

Financière de l'Odet

Annual report

2016



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2016

Ordinary and Extraordinary General Meeting of June 1, 2017

French limited company (*société anonyme*) with share capital of 105,375,840 euros
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RCS (Register of Commerce and Companies) in Quimper, registration no. 056 801 046

Board of Directors

As of March 23, 2017

Vincent Bolloré

Chairman of the Board of Directors

Cédric de Bailliencourt

Vice-Chairman and Chief Executive Officer

Marc Bebon

Representative of Bolloré Participations

Chantal Bolloré**Cyrille Bolloré****Marie Bolloré****Sébastien Bolloré**

Representative of Socfrance

Yannick Bolloré**Valérie Coscas****Marie-Annick Darmaillac**

Representative of Financière V

Hubert Fabri**Janine Goalabré**

Representative of Omnium Bolloré

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Annual financial report

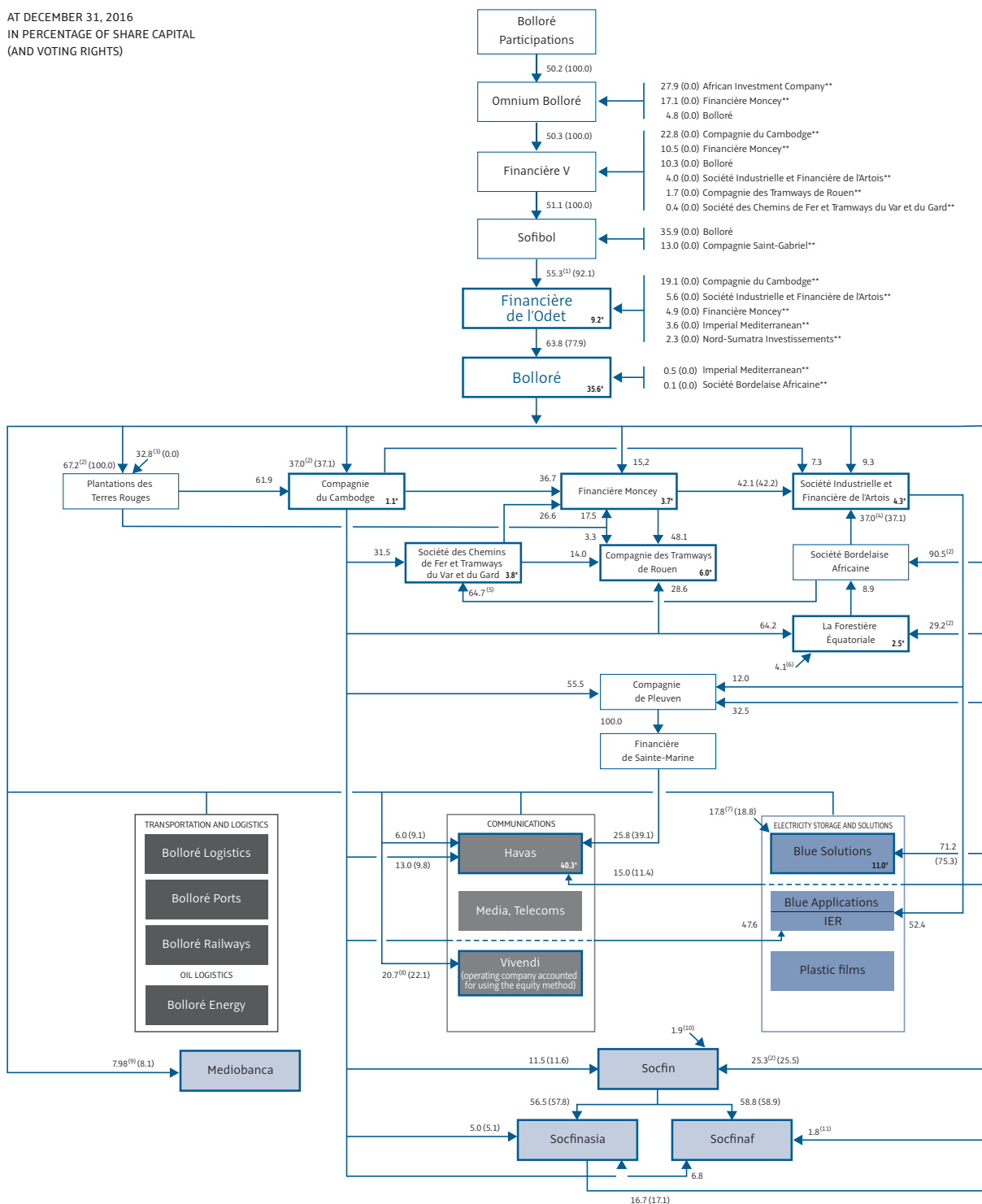
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Management report

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Organizational chart: detailed shareholding of Group listed companies

AT DECEMBER 31, 2016
IN PERCENTAGE OF SHARE CAPITAL
(AND VOTING RIGHTS)



% (%) % of capital (% of voting rights at General Meeting if different).

* Percentage of share capital outside the Group.

** Controlled by Bollore.

Listed companies	Communications, media, advertising and telecoms
Bollore Transportation and logistics	Other assets and shareholdings
Electricity storage and solutions	

By convention, shareholdings under 1% are not mentioned.

(1) Of which 5.3% by its 99.5%-owned direct subsidiary Compagnie de Guénolé.

(2) Directly and indirectly by fully-owned subsidiaries

(3) Of which less than 10.0% by the Compagnie du Cambodge and 22.8% by Société Industrielle et Financière de l'Artois.

(4) 30.2% by Société Bordelaise Africaine and 6.8% by its 53.4%-owned direct subsidiary Socfrance.

(5) 64.7% by its 53.4%-owned direct subsidiary Socfrance.

(6) 4.1% by SFA, a 98.4%-owned subsidiary of Plantations des Terres Rouges.

(7) Of which 17.8% by Bollore Participations.

(8) Via Compagnie de Cornouaille, a wholly-owned subsidiary of Bollore, which crossed the 20% threshold of capital, including 2.7% through share loans and 2.7% through call options.

(9) Via Financière du Pernet, owned 95.1% by Bollore and Financière de l'Odette by 4.9%.

(10) 1.9% by Plantations des Terres Rouges.

(11) Of which 1% by Société Industrielle et Financière de l'Artois.

Brief history

Founded in Brittany in 1822, the family business specializing in the manufacture of thin paper was taken over by Vincent Bolloré at the beginning of the 1980s. Having developed a core area of specialist industries related to plastic film technology and thin paper, the Bolloré Group acquired a controlling interest in Sofical in 1986, closely followed by the acquisition of JOB to develop a Tobacco business as well as Scac and then Rhin-Rhône in 1988 to develop a Transportation business.

- **1991:** takeover of Delmas-Vieljeux, followed by the merger by absorption of Scac by Delmas, which was renamed Scac-Delmas-Vieljeux (SDV).
- **1994:** sale by Bolloré of a portion of the Non-woven industrial and disposable products business and of the Tubes and plastic connectors business.
- **End 1996:** takeover of the Rivaud group, in which the Bolloré Group had held investments since 1988.
- **1997:** takeover of Saga, in which Albatros Investissement had, since 1996, had a 50% stake alongside CMB-Safren.
- **1998:** merger by absorption of Scac-Delmas-Vieljeux by Bolloré Technologies to become "Bolloré".
- **1999:** Albatros Investissement, the leading shareholder in Bolloré, is renamed "Bolloré Investissement". Bolloré buys the African network AMI and Bolloré Investissement purchases the British shipping line OTAL and its land transport network in Africa.
- **2000:** sale of 81% of the Cigarette paper business to the American group Republic Technologies, which handled a large portion of rolling paper distribution in the United States. Acquisition of Seita's 40% stake in Coralma, a tobacco subsidiary of the Group, 60% of which was already owned through Tobaccor. Granting of the concession for the third largest oil pipeline in France, the Donges-Melun-Metz (DMM) pipeline. Tender offer followed by a squeeze-out concerning Mines de Kali Sainte-Thérèse, and tender offers on Compagnie des Caoutchoucs de Padang and Compagnie du Cambodge, finalized on January 3, 2001.
- **2001:** sale of 75% of the tobacco business (Tobaccor), based in Africa and Asia, to the British group Imperial Tobacco. Sale of the 30.6% stake in Rue Impériale de Lyon. Takeover by Bolloré Énergie of a stake in the business of BP's Oil logistics subsidiary in France. Acquisition by Delmas, Bolloré's shipping subsidiary, of 80% of the Italian firm Linea-Setramar.
- **2002:** acquisition by IER of the specialist access control firm Automatic Systems. Sale to Imperial Tobacco of a further 12.5% stake in Tobaccor. Merger by absorption of Compagnie du Cambodge of Société Financière des Terres Rouges and Compagnie des Caoutchoucs de Padang. Bolloré Énergie takes over part of Shell's oil logistics business in France.
- Acquisition by SDV of the freight forwarding business of the German group Geis, with an important transport network in Asia. Merger of six companies in the freight forwarding business, resulting in the creation of SDV Logistique Internationale. Acquisition of equity stake in Vallourec.
- **2003:** sale of the remaining interest in Tobaccor (12.5% payable at the end of 2005). Purchase of Consortium de Réalisation's (CDR's) 40.83% holding in Compagnie des Glénans. Start of operations of the factory purchased in the Vosges region of France by the Paper division. The Group's holding in Vallourec rises above the 20% threshold (voting stock).
- **2004:** sale of the Malaysian plantations. Acquisition of a 20% stake in Havas. Development of the Bluecar®, a prototype electric vehicle that runs solely on Batscap batteries.
- **2005:** launch of Direct 8, the digital terrestrial television (DTT) station developed by the Group. Bluecar® presented at the Geneva Motor Show. Acquisition of Air Link, India's third largest freight operator. Acquisition of a 25% stake in Aegis. Sale of 7.5% of Vallourec's share capital.
- **2006:** sale of the shipping business (Delmas). Launch of *Direct Soir*, the first free daily evening newspaper. Awarding of 12 regional WiMax licenses. New series of Bluecar® prototypes delivered. Sale of 10.2% of holding in Vallourec. Squeeze-out of minority interests in Socfin. Tender offer on Bolloré and merger of Bolloré and Bolloré Investissement. Change of name from "Bolloré Investissement" to "Bolloré".
- **2007:** acquisitions of JE-Bernard, one of the leading logistics and freight forwarding groups in the United Kingdom, and Pro-Service, an American logistics company specializing in the aeronautics and space industry. Acquisition of assets in Avestor in Canada. Partnership with Pininfarina for the manufacture and sale of an electric car. Launch of the free daily newspaper, *Direct Matin Plus*. Start of testing of pilot equipment intended for WiMax. Sale of 3.5% of equity share in Vallourec and strengthened position in Havas and Aegis. Tender offer on Nord-Sumatra Investissements followed by a squeeze-out.

- **2008:** sale of 3.6 % of Vallourec. Creation of two joint ventures for the development of electric vehicles (Pininfarina for the Bluecar® and Gruau for the Microbus). Awarding of an additional eight WiMax licenses obtained. Acquisition of White Horse, a leading road haulage firm in the Copper Belt corridor, and SAEI, the fifth largest freight chartering firm in South Africa. Acquisition of 60% of the share capital of the CSA group, 40% of which had already been held by the Bolloré Group since 2006. Increase of shareholding in Vallourec to 2.9% on December 31, 2008.
- **2009:** winning of the concession for the Cotonou container terminal in Benin and start of operations at the Pointe-Noire port terminal in Congo. Sale of the Papers business to the American group Republic Technologies International. Start of operations at the two electric battery factories in Brittany and Canada, and market launch of supercapacitors. Strengthening of shareholding in Vallourec to 5.2% as at December 31, 2009.
- **2010:** winning of port concessions in Africa (Freetown in Sierra Leone, Lomé in Togo, etc.). Acquisition of the digital terrestrial TV station Virgin 17, renamed "Direct Star". Winning of the Autolib' contract for the self-service hire of electric Bluecar® vehicles in the Paris region. Reclassification of Mediobanca and Generali shareholdings in Bolloré. Delisting of the company Saga.
- **2011:** acquisition of a 49% stake in LCN (Les Combustibles de Normandie) with a view to securing 100% control in time. Beginning of construction of a new Lithium Metal Polymer (LMP®) batteries factory in Brittany. Sale of 3.5% of holding in Vallourec. Agreement to sell the free channels Direct 8 and Direct Star to the Canal+ group in exchange for Vivendi shares. Acquisition of 1.1% holding in Vivendi. Acquisition of equity stake in Vivendi. Winning of the concession for the management of the port of Moroni in the Comoros Islands. Launch of Autolib' service. Successful first bond issue for 350 million euros due in five years.
- **2012:** sale of the Direct 8 and Direct Star channels to the Canal+ group, against a 1.7% shareholding in Vivendi's share capital. Acquisition of additional 2.2% shareholding in Vivendi, bringing the interest to 5%. Following the sale of 20% of Aegis to Dentsu, the balance of its shareholding (6.4%) will be contributed to the bid launched by Dentsu. Following the share buyback tender offer made by Havas, the Bolloré Group's shareholding in Havas was raised from 32.8% to 37.05% and to 36.9% by the end of 2012.
- **2013:** winning of the management of the petroleum port of Pemba in Mozambique, the second container terminal of Abidjan, Republic of Côte d'Ivoire and the Dakar RoRo terminal in Senegal. Oil logistics division's acquisition of PMF – Petroplus Marketing France. Delisting of Plantations des Terres Rouges of which the Bolloré Group now holds 100%. Initial public offering (IPO) of Blue Solutions on the NYSE Euronext Paris market on October 30, 2013. Launch of Bluely car-sharing services (Lyon-Villeurbanne) and Bluecub (Bordeaux). Disposal of the remaining 6.4% held in Aegis, at the beginning of 2013.
- **2014:** sale of SAFA, which owned a plantation in Cameroon (SAFACAM), for a 9% interest in Socfinaf. Public exchange offer on Havas shares. Disposal in July 2014 of 16% of the Euro Media Group. Disposal of the 14% interest in Harris Interactive, as part of an offer made by Nielsen in February 2014. Inauguration of the Bluetram plant in Brittany. Experimental car-sharing system in Indianapolis (United States), Blueindy. Bids won in London to manage the RATP network of 1,400 charging terminals for 6-meter and 12-meter buses.
- **2015:** rise of the shareholding in Vivendi's share capital to 14.4%. Successful public share exchange offer on Havas bringing ownership up to 82.5%, followed by a placement of 22.5% to maintain liquidity in the shares, bringing ownership down to 60% of share capital. Awarded port concessions for Kribi in Cameroon, Dili in East Timor and Varreux in Haïti. Launch of the Blueindy electric car-sharing service in Indianapolis (United States). Inauguration of the new Bluetram plant. Presentation of the 12-meter long electric bus. Partnership with PSA Peugeot Citroën to develop and sell the E-Mehari.
- **2016:** opening of the 12-meter bus factory line, January 15, 2016. Launch of the electric car-sharing service in Turin, Italy, on March 18, 2016. Crossing of 20% threshold for capital and votes in Vivendi on October 7, 2016. Vivendi is accounted for using the equity method as from this date.
- **2017:** 195th anniversary of the Bolloré Group.

Overview of the Group and of the company at December 31, 2016

As at December 31, 2016, Financière de l'Odét directly and indirectly owned 64.4% of the share capital of Bolloré.

Bolloré carries out its activities in:

- international logistics (freight forwarding);
- transportation and logistics in Africa (port management, stevedoring, logistics);
- oil logistics;
- communications and media (advertising, free newspapers and telecoms, etc.);
- batteries and supercapacitors;

- plastic films for capacitors and packaging;
- electric vehicles;
- dedicated terminals and systems (IER);
- agricultural assets;
- management of a portfolio of shareholdings.

Bolloré acts as a holding company, employing 289 people assigned to various central functional services: Executive management, legal, taxation, IT, human resources, finance, accounting, management control, cash management, etc.

Bolloré drives and coordinates its operating divisions. Cash management of its subsidiaries is centralized at Bolloré, in order to achieve the best terms. Bolloré reinvoices its services on the basis of a number of distribution keys (time spent, workforce).

A total of 37 million euros was invoiced in 2016. All these services are provided under standard agreements, entered into under normal market conditions.

Key figures

INCOME STATEMENT

(in millions of euros)	2016	2015	2014 ⁽¹⁾
Turnover	10,075	10,824	10,604
Share in net income of operating companies accounted for using the equity method	42	22	19
Operating income	626	700	651
Financial income	158	181	(90)
Share in net income of non-operating companies accounted for using the equity method	21	104	67
Net income from discontinued operations	0	0	7
Taxes	(224)	(265)	(236)
NET INCOME	580	720	398
of which Group share	228	297	136

(1) Restated to reflect the amendment to IAS 16 and IAS 41.

NET OPERATING INCOME BY SEGMENT

(by business, in millions of euros)	2016	2015	2014
Transportation and logistics ⁽¹⁾	490	569	567
Oil logistics	54	37	26
Communications (Havas, media, telecoms, Vivendi)	282	255	211
Electricity storage and solutions	(168)	(126)	(120)
Other (agricultural assets, holdings)	(33)	(35)	(33)
OPERATING INCOME	626	700	651

(1) Before trademark fees.

BALANCE SHEET

(in millions of euros)	12/31/2016	12/31/2015	12/31/2014 ⁽¹⁾
Shareholders' equity	8,240	8,624	7,263
Shareholders' equity, Group share	3,601	3,808	3,495
Net debt	4,586	4,679	2,268
Market value of portfolio of listed securities ⁽²⁾⁽³⁾	4,555 ⁽²⁾	4,979 ⁽²⁾	2,178 ⁽²⁾

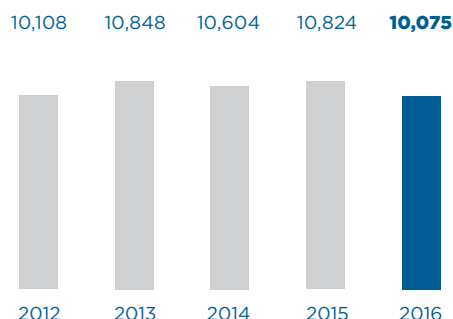
(1) Restated to reflect the amendment to IAS 16 and IAS 41.

(2) Taking into account the impact from financing on Vivendi securities in 2015 and the value of stock options at December 31, 2016.

(3) Excluding Group stock (see page 13).

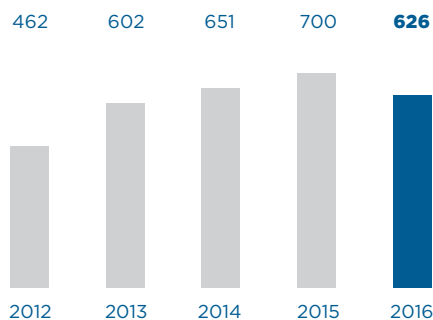
Change in turnover

(in millions of euros)



Change in operating income

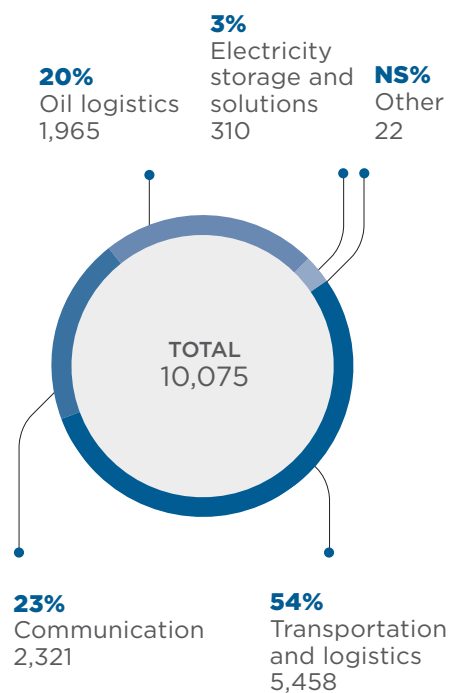
(in millions of euros)



Breakdown of 2016 turnover

BY BUSINESS

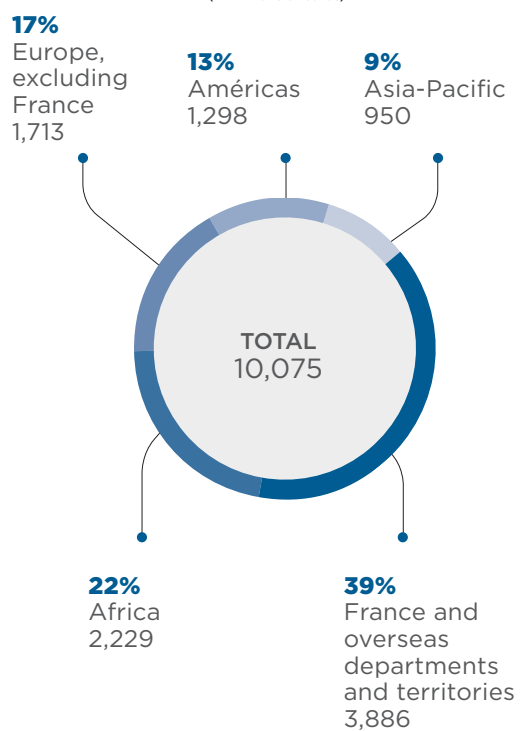
(in millions of euros)



Breakdown of 2016 turnover

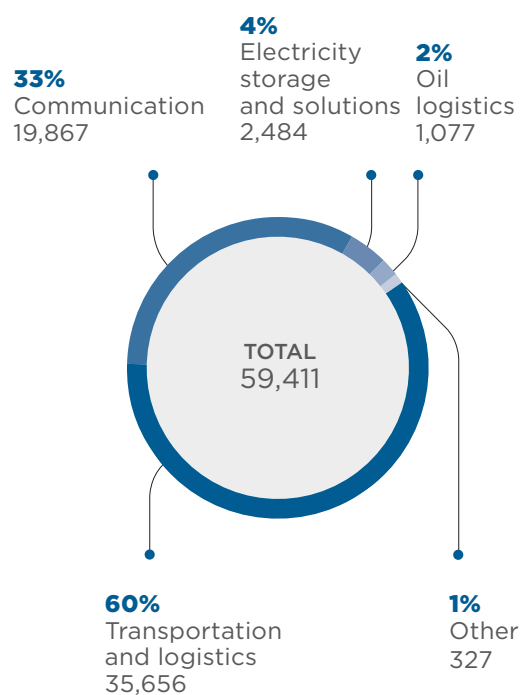
BY GEOGRAPHICAL AREA

(in millions of euros)



Breakdown of headcount at December 31, 2016

BY BUSINESS



Group information

TRANSPORTATION AND LOGISTICS

To be able to present a clear and attractive commercial offer, the Group has created four separate brands: Bolloré Ports, Bolloré Logistics, Bolloré Railways and Bolloré Energy. However, internal financial reporting based on the Group's geographic organization, as outlined below and in the appended accounts, remains unchanged, with several legal entities still covering several of these brands.

(in millions of euros)	2016	2015
Turnover	5,458	6,051
EBITDA ⁽¹⁾	689	767
Operating income ⁽¹⁾	490	569
Capital expenditure	345	426

(1) Before trademark fees.

Turnover for 2016 stood at 5,458 million euros, down by 7% at constant scope and exchange rates, mainly due to the drop in freight forwarding rates, the fall of raw materials prices which impacted a number of African countries (Gabon, Congo, Angola, Cameroon, etc.) and the decline in railway business, which at the end of 2015 integrated non-recurring items linked to the Benirail project. EBITDA was down 10% at 689 million euros, and mainly included:

- continued good performance of freight forwarding excluding Africa, in a context of volatile freight rates, and ports in Africa, with the exception of the terminals in Nigeria and Congo;
- the drop in earnings from the Railway business, which was penalized by a serious railway disaster in Cameroon, the fall in hydrocarbon traffic to Chad (Camrail) and the stoppage of the Benirail project;
- the fall in raw materials prices which continues to hold back logistics and handling activities in countries that are very dependent on oil and mining (Congo, Gabon, Angola, Mozambique, etc.), and also affects a number of port terminals (Nigeria, Congo, Cameroon).

Operating income, which stood at 490 million euros, still includes significant amortization relating to continued capital expenditure in Africa.

BOLLORÉ LOGISTICS

Bolloré Logistics offers full freight forwarding and logistics services worldwide, providing tailor-made solutions to each customer. Present in approximately one hundred countries, it ranks among the top ten global freight-forwarding and logistics groups⁽¹⁾.

In 2016, turnover stood at 3,085 million euros, down 7.8% at constant scope and exchange rates, due to the decline in freight rates, partly offset by the rise in volumes in freight forwarding and logistics. Operating income was stable compared to the previous year.

In France, operating income in freight forwarding continued to grow, supported by growth in the activity of our major customers in the distribution, luxury goods, healthcare and aeronautics sectors.

In Europe, profits in some countries, mainly the United Kingdom, Belgium and Spain were affected by a fall-off in industrial and mining projects.

In Asia-Pacific, earnings growth was boosted by healthy performances by subsidiaries in China and South Asia (India, Singapore, etc.).

In America, earnings rose, particularly in the US and Canada. In the Middle East, where the Group has been developing its presence in recent years, earnings grew satisfactorily.

Finally, the Group continued to expand its network with the opening of subsidiaries in Saudi Arabia, Austria, Lebanon and Canada.

BOLLORÉ AFRICA LOGISTICS

With operations in 46 countries, where it has close to 24,000 employees, Bolloré Africa Logistics has the largest integrated logistics network in Africa. In 2016, Bolloré Africa Logistics turnover stood at 2,373 million euros, down 6%, at constant scope and exchange rates. The slight increase in port terminal activity did not offset the slowdown in mining and oil operations in some African countries (Gabon, Congo, Angola and Cameroon) and in railway activities, which also included non-recurring items in 2015 related to the Benirail project.

In a difficult economic environment, the good results from port operations, in particular Abidjan Terminal in the Republic of Côte d'Ivoire, MPS in Ghana, Dakar Terminal in Senegal, and Freetown Terminal in Sierra Leone, benefited from higher volumes handled.

The impact of the falloff in mining and oil activities continues to hold back the logistics and port business in some countries (Congo, Gabon, Ghana, Liberia, Chad, Angola and Nigeria, etc.).

In East and South Africa, activity remained constant, with good results in Mozambique and Kenya, thanks to the contribution of projects and the impact of restructuring.

Operating results at the Railways business were affected by several factors: a catastrophic rail crash in Cameroon, a fall in oil and gas traffic from Cameroon to Chad (Camrail) and the Republic of Côte d'Ivoire to Burkina Faso (Sitarail), as well as the halt of the Benirail project due to a lawsuit between the Benin Government and the Petrolin group. Discussions are currently underway between the stakeholders to find a solution to this conflict.

In addition, the Bolloré Group continues to develop its network. It obtained an extension of the MPS-Tema port concession in Ghana with APMT, which represents a total investment of 1.1 billion US dollars, and financing arranged by the IFC. It was also selected by the East Timor authorities, advised by IFC-World Bank, to build and operate the deep-water port of Dili as part of a public-private partnership. The total investment amount of this project is estimated at 490 million US dollars, spread over the thirty years of the concession. Lastly, the Group signed the extension of the Freetown concession in Sierra Leone for 120 million US dollars, in order to double the port terminal's productivity within four years.

BOLLORÉ ENERGY

(in millions of euros)	2016	2015
Turnover	1,965	2,238
Operating income	54	37
Operating margin	2.8%	1.7%
Capital expenditure	18.5	23.7

Through Bolloré Energy, the Bolloré Group is a major player in oil logistics with 2.2 million m³ of storage capacity for finished oil products in France, Switzerland and Germany at 27 wholly or jointly-owned depots. In France, its storage capacity amounts to 1.8 million m³, representing 10% of the existing capacity and 0.4 million m³ in Switzerland, or 5% of the existing capacity. Lastly, Bolloré Energy, which operates the Donges-Metz pipeline through its SFDM subsidiary, transported 3.2 million m³ in 2016.

Bolloré Energy is also one of the leading independent distributors of oil products, such as domestic fuel, and diesel used as transport fuel and for off-road use. The Group also has a distribution operation in Switzerland and Germany.

The 12% decrease in turnover in 2016 is due primarily to the decline in the price of oil products. However, operating income for 2016 rose sharply to 54 million euros, compared with 37 million euros in 2015, mainly benefiting from:

- strong performance from distribution in France despite adverse climate conditions;
- the increase in Germany's results, driven by the sustained activity at the Calpam network of service stations;
- the good performance of logistics in France (SFDM);
- positive inventory effects.

(1) Source: in-house study based on financial communications from competitors.

Lastly, Bolloré Energy is continuing to develop its logistics business through the conversion of the former Petit-Couronne refinery (DRPC), bought in 2015. This oil warehouse has an exceptional location near consumer centers (capital and airports), with connections to the Le Havre – Paris pipeline, the motorway network and the Seine river-sea route. Upon completion of the rehabilitation work, DRPC will provide storage capacity of approximately 600,000 m³. These rehabilitation works will consolidate Bolloré Energy's distribution in the region and provide strategic reserves by the end of 2017.

COMMUNICATIONS

(in millions of euros)	2016	2015
Turnover	2,321	2,247
Operating income	282	255
Operating margin (in %)	12.1%	11.3%
Capital expenditure	95	74

The Group is continuing to grow in communications and media. It is active in advertising and research, free newspapers and telecoms. As a leading shareholder in one of the largest global communications consultancy groups, as at December 31, 2016, the Group owned 59.7% of the share capital of Havas, fully consolidated since September 2012.

Since the disposal of the digital terrestrial television stations D8 and D17 to Canal+ in 2012, the Group has become a shareholder in Vivendi. Following additional purchases, the Group owned 20.7% of the share capital⁽²⁾ at December 31, 2016. Turnover of 2,321 million euros, was up 3% at constant scope and exchange rates. It essentially corresponds to Havas' turnover (2,276 million euros).

Operating income was buoyed by the strong full-year performance of Havas and improved performance from media, along with a rise in spending in telecoms. It also includes a share of Vivendi's net income of 16 million euros as of October 7, 2016 the date from which Vivendi was accounted for in Bolloré's accounts using the equity method.

ADVERTISING AND MARKET RESEARCH

Havas

As at December 31, 2016, the Bolloré Group owned 59.7%⁽¹⁾ of Havas, on a fully consolidated basis.

Results for 2016 published by Havas showed further growth. The Group's consolidated turnover amounted to 2,276 million euros, with organic growth of +3% (+4% in Q4 2016), led by Europe and the upturn in North America. Current operating margin stood at 14.5%, up by 10 basis points, and operating income reached 297 million euros.

Net income, Group share, amounted to 177 million euros, compared with 172 million euros in 2015. As at December 31, 2016, net cash stood at 149 million euros, up 61 million euros versus 88 million euros at end 2015.

Net new business was robust over the fiscal year at 2,139 million euros, reflecting big new account wins in a number of countries in 2016 (with GSK, Swarovski, TracFone, TIM, etc.).

Further information can be obtained in the Havas registration document, available on its website: www.havas.com.

FREE NEWSPAPERS

CNews Matin (Direct Matin)

Launched in February 2007, *Direct Matin* is a free general-interest daily newspaper distributed in the main French urban areas via regional editions. The editorial content and layout of *Direct Matin* contrast with those of other free newspapers. *Direct Matin* uses the most exacting editorial processes to inform readers, allowing them to understand and take an in-depth look into news events.

All regional editions are distributed under the single *Direct Matin* brand, renamed *CNews Matin* on February 27, 2017. Over 900,000 copies⁽³⁾ of this free newspaper are distributed and it has nearly 2.4 million readers per issue⁽⁴⁾.

The digital version, Directmatin.fr, which was launched in March 2012, has on average 2.5 million visitors and more than 9 million page views per month⁽⁵⁾. Since the end of February 2017, it has been available online at www.cnewsmatin.fr.

TELECOMS

Bolloré Telecom

The Group has 22 regional WiMax licenses (a 3.5-GHz line for the transmission of broadband data), giving it national coverage. It continues to roll out the network under the agreement with ARCEP, which requires it to fit out the network between 2015 and 2017. At the end of January 2017, 4,000 stations were deployed, versus 2,941 stations at end June 2016. Cumulative expenditure at this stage amounted to approximately 150 million euros, including licenses and development costs.

Wifirst

The Bolloré Group also has a shareholding in the operator Wifirst, the leading supplier of wireless high-speed Internet access to student residences and hotel resorts. Wifirst continues to grow its installed base and had more than 410,000 sites equipped at end-December 2016, up 13% compared to 2015. 2016 turnover totaled 25 million euros, up by 27% compared with 2015. In addition, the contract signed with La Poste in 2015 has begun, with 1,900 branches equipped in 2016.

SHAREHOLDING IN VIVENDI

Vivendi

As at December 31, 2016, the Bolloré Group owned 20.7%⁽⁶⁾ of Vivendi, accounted for by the equity method as of October 2016. Vivendi's 2016 financial statements show stable overall turnover of 10.8 billion euros, reflecting a mixed underlying performance:

- increased revenue at Universal Music Group (+4.4% at constant scope and exchange rates);
- a decline in revenue at Canal+ group (–4.2% at constant scope and exchange rates) due to the fall in pay-TV in France and at Studiocanal, while international operations continued to grow (+6.8%), especially in Africa.

Net income, Group share, amounted to 1,256 million euros, declined by 35%, due to:

- net gains on disposals or businesses in the course of disposal of 20 million euros in 2016, compared to 1,233 million euros in 2015 including the 1,818 million euro gain on disposal of GVT (May 28, 2015);
- and net income, Group share, from ongoing activities of 1,236 million euros, up 77.0%.

The net cash position at December 31, 2016 was 1.1 billion euros, compared to 6.4 billion euros at end-2015). Note that an exceptionally high 4.2 billion euros was returned to shareholders as dividends during the year.

Further information can be obtained in the Vivendi registration document, available on its website: www.vivendi.com.

(1) Of which 25.8% indirectly held by Compagnie de Pleuven through Financière de Sainte-Marine, 6.0% by Bolloré, 15.0% by Société Industrielle et Financière de l'Artois and 13.0% by Compagnie du Cambodge.

(2) Of which 2.7% under a securities lending agreement and call options on 2.7% of share capital (see page 13).

(3) Source: OJD December 2016.

(4) Source: One 2015–2016.

(5) Source: Google analytics, December 2016.

(6) Including a securities lending agreement on 2.7% of share capital and the purchase of call options also on 2.7% of share capital.

ELECTRICITY STORAGE AND SOLUTIONS

(in millions of euros)	2016	2015
Turnover	310	265
Growth at constant scope and exchange rate	17%	9%
Operating income	(168)	(126)
Capital expenditure	207	250

Turnover from industrial activities (electricity storage, plastic films, terminals and specialist systems) rose 17%, to 310 million euros. The turnover generated by Blue Solutions with Blue Applications entities stands at 109 million euros (versus 120 million euros in 2015) and is eliminated at Bolloré Group level. The dedicated terminals business, sales of vehicles (in particular E-Mehari) and Bluebus posted steady growth, while car-sharing continued to grow.

The Group continued its operating expenditure and investment in electricity storage and applications. The growth in expenditure in 2016 is related mainly to developments in 12-meter electric bus activities, electric vehicles (E-Mehari) and stationary applications.

BLUE SOLUTIONS

Blue Solutions produces the electric Lithium Metal Polymer (LMP®) battery in its factories in Brittany and Canada. On October 30, 2013, Blue Solutions was listed on the NYSE Euronext Paris Stock Exchange at 14.50 euros. As at December 31, 2016, the share price was 11.50 euros, representing a market capitalization of 332 million euros.

In 2016, Blue Solutions' consolidated turnover amounted to 109.3 million euros, down 10% compared to 2015 (121.9 million euros). During 2016, Blue Solutions delivered 2,460 batteries, compared with 2,849 batteries at end-December 2015 (-14%).

The sustained level of business with Bluebus was not enough to offset the decline in sales for stationary applications. Sales to Bluecar, which declined marginally, were supported by battery deliveries to E-Mehari; deliveries for car-sharing fell due to the longer useful life of batteries installed in vehicles in service.

In addition, Blue Solutions acquired the US start-up Capacitor Sciences Incorporated, which specializes in studying and researching new molecules for storing electricity with a view to substantially improving the performance of LMP® batteries (density, cyclability and charge speed).

Blue Solutions holds options, exercisable between 2016 and 2018, over various entities which make up the Blue Applications scope: Bluecar, Bluecarsharing, Autolib', Bluebus, Bluetram, Blueboat, Bluestorage, IER and Polyconseil.

On March 23, 2017, the Board of Directors of Blue Solutions reviewed the company's position and outlook for the coming years. Electricity storage through batteries is now universally recognized as a substantial sector. However, competition is more significant and Blue Solutions wants more time to develop the benefits of its LMP® technology. This has won a series of sales successes in mobility applications (Autolib', car-sharing in Singapore, London and Los Angeles and electric buses). It also offers significant prospects in stationary applications. Meanwhile, the emergence of high-volume low-priced competition from lithium-ion technology has required a revision of sale volumes and prices for Blue Solutions batteries. This resulted in the following positions:

• Decision not to exercise options

In this respect, acting on a proposal from the Chief Executive Officer and on the basis of expert appraisal⁽¹⁾, the Board of Directors of Blue Solutions decided that it would not exercise the call options held concerning Blue Applications until their expiry, namely June 30, 2018, considering that it still required very significant investment and that it was preferable to focus Blue Solutions' efforts on improving its technology.

• Negotiations to be held between Blue Solutions and Bolloré

The Boards of Blue Solutions and Bolloré have decided to work together on the following objectives:

- put in place a new option exercise window;
- review the terms and conditions of the battery supply contract as provided for by the latter;
- agree on a new contract to provide Blue Solutions with financing from Bolloré, the previous commitment having ended in June 2016.

The outcome of these negotiations will be announced in a joint press release by Blue Solutions and Bolloré.

In this context, Bolloré offers those Blue Solutions' shareholders who wish to do so, the opportunity to sell their shares at 17 euros (see page 14 "Recent events and outlook").

BLUE APPLICATIONS

Car-sharing

The car-sharing services developed by the Bolloré Group have been successful with Autolib' in Île-de-France (Greater Paris area), launched in 2011, and Utilib' targeted at tradesmen, Bluely in Grand Lyon (Greater Lyon area) and Bluecub in the Bordeaux Urban Community, launched at end-2013. The Bolloré Group also launched a car-sharing system in Indianapolis (United States), named Blueindy, in September 2015, and in Turin (Italy), named Bluetorino, in October 2016. In addition, it was appointed to manage a network of charging terminals in London, named BluePointLondon, for which, at end 2016, it had installed 2,400 new generation terminals, developed and produced by the Group, to which another 750 terminals will be added in 2017. This charging point network will make it possible to open a car-sharing service in the near future. Furthermore, in 2016, the Group won new car-sharing projects in Singapore (June 30, 2016) and Los Angeles (December 19, 2016). By the end of 2017, the Group should operate seven car-sharing systems.

At end-2016, the car-sharing services had 118,000 annual Premium subscribers, versus 106,000 at end-2015, up +11%, over 7,800 charging terminals in 1,500 stations (including close to 6,200 in the Autolib' network spread across over 1,100 stations), some 4,900 Bluecar® vehicles in circulation (including 3,960 for Autolib'). They represent some 6 million rentals per year.

Bluebus

The Group also develops electric public transportation solutions with the manufacturing and selling of the 6-meter long Bluebus and, since late 2015, 12-meter long buses for which a new manufacturing factory was inaugurated in Brittany at the beginning of 2016.

In 2016, the Group delivered 38 6-meter long buses to communities and private companies and 22 12-meter long buses to RATP (a further 21 are to be delivered in 2017). These 12-meter long buses serve line 341, RATP's first fully-electric standard bus line, which was launched in May 2016.

Bluecar/E-Mehari

The Group produces, sells and rents several models of electric vehicles (Bluecar®, Blueutility and Bluesummer) to individuals, businesses and municipalities and has also developed vehicles tailored to the US and UK markets. It signed a strategic partnership agreement with PSA Peugeot Citroën to develop and market an electric vehicle, named E-Mehari, more than 900 of which were sold in 2016.

(1) Thierry Bergeras was appointed by the Commercial Court of Paris at November 30, 2016 as an expert and submitted his report on March 17, 2017.

Bluestorage

Other than mobility, the Group is also developing stationary renewable energy applications. Its Bluestorage subsidiary develops a whole range of energy storage solutions, from a few kWh to several MWh of stored energy, targeting different end customers: electricity grid operators and electricity consumers.

For electricity grid operators, solutions developed by Bluestorage allow in particular the uneven supply of renewable energies to be offset and thus strengthen the reliability of the networks. The storage means deployed also improve the economic performance of solar and wind farms by making electricity production periods coincide with peak consumption periods.

These solutions are as relevant for the large EnR power stations connected to the grid as for the electricity needs of off-grid regions. Several installations of this type are in place, including the Bluezones the Group has rolled out in Africa and, in collaboration with Vivendi, the Canal Olympia event venues in Africa, whose electricity supply is provided by storage systems developed by Bluestorage.

Bluestorage has also equipped installations to carry out industrial demand response and distributed load shedding. Whether at the grid manager level or at the industrial demand level, the objective is the same: to avoid sizing electricity production facilities to meet peak demand. By storing available energy during weaker demand periods, the Bluestorage systems help obviate the need for building new, often gas, production units.

The Group is also studying the existing potential regarding the lag in capital expenditure on the networks. By positioning storage facilities at strategic locations, the network operator can avoid having to review its transmission and distribution infrastructure, which is also sized to ensure energy transfers at peak times.

Lastly Bluestorage is developing solutions enabling the hybridization of generators often installed by industrials in off-grid regions. Thanks to the additional production resources through renewable energies and the use of Bluestorage solutions, diesel consumption and greenhouse gas emissions are significantly reduced.

DEDICATED TERMINALS AND SYSTEMS

IER, which installed all the subscription, rental and charging points for Autolib', Bluely, Bluecub, Blueindy, BluePointLondon and Bluetorino, as well as the onboard IT for Bluecar®, is now a major player in the market for smart connected charging infrastructure and remote geolocation and monitoring systems for vehicles.

2016 was marked firstly by expenditure related to BluePointLondon (–4.5 million euros) and secondly by the positive results of traditional businesses:

- in the field of terminals and self-service terminals, in particular with major deliveries for La Poste;
- in passenger monitoring solutions, which have benefitted from extensive studies on behalf of SNCF (at TGV boarding gates);
- and in safety, with strong performances in access control systems for pedestrians, passengers and vehicles growing both internationally (United States) and in Europe.

Polyconseil

Polyconseil, which delivers IT services and consulting and designs soft ware, also plays an important role in car-sharing systems and electricity storage solutions management.

Plastics films

Sales and operating income were down, due in the main to the downturn in the metallized film activity in the United States, which was not wholly offset by higher volumes of dielectric films.

OTHER ASSETS

SHAREHOLDINGS

While developing each of its operational business lines, the Group has consistently sought to maintain industrial capital comprising assets that may be sold if needed, or, if needed form the basis of new businesses. As at December 31, 2016, the Financière de l'Odé Group's portfolio of listed securities amounted to nearly 4.6 billion euros⁽¹⁾.

As at December 31, 2016, the portfolio of listed securities primarily comprised the following shareholdings:

Vivendi⁽²⁾

In the first half of 2016, the shareholding increased to 15.3% of share capital following share cancellations by Vivendi. In October 2016, the Group completed the early unwinding in cash of the April 2015 financing and hedging transaction covering 34 million shares, 2.6% of the share capital. At the same time, the Group entered into a securities loan agreement, maturing June 25, 2019, concerning 34.7 million shares (2.7% of the share capital) and bought call options on an additional 34.7 million shares (2.7% of the capital), exercisable at any time up to June 25, 2019. The Group also obtained a new 300 million euro financing for its Vivendi shares, maturing in March 2022.

As a result of these transactions, the Group crossed the 20% threshold in Vivendi's share capital and voting rights. Taking into account double voting rights, the Group exceeded 25% of the voting rights on March 6, 2017 and will hold, by April 20, 2017, approximately 29% of Vivendi's voting rights. These transactions reflect the confidence the Group has in Vivendi's growth potential and its willingness to remain the leading shareholder of the company in the long term.

The company was accounted for under the equity method in the Group's consolidated financial statements from October 2016.

The market value of the shareholding (including call options and excluding securities loans) was 3,645 million euros at December 31, 2016.

Mediobanca, Generali, UnipolSai

The market value of shareholdings in Italy, in Mediobanca⁽³⁾ (8.0%), Generali (0.13%) and UnipolSai (0.04%)⁽⁴⁾, amounted to 570 million euros as at December 31, 2016. The main shareholding is Mediobanca, in which the Group is the second-largest shareholder with three representatives on the Board of Directors.

Socfin

The Group holds 38.8% of Socfin, 21.8% of its subsidiary Socfinasia and 8.6% of Socfinaf, representing a market value of 250 million euros as at December 31, 2016.

Other shareholdings

As at December 31, 2016, the Group, which invested 7 million euros in Vallourec's capital increase⁽⁵⁾ in April 2016, holds 1.2% of Vallourec's share capital with a market value of 36 million euros. It also holds 9.6% of the capital of Gaumont⁽⁵⁾, representing a market value of 23 million euros, and 21.2% of Bigben Interactive⁽⁵⁾ for a market value of 27 million euros at end-December 2016.

PLANTATIONS AND OTHER AGRICULTURAL ASSETS

Socfin⁽⁶⁾

The Group directly holds 38.8% of Socfin, 21.8% and 8.6%, respectively, of its subsidiaries Socfinasia and Socfinaf. Socfin manages rubber tree and oil palm plantations in Indonesia and in several countries in Africa (Liberia, Cameroon, Congo, Republic of Côte d'Ivoire, Nigeria) representing 189,000 hectares.

Although the general level of production in plantations is satisfactory, the results are generally stable based on the price of sales which remain weak.

(1) Taking into account the value of share call options on Vivendi securities at December 31, 2016.

(2) Accounted for using the equity method since October 7, 2016.

(3) Equity method.

(4) Including 0.02% held by Financière de l'Odé.

(5) Not consolidated.

(6) Company data before restatement under IFRS. Socfin group plantations are accounted for under the equity method in the Bolloré financial statements.

The average price of palm oil in 2016, up 13%, has fluctuated considerably for several months, and the average price for rubber in 2016 has remained stable despite the sharp recovery seen at the end of the year. In Indonesia, the net income of Socfindo, which farms 48,000 hectares of oil palms and rubber trees, was down slightly at 40.5 million euros, versus 42.6 million euros in 2015, due to lower average rubber sales prices than in 2015. The plantations in Republic of Côte d'Ivoire, Cameroon, Liberia and Nigeria, which posted total net income of 31.9 million euros, versus 33.2 million euros in 2015, were penalized by lower prices and poorer climate conditions for production than last year. In Congo, the Brabanta plantations posted their second annual loss since coming into production, but losses were lower than in 2015, thanks to the rise in quantities produced and sales of palm oil.

American farms

The three farms in George and Florida cover 3,300 hectares and are managed by Socfin group. Capital expenditures of 33 million US dollars (31 million euros) are underway to convert 1,800 hectares into olive groves by 2018. First production is expected in 2019. EBITDA in 2016, generated by renting the farm in Florida, was 0.4 million dollars (0.4 million euros), against 0.1 million dollars (0.1 million euros) in 2015.

Vineyards

The Group owns two wine-growing estates in the south of France, including Domaine de La Croix (*cru classé*) and Domaine de La Bastide Blanche. They cover 242 hectares, to which 116 hectares of wine-growing rights are attached. 2016 turnover was 3.5 million euros, down by 9% on 2015; it was affected by the weather and a security situation that discouraged consumption. The good vintages of 2016 resulted in production of 732,000 bottles, a rise of 15% compared to 2015.

RECENT EVENTS AND OUTLOOK

Bolloré, which made an initial public offering of Blue Solutions in late 2013 at 14.50 euros per share, while remaining confident on the outlook for LMP® technology but wishing to maintain a reasonable pace of development and to continue investing for the long term, will offer those shareholders who wish to relinquish their equity an early opportunity to sell their Blue Solutions stock at 17.00 euros per share. To this end, a proposed tender offer will be filed with the French financial markets authority (Autorité des marchés financiers – AMF) before the end of the 2017 first half-year, namely once an independent expert has been appointed to assess whether the offer price is fair. Bolloré would like to make it clear at this point that it has no plans to carry out a squeeze-out following this offer.

Shareholders who decide not to accept this offer to remain invested in Blue Solutions will have a second opportunity to exit following the publication of the 2019 financial statements. In this context, if the Blue Solutions share price at that time is below 17 euros, Bolloré will file a new public offering on the same price terms as the first. Further details on this commitment will be provided in the circular for the first public offering.

In January 2017, Bolloré SA conducted a bond issue for an amount of 500 million euros, bearing interest at 2%, with a maturity of five years. This new issue enables the Bolloré Group to continue diversifying its sources of financing and to extend the average maturity on its debt.

In January 2017, the Group signed an electric vehicle car-sharing agreement with the authorities in Singapore.

Bolloré, which holds approximately 10% of the share capital of Gaumont, has reviewed the announcement of a public share buyback offer at 75 euros per share. As a long-term shareholder of Gaumont, in which it invested in 2001, Bolloré has decided to support the proposal made to the Gaumont shareholders and will therefore submit its shares to the offer. The sale of its stake at a price of 75 euros would represent for Bolloré an amount of 31 million euros, for a consolidated capital gain of more than 100% compared to its initial investment, and of more than 130% taking into account dividends received.

The Vivendi Shareholders' meeting of April 25, 2017, in particular renewed the appointment of Vincent Bolloré for four years and ratified the co-option of Yannick Bolloré as a member of the Supervisory Board. At the end of the meeting, Vivendi's Supervisory Board reappointed Vincent Bolloré as Chairman.

Also, the European Commission announced in a press release on April 25, 2017, that it had authorized Bolloré's sole control of Vivendi.

In light of these developments, the Group decided to fully consolidate Vivendi in its consolidated financial statements as from April 26, 2017.

Comments on the consolidated financial statements for the fiscal year

REVENUES WERE DOWN 5% AT CONSTANT SCOPE AND EXCHANGE RATES

At constant scope and exchange rates, turnover for 2016 was down 5%. This was due to a 12% decline in the oil logistics business as a result of lower oil product prices and volumes, and a 7% drop in the logistics and transportation business due to lower freight rates in freight forwarding, the decline in raw materials prices which affected a number of African countries and the decline in the rail operations. It also incorporates the good performance in Communications (+3%) businesses, and the growth in the Electricity storage and solutions business (+17%).

On an unadjusted basis, foreign currency fluctuations primarily impacting the Transportation and logistics and Communications businesses have a negative effect of 252 million euros on the Group's turnover.

2016 EBITDA STOOD AT 1,020 MILLION EUROS, DOWN 8%, AND OPERATING INCOME AT 626 MILLION EUROS, DOWN 11%

The Group's operating income totaled 626 million euros, down 11% compared with fiscal year 2015, on account of:

- the decline in operating results from the Transportation & Logistics business. The performance of freight forwarding in Europe, Asia, the United States and port terminals in Africa, with the exception of mainly Nigeria and Congo, did not enable to offset the decline in logistics results, following the decline in oil, raw material and rail prices, which experienced a sharp downturn;
- solid results in the oil logistics business, thanks to the good performance of distribution and storage in France and business in Germany;
- growth in the communications segment thanks to the stronger results from Havas and the Media division. The result also includes 16 million euros corresponding to Vivendi's share of net income over the last three months of the year, with Vivendi being accounted for by the equity method as of October 7, 2016;
- and increased expenses in Electricity storage (batteries and electric vehicles).

NET INCOME, GROUP SHARE, AMOUNTED TO 228 MILLION EUROS IN 2016, DOWN 23%

- Financial income amounted to 158 million euros, compared with 181 million euros in 2015. It includes dividends received from Vivendi in the net amount of 325 million euros, the same as in 2015, but was offset by 38 million euros in negative currency effects.
- The share in net income of non-operating companies accounted for using the equity method, which totaled 21 million euros, compared with 104 million euros in 2015. In particular, it was offset by the depreciation of Mediobanca shares for a negative amount of 47 million euros, compared to a 28 million euro recovery in 2015.

Given these factors, consolidated net income amounted to 580 million euros, compared with 719 million euros in 2015, after consideration of 224 million euros in taxes (265 million euros in 2015). Net income, Group share, amounted to 228 million euros, compared with 297 million euros in 2015, down by 23%.

NET DEBT STOOD AT 4,586 MILLION EUROS AND THE MARKET VALUE OF THE PORTFOLIO STOOD AT 4,555 MILLION EUROS

- Net debt amounted to 4,586 million euros, down 224 million euros in the second half of 2016 and 93 million euros over the year.
- Shareholders' equity stood at 8,240 million euros, down by 384 million euros due to the decline in market values.
- The net debt to equity ratio was 56%, compared to 62% as of June 30, 2016 and 54% at the end of 2015.
- The market value of the portfolio of listed securities (Vivendi, Mediobanca, groupe Socfin, etc.) totaled 4,555 million euros at December 31, 2016.
- The Group's liquidity⁽¹⁾ was up, with an undrawn available amount of more than 2.3 billion euros at the end of February 2017, compared with 1.9 billion euros at the end of 2016, and the same amount at the end of 2015, and incorporated a new five-year bond issue of 500 million euros with a 2% coupon, which was completed in January 2017. The average maturity of the debt also increased to 3.6 years.

PROPOSED DIVIDEND: 1.00 EURO PER SHARE

The Board of Directors will propose to the General Meeting on June 1, 2017 the distribution of a dividend of 1 euro per share. The ex-dividend date for the interim dividend will be June 12, 2017 and payment will be made on June 14, 2017.

Comments on separate results for the period

Net income totaled 106.5 million euros in 2016 and is stable compared to 2015. These results essentially include dividends received from Bolloré SA less interest expenses.

Allocation of earnings for the period

Net income for the fiscal year was 106,488,840.86 euros. Your Board recommends allocating distributable profit as follows:

(in euros)	
Net income for the period	106,488,840.86
Retained profit carried over	291,091,889.97
Appropriation to the legal reserve	–
Distributable profit	397,580,730.83
Dividend	6,585,990.00
To the account "Amount carried forward"	390,994,740.83

The final dividend to be distributed for the fiscal year is thus set at one (1) euro per 16-euro par share.

In accordance with the law, it is stipulated that dividends received by natural persons domiciled for tax purposes in France are subject to the progressive scale of income tax, after application of a rebate of 40%, the annual fixed allowance being abolished.

When they are paid, they will be subject to withholding tax at the rate of 21% and can be offset against income tax owed for the year during which payment was made. Persons whose reference tax income for the prior year is less than a certain amount (50 thousand euros for single, widowed or divorced taxpayers, 75 thousand euros for taxpayers subject to joint taxation) may apply to be exempted from this withholding tax.

The amounts thus distributed will become payable on June 14, 2017.

Distribution of dividends for the past three fiscal years

The dividends per share distributed for the last three fiscal years, and the distributed income eligible for tax relief under article 158-2 and 3 of the French General Tax Code were as follows:

Fiscal year	2015	2014	2013
Number of shares	6,585,990	6,585,990	6,585,990
Dividend (in euros)	1 ⁽¹⁾	1 ⁽¹⁾	0.50 ⁽¹⁾
Amount distributed (in millions of euros)	6.6	6.6	3.3

(1) Dividends received by natural persons domiciled in France for tax purposes are subject to the progressive scale of income tax, after the application of a 40% rebate, the annual fixed allowance having been abolished. When they are paid, they will be subject to withholding tax at the rate of 21% and can be offset against income tax owed for the year during which payment was made.

Persons whose reference tax income for the prior year is less than a certain amount (50 thousand euros for single, widowed or divorced taxpayers, 75 thousand euros for taxpayers subject to joint taxation) may apply to be exempted from this withholding tax.

Time limit on dividend entitlement

The legal time limit after which dividend entitlement lapses is five years from the date of payment. Dividends left unclaimed after this five-year period will be paid to the State.

Non-deductible expenses

There were no charges or expenses incurred over the past fiscal year that were not deductible from taxable income, pursuant to article 39-4 of the French General Tax Code.

Changes to the presentation of the financial statements

The rules applied by the company for the presentation of its financial statements are compliant with the regulations in force and are identical to those adopted in the previous fiscal years.

(1) Excluding Havas.

Details of payment terms

As required by articles L. 441-6-1 and D. 441-4 of the French company law (*Code de commerce*), the following table sets out details of trade payables and other accounts payable, broken down by due date, at December 31, 2016.

Maturity at due dates (D = 12/31/2016) (in thousands of euros)	Debts payables overdue at year end	Maturity at					Beyond due date	Total
		D+15	Between D+16 and D+30	Between D+31 and D+45	Between D+46 and D+60	Beyond D+60		
Suppliers								
Suppliers of non-current assets								
Total payable								
Invoices not received							164	164
Other								
TOTAL TRADE AND ACCOUNTS PAYABLE							164	164

Maturity at due dates (D = 12/31/2015) (in thousands of euros)	Debts payables overdue at year end	Maturity at					Beyond due date	Total
		D+15	Between D+16 and D+30	Between D+31 and D+45	Between D+46 and D+60	Beyond D+60		
Suppliers								
Suppliers of non-current assets								
Total payable								
Invoices not received							159	159
Other								
TOTAL TRADE AND ACCOUNTS PAYABLE							159	159

Acquisitions of direct shareholdings

Name of each French company (commercial, civil, etc.) having its registered office in France	Direct shareholdings acquired in 2016 (the figures given below relate to the highest percentage of voting rights held during 2016)		Total shareholding at 12/31/2016	
	% in share capital	% in voting rights	% in share capital	% in voting rights
Bolloré	63.84	77.70	63.84	77.63

Acquisitions of controlling interests

The figures given below relating to the acquisitions of controlling interests (article L. 233-6 of the French company law – *Code de commerce*) are based on the highest percentage held during the year.

Company (percentage in voting rights)	Indirect shareholdings acquired in 2016 (the figures given below relate to the highest percentage of voting rights held during 2016)	Control (direct and indirect) as at 12/31/2016
BETC Kitchen ⁽¹⁾	100.00	100.00
Compagnie de Concarneau	99.00	100.00
Compagnie de Loctudy	99.00	100.00
Financière de Brocéliande	99.00	100.00
Financière de l'Argoat	99.00	100.00
Havas 21 ⁽¹⁾	100.00	100.00
Havas 22 ⁽¹⁾	100.00	100.00
Havas 23 ⁽¹⁾	100.00	100.00
Havas 24 ⁽¹⁾	100.00	100.00
Kribi Terminal Holding	51.00	51.00
Le Magazine Général ⁽¹⁾	100.00	100.00
MCJV ⁽²⁾	50.00	50.00

(1) Direct or indirect subsidiaries of Havas.

(2) Joint control between PSA Peugeot Citroën and Bluecarsharing.

Information on the shareholder base

Major shareholders or groups of shareholders at December 31, 2016:

	Number of shares	%	Number of votes (AMF General Regulation, art. 223- 11 par. 2)	%	Number of votes exercisable at Meetings	%
Sofibol ⁽¹⁾	3,291,781	49.98	6,583,562	64.26	6,583,562	83.29
Compagnie de Guénolé ⁽²⁾	346,837	5.27	693,674	6.77	693,674	8.78
Other Bolloré Group companies ⁽³⁾	30	0.00	59	0.00	59	0.00
Compagnie du Cambodge ⁽⁴⁾	1,259,288	19.12	–	–	–	–
Société Industrielle et Financière de l'Artois ⁽⁴⁾	370,807	5.63	–	–	–	–
Financière Moncey ⁽⁴⁾	324,535	4.93	–	–	–	–
Plantations des Terres Rouges ⁽⁴⁾	604	0.01	–	–	–	–
Socfrance ⁽⁴⁾	10	0.00	–	–	–	–
Nord-Sumatra Investissements SA ⁽⁴⁾	14,7960	2.25	–	–	–	–
Imperial Mediterranean ⁽⁴⁾	237,875	3.61	–	–	–	–
Companies holding treasury shares subtotal	2,341,079	35.55	–	–	–	–
Bolloré Group subtotal	5,979,727	90.79	7,277,295	71.03	7,277,295	92.07
Public	606,263	9.21	626,779	6.12	626,779	7.93
Difference ⁽⁵⁾	–	–	2,341,079	22.85	–	–
TOTAL	6,585,990	100.00	10,245,153	100.00	7,904,074	100.00

(1) Indirectly controlled by Vincent Bolloré and family.

(2) Directly controlled by Sofibol.

(3) Includes Bolloré Participations, Financière V and Omnium Bolloré.

(4) Treasury shares.

(5) Corresponding to shares owned by the companies referred to in (4) and stripped of voting rights.

As far as the company is aware, no other shareholder apart from those listed in the table above holds more than 5% of the company's share capital or voting rights.

At December 31, 2016, there were 210 shareholders with registered shares, and 87 with an administered account (source: list of shareholders published by Caceis Corporate Trust).

No shareholder agreement exists between the shareholders of the company. Moreover, the company holds no treasury stock.

At December 31, 2016, there were no registered shares pledged as collateral. According to information received by the company, the directors together held about 0.035% of the company's share capital and about 0.029% of the voting rights at December 31, 2016. The percentage of share capital held by Group employees under the terms of article L. 225-102 of the French company law (*Code de commerce*) is 0.37%.

Agreements under article L. 225-38 of the French company law (*Code de commerce*)

We point out that no new agreements or commitments were subject to the procedure of article L. 225-38 of the French company law (*Code de commerce*) for the previous fiscal year.

REVIEW OF AGREEMENTS APPROVED DURING PREVIOUS FISCAL YEARS AND CONTINUED DURING THE YEAR

In accordance with the provisions of article L. 225-40 of the French company law (*Code de commerce*), the Board of Directors, at its meeting on March 23, 2017, examined the agreements signed and authorized in previous years whose performance continued in 2016 and noted that the reasons for signing the agreements and the different interests that presided over their implementation are still applicable.

As part of its annual review, the Board examined the following agreements:

- the collective commitment to retain custody of Bolloré shares made between Financière de l'Odé, Chantal Bolloré, Vincent Bolloré, Yannick Bolloré and Cédric de Bailliencourt;
- service agreement entered into with Bolloré Participations which stipulates that the latter will contribute its assistance and collaboration to Financière de l'Odé in the following areas.

Financial

- Relations with banks: discussion of banking terms.
- Examination and presentation of loan applications.
- Assistance in any financial planning.
- Assistance in preparing budgets and when monitoring budget implementation.
- Leading and managing the monitoring of working capital requirement.

Legal

- Assistance conducting restructuring operations in terms of acquisition, negotiation and drawing up contracts.

Strategic actions

- Developing strategy and leadership.
- Examination of investment and development projects.
- Analysis of synergies.
- Assistance with strategic decision-making.

Assistance with company management

In 2016, Bolloré Participations received a lump sum of 460,637 euros before tax in compensation for its assistance under the service agreement.

SPECIFIC INFORMATION RELATING TO AGREEMENTS ENTERED INTO BY SUBSIDIARIES

Furthermore, in accordance with the provisions of article L. 225-102-1 of the French company law (*Code de commerce*), we note that no agreement relating to this specific information was signed during the past year by a company subsidiary with the Chief Executive Officer, the Deputy Chief Executive Officer, one of the directors or a shareholder holding more than 10% of the voting rights of Financière de l'Odé.

Internal charter on the typology of agreements

At its meeting of March 21, 2013, the Board of Directors convened to examine proposals related to regulated agreements as issued by the Autorité des marchés financiers (AMF recommendation no. 2012-05 – meetings of shareholders of listed companies – published on July 2, 2012), approved an internal charter for characterizing agreements and whose terms are set out below:

"Internal charter characterizing agreements. Within the framework of the regulations established by articles L. 225-38 to L. 225-43, R. 225-30 to R. 225-32 and R. 225-34-1 of the French company law (*Code de commerce*) and the recommendation of the Autorité des marchés financiers (AMF) no. 2012-05 – meetings of shareholders of listed companies – published on July 2, 2012, the Board of Directors, at its meeting of March 21, 2013, decided to establish the typology of agreements, which due to their character and terms are not subject to any formalities.

The following are regarded as current transactions concluded under normal conditions and therefore not subject to any formality:

- invoices from Bolloré SA to other group companies related in particular to administrative assistance or management services;
- invoices from all group companies related to disposal of assets with a limit of 1.5 million euros per transaction;
- options or authorizations given within the framework of a Group tax regime (tax consolidation agreement);
- disposals of securities of minor importance that are purely administrative in nature, or disposals of securities as part of a reclassification of securities occurring between the company and natural persons or legal entities (having links with the company as defined in article L. 225-38 of the French company law (*Code de commerce*) for up to 500,000 euros per transaction, whereby transactions relating to listed companies have to be carried out at a price corresponding to an average of the prices listed in the last twenty trading days;
- transfers between the company and one of its directors of a number of securities equal to that set for exercising his/her duties as a company officer within the issuer of securities transferred;
- cash management and/or loan transactions, provided the transaction is carried out at the market rate with a maximum differential of 0.50%."

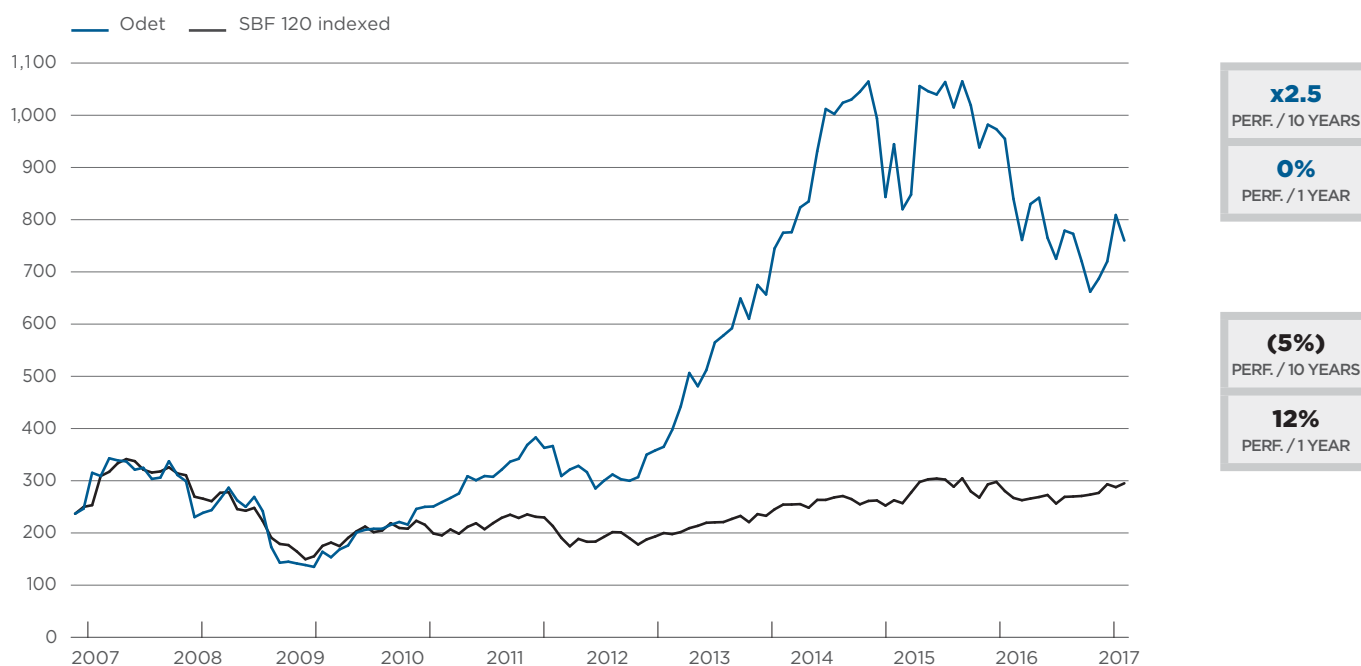
Stock exchange data

	2016	2015	2014
Share price as of December 31 (in euros)	720	954.9	820.0
Number of shares as of December 31	6,585,990	6,585,990	6,585,990
Market capitalization as of December 31 (in millions of euros)	4,741.91	6,289	5,401
Number of shares issued and potential shares ⁽¹⁾	4,244,911	4,244,911	4,244,911
Diluted net income per share, Group share (in euros)	53.82	70.0	38.98
Net dividend per share (in euros)	1.0	1.0	0.50

(1) Excluding treasury shares.

Change in the Financière de l'Odét share price

as of March 20, 2017 (in euros, monthly average)



Directors' fees

The overall maximum amount of directors' fees that the Board of Directors may allocate to its members was set at 300,000 euros by the Ordinary General Meeting of June 3, 2016 until any further resolution of the General Meeting. In accordance with the decision of the Board on September 1, 2016, directors' fees were distributed between the directors, and when the appointment or co-option occurs during the fiscal year in which the directors' fees are allocated by proportions equal to the pro rata of the period during which the Board members exercised their functions.

Furthermore, and in accordance with the Board decision of March 22, 2012, each director who is also a member of the Audit Committee receives, for each fiscal year, an additional 10,000 euros payable from the overall amount of directors' fees.

Eighteen-month Financière de l'Odet share price performance

	Average price (in euros)	Highest price (in euros)	Lowest price (in euros)	Shares traded	Capital traded (in thousands of euros)
September 2015	938.35	1,010.00	907.6	4,926	4,771
October 2015	982.00	982.50	903.0	4,943	4,638
November 2015	973.30	1,005.00	920.0	5,662	5,513
December 2015	954.85	985.95	905.2	2,946	2,776
January 2016	840.00	960.00	801.2	6,586	5,647
February 2016	761.10	850.95	749.0	10,049	7,968
March 2016	830.00	838.00	755.0	7,739	6,098
April 2016	842.00	882.20	786.00	9,595	7,808
May 2016	765.20	849.80	763.35	10,316	8,167
June 2016	725.00	800.00	550.00	13,947	10,082
July 2016	779.00	779.00	710.00	5,645	4,133
August 2016	772.95	798.20	730.10	2,714	2,094
September 2016	720.10	785.00	720.00	4,072	3,022
October 2016	662.00	744.30	655.00	5,316	3,713
November 2016	686.95	693.75	612.00	9,674	6,391
December 2016	720.00	739.00	645.20	7,442	5,324
January 2017	809.00	829.95	728.00	6,867	5,369
February 2017	760.00	817.00	755.35	3,668	2,923

Table summarizing current delegations

GRANTED BY THE SHAREHOLDERS' MEETING TO THE BOARD OF DIRECTORS IN RELATION TO CAPITAL INCREASES, IN ACCORDANCE WITH ARTICLES L. 225-129-1 AND L. 225-129-2 (ARTICLE L. 225-100 PARAGRAPH 7 OF THE FRENCH COMPANY LAW [CODE DE COMMERCE])

Authorizations	Date of General Meeting resolution	Duration (maturity)	Maximum amount (in euros)	Use
Issue of securities giving access to equity capital with preferential subscription rights	Extraordinary General Meeting June 4, 2015	26 months (August 4, 2017)	Borrowing: 600,000,000 Share capital: 400,000,000	Not used
Issue of ordinary shares to be paid for by incorporation of reserves, profits or premiums or by raising the nominal value	General Meeting Extraordinary June 4, 2015	26 months (August 4, 2017)	400,000,000 ⁽¹⁾	Not used
Delegation to carry out a capital increase to provide remuneration for shares contributed or securities giving access to equity	Extraordinary General Meeting June 4, 2015	26 months (August 4, 2017)	10% of capital	Not used
Delegation to carry out a capital increase reserved for employees under the periodic obligation set out in article L. 225-129-6 paragraph 2 of the French company law (Code de commerce)	Extraordinary General Meeting June 4, 2015	26 months (August 4, 2017)	10% of capital	Not used

(1) Sum imputed to capital increases to be realized by issuing securities with preferential subscription rights.

