3,019**
DEFERRED TAX LIABILITIES	**(206)**	**(2,440)**
DEFERRED TAX ASSETS	**4,580**	**5,459**

* *Column restated to reflect the items described in Note 1.3.*

Deficits carried forward are capitalised due to opportunities for rapid posting of these deficits. Some deferred tax assets resulting from these capitalisations can be charged to tax liabilities because of the net deferred tax liability position of the companies concerned.

Underlying tax position

Bases *(in millions of euros)*	2015	2014
Ordinary deficits	13.8	6.1
TOTAL	**13.8**	**6.1**

Shown here are only the ordinary deficits carried forward not activated in the financial statements.

Note 10 Shareholders' equity and earnings per share

10.1 Shareholders' equity

10.1.1 Capital and issue premiums

At 31 December 2015, the share capital of GROUPE GORGÉ SA amounted to €13,366,843, made up of 13,366,843 shares each with a par value of €1, fully paid up and of which 7,074,505 shares have double voting rights.

Changes in capital

	Cumulative number of shares	Amount of capital *(in euros)*
Capital at 31/12/2013	12,731,843	12,731,843
Capital on 31/12/2014	13,081,843	13,081,843
Capital at 31/12/2015	13,366,843	13,366,843

In 2015, the share capital was increased by 285,000 shares using the equity line put in place in 2014.

The issue premiums represent the difference between the par value of the securities issued and the amount, net of expenses, of the contributions received in cash by GROUPE GORGÉ SA at the time of the issue. They amount to €23,703 thousand.

10.1.2 Dividend per share

The distributable reserves of the parent company (shareholders' equity excluding share capital and legal reserve) amount to €54,757 thousand, before appropriation of the 2015 net income. They amount to €43,632 thousand at 31 December 2014.

A dividend of €0.32 per share was paid in 2015 for a total amount of €4,217 thousand. The dividend distributed in 2014 was €0.32 per share, or a total amount of €4,154 thousand.

10.1.3 Treasury shares and share repurchase plan

Share purchases made in 2015 were under the authorisation granted by the Shareholders' Meeting of 18 June 2014 or 17 June 2015.

On 31 December 2015, GROUPE GORGÉ SA held 2,972 treasury shares under a liquidity contract. On 31 December 2014, it held 7,599 treasury shares. The purpose of these shares can be:

- to transfer shares at the time of exercising the rights attached to securities that give access to the capital by reimbursement;
- to grant share purchase options to employees;
- to cancel all or part of the shares thus repurchased;
- to provide securities in payment or exchange for external growth operations;
- to stabilise the quoted share price.

10.2 Earnings per share

Earnings per share are calculated by dividing the Group's net profit attributable to shareholders by the weighted average number of shares outstanding during the year calculated on a pro rata basis, net of treasury shares, in compliance with IAS 33.

The diluted earnings per share take into account dilutive instruments. It is calculated from the weighted average on a *pro rata basis* for the number of shares equivalent to shares outstanding during the year. The dilutive effect of share subscription or purchase options is calculated using the treasury stock method, taking into account the average price over the period concerned.

	2015	2014*
Weighted average number of shares	13,217,562	13,077,220
Dividend per share paid during the year *(in euros)*	ND	0.32
EARNINGS PER SHARE *(in euros)*	**0.193**	**0.200**
EARNINGS PER SHARE FROM ONGOING ACTIVITIES *(in euros)*	**0.193**	**0.200**
Dilutive potential ordinary shares	30,000	315,000
Diluted weighted average number of shares	13,247,562	13,392,220
DILUTED EARNINGS PER SHARE *(in euros)*	**0.192**	**0.195**
DILUTED EARNINGS PER SHARE FROM ONGOING ACTIVITIES *(in euros)*	**0.192**	**0.195**

* *Column restated to reflect the items described in Note 1.3.*

10.3 Pledges of the issuer's shares

To the Company's knowledge, the pledges of GROUPE GORGÉ shares outstanding at the balance sheet date are as follows. These pledges were issued in favour of financial institutions holding claims on PÉLICAN VENTURE.

Pledge start date	Pledge expiry date	Number of shares pledged
02/2008	02/2017	291,667

Note 11 Other potential provisions and liabilities

The Group recognises a provision if it has an obligation to a third party prior to the reporting date, where the loss or liability is probable and can be reasonably estimated. In cases where such loss or liability is neither probable nor reliably measurable, but still possible, the Group reports a contingent liability in commitments (excluding the posting of contingent liabilities in the event of acquisition). Provisions are estimated on a case by case basis or on a statistical basis.

Provisions are primarily intended to cover:

- economic risks these provisions cover tax risks identified during inspections carried out locally by tax authorities and financial risks arising primarily on guarantees given to third parties covering certain assets and liabilities;
- liabilities and expenses incurred on projects; these provisions comprise:
  - statistical guarantee provisions: Group subsidiaries provide for all guarantees which may be given on equipment sales on a statistical basis. Some guarantees may cover 24 months,
  - provisions for losses on completion of pending projects,
  - provisions for work outstanding on projects already delivered;
- restructuring costs, if the restructuring was covered by a detailed plan and an announcement or project launch before the reporting date.

In contrast to the foregoing definition of a provision, a potential liability is:

- a potential obligation resulting from a past event of which the existence will only be confirmed by the occurrence or otherwise of an uncertain event which is not within the control of the Group; or
- a current obligation resulting from a past event for which either the amount of the obligation cannot be reliably estimated or it is unlikely that an outflow of resources representative of economic benefits will be necessary to extinguish the obligation.

As part of business combinations, potential liabilities may be recognised as provisions in accordance with the criteria defined in the IFRS 3R standard.

Changes in provisions over the financial year were as follows:

Provisions *(in thousands of euros)*	Litigation	Customer warranties	Termination losses	Fines and Penalties	Others	Total
At 1 January 2015	**403**	**976**	**490**	**519**	**2,174**	**4,561**
Appropriations	484	63	642	92	590	1,871
Provisions used	(10)	(89)	(131)	(157)	(294)	(681)
Reversals	(117)	(34)	(13)	(87)	(370)	(620)
Impact on income for the period	**358**	**(60)**	**498**	**(152)**	**(74)**	**570**
Changes in scope	-	8	-	-	-	-
Other changes	-	-	-	-	(32)	(32)
Impact of changes in exchange rates	-	-	-	-	-	-
At 31 December 2015	**761**	**916**	**987**	**367**	**2,068**	**5,099**

Note 12 Other notes

12.1 Exceptional events and disputes

The Group is involved in various legal proceedings. After reviewing each case and seeking counsel, the provisions considered necessary have, as applicable, been recorded in the financial statements.

In July 2013, a fire destroyed the DEPALOR particleboard production plant in Phalsbourg. Some fire protection systems at the fire's initial break-out point are thought to have failed to function. DEPALOR and its insurance company launched a court-ordered appraisal against the various specialist companies responsible for the design, maintenance, verification and occasional work on the fire extinguishing systems and their respective insurance companies. The appraiser must in particular look for the origin and causes of the fire and the causes of any malfunctions of the fire protection systems on the day of the fire and determine their impact on the claim. Although it considers that it is without blame in this affair, CLF SATREM is one of the companies concerned by the appraisal since it had initiated renovation works to the DEPALOR plant 30 years previously and carried out occasional works on the site. The technical appraisal is still ongoing. The costing of the loss alleged by DEPALOR is also still ongoing and is expected to amount to several tens of millions of euros.

In April 2008, CIMLEC INDUSTRIE signed a contract with ETS Communication for an unlimited telephone service as well as the renting of the equipment required for the supply of this service from a leasing company. The entire telephone service and the lease financing came to a total amount of €500 thousand. On the strength of an acceptance report signed by CIMLEC INDUSTRIE, the leasing company FRANFINANCE began to deduct the rent payments although the telephone equipment had not been delivered and the unlimited telephone service had not begun. CIMLEC INDUSTRIE stopped the payments and ended up rescinding the contract. ETS Communication was placed under court-ordered liquidation. FRANFINANCE took CIMLEC INDUSTRIE before the Commercial Court to claim approximately €470 thousand from CIMLEC INDUSTRIE for the implementation of the lease financing contract until its term. CIMLEC INDUSTRIE then filed a complaint against it for fraud, the use of fraudulent documents. The investigation resulted in the case being abandoned, recording that no objective evidence was available to confirm the reality of the delivery or the subsequent use of the equipment. In any event, CIMLEC INDUSTRIE considers that FRANFINANCE cannot expect to obtain the full compensation for a contract when none of the services covered by the contract were provided. The Commercial Court is due to hand down its judgement in April 2016.

ECA EN (a subsidiary of ECA) and ECA are involved in a dispute with MINERVA (formerly ENT), a former shareholder of ECA EN. In parallel with this dispute, MINERVA blocked payment on claims that are not directly related. ECA EN considered MINERVA's demands to be completely unfounded and did not record any provisions for the dispute itself or for claims that are not directly related. In October 2012, the court of first instance ruled in ECA EN's favour. MINERVA appealed this decision but the appeal was dismissed in November 2014. MINERVA made a further appeal in January 2015. The proceedings are still in progress.

ECA EN transferred its business in 2015. A property inspection report on departure was carried out in the presence of both parties with the lessor at the end of December 2015. ECA EN has not yet received any demand for restoration of the premises. It is recalled that the Company was in the end obliged to move as a result of the non-completion by its former lessor of all of the restoration work on the roof (asbestos removal) in the former premises.

Mention was made in the notes to the 2014 financial statements (post-closure events) of a dispute between ECA SINTERS and its former lessor which claimed a compensation payment of approximately €740 thousand in respect of the restoration of the premises. A compromise agreement was concluded and ECA SINTERS recognised an expense of €455 thousand by way of compensation.

In 2014, Baumert wanted to close its establishment in Dreux in order to redeploy the business carried out on this site to its main site in Alsace in particular. Since 15 out of 16 employees refused to move, the Company was obliged to implement a plan (PSE) to safeguard the employees' jobs. The employees requested the cancellation of the PSE on the grounds that it had not been approved by the competent Regional Directorate of Businesses, Competition, Consumption, Labour and Employment ('DIRECCTE') and that the PSE had not been assessed by the latter with regard to the resources available to the Group to which the Baumert company belongs. At the same time, the employees also initiated Labour Tribunal proceedings for dismissal without real and serious cause. The proceedings before the administrative courts confirmed that the DIRECCTE which approved the PSE had no jurisdiction in the area. The Labour tribunal proceedings are ongoing.

In 2012, the BAUMERT company was the subject of a tax reassessment of the research tax credits for the years 2008 to 2010. The Company disputed the grounds for the reassessment, using all the grounds for appeal open to it. At the end of the various proceedings, the dispute was brought before the Administrative Court of Strasbourg (claim covering €187 thousand) and Paris (claim covering €202 thousand). The Administrative Court of Paris handed down a decision which was favourable to the Company on 23 November 2015. This decision is open to appeal until 7 April 2016. The Administrative Court of Strasbourg has not yet handed down its decision.

12.2 Post-closure events

In January 2016, GROUPE GORGÉ acquired an additional 10% of SERES Technologies. The existing shareholders pact with a minority shareholder was the subject of an amendment; the minority shareholder's put option exercisable with effect from 2017 was eliminated and that exercisable with effect from 2021 was maintained.

An equity financing line was put in place by GROUPE GORGÉ with KEPLER CHEVREUX in February 2016, using the delegation of authority granted by the Shareholders' Meeting of 17 June 2015. It also provides for increasing the share capital in successive transactions. The line is capped at 665,000 new shares, which represents 4.97% of the Company's capital and is limited to 24 months.

In February 2015, GROUPE GORGÉ announced that it had entered into exclusive negotiations for the acquisition of the technical doors for the nuclear industry business developed by PORTAFEU, a subsidiary of the Swedish group ASSA ABLOY.

No other significant event took place between 31 December 2015 and the date of the meeting of the Board of Directors which approved the consolidated financial statements.

Note 13 List of consolidated companies

Company	Parent company at 31 December 2015	% control 2015	% control 2014	% interest 2015	% interest 2014	Method 2015	Method 2014
Structure							
GROUPE GORGÉ SA	Consolidating company	Top	Top	Top	Top	FC	FC
FINU 9(1)	GROUPE GORGÉ SA	100	100	100	100	FC	FC
FINU 10(1)	GROUPE GORGÉ SA	100	-	100	-	FC	-
SCI DES CARRIÈRES	GROUPE GORGÉ SA	100	100	100	100	FC	FC
Smart Safety Systems							
ECA(2)	GROUPE GORGÉ SA	74.93	71.95	61.12	61.17	FC	FC
ECA CNAI	ECA SA	100	100	61.12	61.17	FC	FC
ECA DÉVELOPPEMENT(1)	ECA SA	100	100	61.12	61.17	FC	FC
ECA DRONE(3)	ECA SA	100	-	61.12	-	FC	-
ECA DYNAMICS(4)	ECA SA	51	-	31.17	-	FC	-
ECA EN	ECA SA	100	100	61.12	61.17	FC	FC
ECA FAROS	ECA SA	100	100	61.12	61.17	FC	FC
ECA ROBOTICS	ECA SA	100	100	61.12	61.17	FC	FC
ECA RSM	ECA SA	100	100	61.12	61.17	FC	FC
ECA SINDEL (Italy)	ECA SA	97.55	97.55	59.63	59.67	FC	FC
ECA SINDEL BRASIL (Brazil)	ECA SINDEL	99.80	99.80	59.51	59.55	FC	FC
ECA SINTERS	ECA SA	100	100	61.12	61.17	FC	FC
EN MOTEURS	ECA EN	100	100	61.12	61.17	FC	FC
ESFE (Singapore)	ECA SA	100	100	61.12	61.17	FC	FC
INFOTRON(5)	ECA SA	-	100	-	61.17	-	FC
SSI (United States)	ECA SA	100	100	61.12	61.17	FC	FC
TRITON IMAGING (United States)	ECA SA	100	100	61.12	61.17	FC	FC
1ROBOTICS (United States)	ECA SA	29.89	29.89	49.51	49.55	EM	EM
Industrial Projects & Services							
AI GROUP	BALISCO	100	51	100	51	FC	FC
AIGX (Dubai)	AI GROUP	98	98	98	49.88	FC	FC
AMOPSI	BALISCO	80	80	80	80	FC	FC
BALISCO	GROUPE GORGÉ SA	100	100	100	100	FC	FC
CIMLEC INDUSTRIAL (Romania)	CIMLEC INDUSTRIE	100	100	100	100	FC	FC
CIMLEC INDUSTRIE	BALISCO/CLF	100	100	100	100	FC	FC
CLF-SATREM	BALISCO	100	100	100	100	FC	FC
COMMERCY ROBOTIQUE	CIMLEC INDUSTRIE	100	100	100	100	FC	FC
GORGÉ EUROPE INVESTMENT (Netherlands)	BALISCO	100	100	100	100	FC	FC
GORGÉ NETHERLANDS (Netherlands)	GORGÉ EUROPE INVESTMENT	88	89	88	89	FC	FC
NTS FRANCE	CIMLEC INDUSTRIE	100	100	100	100	FC	FC
NTS IBERICA (Spain)	NTS FRANCE	-	100	-	100	-	FC
SAS STONI	GROUPE GORGÉ SA	100	100	100	100	FC	FC
TENWHIL	CIMLEC INDUSTRIE	100	100	100	100	FC	FC
VAN DAM (Netherlands)	GORGÉ NETHERLANDS	100	100	88	89	FC	FC

Company	Parent company at 31 December 2015	% control 2015	% control 2014	% interest 2015	% interest 2014	Method 2015	Method 2014
3D Printing							
DELTAMED (Germany)	PRODWAYS GROUP	100	100	96.19	96.50	FC	FC
DENTOSMILE	PRODWAYS ENTREP.	20	20	19.24	19.3	EM	EM
EXCELTEC(6)	PRODWAYS GROUP	100	-	96.19	-	FC	-
INITIAL	PRODWAYS GROUP	100	-	96.19	-	FC	-
PRODWAYS AMERICAS (USA)(7)	PRODWAYS	100	-	96.19	-	FC	-
PRODWAYS GROUP	GROUPE GORGÉ SA	96.19	96.50	96.19	96.50	FC	FC
PRODWAYS	PRODWAYS GROUP	100	100	96.19	96.50	FC	FC
PRODWAYS DISTRIBUTION (formerly FINU 8)	PRODWAYS GROUP	100	100	96.19	100	FC	FC
PRODWAYS ENTREPRENEURS	PRODWAYS GROUP	100	100	96.19	96.50	FC	FC
PRODWAYS MATERIALS (Germany)(8)	DELTAMED	100	-	96.19	-	FC	-
VARIA 3D (USA)(9)	PRODWAYS GROUP	45	-	43.29	-	EM	-
Protection in Nuclear Environments							
BAUMERT	NUCLÉACTION	100	100	98.81	98.81	FC	FC
BAUMERT CHINE	NUCLÉACTION	100	100	98.81	98.81	FC	FC
BAUMERT HONG KONG	NUCLÉACTION	-	100	-	98.81	-	FC
FINU 7(1)	NUCLÉACTION	100	100	98.81	98.81	FC	FC
NUCLÉACTION	GROUPE GORGÉ SA	98.81	98.81	98.81	98.81	FC	FC
SCI DES PORTES	GROUPE GORGÉ SA	100	100	100	100	FC	FC
SERES TECHNOLOGIES	GROUPE GORGÉ SA	60	60	60	60	FC	FC

(1) Companies with no operating activities.
(2) Control percentages for ECA reflect the double voting rights.
(3) Company established in December 2015.
(4) Company established in July 2015.
(5) Merger with ECA ROBOTICS at 30 April 2015.
(6) Acquisition in November 2015.
(7) Company established in March 2015.
(8) Company established in May 2015.
(9) Acquisition in September 2015.

3.1.7 Statutory auditor's report on the consolidated financial statements

For the year ended December 31, 2015

To the Shareholders

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying consolidated financial statements of Groupe Gorgé,
- the justification of our assessments;
- the specific verifications and information required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2015 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the matter set out in the Note 1.3 "Restatement of the financial information for prior years" in the consolidated financial statements regarding the changes to the 2014 financial statements related to the retrospective correction of the 2014 financial statements.

II - Justification of our assessments

In accordance with the requirements of article L.823-9 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- Note 1.3 "Restatement of the financial information for prior years" sets out the impact of the corrections of errors on the 2014 financial statements.

We have reviewed the documentation and the analysis performed by Management, appreciated the nature of the corrections of errors, the accounting treatments and financial information disclosed in the consolidated financial statements.

- Note 4.1 "Recognition of income and revenue" of the notes sets out the accounting treatment of long-term contracts outstanding at the year end.

Based on the information that we have received, our work consisted, in particular, in assessing the data and assumptions on which the evaluation of results at completion of these contracts are based, reviewing the calculations made by the company and examining the management's approval procedures of these estimates.

- Note 6.1 "Goodwill" and 6.2 "Other intangible assets" set out the modalities of recognition of the assets, amortization and depreciation of "Intangible assets acquired separately or in a business combination" and of "Internally generated intangible assets".