Chairman's report on the composition of the Board of Directors and the conditions for the preparation and organization of its work, as well as on the internal control and risk management procedures implemented by the company

In accordance with article L. 225-37 of the French company law (*Code de commerce*), the Chairman of the Board of Directors reports to shareholders in this report, which was approved by the Board meeting held on March 23, 2017, (i) on the composition "of the Board and the application of the principle of the balanced representation of men and women on the Board", and conditions for the preparation and organization of its work, (ii) the corporate governance information, (iii) the conditions related to shareholders' attendance at the General Meeting and (iv to viii) the internal control and risk management procedures implemented by the company.

The elements used for the preparation of this report are based on interviews and meetings with management of the various operational divisions and central departments of the Group and with the Audit Committee. In particular, this work was conducted by the Group's Legal Affairs and Internal Audit Departments, under the supervision and coordination of the Finance Department and the Financial Communications Department.

The Group's internal control rules apply to companies within the financial statement consolidation scope according to full or proportional consolidation methods.

COMPOSITION OF THE BOARD OF DIRECTORS AND CONDITIONS FOR THE PREPARATION AND ORGANIZATION OF ITS WORK

COMPOSITION OF THE BOARD OF DIRECTORS

In accordance with statutory provisions, the directors are appointed by the Ordinary General Meeting and the Board may, under the conditions laid down by law, make temporary appointments.

The Board must comprise at least three and at most eighteen members, subject to the waiver provided for by law in the event of a merger.

Their term of office is three years and they may be re-elected.

The Board has 17 members: Vincent Bolloré (Chairman of the Board of Directors), Cédric de Bailliencourt (Vice-Chairman and Chief Executive Officer), Bolloré Participations (represented by Marc Bebon), Chantal Bolloré, Cyrille Bolloré, Marie Bolloré, Socfrance (represented by Sébastien Bolloré), Yannick Bolloré, Valérie Coscas, Financière V (represented by Marie-Annick Darmaillac) Hubert Fabri, Omnium Bolloré (represented by Janine Goalabré), Céline Merle-Béral, Alain Moynot, Olivier Roussel, Martine Studer and François Thomazeau.

The Board of Directors, which counts seven women among its members, thus complies with the timetable set by the law of January 27, 2011 on balanced representation of women and men on boards of directors and supervisory boards and on professional equality.

In accordance with the legal and regulatory provisions in force, full details of the members of the Board are available in the annual report.

Of the 17 members of the Board and in accordance with the independence criteria confirmed by the Board of Directors at its meeting of March 23, 2017, Valérie Coscas, Hubert Fabri, Alain Moynot, Olivier Roussel, Martine Studer and François Thomazeau are considered independent.

POWERS OF THE CHIEF EXECUTIVE OFFICER

The Board of Directors, at its meeting on June 3, 2016, decided to separate the functions of Chairman and Chief Executive Officer and renewed Vincent Bolloré's term of office as Chairman of the Board.

In its deliberations on the organization and role given to the company within the Group, the Board of Directors decided that a separation of functions was the most appropriate method of governance.

Subject to the powers accorded by law to General Meetings and to the Board of Directors and within the scope of the company's corporate purpose, the Chief Executive Officer is granted the broadest powers to act in the name of the company in all circumstances.

Cédric de Bailliencourt was approved as Chief Executive Officer and Vice-Chairman by the Board meeting of June 3, 2016.

MEETINGS OF THE BOARD OF DIRECTORS

In accordance with article 13 of the articles of association, the directors may be called to Board meetings by any means, at either the registered office or any other place.

Meetings are convened by the Chairman or the Vice-Chairman and Chief Executive Officer. The Board will validly deliberate only if at least half of its members are present.

Decisions are taken on a majority of members present or represented, the Chairman of the meeting having the casting vote in the event of a tie.

In order to enable as many directors as possible to attend the Board meetings:

- the provisional meeting dates will be set several months in advance and any changes to the date will be made following consultation to enable as many directors as possible to attend;
- the bylaws of the Board of Directors authorize, with the exception of the transactions set out in articles L. 232-1 (preparation of the financial statements and management report) and L. 233-16 (preparation of Group consolidated financial statements and management report) of the French company law (*Code de commerce*), participation in Board deliberations by videoconference.

DUTIES OF THE BOARD OF DIRECTORS

The Board of Directors decides on the overall direction of the company's activities, supervises the carrying out of its activities, decides on whether the offices of Chief Executive Officer and Chairman of the Board can be held concurrently, and approves the Chairman's draft report. Subject to the powers expressly attributed to the General Meeting, and within the scope of the company's purpose, it deals with all matters affecting the proper and successful running of the company, and its resolutions govern those matters that come within its scope.

It also makes such controls and checks as it deems fit when reviewing and approving the financial statements and when nominating members to the Audit Committee.

ORGANIZATION OF THE WORK OF THE BOARD OF DIRECTORS

Two weeks before the Board meets, a convening notice is sent to each director together with a draft of the minutes of the previous meeting, so that they can make any comments on the draft before the actual Board meeting.

This allows the Board meeting to be devoted to discussing the agenda.

For each Board meeting, a complete report setting forth each of the items on the agenda is submitted to all the directors, who may request any other information that they consider useful. Discussions are conducted with the constant aim of encouraging an exchange between all the directors on the basis of complete information, and with careful attention to keeping the discussion focused on the important issues, especially those of a strategic nature.

Over the fiscal year, the Board met four times and was called upon to give its opinion on points which included the following:

Meeting of March 24, 2016 (attendance rate: 92%)

- activities and results;
- examination and approval of the separate and consolidated financial statements for the 2015 fiscal year;
- corporate governance code revised in November 2015;
- convening the Ordinary General Meeting – setting its agenda;
- planning documents;
- approval given to the Chief Executive Officer to issue bonds, endorsements and guarantees;
- agreements submitted in accordance with the provisions of articles L. 225-38 et seq. of the French company law (*Code de commerce*);
- annual review of regulated agreements still in force.

Meeting of June 3, 2016 (attendance rate: 77%)

- modes of operation of Executive management;
- renewal of the terms of office of the Chairman of the Board of Directors, the Chief Executive Officer and the Chief Executive officer and Vice-Chairman;
- renewal of the members of the Audit Committee and the Compensation and Appointments Committee.

Meeting of September 1, 2016 (attendance rate: 100%)

- activities and results – consolidated financial statements at June 30, 2016;
- planning documents – position of the current assets and current liabilities of the first half of 2016;
- review of the projected income statement;
- breakdown of directors' fees;
- evaluation of the Board's operation and working methods;
- bylaws of the Audit Committee.

Meeting of October 10, 2016 (attendance rate: 100%)

- strengthening of the shareholding in Vivendi.

EVALUATION OF THE BOARD'S OPERATION AND WORKING METHODS

With the aim of complying with corporate governance good practice, as recommended by the provisions of the Afep-Medef Code, the Board must "assess its capacity to fulfill the expectations of the shareholders who gave it the mandate to run the company, by conducting a periodic review of its composition, organization and functioning".

This assessment must focus on three objectives:

- to review the Board's methods of operation;
 - to check that important issues are properly documented and discussed;
- to assess the actual contributions made by each member to the Board's work, in line with their areas of competence and involvement in the deliberations. This assessment must be discussed by the Board on an annual basis, with the requirement to perform a more formal assessment at least once every three years.

A formal assessment having been performed in 2015, the Board, in its meeting of September 1, 2016, was invited to perform the annual review of its assessment. The main findings of this formal annual assessment were as follows.

• Regarding the Board's methods of operation

The directors confirmed the previous analyses regarding the operation of the Board, which remains satisfactory (sufficient notice given for meetings, frequency and duration of meetings, amount of time spent during each meeting reviewing the agenda items and the time devoted to discussions, etc.).

In addition, directors maintained their positive assessments of the quality and legibility of documents used to support discussions, as well as of the completeness and accuracy of the Board's minutes.

• In terms of the preparation and discussions regarding important issues

The directors stated that they had all the information needed to understand the Group's missions and strategic objectives, and that they had access to any additional documents useful for examining items under consideration.

Directors said that they were satisfied with the quality and quantity of information which always corresponded to the level of complexity of the case in point, thereby enabling them to understand and discuss the points on the agenda within the required deadlines.

• Regarding the composition of the Board of Directors

The directors stated that the Board headcount, increased to 17 members at the end of the General Meeting of June 3, 2016, was appropriate and its composition met the requirements of good governance, particularly with regard to directors' age criteria, gender balance, number of independent directors, diversity of skills and experience and the know-how required for the performance of their duties. It was noted that the composition of the Board now complies with the timetable for the provisions on gender balance.

The term of office of directors, set at three years, was considered to be satisfactory.

Lastly it was noted that the Board brings together recognized skills which contribute to the high standard of debate and which demonstrate the Board's aptitude for contributing to decision-making and to guidelines to be adopted for Group activities.

It noted that the directors are trained as to the specific features of the Group's businesses, in particular through dedicated presentations and site visits. In addition, the directors may, upon request, meet the main executive managers of the Group.

The specialist areas covered by each director, particularly in terms of financial, technical and technological knowledge, make it possible for Board meetings to conduct in-depth reviews of the company's strategic direction.

AUDIT COMMITTEE

Pursuant to the provisions of the order of December 8, 2008 (requiring an Audit Committee to be set up within companies whose securities are admitted to trading on a regulated market), the Board members, at their meeting of April 9, 2009, decided to set up an Audit Committee.

The bylaws of the Audit Committee were revised during the Board of Directors' meeting of September 1, 2016 in order to include the new powers of the Committee defined by the provisions of order no. 2016-315 of March 17, 2016 regarding the Statutory Auditors.

The Audit Committee has three independent directors, all with the financial and accounting expertise to ensure full understanding of current accounting standards:

- Alain Moynot, Chairman;
- Olivier Roussel, Committee Member;
- Martine Studer, Committee Member.

The Audit Committee is tasked with:

- monitoring the process for drawing up financial information and, where applicable, formulating recommendations to guarantee its integrity;
- monitoring the effectiveness of internal control and risk management systems, as well as, where applicable, internal audit, with regard to the procedures for the production and handling of accounting and financial information, without this aspect affecting its independence;
- issuing a recommendation to the Board of Directors on the Statutory Auditors whose appointment and renewal will be proposed to the General Meeting;
- monitoring the performance of the Statutory Auditors' tasks and taking into account the findings and conclusions of the French High Council for Statutory Auditors following the verifications made in accordance with legal provisions;
- ensuring that the Statutory Auditors comply with the independence conditions and, where applicable, taking the necessary measures;
- approving the provision of services other than the certification of the financial statements and, more generally, of any new tasks or prerogatives defined by the applicable legal provisions;
- reporting regularly to the Board of Directors on the exercise of its duties, the results of the accounts certification work performed, the manner in which the work has contributed to the integrity of the financial information, as well as the role it has played in this process and immediately informing the Board of any difficulties encountered;
- and, more generally, to perform any new tasks and/or exercise any prerogatives defined by the applicable legal provisions.

The Committee may have recourse to external advisers, lawyers or consultants. During the course of the 2016 fiscal year, the Audit Committee met twice and it considered the following points in particular:

• Audit Committee meeting of March 21, 2016 (attendance rate: 100%):

- presentation of earnings for the 2015 fiscal year,
- summary of the work carried out by the Statutory Auditors on the consolidated financial statements as at December 31, 2015,
- presentation of 2015 Group internal audit activity and 2016 audit plan;

• Audit Committee meeting of August 30, 2016 (attendance rate: 100%):

- presentation of results for the first half of 2016,
- summary of the work carried out by the Statutory Auditors on the consolidated financial statements as at June 30,
- audit reform,
- monitoring of Group internal audit activity and presentation of the level of control of audited entities at the end of August 2016.

In accordance with the provisions of the French Corporate Governance Code for listed companies, the Statutory Auditors are invited to Committee meetings dealing with the process of preparing financial information and reviewing the financial statements.

COMPENSATION AND APPOINTMENTS COMMITTEE

On March 19, 2015, the Board of Directors decided to extend the powers of the Appointments and Nominations Committee to include determining compensation and to set up a Compensation and Appointments Committee, in order to enhance governance of the company.

Committee members responsible for appointments or nominations continued to perform their duties on the newly established Compensation and Appointments Committee and at the Board meeting of August 27, 2015, reported to the Board on the Committee's bylaws, including their new tasks.

The Compensation and Appointments Committee has three members appointed for the duration of their respective terms of office as directors:

- Martine Studer, Chairman;
- Cyrille Bolloré, Committee Member;
- Olivier Roussel, Committee Member.

Within the framework of its duties, the Compensation and Appointments Committee performs the following tasks.

- **With regard to choosing and appointing**
 - Presenting the Board of Directors with proposals or recommendations with regard to choosing new directors in accordance with the desired balance on the Board of Directors in terms of changes in the shareholders and gender balance on the Board of Directors.
 - Presenting the Board of Directors with its recommendations concerning the renewal of the terms of office of members.
 - Organizing a procedure designed to choose the future independent directors and assessing the profiles of the candidates presented.
 - Preparing a succession plan for executive company officers in order to be able to put forward to the Board succession solutions in the event that an unforeseen vacancy should arise.
 - Reconsidering, each year, the status of independent directors.
 - Assisting the Board of Directors with the task of conducting its own assessment.
- **With regard to compensation**
 - Making proposals and issuing opinions concerning the overall amount and the distribution of directors' fees paid by the company to the members of the Board of Directors.

- Making all proposals to the Board of Directors concerning fixed and variable compensation, and all contributions in kind for executive company officers, taking into account the principles of thoroughness, balance, benchmarking, consistency, comprehension and measure stated by the Afep-Medef Code.
- Discussing a general policy for the granting of share and performance options and formulating proposals on their award to executive company officers.
- Undertaking an in-depth analysis with regard to implementing the procedure for regulated agreements when entering into a non-competition agreement.
- Making a decision concerning any supplementary retirement schemes that might be put in place by the company.
- Collaborating on the drafting of the section of the annual report dedicated to informing the shareholders with regard to the compensation received by the company officers.

The Committee met twice in 2016.

At its meeting of March 21, 2016 (attendance rate: 67%), the Compensation and Appointments Committee considered the following points:

- composition of the Board of Directors;
- reviewing proposed candidates for the position of director or appropriateness of term of office renewals;
- presentation of the specific section dedicated to informing shareholders with regard to the compensation received by the executive company officers.

At its meeting of August 30, 2016 (attendance rate: 100%), the Compensation and Appointments Committee considered the following points:

- assessment of the Board of Directors;
- review of rules governing the breakdown of directors' fees.

COMPENSATION OF COMPANY OFFICERS

The company has not introduced "golden parachutes" or awarded additional pension plans to its company officers. The Ordinary General Meeting held on June 3, 2016 set the overall amount of directors' fees at 300,000 euros until any further resolution of the General Meeting.

The Board meeting held on September 1, 2016 decided to continue the previous distribution conditions, i.e. by proportions equal to the pro rata of the period during which the Board members exercised their functions.

Furthermore, each director who is also a member of the Audit Committee will receive, for each fiscal year, an additional 10,000 euros payable from the overall amount of directors' fees.

CORPORATE GOVERNANCE INFORMATION

At its meeting of March 23, 2017, Financière de l'Odét's Board of Directors was called upon to consider the new provisions of the Code of Corporate Governance, as revised in November 2016, and confirmed that the company would continue to refer to this Code.

This Code of Corporate Governance may be viewed online at eng.medef.com. The following code provisions have been set aside:

Recommendations Afep-Medef Code recommendations set aside	Financière de l'Odét practices – Explanations
Criteria of independence of the directors	
Afep-Medef takes the view that a director is not independent if he or she has held office for more than twelve years.	The length of service criterion of twelve years is set aside since the term of a director's duties does not as such call his or her independence into question. Irrespective of the term of the director's duties, the Board values the personal qualities, experience, and industrial and financial expertise enabling the director to give useful opinions and advice through exchanges in which each director can express his or her position. Moreover, it shouldn't be forgotten that the length of service improves understanding of the Group, its history and its different jobs within a Group comprising many very technical jobs on an international scale. The complete understanding of the Group by a director through his length of service is a major asset, particularly when examining the strategic direction of the Group, or the implementation of complex projects over the long-term and/or cross-functional projects within the Group. A length of service of twelve years could in no way be associated with a loss of independence.
Acting as a director in another company within the Group does not call a director's independence into question.	Acting as a director in another company within the Group does not call a director's independence into question. The Board believes that the Group, controlled by the founding family, is unusual in that it is diversified across a number of businesses, with operations in France and abroad. One of the Group's strategic directions is to optimize and develop synergies between its various businesses. In order to implement this strategy, it is necessary to have high-level managerial expertise combined with in-depth knowledge of all the Group's businesses and understanding of any geopolitical issues critical to the international operations. The appointment of certain directors to a number of Group companies reflects the Group's desire to take advantage of the expertise of men and women who not only fully understand the businesses but also contribute to the Group's results. In addition, directors holding office in a parent company as well as in one of its subsidiaries are invited to abstain from taking part in decisions made by the Board of Directors of the parent company in the event of a conflict of interest between the parent company and the subsidiary.

TERMS OF ATTENDANCE OF SHAREHOLDERS AT GENERAL MEETINGS

In accordance with the provisions of article 19 of the articles of association, all shareholders are entitled to attend General Meetings and to participate in the deliberations, personally or by proxy, irrespective of the number of shares that they possess, by simply presenting identification and completing the legal formalities.

Any shareholder may vote by post in accordance with the legal and regulatory conditions.

INFORMATION PROVIDED FOR BY ARTICLE L. 225-100-3 OF THE FRENCH COMPANY LAW (CODE DE COMMERCE)

The information provided for by article L. 225-100-3 of the French company law (*Code de commerce*) is available in the annual report.

DEFINITION AND OBJECTIVES OF RISK MANAGEMENT AND INTERNAL CONTROL

Financière de l'Odét Group risk management and internal control are based on the AMF's reference framework published in January 2007 and supplemented in 2010.

ORGANIZATION OF INTERNAL CONTROL

In accordance with the AMF's reference framework definition, internal control is a system within the company, defined and implemented under its own responsibility, with the aim of ensuring:

- compliance with legislation and regulations;

- application of instructions given and strategies set by Executive management;
- the proper functioning of the company's internal processes, particularly those helping to safeguard its assets;
- reliable financial reporting;
- and, more widely, helping it to manage and carry out its business effectively and use its resources efficiently.

Under this framework, internal control covers the following elements:

- an organization including a clear definition of responsibilities, having adequate resources and skills and using appropriate information systems, operating procedures or methods, tools or practices;
- the internal distribution of relevant and reliable information, knowledge of which enables each person to carry out his or her duties;
- a risk management system intended to list, analyze and tackle the main identifiable risks with regard to the company's objectives and to ensure that procedures are in place to manage these risks;
- audit activities proportionate to the issues involved in each process and designed to ensure that all necessary measures are taken to manage risks that may affect the achievement of objectives;
- operation and permanent monitoring of the internal control system and regular examination to ensure that it is functioning correctly.

As indicated in the frame of reference, however, no matter how well designed and applied it is, the internal control system cannot absolutely guarantee that the company will achieve its objectives.

In the description that follows, "Financière de l'Odét Group" covers the parent company and the consolidated subsidiaries. This description of the internal control system was made from the frame of reference devised by the working group led under the aegis of the AMF, supplemented by its application guide. The principles and key points contained in this guide are followed where they are applicable.

GENERAL CONTEXT OF INTERNAL CONTROL: A CONTROL SYSTEM ADAPTED TO THE SPECIFIC NATURE OF THE GROUP'S ORGANIZATION

The Group's internal control system is based on the following principles:

Separation of functions

In order to guarantee the independence of the control function, the operational and finance departments have been systematically separated at every level within the Group. Each entity's finance department is responsible for ensuring that financial information is complete and reliable. All this information is regularly forwarded to Executive management and the central departments (human resources, legal, finance, etc.).

Independence and responsibility of subsidiaries

The Group is organized into operational divisions which, owing to the diversity of their activities, have considerable scope to manage their own affairs.

They are responsible for:

- specifying and implementing an internal control system suited to their specific situation and features;
- optimizing their operational and financial performance levels;
- safeguarding their own assets;
- managing their own risks.

This system of delegated responsibility ensures that the various entities' practices comply with the legal and regulatory framework in force in the countries where they are established.

Joint support and audits of all Group companies

The Group establishes a reference set of accounting, financial and control procedures that must be followed. The internal audit department regularly assesses the control system in place in each entity and makes the most appropriate proposals for their development.

Human resources policy favoring a good internal control environment

The human resources policy contributes to the enhancement of an effective internal control environment as a result of job descriptions and an appraisal system based particularly on annual reviews and regular training programs.

THE INTERNAL DISTRIBUTION OF RELEVANT INFORMATION

COMPLIANCE WITH LEGISLATION AND REGULATIONS

The Group's functional departments enable it:

- to keep abreast of the various regulations and legislation that apply to it;
- to be advised, in good time, of any changes to them;
- to incorporate these provisions into its internal procedures; and
- to keep its staff informed and properly trained to comply with the rules and legislation concerning them.

APPLICATION OF THE INSTRUCTIONS AND DIRECTIONS SET BY THE GROUP'S EXECUTIVE MANAGEMENT

Executive management sets the Group's targets and overall directions, ensuring that all staff are informed of them.

In this respect, the Group's budget formation process involves strict undertakings by the entities with respect to Executive management:

- during the fourth quarter of the year, each operational division prepares a budget on the basis of the overall strategic direction set by Executive management; the budget gives a breakdown of forecast profits and cash flow, as well as the main indicators for measuring operational performance levels;
- once approved by Executive management, this budget, broken down into months, serves as the reference for budgetary control. The discrepancies between this budget forecast and the monthly results are analyzed each month at results Committee meetings attended by the Group's Executive management, the divisional management and the Group's functional departments (human resources, legal, finance).

PROPER FUNCTIONING OF THE COMPANY'S INTERNAL PROCESSES, PARTICULARLY THOSE HELPING TO SAFEGUARD ITS ASSETS

The Information Systems Department has introduced safety and security procedures for ensuring the quality and security of the Group's operations, even in the event of major difficulties.

The process of monitoring all capital expenditure, conducted jointly by the purchasing, management control and insurance departments, contributes to keeping a close watch over the Group's tangible assets and safeguarding their value in use through appropriate insurance cover.

Although devolved to the various operating divisions, client accounts are nonetheless subject to monthly reporting to the Group's Finance Department, which is responsible for listing the main client default risks and taking remedial action along with the divisions.

The Group's cash flow is monitored by:

- daily notification of the divisions' cash flow figures;
- monthly updates to the Group's cash flow forecasts;
- optimization of exchange rate and interest rate risks (studied by the Risk Committee, which meets quarterly under the authority of the Finance Department);
- the availability of short-, medium- or long-term credit from financial partners.

RELIABLE FINANCIAL REPORTING

Procedure for preparing the consolidated financial statements

The consolidated financial statements are prepared every half-year; they are verified by the Statutory Auditors in a limited examination at June 30 and a full audit at December 31, covering the separate financial statements and the consolidated financial statements of all entities within the consolidation scope. They are published once they have been approved by the Board of Directors. The Group relies on the following elements for consolidating its financial statements:

- the Group's consolidation department, which ensures the standardization and monitoring of bookkeeping in all companies within the parent company's consolidation scope;
- strict adherence to accounting standards linked to the consolidation operations;
- the use of a recognized IT tool, developed in 2005 to keep the Group abreast of new information transmission technology and to guarantee secure procedures for reporting information and standardized presentation of the accounting aggregates;
- decentralization of a portion of the consolidation restatements at operational division or company level, allowing the accounting treatment to be positioned as closely as possible to the operational flows.

Financial reporting process

The Group's Cash and Management Control Departments organize and monitor the reporting of monthly financial information and indicators from the divisions and, in particular, their income statements and net debt reports. Within each division, the financial reporting details are validated by its Executive management and forwarded by its Finance Department. The figures are submitted in a standardized format that complies with the rules and standards for consolidation, making it easier to crosscheck against the items in the half-yearly and annual consolidated financial statements.

Specific reports for each of these are forwarded to the Group's Executive management. The monthly financial reports are supplemented by budget reviews throughout the year, which updates the year's targets in accordance with the latest figures.

Risk management systems

In accordance with the AMF's reference framework definition, risk management is a dynamic system, defined and implemented under the company's responsibility, which assists the company to:

- create and preserve the company's value, assets and reputation;
- secure decision-making and corporate processes to facilitate the achievement of company objectives;
- promote consistency between the company's actions and its values;
- unite company employees behind a shared vision of the main risks.

Under this framework, risk management covers the following elements:

- an organizational framework that defines roles and responsibilities, a risk management policy and an information system that allows risk information to be disseminated internally;
- a three-stage risk management process: risk identification, risk analysis and risk management;
- continuous supervision of the risk management system with regular monitoring and review.

CONTROL ACTIVITIES RELATED TO THESE RISKS

RISK MANAGEMENT

Litigation and risks are monitored by each division. The Legal Department and the Insurance Department, regarding managing claims, also provide assistance in all major disputes, as well as on every draft contract of major financial significance. Finally, risk management methods are subject to regular in-depth reviews by the Risk Committee.

The main risks to which the Group is subject are set out in the "Risk factors" chapter of the annual report. Given the diversity of the Group's activities, risk management is centered on the following main categories.

Main risks concerning the Group

Certain financial risks are liable to impact the Group's overall results.

Risk associated with listed shares

The value of unconsolidated companies is regularly monitored under the aegis of the Group's Finance Department. In addition, the value of these securities is assessed on the basis of the most recent market prices at the year end.

Liquidity risk

Centralized cash management has been put in place. This is placed under the responsibility of the Group's Cash Department, which ensures that its activities are correctly financed, particularly through diversified sources of finance by calling on the bond market, the banking market, and organizations such as the European Investment Bank. A debt ratio and a ratio concerning the Group's capacity to service its debt are regularly monitored, since certain loans contain an early repayment clause based on compliance with these ratios.

Interest rate risk

The methods for hedging interest rate risks decided by the Group's Executive management are detailed in the notes to the consolidated financial statements.

Risks specific to activities

Given the diversity of sectors and geographical locations of the Group, certain risks may impact a given activity or geographical area without affecting the Group's overall financial situation.

Operational risk

Each Group division is responsible for managing the industrial, environmental, market, and compliance risks with which it is confronted. The type of risks and the associated management methods are regularly analyzed by each divisional management. In addition, the recoverable value of goodwill and other assets, as well as long-term contracts, are monitored at division level, and tests are carried out at Group level. They are also supervised by the Group's Risk Committee and Insurance Department.

Raw materials risk

Energy (oil) and Batteries (lithium) are the Group's sectors sensitive to changes in raw material prices. In the Oil logistics division, which is the most exposed to this risk, changes in product prices are passed on to customers and this division's management systematically makes forward purchases and sales of products to back physical operations.

In the Batteries division, developing Lithium-Metal-Polymer (LMP®) technology is heavily dependent on supplies of lithium. The Group has therefore concluded partnerships with various sector industrialists to limit this risk and safeguard the supply of the quantities of the product needed to make its batteries.

Credit risk

Working capital requirement is monitored monthly by the Group's Cash Department. Moreover, in the Group's main divisions, credit risk management is the responsibility of a credit manager. Recourse to credit insurance is preferred and, when credit is not covered by insurance, the granting of credit is decided at the most appropriate level of authority. Finally, trade receivables are regularly monitored at both Group and division level and are written off case by case when this is deemed necessary.

Currency risk

The Group hedges its main operations in currencies other than the euro and the CFA. Hedging management is centralized at Group level for France and Europe (excluding Havas group). The net commercial position is hedged by the Group's Cash Department by forward buying or selling of currencies. Finally, intra-Group flows are subject to monthly netting, making it possible to limit flows exchanged and hedge the residual net position. As for the Oil logistics division, it hedges its positions directly in the market.

Technological risk

The Group is making sizable capital expenditure in new activities such as electricity storage, the main technological challenge being to make Lithium-Metal-Polymer (LMP®) technology a benchmark technology in both the vehicle market and in stationary batteries for electricity storage. Even though it is extremely confident about the prospects offered by these new activities, the Group remains prudent given the technological risk that such capital expenditure may present. Accordingly, the efforts devoted to these developments are at all times measured on the basis of the performance of the traditional activities and in such a way that they do not call into question the Group's overall equilibrium. This risk is also addressed directly by Executive management at its monthly meetings.

Intellectual property risk

In the context of its industrial activities, the Group uses patents (in batteries, electric vehicles and dedicated terminals). For all activities concerned, a dedicated unit at Group level ensures that the Group is the proprietor of all the patents that it exploits and that the new technologies that it has developed are protected.

Political risk

The Group, which has been present outside of France for a number of years, may face political risks. Nevertheless, the diversity of its operations, together with its ability to react, enables the Group to limit the impact of any political crises.

Legal risk

In order to limit exposure to the risks associated with regulations and their changes and litigation, the Group's Legal Department sees to the security and legal compliance of the Group's activities, in liaison with the divisions' legal departments. When a lawsuit arises, the Group's Legal Department ensures that it is settled in the Group's best interests.

RISK MAPPING

Evaluation and control of the risks inherent in the functioning of each entity are the Group's central preoccupations.

The existence of a soft ware system allows active and regular monitoring of the risks across all our operations. Identified risks are the subject of a series of measures detailed in the action plans drawn up by the various "owners" of risks who are nominated within each division.

The objective is to control the exposure to these risks and therefore to reduce them. The updating of consolidated risk mapping is validated every quarter by the Risk Committee.

OPERATION AND MONITORING OF THE INTERNAL CONTROL SYSTEM

THE MAIN PARTICIPANTS IN INTERNAL CONTROL AND THEIR TASKS

The arrangements for exercising internal control are implemented by:

The Board of Directors of the Group's parent company

The Board of Directors monitors the effectiveness of the internal control and risk management systems as determined and implemented by Executive management. If need be, the Board can use its own general powers to undertake such actions and verification work as it sees fit.

The Group's Executive management

Executive management is responsible for specifying, implementing and monitoring suitable and effective internal control and risk management systems. In the event of any deficiency in the systems, it ensures that the necessary remedial measures are taken.

The monthly results committee

Each division submits a monthly report to the Group's Executive management and central departments detailing, for all companies within its scope, the operational and financial indicators for its business as well as an analysis of the evolving trends with reference to the targets approved by Executive management.

The Audit Committee

The Committee's role and remit are set out in the section "Specialist committees".

The Risk Committee

The Risk Committee is responsible for carrying out a regular and in-depth review of risk management methods.

Subsidiaries' governing bodies

The governing body of each Group subsidiary considers the company's strategy and policies as put forward by Executive management, monitors their implementation, sets operational targets, allocates resources, and carries out verification and control work as it sees fit. All officers receive all the information needed to carry out their assignments and may request any documents they consider useful.

The subsidiaries' management

They apply the directions given by the governing bodies within their own subsidiaries. With the assistance of their management control departments, they ensure that the Group's internal control system operates effectively. They report to their own governing bodies and also to the management Committees.

Group internal audit

The Group has an internal audit department that intervenes in all units within its scope. It works to an annual plan put together with the help of the divisions and Executive management, based on evaluation of the risks affecting each subsidiary and a cyclical audit for the whole Group. This program includes systematic reviews of the financial and operational risks, follow-up assignments and application of the recommendations made, as well as more targeted interventions depending on the needs expressed by the divisions or Executive management. As a first priority, it aims to cover the most sensitive risks and to review the other major risks in the medium term for all Group units. The auditors receive internal training in the divisional business specialties so that they can better understand the operational particularities of each one.

It is the Audit Department's responsibility to assess the functioning of the internal control system and to make any recommendations for its improvement within the scope of its responsibility. Audit reports are sent to the companies audited, the divisions to which they are attached, and to the Group's Finance Department and Executive management.

THE STATUTORY AUDITORS

In accordance with their appointment to review and certify the financial statements, and in accordance with their professional standards, the Statutory Auditors acquaint themselves with the accounting and internal control systems. They accordingly carry out interim investigations assessing the operational methods used in the various audit cycles that have been decided on; they guarantee the proper application of generally accepted accounting principles, with the aim of producing accurate and precise information. They submit a half-year summary of the conclusions of their work to the Finance Department, the Group's Executive management, and the Audit Committee.

The Group financial statements are certified jointly by the accountants Constantin Associés (reappointed by the Ordinary General Meeting of June 3, 2016), represented by Jean Paul Séguret, and AEG Finances Audit Expertise Gestion (re-appointed by the Ordinary General Meeting of June 5, 2013), represented by Jean-François Baloteaud.

CONTINUOUS STRENGTHENING OF INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

As part of its approach to continued improvement, the Group strives to improve the organization of its internal control and risk management systems, while maintaining operational structures, both at holding company level and divisional level.

Thus, several actions for strengthening the internal control system have been initiated, conducted or continued.

ETHICAL MEASURES

All the Group's ethical measures have been finalized and rolled out in the entities concerned. The Code of Ethics drawn up in 2000 has been reviewed in order to take into account new legal provisions and Group commitments. This Code is distributed to all staff by the Group Human Resources Department.

The Ethics Committee met twice during the year; it validated all the ethical codes and systems implemented within the entities. No failings have been reported using the notification. Detailed information on all our ethics and compliance practices is widely communicated to clients and prospective clients upon request.

INSIDER LIST

The Group regularly updates the list of people having access to price-sensitive information, which, if made public, would be liable to have a considerable effect on the price of the Group's financial instruments. These individuals (employees, directors or third parties in a close professional relationship with the company) have all been notified of the ban on using or disclosing such price-sensitive information with a view to any purchase or sale of these instruments.

Specific new procedures have been implemented following the July 3, 2016 effective date of European regulation no. 596-204 of April 16, 2014 regarding market abuse (dubbed the MAR regulation) and the October 26, 2016 publication of the AMF guide on ongoing disclosure and the management of privileged information.

The appendix of the Group's Charter of Ethics which defines the periods during which employees will have to refrain from undertaking transactions involving listed shares of Group companies has been amended to take account of AMF recommendation no. 2010-07 of November 3, 2010, relating to the prevention of breaches by insiders for which executive managers of listed companies may be held liable.

ADMINISTRATIVE AND FINANCIAL PROCEDURES MANUAL

The main financial procedures, but also the main administrative and legal procedures, have been compiled in an intranet manual so as to enable the standards identified by the Group to be disseminated and managed.

SCOPE OF DEPLOYMENT OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

As part of the integration of Havas group, in addition to their internal procedures already in existence, the harmonization of the procedures and the gradual deployment of the internal control and risk management systems were continued during the period.

The internal control procedures implemented within the Group, which cover Financière de l'Odé SA and its consolidated subsidiaries as a whole, have also been adopted by the Blue Solutions Group.

RISK MAPPING

Monitoring action plans and risk updating using a software package continued in 2016.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of decree no. 2012-557 of April 24, 2012, on the obligations of social and environmental transparency related to application of law no. 2010-788 of July 12, 2010 (known as the "Grenelle II law") and the AMF recommendations on information to be published by companies concerning social and environmental responsibility, the Group revised its reporting protocol and drew up a table of significant indicators regarding its diversified activities.

The principles on which this protocol is based are in line with, in particular, the Global Reporting Initiative (GRI), IAS 100, IFRS guidelines and ISO 26000.

This protocol is distributed and applied to all entities which gather and communicate their extrafinancial information to the Group.

It is reviewed every year and defines the conditions for the collection and verification of data.

The entities examined correspond to those included in the financial scope.

The annual report presents the Group's strategic drivers and major social, environmental and societal commitments.

It is supplemented by the CSR report, which includes information about the CSR actions of the various divisions.

Following the initial audit conducted in 2013 by the Statutory Auditors on the social, environmental and societal information, the Group's set of indicators was made more specific. Most of the indicators were deployed internationally.

The Statutory Auditors verified that areas for improvement defined in 2013 had been taken into consideration for the collection of data relating to subsequent years.

As in the previous year, they provided a certificate of the presence of the 42 indicators required by the Grenelle II law and in the Group reporting issued a reasoned opinion on the transparency of the information that they specifically audited.

March 23, 2017

The Chairman,
Vincent Bolloré

Statutory Auditors' report, prepared in accordance with article L. 225-235 of the French company law (*Code de commerce*) on the report prepared by the Chairman of the Board of Directors of the company

For the year ended December 31, 2016

This is a free translation into English of the Statutory Auditors' report issued in French prepared in accordance with article L. 225-235 of French company law on the report prepared by the Chairman of the Board of Directors on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction and construed in accordance with French law and the relevant professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Financière de l'Odéon and in accordance with article L. 225-235 of the French company law (*Code de commerce*), we hereby report on the report prepared by the Chairman of your company in accordance with article L. 225-37 of the French company law (*Code de commerce*) for the year ended December 31, 2016.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report on the internal control and risk management procedures implemented by the company and containing the other disclosures required by article L. 225-37 of the French company law (*Code de commerce*), particularly in terms of corporate governance.

It is our responsibility:

- to report to you on the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information, and;
- to attest that this report contains the other disclosures required by article L. 225-37 of French company law (*Code de commerce*), it being specified that we are not responsible for verifying the fairness of these disclosures.

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

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

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the

preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and the existing documentation;
- determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control and risk management procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Chairman of the Board in accordance with article L. 225-37 of French company law (*Code de commerce*).

OTHER INFORMATION

We hereby attest that the Chairman's report includes the other disclosures required by article L. 225-37 of French company law (*Code de commerce*).

Neuilly-sur-Seine, on April 26, 2017

The Statutory Auditors
French original signed by

AEG Finances
Member of
Grant Thornton International
Jean-François Baloteaud

Constantin Associés
Member of
Deloitte Touche Tohmatsu Limited
Jean Paul Séguret

Risk factors

RISK ANALYSIS

Several factors unique to the Financière de l'Odette Group and its strategy, such as the diversification of its activities and its geographical sites, limit the magnitude of risks to which the Group is exposed. In addition, the stability of its share ownership structure enables it to pursue a long-term investment policy guaranteeing its survival despite the fluctuations of the global markets.

Risks specific to particular activities, notably Transportation and logistics and Oil logistics which generate 78% of the Group's turnover are presented to paragraph 4.2 "Risks specific to activities".

MAIN RISKS CONCERNING THE GROUP

The Group has conducted a review of the risks that could have a material adverse effect on its activity, financial position, or results.

Risk associated with listed shares

The Financière de l'Odette Group, which held a securities portfolio available for sale valued at 2,325.1 million euros at December 31, 2016 (see note 7.3 – Other financial assets in the notes to the consolidated financial statements), is exposed to changes in share prices. At December 31, 2016, this portfolio is composed of over 91% of securities in the Group's holding companies (Omnium Bolloré, Financière V and Sofibol).

The Group's equity investments in non-consolidated companies are measured at fair value at the end of the accounting period in accordance with IAS 39 "Financial Instruments". For listed shares, this fair value is the stock market value at year end.

At December 31, 2016, temporary mark-to-market revaluations of available-for-sale assets on the consolidated balance sheet, determined on the basis of stock market prices, amounted to 1,996.9 million euros before tax, offset against consolidated shareholders' equity.

At December 31, 2016, a 1% change in the market price would have had an impact of 18.8 million euros on available-for-sale assets and consolidated shareholders' equity, including 17.6 million euros relating to revaluation by transparency of the intermediary holding companies whose valuation depends on the market price of Bolloré and Financière de l'Odette shares (see note 7.3 – Other financial assets). At December 31, 2016, the remeasured value of these securities was 2,130.7 million euros, for a gross value of 183.9 million euros. The shares of these unlisted companies are not very liquid. The Group also has significant equity investments in the listed groups Vivendi, Mediobanca and Socfin, reported by the equity method in the Group financial statements at a market value of 4,341.5 million euros and a book value of 4,367 million.

In accordance with regulations in force, these stocks are valued at the proportional share of Group holdings in the restated net assets of each company. However, where there are indications of a loss of value, such as a significant decline in share price, impairment tests are carried out. The recoverable value of the equity investment is then valued as the higher of value in use, usually based on the company's future cash flows, and market value, measured at the company's share price. When recoverable value is less than net book value, an impairment is recognized and charged to income.

Goodwill risk

The Group's financial statements included goodwill of 3,006 million euros at December 31, 2016 (13.3% of the Group's total consolidated assets) and 2,965 million euros at December 31, 2015 (12.6% of the Group's total consolidated assets). The largest amounts of goodwill are in respect of Havas (1,917 million euros) and Transport and logistics (909 million euros).

Under current regulations, goodwill is not amortized but subjected to an impairment test at least once a year and whenever there is an indication of impairment. When impairment is found, the difference between the asset's book value and its recoverable value is recognized among operating expenses for the fiscal year. At December 31, 2016, no impairment provisions were found to be necessary. A sensitivity analysis was carried out, none of the Group's main goodwill items was affected by any reasonable change in key assumptions. (see note 6.1 – Goodwill in the notes to the financial statements).

Liquidity risk

The Group's liquidity risk stems from obligations to repay its debt and from the need for future financing in connection with the development of its various lines of business. To deal with liquidity risk, the Group's strategy has been to maintain a level of unused credit lines that will allow it to deal at any point with cash requirements. Lines of credit confirmed, but unused, at December 31, 2016, totaled 2,375 million euros (including Havas group for 587 million euros). Additionally, the Group strives to diversify its sources of financing by using the bond market, the banking market and such organizations as the European Investment Bank. Finally, the portion of debt subject to loan covenants is limited. For this portion of the debt, the Group ensures that the covenants are met and in keeping with the way the Group is managed. The Group meets its commitments at each year end (see note 7.5. – Financial debt to the consolidated financial statements).

The current portion of loans used at December 31, 2016 includes 891 million euros of commercial paper as part of a program of 1,700 million euros maximum (including the Havas group for 400 million euros) and 175.8 million of receivables factoring.

All bank lines of credit, both drawn and undrawn, are repayable as follows:

Year 2017	4%
Year 2018	8%
Year 2019	22%
Year 2020	32%
Year 2021	29%
Beyond 2021	5%
TOTAL	100%

Interest rate risk

The Group is exposed to changes over time in interest rates in the eurozone, primarily on the portion of debt which is at variable rates, as well as to changes in the lending margins of credit institutions. To deal with this risk, Executive management decides whether to set up interest rate hedges. Firm hedging (rate swap, FRA) may be used to manage the interest rate risk on the Group's debt. Note 7.5 – Financial debt to the consolidated financial statements describes the various derivative instruments for hedging the Group's interest rate risk.

At December 31, 2016, taking hedges into account, the fixed rate for net debt amounted to 40% of the total.

If rates rise by +1% across the board, the annual impact on financial charges would be -27.2 million euros after hedging of the debt bearing interest.

Cash surpluses are placed in risk-free monetary products.

RISKS SPECIFIC TO ACTIVITIES

In order to list the risks associated with its activities, since 2005 the Group has adopted a risk mapping approach whose main objectives are:

- to identify the major risks that could affect its divisions' operations;
- to initiate/improve the Group's processes so as to reduce and/or eliminate the impact of these risks;
- to analyze the adequacy of the Group's insurance policy and its purchasing of capacity and guarantees;
- to consider the Group's options regarding the transferring of risks to the insurance and reinsurance market, and/or the use of self-insurance;
- to strengthen crisis management and emergency communication procedures.

Once the risk mapping completed, the Group decided to take a long-term approach by installing a soft ware package enabling it to monitor action plans and regularly update risks.

The Group is continuing its program of preventative inspections of its sites, particularly in Africa.

MAIN RISKS RESULTING FROM THIS SYSTEMATIC APPROACH

Market risk (Transportation and logistics, Oil logistics)

The transportation and logistics and oil logistics businesses represent more than 78% of the Group's turnover.

In freight forwarding and oil logistics the Group acts mainly as an intermediary which allows it to pass on much of any price fluctuations to its customers. As a result, turnover in both businesses may be substantially impacted by fluctuations in freight rates and oil product prices without a comparable impact on profits.

In Oil logistics, exposure to the price of oil products is therefore essentially capped at its inventory, which is also largely hedged by forward purchases and sales of products backing physical transactions.

Results of the port and railway concession businesses may be affected by the economy of countries in which the Group operates. The economies of some countries, particularly in Africa, can be heavily exposed to the price of oil or other raw materials. However, this risk is limited by the substantial diversity of its geographical presence in Africa where the Group is active in 46 countries.

Technological risk (Electricity storage and solutions)

The Group is making sizable capital expenditure in new activities such as electricity storage. Even though it is extremely confident about the prospects offered by these new activities, the Group remains prudent given the technological risk that such capital expenditure may present.

Accordingly, the efforts devoted to these developments are at all times measured on the basis of the performance of the traditional activities and in such a way that they do not call into question the Group's overall equilibrium.

Intellectual property risk

In the context of its industrial activities, the Group is required to use patents (in Electricity storage and solutions). For all the activities concerned, the Group ensures that it is the proprietor of all the patents that it exploits and that the new technologies that it has developed are protected.

Climate risk (Oil logistics)

The level of activity of the Energy division can be impacted by climate variations. Harsh climatic conditions can have beneficial effects on the division's turnover. Conversely, more clement conditions can lead to lost earnings. The effect of climate variations on the division's level of activity, however, cannot be quantified precisely.

Political risks (Transportation and logistics)

The Group has a presence in a large number of African countries where it provides a full range of logistics services: freight forwarding by air, sea and land, warehousing and distribution, industrial logistics, port operations, safety and quality control. It manages all administrative and customs procedures for its customers both before and after transportation and ensures that goods reach their final destination. This unrivaled network, made up of companies in the Group that each comprise local players, makes it possible to minimize the risks associated with any country experiencing a major crisis. Furthermore, the Group's decades-long presence on this continent and its experience make it possible to limit exposure to this risk. Thus the crises that occurred in Republic of Côte d'Ivoire between 2002 and 2007 and in 2011 had a material impact on the results of this country's subsidiaries but the impact on the Group's financial statements was extremely modest, reflecting the effects of shifts in business away from this crisis-ridden country toward neighboring countries. Lastly, all the Group's African companies are insured by Axa Corporate Solutions (ACS) in respect of any "financial losses" covering political and commercial risks up to 75 million euros a year with, for certain risks, sublimits of 10 or 30 million euros per claim. The financial losses are also reinsured with Sorebol, the Group's internal reinsurance company.

This valuation is consistent with the Group's needs and with the risks it took into consideration with its insurers. Such risks may arise from:

- confiscation, expropriation, nationalization;
- withdrawal of authorization;

- non-renewal by granting authorities of their concession or licensing agreements;
- inconvertibility and non-transfer of all financial flows, particularly dividends;
- public disorder, malicious action, war, civil war, strike, riot, terrorism.

Health risk

By operating in Africa the Group is exposed to risks associated with Ebola. Since the epidemic has mostly affected three countries (Sierra Leone, Guinea and Liberia), which represent less than 5% of the turnover in Africa, it has not had a real impact on the Group. The Group nevertheless took numerous health precautions starting in 2014 and these remain in force at present.

Risks of non-renewal of concessions (Transportation and logistics)

The Group is bound by concession agreements (port terminals, railroads, oil pipelines, Autolib'). Given their number, diversity, duration (most lasting over twenty years) and maturity, the risks associated with these concessions cannot significantly affect the Group's profitability and the continuity of its business. For more details on concessions, see also note 6.4 to the consolidated financial statements.

Risks associated with car-sharing (Autolib', Bluely, Bluecub, Blueindy)

The car-sharing service agreements carry risks of vandalism, accident, theft, malfunctions, etc. The first years of operation under the Autolib' agreement, won by the Group in December 2010 and operational since late 2011, demonstrate that the risks identified have proven to be only marginal. The same applies to other car-sharing services in effect in Lyon, Bordeaux and Indianapolis. In addition, in regards to Autolib', the agreement signed with the mixed syndicate limits the Group's loss exposure to 60 million euros for the duration of the franchise.

Industrial risks (Transportation/Electricity storage and solutions)

The main industrial risks faced by the Group are as follows:

- risk of the stock of supercapacitors and batteries catching fire: supercapacitors and Lithium Metal Polymer (LMP®) batteries developed by the Group can, if exposed to very high temperatures, become highly inflammable. To limit such a risk and avoid chain reactions at storage areas, firewalls and automatic sprinkler or gas systems have been installed. In addition, products are regularly tested for inflammability;
- risk of accidents in the Transportation and logistics segment: in this segment, the Group can be faced with accidents connected with equipment failure or human error. The main measures taken to limit this risk are the creation of a quality, health, safety, and environment (QHSE) management system and continuous staff training in international QHSE rules, particularly on oil and mining projects. With regard to rail operations, the investment program concerning rolling stock and fixed installations continues in accordance with the original schedule. A management system based on the provisions of the International Railway Industry Standard (IRIS) began in 2010 and will complement the ISO Quality management system already in place;
- risk associated with warehousing hazardous materials: as an approved warehouse keeper, the Group is responsible for goods that it warehouses on behalf of its customers. As an example, strict rules and specific procedures have been implemented for the storage of cotton and have been approved by the Group's insurers. Similarly, the same measure has been put in place for supply chain and warehousing activities. The transportation of cyanide is carried out in strict compliance with the International Cyanide Management Institute (ICMI) Code. The transportation of other hazardous materials is systematically carried out in accordance with the provisions of the International Maritime Dangerous Goods (IMDG) Code. All employees involved in these very specific operations have been made aware of these various regulations. Specific technical installations (buildings and equipment) have been completed on the basis of projects and activities in which the Group is active.

Customer risk

The Group has a presence in every continent given its various activities in very diverse sectors. Its numerous customers are therefore companies of different origins operating in very different fields, which greatly reduce the overall level of risk. In Transportation and logistics (54% of turnover), the customer portfolio is very fragmented. As an example, its largest customer represents around 2% of Group turnover. The stability of this customer base is guaranteed by the fact that the biggest customers – consisting of shipping companies – are also freight forwarding suppliers of the Group for comparable amounts. The business is therefore not dependent on any particular customers or sectors. As regards risk management, monthly monitoring is carried out by the Group's Cash Department, which pools working capital requirement. Controls are also carried out by the main divisions themselves, which have a credit manager. Finally, the Group has frequent recourse to credit insurance. Customer credit risk is analyzed case by case and write-downs are identified on an individual basis taking account of the customer's situation, the existence or otherwise of credit insurance and payment defaults.

Write-downs are not calculated on an overall basis.

The aged balance of past due receivables without provisions at the end of the accounting period, the analysis of changes in provisions for trade receivables and the expenditure and income in respect of these receivables are shown in note 5.6 – Trade and other receivables to the consolidated financial statements.

Risks associated with raw material prices

The Group's businesses listed below are sensitive to changes in raw material prices:

- fuel (oil);
- other agricultural assets;
- batteries (lithium).

However, given the diverse nature of its activities, the effects of changes in the prices of these raw materials on the Group's overall results remain limited.

Oil logistics is the only segment of the Group directly and significantly affected by changes in the price of a barrel of oil; turnover is closely linked to the price of crude oil and correlates fully with the price of refined products. In order to minimize the effects of oil risk on results, the Oil logistics division passes on changes in the price of the product to customers and arranges forward purchases and sales of products in respect of physical operations.

At December 31, 2016, forward sales of products came to 288.8 million euros and forward purchases came to 268.8 million euros. Open buyer positions on ICE markets came to 42,300 metric tons at 20.0 million euros.

Domestic fuel stocks were fully hedged with the exception of a quantity of about 54,500 m³ at December 31, 2016.

The Group has a non-controlling interest in the Socfin group, which farms palm oil and rubber tree plantations. This Group's results are affected by fluctuations in the prices of palm oil and rubber.

However, even when these prices drop, the fact that some production is carried out in countries where the government sets prices (such as Cameroon and Nigeria), combined with its efforts to improve operating performance, allow the Group to significantly mitigate their impacts.

The Batteries business, which is developing Lithium Metal Polymer (LMP®) technology, is dependent on a number of raw materials, including lithium, however does not believe that it is subject to supply-side risk. It has several agreements with suppliers and the quantity of lithium used by the Group is very small in terms of the global market. In addition, the lithium used in the Group's electric batteries is approximately 95% recyclable.

Risks related to the communications industry

Havas group, fully consolidated since September 1, 2012, presents risk factors specific to its line of business:

- an industry highly sensitive to general and regional economic conditions and to political instability in some of its markets;
- highly-competitive industry. The advertising and communication services industry consists of competitors including both international companies of significant size and local, smaller-sized agencies, who may cause the loss of present or future clients and impede the growth of Havas and its business;
- contracts that can be terminated quickly and accounts that are periodically thrown open to competition;
- limits on the amount of services that can be offered owing to the legal and regulatory restrictions in various countries where Havas operates could affect its activities and put the communications group in an unfavorable competitive position;
- legal risks related to non-compliance with local and/or industry regulations of advertising and consumer products, where the liability incurred by Havas group entities and clients is significant;
- legal risks related to non-compliance with local and/or industry regulations of media consulting and purchasing advertising space and time;
- risks of infringing upon the rights of third parties. Havas group entities must ensure that they respect intellectual property rights (copyrights, trademarks, etc.) and/or the rights of creative individuals (illustrators, graphic designers, photographers, directors, artists, models, composers, etc.) who work on the products delivered to their clients;
- risks related to the resignation or retirement of Havas executives or employees. Since the success of Havas hinges in large part on the talent and involvement of its executives and employees, should some of them leave the company, it could have a negative impact on operating performance and earnings.

These risk factors are detailed in the registration document published by Havas and available online at www.havas.com.

Social risks

Given the large number of staff that it employs, the Group can be subject to social movements and strikes. Once again, the diversity of locations and business areas substantially limits exposure to these risks. More detailed information on staff can be found in the section, "The Bolloré Group's corporate social responsibility" on page 49.

Environmental hazards (Oil logistics, Electricity storage and solutions, Other agricultural assets)

Industrial risks identified by the mapping are monitored very closely in order to anticipate and take the necessary preventative measures. The table of industrial and environmental hazards hereafter summarizes the measures put in place by the divisions in this area.

Table of industrial and environmental hazards

Risks identified	Actions taken
Plastic films, Blue Solutions – Blue Applications	
Accidental product discharges (oil, petrol, chemicals)	Providing holding ponds and sealing off nearby rivers. Implementation of retention solutions for storage options and monitoring of oil removers for parking lots.
Waste pollution	Selective sorting at source. Waste recycling (cardboard, plastic films, wood, etc.) and treatment of hazardous waste (chemicals, solvents) by specialist companies. Fencing in the waste area at the Odet site to prevent theft.
Batteries and supercapacitors: risk of fire	Separating risks by fire-guard partitioning. Automatic sprinkler or gas extinguishing. Product flammability tests. Replacing old firefighting equipment at the Odet site. The three sites are now classified as "good" or "very good" by insurers.
Batteries and supercapacitors: polluting emissions	Installation of filters in accordance with Atex instructions. Treating discharges into the atmosphere by catalytic oxidation with very high efficiency since 2014.
High-voltage transformer: fire risk or risk of operating loss due to mechanical breakdown	Fire and gas detectors. Back-up installations. Oil retention. Successful transformer switching test in 2015 and 2016.
Batteries for electric vehicles	Safety tests for misuse. Partnerships with fire fighters in Paris. Partnerships for recycling. First test carried out as part of the bus application with multiple packs.
Batteries for stationary applications	Modeling the effects of fire in the event of major accident. Demonstration model came into service in 2015 before going operational on January 1, 2016 with load leveling and smoothing of peak consumption.
Life cycle assessment of various applications	Life cycle assessment of the 6-meter version of the Bluebus and Bluetram applications, in car-sharing and stationary application.
Electrical bus fire in factory or being recharged	Bus fire modeled in cooperation with CNPP and RATP. Bus recharge outside or in a building equipped with an automatic fire sprinkler.
Dedicated terminals and systems	
Electrical and electronic equipment waste	Treatment of EEEW (electrical and electronic equipment waste) contracted out to companies authorized to carry out waste reuse, recycling or recovery processes. In compliance with the latest amendment to regulations related to the management of EEEW and in accordance with the provisions of articles R. 543-195 <i>et seq.</i> of the French Environmental Code (<i>Code de l'environnement</i>), as a manufacturer of professional electrical and electronic equipment IER is a member of a government-approved environmental body.
Oil logistics	
Storage of hydrocarbons	Continuation of investment in bringing classified sites up to standard and ensuring compliance. ICPE: 110 sites. Continuation of environmental monitoring of 12 operating sites: – monitoring the groundwater at regular intervals; – monitoring wastewater from the separators, piezometric analyses. Implementation of electronic gauging at 4 sites. ISO 14001 certification for 2 sites in July 2016.
Fuel consumption by road tankers	Continuous updating of the oil lorry fleet: 18 new oil vehicles acquired, whose engines comply with the Euro 6 diesel engine emission standard, which have been fitted with automatic gearboxes. In addition, 22 vehicles more than ten years old were removed from the fleet. 60 training days in fuel efficient driving.
Risk of leaks at installations: inspection of SFDM pipeline, Donges-Melun-Metz oil pipeline 627-km long	Remote operation of motors, pumps and valves 24 hours a day. Continuous remote surveillance. Isolation valves permitting isolation of line segments. Setting up and complying with Seveso procedures. Increased site security with the use of patrols. Major works to bring hydrocarbon storage facilities into compliance (automation of fire protection, tightness semi-underground containers and of tank seals, etc.). Pipeline status inspection using new generation scrapers equipped with instruments. Obtention of ISO 14001 certification in December 2015. It allows a perfect environmental analysis of SFDM, among other things. Obtention of ISO 50001 certification concerning energy efficiency in December 2015.

Risks identified	Actions taken
International logistics	
Impact on health and safety at work	Implementation of an overall Health and Safety system to manage and design warehouses and logistics bases. Launch of a "Safety for all" training campaign with all site managers, warehouse managers and QHSE (400 managers registered). Existence of improvement plans, following the professional risk evaluation, the analysis of accidents as well as incidents resulting from developments in regulations. Managing outside companies and subcontractors who work on-site. Monitoring of equipment and facilities (periodic inspections, maintenance, etc.). Health and safety audits and inspections to increase prevention by regularly monitoring the sites. Increased proactive HSE actions (training, information, awareness, meetings). Publication of a "QHSE Insight" newsletter twice per year. Continuous improvement of the health and safety management system. Continued integration of QHSE (quality, health, safety and environmental) as a separate function on its own in operating activities. The number of HSE training/orientation hours increased by 30% in 2016 (including employees, temporary staff and subcontractors). 95 sites OHSAS 18001-certified.
Environmental impact	Continuous improvement of the environmental management system. Environmental audits and inspections to increase the protection of the environment by regular monitoring of the sites. Use of electric engines whenever possible, to replace internal-combustion engines. Providing information to and increasing awareness of employees. Carrying out emergency drills to test the effectiveness of human, material and organizational resources. Waste management by suppliers (ordinary waste, EEEW, hazardous waste, etc.). Constant assessment of the classification of establishments governed by the French regulations on facilities classified for the protection of the environment (ICPE). Application files for authorization, registration or declaration, or end of activity declaration, as applicable. Renewal of certification under the ICMC (International Cyanide Management Code) for cyanide transportation activities (Africa region). 115 sites ISO 14001-certified.
Impact of the transportation or storage of hazardous goods	Launch of a training campaign for operating staff in the transportation of hazardous goods (over 4,200 people registered). Regarding road haulage, the implementation of a Road Risk Assessment (or Road Survey) analysis system and truck selection based on a systematic inspection before loading. Training of stevedores in hazardous goods storage. Revision of decision-support tools made available to businesses. Site audits and inspections. The transportation of cyanide is carried out in strict compliance with the International Cyanide Management Institute (ICMI) Code. Ongoing improvement of storage procedures for hazardous goods: management of incompatible goods, acquisition of retention tanks and spill kits, absorbents, etc., Implementation of a new transporter management procedure that incorporates a strong commitment to QHSE and compliance with QHSE requirements (Africa region).
Transportation and logistics in Africa (ports and rail concessions)	
Workplace accidents (port and rail activities)	In terms of port activities, training of administrative staff, operators and subcontractors in hygiene and safety rules in accordance with the safety management system set up and certified on the various entities. Staff assigned to hazardous goods transportation was trained in the International Maritime Dangerous Goods (IMDG) and International Ship and Port Facility Security (ISPS) Codes – Hazardous materials section. Health, safety and environment (HSE) audits aimed at monitoring and strengthening accident prevention are conducted according to an annual schedule and submitted to the appropriate inspection or certification bodies. Proactive training activities in Operations and HSE (training and information on safety – first aid, fire fighting, use of handling equipment, etc.) are launched annually in collaboration with the Human Resources Department based on the needs expressed during management reviews. As regards rail concessions, since 2015, rail networks have benefited from significant investments to maintain tracks and/or rebuild sections or infrastructure. The risk of workplace accidents potentially increases during these special operations and the networks have set up employee and subcontractor information and awareness units at the worksites as a responsible company. The introduction of an International Railway Industry Standard safety management system in 2012 made it possible to considerably reduce the number of accidents/incidents occurring during network operations and maintenance operations. Thus, the number of workplace accidents for employees was reduced by two thirds between 2013 and 2016, and for subcontractors the number of accidents/incidents reduced tenfold over the same period.

Risks identified	Actions taken
Port risks	The provisions relating to the International Maritime Organization (IMO) and International Ship and Port Facility Security (ISPS) Codes are applied on all port concessions. These provisions are analyzed in terms of their application each year, and on each terminal during the audits carried out directly by headquarters or by independent accredited bodies. In accordance with these priority provisions, the division has committed to achieving the highest level of safety, and regardless of its location, each entity must comply with the most stringent international safety standards. Analyses are conducted by IMO-approved independent bodies that verify compliance with the ISPS Code, but also perform safety risk mapping. The implementation of the Pedestrian Free Yard (PFY) program in 2013 at all port concessions is now complete. This special safety plan is monitored internally by each entity, and also each year during Safety Quality reviews conducted by an ISO certification body. Lastly, and in line with the safety management procedures in place, periodic regulatory inspections are carried out on equipment and installations, in particular on equipment or installations subject to special regulation. Each Corporate audit gives rise to a new risk mapping in terms of Operations, Safety and Security. Furthermore, the internal organizations and security monitoring and control equipment are reviewed periodically in collaboration with government or port authorities.
Rail risks	Two major risks were identified in relation to the operation of rail networks: passenger train derailment with possibly catastrophic consequences, derailment of a rail convoy with spillage of hazardous products (hydrocarbons, chemicals). Group rail networks have set up and routinely been improving their rail quality and safety management system and have launched IRIS certification programs since 2012 for operations, passenger and goods transportation, and fixed or mobile maintenance. Sitarail, the sole African network that operates under these optimum conditions, obtained the IRIS certification in December 2015.
Health and safety (port and rail activities)	2016 marked the end of the Ebola epidemic, which was declared two years previously by the WHO. As a result, each port entity terminated, in agreement with the authorities in their respective country, the monitoring and prevention systems in place. In accordance with the Group's health provisions, in addition to undergoing mandatory medical examinations, employees and their families are invited to attend health information sessions (on malaria, etc.). As regards railways, checks, action plans and audits in terms of health recommendations are carried out on trains and in stations (car interior, food, sleeping area and accessories, presence of nurses for the entire journey on long distance and international trains). In respect of the areas served, safety checks and procedures have been strengthened on trains and in intermediate route stations.
Discharges and pollution (port and rail activities)	Port and rail activities generate a variety of discharges (waste oil, engine filters, rolling stock washing sludge, rails, metal sheeting, etc.). Waste oil is treated and collected for recycling by an approved company or a world-class marketer. Treatment of EEEW (electrical and electronic equipment waste) is contracted out to companies authorized to carry out waste reuse, recycling or recovery processes. Concerning rail operations in particular, metal waste (rails, sheet metal, etc.) is collected and recycled by local companies to be exported to Asia (transformation, etc.). For the past five years, the monitoring of waste and discharges (solid, liquid, gaseous) has been analyzed with a view to reducing the direct and indirect impacts. The results are ultimately checked by an independent company specializing in this aspect (Statutory Auditors).
Hazardous material management (port operations)	Collection and delivery of products classed as hazardous (e.g. cyanide) is carried out in strict compliance with the International Cyanide Management Institute (ICMI) Code, or the special provisions specific to each country. The transportation of hazardous materials is systematically carried out in accordance with the provisions of international regulations, such as the International Maritime Dangerous Goods (IMDG) Code. All employees assigned to these special operations have been made aware of these various regulations. In addition, the division is in perfect compliance with the provisions of the Hazardous materials chapter of the International Ship and Port Facility Security (ISPS) Code and the applicable International Labour Organization Code of Practice (Safety and Health in ports).
Agricultural assets	
Vineyard: pollution of the groundwater table through use of chemical products	Minimizing the use of chemicals on vines through science-based agricultures. To combat parasites in root systems, leaving land fallow for long periods rather than using products for disinfecting the ground. Using organic fertilizers exclusively.
Vineyard: pollution of surface water by factory effluents	Water treatment station.

Exchange rate risk

The distribution of turnover by currency area (48% in the euro zone, 12% in the CFA franc zone, 12% in US dollars, 3% in pounds sterling, less than 3% for all other currencies) and the fact that a large proportion of operating expenditure is in local currencies limits the Group's exposure to operational exchange rate risk.

The Group is reducing its exposure to exchange rate risk further by hedging its main operations in currencies other than the euro and the CFA franc. Exchange rate risk management is largely centralized: each subsidiary sends its month-end foreign currency positions to the Cash Department, which then performs firm hedging (forward purchases or sales). In addition to these sliding three-month transactions, other hedges may be arranged on an occasional basis for a particular market.

As for Bolloré Énergie, hedges its positions directly in the market each day.

The Group's total annual net exchange rate gains and losses associated with operational flows in currencies in 2016 was 0.1 million euros, in other words 0% of operating income for the year (14.1 million euros in 2015, i.e. 2% of operating income for the year); the Group's operating income is not exposed to any significant exchange rate risk.

In 2016 a number of currencies suffered sharp devaluations. The Nigerian naira lost an average 24%, the Mozambique metical, -27%, the Angolan kwanza, 19%. Furthermore, following the Brexit announcement, the pound also fell more than 10% compared to 2015.

In 2016, currency fluctuations had a negative currency translation effect of 252 million euros on Group turnover (-2.5%), 26 million euros on operating income (-4.1%) and 39 million euros on equity (-0.4%).

LEGAL RISKS

RISKS ASSOCIATED WITH REGULATIONS AND CHANGES THEREIN

In carrying out its activities, the Group is not subject to any legislation or regulations that might give rise to any specific risks.

RISKS ASSOCIATED WITH LEGAL PROCEEDINGS

The activities of the Group's companies are not subject to any specific dependency.

Lawsuit brought by Getma International and NCT Necotrans against Bolloré and Bolloré Africa Logistics within the context of the granting of the Conakry port concession

On October 3, 2011, Getma International and NCT Necotrans issued a summons to Bolloré and Bolloré Africa Logistics to appear before the Nanterre Commercial Court for the purposes of holding them jointly and severally liable and issuing them with an order to pay a total of 100 million euros in damages, and 0.2 million euros pursuant to article 700 of the French Code of Civil Procedure. Getma International and NCT Necotrans alleged that Bolloré and Bolloré Africa Logistics had caused them injury through acts of unfair competition and complicity in the violation by the Guinean government of its contractual obligations, which Bolloré Africa Logistics and Bolloré firmly deny.

In a decision handed down on October 10, 2013, the Commercial Court dismissed the main claims by Getma International and NCT Necotrans, however it considered that the new recipient of the Conakry Terminal concession would have benefitted from capital expenditure carried out by its predecessor, Getma International, and ordered Bolloré to pay Getma International and NCT Necotrans a sum of 2.1 million euros. Getma International and NCT Necotrans appealed this decision and increased their claim to 120 million euros plus legal interest from

October 3, 2011 forward. Following the signing of a settlement on November 24, 2016, the Bolloré and Getma-Necotrans groups definitively settled their dispute regarding the awarding of the Conakry port concession.

In the normal course of their activities, Financière de l'Odé et its subsidiaries are party to a number of legal, administrative, or arbitration proceedings. The potential costs of these proceedings are the subject of provisions insofar as they are probable and quantifiable. The provisioned amounts are subject to a risk assessment case by case.

There are no other governmental, legal or arbitrational proceedings, of which the company is aware, which are pending or being threatened and are likely to have, or have had over the course of the last twelve months, a significant effect on the financial situation or profitability of the company and/or the Group.

INSURANCE – COVERAGE OF THE RISKS WHICH THE COMPANY MAY ENCOUNTER

The Group's insurance policy is primarily aimed at enabling the activities of its various companies to continue in the event of any incident, the policy being based on:

- internal prevention and protection procedures; and
- the transfer of risks to the insurance and reinsurance market through international insurance programs, regardless of the branch of activity and/or the geographic area.

The Group is covered in all its areas of activity against the consequences of such events as are liable to affect its industrial, storage, rail or port terminal installations. The Group also has civil liability coverage for all its land, sea, rail and air activities, as well as coverage for its operational risks.

INDUSTRIAL RISKS

The operating sites for the Group's industrial activities as well as the storage/warehousing sites are guaranteed by property insurance programs up to the amount of the estimated value of the insured goods. The Group's industrial companies are covered for "Operating loss" for 100% of their annual gross margin.

CIVIL LIABILITY RISKS

The Group is required to subscribe to a set of civil liability policies given its various activities and its exposure to various risks.

The civil liability that may be incurred by any company in the Group due to its activities, in particular general civil liability, civil liability due to products and the forwarding agent/freight agent/packer's civil liability, is insured in all areas where these activities are carried out:

- by type of activity, since each division in the Group benefits from, and subscribes to, its own coverage;
- by an excess insurance capacity that covers all the companies in the Group and in case of any insufficiency in the above policies.

The Group also has an "Environmental Damage" civil liability policy.

CYBER RISKS

Since late 2014, the Group has also had coverage against the consequences of risks related to the Group's information systems.

Insurance programs are taken out with leading international insurers and reinsurers, and the maximum coverage in effect corresponds to that of the market and to the Group's risk exposure.

Corporate social responsibility

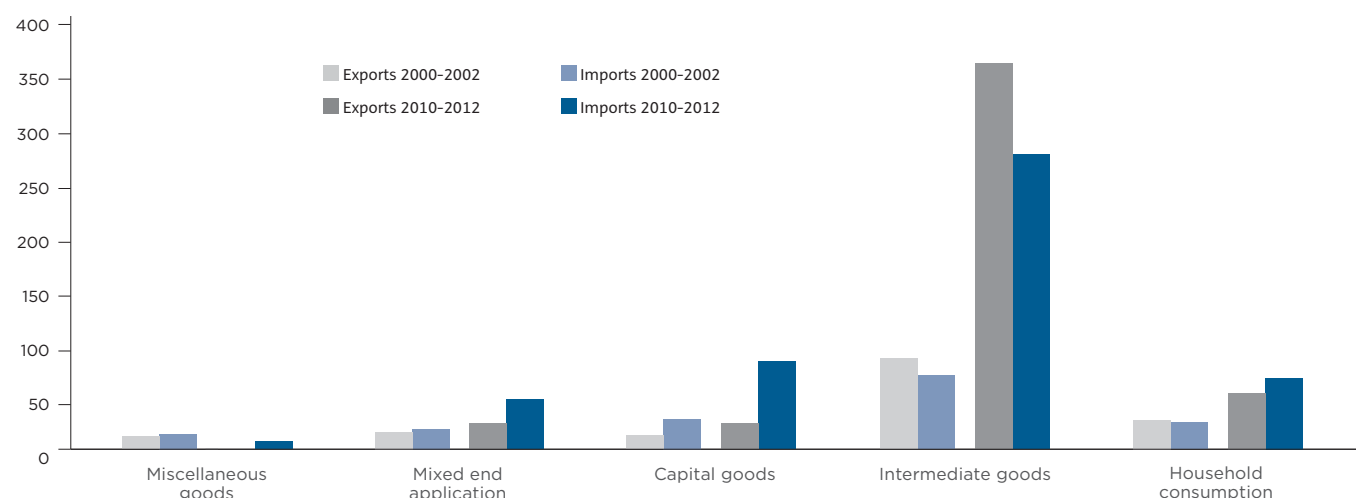
Financière de l'Odé is the Group's parent company and a holding company with interests essentially in the entities within the scope of Bolloré Group. As such, information relating the Group's corporate social responsibility is largely the same as that for Bolloré Group. The data presented in this section are thus those of Bolloré Group.

CHALLENGES AND STRATEGY

TRENDS DRIVING OUR MARKETS

Growing trade in Africa

Comparison of trade in goods in Africa by end application between 2000 and 2012 (billions of US dollars)



Source: *Using trade to boost Africa's industrialization*, Economic report on Africa – UN Economic Commission for Africa 2015.

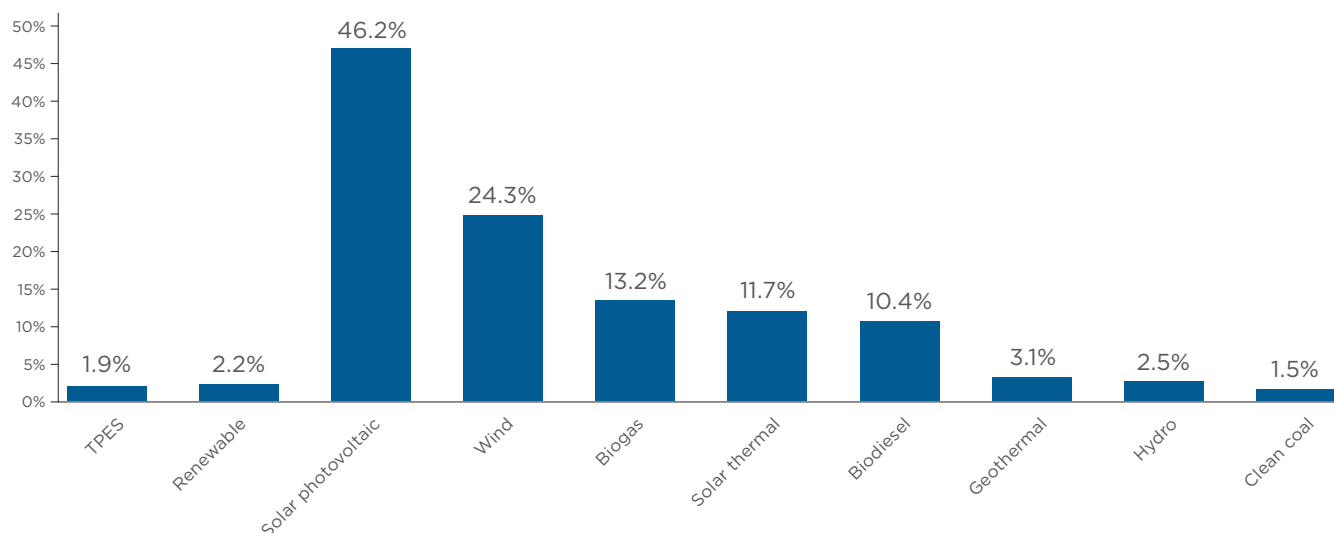
The 2010-2012 period saw a sharp increase in trade in Africa, reflecting greater integration into the global economy and the opening up of new markets. The Bolloré Group has been in Africa for some fifty years, and currently has operations in 46 African countries and close to 25,000 employees. It is the leading port operator with 18 active concessions. It also operates three rail concessions. Turnover in Africa totaled 2.4 billion euros in 2016, representing 24% of total Bolloré Group's turnover.

Climate change

The COP21 Paris Agreement, which will come into force in 2020, includes commitments by signatory states to combat climate change (to keep temperature increases under 2 °C and to endeavor to limit them to 1.5 °C; to provide 100 billion dollars in financing per year by 2020 for projects to help countries adapt to climate change or cut greenhouse gas emissions – GHG). Against this background, demand for sustainable mobility solutions by individuals and companies or the production of renewable energies to reduce greenhouse gas emissions should continue to grow sharply over the coming years.

Average annual global growth in renewable energy by type (as a percentage)

From 1990 to 2014



Source: IEA, Key renewable trends, 2016. TPES: Total Primary Energy Supply.

Climate issues are a major aspect of Bolloré Group's capital expenditure policy through its Electricity storage and solutions division (turnover of 310 million euros in 2016, up 17%).

To help achieve the various commitments made by States to combat climate change, the Bolloré Group offers innovative industry-leading solutions built around its Lithium Metal Polymer (LMP®) battery (car-sharing service with fully-electric vehicles, electric bus, stationary electricity storage system) to promote the integration of renewable energy and electric mobility both in industrialized countries and in developing countries.

Furthermore, in light of the fact that environmental considerations are critical for winning calls for tenders in the Transportation and logistics sector, the Group, through its Transportation and logistics division, provides logistics offerings that incorporate an environmental solution (SAVE Program, which turns carbon reduction into a logistics performance driver).

Digital transformation

Digital transformation, the sharp growth in social media networks and the mobile market are creating new experiences with stakeholders, in particular as regards more direct communication by groups with their customers and suppliers, disrupting advertising formats and marketing tools, or indeed creating new business models built around the instant exchange of information.

The Group incorporates these changes and offers new solutions to meet the new needs of its customers.

Havas has considerable multi-channel expertise and offers its customers innovative solutions for the digitalization of traditional media and content. The car-sharing services of the Electricity storage division, operating in Europe, the United States and Asia (by end-2017), offer users connected mobility services from a Smartphone app to book vehicles and park vehicles at the end of the journey.

Bolloré Logistics launched the GLOBE program to meet the digital transformation-related needs of its customers (real-time monitoring, transparency, security and environmental compliance). This program is built around a new transportation management system (TMS) with enhanced functionality and a data management platform (DMP) for freight forwarding activities that incorporates a predictive model and makes it possible to aggregate and manage data in real time. Linked to the TMS, the platform makes it possible to offer customers the best possible transportation option.

Regulatory changes

The regulatory and statutory frameworks governing corporate activities have changed significantly since 2010, in response to the demands and expectations of civil society. The regulatory changes affecting the activities of Group divisions include:

- the measures introduced in France's Energy Transition for Green Growth Act relating to the development of clean transportation designed to improve air quality through energy efficiency and the use of renewable energies;
- the commitment to cut the greenhouse gas emissions of States and companies through the implementation of traffic restrictions in urban centers, the de-certification of heavily polluting vehicles or, for companies or certain economic sectors the introduction of greenhouse gas emission quotas, carbon tax or CO₂ trading;
- the obligation for transportation companies to inform customers of the emissions generated by the transportation service in CO₂ equivalent.

The Bolloré Group responds to these regulatory changes by expanding its mobility offerings (car-sharing services in Europe and the United States, the management of the fleet of charging terminals in London) or through the creation of its most recent "sustainable" oil storage facilities (Green Hub) in France (twin certification LEED® Gold & HQE⁽¹⁾, "Bâtiment biosourcé" labeled) and in Singapore (Green Mark Platinum and LEED Gold certified), and/or finally thanks to the SAVE program, which enables its customers to reduce CO₂ consumption while optimizing supply-chain performance.

MATERIALITY ANALYSIS

Process for carrying out the materiality analysis

The process undertaken with the assistance of an external firm involved three steps:

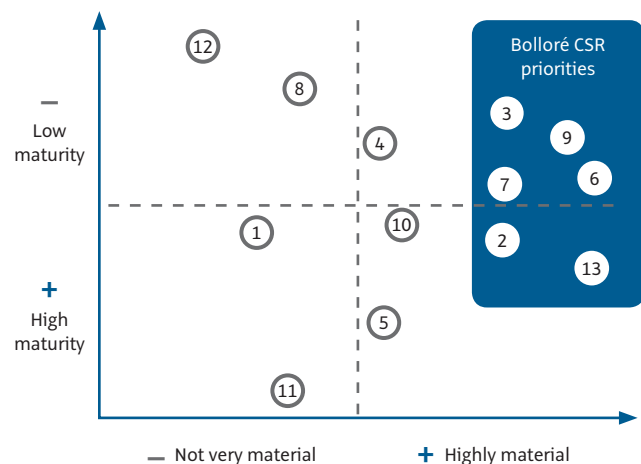
- the identification of the CSR challenges of each division, through interviews with contributors and CSR representatives and the analysis of action plans and indicators used;
- the classification of challenges by category and on the basis of their impact on the Group and its three divisions (societal, environmental, local development and human resource challenges);
- the cross-referencing of these analyses with internally available data on stakeholder expectations (customers, employees, public authorities, NGOs).

(1) LEED®: Leadership in Energy and Environmental Design; HQE: High Environmental Quality standard.

Materiality and priority challenge matrix

Following the analysis and materiality matrix development process, 13 challenges were identified, including 6 classified as priority by the Group.

Priority challenge matrix



- 2 Fair practices (corporate challenge)
- 3 Duty of vigilance and responsible purchasing (corporate challenge)
- 6 Attracting talent and retaining employees (HR challenge)
- 7 Managing and developing expertise (HR challenge)
- 9 Sustainable products and services (environmental challenge)
- 13 Contribution to local development (local development challenge)

OUR CSR STRATEGY

This mapping of priority challenges made it possible to update the main thrusts of our CSR strategy in order to better reflect the Group's DNA and enhance its CSR initiatives. This update should enable our stakeholders (employees, customers, suppliers, investors, future employees) to better identify Group business practices, its human resources policy and staff promotion as well as its product innovation capabilities.

4 strategic priorities

Innovating in response to major economic and environmental change

- 9 Sustainable products and services
- 10 Energy and carbon trajectory
- 11 Managing environmental risk and compliance
- 12 Raw materials

Investing in men and women

- 5 Workplace health and safety
- 6 Attracting talent and retaining employees
- 7 Managing and developing expertise
- 8 Promoting diversity

Bringing the Group together around a shared corporate culture and ethical standards

- 1 Human rights
- 2 Fair practices
- 3 Duty of vigilance and responsible purchasing
- 4 Protecting personal data

Taking action for local development

- 13 Contribution to local development

GOVERNANCE

CSR GOVERNANCE

The Group has two CSR governance bodies: Ethics – CSR Committee and sponsorship, and Group CSR Department.

Ethics – CSR and sponsorship Committee

In 2014, the Group Ethics Committee became the Ethics – CSR and sponsorship Committee, reaffirming the fact that ethics represents the basis for the Group's CSR commitments. In 2016, sponsorship was brought under the Group Ethics – CSR and sponsorship Committee in order to better coordinate the Group's societal activities.

The Committee has the following members: Chairman, the Group's Executive Management, Division Heads, Group HR, Group General Counsel, Head of Group Management Control, Group Ethics Manager, Head of Investor Relations, Deputy Director of Group Communications, Head of Group sponsorship and Head of Group CSR.

The purpose of the Committee is to set out the priorities in the sphere of Ethics, CSR and sponsorship with respect to which the Ethics, CSR and sponsorship managers in the divisions should implement actions in 2017.

The Committee meets twice a year to review ongoing or completed actions and projects, and to set new initiatives in the three areas.

CSR Department

The Group CSR Department is managed by the Group Vice-Chairman, who is also Group CFO. He is assisted by the Deputy Director of Group Communications and the Director of Investor Relations. The Group CSR team works with the CSR departments of the divisions and their network of CSR representatives to roll out the Group CSR strategy within each entity.

Network of data protection officers

The new shared mobility services offered by the Group (Autolib', Bluely and Bluecub) must ensure that customer personal data is processed in a secure and effective manner in order to provide them with complete confidentiality.

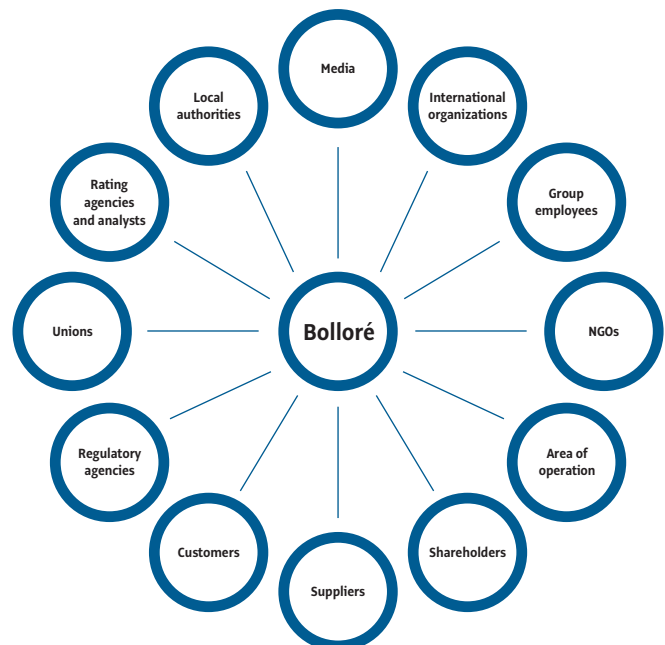
To this end, Bolloré Group added the following paragraph to its "Ethics and Values" Charter: "[...] The holders of confidential information commit to not divulging it to unauthorized persons and to abstaining from its use, directly or indirectly, for personal reasons [...]." In addition, to comply with the provisions of the National Commission for Data Protection and Liberties (CNIL), the Group appointed a Group Data Protection and Liberties Correspondent (CIL – *Correspondant informatique et libertés*). The correspondent set up an internal working group dedicated to data processing management to assist the CIL in his/her work, and in particular:

- updating records concerning personal data processing that is exempt from disclosure;
- submitting authorization requests to the CNIL;
- giving an opinion on the clauses included in contracts that relate to personal data processing.

In 2016, the CIL Group continued work on the situational analysis on processing to be performed throughout the entire Group. The objective is to create a network of CIL delegates who raise the awareness of and train employees on these provisions.

STAKEHOLDER DIALOGUE

The materiality analysis performed in 2016 made it possible to update some of the stakeholder mapping. In order to pursue and fine-tune this work, the Group launched a pilot project in its electricity storage and solutions division. This project should provide greater structure for this division's stakeholder dialogue. This work will continue in 2017.



PERFORMANCE

The materiality analysis undertaken in 2016 made it possible to identify the Group's priority challenges but also to define certain key performance indicators associated with these challenges. The list of these key indicators should be submitted to the Ethics – CSR and sponsorship Committee in 2017.

INNOVATING IN RESPONSE TO MAJOR ECONOMIC AND ENVIRONMENTAL CHANGES

INNOVATING TO DEAL WITH NEW MARKET DEMANDS

Materiality of the challenge

The Transportation segment accounted for 23% of global greenhouse gas emissions in 2014 (IEA, *CO₂ emissions from fuel consumption*, 2016).

Many Bolloré Group customers have committed to reducing the carbon footprint associated with the transportation of their products and therefore have increasing expectations regarding sustainable logistics. The ability to meet their expectations will become a barrier to entry in the logistics and freight forwarding market.

Group policy

In order to meet the high expectations of its customers that are the most committed to combating climate change, Bolloré Logistics has an environmentally responsible logistics offering (SAVE Program) involving a highly select group of its carriers (signatories of the ADEME "Objectif CO₂" charter, use of vehicles that generate fewer greenhouse gas emissions, etc.), combined with designing transportation plans around reducing emissions of greenhouse gases and air pollutants, and using tools allowing a detailed analysis of CO₂, NO_x and PM emissions from goods transportation.

Bolloré Logistics, acting as an international trade facilitator, thereby makes its contribution to protecting the planet, by limiting the environmental impact of the Transportation and logistics segment.

ROLLING-OUT OF NEW FORMS OF SUSTAINABLE MOBILITY

Materiality of the challenge

Over the past twenty years, the Bolloré Group has invested over 3 billion euros and hired 2,000 people to develop its Lithium Metal Polymer (LMP®) battery and its various applications in order to offer innovative mobility and electricity storage solutions.

The various applications developed by the Group make it possible to support two major drivers of sustainable development: access to electric mobility, clean public transportation and car-sharing, and the increased share of renewable energy in the electricity mix thanks to electricity storage.

Group policy

The Group rolls out and operates car-sharing services built around internally developed technologies (LMP® battery, charging terminals, information system). It continues its efforts to expand in electric mobility by offering new public transport products, 12-meter Bluebus, Bluetram.

Significant events in 2016

The Group continued to expand its car-sharing services with the opening of the Turin service (Bluetorino), the winning of two new car-sharing projects in Singapore (fleet of vehicles of up to 1,000 cars, and 2,000 charging terminals) and Los Angeles (opening of end-2017), and the ongoing development of the London fleet of charging terminals making it possible to launch a car-sharing service in the near future.

In the sphere of public transport, the Group delivered 38 6-meter Bluebus and 22 12-metre buses to the RATP (21 additional buses to be delivered in 2017) in connection with the launch of line 341 in May 2016, the first 100% standard electric bus line run by RATP.

Finally, IER and Bolloré Logistics rolled out the Bluedistrib solution in Paris, in partnership with online sales and retail companies. It is based on making deliveries to pick-up points at Autolib' sites during night-time hours using electric vehicles.

INVESTING TO PROTECT THE ENVIRONMENT

Materiality of the challenge

The improvement in the energy performance of Group facilities and equipment makes it possible to reduce its operating costs. In addition to the financial impact, the challenge for the Group is to reduce the environmental impact of its activities and to prevent environmental pollution in four main areas:

- greenhouse gas emissions;
- the production of waste;

- the pollution of soil, surface water and groundwater;
- water and energy consumption.

Group policy

The Bolloré Group is working to reduce the environmental impact of its activities. It takes steps to reduce the environmental footprint of its facilities, treat and monitor its waste, reduce its GHG emissions and monitor water and energy consumption. It commits to developing its businesses, products and services to meet the new challenges posed by climate change.

Reducing the environmental footprint of our facilities

The reduction of the environmental footprint of our facilities involves the roll-out of an environmental management system, the steady increase in the ISO 14001 certification of our industrial facilities but also the analysis of the results of our mapping of industrial and environmental risks (measurement of waste, emissions, soil usage – presented in section 4 – Risk factors). This also makes it possible to identify the preventive or corrective actions to be taken and in fact represents a decision-making tool regarding such actions.

Waste processing

The Group closely monitors waste at its various facilities in France and abroad. The monitoring centers on "hazardous" waste (waste that, by virtue of its radioactivity, flammability, toxicity or other hazardous properties cannot be disposed of in the same way as other waste without endangering people or the environment) and "non-hazardous" waste (which in no way endangers people and the environment). It forms an integral part of the Group's extra-financial reporting employing a precise classification of facilities. The results of the reporting make it possible to monitor the production of hazardous and non-hazardous waste at each facility, and to identify the recovered or recycled portion.

The hazardous waste is generated by the Transportation and logistics division (in Africa, there is a special process for waste oil, which is recycled in partnership with Total, particularly in Cameroon, Republic of Côte d'Ivoire and Senegal), Electricity storage (factories manufacturing batteries, Bluecar, IER and car-sharing activities) and Bolloré Energy (oil depots where residual hydrocarbons are treated through thermal regeneration or buried).

Greenhouse gas emission reduction policy (GHG emission scopes 1, 2 and 3)

The Group does an annual assessment of the GHG emissions from its energy consumption. In 2016, in accordance with applicable regulations, the Group started to identify and measure the guiding principles of the main emission line items in scope 3.

Policy to monitor and reduce water and energy consumption

Each year, the Group reviews its water and energy consumption. In 2016, the Group monitored water consumption from both the water networks and that drawn directly from the environment. In the case of energy consumption, the Group distinguishes between the energy consumed for transportation and that consumed in buildings. In 2016, the Group began monitoring entities putting in place zero-energy certificates or with a policy of buying electricity from renewable sources.

Significant events in 2016

Reducing the environmental footprint of our facilities

Environmental management system (EMS) and ISO 14001 certifications

(as a percentage)	2015	2016
Proportion of entities putting in place an EMS	34	39
Percentage of entities (all divisions combined excluding Havas) certified ISO 14001	15	16
Percentage of industrial facilities certified ISO 14001	10	24

Following Singapore in 2012 and Roissy in 2015, in Q4 2016 Bolloré Logistics completed the new "Sustainable – Green Hub" depot in Le Havre. It is LEED 4 Silver and Ecocert certified and was awarded the BiodiverCity label®.

In 2016, Bolloré Transport & Logistics evaluated the biodiversity footprint of its facilities. Across the facilities studied (the facilities are identified using geo-referencing), 24% were put on the priority list for biodiversity assessments, the ultimate goal being the creation of biodiversity indicators for the facilities and the promotion of biodiversity-related labels or certification.

Waste processing

Environmental management system and ISO 14001 certification

Total waste by category (in metric tons)	2015	2016	Scope (% Group workforce)
Total amount of non-hazardous waste removed	24,730	34,134	95%
Total amount of hazardous waste removed	6,280	5,659	95%
Total amount of (hazardous and non-hazardous) waste removed ⁽¹⁾	31,010	39,793	95%

(1) The total waste removed does not include 1,583 metric tons of waste from Havas.

The quantities of waste reported by the Bolloré Group (excluding Havas) in the table above only include companies engaged in industrial activities, which included 89.5% of the workforce at December 31, 2016. The coverage rate (as a percentage of the workforce of companies with industrial activities) was 95% for hazardous and non-hazardous waste.

Greenhouse gas emission reduction policy

Total greenhouse gas emissions (scope 1 and 2)⁽¹⁾

(metric tons eq. CO ₂)	2015	2016	Scope (% Group workforce)
GHG emissions associated with energy consumption scope 1 ⁽¹⁾	492,854	294,849	96
GHG emissions associated with energy consumption scope 2 ⁽²⁾	71,921	76,787	96
GHG associated with energy consumption – scope 1 and scope 2	564,775	371,636	96

(1) Scope 1 corresponds to direct emissions, such as energy consumption excluding electricity, fuel combustion, emissions from industrial processes. It does not include fugitive emissions (due to leaks in refrigerants, for example).

(2) Scope 2 corresponds to indirect emissions associated with energy, such as electric consumption or steam, cold or heat consumption through distribution networks. Greenhouse gas emissions shown in the table above are associated with the Group's energy consumption including Havas.

The calculation methodology used is the ADEME carbon base method issued December 17, 2015.

Internationally, where the emission factors for certain items of energy consumption were unavailable, the French factor was applied. For GHG emissions linked to electricity, when no emission factor was available for a particular country, the highest factor from any of its neighboring countries was applied.

The main emission line items in Bolloré Group's scope 3 are:

- the combustion of oil products sold by Bolloré Energy;
- emissions from the transportation of goods in the course of freight forwarding;
- employees' work-related travel, while not one of Bolloré Group's main emission line items, were included in these emission calculations.

The calculation of emissions from the combustion of oil products sold is based on the volumes of each type of oil product sold and its emission factor in the ADEME database.

The geographic scope used for emissions from the transportation of goods is Europe. Nevertheless, the exact number is still not available but should be in 2017.

The data relating to employee travel encompasses train and plane journeys. For plane journeys, the Group split out medium-haul flights (under 2,000 km) and long-haul flights. For medium-haul journeys, the Group uses the flight emission factor of 100 to 180 passengers between 1,000 and 2,000 km. For long-haul flights, the Group uses the emission factor of over 250 passengers for flights of between 8,000 and 9,000 km (estimation of the average flight across the Group). For emissions from train journeys, it simply isn't practicable to list all the journeys made, the Group decided to use the emission factor for regional train diesel in the ADEME database. This decision is down to the fact that 53% of journeys are done by employees in the West African entities.

The main line items within the Havas scope 3 are purchases, waste, couriers/transportation and employee business travel. In 2016, CO₂ emissions within Havas group scope 3 represented 107,474 metric tons equivalent CO₂. The Havas scope 3 coverage rate is 100%.

Summary of GHG emissions included in scope 3

Total GHG emissions – Scope 3

(metric tons eq. CO ₂)	2015	2016
Combustion of oil products sold by Bolloré Energy	NA	8,292,841
Emissions from the transportation of goods in the course of freight forwarding	NA	NA
Employee business travel	NA	32,396

Following the 2015 energy audit, in 2016 Bolloré Energy continued to renew the oil vehicle fleet: 18 new oil vehicles acquired (Euro 6 standard), 22 vehicles retired. In total, 84 trucks (26% of the fleet) meet the Euro 6 standard.

Policy to monitor and reduce water and energy consumption

The Group's water consumption is analyzed distinguishing water drawn from the natural environment and that consumed on the public network. In 2016, the Bolloré Group Transportation and logistics division accounted for 87.67% of the Group's total water consumption. Aware of the impact of its activities, in 2016 the Bolloré Logistics division carried out a study on consumption across 600 facilities worldwide in relation to national reserves. This work will help with the future development of a policy on the division's water consumption. As regards energy consumption, 10% of entities within the reporting scope declared using renewable energy in 2016. Autolib', Bluely and Bluecub signed up for a zero-impact offering certifying the supply of electricity from renewable sources for the car-sharing fleets.

INVESTING IN MEN AND WOMEN

The Bolloré Group's financial performance is based on the commitment of the women and men who work to achieve it. With the view to building long-term relationships, the Group undertakes to manage the careers of its employees over the long-term by supporting them and providing them with opportunities to grow their careers internally.

As an industry-leading responsible employer, the Bolloré Group has made social dialogue a priority in the sphere of human resources management. Convinced that it brings innovation and progress, the Bolloré Group encourages constant, high-quality dialog with its staff.

In France, as in numerous other countries, employees working in industrial or commercial structures are represented by independent trade-union organizations or by representatives elected by the staff. Every year, negotiations are entered into and agreements signed by labor and management on numerous issues. In 2016, 1,193⁽¹⁾ collective agreements were signed across the Bolloré scope, including:

- 563 agreements on compensation;
- 251 agreements on health and safety;
- 90 agreements on working conditions;
- 100 agreements on social dialogue;
- 189 agreements on employee savings.

HAVING AN INDUSTRY-LEADING HEALTH AND SAFETY POLICY

Materiality of the challenge

Ensuring the good health and safety of employees is a top priority for the Bolloré Group. It is particularly the case for Bolloré Transport & Logistics, which operates in 106 countries, including 46 in Africa. By providing access to health coverage for its employees and dependents, applying international work safety standards and investing in the prevention of workplace accidents, Bolloré Transport & Logistics helps improve living standards in the countries in which it operates.

Group policy

Safety policy

The Bolloré Group carries out its business in environments where the accident risk is high and makes it a priority to ensure the workplace safety of its employees, partners and subcontractors. The Group rolls out appropriate policies and procedures in all its divisions and locations.

It undertakes to secure the work environments and to anticipate workplace risks (roll-out of the Pedestrian Free Yard program, pedestrian free terminals in port terminals and multi-modal platforms, expansion of HSE training actions for logistics activities).

It has a sustained policy of certification around the major standards (ISO 9001 and 14001, OHSAS 18001, IRIS).

Employee health policy

The Bolloré Group offers an effective social protection policy. This takes the form of the implementation of prevention and care access programs depending on the location of its activities.

In certain locations, it looks to go beyond the statutory obligations by offering additional health coverage for employees.

Significant events in 2016

Safety policy

- 29 additional companies introduced a certified safety management system (25 in 2015). Number of facilities with workplace health and safety certification in 2016: 117.
- The renewal of ISO 9001 certification across the various port terminals reaffirms the effectiveness of the health and safety policy.
- Sitarail was awarded IRIS certification following the launch of the project in 2013 within the Bolloré rail entities. The process is ongoing for Camrail.
- Reduction in the number of workplace accidents⁽²⁾ in 2016: 494, compared with 526 in 2015.
- For the Bolloré Group excluding Havas, the severity rate of workplace accidents is 0.17 and the frequency rate 5.48.

There was a train accident in Cameroon on October 21, 2016, which resulted in 80 deaths and 678 injuries in Eseka. Camrail immediately responded to the emergency by providing significant support to the authorities to deal with the emergency: 120 people on the accident site within three hours, 10 ambulances, a special medical train, 20 buses and all of Camrail's service vehicle fleet. At the same time, an emergency response unit named "CAP 152" was established to inform, identify and help the victims of the accident and their families. CAP 152 in particular set up a toll-free number, opened special counters in the main Camrail stations, established a unit to provide assistance and psychological support and liaised with the hospitals. Following the accident, Camrail took further steps to increase the safety of the lines operated: limiting passenger train speeds across the network, suspending intercity services, carrying out a safety audit, establishing a new structure with the appointment of an executive director with responsibility for safety. An internal commission of inquiry was established to identify the causes of the accident. The preliminary inquiry report was sent to the authorities. Finally, Camrail and its insurers have started the process of compensating the victims of the accident. Camrail firstly immediately offered to cover the funeral costs of all those who died in the accident, representing a total expense of 1.5 million CFA francs. In order to support the victims and their families through the compensation process, Camrail provided specific help with the initial paperwork. Aware of the fact that this process may take some time, Camrail provided cash advances for the bodily injuries suffered by the victims and to the families of the deceased, with material damage also being compensated. The compensation arrangements for the accident victims (deceased and injured) are being prepared.

Employee health policy

The Ebola epidemic, which began in 2013, ended in 2016. In March 2016, Guinea was officially recognized by the WHO as being Ebola free. The Group thus suspended the special crisis management measures it had put in place at the start of the epidemic, involving around the clock monitoring and stringent rules (training and safety reminders every morning for all employees of Group entities in the affected countries, Group crisis unit). The Group had no fatalities during the epidemic.

(1) Havas scope covered = 79% of the sample described in the note on methodology, page 48.

(2) The number of workplace accidents encompasses all Bolloré Group companies, including Havas.

ATTRACTING TALENT AND RETAINING EMPLOYEES

Materiality of the challenge

The Bolloré Group is well aware that its development is directly linked to that of its staff, and that their expertise lies at the heart of the Group's economic success. In order to remain innovative and track changes in its businesses, the Bolloré Group has made attracting and retaining talent a priority. This priority takes the form of a consistent and equitable salary policy across the Group, the implementation of a dynamic recruitment policy and the guided management of the careers of its employees.

Group policy

A consistent and equitable salary policy

To remain competitive, equitable and foster motivation, the Group's compensation policy relies on two components. Compensation must not only be consistent with the results of each division and with the local market practices, but must also steer individual efforts toward the overall performance of the Group. It is part and parcel of meeting the objective of being an employer of choice in order to attract the new skills the Group needs and forms part of the corporate social responsibility effort.

Accordingly, as part of these guidelines, compensation and recognition can take various forms, whether monetary or non-monetary, particularly as part of social benefits, to offer an inspiring overall package to employees, primarily centered around:

- the fixed portion, which recognizes the skills and responsibilities of the employee in performing his/her duties and in his/her contribution to the collective good;
- the variable portion, which compensates commitment and the achievement of quantitative and qualitative objectives;
- deferred compensation schemes, such as profit-sharing and/or incentives in France, which compensate collective success, and provide a way of sharing the value created by the company with its employees;
- social benefits programs, including retirement, social protection and savings;
- and non-monetary components designed to meet specific local needs that constitute socially responsible responses (provision of dispensaries, organization of working time).

A dynamic recruitment policy

In a global market, recruitment is strategic for the Bolloré Group. It plays a critical role in the company's performance by bringing in the best candidates in sync with the Group's culture and values.

The Group also sees diversity as a source of complementarity, social balance and richness in its economic development. Recruiting people from different backgrounds is felt to add value because it makes it possible to:

- spur innovation and creativity through the sharing of different skills;
- better understand customer expectations by hiring staff that resemble them;
- make inroads into fast-growing markets in a global economy that makes diversity a prerequisite for gaining access to certain markets.

An engaging career management policy

Aware that commitment to the company's ultimate goal requires the long-term management of employee careers, annual interviews were rolled out in all countries in which the Bolloré Group operates. This will make it possible to do an annual evaluation of employee performance while ensuring they are committed to Group values.

Significant events in 2016

A consistent and equitable salary policy

In order to benchmark market practices on staff welfare benefits, a study involving two country pilots (Cameroon and Republic of Côte d'Ivoire) will be undertaken in 2017 with the SIACI International service provider. The idea is for this study to be rolled out everywhere in order to develop a common Group policy. Ultimately, consideration may be given to issuing certificates to subsidiaries that meet the criteria laid down by the Group.

A dynamic recruitment policy

The recruitment, integration and professional development policy for employees regardless of their culture, nationality, gender, experience and professional background is a key element of the Group's development policy. The external new hires that took place in 2016⁽¹⁾ represent 95 different nationalities. The Group also undertakes not to discriminate in terms of age when it comes to recruitment. Among the external new hires in 2016⁽¹⁾, 2,031 employees were under 30 years old (i.e., 42% of total hires), 1,703 employees were between 30 and 39 (i.e., 36%), 744 employees were between 40 and 49 (i.e., 16%) and 279 employees were over 50 (i.e., 6%). This recruitment policy takes account of the high level of turnover among employees under 30 and among employees between 30 and 39. In addition, local recruitment is prioritized. This recruitment policy makes it possible to better mesh the Group's activities into the local area while giving managerial positions to local employees. Accordingly, out of 4,757 external new hires in 2016⁽¹⁾ 4,266 were local hires (i.e., 89.7% of total external recruitment).

An engaging career management policy

In 2016, 34,972⁽²⁾ annual interviews were carried out across the scope. These appraisal interviews provided an opportunity to discuss the goals set and achieved, attitude, desired career changes, support, training and future goals.

In order to better manage the careers of its employees, in 2016 the Bolloré Transportation and logistics division set up the first ever career committee in the port business unit.

DEVELOPING OUR EMPLOYEES' SKILLS

Materiality of the challenge

Given that it is highly diversified, the Bolloré Group must anticipate changes in its businesses across all its divisions. To support these changes, the Bolloré Group set itself the goal of developing an ambitious training policy, particularly for its managers, and promoting internal mobility.

Group policy

Investing in our managers

The ageing of the working population, which will lead to experienced employees leaving over the next few years, has highlighted the need for companies to identify, retain and develop their key members of staff. The management of talented employees, whether they are promising young graduates, well-established managers or executives, is essential if a high-performing company is to achieve its strategic objectives.

In this context, it is important for the Bolloré Group to implement a strategy for managing and developing promising employees. The development of specific programs for this group makes it possible to achieve the following goals:

- increase their sense of belonging to the Group;
- develop their managerial practices;
- provide them with managerial solutions to certain workplace situations.

Training them in the skills of the future

Given the economic upturn and growing pressure on certain highly qualified professions, it is clear that it is no longer simply a matter of hiring in the talent required by the Bolloré Group but also of growing and training employees internally. That is why employee training is a major focus for the Group. Every year, the Bolloré Group invests in human capital by offering training to its staff throughout their careers.

In accordance with the policy of autonomous corporate management, the training offer provided is defined by each company. This decentralized management allows coherent training to be provided that is suited to the activities and organization of each structure. In 2016, 25,720 employees⁽³⁾ attended a training and 617,712 hours of training⁽⁴⁾ were provided, representing an average of 24 hours of training per employee trained.

(1) Bolloré scope, excluding Havas.

(2) Havas scope covered = 88% of the sample described in the note on methodology, page 48.

(3) Havas scope covered = 93% of the sample described in the note on methodology, page 48.

(4) Havas scope covered = 91% of the sample described in the note on methodology, page 48.

Encouraging mobility and professional development opportunities

Wishing to encourage its own development and enrich the career paths of its employees, the Bolloré Group promotes internal mobility in all its forms. With a presence throughout the world and in a highly diverse range of activities, the Group wants to offer its employees not only the chance to move up the ladder, but also to move to other countries and other functions. In 2016, the Bolloré Group had 1,124 instances of internal recruitment⁽¹⁾ (i.e., 9.7% of total recruitment).

Through the Havas Lofts program, Havas offers training in mobility. Run over four weeks, participants experience what it is like to work in a Havas group agency. This program is a unique opportunity for highly trained Havas employees to build a set of international skills, better understand multi-culturalism and improve their leadership expertise. To date, some one hundred employees from 49 agencies in New York, London, Paris, Boston, Prague, São Paulo, Sydney, Chicago, Buenos Aires, Milan, Madrid, Shanghai and indeed Mexico have participated in this program. Two new Lofts sessions are scheduled for June and November 2017, and will involve participants from additional cities.

Significant events in 2016

Investing in our managers

Within the scope of the Bolloré Transportation and logistics division, 133 managers worldwide were trained in 2016 under the MAPS and MFT programs. These two programs enable participants to explore the role of manager, develop their managerial attitude using specific tools and build team spirit and motivation.

- The MAPS (Management, Assertivity, Personality and Skill) program is targeted at managers in their positions for less than three years. It consists of eighteen days of training over three-to-four years with a two-to-three day module every four-to-six months and WebEx project follow-ups between each session. In 2016, 113 managers took this program, including 61 in Europe, 40 in Asia and 12 in Africa.
- The MFT program (Manager for Tomorrow) targets managers who have just been appointed. The training is run over five consecutive days. In 2016, 20 managers took this program in Africa. There are plans to expand this program in 2017.

Within the scope of the Havas division, 94 managers were trained in 2016 under the NextGen Leadership program.

- The NextGen Leadership program is a comprehensive eighteen-month managerial program designed to prepare high-potential middle managers in Havas to take over Group leadership positions. NextGen consists of a comprehensive training program followed by an opportunity for participants to apply their newly acquired skills in collaborative projects within the Havas network. The program is built around three one-week-long modules. Through these modules, NextGen aims to prepare the best and brightest at Havas to meet the challenges and grasp managerial opportunities within a constantly changing industry.

Within the scope of the Electricity storage and solutions division, managers wanted advice on how to better deal with certain religious activities within their units.

This managerial request to have a structured framework for managing religious activities led the division to develop a pilot training with the following learning goals:

- understand the legal framework and the key concepts regarding the management of religious activities in the workplace;
- distinguish between religious beliefs and religious practices;
- know how to deal with requests of a religious nature;
- build a framework for managerial action.

This approach thus enabled managers from the various units to put together a highly operational managerial tool. In 2016, 10 managers were trained at IER. In 2017, this training will be rolled out to other Group companies.

Training them in the skills of the future

Within the scope of the Bolloré Transportation and logistics division and building on the experience of the Abidjan pan-African center, a network of learning hubs will be developed. These spaces will seek to innovate as regards building on and transferring expertise with four goals:

- provide methodological and operational support for the implementation of the training plans of entities (optimization of training investments or purchases);
- analyze needs and participate in the development of trainings for the creation of solutions or the adaptation of existing solutions in the network;
- implement training activities for employees within the entities;
- help evaluate the effectiveness and impact of the training.

Within the scope of the Havas division, an internal training program centered on data and programming challenges was developed to support the digitization of these businesses. This proprietary certification program "100% Programmatique" is available on a Havas University internal learning platform. It enables each person to learn new skills, become more independent and understand all the program's goals. The first phase of "100% Programmatique" took place last autumn for employees in the creative and media entities. In total, 3,000 employees have been certified in over 40 countries. The program will be rolled out to all Group employees from February 2017.

In addition, the agencies offer trainings that are tailored to their needs. At Havas Media, for example, a whole series of educational initiatives covered communications, relationship management, customer service, leadership and management.

Encouraging mobility and professional development opportunities

The Electricity storage and solutions and Havas divisions launched tools to promote internal mobility.

IER and Autolib' rolled out a recruitment and mobility support tool, and are thus using the SOSIE personality traits and sources of motivation.

The various Group divisions received a detailed presentation on this tool in 2016, with a view to developing a Bolloré Group internal mobility process built around identical personality traits and sources of motivation.

The working group put together for this tool thus made it possible to:

- offer the tool to the various Group entities, in France and abroad, in French and English;
- to schedule training sessions in 2017 for the various users of this test, in France and abroad.

Within the Havas scope, the implementation of Career Mobility gives employees access, via an Internet portal, to internal opportunities across all Group agencies.

BRINGING THE GROUP TOGETHER AROUND A SHARED CORPORATE CULTURE AND ETHICAL STANDARDS

AN ORGANIZATION THAT GUARANTEES BEST PRACTICES

Materiality of the challenge

The fact that the Bolloré Group operates in 156 countries means that it is heavily exposed to business ethics. The Group established an organization to ensure that the best practices set out in its Ethics Charter are shared by all employees and enable it to reduce the risks arising from business ethics.

Group policy

Ethics are considered one of the Group's assets, a factor that contributes to reputation and loyalty. The Bolloré Group created effective and consistent ethical measures in order to communicate clear rules of conduct to all of its employees. This policy is based on an Ethics Charter (2000), the commitments of which were reaffirmed in 2012 under the name "Ethics and Values". It is reinforced by the codes of conduct elaborated by the divisions, whenever they feel it necessary to draw up such additional codes.

(1) Havas scope covered = 95% of the sample described in the note on methodology, page 48.

According to the "Ethics and Values" Charter, "Today, the scrupulous respect of the laws and regulations in force is not enough. This is why the Bolloré Group is committed to an ethical and responsible approach, based on strong commitments which are conducive to shared outcomes for its activities as a whole.

Based on the principles of the United Nations Global Compact as regards human rights, labor rights, the protection of the environment and the fight against corruption, as well as on the Group's values, this approach aligns economic performance to shared business ethics" (see point I of the Ethics Charter).

This first point breaks down into a number of obligations:

- preserve the Group's image and shared heritage;
- ensure the necessary confidentiality, notably as regards personal data;
- place relationships with the authorities under the Ethics umbrella;
- pay very close attention to conflicts of interest;
- ensure the reliability and accuracy of financial information;
- maintain business relationships that comply with ethical standards;
- ensure objectivity in choosing suppliers.

Ethics governance

In order to ensure the effectiveness of these measures, the Ethics Committee defines and coordinates the roll-out of the ethics policy within the Group. Led by the Committee Chairman, appointed by the Group Chairman, the Committee's members include Group and Division Chairmen and Chief Executive Officers, the Head of Internal Audit, the Group Human Resources Director, the CFO, the General Counsel of the holding company, the Group Ethics and Compliance Director, the division Ethics and Compliance Directors, and any other person that Executive management feels will help the Committee carry out its work.

The division Ethics managers report to the Group Ethics manager. There is a network of ethics representatives across the Group's logistics activities with further such representatives in the process of being appointed in the other divisions. It reports directly to Executive management.

Ethics compliance management system in place within the divisions

- **The Group Ethics Charter**, shared by all divisions, entitled "Ethics and Values", is the reference document that sets out the core aspects of the ethics system. It is the first point of reference for the whole system, the second being the UN Global Compact, which the Bolloré Group signed in 2003. This Ethics Charter is one of the documents provided to new hires within the company, and is mandatory for all managerial staff.
- **The code of conduct**: this division-level document (Transportation and logistics business) defines the fields of ethics felt to be of extreme importance: security of transportation, health and safety of employees, the fight against corruption, respect for competition rules, respect for the environment. So that each person can, within his/her remit, take the fullest account thereof, these fields are described by detailing the principles, rules of appropriate conduct and behavior. This code is set to change in the near future and become a Group standard.
- **The anti-corruption and ethics compliance management system**: in order to ensure the practical application of the aforementioned ethics principles, the Procedures Manual details the rules to be followed at an operational level. This covers risk assessment, awareness, training, rules on exchanging gifts and sales negotiations with third parties, supplier screening (due diligence) and lastly accounting transparency and the auditing of the compliance management system.
- **The whistle-blowing system**: lastly, each division has access to a whistle-blowing procedure and allows for the confidential reporting to the Ethics manager of information relating to a serious breach in the sphere of finance, corruption, anti-competitive practices, discrimination and harassment, health and safety, and environmental protection.

Significant events in 2016

The Group's ongoing desire to enhance the level and scope of its ethics approach resulted in a decision in 2016 to unify the ethics processes and to make them known to all employees so that everyone can share the same standards. The internal organization is built around:

- an Ethics – CSR and sponsorship Committee, which defines the Group's ethics approach;
- a Group Ethics manager, who was appointed to coordinate and implement the Group's ethics approach across all divisions. He acts as a permanent adviser to Executive management. He is responsible for rolling out compliance tools Group-wide. Finally, he coordinates a network of ethics managers within each division;

- the division ethics managers and compliance officers, who are responsible for rolling out Group compliance tools and for respecting the principles and rules in the Ethics Charter and in the division code of conduct;
- a whistle-blowing procedure, which allows employees to report any failure or irregularity encountered in the accounting and financial spheres.

In 2016, information on ethics provisions continued to be disseminated via face-to-face meetings in the subsidiaries using the educational process employed since 2010. E-learning sessions supplementing these meetings were actively organized throughout the year.

These focused on: anti-corruption laws (Foreign Corrupt Practices Act, UK Bribery Act, etc.), the Group's "Ethics and Values" Charter, the Code of Business Conduct of companies in the Transportation divisions, and regulations on compliance with competition rules.

In parallel, a working group was established to develop a new online training module covering export controls and trade sanctions (embargoes).

Specific tools made available to employees facilitate the dissemination of the information provided during the training sessions:

- employee access via the division intranet to the "Ethics" site on which the Group's proprietary fundamental documents, the regulations and the list of key suppliers are located;
- making available of a team site to the regional and country managers, as well as the regional and country ethics delegates. It provides access to the Procedures Manual and to a toolbox that facilitates the use of interactive documents (risk assessment or the supplier evaluation questionnaire, due diligence). This website was overhauled in 2016. The intranet tool is the perfect response to the need to provide a standard structure for the ethics compliance management system, while ensuring the efficient dissemination of procedures and processes, as well as reporting;
- involvement of the Ethics and Compliance Department of the Transportation and logistics divisions in calls for tender, to describe the commitment to ethics of the Bolloré Group and its divisions but also at the contract stage in order to ensure that the Group's subsidiaries comply with client expectations in this field. For this purpose, it performs the following actions:
 - overview of the ethics system set up within the division for clients and suppliers;
 - intervention in circles or bodies specializing in ethics;
 - conducting training with university groups or for continuing education for adults;
 - responses to questionnaires sent by clients regarding the ethics compliance provisions, due diligence, etc.

As part of this approach, each employee commits on a daily basis both to continuously improving the offering, in order for it to meet client demands as closely as possible, and to respecting the Group's principles.

Finally, in 2016, the Transportation and logistics Ethics Department continued to contribute to AFNOR's work on the preparation of the ISO 37001 standard (anti-corruption management system). This international standard was approved by ISO in October 2016.

ENSURING THAT THE GROUP'S BUSINESS RESPECTS HUMAN RIGHTS

Materiality of the challenge

The Bolloré Group operates in 156 countries, including in many developing countries (operations in 46 African countries). The issue surrounding the respecting of human rights is thus important from a corporate ethics perspective.

Group policy

Respect of human rights

As a member of the UN Global Compact for over ten years, the Group is committed to complying with its principles, including those relating to human rights. These provisions are translated into training modules in e-learning form, and relate to the "Ethics and Values" Charter and the general code of business conduct of the Transportation and logistics divisions, which are provided to employees.

The Bolloré Group is committed to an ethical and responsible approach, based on strong commitments presented in the "Ethics and Values" Charter.

In this context, it refers in point II "Ensuring a trusting relationship with employees" to the provisions of the International Labour Organization (ILO). "The Group has undertaken to never engage directly or indirectly in child labor or forced labor practices."

A responsible purchasing policy

The Group includes environmental and ethics provisions in its procurement framework agreements.

The Group's sea freight contracts contain an ethics and environment provision that requires subcontractors to comply with the Ethics Charter, the code of conduct and the CSR Charter of the Transportation and logistics division.

Significant events in 2016

Respect of human rights

In order to develop this commitment, to promote and respect the protection of international law in the field, in 2016 the members of the Ethics – CSR and sponsorship Committee decided to perform a preliminary evaluation and to test out a "Human Rights" program on a pilot site in Africa.

The Group chose a leading partner, the Danish Human Rights Institute (IDDH), to support its initiative, as well as a facility that is representative of its operations and of its regional roots. The IDDH, which enjoys a broad mandate to protect and promote human rights, developed an awareness workshop to i) underline the Group's CSR commitments and ii) propose specific local courses of actions.

The location chosen for this initiative is Sitarail, which has been audited by the Statutory Auditors for the past three years. The Bolloré Railways rail concession manages 1,260 km of track between Republic of Côte d'Ivoire and Burkina Faso. It has 1,524 employees and moves over 160,000 passengers and 800,000 metric tons of freight annually.

The workshop brought together some forty participants, including management staff and representatives of the various functions within Sitarail in Côte d'Ivoire and Burkina Faso, the social partners as well as external Sitarail stakeholders (including the special police, security firms, subcontractors in the sphere of passenger transportation, etc.).

It seems that Sitarail, by virtue of the fact that it transports goods and above all people, and its public service concession arrangements, are particularly sensitive to corporate responsibility issues in general, and human rights in particular. The legal, economic and reputational risks stemming from corporate failure to respect human rights are well documented, along with the opportunities for the company to be pro-active on human rights.

The seminar provided the opportunity to specifically explore human rights in the context of the company's activities, both in terms of the rights of workers and the rights of users of its services and local residents.

A working group was established following the workshop, involving the various relevant functions within Sitarail. It is tasked with drawing up a human rights action plan that deals with the risks identified during the workshop (particularly with respect to the track upgrade work) and reporting on local initiatives. The operating teams (at headquarters and locally) were heavily involved in organizing this workshop and now want to continue raising awareness among Sitarail employees.

The Group plans to build on this experience and is looking to put in place a global human rights policy. The first step will be to launch a survey across all Group divisions to identify the varying levels of understanding on this issue.

PROMOTING ETHICAL AND RESPONSIBLE COMMUNICATIONS

Materiality of the challenge

As a producer of advertising content and campaigns, Havas pays particular attention to complying with rules of conduct in the advertising and journalism spaces, the messages it conveys in its productions and the media platforms on which it buys space for third parties.

Group policy

In order to better address the expectations of its stakeholders, Havas updated its Ethics Code and its internal procedures guide. These documents were communicated to all Group entities. The Code⁽¹⁾ details the various principles adopted by the Group:

- compliance with laws and regulations;
- honesty and integrity when conducting business;
- compliance with the ethics rules governing the communications segment;
- respect for individuals;
- safeguarding of Group interests at all times regarding the use of property, resources or information belonging to the company or in the event of conflicts of interests;
- transparency and relevance of information communicated;
- respect for the environment.

Significant events in 2016

Havas stepped up its efforts regarding its responsible communications program with a view to ensuring that the advertising campaigns produced comply with the rules of conduct and are not at risk of being edited or, in extreme situations, banned by regulatory authorities. In 2016, 59 Group agencies established internal procedures to ensure that creative projects comply with applicable ethics rules, and close to 51% of employees were made aware of applicable laws and regulations governing communications.

Over 3,368 creative projects were submitted to existing regulatory authorities prior to release (France, Spain, Portugal, Italy, Canada, Australia, China, the United States, etc.), and only 4% were deemed not to comply or were given an unfavorable opinion. And of all such opinions, the French advertising standards authority only asked for a single campaign to be withdrawn.

The primary expectation of our stakeholders is for responsible communications that takes account of the impact of the depictions conveyed and seek to ensure that the information contained or implied by our messages is true, clear and fair. Our commitment is over the medium and long term, and the initiatives of Group agencies in this sphere are continually expanding.

Three areas for improvement were identified:

- incorporation of sustainable development skills and tools in Group agencies;
- development of working practices more closely involving stakeholders within the customer organization prior to campaign design;
- intensification of the Group's societal commitment through skills-based sponsorship.

Incorporation of sustainable development skills and tools

In 2016, 16 campaigns were designed together with sustainable development experts, comprising both internal managers and external consultants.

Already rated "Gold" by the Eco Vadis extra-financial rating system since last May, BETC has now been awarded UN Global Compact "Advanced" status. The agency has had a comprehensive sustainable development approach since 2008, with actions that apply as much to internal issues as to audiovisual production and brand support.

The development of working practices more closely involving stakeholders within the customer organization prior to campaign design

Incorporating the expectations of stakeholders within the customer organization, particularly when the campaign theme relates to sustainable development issues, is central to the process of defining the lines of communication.

In 2016, 11 campaigns were thus produced following consultation with stakeholders within the customer organization (NGOs mainly). It is primarily media agencies that adopted this process, and largely in Spain and in certain Latin American countries.

(1) The Havas group Code of Ethics can be found on havasgroup.com, CSR section, Publications sub-section, 2010: <http://www.havasgroup.com/csr/publications?year=2010>.

TAKING ACTION FOR LOCAL DEVELOPMENT

CREATING JOBS

Materiality of the challenge

Bolloré Group operates in 46 African countries through the various activities of Bolloré Transport & Logistics, which has close to 25,000 employees. It is the leading port operator with 18 active concessions. It also operates three rail concessions. Turnover in Africa totaled 2.3 billion euros in 2016, representing 24% of total Bolloré Group turnover. Against this background, the recruitment and training of local employees are very important issues for the Group.

Group policy

The Bolloré Group undertakes in all the countries in which it operates to be a leading local employer. This commitment encompasses the recruitment, training and promotion of local employees.

Significant events in 2016

In 2016, the Group measured its impact on local employment. Of the 58,023⁽¹⁾ Bolloré employees in the workforce on December 31, 2016, 85.7% were local employees. Of these employees, 16,102⁽²⁾ were trained during the year (representing 93.6% of total employees trained). In addition, 4,358⁽²⁾ local employees were promoted to manager during the year (representing 85.6% of total promotions). Since 2014, the Bolloré Group has been mapping compensation and benefit practices worldwide.

To this end, audits were carried out on compensation in 6 African countries and on benefits in 18 African countries. These involved both documenting compensation, welfare, health and pension practices and comparing these to the local market. The results achieved enable the Bolloré Group to have an overview of the mechanisms put in place locally in order to build the appropriate governance framework.

LOCAL ECONOMIC DEVELOPMENT

Materiality of the challenge

Through its presence in developing countries, and particularly in Africa, the Group plays a role in the development of the local economies of the areas in which it operates. Through its capital expenditure in port and rail infrastructure, it contributes to economic growth, the opening up of certain countries, the development of public services and the upskilling of local populations.

Group policy

In addition to the capital expenditure in its various concessions and its contribution to local employment, there are two components to the Group's local economic development policy.

The development of health infrastructure

The Group takes steps to develop health infrastructure by: providing supplementary health coverage and the reimbursement of medical expenses for its employees in the countries in which it operates a port or rail concession; paying for the care provided either i) in the health centers in the various subsidiaries (centers established in 11 African countries) with dedicated medical staff or ii) in private clinics in the countries in which it operates; putting in place health crisis management plans (epidemics, pandemics).

Energy access

The Bolloré Group rolls out energy access solutions with a view to providing services to local populations. It has developed Bluezones in four African countries (creation of well-lit areas, supplied with drinking water and connected to the Internet thanks to containers filled with LMP® batteries powered by photovoltaic panels) and rolled out clean public transport solutions in Republic of Côte d'Ivoire and Cameroon.

Significant events in 2016

Energy access

The Group established an electric bus service on the Félix-Houphouët-Boigny university campus in Cocody, consisting of three 6-meter Bluebus, a 140 kWh solar power plant and 360 kWh in LMP® batteries. This service, which is free for students and university staff, carried 1,055,500 passengers in 2016.

ESTABLISHING A LOCAL SPONSORSHIP POLICY

Materiality of the challenge

The local sponsorship policy put in place reflects the Group's values, embodies the major strands of the corporate responsibility policy and contributes to the economic and social development of the regions in which the Group operates.

Group policy

The Bolloré Group's solidarity policy is built around the Fondation de la 2^e chance, Foyer Jean-Bosco and a sponsorship and skills-based sponsorship policy.

Fondation de la 2^e chance: combating exclusion and encouraging civic engagement

Set up in June 1998 at the initiative of Vincent Bolloré, its President, the Fondation de la 2^e chance has been recognized for its public utility since 2006. The aim of the Fondation de la 2^e chance is to help people aged 18 to 62 who have faced extreme hardship in life and who presently live in a vulnerable situation, but who have a real desire to get their lives back on track. In addition to fund-raising, the Fondation offers these people human and financial support (up to 8,000 euros for business start-up/rescue projects, and 5,000 euros for training projects) to bring realistic and sustainable career plans to fruition: vocational training, business start-ups or business rescues. This financial "leg-up" is accompanied by professional and emotional sponsoring provided to the project owner, until the project reaches a successful conclusion.

The Fondation's continued activities are supported by a team of employees and volunteers. There are nine employees at the Fondation's headquarters, which is housed by the Bolloré Group, who coordinate all Fondation stakeholders. A network of 1,000 volunteer workers act as on-site delegates, instructors and sponsors throughout France.

In 2015, the Fondation de la 2^e chance was re-awarded the IDEAS label. This label is recognized and trusted by donors, and establishes respect among non-profit organizations for the implementation of best practice in relation to corporate governance, financial management and monitoring efficiency.

Foyer Jean-Bosco, a new solidarity initiative by the Bolloré Group

This former Home of the Little Sisters of the Poor, built in 1896 and located at rue de Varize in the 16th arrondissement in Paris, was completely refurbished between 2012 and November 2015. Today, it has more than 160 beds, mainly used by young students from French provinces and from abroad, but also provides rooms for young people suffering from illness and the elderly. Fondation de la 2^e chance will move to this building in 2017.

Sponsorship and skills-based sponsorship policy

The Bolloré Group's sponsorship policy has two priorities: health, through the establishment of systems for crisis and emergency management, the development of health prevention programs; education, with a view to identifying and supporting local talent.

The Group's sponsorship activities also include the skills-based sponsorship developed by Havas and cultural and sporting sponsorship, which is used to support major health and educational causes.

Significant events in 2016

Combating exclusion and encouraging civic engagement

In 2016, the Fondation de la 2^e chance supported 318 new recipients. The average grant per recipient is 2,900 euros. 75% of recipients got financing for training and 25% to start businesses. Winners aged between 26 and 40 years old represent 40% of the projects supported.

(1) Havas scope covered = 100% of the sample described in the note on methodology, page 48.

(2) Bolloré scope, excluding Havas.

The first Michel Girault award was held in 2016. This award, created in memory of Michel Girault, co-founder of Fondation de la 2^e chance, recognizes the outstanding nature of the projects supported by the Foundation. Award recipients each receive a check for 3,000 euros. Two outstanding projects received the award this year.

Sponsorship and skills-based sponsorship policy

In 2016, the Bolloré Group supported 173 projects worldwide, including 140 in Africa. Some of these projects had a major local impact.

• Health and education – Djantoli project

Three-year partnership between Bolloré Transport & Logistics Mali and the Djantoli association, which began in 2015. The purpose of this project is to sustainably improve the health of children in Samé, in the suburbs of Bamako, by ensuring family access to quality care by supporting the local health center. This partnership is a three-step process: health education (group education sessions and individual advice); home follow-up (regular monitoring of children's symptoms); health insurance and quality care (payment of health costs for the most needy, improving the quality of care at the health center).

• Health – Sierra Leone

Freetown terminal played its role of committed employer by supporting a program to combat malaria and by donating medical equipment to hospitals and clinics in the capital of Sierra Leone.

• Health – Republic of Côte d'Ivoire

Abidjan Terminal provided financial support for the refurbishment of the Adiopo Doumé medical center in Abidjan.

• Education – Cameroon and Burundi

Douala International Terminal donated school materials to over 1,000 students in the city of Douala. Congo Terminal is working with the AE2H local association to enable children with disabilities to attend school.

Bolloré Transport & Logistics Burundi donated school supplies to the children in the poor district of Mutanga Sud.

• Sponsorship and skills-based sponsorship – Havas

Havas continues to actively support many charity or humanitarian associations. This support partly takes the form of direct donations (51 branches representing 37% of Group employees thus provided financial support to some one hundred associations this year... 1% for La Planète, Unicef, La Croix-Rouge, American Cancer Society...).

Skills-based sponsorship

- In 2016, 40 agencies, representing roughly 20% of Group employees, carried out pro-bono work or obtained free advertising space for charities and NGOs including: Reporters Without Borders, Amnesty International, APAV, FNSF (combating violence against women). The agencies spent 3,379 days on these 94 campaigns.
- Act Responsable, in cooperation with the Gunn Report, published an updated version of the Good Report, which lists innovative campaigns in terms of responsible messages or major causes, and also ranks the agencies having produced the best campaigns. Havas Creative Group is ranked 10th in the top 20 ranking. The "My Positive Impact" campaign by the Havas Paris agency for Fondation Nicolas Hulot was ranked in the top 40 campaigns.

OTHER REGULATORY INDICATORS AND CROSS-REFERENCE TABLE

SOCIAL REPORTING

Note on methodology

Organization

The reporting process relies on three levels of involvement:

- at central level: the Group's Human Resources Information Systems Department organizes and supervises the reporting of information throughout collection. It consolidates the social indicators of the divisions;
- at division level: the division representatives make sure the process runs smoothly, approving all files collected within this scope;
- at local level: local representatives are responsible for completing the collection files.

Collection period of scope

The data relating to the reporting year are collected on January 1 of the following year for the period from January 1 to December 31.

The Consolidation Department sends the list of the Group's consolidated companies, indicating for each one the method of consolidation.

The collection scope applies to all fully-consolidated companies, from the moment that the company takes on staff.

The collection scope stems from the financial scope.

We have decided to reduce some indicators in the France scope since the latter were difficult to transpose as they were without losing reliability. Before extending these indicators to a worldwide scope, it seemed appropriate to work with the representatives concerned on common, shared definitions.

This advance methodological work thus allowed us to gather reliable and auditable data.

Note on methodology

At December 31, 2016, the Bolloré Group had 59,411 employees spread across two scopes:

- Bolloré, whose workforce comprises 39,748 employees;
- Havas, whose workforce comprises 19,663 employees.

• Bolloré scope

The indicators below were collected and consolidated at the Bolloré Group level using Bolloré's dedicated reporting tool (NRE) presented above.

The scope covers 100% of the Bolloré Group workforce, i.e. 39,748 employees.

• Havas scope

The indicators below were collected and consolidated at Havas group level using Havas' specific "ENABLON" reporting software.

The scope covers 93% of the Havas group workforce, i.e. 18,275 employees. The shortfall is due to marginal differences in definitions and the lack of data reporting by certain branches, particularly those acquired late on in the year.

This chapter therefore sets out the details for 58,023 employees, i.e. 98% of the Group's total workforce.

The table below specifies for each of the themes published in the international scope, the workforce coverage and percentage corresponding to each of the scopes (Bolloré and Havas).

	Total workforce covered	% Bolloré	% Havas
Workforce			
Workforce by activity and by geographical area	58,023	100	100 ⁽¹⁾
Workforce by gender	58,023	100	100 ⁽¹⁾
Workforce by type of contract	57,730	100	98 ⁽¹⁾
Workforce by category	56,418	100	91 ⁽¹⁾
Workforce by age	57,017	100	95 ⁽¹⁾

(1) Scope based on the sample described in the note on methodology (18,275 employees representing 93% of the Havas workforce).

Indicators

Employee information reporting counts each employee as one unit, regardless of how long that employee worked during the year.

The subjects covered in our information collection are workforce, staff mobility, training, absenteeism, labor relations, organization of working time, professional insertion and people with disabilities as well as compensation.

In 2016, new indicators were added to the international scope (training, absenteeism, labor relations, professional insertion and people with disabilities). The indicators (compensation in euros) is still only published for French companies within the Bolloré Group this year.

Collection files

Two collection files for each company are automatically generated from the centrally held data:

- one file containing the collection file from the previous year;
- one predefined file for the collection for the current year.

The forms are pre-completed based on the type of operation:

- internal (French companies with centrally managed payroll). Individual data on employees are pre-completed in full and must be verified;

- external (companies without centrally managed payroll). The collection files are not pre-completed; the data must be entered and verified.

Monitoring and validation

To ensure the reliability of the indicators, the Human Resources Department has set up:

- a user guide and interactive assistance;
 - a hotline providing support to representatives.
- The monitoring and validation objectives are as follows:
- detect discrepancies recorded in the reporting tool;

- ensure the reliability of data by using a two-step validation process (division, local).

To ensure the consistency of the data entered in the reporting tool, the steps for validation are consecutive.

The data entered is subject to integrity checks, to detect inconsistencies in the data for the same employee.

The reporting tool also detects errors at each stage of validation as well as a check for completeness.

In case of a change in the workforce for a scope, the Group's Human Resources Department will ask the representatives to provide justification.

Information on workforce

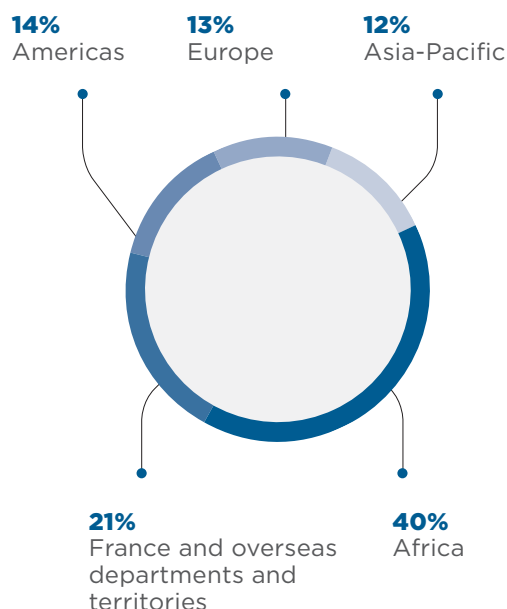
Workforce at December 31, 2016

Employees by activity and by geographical area

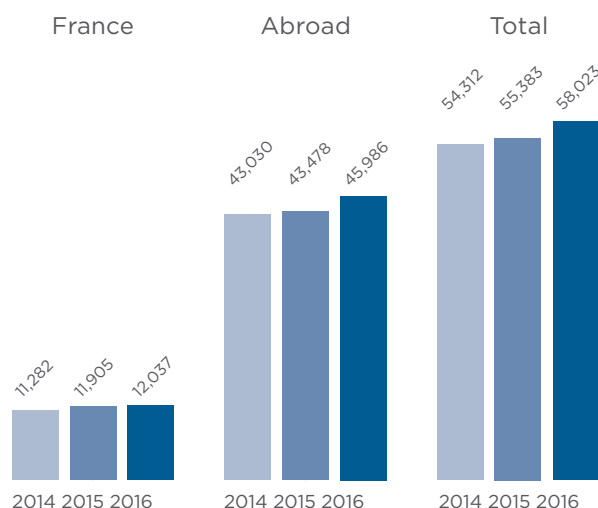
	France and overseas departments and territories	Europe	Africa	Asia-Pacific	Americas	Total
Transportation and logistics	4,894	1,557	23,333	4,898	974	35,656
Oil logistics	990	87	0	0	0	1,077
Communications ⁽¹⁾	3,982	5,597	78	2,081	6,741	18,479
Electricity storage and solutions	1,846	327	0	16	295	2,484
Other	325	2	0	0	0	327
TOTAL	12,037	7,570	23,411	6,995	8,010	58,023
AS A PERCENTAGE	20.70	13.00	40.30	12.10	13.80	100.00

(1) Havas scope covered = 100% of the sample described in the note on methodology, page 48.

Distribution of workforce by geographical area



Changes in workforce



Workforce by gender

	Men	Women	Total
Transportation and logistics	25,954	9,702	35,656
Oil logistics	749	328	1,077
Communications ⁽¹⁾	8,184	10,295	18,479
Electricity storage and solutions	2,017	467	2,484
Other	187	140	327
TOTAL	37,091	20,932	58,023
AS A PERCENTAGE	63.9	36.1	100.0

(1) Havas scope covered = 100% of the sample described in the note on methodology, page 48.

Workforce by type of contract

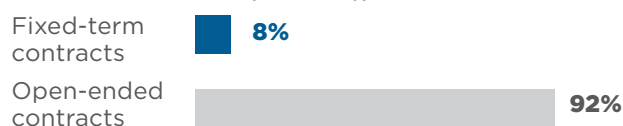
	Open-ended contracts (CDI)	Fixed-term contracts (CDD)	Total
Transportation and logistics	32,423	3,233	35,656
Oil logistics	1,025	52	1,077
Communications ⁽¹⁾	16,690	1,496	18,186
Electricity storage and solutions	2,416	68	2,484
Other	320	7	327
TOTAL	52,874	4,856	57,730
AS A PERCENTAGE	91.6	8.4	100.0

(1) Havas scope covered = 98% of the sample described in the note on methodology, page 48.

Distribution of workforce by gender



Distribution of workforce by contract type



Workforce by category

	Management staff	Non-management staff	Total
Transportation and logistics	5,288	30,368	35,656
Oil logistics	153	924	1,077
Communications ⁽¹⁾	4,466	12,408	16,874
Electricity storage and solutions	754	1,730	2,484
Other	202	125	327
TOTAL	10,863	45,555	56,418
AS A PERCENTAGE	19.3	80.7	100.0

(1) Havas scope covered = 91% of the sample described in the note on methodology, page 48.

Workforce numbers by age

	Under 30 years old	30 to 39 years old	40 to 49 years old	50 years old and over	Total
Transportation and logistics	5,200	12,598	10,336	7,522	35,656
Oil logistics	85	217	305	470	1,077
Communications ⁽¹⁾	6,385	6,133	3,266	1,689	17,473
Electricity storage and solutions	450	767	701	566	2,484
Other	51	101	78	97	327
TOTAL	12,171	19,816	14,686	10,344	57,017
AS A PERCENTAGE	21.3	34.8	25.8	18.1	100.0

(1) Havas scope covered = 95% of the sample described in the note on methodology, page 48.

Recruitment and departures

In 2016, the Bolloré Group took on 10,625 new employees⁽¹⁾, including 65.6% under open-ended contracts. Internal recruiting, considered to be transfers, are not taken into account. An employee who has had several contracts throughout the year is counted only once.

Hiring	Workforce	%
Open-ended contracts (CDI)	6,967	65.6
Fixed-term contracts (CDD)	3,658	34.4
TOTAL	10,625	100.0

(1) Havas scope covered = 91% of the sample described in the note on methodology, page 48.

In 2016, 10,816 people left the company⁽¹⁾. Transfers are not counted as departures. Employees who have completed several contracts are only counted once.

Departure	Workforce	%
Resignations	5,497	50.8
End of open-ended contracts (CDI)	2,022	18.7
Redundancies	1,903	17.6
Retirements	677	6.3
Other	717	6.6
TOTAL	10,816	100.0

(1) Havas scope covered = 94% of the sample described in the note on methodology, page 48.

Training

In the Bolloré Group, 25,720 employees underwent at least one form of training in 2016.

Employees trained

	Total	%
Transportation and logistics	15,015	58.4
Oil logistics	503	2.0
Communications ⁽¹⁾	8,620	33.5
Electricity storage and solutions	1,440	5.6
Other	142	0.5
TOTAL	25,720	100.0

(1) Havas scope covered = 93% of the sample described in the note on methodology, page 48.

In total, 617,712 hours of training were provided.

Hours of training

	Total	%
Transportation and logistics	407,264	65.9
Oil logistics	11,257	1.8
Communications ⁽¹⁾	165,348	26.8
Electricity storage and solutions	31,050	5.0
Other	2,793	0.5
TOTAL	617,712	100.0

(1) Havas scope covered = 91% of the sample described in the note on methodology, page 48.