We have reviewed the modalities for implementation of impairment tests of intangible assets, the cash flow forecasts and the assumptions used.

Finally, as part of our assessment of the accounting principles applied by the group, we verified the appropriateness of the accounting policies used and their correct application.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - Specific verification

As required by law, we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.

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

Neuilly-sur-Seine and Courbevoie, March 31, 2016

The statutory Auditors

PricewaterhouseCoopers Audit	Mazars
David CLAIROTTE	Daniel ESCUDEIRO

3.2 Separate financial statements 2015

3.2.1 Income statement

(In thousands of euros)	2015	2014
REVENUE	3,731	3,107
Reversals of provisions, expense transfers and other income	-	1
TOTAL OPERATING INCOME	3,731	3,108
Other purchases and external charges	2,367	2,021
Taxes and similar payments	90	109
Payroll expense	1,262	1,213
DEPRECIATION, AMORTISATION AND PROVISIONS:		
non-current assets	70	30
current assets	-	-
Other expenses	35	48
TOTAL OPERATING EXPENSES	3,824	3,421
OPERATING INCOME (A)	**(93)**	**(314)**
NET FINANCIAL INCOME (B)	**4,766**	**2,333**
INCOME FROM CONTINUING OPERATIONS BEFORE TAX (C)=(A)+(B)	**4,673**	**2,019**
NON-RECURRING INCOME (D)	**3,156**	**20,628**
Income tax (E)	1,559	1,653
NET INCOME (F)=(C)+(D)+(E)	**9,388**	**24,300**

3.2.2 Balance sheet

ASSETS

	2015			2014
(In thousands of euros)	Gross	Depreciation, amortisation & provisions	Net	
Intangible assets	294	46	248	176
Property, plant and equipment	418	185	233	186
Equity securities	77,634	6,689	70,945	60,839
Receivables related to shareholdings	30,165	-	30,165	20,698
Other long-term investments	603	-	603	510
NON-CURRENT ASSETS	109,114	6,920	102,194	82,409
Trade receivables	2,982	-	2,982	2,216
Other trade receivables	18,766	4,620	14,146	11,002
Treasury shares	71	-	71	137
Cash and cash equivalents	6,691	-	6,691	10,433
CURRENT ASSETS	28,510	4,620	23,890	23,788
Prepaid expenses	80	-	80	74
TOTAL ASSETS	**137,704**	**11,540**	**126,164**	**106,271**

LIABILITIES

(In thousands of euros)	2015	2014
Share capital	13,367	13,082
Share premiums	23,703	17,729
Legal reserve	1,308	1,288
Other reserves	290	290
Retained earnings	21,376	1,313
Income (loss) for the period	**9,388**	**24,300**
EQUITY	**69,432**	**58,002**
PROVISIONS FOR RISKS AND CHARGES	**500**	**500**
Other bonds	14,000	14,000
Bank borrowings	34,368	27,819
Other borrowings	206	211
Suppliers	379	965
Tax and social security liabilities	3,113	2,356
Other liabilities	4,166	2,418
TOTAL DEBT	**56,232**	**47,769**
TOTAL LIABILITIES	**126,164**	**106,271**

3.1.3 Change in cash and cash equivalents

(In thousands of euros)	2015	2014
NET INCOME	**9,388**	**24,300**
Accruals	(2,550)	2,170
Capital gains and losses on disposals	(3,176)	(20,767)
Others		
CASH FLOW FROM OPERATING ACTIVITIES	**3,662**	**5,703**
Change in working capital requirements	(889)	(6,806)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**2,773**	**(1,103)**
Investing activities		
Payments/acquisition of intangible assets	(103)	(145)
Payments/acquisition of property, plant and equipment	(87)	(19)
Proceeds/disposal of property, plant and equipment and intangible assets	-	-
Payments/acquisition of long-term investments	(15,349)	(10,409)
Proceeds/disposal of long-term investments	371	41
NET CASH (USED IN)/GENERATED BY INVESTING ACTIVITIES (B)	**(15,168)**	**(10,532)**
Financing activities		
Capital increase or contributions	6,259	6,773
Dividends paid	(4,217)	(4,152)
Proceeds from borrowings	15,640	7,887
Repayment of borrowings	(9,137)	(2,772)
NET CASH (USED IN)/GENERATED BY FINANCING ACTIVITIES (C)	**8,545**	**7,736**
CASH GENERATED BY CONTINUING OPERATIONS (D=A+B+C)	**(3,850)**	**(3,898)**
CHANGE IN CASH AND CASH EQUIVALENTS	**(3,850)**	**(3,898)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**10,570**	**14,468**
CASH AND CASH EQUIVALENTS AT THE YEAR-END	**6,720**	**10,570**

3.2.4 Notes to the Company financial statements

3

The Notes, tables and comments referenced below in the list of contents to the Notes are an integral part of the annual financial statements.

The financial year covers the 12 months from 1 January to 31 December 2015.

The financial statement (balance sheet, income statement) presented are identified as follows:

- the net balance sheet total for the financial year ended 31 December 2015 is €126,164,782;
- the income statement presented in list form shows a profit of €9,388,142.72.

The Board of Directors approved the annual financial statements of GROUPE GORGÉ on 30 March 2016. They are to be submitted for approval to the Shareholders' Meeting of 14 June 2016.

Note 1 Accounting principles

The annual financial statements were prepared in accordance with the provisions of the French Commercial Code, the accounting decree of 29 November 1983 and the French accounting standards authority (ANC) regulation 2014-03, regarding the revised chart of accounts in use at the end of the accounting period, and using the following basic assumptions:

- continuity of operation;
- consistency of accounting methods;
- separateness of accounting periods.

The recommendations of the Autorité des normes Comptables (French accounting standards authority), the *Ordre des experts comptables* (French association of chartered accountants) and the *Compagnie nationale des Commissaires aux comptes* (French national institution of Statutory Auditors) have been applied.

The basic method used to value items in the financial statements is the historical cost method.

Generally accepted accounting principles have been applied in accordance with French legislation in effect on the reporting date.

The accounting rules and methods applied are identical to those used in the previous financial year.

Note 2 Notes on the income statement

2.1 Revenue

Revenue comprises the invoicing of services provided to Group subsidiaries for €3,256 thousand and the invoicing of accessory services or sub-letting of offices to affiliated (parent, sister) companies for €475 thousand.

2.2 Statutory Auditors' fees

For the 2015 financial year, the fees for GROUPE GORGÉ's two Statutory Auditors were €134 thousand.

2.3 Total payroll

The average workforce for the financial year breaks down as follows:

	2015	2014
Average workforce used	6	7
of which higher managerial and professional positions	6	6
of which technicians and supervisors	-	1

As regards the corporate officers:

- the members of the Board of Directors of GROUPE GORGÉ received Director's fees for a total gross amount of €55,000;
- the officers and Directors received gross remuneration of €74 thousand (variable remuneration for Raphaël GORGÉ) in respect of the 2015 financial year. Two Directors (Raphaël and Jean-Pierre GORGÉ) are paid by the company PÉLICAN VENTURE which is linked to GROUPE GORGÉ by a services provision agreement. PÉLICAN VENTURE paid them total gross remuneration of €297,000 and €15,399 in benefits in kind.

2.4 Financial income

(In thousands of euros)	2015	2014
Investment income[(1)]	4,475	5,471
Net income from financial investments	310	346
Interest expense	(1,610)	(1,590)
FINANCIAL INCOME BEFORE PROVISIONS	**3,175**	**4,228**
Reversals of provisions for impairment of equity securities[(2)]	1,890	-
Reversals of provisions for impairment of securities held short-term	5	-
Provisions for impairment of equity securities[(3)]	(304)	(1,890)
Provisions for impairment of marketable securities	-	(5)
FINANCIAL INCOME	**4,766**	**2,333**

(1) Income from investments consists mainly of dividends received from ECA and NUCLÉACTION.
(2) Relates to a provision on STONI shares.
(3) In 2015, relates to a provision for SCI DES CARRIERES shares.

2.5 Non-recurring income

(In thousands of euros)	2015	2014
Capital gains and losses on asset disposals[(1)]	3,176	20,767
Non-recurring income from management operations[(2)]	(1,054)	(769)
NON-RECURRING INCOME BEFORE PROVISIONS	**2,122**	**19,998**
Reversals of provisions[(3)]	1,034	880
Provisions	-	(250)
NON-RECURRING INCOME	**3,156**	**20,628**

(1) In 2015, relates to the net gains realised on the disposal of GEI, AMOPSI & PRODWAYS GROUP shares; in 2014, relates to the net gains realised on the intra group disposal of CLF-SATREM, AI GROUP, CIMLEC and ECA shares.
(2) In 2015, includes a loss of €1,034 thousand on the loan granted to the IRI Company.
(3) Reversal on impairment allowances for loans granted to the IRI Company.

2.6 Corporation tax

GROUPE GORGÉ is solely liable for corporation tax as the parent company of the tax consolidation group comprising itself and the following subsidiaries:

Company	Date of inclusion
CIMLEC INDUSTRIE	1 January 2001
TENWHIL	1 January 2002
STONI	1 January 2005
NTS	1 January 2008
BAUMERT	1 January 2010
NUCLÉACTION	1 January 2010
COMMERCY ROBOTIQUE	1 January 2011
CLF-SATREM	1 January 2012
BALISCO	1 January 2014
PRODWAYS GROUP	1 January 2015
FINU 7	1 January 2015
FINU 8	1 January 2015
FINU 9	1 January 2015
PRODWAYS ENTREPRENEURS	1 January 2015
PRODWAYS	1 January 2015

As at 31 December 2015, the assessable result of the consolidated entity was a loss of €2,497 thousand. At the same time, income of €1,685 thousand was generated as a result of tax consolidation. No provision was recognised for losses transferred by subsidiaries. Given that the previous accumulated losses totalled €14,188 thousand, the remaining tax loss carry-forward for the tax-consolidation group is now €17,104 thousand.

2.7 Tax credit for encouraging competitiveness and jobs (CICE)

The €1 thousand tax credit for encouraging competitiveness and employment (*Crédit d'Impôt pour la Compétitivité et l'Emploi* - CICE) was credited against employee expenses, in accordance with the recommendations of the ANC (*Autorité des Normes Comptables*) in its information notice dated 28 February 2013. It was used to increase equity.

3

Note 3 Notes on the balance sheet

3.1 Non-current assets

Property, plant and equipment and intangible assets are recorded at their acquisition cost.

Depreciation and amortisation is calculated on a straight-line basis using the following principal useful lives:

- software: 3 to 10 years;
- office and computer equipment: 3 to 5 years;
- transport equipment: 5 years;
- furniture: 5 to 10 years.

Equity securities are recognised on the balance sheet at their acquisition cost less any necessary estimated impairment.

An impairment provision is recognised when the value of a holding is greater than the Company's share in equity, unless the earnings and outlook suggest a short-term recovery.

Loans and other long-term investments are recognised at their original value less any necessary estimated impairment.

Gross values *(in thousands of euros)*	Start of period	Increase	Decrease	End of period
INTANGIBLE ASSETS				
Other intangible assets	191	103	-	294
TOTAL	**191**	**103**	**-**	**294**
PROPERTY, PLANT AND EQUIPMENT				
Other property, plant and equipment	331	87	-	418
TOTAL	**331**	**87**	**-**	**418**
LONG-TERM INVESTMENTS				
Equity securities	69,114	15,005	6,485	77,634
Receivables related to shareholdings	20,698	9,540	73	30,165
Loans	1,034	18	1,034	18
Other long-term investments	510	325	250	585
TOTAL	**91,356**	**24,888**	**7,842**	**108,402**

Depreciation for the financial year was €70 thousand. Total depreciation and amortisation as at 31 December 2015 was €231 thousand.

The increases in equity securities are mainly explained by an increase in the share capital of PRODWAYS GROUP (€15,000 thousand) by incorporation of a current account set up in 2014 and 2015.

The decreases in equity securities are accounted-for mainly by the transfer of shares in GEI and AMOPSI to BALISCO, a wholly owned subsidiary of GROUPE GORGÉ. This transfer was in return for a vendor loan entered in the line "Receivables related to shareholdings".

3.2 Schedule of receivables

(In thousands of euros)	Gross amount	Due within 1 year	Due in more than 1 year
Loans	18	-	18
Receivables related to shareholdings	30,165	-	30,165
Other long-term investments	585	-	585
Other trade receivables	2,982	2,982	-
Social security and other organisations	1	1	-
State and other government authorities:			
• Income tax(1)	3,963	1,011	2,952
• Value-added tax	92	92	-
Group and associated companies	14,201	9,582	4,619
Other receivables	509	509	-
Prepaid expenses	80	80	-
TOTAL	**52,596**	**14,257**	**38,339**

(1) This item mainly includes tax credits of €3,631 thousand of the tax-consolidated entity. The portion at <1 year corresponds to tax credits repayable in 2016.

Receivables due in more than one year mainly concern the vendor loan entered into with BALISCO, impaired receivables in the ex-subsidiaries and tax credits receivable by the tax consolidation group.

Accrued income: none.

3.3 Equity

(In thousands of euros)	Beginning of period	Increase or decrease in capital	Appropriation of income	Distribution of dividends	End of period
Capital	13,082	285	-	-	13,367
Share premiums	17,729	5,975	-	-	23,704
Legal reserve	1,288	-	20	-	1,308
Other reserves	290	-	-	-	290
Retained earnings	1,313	-	20,063	-	21,376
N-1 income	24,300	-	(20,083)	(4,217)	-
TOTAL	**58,002**	**6,260**	**-**	**(4,217)**	**60,044**
Income (loss) for the period					9,388
TOTAL EQUITY AT END OF PERIOD					**69,432**

The share capital is made up of 13,366,843 shares. In 2015, it was increased by 285,000 shares using the equity line put in place in 2014.

A free share allocation scheme was approved by the Board of Directors on 12 May 2014. Two employees benefit from 30,000 potential shares subject to conditions of presence and performance. The acquisition periods end in May 2016 and May 2017.

The share premiums represent the difference between the par value of the securities issued and the amount, net of expenses, of the cash contributions received by GROUPE GORGÉ SA at the time of the issue.

3.4 Provisions

(In thousands of euros)	Start of period	Increase	Decrease	End of period
Provisions for risks and charges	500	-	-	500
TOTAL (1)	**500**	**-**	**-**	**500**
Impairments:				
• equity securities	8,275	304	1,890	6,689
• non-current financial assets	1,034	-	1,034	-
• other receivables	4,620	-	-	4,620
• treasury shares	5	-	5	-
TOTAL (2)	**13,934**	**304**	**2,929**	**11,309**
GRAND TOTAL (1)+(2)	**14,434**	**304**	**2,929**	**11,809**

Provisions for risks and charges are recognised for various disputes and litigation.

The impairment of equity securities and other long-term investments relates to:

• the LASER TECHNOLOGIES shares	€800 thousand;
• the CNAI shares	€3,655 thousand;
• the SCI DES CARRIÈRES shares	€2,234 thousand.

3.5 Net financial debt

3.5.1 Available cash and cash equivalents

Marketable securities are recognised on the balance sheet at their acquisition cost. Accrued interest earned on term accounts is recorded under investment income. A provision for impairment is recognised when the net asset value is less than the acquisition cost.

The "Cash and cash equivalents" line on the assets side of the balance sheet, with a value of €6,691 thousand as at 31 December 2015 comprises cash and cash equivalents for €6,644 thousand and securities held short-term for €47 thousand.

GROUPE GORGÉ owns 2,972 treasury shares under a liquidity contract managed by GILBERT DUPONT.

3.5.2 Financial debt

	Gross amount	<1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	>5 years
Bonds	14,000	-	-	14,000		-	-
Bank borrowings:							
• originally due within one year	-	-	-	-	-	-	-
• originally due in more than one year	34,369	3,817	14,817	5,275	4,145	3,419	2,896
Other borrowings and financial debt	206	182	-	-	-	-	24
TOTAL	**48,575**	**3,999**	**14,817**	**19,275**	**4,145**	**3,419**	**2,920**

3.6 Operating payables and other liabilities

Schedule of debts

(In thousands of euros)	Gross amount	Due within 1 year	Due in more than 1 year
Trade payables	379	379	-
Employees	152	152	-
Social security and other social services	228	228	-
State and other government authorities:			
• Income tax(1)	1,794	298	1,496
• Value-added tax	490	490	-
• Other taxes and similar payments	448	448	-
Group and associated companies	4,108	4,108	-
Other liabilities	58	58	-
TOTAL	**7,657**	**6,161**	**1,496**

(1) This item includes payables to Group subsidiaries, arising from tax consolidation. The share due in more than 1 year corresponds to balances owing on tax credits for loss-making subsidiaries that are not repayable in 2016.

Accrued liabilities by balance sheet item

(In thousands of euros)	Amount
Other borrowings	140
Suppliers	169
Tax and social security liabilities	683
Other liabilities	50
TOTAL	**1,042**

Note 4 Transactions with affiliate companies and related parties

Related parties are persons (Directors, managers of GROUPE GORGÉ or of its principal subsidiaries) or companies owned or managed by these persons.

The net amounts for related undertakings included in GROUPE GORGÉ SA's balance sheet and income statement items for the year ended 31 December 2015 are as follows:

(In thousands of euros)	Directors	Subsidiaries	PÉLICAN VENTURE
Receivables related to shareholdings	-	30,165	-
Trade accounts receivable	-	2,982	-
Current accounts receivable	-	9,578	-
Receivables related to tax consolidation	-	7	-
Deposits and guarantees received	-	10	14
Current accounts payable	-	4,108	-
Liabilities related to tax consolidation	-	1,794	-
Revenue	-	3,467	264
Purchases and external charges	-	10	515
Gross remuneration	74	-	-
Director's fees	55	-	-
Investment income	-	4,475	-
Other financial income	-	234	-
Financial expense	-	65	-

Note 5 Off-balance sheet commitments

5.1 Off-balance sheet commitments related to ordinary activities

- €2,776 thousand in guarantees given to banking institutions for loans granted to CIMLEC.
- €4,483 thousand in guarantees given to banking institutions for loans granted to AI GROUP.
- €1,900 thousand in guarantees given to banking institutions for loans granted to COMMERCY ROBOTIQUE.
- €4,152 thousand in guarantees given to banking institutions for loans granted to STONI.
- €2,000 thousand in guarantees given to a financial institution to secure a BAUMERT bond.
- €1,400 thousand in guarantees given to a financial institution to secure an interest-free loan for PRODWAYS.
- Other guarantees totalling €870 thousand.

5.2 Complex commitments

GROUPE GORGÉ, which has owned 60% of the capital of SERES TECHNOLOGIES since May 2012, has commitments to purchase non-controlling interests which may be exercised from 2017. 20% of share capital was bought out in January 2016 outside contractual commitments.

5.3 Financial covenants

GROUPE GORGÉ owes LCL €0.85 million in residual debt (including €0.47 million within one year).

This debt may come due should the following ratios not be respected:

- consolidated net debt/consolidated EBITDA <2.5;
- consolidated net debt/consolidated equity <1;
- consolidated debt service coverage ratio >1.1.

GROUPE GORGÉ is in compliance with these covenants.

Other GROUPE GORGÉ liabilities, for a total of €20 million, are covered by covenants or step-up clauses in the event of non-compliance with the following ratios:

- consolidated net debt/consolidated EBITDA <4;
- consolidated net debt/consolidated equity <1.

5.4 Commitments received

GROUPE GORGÉ benefits from a confirmed credit facility for €10 million, for financing general requirements or acquisitions. This credit facility is available as long as the following ratio is adhered to:

- consolidated net debt/consolidated EBITDA <4.

5.5 Pledges, guarantees and sureties

A pledge of 769,231 ECA shares was made in July 2013 to guarantee a €5 million bank loan. This loan was the result of the renegotiation of what had originally been a €7 million loan, in respect of which a pledge of 1,300,000 ECA shares had been made. The outstanding share capital is €2,595 thousand and an agreement was obtained at the beginning of 2016 to reduce the pledge to 195,534 shares.

The SERES TECHNOLOGIES shares acquired in May 2012 were pledged to a financial institution as collateral for a €950 thousand loan, with outstanding capital of €570 thousand.

5.6 Retirement indemnities

Retirement indemnities are estimated at €40 thousand at the closing date.

5.7 Financial instruments

In October 2011, GROUPE GORGÉ entered into an interest rate swap to hedge the interest rate risk on its variable rate debt. At 31 December 2015, the notional amount was €4,760 thousand and the swap's market value was -€1 thousand.

Note 6 Subsidiaries and equity interests

(In thousands of euros)	**Capital** *Equity*	**Share** *Dividends*	**Gross value of shares** *Net value of securities*	**Loans, advances** *Guarantees*	**Revenue** *Income*
ECA	4,429	61.12%	33,564.3	-	2,871.2
	60,314.8	*1,624.3*	*33,564.3*	-	*5,600.3*
MARINE INTERIM(1)	100	34%	34	-	2,032.9
	256.7	-	*34*	-	*76.4*
NUCLÉACTION	273.2	98.81%	7.5	22.8	467.5
	3,002.3	*2,322.1*	*7.5*	-	*2,600.9*
STONI	37.5	100%	5,690	-	805.9
	(18.2)	-	*5,690*	*4,152*	*(151.6)*
SCI CARRIÈRES	1	100%	2,844	714.5	-
	(275.8)	-	*610*	-	*(53.4)*
SCI DES PORTES	1	99%	1	148.5	86.2
	(147.5)	-	*1*	-	*(26.9)*
SERES TECHNOLOGIES	80	60%	950	-	2,585.5
	218.4	-	*950*	-	*56*
BALISCO	5	100%	5	33,983	1,718.3
	22.3	-	*5*	-	*94*
PRODWAYS GROUP	16,896.5	96.19%	30,073	-	-
	30,330.8	-	*30,073*	-	*(24.3)*
FINU 9	5	100%	5	1.8	-
	1.5	-	*5*	-	*(1.4)*
FINU 10	5	100%	5	1.9	-
	3.7	-	*5*	-	*(1.3)*

(1) 2014 financial statements.

Note 7 Other information

7.1 Exceptional events and disputes

The Group is involved in various legal proceedings. After reviewing each case and having consulted its advisers, the provisions considered necessary have, as applicable, been recorded in the financial statements.

7.2 Events occurring since the closing of the financial

On 22 February 2016, GROUPE GORGÉ set up an optional equity financing line with KEPLER CHEVREUX, using a delegation of powers by the Shareholders' Meeting of 17 June 2015. This line is capped at 665,000 shares, equivalent to 4.97% of share capital and limited to 24 months.

No other major events took place between 31 December 2015 and the date of the meeting of the Board of Directors which approved the separate financial statements.

3.2.5 Statutory auditor's report on the financial statements

For the year ended December 31, 2015

To the Shareholders

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying financial statements of Groupe Gorgé;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sample techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2015 and of the results of its operations for the year then ended in accordance with French accounting principles.

II - Justification of our assessments

In accordance with the requirements of article L.823-9 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we bring to your attention the following matter:

On December 31, 2015, the balance sheet showed a total of 80 945 thousand euros of equity securities. In compliance with note 3.1 of the notes, the equity securities are evaluated according to their acquisition cost and are depreciated on the basis of their value in use. Details on depreciation are stated in note 3.4.

Our work consisted in assessing the data and assumptions on which the estimates are based, particularly the cash flow forecasts carried out by the company's management, reviewing the calculations made by the company, and examining the management's approval procedures of these estimates.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L.225-102-1 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

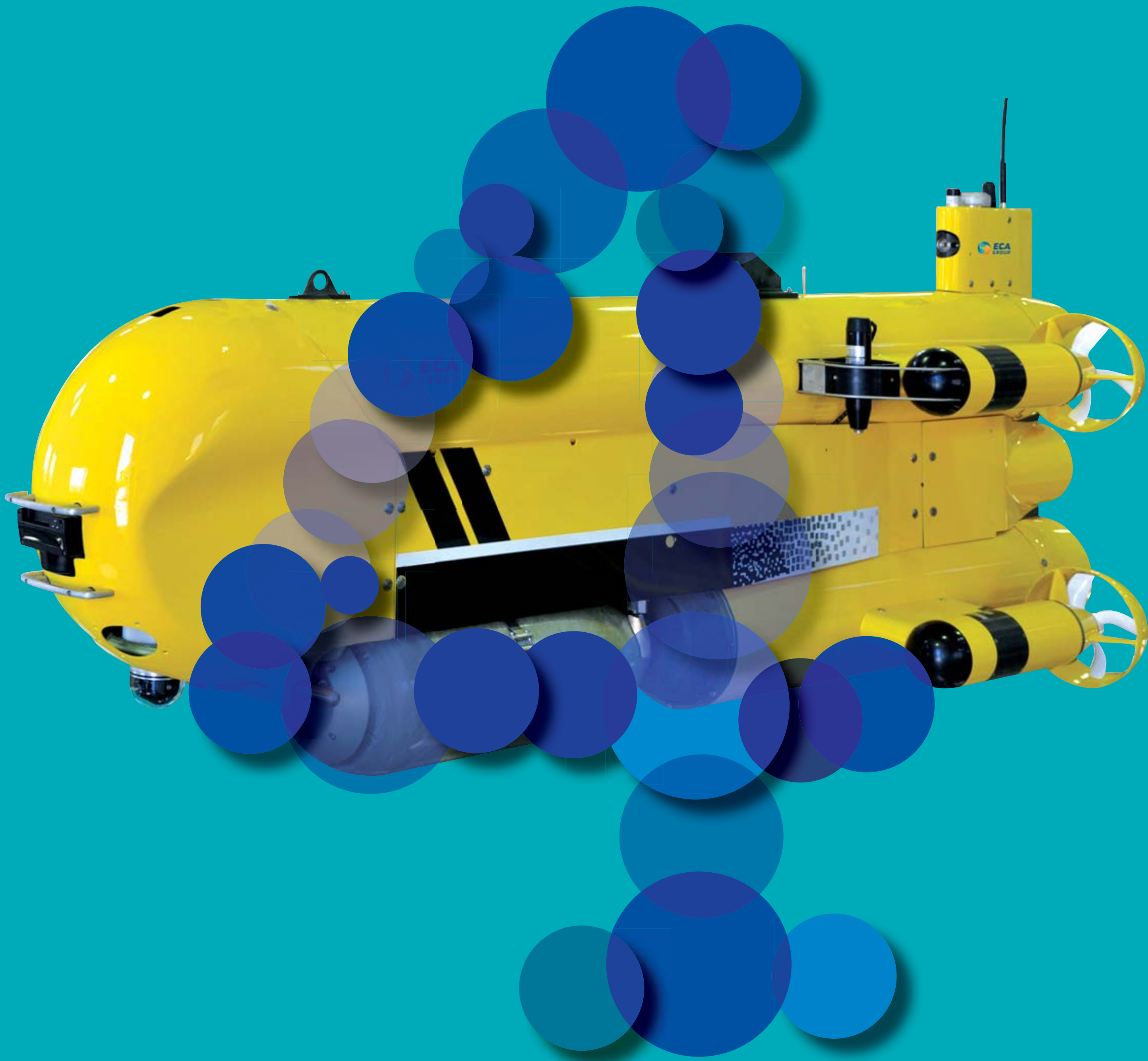
In accordance with French law, we inform you that the management report does not fully disclosed the social, environmental and societal information in accordance with the requirements of article L.225-102-1 of the French Commercial Code (code de commerce).

In accordance with French law, we have verified that the required information concerning the identity of shareholders and holders of the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine et Courbevoie, March 31, 2016

The statutory Auditors

PricewaterhouseCoopers Audit	**Mazars**
David CLAIROTTE	Daniel ESCUDEIRO



Information about the Company, its share capital and shareholders

4

4.1 Information about the Company

4.1.1 General information

Company name

GROUPE GORGÉ SA

The Company's former name was FINUCHEM SA until the Combined Shareholders' Meeting of 30 June 2009.

Place of registration and registration number

RCS Paris 348,541,186

Code ISIN FR0000062671 - GOE

Date of incorporation and term

GROUPE GORGÉ was formed on 3 November 1988 for a duration of 99 years, to expire on 3 November 2087.

Registered office, legal form and applicable law

Address of registered office:
19, rue du Quatre-Septembre, 75002 Paris, France.

Telephone: +33 (0) 1 44 77 94 77.

The Company is a French public limited company (*société anonyme*) under French law with a Board of Directors.

4.1.2 Corporate charter and Articles of Incorporation

Corporate object

As set forth in Article 3 of the bylaws, the Company's purpose is to:

- take part in any transactions directly or indirectly related to managing the securities portfolio, the buying and selling of securities as well as any related transactions, the investment of liquidities;
- acquire, manage and transfer by every means holdings in any commercial or industrial companies;
- generally, enter into any transactions that are directly or indirectly related to these purposes or to similar or related purposes.

Provisions of the bylaws, a charter or regulations related to the members of administrative, management and supervisory bodies

Pursuant to GROUPE GORGÉ's bylaws, the Board of Directors consists of 3 to 18 members subject to the exceptions provided for by law in the event of a merger. The term of office of the Directors is six years and is renewable.

Directors can be natural or legal persons. At the time of appointment, legal persons must appoint a permanent representative who is subject to the same conditions and obligations and incurs the same liability as if he or she were a Director in his/her own name, without prejudice to the joint and several liability of the legal entity he or she represents.

The Board of Directors elects a Chairman among its members who are natural persons. The Board of Directors sets the Chairman's compensation and the length of tenure, which cannot exceed his/her term of office as Director. Article 14 of the bylaws sets a maximum age limit for the Chairman (75 years old).

The Board of Directors prepares and presents the half-yearly and annual financial statements and convenes the Shareholders' Meetings.

Meetings of the Board of Directors may be held as often as is necessary in the Company's interest. The Internal Regulations provide that meetings may be held by videoconference or by other telecommunication means in accordance with the regulatory requirements for holding meetings.

Quorum is achieved by half of the members of the Board of Directors and decisions are made by a majority vote of the members in attendance or represented by other Directors of the Board.

Pursuant to a Board decision dated 14 September 2011, the Directors decided to no longer separate the roles of Chairman of the Board of Directors and Chief Executive Officer. The Directors' powers are those as defined by law and have not been limited either by statute or at the time of appointment by the Board of Directors.

The Chief Executive Officer may be assisted by the Deputy Chief Executive Officers who are vested with the same powers. If the Chief Executive Officer is a Director, he or she is appointed for the length of his or her term of office as Director. The same applies for the Deputy Chief Executive Officer.

Rights, privileges and restrictions attaching to each class of the existing shares

There are no privileges or restrictions attached to certain shares or classes of shares.

"With respect to the percentage of share capital that they represent, double voting rights are conferred upon all fully paid-up shares which have been held in registered form for at least four (4) years in the name of the same holder. In the event of a share capital increase by incorporating reserves, profits or premiums, this double voting right will be attached on the date of their issuance to the new registered shares allotted free of charge to a shareholder in consideration for the old shares giving rise to such right." (extract from Article 12 of the bylaws).

Steps necessary to amend shareholders' rights

The shareholders' rights may be amended by an Extraordinary Shareholders' Meeting and, where necessary, after having been ratified by the Special Shareholders' Meeting for shareholders benefiting from special advantages.

Shareholders' Meetings

"The Shareholders' Meetings are convened and hold deliberations as provided for by the law.

Shareholder resolutions are made at Ordinary, Extraordinary or Special Shareholders' Meetings depending on the type of decision.

Shareholders' Meetings are convened by the Board of Directors, or, otherwise, by those individuals named by the French Commercial Code, particularly the Statutory Auditors or a court-appointed agent as provided by law.

Shareholders' Meetings are convened as provided by the regulations in force.

Any shareholder, regardless of the number of shares he or she holds, has the right to attend and vote at the Shareholders' Meetings, whether in person, by proxy, or by remote voting, under the conditions and within the time limits laid down by the regulations in force.

Shareholders may, under the conditions laid down by the legislation in force, send their voting form by mail for any Shareholders' Meeting, either as a printed paper copy or, on a decision by the Board of Directors recorded in the meeting notice and the convening notice, as an electronic copy.

Shareholders may, on a decision by the Board of Directors, attend and vote at any Shareholders' Meeting by means of video-conference or any means of telecommunication, under the conditions laid down by the regulations in force. This decision is included in the meeting notice published in the *Bulletin des Annonces Légales Obligatoires* (BALO). These shareholders are thereupon considered to be in attendance at the meeting, for the purpose of counting the quorum and majority.

Remote voting forms and proxies granted to be represented at a meeting may include an electronic signature by the shareholder or his or her legal or court-appointed representative, in the form of a process in compliance with the requirements of Article 1316-4, sub-paragraph 2, of the French Civil Code, namely a reliable identification process guaranteeing its connection with the instrument to which it relates.

All shareholders have the right to access the documents they require to be able to make an informed decision on the Company's management and situation.

The laws and regulations determine the type of documents as well as how they are sent and made available to shareholders.

The officers of the meeting certify as accurate the attendance sheet, duly signed by the attending shareholders and their proxies and to which shall be appended the powers of attorney awarded to each proxy and, where applicable, the vote-by-mail forms.

The meetings are presided over by the Chairman of the Board of Directors or, in his or her absence, by a Deputy Chairman or another Director specially appointed for this purpose by the Board. Failing such measures, the Shareholders' Meeting appoints the Chairman of the meeting itself.

The duties of vote-teller shall be performed by the two shareholders, present and accepting such duties, who hold the largest number of shares, either on their own behalf or as proxy-holders. The officers so appointed shall appoint the Secretary, who does not need to be a shareholder.

The minutes of the meetings will be prepared and copies or excerpts of the proceedings will be certified in accordance with law.

Ordinary and Extraordinary Shareholders' Meetings, acting according to the corresponding conditions of quorum and majority required by legal provisions, shall exercise the powers conferred on them by law." (extract from Article 22 of the bylaws).

Crossing of ownership thresholds

In addition to regulations applicable to the crossing of legal thresholds, the Company's bylaws include an obligation to report crossing the thresholds of 2%, 3%, and 4%.

"In addition to the governing the crossing of thresholds, any physical or legal person who, alone or together, comes to hold or ceases to hold, in any manner whatsoever, a number of shares representing more than 2%, 3% or 4% of the capital or voting rights, is required to notify the Company within a period of 10 calendar days from the crossing of one of these thresholds, of the number of shares, securities giving access to the capital and voting rights attached thereto, that it holds. For the purposes of application of this statutory obligation, the participation thresholds are determined under the same conditions as legal participation thresholds.

In the event of non-compliance with the statutory requirement, the shares exceeding the undeclared fraction shall be deprived of voting rights for any Shareholders' Meeting held up until the expiry of a period of two years following the date of regularisation, at the request, recorded in the minutes of the Shareholders' Meeting, of one or more shareholders holding 5% at least of the share capital." (extract from Article 10 of the bylaws)

Terms in the Company's bylaws regarding modifications to share capital which are more restrictive than the law

The Company's bylaws do not contain any provisions concerning modifications of share capital which are more restrictive than those provided under the law.

4.2 Share capital

4.2.1 Amount of subscribed share capital and potential share capital

As at 31 December 2015, the Company's share capital comprised 13,366,843 fully-paid up shares of a nominal value of €1.00 each.

On 3 March 2014, GROUPE GORGÉ set up a multi-year equity line of financing with KEPLER CHEUVREUX. Under this scheme, the Company issued 350,000 new shares in 2014 and 285,000 new shares in 2015. A new equity line was entered into on 22 February 2016. 665,000 warrants were issued that may result in the issuance of the same number of shares.

A free share allocation plan was approved by the Board of Directors on 12 May 2014. A total of 30,000 free shares were awarded to two employees of a subsidiary, subject to presence and performance conditions. The vesting period ends on 12 May 2016 for 22,500 potential shares and on 12 May 2017 for 7,500 potential shares.

There are no potential shares, other than those mentioned above, relating to stock option, share subscription warrant or free share allocation plans, or other securities that may be convertible, exchangeable or associated with subscription warrants, or acquisition rights and/or obligations attached to subscribed but not paid up capital.

43,000 new shares have been issued in March 2016 under the equity line. As at 31 March 2016, the Company's share capital consists of 13,409,843 shares, which could rise to 14,051,843 shares on a fully diluted basis.

4.2.2 Treasury shares

Share buybacks

The purchase of shares in 2015 took place under the authorisations obtained during the Shareholders' Meetings held on 18 June 2014 and 17 June 2015.

a) Number of shares bought and sold during the financial year in accordance with Articles L. 225-208, L. 225-209 and L. 225-209-1 of the French Commercial Code and average purchase and sale price:

In 2015, 158,069 shares of GROUPE GORGÉ were repurchased by the Company under the authorisation granted by the Combined Shareholders' Meeting held on 18 June 2014 and 131,453 were repurchased under the authorisation granted by the Combined Shareholders' Meeting held on 17 June 2015.

Accordingly, a total of 289,522 shares in GROUPE GORGÉ were repurchased during 2015 at an average price of €22.72 per share, for a total cost of €6,578,915:

- 158,069 shares of GROUPE GORGÉ were repurchased at an average price of €21.95 per share in order to stabilise the stock market price, which amounted to a total cost of €3,469,833, under the authorisation granted by the Shareholders' Meeting held on 18 June 2014;
- 131,453 shares of GROUPE GORGÉ were repurchased at an average price of €23.65 per share in order to stabilise the stock market price, which amounted to a total cost of €3,109,083, under the authorisation granted by the Shareholders' Meeting held on 17 June 2015.

294,149 shares of GROUPE GORGÉ were sold in 2015 at an average price of €22.19 per share under the liquidity contract.

b) Trading charges:

In 2015, trading charges consisted solely of fees under the liquidity contract, which amounted to €30,000.

c) The number of shares registered in the Company's name at the end of the financial year and their value at purchase price - Fraction of the capital that they represent:

At 31 December 2015, GROUPE GORGÉ held 2,972 treasury shares (representing 0.02% of its share capital), recorded at €70,606 in the statement of financial position (€73,379 at the stock market price of €24.69 at the same date).