Social indicators

	2016	% Bolloré	% Havas	2015	2014
Workforce by type of contract		100.00	98.00 ⁽¹⁾		
% open-ended contract (CDI)	91.6			91.4	90.1
% fixed-term contract (CDD)	8.4			8.6	9.1
Workforce by gender		100.00	100.00 ⁽¹⁾		
% men	63.9			65.1	64.7
% women	36.1			34.9	35.3
Workforce by age		100.00	95.00 ⁽¹⁾		
% aged <30	21.3			20.8	22.2
% aged 30-39	34.8			34.8	34.8
% aged 40-49	25.8			25.7	24.7
% aged 50 and over	18.1			18.7	18.3
Hiring		100.00	91.00 ⁽¹⁾		
New employees hired	10,625			10,505	10,972
Including hires in open-ended contracts (CDI)	6,967			7,216	7,337
Departure		100.00	94.00 ⁽¹⁾		
Departures	10,816			10,741	10,743
Redundancies	1,903			2,022	1,530
Training		100.00	91.00 ⁽¹⁾		
Number of training hours given	617,712			147,651 ⁽²⁾	129,145 ⁽²⁾
Average number of training hours given per participant	24			22.12 ⁽²⁾	24 ⁽²⁾
Absenteeism		100.00	94.00 ⁽¹⁾		
Number of employees that were absent for at least one day	29,585			33,191	7,293 ⁽²⁾
Total number of days absent	392,478			476,008	120,195 ⁽²⁾
Sick leave	221,227			223,709	67,544 ⁽²⁾
Maternity/paternity leave	101,192			113,710	21,969 ⁽²⁾
Accidents in the workplace or travelling to or from work	17,857			20,081	7,163 ⁽²⁾
Work-related illnesses	2,684			NA	NA
Other	49,518			NA	NA
Labor relations and collective agreements		100.00	79.00 ⁽¹⁾		
Number of collective agreements signed	1,193			190	121
Agreements on compensation	563			43	40
Agreements on health and safety	251			5	11
Agreements on working conditions	90			NA	NA
Agreements on social dialogue	100			26	7
Agreements on employee savings	189			NA	NA
Organization of working time		100.00	99.00 ⁽¹⁾		
% full-time employees	87.3			96.88 ⁽²⁾	96.88 ⁽²⁾
% part-time employees	12.7			3.12 ⁽²⁾	3.12 ⁽²⁾
Career development		100.00	98.00 ⁽¹⁾		
Fixed-term contracts (CDD) converted to open-ended contracts (CDI)	6,603			249 ⁽²⁾	217 ⁽²⁾
Professional insertion and people with disabilities		100.00	95.00 ⁽¹⁾		
Employees with disabilities	326			232 ⁽²⁾	225 ⁽²⁾
Number of employees with disabilities hired during the year	15			NA	NA

	2016	% Bolloré	% Havas	2015	2014
External workforce (France)		100.00	100.00		
Temporary and freelance workers	1,005			875	553.65
Compensation (France) (in euros)		100.00	100.00		
Gross compensation (based on annual declaration)	844,529,260			929,456,466	506,277,390
Employee profit-sharing payments	10,009,699			8,594,999	9,059,407
Staff services and activities (France)					
Budget for staff and cultural services and activities and Works Council	6,265,408			6,258,146	6,658,089

(1) % of sample described in the note on methodology, page 48.

(2) Scope covered: France.

ENVIRONMENTAL, HEALTH & SAFETY AND SOCIETAL REPORTING

Scope of reporting

The scope of companies examined corresponds to the consolidated integrated financial scope (excluding finance and operating companies accounted for using the equity method) established at December 31, 2015. For 2016, the scope of reporting includes companies that have:

- a workforce of twenty or more; and/or
- turnover of 10 thousand euros or more; and
- have been in existence for at least one year (i.e. with one full accounting year completed at December 31)⁽¹⁾.

For the 2016 reporting campaign, 125 entities were included within the scope of reporting, representing 97% of the Bolloré Group employees excluding Havas. The scope of extra-financial reporting may change depending on the impact of the entities. In 2016, having regard to the rule, 16 entities were removed from the scope by virtue of their low impact and 1 entity was added by virtue of its high impact.

The Bolloré Group installed a specialist sustainable development reporting software enabling decentralized collection and centralized consolidation of extra-financial indicators. Companies in the Transportation and logistics and Electricity storage and solutions divisions plus Bolloré SA rolled out the same system in all entities. Havas rolled out its own specialist software.

Data is consolidated centrally by the Group CSR team.

Reporting methodology

The following points describe the methodology employed for reporting:

• Reporting protocol

This document details the CSR reporting challenges, describes the respective roles and responsibilities of directors, level one and level two approvers, and contributors as well as the organization of the campaign. It is sent out to all relevant people before the commencement of the campaign. It is also archived and made available to everyone in the reporting system.

• Indicators and standards

An array of indicators was defined covering all CSR spheres and split into four themes: health and safety, environment, ethics and societal information. The indicators were provided to everyone upon sending out of the reporting protocol. All indicators refer to the NRE Act, the Grenelle II Act, the GRI and the specific needs of Group operations.

• Reporting questionnaire and consistency checks

The reporting questionnaire is split into five related sections:

- structure of the entity;
- sharing the same business ethics;
- ensuring the safety and employability of employees;
- controlling and reducing risks;
- optimizing products and services;
- participating and contributing in a spirit of solidarity to local development.

Consistency checks were introduced in response to requests from the Statutory Auditors with a view to making the reporting more reliable.

• Collection period

Data is collected for the year (i.e. from January 1 through December 31). The data collection period runs from January 1 to January 31 N+1. For missing data, estimates can be made.

Calculation of GHG emissions

For scopes 1 and 2, the greenhouse gas emissions presented in the document are linked to the Group's energy consumption and include that of Havas. Emissions from refrigerants are not included in this calculation. The calculation method used is the ADEME carbon base method issued on December 17, 2015. Internationally, where the emission factors for certain items of energy consumption were unavailable the French factor was applied. For GHG emissions linked to electricity, when no emission factor was available for a particular country, the highest factor from any of its neighboring countries was applied.

For scope 3, the Group identified the largest emission line items: transportation, combustion of oil products and employee travel. The geographic scope used for emissions from the transportation of goods is Europe. In order to satisfy its customer notification and publication obligations, the Bolloré Group incorporated emissions into its IT systems. An exact number is not available for 2016. The Group will publish this number in 2017, assuming the issue with the software is resolved. For emissions from the combustion of oil products, the Group used the emission factors in the ADEME database for each fuel. The data relating to employee travel encompasses data relating to train and plane journeys. For plane journeys, the Group split out medium-haul flights (under 2,000 km) and long-haul flights. For medium-haul flights, the Group uses the flight emission factor of 100 to 180 passengers between 1,000 and 2,000 km. For long-haul flights, the Group uses the emission factor of over 250 passengers for flights of between 8,000 and 9,000 km (estimation of the average flight across the Group). For emissions from train journeys, it simply isn't practicable to list all the journeys made, the Group decided to use the emission factor for regional train diesel in the ADEME database. This decision is down to the fact that 53% of journeys are done by employees in the West African entities.

Waste monitoring

As regards waste monitoring, in agreement with our independent third party, it was decided that only entities classified as industrial would report their waste data. Industrial entities are entities that, in addition to office space, have warehouses, oil depots, repair shops or factories.

For the African entities, the waste recovery standards differ from those used in Europe. Waste is thus properly considered recovered if it has been sold. Such a transaction will not necessarily give rise to a certificate of recovery.

When actual waste monitoring isn't available, waste is estimated on the basis of container volumes, collection frequency and waste density. With respect to the latter, we have recourse to ADEME documentation.

(1) The consolidation scope may be adjusted by the divisions (exclusion of companies that were closed during the year, or for which data was not available, or inclusion of companies below thresholds, etc.).

17.8.2.1. Tables of environmental and societal indicators

Water and energy consumption⁽¹⁾

	Unit of measurement	2016 data	2015 data	% total Group workforce covered by the indicator
Water consumption				
Water (from distributed supply and natural environment)	m ³	2,003,499	2,488,925	91
Energy consumption				
Electricity consumed in buildings (offices, warehouses, factories)	MWh	276,768	270,961	92
Urban heating	MWh	987	1,643	98
Heavy fuel oil consumed by buildings (offices, warehouses, factories) ⁽²⁾	m ³	73	343	100
Domestic fuel consumed	m ³	690	985	98
Total natural gas consumed	m ³	2,287,885	2,236,223	98
Total diesel (generators, etc.) consumed	m ³	15,328	58,088	98
Total petrol (generators, etc.) consumed	m ³	8	15	98
Total heavy fuel oil, distillate diesel oil, consumed by the goods transportation fleet	m ³	27,792	11,274	98
Total diesel consumed by the goods transportation fleet	m ³	35,201	70,661	98
Total Liquefied Petroleum Gas (LPG) consumed by the goods transportation fleet	m ³	2	37	98
Total diesel consumed by the passenger transportation fleet	m ³	8,160	20,352	98
Total petrol consumed by the passenger transportation fleet	m ³	1,373	4,393	98
Total Liquefied Petroleum Gas (LPG) consumed by the passenger transportation fleet	m ³	–	93	98
Total diesel or non-road diesel consumed by handling equipment	m ³	23,795	29,616	98
Total Liquefied Petroleum Gas (LPG) consumed by handling equipment	m ³	320	1,079	98
Total natural gas consumed by handling equipment	m ³	1	0	98
Electricity consumption of Autolib'/Bluebly/Bluecub vehicles ⁽³⁾	MWh	32,421	15,077	100

(1) 2016 data represents the consumption of Bolloré Group and of Havas group. They present data for gross consumption collected from entities surveyed.

(2) Havas consumption.

(3) In Blue Solutions entities.

Environmental investment and spending⁽¹⁾

(in thousands of euros)	2015		2016	
	Environmental investments	Environmental spending	Environmental investments	Environmental spending
Transportation and logistics	5,951	4,054	3,125	5,668
Oil logistics	2,539	3,370	5,904	3,454
Electricity storage and solutions	490	862	2,166	746
Other ⁽²⁾	200	21	–	1,070
TOTAL	9,180	8,306	11,194	10,938

(1) This data did not include Havas group environmental spending.

(2) Agricultural assets, holdings.

Facilities classified for the protection of the environment (ICPE)

	2015				2016			
	Sites subject to declaration (ICPE)	Sites subject to authorization (ICPE)	Number of ICPE audits carried out	Breaches identified during ICPE audits or by local authorities	Sites subject to declaration (ICPE)	Sites subject to authorization (ICPE)	Number of ICPE audits carried out	Breaches identified during ICPE audits or by local authorities
Transportation and logistics	5	6	4	1	5	7	2	3
Oil logistics	115	18	52	1	111	19	2	0
Communications ⁽¹⁾	0	0	0	0	0	0	0	0
Electricity storage and solutions	1	3	1	0	1	3	0	0
Other ⁽²⁾	2	0	0	0	2	0	0	0
TOTAL	123	27	57	2	119	29	4	3

(1) Covers only Havas data.

(2) Agricultural assets, holdings.

Societal actions supported⁽¹⁾

	Total by business 2015	Total by business 2016
Transportation and logistics	543	275
Oil logistics	8	1
Electricity storage and solutions	50	182
Holding ⁽²⁾	16	0
Earthtalent program ⁽³⁾	7	0
Fondation de la 2 ^e chance	418	357
TOTAL	1,042	815

(1) This data does not include Havas group societal actions.

(2) Societal data of the holding, excluding Earthtalent projects.

(3) The Earthtalent program is a societal program under direct control integrated with the holding. The seven actions relate to renewals of grants to projects in 2014.

(4) This figure has to do with assistance (direct support for projects) covered by public or private partners of the Fondation de la 2^e chance. The Bolloré Group directly covers the operating costs for the Foundation's registered office.

Grenelle II cross-reference table

Information required under the Grenelle II act	GRI 4	ISO 26000/2010	Global Compact	Information published in the 2016 registration document	Scope covered by the indicator (registration document)
Social information					
Total workforce and distribution of workforce by gender, age, geographical area	G4-LA1	6.4.3		See 17.8.1.2 "Information on workforce"	Group
Hiring and departures	G4-LA1 (staff turnover)	6.4.3		See 17.5.2 "Attracting talent and retaining employees" See 17.8.1.2 "Information on workforce"	Group
Compensation and changes in compensation	G4-EC1 G4-EC5	6.8.1 6.8.2		See 17.5.2 "Attracting talent and retaining employees" See 17.8.1.2 "Information on workforce"	France
Organization of working time		6.4.1 6.4.2		See 17.8.1.2 "Information on workforce"	Group
Absenteeism	G4-LA6	6.4.6		See 17.8.1.2 "Information on workforce"	Group
Organization of social dialogue (in particular the procedures for informing and consulting staff as well as negotiation procedures)	G4-HR4	6.4.5	# 3	See 17.5.2 "Attracting talent and retaining employees" See 17.8.1.2 "Information on workforce"	Group
Collective agreements	Freedom of association and the right to collective bargaining G4-HR4	6.4.5	# 3	See 17.5.2 "Attracting talent and retaining employees" See 17.8.1.2 "Information on workforce"	France
Health and safety conditions	G4-LA5 to G4-LA8	6.4.6 6.4.8	# 4-5	See 17.5.1 "Having an industry-leading health and safety policy" See section 4, table of environmental risks	Group
Workplace accidents	G4-LA6 G4-LA7 (work-related illnesses)	6.4.6 6.4.8	# 4-5	See 17.5.1 "Having an industry-leading health and safety policy"	France
Report of agreements signed with trade unions or staff representatives regarding occupational health and safety	G4-LA8	6.4.6	# 4-5	See 17.5.1 "Having an industry-leading health and safety policy" See 17.8.1.2 "Information on workforce"	France
Training policies	G4-LA10	6.4.7 6.8.5		See 17.5.3 "Developing our employees' skills" See 17.8.1.2 "Information on workforce"	Group
Total number of training hours	G4-LA9	6.4.7		See 17.5.3 "Developing our employees' skills" See 17.8.1.2 "Information on workforce"	France
Measures taken to improve gender equality	G4-LA13	6.3.5 6.4.3 6.6.6 7.3.1		See 17.8.1.2 "Information on workforce"	Group
Measures taken to encourage the employment and integration of disabled people	G4-LA12	6.3.7 6.3.10 6.4.3		See 17.8.1.2 "Information on workforce"	France

Information required under the Grenelle II act	GRI 4	ISO 26000/2010	Global Compact	Information published in the 2016 registration document	Scope covered by the indicator (registration document)
Policy to combat discrimination	G4-HR3	6.3.6 6.3.7 6.3.10 6.4.3		See 17.5.2 "Attracting talent and retaining employees" "See 17.8.1.2" Information on workforce"	Group
Respecting freedom of association and the right to collective bargaining	G4-HR4	6.3.3 6.3.4 6.3.5 6.3.8 6.3.10 6.4.5 6.6.6	# 3	See 17.5 "Investing in men and women" "See 17.8.1.2" Information on workforce"	Group
Elimination of discrimination in respect of employment and occupation	G4-HR3	6.3.10	# 6	See 17.5.2 "Attracting talent and retaining employees"	Group
Elimination of forced or compulsory labor	G4-HR6	6.3.3 6.3.4 6.3.5 6.3.10 6.6.6	# 4-5	See 17.6.2 "Ensuring that the Group's business respects human rights"	Group
Effective abolition of child labor	G4-HR5	6.3.3 6.3.4 6.3.5 6.3.7 6.3.10 6.6.6 6.8.4	# 4-5	See 17.6.2 "Ensuring that the Group's business respects human rights"	Group
Environmental information					
Organization of the company to respond to environmental issues and, where necessary applicable, environmental evaluation and certification processes	G4-DMA Category Environment	6.5.1 6.5.2		See 17.4.3 "Investing to protect the environment" See 17.8.2.1 "Tables of environmental and societal indicators" See section 4, table of environmental risks	Group
Training and raising awareness of employees on the protection of the environment	Category Environment	6.5.1 6.5.2	# 7-8-9	See 17.4.3 "Investing to protect the environment" See 17.8.2.1 "Tables of environmental and societal indicators"	Group
Resources allocated to preventing environmental hazards and pollution	G4-EN20 to G4-EN28 G4-SO1 and G4-SO2	6.5.3	# 7-8-9	See 17.4.3 "Investing to protect the environment" See section 4, table of environmental risks	Group
Amount of provisions and guarantees for environmental hazards (provided this information is not such as to cause significant harm to the company in an ongoing lawsuit)	G4-EC2	6.5.5		See note 10, table "Provisions for contingencies and charges"	Group
Measures to prevent, reduce or remedy emissions into air, water and soil that seriously damage the environment	G4-EN20 to G4-EN28	6.5.3	# 7-8-9	See 17.4.3 "Investing to protect the environment" See 17.8.2.1 "Tables of environmental and societal indicators" See section 4, table of environmental risks	Group

Information required under the Grenelle II act	GRI 4	ISO 26000/2010	Global Compact	Information published in the 2016 registration document	Scope covered by the indicator (registration document)
Measures to prevent, recycle and eliminate waste	G4-EN20 to G4-EN28	6.5.3	# 7-8-9	See 17.4.3 "Investing to protect the environment" See section 4, table of environmental risks	Group
Taking account of noise pollution and any other form of pollution specific to a business	G4-EN20 to G4-EN28	6.5.3	# 7-8-9	See 17.4.3 "Investing to protect the environment" See section 4, table of environmental risks	Group
Water consumption and water supply having regard to local constraints	G4-EN22 G4-EN26 G4-EN8 to G4-EN10	6.5.3	# 7-8-9	See 17.4.3 "Investing to protect the environment" See 17.8.2.1 "Tables of environmental and societal indicators" See section 4, table of environmental risks	Group
Consumption of raw materials and measures taken to use them more efficiently	G4-EN1 G4-EN2	6.5.4		See 17.4.3 "Investing to protect the environment" See 17.8.2.1 "Tables of environmental and societal indicators"	Group
Energy consumption and measures taken to use it more efficiently	G4-EN3 to G4-EN7	6.5.4 6.5.5	# 7-8-9	See 17.4.3 "Investing to protect the environment" See 17.8.2.1 "Tables of environmental and societal indicators"	Group
Land use			# 7-8-9	See 17.4.3 "Investing to protect the environment" See 17.8.2.1 "Tables of environmental and societal indicators"	Group
Greenhouse gas emissions (Art. 75 Grenelle II)	G4-EN15 to G4-EN21	6.5.3 6.5.5	# 7-8-9	See 17.4.3 "Investing to protect the environment" See 17.8.2.1 "Tables of environmental and societal indicators"	France
Adapting to the consequences of climate change	G4-EC2 G4-EN6 G4-EN7 G4-EN15 to G4-EN20 G4-EN27	6.5.5	# 7-8-9	See 17.4 "Innovating in response to major economic and environmental change" See 17.4.2 "Rolling out of new forms of sustainable mobility"	Group
Measures taken to conserve or enhance biodiversity	G4-EN11 to G4-EN14 G4-EN26	6.5.6	# 7-8-9	See 17.4.3 "Investing to protect the environment"	Bolloré Logistics Bolloré SA (vineyards)
Societal information					
Geographical, economic and social impact on jobs and regional development	G4-EC8	6.8.5		See 17.7 "Taking action for local development" See 17.7.1 "Contributing to local employment" See 17.7.2 "Local economic development"	Group
Geographical, economic and social impact on neighboring or local populations	G4-HR8	6.3.4 6.3.6 6.3.7 6.3.8 6.6.7 6.8.3		See 17.7 "Taking action for local development" See 17.7.1 "Contributing to local employment" See 17.7.2 "Local economic development"	Group

Information required under the Grenelle II act	GRI 4	ISO 26000/2010	Global Compact	Information published in the 2016 registration document	Scope covered by the indicator (registration document)
Nature of dialog with these persons or organizations	G4-SO1 Principle of involvement of stakeholders	6.3.9 6.5.1 6.5.2 6.5.3 6.8		See 17.2.2 "Stakeholder dialog"	Group
Partnership or sponsorship initiatives	G4-EC1	6.8.9		See 17.7.3 "Establishing a local sponsorship policy"	Group
Inclusion of social and environmental issues in the purchasing policy	G4-EC9	6.4.3 6.6.6 6.8.1 6.8.2 6.8.7	# 1-2	See 17.6.2 "Ensuring that the Group's business respects human rights"	Group
Extent of subcontracting and taking account in dealings with suppliers of their corporate social responsibility	G4-S09	6.3.5 6.6.1 6.6.2 6.6.6 6.8.14 6.8.2 7.3.1	# 1-2	See 17.6 "Bringing the Group together around a shared corporate culture and ethical standards" See 17.6.1 "An organization that guarantees best practices"	Group
Initiatives to prevent corruption	G4-S03 to G4-S05	6.6.3	# 10	See 17.6 "Bringing the Group together around a shared corporate culture and ethical standards" See 17.6.1 "An organization that guarantees best practices"	Group
Measures taken to encourage the health and safety of consumers	G4-PR1 to G4-PR4	6.7.4		See 17.2.1.3 "Network of data protection officers" See section 4, table of environmental risks	The Group has no products or services directly connected to consumers, except for passenger transport activities.
Other human rights initiatives	G4-EN34 G4-LA16 G4-HR3 G4-HR8 G4-HR12 G4-S011	6.3.6	# 1-2	See 17.6.2 "Ensuring that the Group's business respects human rights"	Group
Circular economy					
Initiatives to combat food waste					In light of its business, the Group can take steps to combat food waste through awareness campaigns it may be tasked with carrying out. On the other hand, its impact on this issue in terms of its internal operations is minimal.

Report by the independent third party, on the consolidated human resources, environmental and social information included in the management report

For the year ended December 31, 2016

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

To the Shareholders,

In our capacity as independent third party and certified by Cofrac under number(s) 3-1048⁽¹⁾, we hereby report to you on the consolidated human resources, environmental and social information for the year ended December 31, 2016 included in the management report (hereinafter named "CSR Information"), pursuant to article L. 225-102-1 of the French company law (*Code de commerce*).

COMPANY'S RESPONSIBILITY

The Board of Directors is responsible for preparing a company's management report including the CSR Information required by article R. 225-105-1 of the French company law (*Code de commerce*) in accordance with the reporting protocol used by the company (hereinafter the "Guidelines"), summarized in the management report and available on request from the company's head office.

INDEPENDENCE AND QUALITY CONTROL

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

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

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

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

Our work involved eight persons and was conducted between December 2016 and April 2017 during an eight-week period. We were assisted in our work by our sustainability experts.

We performed our work in accordance with the order dated May 13, 2013 defining the conditions under which the independent third party performs its engagement and the professional guidance issued by the French Institute of statutory auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement and with ISAE 3000⁽²⁾ concerning our conclusion on the fairness of CSR Information.

ATTESTATION REGARDING THE COMPLETENESS OF CSR INFORMATION

NATURE AND SCOPE OF OUR WORK

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

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

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with article R. 225-105, paragraph 3 of the French company law (*Code de commerce*).

We verified that the CSR Information covers the scope of consolidation, i.e., the company, its subsidiaries as defined by article L. 233-1 and the controlled entities as defined by article L. 233-3 of the French company law (*Code de commerce*) within the limitations set out in the methodological note, presented in the management report.

CONCLUSION

Based on the work performed, we attest that the required CSR Information has been disclosed in the management report.

CONCLUSION ON THE FAIRNESS OF CSR INFORMATION

NATURE AND SCOPE OF OUR WORK

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

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

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

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

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

Regarding the CSR Information that we considered to be the most important⁽¹⁾:

- at parent entity level, we referred to documentary sources and conducted interviews to corroborate the qualitative information (organization, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report;
- at the level of a representative sample of entities/divisions/sites selected by us⁽²⁾ on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify that procedures are properly applied, and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents. The selected sample represents on average 18% of headcount and between 21% and 57% of quantitative environmental data disclosed.

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

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part.

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

CONCLUSION

In some visited entities, "total hazardous waste removed" indicator is partly miscalculated because the definition isn't correctly applied.

Based on our work, except for the matter described above, no other material misstatements have come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Neuilly-sur-Seine, April 26, 2017

The independent third party

Deloitte & Associés
Jean Paul Séguret
Partner

(1) **Social quantitative information:** headcount on December 31, 2016, workforce by type of contract, number of recruitments, number of departures, number of redundancies, number of work accidents, frequency rate, severity rate, number of employees who attended at least one training during the year, number of training hours.

Environmental quantitative information: total hazardous and non-hazardous waste removed, water consumption (including water coming from the network and taken from the natural environment), electricity consumed in buildings (offices, warehouses, factories), domestic fuel oil consumed, heavy fuel oil consumed by the fleet, total quantity of natural gas consumed, diesel consumed by power generators, freight transport, passenger transport, handling machines, the GHG emissions coming from energy consumption (scopes 1 and 2).

Qualitative information: A coherent and fair salary policy, Develop our employees' skills, Membership of the UN Global Compact and implementation of a code of ethics and conduct, Industrial and environmental risks mapping, Evaluation of scope 3 emissions, A sustainable sourcing policy, An activity guaranteeing best practices, Promoting communication in an ethical and responsible manner, Network of correspondents computer technology and freedom, Ensure Group activities are compliant with human rights.

(2) Bolloré Logistics France (France), Bolloré Logistics Singapore Pte Ltd (Singapore), Bénin Terminal (Benin), Togo terminal (Togo), WhiteHorse Carriers Ltd (South Africa), Bolloré Africa Logistics Côte d'Ivoire (Republic of Côte d'Ivoire), Bolloré Africa Logistics Congo (Congo), Sitarail (Republic of Côte d'Ivoire), Blue Solutions Canada Inc. (Canada), IER SA (France), Bolloré Energy (France), Société Française Donges-Metz (France), Automatic Systems Belgium SA (Belgium).

Consolidated financial statements

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Unless otherwise indicated, all amounts are expressed in millions of euros and rounded to the nearest decimal. In general, the values presented in the consolidated financial statements and the notes to the consolidated financial statements are rounded to the nearest decimal. As a result, the sum of the rounded amounts may differ slightly from the reported total. Furthermore, ratios and differences are calculated on the basis of the underlying amounts and not on the basis of the rounded amounts.

Consolidated income statement

(in millions of euros)	Notes	2016	2015
Turnover	5.1-5.2-5.3	10,075.5	10,823.9
Goods and services bought in	5.4	(6,420.3)	(7,156.8)
Staff costs	5.4	(2,714.5)	(2,645.7)
Depreciation, amortization and provisions	5.4	(394.5)	(413.1)
Other operating income	5.4	250.8	265.3
Other operating expenses	5.4	(213.0)	(195.6)
Share in net income of operating companies accounted for using the equity method	5.4-7.2	41.9	21.7
Operating income	5.2-5.3-5.4	625.9	699.7
Net financing expenses	7.1	(104.0)	(95.7)
Other financial income	7.1	631.6	671.0
Other financial expenses	7.1	(369.5)	(394.4)
Financial income	7.1	158.1	180.9
Share in net income of non-operating companies accounted for using the equity method	7.2	20.6	103.9
Corporate income tax	12	(224.2)	(265.0)
Consolidated net income		580.4	719.5
Consolidated net income, Group share		228.4	297.1
Minority interests	9.3	352.0	422.4

EARNINGS PER SHARE⁽¹⁾

9.2

(in euros)	2016	2015
Net income, Group share:		
– basic	53.82	70.00
– diluted	53.82	70.00

(1) Excluding treasury shares.

Consolidated statement of comprehensive income

(in millions of euros)	2016	2015
Consolidated net income for the period	580.4	719.5
Translation adjustment of controlled entities	(57.3)	(8.1)
Change in fair value of financial instruments of controlled entities ⁽¹⁾	(742.0)	115.3
Other changes in items subsequently recyclable in profit and loss ⁽²⁾	47.4	8.5
Total changes in items that will be recycled subsequently through profit or loss	(752.0)	115.7
Actuarial gains and losses from controlled entities recognized in equity	(34.1)	(4.0)
Actuarial gains and losses from entities accounted for using the equity method recognized in equity	(12.7)	(1.1)
Total changes in items that will not be recycled subsequently through profit or loss	(46.8)	(5.1)
COMPREHENSIVE INCOME	(218.4)	830.1
Of which:		
– Group share	(180.0)	354.5
– minority interests	(38.4)	475.6
Of which taxes:		
– on fair value of financial instruments	0.2	10.4
– on actuarial gains and losses	11.6	1.8

(1) See note 7.3 – Other financial assets.

(2) Change in comprehensive income from investments in equity affiliates: essentially impact of the conversion and fair value adjustment according to IAS 39 – see Changes in consolidated shareholders' equity.

Consolidated balance sheet

ASSETS

(in millions of euros)	Notes	12/31/2016	12/31/2015
Goodwill	6.1	2,976.8	2,936.0
Other intangible assets	6.2-5.2	1,340.6	1,233.9
Tangible assets	6.3-5.2	2,270.5	2,151.2
Investments in equity affiliates	7.2	4,549.7	891.6
Other non-current financial assets	7.3	2,532.7	6,927.0
Deferred tax	12.2	226.8	238.6
Other non-current assets	5.8.1	234.3	185.3
Non-current assets		14,131.4	14,563.6
Inventories and work in progress	5.5	369.1	340.4
Trade and other receivables	5.6	4,693.9	4,659.8
Current tax	12.3	85.2	82.3
Other current financial assets	7.3	26.6	54.2
Other current assets		76.7	93.6
Cash and cash equivalents	7.4	1,348.9	1,423.7
Current assets		6,600.4	6,654.0
TOTAL ASSETS		20,731.8	21,217.6

LIABILITIES

(in millions of euros)	Notes	12/31/2016	12/31/2015
Share capital		105.4	105.4
Share issue premiums		87.7	87.7
Consolidated reserves		3,408.0	3,615.2
Shareholders' equity, Group share		3,601.1	3,808.3
Minority interests		4,638.7	4,815.3
Shareholders' equity	9.1	8,239.8	8,623.6
Non-current financial debts	7.5	4,567.9	4,340.3
Provisions for employee benefits	11.2	308.8	266.0
Other non-current provisions	10	154.3	176.4
Deferred tax	12.2	239.1	255.9
Other non-current liabilities	5.8.2	200.3	185.7
Non-current liabilities		5,470.4	5,224.3
Current financial debts	7.5	1,368.0	1,765.3
Current provisions	10	80.6	99.4
Trade and other payables	5.7	5,255.2	5,227.6
Current tax	12.3	117.6	124.1
Other current liabilities	5.8.3	200.2	153.3
Current liabilities		7,021.6	7,369.7
TOTAL LIABILITIES		20,731.8	21,217.6

Changes in consolidated cash flows

(in millions of euros)	Notes	2016	2015
Cash flow from operating activities			
Net income, Group share		228.4	297.1
Net income, minority interests		352.0	422.4
Consolidated net income		580.4	719.5
Non-cash income and expenses:			
– elimination of depreciation, amortization and provisions		368.8	441.6
– elimination of change in deferred taxes		(1.8)	(5.7)
– other income and expenses not affecting cash flow or not related to operating activities		(11.6)	(106.9)
– elimination of capital gains or losses upon disposals		5.3	4.5
Other adjustments:			
– net financing expenses		104.0	95.7
– income from dividends received		(400.9)	(404.1)
– tax charge on companies		243.2	259.2
Dividends received:			
– dividends received from companies accounted for using the equity method		32.6	33.4
– dividends received from unconsolidated companies		400.9	404.2
Income tax on companies paid up		(212.6)	(238.5)
Impact of the change in working capital requirement:		(5.1)	(73.2)
– of which inventories and work in progress		(31.7)	(51.6)
– of which payables		99.6	308.3
– of which receivables		(73.0)	(329.9)
Net cash from operating activities		1,103.2	1,129.8
Cash flow from investing activities			
Disbursements related to acquisitions:			
– tangible assets	6.3	(493.0)	(588.9)
– intangible assets	6.2	(81.5)	(68.2)
– assets arising from concessions	6.2	(106.6)	(128.3)
– securities and other non-current financial assets		(168.7)	(3,033.6)
Income from disposal of assets:			
– tangible assets		8.5	9.4
– intangible assets		0.4	0.0
– securities		223.6	8.6
– other non-current financial assets		48.9	31.1
Effect of changes in consolidation scope on cash flow		(101.3)	(139.4)
Net cash from investing activities		(669.8)	(3,909.3)

(in millions of euros)	Notes	2016	2015
Cash flows from financing activities			
Disbursements:			
– dividends paid to parent company shareholders		(4.2)	(4.2)
– dividends paid to minority shareholders net of distribution tax		(116.5)	(143.5)
– financial debts repaid	7.5	(1,467.2)	(1,065.9)
– acquisition of minority interests and treasury shares		(89.9)	(33.3)
Receipts:			
– capital increase		1.8	12.4
– investment subsidies		14.6	4.6
– increase in financial debts	7.5	1,347.1	3,714.4
– disposal to minority interests and disposals of treasury shares		(1.4)	630.9
Net interest paid		(100.2)	(90.5)
Net cash from financing activities		(415.9)	3,024.9
Effect of exchange rate fluctuations		(33.1)	22.0
Other		0.0	0.0
Net increase in cash and cash equivalents		(15.5)	267.2
Cash and cash equivalents at the beginning of the period ⁽¹⁾		1,210.6	943.4
Cash and cash equivalents at the end of the period ⁽¹⁾		1,195.1	1,210.6

(1) See note 7.4 – Cash and cash equivalents.

NET CASH FLOWS FROM OPERATING ACTIVITIES

Dividends received include dividends paid by Vivendi in the amount of 392.9 million euros.

The Working Capital Requirement (WCR) increased by 5.1 million euros compared with December 2015. The main changes are described below:

- the WCR of the Electricity storage and solutions sector increased by 53.7 million euros, including 47.7 million euros for the Applications and automotive developments business. This increase is mainly explained by the 50.8 million euro increase in research tax credit receivables;
- the WCR of the Transportation and logistics sector fell 18.8 million euros;
- the WCR of Plantations, Holding Companies and Rivaud fell 15.9 million euros;
- the WCR of the Communications sector fell 10.5 million euros, primarily at Havas with a 1.5 day reduction in the average DSO compared with 2015.

NET CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditure on the Transportation and logistics business in Africa totaled 275.9 million euros, reflecting the Group's development on the continent.

An investment in the Electricity storage and solutions of 207.0 million euros was also made with the launch of new international services and the development of the bus activity, in particular, for 12 million.

Flows relating to investments in securities and other non-current financial assets and corresponding divestment are mainly related to trading in Vivendi securities during the period (see note 1 – Significant events).

The changes in consolidation scope mainly reflected the impact of the acquisition of various branch offices by Havas group representing an investment of around 38.5 million euros (see note 4 – Consolidation scope) as well as investments made in Africa during the year.

NET CASH FLOWS FROM FINANCING ACTIVITIES

Issuances and repayments of loans are mainly linked to the day-to-day management of the Group's financing at the Bolloré SA level (issuances: 528.2 million euros/repayments: –368.1 million euros) and Compagnie de Cornouaille (issuances: 450.0 million euros/repayments: –935.4 million euros).

Issuances included a new syndicated credit facility for 400.0 million euros and new financing secured by Vivendi securities for 450.0 million euros.

Repayment of borrowings included the repayment by Bolloré SA of the bond loan issued in 2011 for 350.0 million euros and the repayment of financing secured by Vivendi securities for 935.4 million euros (see note 7.5 – Debt).

Changes in consolidated shareholders' equity

(in millions of euros)	Number of shares excl. treasury shares ⁽¹⁾	Share capital	Share issue premi- ums	Treasury shares	IAS 39 fair value	Translation adjust- ment	Actuarial (losses) and gains	Reserves	Share- holders' equity, Group share	Minority interests	Total
Shareholders' equity at January 1, 2015	4,244,911	105.4	87.7	(200.3)	1,511.7	(24.2)	(28.8)	2,043.8	3,495.3	3,767.9	7,263.2
Transactions with shareholders	0	0.0	0.0	30.9	(231.1)	4.6	0.5	153.6	(41.5)	571.8	530.3
Dividends distributed								(4.2)	(4.2)	(161.5)	(165.7)
Transactions on treasury securities									0.0		0.0
Change in consolidation scope ⁽²⁾				30.9	(231.1)	3.6	0.5	153.9	(42.2)	726.7	684.5
Other changes					0.0	1.0	0.0	3.9	4.9	6.6	11.5
Comprehensive income items					57.1	2.2	(1.9)	297.1	354.5	475.6	830.1
Net income for the fiscal year								297.1	297.1	422.4	719.5
Change in items recyclable through profit and loss											
– translation adjustment of controlled entities						(2.1)			(2.1)	(6.0)	(8.1)
– change in fair value of financial instruments of controlled entities ⁽³⁾					56.9				56.9	58.4	115.3
– other changes in comprehensive income ⁽⁴⁾					0.2	4.3			4.5	4.0	8.5
Change in items that will not be recycled											
Actuarial (losses) and gains from controlled entities							(1.3)		(1.3)	(2.7)	(4.0)
Actuarial (losses) and gains from entities accounted for using the equity method							(0.6)		(0.6)	(0.5)	(1.1)
Shareholders' equity at December 31, 2015	4,244,911	105.4	87.7	(169.4)	1,337.6	(17.4)	(30.2)	2,494.5	3,808.3	4,815.3	8,623.6
Transactions with shareholders	0	0.0	0.0	1.2	133.5	(0.7)	0.6	(161.8)	(27.2)	(138.2)	(165.4)
Dividends distributed								(4.2)	(4.2)	(161.8)	(166.0)
Transactions on treasury securities									0.0	0.0	0.0
Share-based payments								5.6	5.6	6.4	12.0
Change in consolidation scope ⁽²⁾				1.2	133.5	(0.6)	0.5	(162.5)	(27.9)	15.8	(12.2)
Other changes						(0.1)	0.1	(0.7)	(0.7)	1.4	0.8
Comprehensive income items					(373.3)	(15.5)	(19.6)	228.4	(180.0)	(38.4)	(218.4)
Net income for the fiscal year								228.4	228.4	352.0	580.4
Change in items recyclable through profit and loss											
– translation adjustment of controlled entities						(25.3)			(25.3)	(32.0)	(57.3)
– change in fair value of financial instruments of controlled entities ⁽³⁾					(388.8)				(388.8)	(353.2)	(742.0)
– other changes in comprehensive income ⁽⁴⁾					15.5	9.8			(25.3)	22.1	47.4
Change in items that will not be recycled											
Actuarial (losses) and gains from controlled entities							(12.8)		(12.8)	(21.4)	(34.1)
Actuarial (losses) and gains from entities accounted for using the equity method							(6.8)		(6.8)	(5.9)	(12.7)
SHAREHOLDERS' EQUITY AT DECEMBER 31, 2015	4,244,911	105.4	87.7	(168.3)	1,097.7	(33.6)	(49.2)	2,561.0	3,601.1	4,638.7	8,239.8

(1) See note 9.1 – Shareholders' equity.

(2) At December 31, 2016, net effect on the Vivendi equity accounting reserves and the fair value reserves for –14.2 million euros (see note 1 – Significant events and note 4.1 – Principal changes in consolidation scope), of the acquisition of Bolloré securities for –29.5 million euros and the capital increases related to the 2016 dividend distribution on Bolloré SA shares for a total of 37.5 million euros.

As at December 31, 2015, effect of the Havas public exchange offer for –15.8 million euros, the disposal of Havas securities following the public exchange offer for 590 million euros, the disposal of Bolloré SA securities for 10.2 million euros and capital increases connected with the 2014 dividend distribution and the 2015 interim dividend in Bolloré SA shares for a total of 35.1 million euros.

(3) See note 7.3 – Other financial assets.

(4) Mainly from changes in comprehensive income from investments in equity affiliates: impact of the conversion and fair value adjustment according to IAS 39.

Notes to the consolidated financial statements

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Financière de l'Odé is a corporation (*société anonyme*) incorporated under French law and subject to all legislative and other provisions applying to trading companies in France, and in particular those of the French company law (*Code de commerce*). Its registered office is at Odé, 29500 Ergué-Gabéric. The administrative headquarters is at 31-32, quai de Dion-Bouton, 92811 Puteaux. The company is listed on the Paris Stock Exchange.

Financière de l'Odé is fully consolidated in the financial statements of Bolloré Participations.

On March 23, 2017, the Board of Directors approved Financière de l'Odé Group's consolidated financial statements for the year ended December 31, 2016. These financial statements will only become final after approval by the General Meeting of Shareholders to be held on June 1, 2017.

NOTE 1. SIGNIFICANT EVENTS

INCREASE OF THE GROUP'S SHAREHOLDING IN THE VIVENDI GROUP AND ACQUISITION OF A SIGNIFICANT POSITION

In October 2016, Financière de l'Odé pursued several transactions which strengthened its investment in Vivendi:

- the completion of the early unwinding in cash of the hedging and financing operation on 34 million Vivendi shares, or 2.6% of Vivendi share capital in April 2015. As a result of this transaction, the Group now holds 15.3% of the share capital and 16.7% of the voting rights in Vivendi;
- a share loan agreement on 34.7 million Vivendi shares or 2.7% of Vivendi share capital maturing on June 25, 2019. In accordance with the terms of IAS 39 neither the loan nor the securities were recorded in the Consolidated Financial Statements;
- the purchase of call options allowing Financière de l'Odé to acquire 34.7 million additional shares or 2.7% of the share capital at any time up to June 25, 2019 (see note 7.3 – Other financial assets).

As a result of these transactions, Financière de l'Odé Group crossed the 20% threshold in Vivendi's share capital and voting rights, including the Vivendi share call options.

The Group stated in the declaration of intent put online by the AMF on October 14, 2016 that the investment in Vivendi reflected the Group's confidence in Vivendi's growth potential and its desire to support the strategy of the latter.

As a result, in light of the new facts and circumstances connected with the transactions entered into on October 7, 2016, Financière de l'Odé felt that the conditions relating to significant influence had been satisfied and accounted for its investment using the equity method from that date. See note 7.2 – Investments in equity affiliates.

TRANSACTIONS ON BOLLORÉ SA SECURITIES

Balance of the 2015 Bolloré SA dividend

The Bolloré SA General Meeting of June 3, 2016 decided to pay the remaining dividend for the 2015 fiscal year of 0.04 euro per share with the option to receive this dividend in shares. 8,648,415 Bolloré SA shares were issued on the date of payment of the remainder, resulting in an increase of share capital of Bolloré SA of 25.1 million euros. Financière de l'Odé did not take this option.

The total dividend paid for 2015 was 0.06 euro per share including the interim dividend paid in 2015.

2016 Bolloré SA interim dividend

On September 1, 2016, the Board of Directors of Bolloré SA approved the payment of an interim dividend for fiscal year 2016 of 0.02 euro per share with the option to receive the dividend in the form of shares. 4,125,876 Bolloré SA shares were issued on the date of payment of this interim dividend, resulting in an increase of share capital of Bolloré SA of 12.3 million euros. Financière de l'Odé did not take this option.

Acquisition of Bolloré SA securities

Over the year, Financière de l'Odé acquired 10,049,431 Bolloré SA shares for 29.5 million euros.

NOTE 2. GENERAL ACCOUNTING POLICIES

The Group's consolidated financial statements for 2016 were drawn up in accordance with the IFRS (International Financial Reporting Standards), as adopted by the European Union on December 31, 2016 (available at the following address: http://ec.europa.eu/internal_market/accounting/ias_en.htm#adopted-commission).

The Group applies IFRS as adopted by the European Union.

These differ from the IASB's compulsory IFRS on the following points:

- compulsory application standards according to the IASB but not yet adopted or to be applied after closure according to the European Union: see note 2.1 – Changes in standards.

2.1. CHANGES IN STANDARDS

2.1.1. IFRS, IFRIC interpretations or amendments applied by the Group from January 1, 2016

Standards, amendments or interpretations	Dates of adoption by the European Union	Application dates: fiscal years beginning on or after
Amendment to IAS 19 "Defined-benefit plans: employer contributions"	01/09/2015	02/01/2015
Improvements to IFRS – 2010-2012 cycle	01/09/2015	02/01/2015
Amendments to IFRS 11 "Joint arrangements: acquisition of an interest in a joint operation"	11/25/2015	01/01/2016
Amendment to IAS 16 and IAS 38 "Clarification of acceptable methods of depreciation and amortization"	12/03/2015	01/01/2016
Improvements to IFRS – 2012-2014 cycle	12/16/2015	01/01/2016
Amendments to IAS 1 "Presentation of financial statements" as part of the "Disclosure initiative"	12/19/2015	01/01/2016
Amendments to IAS 27 "Equity method in separate financial statements"	12/23/2015	01/01/2016
Amendments to IAS 7 "Statement of cash flows" as part of the "Disclosure initiative"	01/29/2016	01/01/2017

The application of these texts had no effect on the financial statements of the Group. It should be noted that the amendment to IAS 16 and IAS 41 "Agriculture: biological assets and agricultural produce" is mandatory from January 1, 2016 within the European Union although it may be adopted early as from December 31, 2015. The Group had chosen to adopt this amendment early in its financial statements at December 31, 2015.

2.1.2. Accounting standards or interpretations that the Group will apply in the future

On December 31, 2016, the IASB published standards and interpretations which have not yet been adopted by the European Union; at this date, they have not been applied by the Group.

Standards, amendments or interpretations	Dates of publication by the IASB	Application dates pursuant to IASB: fiscal years beginning on or after
IFRS 16 "Leases"	01/13/2016	01/01/2019
Amendments to IAS 12 "Income taxes": Recognition of deferred tax assets for unrealized losses	01/19/2016	01/01/2017
Clarification of IFRS 15: "Revenue from contracts with customers"	04/12/2016	01/01/2018
Amendments to IFRS 2 "Classification and measurement of share-based payment transactions"	06/20/2016	01/01/2018
Amendments to IFRS 4 "Applying IFRS 9 with IFRS 4 Insurance Contracts"	09/12/2016	01/01/2018
Improvements to IFRS – 2014-2016 cycle	12/08/2016	01/01/2017-01/01/2018
IFRIC Interpretation 22 "Foreign Currency Transactions and Advance Consideration"	12/08/2016	01/01/2018
Amendment to IAS 40 "Transfers of Investment Property"	12/08/2016	01/01/2018

The Group is currently assessing the possible impact of these texts on the consolidated financial statements.

The IASB published standards and interpretations, adopted by the European Union on December 31, 2016, for which the application date is after January 1, 2016. These new provisions were not applied in advance.

Standards, amendments or interpretations	Dates of adoption by the European Union	Application date pursuant to European Union: fiscal years beginning on or after
IFRS 9 "Financial instruments"	11/29/2016	01/01/2018
IFRS 15 "Recognition of revenue from contracts with customers"	10/29/2016	01/01/2018

The Group is in the process of finalizing its work on the implementation of these new standards.

In the case of IFRS 15 "Revenue from contracts with customers", preliminary work has been undertaken to identify the areas of impact for each Group business line. The Group has not identified any significant impact compared with how revenue is currently recognized.

With respect to IFRS 9 "Financial Instruments", the Group is currently reviewing its entire financial assets portfolio in order to define their accounting classification in accordance with the categories in IFRS 9. The Group also reviewed whether its methodology for provisioning trade receivables complied with IFRS 9.

2.2. ARRANGEMENTS FOR FIRST-TIME APPLICATION OF IFRS

As a first-time adopter of IFRS, the Group has decided to use the following first-time adoption options allowed under IFRS 1:

- business combinations prior to the IFRS changeover date have not been restated;
- the cumulative amount of translation differences on the IFRS changeover date has been taken as nil;
- the cumulative amount, on the IFRS changeover date, of actuarial differences on employee benefits has been booked to shareholders' equity;
- tangible assets have been revalued.

2.3. USE OF ESTIMATES

Where financial statements are drawn up under IFRS, estimates and assumptions are made concerning the valuation of certain amounts which appear in the financial statements. This applies to the following sections, among others:

- the valuation of retirement provisions and pension commitments;
- the valuations used in impairments tests;
- the estimates of fair values;
- turnover;
- the impairment of doubtful receivables;
- agreements to buy out minority interests and earn-out agreements;
- deferred taxes.

The Group regularly reviews its valuations in the light of historical data, the economic climate and other factors. The amounts given in future Group financial statements could be affected as a result.

NOTE 3. COMPARABILITY OF FINANCIAL STATEMENTS

The 2016 financial statements are comparable to those for 2015 apart from the changes in the consolidation scope.

NOTE 4. CONSOLIDATION SCOPE

Accounting policies

• Consolidation scope

Companies over which the Group exercises exclusive control are fully consolidated.

Generally, the control exercised by the Group is materialized by the holding of at least 50% of the capital and voting rights of the companies implied. However, in some cases, and in accordance with the criteria addressed by IFRS 10, the Group may consider that it controls entities in which it holds less than 50% of the capital and voting rights.

Those companies on which the Group has a considerable influence are consolidated by the equity method.

Companies over which the Group has joint control by virtue of a contractual agreement with other shareholders are analyzed, whatever the percentage held, in order to define whether they are "joint ventures" or "joint operations" pursuant to the criteria defined by IFRS 11. "Joint ventures" are consolidated by the equity method whereas "joint operations" are accounted for at the level of the control directly held over the partnership's assets and liabilities.

The Group principally holds shareholdings in "joint ventures" in partnerships of the "Transportation and logistics" sector, mainly in the field of port terminal operations jointly with other players specializing in this field.

The Group did not identify any joint control of the "joint operations" kind as at December 31, 2016.

The Group assesses on a case-by-case basis in respect of each shareholding all of the details enabling the type of control exercised by it to be characterized and reviews this assessment if there are changes affecting governance or if facts and circumstances indicate a change in control exercised by the Group.

Potential voting rights held in consolidated entities are analyzed on a case-by-case basis. In accordance with IFRS 10 "Consolidated financial statements", only the potential voting rights conferring alone or by virtue of other facts and circumstances substantial rights over the entity are taken into account for the assessment of control. The Group then analyzes whether these potential rights enable it to have immediate access to the variable returns on the investment and then takes account of the holding resulting there from when calculating percentage interests. This is the case, for example, if there are reciprocal purchase or sale options that can be exercised at a fixed price and on the same date.

Companies that are of no significance either individually or collectively in relation to the consolidated financial statements are excluded from the consolidation scope. Their materiality is assessed before the end of each fiscal year.

• Translation of Foreign companies' financial statements

The financial statements of Foreign companies whose operating currency is not the same as that in which the Group's consolidated financial statements are presented and which are not suffering hyperinflation have been translated according to the "closing date exchange rate" method. Their balance-sheet items are translated at the exchange rate prevailing at the close of the fiscal year, and income statement items at the average rate for the period. The resulting translation adjustments are recorded under translation adjustments in the consolidated reserves.

Goodwill relating to Foreign companies is regarded as part of the assets and liabilities acquired and accordingly translated at the exchange rate prevailing on the closing date.

• Business combinations

As from January 1, 2010, the Group has applied the provisions of revised IFRS 3 "Business combinations".

Combinations initiated after January 1, 2004 but before January 1, 2010 are entered in the accounts in accordance with the old version of IFRS 3.

Goodwill is equal to the difference between:

- the sum of:
 - the consideration transferred, i.e. the acquisition cost excluding acquisition fees and including the fair value of any earn-out payment,
 - the fair value on the date control is taken, of interests not giving control in the case of partial acquisition for which the full-goodwill option is chosen,
 - the fair value of the stake previously owned, if applicable;
- and the sum of:
 - the share, of the fair value of identifiable assets and liabilities of the entity acquired on the date control is taken, of interests giving control (including, if applicable, previously held interests),
 - the share relating to interests not giving control if the full-goodwill option is retained.

On the acquisition date, the assets, liabilities and identifiable potential liabilities of the entity acquired are individually assessed at their fair value, whatever their intended purpose. The analyses and expert assessments required for the initial valuation of these items must be completed within 12 months of the acquisition date. An interim valuation is given if financial statements must be made up during this period.

Intangible assets are entered separately from goodwill if they can be separately identified, i.e. if they arise from a legal or contractual right or are separable from the activities of the entity acquired and are expected to yield a financial return in the future.

Acquisition fees are posted in the income statement, as is any change outside the period for appropriation of elements included in the calculation of goodwill. If control is gained through successive acquisitions, the share previously owned is revalued at fair value on the date control was taken with a counterpart in the income statement.

The Group assesses, on a case-by-case basis with respect to each partial acquisition, whether to choose the full-goodwill option (goodwill including the share attributable to minority interests).

The Group enters the effects of business combinations under "Other financial income (expenses)".

• Accounting for changes in consolidated ownership interests without loss of control

In accordance with IFRS 10, in the event of the acquisition or disposal of securities in an entity controlled by the Group not resulting in a change in control, the entity recognizes all differences between the adjustment of the value of non controlling interests and the fair value of the consideration paid or received directly in shareholders' equity, Group share.

• Loss of control

In accordance with IFRS 10, the Group recognizes in the income statement, on the date of the loss of control, the difference between:

- the sum of:
 - the fair value of the consideration received,
 - the fair value of any interests retained;
- the book value of these items.

The Group includes the effect of losses of control in "Other financial income (expenses)".

4.1. CHANGES IN CONSOLIDATION SCOPE IN 2016 AND 2015

4.1.1. Change in consolidation scope in 2016

Consolidated for the first time: fully consolidated entities

• Communications: Havas group

In 2016, Havas group notably acquired 100% of Target Media and Communications Group in the United Kingdom, a group of eight entities offering multi-disciplinary services including in particular media planning and space buying, research, social media, programming, marketing, media relations, advertising and the production of creative content; 100% of Lemz, a full-service Dutch agency that combines advertising, media relations, digital and technology to develop meaningful campaigns and to use creativity to build a better world; 100% of TP1, a digital communications agency based in Montreal, renowned for its strategic expertise in marketing and communications and its commitment to user experience, open technologies and web accessibility and 100% of Beebop media AG, an agency based in Hamburg specialized in social media and in "ambient advertising".

• Electricity Storage and Solutions: Capacitor Sciences Inc

On September 21, 2016, Blue Solutions Canada acquired controlling interests in Capacitor Sciences Inc, a start up based in Palo Alto, California, with some 15 employees. Following the transaction, the Group owned the company outright. This company specializes in studying and researching new molecules for storing electricity with a view to substantially improving the performance of LMP® batteries (density, cyclability and charge speed).

The company has multiple patents that safeguard its ownership of ongoing developments.

Overall effect of acquisitions over the period

Provisional goodwill, including commitments to buy out minority interests, relating to acquisitions made over the period amounted to 58.8 million euros, mainly from the acquisition of Capacitor Sciences and the acquisitions made by Havas group. Work on measuring the fair value of assets and liabilities will be finalized within the one-year period permitted under the standard.

Consolidated for the first time: entities under significant influence

• Accounting for Vivendi Group under the equity method

In light of the new facts and circumstances connected with the transactions entered into on October 7, 2016 (see note 1 – Significant events), Financière de l'Odéet felt that the conditions relating to significant influence had been satisfied and accounted for its investment using the equity method from that date in accordance with Revised IAS 28 (see note 7.2 – Investments in equity affiliates).

4.1.2. Changes in consolidation scope in 2015

• Communications: Havas group

In 2015, Havas group notably acquired 100% of Freedom Holding, the FullSix Group holding company, one of Europe's leading independent digital communications groups; 100% of Plastic Mobile, a Canadian-based agency that builds applications and other strategic solutions for m-commerce and 60% of Symbiotix, a medical communications and marketing agency.

4.2. COMMITMENTS GIVEN AS PART OF SHARE DEALINGS

4.2.1. Commitments given

December 31, 2016 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Firm commitments to purchase securities ⁽¹⁾⁽²⁾	25.0	8.3	0.7	16.1
Guarantees and other commitments given	0.3	0.3	0.0	0.0

(1) Only commitments not entered in the financial statements.

(2) Relates to the share put options given to shareholders in non-consolidated Havas group companies.

December 31, 2015 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Firm commitments to purchase securities ⁽¹⁾⁽²⁾	34.7	18.8	0.2	15.7
Guarantees and other commitments given	0.3	0.0	0.3	0.0

(1) Only commitments not entered in the financial statements.

(2) Relates to the share put options given to shareholders in non-consolidated Havas group companies.

4.2.2. Commitments received

December 31, 2016 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
For share dealings	1.1	0.0	1.1	0.0

December 31, 2015 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
For share dealings	0.0	0.0	0.0	0.0

NOTE 5. OPERATING DATA

5.1. TURNOVER

Accounting policies

Income is included in turnover where the business has transferred to the purchaser the risks and benefits inherent in the ownership of the goods or the provision of the services.

The table below shows the specific characteristics of each segment associated with the entry of income from ordinary activities in the financial statements:

Transportation and logistics	Acting as agent	Where the entity is acting as an agent, turnover corresponds solely to the commission received, less income/costs passed on to ship-owners.
	Acting as principal	Where the entity is acting as principal, turnover corresponds to the total invoiced excluding customs duties.
Oil logistics	Distribution of oil products	Turnover includes specific taxes on oil products included in sale prices. Reciprocal invoices between colleagues are excluded from turnover.
Communications	Studies, advice and services in communications and media strategy	Turnover recognized on progress.
	Space buying	Turnover recognized on broadcast.
Electricity storage and solutions	Multi-year contracts of specialized terminals	Turnover on progress depending on the type of contract.

(in millions of euros)	2016	2015
Sale of goods	2,131.8	2,372.7
Provision of services	7,783.4	8,205.2
Concession construction work	0.0	106.0
Income from associated activities	160.3	140.0
TURNOVER	10,075.5	10,823.9

Change in turnover is listed by operating segment in note 5.2 – Information on operating segments.

5.2. INFORMATION ON OPERATING SEGMENTS

Accounting policies

Under the provisions of IFRS 8 "Operating segments", the operating segments used for segment disclosures are those used in internal Group reporting, as reviewed by Executive management (the Group's main operational decision maker), and reflect the Group's organization which is based on business lines.

The operating segments used are as follows:

- Transportation and logistics: includes services relating to the organization of sea and air transport networks, and logistics;
- Oil logistics: refers to the distribution and warehousing of oil products in Europe;
- Communications: includes consulting in communication and advertising agencies, media, digital content and telecoms;
- Electricity storage and solutions: includes activities related to the production and sale of electric batteries and their applications: electric vehicles, supercapacitors, dedicated terminals and systems and plastic films.

Other activities mainly concern holding companies.

The breakdown of segment information by geographical area is as follows:

- France, including overseas departments and territories;
- Europe excl. France;
- Africa;
- Asia-Pacific;
- Americas.

Transactions between different segments are conducted under market conditions.

No single individual customer represents more than 10% of the Group's turnover.

The operating results for each segment are the main data used by Executive management to assess the performance of the various segments and allocate resources to them.

The accounting and valuation methods used in internal reporting are identical to those used to draw up the consolidated financial statements, with the exception of the allocation of trademark fees.

Turnover and investment are also regularly monitored by Executive management.

Information on allocations to amortization and provisions is provided to show the reader the main non-cash items of the segment's operating income but is not included in internal reporting.

Given that Vivendi conducts its business in the media and communications sector which is one of the sectors in which Bolloré Group operates and in line with the relevant Group accounting policies, the Vivendi shareholding was classified under operating equity method and added to the Communications operating segment.

5.2.1. Information by operating segment

In 2016 (in millions of euros)	Transportation and logistics	Oil logistics	Communications	Electricity storage and solutions	Other activities	Inter-segment eliminations	Total consolidated
External turnover	5,458.1	1,964.9	2,320.9	309.6	22.0	0.0	10,075.5
Inter-segment turnover	15.2	3.8	4.9	5.0	56.9	(85.8)	0.0
TURNOVER	5,473.3	1,968.7	2,325.8	314.6	78.9	(85.8)	10,075.5
Net amortization and provision expense	(198.3)	(9.5)	(59.1)	(112.5)	(15.1)	0.0	(394.5)
Operating income by segment⁽¹⁾	490.2	54.4	281.7	(167.9)	(32.5)	0.0	625.9
Tangible and intangible capital expenditure	344.7	18.5	94.8	207.2	15.0	0.0	680.2

(1) Before trademark fees.

In 2015 (in millions of euros)	Transportation and logistics	Oil logistics	Communications	Electricity storage and solutions	Other activities	Inter-segment eliminations	Total consolidated
External turnover	6,051.2	2,237.9	2,247.0	265.4	22.4	0.0	10,823.9
Inter-segment turnover	11.4	2.3	4.3	6.0	59.6	(83.5)	0.0
TURNOVER	6,062.6	2,240.1	2,251.3	271.4	82.0	(83.5)	10,823.9
Net amortization and provision expense	(197.5)	(11.0)	(70.7)	(121.8)	(12.1)	0.0	(413.1)
Operating income by segment ⁽¹⁾	569.2	37.1	254.6	(126.3)	(34.9)	0.0	699.7
Tangible and intangible capital expenditure	426.0	23.7	74.2	250.1	89.2	0.0	863.2

(1) Before trademark fees.

5.2.2. Information by geographical area

(in millions of euros)	France and overseas departments and territories	Europe excluding France	Africa	Americas	Asia/Pacific	TOTAL
IN 2016						
Turnover	3,885.5	1,712.9	2,229.3	1,297.5	950.3	10,075.5
Other intangible assets	675.1	16.7	628.9	17.7	2.3	1,340.6
Tangible assets	1,090.7	126.6	823.6	176.3	53.3	2,270.5
Tangible and intangible capital expenditure	303.9	66.9	259.8	34.6	15.0	680.2
In 2015						
Turnover	4,056.7	1,853.3	2,543.9	1,337.7	1,032.4	10,823.9
Other intangible assets	634.0	17.6	563.4	16.9	2.0	1,233.9
Tangible assets	1,014.6	88.7	827.2	171.7	49.0	2,151.2
Tangible and intangible capital expenditure	436.8	22.6	336.1	56.1	11.5	863.2

Turnover by geographical area shows the distribution of products according to the country in which they are sold.

5.3. MAIN CHANGES AT CONSTANT SCOPE AND EXCHANGE RATES

The table below shows the impact of changes in consolidation scope and exchange rates on the key figures, with the 2015 data being applied to the 2016 consolidation scope and exchange rates.

Where reference has been made to data at constant scope and exchange rates, this means that the impact of changes in the exchange rate and changes in scope (acquisitions or disposals of shareholding in a company, change in percentage of integration, change in consolidation method) has been restated.

(in millions of euros)	2016	2015	Changes in consolidation scope	Foreign exchange variations ⁽¹⁾	2015 constant scope
Turnover	10,075.5	10,823.9	67.8	(252.0)	10,639.7
Operating income	625.9	699.6	33.2	(26.1)	706.7

(1) Foreign exchange variations on turnover are mainly linked to the appreciation of the euro against most currencies, in particular the pound sterling, South African rand, the Nigerian naira and Mozambique metical, with the exception of the yen and US dollar which remained unchanged.

5.4 OPERATING INCOME

Accounting policies

- **Other operating income and expenses**

Other operating income and expenses mainly include gains and losses on the acquisition and disposal of non-current assets, net foreign exchange gains or losses on operating transactions, the research tax credit and the competitiveness and jobs tax credit.

- **Foreign currency transactions**

Foreign currency transactions are translated into the entity's functional currency at the exchange rate prevailing on the transaction date. At the close of the fiscal year, monetary items denominated in foreign currency are translated into euros at the year-end exchange rate. The resulting foreign exchange gains and losses are recognized under "Foreign exchange gains and losses" and presented under operating income in respect of commercial transactions.

Gains and losses on foreign exchange derivatives used for hedging are entered under operating income in respect of commercial transactions.

(in millions of euros)	2016	2015
Turnover	10,075.5	10,823.9
goods and services bought in:	(6,420.3)	(7,156.8)
– goods and services bought in	(6,085.7)	(6,821.0)
– Lease payments and rental expenses	(334.6)	(335.8)
Staff costs	(2,714.5)	(2,645.7)
Depreciation, amortization and provisions	(394.5)	(413.1)
Other operating income(*)	250.8	265.3
Other operating expenses(*)	(213.0)	(195.6)
Share in net income of operating companies accounted for using the equity method	41.9	21.7
OPERATING INCOME	625.9	699.7

(*) Details of other operating income and expenses

(in millions of euros)	2016			2015		
	Total	Operating income	Operating expenses	Total	Operating income	Operating expenses
Capital gains (losses) on the disposal of non-current assets	(7.2)	8.2	(15.4)	(3.0)	10.2	(13.2)
Foreign exchange gains and losses	0.1	63.0	(62.9)	14.0	80.3	(66.3)
Research and competitiveness and jobs tax credits	82.2	82.2	0.0	76.1	76.1	0.0
Other	(37.3)	97.4	(134.7)	(17.4)	98.7	(116.1)
OTHER OPERATING INCOME AND EXPENSES	37.8	250.8	(213.0)	69.7	265.3	(195.6)

5.5. INVENTORIES AND WORK IN PROGRESS

Accounting policies

Inventories are entered at the lower of their cost and their net realizable value. "Cost" here includes direct costs of materials and any direct labor costs as well as other directly attributable expenses.

The net realizable value is the estimated selling price in the normal course of business, less the estimated cost of completing the goods and the estimated expense needed to make the sale (essentially selling expenses).

(in millions of euros)	12/31/2016			12/31/2015		
	Gross value	Provisions	Net value	Gross value	Provisions	Net value
Raw materials, supplies, etc.	172.5	(39.0)	133.5	190.3	(35.4)	154.9
Work in process, intermediate and finished products	45.4	(14.1)	31.3	43.7	(13.7)	30.0
Other services in process	83.5	(0.6)	82.9	61.9	(0.8)	61.1
Goods	123.4	(2.0)	121.4	96.7	(2.3)	94.4
TOTAL	424.8	(55.7)	369.1	392.6	(52.2)	340.4

5.6. TRADE AND OTHER RECEIVABLES

Accounting policies

Trade and other receivables are current financial assets (see note 7.3 – Other financial assets) initially booked at their fair value, which generally corresponds to their nominal value, unless the effect of discounting is significant.

At each year end, receivables are valued at amortized cost, after deducting any impairment losses due to collection risk.

The Group's trade receivables are funded on an individual basis taking into account the age of the receivable and external information allowing the financial health of the debtor to be assessed.

Receivables sold to third parties through commercial factoring contracts are retained under trade receivables if their associated risks and benefits essentially remain with the Group, financial debts and loans being increased accordingly.

(in millions of euros)	12/31/2016			12/31/2015		
	Gross value	Provisions	Net value	Gross value	Provisions	Net value
Trade accounts receivable	3,697.5	(120.6)	3,576.9	3,636.7	(109.2)	3,527.5
Taxes and social security contributions ⁽¹⁾	328.2	(0.7)	327.5	256.3	(0.4)	255.9
Other operating receivables	863.2	(73.7)	789.5	949.8	(73.4)	876.4
TOTAL	4,888.9	(195.0)	4,693.9	4,842.8	(183.0)	4,659.8

(1) Including 65.4 million euros in current research tax credits at December 31, 2016 and 34.1 million euros at December 31, 2015.

Bluecar's 2012 research tax credit of 21.5 million euros, which was expected to be refunded in 2016, is subject to a review by the tax authorities, with which discussions are currently ongoing. The Group remains confident that its claim is well-founded.

5.6.1. Aged balance of past due receivables without provisions at the year end

December 31, 2016 (in millions of euros)	Total	Not past due	Past due	0 to 6 months	6 to 12 months	> 12 months
Net trade receivables	3,576.9	2,690.8	886.1	763.3	71.8	51.1

December 31, 2015 (in millions of euros)	Total	Not past due	Past due	0 to 6 months	6 to 12 months	> 12 months
Net trade receivables	3,527.5	2,614.0	913.5	818.9	64.8	29.8

The Group analyzes its trade receivables on a case-by-case basis and calculates impairment on an individual basis taking into account the customer's situation and payment defaults.

Past due receivables without provisions were covered by credit insurance for up to 312.8 million euros at December 31, 2016 and 295.5 million euros at December 31, 2015.

5.6.2. Analysis of the change in provisions for trade accounts receivable

(in millions of euros)	At 12/31/2015	Allowances	Reversals	Changes in consolidation scope	Foreign exchange variations	Other transactions	At 12/31/2016
Provisions for trade accounts receivable	(109.2)	(46.0)	30.2	(0.4)	4.8	0.0	(120.6)

5.6.3. Analysis in the income statement of provisions and charges for trade receivables

(in millions of euros)	2016	2015
Allocations to provisions	(46.0)	(36.5)
Reversals of provisions	30.2	26.9
Losses on irrecoverable receivables	(19.2)	(20.2)

5.7. TRADE AND OTHER PAYABLES

(in millions of euros)	At 12/31/2015	Change in consolidation scope ⁽¹⁾	Net changes	Foreign exchange variations	Other transactions	At 12/31/2016
Due to suppliers	2,794.5	27.8	68.0	(37.2)	(2.5)	2,850.6
Tax and social security contributions payable	765.7	(0.9)	37.1	(7.6)	(0.8)	793.5
Other operating payables ⁽²⁾	1,667.4	22.3	(52.4)	(27.4)	1.2	1,611.1
TOTAL	5,227.6	49.2	52.7	(72.2)	(2.1)	5,255.2

(1) Mainly related to newly consolidated companies by Havas.

(2) Of which the share at less than one year of commitments to purchase securities amounted to 16.4 million euros and earn out liabilities to 18.9 million euros at December 31, 2016.

5.8. OTHER ASSETS AND LIABILITIES

Accounting policies

Other non-current assets mainly include the share at over one year of research tax credit receivables and competitiveness and jobs tax credit receivables. The share at less than one year of research tax credit receivables and competitiveness and jobs tax credit receivables is recognized under "Trade and other receivables".

Other non-current liabilities mainly include the share at over one year of commitments to purchase minority interests. The share at less than one year of commitments to purchase minority interests is recognized under "Trade and other payables".

Commitments to purchase minority interests are initially recognized, and for any subsequent change in the fair value of the commitment, through shareholders' equity.

The fair value of the commitments is reviewed at the end of each accounting period, and the amount of the debt is adjusted accordingly.

The debt is discounted to present value in view of the time until the commitment matures.

5.8.1. Other non-current assets

(in millions of euros)	12/31/2016			12/31/2015		
	Gross value	Provisions	Net value	Gross value	Provisions	Net value
Research and competitiveness and jobs tax credits	212.9	0.0	212.9	183.1	0.0	183.1
Other	24.2	(2.9)	21.4	5.1	(2.9)	2.2
TOTAL	237.1	(2.9)	234.3	188.2	(2.9)	185.3

5.8.2. Other non-current liabilities

(in millions of euros)	At 12/31/2015	Change worldwide scope	Net changes	Foreign exchange variations	Other transactions	At 12/31/2016
Commitments to purchase minority interests ⁽¹⁾	128.6	0.0	0.1	(3.8)	(13.0)	111.9
Other non-current liabilities ⁽²⁾	57.1	30.8	(2.2)	1.1	1.6	88.4
TOTAL	185.7	30.8	(2.1)	(2.7)	(11.4)	200.3

(1) Mainly at Havas.

(2) Including 45.2 million euros for earn out liabilities.

5.8.3. Other current liabilities

(in millions of euros)	At 12/31/2015	Changes in consolidation scope	Net changes	Foreign exchange variations	Other transactions	At 12/31/2016
Unearned income	152.2	0.3	52.0	(0.6)	(4.8)	199.1
Other current debts	1.1	0.0	(0.3)	0.0	0.3	1.1
TOTAL	153.3	0.3	51.7	(0.6)	(4.5)	200.2

5.9. OFF-BALANCE SHEET COMMITMENTS FOR OPERATING ACTIVITIES

5.9.1. Commitments given

At December 31, 2016 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Customs bonds ⁽¹⁾	509.1	306.8	103.7	98.6
Other bonds, endorsements, guarantees and del credere granted ⁽²⁾	241.2	126.9	37.3	76.9
Pledges and mortgages	0.1	0.0	0.1	0.0
Firm investment commitments and other purchase commitments	60.1	35.3	11.4	13.5

(1) Customs guarantees are granted to the customs authorities of certain countries in the normal course of business, chiefly the transportation business, to enable deferred payment of outstanding customs dues recognized in these financial statements.

(2) Including 59.6 million euros attributable to Havas group, of which 39.8 million euros of guarantees given by Havas to certain countries for their purchases of advertising space, 10.4 million euros of tax guarantees given by Havas SA and 0.9 million euros to cover the maximum commitment to fund pension fund deficits in Great Britain.