All of the shares are owned to stabilise the stock market price.

The above number of shares and figures are given on the basis of a nominal value of €1 per share and 13,366,843 shares making up the share capital at 31 December 2015.

The treasury shares are recorded in the balance sheet of GROUPE GORGÉ SA under "Marketable securities".

d) Cancellation of Company shares during the 2015 financial year:

In 2015, the Company did not use the authorisations granted by the Combined Shareholders' Meetings held on 18 June 2014 and 17 June 2015 to implement a reduction in the share capital by cancellation of shares owned by the Company within a ceiling of 10% of the capital for every 24-month period.

e) Number of shares possibly used:

The purpose of the repurchase shares may be:

- transferring shares at the time of exercising the rights attached to securities that give access to the capital by reimbursement;
- granting share purchase options to employees;
- cancelling all or part of the shares thus repurchased;
- providing securities in payment or exchange for external growth operations;
- stabilising the share's stock market price.

f) Possible reallocation for other purposes decided during the 2015 financial year: None

Renewal of the share repurchase programme – description of the share repurchase programme

Shareholders will be asked at the Shareholders' Meeting of 14 June 2016 to authorise the Board of Directors, with power to sub-delegate, to renew the programme for the repurchase of the Company's shares (sixth resolution).

The purpose of this authorisation is to enable the Company to trade in its own shares, as provided for by law, in order to:

- stimulate the secondary market or the liquidity of GROUPE GORGÉ shares through an investment service provider in a liquidity contract that complies with the Code of Ethics charter of the French association of financial market professionals (AMAFI) admitted by the French Financial Markets Authority (AMF);
- retain the purchased shares and subsequently allocate them in payment or exchange in potential external growth transactions;
- ensure the coverage of stock option plans and/or bonus share allotments (or related plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or related plans), under profit-sharing schemes and and/or all other forms of share allotment to Group employees and/or corporate officers;
- provide coverage for securities giving rights to the allocation of Company shares under applicable regulations;
- cancel shares purchased, subject to authorisation to be granted by this Shareholders' Meeting in its ninth extraordinary resolution;
- implement any market practice approved by the French Financial Markets Authority.

This authorisation falls within the legal scope of Article L. 225-209 of the French Commercial Code:

- it would be valid for a maximum period of 18 months and, as from its adoption by the Shareholders' Meeting and for the remaining balance, it would cancel and replace any prior delegation of authority to the Board of Directors to allow the Company to trade in its own shares;
- the maximum amount of shares which the Board of Directors may acquire cannot exceed 10% of the total number of shares forming the share capital, with the understanding that the Company may not hold more than 10% of the shares forming the share capital at any time;
- the maximum purchase price per share would be set at €50.

In the event that the capital is increased through capitalisation of reserves and allocation of bonus shares, as well as in the event of a share split, reverse share split or any other transaction affecting equity, the Shareholders' Meeting would delegate to the Board of Directors the power to adjust the aforementioned prices in such a way as to allow for the impact of such transactions on the share value.

It is understood that these transactions should be performed in compliance with the rules laid down by Articles 241-1 to 241-7 of the General Regulations of the French Financial Markets Authority (AMF) on market trading conditions and timing.

4.2.3 Additional information on the share capital

TABLE OF THE HISTORY OF THE DEVELOPMENT OF THE COMPANY'S SHARE CAPITAL

Date	Transactions	Number of shares before	Number of shares after	Nominal value *(in euros)*	Additional paid-in capital *(in euros)*	Share capital after *(in euros)*
24 February 1998	Capital increase (listing on the secondary market of the Paris Stock Exchange)	900,000	1,050,000	10 F	29,822,332 F	10,500,000 F
25 February 2000	Share capital increase by incorporating an amount deducted from the issuance premium line item	1,050,000	1,050,000	32.79 F	(23,937,742.50) F	34,429,500 F
25 February 2000	Conversion of share capital into euros and a share capital increase to take into account the exchange rate	1,050,000	1,050,000	5	(3,649,285.32)	5,250,000
18 February 2005	Stock split to reduce the nominal value from €5 to €1	1,050,000	5,250,000	1	-	5,250,000
24 November 2005	Share capital increase following a conversion of bonds	5,250,000	6,183,689	1	12,183,158.06	6,183,689
25 July 2007	Share capital increase following a dividend payment in shares	6,183,689	6,323,321	1	2,073,535.20	6,323,321
30 June 2009	Reduction of share capital by allocation to a share premium account	6,323,321	6,323,321	0.01	6,260,087.79	63,233.21
	Share capital increase resulting from the merger of BALISCO	6,323,321	11,553,735	0.01	689,581.79	115,537.35
27 July 2009	Increase in the nominal value of the Company's shares by incorporating the premium	11,553,735	11,553,735	1	(11,438,197.65)	11,553,735
22 April 2010	Share capital increase resulting from the acquisition of shares granted under a free share grant plan	11,553,735	11,574,403	1	-	11,574,403
27 December 2011	Share capital increase in cash	11,574,403	12,731,843	1	7,500,211.20	12,731,843
8 June 2012	Dividend payment taken from the premiums	12,731,843	12,731,843	1	(1,363,158.42)	12,731,843

Date	Transactions	Number of shares before	Number of shares after	Nominal value *(in euros)*	Additional paid-in capital *(in euros)*	Share capital after *(in euros)*
6 June 2013	Charging of a portion of 2012 losses against additional paid-in capital	12,731,843	12,731,843	1	(1,422,063.89)	12,731,843
6 June 2013	Dividend payment taken from the premiums	12,731,843	12,731,843	1	(4,074,189.76)	12,731,843
11 March 2014	Capital increase by exercising share issue warrants	12,731,843	12,781,843	1	1,011,167.45	12,781,843
26 March 2014	Capital increase by exercising share issue warrants	12,781,843	12,881,843	1	1,769,798.00	12,881,843
3 April 2014	Capital increase by exercising share issue warrants	12,881,843	12,981,843	1	1,852,223.10	12,981,843
15 July 2014	Capital increase by exercising share issue warrants	12,981,843	13,031,843	1	854,808.15	13,031,843
8 December 2014	Capital increase by exercising share issue warrants	13,031,843	13,081,843	1	934,437.50	13,081,843
9 April 2015	Capital increase by exercising share issue warrants	13,081,843	13,156,843	1	1,519,302.30	13,156,843
15 April 2015	Capital increase by exercising share issue warrants	13,156,843	13,181,843	1	506,434.10	13,181,843
8 July 2015	Capital increase by exercising share issue warrants	13,181,843	13,231,843	1	1,123,978.95	13,231,843
15 July 2015	Capital increase by exercising share issue warrants	13,231,843	13,281,843	1	1,122,971.95	13,281,843
7 October 2015	Capital increase by exercising share issue warrants	13,281,843	13,311,843	1	600,921.67	13,311,843
14 October 2015	Capital increase by exercising share issue warrants	13,311,843	13,366,843	1	1,100,697.89	13,366,843
30 March 2016	Capital increase by exercising share issue warrants	13,366,843	13,409,843	1	861,951.80	13,409,843

TABLE OF CURRENTLY VALID DELEGATIONS RELATING TO CAPITAL INCREASES GRANTED TO THE BOARD OF DIRECTORS BY THE SHAREHOLDERS' MEETING

Date	Delegation	Validity	Maximum nominal amount	Use
Combined Shareholders' Meeting of 17/6/2015 (10th resolution)	Delegation of authority to increase the share capital by incorporation of reserves, profits and/or premiums	26 months	€5,000,000	None
Combined Shareholders' Meeting of 17/6/2015 (11th resolution)	Delegation of authority to issue ordinary shares giving, as applicable, access to ordinary shares (of the Company or a Group company) or entitlement to the allocation of debt securities and/or transferable securities giving access to ordinary shares to be issued (by the Company or a Group company) with maintenance of shareholders' pre-emptive subscription rights	26 months	€5,000,000(1) €50,000,000(2) (debt securities giving access to share capital)	None
Combined Shareholders' Meeting of 17/6/2015 (12th resolution)	Delegation of authority to issue ordinary shares giving, as applicable, access to ordinary shares (of the Company or a Group company) or entitlement to the allocation of debt securities and/or securities giving access to ordinary shares to be issued (by the Company or by a Group company), waiving shareholders' pre-emptive subscription rights, by public offer	26 months	€5,000,000(3) €50,000,000(3) (debt securities giving access to share capital)	None
Combined Shareholders' Meeting of 17/6/2015 (13th resolution)	Delegation of authority to issue ordinary shares giving, as applicable, access to ordinary shares (of the Company or a Group company) or entitlement to the allocation of debt securities and/or securities giving access to ordinary shares to be issued (by the Company or a Group company), waiving shareholders' pre-emptive subscription rights, by a (private placement) offer as referred-to in Article L. 411-2 II of the French Monetary and Financial Code	26 months	€5,000,000 (subject to the statutory limit)(3) €50,000,000(3) (debt securities giving access to share capital)	On 22 February 2016, the Company entered into an equity line of financing by issuing 665,000 warrants subscribed by KEPLER CHEUVREUX.
Combined Shareholders' Meeting of 17/6/2015 (14th resolution)	Determining the procedures for setting the subscription price where pre-emptive subscription rights are waived, subject to the annual limit of 10% of the capital	26 months	10% of the share capital per year, in connection with an issuance of ordinary shares or transferable securities pursuant to the 12th and 13th resolutions	None
Combined Shareholders' Meeting of 17/6/2015 (15th resolution)	Delegation of authority to increase the number of shares to be issued in the event of excess demand in a capital increase, pursuant to the 11th, 12th or 13th resolutions	26 months	15% of the amount of the original issue (in accordance with Articles L. 225-135-1 and R. 225-118 of the French Commercial Code)	None
Combined Shareholders' Meeting of 17/6/2015 (16th resolution)	Delegation to increase the share capital by issuance of ordinary shares and/or transferable securities giving access to the capital, within a maximum 10% of the share capital, as consideration for non-cash transfers of securities giving access to share capital	26 months	10% of the share capital(3)	None
Combined Shareholders' Meeting of 17/6/2015 (17th resolution)	Authorisation to grant options for the subscription or purchase of shares to employees and/or certain company officers	38 months	5% of the Company's share capital	None
Extraordinary Shareholders' Meeting of 21/10/2015 (sole resolution)	Authorisation to allocate bonus shares, whether existing or to be issued, to employees and/or certain company officers	38 months	5% of the Company's share capital	None

(1) To be charged against the maximum nominal value of the capital increases that may be carried out pursuant to the 12th, 13th and 16th resolutions.
(2) To be charged against the overall ceiling provided in the 12th and 13th resolutions.
(3) To be charged against the overall ceiling provided in the 11th resolution.

4.3 Shareholding

4.3.1 Breakdown of share capital and voting rights

The distribution of capital and voting rights at 31 December 2015 is as follows:

	31 December 2015				31 December 2014			
	Shares	% of share capital	Voting rights exercisable at the Shareholders' Meeting(2)	% voting rights exercisable at the Shareholders' Meeting	Shares	% of share capital	Voting rights exercisable at the Shareholders' Meeting(2)	% voting rights exercisable at the Shareholders' Meeting
GORGÉ family(1)	7,583,125	56.73%	14,583,884	71.36%	7,583,125	57.97%	14,514,038	72.16%
Bpifrance	1,095,559	8.20%	1,095,559	5.36%	1,088,939	8.32%	1,088,939	5.41%
SUBTOTAL GORGÉ AND BPIFRANCE COMBINED	**8,678,684**	**64.93%**	**15,679,443**	**76.72%**	**8,672,064**	**66.29%**	**15,602,977**	**77.57%**
Treasury shares	2,972	0.02%	-	-	7,599	0.06%	-	-
Public	4,685,187	35.05%	4,758,933	23.28%	4,402,180	33.65%	4,511,621	22.43%
TOTAL	**13,366,843**	**100%**	**20,438,376**	**100%**	**13,081,843**	**100%**	**20,114,598**	**100%**

(1) *"GORGÉ family" refers to shares held directly by Jean-Pierre GORGÉ, founder of the Group, i.e. 115,219 shares, those held directly by Raphaël GORGÉ (266,474 shares) as well as shares held by PÉLICAN VENTURE SAS, a holding company controlled by three members of the GORGÉ family.*

(2) *Voting rights exercisable at the Shareholders' Meeting do not include treasury shares. The number of theoretical votes may be obtained by adding the number of votes exercisable at the Shareholders' Meeting to the number of treasury shares.*

To the Company's knowledge, since the reporting date, the changes in shareholding described in 4.3.2 below have occurred. Furthermore, to the Company's knowledge, there are no shareholders, other than those mentioned above, directly or indirectly holding 5% or more of the Company's share capital or voting rights.

4.3.2 Voting rights of the major shareholders

In accordance with the Company's bylaws, GROUPE GORGÉ shares that have been held in registered form for more than four years carry double voting rights. PÉLICAN VENTURE therefore holds a certain number of shares with double voting rights.

In 2015, 89,846 shares held by PELICAN VENTURE acquired double voting rights.

Since 16 January 2016, 1,069,519 shares held by Bpifrance had double voting rights. Bpifrance therefore holds 10.07% of the 21,507,895 voting rights existing in theory at 16 January 2016.

These increases in the total number of voting rights caused thresholds to be crossed by Bpifrance (rising above the 10% voting-rights threshold) and PELICAN VENTURE (falling below the threshold of 2/3 of the voting rights).

On 6 July 2016, 265,223 additional shares held by PELICAN VENTURE will acquire double voting rights (provided that they continue to be held by PELICAN VENTURE in registered form until that date).

A constitutive protocol of concerted action was entered in December 2011 by Bpifrance (previously *Fonds Stratégique d'Investissement*) on the one hand and PÉLICAN VENTURE, Jean-Pierre GORGÉ and Raphaël GORGÉ on the other hand.

Bpifrance (formerly *Fonds Stratégique d'Investissement*), Jean-Pierre GORGÉ, Raphaël GORGÉ and PÉLICAN VENTURE signed a shareholders' agreement on 12 December 2011 pursuant to which the GORGÉ family undertakes to retain control of ECA for as long as Bpifrance remains a shareholder of GROUPE GORGÉ. Furthermore, the GORGÉ family and Bpifrance undertook not to carry out any capital increase at GROUPE GORGÉ that would result in the concert party exceeding any threshold that would require it to file a tender offer for GROUPE GORGÉ shares.

On 3 January 2012, the French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF) published on its website the main provisions of the shareholders' agreement (AMF Decision and Notification No. 212C0011).

There are no other shareholders' agreements. There are also no statutory restrictions for exercising voting rights and share transfers.

To the Company's knowledge, there is currently no agreement that could result in a change of control.

4.3.3 Controlling shareholders

The Company is controlled by the GORGÉ family.

There are two independent administrators on the GROUPE GORGÉ Board of Directors. Having independent Directors (who have no association with the Company, its group or its management that is such as to influence their free judgement) ensures that there is no abuse or misuse of power as these independent Directors could take the appropriate action if any such abuse were discovered. One of these Directors is also Chairman of the Company's Audit Committee.

4.3.4 Information liable to have an impact in the event of a public offer

Holders of shares registered in their names for more than four years enjoy double voting rights.

4.3.5 Employee shareholding

The Group's existing share subscription or purchase option plans, free shares grant plans or warrant grant plans are described in Note 5.4 of the Notes to the consolidated financial statements.

In accordance with the provisions of Article L. 225-102 of the French Commercial Code, it should be noted that none of the employees' shares are held under collective management.

4.4 Financial communication (financial agenda, share performance, dividend policy, etc.)

4.4.1 Stock market information

CHANGE IN PRICE AND VOLUME TRADED ON EURONEXT

Month	Higher *(in euros)*	Lower *(in euros)*	Number of shares traded	Share capital *(in thousands of euros)*
January 2015	20.950	18.050	335,325	6,670.61
February 2015	21.480	19.500	335,401	6,983.22
March 2015	21.000	20.020	324,192	6,647.80
April 2015	25.590	20.510	911,168	21,571.56
May 2015	25.300	23.010	312,082	7,564.04
June 2015	27.440	23.050	504,898	12,946.05
July 2015	27.000	24.020	385,429	9,867.02
August 2015	26.030	22.000	333,870	8,004.49
September 2015	25.810	21.000	432,804	9,987.10
October 2015	23.800	21.800	324,786	7,366.48
November 2015	23.490	22.450	188,306	4,325.30
December 2015	24.750	22.080	155,423	3,611.52
January 2016	24.840	22.500	214,483	5,045.43
February 2016	23.680	19.990	271,683	5,944.59

Source: Euronext.

Information on GROUPE GORGÉ shares

In January 2014, the high volumes of trading observed and the keen interest from new foreign investors prompted the Group to consider the launch of an official sponsored ADR (American Depositary Receipt) Level 1 programme with BANK OF NEW YORK MELLON.

GROUPE GORGÉ ADRs are securities negotiable in US dollars representing ordinary shares in GROUPE GORGÉ at a 1 to 1 ratio. They have been traded on the American OTC market since 17 January 2014 under the ticker symbol GGRGY. Since this programme was established, GROUPE GORGÉ now publishes its financial information in English as well as French.

Since 1 April 2014, GROUPE GORGÉ meets all the eligibility criteria for the French PEA-PME tax-efficient investment regime (in accordance with Decree No. 2014-283), *i.e.* it has fewer than 5,000 employees and has annual revenue of less than €1.5 million or total assets of less than €2 million. These criteria apply to the entire Group.

GROUPE GORGÉ also joined the CAC PME index on 1 April 2014. This index, compiled by EURONEXT and launched on 27 February 2014, comprises 40 stocks from its listed SME and mid-tier firms which qualify for PEA-SMEs.

The CAC PME is identified by ISIN FR0011710375 and ticker CAPME.

The GROUPE GORGÉ share has been included in the SRD long-only deferred settlement list since 29 December 2014. The SRD long-only listing should help improve the share's liquidity and allow new investors to acquire the share.

Lastly, on 28 January 2015, GROUPE GORGÉ's share listing was transferred from the EURONEXT Paris Compartment C to Compartment B. Compartment B includes listed companies with a market capitalisation between €150 million and €1 billion.

4.4.2 Dividend policy

The Company intends to pay dividends, but it has not defined a systematic policy with respect to the apportionment of its profits between dividends and the financing of its operations.

Dividends approved by the Shareholders' Meeting in previous years totalled:

- 2010: dividend per share of €0.26 (11,574,403 shares), or a total dividend of €3,009,344.78.
- 2011: dividend per share of €0.30 (12,731,843 shares), or a total dividend of €3,819,552.90.
- 2012: dividend per share of €0.32 (12,731,843 shares), or a total dividend of €4,074,189.
- 2013: dividend per share of €0.32 (12,981,843 shares), or a total dividend of €4,154,190.
- 2014: dividend per share of €0.32 (13,181,843 shares), or a total dividend of €4,218,189.76.

In light of the Group's intention to pursue financing in order to develop its 3D Printing business among other aims, the Board of Directors will not propose payment of a dividend to the Shareholders' Meeting of 14 June 2016.