At December 31, 2015 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Customs bonds ⁽¹⁾	538.0	330.9	107.7	99.5
Other bonds, endorsements, guarantees and del credere granted ⁽²⁾	281.5	95.6	113.1	72.8
Pledges and mortgages	0.1	0.0	0.1	0.0
Firm investment commitments and other purchase commitments	82.3	32.7	36.2	13.4

(1) Customs guarantees are granted to the customs authorities of certain countries in the normal course of business, chiefly the transportation business, to enable deferred payment of outstanding customs dues recognized in these financial statements.

(2) Including 87.7 million euros attributable to Havas group, of which 44 million euros of guarantees given by Havas to certain countries for their purchases of advertising space and 16.4 million euros to cover the maximum commitment to fund pension fund deficits in Great Britain.

5.9.2. Commitments received

At December 31, 2016 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
For operational activities	45.0	6.7	35.7	2.6

At December 31, 2015 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
For operational activities	46.1	7.1	38.6	0.4

5.10. LEASE COMMITMENTS

5.10.1. Lease agreements – lessee

Schedule of minimum payments due

At December 31, 2016 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Minimum payments ⁽¹⁾	(950.0)	(253.9)	(423.3)	(272.8)
Income from subleasing	2.8	1.1	1.3	0.5
TOTAL	(947.2)	(252.8)	(422.0)	(272.4)

(1) Minimum payments refer to the rent to be paid over the term of the contract and leases.

At December 31, 2015 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Minimum payments ⁽¹⁾	(893.7)	(222.0)	(401.5)	(270.2)
Income from subleasing	7.6	2.0	4.9	0.7
TOTAL	886.1	(220.0)	(396.6)	(269.5)

(1) Minimum payments refer to the rent to be paid over the term of the contract and leases.

5.10.2. Lease agreements – lessor

Schedule of minimum payments due under leases

At December 31, 2016 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Minimum payments	32.3	14.5	16.6	1.2
Contingent rent for period	0.5	0.3	0.2	0.0
TOTAL	32.8	14.7	16.8	1.3

At December 31, 2015 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Minimum payments	30.7	13.7	15.0	2.1
Contingent rent for period	0.3	0.1	0.1	0.1
TOTAL	31.1	13.8	15.1	2.2

NOTE 6. TANGIBLE AND INTANGIBLE ASSETS AND CONCESSION CONTRACTS

6.1. GOODWILL

Accounting policies

Goodwill on controlled companies is entered in consolidated balance sheet assets under "Goodwill". Goodwill is not amortized but subjected to an impairment test at least once a year and whenever there is an indication of impairment. When impairment is found, the difference between the asset's book value and its recoverable value is recognized among operating expenses for the fiscal year. This goodwill impairment cannot be reversed. Negative goodwill (badwill) is charged directly to the income statement for the year of acquisition.

Intangible and tangible assets are tested for impairment under certain circumstances. In the case of non-current assets with indefinite lifetimes (e.g. goodwill), a test is carried out at least once a year, as well as whenever there is an indication that they have lost value. For other non-current assets, a test is carried out only when there is an indication of a loss of value.

Assets tested for impairment are grouped in cash-generating units (CGUs), each corresponding to a homogeneous set of assets whose use generates an identifiable cash flow. When a CGU's recoverable value is less than its net book value, an impairment is recognized and charged as an operating expense. The CGU's recoverable value is the market value (less selling costs) or its value in use, whichever is higher. The value in use is the present discounted value of the foreseeable cash flow from use of an asset or a CGU. The discount rate is calculated for each cash-generating unit in accordance with its geographical area and the risk profile of its business.

6.1.1. Change in goodwill

(in millions of euros)	
At December 31, 2015	2,936.0
Acquisitions of controlling interests ⁽¹⁾	58.8
Disposals	(0.2)
Impairment loss	0.0
Foreign exchange variations ⁽²⁾	(14.5)
Other	(3.3)
AT DECEMBER 31, 2016	2,976.8

(1) Acquisition of Capacitor Sciences Inc. and acquisitions of controlling interests within the Havas group – see note 4.1.1 – Changes in consolidation scope 2016.

(2) In particular the effect of the depreciation of the Nigerian naira and of the pound sterling, which had a –15.6 million euros negative impact on goodwill.

6.1.2. Information by operating segment

(in millions of euros)	12/31/2016	12/31/2015
Communications	1,922.1	1,895.5
Transportation and logistics	883.0	893.6
Oil logistics	109.1	108.5
Electricity storage and solutions	56.3	32.1
Other activities	6.2	6.2
TOTAL	2,976.8	2,936.0

6.1.3. Definition and reorganization of CGUs

At December 31, 2016, the Financière de l'Odét Group had some 30 cash generating units (CGUs) before the CGU re-organization. The division of operations into CGUs is based on the particular features of each of the Group's business lines.

The main CGUs are the following: The main CGUs are the following: "Transportation and Logistics in Africa", "International Logistics", "Energy logistics" (excluding concessions) and "Havas".

These business activities are described in note 5.2 – Information on the operating segments.

Because of the synergies between the CGUs listed above, the Group has reorganized them into the following four CGU combinations:

- the Logistics Africa combination: includes the "Transportation and logistics in Africa" CGUs, and rail and port concessions in Africa;
- the International Logistics combination: includes the "International Logistics" CGUs, and port concessions in France;
- the Free Newspapers combination;
- the Telecoms combination.

6.1.4. Recoverable value based on fair value

With regard to the Havas CGU, its recoverable value at December 31, 2016 was estimated with reference to the fair value based on its market price. This was higher than the CGU's net book value. Consequently, no impairment was recognized on this CGU at December 31, 2016.

(in millions of euros)	Havas 2016	Havas 2015
Net book value of goodwill	1,916.6	1,890.6
Impairment losses recognized on the period	0.0	0.0
Base used for recoverable value	fair value	fair value

6.1.5. Recoverable value based on value in use

The main assumptions used for the estimation of recoverable value are:

- the present-value discount rate is determined by basing it on the weighted average cost of capital (WACC) of each CGU; it includes potential risks specific to each activity (business lines, markets and geographical areas); the rate selected was determined on the basis of information communicated by an outside consulting firm;
- the cash flows are calculated on the basis of operating budgets, then extrapolated by applying a five-year growth rate reflecting the growth potential of the relevant markets and management's judgment based on past experience. Past year five, the terminal value is based on the perpetuity value of the cash flows.

The cash flow projections on concession arrangements are based on the lives of the contracts.

These tests are carried out using an after-tax discount rate. The method adopted does not lead to a material difference with a calculation based on a pre-tax discount rate (test performed in accordance with IAS 36 BCZ 85).

No impairment losses were recognized following the testing either at December 31, 2016 or at December 31, 2015 (apart from a single entity in the communications segment in 2015).

The following table summarizes the assumptions used for the most significant tests on goodwill:

2016 (in millions of euros)	Transportation and logistics in Africa	International Logistics	Oil logistics
Net book value of goodwill	408.0	467.6	85.0
Impairment losses recognized on the period	0.0	0.0	0.0
Base used for recoverable value	value in use	value in use	value in use
Parameters of cash flow model used:			
– forecast growth rate from N+2 to N+5	2% to 4%	2% to 3%	–2% to 0.5%
– growth rate on terminal value	2%	2%	1%
– weighted average cost of capital (WACC)	9.9%	7.1%	7.0%
Sensitivity of tests to changes in the following criteria:			
– present-value discount rate for which the recoverable value = net book value	11.7%	11.4%	11.6%
– perpetual growth rate for which the recoverable value = net book value	–0.6%	–3.8%	–11.3%

The cash flows of Transportation and logistics in Africa and International logistics are particularly sensitive to fluctuations in commodity and oil prices and well as volatility in freight rates. However, these effects vary by country and are often offset by the network effect.

Nor does the Group analyze the sensitivity of its flows to these factors.

Nevertheless, for indicative purposes, an assumption of a –10% sensitivity on the cash flows of the terminal value was calculated. This change would result in a 7.1% and 7.8% reduction in the recoverable value of the Transportation and logistics in Africa and International Logistics CGUs, respectively. No impairment loss would need to be recognized for those CGUs.

2015 (in millions of euros)	Transportation and logistics in Africa	International Logistics	Oil logistics
Net book value of goodwill	413.1	469.7	84.4
Impairment losses recognized on the period	0	0	0
Base used for recoverable value	value in use	value in use	value in use
Parameters of cash flow model used:			
– forecast growth rate from N+2 to N+5	2% to 4%	2% to 3%	–2% to 0.5%
– growth rate on terminal value	2%	2%	1%
– weighted average cost of capital (WACC)	11.0%	8.1%	7.4%
Sensitivity of tests to changes in the following criteria:			
– present-value discount rate for which the recoverable value = net book value	11.8%	12.7%	9.8%
– perpetual growth rate for which the recoverable value = net book value	0.8%	–4.3%	–4.3%

6.2. OTHER INTANGIBLE ASSETS

Accounting policies

Other intangible assets mainly include trademarks and brand names, customer relationships, operating rights, computer software, WiMax licenses and assets arising from concessions resulting from the reclassification of infrastructures held under concessions in application of the IFRIC 12 interpretation (see 6.4 – Concession arrangements). Once acquired, intangible assets appear in the balance sheet at their acquisition cost. They are amortized over their useful lifetime using the straight-line method.

The useful lifetimes of the main categories of intangible assets are as follows:

Concession operating rights and WiMax licenses	Duration of concession arrangements (see note 6.4 – Concession arrangements)
Software and IT licenses	1 to 5 years

In line with IAS 38 "Intangible assets", R&D expenditures are entered as expenses on the income statement of the fiscal year in which they were incurred, with the exception of development costs, which come under intangible assets if the conditions under which they will yield returns meet the following criteria:

- the project is clearly identified and its attendant costs reliably identified and monitored;
 - the technical feasibility of the project has been shown;
 - the intention is to end the project and use or sell all its products;
 - there is a potential market for the product of this project, or its internal utility has been demonstrated;
 - the resources needed to complete the project are available.
- Development costs are amortized over the estimated lifetime of the projects concerned from the date on which the product becomes available.
- In the particular case of software, the lifetime is determined as follows:
- if the software is used in-house, over the probable useful lifetime;
 - if the software is for external use, according to the prospects for sale, rental or any other form of marketing.

Capitalized software development costs are those incurred during the programming, coding and testing stages. Previously incurred expenditure (planning, design, product specification and architecture) is entered as an expense.

Total research and development costs recorded in the income statement for the 2016 fiscal year amounted to 63.1 million euros and mainly included developments in electricity storage.

6.2.1. Composition

(in millions of euros)	12/31/2016			12/31/2015		
	Gross value	Depreciation and impairment	Net value	Gross value	Depreciation and impairment	Net value
Operating rights, patents, development costs	666.6	(424.3)	242.3	642.9	(399.8)	243.1
Intangible assets arising from concessions ⁽¹⁾	657.8	(73.3)	584.5	565.2	(54.2)	511.0
Trademarks, brand names	398.9	(1.1)	397.8	383.1	(1.0)	382.1
Client relationships	112.4	(48.6)	63.8	109.4	(36.1)	73.3
Other	90.6	(38.4)	52.2	60.1	(35.7)	24.4
TOTAL	1,926.3	(585.7)	1,340.6	1,760.7	(526.8)	1,233.9

(1) Classification, in accordance with IFRIC 12, of infrastructures reverting to the grantor at the end of the contract under intangible assets from concessions for concessions recognized in accordance with this interpretation.

6.2.2. Change in intangible assets

Net values (in millions of euros)	At 12/31/2015	Gross acquisitions ⁽¹⁾	Disposals NAV	Net allowances	Changes in consolidation scope	Foreign exchange variations	Other transactions ⁽²⁾	At 12/31/2016
Operating rights, patents, development costs	243.1	35.7	(0.6)	(57.7)	0.0	(4.3)	26.1	242.3
Intangible assets arising from concessions	511.0	105.9	(0.4)	(20.0)	0.0	(15.9)	3.9	584.5
Trademarks, brand names ⁽³⁾	382.1	0.2	0.0	(0.1)	0.0	(0.1)	15.7	397.8
Client relationships	73.3	0.0	0.0	(12.6)	(0.2)	(0.1)	3.4	63.8
Other	24.4	55.6	0.0	(2.8)	(0.4)	0.0	(24.6)	52.2
NET VALUES	1,233.9	197.4	(1.0)	(93.2)	(0.6)	(20.4)	24.5	1,340.6

(1) Taking account of changes in payables on intangible assets of -9.3 million euros, disbursements related to acquisitions of intangible assets and assets arising from concessions amounted to 188.1 million euros.

(2) Of which reclassification of the FullSix brand and client relationships following the final allocation of the acquisition price.

(3) The trademarks with indefinite lives were tested for impairment and no impairment loss was identified for 2016.

6.3. TANGIBLE ASSETS

Accounting policies

Tangible assets are entered at their acquisition or production cost, less cumulative impairment and any recognized impairment.

Impairment is generally determined using the straight-line method over the asset's useful lifetime; the accelerated impairment method may nevertheless be used if it appears more relevant to the conditions under which the equipment concerned is used. In the case of certain complex non-current assets with different components (buildings, for instance), each component is depreciated over its specific useful lifetime.

The main useful lifetimes of various categories of tangible assets are as follows:

Buildings and fitting-out	8 to 33 years
Plant, machinery and equipment	3 to 13 years
Other tangible assets	3 to 15 years

Depreciable lives are periodically reviewed to check their relevance.

The start date for depreciation is that on which the asset came into service. In the case of an acquisition, the asset is depreciated over its residual useful lifetime which is determined as of the date of acquisition.

6.3.1. Composition

(in millions of euros)	12/31/2016			12/31/2015		
	Gross value	Depreciation and impairment	Net value	Gross value	Depreciation and impairment	Net value
Land and fixtures and fittings	166.1	(9.6)	156.5	173.8	(8.6)	165.2
Buildings and fitting-out	1,459.2	(597.3)	861.9	1,427.3	(554.3)	873.0
Plant and equipment	1,718.7	(1,017.2)	701.5	1,565.8	(921.0)	644.8
Other ⁽¹⁾	1,191.8	(641.2)	550.6	1,090.1	(621.9)	468.2
TOTAL	4,535.8	(2,265.3)	2,270.5	4,257.0	(2,105.8)	2,151.2

(1) Of which non-current assets in progress.

6.3.2. Change in tangible assets

Net values (in millions of euros)	At 12/31/2015	Gross acquisitions ⁽¹⁾	Disposals NAV	Net allowances	Changes in consolidation scope	Foreign exchange variations	Other transactions	At 12/31/2016
Land and fixtures and fittings	165.2	1.6	(0.2)	(1.2)	0.0	0.5	(9.4)	156.5
Buildings and fitting-out	873.0	56.7	(1.7)	(67.7)	0.5	(15.1)	16.2	861.9
Plant and equipment	644.8	145.6	(5.9)	(153.7)	(0.3)	(18.3)	89.3	701.5
Other ⁽²⁾	468.2	278.8	(6.5)	(74.8)	0.5	(8.4)	(107.2)	550.6
NET VALUES	2,151.2	482.7	(14.3)	(297.4)	0.7	(41.3)	(11.1)	2,270.5

(1) After adjusting for acquisitions related to assets under finance leases of -0.8 million euros and taking account of changes in payables on tangible assets of 11.1 million euros, disbursements related to acquisitions of tangible assets amounted to 493.0 million euros.

(2) Of which non-current assets in progress.

Capital expenditure is listed by operating segment in note 5.2 – Information on operating segments.

6.3.3. Property under finance lease at December 31, 2016

Accounting policies

Leases (where the Group is the lessee) are classified as finance leases if the terms of the lease essentially transfer virtually all the risks and benefits inherent in ownership to the lessee. All other leases are classified as operating leases. In accordance with interpretation IFRIC 4 "Determining whether an arrangement contains a lease", the Group reviews its contracts to supply goods and services in order to determine whether these contracts also grant the purchaser a right to use certain assets. Any equipment so identified is recognized as described in this interpretation, in accordance with IAS 17 "Leases". Payments in relation to these assets are entered separately from total payments relating to the contract.

Assets held under a finance lease are entered among assets at the lower of the present discounted value of the minimum payments under the lease and their fair value on the date of acquisition. The corresponding liabilities due to the lessor are entered on the balance sheet as obligations under finance leases. The finance charges, being the difference between the total commitments under the contract and the fair value of the asset acquired, are distributed over the various fiscal periods covered by the lease so as to obtain a constant periodic rate of interest on the remaining balance due on the liability, for each fiscal year.

Lease income from operating leases is entered as straight-line income throughout the term of the lease.

Rent paid on an operating lease is charged to the income statement on a straight-line basis throughout the term of the lease.

(in millions of euros)	Amount (gross)	Impairment		Amount net
		Fiscal year	Cumulative	
Land and fixtures and fittings	0.0	0.0	0.0	0.0
Buildings and fitting-out	1.5	0.0	(1.1)	0.4
Plant and equipment	9.4	(0.8)	(7.5)	1.9
Other non-current assets	21.5	(2.7)	(9.5)	12.0
TOTAL	32.4	(3.5)	(18.1)	14.3

6.4. CONCESSION CONTRACTS

Accounting policies

The Group operates a number of "concession" arrangements in various business sectors. This term comprises various types of contract: public service concession, leasing, development and renewal "BOT" contracts, right to operate on public property.

In essence, the Group analyzes the characteristics of all new concession arrangements awarded to it in order to determine which standard the accounting treatment to be applied comes under, taking into account at the same time the contractual terms and conditions and also its experience in carrying out similar contracts.

The Group first analyzes new contracts in relation to the criteria of the IFRIC 12 interpretation.

The IFRIC 12 interpretation applies to public service concession arrangements which combine the following characteristics:

- the grantor controls or regulates the services supplied and, amongst other things, sets the scale of charges for the service. This criterion is assessed by the Group for each agreement depending on the autonomy enjoyed, in order to ensure the financial stability of the concession;
- ownership of the infrastructures reverts to the grantor at the end of the contract.

For all of the concessions it operates, the Group is remunerated through the sale of services to users and not by the grantor. Concessions falling under IFRIC 12 are therefore recognized using the intangible asset model, comprising a right to receive payment from users:

- the fair value of infrastructures created including, where applicable, the interim interest of the construction phase is entered under intangible assets (pursuant to IAS 38);
- it is amortized using the straight-line method over the period of the contract from the start of use.

Income received for:

- construction activities carried out by the Group are recognized pursuant to IAS 11 "Construction contracts" on the basis of physical progress;
- maintenance and operating activities is entered in the financial statements pursuant to IAS 18 "Income from ordinary activities".

Some rail and port concession arrangements obtained in Africa, as well as the Autolib' concession, fall under IFRIC 12. The infrastructures reverting to the grantor at the end of the contract were classified as intangible assets arising from the concessions in accordance with that interpretation (see note 6.2 – Other intangible assets), as the grantee's income is received directly from users in every concession arrangement.

If the contract does not fulfill the criteria of IFRIC 12, the Group applies IFRIC 4 "Determining whether an arrangement contains a lease" (see note 6.3.3), to identify any specific assets which may meet the criteria for recognition under IAS 17 "Leases". The Group has not identified any specific assets in this regard.

If this rule does not apply, the Group recognizes the assets concerned according to IAS 16 "Property, plant, and equipment" and applies the "component" approach. Replaceable goods are depreciated over their useful lifetime.

Unless a finance lease is specifically identified, operating income is recognized in turnover, and payments to the grantor are recognized in operating expenses for the fiscal year in which they are incurred.

For all contracts:

- where royalties are payable at the start of the contract, an intangible asset is recognized and amortized by the straight-line method over the contract's lifetime;
- where the Group is contractually obliged to carry out work required to restore infrastructures to their original condition, but where the infrastructures are not recognized amongst its assets, the Group recognizes a provision in accordance with IAS 37 "Provisions, contingent liabilities and contingent assets";
- the contractually agreed capital expenditure necessary for maintaining the good operating condition of the concession is recorded as off-balance sheet commitments (see note 6.4.3 – Commitments given under concessions);
- payments to the grantor for the operation of assets under concession are recognized as operating expenses in the fiscal year in which they fall due.

Cash flow from investing activities connected with concession arrangements are classified as cash flow from investing activities, under assets arising from concessions when the contract falls within the scope of IFRIC 12 or under tangible or intangible assets for other concessions.

Non-repayable investment grants are recognized under unearned income in "Other current liabilities" and recognized within operating income in accordance with the defined impairment period for the asset concerned, as per IAS 20.

6.4.1. Characteristics of concession arrangements

Port concessions

Port concessions, France

Recipient of the concession	Grantor of the concession	Duration of the concession	Infrastructures made available by the concession grantor	Contractual obligations to create additional infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Bolloré Ports Dunkerque	Independent port of Dunkirk	25 years from 2010	Freycinet open storage area, quayside, hangar and office – Dunkirk port	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Normande de Manutention	Sea port of Rouen	25 years from 2010	Land, quay surfaces, quays, buildings and fitting out of the container terminal for various goods	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Normande de Manutention	Sea port of Rouen	15 years from 2010	Land, quay surfaces, quays, buildings and fitting out of the solid bulk goods terminal	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Bolloré Ports France	Sea port of La Rochelle	25 years from 2010	Land, quays, open storage areas and hangars of the Chef-de-Baie terminal – La Rochelle	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Bolloré Ports France	Sea port of La Rochelle	15 years from 2010	Land, quays, open storage areas and hangars of the Wet dock terminal – La Rochelle	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Bolloré Ports France	Sea port of La Rochelle	15 years from 2010	Land, open storage areas and quays of the Mole d'Escale Ouest terminal – La Rochelle	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Bolloré Ports France	Sea port of Rouen	10 years from 2012	Land, open storage areas and quays of the Seine quay terminal – Honfleur	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Terminal du Grand Ouest ⁽¹⁾	Sea port of Nantes Saint-Nazaire	35 years from 2011	Land and accessories for the Montoir-de-Bretagne container terminal for various goods	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures

(1) Partnership recognized by the equity method.

These agreements provide for the payment to the grantor of a fixed annual fee, together with an optional variable fee for volumes. Royalties are recognized as operating expenses in the fiscal year in which they fall due.

These agreements may be terminated at any time with advance notice by the operator or by common agreement with the grantor. They may be terminated by the grantor for reasons of general interest (with compensation) or as a result of major default by the recipient of the concession.

Port concessions, Africa

Recipient of the concession	Grantor of the concession	Duration of the concession	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Société des Terminaux à Conteneurs du Gabon (STCG)	Gabon port office (OPRAG) (Gabon)	20 years from 2008, with possibility of renewal for up to 10 years	Land, quay surfaces and quays of the Owendo port terminal	NA	Contractual obligation for the upkeep of assets operated under concession and the reconfiguration and development of installations in order to ensure the operational performance of the terminal
Abidjan Terminal	Independent port of Abidjan (Republic of Côte d'Ivoire)	15 years from March 2004, renewed until 2029	Land, quay surfaces and quays of the Vridi port terminal, buildings, storage yard for refrigerated containers	NA	Contractual obligation for the upkeep of assets operated under concession and the improvement of installations in order to ensure the operational performance of the terminal
Douala International Terminal (DIT)	Independent port of Douala (Cameroon)	15 years from 2005	Land, open storage areas and quays of the Douala container terminal, container yard, hangars and warehouses	NA	Contractual obligation for the upkeep of assets operated under concession and the improvement of installations in order to ensure the operational performance of the terminal
Meridian Port Services (MPS)	Ghana port authorities	20 years from August 2004 Amendment in 2016 for a new period of 35 years after a construction period of 4 years.	Land, quay surfaces and quays of the Tema port terminal	Construction of new port infrastructure in the port of Tema (seawall, dredging, container terminal and shared area)	Contractual obligation for the upkeep of assets operated under concession and the improvement of installations in order to ensure the operational performance of the terminal
Tin Can International Container Terminal Ltd	Nigeria port authorities	15 years from June 2006, extended by 5 years in December 2011	Land, quay surfaces and quays of the Tin Can port terminal, storage areas, offices and warehouses	NA	Contractual obligation for the upkeep of assets operated under concession and the improvement of installations in order to ensure the operational performance of the terminal
Congo Terminal ⁽²⁾	Independent port of Pointe-Noire (Congo)	27 years from July 2009	Pointe-Noire port terminal area, quay surfaces and quays	Reconstruction and extension of quays and construction of additional quay surfaces	Contractual obligation for the upkeep of assets operated under concession and the improvement of installations in order to ensure the operational performance of the terminal
Togo Terminal ⁽²⁾	Independent port of Lomé (Togo)	35 years from 2010	Lomé container port terminal area, quay surfaces and quays	Construction of additional quay and additional quay surfaces	Contractual obligation for the upkeep of assets operated under concession and the improvement of installations in order to ensure the operational performance of the terminal
Lomé Multipurpose Terminal ⁽²⁾	Independent port of Lomé (Togo)	25 years from August 2003	Conventional Lomé port terminal area, quay surfaces and warehouses	NA	Contractual obligation for the upkeep of assets operated under concession No development or improvement work specified as being the responsibility of the recipient of the concession
Freetown Terminal ⁽²⁾	Sierra Leone port authority (Sierra Leone)	30 years from 2011	Quay surfaces and quays of the Freetown container terminal	Rehabilitation and development of existing quay surfaces and construction of a new quay and quay surfaces	Contractual obligation for the upkeep of assets operated under concession and the improvement of installations in order to ensure the operational performance of the terminal
Conakry Terminal ⁽²⁾	Independent port of Conakry (Guinea)	25 years from 2011	Quay surfaces and quays of the Conakry port terminal	Construction of additional quay and additional quay surfaces	Contractual obligation for the upkeep of assets operated under concession and the improvement of installations in order to ensure the operational performance of the terminal

Recipient of the concession	Grantor of the concession	Duration of the concession	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Moroni Terminal ⁽²⁾	Comoros Government	10 years from December 2011	Moroni Terminal port area	NA	The recipient of the concession is contractually responsible for maintenance Investment in development and renewal is the responsibility of the recipient of the concession
Bénin Terminal ⁽²⁾	Benin Government and independent port of Cotonou (Benin)	25 years from October 2012	Land and quays of the Cotonou port terminal	Construction of quay surfaces	Contractual obligation for the upkeep of assets operated under concession, excluding walls Development works to be borne by the recipient of the concession, to meet the terminals' operational performance targets
Dakar Terminal ⁽²⁾	Independent port of Dakar (Senegal)	25 years from March 2014	Dakar RoRo terminal	Renovation and modernization of existing infrastructure	The recipient of the concession is contractually responsible for maintenance Investment in development and renewal is the responsibility of the recipient of the concession
Tuticorin (Dakshin Bharat Gateway Terminal Private Limited) ⁽¹⁾⁽²⁾	Chidambaranar port authorities (India)	30 years from August 2012	Tuticorin Terminal	NA	The recipient of the concession is contractually responsible for maintenance Investment in development and renewal is the responsibility of the recipient of the concession
Niger Terminal	Nigerien Government	20 years from September 19, 2014	Inland container depot of Dosso and its branch in Niamey	Redevelopment of quay surfaces of the inland container depot	The recipient of the concession is contractually responsible for maintenance Investment in development and renewal is the responsibility of the recipient of the concession

(1) Partnership recognized by the equity method.

(2) Accounted for in accordance with the provisions of IFRIC 12.

These agreements provide for the payment to the grantor of a fixed annual fee, combined with a variable fee dependent on the performance of the terminal, with the exception of the Togo Terminal concession which provides only for a variable fee. Royalties are recognized as operating expenses in the fiscal year in which they fall due.

These agreements may be terminated by common agreement with the grantor. They may be terminated by the grantor for reasons of general interest (with compensation) or as a result of major default by the recipient of the concession.

Rail concessions

Rail concessions, Africa

Recipient of the concession	Grantor of the concession	Duration of the concession	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Camrail	Cameroon Government (Cameroon)	30 years from 1999, renewed until 2034	Cameroon railway network: Railway infrastructures required for operating	NA	The recipient of the concession is contractually responsible for maintenance
Sitarail	Burkina Faso and Republic of Côte d'Ivoire Governments	15 years from 1995, renewed until 2030	Railway network linking Abidjan to Ouagadougou (Republic of Côte d'Ivoire/Burkina Faso): Railway infrastructures and dependencies of the public railway-owned land, together with equipment necessary for operations	NA	The recipient of the concession is contractually responsible for maintenance

The concessions contain royalty payments to the grantor in exchange for the operating license granted. Royalties are recognized as operating expenses in the fiscal year in which they fall due.

Contractual obligations to maintain and recondition assets operated under concession are recognized in provisions depending on the plans according to IAS 37 and described in note 10.1 – Provisions.

The Sitarail agreement may be terminated by the recipient of the concession in the event of serious breach of contract by the grantor (with compensation) or in the event of *force majeure*, or at the request of the grantor through the buyback of the concession or in the event of serious breach of contract by the recipient of the concession. The Camrail agreement may be terminated by the grantor through the buyback of the concession or in the event of serious breach of contract by the recipient of the concession.

An agreement was signed in July 2016 with the governments of Côte d'Ivoire and Burkina Faso for the extension of 15 additional years of the Sitarail concession and a program to upgrade the railway for 130 million euros. The secondary capacities to the contract remain to finalize in the date of order of the present accounts.

Other concessions

Recipient of the concession	Grantor of the concession	Duration of the concession	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Bolloré Telecom	French Government	20 years from 2006	Regional WiMax licenses	NA	Obligation for regional deployment of the service
SFDM	French Government	25 years from March 1995	Oil pipeline linking the port of Donges to Metz and depots	NA	Contractual obligation to maintain and upgrade premises operated under concession
Autolib ⁽¹⁾	Autolib' mixed trade union	12 years from end of 2011	Road sites	Creation of rental terminals and recharging points on road sites	Upkeep and renewal of assets necessary for the proper functioning of the service
Bluely	Lyon Urban Community	10 years from June 2013	Road sites	NA	Maintenance of areas made available and of installed equipment
Bluecub	Bordeaux Urban Community	10 years from end of July 2013	Road sites	NA	Maintenance of areas made available and of installed equipment
BluePointLondon	Transport for London	Unlimited	Road sites (and existing terminals)	NA	Obligation to ensure the upkeep and maintenance of the charging terminals
Blueindy	City of Indianapolis (Indiana, USA)	15 years from September 2015	Road sites	NA	Obligation to operate and maintain the car-sharing service
Turin	City of Turin	20 years from March 2016	Road sites	NA	Obligation to operate and maintain the car-sharing service

(1) Accounted for in accordance with the provisions of IFRIC 12.

The concessions contain royalty payments to the grantor in exchange for the operating license granted. Royalties are recognized as operating expenses in the fiscal year in which they fall due.

With respect to SFDM, contractual obligations to maintain and recondition assets operated under concession are recognized in provisions depending on the multi-annual plans according to IAS 37 and described in note 10.1 – Provisions. This agreement includes a termination clause in the event of serious breach of contract by the recipient of the concession or *force majeure*.

With regard to Autolib', the agreement includes clauses for termination by the grantor in the event of *force majeure*, for reasons of general interest, in the event of serious breach of contract by the recipient of the concession, or in the event of lack of economic benefit from the concession.

6.4.2. Concessions signed at December 31, 2016 in respect of which operations have not yet started

Port concessions

Recipient of the concession	Grantor of the concession	Duration of the concession	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Côte d'Ivoire Terminal (TC2) ⁽¹⁾	Independent port of Abidjan (Republic of Côte d'Ivoire)	21 years from February 2017	Second container terminal in the port of Abidjan	Development of quays and quay surfaces	The recipient of the concession is contractually responsible for maintenance. Investment in development and renewal is the responsibility of the recipient of the concession.
Terminal Varreux Bolloré (TVB) ⁽²⁾	Other ports in Haiti	25 years	Existing quay	Work to develop a quay and a quay surface for the container business	Contractual obligation for the upkeep

(1) Companies under significant influence "Associates".

(2) Joint ventures.

In addition, in early June 2016 the Group signed the 30-year concession arrangement for the port of Dili in East Timor with the Government of the Democratic Republic of East Timor, to build and fit out a 630-meter long quay and a quay surface. The conditions precedent of the arrangement had still not been met as of the reporting date of these financial statements.

Rail concessions

Recipient of the concession	Grantor of the concession	Duration of the concession	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Benirail Exploitation ⁽¹⁾	Nigerien and Benin Governments	20 years from the commissioning of the line	NA	NA	Passenger transport public service obligation Contractual obligation to finance and maintain the rolling stock in good condition
Benirail Infrastructure ⁽¹⁾	Nigerien and Benin Governments	30 years from the commissioning of the line	Rail facilities	Design and construction of infrastructures, facilities and structures comprising the rail link between Cotonou and Niamey	Contractual obligation to maintain the line

(1) The performance of the Benirail concession arrangements agreed in summer 2015 was put on hold following the decision of the Cotonou appeals court in November 2015 to overturn an earlier judgment in summary proceedings primarily brought against the State of Benin by the Petrolin Group. The current proceedings are not challenging the validity of the contract signed by the Group but are delaying its implementation.

Other concessions

Recipient of the concession	Grantor of the concession	Duration of the concession	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Los Angeles	City of Los Angeles	5 years from January 2017	Road sites	NA	Obligation to operate and maintain the car-sharing service

6.4.3. Commitments given under concessions

The commitments made by the Group under concession arrangements held by its subsidiaries are as follows:

At December 31, 2016 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Concessions ⁽¹⁾	881.6	48.8	202.6	630.2
Future capital expenditure in concessions ⁽²⁾	1,126.5	180.2	332.6	613.7
TOTAL	2,008.2	229.0	535.2	1,243.9

(1) Only includes the fixed portion of fees.

(2) Does not include the remaining capital expenditure commitments relating to the construction of the rail link between Cotonou and Niamey following the suspension of the performance of these concession arrangements. Total expected capital expenditure is around 800 million euros.

At December 31, 2015 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Concessions ⁽¹⁾	914.7	46.2	206.9	661.6
Future capital expenditure in concessions ⁽²⁾	1,004.5	235.6	330.6	438.2
TOTAL	1,919.2	281.8	537.5	1,099.8

(1) Only includes the fixed portion of fees.

(2) Does not include the remaining capital expenditure commitments relating to the construction of the rail link between Cotonou and Niamey following the suspension of the performance of these concession arrangements. Total expected capital expenditure is around 800 million euros.

The Group's commitments relating to concession arrangements held by entities under joint control or under significant influence of the Group are as follows:

At December 31, 2016 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Concessions ⁽¹⁾	229.2	1.4	15.7	212.1
Future capital expenditure in concessions	656.3	208.0	369.5	78.8
TOTAL	885.5	209.4	385.2	290.9

(1) Only includes the fixed portion of fees.

At December 31, 2015 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Concessions ⁽¹⁾	229.3	2.0	25.6	201.7
Future capital expenditure in concessions	275.8	60.1	148.7	67.1
Other	1.6	1.1	0.1	0.4
TOTAL	506.7	63.2	174.4	269.2

(1) Only includes the fixed portion of fees.

NOTE 7. FINANCIAL STRUCTURE AND FINANCIAL COSTS

7.1. FINANCIAL INCOME

Accounting policies

Net financing expenses include interest charges on debt, interest received on cash deposits and any changes in value of derivatives held for hedging and based on items of Group net debt.

Other financial assets, losses and profits associated with acquisitions and disposals of securities, the effect of fair valuation when control is obtained or given up, net exchange gains concerning financial transactions, discounting effects, dividends received from non-consolidated companies, changes in financial provisions and any changes in value of derivatives relating to financial transactions.

• Foreign currency transactions

Foreign exchange gains and losses resulting from the translation of monetary items denominated in foreign currencies are recognized under "Other financial income and expenses" in respect of financial transactions, with the exception of translation adjustments concerning the financing of net capital expenditure in certain foreign subsidiaries, which are recognized in shareholders' equity under "Translation adjustments" until the date of sale of the shareholding.

Gains and losses on foreign exchange derivatives used for hedging are entered under "Financial income" in respect of financial transactions.

(in millions of euros)	2016	2015
Net financing expenses	(104.0)	(95.7)
– interest expense	(122.0)	(115.3)
– income from financial receivables	10.8	11.6
– other earnings	7.2	8.0
Other financial income(*)	631.6	671.0
Other financial expenses(*)	(369.5)	(394.4)
FINANCIAL INCOME	158.1	180.9

(*) Details of other financial income and charges

(in millions of euros)	2016			2015		
	Total	Financial income	Financial expenses	Total	Financial income	Financial expenses
Income from securities and short-term investments ⁽¹⁾	400.9	400.9	0.0	403.1	403.1	0.0
Capital gains (losses) on disposals of securities and short-term investments	(4.2)	8.0	(12.2)	(5.6)	12.6	(18.2)
Effect of changes in consolidation scope	2.9	9.8	(6.9)	1.5	11.9	(10.4)
Changes in financial provisions ⁽²⁾	(18.4)	6.8	(25.2)	(47.0)	14.5	(61.5)
Fair value adjustment of derivatives	(6.4)	0.2	(6.6)	(5.7)	0.4	(6.1)
Other ⁽³⁾	(112.7)	205.9	(318.6)	(69.7)	228.5	(298.2)
OTHER FINANCIAL INCOME AND EXPENSES	262.1	631.6	(369.5)	276.6	671.0	(394.4)

(1) Mostly Vivendi dividends of 392.9 million euros at December 31, 2016 and December 31, 2015.

(2) Includes in particular at December 31, 2016, the impairment of Generali securities for 5.8 million euros and Vallourec securities for –7.9 million euros, compared with –29.5 million euros at December 31, 2015, as well as the financial share of the allocations to employee benefit provisions for –5.3 million euros at December 31, 2016, compared with –5.2 million euros at December 31, 2015.

(3) Other financial income and expenses particularly concern foreign exchange gains and losses on financial items as well as the payment of an amount corresponding to a portion of the dividends received from Vivendi as part of the funding put in place during fiscal year 2016.

7.2. INVESTMENTS IN EQUITY AFFILIATES

Accounting policies

Companies accounted for using the equity method include companies over which the Group has a significant influence and joint ventures. To clarify the financial information provided further to the implementation of IFRS 10 "Consolidated financial statements" and IFRS 11 "Joint arrangements", the Group elected to recognize the shares of net income from companies accounted for using the equity method whose activities are linked to the Group's operating activities, in "Share in net income from operating companies accounted for using the equity method". The shares of net income from the Group's holding companies are presented in "Share in net income from non-operating companies accounted for using the equity method".

There was no reclassification made from the category "Operating equity method" to the category "Non-operating equity method" during the reporting periods.

Shareholdings in associate companies and joint ventures are recognized under IAS 28 revised as soon as a significant degree of influence or control has been acquired. Any difference between the cost of the shareholding and the acquired share in the fair value of the assets, liabilities and contingent liabilities of the company is entered under goodwill. Goodwill thus determined is included in the book value of the shareholding.

An impairment test is carried out as soon as an objective indication of impairment has been identified, such as a significant fall in the price of the sharehold-

ing, the anticipation of a significant fall in future cash flows or any information suggesting likely significant negative effects on the results of the entity.

The recoverable value (in the case of shareholdings consolidated by the equity method) is then tested as described in the note on impairment of non-financial non-current assets (see note 6.1 – Goodwill). Impairment losses, if any, are recognized in profit and loss under "Share in net income from operating companies accounted for using the equity method" or "Share in net income from non-operating companies accounted for using the equity method", according to their classification.

Should significant influence or joint-control be attained through successive stock purchases, in the absence of a ruling on IAS 28 revised, the Group has chosen to adopt the cost method.

Following this method, the goodwill recognized equals the sum of the goodwill of each successive lot of shares acquired. The goodwill is calculated for each purchase, as the difference between the price paid and the portion of fair value of the net identifiable asset acquired. The cost of lots acquired before attaining significant influence or joint control is not remeasured at fair value when significant influence is attained.

The Group considers itself as involved in any losses realized by joint ventures even if the amount of the losses exceeds the initial investment. The share of losses realized during the fiscal year is recognized under "Share in net income from companies accounted for using the equity method", a provision is recognized under "Provisions for contingencies" for the share of losses exceeding the initial investment.

(in millions of euros)

At December 31, 2015	891.6
Change in the consolidation scope ⁽¹⁾	3,593.2
Share in net income from operating companies accounted for using the equity method	41.9
Share in net income from non-operating companies accounted for using the equity method	20.5
Other transactions ⁽²⁾	2.5
AT DECEMBER 31, 2016	4,549.7

(1) Mainly relates to the equity accounting of Vivendi for 3,535.8 million euros.

(2) Including –32.6 million euros in dividends, 17.2 million euros in translation adjustments, 29.1 million euros in changes in fair value of financial assets and –12.9 million euros in actuarial gains and losses on pension benefit obligations.

Consolidated value of the main companies accounted for using the equity method

Information has been categorized by operating segment.

At December 31, 2016 (in millions of euros)	Share in net income from operating companies accounted for using the equity method	Share in net income from non-operating companies accounted for using the equity method	Equity value ⁽¹⁾
Entities under significant influence			
Vivendi(*)	16.1		3,574.2
Mediobanca(**)		12.4	619.5
Socfin Group		8.6	173.3
Communications	0.8	0.0	3.0
Transport and Logistics	0.8	0.0	14.0
Other	1.0	(0.4)	17.8
Sub-total entities under significant influence	18.7	20.6	4,401.8
Joint ventures	23.2	0.0	147.9
TOTAL	41.9	20.6	4,549.7

(1) When the Group's interest in a shareholding is brought down to zero, if the Group is committed beyond its initial investment, a provision is recorded for the additional losses which are recognized in "Provisions for contingencies". This amounted to 0.2 million euros as at December 31, 2016.

At December 31, 2015 (in millions of euros)	Share in net income from operating companies accounted for using the equity method	Share in net income from non-operating companies accounted for using the equity method	Equity value ⁽¹⁾
Entities under significant influence			
Mediobanca(**)		93.8	612.1
Socfin Group		9.8	172.4
Communications	0.6	0.0	3.6
Transport and Logistics	(0.2)	0.0	12.4
Other	1.8	0.2	(20.2)
Sub-total entities under significant influence	2.2	103.9	820.7
Joint ventures	19.5	0.0	71.0
TOTAL	21.7	103.9	891.6

(1) When the Group's interest in a shareholding is brought down to zero, if the Group is committed beyond its initial investment, a provision is recorded for the additional losses which are recognized in "Provisions for contingencies". This amounted to 3.5 million euros as at December 31, 2015.

(*) Vivendi

Vivendi is a listed company which publishes financial statements in compliance with the IFRS standards.

At December 31, 2016, Financière de l'Odette owned, through its subsidiary Compagnie de Cornouaille, 15.3% of the total share capital of Vivendi, namely 15.6% excluding treasury shares. As a result of the transactions entered into on October 7, 2016 and described in note 1 above -Significant events, Financière de l'Odette Group crossed the 20% threshold in Vivendi's share capital and voting rights. In light of the new facts and circumstances connected with the transactions entered into on October 7, 2016 and described in note 1 – Significant events above, Financière de l'Odette believes that the conditions relating to significant influence had been satisfied and accounted for its investment using the equity method from that date.

Until October 7, 2016, the shareholding had been measured in accordance with IAS 39.

Preliminary goodwill was calculated using the cost method on the acquisition dates of the various securities lots, in accordance with the Group's chosen accounting method.

An independent expert was retained to measure the fair value of assets and liabilities and the work is ongoing. The allocations will be completed in 2017.

The equity value calculated at October 7, 2016 was 3,535.8 million euros (18.00 euros per share) following the recognition of provisional goodwill for 2,472.2 million euros. It is close to the market price on the same date, namely 3,551.4 million euros (18.08 euros per share).

The effect on shareholders' equity of the equity accounting of Vivendi was –14.2 million euros at December 31, 2016, taking into account the reversal of revaluation reserves of available-for-sale securities and including accumulated profit and loss up to the equity accounting date.

Given that Vivendi conducts its business in the media and communications sector which is one of the Group's business segments, the share in net income of Vivendi attributable to the Group for the fourth quarter of 2016 was classified under operating equity method.

Given the recent adoption of the equity accounting and the absence of any indication of impairment between October 7, 2016 and December 31, 2016, the shareholding was not tested for impairment at the reporting date.

At December 31, 2016, the value of the shareholding accounted for using the equity method was 3,574.2 million euros and the Group share of net income was 16.1 million euros. The market value of the shareholding at that date was 3,546.5 million euros.

Summary of key financial information – Vivendi

(in millions of euros)	At 12/31/2016
EBIT	1,194
Net income, Group share	1,256
Total Balance sheet	32,365
Shareholders' equity attributable to Group shareholders	19,383

The reconciliation of Mediobanca's summarized financial information with the book value of the Group's interest is established as follows:

(in millions of euros)	At 12/31/2016
Shareholders' equity, Group share	19,383
Homogenization restatement and PPP ⁽¹⁾	(12,312)
Percentage held by Financière de l'Odette Group	15.6%
Share in net assets from Vivendi	1,103
Goodwill and adjustment of fair value of the shareholding ⁽¹⁾	2,471
NET BOOK VALUE OF THE GROUP'S INTEREST	3,574

(1) An independent expert was retained to measure the fair value of assets and liabilities and the work is still ongoing. The main identified intangible assets are trademarks, subscriber bases and music and film catalogues. The work will be finalized during the 2017 fiscal year.

() Mediobanca**

Mediobanca is a listed company which publishes financial statements in compliance with the IFRS Standard.

As at December 31, 2016, the Financière de l'Odé Group is the second-largest shareholder in Mediobanca. As at December 31, 2016, Financière du Perguet, a subsidiary of the Financière de l'Odé Group, owned 8.0% of Mediobanca's total share capital, i.e. 8.1% excluding treasury shares (respectively 7.9% and 8.1% as at December 31, 2015).

31% of Mediobanca's share capital is held by a group of shareholders linked by a shareholders' agreement, with no shareholder outside the agreement alone holding more than 5% of the share capital.

La Financière du Perguet represents 25.8% of the agreement and has three directors on the 18-member Board of Directors.

The value in use of the shareholding in Vivendi was recalculated as at June 31, 2016. The value in use is calculated on the basis of an analysis of various criteria including the market price for listed securities, discounted future cash flows and comparable listed companies. It exceeded the market price as of that date.

The review of the value in use resulted in the recognition of an impairment of –47.2 million euros at December 31, 2016.

At December 31, 2016, the value of the investment consolidated using the equity method was 619.5 million euros and the Group share of net income was 12.4 million euros after recognition of –2.3 million euros of goodwill on the acquisition in the period of additional Mediobanca securities and an impairment on the investment of –47.2 million euros. The market value of the shareholding at that date was 540.4 million euros.

Summary of key financial information – Mediobanca

(in millions of euros)	At 12/31/2016 ⁽¹⁾	At 12/31/2015 ⁽¹⁾
Net banking income	990	907
Net income, Group share	418	321
Total Balance sheet	73,475	71,549
Shareholders' equity, Mediobanca Group share	9,051	8,450

(1) Corresponding to interim publication, i.e. six months of activity, as the Mediobanca Group closes its financial statements in June. Nonetheless the Group shows 12 months in the full-year financial statements.

The reconciliation of Mediobanca's summarized financial information with the book value of the Group's interest is established as follows:

(in millions of euros)	At 12/31/2016	At 12/31/2015
Shareholders' equity, Mediobanca Group share	9,051	8,450
Homogenization restatement and PPP	196	200
Percentage held by Financière de l'Odé Group	8.1%	8.1%
Share in net assets from Mediobanca Group	752	697
Goodwill and adjustment of fair value of the shareholding	(132)	(85)
NET BOOK VALUE OF THE GROUP'S INTEREST	619	612

7.3. OTHER FINANCIAL ASSETS**Accounting policies**

Other non-current financial assets consist of the share beyond a year of assets available for sale, financial instruments booked at their fair value through profit and loss and loans, deposits and bonds.

Current financial assets consist of trade and other receivables, cash and cash equivalents, and the share within a year of financial instruments booked at their fair value through profit and loss and loans, deposits and bonds.

When first entered, these assets are booked at their fair value, which is generally their acquisition cost plus transaction costs.

- **Assets available for sale**

Assets available for sale essentially include shareholdings in non-consolidated companies.

At the reporting dates, assets available for sale are valued at their fair value. As regards shares in listed companies, this fair value is the closing stock market value.

The fair value of unlisted securities is determined on the basis of the revalued net assets and, if applicable, for transparency, the value of any underlying assets. Temporary variations in fair value are entered directly in shareholders' equity. They are transferred to the income statement when the shares in question are disposed of.

When an impairment test leads to recognition of a significant or lasting implicit capital loss by comparison with the acquisition cost, this loss is entered in the income statement and cannot afterwards be reversed.

For securities depreciating in value at the end of the year, the Group systematically records a definitive loss in the income statement when the market price of a listed security is more than 30% lower than its acquisition cost, or when it has been lower than the acquisition cost for two years. As regards stakes in listed shareholding companies of the Group, as these are long term structural capital

expenditure, the criteria used for systematic impairment are a reduction in value of 40% of the acquisition cost, or a reduction in value identified over a four-year period.

If the fair value cannot be reliably determined, the securities are entered at their purchase cost. If there is an objective indication of a significant or lasting loss of value, an irreversible loss is recognized in the income statement.

Partial disposals of securities are carried out using the FIFO method.

- **Assets at fair value through profit and loss**

Assets at fair value through profit and loss include transaction assets, mainly derivative financial instruments. Changes in the fair value of these assets are booked under financial income at each year end, or, where necessary, under shareholders' equity for derivatives eligible for future cash flow hedge accounting.

- **Loans, receivables, deposits and bonds**

The category "Loans, receivables and obligations" consists mainly of receivables from stakes, current account advances extended to associated or non-consolidated entities, security deposits, and other loans and receivables and bonds.

When first entered, these financial assets are booked at their fair value plus directly attributable transaction costs. At the end of each accounting period, these assets are valued at amortized cost using the "effective interest rate" method.

A loss of value is recognized if there is an objective indication of such a loss. The impairment corresponding to the difference between the net book value and the recoverable value (discount of expected cash flows at the original effective interest rate) is charged to the income statement. This may be reversed if the recoverable value later rises.

At December 31, 2016 (in millions of euros)	Gross value	Provisions	Net value	Including non-current	Including current
Assets available for sale	2,590.4	(265.4)	2,325.1	2,325.1	0.0
Assets at fair value through profit and loss	99.3	0.0	99.3	98.5	0.8
Loans, receivables, deposits and bonds	173.6	(38.7)	134.9	109.1	25.8
TOTAL	2,863.3	(304.1)	2,559.3	2,532.7	26.6

At December 31, 2015 (in millions of euros)	Gross value	Provisions	Net value	Including non-current	Including current
Assets available for sale	6,967.8	(257.2)	6,710.6	6,710.6	0.0
Assets at fair value through profit and loss	141.2	0.0	141.2	138.0	3.2
Loans, receivables, deposits and bonds	168.2	(38.8)	129.4	78.4	51.0
TOTAL	7,277.2	(296.0)	6,981.2	6,927.0	54.2

Breakdown of changes over the period

(in millions of euros)	At 12/31/2015 Net value	Changes in consolidation scope ⁽¹⁾	Acquisitions ⁽²⁾	Disposals ⁽³⁾	Change in fair value ⁽⁴⁾	Impairment recorded in P&L ⁽⁵⁾	Other transactions	At 12/31/2016 Net value
Assets available for sale	6,710.6	(3,557.4)	12.5	(2.2)	(818.9)	(17.3)	(2.2)	2,325.1
Assets at fair value through profit and loss	141.2	0.0	106.9	(216.6)	67.7	0.0	0.1	99.3
Loans, receivables, deposits and bonds	129.4	0.3	52.0	(50.5)	3.2	(0.1)	0.6	134.9
TOTAL	6,981.2	(3,557.1)	171.4	(269.3)	(748.0)	(17.4)	(1.5)	2,559.3

(1) The change in consolidation scope is essentially linked to the consolidation of Vivendi using the equity method of accounting on October 7, 2016. See Note 7.2 – Investments in equity affiliates.

(2) Acquisitions of assets available for sale mainly refers to the Vallourec capital increase for 7.4 million euros. Acquisitions of assets at fair value through profit and loss relate to the purchase of a call option on Vivendi shares, involving the payment of a 106.9 million euro premium.

(3) The disposal of assets at fair value through profit and loss relates to the early unwinding of the derivative relating to the financing secured by Vivendi securities.

(4) The change in fair value of assets available for sale includes –500.6 million euros related to securities in Group holding companies and –349.6 million euros in relation to Vivendi securities prior to their accounting under the equity method.

(5) Including –7.9 million euros for Vallourec securities and –5.8 million euros for Generali securities.

Assets at fair value through profit and loss

Assets at fair value through profit and loss mainly include financial derivatives. At December 31, 2016, they included, for the most part, 98.3 million euros for the call options for Vivendi shares bought in October 2016 (see note 1 – Significant events).

At December 31, 2015, they mainly included the fair value adjustment of 138 million euros on the equity derivative relating to the financing secured by Vivendi securities arranged in April 2015. This derivative was unwound early in October 2016.

In accordance with IAS 39, the Group had isolated the component indexed to the price of the shares and had designated the derivative as a fair value hedge of stocks. The impact of changes in fair value of hedged stocks and derivatives was recognized in net financial income.

For further details on debt derivatives, see note 7.5 – Debt.

Assets available for sale

Breakdown of main shares

(in millions of euros) Companies	At 12/31/2016		At 12/31/2015	
	Percentage held	Net value accounting	Percentage held	Net value accounting
Vivendi ⁽¹⁾	0.00	0.0	14.36	3,901.0
Vallourec	1.20	35.5	1.54	17.9
Other listed shares		86.5		79.3
Listed securities subtotal		122.0		3,998.3
Sofibol	48.95	1,195.6	48.95	1,477.0
Financière V	49.69	621.3	49.69	767.0
Omnium Bolloré	49.84	313.7	49.84	387.2
Other unlisted securities		72.5		81.1
Subtotal, unlisted securities		2,203.1		2,712.3
TOTAL		2,325.1		6,710.6

(1) Investments in equity affiliates at October 7, 2016. Note 1 – Significant events.

Listed securities are valued at market price (see note 8.1 – Information as to risk). Unlisted securities consist mainly of the Group's stakes in Omnium Bolloré, Sofibol and Financière V, all intermediate holding companies controlled by the Group.

Sofibol, Financière V, Omnium Bolloré

The Financière de l'Odét Group directly and indirectly owns shares in Sofibol, Financière V and Omnium Bolloré, all intermediate holding companies controlled by the Group.

- Sofibol, controlled by Vincent Bolloré, is 51.05% owned by Financière V, 35.93% owned by Bolloré and 13.01% owned by Compagnie Saint-Gabriel, itself a 99.99% subsidiary of Bolloré.
- Financière V, controlled by Vincent Bolloré, is 50.31% owned by Omnium Bolloré, 22.81% owned by Compagnie du Cambodge, 10.50% owned by Financière Moncey, 10.25% owned by Bolloré, 4% owned by Société Industrielle et Financière de l'Artois, 1.68% owned by Compagnie des Tramways de Rouen and 0.45% owned by Société des Chemins de Fer et Tramways du Var et du Gard.
- Omnium Bolloré, controlled by Vincent Bolloré, is 50.04% owned by Bolloré Participations, 27.92% owned by African Investment Company (controlled by Bolloré), 17.10% owned by Financière Moncey, 4.82% owned by Bolloré and 0.11% owned by Vincent Bolloré.

These securities are measured on the basis of their transparent value, namely the average of the three methods described below:

- the Bolloré share price;
- the Financière de l'Odét share price;
- the consolidated shareholders' equity of Financière de l'Odét.

The overall value of these shareholdings estimated on the sole basis of the stock market price of Financière de l'Odét would be 158.3 million euros greater than the value thus calculated.

Despite its shareholding in Sofibol (48.95%), Financière V (49.69%) and Omnium Bolloré (49.84%), the Financière de l'Odét Group does not exert significant influence over them, since the shares have no voting rights attached, due to the direct and indirect control these companies have over the Financière de l'Odét Group.

At December 31, 2016, no capital loss was recognized in shareholders' equity in connection with the revaluations of financial assets available for sale.

7.4. CASH AND CASH EQUIVALENTS

Accounting policies

"Cash and cash equivalents" consists of cash in hand, bank balances and short-term deposits in the money market. Such deposits (three months or less) are readily convertible into a known amount of cash and are subject to a negligible risk of change in value.

The cash management agreements affecting the consolidated balance sheet are those between companies which have shared ownership links but where one of them is not included within the Group's consolidation scope but within a wider scope. The shared financial interests of these companies have led them to examine ways of enabling them to improve the terms on which they meet their cash requirements or use their surpluses so as to optimize cash flow. These current transactions are cash transactions conducted under market conditions and are by nature backup credits.

(in millions of euros)	At 12/31/2016			At 12/31/2015		
	Gross value	Provisions	Net value	Gross value	Provisions	Net value
Cash	1,149.1	0.0	1,149.1	1,091.3	0.0	1,091.3
Cash equivalents	199.8	0.0	199.8	332.4	0.0	332.4
Cash and cash equivalents	1,348.9	0.0	1,348.9	1,423.7	0.0	1,423.7
Cash management agreements – liabilities	(21.0)	0.0	(21.0)	(36.8)	0.0	(36.8)
Current bank facilities	(132.8)	0.0	(132.8)	(176.3)	0.0	(176.3)
NET CASH	1,195.1	0.0	1,195.1	1,210.6	0.0	1,210.6

7.5. DEBT

Accounting policies

The definition of the Group's net debt complies with recommendation no. 2013-03 of November 7, 2013, of the French Accounting Standards Authority (*Autorité des normes comptables*, or ANC) relating to undertakings under the international accounting system, it being pointed out that:

- any derivative financial instruments based on a net debt item are included in net debt;
- certain specific financial assets applied to the repayment of debt are included in net debt;
- liabilities for buying back minority interests and for earn-outs are excluded from net debt.

Loans and other similar financial debts are entered at amortized cost according to the effective interest rate method. Financial transaction liabilities are kept at fair value, with a counterpart in the income statement.

Bonds redeemable for stock purchase or sale warrants are compound financial liabilities with an "option component" (redeemable stock purchase or sale warrants) which entitle the bearer of the warrants to convert them into equity and a "liability component" representing a financial liability due to the bearer of the bond. The "option component" is recognized in shareholders' equity separately from the "liability component". Deferred tax liabilities arising from the difference between the accounting basis of the "liability component" and the tax basis of the bond are debited to shareholders' equity.

The "liability component" is measured at the issue date based on the fair value of a comparable liability not associated with an option component. This fair value is determined from the future net cash flows present-discounted at the market rate for a similar instrument without a conversion option. It is recognized at amortized cost using the effective interest rate method.

The book value of the "option component" equals the difference between the fair value of the bond loan as a whole and the fair value of the liability. This value is not remeasured subsequently to the initial recognition.

Issuance costs, since they cannot be directly charged to the liability or equity component, are allocated proportionately based on their respective book values.

7.5.1. Net financial indebtedness

(in millions of euros)	At 12/31/2016	Including current	Including non-current	At 12/31/2015	Including current	Including non-current
Other bond loan issues	1,153.4	9.1	1,144.3	1,492.6	349.2	1,143.4
Loans from credit institutions	4,546.0	1,179.8	3,366.2	4,260.9	1,160.6	3,100.3
Other borrowings and similar debts	236.5	179.1	57.4	352.1	255.5	96.6
Liability derivatives ⁽¹⁾	0.0	0.0	0.0	0.0	0.0	0.0
GROSS FINANCIAL DEBT⁽²⁾	5,935.9	1,368.0	4,567.9	6,105.6	1,765.3	4,340.3
Cash and cash equivalents	(1,348.9)	(1,348.9)	0.0	(1,423.7)	(1,423.7)	0.0
Asset derivatives ⁽¹⁾	(1.0)	(0.8)	(0.2)	(3.2)	(3.2)	0.0
NET FINANCIAL INDEBTEDNESS	4,586.0	18.3	4,567.7	4,678.7	338.4	4,340.3

(1) See section "Net debt asset and liability derivatives" below.

(2) Adjusted for current bank facilities included in net cash (see Note 7.4 – Cash and cash equivalents), the change in net debt breaks down as follows: 1,347.1 million euros increase in financial debts, -1,467.2 million euros relating to the repayment of financial debts and 9.6 million euros in other changes (mainly related to foreign exchange, accrued interest not due and changes in scope).

Main characteristics of the items in net financial debt

Liabilities at amortized cost

Other bond loan issues

(in millions of euros)	12/31/2016	12/31/2015
Other bond loans issued by Bolloré ⁽¹⁾	653.8	995.7
Other bond loans issued by Havas ⁽²⁾	499.6	496.9
OTHER BOND LOAN ISSUES	1,153.4	1,492.6

(1) Issued by Bolloré:

On July 29, 2015 Bolloré issued a bond loan at a par value of 450 million euros, due in 2021, with a yearly coupon of 2.875%.

On January 30, 2014, Bolloré issued a bond loan with a par value of 30 million euros, maturing in 2019 and at a variable rate (euribor +1.75%), under the European Energy Efficiency Fund financing and used to finance the Group's car-sharing investments.

On October 23, 2012, Bolloré issued a bond loan at a par value of 170 million euros, due in 2019, with a yearly coupon of 4.32%.

On May 24, 2011 Bolloré issued a bond loan at a par value of 350 million euros, due in 2016, with a yearly coupon of 5.375%. The Group repaid the loan on May 26, 2016.

(2) Issued by Havas:

On December 8, 2015, Havas SA issued a bond loan for a par value of 400 million euros, due in 2020, with a yearly coupon of 1.875%. The amortized cost of this debt on the balance sheet was 397.8 million euros at December 31, 2016.

On July 11, 2013, Havas SA issued a bond loan for 100 million euros, due in 2018, with a yearly coupon of 3.125%. The amortized cost of this debt on the balance sheet was 99.7 million euros at December 31, 2016.

The accrued interest on these bond loan issues totaled 2.0 million euros at December 31, 2016.

Loans from credit institutions

(in millions of euros)	12/31/2016	12/31/2015
Loans from credit institutions ⁽¹⁾	4,546.0	4,260.9

(1) Including 400 million euros at December 31, 2016 for a variable-rate credit agreement due in 2021 and extendible until 2023. Interest rate hedges that swapped the original interest rate for a fixed rate that can be classified as hedge accounting were set up for this loan.

Including 175.8 million euros at December 31, 2016 and 186.2 million euros at December 31, 2015 under a receivables factoring program.

Including 668 million euros of commercial paper drawn on Bolloré as part of a 900 million euros (maximum) program at December 31, 2016 (572.5 million euros at December 31, 2015);

123 million euros of commercial paper drawn on Financière de l'Odé as part of a 400 million euros (maximum) program at December 31, 2016 (146.5 million euros at December 31, 2015)

and 100 million euros of commercial paper drawn on Havas as part of a 400 million euros (maximum) program at December 31, 2016.

Including, at June 31, 2016, 150 million euros (120 million euros at December 31, 2015) in financing guaranteed by Vivendi security pledges expiring in 2020.

Including 1997.8 million euros in financing at June 31, 2016 (2,495.4 million euro at December 31, 2015) guaranteed by Vivendi securities expiring in 2020, 2021 and 2022.

Including 300 million euros at December 31, 2016 and 200 million euros at December 31, 2015 under a revolving credit agreement expiring in 2019.

Other borrowings and similar debts

(in millions of euros)	12/31/2016	12/31/2015
Other borrowings and similar debts ⁽¹⁾	236.5	352.1

(1) At December 31, 2016, primarily includes current bank facilities of 132.8 million euros, versus 176.3 million euros at December 31, 2015.

Net debt asset and liability derivatives

(in millions of euros)	12/31/2016	12/31/2015
Non-current asset derivatives ⁽¹⁾	(0.2)	0.0
Current asset derivatives ⁽¹⁾	(0.8)	(3.2)
TOTAL ASSET DERIVATIVES	(1.0)	(3.2)
Non-current liability derivatives	0.0	0.0
Current liability derivatives	0.0	0.0
TOTAL LIABILITY DERIVATIVES	0.0	0.0

(1) Included under "Other financial assets", see note 7.3.

Nature and fair value of financial derivatives

Nature of instrument	Risk hedged	Company	Maturity	Total notional amount (in thousands of currency)	Fair value of instruments at December 31, 2016 (in millions of euros)	Fair value of instruments at December 31, 2015 (in millions of euros)
Interest rate swaps ⁽¹⁾	Interest rate	Bolloré	2021/2023	400,000 €	0.2	NA
Currency swaps ⁽²⁾	Currency	Havas	2017	Multiple contracts	0.8	3.2

(1) Interest rate swap (variable rate/fixed rate) classified as hedge accounting contracted in 2016.

(2) Miscellaneous currency derivatives qualified for most of the hedge.

The income and expenditure posted in the income statement for the period for these financial liabilities are shown in note 7.1 – Financial income.

Debt by currency

At December 31, 2016 (in millions of euros)	Total	Euros and CFA francs	US dollars	Other currencies
Other bond loan issues	1,153.4	1,153.4	0.0	0.0
Total bond loan issues (a)	1,153.4	1,153.4	0.0	0.0
Loans from credit institutions (b)	4,546.0	4,406.7	83.5	55.7
Other borrowings and similar debts (c)	236.5	172.4	37.7	26.4
GROSS DEBT EXCLUDING DERIVATIVES (a+b+c)	5,935.9	5,732.5	121.2	82.2

At December 31, 2015 (in millions of euros)	Total	Euros and CFA francs	US dollars	Other currencies
Other bond loan issues	1,492.6	1,492.6	0.0	0.0
Total bond loan issues (a)	1,492.6	1,492.6	0.0	0.0
Loans from credit institutions (b)	4,260.9	4,087.1	66.1	107.7
Other borrowings and similar debts (c)	352.1	297.1	21.4	33.6
GROSS DEBT EXCLUDING DERIVATIVES (a+b+c)	6,105.6	5,876.8	87.5	141.3

Debt by interest rate (amounts before hedging)

(in millions of euros)	At 12/31/2016			At 12/31/2015		
	Total	Fixed rate	Variable rate	Total	Fixed rate	Variable rate
Other bond loan issues	1,153.4	1,115.0	38.4	1,492.6	1,462.6	30.0
Total bond loan issues (a)	1,153.4	1,115.0	38.4	1,492.6	1,462.6	30.0
Loans from credit institutions (b)	4,546.0	447.1	4,098.9	4,260.9	1,032.2	3,228.7
Other borrowings and similar debts (c)	236.5	63.1	173.5	352.1	118.6	233.5
GROSS DEBT EXCLUDING DERIVATIVES (a+b+c)	5,935.9	1,625.2	4,310.7	6,105.6	2,613.4	3,492.2

At December 31, 2016, the Group share of gross fixed-rate debt, after hedging, was 27.4%.

At December 31, 2015, the Group share of gross fixed-rate debt, after hedging, was 42.8%.

7.5.2. Schedule of gross debt

The main assumptions made when drawing up this schedule of non-discounted disbursements relating to gross debt were as follows:

- confirmed credit lines: the expired position is the position on the closing date of the 2016 accounts; the amount used at a subsequent date may be substantially different;
- the maturity assumed for bilateral credit lines is the contractual period and not that of the drawdown; these drawdowns are renewed at the Group's discretion as a matter of cash arbitrage;
- sums in other currencies are translated at the year end;
- future interest at a variable rate is fixed on the basis of the rate at the year end, unless a better estimate is provided.

(in millions of euros)	At 12/31/2016	Under 3 months		Under 6 months		From 6 to 12 months	
		Nominal	Interest	Nominal	Interest	Nominal	Interest
Other bond loan issues	1,153.4	0.0	7.8	0.0	7.8	9.1	15.7
Loans from credit institutions	4,546.0	30.6	13.2	21.7	13.0	1,127.5	25.1
Other borrowings and similar debts	236.5	0.5	2.2	0.5	2.2	178.1	4.4
GROSS FINANCIAL DEBT	5,935.9						

(in millions of euros)	At 12/31/2016	Under 1 year		From 1 to 5 years		More than 5 years	
		Nominal	Interest	Nominal	Interest	Nominal	Interest
Other bond loan issues	1,153.4	9.1	31.4	1,144.3	83.4	0.0	0.0
Loans from credit institutions	4,546.0	1,179.8	51.2	3,034.2	130.7	332.0	1.5
Other borrowings and similar debts	236.5	179.1	8.7	52.6	4.1	4.9	0.0
GROSS FINANCIAL DEBT	5,935.9	1,367.9		4,231.1		336.9	

7.6. OFF-BALANCE SHEET COMMITMENTS FOR FINANCING ACTIVITIES

7.6.1. Commitments given

At December 31, 2016 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Financial guarantees and bonds ⁽¹⁾	253.0	129.9	44.5	78.6
Pledges, mortgages, assets and collateral given to guarantee a loan ^(*)	2,198.7	12.0	1,886.7	300.0
Other commitments given	31.0	16.4	14.1	0.5

(1) Bonds and financial securities are issued by the Group's main holding companies to guarantee repayment of the credit facilities (drawn and not drawn) of their subsidiaries arranged with credit institutions. The issued part of the corresponding liabilities is recognized in these financial statements.

(*) Details of the main pledges, collateral security and mortgages

Borrower	Nominal amount originally guaranteed (in millions of euros)	Maturity	Asset pledged
Camrail	36.7	07/01/2020	Rolling stock
	12.0	03/05/2017	SCCF securities
Compagnie de Cornouaille	2,150.0	Between 2016 and 2022	Vivendi securities ⁽¹⁾

(1) Pledge of Vivendi securities in 2016

Compagnie de Cornouaille set up several financing arrangements backed by Vivendi securities in 2015 and 2016. 164.7 million Vivendi securities were pledged at December 31, 2016.

These transactions can be unwound at any time at the discretion of the Group, which retains ownership of the shares, dividends and their associated voting rights throughout the transactions.

At December 31, 2015 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Financial guarantees and bonds ⁽¹⁾	255.8	63.2	113.4	79.2
Pledges, mortgages, assets and collateral given to guarantee a loan ^(*)	2,684.1	120.0	1,664.1	900.0
Other commitments given	45.1	17.9	18.1	9.1

(1) Bonds and financial securities are issued by the Group's main holding companies to guarantee repayment of the credit facilities (drawn and not drawn) of their subsidiaries arranged with credit institutions. The issued part of the corresponding liabilities is recognized in these financial statements.

(*) Details of the main pledges, collateral security and mortgages

Borrower	Nominal amount originally guaranteed (in millions of euros)	Maturity	Asset pledged
Camrail	36.7	07/01/2020	Rolling stock
	12.0	03/05/2017	SCCF securities
Compagnie de Cornouaille	2,635.4	Between 2016 and 2021	Vivendi securities ⁽¹⁾

(1) Pledge of Vivendi securities in 2015.

In 2015, Compagnie de Cornouaille set up several financing arrangements backed by a total of 156.6 million Vivendi securities. They include financing due in May 2017 and backed by 34 million shares, redeemable either by payment in cash of the value of the securities at that date or by delivery of said securities, at the Group's discretion.

This operation may be unwound at any time at the sole discretion of the Group, which retains ownership of the shares and their associated voting rights throughout the transaction.

Pledge of Vivendi securities in 2012.

In the second half of 2012, Bolloré Group arranged 120 million euros in financing, secured by the pledge of 11 million Vivendi shares. This operation may be unwound at any time at the sole discretion of the Group, which retains ownership of the shares and their associated voting rights throughout the transaction.

7.6.2. Commitments received

At December 31, 2016 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
For financing	4.5	0.9	3.6	0.0

At December 31, 2015 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
For financing	4.1	0.5	3.6	0.0

NOTE 8. INFORMATION RELATING TO MARKET RISK AND THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

8.1. INFORMATION ON RISK

This note is to be read in addition to the information provided in the Chairman's report on internal audit included in the notes to this document.

The Group's approach and the procedures put in place are also described in the Chairman's report.

The Group identifies three categories of risk:

- main risks concerning the Group: risks that could impact the Group as a whole;
- risks specific to activities: risks that could impact a given business line or geographical area without threatening the financial structure of the Group as a whole;
- legal risks.

Business-specific risks are detailed in the section on risk factors of the management report included in the annual report.

Particular legal risks are detailed in the section on risk factors of the management report included in the annual report.

Main risks concerning the Group

Risk associated with listed shares

The Financière de l'Odé Group, which holds a securities portfolio valued at 2,325.1 million euros as at December 31, 2016, is exposed to market price fluctuations.

The Group's equity investments in non-consolidated companies are measured at fair value at the end of the accounting period in accordance with IAS 39 "Financial instruments" and are classified as financial assets available for sale (see note 7.3 – Other financial assets).

As far as shares in listed companies are concerned, this fair value is the closing stock market value.

As of December 31, 2016, temporary mark-to-market revaluation of assets available for sale on the consolidated balance sheet totaled 1,996.9 million euros before tax taken to consolidated equity.

At December 31, 2016, a 1% change in the market price would have an impact of 18.8 million euros on the assets available for sale and on consolidated shareholders' equity, including 17.6 million euros relating to revaluation by transparency of the intermediary holding companies.

These unlisted securities, either directly or indirectly owned by Omnium Bolloré, Financière V and Sofibol, whose value is dependent on the valuation of Bolloré and Financière de l'Odé securities, are also impacted by fluctuations in market prices (see note 7.3 – Other financial assets). At December 31, 2016, the revaluated value of these securities was 2,130.7 million euros, for a gross value of 183.9 million euros. The shares of these unlisted companies are not very liquid.

Liquidity risk

The Group's liquidity risk stems from obligations to repay its debt and from the need for future financing in connection with the development of its various lines of business. To deal with liquidity risk, the Group's strategy has been to maintain a level of unused credit lines that will allow it to deal at any point with cash requirements. Lines of credit confirmed, but unused, at December 31, 2016, totaled 2,375 million euros, including Havas group for 587 million euros. Additionally, the Group strives to diversify its sources of financing by using the bond market, the banking market and such organizations as the European Investment Bank. Finally, the portion of debt subject to loan covenants is limited. For this portion of the debt, the Group ensures that the covenants are met and in keeping with the way the Group is managed. The Group meets its commitments at each year end.

The current portion of loans used at December 31, 2016 includes 891 million euros of commercial paper (of which Havas group: 100 million euros) as part of a program of 1,700 million euros maximum (of which Havas group: 400 million euros) and 175.8 million of receivables factoring.

All bank lines of credit, both drawn and undrawn, are repayable as follows:

Year 2017	4%
Year 2018	8%
Year 2019	22%
Year 2020	32%
Year 2021	29%
Beyond 2022	5%

Interest rate risk

Because of its debt, the Group is exposed to changes over time in interest rates in the eurozone, primarily on the portion of debt which is at variable rates, as well as to changes in the lending margins of credit institutions. To deal with this risk, executive management may decide to set up interest rate hedges. Firm hedging (rate swap, FRA) may be used to manage the interest rate risk on the Group's debt.

Note 7.5 – Debt, describes the various derivative instruments for hedging the Group's interest rate risk.

At December 31, 2016, after hedging, the fixed rate net debt stood at 40% of total debt.

If rates rise by +1% across the board, the annual impact on financial charges would be –27.2 million euros after hedging of the interest-bearing debt.

Cash surpluses are placed in risk-free monetary products.

8.2. FAIR VALUE OF FINANCIAL INSTRUMENTS

At December 31, 2016 (in millions of euros)	Of which non-financial assets and liabilities							Fair value of financial assets and liabilities
	Balance sheet value	Of which non-financial assets and liabilities	Financial assets/liabilities at fair value through profit and loss	Investments held to maturity	Loans and receivables/payables at amortized cost	Financial assets available for sale	Total financial assets and liabilities	
Non-current financial assets	2,532.7	0.0	98.5	0.0	109.1	2,325.1	2,532.7	2,532.7
Other non-current assets	234.3	0.0	0.0	0.0	234.3	0.0	234.3	234.3
Current financial assets	26.6	0.0	0.8	0.0	25.8	0.0	26.6	26.6
Trade and other receivables	4,693.9	0.0	0.0	0.0	4,693.9	0.0	4,693.9	4,693.9
Other current assets	76.7	76.7	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents	1,348.9	0.0	1,348.9	0.0	0.0	0.0	1,348.9	1,348.9
TOTAL ASSETS	8,913.1	76.7	1,448.2	0.0	5,063.1	2,325.1	8,836.4	8,836.4
Long-term financial debts	4,567.9	0.0	0.0	0.0	4,567.9	0.0	4,567.9	4,567.9
Other non-current liabilities	200.3	0.0	0.0	0.0	200.3	0.0	200.3	200.3
Short-term financial debts	1,368.0	0.0	0.0	0.0	1,368.0	0.0	1,368.0	1,368.0
Trade and other payables	5,255.2	0.0	0.0	0.0	5,255.2	0.0	5,255.2	5,255.2
Other current liabilities	200.2	200.2	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL LIABILITIES	11,591.6	200.2	0.0	0.0	11,391.4	0.0	11,391.4	11,391.4

At December 31, 2015 (in millions of euros)	Of which non-financial assets and liabilities							Fair value of financial assets and liabilities
	Balance sheet value	Of which non-financial assets and liabilities	Financial assets/liabilities at fair value through profit and loss	Investments held to maturity	Loans and receivables/payables at amortized cost	Financial assets available for sale	Total financial assets and liabilities	
Non-current financial assets	6,927.0	0.0	138.0	0.0	78.4	6,710.6	6,927.0	6,927.0
Other non-current assets	185.3	0.0	0.0	0.0	185.3	0.0	185.3	185.3
Current financial assets	54.2	0.0	3.2	0.0	51.0	0.0	54.2	54.2
Trade and other receivables	4,659.8	0.0	0.0	0.0	4,659.8	0.0	4,659.8	4,659.8
Other current assets	93.6	93.6	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents	1,423.7	0.0	1,423.7	0.0	0.0	0.0	1,423.7	1,423.7
TOTAL ASSETS	13,343.6	93.6	1,564.9	0.0	4,974.5	6,710.6	13,250.0	13,250.0
Long-term financial debts	4,340.3	0.0	0.0	0.0	4,340.3	0.0	4,340.3	4,340.3
Other non-current liabilities	185.7	0.0	0.0	0.0	185.7	0.0	185.7	185.7
Short-term financial debts	1,765.3	0.0	0.0	0.0	1,765.3	0.0	1,765.3	1,765.3
Trade and other payables	5,227.6	0.0	0.0	0.0	5,227.6	0.0	5,227.6	5,227.6
Other current liabilities	153.3	153.3	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL LIABILITIES	11,672.2	153.3	0.0	0.0	11,518.9	0.0	11,518.9	11,518.9

(in millions of euros)	12/31/2016				12/31/2015			
	Total	Of which level 1	Of which level 2	Of which level 3	Total	Of which level 1	Of which level 2	Of which level 3
Assets available for sale ⁽¹⁾	2,325.1	122.0	2,130.6	0.0	6,710.6	3,998.3	2,631.3	0.0
Derivative financial instruments	99.3	0.0	99.3	0.0	141.2	0.0	141.2	0.0
Financial assets	2,424.4	122.0	2,229.9	0.0	6,851.8	3,998.3	2,772.5	0.0
Cash and cash equivalents⁽²⁾	1,348.9	1,203.6	145.3	0.0	1,423.7	1,286.5	137.2	0.0
Derivative financial instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities valued at fair value through profit and loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

(1) Including 72.4 million euros at December 31, 2016 and 81.1 million euros at December 31, 2015 concerning securities recorded at their purchase price in the absence of the possibility of determining fair value in a reliable manner.

(2) Including 145.3 million euros at December 31, 2016 in term deposits with a maturity of less than three months and 137.2 million euros at December 31, 2015.

The Group's listed securities are classified at fair value level 1, securities in holding companies assessed transparently are classified at fair value level 2 (see note 7.3 – Other financial assets).

No class transfer took place during the fiscal year.

The above table presents the method for valuing financial instruments at fair value (Financial assets/liabilities at fair value through profit and loss and Financial assets available for sale) required by IFRS 7 using the following three levels:

- level 1: estimated fair value based on prices quoted on the asset markets for identical assets or liabilities;
- level 2: fair value estimated by reference to the quoted prices mentioned for level 1 that are observable for the asset or liability in question, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- level 3: fair value estimated based on valuation techniques using inputs relating to the asset or liability which are not based on directly observable market data.

NOTE 9. SHAREHOLDERS' EQUITY AND EARNINGS PER SHARE

9.1. SHAREHOLDERS' EQUITY

9.1.1. Change in capital

Accounting policies

Shares in the parent company held by the Group are recognized by deducting their acquisition cost from shareholders' equity. Any gains or losses connected with the purchase, sale, issue or cancellation of such shares are recognized directly in shareholders' equity without affecting income.

As at December 31, 2016, the share capital of Financière de l'Odét SA was 105,375,840 euros, divided into 6,585,990 fully paid-up ordinary shares with a par value of 16 euros each. During the period ending on December 31, 2016, the weighted average number of ordinary shares and the weighted average number of ordinary and potential dilutive shares was 4,244,911.

No changes in the share capital of the parent were noted during the fiscal year.

9.1.2. Dividends paid out by the parent company

The total amount of dividends paid by the parent company during the fiscal year was 6.6 million euros, or 1 euro per share.

9.1.3. Treasury shares

As at December 31, 2016, the number of treasury shares held by Financière de l'Odét and its subsidiaries was 2,341,079.

9.2. EARNINGS PER SHARE

(in millions of euros)	2016	2015
Net income, Group share, used to calculate earnings per share – basic	228.5	297.1
Net income, Group share, used to calculate earnings per share – diluted	228.5	297.1
Net income, Group share from ongoing activities, used to calculate earnings per share – basic	228.5	297.1
Net income, Group share from ongoing activities, used to calculate earnings per share – diluted	228.5	297.1

Number of shares issued at December 31	2016	2015
Number of shares issued	6,585,990	6,585,990
Number of treasury shares	(2,341,079)	(2,341,079)
Number of shares outstanding (excluding treasury shares)	4,244,911	4,244,911
Number of shares issued and potential shares (excluding treasury shares)	4,244,911	4,244,911
Weighted average number of shares outstanding (excluding treasury shares) – basic	4,244,911	4,244,911
Weighted average number of shares outstanding and potential shares (excluding treasury shares) – after dilution	4,244,911	4,244,911

9.3. MAIN MINORITY INTERESTS

The information presented below has been categorized by operating segment.

(in millions of euros)	Net income from minority interests ⁽¹⁾		Total minority interests held ⁽¹⁾	
	12/31/2016	12/31/2015	12/31/2016	12/31/2015
Communications	128.3	114.6	495.4	535.2
Transport and Logistics	154.0	204.0	959.8	991.4
Other	69.7	103.8	3,183.4	3,288.7
Including Bolloré SA ⁽²⁾	23.7	11.7	1,828.0	1,891.0
TOTAL	352.0	422.4	4,638.7	4,815.3

(1) Including direct and indirect minority interests.

(2) Includes the effect of Financière de l'Odétre treasury shares on Bolloré SA's contribution.

Most of the Group's minority interests concern the Group's shareholdings in Bolloré SA and in the Havas group for which the summarized financial information is described below.

The information presented in the Group financial statements is the restated summarized financial information for Havas group, before elimination of inter-Group investments and transactions.

Balance sheet

(in millions of euros)	At 12/31/2016	At 12/31/2015
Current assets	3,825.2	3,676.3
Non-current assets	2,916.6	2,867.1
Current liabilities	3,715.7	3,635.5
Non-current liabilities	985.2	974.4
Shareholders' equity – Group share	620.0	590.1
Minority interests	1,420.8	1,343.4

Income statement

(in millions of euros)	2016	2015
Turnover	2,276.1	2,188.0
Consolidated net income	183.2	180.5
Consolidated net income, Group share	51.1	51.0
Minority interests	(132.2)	(126.9)
Other comprehensive income items	(16.1)	(12.6)
Comprehensive income, Group share	46.6	47.0
Comprehensive income, minority interests	120.5	120.9

Net increase in cash and cash equivalents

(in millions of euros)	2016	2015
Dividends paid to minority shareholders net of distribution tax	(58.1)	(49.9)
Net cash from operating activities	274.3	232.8
Net cash from investing activities	(118.3)	(127.9)
Net cash from financing activities	(36.5)	33.8

NOTE 10. PROVISIONS AND LITIGATION

Accounting policies

Provisions are liabilities whose actual due date or amount cannot be determined precisely.

They are recognized when the Group has a present obligation resulting from a past act or event, which will probably entail an outflow of resources that can reasonably be estimated. The amount entered must be the best estimate of the expenditure necessary to settle the obligation at the end of the accounting period. It is discounted if the effect is significant and the due date is further than one year away.

Provisions for restructuring are recognized as soon as the Group has a detailed formal plan of which the parties concerned have been notified.

Provisions for contractual obligations mainly concern the restoration of premises used under service concession contracts. They are calculated at the end of each fiscal period according to a work schedule extending over more than one year and revised annually to take account of the expenditure schedules.

10.1. PROVISIONS

(in millions of euros)	At 12/31/2016	Including current	Including non-current	At 12/31/2015	Including current	Including non-current
Provisions for litigation	56.8	16.8	40.0	64.8	21.4	43.4
Provisions for subsidiary contingencies	3.5	0.0	3.5	6.9	0.0	6.9
Other provisions for contingencies	79.2	39.8	39.4	83.3	48.5	34.8
Provisions for taxes	36.9	0.0	36.9	54.0	0.0	54.0
Contractual obligations	5.8	0.0	5.8	5.4	0.0	5.4
Restructuring	6.4	2.4	4.0	10.0	3.9	6.1
Environmental provisions	8.6	1.0	7.6	8.3	0.5	7.8
Other provisions for charges	37.7	20.6	17.1	43.1	25.1	18.0
Employee benefit obligations ⁽¹⁾	308.8	0.0	308.8	266.0	0.0	266.0
PROVISIONS	543.7	80.6	463.1	541.8	99.4	442.4

(1) See note 11.2 – Pension benefit obligations.

Breakdown of changes over the period

(in millions of euros)	At 12/31/2015	Increase	Decrease		Changes in consolidation scope	Other transactions	Foreign exchange variations	At 12/31/2016
			With use	Without use				
Provisions for litigation ⁽¹⁾	64.8	19.1	(10.1)	(17.1)	(0.1)	0.2	0.0	56.8
Provisions for subsidiary contingencies	6.9	0.5	0.0	(0.7)	(3.5)	0.3	0.0	3.5
Other provisions for contingencies ⁽²⁾	83.4	26.3	(10.1)	(20.9)	0.0	1.0	(0.5)	79.2
Provisions for taxes ⁽³⁾	54.0	16.2	(22.1)	(11.4)	0.0	0.1	0.1	36.9
Contractual obligations ⁽⁴⁾	5.4	0.7	(0.3)	0.0	0.0	0.0	0.0	5.8
Restructuring ⁽⁵⁾	10.0	2.8	(4.5)	(1.6)	(0.4)	0.5	(0.4)	6.4
Environmental provisions ⁽⁶⁾	8.3	0.7	(0.2)	(0.2)	0.0	0.0	0.0	8.6
Other provisions for charges ⁽⁷⁾	43.1	6.3	(4.1)	(5.0)	0.2	(1.5)	(1.3)	37.7
Employee benefits obligations ⁽⁸⁾	266.0	27.0	(18.4)	0.0	(1.9)	46.5	(10.4)	308.8
TOTAL	541.9	99.6	(69.8)	(56.9)	(5.7)	47.1	(12.5)	543.7

(1) Refers to operational and employee-related disputes not individually significant.

(2) The remainder primarily includes 23.3 million euros for Havas group for business risks. Changes for the period mainly concern the update of provisions at Havas, Bluebus and Bluecar.

(3) Includes provisions for tax withholding, mainly on dividend distributions, and provisions for tax audits.

(4) Provisions for contractual obligations concern the restoration of infrastructures used within the context of concession contracts. They are calculated at the end of each fiscal period according to a work schedule extending over more than one year and revised annually to take account of the expenditure schedules.

(5) Mainly various departures individually negotiated and notified to the people concerned as well as allocations to provisions for empty Havas premises in the United Kingdom and the United States.

(6) Corresponds to provisions for cleaning up pollution and recycling.

(7) Includes various provisions for charges that individually are less than 10 million euros.

(8) See note 11.2 – Pension benefit obligations.

Impact (net of expenses incurred) on the income statement in 2016

(in millions of euros)	Allowances	Reversals without use ⁽¹⁾	Net impact
Operating income	(76.5)	44.7	(31.8)
Financial income	(6.9)	0.8	(6.1)
Tax charges	(16.2)	11.4	(4.8)
TOTAL	(99.6)	56.9	(42.7)

(1) Including in operating income, 9.8 million euros at Havas and 4.5 million euros at Bluecar as provisions for other contingencies and 5 million euros at Havas as provisions for litigation. The other amounts are less than 2 million euros.

10.2. LITIGATION IN PROGRESS

In the normal course of their activities, Financière de l'Odé et its subsidiaries are party to a number of legal, administrative, or arbitration proceedings. The potential costs of these proceedings are the subject of provisions insofar as they are probable and quantifiable. The provisioned amounts are subject to a risk assessment case by case.

10.2.1. Appeal by Getma International and NCT Necotrans against Bolloré within the context of the granting of the Conakry port concession

On October 3, 2011, Getma International and NCT Necotrans issued a summons to Bolloré and Bolloré Africa Logistics to appear before the Nanterre Commercial Court for the purposes of holding them jointly and severally liable and issuing them with an order to pay a total of 100.1 million euros in damages, and 0.2 million euros pursuant to article 700 of the French Code of Civil Procedure. Getma International and NCT Necotrans alleged that Bolloré and Bolloré Africa Logistics had caused them injury through acts of unfair competition and com-

plicity in the violation by the Guinean Government of its contractual obligations, which Bolloré Africa Logistics and Bolloré firmly deny.

In a decision handed down on October 10, 2013, the Commercial Court dismissed the main claims by Getma International and NCT Necotrans, however it considered that the new recipient of the Conakry Terminal concession would have benefited from capital expenditure carried out by its predecessor, Getma International, and ordered Bolloré to pay Getma International and NCT Necotrans a sum of 2.1 million euros.

Getma International and NCT Necotrans appealed this decision and increased their claim to 120.1 million euros plus legal interest from October 3, 2011 forward.

Following the signing of a settlement on November 24, 2016, the Bolloré and Getma-Necotrans Groups definitively settled their dispute regarding the awarding of the Conakry port concession.

Ongoing litigation proceedings concerning Havas SA and its subsidiaries are detailed in the Havas group's 2016 registration document.

There are no other governmental, legal or arbitrational proceedings, of which the company is aware, which are pending or being threatened and are likely to have, or have had over the course of the last 12 months, a significant effect on the financial situation or profitability of the company and/or the Group.

NOTE 11. EMPLOYEE BENEFITS**11.1. AVERAGE WORKFORCE****Breakdown of staff by segment**

	2016	2015
Transportation and logistics	35,259	35,580
Oil logistics	1,094	1,130
Communications	19,755	18,762
Electricity storage and solutions	2,386	2,258
Other activities	310	291
TOTAL	58,804	58,021

11.2. PENSION BENEFIT OBLIGATIONS**Accounting policies**

- Post employment benefits**

Post employment benefits include severance payments, pension schemes and payment of medical expenses granted to those retiring from certain subsidiaries.

Commitments relating to post employment benefits mainly concern subsidiaries in the eurozone and the Africa zone (CFA zone), and those based in the United Kingdom.

- Other long-term benefits**

Other long-term benefits are entered in the balance sheet as provisions. These include obligation relating to incentives associated with length of service and to mutual societies.

This provision is valued according to the projected unit credit method.

Expenses related to these obligations are recognized in the operating statement, with the exception of interest expense net of the expected return on assets, which is recognized in financial income.

11.2.1. Presentation of plans

Defined-benefit plans

In line with IAS 19 revised "Employee benefits", the Group's commitments under defined-benefit plans, and likewise their cost, are valued by actuaries in accordance with the projected unit credit method. Valuations are carried out each year for the various schemes.

These schemes are either "funded", in which case their assets are managed separately from and independently of the Group's, or "not funded", in which case the commitment appears as a liability on the balance sheet.

For funded defined-benefit plans, the shortfall or surplus of the assets' fair value compared with the discounted value of the obligations is recognized as a balance sheet liability or asset. However, a surplus in assets is only entered in the balance sheet if it represents financial benefits that will actually be available to the Group in future, for example in the form of refunds from the scheme or reductions in future contributions to it. If such a surplus is not available or does not represent any future financial benefit, it is not recognized.

Commitments associated with employee benefits are valued using assumptions as to future wages, age when rights are claimed, mortality rate and rate of inflation, and then discounted using the interest rate of first-class long-term private bonds. The benchmark rates used for primary plans are iBoxx AA Corporate and Merrill Lynch AA Corporate on the assessment date and maturing in a time comparable to the average horizon of the particular plan in question. The benchmark rates used for these primary plans were not changed during the fiscal year.

A cost for past services is generated when the company institutes a defined-benefit plan or changes benefit levels in an existing scheme: the cost for past services is immediately recognized as an expense.

The actuarial cost entered as operating income for defined-benefit plans includes the cost of benefits provided during the fiscal year, the cost of past services, and the effects of any reduction or abolition of the scheme. The finance charge net of expected return on assets is recognized in net financial income.

Actuarial differences arise mainly from changes in assumptions and from the difference between the results using the actuarial assumptions and the actual outcome of the defined-benefit plans. Actuarial differences are recognized in full

in the balance sheet, with an offsetting entry in shareholders' equity except for other long-term benefits for which the effects of the changes are recognized in profit and loss.

Defined-contribution schemes

Certain benefits are also provided under defined-contribution schemes. The contributions for these schemes are entered as employee costs when they are incurred.

11.2.2. Defined-benefit plans

The Group has three significant defined benefit plans in the United Kingdom which are not open to new employees. Two schemes are related to Havas group subsidiaries and one scheme concerns a transportation company, Bolloré Logistics UK Ltd.

These schemes are managed and monitored by trustees, in accordance with the legislation in force. In accordance with current legislation, the trustees implement an investment strategy to ensure the best long-term return on investment with a level of risk that is appropriate to the nature and length of the agreements. The manager is in charge of the daily management of assets in accordance with the defined strategy.

The plans are analyzed on a regular basis by an independent actuary.

Havas SA commits to cover any insufficiency in assets placed in pension funds for a maximum amount of 23.8 million euros. In this regard, a provision is recognized the balance sheet for 22.9 million euros as at December 31, 2016, compared with 11.4 million euros as at December 31, 2015. The estimated contributions to be paid for plans in the United Kingdom and Puerto Rico in 2017 amounted to 2.4 million euros.

Concerning Bolloré Logistics UK Ltd, the financing of the scheme was agreed between the company and the scheme trustee in order to compensate any shortfall by spreading the payment of contributions. In this regard, a provision is recognized the balance sheet for 6.6 million euros as at December 31, 2016, compared with 3.9 million euros as at December 31, 2015. The estimated contributions to be paid in 2017 amount to 1.1 million euros.

Assets and liabilities included in the balance sheet

	At 12/31/2016			At 12/31/2015		
	Post employment benefits	Other long-term benefits	Total	Post employment benefits	Other long-term benefits	Total
(in millions of euros)						
Discounted value of commitments (non-funded schemes)	201.7	36.3	238.0	186.3	32.7	219.0
Discounted value of commitments (funded schemes)	267.8	0.0	267.8	240.2	0.0	240.2
Fair value of plan assets	(197.0)	0.0	(197.0)	(193.2)	0.0	(193.2)
NET BALANCE SHEET VALUE OF EMPLOYEE BENEFIT OBLIGATIONS	272.5	36.3	308.8	233.3	32.7	266.0

Expenditure components

	At 12/31/2016			At 12/31/2015		
	Post employment benefits	Other long-term benefits	Total	Post employment benefits	Other long-term benefits	Total
(in millions of euros)						
Cost of services provided	(16.7)	(3.2)	(19.9)	(15.9)	(2.9)	(18.8)
Cost of past services	(2.4)	(1.1)	(3.5)	(0.3)	(0.8)	(1.1)
Actuarial gains and losses recognized	0.0	(1.8)	(1.8)	0.0	(0.2)	(0.2)
Effects of reductions and plan liquidation	3.2	0.3	3.5	1.4	0.0	1.4
Interest expenses	(10.9)	(0.7)	(11.6)	(11.3)	(0.6)	(11.9)
Expected yield of scheme assets	6.3	0.0	6.3	6.7	0.0	6.7
COSTS OF EMPLOYEE BENEFIT OBLIGATIONS	(20.5)	(6.5)	(27.0)	(19.4)	(4.5)	(23.9)

Changes in net balance sheet liabilities/assets

Changes in provisions

(in millions of euros)	2016 fiscal year			2015 fiscal year		
	Post employment benefits	Other long-term benefits	Total	Post employment benefits	Other long-term benefits	Total
At January 1	233.3	32.7	266.0	224.2	30.4	254.6
Increase through P&L	20.5	6.5	27.0	19.4	4.5	23.9
Decrease through P&L	(16.5)	(1.9)	(18.4)	(18.4)	(2.4)	(20.8)
Actuarial gains and losses in shareholders' equity	45.5	0.0	45.5	5.3	0.0	5.3
Translation adjustments	(9.5)	(0.9)	(10.4)	2.6	0.1	2.7
Other transactions	(0.8)	(0.1)	(0.9)	0.3	0.0	0.3
AT DECEMBER 31	272.5	36.3	308.8	233.3	32.7	266.0

Actuarial gains and (losses) recognized directly in shareholders' equity

The change in actuarial gains and (losses) recognized directly in shareholders' equity is as follows:

(in millions of euros)	At 12/31/2016	At 12/31/2015
Opening balance	(103.9)	(97.6)
Actuarial gains and (losses) recognized in the period (for controlled entities)	(45.5)	(5.3)
Other changes ⁽¹⁾	1.0	(1.0)
Closing balance	(148.4)	(103.9)

(1) Corresponds to actuarial gains and losses of entities accounted for using the equity method.

Information on hedged assets

Reconciliation between the fair value of hedged assets at the start and end of the fiscal year

(in millions of euros)	Annuity scheme	Capital scheme	Total
Fair value of assets at January 1, 2016	177.8	15.4	193.2
Expected return on assets	6.0	0.3	6.3
Actuarial (losses) and gains generated	28.7	(0.7)	28.0
Contributions paid by the employer	3.5	0.8	4.3
Contributions paid by the employees	0.1	0.0	0.1
Reductions/liquidations	(0.4)	0.0	(0.4)
Benefits paid by the fund	(7.3)	(1.4)	(8.7)
Changes in consolidation scope	0.0	0.0	0.0
Other	(26.0)	0.2	25.8
FAIR VALUE OF ASSETS AT DECEMBER 31, 2016	182.4	14.6	197.0

Composition of the investment portfolio

The assets of pension plans are mainly located in France and the United Kingdom.

At the year end, hedged assets were invested as follows:

France (as a percentage)	12/31/2016 share	12/31/2015 share
Other	100	100
TOTAL	100	100

In accordance with IAS 19, the expected yield rate is identical to the discount rate.

For France, assets are exclusively comprised of insurance policies in "euros" and are managed on the general assets of the insurers.

No investment is made in the Group's own assets.

United Kingdom (as a percentage)	12/31/2016 share	12/31/2015 share
Shares	41	41
Bonds	51	51
Cash	1	1
Other	7	7
TOTAL	100	100

Other (as a percentage)	12/31/2016 share	12/31/2015 share
Shares	12	14
Bonds	14	15
Fixed assets	0	0
Cash	7	7
Other	67	64
TOTAL	100	100

Valuation assumptions

Commitments are valued by actuaries who are independent from the Group. Any assumptions made reflect the specific nature of the plans and companies concerned.

Full actuarial valuations are carried out each year during the final quarter.

At December 31, 2016 (in millions of euros)	France	United Kingdom	Other	Total
Discounted value of commitments (non-funded schemes)	112.8	0.0	88.9	201.7
Discounted value of commitments (funded schemes)	36.5	207.6	23.7	267.8
Post employment benefits	149.3	207.6	112.6	469.5
Other long-term benefits	21.7	0.7	13.9	36.3
Fair value of plan assets	(4.5)	(178.1)	(14.4)	(197.0)
Unrecognized cost of past services	0.0	0.0	0.0	0.0
NET BALANCE SHEET VALUE OF EMPLOYEE BENEFIT OBLIGATIONS	166.5	30.2	112.1	308.8

Discount rates determined by country or geographical area are obtained by reference to the yield rate of first-class private bonds (with maturity equivalent to the term of the schemes valued).

The main actuarial assumptions made in determining commitments are as follows:

(as a percentage)	France	United Kingdom	Other
AT DECEMBER 31, 2016			
Discount rate	1.20	2.54-2.80	1.2-1.71
Expected return on assets	1.20	2.54-2.80	1.2-1.71
Wage increases ⁽¹⁾	2.50	3.50	0.92-2.50
Increase in the cost of healthcare	2.00-3.40 ⁽²⁾		
At December 31, 2015			
Discount rate	2.00	3.80-3.83	2.00-2.22
Expected return on assets	2.00	3.80-3.83	2.00-2.22
Wage increases ⁽¹⁾	2.50	3.30	1.11-2.50
Increase in the cost of healthcare	2.00-3.40 ⁽²⁾		

(1) Inflation-adjusted.

(2) Actual experience of the plans.

Sensitivity

The sensitivity of the valuation to changes in the discount rate is as follows:

Change in the discount rate	As a percentage		In millions of euros	
	From -0.5%	From +0.5%	From -0.5%	From +0.5%
Effect on commitment in 2016	8.51	-7.67	43.3	(39.0)
Effect on expense in 2017	3.75	-4.50	1.0	(1.2)

The sensitivity of the valuation to changes in the expected return on assets is as follows:

Change in expected yield rate	As a percentage		In millions of euros	
	From -10%	+10%	From -10%	+10%
Effect on expense in 2017	-10.00	10.00	<1 million euros	

Sensitivity of healthcare benefit commitments to a 1% change in medical cost

The increase of 1% in medical expenses does not have a significant effect either on the debt, the standard cost or the interest.

11.3. SHARE-BASED PAYMENT TRANSACTIONS

Accounting policies

The valuation and accounting arrangements for share subscription or share purchase plans relating to shares in the parent company and its subsidiaries are set out in IFRS 2 "Share-based payments".

The granting of shares and stock options is a benefit for the persons concerned and as such counts as supplementary compensation. These benefits are recognized as expenses on a straight-line basis in the vesting period against an increase in shareholders' equity for plans that can be repaid in the form of shares and as debts to staff for plans that can be repaid in cash.

They are valued at the time of their granting on the basis of the fair value of the shareholders' equity instruments granted.

11.3.1. Bolloré SA free share allocation plan

The Group granted free Bolloré SA shares to Group employees. These grants were made on the conditions set by the General Meetings of June 10, 2010 and June 3, 2016. The terms of these plans were decided at the Board of Directors' Meetings of August 31, 2010 and September 1, 2016.

The Group applied the IFRS 2 "Share-based payments" standard to these free share allocation plans. On the grant dates, May 21, 2012 and September 2, 2016, the fair value of the shares granted was calculated by an independent expert, this value equaling the expense to be recognized for the period equal to the vesting period of the shares.

The fair value of the shares is spread on a straight-line basis over the vesting period. This amount is included in the income statement under "Staff costs" with an offsetting entry in shareholders' equity. The employer's contributions due under these plans were immediately recognized as expenses.

The May 31, 2012 plan to grant free Bolloré SA shares matured during the year.

Bolloré SA plan	2012	2016
Allocation conditions		
Grant date	May 21, 2012	September 2, 2016
Number of shares originally granted	27,275	4,131,200
Share price on award date (in euros)	158.20	3.15
Vesting period	48 months	36 months
Holding period	2 years after vesting period	None at the end of the vesting period, i.e. September 2, 2019
Main assumptions		
Dividend rate (as a percentage)	2.00	2.00
Risk-free rate (as a percentage)	1.52 at 6 years	0 at 2 years
	1.22 at 4 years	0 at 5 years
Fair value of the option (including lock-up discount) (in euros) ⁽¹⁾	1.36	2.97
At December 31, 2016		
Remaining number of shares to be allocated	0	0
Expense recognized in P&L (in millions of euros)	(0.3)	(1.3)

(1) After multiplying the number of shares by 100, the fair value of the option was divided by 100 for the 2012 plan.

11.3.2. 2007 Bolloré Telecom option plan

The Group also decided to allocate Bolloré Telecom (an unlisted company) stock options to employees and officers of this company. The terms of this plan were determined at the Extraordinary General Meeting of July 19, 2007.

This plan includes a liquidity guarantee provided by the principal shareholder (Bolloré SA) and, in accordance with IFRS 2, the Group considered that this plan involved a transaction in which payment was based on shares and settled in cash by Bolloré SA ("cash settlement").

This definition results in an estimate of liabilities in the consolidated financial statements under the liquidity commitment, all changes should be recognized in "Staff costs".

Application of the terms of the liquidity mechanism results in an estimate of the fair value of the commitment based on two scenarios depending on net income over the period. The fair value is therefore calculated by combining these two scenarios using the Black and Scholes and Monte-Carlo methods.

2007 Bolloré Telecom option plan	
Allocation conditions	
Grant date	September 11, 2007
Number of shares originally granted	593,977
Share price on award date (in euros)	16.00
Legal lifetime of the options	10 years from the grant date
Vesting period	divided into 25% tranches per year of presence from the grant date
Liquidity facility provided by Bolloré SA from the 5 th to the 10 th year from the grant date	
At December 31, 2016	
Total number of shares that could be subscribed ⁽¹⁾	2,173,891
Expense recognized in P&L (in millions of euros)	0.0

(1) Following the decision of the General Meeting of Bolloré Telecom on December 19, 2014, to implement a capital decrease on the same day followed by a capital increase on December 22, 2014, the exercise price and the number of shares able to be subscribed were adjusted.

11.3.3. Havas SA performance share plan

On January 29, 2014, the Havas SA Board of Directors decided to allocate a performance-based share allocation plan to the employees and corporate officers of Havas SA and its French and overseas subsidiaries.

2,465,000 new Havas SA shares were allocated by way of a capital increase. No performance-based shares were allocated to Havas SA corporate officers.

On January 19, 2015, the Board of Directors allocated a second plan of 2,420,000 performance-based shares on the same terms as those for the January 29, 2014 plan.

On March 19, 2015, the Board of Directors allocated 70,000 performance-based shares to Yannick Bolloré under the same authorization granted by the General Meeting of Shareholders of June 5, 2013.

On August 27, 2015, the Board of Directors allocated a 120,200 performance-based share plan to all French employees. In the end, only 119,960 shares were allocated.

On May 10, 2016, the Board of Directors granted three share plans totaling 2,784,000 free and performance shares to senior executive employees and French and foreign managers of the Group, including 90,000 shares for the Chairman and Chief Executive Officer.

On July 21, 2016, the Board of Directors granted 148,500 free shares to all employees of French companies. In the end, 147,960 shares were allocated.

Havas share performance plan						
Allocation conditions						
Grant date	January 29, 2014	January 19, 2015	March 19, 2015	August 27, 2015	May 10, 2016	July 21, 2016
Number of shares awarded	2,465,000	2,420,000	70,000	119,960	2,784,000	147,960
Share price on award date (in euros)	5.76	6.56	7.41	7.26	7.21	7.31
Fair value of a share (in euros)	5.10	5.89	6.74	6.59	6.49-6.70	6.51
Vesting period	51 months	51 months	51 months	51 months	36-48 months	48 months
Lock-up period	None at the end of the acquisition period, i.e. April 29, 2018	None at the end of the vesting period, i.e. April 19, 2019	The beneficiaries must hold at least 20% of the of the vesting allocated performance-based shares until they leave office	None at the end of the vesting period, i.e. November 27, 2019	None at the end of the vesting period, i.e. May 10, 2019 and May 10, 2020; the Chairman and CEO will keep 20% of the shares until his term of office ends	None at the end of the vesting period, i.e. July 21, 2020
NUMBER OF PERFORMANCE SHARES GRANTED AT DECEMBER 31, 2015	2,163,000	2,342,000	70,000	108,840		
Allocated in 2016					2,784,000	147,960
Canceled in 2016	(172,000)	(151,000)		(14,320)	(43,000)	(15,960)
NUMBER OF PERFORMANCE SHARES GRANTED AT DECEMBER 31, 2016	1,991,000	2,191,000	70,000	94,520	2,741,000	132,000

11.3.4. Blue Solutions free share plan

Blue Solutions' Board of Directors of January 7, 2014, partially using the authorization granted to it by the Extraordinary General Meeting of August 30, 2013, decided to award a fixed maximum amount of free shares of 380,000 shares, or 1.32% of the capital. 364,500 free shares were awarded in this way on January 8, 2014, and 13,500 on April 7, 2014, in line with the procedures set out by the General Meeting and the Board of Directors.

The fair value of the shares granted was calculated by an independent expert.

This fair value represents the expense to be recognized over the vesting period, it is recognized on a straight-line basis in P&L under "Staff costs" with an offsetting entry in shareholders' equity, amounting to -1.5 million euros for 2016. The employer contributions due were immediately recognized as net income.

Blue Solutions free share plan		
Allocation conditions		
Grant date	January 8, 2014	April 7, 2014
Number of shares originally granted	364,500	13,500
Share price on award date (in euros)	19.35	27.32
Vesting period	48 months	48 months
Holding period	2 years after vesting period	2 years after vesting period
Main assumptions		
Dividend rate (as a percentage)		
Risk-free rate (as a percentage)	1.49 at 6 years	1.49 at 6 years
	1.01 at 4 years	1.01 at 4 years
Fair value of the option (including lock-up discount) (in euros)	17.29	24.42
At December 31, 2016		
Number of remaining shares	344,500	13,500
Expense recognized in P&L (in millions of euros)	(1.4)	(0.1)

11.4. COMPENSATION OF GOVERNING AND MANAGEMENT BODIES (RELATED PARTIES)

(in millions of euros)	2016	2015
Short-term benefits	7.2	6.9
Post employment benefits	0.0	0.0
Long-term benefits	0.0	0.0
Severance payments	0.0	0.0
Payment in shares	0.7	0.5
Number of free shares held by Executive managers with respect to Bolloré securities ⁽¹⁾	1,675,400	827,400
Free Blue Solutions share allocation plan ⁽¹⁾	20,000	20,000
Number of Havas performance shares and options on securities ⁽¹⁾	176,080	76,040

(1) The features of the different plans in terms of shares and stock options are detailed in note 11.3 – Share-based payment transactions.

In 2016, Vincent Bolloré, Chairman of the Board of Directors, received compensation of 950 thousand euros by way of bonuses from Financière de l'Odé Group companies, compared with 1,350 thousand euros in 2015. In 2016, Vincent Bolloré also received 45 thousand euros in directors' fees for company offices held within Group companies (45 thousand euros in 2015).

The Group has no commitments towards its Executive managers or former Executive managers regarding pensions or equivalent (post employment) indemnities.

The Group does not grant advance payments or credit to members of the Board of Directors.

not a business combination and does not affect either accounting or fiscal income on the transaction date.

A deferred tax is recognized for all fiscal timing differences connected with shareholdings in subsidiaries, associate companies and joint ventures or capital expenditure in branches, unless the date on which the timing difference is to be reversed is within the Group's control and it is probable that it will not be reversed in the foreseeable future.

A deferred tax asset is recognized for the carryforward of tax losses and of unused tax credits, insofar as it is probable that there will in future be sufficient taxable income to which these tax losses and unused tax credits can be imputed or if there are liability timing differences.

Havas group analyzed deferred tax assets on the basis of the position of each subsidiary or tax group and the tax regulations applicable to it. Generally speaking, a five-year period was used to assess the likelihood of recovering these deferred tax assets. This analysis of the recoverable nature of the deferred tax assets was based on the latest budget data available, amended for tax restatements determined by the Group's Tax department. Forecasts are reconciled with actual use on a yearly basis. Where necessary, adjustments are made.

For other Bolloré Group companies or tax groups for which there is a recent history of unused tax losses, the Group does not deem it necessary to recognize the net deferred tax assets in respect of carrying forward tax losses.

In line with IAS 12, deferred tax assets and liabilities are not discounted.

NOTE 12. TAXES

Accounting policies

The Group calculates its income tax in accordance with the tax law in force at the time.

In accordance with IAS 12 "Income taxes", the timing differences between the book values of assets and liabilities and their tax-base values give rise to recognition of a deferred tax asset or liability, according to the variable carryforward method using the tax rate adopted or virtually adopted on the closing date.

Deferred taxes are recognized for all timing differences unless the deferred tax is generated by goodwill or by the initial recognition of an asset or liability which is

12.1. TAX EXPENSE

12.1.1. Income tax analysis

(in millions of euros)	2016	2015
Current and deferred tax	(189.6)	(203.0)
Provision (expense)/reversal for taxes	17.3	(11.6)
Other taxes (lump sum, adjustment, tax credits, carry back)	(8.9)	(8.1)
Withholding taxes	(22.6)	(22.5)
Corporate added value contribution	(20.4)	(19.8)
TOTAL	(224.2)	(265.0)

12.1.2. Explanation of income tax expense

By convention, the Group decided to apply the ordinary rate applicable in France, i.e. 33.3%. The effect of additional tax contributions paid by the Group is described below in "Impact of tax rate differentials".

The 2017 French Finance Act passed on December 29, 2016 provides for a progressive reduction in the standard tax rate from 33.33% to 28% by 2020. The change in tax rates is also reflected in the measurement of deferred tax at December 31, 2016.

The difference between the theoretical and actual tax liability may be analyzed as follows:

(in millions of euros)	2016	2015
Consolidated net income	580.4	719.5
Net income from companies accounted for using the equity method	(62.5)	(125.6)
Tax expense (income)	224.2	265.0
Income before tax	742.2	858.8
Theoretical tax rate	33.33%	33.33%
THEORETICAL TAX INCOME (EXPENSE)	(247.4)	(286.3)
Reconciliation		
Permanent differences ⁽¹⁾	117.2	65.7
Effect of the sale of securities not taxed at the current rate	1.4	9.2
Capitalization (impairment) of losses carried forward and impairment of deferred taxes	(97.2)	(70.3)
Impact of tax rate differentials	(0.2)	25.3
Other	1.9	(8.7)
ACTUAL TAX INCOME (EXPENSE)	(224.2)	(265.0)

(1) Including 124.4 million euros in Vivendi dividends exempt from tax under the parent-subsidiary regime.

The decline in permanent differences between 2016 and 2015 was notably due to the positive impact of reversals of provisions for taxes.

12.2. DEFERRED TAX

12.2.1. Balance sheet position

(in millions of euros)	12/31/2016	12/31/2015
Deferred tax assets	226.8	238.6
Deferred tax liabilities	239.1	255.9
NET DEFERRED TAX ASSETS	(12.3)	(17.3)

12.2.2. Origin of deferred tax assets and liabilities

(in millions of euros)	12/31/2016	12/31/2015
Capitalization of tax losses carried forward ⁽¹⁾	156.0	154.5
Provisions for retirement and other employee benefits	84.9	74.6
Revaluation of non-current assets	(159.3)	(153.5)
Regulatory tax provisions	(49.4)	(43.1)
Other	(44.5)	(49.8)
NET DEFERRED TAX ASSETS AND LIABILITIES⁽²⁾	(12.3)	(17.3)

(1) Including 147.4 million euros related to Havas group at December 31, 2016 and 145.3 million euros at December 31, 2015.

(2) Including -40.7 million euros related to Havas group at December 31, 2016 and -27.2 million euros at December 31, 2015.

12.2.3. Net change in position in 2016

(in millions of euros)	Net deferred tax assets
December 31, 2015	(17.3)
Deferred tax recognized through P&L	1.7
Deferred tax recognized directly in other comprehensive income ⁽¹⁾	11.8
Changes in consolidation scope	(1.2)
Other ⁽²⁾	(7.3)
DECEMBER 31, 2016	(12.3)

(1) Net changes primarily include the change in deferred taxes relating to the fair value of financial instruments (0.2 million euros) and to actuarial gains and losses related to employee benefit obligations (11.6 million euros).

(2) Mainly related to the deferred tax liability recognized for the FullSix brand and client relationships in connection with the PPP in 2016 (6.2 million euros).

12.2.4. Deferred tax not recognized in respect of tax loss carryforwards or tax credits

(in millions of euros)	12/31/2016	12/31/2015
Tax loss carryforwards ⁽¹⁾	761.2	739.0
Other	14.3	7.3
TOTAL	775.5	746.3

(1) Including the tax effect on unrecognized tax loss carryforwards at December 31, 2016 at Havas group totaling 193.0 million euros (227.6 million euros at December 31, 2015) and the Bolloré SA tax group totaling 237.4 million euros (196.9 million euros at December 31, 2015).

12.3. CURRENT TAX

12.3.1. Assets

(in millions of euros)	12/31/2016			12/31/2015		
	Gross value	Provisions	Net value	Gross value	Provisions	Net value
Current tax assets	96.5	(11.3)	85.2	93.6	(11.3)	82.3
TOTAL	96.5	(11.3)	85.2	93.6	(11.3)	82.3

12.3.2. Liabilities

(in millions of euros)	At 12/31/2015	Changes in consolidation scope	Net changes	Foreign exchange variations	Other transactions	At 12/31/2016
Current tax liabilities	124.1	(0.1)	15.5	(21.3)	(0.6)	117.6
TOTAL	124.1	(0.1)	15.5	(21.3)	(0.6)	117.6

NOTE 13. RELATED-PARTY TRANSACTIONS

The consolidated financial statements include transactions carried out by the Group in the normal course of business with non-consolidated companies that have a direct or indirect capital link to the Group.

The table below summarizes all the transactions entered into in 2015 and 2016 with related parties:

(in millions of euros)	2016	2015
Turnover		
Non-consolidated Group entities ⁽¹⁾	16.2	13.6
Entities accounted for using the equity method ⁽²⁾	93.4	20.8
Members of the Board of Directors	0.0	0.0
Goods and services bought in		
Non-consolidated Group entities ⁽¹⁾	(4.5)	(9.0)
Entities accounted for using the equity method ⁽²⁾	(1.3)	(0.1)
Members of the Board of Directors	0.0	0.0
Other financial income and expenses		
Non-consolidated Group entities ⁽¹⁾	3.4	4.1
Entities accounted for using the equity method ⁽²⁾	1.1	2.3
Members of the Board of Directors		0.0
Receivables associated with business activity (excluding tax consolidation)		
Non-consolidated Group entities ⁽¹⁾	4.8	7.0
Entities accounted for using the equity method ⁽²⁾	33.6	23.1
Members of the Board of Directors	0.0	0.0
Provisions for bad debts	(0.5)	(0.5)
Payables associated with business activity (excluding tax consolidation)		
Non-consolidated Group entities ⁽¹⁾	0.8	2.3
Entities accounted for using the equity method ⁽²⁾	7.9	3.4
Members of the Board of Directors		0.0
Current accounts and cash management agreements – assets		
Non-consolidated Group entities ⁽¹⁾	29.6	29.9
Entities accounted for using the equity method ⁽²⁾	0.1	1.0
Members of the Board of Directors		0.0
Current accounts and cash management agreements – liabilities		
Non-consolidated Group entities ⁽¹⁾	39.3	65.8
Entities accounted for using the equity method ⁽²⁾	0.0	0.3
Members of the Board of Directors	0.0	0.0

(1) Non-consolidated subsidiaries and holding companies in the Group.

(2) Including Vivendi, a related party since October 7, 2016. The flows reported above in 2016 cover twelve months of activity.

NOTE 14. EVENTS AFTER THE REPORTING PERIOD

In January 2017, Bolloré SA conducted a bond issue for an amount of 500 million euros, bearing interest at 2%, with a maturity of five years. This new issue enables the Group to continue diversifying its sources of financing and to extend the average maturity on its debt.

In January 2017, the Group signed an electric vehicle car-sharing agreement with the authorities in Singapore.

On March 6, 2017, Financière de l'Odéet exceeded the 25% threshold in Vivendi voting rights following the awarding of double voting rights and expects to hold around 29% of the voting rights at the next Vivendi General Meeting, as a result of obtaining further double voting rights.

The Group, which had listed Blue Solutions at year-end 2013 at 14.50 euros per share, while remaining bullish on the outlook for LMP® technology, but wishing to maintain a reasonable growth rate and to continue investing for the long term, will offer shareholders looking to exit an initial opportunity to sell their Blue Solutions shares at 17 euros per share. To this end, a proposed tender offer will be filed with the Autorité des marchés financiers (French financial markets authority – AMF) before the end of the 2017 first half-year, once an independent expert has been appointed to assess whether the offer price is fair. The Group would like to make it clear at this point that it has no plans to carry out a squeeze-out following this offer.

Shareholders who decide not to accept this offer to remain invested in Blue Solutions will have a second opportunity to exit following the publication of the 2019 financial statements. In this respect, if the average Blue Solutions share price over a reference period is below 17 euros, the Group will file a new public offering on the same price terms as the first. Further details on this commitment will be provided in the circular for the first public offering.

Based on the number of shares outstanding as of December 31, 2016, the maximum amount that can be paid out is 53.9 million euros.

NOTE 15. FEES OF STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORKS

FEES BY NETWORK

(In thousands of euros)	TOTAL 2016	Constantin Associés				AEG Finances – Audit Expertise Gestion			
		Statutory Auditors		Network		Statutory Auditors		Network	
		Amount (before tax)	%	Amount (before tax)	%	Amount (before tax)	%	Amount (before tax)	%
Certification of the separate and consolidated financial statements									
– Financière de l'Odét	65	32	1	NA		33	3	NA	
– Fully consolidated subsidiaries	4,377	3,281	96			1,096	87		
Sub-total	4,441	3,312	97			1,129	89		
Services other than certification of the financial statements									
– Financière de l'Odét	2	2	0	NA		0	0	NA	
– Fully consolidated subsidiaries	242	105	3			137	11		
Sub-total	244	107	3			137	11		
TOTAL FEES	4,685	3,419	100			1,266	100		

NA: Not applicable.

NOTE 16. LIST OF CONSOLIDATED COMPANIES

16.1. FULLY-CONSOLIDATED COMPANIES

Name	Registered office	% interest 2016	% interest 2015	Siren (business registration number)/ Country/Territory
Financière de l'Odet				
Financière de l'Odet	Odet	82.68	82.68	056 801 046
Bolloré				
Abidjan Terminal	Abidjan	29.41	29.40	Republic of Côte d'Ivoire
Africa Construction et Innovation	Puteaux	53.07	53.06	812 136 315
African Investment Company SA	Luxembourg	49.84	49.83	Grand Duchy of Luxembourg
Alcafi	Rotterdam	53.07	53.06	Netherlands
Alrairie Shipping Agencies Ltd	Lagos	53.07	53.06	Nigeria
Ami (Tanzania) Ltd	Dar es-Salaam	53.07	53.06	Tanzania
Amifin Holding	Geneva	53.07	53.06	Switzerland
Antrak Ghana Ltd	Accra	53.07	53.06	Ghana
Antrak Group (Ghana) Ltd	Accra	53.07	53.06	Ghana
Antrak Logistics Pty Ltd	Perth	53.07	53.06	Australia
Antrak Philippines Transport Solutions Corporation	Manila	37.15	37.14	Philippines
Ascens Services	Abidjan	53.07	NC	Republic of Côte d'Ivoire
Ateliers & Chantiers de Côte d'Ivoire	Abidjan	53.07	53.06	Republic of Côte d'Ivoire
Atlantique Containers Réparations (Acor)	Montoir-de-Bretagne	27.85	27.84	420 488 355
Automatic Control Systems Inc.	New York	50.36	50.33	United States
Automatic Systems (Belgium) SA	Wavre	50.36	50.33	Belgium
Automatic Systems (France) ⁽³⁾	Rungis	50.36	50.33	304 395 973
Automatic Systems America Inc.	Montreal	50.36	50.33	Canada
Automatic Systems Equipment UK	Birmingham	50.36	50.33	United Kingdom
Automatic Systems Española SA	Barcelona	50.36	50.33	Spain
Automatic Systems Suzhou Entrance Control Co. Ltd	Taichang	50.36	50.33	People's Republic of China
Bénin Terminal	Cotonou	53.07	48.42	Benin
Bénin-Niger Rail Exploitation	Cotonou	42.18	42.17	Benin
Bénin-Niger Rail Infrastructure	Cotonou	42.18	42.17	Benin
B'Information Services ⁽¹⁾	Puteaux	53.07	53.06	333 134 799
Blue LA Inc.	Los Angeles	53.07	53.06	United States
Blue Line Guinée SA	Conakry	53.07	53.06	Guinea
Blue Solutions	Odet	37.79	37.78	421 090 051
Blue Solutions Canada Inc.	Boucherville/Quebec	37.79	37.78	Canada
Bluealliance ⁽⁴⁾	Puteaux	27.06	37.14	501 407 233
Blueboat ⁽¹⁾	Odet	53.07	53.06	528 825 888
Bluebus ⁽¹⁾	Saint-Berthevin	53.07	53.06	501 161 798
BlueCalifornia	Sacramento	53.07	NC	United States
Bluecar ⁽¹⁾	Puteaux	53.07	53.06	502 466 931
Bluecar Italy	Milan	53.07	53.06	Italy
Bluecarsharing ⁽¹⁾	Vaucluse	53.07	53.06	528 872 625
Bluecity UK Ltd	London	53.07	53.06	United Kingdom
Bluecub ⁽⁴⁾	Vaucluse	27.06	37.14	538 446 543
Bluedistrib	Maurepas	53.07	NC	814 094 967

Name	Registered office	% interest 2016	% interest 2015	Siren (business registration number)/ Country/Territory
BlueElec ⁽¹⁾	Vaucresson	53.07	53.06	519 136 816
Blueindy LLC	Indianapolis	53.07	53.06	United States
Bluelib ⁽¹⁾	Vaucresson	53.07	53.06	814 649 513
Bluely ⁽⁴⁾	Vaucresson	25.71	35.28	538 446 451
BluePointLondon Ltd	London	50.36	50.33	United Kingdom
BlueShare Inc.	New York	53.07	53.06	United States
Bluestation ⁽¹⁾	Vaucresson	53.07	53.06	795 208 552
Bluestorage ⁽¹⁾	Odet	53.07	53.06	443 918 818
Bluetorino	Turin	53.07	NC	Italy
Bluetram ⁽¹⁾	Puteaux	53.07	53.06	519 139 273
Bolloré ⁽¹⁾	Odet	53.07	53.06	055 804 124
Bolloré Africa Logistics ⁽¹⁾	Puteaux	53.07	53.06	519 127 559
Bolloré Africa Logistics (SL) Ltd	Freetown	53.04	53.03	Sierra Leone
Bolloré Africa Logistics Angola Limitada	Luanda	53.07	53.06	Angola
Bolloré Africa Logistics Aviation Services	Pretoria	53.07	NC	South Africa
Bolloré Africa Logistics China	Beijing	53.07	53.06	People's Republic of China
Bolloré Africa Logistics India	Delhi	31.84	31.84	India
Bolloré Africa Logistics Maroc	Casablanca	52.94	52.93	Morocco
Bolloré Africa Logistics South Africa	Johannesburg	26.00	NC	South Africa
Bolloré Africa Railways	Puteaux	52.72	52.71	75 650 820
Bolloré Energy ⁽¹⁾	Odet	53.06	53.06	601 251 614
Bolloré Inc.	Dayville	53.07	53.06	United States
Bolloré Logistics (Cambodia) Ltd	Phnom Penh	53.07	53.06	Cambodia
Bolloré Logistics ⁽¹⁾	Puteaux	53.07	53.06	552 088 536
Bolloré Logistics (Shanghai) Co. Ltd	Shanghai	53.07	53.06	People's Republic of China
Bolloré Logistics (Thailand) Co. Ltd,	Bangkok	31.84	31.83	Thailand
Bolloré Logistics Argentina SA	Buenos Aires	53.07	53.06	Argentina
Bolloré Logistics Asia-Pacific Corporate Pte Ltd	Singapore	53.06	53.06	Singapore
Bolloré Logistics Australia Pty Ltd	Botany	53.07	53.06	Australia
Bolloré Logistics Bangladesh Ltd	Dhaka	27.07	27.06	Bangladesh
Bolloré Logistics Belgium NV	Antwerp	53.07	53.06	Belgium
Bolloré Logistics Brazil Ltda	Sao Paulo	53.07	53.06	Brazil
Bolloré Logistics Canada Inc	Saint-Laurent/Quebec	53.07	52.39	Canada
Bolloré Logistics Chile SA	Santiago	53.07	53.06	Chile
Bolloré Logistics China Co. Ltd	Shanghai	53.07	53.06	People's Republic of China
Bolloré Logistics Czech Republic s.r.o.	Zlin	53.07	53.06	Czech Republic
Bolloré Logistics Germany Gmbh	Frankfurt	53.07	53.06	Germany
Bolloré Logistics Guadeloupe ⁽¹⁾	Baie-Mahault/Guadeloupe	53.07	53.06	348 092 297
Bolloré Logistics Guyane	Remiré Montjoly/Guyane	45.10	45.10	403 318 249
Bolloré Logistics Hong Kong Ltd	Hong Kong	53.07	53.06	Hong Kong
Bolloré Logistics India Ltd	Calcutta	53.06	53.06	India
Bolloré Logistics Italy Spa	Milan	53.07	53.06	Italy
Bolloré Logistics Japan KK	Tokyo	53.07	53.06	Japan
Bolloré Logistics Korea Co. Ltd	Seoul	53.07	53.06	South Korea
Bolloré Logistics Lao Co. Ltd	Vientiane	53.07	53.06	Laos

Name	Registered office	% interest 2016	% interest 2015	Siren (business registration number)/ Country/Territory
Bolloré Logistics Luxembourg SA	Luxembourg	53.07	53.06	Grand Duchy of Luxembourg
Bolloré Logistics Malaysia Sdn Bhd	Kuala Lumpur	31.84	31.83	Malaysia
Bolloré Logistics Martinique ⁽¹⁾	Fort-de-France/Martinique	53.07	53.06	303 159 370
Bolloré Logistics Mayotte	Longoni	53.07	NC	Mayotte
Bolloré Logistics Mexico, SA de CV	Mexico	53.07	53.06	Mexico
Bolloré Logistics Netherlands BV	Hoogvliet	53.07	53.06	Netherlands
Bolloré Logistics New Zealand Ltd	Makati City	53.07	53.06	New Zealand
Bolloré Logistics Norway AS	Oslo	53.07	53.06	Norway
Bolloré Logistics Nouvelle-Calédonie	Nouméa	53.07	53.06	New Caledonia
Bolloré Logistics Pakistan (Pvt) Ltd	Karachi	27.07	27.06	Pakistan
Bolloré Logistics Philippines Inc	Paranaque	37.15	37.14	Philippines
Bolloré Logistics Polynésie	Papeete	53.07	53.06	French Polynesia
Bolloré Logistics Portugal Lda	Lisbon	53.02	53.00	Portugal
Bolloré Logistics Réunion ⁽¹⁾	La Possession/La Réunion	53.06	53.06	310 879 937
Bolloré Logistics Saga Guadeloupe ⁽¹⁾	Baie-Mahault/Guadeloupe	NC	53.06	508 605 292
Bolloré Logistics SDV Martinique ⁽¹⁾	Fort-de-France/Martinique	NC	53.06	421 360 785
Bolloré Logistics Services ⁽¹⁾	Puteaux	NC	53.06	389 877 523
Bolloré Logistics Singapore Pte Ltd	Singapore	53.07	53.06	Singapore
Bolloré Logistics Suisse SA	Meyrin	47.76	27.06	Switzerland
Bolloré Logistics Taiwan Ltd	Taipei	53.07	53.06	Taiwan
Bolloré Logistics UK Ltd	Hainault-Ilford	53.07	53.06	United Kingdom
Bolloré Logistics USA Inc	New York	53.07	53.06	United States
Bolloré Logistics Vietnam Co. Ltd	Ho Chi Minh City	53.07	53.06	Vietnam
Bolloré Média Digital ⁽¹⁾	Puteaux	53.07	53.06	485 374 128
Bolloré Média Régie ⁽¹⁾	Puteaux	53.07	53.06	538 601 105
Bolloré Ports Dunkerque ⁽¹⁾	Dunkirk	53.07	53.06	380 355 875
Bolloré Ports France ⁽¹⁾	Rochefort	53.07	53.06	541 780 193
Bolloré Télécom ⁽¹⁾	Puteaux	51.88	51.87	487 529 232
Bolloré Transport & Logistics (South Sudan) Ltd	Juba	47.76	47.75	South Sudan
Bolloré Transport & Logistics Bénin	Cotonou	49.41	49.40	Benin
Bolloré Transport & Logistics Botswana (Proprietary) Ltd	Gaborone	53.07	53.06	Botswana
Bolloré Transport & Logistics Burkina Faso	Ouagadougou	47.03	47.02	Burkina Faso
Bolloré Transport & Logistics Burundi	Bujumbura	52.50	52.50	Burundi
Bolloré Transport & Logistics Cameroun	Douala	50.24	50.23	Cameroon
Bolloré Transport & Logistics Centrafrique	Bangui	53.07	53.06	Central African Republic
Bolloré Transport & Logistics Congo	Pointe-Noire	53.07	53.06	Congo
Bolloré Transport & Logistics Côte d'Ivoire	Abidjan	44.97	44.96	Republic of Côte d'Ivoire
Bolloré Transport & Logistics Djibouti	Djibouti	37.15	37.14	Djibouti
Bolloré Transport & Logistics Gabon	Libreville	51.28	51.27	Gabon
Bolloré Transport & Logistics Gambia Ltd	Banjul	53.07	53.06	Gambia
Bolloré Transport & Logistics Ghana Ltd	Tema	47.76	47.75	Ghana
Bolloré Transport & Logistics Guinée	Conakry	51.23	51.22	Guinea
Bolloré Transport & Logistics Kenya Ltd	Nairobi	53.07	53.06	Kenya
Bolloré Transport & Logistics Lekki FZE	Lagos	53.07	NC	Nigeria
Bolloré Transport & Logistics LFTZ Enterprise	Lagos	53.07	NC	Nigeria

Name	Registered office	% interest 2016	% interest 2015	Siren (business registration number)/ Country/Territory
Bolloré Transport & Logistics Madagascar	Toamasina	53.07	53.06	Madagascar
Bolloré Transport & Logistics Malawi Ltd	Blantyre	53.07	53.06	Malawi
Bolloré Transport & Logistics Mali	Bamako	52.75	52.75	Mali
Bolloré Transport & Logistics Maroc	Casablanca	53.07	53.06	Morocco
Bolloré Transport & Logistics Moçambique SA	Beira	52.80	52.79	Mozambique
Bolloré Transport & Logistics Namibia Proprietary Ltd	Windhoek	53.05	53.04	Namibia
Bolloré Transport & Logistics Niger	Niamey	51.04	51.03	Niger
Bolloré Transport & Logistics Nigeria Ltd	Lagos	53.07	53.06	Nigeria
Bolloré Transport & Logistics RDC SA	Kinshasa	53.07	53.06	Democratic Republic of the Congo
Bolloré Transport & Logistics Rwanda Ltd	Kigali	53.07	53.06	Rwanda
Bolloré Transport & Logistics Sénégal	Dakar	44.80	44.79	Senegal
Bolloré Transport & Logistics South Africa (Pty) Ltd	Johannesburg	53.07	53.06	South Africa
Bolloré Transport & Logistics Sudan Ltd	Khartoum	26.53	26.53	Sudan
Bolloré Transport & Logistics Tanzania Ltd	Dar es-Salaam	53.07	53.06	Tanzania
Bolloré Transport & Logistics Tchad SA/CA	N'Djamena	45.18	45.17	Chad
Bolloré Transport & Logistics Togo	Lomé	53.06	53.06	Togo
Bolloré Transport & Logistics Tunisie	Radès	53.07	53.06	Tunisia
Bolloré Transport & Logistics Uganda Ltd	Kampala	53.07	53.06	Uganda
Bolloré Transport & Logistics Zambia Ltd	Lusaka	53.07	53.06	Zambia
Bolloré Transport & Logistics Zimbabwe (Private) Ltd	Harare	53.07	53.06	Zimbabwe
Bolloré Transport Logistics ⁽¹⁾	Puteaux	53.07	53.06	797 476 256
Bolloré Transport Logistics Spain SA ⁽¹⁾	Valencia	53.07	53.06	Spain
BP-SDV PTE Ltd	Singapore	NC	53.06	Singapore
Burkina Logistics and Mining Services	Ouagadougou	50.72	50.71	Burkina Faso
Calpam Mineralöl GmbH Aschaffenburg	Aschaffenburg	53.07	53.06	Germany
Camrail	Douala	40.70	40.69	Cameroon
Capacitor Sciences	Wilmington	37.79	NC	United States
Carena	Abidjan	26.53	26.53	Republic of Côte d'Ivoire
Cherbourg Maritime Voyages ⁽¹⁾	Tourlaville	53.07	53.06	408 306 975
CICA SA	Neuchâtel	53.07	53.06	Switzerland
CIPCH BV	Rotterdam	53.07	53.06	Netherlands
Cogema Dunkerque ⁽¹⁾	Dunkirk	53.07	53.06	076 650 019
Compagnie de Cornouaille ⁽¹⁾	Odet	53.07	53.06	443 827 134
Compagnie de Daoulas ⁽¹⁾	Puteaux	53.37	53.36	794 999 581
Compagnie de la Pointe d'Arradon ⁽¹⁾	Odet	54.51	54.50	519 116 552
Compagnie de Pleuven	Puteaux	51.90	51.88	487 529 828
Compagnie de Plomeur ⁽¹⁾	Puteaux	53.37	53.35	538 419 805
Compagnie des Glénans ⁽¹⁾	Odet	53.07	53.06	352 778 187
Compagnie des Tramways de Rouen	Puteaux	47.28	47.23	570 504 472
Compagnie du Cambodge	Puteaux	51.84	51.81	552 073 785
Compagnie Saint-Corentin ⁽¹⁾	Puteaux	53.06	53.06	443 827 316
Compagnie Saint-Gabriel ⁽¹⁾	Odet	53.06	53.05	398 954 503
Comptoir Général Maritime Sétois ⁽¹⁾	Sète	53.07	53.06	642 680 060
Conakry Terminal	Conakry	39.85	39.85	Guinea
Congo Terminal	Pointe-Noire	23.63	36.36	Democratic Republic of the Congo

Name	Registered office	% interest 2016	% interest 2015	Siren (business registration number)/ Country/Territory
Congo Terminal Holding	Puteaux	23.88	23.88	512 285 404
Cross Marine Services Ltd	Lagos	53.07	53.06	Nigeria
Dakar Terminal	Dakar	24.36	24.35	Senegal
Dakar Terminal Holding	Puteaux	27.07	27.06	800 731 028
Delmas Petroleum Services	Port-Gentil	41.02	41.02	Gabon
Dépôt Rouen Petit-Couronne ⁽¹⁾	Puteaux	53.06	53.05	795 209 022
Deutsche Calpam GmbH Hamburg	Hamburg	53.07	53.06	Germany
Direct Toulouse ⁽¹⁾	Puteaux	51.50	51.49	492 950 860
DME Almy ⁽¹⁾	Avion	52.78	52.77	581 920 261
Domaines de la Croix et de la Bastide Blanche ⁽¹⁾	La Croix-Valmer	52.53	52.52	437 554 348
Douala International Terminal	Douala	21.23	21.22	Cameroon
East Africa Commercial Shipping Djibouti	Djibouti	37.15	NC	Djibouti
East Africa Commercial Shipping Mombasa	Nairobi	53.06	53.05	Kenya
Établissements Caron ⁽¹⁾	Calais	52.78	52.77	315 255 778
Établissements Labis ⁽¹⁾	Hazebrouck	52.78	52.77	323 417 196
EXAF ⁽¹⁾	Puteaux	53.07	53.06	602 031 379
Fast Bolloré Lebanon	Beirut	39.80	NC	Lebanon
Financière 84 ⁽¹⁾	Puteaux	53.04	53.03	315 029 884
Financière d'Audierne ⁽¹⁾	Puteaux	53.37	53.36	797 476 223
Financière de Briec	Puteaux	53.07	NC	797 476 298
Financière de Sainte-Marine	Puteaux	51.90	51.88	442 134 177
Financière du Champ de Mars SA	Luxembourg	53.07	53.06	Grand Duchy of Luxembourg
Financière du Perguet ⁽¹⁾	Puteaux	54.51	54.50	433 957 792
Financière Moncey	Puteaux	49.43	49.38	562 050 724
Financière Penfret ⁽¹⁾	Odet	53.07	53.06	418 212 197
Fleet Management Services	Puteaux	53.07	53.06	791 469 935
Forestière Équatoriale	Abidjan	50.89	50.86	Republic of Côte d'Ivoire
Freetown Terminal	Freetown	42.46	53.06	Sierra Leone
Freetown Terminal Holding	London	53.07	53.06	United Kingdom
Fret Air Service Transport	Orly	53.07	53.06	320 565 435
Globolding ⁽¹⁾	Puteaux	53.07	53.06	314 820 580
Guadeloupe Transit Déménagements (GTD) ⁽¹⁾	Baie-Mahault/Guadeloupe	53.07	53.06	327 869 061
Guinée Rail	Conakry	52.72	52.71	Guinea
Holding Intermodal Services (HIS) ⁽¹⁾	Puteaux	53.07	53.06	382 397 404
Hombard Publishing BV	Amsterdam	53.07	53.06	Netherlands
IER GmbH	Uetze	50.36	50.33	Germany
IER Impresoras Especializadas	Madrid	50.36	50.33	Spain
IER Inc.	Carrollton	50.36	50.33	United States
IER Pte Ltd	Singapore	50.36	50.33	Singapore
IER SA ⁽³⁾	Suresnes	50.36	50.33	622 050 318
Immobilière Mount Vernon ⁽¹⁾	Vaucresson	53.07	53.06	302 048 608
Imperial Mediterranean ⁽¹⁾	Puteaux	53.37	53.35	414 818 906
Interconnect Logistics Services Nigeria Ltd	Port-Harcourt	26.00	NC	Nigeria
International Human Resources Management Ltd	London	53.07	53.06	United Kingdom
Iris Immobilier ⁽¹⁾	Puteaux	53.07	53.06	414 704 163

Name	Registered office	% interest 2016	% interest 2015	Siren (business registration number)/ Country/Territory
ITD	Puteaux	53.07	53.06	440 310 381
Joint Service Africa	Amsterdam	53.07	53.06	Netherlands
JV PIL Mozambique	Maputo	27.06	NC	Mozambique
La Charbonnière	Maisons-Alfort	27.96	27.95	572 199 636
La Financière du Levant	Beirut	53.07	NC	Lebanon
Lequette Énergies ⁽¹⁾	Puteaux	52.78	52.77	442 822 730
Les Charbons Maulois ⁽¹⁾	Maule	53.00	53.00	619 803 083
Les Combustibles de Normandie (LCN) ⁽¹⁾	Cormelles-le-Royal	53.07	53.05	797 476 199
Libreville Business Square	Libreville	35.90	35.89	Gabon
Locamat ⁽¹⁾	Tremblay-en-France	53.07	53.06	339 390 197
Logistics Support Services Ltd	Hong Kong	53.07	53.05	Hong Kong
Lome Multipurpose Terminal	Lomé	52.27	52.26	Togo
Manches Hydrocarbures ⁽¹⁾	Tourlaville	53.06	53.06	341 900 819
Matin Plus ⁽¹⁾	Puteaux	52.97	52.96	492 714 779
Mombasa Container Terminal Ltd	Nairobi	53.07	53.03	Kenya
Moroni Terminal	Moroni	42.87	42.86	Comoros
My IP	Paris	NC	29.27	452 313 299
Niger Terminal	Niamey	53.07	53.06	Niger
Nord Sud CTI ⁽¹⁾	Rouen	53.07	53.06	590 501 698
Nord-Sumatra Investissements	Luxembourg	53.07	53.06	Grand Duchy of Luxembourg
Normande de Manutention ⁽¹⁾	Grand-Couronne	53.07	53.06	382 467 645
Pargefi	Valencia	52.02	52.00	Spain
Pargefi Helios Iberica Luxembourg SA	Luxembourg	52.02	52.00	Grand Duchy of Luxembourg
Participaciones Ibero Internacionales	Valencia	52.02	52.00	Spain
Participaciones Internacionales Portuarias	Valencia	52.02	52.00	Spain
Pemba Terminal Holding	Johannesburg	45.11	37.14	South Africa
Pemba Terminal Services	Maputo	45.27	37.46	Mozambique
Petroplus Marketing France ⁽¹⁾	Paris-La Défense	53.07	53.05	501 525 851
Plantations des Terres Rouges SA	Luxembourg	52.02	52.01	Grand Duchy of Luxembourg
Polyconseil ⁽¹⁾	Paris	53.07	53.06	352 855 993
Ports Secs du Mali	Bamako	36.89	36.89	Mali
Progosa Investment SA	Seville	52.02	52.00	Spain
PT Optima Sci	Puteaux	53.37	53.35	430 376 384
PT Sarana Citra Adicarya	Jakarta	53.07	53.06	Indonesia
PT SDV Logistics Indonesia	Jakarta	53.07	53.06	Indonesia
PTR Finances	Luxembourg	52.02	52.00	Grand Duchy of Luxembourg
Rainbow Investments Ltd	Lusaka	53.05	53.04	Zambia
Redlands Farm Holding	Wilmington	52.02	52.00	United States
Réunitrans ⁽¹⁾	La Possession/La Réunion	53.07	53.06	345 261 580
Rivaud Innovation	Puteaux	50.65	50.63	390 054 815
Rivaud Loisirs Communication	Puteaux	51.34	51.31	428 773 980
SFA SAS	Luxembourg	52.02	52.00	Grand Duchy of Luxembourg
S+M Tank AG	Oberbipp	53.07	53.06	Switzerland
Saga Belgium	Lillois-Witterzee	NC	53.06	Belgium

Name	Registered office	% interest 2016	% interest 2015	Siren (business registration number)/ Country/Territory
Saga Congo	Pointe-Noire	53.07	53.06	Congo
Saga Gabon	Port-Gentil	52.75	52.74	Gabon
Saga Investissement ⁽¹⁾	Puteaux	53.07	53.06	381 960 475
Saga Japan KK	Tokyo	NC	53.06	Japan
Saga Réunion ⁽¹⁾	La Possession/La Réunion	53.07	53.05	310 850 755
Saga Togo	Lomé	42.98	42.98	Togo
SAMA ⁽¹⁾	Colombes	53.07	53.06	487 495 012
SAMC Combustibles	Basel	53.07	53.06	Switzerland
SARL Noodo	Aubièrre	29.27	NC	497 928 101
SAS Malawi	Blantyre	52.80	52.79	Malawi
Satram Huiles SA	Basel	53.07	53.06	Switzerland
Scanship (Ghana) Ltd	Tema	53.07	53.06	Ghana
SCCF	Douala	52.58	52.57	Cameroon
SCEA Pegase	La Croix-Valmer	53.05	53.06	414 393 454
SDV CarTrading LLC	Indianapolis	53.07	53.06	United States
SDV Guinea SA	Malabo	29.19	29.18	Equatorial Guinea
SDV Industrial Project SDN BHD	Kuala Lumpur	31.84	31.83	Malaysia
SDV Logistics Brunei Sdn Bhd	Bandar Seri Begawan	31.84	31.83	Brunei Darussalam
SDV Logistics East Timor Unipessoal Lda	Dili	53.07	53.06	East Timor
SDV Méditerranée ⁽¹⁾	Marseille	53.07	53.06	389 202 144
SDV Mining Antrak Africa ⁽¹⁾	Puteaux	53.05	53.04	414 703 892
SDV Project GmbH	Hamburg	NC	53.06	Germany
SDV Transami NV	Antwerp	53.07	53.06	Belgium
Sénégal Tours	Dakar	37.81	37.80	Senegal
SETO	Ouagadougou	25.34	25.33	Burkina Faso
Sierra Leone Shipping Agencies Limited (SLSA)	Freetown	53.03	53.02	Sierra Leone
Sitarail	Abidjan	29.49	29.48	Republic of Côte d'Ivoire
SMN	Douala	26.68	26.67	Cameroon
SNAT	Libreville	42.46	42.45	Gabon
Socarfi	Puteaux	49.12	49.09	612 039 099
Socatraf	Bangui	36.38	36.37	Central African Republic
Socfrance	Puteaux	51.57	51.55	562 111 773
Société Autolib ⁽¹⁾	Vaucresson	53.07	53.06	493 093 256
Société Bordelaise Africaine	Puteaux	52.87	52.86	552 119 604
Société Centrale de Représentation	Puteaux	51.76	51.74	582 142 857
Société de Commission de Transport et de Transit (SCTT) ⁽¹⁾	Colombes	53.05	53.04	775 668 825
Société de Manutention du Terminal à Conteneurs de Cotonou (SMTC)	Cotonou	34.50	34.49	Benin
Société de Participations Africaines ⁽¹⁾	Puteaux	53.07	53.06	421 453 852
Société de Participations Portuaires	Puteaux	31.84	31.84	421 380 460
Société des Chemins de Fer et Tramways du Var et du Gard	Puteaux	49.72	49.62	612 039 045
Société d'Exploitation des Parcs à Bois du Cameroun (SEPBC)	Douala	38.33	38.33	Cameroon
Société d'Exploitation du Parc à Bois d'Abidjan (SEPBA)	Abidjan	37.47	37.46	Republic of Côte d'Ivoire
Société d'Exploitation Portuaire Africaine ⁽¹⁾	Puteaux	53.07	53.06	521 459 826
Société Dunkerquoise de Magasinage et de Transbordement (SDMT) ⁽¹⁾	Loon-Plage	52.06	52.05	075 750 034

Name	Registered office	% interest 2016	% interest 2015	Siren (business registration number)/ Country/Territory
Société Financière d'Afrique Australe (SF2A)	Puteaux	53.05	53.04	500 760 178
Société Financière Panafricaine ⁽¹⁾	Puteaux	53.07	53.06	521 460 402
Société Foncière du Château Volterra	Puteaux	50.24	50.12	596 480 111
Société Française Donges-Metz (SFD ⁽¹⁾	Avon	50.43	50.42	390 640 100
Société Générale de Manutention et de Transit (SGMT) ⁽¹⁾	La Rochelle	53.07	53.06	551 780 331
Société Industrielle et Financière de l'Artois	Puteaux	49.02	48.99	562 078 261
Société Nationale de Transit du Burkina	Ouagadougou	45.10	45.09	Burkina Faso
Société Nouvelle Cherbourg Maritime ⁽¹⁾	Tourlaville	53.07	53.05	552 650 228
Société Tchadienne d'Affrètement et de Transit (STAT)	N'djamena	29.19	29.18	Chad
Société Terminaux Conteneurs Gabon	Libreville	51.14	28.71	Gabon
Société Togolaise de Consignation Maritime	Lomé	44.97	44.96	Togo
Socopao ⁽¹⁾	Puteaux	53.07	53.06	343 390 431
Socopao Cameroun	Douala	49.32	49.31	Cameroon
Socopao Côte d'Ivoire	Abidjan	44.97	44.96	Republic of Côte d'Ivoire
Socopao Guinée	Conakry	52.25	52.24	Guinea
Socopao RDC	Kinshasa	52.64	52.63	Democratic Republic of the Congo
Socopao Sénégal	Dakar	44.86	44.86	Senegal
Socphipard	Puteaux	NC	51.73	552 111 270
Sofib	Abidjan	44.02	44.00	Republic of Côte d'Ivoire
Sofimap ⁽¹⁾	Puteaux	52.96	52.95	424 097 939
Sofiprom ⁽¹⁾	Puteaux	51.72	53.06	328 516 844
Sogam	Les Sables-d'Olonne	36.62	36.61	332 185 859
Sogera ⁽¹⁾	Baie-Mahault/Guadeloupe	53.07	53.06	309 023 422
Sogetra	Dunkirk	26.53	26.53	075 450 569
Someport Walon	Asnières	53.07	39.79	054 805 494
Sorebol SA	Luxembourg	53.07	53.06	Grand Duchy of Luxembourg
Sorebol UK Ltd	London	53.07	53.06	United Kingdom
Sorétrans ⁽¹⁾	La Possession/La Réunion	NC	53.06	345 261 655
Technifin	Fribourg	53.07	53.06	Switzerland
Tema Conteneur Terminal Ltd	Tema	53.07	53.06	Ghana
Terminal Conteneurs de Kinshasa	Kinshasa	27.07	27.06	Democratic Republic of the Congo
Terminal Conteneurs Madagascar	Toamasina	53.07	53.06	Madagascar
Terminaux du Gabon Holding	Puteaux	52.53	26.52	492 950 845
TGI ⁽¹⁾	Dunkirk	50.42	52.53	322 827 924
TICH ⁽¹⁾	Puteaux	53.00	53.06	498 916 089
Timor Port SA	Dili	53.07	NC	East Timor
Tin Can Island Container Terminal Ltd	Lagos	27.83	27.86	Nigeria
Togo Line	Lomé	52.72	53.05	Togo
Togo Terminal	Lomé	47.07	47.05	Togo
Trailer Corp. Ltd	Lusaka	53.05	53.04	Zambia
Transcap Nigeria	Lagos	53.07	53.06	Nigeria
Tranship and Hub Logistics	Pointe-Noire	NC	53.06	Congo
Transisud SA	Marseille	37.13	34.47	327 411 583
TSL South East Asia Hub Pte Ltd	Singapore	53.07	53.06	Singapore
Umarco Liberia	Monrovia	32.10	32.09	Liberia

Name	Registered office	% interest 2016	% interest 2015	Siren (business registration number)/ Country/Territory
Unicaf ⁽¹⁾	Puteaux	53.07	53.06	403 227 820
Whaller	Puteaux	39.80	NC	519 139 497
Whitehorse Carriers Ltd	Melrose Arch	53.05	53.04	South Africa
Wifirst	Paris	29.27	29.27	441 757 614
Zalawi Haulage Ltd	Lusaka	53.04	53.04	Zambia
Groupe Havas(*)	Puteaux	30.61	30.76	335 480 265

(1) Company fiscally consolidated in Bolloré.