4.4.3 Information documents

The Company communicates with its shareholders primarily via its website (www.groupe-gorge.com), its Twitter account as well as through the financial press agencies ACTUSNEWSWIRE (in France) and BUSINESS WIRE (in the United States).

The quarterly, half-yearly and annual financial results are disclosed in press releases according to the indicative timetable below:

- 2016 1st quarter revenue: 26 April 2016;
- Shareholders' Meeting: 14 June 2016;
- 2016 2nd quarter revenue: 26 July 2016;
- 2016 half-year financial results: 9 September 2016;
- 2016 3rd quarter revenue: 25 October 2016;
- 2016 4th quarter revenue: late February 2017.

The Group holds meetings with analysts and investors, and publishes a commented presentation on the website immediately after publishing its results. The 2015 financial results will be announced on 4 April 2016 and the 2016 first half financial results will be announced on 9 September 2016.

Throughout the period of validity of the Registration Document, the following documents may be consulted at the Company's registered office:

- the Company's bylaws;
- all reports, correspondence and other documents included or mentioned in this Registration Document;
- the issuer's historical financial information for each of the two financial years prior to the publishing of the Registration Document.

Copies of the annual reports are available at the Company's registered office, 19, rue du Quatre-Septembre, 75002 Paris, France, as well as on its website www.groupe-gorge.com. The Company's press releases are issued *via* financial press agencies (ACTUSNEWSWIRE and BUSINESS WIRE) and can be consulted on the major public-access stock-market websites, such as BOURSORAMA, BOURSIER.COM and EURONEXT, etc.

The Company's website contains all of GROUPE GORGÉ's up-to-date financial information. All of the GROUPE GORGÉ's press releases are readily available on these media, as are all documents of relevance to shareholders: Registration Documents, half-year consolidated financial statements, information on share buybacks, etc.

GROUPE GORGÉ participates in Small cap and/or Midcap events, road shows, as well as other events throughout the year where the Company can present its activities and results to analysts, investors and shareholders. Since 2014, the Group has also organised investor and analyst meetings at the trade exhibitions of most significance to the Group during the year.

A Securities Service directly administers fully registered shares free of charge. Shareholders who wish to register their securities in this form may send their request to CACEIS Financial Services, 14, rue Rouget-de-Lisle, 92862 Issy-les-Moulineaux Cedex 09, France, or to their own financial advisor.

Our shareholder/investor contact, ACTUS FINANCE (52, rue de Ponthieu 75008 Paris), is available for all questions about news and the various press releases about the Group.


R

Our values, our employees and our CSR commitments

5

5.1 Our CSR approach

Corporate Social Responsibility (CSR) is a company's assumption of responsibility with regard to the social and environmental impacts of its decisions and activities, as reflected in a transparent and ethical approach that:

- contributes to sustainable development, including the health and well-being of society;
- takes stakeholder expectations into account;
- observes the laws in force and is compatible with international standards;
- and is integrated throughout the organisation and implemented in its relations.

To define the scope of its social responsibility, identify the relevant fields of action, and set its priorities, the Company should address all of the following "central issues": the organisation's governance, human rights, labour relations and conditions, the environment, fair business practices, and consumer, community, and local development issues.

(Organisational social responsibility as defined by ISO 26000).

The publication of this third CSR report is a new step that fits in with a voluntary continuous-improvement initiative: a protocol including more precise definitions, an upgrade of the data-reporting process, and the appointment of a CSR officer in each subsidiary for greater transparency.

In order to report the social and environmental impacts of our business in accordance with Article L. 225-102-1 of the French Commercial Code, we have put together some information below. This information is consolidated and covers French subsidiaries with more than 50 employees as at 30 June 2015 (*i.e.* 10 subsidiaries, compared with last year's 9), with these employees representing 86% of the Group's workforce and accounting for 88% of its revenue over that period. For practical and organisational reasons within the Group, we thought it relevant to retain this materiality threshold.

5.2 Company Information

5.2.1 Employment

To offer its employees a stimulating environment, the Group seeks to implement the best practices of a good HR policy and measures its effects.

Total workforce Group-wide and geographic distribution

The total workforce means the number of people present within the Group as at 31 December 2015 who are bound by a permanent contract, a fixed-term contract, or a trainee contract. Part-time workers are counted as one person.

2015	Industrial Projects & Services	Smart Safety Systems	Protection in Nuclear Environments	3D Printing	Registered office	Total
Executives and engineers	189	327	101	100	6	724
Technicians and supervisors	114	147	32	68	0	361
Employees	91	67	12	20	1	192
Workers	155	52	67	0	0	275
TOTAL	**549**	**593**	**212**	**188**	**7**	**1,549**

2014	Industrial Projects & Services	Smart Safety Systems	Protection in Nuclear Environments	3D Printing	Registered office	Total
Executives and engineers	197	308	75	37	6	623
Technicians and supervisors	96	156	34	8	1	294
Employees	94	56	15	16	-	182
Workers	158	48	58	-	-	264
TOTAL	**545**	**568**	**182**	**61**	**7**	**1,363**

In France, the Group is established in a number of regions.

All of the following indicators relate to the workforce of the selected companies, which totals 1,151 employees (74% of total numbers employed). Indicators for 2014 related to 9 subsidiaries (compared with 10 on the 2015 panel), representing 1,055 employees.

Male/Female distribution by socio-professional categories

	2015			2014		
(%)	Men	Women	Total	Men	Women	Total
Managers and higher professional positions	41	5	46	40	4	44
Technicians and supervisors	17	2	20	17	3	20
Employees	3	7	10	4	7	11
Workers	20	1	21	22	1	23
Apprentices	2	1	3	2	0	2
TOTAL	**83**	**17**	**100**	**84**	**16**	**100**

Distribution by age

(%)	2015	2014
Below 30 years	14	13
Between 30 and 39 years completed	29	28
Between 40 and 49 years completed	29	31
Between 50 and 59 years completed	25	26
60 years and over	2	2

Recruitments

	2015	2014
Recruitments*	210	131
• Including permanent employment contracts	150	85
• Including fixed-term employment contracts	40	32
• Including apprentices	20	14

* *Excluding transfer between Group entities.*

As regards personnel movements, 21 of the recruitments involve transfers from a company within the Group that is part of the set of selected companies.

As the Group is positioned in high-tech activities that most often require its employees to have special know-how and/or expertise, it tends to recruit in the form of permanent contracts, so as to retain knowledge and know-how within the Group. This is so because more than 71% of recruitments are for permanent contracts.

Group Companies regularly recruit interns and apprentices.

	2015	2014
Number of interns	71	54
Number of apprentices	42	29

Reasons for end of employment contracts

The lay-offs entered below include the lay-offs, for all reasons combined, in the Group's Companies for FY2015 in France.

	2015	2014
Contract terminations*	155	146
• Including economic lay-offs	9	8
• Including lay-offs for other reasons	27	16
• Including others (end of contract term, retirement, resignation, contractual termination by mutual agreement)	119	122

* *Excluding transfer between Group entities.*

As regards personnel movements, nine of the departures involve transfers from a company within the Group that is part of the set of selected companies.

Turnover

Turnover in the Group for 2015 (turnover of a company's workforce) is 14.2%. This is the first year that this indicator has been included in this report.

Remuneration

(In thousands of euros)	2015	2014
Gross remuneration	46,367	42,480
Social security contributions	20,677	18,777
Pension liabilities: compensation paid and IAS 19 provision	632	512
Shareholding plans, profit-sharing	690	1,012
TOTAL	**68,365**	**62,781**

Each subsidiary has its own wage policy and makes its own independent decisions regarding the wage developments of its employees, depending on its field of business and growth or its own constraints, salary evolution of its employees.

5.2.2 Work Organisation

Each subsidiary directly and independently manages employees work time organisation and employer-employee relations (organisation of social dialogue and collective agreements) within the Company depending on its own constraints and the applicable rules.

In France, for the panel selected, the Group applies an average schedule of 37.2 hours per week.

Certain employees, whose duties preclude following the collective working schedule applicable to the unit to which they belong, come under a block working-hours agreement for the majority of 218 working days per year.

Employees receive compensatory time off according to the subsidiary that employs them and their position: non-executives and clerical employees, technicians, and supervisory management; executives on assignment; executives on block working-hours agreements.

5.2.3 Training and promotion of talent

Training

Thanks to a training, development and internal promotion policy, employees can learn a skill while at the same time furthering their personal and professional development. Each subsidiary determines its own training policy.

The human resource management policy on training is focused on two types of training:

- training to adapt to a workstation and/or training related to job advancement and keeping one's job;
- skill development training.

The Group believes that the satisfaction of its clients and consumers is heavily dependent on the skills and talent of its employees. Thus, the Group puts training at the centre of its priorities as an employer: during the 2015 financial year, nearly 15,782 hours of training were administered.

Sample employee training

Transfer of knowledge and best practices from one subsidiary to another is a priority for the Group. Thus, the Smart Safety Systems division decided to develop a training program for all of its project heads and business managers: these people have a pivotal role in the division in its commitment to its clients, in charge of coordinating the different teams, for the purpose of delivering the best solutions for ensuring the security, precision, reliability, and durability of solutions for clients. In establishing this training program, the Group's aim was to create a common culture and a skills base shared by project heads, in order to:

- gain efficiency in project management;
- share best practices in client management;
- better manage resources, costs, lead times, and quality;
- improve satisfaction of clients requests.

This training took place over four days and, during the 2015 year, had 55 participants within uniform groups of eight to ten people. In view of the positive feedback, the Group has decided to develop similar training programs for other business-line experts in 2016.

	2015	2014
Number of hours of training	15,761	11,375
Number of persons trained	589	470
Training costs(1)	€476 thousand	€366 thousand

(1) Educational costs, expenses, valuation of training days.

5.2.4 Health, safety and improvement of employees' working environment

Workplace health and safety policies are managed within each Company in the Group depending on its field of business and its own constraints.

The assessment of health and safety risks in relation to employees is set out in a document drawn up by each Company. Employees are also informed of these risks through the CHSCT (Committee for Health, Safety and Working Conditions), in companies where such a committee exists. Employees who work with hazardous or polluting products receive appropriate training according to the risks in relation to these products.

The absenteeism rate as well as the number of accidents at work have been recorded as relevant workplace health and safety indicators.

We have no information relating to occupational diseases.

Absenteeism

	2015	2014
Absenteeism rate(1)	2.95%	2.73%

(1) Ratio between the number of days of absence and the theoretical number of days' presence.

Accidents at work

	2015	2014*
Number of accidents at work with absence	22	25
Number of days lost	499	1,018
Frequency rate	11.69	13.27
Severity rate	0.27	0.54

** Adjustment of 2014 data due to error.*

Report on collective health and safety agreements.

To date, we have no collective agreements on health and safety.

Improvement of employee working environment

Because individuals work better when they are in fulfilling, stable, and healthy occupational environments, the Group makes its employees the top beneficiaries of its mission to improve the quality of life at work. During the 2015 year, the Group inaugurated the fully-restored premises of its historic Mureaux site, housing the PRODWAYS, CLF-Satrem, and CIMLEC INDUSTRIE Companies. The building, which dates back to the '70s, was fully restored, and offices were rearranged to improve working space. Meanwhile, several companies in the Smart Safety Systems division (ECA EN, ECA SINTERS CNAI, and ECA FAROS) moved out of the site and into completely new, more spacious premises with better geographic locations.

5.2.5 Equal treatment

Each subsidiary must respect the mandatory legal provisions with regard to equal treatment of employees and non-discrimination. The measures taken (if necessary) by the Group subsidiaries to promote equal treatment are not reported at the GROUPE GORGÉ SA level.

The Group offers everyone the same job access, without discrimination as to age, gender, nationality, culture, or individual situation.

Gender parity

Adopted in January 2011, the Copé-Zimmermann Act requires that the Boards of listed companies and unlisted large corporations have 20% women by 2014, and 40% by 2017. GROUPE GORGÉ did not wait until 2017 to introduce balanced representation between men and women on its Board of Directors, which includes four women, *i.e.* 47% of Board members.

In addition, the Group's Board of Directors is concerned to ensure equality of treatment between men and women be in its subsidiaries.

Disabled persons

	2015	2014
Number of disabled employees	26	25

Promotion of and compliance with the ILO (International Labour Organisation) core conventions

As all companies of the selected panel are located in France, compliance with French regulations is sufficient to ensure promotion of and compliance with the core conventions of the ILO (prohibition of child labour, freedom of association, abolition of forced labour, etc.).

5.3 Environmental information

The following Grenelle 2 indicators have been discounted:

- measures to prevent, reduce or rectify discharges in the air, water and ground causing significant damage to the environment;
- land use;
- noise pollution;
- measures taken to preserve biodiversity;
- and adaptation to the effects of climate change.

5.3.1 General environmental policy

The Group is positioned as a designer and assembler for all of its activities, but does not produce anything. For this, it uses outsourcing. Accordingly, its activities do not cause any major environmental hazards.

The Group Companies strive to limit their environmental impact on their sites or those of their clients, while promoting sustainable practices for procuring and optimising natural resources, in compliance with applicable regulations.

The Group Companies with sites that fall under the Installations Classified for the Protection of the Environment (ICPE) regulations have made the required declarations or possess the necessary authorisations. The Group does not have any industrial equipment or machinery that could have a significant impact on the environment.

The water supplies of Group Companies do not pose a problem as they are not located in water stress areas.

The Group has not recorded provisions for environmental risks in its accounts.

The resources allocated to environmental risks and pollution prevention

Sample carbon footprint reduction

Over the financial year, all of the sites on the panel carried out awareness campaigns targeting employees, to reduce their energy consumption.

In this connection, a policy was launched to reduce business travel by the Group's employees. There is now more internal video conferencing and phone conferencing, as well as more widespread use of public transport.

At the PRODWAYS subsidiary, where access to the site is difficult without a vehicle, Management has provided bicycles for those employees who still wish to use public transport, to travel between the train station and the office.

In addition, during the 2015 year, several companies in the Smart Safety Systems, Industrial Projects and Services, and 3D Printing division moved sites to have access to brand-new or recently-built premises (see 5.2.4). These new buildings, which are compliant with the latest environmental standards in force, are significantly reducing energy consumption.

Example of water footprint reduction

In addition, a simple measure to limit water waste has been taken in several of the Group's Companies, namely the installation of water-saving equipment.

5.3.2 Sustainable practices to promote waste recycling

The Group Companies determine their own policies on this subject in compliance with applicable regulations.

The operations carried out within the Group do not involve any agricultural land use problems.

During the year, some of the Group's sites acquired equipment and took measures to sort and recycle as much organic and non-organic waste as possible. One of the Group's Companies (ECA ROBOTICS) set up an environmental management system in compliance with ISO 14001 requirements. In addition, an ISO 14001 v2015 certification approach will be examined in early 2017.

In the majority of subsidiaries on the panel, written procedures on waste management, supported by displays, are distributed by the Quality Department. Within the ECA ROBOTICS subsidiary, the waste chain has been brought fully under control, with indicator monitoring and regular internal audits to ensure its compliance. Within the PRODWAYS and BAUMERT subsidiaries, waste receptacles dedicated to different waste types have been installed. Removal by a specialised company, with the issue of a treatment certificate, has been contracted for both subsidiaries.

5.3.3 Sustainable practices to reduce energy consumption, carbon emissions, and water consumption

Consumption of resources

The coverage rate for data relating to energy consumption and greenhouse gas emissions represents 91% of total surfaces occupied by panel companies.

	From 1/11/2014 to 31/10/2015		From 1/11/2013 to 31/10/2014	
	Volume	Cost (€k)	Volume	Cost *(€k)*
Water consumption	9,322 m^3	27.0	9,474 m^3	27.2
Electricity consumption	4,203 MWh GCV(1)	484.2	4,117 MWh GCV(1)	481.2
Gas consumption	958 MWh GCV(1)	73.1	945 MWh GCV(1)	187.2
Greenhouse gas emissions (GHG)(2)	409		423	
Direct greenhouse gas emissions (GHG)(2)	176		175	
Indirect greenhouse gas emissions (GHG)(2)	233		248	

(1) Gross Calorific Value.
(2) In tonnes of CO_2 equivalent.

Direct GHG emissions are related to natural gas consumption. The emission factor used for the period is 185 g CO_2 equivalent.

Indirect GHG emissions are related to electricity consumption. The emission factor selected for the period is either the EDF average (48 g CO_2 equivalent) or the French average (72 g CO_2 equivalent).

Internet sources:

ADEME 7.1 carbon reporting

5.4 Social Information

The Group is aware that it is part of an ecosystem of stakeholders, with whom it is incumbent on the Group to organise balanced, ethical, law-abiding, and inspiring relationships. Thus, participants in the Group's current and future success are: employees, clients, subcontractors and other suppliers, schools, state and local government, actors in civil society, and shareholders.

Territorial, economic and social impact of the business activity - local relationships

Our subsidiaries are often located in business zones. Some of them have been in the same region for many years and in general contribute towards maintaining local employment and developing their region through their economic activity.

As concrete examples of the mobilisation of local companies (joiners, plumbers, masons, architects, among others) in many site relocations and site renovations for the Group 2015 (see 5.2.4).

Subcontracting and suppliers

Each Group company selects its suppliers and subcontractors according to their reputation, performance and reliability to ensure that they are able to help the Group to meet its business objectives.

In the short term, the Group aims to include CSR criteria in its purchasing terms and conditions.

Fair business practices

Each Group Company is responsible for applying anti-corruption regulations. Each is responsible for defining its own procedures.

Each Group Company applies its know-how to offer reliable products to its customers. Products are generally subjected to internal quality control procedures.

In the short term, the Group has set itself the aim of preparing a formal document on fair business practices.

Other initiatives taken to promote human rights

To our knowledge, the Group Companies have not taken any specific initiatives to promote human rights.

Stakeholder relations

Stakeholder identification and dialogue is essential to address the organisation's social structure.

Increase frequency of meetings with the Group's shareholders

The relationship of trust between the Group and its shareholders, investors and analysts is built over the long term and is nourished daily by providing them with clear, continuous information and regular contact. That is why management strives as far as possible to arrange regular meetings throughout the year with the Company's investors and shareholders. Visits to the Group's major trade shows were organised during the year, through three brokers under contract with the Group (GILBERT DUPONT, ODDO & Cie, and KEPLER CHEUVREUX). These meetings were organised during trade shows that were meaningful to the Group in France and in Europe.

Development of an "employer brand"

To retain its leadership in its activities, the Group wishes to attract and retain tomorrow's talent. More than half of the Group's employees are engineering graduates. To highlight its innovative activities, the Group now has a social-media presence through several of its subsidiaries using LinkedIn and Twitter. With this presence, it can relay important information about the markets in which it operates, share trends, communicate about the latest contracts awarded to it, announce new solutions or trade-show attendance, publish a job offer, and more. This volume of news reflects the dynamism of the Group, which is aiming to raise its profile worldwide as an employer.

Along with this web presence, development of the employer's brand involves building partnerships with schools. The Group has identified several schools (specifically engineers) where the syllabus of tuition for students is totally suited to the Group's needs. Accordingly, the Group attends a number of student forums, including the one at the École Centrale Marseille, to approach engineering students seeking to join the Group for internships of three to seven months. Since 2014, several engineering students who had spent their final-year internship in the Group have been offered permanent contracts on completion of their internships.

Sharing the Group's knowledge

Beyond the enhancement of its visibility to potential applicants, the Group is seeking, through meetings, conferences and round tables, to initiate the sharing of knowledge about its business lines with non-profit associations, entrepreneur clubs and any other audience that is likely to have an interest in the Group's activities. Thus, in 2015, Raphaël GORGÉ attended many events at the "Nouvelles

Technologies" (New Technologies) Club at the EDHEC (Paris), the École Centrale Marseille, at the "InnoGénération" event organised by Bpifrance, the Enternext Tech Conf, the "Tech&Co" broadcast on BFM Business, the digital-industry days organised by the MEDEF employers' federation, and at the "Piper Jaffray Technology, Media & Tel Conf" held in New York City. By attending these events, the Group seeks to promote the role of middle-market companies in France and support French innovation.

Partnership and Sponsorship

The Group has been a significant partner of the École Centrale Marseille since 2014. with Raphaël Gorge, the Group's CEO, becoming a sponsor of the 2014 graduating class. Accordingly, he decided to support several student associations within this school, which is conveying the values of innovation and entrepreneurship that are so valuable to the Group.

Thus, in 2015, the Group decided to financially support two athletic organisations, both of which promote a spirit of conviviality paired with competition and surpassing one's limits, in both preparing for and holding the event.

The Group also set up a course module fully dedicated to entrepreneurship, in partnership with the administration of the École Centrale Marseille. In this course module, phased over two years of study, groups of students with a keen entrepreneurial flair compete to propose a viable business plan to a jury made up of venture-capital professionals and instructors from the school. At the end of those two years, the winning Group will be awarded €35,000 (subsidised by GROUPE GORGÉ), which it will use to launch its venture, if it wishes. The Group that comes in second will win €15,000. Operating costs for this module come to €20,000 and are also subsidised by GROUPE GORGÉ.

5.5 Methodology – panel of selected companies

It was not possible to communicate all of the information listed in Article R. 225-105-1 of the French Commercial Code.

We have selected only the information provided by the Companies of the Group which is centralised by GROUPE GORGÉ SA. Insofar as there is no overall unified policy on social, societal and environmental matters, each subsidiary is responsible for defining its procedures itself and for handling the social and environmental issues related to its business depending on its own constraints and in accordance with the applicable legal provisions. Organisational choices are unique and specific to each subsidiary. These choices are not synthesised nor harmonised at the GROUPE GORGÉ SA level.

The production of CSR indicators requires the setting up of a system for reporting information to the GROUPE GORGÉ Financial Department. A protocol has therefore been created for this purpose.

It describes the procedures and tools used for collecting and reporting the Group's CSR data and performance indicators. The reporting protocol serves as an in-house guide and is distributed, understood and applied at all data preparation and reporting levels. These data are collected directly in our financial consolidation software application (SAP BFC).

The data on gas, electricity, and water consumption cover a 12-month period for all subsidiaries; however, the periods covered do not necessarily correspond to a calendar year (two rolling months maximum).

Human resources data corresponds to a calendar year. The population considered for all these indicators comprises all the Group's employees excluding trainees.

Occupational accidents concern accidents that occur at the workplace and during travelling for work, but do not include commuting accidents. The frequency rate is equal to the number of accidents expressed in millions of hours worked, the severity rate, the number of days not worked (calendar days) expressed in by thousands of hours worked.

5.6 Report by the independent third-party entity on the social, environmental and societal information in this management report

Year ended 31 December 2015

To the Shareholders,

In our capacity as the independent third party entity of the GORGE Group, accredited by COFRAC under the number 3-1080 (1), we present our report on the consolidated social, environmental and societal information relating to the year ended 31 December 2015, provided in the management report (hereinafter the "CSR information"), in application of the provisions of Article L. 225-102-1 of the Commercial Code.

Corporate responsibility

The Board of Directors is responsible for preparing a management report that includes CSR Information as set out in Article R. 225-105-1 of the French Commercial Code, prepared in accordance with the definitions and calculation methods chosen by the Company (the "Reporting Standards"), available on request, and of which a summary appears in part 5.5 of the Registration Document entitled "Methodology".

Independence and quality control

Our independence is defined by regulatory documents, our professional Code of Ethics and the provisions set out in Article L. 822-11 of the French Commercial Code. In addition, we have implemented a quality control system including documented policies and procedures that aim to ensure respect for ethical rules, professional standards and the applicable legal and regulatory texts.

Independent third-party entity responsibility

Based on our work, our responsibility is:

- to certify that the required CSR Information is included in the management report or, if omitted, that such omission is explained in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Attestation of Disclosure of CSR Information);
- to express limited assurance on the fact that, taken as a whole, the CSR Information is presented fairly, in all material aspects, in accordance with the reporting guidelines (conclusion on the fair presentation of the CSR Information).

Our work made use of the skills of three people and took place between December 2015 and March 2016, over a total period of approximately two weeks. We called upon the help of our CSR experts to complete this assignment.

We carried out the work described below in accordance with the professional standards applicable in France and the Order of 13 May 2013 determining the modalities according to which the independent third-party entity conducts its assignment and concerning limited assurance as to its fairness in relation to the international standard ISAE 3000 (2).

(1) For which the scope of accreditation is available at www.cofrac.fr

(2) ISAE 3000 – Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

1. Attestation of Disclosure of CSR Information

Nature and scope of work

Based on interviews with the heads of the departments concerned, we have verified that the report presents the strategic priorities for sustainable development as they relate to the social and environmental impacts of the Company's activities and its societal commitments and, where applicable, any resulting measures or programmes.

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

In the event of omission of certain consolidated information, we have verified that explanations are provided in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code.

We verified that the CSR Information covered the consolidated scope, i.e. the Company and its subsidiaries within the meaning of Article L. 233-1 and the companies that it controls within the meaning of Article L. 233-3 of the French Commercial Code, subject to the limits set forth in part 5.1 of the Registration Document entitled "Our CSR approach".

Conclusion

On the basis of this work and subject to the limits mentioned above, we certify the presence in the management report of the required CSR Information, with the exception of the information relating to the organisation of social dialogue, the summary of collective agreements, the actions taken for the training and information of the employees in terms of environmental protection and the consumption of raw materials and the measures taken to improve the efficiency of their utilisation, which are not presented and not accompanied by the required explanations.

2. Reasoned opinion on the fair presentation of the CSR Information

Nature and scope of work

We conducted interviews with the people responsible for preparing the CSR Information in the departments in charge of the CSR Information collection process and, where appropriate, those responsible for internal control and risk management procedures, in order to:

- ascertain whether the Reporting Standards are appropriate in terms of their relevance, completeness, reliability, neutrality and understandability, taking best practices for the sector into consideration as necessary;
- verify that the Company had set up a process for the collection, compilation, processing and control to ensure the completeness and consistency of the CSR Information. We also familiarised ourselves with the internal control and risk management procedures relating to the compilation of the CSR Information.

We determined the nature and scope of our tests and checks based on the type and importance of the CSR Information with respect to the Company's characteristics, the social and environmental issues linked to its activities, its priorities for sustainable development and best practices in the industry.

For the CSR Information that we deemed to be the most important [(1)]:

Quantitative environmental information: water consumption; electricity consumption; gas consumption; direct emissions of CO_2; indirect emissions of CO_2.

- for the consolidating entity, we reviewed the documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), we set up analytical procedures for the quantitative information and verified, using sampling techniques, the consistency of the calculations and data consolidation and we checked their consistency and correspondence with the other information in the management report;
- for a representative sample of entities and sites that we selected [(2)] according to their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify the proper application of procedures and set up tests using sampling techniques to verify the calculations performed and reconcile data with supporting evidence. The selected sample represents 41% of the employees and between 51% and 81% of the quantitative environmental data presented.

(1) Company quantitative information: total headcount and breakdown by gender, age and geographical region; recruitments; departures; number of accidents involving time off work; number of days lost for accidents with time off work; theoretical number of hours worked; number of training hours.

(2) ECA EN; ECA ROBOTICS; CIMLEC.

Regarding the other consolidated CSR Information, we assessed its consistency in relation to our knowledge of the Company.

Lastly, we assessed the relevance of the explanations given in the event of total or partial absence of certain information.

We believe that the sampling methods and sizes of the samples we have used in exercising our professional judgment enable us to express limited assurance; a higher level of assurance would have required more in-depth verifications. Due to the use of sampling techniques and the other limits inherent to the operation of any information and internal control system, the risk that a material anomaly is not identified in the CSR Information cannot be totally eliminated.

Conclusion

Based on this work, with the exception of the impact of the unjustified absence of the information mentioned in part 1 of this report, we found no material misstatement that would cause us to believe that the CSR Information is not, as a whole, presented in a fair manner in compliance with the Reporting Standards.

Paris, 31 March 2016

Independent third-party entity

Grant THORNTON Membre français de GRANT THORNTON INTERNATIONAL	Vincent PAPAZIAN Associé


6

Information for the Shareholders' Meeting of 14 June 2016

6.1 Report of the Board of Directors presenting the resolutions submitted to the Combined Shareholders' Meeting of 14 June 2016

1. Approval of the separate and consolidated financial statements for the year ended 31 December 2015 - Approval of non-tax-deductible expenses and charges (first and second resolutions)

We ask you to approve the separate financial statements for the year ended 31 December 2015, showing a profit of €9,388,142.72, and the consolidated financial statements for the year ended 31 December 2015 returning a profit (Group share) of €1,619 thousand.

We also ask you to approve the total amount of the expenses and charges referred to in Article 39-4 of the French General Tax Code, namely the sum of €8,845 and the corresponding tax.

2. Appropriation of income for the year (third resolution)

The appropriation of the Company's income that we are proposing complies with the law and our bylaws.

We suggest that you allocate the profit for the 2015 financial year in the following way:

- Origin:
  - Income for the period €9,388,142.72;
- Allocation:
  - Legal reserve €28,500.00;
  - Retained earnings €9,359,642.72.

We therefore ask you not to resolve on the payment of any dividend.

In accordance with the provisions of Article 243 bis of the French General Tax Code, we remind you that the dividends paid in the three last financial years were as follows:

	Income eligible for the reduction		
For financial year	Dividends	Other distributed income	Income not eligible for the reduction
2012	€4,074,189.76* or €0.32 per share	-	-
2013	€4,154,189.76* or €0.32 per share	-	-
2014	€4,218,189.76* or €0.32 per share	-	-

* *These sums include the unpaid amount of the dividend corresponding to treasury shares, which is allocated to the retained earnings account.*

3. Approval of regulated agreements (fourth resolution)

We ask you to approve each of the agreements referred to in Article L. 225-38 of the French Commercial Code duly authorised by the Board of Directors.

We remind you that only the new agreements in the last financial year ended are submitted at this meeting.

These agreements are presented in the corresponding special report of the Statutory Auditors included in Section 2.6.2 of the Registration Document which will be presented to you at the meeting.

4. Reappointment of a Director (fifth resolution)

Raphaël Gorgé's term of office as Member of the Board of Directors expires at the end of the meeting.

We suggest that you reappoint him for a further term of six years expiring in 2022, at the close of the Ordinary Shareholders' Meeting convened to approve the financial statements of the preceding financial year.

It is recalled that Raphaël Gorgé is Chairman of the Board of Directors and CEO. He cannot be classed as independent, given in particular the amount of his holding (direct and indirect *via* the PELICAN VENTURE SAS company) in the capital of the Company.

5. Proposal to renew the authorisation for implementing the share repurchase programme (sixth resolution)

We propose that you authorise the Board of Directors, for a period of 18 months, to purchase shares of the Company, on one or more occasions, at the times it will determine, within the limit of 10% of the number of shares comprising the share capital, adjusted where appropriate in order to take account of any increase or reduction of capital that may occur during the term of the programme.

This authorisation would cancel the authorisation granted to the Board of Directors by the Shareholders' Meeting of 17 June 2015 in its eighth ordinary resolution.

Acquisitions may be made to:

- stimulate the secondary market or the liquidity of GROUPE GORGÉ shares through the intermediary of an investment service provider under a liquidity contract that complies with the Code of Conduct of the French association of financial market professionals (AMAFI) as recognised by the French Financial Markets Authority (AMF);
- retain the purchased shares and subsequently allocate them in payment or exchange in potential external growth transactions;
- provide coverage for stock option plans and/or bonus share allotments (or similar plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or similar plans), under profit-sharing schemes and and/or all other forms of share allotment to Group employees and/or corporate officers;
- provide coverage for securities giving rights to the allocation of Company shares under applicable regulations;
- cancel shares purchased, subject to authorisation being granted by this Shareholders' Meeting in its ninth extraordinary resolution;
- implement any market practice approved by the French Financial Markets Authority.

These share purchases may be carried out by any means, including by acquisition of blocks of shares, and at times that the Board deems appropriate.

The Company reserves the right to use option mechanisms or derivatives in line with applicable regulations.

We propose that you set a maximum purchase price of €50 per share and consequently, that you set the maximum amount of the operation at €66,834,215.

We remind you that at the previous Shareholders' Meeting on 17 June 2015, you authorised the Board of Directors, for a period of 24 months, to cancel, at its sole discretion, on one or more occasions, within the limit of 10% of the capital, calculated on the day of the cancellation decision, excluding any shares cancelled during the preceding 24 months, the shares that the Company holds or may hold as a result of repurchases under its programme to repurchase shares, and to reduce the share capital accordingly, in accordance with the legal and regulatory provisions in force.

The Board of Directors will thus have the powers needed to take the necessary steps in the matter.

6. Delegation of authority to issue ordinary shares giving, where appropriate, access to ordinary shares (of the Company or a Group company) or to the allocation of debt securities and/or securities giving access to ordinary shares to be issued (by the Company or a Group company) with cancellation of pre-emptive subscription rights by way of a private placement (seventh resolution)

On 22 February 2016, your Board of Directors used the delegation of authority that had been given to it pursuant to the 13th resolution of the Combined Shareholders' Meeting of 17 June 2015: the Company entered into an equity line of financing by issuing 665,000 warrants subscribed by KEPLER CHEUVREUX (with each warrant giving entitlement to one share in the Company). The Board of Directors wishes to renew this delegation of authority in order to have the necessary powers to make all issues, should it think fit, that may be required for the development of the Group's activities.

By virtue of this delegation, the issues would be made by way of an offer referred to in Article L. 411-2, paragraph II of the French Monetary and Financial Code.

The pre-emptive subscription rights of the shareholders to ordinary shares giving access to the capital and/or debt securities will be waived.

The overall nominal amount of the shares which may be issued cannot exceed €2 million. It should be noted that it would be further limited to 20% of the capital per year. To this ceiling would be added, where applicable, the nominal value of the ordinary shares to be issued, in accordance with the law and, where applicable, the contractual provisions regarding other adjustment cases, in order to maintain the rights of holders of transferable securities giving access to the Company's capital.

The nominal amount of the Company debt securities which may be issued cannot exceed €20 million.

The amount due or that will be due to the Company for each of the ordinary shares issued, after taking into account, in the event of an issuance of warrants, the subscription price of the warrants, will be determined in accordance with the legal and regulatory provisions and will therefore be at least equal to the minimum required by the provisions of Article R. 225-119 of the French Commercial Code at the time the Board of Directors uses the delegation (currently the weighted average of the Company share price of the last three stock exchange sessions before it is set, reduced by a maximum discount of 5%).

If the applications fall below the total number of shares or securities issued, the Board of Directors may use the following options:

- limit the issuance to the amount of the subscriptions, within the limits laid down by the law where applicable;
- freely allocate all or part of the unsubscribed securities.

This new delegation would cancel and replace any prior delegation given for the same purpose.

Since the other financial delegations granted in 2015 were unused and will expire in August 2017 or 2018, there is no point in renewing them.

7. Delegation of authority to increase the capital for the benefit of members of a Company savings plan (PEE) (eighth resolution)

We submit this resolution for your approval, in order to comply with the provisions of Article L. 225-129-6 of the French Commercial Code, pursuant to which the Extraordinary Shareholders' Meeting must also vote on a resolution to increase the share capital under the conditions laid down by Articles L. 3332-18 *et seq.* of the French Labour Code, when it delegates its authority to carry out a capital increase in cash. As the meeting is called to vote on a delegation for capital increase in cash (seventh resolution), it must therefore also vote on a delegation for the benefit of members of a Company savings plan, with the observation that inclusion on the agenda of this delegation for the benefit of members of a Company savings plan also allows the Company to satisfy its three-year obligation included in the aforementioned provisions.

As part of this delegation, we propose that you authorise the Board of Directors to increase the share capital, on one or more occasions, by the issuance of ordinary shares or securities giving access to Company capital for the benefit of members of one or more Company or Group savings plans set up by the Company and/or the French or foreign companies related to it under the conditions of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code.

Pursuant to the provisions of Article L. 3332-21 of the French Labour Code, the Board of Directors may decide on the allocation, free of charge, to beneficiaries of shares to be issued or already issued or other securities giving access to Company capital to be issued or already issued, in connection with (i) the matching contribution that may be paid pursuant to Company or Group savings plan regulations, and/or (ii), where applicable, the discount.

In accordance with the law, the Shareholders' Meeting would remove shareholders' pre-emptive subscription rights.

The maximum nominal amount of the capital increases that could be made using the delegation would be €5 million. To this amount would be added, where applicable, the additional amount of the ordinary shares to be issued to maintain, in accordance with the law and with any applicable contractual provisions regarding other adjustment cases, the rights of holders of marketable securities giving entitlement to the Company's capital securities.

This delegation would be for a period of 26 months.

It should be noted that, in accordance with the provisions of Article L. 3332-19 of the French Labour Code, the price of the shares to be issued cannot be more than 20% (or 30% when the non-availability provided for by the plan pursuant to Articles L. 3332-25 and L. 3332-26 of the French Labour Code is greater than or equal to ten years) less than the average of the opening prices quoted for the share during the 20 trading sessions prior to the decision of the Board of Directors relating to the capital increase and the corresponding issuance of shares, nor higher than this average.

The Board of Directors would have, within the limits defined above, the necessary powers to set the conditions for the issuance(s), acknowledge completion of the resulting capital increases, make the corresponding changes to the bylaws, charge, at its sole initiative, the costs of the capital increases to the amount of related premiums and withdraw from this amount the sums necessary to bring the legal reserve to one-tenth of the new capital after each increase, and more generally, do all that is necessary in such matters.

However, insofar as this delegation seems to us neither relevant nor appropriate, the Board suggests that you reject it.

Your Board invites you to approve, by your vote, the text of the proposed resolutions (with the exception of the eighth resolution).