(2) Companies globally consolidated at December 31, 2015.

(3) Company fiscally consolidated in IER.

(4) Company fiscally consolidated in Bluealliance.

NC: Not consolidated.

(*) List of consolidated companies of Havas group

See the annual report of Havas group.

16.2. COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

Name	Registered office	% interest 2016	% interest 2015	Siren (business registration number)/ Country/Territory
Joint ventures				
ABG Container Handling Limited	Mumbai	26.00	26.00	India
Blue Congo	Pointe-Noire	26.53	26.53	Democratic Republic of the Congo
Blue Project	Puteaux	26.53	26.53	813 139 334
Bluesun	Puteaux	26.53	26.53	538 446 493
Bolloré Logistics LLC	Dubai	26.00	25.99	United Arab Emirates
Dakshin Bharat Gateway Terminal Private Limited	Mumbai	26.00	26.00	India
EACS Tanzania	Dar es-Salaam	26.00	26.00	Tanzania
EUSU Logistics Spain SA	Valencia	25.47	25.47	Spain
Grimaldi Agencies Maroc	Casablanca	26.53	26.53	Morocco
Grimaldi Côte d'Ivoire	Abidjan	26.13	NC	Republic of Côte d'Ivoire
Hanjin Spain SA	Valencia	26.00	26.00	Spain
Horoz Bolloré Logistics Tasimacilik AS	Istanbul	26.48	26.48	Turkey
Manumat	Le Port/La Réunion	4.50	16.50	348 649 864
Meridian Port Holding Ltd	London	26.53	26.53	United Kingdom
Meridian Port Services	Tema	22.46	18.57	Ghana
NAL Maroc	Casablanca	25.46	25.46	Morocco
Pacoci	Abidjan	22.49	22.49	Republic of Côte d'Ivoire
Société de Manutention du Tchad	N'Djamena	23.88	23.88	Chad
Sogeco	Nouakchott	26.53	26.53	Mauritania
Terminal à Conteneurs du Burkina	Ouagadougou	18.99	18.99	Burkina Faso
Terminal du Grand Ouest (TGO)	Montoir-de-Bretagne	26.53	26.53	523 011 393
Terminal Roulier d'Abidjan (TERRA)	Abidjan	11.24	11.24	Republic of Côte d'Ivoire
TVB Port-au-Prince Terminal	Port-au-Prince	26.53	NC	Haiti
Companies under significant influence				
Agripalma Lda	São Tomé	14.53	14.45	São Tomé-et-Príncipe
APM Terminals Liberia	Monrovia	13.21	13.21	Liberia
Bereby Finance	Abidjan	14.38	14.30	Republic of Côte d'Ivoire
Brabanta	Kananga	16.52	16.43	Democratic Republic of the Congo
CMA CGM Delmas Nigeria Ltd	Lagos	NC	17.65	Nigeria

Name	Registered office	% interest 2016	% interest 2015	Siren (business registration number)/ Country/Territory
CMA CGM Kenya Ltd	Mombasa	NC	18.57	Kenya
CMA CGM Mozambique	Maputo	NC	18.57	Mozambique
Côte d'Ivoire Terminal	Abidjan	23.35	23.35	Republic of Côte d'Ivoire
Coviphama Co. Ltd	Phnom Penh	21.24	20.70	Cambodia
Delmas Angola	Luanda	21.76	21.75	Angola
Delmas Shipping Ghana, CMA, CGM Group	Tema	NC	19.18	Ghana
Delmas Sierra Leone	Freetown	26.00	26.00	Sierra Leone
Fred et Farid	Paris	15.92	15.78	492 722 822
Gabon Global Logistics	Libreville	NC	23.31	Gabon
GPSPC Tours	Saint-Pierre-des-Corps	NC	10.61	950 040 535
Liberian Agriculture Cy	Monrovia	16.51	16.42	Liberia
Mediobanca	Milan	4.43	4.39	Italy
Okomu Oil Palm Company Plc	Lagos	10.92	10.86	Nigeria
Palm Cam	Douala	NC	16.42	Cameroon
Plantations Nord-Sumatra Ltd	Guernsey	23.60	22.99	United Kingdom
Plantations Socfinaf Ghana Ltd	Tema	16.51	16.42	Ghana
Raffinerie du Midi	Paris	17.69	17.68	542 084 538
Safa Cameroun	Dizangué	11.40	11.32	Cameroon
SAFA France	Puteaux	16.51	16.42	409 140 530
Salala Rubber Corporation	Monrovia	16.51	16.42	Liberia
Socapalm	Tillo	11.14	11.08	Cameroon
Socfin	Luxembourg	20.51	20.39	Grand Duchy of Luxembourg
Socfin Agriculture Cy	Freetown	14.04	13.96	Sierra Leone
Socfin KCD	Phnom Penh	23.60	22.99	Cambodia
Socfinaf	Luxembourg	16.51	16.42	Grand Duchy of Luxembourg
Socfinasia	Luxembourg	23.60	22.99	Grand Duchy of Luxembourg
Socfinco	Brussels	20.06	19.71	Belgium
Socfinco FR	Fribourg	20.06	19.71	Switzerland
Socfindo	Medan	21.24	20.70	Indonesia
Société Anonyme de Manutention et de Participations (SAMP) ⁽¹⁾	Le Port/La Réunion	13.51	49.49	310 863 329
Société d'Acconage et de Manutention de la Réunion (SAMR) ⁽¹⁾	Le Port/La Réunion	13.51	49.49	350 869 004
Société des Caoutchoucs du Grand-Bereby (SOGB)	San Pedro	10.52	10.46	Republic of Côte d'Ivoire
Société du Terminal de l'Escaut	Paris	15.92	NC	449 677 541
Sogescol FR	Fribourg	20.06	19.71	Switzerland
SP Ferme Suisse	Edea	11.14	11.08	Cameroon
STP Invest.	Brussels	16.51	16.42	Belgium
Tamaris Finances	Puteaux	26.03	26.03	417 978 632
Vivendi	Paris	8.28	NC	343 134 763

(1) Companies globally consolidated at December 31, 2015.
NC: Not consolidated.

16.3. LIST OF COMPANIES WITH FISCAL YEARS NOT ENDING ON DECEMBER 31

	Year end
Mediobanca	June 30

Statutory Auditors' report on the consolidated financial statements

For the year ended December 31, 2016

This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements issued in the French language and is provided solely for the convenience of English speaking users.

The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes explanatory paragraphs discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report also includes information relating to the specific verification of information given in the management report.

This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended December 31, 2016, on:

- the audit of the accompanying consolidated financial statements of Financière de l'Odé;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of December 31, 2016 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French company law (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

As mentioned in paragraph 2.3 "Use of estimates" of note 2 – General accounting policies to the notes of the consolidated financial statements, management of your company is required to make estimates and assumptions that affect the amounts reported in the financial statements and the notes which accompany them. This paragraph specifies that the amounts given in the future Group consolidated financial statements may be different in case of revision of these estimates and assumptions. As part of our audit of the consolidated financial statements at December 31, 2016, we considered that goodwill, investments in equity affiliates and shares available for sale are subject to significant accounting estimates.

- Your company compares the net book value of goodwill with its recoverable value determined using the method described paragraph 6.1 "Goodwill" of note 6 – Tangible and intangible assets and concessions agreements of the notes.
- Your company compares the net book value of the investments in equity affiliates with their recoverable value, determined using the methodology described in paragraph 7.2 "Investments in equity affiliates" of note 7 – Financial structure and financial costs of the notes.
- Your values the assets available for sale included in the "Other non-current financial assets" line item at fair value, using the methodology described in paragraph 7.3 "Other financial assets" of note 7 – Financial structure and financial costs of the notes.

In accordance with the professional standards applicable to estimates and on the basis of information currently available, we examined the procedures and methods employed in arriving at these estimates and assessed the reasonable nature of the forecasted data and assumptions on which they are based.

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, on April 26, 2017

The Statutory Auditors
French original signed by

AEG Finances
Member of
Grant Thornton International
Jean-François Baloteaud

Constantin Associés
Member of
Deloitte Touche Tohmatsu Limited
Jean Paul Séguret

Separate financial statements

AT DECEMBER 31, 2016

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Balance sheet

ASSETS

(in thousands of euros)	Notes	12/31/2016		12/31/2015
		Gross amount	Depreciation, amortization and provisions	Net amount
Intangible assets				
Goodwill				10,551
Non-current financial assets				
Other shareholdings		930,068	568	929,500
Other non-current financial assets		10,551		10,551
Total non-current assets	1	940,619	568	940,051
Receivables				
Trade accounts receivable				
Other receivables	3			
Miscellaneous				
Investment securities	2			
Cash		5		5
Accrual adjustments				
Prepayments		28		28
Total current assets		33		33
Deferred charges		356		356
Bond redemption premiums				
Translation gains				
TOTAL ASSETS		941,008	568	940,440

LIABILITIES

(in thousands of euros)	Notes	12/31/2016	12/31/2015
Shareholders' equity			
Share capital (of which paid up: 105,375,840 euros)		105,376	105,376
Share issuance, merger and acquisition premiums		87,655	87,655
Revaluation adjustment		163	163
Legal reserve		10,537	10,537
Regulated reserves			
Other reserves		10,961	10,961
Amount carried forward		291,092	192,200
Net income for the Fiscal year		106,489	105,478
Regulated provisions		224	224
Total shareholders' equity	4	612,497	512,594
Provisions for contingencies and charges			
Provisions for contingencies			
Provisions for charges			
Total provisions for contingencies and charges			
Financial debts			
Loans from credit institutions		283,534	226,910
Borrowings and other debts		15,000	15,000
Operating payables			
Trade accounts payable		164	159
Taxes and social security contributions payable			
Sundry payables			
Non-current asset payables and related accounts			
Other payables		29,245	156,340
Accrual adjustments			
Total debts	3	327,943	398,409
Translation losses			
TOTAL LIABILITIES		940,440	911,003

Income statement

(in thousands of euros)	Notes	2016	2015
Transfers of charges		300	
Other earnings	6		
Total operating income		300	0
Other goods and services bought in	5	(1,274)	(1,044)
Taxes and related payments	6	(220)	(185)
Operating provisions	6	(59)	(30)
Other expenditure	6	(114)	(102)
Total operating expenditure		(1,667)	(1,361)
Operating income		(1,367)	(1,361)
Joint operations			
Share of profit or loss			
Sustained loss or transferred gain			
Financial income			
Financial income from investments		111,022	110,957
Income from other securities and receivables from non-current assets			
Other Interest and related income		302	
Reversals of provisions and transfers of charges		1	60
Total financial income		111,325	111,017
Financial allocations to depreciation, amortization and provisions		(221)	(27)
Interest and related expenses		(3,051)	(3,953)
Total financial expenses		(3,272)	(3,980)
Financial income	7	108,053	107,037
Recurring income before tax		106,686	105,676
Extraordinary income from capital transactions			
Reversals of provisions and transfers of charges			
Extraordinary expenditure on management transactions			
Extraordinary expenditure on capital transactions			
Extraordinary income	8	0	0
Employee profit-sharing			
Corporate income tax	9	(198)	(198)
Total income		111,625	111,017
Total expenditure		(5,136)	(5,539)
Income		106,489	105,478

Notes to the financial statements

SIGNIFICANT EVENTS OF THE FISCAL YEAR

None.

ACCOUNTING METHODS AND PRINCIPLES

The financial statements have been prepared in accordance with the accounting principles, standards and methods taken from the 2014 French chart of accounts, in compliance with ANC regulation no. 2016-07, as well as the further opinions and recommendations of the French National Accounting Council and the French Accounting Regulatory Committee.

General accounting standards were applied in line with the prudential principle, according to the following basic assumptions:

- business continuity;
- consistency of accounting methods from one Fiscal year to another;
- independence of the Fiscal years;

and in accordance with the general rules regarding the preparation and presentation of financial statements.

The basic method used for the valuation of accounting entries is the historic cost method.

1. INTANGIBLE ASSETS

Intangible assets are recorded at their acquisition cost.

2. NON-CURRENT FINANCIAL ASSETS ACCOUNTING METHODS AND PRINCIPLES

Shareholdings are recorded at their historical acquisition cost or their transfer value. The acquisition costs for the shareholdings are recorded when incurred. At the end of the Fiscal year, an impairment is made when the net asset value is lower than the balance sheet value. The net asset value is calculated according to the revalued net book value, profitability, future prospects and the value in use of the shareholding.

The technical loss from merger, if any, is included in the net book value of the underlying assets during impairment tests.

3. TRADE AND OTHER RECEIVABLES

Receivables are valued at nominal value. A provision for impairment is made when the net asset value is lower than the book value.

4. BOND ISSUE COSTS

Bond issue costs are recognized under deferred expenses and are amortized on a straight-line basis over the life of the bond.

In the event of repayment of the loan, the amount of these costs is recognized as an expense.

Notes to the balance sheet

NOTE 1. NON-CURRENT ASSETS AND DEPRECIATION AND AMORTIZATION

GROSS AMOUNTS

(in thousands of euros)	Gross value at 01/01/2016	Increase ⁽¹⁾	Decrease	Reclassifications ⁽²⁾	Gross value at 12/31/2016
Intangible assets					
Technical loss from merger	10,551	0	0	(10,551)	0
Tangible assets	0	0	0		0
Non-current financial assets					
Shareholdings	900,545	29,523	0	0	930,068
Other non-current financial assets	0	0	0	10,551	10,551
TOTAL	911,096	29,523	0	0	940,619

(1) The increase in non-current financial assets corresponds to the acquisition of shares in Bolloré for a total of 29.5 million euros.

(2) In accordance with ANC Regulation 2015-06 of November 23, 2015, the loss from merger of 10.6 million euros arising from the merger by dissolution without liquidation of the Compagnie de Locmaria and the Compagnie de Kerdevot in 2017 was reallocated to the underlying concerned, i.e. the shares in Bolloré. Amount reclassified to other non-current financial assets

IMPAIRMENT AND AMORTIZATION

(in thousands of euros)	Depreciation and amortization accruing at 01/01/2016	Financial allowances	Financial write-backs	Depreciation and amortization accruing at 12/31/2016
Intangible assets	0	0	0	0
Tangible assets	0	0	0	0
Non-current financial assets				
Shareholdings	347	221	0	568
TOTAL	347	221	0	568

NOTE 2. SHORT-TERM INVESTMENTS

None.

NOTE 3. TERMS OF RECEIVABLES AND DEBTS

DETAILS OF RECEIVABLES

None.

DETAILS OF PAYABLES

(in thousands of euros)	Gross amount	Under 1 year	From 1 to 5 years	More than 5 years
Financial debts				
Loans from credit institutions	283,534	123,534	160,000	
Debt related to shareholdings	15,000		15,000	
Operating payables				
Due to suppliers	164	164		
Taxes and social security contributions payable				
Sundry payables				
Current accounts	29,241	29,241		
Other payables	4	4		
TOTAL	327,943	152,943	175,000	0

NOTE 4. SHAREHOLDERS' EQUITY AND VARIATIONS IN NET POSITION

(in thousands of euros)	Share capital ⁽¹⁾	Revaluation adjustment	Share issue and merger premiums	Legal reserve	Other reserves	Amount carried forward	Net income for the Fiscal year	Regulated provisions	Total
Shareholders' equity 01/01/2016	105,376	163	87,655	10,538	10,961	192,199	105,478	224	512,594
Allocation of 2015 earnings						98,892	(105,478)		(6,586)
Changes in subsidies and regulated provisions									
Net income for 2016							106,489		106,489
SHAREHOLDERS' EQUITY AT 12/31/2016 PRIOR TO ALLOCATION OF EARNINGS	105,376	163	87,655	10,537	10,961	291,092	106,489	224	612,497

(1) Share capital at December 31, 2016 was 105,376 thousand euros, divided into 6,585,990 shares with a par value of 16 euros each.

Notes to the income statement

NOTE 5. GOODS AND SERVICES BOUGHT IN

(in thousands of euros)	2016	2015
Fees	(602)	(738)
Fees for financial notices	(102)	(125)
Other ⁽¹⁾	(570)	(181)
TOTAL	(1,274)	(1,044)

(1) Including 300 thousand euros in arrangement expenses for a financing in 2016.

NOTE 6. OTHER OPERATING INCOME AND EXPENSES

(in thousands of euros)	2016	2015
Taxes and duties	(220)	(185)
Allowances for depreciation and amortization of deferred charges	(59)	(30)
Directors' fees	(114)	(102)
Other expenditure	0	0
Transfers of charges ⁽¹⁾	300	0
Other earnings	0	0
TOTAL	(93)	(317)

(1) Relates to the deferred charge of 300 thousand euros in arrangement expenses for a financing in 2016.

NOTE 7. FINANCIAL INCOME

(in thousands of euros)	2016	2015
Net interest expense	(2,749)	(3,953)
Income from investments	111,022	110,957
Other financial income	0	0
Financial impairment	(221)	(27)
Financial write-backs	1	60
TOTAL	108,053	107,037

NOTE 8. EXTRAORDINARY INCOME

None.

NOTE 9. TAXES

(in thousands of euros)	2016	2015
Income from tax consolidation	0	0
Additional tax contribution	(198)	(198)
TOTAL	(198)	(198)

Other information

NOTE 10. WORKFORCE

None.

NOTE 11. FINANCIAL COMMITMENTS

None.

NOTE 12. EXECUTIVE COMPENSATION

Managing bodies: none.

Administrative and management bodies: 84 thousand euros (17 directors at December 31, 2016).

Financial committee compensation: 30 thousand euros.

NOTE 13. ADVANCES AND CREDITS GRANTED TO EXECUTIVES

None.

NOTE 14. SUMMARY OF SUBSIDIARIES AND SHAREHOLDINGS

See following.

NOTE 15. TAX CONSOLIDATION

Financière de l'Odét is the parent company for tax consolidation since January 1, 2002.

In 2016, the tax consolidation group was composed of the following companies: Financière de l'Odét, Financière de Pont-Aven, Financière de Beg Meil, Compagnie de Lanmeur.

The tax liability is borne by each company as it would be if there was no consolidation. The tax savings are allocated to the parent company.

In 2016, after recognition of previous deficits, there is no taxable income for the Group included under Financière de l'Odét.

As the tax consolidation agreement does not provide for the repayment to the subsidiaries of their tax loss carryforwards if they leave the consolidation scope, no impairment has been made for the tax losses of subsidiaries used by the parent company.

NOTE 16. CONSOLIDATION

Financière de l'Odét is fully consolidated in the financial statements of Bolloré Participations.

The Company's accounts are integrated:

- *for the largest companies:* by full consolidation in the accounts of:
Bolloré Shareholdings (Siren: 352 730 394)
Odét
29500 Ergué-Gabéric
- *for the smallest sub-group:* by full consolidation in the accounts of:
Financière de l'Odét (Siren: 056 801 046)
Odét
29500 Ergué-Gabéric

NOTE 17. INFORMATION ON RELATED PARTIES

With regard to related-party transactions, the company is not affected and all transactions are concluded under normal conditions.

Financial results of the company during the last five fiscal years

Items	2012	2013	2014	2015	2016
I. Financial situation at the end of the period					
Share capital ⁽¹⁾	105,376	105,376	105,376	105,376	105,376
Number of shares issued	6,585,990	6,585,990	6,585,990	6,585,990	6,585,990
Maximum number of shares to be created	–	–	–	–	–
– by conversion of bonds	–	–	–	–	–
– by exercising subscription rights	–	–	–	–	–
II. Total results of operations⁽¹⁾					
Turnover net of taxes	–	–	–	–	–
Profit before taxes, amortization and provisions	44,916	54,924	44,846	105,673	106,966
Corporate income tax ⁽²⁾	0	99	99	198	198
Profit after taxes, amortization and provisions	44,361	51,876	56,044	105,478	106,489
Amount of profits distributed	3,293	3,293	6,586	6,586	6,586
III. Earnings from operations per share⁽³⁾					
Profit after taxes, but before amortization and provisions	6.82	8.32	6.79	16.02	16.21
Profit after taxes, amortization and provisions	6.74	7.88	8.51	16.02	16.17
Dividend paid to each shareholder	0.50	0.50	1.00	1.00	1.00
IV. Employees					
Number of employees	0	0	0	0	0
Total payroll ⁽¹⁾	0	0	0	0	0
Employee welfare benefit payments ⁽¹⁾	0	0	0	0	0

(1) In thousands of euros

(2) In parentheses: tax proceeds

(3) In euros

Subsidiaries and shareholdings at December 31, 2016

Companies (in thousands of euros)	Share capital	Shareholders' equity other than capital	% of share capital held	Gross value
A. Detailed information concerning the shareholdings of which the gross value exceeds 1% of the share capital of the company				
1. Subsidiaries (at least 50% of share capital held by the company)				
Bolloré SA	465,672	2,038,239	63.84	928,128
2. Shareholdings (less than 50% of share capital held by the company)				
UnipolSai	2,031,446	3,530,281	0.02	1,374
B. Summary information on other subsidiaries and shareholdings				
1. Subsidiaries (not set out in section A)				
French subsidiaries (all)				345
Non-French subsidiaries (all)				
2. Subsidiaries (not set out in section A)				
French shareholdings (all)				
Non-French shareholdings (all)				
3. Stock of companies held under 10%				221
TOTAL				930,068

Net value	Loans and advances not repaid	Endorsements and bonds	Turnover of last fiscal year	Income last fiscal year	Dividends received during the fiscal year	Siret number
928,128			151,643	43,251	110,958	055 804 124 00141
1,117			6,715,379	556,333	62	non-French companies
40						
215						
929,500	0				111,020	

Statutory Auditors' report on the separate financial statements

For the year ended December 31, 2016

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to Shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2016, on:

- the audit of the accompanying financial statements of Financière de l'Odé;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at December 31, 2016, and of the results of its operations for the year then ended in accordance with French accounting principles.

Without qualifying our opinion, we draw your attention to the matter set out in note 1 – Non-current assets and depreciation and amortization to the financial statements regarding the impact on the presentation of the accounts of the reallocation of merger losses under regulation ANC no. 2015-06.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French company law (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matter:

At each year end, your company systematically tests the valuation of merger losses and equity investment in comparison with the value in use of the related subsidiaries in accordance with the valuation methodology described in the paragraph entitled "2 Non-current financial assets" (*Immobilisations financières*) in the notes to the financial statements. On the basis of the information provided, our work consisted of examining the data and assessing the assumptions used for the valuation of these values in use.

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 PROCEDURES AND DISCLOSURES

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 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 company law (*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 have verified that the required information concerning the purchase of investments and controlling interests and the identity of the Shareholders and holders of the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine, on April 26, 2017

The Statutory Auditors
French original signed by

AEG Finances
Member of
Grant Thornton International
Jean-François Baloteaud

Constantin Associés
Member of
Deloitte Touche Tohmatsu Limited
Jean Paul Séguret

Statutory Auditors' special report on regulated agreements and commitments

Shareholders' Meeting held to approve the financial statements for the year ended December 31, 2016

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements and commitments reported on are only those provided by the French company law (Code de commerce) and that the report does not apply to related party agreements described in IAS 24 or other equivalent accounting standards.

To the Shareholders,

In our capacity as Statutory Auditors of your company, we hereby report to you on regulated agreements and commitments.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions, as well as the reasons justifying the interest for the company, of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements and commitments, if any. It is your responsibility, pursuant to article R. 225-31 of the French company law (*Code de commerce*), to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

Our role is also to provide you with the information stipulated in article R. 225-31 of the French company law (*Code de commerce*) relating to the implementation during the past year of agreements and commitments previously approved by the Shareholders' Meeting, if any.

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 agreeing the information provided to us with the relevant source documents.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL BY THE SHAREHOLDERS' MEETING

AGREEMENTS AND COMMITMENTS AUTHORISED DURING THE YEAR

We hereby inform you that we have not been advised of any agreement or commitment authorized during the year to be submitted to the approval of the Shareholders' Meeting pursuant to article L. 225-28 of the French company law (*Code de commerce*).

AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY THE SHAREHOLDERS' MEETING

AGREEMENTS AND COMMITMENTS APPROVED IN PRIOR YEARS WHICH REMAINED IN FORCE DURING THE YEAR

Pursuant to article R. 225-30 of the Commercial Code (*Code de commerce*), we have been informed that the following agreements and commitments, previously approved by the Shareholders' Meeting of prior years, have remained in force during the year.

AGREEMENTS AND UNDERTAKINGS WITH COMPANIES HAVING COMMON EXECUTIVES

Co-contracting entity: Bolloré Participations

Directors concerned:

- Vincent Bolloré,
- Cédric de Bailliencourt,
- Yannick Bolloré,
- Sébastien Bolloré (permanent representative of Socfrance),
- Cyrille Bolloré,
- Marie Bolloré,
- Marc Bebon (permanent representative of Bolloré Participations).

Nature and purpose: Services agreement

Terms: As part of the assistance provided and pursuant to the deliberation of the Board of Directors on March 19, 2015, Bolloré Participations billed your company the sum of 460,637 euros excluding taxes for fiscal year 2016.

Co-contracting entity: Bolloré

Directors concerned:

- Chantal Bolloré,
- Vincent Bolloré,
- Cedric de Bailliencourt,
- Yannick Bolloré.

Nature and purpose: The Board of Directors meeting on December 17, 2009 authorized your company to enter into a collective undertaking to retain Bolloré securities.

Neuilly-sur-Seine, on April 26, 2017

The Statutory Auditors
French original signed by

AEG Finances
Member of
Grant Thornton International
Jean-François Baloteaud

Constantin Associés
Member of
Deloitte Touche Tohmatsu Limited
Jean Paul Séguret

Resolutions

148 — Agenda of the Ordinary General Meeting of June 1, 2017

148 — Resolutions proposed to the Extraordinary General Meeting of June 1, 2017

151 — Resolutions presented to the Ordinary General Meeting of June 1, 2017

153 — Report by the Board of Directors to the Extraordinary General Meeting of June 1, 2017

154 — Agenda of the Extraordinary General Meeting of June 1, 2017

154 — Resolutions proposed to the Extraordinary General Meeting of June 1, 2017

155 — Resolutions presented to the Extraordinary General Meeting of June 1, 2017

Agenda of the Ordinary General Meeting of June 1, 2017

- Management report of the Board of Directors – Report by the Chairman on internal control – Reports of the Statutory Auditors – Presentation and approval of the consolidated financial statements of the Group as at December 31, 2016 and reading of the report by the Statutory Auditors on the consolidated financial statements.
- Approval of the report by the Board of Directors and the financial statements for the year ended December 31, 2016 and reading of the report by the Statutory Auditors on the financial statements; discharge of directors.
- Allocation of earnings.
- Approval of regulated agreements and commitments.
- Ratification of the co-option of a director.
- Renewal of the terms of office of directors.
- Setting the amount of directors' fees.
- Authorization granted to the Board of Directors to acquire company shares.
- Opinion on the elements of compensation due or granted to Vincent Bolloré, Chairman of the Board of Directors, in respect of the 2016 fiscal year.
- Opinion on the elements of compensation due or granted to Cédric de Bailliencourt, Chief Executive Officer, in respect of the 2016 fiscal year.
- Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional elements of total compensation and benefits in kind payable to the Chairman of the Board of Directors and the Chief Executive Officer.
- Powers to be given.

Resolutions proposed to the Extraordinary General Meeting of June 1, 2017

APPROVAL OF THE FINANCIAL STATEMENTS AND ALLOCATION OF EARNINGS

The purpose of the **first resolution** is to approve the Financière de l'Odéon financial statements for the 2016 fiscal year, which show earnings of 106,488,840.86 euros.

The **second resolution** asks you to approve the 2016 consolidated financial statements showing consolidated net profit, Group share of 228,452 thousand euros.

The purpose of the **third resolution** is to allocate the earnings for the 2016 fiscal year and set the dividend for the year at 6,585 thousand euros, or one euro per share.

The amounts thus distributed will become payable on June 14, 2017.

APPROVAL OF REGULATED AGREEMENTS AND COMMITMENTS

The purpose of the **fourth resolution** is for you to acknowledge, after having read the special report by the Statutory Auditors on regulated agreements and commitments, that no new agreement was concluded in 2016.

RATIFICATION OF THE CO-OPTION OF A DIRECTOR

We ask you by means of the **fifth resolution** to ratify the co-option of François Thomazeau by the Board of Directors on March 23, 2017 to replace Pierre Lemaire for the remainder of his term, namely until the Ordinary General Meeting called to approve the financial statements for the year ended December 31, 2016.

RENEWAL OF THE TERMS OF OFFICE OF DIRECTORS

On the recommendation of the Compensation and Appointments Committee, we ask you to renew the terms of office as director of Marie Bolloré, Céline Merle-Béral, Olivier Roussel and François Thomazeau, which expire at the conclusion of this Meeting.

We ask you by means of the **sixth, seventh, eighth and ninth resolutions** to renew the terms of office of Marie Bolloré, Céline Merle-Béral, Olivier Roussel and François Thomazeau for a period of three years, namely until the end of the General Meeting called to approve the financial statements for the year ending December 31, 2019.

SETTING THE AMOUNT OF DIRECTORS' FEES

We ask you by means of the **tenth resolution** to set the maximum total amount of directors' fees that the Board of Directors may allocate to its members at 420,000 euros per fiscal year.

AUTHORIZATION GRANTED TO THE BOARD OF DIRECTORS TO ACQUIRE COMPANY SHARES

The **eleventh resolution**, proposes that you authorize the Board of Directors to buy back shares in the company.

This authorization would enable the Board of Directors to acquire 592,739 shares, or 9% of the company's share capital. This buyback scheme could be used for the following purposes:

- reducing the company's share capital through the cancellation of shares;
- honoring the obligations associated with stock option programs or other types of share allocations to employees or company officers of the company or an associate company;
- their submission as a form of payment or exchange in the context of an acquisition, up to a limit of 5% of the share capital;
- ensuring liquidity or the trading of the company's securities through an investment service provider bound by a liquidity contract in compliance with an ethics charter recognized by the *Autorité des marchés financiers* (AMF);
- delivering shares upon the exercise of the rights attached to securities or marketable securities giving access to the equity capital; and
- implementing any market practice that may become recognized legally or by the AMF.

The maximum purchase price would be set at 1,000 euros per share (excluding acquisition costs).

This authorization would be granted for a period of eighteen months from this Meeting.

OPINION ON THE COMPENSATION DUE OR GIVEN TO EACH EXECUTIVE COMPANY OFFICER OF THE COMPANY BY ALL GROUP COMPANIES IN RESPECT OF 2016

In accordance with the recommendations of article 26 of the November 2016 version of the Afep-Medef Code, to which the company refers, the Board must disclose the compensation paid to executive company officers to the Ordinary General Meeting. The compensation due or given in respect of the previous year to each executive company officer is subject to an advisory vote by the shareholders.

We ask you by means of the **twelfth and thirteenth resolutions** to issue an opinion on the elements of compensation due or given to each executive company officer by all Group entities for the 2016 fiscal year.

For Vincent Bolloré, Chairman of the Board of Directors, compensation due or given in respect of 2016, submitted to the shareholders

(in euros)	Amount	Comment
Fixed compensation	1,499,000	(1)
Other compensation	950,000	(2)
Annual variable compensation	Not applicable	(3)
Deferred variable compensation	Not applicable	(3)
Multi-year variable compensation	Not applicable	(3)
Extraordinary compensation	Not applicable	(3)
Stock options, performance shares or any other elements of long-term compensation	950,400	(4)
Directors' fees	54,610	
Benefits of any kind	6,528	
Severance pay	Not applicable	(3)
Non-competition indemnity	Not applicable	(3)
Supplementary retirement scheme	Not applicable	(3)

- (1) Compensation paid by Bolloré Participations, which, under an agreement for chairman services, invoiced Bolloré a sum corresponding to 75% of the total cost (including contributions), of the compensation received by Vincent Bolloré. The fixed compensation of Vincent Bolloré has not changed since 2013.
- (2) In 2016, Vincent Bolloré received compensation from Financière du Champ de Mars, Nord-Sumatra Investissements and Plantations des Terres Rouges, non-French companies controlled by Bolloré, in the form of bonuses. The bonuses represent a percentage of the profits allocated as compensation to the directors.
- (3) There is no provision in the current scheme for the allocation of such elements of compensation.
- (4) Corresponds to 320,000 performance shares granted to Vincent Bolloré by the Board of Directors on September 1, 2016 acting on the authorization granted by the Extraordinary General Meeting of June 3, 2016.

For Cédric de Baillencourt, Chief Executive Officer, compensation due or given in respect of 2016, submitted to the shareholders for approval

(in euros)	Amount	Comment
Fixed compensation	521,300	(1)
Other compensation	270,000	(2)
Annual variable compensation	50,000	(3)
Deferred variable compensation	Not applicable	(4)
Multi-year variable compensation	Not applicable	(4)
Extraordinary compensation	Not applicable	(4)
Stock options, performance shares or any other elements of long-term compensation	237,600	(5)
Directors' fees	62,436	
Benefits of any kind	4,455	
Severance pay	NA	(4)
Non-competition indemnity	NA	
Supplementary retirement scheme	NA	

- (1) Compensation paid by Bolloré Participations and Bolloré.
- (2) In 2016, Cédric de Baillencourt received compensation in the form of bonuses from Financière du Champ de Mars, Nord-Sumatra Investissements and Plantations des Terres Rouges, foreign entities controlled by Bolloré. The bonuses represent a percentage of the profits allocated as compensation to the directors.
- (3) In 2016, Cédric de Baillencourt received variable compensation of 50,000 euros as an employee of Bolloré. 60% of this compensation is based on the quality of his management of the services under his supervision and forty percent (40%) on the achievement of the debt target set by the Group (excluding share-based transactions). The maximum amount of the variable portion for 2016 was set at 50% of his fixed compensation at the start of the fiscal year.
- (4) There is no provision in the current scheme for the allocation of such elements of compensation.
- (5) Corresponds to 80,000 performance shares granted to Cédric de Baillencourt by the Board of Directors on September 1, 2016 acting on the authorization granted by the Extraordinary General Meeting of June 3, 2016.

VOTE ON THE PRINCIPLES AND CRITERIA FOR THE DETERMINATION, DISTRIBUTION AND ALLOCATION OF FIXED, VARIABLE AND EXCEPTIONAL ELEMENTS COMPOSING THE TOTAL COMPENSATION AND BENEFITS IN KIND ATTRIBUTABLE TO THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER BY VIRTUE OF THEIR DUTIES

The Law of December 9, 2016 regarding Transparency, Anti-Corruption and the Modernization of the Economy (Sapin II law) introduced a new system applicable to public limited companies whose shares are admitted to trading on a regulated market that provides for a vote by the shareholders as regards the compensation of certain executive company officers.

The Sapin II law entails dual measures:

An *ex ante* vote by the shareholders as from the Meeting held in 2017 called to approve the financial statements for the year ended December 31, 2016.

Pursuant to article L. 225-37-2 of the French company law (*Code de commerce*), a resolution must be presented each year to shareholders for the approval of "the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind attributable to the Chairman, Chief Executive Officers or Deputy Chief Executive Officers for their terms of office".

An *ex post* vote (article L. 225-100 of the French company law (*Code de commerce*), which will apply from the Ordinary General Meeting to be held in 2018. Pursuant to article L. 225-100, paragraph 10 of the French company law (*Code de commerce*), shareholders will then be called upon to decide on the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or allocated for the previous year to the Chairman of the Board of Directors, the Chief Executive Officer or the Deputy Chief Executive Officers.

We ask you **by means of the fourteenth resolution**, in accordance with article L. 225-37-2 of the French company law (*Code de commerce*), to approve the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional elements of the total compensation and benefits in kind attributable to the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer by virtue of their terms of office for fiscal year 2017 and in line with the compensation policy concerning them.

These principles and criteria adopted and approved by the Board of Directors on the recommendation of the Compensation and Appointments Committee are presented in the report provided for in article L. 225-37-2 of the French company law (*Code de commerce*) and presented in the annual report.

Pursuant to article L. 225-100 of the French company law (*Code de commerce*), the amounts resulting from the implementation of these principles and criteria will be submitted for your approval at the General Meeting called in 2018 to approve the financial statements for 2017.

POWERS TO BE GIVEN

The **fifteenth resolution** grants the powers necessary to carry out the required administrative and legal formalities.

Resolutions presented to the Ordinary General Meeting of June 1, 2017

FIRST RESOLUTION

(Approval of the financial statements for the 2016 fiscal year)

The General Meeting, having noted the report of the Board of Directors and the Chairman's management report on internal control, both of which it approves in their entirety, and the Statutory Auditors' report on the financial statements, approves the financial statements for the fiscal year ended December 31, 2016, as they were presented, as well as the transactions recorded in these financial statements and summarized in these reports.

It consequently discharges all directors from their duties for the year ended December 31, 2016.

SECOND RESOLUTION

(Approval of the consolidated financial statements for the 2016 fiscal year)

The General Meeting, having acknowledged the presentation made to it of the consolidated financial statements at December 31, 2016 and the Statutory Auditors' report, showing consolidated turnover of 10,075,494 thousand euros and consolidated net profit, Group share, of 228,452 thousand euros, approves the consolidated financial statements for the fiscal year ended December 31, 2016, as presented.

The General Meeting notes the content of the Group's management report, as included in the management report of the Board of Directors.

THIRD RESOLUTION

(Allocation of earnings)

The General Meeting approves the proposal made by the Board of Directors and resolves to allocate the distributable profit for the period as follows:

(in euros)	
Net income for the period	106,488,840.86
Retained profit carried over	291,091,889.97
Appropriation to the legal reserve	–
Distributable profit	397,580,730.83
Dividend	6,585,990.00
To the account "Amount carried forward"	390,994,740.83

The final dividend to be distributed for the fiscal year is thus set at one (1) euro per 16 euro nominal share.

In accordance with the law, it is stipulated that dividends received by natural persons domiciled for tax purposes in France, are subject to the progressive scale of income tax, after application of a rebate of 40%, the annual fixed allowance being abolished.

When they are paid, they will be subject to withholding tax at the rate of 21% and can be offset against income tax owed for the year during which payment was made. Persons whose reference tax income for the prior year is less than a certain amount (50,000 euros for single, widowed or divorced taxpayers, 75,000 euros for taxpayers subject to joint taxation) may apply to be exempted from this withholding tax.

The amounts thus distributed will become payable on June 14, 2017. In accordance with the provisions of article 243 bis of the French General Tax Code, the General Meeting notes that the amount per share of the dividends distributed for the last three fiscal years are as follows:

Fiscal year	2015	2014	2013
Number of shares	6,585,990	6,585,990	6,585,990
Dividends (in euros)	1 ⁽¹⁾	1 ⁽¹⁾	0.50 ⁽¹⁾
Amount distributed (in millions of euros)	6.6	6.6	3.3

(1) Dividends received by natural persons domiciled in France for tax purposes are subject to the progressive scale of income tax, after the application of a 40% rebate, the annual fixed allowance having been abolished.

When they are paid, they will be subject to withholding tax at the rate of 21% and can be offset against income tax owed for the year during which payment was made.

Persons whose reference tax income for the prior year is less than a certain amount (50,000 euros for single, widowed or divorced taxpayers, 75,000 euros for taxpayers subject to joint taxation) may apply to be exempted from this withholding tax.

FOURTH RESOLUTION

(Approval of regulated agreements and commitments)

The General Meeting, having examined the special report by the Statutory Auditors on the agreements and commitments mentioned in article L. 225-38 of the French company law (*Code de commerce*), and ruling on this report, notes that no new agreement was entered into in the year ended and notes the conditions of execution of previously authorized agreements.

FIFTH RESOLUTION

(Ratification of the co-option of a director)

The General Meeting ratifies the co-option as director of François Thomazeau, domiciled at Foncière de Paris SIIC, 41-43, rue Saint-Dominique, 75007 Paris, by the Board of Directors at its meeting of March 23, 2017 to replace Pierre Lemaire for the remainder of his term, namely until the Ordinary General Meeting called to approve the financial statements for the year ended December 31, 2016.

SIXTH RESOLUTION

(Renewal of the term of office of a director)

The General Meeting, noting that the term of office of Marie Bolloré on the Board of Directors is due to expire at the end of this Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the year ending December 31, 2019.

SEVENTH RESOLUTION

(Renewal of the term of office of a director)

The General Meeting, noting that the term of office of Céline Merle-Béral on the Board of Directors is due to expire at the end of this Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the year ending December 31, 2019.

EIGHTH RESOLUTION**(Renewal of the term of office of a director)**

The General Meeting, noting that the term of office as director of Olivier Roussel on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the year ending December 31, 2019.

NINTH RESOLUTION**(Renewal of the term of office of a director)**

The General Meeting, noting that the term of office as director of François Thomazeau on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the year ending December 31, 2019.

TENTH RESOLUTION**(Setting the amount of directors' fees)**

The General Meeting sets the maximum total amount of directors' fees that the Board of Directors may allocate to its members for the current fiscal year and for each subsequent year until otherwise decided by the General Meeting at four hundred and twenty thousand (420,000) euros.

ELEVENTH RESOLUTION**(Authorization granted to the Board of Directors to acquire company shares)**

The General Meeting, having reviewed the report of the Board of Directors, authorizes the Board, with the right of subdelegation under the conditions specified by law, to acquire company shares in accordance with the provisions of articles L. 225-209 *et seq.* of the French company law (*Code de commerce*) for the purpose of:

- i) reducing the company's share capital through the cancellation of shares;
- ii) honoring the obligations associated with stock option programs or other types of share allocations to employees or company officers of the company or an associate company;
- iii) their submission as a form of payment or exchange in the context of an acquisition, up to a limit of 5% of the share capital;
- iv) ensuring liquidity or the trading of the company's securities through an investment service provider bound by a liquidity contract in compliance with an ethics charter recognized by the *Autorité des marchés financiers* (AMF);
- v) delivering shares upon the exercise of the rights attached to securities or marketable securities giving access to the equity capital; and
- vi) implementing any market practice that may become recognized legally or by the AMF.

The maximum purchase price is set at 1,000 euros per share (excluding acquisition costs).

In the event of a capital increase through the incorporation of share premiums, reserves or profits resulting in either an increase in the par value or the creation or granting of free shares, as well as in the event of the division or consolidation of shares or any other type of transaction involving the share capital, the Board of Directors will be able to adjust the purchase price in order to take into account the impact of these transactions on the share value.

The Board of Directors will be able to acquire 592,739 shares under this authorization, or 9% of the company's share capital. The General Meeting grants all necessary powers to the Board of Directors, with the right of subdelegation under the conditions specified by law, to implement this authorization, and specifically to place any stock market order or order outside the market, allocate or reallocate the acquired shares to the various objectives sought, prepare all documents, make all disclosures and, generally, do all that is necessary.

This authorization is valid for a period of eighteen months from this Meeting.

TWELFTH RESOLUTION**(Opinion on the elements of compensation due or granted to Vincent Bolloré, Chairman of the Board of Directors, for the 2016 fiscal year)**

The General Meeting, consulted pursuant to the recommendation of paragraph 26 of the Afep-Medef Corporate Governance Code of November 2016, to which the company refers, and ruling under the quorum and majority conditions required for Ordinary General Meetings, issues a favorable opinion on the elements of compensation due or granted to Vincent Bolloré for the fiscal year ended December 31, 2016, as presented in the annual report.

THIRTEENTH RESOLUTION**(Opinion on the elements of compensation due or granted to Cédric de Baillencourt, Chief Executive Officer, in respect of the 2016 fiscal year)**

The General Meeting, consulted pursuant to the recommendation of article 26 of the Afep-Medef Corporate Governance Code of November 2016, to which the company refers, and ruling under the quorum and majority conditions required for Ordinary General Meetings, approves the elements of compensation due or granted to Cédric de Baillencourt for the year ended December 31, 2016, as presented in the annual report.

FOURTEENTH RESOLUTION**(Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional elements of total compensation and benefits of any kind that may be paid to Vincent Bolloré in his capacity as Chairman of the Board of Directors and to Cédric de Baillencourt in his capacity as Chief Executive Officer)**

Having reviewed the report provided for in article L. 225-37-2 of the French company law (*Code de commerce*), the General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional elements of the total compensation and benefits in kind presented in the report appended to the Board of Directors' management report and payable to Vincent Bolloré in his capacity as Chairman of the Board of Directors and to Cédric de Baillencourt in his capacity as Chief Executive Officer.

FIFTEENTH RESOLUTION**(Powers for formalities)**

The General Meeting assigns full powers to the persons bearing copies or extracts of these minutes for the completion of all legal formalities.

Report by the Board of Directors to the Extraordinary General Meeting of June 1, 2017

Ladies and Gentlemen,

We have convened this Extraordinary General Meeting to submit for your approval resolutions to reauthorize the Board to increase capital and in addition to authorize the Board to reduce capital by cancelling shares previously repurchased under a share buyback scheme.

DELEGATION OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL BY ISSUING ORDINARY SHARES OR ANY MARKETABLE SECURITIES GIVING ACCESS TO THE SHARE CAPITAL WITH PREFERENTIAL SUBSCRIPTION RIGHTS (FIRST RESOLUTION)

You are asked to delegate to the Board of Directors the authority, with the right of subdelegation for the Chief Executive Officer, to issue shares and marketable securities on one or more occasions that give access to the allocation of any marketable securities that would be issued to represent a portion of the company's share capital. These issues would have preferential subscription rights. The total nominal amount of marketable securities issued in the form of debt securities would be limited to six hundred million (600,000,000) euros, bearing in mind that the maximum total amount of any immediate or future capital increase resulting from the use of said authorization may not exceed a par value of four hundred million (400,000,000) euros.

In accordance with article L. 225-133 of the French company law (*Code de commerce*), the decision to authorize the shareholders to subscribe to shares on a reducible basis belongs to the issuing body.

If the subscriptions on a non-reducible basis and, where applicable, on a reducible basis do not account for the entire capital increase, the Board of Directors may, at its discretion and in an order that it shall determine, use the options below described in article L. 225-134 of the French company law (*Code de commerce*):

- limit the capital increase to the subscriptions received if they account for at least three-quarters of the capital increase.

This rule shall apply automatically unless the General Meeting decides otherwise;

- distribute unsubscribed shares among persons of its choice, unless the Meeting decides otherwise.

DELEGATION OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL BY ISSUING SHARES PAID FOR BY INCORPORATING RESERVES, PROFITS OR PREMIUMS OR BY RAISING THE PAR VALUE (SECOND RESOLUTION)

In addition, you are asked to delegate to the Board the authority to increase the share capital through the issue of ordinary shares to be paid through the incorporation of reserves, profits or premiums for a period of twenty-six months or by raising the par value of the shares comprising the share capital or by the simultaneous use of these two methods.

The issue of new shares or the increase in the par value of the aforementioned shares may not have the effect of increasing the share capital by an amount greater than 400,000,000 euros (four hundred million euros), which will be deducted from the capital increases that may be carried out under the comprehensive authorization to issue securities that grant immediate or future access to a portion of the company's share capital.

We ask you to grant full powers to the Board of Directors, with the right of subdelegation, under the conditions provided by law, to implement this delegation of authority.

DELEGATION OF POWER GRANTED TO THE BOARD OF DIRECTORS TO PERFORM A CAPITAL INCREASE LIMITED TO 10% OF THE SHARE CAPITAL PROVIDING COMPENSATION FOR SHARES OR SECURITIES CONTRIBUTED AND GIVING ACCESS TO SHARE CAPITAL (THIRD RESOLUTION)

Article L. 225-147 sub-section 6 of the French company law (*Code de commerce*) gives the extraordinary general meetings of companies whose securities are traded on a regulated market the option to delegate to their boards of directors for a period of twenty-six months the powers necessary to carry out a capital increase of up to 10% of their share capital as compensation for contributions consisting of equity securities or securities giving access to the share capital.

Accordingly, by approving the third resolution, you are asked to delegate to the Board of Directors the powers necessary to issue shares up to a limit of 10% of the share capital for a period of twenty-six months, as compensation for the contributions in kind made to the company comprised of equity-linked securities or securities giving access to share capital.

As a result, the Board of Directors would have full authority to approve the valuation of the contributions, note their completion, deduct from the acquisition premium any costs and fees resulting from the increase in the share capital, deduct from the acquisition premium the amounts necessary to fully fund the legal reserve and amend the articles of association.

DELEGATION OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS (UNDER THE REGULAR REQUIREMENT SET OUT IN ARTICLE L. 225-129-6 SUB-SECTION 2 OF THE FRENCH COMPANY LAW – CODE DE COMMERCE) TO CARRY OUT A CAPITAL INCREASE BY ISSUING SHARES RESERVED FOR EMPLOYEES WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS (FOURTH RESOLUTION)

Article L. 225-129-6 sub-section 2 of the French company law (*Code de commerce*) states that if the management report by the Board of Directors for the last fiscal year indicates that the shares held by employees of the company and related entities account for less than 3% of the share capital, the Extraordinary General Meeting must vote every three years on a draft resolution to carry out a capital increase under the conditions set out by article L. 3332-18 of the French Labor Code (*Code du travail*).

We therefore ask you to delegate to the Board of Directors the authority to increase the company's share capital, on one or more occasions, by issuing new shares and, if necessary, by granting free shares or other securities giving access to the share capital up to 1% of the amount of the securities comprising the share capital on that date and to reserve this capital increase to the members of company savings plans of the company and/or the entities or EIGs in which it directly or indirectly owns more than 50% of the share capital or voting rights.

It is asked that you expressly waive your preferential subscription rights to said members of a company savings plan.

The price of shares subscribed for by the members of a company savings plan will be greater than or equal to 80% of the average share price over the twenty trading sessions preceding the day on which the Board sets the subscription opening date.

AUTHORIZATION GRANTED TO THE BOARD OF DIRECTORS TO REDUCE THE SHARE CAPITAL THROUGH THE CANCELLATION OF SHARES PREVIOUSLY REPURCHASED AS PART OF A SHARE BUYBACK SCHEME (FIFTH RESOLUTION)

We ask you to authorize the Board to cancel the shares previously repurchased under a share buyback scheme and to subsequently reduce the share capital. The authorization would be granted for a maximum of eighteen months.

POWERS TO BE GIVEN (SIXTH RESOLUTION)

We request that you grant full powers to the bearer of copies or extracts of the minutes of this Extraordinary General Meeting to fulfill all legal formalities.

Agenda of the Extraordinary General Meeting of June 1, 2017

- Report by the Board of Directors.
- Special reports by the Statutory Auditors.
- Delegation of authority granted to the Board of Directors for the purpose of a capital increase through the issue of ordinary shares or of any marketable securities giving immediate or future access to the share capital with preferential subscription rights for shareholders.
- Delegation of authority granted to the Board of Directors to carry out a capital increase through the issue of ordinary shares to be paid through the incorporation of reserves, profits or premiums or by raising the par value.
- Delegation of power granted to the Board of Directors to carry out a capital increase limited to 10% of the share capital providing compensation for shares or securities contributed and giving access to equity.
- Delegation of authority granted to the Board of Directors (under the regular requirement set out in article L. 225-129-6 sub-section 2 of the French company law – *Code de commerce*) to increase the capital by issuing shares reserved for employees without preferential subscription rights.
- Authorization granted to the Board of Directors to reduce the share capital through the cancellation of shares previously repurchased as part of a share buyback scheme.
- Powers to be given.

Resolutions proposed to the Extraordinary General Meeting of June 1, 2017

DELEGATIONS OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS TO CARRY OUT CAPITAL INCREASES

As the delegations of authority granted to the Board of Directors by the Extraordinary General Meeting of June 4, 2015 will expire on August 4, 2017, it is proposed that you vote on their renewal.

- By voting on the **first resolution**, you are invited to delegate to the Board of Directors the authority to carry out capital increases through the issuance of ordinary shares or any marketable securities giving access to the share capital with preferential subscription rights. This method of capital increase prevents dilution in the case of shareholders who exercise their preferential subscription rights and allows shareholders who do not exercise their preferential subscription rights to sell them.

We propose that the total nominal amount of issues of marketable securities (giving access to the share capital) be limited to 600 million euros, it being specified that the maximum total amount of any immediate or future capital increase resulting from the use of said authorization could not exceed a par value of 400 million euros.

Such delegation of authority would be given for a period of twenty-six months from the date of this General Meeting and would render ineffective any previous delegation having the same purpose.

- By voting on the **second resolution**, it is proposed that you delegate to the Board the authority, with the right of subdelegation, to increase the share capital by issuing shares to be paid through the incorporation of reserves, profits or premiums or by raising the par value.

This delegation of authority would be granted for a period of twenty-six months from the date of this General Meeting and the issuance of new shares or the increase in the par value of the aforementioned shares could not have the effect of increasing the share capital by an amount greater than 400 million euros, which would be deducted from the ceiling stipulated in the first resolution.

- By voting on the **third resolution**, you are invited to grant the Board a delegation of twenty-six months from the date of this General Meeting to carry out a capital increase limited to 10% of the capital in compensation for contributions of securities to the company.

- By voting on the **fourth resolution**, it is proposed that you delegate to the Board for a period of twenty-six months from the date of this General Meeting the authority to conduct a capital increase through the issuance of shares reserved for employees with the cancellation of preferential subscription rights up to a limit of 1% of the amount of the shares comprising the share capital.

AUTHORIZATION GRANTED TO THE BOARD OF DIRECTORS TO REDUCE THE SHARE CAPITAL THROUGH THE CANCELLATION OF SHARES PREVIOUSLY REPURCHASED AS PART OF A SHARE BUYBACK SCHEME

The purpose of the **fifth resolution** is to authorize the Board of Directors, for a period of eighteen months from the date of this General Meeting to:

- reduce the share capital through the cancellation of shares previously purchased under a buyback scheme for its own shares, up to a maximum of 10% of the share capital per twenty-four-month period;
- attribute the difference between the purchase value of the canceled shares and their par value to the available premiums and reserves;
- grant the Board full authority, with the right of subdelegation, to set the terms and conditions of such capital reductions.

POWERS TO BE GIVEN

The **sixth resolution** is a customary resolution concerning the granting of the powers necessary to carry out the required administrative and legal formalities.

Resolutions presented to the Extraordinary General Meeting of June 1, 2017

FIRST RESOLUTION

Delegation of authority granted to the Board of Directors to carry out a capital increase by issuing ordinary shares or any marketable securities giving access to the share capital with preferential subscription rights for shareholders

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having reviewed the report by the Board of Directors and the special report by the Statutory Auditors, and in accordance with articles L. 225-129, L. 225-129-2 and L. 228-91 *et seq.* of the French company law (*Code de commerce*):

- delegates to the Board of Directors the authority to decide, within the proportions and under the conditions and timing it deems appropriate, one or several capital increases through the issue, in France or abroad, in euros, of ordinary company shares or any other type of marketable securities giving access via any means, immediately or in the future, to ordinary company shares; the marketable securities other than shares may also be denominated in foreign currencies or in a any monetary unit used as a benchmark for several currencies;
- sets the period of validity of this delegation of power at twenty-six months from this Meeting;
- decides to set the following limits on the amounts of the issues authorized in the event of the use of this delegation by the Board of Directors:
 - the total amount by which the share capital may be increased, immediately or in the future, shall not exceed a nominal ceiling of four hundred million (400,000,000) euros, not including any potential issue premiums;
 - where applicable, the nominal amount of the additional shares to be issued will be added to this ceiling, in the event of new financial transactions, to preserve the rights of the holders of securities giving right to shares in the future;
 - the total nominal amount of debt securities issued giving access to the share capital, immediately or in the future, shall not exceed six hundred million (600,000,000) euros or the exchange value of this amount at the issue date in any other currency or any monetary unit used as a benchmark for several currencies;
- decides that shareholders have, proportionally to their amount of shares, preferential subscription rights to securities issued under this resolution. In addition, the Board of Directors will, in accordance with the provisions of article L. 225-133 of the French company law (*Code de commerce*), have the option of instituting a subscription right for excess shares;
- notes that if subscriptions on a non-reducible basis and, where applicable, on a reducible basis, have not absorbed the entirety of an issue of shares or securities as defined above, the Board may use one and/or the other of the following options in the order it deems appropriate:
 - limit the issue to the amount of subscriptions received on the condition that it attain three quarters of the amount of the issue decided upon;
 - the free distribution of all or a portion of the unsubscribed securities, and decides that the Board may also offer all or a portion of the unsubscribed securities to the public;
- duly notes that, in accordance with the provisions of article L. 225-132 of the French company law (*Code de commerce*), this delegation automatically involves, for the benefit of holders of securities giving access to the share capital of the company, the express waiver by the shareholders of their preferential subscription rights to shares to which these securities will give the right;
- delegates to the Board of Directors, with the right to subdelegate to the Chief Executive Officer under the conditions set out in article L. 225-129-4 of the French company law, all powers necessary to determine the type and features of the securities to be created as well as the date and methods of issue, to set the amounts to be issued, to set the dividend entitlement date, even retroactively, of the securities to be issued, to set, if applicable, the methods and basis for conversion and to determine the repayment methods of the debt securities, to make any adjustments required to comply with legal and regulatory provisions, to attribute the expenses, rights and fees generated by these issues from the amount of the corresponding premiums and to deduct from this amount the sums needed to bring the legal reserve to the level of one tenth of the share capital after the issue, to proceed with the listing of the securities to be issued and, more generally, to take any measures, sign any agreements and perform any formalities necessary to successfully complete the planned issues,

to record the resulting capital increases and to make the corresponding amendments to the articles of association;

- duly notes that this delegation renders any previous delegation with the same purpose null and void;
- duly notes that, in the event that the Board of Directors makes use of this delegation, the Board of Directors will prepare, in accordance with the provisions of article L. 225-129-5 of the French company law (*Code de commerce*), an additional report to be presented to the following Ordinary General Meeting.

SECOND RESOLUTION

Delegation of authority granted to the Board of Directors to perform a share capital increase through the issue of ordinary shares to be paid through the incorporation of reserves, profits or premiums or by raising the par value

The Extraordinary General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report of the Board of Directors and ruling in accordance with the provisions of articles L. 225-129, L. 225-129-2 and L. 225-130 of the French company law (*Code de commerce*):

- delegates to the Board of Directors, the authority to increase the share capital, for a period of twenty-six months, through the issue of new ordinary shares to be paid by the incorporation of reserves, profits or premiums, or through raising of the par value of the shares making up the share capital or through the successive or simultaneous use of these two methods. The aforementioned issues of new shares or the increase in the par value of the shares shall not have the effect of increasing the share capital by a sum greater than four hundred million (400,000,000) euros which will be attributed to the total amount of the share increases that may be performed under the delegation of authority granted in the first resolution of this Meeting;
- decides that if a capital increase takes the form of the granting of free shares, in accordance with the provisions of article L. 225-130 of the French company law (*Code de commerce*), that the fraction of allotment rights shall not be negotiable and that the shares corresponding to the fractional lot will be sold, with the net income from the sale being allocated to the holders of these fractional lots, in proportion to their rights, no later than thirty days after the registration in their account of the entire number of equity-linked securities allocated;
- delegates to the Board of Directors with the right of subdelegation to the Chief Executive Officer under the conditions specified by article L. 225-129-4 of the French company law (*Code de commerce*) all powers necessary to implement this resolution, and in particular, to make the corresponding amendments to the articles of association;
- duly notes that this delegation renders any previous delegation with the same purpose null and void.

THIRD RESOLUTION

Delegation of power granted to the Board of Directors to increase the share capital up to 10% of equity as compensation for shares or securities contributed and giving access to the share capital

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having heard the report by the Board of Directors, and in accordance with the provisions of article L. 225-147 sub-section 6 of the French company law (*Code de commerce*):

- delegates to the Board of Directors, for a period of twenty-six months, the powers necessary to perform a capital increase within the limit of 10% of its share capital, with the aim of providing compensation for the contributions in kind granted to the company and consisting of equity-linked securities or securities giving access to the share capital;
- delegates all powers to the Board of Directors in order to approve the assessment of the contributions, to record their completion, to attribute, where applicable, to the capital contribution premium, the entirety of the expenses and rights resulting from the capital increase, to deduct from the capital contribution premium, the sums needed to fully fund the legal reserve and to amend the articles of association and, generally, to do what is necessary.

FOURTH RESOLUTION

Delegation of authority granted to the Board of Directors (under the regular requirement set out in article L. 225-129-6 sub-section 2 of the French company law) to carry out a capital increase by issuing shares reserved for employees without preferential subscription rights

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having reviewed the report by the Board of Directors and the special report by the Statutory Auditors, and in accordance with articles L. 225-129-2 sub-section 2 and L. 225-138-1 of the French company law (*Code de commerce*) and articles L. 3332-18 *et seq.* of the French Labor Code (*Code du travail*):

- delegates to the Board of Directors the authority to increase the share capital of the company, on one or several occasions, through the issue of new shares and, where applicable, the granting of free shares or other securities giving access to the share capital under the conditions specified by law, within a limit of 1% of the amount of the securities currently making up the share capital, reserved for participants in the company savings plans of the company and/or of the companies or an economic interest group in which it holds, directly or indirectly, over 50% of the share capital or the voting rights;
- decides to cancel preferential subscription rights for the participants for shares that may be issued under the terms of this delegation;
- decides that the price of the shares subscribed for by the aforementioned participants, pursuant to this delegation, will be equal to or greater than 80% of the average share price on the Euronext Paris regulated market or any alternative market over the twenty trading sessions preceding the day on which the Board of Directors sets the subscription opening date;
- gives to the Board of Directors, in accordance with the legal and regulatory provision within the limits and conditions specified above and, where applicable, in the context of the provisions adopted regarding savings plans, all powers to determine all conditions and methods applicable to the transactions and in particular:
 - to decide and set the methods for the granting of free shares or other securities giving access to the share capital, in application of the above-granted delegation,
 - to set the length of service requirements that will have to be met by the recipients of new shares from the capital increases that are the subject of this delegation,
 - to decide the amount to be issued, the issue price and the methods for each issue,
 - to approve the opening and closing dates of the subscriptions,
 - to set, within a maximum period of three years, the time period granted to subscribers for payment of their securities,

- to approve the date, even retroactively, from which the new shares will be entitled to dividends,
- to record the completion of the capital increase up to the limit of the amount of shares that will actually be subscribed or decide to raise the amount of said capital increase so that the entirety of the subscriptions received may be serviced,
- to take any measures necessary to complete the capital increases, undertake the resulting formalities and make the corresponding amendments to the articles of association in relation to these capital increases.