30 March 2016

The Board of Directors

6.2 Draft resolutions for the Ordinary and Extraordinary Shareholders' Meeting of 14 June 2016

Agenda

Ordinary resolutions

1) approval of the annual financial statements for the financial year ended 31 December 2015 - approval of non-tax-deductible expenses and charges;
2) approval of the consolidated financial statements for the financial year ended 31 December 2015;
3) appropriation of income for the year;
4) special report of the Statutory Auditors on regulated agreements and commitments and approval of those agreements;
5) renewal of Raphaël Gorgé's appointment as a Director;
6) authorisation to be given to the Board of Directors for the Company to repurchase treasury shares pursuant to Article L. 225-209 of the French Commercial Code, duration of the authorisation, objectives, term and conditions, ceiling;

Extraordinary resolutions

7) delegation of authority to the Board of Directors to issue ordinary shares giving, as applicable, access to ordinary shares (of the Company or a Group company) or to the allocation of debt securities and/or securities giving access to ordinary shares to be issued (by the Company or a Group company), with cancellation of shareholders' pre-emptive subscription rights by an offer as referred to in Article L. 411-2, paragraph II of the French Monetary and Financial Code, duration of the delegation, maximum nominal amount of the capital increase, issue price, option to limit the amount of subscriptions or distribute unsubscribed securities;
8) delegation of authority to the Board of Directors to increase capital by issuing ordinary shares and/or securities giving access to capital with cancellation of shareholders' pre-emptive subscription rights in favour of members of a company savings plan pursuant to Articles L. 3332-18 *et seq.* of the French Labour Code, duration of the delegation, maximum nominal amount of the capital increase, issue price, option to allocate free shares pursuant to Article L. 3332-21 of the French Labour Code;

Ordinary resolutions

9) Powers for formalities.

Draft resolutions

Ordinary resolutions

First resolution - Approval of the annual financial statements for the financial year ended 31 December 2015 - Approval of non-tax-deductible expenses and charges

The Shareholders' Meeting, ruling under the quorum and majority conditions for Ordinary Shareholders' Meetings, after having taken note of the reports by the Board of Directors, the Chairman of the Board of Directors and Statutory Auditors on the financial statements for the year ended 31 December 2015 approves, as they were presented, the annual financial statements as of this date, returning a profit of €9,388,142.72.

The Shareholders' Meeting specifically approves the total, amounting to €8,845, of the expenses and charges referred to in Article 39-4 of the French General Tax Code, and the corresponding tax.

Second resolution - Approval of the consolidated financial statements for the financial year ended 31 December 2015

The Shareholders' Meeting, ruling under the quorum and majority conditions for Ordinary Shareholders' Meetings, after having taken note of the reports by the Board of Directors, the Chairman of the Board of Directors and Statutory Auditors on the consolidated financial statements as at 31 December 2015, approves those accounts as they were presented, returning a profit (Group share) of €1,619 thousand.

Third resolution - Appropriation of income for the financial year

The Shareholders' Meeting, ruling under the quorum and majority conditions for Ordinary Shareholders' Meetings, on the proposal of the Board of Directors, decides to allocate the income for the year ended 31 December 2015, as follows:

- Origin:
  - Income for the period €9,388,142.72;
- Allocation:
  - Legal reserve €28,500.00,
  - Retained earnings €9,359,642.72.

In accordance with the provisions of Article 243 bis of the French General Tax Code, you are reminded that the dividends paid in the last three financial years were as follows:

For financial year	Income eligible for the reduction		Income not eligible for the reduction
	Dividends	Other distributed income	
2012	€4,074,189.76* or €0.32 per share	-	-
2013	€4,154,189.76* or €0.32 per share	-	-
2014	€4,218,189.76* or €0.32 per share	-	-

* *These sums include the unpaid amount of the dividend corresponding to treasury shares, which is allocated to the retained earnings account.*

Fourth resolution - Special report of the Statutory Auditors on regulated agreements and commitments and approval of these agreements

Ruling under the quorum and majority conditions for Ordinary Shareholders' Meetings on the special report by the Statutory Auditors on the regulated agreements and commitments as presented, the Shareholders' Meeting approves the new agreements mentioned therein.

Fifth resolution - Renewal of Raphaël Gorgé's appointment as a Director

The Shareholders' Meeting, ruling under the quorum and majority conditions for Ordinary Shareholders' Meetings, decides to reappoint Raphaël Gorgé for a further term of six years, ending at the close of the Shareholders' Meeting to be held in 2022 and convened to approve the financial statements for the year ending 31 December 2021.

Sixth resolution - Authorisation to be given to the Board of Directors for the Company to buy in its own shares pursuant to Article L. 225-209 of the French Commercial Code

The Shareholders' Meeting, ruling under the quorum and majority conditions for Ordinary Shareholders' Meetings, noting the report of the Board of Directors, authorises the latter, for a period of eighteen months, in accordance with Articles L. 225-209 *et seq.* of the French Commercial Code to purchase, on one or more occasions, at times it will determine, shares in the Company, up to a maximum of 10% of the number of shares comprising the share capital, adjusted where appropriate to take account of any capital increase or reduction that may occur during the term of the program.

This authorisation cancels the authorisation granted to the Board of Directors by the Shareholders' Meeting of 17 June 2015 in its eighth ordinary resolution.

Acquisitions may be made to:

- stimulate the secondary market or the liquidity of GROUPE GORGÉ shares through the intermediary of an investment service provider under a liquidity contract that complies with the Code of Conduct of the French association of financial market professionals (AMAFI) as recognised by the French Financial Markets Authority (AMF);
- retain the purchased shares and subsequently allocate them in payment or exchange in potential external growth transactions;
- provide coverage for stock option plans and/or bonus share allotments (or similar plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or similar plans), under profit-sharing schemes and and/or all other forms of share allotment to Group employees and/or corporate officers;
- allot shares upon the exercise of rights linked to securities giving access to the share capital through reimbursement, conversion, exchange, presentation of a warrant or by any other method;
- cancel the shares purchased, subject to authorisation being granted by this Shareholders' Meeting in its ninth extraordinary resolution;
- implement any market practice approved by the French Financial Markets Authority.

These share purchases may be carried out by any means, including by acquisition of blocks of shares, and at times that the Board deems appropriate.

The Company reserves the right to use option mechanisms or derivatives in line with applicable regulations.

The maximum purchase price is set at €50 per share. In case of operations on the capital, including division or grouping of shares or a free allocation of shares, the aforementioned amount will be adjusted in the same proportions (multiplier coefficient equal to the ratio of the number of shares composing the capital before the operation and the number of shares after the operation).

The maximum amount of the operation is thus set at €67,049,215 (corresponding to 10% of the share capital as at 30 March 2016, at a maximum price of €50 per share).

The Shareholders' Meeting grants all powers to the Board of Directors for the purpose of carrying out these operations, to approve the terms and conditions, to conclude all agreements and execute all formalities.

Extraordinary resolutions

Seventh resolution - Delegation of authority to the Board of Directors to issue ordinary shares giving, as applicable, access to ordinary shares (of the Company or a Group company) or the allocation of debt securities and/or securities giving access to ordinary shares to be issued (by the Company or a Group company), with cancellation of shareholders' pre-emptive subscription rights, by an offer mentioned in Article L. 411-2, paragraph II of the French Monetary and Financial Code

The Shareholders' Meeting, ruling under the quorum and majority conditions for Extraordinary Shareholders' Meetings, having noted the report by the Board of Directors and the special report by the Statutory Auditors in accordance with the provisions of the French Commercial Code and in particular its Articles L. 225-129-2, L. 225-136 and L. 228-92:

1) delegates to the Board of Directors its powers to issue, in one or more instalments, in the proportions and at times that it deems appropriate, on the French and/or international market, by an offer referred to in Article L. 411-2, paragraph II of the French Monetary and Financial Code, in either euros or foreign currencies, or in any other unit of account established by reference to a set of currencies:
   - ordinary shares;
   - and/or ordinary shares giving rights to allocation of other ordinary shares or debt securities;
   - and/or marketable securities giving access to ordinary shares to be issued by the Company;

In accordance with Article L. 228-93 of the French Commercial Code, the securities to be issued may give access to ordinary shares to be issued by any company directly or indirectly owning more than half of its capital or of which it owns directly or indirectly more than half of the capital;

2) sets the period of validity of this delegation of powers at 26 months starting from the date of this Shareholders' Meeting;
3) the total nominal amount of the ordinary shares that may be issued pursuant to this delegation shall not exceed €2 million, it being specified that it will be further limited to 20% of the share capital each year;

To this ceiling will be added, where applicable, the nominal value of the ordinary shares to be issued, in accordance with the law and, where applicable, the contractual provisions regarding other adjustment cases, in order to maintain the rights of holders of transferable securities giving access to the Company's capital.

The nominal amount of the Company's debt securities that may be issued pursuant to this delegation of powers cannot exceed €20 million.

4) decides to waive shareholders' pre-emptive subscription rights to the ordinary shares and transferable securities giving access to capital and/or debt securities which are the subject of this resolution;
5) decides that the amount due or that will be due, to the Company for each of the ordinary shares issued under this delegation of authority, after taking into account, in the event of an issuance of individual share subscription warrants, the subscription price of these warrants, will be at least equal to the minimum required by legal and regulatory provisions applicable at the time when the Board of Directors implements the delegation;
6) decides that, if the number of subscriptions fails to reach the total number of shares or securities in an issue as referred to in paragraph 1), the Board of Directors may exercise the following options:
   - limit the issuance to the amount of the subscriptions, within the limits laid down by the regulations where applicable;
   - freely allocate all or part of the unsubscribed securities;
7) decides that the Board of Directors shall, within the limits defined above, enjoy the necessary powers to set the conditions for the issuance(s) as applicable, formally record the completion of the resulting capital increases, make the corresponding changes to the bylaws, charge, at its sole initiative, the costs of the capital increases to the amount of related premiums and withdraw from this amount the sums necessary to bring the legal reserve to one-tenth of the new capital after each increase, and more generally, do all that is necessary in such matters;
8) notes that this delegation supersedes any prior delegation of powers having the same purpose.

Eighth resolution - Delegation of authority to be given to the Board of Directors to increase capital by issuing ordinary shares and/or securities giving access to capital with waiving of shareholders' pre-emptive subscription rights in favour of members of a Company savings plan pursuant to Articles L. 3332-18 *et seq.* of the French Labour Code

The Shareholders' Meeting, ruling under the quorum and majority conditions for Extraordinary Shareholders' Meetings, having noted the report of the Board of Directors and the special report of the Statutory Auditors pursuant to Articles L. 225-129-6, L. 225-138-1 and L. 228-92 of the French Commercial Code and L. 3332-18 *et seq.* of the French Labour Code:

1) delegates its powers to the Board of Directors, if the latter sees fit and at its sole discretion, to increase the share capital on one or more occasions, by issuing ordinary shares or transferable securities giving access to capital securities to be issued by the Company to members of one or more Company or Group savings plans set up by the Company and/or French or foreign companies related to it under the conditions of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code;
2) waives in favour of these individuals the pre-emptive subscription rights to shares which may be issued pursuant to this delegation;
3) sets the period of validity of this authorisation at 26 months starting from the date of this meeting;

4) limits the maximum nominal amount of any increase(s) which may be made using this delegation to €5 million. To this amount will be added, where applicable, the additional amount of the ordinary shares to be issued to maintain, in accordance with the law and with any applicable contractual provisions regarding other adjustment cases, the rights of holders of marketable securities giving entitlement to the Company's capital securities;

5) decides that the price of the shares to be issued, pursuant to paragraph 1) of this delegation of powers, shall not be more than 20% lower – or 30% lower if the lock-in period prescribed by the plan pursuant to Articles L. 3332-25 and L. 3332-26 of the French Labour Code is greater than or equal to ten years – than the average of the opening prices quoted for the share during the twenty trading sessions prior to the decision of the Board of Directors relating to the capital increase and the corresponding issue of shares, nor shall that price be higher than this average;

6) decides, pursuant to the provisions of Article L. 3332-21 of the French Labour Code, that the Board of Directors may resolve to allocate free of charge, to the beneficiaries defined in the first paragraph above, shares to be issued or already issued, or other securities giving access to the Company's capital to be issued or already issued, for (i) the bonus payment that may be made under Company or Group savings plan rules, and/or (ii), where applicable, the discount;

7) notes that this delegation cancels and replaces any prior delegation of powers having the same purpose.

The Board of Directors may or may not implement this delegation, take all measures and carry out all necessary formalities.

Ordinary resolutions

Ninth resolution – Powers for formalities

The Shareholders' Meeting, ruling under the quorum and majority conditions for Ordinary Shareholders' Meetings, grants all powers to the bearer of an example, a copy or an extract of these minutes in order to accomplish all filing and publicity formalities required by law.

6.3 Reports of the Statutory Auditors presented to the Shareholders' Meeting

Statutory Auditors' report on regulated agreements and commitments

See Section 2.6.2

Special report of the Statutory Auditors on financial delegation of powers as set out in the seventh resolution (private placement) and the eighth resolution

Shareholders' Meeting of June, 14 2016 (7th resolution)

To the Shareholders,

As Statutory Auditors of the Company and as part of our responsibilities set out in articles L. 228-92 and L. 225-135 of the French Commercial code (Code de Commerce), we hereby present our report on the proposed delegation of authority to the Board of Directors the issue of ordinary shares and / or securities granting access to the Company's share capital with cancellation of the preferential subscription right via public offer stipulated in paragraph II of Article L. 411-2 of the French Monetary and Financial Code and within the limit of 20% of the annual share capital. In accordance with Article L. 228-93 paragraph 1 of the French Commercial Code, the equity securities to be issued by the Company or by any company of which the Company directly or indirectly owns more than half the capital, may give the access to the share capital of this company while cancelling preferential subscription rights; transaction that you are asked to approve.

The maximum overall nominal amount of the share capital increases likely to be released, immediately or in the future, may not exceed 2,000,000 euros.

The maximum overall nominal amount of debt securities that could be issued may not exceed 20,000,000 euros.

The Board of Directors asks, on the basis of its report that you empower it, for a period of twenty-six months, to carry out the previous transaction and waive your preferential subscription rights.

The Board of Directors is required to prepare a report in accordance with articles R. 225-113, R. 225-114 and R. 225-117 of the French Commercial code. Our role is to report to you on the fairness of the financial information extracted from the financial statements, on the proposal to waive the preferential subscription rights and on certain other information concerning these transactions, set out in this report.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement. This work consisted of checking the content of the report prepared by the Board of Directors on these transactions and the process for determining the issue price of the future securities.

Subject to reviewing at a future date the terms and conditions of any issues of shares or securities granting access to the share capital that may be decided upon, we have no matters to report on the process for determining the issue price of the future securities, set out in the report of the Board of Directors.

As the issue price of the future securities has not been set, we do not express any opinion on the definitive terms and conditions of the issues that would be carried out and, accordingly, on the proposal put to you to waive your preferential subscription right.

Pursuant to article R. 225-116 of the French Commercial code, we will prepare an additional report, as required, at such time as the Board of Directors makes use of this authorisation in the event of issues of shares with cancellation of the preferential subscription right or issues of securities granting access to share capital.

Paris and Courbevoie, March 31, 2016

The statutory auditors

PricewaterhouseCoopers Audit	Mazars
David CLAIROTTE	Daniel ESCUDEIRO

Statutory Auditors' report on the issue of shares or securities granting access to the share capital, reserved for members of company savings plans

Shareholders' Meeting June, 14 2016 (8th resolution)

To the Shareholders,

As Statutory Auditors of your Company and pursuant to the assignment set forth in Articles L. 228-92 and L. 225-135 et seq. of the French Commercial Code (Code de commerce), we hereby present our report on the proposed delegation of authority to your Board of Directors to decide an increase in the share capital, through issues of shares or securities granting access to the share capital, with cancellation of preferential subscription rights, reserved for members of one or more company savings plans implemented within the Group, comprising the Company and the French and foreign companies falling within the consolidation scope of the Company financial statements pursuant to Article L .3344 -1 of the French Labour Code (Code du travail), a transaction that your are being asked to approve.

This transaction may lead to a share capital increase up to a maximum par value amount to 2,000,000 euros.

This share capital increase is subject to your approval in accordance with the provisions of Article L. 225-129-6 of the French Commercial Code and Articles L. 3332-18 et seq. of the French Labour Code.

Based on its report, the Board of Directors is asking that you grant it full powers, for a period of twenty-six months commencing the date of this shareholders' meeting to decide issues of shares or securities granting access to the share capital, with cancellation of your preferential subscription rights to the shares to be issued. When appropriate, it will set the final terms and conditions of these issues.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113, et seq. of the French Commercial Code. Our role is to express an opinion on the fair presentation of the quantified financial information extracted from the accounts, on the proposal to cancel preferential subscription rights and on certain other information concerning this issue, contained in this report.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement. These procedures consisted in verifying the contents of the Board of Directors' report on this transaction and the process for setting the issue price of the future securities.

Subject to reviewing at a future date the terms and conditions of any issues of shares or securities granting access to the share capital that may be decided upon, we have no comments to make on the process for setting the issue price of the future securities, set out in the report of the Board of Directors.

As the definitive terms and conditions of the share capital increase have not been set, we do not express an opinion thereon and, as such, on the proposed cancellation of preferential subscription rights on which you are asked to decide.

Pursuant to Article R. 225-116 of the French Commercial Code, we will prepare an additional report, as required, when the Board of Directors makes use of this authorisation.

Paris and Courbevoie, March 31, 2016

The statutory auditors

PricewaterhouseCoopers Audit	Mazars
David CLAIROTTE	Daniel ESCUDEIRO

6.4 Other reports by the Board of Directors presented to the Shareholders' Meeting of 14 June 2016

Special report by the Board of Directors prepared pursuant to the provisions of Article L. 225-197-4 of the French Commercial Code

Dear Shareholders,

Pursuant to Article L. 225-197-4 of the French Commercial Code, we are pleased to make available to you the information relating to the allocations of free shares to the employees and Directors of the Group during the financial year ended 31 December 2015.

At its meeting on 12 May 2014, the Board of Directors, in accordance with the authorisation granted to it by the Combined Shareholders' Meeting of 8 June 2012, allocated free of charge a maximum total number of 30,000 free shares with a nominal value of €1 each to two employees of a subsidiary of GROUPE GORGÉ, neither of whom is a corporate officer, as set out below:

Beneficiary	Number of new shares	Value of the shares on the basis of the share price on 12 May 2014 (the closing price)
Employee A, an employee of a GROUPE GORGÉ subsidiary, who is not a corporate officer	15,000, of which 7,500 are subject to performance conditions	€21.42
Employee B, an employee of a GROUPE GORGÉ subsidiary, who is not a corporate officer	15,000, of which 7,500 are subject to performance conditions	€21.42

The Board set the terms and criteria for allocating said free shares by making the final allocation of said shares to their beneficiaries contingent upon their continued employment with the Group and, for a part of the shares, performance conditions as well as their continued employment with the Group.

Under this plan, both employees may acquire 7,500 shares apiece in May 2016, as long as they are still present in the Group at 12 May 2016.

7,500 shares subject to performance conditions based on targets for the 2015 financial year were not vested, due to the failure to achieve performance targets for 2015.

The vesting of 7,500 actions subject to performance conditions relating to the targets for the 2016 financial year can only be evaluated in 2017, once the 2016 financial year has elapsed.

The Board also set at two years the vesting period (period at the end of which the free allocation of shares to the beneficiaries becomes final, subject to compliance with the continued employment and performance conditions). Upon expiry of this period, free shares must be kept by their beneficiaries for a further period of two years.

The shares acquired are shares to be issued. The Board of Directors has, however, reserved the option to deliver, if need be, existing shares, which would be held as treasury stock.

Made in Paris, on 30 March 2016

The Board of Directors

Additional report by the Board of Directors of 17 February 2016, prepared pursuant to Article R. 225-116 of the French Commercial Code (issue of securities granting access to share capital with cancellation of the pre-emptive subscription rights of shareholders)

Dear Shareholders,

Pursuant to Articles L. 225-129-5 and R. 225-116 of the French Commercial Code, we hereby present our report on the use that has been made of the delegation of powers granted by the Combined Shareholders' Meeting on 17 June 2015, pursuant to its 13th resolution, which enabled GROUPE GORGÉ (the "Company") to issue warrants with cancellation of the pre-emptive subscription rights of shareholders.

1. Scope of the issue

1.1 Objective of the issue

The Company wishes to set up an equity line (or PACEO, a capital increase programme *via* the exercise of options) with KEPLER CHEUVREUX to increase its financing capacity.

1.2 Combined Shareholders' Meeting dated 17 June 2015

We remind you that the Combined Shareholders' Meeting held on 17 June 2015 adopted the 13th resolution, under which it delegated its powers to the Board of Directors to issue shares and/or any other securities giving access, whether immediate or deferred, to the Company's capital, *via* an offer as referred to in Article L. 411-2, paragraph II of the French Monetary and Financial Code.

The shareholders set the maximum amount of the capital increase at €5,000,000, in which are also included the issues made by virtue of other delegations granted by the shareholders. Furthermore, it is clearly stated that an offer as referred to in Article L. 411-2, paragraph II of the French Monetary and Financial Code cannot in any event be applied to more than 20% of the share capital per year.

1.3 Meeting of the Board of Directors on 17 February 2016

During its meeting on 17 February 2016, the Board of Directors decided to make use of the delegation of powers conferred on it under the 13th resolution of the Combined Shareholders' Meeting dated 17 June 2015 to issue warrants (the "Warrants"), to be subscribed by KEPLER CHEUVREUX and for which the summary of conditions was approved at the said Board meeting.

The Board of Directors authorised the Chairman and CEO to finalise the Warrant issue contract and to make the private placement with KEPLER CHEUVREUX of 665,000 Warrants at an overall price of €1, with each warrant giving entitlement to one share in the Company. KEPLER CHEUVREUX may decide to exercise the Warrants at any time, in whole or in part, in one or more instalments, during a maximum exercise period of two years (12 months, renewable once), provided certain conditions are met, specifically including the following two conditions: (i) not to exceed 25% of the volume of shares traded on the market and (ii) to comply with a maximum price that is set and can be adjusted by the Company. The fact that the drawdowns are performed by the bank allows the bank to determine the best windows for exercise in light of market conditions, without being restricted as to the drawdown periods as GROUPE GORGÉ was due to its insider position. KEPLER CHEUVREUX will inform the issuer each month of the number of warrants exercised and the strike price.

2. Main terms of the issue

Subscription price of the 665,000 Warrants	1 euro
Date of issue of the Warrants	The signature date of the issue contract (the planned date is 22 February 2016)
Type of Warrants	Securities giving access to capital, governed by Articles L. 228-91 et seq. of the French Commercial Code
Registration in a Warrant account and subsequent disposals	The Warrants have been registered form ever since their issue. They shall not be admitted for trading on any market. Only disposals within the KEPLER Group or to the Company (for cancellation) are authorised
Type of shares to be issued by exercising the Warrants	The GROUPE GORGÉ shares issued by exercising Warrants shall rank as equivalent to existing GROUPE GORGÉ shares (ISIN Code: FR0000062671) as soon as they are issued. Periodic applications shall be made for their admission for trading on the regulated market of Euronext in Paris
Number of Warrants	665,000 (six hundred sixty-five thousand)
Parity of exercise of Warrants	Each Warrant will allow subscription to one new GROUPE GORGÉ share
Maximum number of shares to be issued by exercising the Warrants	665,000 (six hundred sixty-five thousand) shares (if exercising all Warrants)
Warrant exercise period	12 months from the date of issue of the Warrants, unless extended in the event of Warrants remaining unexercised at the elapse of that 12-month period
Strike price	The lowest average daily price of the share weighted by volumes calculated over a reference period of two trading days, with a discount of 4.5%

3. Impact of the issue and exercise of all warrants on the holders of share capital and securities giving access to share capital

3.1 Impact on the portion of equity

For information, the impact of the issue and exercise of all Warrants on the portion of equity (calculated on the basis of temporary equity at 31 December 2015 and the number of shares comprising the share capital of the Company at 15 February 2016) is as follows:

	Portion of equity per share *(in euros)*	
	Undiluted basis	**Diluted basis**
Before issue/before setting-up of the Equity Line	4.49	4.48
After issue/after full drawdown of the Equity Line(1)	5.24	5.23

(1) Assumption based on an issue price of €22.10, corresponding to the closing price on 15 February 2016 minus discount and commission of 7%.

3.2 Impact on the shareholder's situation

For information, the impact of the issue and exercise of all Warrants on the interest of a shareholder holding 1% of the share capital of the Company prior to the issue (calculated on the basis of the number of shares comprising the share capital of the Company at 20 January 2016) is as follows:

	Number of shares	% interest of a shareholder holding 133,668 shares
Before issue/before setting up the Equity Line	13,366,843	1%
After issue/after full drawdown of the Equity Line	14,031,843	0.95%

4. Theoretical impact of the issue and exercise of all warrants on the market value of GROUPE GORGÉ shares

The theoretical impact of the issue on the share's current market value, as measured from the average of 20 trading days, would be as follows, if all warrants were exercised at the same issue price:

Share price after the transaction=

$$\frac{\text{[(average of the last 20 share prices x number of shares before transaction)+(exercise price x number of new shares)]}}{\text{(number of shares before transaction+number of new shares)}}$$

The share price assumed for the transaction is €22.10, and that of the average of the last 20 share prices is €22.01 (the share price from 19 January to 15 February 2016).

By applying this calculation method, the theoretical value of the share would therefore come to €22.02 after the transaction, equivalent to an increase of the order of 0.02%.

	Market price of the share *(in euros)*	
	Undiluted basis	**Diluted basis**
Before setting up the Equity Line	22.01	22.01
After full drawdown of the Equity Line	22.02	22.02

5. Conduct of business

Regarding the conduct of business, we would refer you to the 2014 Registration Document and the 2015 half-yearly financial report on the Company's website.

This report, prepared in compliance with Articles L. 225-129-5 and R. 225-116 of the French Commercial Code, is available to shareholders at the Company's main offices and they will be acquainted with it directly at the forthcoming Shareholders' Meeting.

Made in Paris, on 17 February 2016

The Board of Directors

Additional **information**

7

7.1 Information concerning the Statutory Auditors

7.1.1 Principal and Alternate Statutory Auditors

Principal Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT

Member of the Versailles Regional Association of Statutory Auditors

Represented by David CLAIROTTE

63, rue de Villiers

92200 Neuilly Sur Seine

Statutory Auditor of the Company appointed by the Combined Shareholders' Meeting of 17 June 2015 for a term of six financial years to expire at the end of the Shareholders' Meeting convened to approve the financial statements for the financial year ending 31 December 2020 (first appointment).

MAZARS

Member of the Versailles Regional Association of Statutory Auditors

Represented by Daniel ESCUDEIRO

61, rue Henri-Régnault

92400 Courbevoie

Statutory Auditor of the Company appointed by the Combined Shareholders' Meeting of 8 June 2012 for a term of six financial years to expire at the end of the Shareholders' Meeting convened to approve the financial statements for the financial year ending 31 December 2017 (third appointment).

Alternate Statutory Auditors

Jean-Christophe GEORGHIOU

63, rue de Villiers

92200 Neuilly Sur Seine Cedex

Alternate Statutory Auditor of the Company appointed by the Combined Shareholders' Meeting of 17 June 2015 for a term of six financial years to expire at the end of the Shareholders' Meeting convened to approve the financial statements for the financial year ending 31 December 2020 (first appointment).

David CHAUDAT

61, rue Henri-Régnault

92400 Courbevoie

Alternate Statutory Auditor of the Company appointed by the Combined Shareholders' Meeting of 8 June 2012 for a term of six financial years to expire at the end of the Shareholders' Meeting convened to approve the financial statements for the financial year ending 31 December 2017 (first appointment).

7.1.2 Statutory Auditors' fees

	MAZARS	%	PWC	%	MAZARS	%	COREVISE	%
(in thousands of euros, net of tax)	2015		2015		2014		2014	
Statutory Auditors and certification of the financial statements	251	94%	163	99%	384.5	94%	241	97%
of which parent company	63	23%	63	38%	83.5	20%	82	36%
of which subsidiaries	189	71%	101	61%	301	74%	159	61%
Other services	16	6%	2	1%	25	6%	-	3%
TOTAL	**267**	**100%**	**165**	**100%**	**409.5**	**100%**	**241**	**100%**

7.2 Person responsible for the information

7.2.1 Person responsible for the Registration Document containing the annual financial report

Raphaël GORGÉ as Chairman and Chief Executive Officer of GROUPE GORGÉ SA.

7.2.2 Statement of the person responsible for the Registration Document

"After taking all reasonable measures for this purpose, I hereby certify that all the information contained in this Registration Document is, to my knowledge, in accordance with the facts and that no information liable to affect its significance has been omitted.

I certify that, to my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial situation and results of the Company and all the companies included in the scope of consolidation, and that the information from the management report and listed in the concordance table on page 134 presents a true image of the business trends, results and financial situation of the Company and all the companies included in the scope of consolidation as well as a description of the risks and uncertainties facing them.

I have received a completion letter from the auditors stating that they have verified the information regarding the financial situation and the financial statements included in this Registration Document and that they have read this Registration Document in its entirety.

Reports of the Statutory Auditors for the financial information set forth in this Registration Document are found on pages 76 and 86. The report on the consolidated financial statements contains one observation.

The Statutory Auditors draw attention to Note 2.1 "Reconciliation between the financial statements published in 2013 and those provided for the purposes of comparison" in the Notes to the consolidated financial statements which set forth the changes made to the 2013 financial statements with respect to a retrospective correction to the 2012 financial statements.

The Statutory Auditors have issued reports for the financial information which was incorporated by reference into this Registration Document for the 2014 and 2013 financial years and is to be found on pages 76 and 86 (2014) and pages 91 and 92 (2013) of the respective Registration Documents. The reports on the consolidated financial statements contained observations."

Paris, ____________ April 2016

Chairman and Chief Executive Officer

7.3 Concordance tables

7.3.1 Concordance table - Registration Document (Annex I of European Union regulation No. 809/2004)

"This concordance table presents the main categories required by European Commission regulation no. 809/2004 dated 29 April 2004 (the "Regulation") and refers readers to the relevant sections or chapters of this document, where they will find information relating to each of the categories."

No.	Entries in Appendix 1 of European regulation no. 806/2004	Chapter/Section	Page
8.	**Property, plant and equipment**		
8.1	Substantial property, plant and equipment	1.3.3, Note 6.3 to the consolidated financial statements	26, 83-84
8.2	Environmental issues that may affect the use of property, plant and equipment	1.3.3, 1.6.4, 5.3	25-26, 36, 135-136
9.	Review of financial position and results		
9.1	Financial position	1.4.2	30
9.2	Operating results		
9.2.1	Major factors having a significant effect on operating income	1.4.1, 1.6	27-29, 33-36
9.2.2	Explanation of significant changes to net sales or revenue	1.4.1	27-29
9.2.3	Strategy or factor that has significantly affected or could significantly affect the issuer's operations, directly or indirectly	1.3.1	23-24
10.	**Capital resources**		
10.1	Issuer's capital resources	1.4.2, 3.1.1, Note 10.1 to the consolidated financial statements	30, 58, 97
10.2	Sources and amounts of cash flows	1.4.2, 3.1.1, Note 7 to the consolidated financial statements	30, 58, 86-88
10.3	Borrowing requirements and funding structure	1.4.2, Note 8 to the consolidated financial statements	30, 89-94
10.4	Restrictions on the use of capital resources	Note 8.3 to the consolidated financial statements and Note 5.3 to the separate financial statements	92-93, 112
10.5	Expected sources of finance	1.4.2, Note 8 to the consolidated financial statements	30, 89-94
11.	**Research and development, patents and licences**	1.3.3, 1.6.1, Note 6.2 to the consolidated financial statements	25-26, 33-34, 81-83
12.	**Trend information**		
12.1	The most significant trends in production, sales, inventory, costs and selling prices since the end of the last financial year	1.3.2	24-25
12.2	Known trends, uncertainties, demands, commitments or events that would be reasonably likely to have a material impact on the issuer's prospects	Chairman and CEO's Message, 1.3.2	4, 24-25
13.	**Profit forecasts or estimates**	N/A	-
13.1	Statement setting out the main assumptions on which the issuer based its forecast or estimate	N/A	-
13.2	Report prepared by the Statutory Auditors	N/A	-
13.3	Preparation of forecasts or estimates	N/A	-
13.4	Statement on the validity of a forecast previously included in a prospectus	N/A	-
14.	**Administrative, management, and supervisory bodies and senior management**		
14.1	Composition - disclosures	2.1, 2.2, 2.5.1	40, 41-44, 48-52
14.2	Conflicts of interest	2.1	40
15.	**Remuneration and benefits**		
15.1	Remuneration and benefits in kind	2.4	45-48
15.2	Pensions and similar benefits	2.4, Note 5.3 to the consolidated financial statements	48, 78-79
16.	**Operation of administrative and executive bodies**		
16.1	Positions held by members of the Board of Directors	2.2	42
16.2	Service agreements binding members of administrative bodies	1.5.1, 2.4	30, 45
16.3	Information on special-purpose committees	2.1, 2.5.1	40, 49
16.4	Corporate governance statement	2.5.1	51-52

No.	Entries in Appendix 1 of European regulation no. 806/2004	Chapter/Section	Page
17.	**Employees**		
17.1	Number of employees	1.1, 5.2, Note 5.1 to the consolidated financial statements	10, 132, 78
17.2	Interests in the issuer's share capital and stock options	2.3, Note 5.4 to the consolidated financial statements	44, 79-80
17.3	Agreement providing for interesting employees in the issuer's capital	4.2.1, 4.3.5, Note 5.4 to the consolidated financial statements	120, 126, 79-80
18.	**Major shareholders**		
18.1	Identity of main shareholders	4.3.1, 4.3.2	125
18.2	Existence of different voting rights	4.3.2	125
18.3	Control of the issuer	4.3.3	126
18.4	Agreement whose implementation could lead to a change in control	N/A	-
19.	**Related party transactions**	2.6, Note 4 to the separate financial statement	54-55, 111
20.	**Financial information on the issuer's portfolio, financial position and earnings**		
20.1	Historical financial information	3.1, AMF boxed Section	58-101, 1
20.2	Pro forma financial information	N/A	-
20.3	Financial statements	3.2	103-113
20.4	Auditing of historical annual financial information		
20.4.1	Statement that the historical financial information has been audited	3.1.7, 3.2.5, 7.2.2 AMF boxed Section	102, 114-115, 161
20.4.2	Indication of other information audited by the Statutory Auditors	2.5.2, 2.6.2	53, 54-55
20.4.3	Where financial data in the Registration Document is not extracted from the issuer's audited financial statements, indication of the source with the statement that the data has not been audited	N/A	-
20.5	Date of latest financial information	31/12/2015	
20.6	Interim and other financial information		
20.6.1	Half-yearly or quarterly financial information	N/A	-
20.6.2	Interim financial information	N/A	-
20.7	Dividend policy	4.4.2	127
20.7.1	Amount of dividends	1.5.3, 4.4.2, 6.1	31, 127, 144
20.8	Legal and arbitration proceedings	1.6.1	34
20.9	Significant changes in the financial or trading position	1.3.4, Notes 12 to the consolidated financial statements and Notes 7 to the separate financial statements	29, 99, 113
21.	**Additional information**		
21.1	Share capital		
21.1.1	Total subscribed share capital	4.2.1	120
21.1.2	Shares not representing capital	N/A	-
21.1.3	Shares held by the issuer	4.2.2	120-121
21.1.4	Convertible or exchangeable securities or securities with warrants	4.2.1	120
21.1.5	Information on the conditions governing any right to purchase and/or any obligation attached to the capital subscribed but not paid-up, or on any undertaking to increase the capital	N/A	-
21.1.6	Information on the capital of any member of the Group which is under option or has agreed conditionally or unconditionally to be put under option	4.2.1	120
21.1.7	History of the share capital	4.2.3	122
21.2	Memorandum and Articles of Association		
21.2.1	Description of the issuer's corporate purpose	4.1.2	118
21.2.2	Summary of any provision contained in the issuer's memorandum or articles of association concerning the members of its administrative, management and supervisory bodies	4.1.2	118

No.	*Entries in Appendix 1 of European regulation no. 806/2004*	Chapter/Section	Page
21.2.3	Description of rights, privileges and restrictions attached to each share class	4.1.2	118
21.2.4	Description of steps necessary to change shareholders' rights	4.1.2	119
21.2.5	Description of the conditions governing the manner in which Annual General Meetings and Extraordinary General Meetings are called	2.5.1, 4.1.2	52, 119
21.2.6	Description of any provision that could delay, postpone or prevent a change of control	N/A	-
21.2.7	Details of any provision setting the threshold above which any equity interest must be disclosed	4.1.2	119
21.2.8	Description of conditions concerning modifications to share capital which are more restrictive than those provided under the law	4.1.2	119
22.	**Material contracts**	N/A	-
23.	**Third party information and statements by experts and declarations of interest**	N/A	-
23.1	Statement or report attributed to a person as an expert	N/A	-
23.2	Third-party information	N/A	-
24.	**Publicly available documents**	4.4.3	128
25.	**Information on equity interests**	1.2.3, Note 13 to the consolidated financial statements, Note 6 to the separate financial statements	21-22, 100-101, 113

7.3.2 Concordance table - Annual financial report

This Registration Document includes all sections of the annual financial report listed under Article L. 451-1-2 of the French Monetary and Financial Code, as well as Article 222-3 of the French Financial Markets Authority (Autorité des Marchés Financiers - AMF) General Regulations. The documents referred to in Article 222-3 of the aforementioned regulations and the corresponding sections of this Registration Document are specified below.

	Annual financial report (Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General Regulations of the French Financial Markets Authority (Autorité des marchés financiers or AMF).	Chapter/Section	Page
1.	Separate financial statements	3.2	103-113
2.	Consolidated financial statements	3.1	58-101
3.	Management report (See concordance table to the management report on page 134)		
4.	Statement by the person responsible for the annual financial report	7.2.2	161
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7.3.3 Concordance table - Management report pursuant to Articles L. 225-100 *et seq.* of the French Commercial Code

	Management report French Commercial Code Article L. 225-100	Chapter/Section	Page
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	Management report French Commercial Code Article L. 225-100	Chapter/Section	Page
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