The delegation of authority thus granted to the Board of Directors, with the right of subdelegation to the Chief Executive Officer, is valid from the date of this General Meeting and for a subsequent period of twenty-six months.

FIFTH RESOLUTION

Authorization granted to the Board of Directors to reduce the share capital through the cancellation of shares previously repurchased as part of a share buyback scheme

The General Meeting, having reviewed the report of the Board of Directors and the special report by the Statutory Auditors:

- authorizes the Board of Directors, under the conditions and limits set by articles L. 225-209 *et seq.* of the French company law (*Code de commerce*):
 - to reduce the share capital, on one or more occasion, by all or a portions of the shares acquired by the company under a share buyback scheme for its own shares, within a limit of 10% of the share capital by periods of twenty-four months, and
 - to attribute the difference between the purchase value of the canceled shares and their par value to the available premiums and reserves;
- grants all powers to the Board of Directors, with the right of subdelegation under the conditions specified by law, to set the conditions and methods of this/these reduction(s) in share capital, to amend the articles of association accordingly, to make all disclosures, particularly to the *Autorité des marchés financiers* (AMF) and to any authority used as a substitute, to complete all formalities and, generally, to do what is necessary.

This authorization is valid for a period of eighteen months from this Meeting.

SIXTH RESOLUTION

Powers for formalities

The General Meeting shall also grant all powers to the bearers of an original, copy, or extract of the minutes of this Meeting to complete all necessary filings, publications, disclosures and formalities.

General information

- 158** — Information on the share capital
- 161** — Administrative and management bodies
- 168** — Compensation and benefits of company officers
- 177** — Report by the Board of Directors on the compensation policy for company officers
- 178** — Statutory Auditors' Report on the issue of various securities giving access to equity, with preferential subscription rights
- 179** — Statutory Auditors' Report on the capital increase by issuance of new shares and, where applicable, the allocation of free shares or other securities giving access to equity reserved for members of a company savings plan
- 180** — Statutory Auditors' report on the decrease in share capital
- 181** — Statement of the person responsible for the annual financial report

Information on the share capital

SHARE CAPITAL

Share capital at December 31, 2016 amounted to 105,375,840 euros, divided into 6,585,990 shares with a par value of 16 euros each, all of the same class and fully paid-up.

POTENTIAL SHARE CAPITAL

None.

AUTHORIZATION TO REPURCHASE SHARES, TO BE SUBMITTED TO THE NEXT ORDINARY GENERAL MEETING ON JUNE 1, 2017

The company does not currently have a valid authorization to buy back its own shares.

An authorization to buy back shares in accordance with articles L. 225-209 *et seq.* of the French company law will be submitted to the next Meeting.

DESCRIPTION OF THE SCHEME SUBMITTED FOR APPROVAL TO THE GENERAL MEETING ON JUNE 1, 2017

Breakdown by objectives of the securities held and open positions involving derivatives

Financière de l'Odéon does not hold any treasury shares or have any open positions involving derivatives.

Objectives of the share buyback scheme

- i) reducing the company's share capital through the cancellation of shares;
- ii) honoring the obligations associated with stock option programs or other types of share allocations to employees or company officers of the company or an associate company;
- iii) their submission as a form of payment or exchange in the context of an acquisition, up to a limit of 5% of the share capital;
- iv) ensuring liquidity or the trading of the company's securities through an investment service provider bound by a liquidity contract in compliance with an ethics charter recognized by the *Autorité des marchés financiers* (AMF);
- v) delivering shares upon the exercise of the rights attached to securities or marketable securities giving access to the equity capital; and
- vi) implementing any market practice that may become recognized legally or by the AMF.

Maximum percentage of the share capital, maximum number and characteristics of the equity-linked securities

The maximum portion of the share capital whose repurchase would be authorized by the General Meeting under the share buyback scheme is set at 592,739 shares, or 9% of the company's share capital at December 31, 2016. In accordance with article L. 225-210 of the French company law (*Code de commerce*), the number of shares that may be held by Financière de l'Odéon at any given time may not exceed 10% of the company's share capital on the date the purchases are made.

The securities that may be repurchased are ordinary shares of 16 euros nominal share listed on Euronext Paris, compartment A, under ISIN code number 0000062234.

Maximum authorized unit purchase price

The maximum unit purchase price shall not exceed 1,000 euros (excluding acquisition costs), but it may be adjusted by the Board of Directors, particularly to adjust the aforementioned maximum purchase price in the event of a capital increase through the incorporation of premiums, reserves or profits resulting in either an increase in the par value or in the creation or the granting of free shares, as well as in the event of a stock split or reverse split or any other transaction affecting the share capital, in order to take into account the impact of these transactions on the share price.

Duration of the share buyback scheme

The buyback scheme would have a duration of eighteen months from the Ordinary General Meeting of June 1, 2017, i.e. until December 1, 2018.

CAPITAL AUTHORIZED BUT NOT ISSUED

Issuance of securities giving access to the share capital directly or indirectly

Authorizations given by the Extraordinary General Meeting of June 4, 2015 (issuance of securities giving access to the share capital directly or indirectly).

- The Extraordinary General Meeting of June 4, 2015 granted the Board of Directors the authority to:

– issue, on one or more occasions, securities with preferential subscription rights giving access immediately or over time to a proportion of the company's capital.

The total nominal amount of the security issuances will be limited to 600 million euros, and the capital increase resulting from the use of this authorization cannot exceed 400 million euros,

– increase the share capital by issuing ordinary shares to be paid for by incorporation of reserves, profits or premiums or raising the par value of the shares making up the share capital or the simultaneous combination of these two methods. Issuing new shares or raising the par value of the shares cannot lead to a share capital increase in excess of 400 million euros, which would be imputed to any capital increases that may be carried out under the delegation of authority granted to issue securities giving access immediately or in the future to a proportion of the company's capital.

These authorizations, valid for twenty-six months, will expire on August 4, 2017. This authority has not been used during the 2016 fiscal year.

- In addition, the Extraordinary General Meeting of June 4, 2015 also delegated to the Board of Directors, for a period of twenty-six months, the powers necessary to conduct a capital increase within a limit of 10% of its share capital, to pay contributions in kind made to the company that consist of capital securities or securities giving access to the capital. This authorization will expire on August 4, 2017.

This authority has not been used during the 2016 fiscal year.

- In accordance with the provisions set forth by article L. 225-129-6, paragraph 2 of the French company law, the Extraordinary General Meeting of June 4, 2015 approved a draft resolution giving the Board full powers to carry out a capital increase within the limit of 1% of the share capital, restricted to members of a savings plan sponsored by the company and/or the companies or EIGs in which the company holds, directly or indirectly, more than 50% of the share capital or voting rights.

This authorization will expire on August 4, 2017.

Proposal to the Extraordinary General Meeting of June 1, 2017 to renew the delegations of authority

- The Extraordinary General Meeting to be held on June 1, 2017 after the Ordinary General Meeting will be asked to grant the Board the authority to:

– issue, on one or more occasions, securities with preferential subscription rights giving access immediately or over time to a proportion of the company's capital.

The total nominal amount of the security issuances will be limited to 600 million euros, and the capital increase resulting from the use of this authorization cannot exceed 400 million euros;

– increase the share capital by issuing ordinary shares to be paid for by incorporation of reserves, profits or premiums or raising the par value of the shares making up the share capital or the simultaneous combination of these two methods.

The issuances of new shares or the increase in the par value of the shares cannot lead to a capital increase in excess of 400 million euros, which will be imputed to any capital increases that may be carried out under the delegation of authority granted to issue securities giving access immediately or over time to a proportion of the company's capital.

- The Extraordinary General Meeting will also be asked to delegate to the Board of Directors for a period of twenty-six months the powers necessary to increase the share capital up to 10% of equity as compensation for contributions consisting of equity securities or securities giving access to the share capital.

- In accordance with article L. 225-129-6 sub-section 2 of the French company law, the Extraordinary General Meeting will be asked to vote on a draft resolution giving the Board full powers to carry out a capital increase, of up to 1% of the share capital, reserved for members of a savings plan sponsored by the company and/or companies or EIGs in which the company holds, directly or indirectly, more than 50% of the share capital or voting rights.

These authorizations, valid for twenty-six months, would expire on August 1, 2019.

SHARE SUBSCRIPTION OPTIONS OF ASSOCIATED COMPANIES

In accordance with article L. 225-180-II of the French company law, we bring to your attention the stock option plans granted by entities in which Financière de l'Odé directly or indirectly holds a majority interest.

BOLLORÉ TELECOM (EXTRAORDINARY GENERAL MEETING OF JULY 19, 2007)

Total number of shares that could be granted	659,975
Number of options granted	593,977
Number of options canceled during the fiscal year	32,999
Number of recipients	4
Total number of shares that could be subscribed at December 31, 2016 (exercise price: 6.07768 euros per share)	2,173,891 ⁽¹⁾

(1) Following a decision of Bolloré Telecom's shareholders on December 19, 2014, the exercise price and the number of shares that may be subscribed for were adjusted in order to take into account a capital reduction via a decrease in the par value of the shares (the share capital of 95,036,192 euros divided into shares with a par value of 16 euros was reduced to 20,195,190.80 euros divided into shares with a par value of 3.40 euros) followed by a capital increase through cash payment, bringing Bolloré Telecom's share capital to 95,030,000 euros.

FREE SHARES AND PERFORMANCE SHARES GRANTED BY RELATED ENTITIES

In accordance with the provisions of article L. 225-197-5 of the French company law, we draw your attention to the granting of shares by entities in which Financière de l'Odé directly or indirectly holds a majority interest.

BOLLORÉ

- Grants of free shares and performance shares in Bolloré to employees and executive company officers of this company and related companies as provided for in articles L. 225-197-1 *et seq.* of the French company law by Bolloré's Board of Directors on September 1, 2016 under the authorization granted by the Extraordinary General Meeting of June 3, 2016.

The terms and conditions for granting free shares are as follows:

Total number of shares granted:

	Grant
Total number of shares granted (unit value: 2.97 euros)	4,131,200
Grant dates	September 1, 2016
Vesting period (3 years)	September 2, 2019
Holding period	NA
Number of recipients	136
Cumulative number of granted shares expired	–
Number of free shares at December 31, 2016	4,131,200

- Vesting during the period of free shares granted

At May 21, 2016, 2,677,500 shares granted by the Board of Directors on August 31, 2010, pursuant to the authorization granted by the Extraordinary General Meeting of June 10, 2010, vested, with the beneficiaries required to hold their shares for a period of two years.

BLUE SOLUTIONS

Blue Solutions free shares and performance shares granted to employees and executive company officers of Blue Solutions and entities related to it under the conditions set out in articles L. 225-197-1 *et seq.* of the French company law by the Board of Directors of Blue Solutions on January 7, 2014 under the authorization granted it by the Extraordinary General Meeting Of August 30, 2013.

The terms and conditions for granting free shares are as follows:

	First award	Second award
Total number of free shares granted: 378,000	364,500	13,500
Grant date	January 8, 2014	April 7, 2014
Vesting period (4 years)	January 8, 2018	April 7, 2018
Holding period (2 years)	January 8, 2020	April 7, 2020
Number of recipients	78	2
Cumulative number of granted shares expired	20,000	–
Number of free shares at December 31, 2016: 358,000	344,500	13,500

HAVAS

Grants of free shares and performance shares in Havas to employees and executive company officers of this company and related companies as provided for in articles L. 225-197-1 *et seq.* of the French company law by the Board of Directors.

	Plan dated 01/29/2014	Plan dated 01/19/2015	Plan dated 03/19/2015	Plan dated 08/27/2015
Date of Meeting	June 5, 2013	June 5, 2013	June 5, 2013	June 5, 2013
Date of Board of Directors' meeting	January 29, 2014	January 19, 2015	March 19, 2015	August 27, 2015
Total number of free shares and performance shares granted ⁽¹⁾	2,465,000	2,420,000	70,000	119,960
Vesting date of shares ⁽²⁾	April 29, 2018	April 19, 2019	June 19, 2019	November 27, 2019
Date of end of holding period	April 29, 2018	April 19, 2019	June 19, 2019	November 27, 2019
Number of shares subscribed or purchased at December 31, 2016	0	0	0	0
Cumulative number of shares canceled or expired at December 31, 2016	474,000	229,000	0	25,440
Number of performance shares and free shares remaining at December 31, 2016	1,991,000	2,191,000	70,000	94,520

	Plan A dated 05/10/2016	Plan B dated 05/10/2016	Plan C dated 05/10/2016	Plan dated 07/21/2016
Date of Meeting	May 10, 2016	May 10, 2016	May 10, 2016	May 10, 2016
Date of Board of Directors' meeting	May 10, 2016	May 10, 2016	May 10, 2016	July 21, 2016
Total number of free shares and performance shares ⁽¹⁾	90,000	2,494,000	200,000	147,960
Vesting date of shares	May 10, 2020 ⁽³⁾	May 10, 2020 ⁽⁴⁾	May 10, 2019 ⁽⁵⁾	July 21, 2020 ⁽⁴⁾
Date of end of holding period	May 10, 2020	May 10, 2020	May 10, 2019	July 21, 2020
Number of shares subscribed or purchased at December 31, 2016	0	0	0	0
Cumulative number of shares canceled or expired at December 31, 2016	0	43,000	0	15,960
Number of performance shares and free shares remaining at December 31, 2016	90,000	2,451,000	200,000	132,000

(1) Number of free shares and performance shares granted by the Board of Directors.

(2) The final vesting of shares is subject to the continuous presence of recipients until the end of the vesting period, set at four years and three months, and to the fulfillment of conditions associated with the changes in Havas group's performance.

. Grant of January 29, 2014: between the reference period (2008 to 2013) and the vesting period (2014 to 2017) based on the organic growth in the gross margin, the current operating margin, the net income Group share and the net profit per share, two of these four criteria must be met.

. Grant of January 19, 2015: between the reference period (2009 to 2014) and the vesting period (2015 to 2018) based on the organic growth in the gross margin, the current operating margin, the net income Group share and the net profit per share, two of these four criteria must be met.

. Grant of March 19, 2015: between the reference period (2009 to 2014) and the vesting period (2015 to 2018) based on the organic growth in the gross margin, the current operating margin, the net income Group share and the net profit per share, two of these four criteria must be met.

. Grant of August 27, 2015: between the reference period (2009 to 2014) and the vesting period (2015 to 2018) based on the organic growth in the gross margin, the current operating margin, the net income Group share and the net profit per share, two of these four criteria must be met.

(3) The final vesting of shares is subject to the continuous presence of recipients until the end of the vesting period, set at four years, and to the fulfillment of conditions associated with the changes in Havas group's performance between the reference period (2010 to 2015) and the vesting period (2016 to 2019), based on the organic growth in the gross margin, the current operating margin, the net income Group share and the net profit per share, two of these four criteria must be met.

(4) The final vesting of shares is subject to the continuous presence of recipients until the end of the vesting period, set at four years.

(5) The vesting period is set at three years. The number of shares vesting at the end of this three-year period declines in the event the beneficiary leaves before the end of this period.

NON-EQUITY SECURITIES

BOND LOANS

The company has not issued any bond loans.

FINANCIAL INFORMATION

Investors and shareholders requiring further details on the Group are invited to contact the Financial Communications and Investor Relations Department:

Emmanuel Fossoirier	Xavier Le Roy
Financial Communications Director	Investor Relations Director
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In addition, visitors to the Group's website (www.bolloré.com) may consult press releases and financial details under the headings "Press" and "Investors", respectively.

Financière de l'Odéon's website, which contains regulated information, is: www.financiere-odet.com.

Provisional calendar 2017

June 1, 2017	Annual General Meeting
June 14, 2017	Payment of dividend for the 2016 fiscal year

Administrative and management bodies

STATUTORY INFORMATION AND MODE OF MANAGEMENT

In accordance with the articles of association, the Board of Directors must opt for one of two modes of corporate management, namely, separating or combining the functions of Chief Executive Officer and Chairman of the Board of Directors, whenever the Chairman or the Chief Executive Officer is appointed or reappointed. The mode of management adopted remains in force until the end of the term of office of the first of these.

At its meeting of June 3, 2016, the Board of Directors, deliberating in accordance with the articles of association, having concluded that the current mode of governance suited the company well, resolved to keep separate the functions of Chairman and Chief Executive Officer; consequently, after reappointing Vincent Bolloré as Chief Executive Officer and Vice-Chairman.

COMPOSITION OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

Directors	Nation- ality	Date of birth	Gender	Start of term of office	Date of last term renewed	End of term of office	Inde- pendent Director	Attend- ance rate by Meeting of Board meeting	Board of Committee of member	Attend- ance rate by meeting of the Committee meeting
Vincent Bolloré, Chairman of the Board of Directors	French	04/01/1952	M	04/29/1994	06/03/2016	2019 (GM approving the 2018 financial statements)	–	100%	–	–
Cédric de Bailliencourt, Vice-Chairman and Chief Executive Officer	French	07/10/1969	M	10/14/1999	06/03/2016	2019 (GM approving the 2018 financial statements)	–	100%	–	–
Marc Bebon Representative of Bolloré Participations	French	01/30/1948	M	11/16/1992	06/03/2016	2019 (GM approving the 2018 financial statements)	–	100%	–	–
Chantal Bolloré	French	09/06/1943	F	06/03/2016	–	2019 (GM approving the 2018 financial statements)		100%	–	–
Cyrille Bolloré	French	07/19/1985	M	06/10/2010	06/03/2016	2019 (GM approving the 2018 financial statements)	–	100%	CNR ⁽¹⁾	100%
Marie Bolloré	French	05/08/1988	F	06/09/2011	06/05/2014	2017 (GM approving the 2016 financial statements)	–	100%	–	–
Sébastien Bolloré Representative of Socfrance	French	01/24/1978	M	11/16/1992	06/03/2016	2019 (GM approving the 2018 financial statements)	–	100%	–	–
Yannick Bolloré	French	02/01/1980	M	06/05/2013	06/03/2016	2019 (GM approving the 2018 financial statements)	–	100%	–	–
Valérie Coscas	French	07/17/1974	F	06/03/2016	–	2019 (GM approving the 2018 financial statements)	Yes	100%	–	–
Marie-Annick Darmaillac Representative of Financière V	French	11/24/1954	F	06/03/2016	–	2019 (GM approving the 2018 financial statements)	–	100%	–	–
Hubert Fabri	Belgian	01/28/1952	M	06/12/1996	06/03/2016	2019 (GM approving the 2018 financial statements)	Yes	75%	–	–
Janine Goalabré Representative of Omnium Bolloré	French	02/29/1948	F	06/03/2016	–	2019 (GM approving the 2018 financial statements)	–	100%	–	–
Céline Merle-Béral	French	01/16/1969	F	06/05/2014	–	2017 (GM approving the 2016 financial statements)	–	100%	–	–
Alain Moynot	French	10/30/1945	M	04/29/1994	06/03/2016	2019 (GM approving the 2018 financial statements)	Yes	75%	Audit Committee	100%
Olivier Roussel	French	06/12/1947	M	06/09/2011	06/05/2014	2017 (GM approving the 2016 financial statements)	Yes	75%	Audit Committee CAC ⁽¹⁾	100% 100%
Martine Studer	Franco- Ivorian	01/30/1961	F	06/05/2013	06/03/2016	2019 (GM approving the 2018 financial statements)	Yes	100%	Audit Committee CAC ⁽¹⁾	50% 50%
François Thomazeau	French	06/07/1949	M	03/23/2017	–	2017 (GM approving the 2016 financial statements)	Yes	–	–	–
Changes in the composition of the Board										
Pierre Lemaire	Pierre Lemaire died on January 29, 2017									
François Thomazeau	François Thomazeau was coopted on March 23, 2017									

(1) Compensation and Appointments Committee (CAC).

LIST OF EXECUTIVE OFFICES AND POSITIONS OF COMPANY OFFICERS

In accordance with the provisions of article L. 225-102-1, sub-section 4, we set out here below a list of all offices and positions held by each company officer, in any company, during the fiscal year.

VINCENT BOLLORÉ, Chairman of the Board of Directors

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Chairman and Chief Executive Officer of Bolloré⁽¹⁾ and Bolloré Participations (SA);
 - Chairman of the Board of Directors (separate Chairman and Chief Executive Officer) of Financière de l'Odé⁽¹⁾ and Blue Solutions⁽¹⁾;
 - Chairman of SOMABOL (SCA);
 - Chief Executive Officer of Omnium Bolloré (SAS) and Financière V (SAS);
 - Director of Blue Solutions⁽¹⁾, Bolloré⁽¹⁾, Bolloré Participations, Financière Moncey⁽¹⁾, Financière de l'Odé⁽¹⁾, Financière V, Omnium Bolloré;
 - Permanent representative of Bolloré Participations on the Board of Société Industrielle et Financière de l'Artois⁽¹⁾;
 - Permanent representative of Bolloré Participations on the Supervisory Board of Compagnie du Cambodge⁽¹⁾.
- *Other corporate offices*
- Chairman and member of the Supervisory Board of Vivendi⁽¹⁾;
 - Permanent representative of Bolloré on the Board of Fred & Farid Group (SAS);
 - Chairman and member of the Supervisory Board of the Canal+ group (SA).

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Chairman of the Boards of Directors of Nord-Sumatra Investissements, Financière du Champ de Mars and BB Groupe SA;
 - Director of BB Group SA and Plantations des Terres Rouges;
 - Acting Director of Nord-Sumatra Investissements and Financière du Champ de Mars;
 - Permanent representative of Bolloré Participations on the Board of Directors of Bolloré Transport & Logistics Congo (formerly Bolloré Africa Logistics Congo).
- *Other corporate offices*
- Vice-Chairman of Société des Caoutchoucs de Grand Bereby (SOGB)⁽¹⁾ and Bereby Finances;
 - Director of Socfinaf (formerly Intercultures)⁽¹⁾, Liberian Agricultural Company (LAC), Plantations Nord-Sumatra Ltd, Socfin (formerly Socfinal)⁽¹⁾, Socfinasia⁽¹⁾, Socfindo, Socfin KCD, Socfin Agricultural Company Ltd (SAC), Plantations Socfinaf Ghana Ltd (PSG), Coviphama Ltd and Socfinco FR;
 - Permanent representative of Bolloré Participations on the Boards of Directors of Bereby Finances, Société Camerounaise de Palmeraies (Socapalm)⁽¹⁾, Société des Caoutchoucs de Grand Bereby (SOGB)⁽¹⁾, Brabanta and SAFA Cameroun⁽¹⁾.

CÉDRIC DE BAILLIENCOURT, Vice-Chairman and Chief Executive Officer

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Vice-Chairman and Chief Executive Officer of Financière de l'Odé⁽¹⁾;
- Vice-Chairman of Bolloré⁽¹⁾;
- Chairman of the Management Board of Compagnie du Cambodge⁽¹⁾;
- Chairman of the Boards of Directors of Compagnie des Tramways de Rouen, Financière Moncey⁽¹⁾, Société des Chemins de Fer et Tramways du Var et du Gard and Société Industrielle et Financière de l'Artois⁽¹⁾;
- Chairman of Blueboat (formerly Compagnie de Bénodet), Compagnie des Glénans, Compagnie de Tréguennec, Compagnie de Cornouaille, Compagnie de Guénolé, Compagnie de Guilvinec, Compagnie de Pleuven, Financière V, Financière de Beg Meil, Financière d'Ouessant, Financière du Perquet, Financière de Sainte-Marine, Financière de Pont-Aven, Imperial Méditerranéen, Compagnie de Pont-l'Abbé, Financière de Quimperlé, Financière de l'Argoat and Compagnie de Concarneau;
- Manager of Socarfi and Compagnie de Malestroit;

- Director of Bolloré⁽¹⁾, Bolloré Participations, Compagnie des Tramways de Rouen, Financière V, Financière Moncey⁽¹⁾, Omnium Bolloré, Société Industrielle et Financière de l'Artois⁽¹⁾, Financière de l'Odé⁽¹⁾ and Société des Chemins de Fer et Tramways du Var et du Gard;
 - Permanent representative of Bolloré on the Boards of Directors of Havas⁽¹⁾ and Socotab;
 - Member of the Supervisory Board of Sofibol.
- *Other corporate offices*
- Director of the musée National de la Marine;
 - Member of the Supervisory Board of Vallourec⁽¹⁾;
 - Permanent representative of Compagnie du Cambodge on the Supervisory Board of Banque Hottinguer (formerly Banque Jean-Philippe Hottinguer & Cie).

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Chairman of Redlands Farm Holding;
 - Chairman of the Board of Directors of Plantations des Terres Rouges, PTR Finances and SFA;
 - Director of African Investment Company, Financière du Champ de Mars, La Forestière Équatoriale⁽¹⁾, BB Groupe, PTR Finances, Plantations des Terres Rouges, SFA, Sorebol, Technifin and Pargefi Helios Iberica Luxembourg;
 - Permanent representative of Pargefi Helios Iberica Luxembourg SA on the Board of Participaciones y gestion financiera SA;
 - Permanent representative of Bolloré Participations on the Board of Nord-Sumatra Investissements.
- *Other corporate offices*
- Permanent representative of Bolloré Participations on the Boards of Socfinasia⁽¹⁾, Socfinaf (formerly Intercultures)⁽¹⁾, Socfinde, Terrasia, Socfin (formerly Socfinal)⁽¹⁾ and Induservices SA.

BOLLORÉ PARTICIPATIONS

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Member of the Supervisory Board of Compagnie du Cambodge⁽¹⁾;
 - Director of Bolloré⁽¹⁾, Compagnie des Tramways de Rouen, Financière de l'Odé⁽¹⁾, Société des Chemins de Fer et Tramways du Var et du Gard, Société Industrielle et Financière de l'Artois⁽¹⁾.
- *Other corporate offices*
- None.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Director of Nord-Sumatra Investissements, Bolloré Transport & Logistics Congo (formerly Bolloré Africa Logistics Congo) and SFA.
- *Other corporate offices*
- Director of Bereby Finances, Société Camerounaise de Palmeraies (Socapalm)⁽¹⁾, Société des Caoutchoucs de Grand Bereby (SOGB)⁽¹⁾, Socfinaf (formerly Intercultures)⁽¹⁾, Induservices, Socfin (formerly Socfinal)⁽¹⁾, Socfinasia⁽¹⁾, Socfinde, Terrasia, Brabanta and SAFA Cameroun⁽¹⁾.

CHANTAL BOLLORÉ

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Director of Bolloré⁽¹⁾, Financière de l'Odé⁽¹⁾, Société Industrielle et Financière de l'Artois⁽¹⁾ and Financière Moncey⁽¹⁾;
 - Member of the Supervisory Board of Compagnie du Cambodge⁽¹⁾.
- *Other corporate offices*
- None.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- None.
- *Other corporate offices*
- None.

(1) Listed company.

CYRILLE BOLLORÉ**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Chairman of the Board of Directors of Bolloré Energy;
 - Chairman of Bolloré Transport & Logistics Corporate (formerly Bolloré Transport & Logistics);
 - Deputy Chief Executive Officer of Bolloré⁽¹⁾;
 - Chief Executive Officer of Société Industrielle et Financière de l'Artois⁽¹⁾;
 - Vice-Chairman and Managing Director of Bolloré⁽¹⁾;
 - Director of Bolloré⁽¹⁾, Bolloré Energy, Bolloré Participations, Financière de l'Odé⁽¹⁾, Financière V, Omnium Bolloré, Société Industrielle et Financière de l'Artois⁽¹⁾, Blue Solutions⁽¹⁾ and Bolloré Africa Railways;
 - Permanent representative of Compagnie du Cambodge on the Board of Financière Moncey⁽¹⁾;
 - Permanent representative of Financière de Cézembre on the Board of Société Française Donges-Metz;
 - Permanent representative of Bolloré Transport & Logistics Corporate on the Boards of Bolloré Africa Logistics and Bolloré Logistics;
 - Chairman of the Supervisory Boards of Sofibol and Compagnie du Cambodge⁽¹⁾;
 - Member of the Supervisory Boards of Sofibol and Compagnie du Cambodge⁽¹⁾;
 - Chairman of BlueElec.
- *Other corporate offices*
- Vice-Chairman of the Comité Professionnel des Stocks Stratégiques Pétroliers.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Director of Cica SA (CH), Satram Huiles SA (CH), Financière du Champ de Mars SFA SA, Nord-Sumatra Investissements, Plantations des Terres Rouges and African Investment Company;
- Permanent representative of Socapao on the Board of Congo Terminal;
- Permanent representative of Société de Participations Africaines on the Boards of Douala International Terminal and Bolloré Transport & Logistics Congo (formerly Bolloré Africa Logistics Congo);
- Permanent representative of Société Financière Panafricaine on the Board of Camrail.

— *Other corporate offices*

None.

MARIE BOLLORÉ**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Chief Executive Officer of electrical mobility applications;
- Director of Bolloré⁽¹⁾, Financière de l'Odé⁽¹⁾, Société Industrielle et Financière de l'Artois⁽¹⁾, Blue Solutions⁽¹⁾, Bolloré Participations, Financière V and Omnium Bolloré;
- Member of the Supervisory Boards of Sofibol and Compagnie du Cambodge⁽¹⁾.

— *Other corporate offices*

None.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

- Director of Mediobanca⁽¹⁾.

SOCFRANCE**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Director of Financière de l'Odé⁽¹⁾.

— *Other corporate offices*

None.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

None.

YANNICK BOLLORÉ**Corporate offices held in non-French companies**

— *Corporate offices held within the Bolloré Group*

- Chairman and Chief Executive Officer of Havas⁽¹⁾ and HA Pôle Ressources Humaines;
 - Vice-Chairman of Bolloré⁽¹⁾;
 - Director of Bolloré⁽¹⁾, Bolloré Participations, Financière de l'Odé⁽¹⁾, Financière V, Havas⁽¹⁾ and Omnium Bolloré;
 - Member of the Executive Board of JCDecaux Bolloré Holding and Havas Media Africa;
 - Member of the Supervisory Board of Sofibol;
 - Director of Havas Media France and HA Pôle Ressources Humaines;
 - Permanent representative of Havas on the Board of Médiamétrie and W&Cie;
 - Permanent representative of Havas on the Board of Directors of Havas Paris (formerly Havas Worldwide Paris);
 - Permanent representative of Havas on the Board of Havas Life Paris;
 - Member of the Supervisory Board of MFG R&D.
- *Other corporate offices*
- Member of the Supervisory Board of Vivendi⁽¹⁾;
 - Director of the Musée Rodin.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Director of Arena Communications Network, SL;
- Chairman of Havas North America, Inc.;
- Chairman of Havas Worldwide, LLC;
- Director of Havas Worldwide Middle East FZ, LLC;
- Permanent representative of Havas on the Board of Directors of Havas Worldwide Brussels.

— *Other corporate offices*

None.

VALÉRIE COSCAS⁽²⁾**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Director of Bolloré⁽¹⁾ and Financière de l'Odé⁽¹⁾.

— *Other corporate offices*

- Board member of Welovewords;
- Board member of Sirdata;
- Member of the Steering Committee of ForePaas;
- Secretary-General of INSEAD Business Angels Alumni Club France.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

None.

FINANCIÈRE V**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Director of Bolloré⁽¹⁾ and Financière de l'Odé⁽¹⁾.

— *Other corporate offices*

None.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

None.

(1) Listed company.

(2) Independent director.

HUBERT FABRI⁽²⁾**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Vice-Chairman of the Supervisory Board of Compagnie du Cambodge
- Member of the Supervisory Board of Compagnie du Cambodge⁽¹⁾;
- Director of Bolloré⁽¹⁾, Financière Moncey⁽¹⁾, Financière de l'Odé⁽¹⁾ and Société Industrielle et Financière de l'Artois⁽¹⁾.

— *Other corporate offices*

- Chairman of Société Anonyme Forestière et Agricole (SAFA).

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Vice-Chairman of Plantations des Terres Rouges;
- Director of Financière du Champ de Mars, La Forestière Équatoriale⁽¹⁾, Nord-Sumatra Investissements and Plantations des Terres Rouges.

— *Other corporate offices*

- Chairman of the Boards of Directors of Be-fin, Induservices SA, Palmeraies de Mopoli⁽¹⁾, Socfin⁽¹⁾ (formerly Socfinal), Socfinaf⁽¹⁾ (formerly Intercultures), Socfinasia⁽¹⁾, Socfinde, Plantations Nord-Sumatra Ltd and Liberian Agricultural Company (LAC);
- Vice-Chairman of Société des Caoutchoucs de Grand Bereby⁽¹⁾ (SOGB);
- Chairman of Plantations Socfinaf Ghana Ltd (PSG);
- Director of Coviphama Ltd, Palmeraies de Mopoli⁽¹⁾, Okomu Oil Palm Company⁽¹⁾, Socfin⁽¹⁾ (formerly Socfinal), Socfinaf⁽¹⁾ (formerly Intercultures), Socfinasia⁽¹⁾, Socfin Agricultural Company (SAC), Socfin KCD, Socfindo, Plantations Socfinaf Ghana Ltd (PSG), Terrasia, Brabanta and SAFA Cameroun⁽¹⁾;
- Permanent representative of PF Représentation on the Board of Société Camerounaise de Palmeraies (Socapalm)⁽¹⁾.

OMNIUM BOLLORÉ**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Director of Bolloré⁽¹⁾ and Financière de l'Odé⁽¹⁾.

— *Other corporate offices*

None.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

None.

CÉLINE MERLE-BÉRAL**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Chairman and Chief Executive Officer of Rivaud Innovation;
- Director of Bolloré⁽¹⁾, Financière de l'Odé⁽¹⁾, Financière Moncey⁽¹⁾ and Société Industrielle et Financière de l'Artois⁽¹⁾;
- Member of the Supervisory Board of Compagnie du Cambodge⁽¹⁾;
- Permanent representative of Bolloré Participations on the Boards of Compagnie des Tramways de Rouen and Société des Chemins de Fer et Tramways du Var et du Gard.

— *Other corporate offices*

None.

Corporate offices held in non-French companies

None.

ALAIN MOYNOT⁽²⁾**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Director of Financière de l'Odé⁽¹⁾.

— *Other corporate offices*

- Director of Robertet SA;
- Managing Partner of Almo-finances;

- Managing Partner of CSM Investissement;
- Manager of SCI Mag;
- Senior Advisor of Société Financière de Courcelles.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

None.

OLIVIER ROUSSEL⁽²⁾**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Director of Bolloré⁽¹⁾, Financière de l'Odé⁽¹⁾, Financière Moncey⁽¹⁾ and Société Industrielle et Financière de l'Artois⁽¹⁾.

— *Other corporate offices*

- Director of Lozé et Associés.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

- Director of Alternative SA, which became ITERAM Investments SA;
- Director of Kaltchuga Opportunities SICAV-FIS.

MARTINE STUDER⁽²⁾**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Director of Blue Solutions⁽¹⁾, Bolloré⁽¹⁾ and Financière de l'Odé⁽¹⁾.

— *Other corporate offices*

None.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Chairperson of the Board of Directors of Bolloré Transport & Logistics Côte d'Ivoire (formerly Bolloré Africa Logistics Côte d'Ivoire);
- Permanent representative of SPA on the Board of Directors of Abidjan Terminal.

— *Other corporate offices*

- Director of Océan Conseil (Republic of Côte d'Ivoire);
- Chairman of Board of Directors of Océan Central Africa (Cameroon);
- Chairman and Chief Executive Officer of Océan Ogilvy Gabon (Gabon);
- Director of CIPREL (Republic of Côte d'Ivoire);
- Director of SAPE (Republic of Côte d'Ivoire);
- Director of SMPCI (Republic of Côte d'Ivoire);
- Director of Fondation des Parcs et Réserves de Côte d'Ivoire (Republic of Côte d'Ivoire);
- Managing Director of Compagnie des Gaz de Côte d'Ivoire;
- Manager of Pub Regie (Republic of Côte d'Ivoire).

FRANÇOIS THOMAZEAU⁽²⁾**Corporate offices held in French companies**

— *Corporate offices held within the Bolloré Group*

- Director of Bolloré⁽¹⁾, Chairman of the Audit Committee.

— *Other corporate offices*

- Chairman of the Management Board of Foncière de Paris SIIC⁽¹⁾;
- Permanent representative of Foncière de Paris on the Board of Directors of Eurosic⁽¹⁾ until February 2016;
- Member of the Supervisory Boards of IDI SCA⁽¹⁾ (until May 2016) and Consolidation et Développement Gestion SAS;
- Observer of Locindus⁽¹⁾ and Idinvest Partners.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

- Chairman of the Board of Directors of Allianz Benelux.

(1) Listed company.

(2) Independent director.

PROPOSAL TO RATIFY THE COOPTION OF A DIRECTOR

The Board of Directors will ask the Ordinary General Meeting to ratify the cooption of François Thomazeau as a director for the remainder of the term of office of his predecessor, namely until the Ordinary General Meeting called to approve the financial statements for the year ended December 31, 2016.

PROPOSAL TO RENEW TERMS OF OFFICE OF DIRECTORS

The Board of Directors will ask the Ordinary General Meeting to reappoint Marie Bolloré, Céline Merle-Béral, Olivier Roussel and François Thomazeau as directors for a duration of three years, namely until the Ordinary General Meeting called to approve the financial statements for the year ending December 31, 2019.

CORPORATE GOVERNANCE REGIME

The Group refers to the French Corporate Governance Code for listed companies established by the Afep and the Medef. In November 2016, the Afep and the Medef produced a new revision of this Code.

On March 23, 2017, the Board reviewed the application guide for the December 2016 revision of the Afep-Medef Code, and, in light of its past decisions on how to apply the Corporate Governance Code, it reconsidered some of its provisions and reaffirmed that the company would continue to use the Afep-Medef Corporate Governance Code as a reference.

The November 2016 revision to the Afep-Medef Code introduced a distinction between executive company officers (Chairman and Chief Executive Officer, Chief Executive Officer, Deputy Chief Executive Officer, Chairman and Members of the Management Board, Manager of limited partnerships) and non-executive company officers (separate Chairman of the Board of Directors and Chairman of the Supervisory Board of public limited companies with a Management Board or of limited partnerships).

The Code's recommendations must therefore be considered having regard to the precise nature of the position held, it being noted that the term "executive company officer" encompasses all the executives listed above and that the term "company officer" encompasses these same executives, plus directors and members of the Supervisory Board.

RECOMMENDATIONS SUBJECTED TO A SPECIFIC REVIEW

HOLDING PERIOD OF SHARES

At its meeting of March 23, 2017, the Board of Directors noted that the minimum number of company shares that executive company officers are required to hold, as decided by the Board at its meeting of March 20, 2014 (*i.e.* 30 shares), had been met.

CONCURRENT OFFICES HELD

At its meeting on March 23, 2017, the Board of Directors reviewed the rules concerning the concurrent holding of offices and consequently reconsidered the situations of Cédric de Bailliencourt, Chief Executive Officer, and Vincent Bolloré, Chairman of the Board of Directors.

The Afep-Medef calls for different rules concerning the concurrent holding of offices depending on what position a company officer holds.

For executive company officers, article 18 of the Code states that the number of directorships that may be exercised by an executive company officer in listed companies outside his or her Group, including non-French companies, should be limited to two, bearing in mind that the limit of two offices does not apply "to directorships held by an executive company officer in subsidiaries and common shareholdings of entities whose main activity is to acquire and manage such shareholdings".

The Afep-Medef Code application guide published in December 2016 confirmed the following clarifications previously made to the application of those exemptions:

- it is attached to a person, in view of the time that he or she is in a position to devote to exercising a directorship;
- it concerns persons who hold a position of executive company officer in a listed company whose main activity is to acquire or manage shareholdings;
- it applies to each of the listed companies in which the executive company officer holds a directorship, whenever they are subsidiaries and shareholdings, directly or indirectly held solely or in concert by the company whose main activity is to acquire or manage shareholdings in which he or she exercises a term of office of executive company officer;
- it does not apply to an executive company officer of a listed company whose main activity is not to acquire or manage holdings (*i.e.*, an operating company) with regard to their offices held in listed companies in which a subsidiary of the company in which they are an executive holds a stake and is itself a holding company.

The Board noted that in addition to the offices held in listed companies of the Bolloré Group, Cédric de Bailliencourt also holds offices in companies of the Socfin group, which is 38.8% owned by the Bolloré Group, and that these offices are therefore subject to the derogation permitted by the Afep-Medef Code.

As a matter of fact, Financière de l'Odette's only activity is to acquire or manage equity shareholdings.

Thus, as Cédric de Bailliencourt holds only one office in an external company (permanent representative of Bolloré on the Supervisory Board of Vallourec), his situation is compliant with the Afep-Medef provisions on concurrent offices.

With respect to Vincent Bolloré, the Board noted that:

- that he holds offices within the entities of his Group, which must be considered part of the overall companies under the same control. Since Vincent Bolloré holds the office of Chairman and Chief Executive Officer of Bolloré Participations, the top controlling company of the Group, all his director positions within the Group are exempted. The Board considers that the rules relating to concurrent offices held must be assessed from an overall perspective at the Group level, starting from the parent company and descending from there. A contrary interpretation would lead to a different accounting of the number of offices held by Vincent Bolloré according to the level of the individual rank in the Group's organization chart;
- that the directorships held by Vincent Bolloré in listed entities outside his Group fall within the exemption, except for those for which Bolloré does not hold enough of the share capital to characterize them as either subsidiaries or equity investments.

Accordingly, the offices that Vincent Bolloré holds within the companies of Socfin group (38.8% of whose capital is owned by Financière de l'Odette) are an example of the exemption described in the Afep-Medef Code. The same applies to the office held in Vivendi, in view of Bolloré Group's interest.

As such, Vincent Bolloré, as an executive company officer of Bolloré, whose primary function is to acquire or manage company holdings, may hold positions in entities outside his Group as long as they are Bolloré subsidiaries or holdings.

Accordingly, Vincent Bolloré's situation is compliant with the Afep-Medef provisions on concurrent offices held.

The Board, at its meeting of March 23, 2017, also noted the compliance of the position of its executive company officers with regard to the provisions of article L. 225-94-1 of the French company law on concurrent offices held, as amended by law no. 2015-990 of August 6, 2015 on growth, activity and equal economic opportunity, also known as the "Macron law".

Finally, the Board notes that, in accordance with recommendation 18.2 of the Afep-Medef Code, the executive company officers must obtain the opinion of the members of the Board prior to accepting a new term of office in a listed company outside their Group.

BYLAWS OF THE BOARD OF DIRECTORS

Shares owned and held by directors (article 19 of the Afep-Medef Code)

At its meeting on March 20, 2014, the Board of Directors adopted, in its bylaws, provisions relative to the requirement that directors hold and retain shares.

To comply with these new bylaws, each director is required to allocate at least 10% of the directors' fees received for performing their duties as a director to purchasing Financière de l'Odet shares until the consideration for their number of shares reaches the equivalent of one year's installment of directors' fees received.

DEFINITION OF INDEPENDENT DIRECTOR

Stating its view with respect to the independence criteria for directors, at its meeting of March 23, 2017, having taken note of the change to the length of service criterion, confirmed the analyses it had previously performed.

Thus, for the determination of the status of independent director, it was decided:

- to set aside the length of service criterion of twelve years since the sole criterion of the term of a director's duties does not as such call his independence into question.

Irrespective of the term of the director's duties, the Board values the personal qualities, experience, and industrial and financial expertise enabling the director to give useful opinions and advice through exchanges in which each director can express his or her position.

Moreover, it should not be forgotten that the length of service improves understanding of the Group, its history and its diversified business lines within a Group comprising many technical jobs on an international scale.

The perfect understanding of the Group by a director through his length of service is a major asset, particularly when examining the strategic direction of the Group, or the implementation of complex projects over the long-term and/or cross-cutting projects within the Group. A length of service of twelve years could in no way be associated with a loss of independence;

- to consider that acting as a director in another company within the Group does not call a director's independence into question.

The Board deemed that the Bolloré Group, controlled by the founding family, has the distinctive features of a diversified group with many business activities and operations in France and abroad. One of the Group's strategic directions is to optimize and develop synergies between its various businesses.

In order to implement this strategy, it is necessary to have high-level managerial expertise combined with in-depth knowledge of all the Group's businesses and understanding of any geopolitical issues critical to the international operations.

The appointment of certain directors to a number of Group companies reflects the Group's desire to take advantage of the expertise of men and women who not only fully understand the businesses but also contribute to the Group's results.

This assessment of the independence criteria was confirmed by the Compensation and Appointments Committee at its meeting on March 21, 2017. To be classified as independent, a director must not:

- be an employee or executive company officer of the company/employee, executive company officer of a company that the company fully consolidates/employee, executive company officer of the company's parent company or a company that is fully consolidated by that parent company/or have been in the previous five years;
- be a client, supplier, investment banker or corporate banker:
 - significant to the company or its Group,
 - or for which the company or its Group represent a significant proportion of the business;
- have a close family tie with a company officer;
- have been an auditor of the company within the previous five years.

The provisions of the French Corporate Governance Code for listed companies not applied by our company are set out in a summary table included in the Chairman's report on the composition of the Board and application of the principle of gender balance on the Board, the conditions for preparing and organizing the Board's work, and the internal control and risk management procedures.

REVIEW OF THE INDEPENDENCE OF DIRECTORS

Of the 17 Board members and in accordance with the independence criteria confirmed by the Board at its meeting of March 23, 2017, Valérie Coscas, Hubert Fabri, Alain Moynot, Olivier Roussel, Martine Studer and François Thomazeau are deemed independent.

The summary hereinafter shows the situation (compliant or not) of the directors in relation to the criteria defined by the Afep-Medef Code in relation to directors' independence.

Independent officers

Valérie Coscas⁽¹⁾

Hubert Fabri^{(1) (2)}

Alain Moynot⁽²⁾

Olivier Roussel⁽¹⁾

Martine Studer⁽¹⁾

François Thomazeau⁽¹⁾

(1) Notwithstanding holding a directorship in another company of the Group (currently or during the five most recent fiscal years).

(2) Notwithstanding the length of time during which the director has held office.

ASSESSMENT OF THE MATERIALITY OF A BUSINESS RELATIONSHIP WITH A DIRECTOR

The Board, at its meeting of March 23, 2017, upon the proposal of the Compensation and Appointments Committee, reaffirmed that the assessment of the materiality of business relationships must not exclusively be based on the amount of the commercial transactions that may be entered into between Bolloré Group and the company (or the Group) in which the director in question holds another position, keeping in mind that the materiality threshold for business relationships decided upon by the Board is deemed to have been attained whenever the amount of commercial transactions exceeds 1% of Group turnover for the fiscal year in question.

The Board, at its meeting of March 23, 2017 decided, pursuant to the provisions of AMF recommendation no. 2012-02, amended on December 22, 2015, to give priority to multiple criteria in the process of assessing the materiality of a business relationship with a director, particularly the duration of the relationship, any potential economic dependence, the financial conditions in relation to market prices, the officer's position in the co-contracting company and his/her involvement in the implementation or performance of the business relationship.

The Board has noted that none of the directors considered to be independent have direct or indirect material business relationships with the Group.

MANAGING CONFLICTS OF INTEREST

Section 19 of the Afep-Medef Code, "Ethical rules for directors", provides that a director must inform the Board of any conflict of interest, even potential, and must abstain from voting on that issue.

On this basis, the Board immediately approved a disclosure requirement for conflicts of interest, even if only potential. In addition, directors must refrain from voting on any matter that would be affected by a conflict of interest.

The Board's bylaws are available on the company's website, www.financiere-odet.com.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS DURING THE YEAR ENDED DECEMBER 31, 2016

In 2016, the Board of Directors, which has seventeen members (of whom five are from outside the Group) met four times.

Compensation and benefits of company officers

In accordance with the provisions of article L. 225-102-1 of the French company law (*Code de commerce*), we set out here below the total gross compensation and benefits of any kind paid during the fiscal year to each company officer in office on December 31, 2016, by the company, companies controlled by your company pursuant to article L. 223-16 of the French company law (*Code de commerce*), or by companies controlling your company pursuant to the same article.

SUMMARY TABLE OF COMPENSATION, OPTIONS AND SHARES GRANTED TO EXECUTIVE COMPANY OFFICERS

(in euros)	2015 fiscal year	2016 fiscal year
Vincent Bolloré, Chairman of the Board of Directors		
Compensation due for the fiscal year	2,910,138	2,510,138
Value of multi-year variable compensation awarded during the fiscal year	–	–
Value of options granted during the fiscal year	–	–
Value of performance shares granted during the year	–	950,400
TOTAL	2,910,138	3,460,538
Cédric de Baillencourt, Vice-Chairman and Chief Executive Officer		
Compensation due for the fiscal year	977,252	908,191
Value of multi-year variable compensation awarded during the fiscal year	–	–
Value of options granted during the fiscal year	–	–
Value of free shares granted during the fiscal year	–	237,600
TOTAL	977,252	1,145,791

SUMMARY TABLE OF COMPENSATION OF EXECUTIVE COMPANY OFFICERS

(in euros)	2015 fiscal year		2016 fiscal year	
	Due	Paid	Due	Paid
Vincent Bolloré, Chairman of the Board of Directors				
Fixed compensation ⁽¹⁾	1,499,000	1,499,000	1,499,000	1,499,000
Other compensation ⁽²⁾	1,350,000	1,350,000	950,000	950,000
Annual variable compensation	–	–	–	–
Extraordinary compensation	–	–	–	–
Directors' fees	54,610	54,610	54,610	54,610
Contributions in kind	6,528	6,528	6,528	6,528
TOTAL	2,910,138	2,910,138	2,510,138	2,510,138
Cédric de Baillencourt, Vice-Chairman and Chief Executive Officer				
Fixed compensation ⁽³⁾	511,300	511,300	521,300	521,300
Other compensation ⁽⁴⁾	270,000	270,000	270,000	270,000
Annual variable compensation ⁽⁵⁾	130,000	130,000	50,000	50,000
Extraordinary compensation	–	–	–	–
Directors' fees	61,497	61,497	62,436	62,436
Contributions in kind	4,455	4,455	4,455	4,455
TOTAL	977,252	977,252	908,191	908,191

(1) Compensation paid by Bolloré Participations, which, under an agreement for Chairman services, invoiced Bolloré a sum corresponding to 75% of the total cost (including contributions), of the compensation received by Vincent Bolloré. The fixed compensation of Vincent Bolloré has not changed since 2013.

(2) In 2016, Vincent Bolloré received compensation from Financière du Champ de Mars, Nord-Sumatra Investissements and Plantations des Terres Rouges, non-French companies controlled by Bolloré, in the form of bonuses. The bonuses represent a percentage of the profits allocated as compensation to the directors.

(3) In 2016, Cédric de Baillencourt received fixed compensation as an employee of Bolloré and Bolloré Participations. Fixed compensation was increased by 1.96% from the previous year.

(4) In 2016, Cédric de Baillencourt received compensation in the form of bonuses from Financière du Champ de Mars and Plantations des Terres Rouges, foreign companies controlled by Bolloré. The bonuses represent a percentage of the profits allocated as compensation to the directors.

(5) In 2016, Cédric de Baillencourt, Chief Financial Officer of the Group, received variable compensation of 50,000 euros as an employee of Bolloré. Sixty percent (60%) of this compensation is based on the quality of his management of the services under his supervision and forty percent (40%) on the achievement of the debt target set by the Group (excluding share-based transactions). The maximum amount of the variable portion for 2016 was set at 50% of his fixed compensation at the start of the fiscal year.

TABLE OF DIRECTORS' FEES AND OTHER COMPENSATION RECEIVED BY NON-EXECUTIVE COMPANY OFFICERS

(in euros)	Amounts paid in 2015	Amounts paid in 2016
Bolloré Participations, represented by Marc Bebon		
Directors' fees	40,231	40,231
Bonuses	20,000	20,000
Marc Bebon⁽¹⁾		
Directors' fees	5,250	5,250
Socfrance, represented by Sébastien Bolloré		
Directors' fees	5,500	5,500
Sébastien Bolloré⁽²⁾		
Directors' fees	45,660	45,660
Contributions in kind	2,196	2,196
Other compensation ⁽³⁾	251,300	206,300
Financière V, represented by Marie-Annick Darmaillac		
Marie-Annick Darmaillac⁽⁴⁾		
Directors' fees		23,288
Omnium, represented by Janine Goalabré		
Janine Goalabré⁽⁵⁾		
Directors' fees		21,384
Hubert Fabri		
Directors' fees	49,576	50,065
Bonuses	1,250,000	950,000
Alain Moynot		
Directors' fees	15,500	15,500
Yannick Bolloré		
Directors' fees	44,450	44,450
Contributions in kind	8,993	8,993
Other compensation ⁽⁶⁾	1,151,300	1,251,300
Cyrille Bolloré		
Directors' fees	58,396	56,110
Bonuses	90,000	790,000
Contributions in kind	3,996	3,996
Other compensation ⁽⁷⁾	1,100,000	1,095,211
Olivier Roussel		
Directors' fees	60,410	60,410
Marie Bolloré		
Directors' fees	51,160	51,160
Contributions in kind	378	2,268
Other compensation ⁽⁸⁾	80,338	149,547
Martine Studer		
Directors' fees	73,700	135,486
Pierre Lemaire		
Directors' fees	5,500	5,500
Chantal Bolloré		
Directors' fees		25,190
Valérie Coscas		
Directors' fees		19,481
Céline Merle-Béral		
Directors' fees	43,765	43,765
Contributions in kind	3,599	3,599
Other compensation ⁽⁹⁾	216,300	261,300
TOTAL	4,677,498	5,393,140

(1) In his capacity as permanent representative of Bolloré Participations.

(2) In his capacity as permanent representative of Socfrance.

(3) In 2016, Sébastien Bolloré received fixed compensation of 171,300 euros and variable compensation of 35,000 euros as an employee of Bolloré.

(4) In his capacity as permanent representative of Financière V.

(5) In his capacity as permanent representative of Omnium.

(6) In 2016, Yannick Bolloré received compensation as an employee of Havas and Bolloré, of which 831,300 euros related to fixed compensation and 420,000 euros to variable.

(7) In 2016, Cyrille Bolloré received fixed compensation of 945,211 euros as an employee of Bolloré Transport & Logistics Corporate and in his capacity as Deputy Chief Executive Officer of Bolloré and variable compensation of 150,000 euros.

(8) In 2016, Marie Bolloré received fixed compensation of 129,167 euros and variable compensation of 20,380 euros as an employee of Bluecar and Blue Solutions.

(9) In 2016, Céline Merle-Béral received compensation as an employee of Havas and Bolloré Participations, 191,300 euros of which was fixed compensation and 70,000 euros variable compensation.

SUBSCRIPTION OPTIONS

SHARE SUBSCRIPTION AND PURCHASE OPTIONS GRANTED DURING THE PERIOD TO EACH EXECUTIVE COMPANY OFFICER BY THE ISSUER AND BY ANY GROUP COMPANY

None.

SHARE SUBSCRIPTION AND PURCHASE OPTIONS EXERCISED DURING THE PERIOD BY EACH EXECUTIVE COMPANY OFFICER

None.

SHARE SUBSCRIPTION AND PURCHASE OPTIONS EXERCISED DURING THE PERIOD BY NON-EXECUTIVE COMPANY OFFICERS

None.

PERFORMANCE SHARES

PERFORMANCE SHARES GRANTED DURING THE PERIOD TO EACH EXECUTIVE COMPANY OFFICER

Name of the company officer	No. and date of plan	Number of shares granted during the period	Value of shares according to the method used for the consolidated financial statements (in euros)	Vesting date	Availability date	Performance conditions
Vincent Bolloré	Bolloré Plan September 1, 2016	320,000	950,400	September 2, 2019	September 2, 2019	Aggregate operating income between 2016 and 2018 (inclusive) of 1.8 billion euros at constant scope is set as the target threshold for the vesting of all the shares granted. If aggregate operating income over the period is less than 1.8 billion euros at constant scope the number of shares granted will be reduced by one-fifth for every 100 million euros below the aforesaid threshold of 1.8 billion of operating income. If operating income at constant scope for the reference period does not reach 1.4 billion euros, no shares will be vested.
Fair value of the share set at 2.97 euros						
TOTAL		320,000	950,400			

PERFORMANCE SHARES GRANTED DURING THE PERIOD TO NON-EXECUTIVE COMPANY OFFICERS

[illegible]

FREE SHARES

FREE SHARES GRANTED DURING THE PERIOD TO EACH EXECUTIVE COMPANY OFFICER

Name of company officer	No. and date of plan	Number of shares granted during the period	Value of shares according to the method used for the consolidated financial statements	Vesting date	Availability date
Cédric de Baillencourt	Bolloré Plan September 1, 2016	80,000	237,600	September 2, 2019	September 2, 2019
Fair value of the share set at 2.97 euros					
TOTAL		80,000	237,600		

FREE SHARES GRANTED DURING THE PERIOD TO NON-EXECUTIVE COMPANY OFFICERS

Name of company officer	No. and date of plan	Number of shares granted during the period	Value of shares according to the method used for the consolidated financial statements	Vesting date	Availability date
Sébastien Bolloré	Bolloré Plan September 1, 2016	64,000	190,080	September 2, 2019	September 2, 2019
Marie Bolloré	Bolloré Plan September 1, 2016	64,000	190,080	September 2, 2019	September 2, 2019
Fair value of the share set at 2.97 euros					
Céline Merle-Béral	Havas Plan B May 10, 2016	10,000	64,900	May 10, 2020	May 10, 2020
Fair value of the share set at 6.49 euros					
Céline Merle-Béral	Havas Plan July 21, 2016	40	260,400	July 21, 2020	July 21, 2020
Fair value of the share set at 6.51 euros					

PERFORMANCE SHARES THAT BECAME AVAILABLE DURING THE PERIOD FOR EACH EXECUTIVE COMPANY OFFICER

Name of company officer	No. and date of plan	Number of shares that became available during the period	Vesting conditions
Vincent Bolloré	Bolloré Plan May 21, 2012	500,000	Aggregate operating income between 2012 and 2015 (inclusive) of 1 billion (1,000,000,000) euros had been set as the target threshold for the vesting of all the shares granted. If aggregate operating income over the period had been less than 1 billion euros, the number of shares granted would have been reduced by 1,000 shares for every 50 million euros below the aforesaid threshold of 1 billion in operating income. If operating income had not reached 800 million euros, no shares would have been vested.
TOTAL		500,000	

FREE SHARES THAT BECAME AVAILABLE DURING THE PERIOD FOR EACH EXECUTIVE COMPANY OFFICER

Name of company officer	No. and date of plan	Number of shares that became available during the period	Vesting conditions
Cédric de Baillencourt	Bolloré Plan May 21, 2012	127,400	Presence condition until the end of the four-year vesting period (May 21, 2016)
TOTAL		127,400	

FREE SHARES THAT BECAME AVAILABLE DURING THE PERIOD FOR NON-EXECUTIVE COMPANY OFFICERS

Name of company officer	No. and date of plan	Final number of shares vested during the period	Vesting conditions
Cyrille Bolloré	Bolloré Plan May 21, 2012	100,000	Presence condition until the end of the four-year vesting period (May 21, 2016)
Yannick Bolloré	Bolloré Plan May 21, 2012	100,000	Presence condition until the end of the four-year vesting period (May 21, 2016)
TOTAL		200,000	

REDEEMABLE WARRANTS FOR THE SUBSCRIPTION AND/OR PURCHASE OF SHARES (BSAAR) SOLD DURING THE PERIOD BY EACH EXECUTIVE COMPANY OFFICER

None.

REDEEMABLE WARRANTS FOR THE SUBSCRIPTION AND/OR PURCHASE OF SHARES (BSAAR) SOLD DURING THE PERIOD BY NON-EXECUTIVE COMPANY OFFICERS

None.

HISTORY OF THE GRANTS OF SHARE SUBSCRIPTION OPTIONS

None.

HISTORY OF FREE SHARE GRANTS

Fiscal year 2016	Bolloré 2012 ⁽¹⁾	Bolloré 2016	Havas 2014	Havas 2016			Blue Solutions 2014	
Date of Meeting	June 10, 2010	June 3, 2016	June 5, 2013	May 10, 2016	May 10, 2016	May 10, 2016	August 30, 2013	August 30, 2013
Date of Board of Directors' meeting	August 31, 2010	September 1, 2016	January 29, 2014	May 10, 2016	May 10, 2016	July 21, 2016	January 7, 2014	January 7, 2014
Total number of shares that could be granted	24,700,000	4,131,200	2,465,000	2,784,000		148,500	380,000	
Total number of free shares granted to company officers	577,400	528,000	0	10,000	0	40	20,000	0
– Cyrille Bolloré	100,000	0	0	0	0	0	15,000	0
– Gilles Alix	250,000	320,000	0	0	0	0	0	0
– Cédric de Bailliencourt	127,400	80,000	0	0	0	0	5,000	0
– Yannick Bolloré	100,000	0	0	0	0	0	0	0
– Sébastien Bolloré	0	64,000	0	0	0	0	0	0
– Marie Bolloré	0	64,000	0	0	0	0	0	0
– Céline Merle-Béral	0	0	0	10,000	0	40	0	0
Grant date of shares	May 21, 2012	September 1, 2016	January 29, 2014	May 10, 2016	May 10, 2016	July 21, 2016	January 8, 2014	April 7, 2014
Vesting date of shares	May 21, 2016	September 2, 2019	April 29, 2018	May 10, 2020	May 10, 2019	July 21, 2020	January 8, 2018	April 7, 2018
Availability date of share	May 21, 2018	September 2, 2019	April 29, 2018	May 10, 2020	May 10, 2019	July 21, 2020	January 8, 2020	April 7, 2020
Subscription price (in euros)	1.3567	2.97	5.10	6.49	6.70	6.51	17.29	24.42
Exercising terms	lock-up 2 years	immediate	immediate	immediate	immediate	immediate	lock-up 2 years	lock-up 2 years
Number of free shares granted	2,227,500	4,131,200	2,465,000	2,494,000	200,000	147,960	339,500	13,500
Number of free shares canceled	50,000	0	474,000	43,000	0	15,960	20,000	0
Number of free shares vested	2,177,500	0	0	0	0	0	0	0
Number of free shares remaining at December 31, 2016	0	4,131,200	1,991,000	2,451,000	200,000	132,000	319,500	13,500

(1) Following the decision by Bolloré's General Meeting on November 27, 2014 to split the par value of Bolloré's shares by 100, the number of shares was adjusted, as was the subscription price.

HISTORY OF GRANTS OF REDEEMABLE WARRANTS FOR THE SUBSCRIPTION AND/OR PURCHASE OF SHARES (BSAAR)

None.

HISTORY OF PERFORMANCE SHARE GRANTS

Fiscal year 2016	Bolloré 2012 ⁽¹⁾	Bolloré 2016	Blue Solutions 2014		Havas 2015		Havas 2016
Date of Meeting	June 10, 2010	June 3, 2016	August 30, 2013	June 5, 2013	June 5, 2013	June 5, 2013	May 10, 2016
Date of Board of Directors' meeting	August 31, 2010	September 1 2016	January 7, 2014	January 19, 2015	March 19, 2015	August 27, 2015	May 10, 2016
Total number of shares that could be granted:	24,700,000	4,131,200	380,000	2,420,000	70,000	121,000	2,784,000
Total number of performance shares granted to company officers:	500,000	640,000	25,000	6,000	70,000	40	90,000
– Vincent Bolloré	500,000	320,000	0	0	0	0	0
– Cyrille Bolloré	0	320,000	0	0	0	0	0
– Yannick Bolloré	0	0	0	0	70,000	0	90,000
– Gilles Alix	0	0	25,000	0	0	0	0
– Céline Merle-Béral	0	0	0	6,000	0	40	0
Grant dates	May 21, 2012	September 1 2016	January 8, 2014	January 19, 2015	March 19, 2015	August 27, 2015	May 10, 2016
Vesting date	May 21, 2016	September 2 2019	January 8, 2018	April 19, 2019	June 19, 2019	November 27, 2019	May 10, 2020
Date of end of holding period	May 21, 2018	September 2 2019	January 8, 2020	April 19, 2019	June 19, 2019	November 27, 2019	May 10, 2020
Subscription price (in euros)	1.3567	2.97	17.29	5.89	6.74	6.59	6.49
Exercising terms	lock-up 2 years	immediate	lock-up 2 years	immediate	immediate	immediate	immediate
Number of performance shares granted	500,000	640,000	25,000	2,420,000	70,000	119,960	90,000
Number of performance shares cancelled	0	0	0	229,000	0	25,440	0
Number of performance shares vested	500,000	0	0	0	0	0	0
Number of performance shares remaining at December 31, 2016	0	640,000	25,000	2,191,000	70,000	94,520	90,000

(1) Following the decision by Bolloré's General Meeting on November 27, 2014 to split the par value of Bolloré's shares by 100, the number of shares was adjusted, as was the subscription price.

SHARE SUBSCRIPTION OPTIONS GRANTED TO THE TOP TEN NON-COMPANY OFFICER EMPLOYEE BENEFICIARIES AND OPTIONS EXERCISED BY THEM

None.

FREE SHARES GRANTED TO THE TOP TEN NON-COMPANY OFFICER EMPLOYEE BENEFICIARIES AND THAT BECAME AVAILABLE TO THEM

None.

REDEEMABLE WARRANTS FOR THE SUBSCRIPTION AND/OR PURCHASE OF SHARES (BSAAR) GRANTED TO THE TOP TEN NON-EXECUTIVE COMPANY EMPLOYEES AND EXERCISED BY THEM

None.

PERFORMANCE SHARES GRANTED TO THE TOP TEN NON-EXECUTIVE EMPLOYEES THAT BECAME AVAILABLE TO THEM

None.

EMPLOYMENT CONTRACT, SPECIFIC RETIREMENT SCHEMES, SEVERANCE PAY AND NON-COMPETITION CLAUSE

2016 fiscal year	Employment contract		Supplementary retirement scheme		Compensation or benefits due or which may become due in the event of terminating or changing company officer functions		Compensation relating to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Vincent Bolloré Chairman of the Board of Directors Term start date: June 3, 2016 Term end date: December 31, 2018		•		•		•		•
Cédric de Baillencourt Chief Executive Officer Term Start date: June 3, 2016 Term end date: December 31, 2018		•		•		•		•

SUMMARY OF THE TRANSACTIONS REPORTED BY THE PERSONS REFERRED TO IN ARTICLE L. 621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE UNDERTAKEN DURING THE FISCAL YEAR ENDED DECEMBER 31, 2016

In 2016 the following transaction was declared under article L. 621-18-2 of the French Monetary and Financial Code:

Identity of the declaring party	Date of transaction	Nature of transaction	Number of shares	Unit price (in euros)	Amount of transaction (in euros)	AMF ref.
Olivier Roussel	January 18, 2016	Acquisition	10	846.35	8,463.50	2016DD418883

Report by the Board of Directors on the compensation policy for company officers

Ordinary General Meeting of June 1, 2017

Law 2016-1691 of December 9, 2016 on Transparency, Anti-Corruption and the Modernization of the Economy (known as the "Sapin II Law") requires firms whose shares are traded on a regulated market to put the compensation of certain company officers to a shareholder vote.

This measure, whose entry into force is specified below, is divided into two shareholder votes on compensation:

A prior or ex ante vote (article L. 225-37-2 of the French company law) from the Meeting called to approve the financial statements for the first year ending after December 9, 2016, i.e. from the present Meeting.

Article L. 225-37-2 of the French company law states that a resolution must be presented every year to the shareholders for them to approve **"the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components** of the total compensation and benefits in kind attributable to the Chairman, Chief Executive Officers or Deputy Chief Executive Officers **by virtue of their duties"**.

An ex post vote (article L. 225-100 of the French company law) which will apply from the end of the fiscal year after the first year ending after December 9, 2016. As the company's fiscal year ends on December 31, 2016, resolutions on the ex post vote will be presented from the **Ordinary General Meeting** to be held in **2018**.

The fixed, variable and exceptional components of the total compensation and benefits in kind paid or allocated to the Chairman of the Board of Directors, the Chief Executive Officer or the Deputy Chief Executive Officer for the previous fiscal year will then have to be put to a vote.

The variable or exceptional components of compensation allocated during the previous fiscal year to these officers can only be paid after approval by the General Meeting.

In accordance with article L. 225-37-2 of the French company law, the Board must in this report present the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits in kind attributable to the Chairman of the Board of Directors and the Chief Executive Officer by virtue of their duties.

You will be asked, on the basis of this report, to approve the compensation policy for executive company officers for the 2017 fiscal year.

In accordance with article L. 225-37-2 of the French company law, the Board must put resolutions presenting the compensation policy for executives to your vote at least every year.

This report gives you details on the components of fixed, variable and exceptional compensation.

Note that from fiscal year 2017, the payment of the components of variable and exceptional compensation will be subject to the approval of the Ordinary General Meeting of the components of compensation of the person concerned pursuant to article L. 225-100 of the French company law (*ex post* vote procedure).

Should the resolutions presented be rejected, the law states that the previously approved principles and criteria for determining compensation will continue to apply and that if no such principles and criteria were previously approved, or if no compensation was allocated during the previous fiscal year, compensation will be determined "in accordance with existing practices at the company".

The compensation policy for executive company officers is determined by the Board of Directors on the basis of recommendations by the Compensation and Appointments Committee.

During their deliberations, the Board of Directors and the Compensation and Appointments Committee take into account and strictly apply the principles of thoroughness, balanced components of compensation, benchmarking, consistency and measurement.

The fixed, variable and exceptional components of total compensation and benefits in kind attributable to the Chairman of the Board of Directors and the Chief Executive Officer by virtue of their duties consist at this stage exclusively of directors' fees.

Accordingly, a single resolution on the compensation policy of company officers will be put forward to you.

In line with article L. 225-45 of the French company law, the amount allocated for directors' fees by the General Meeting is set annually by the Meeting "without being tied to the articles of association or previous decisions" as the distribution of directors' fees falls under the remit of the Board of Directors.

Article R. 225-33 of the French company law, which states that directors' fees may be freely distributed, specifies, since Decree No. 2017-340 of March 16, 2017, that such distribution must be "in accordance with article L. 225-37-2".

Accordingly, in view of the authority given by the law to the General Meeting to set the amount allocated for directors' fees, and the absence at this stage of any other type of compensation or benefits paid or allocated to the Chairman of the Board of Directors and the Chief Executive Officer, this report will merely propose the principles and criteria for the distribution of directors' fees.

The Board of Directors proposes that directors' fees be distributed in equal share among the directors and, when a member is appointed or coopted to the Board during the year in which directors' fees are allocated, in proportion to the duration of the term of office of the member in question.

The current policy on the distribution of directors' fees will thus be maintained.

The Board of Directors

Statutory Auditors' report on the issue of various securities giving access to equity, with preferential subscription rights

Extraordinary General Meeting of June 1, 2017 – 1st resolution

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

To the Shareholders,

In our capacity as Statutory Auditors of your company, and pursuant to the mission laid down by articles L. 228-92 of the French company law (*Code de commerce*), we hereby report on the proposed delegation of authority to the Board of Directors to decide on various issuances of securities giving access to equity with preferential subscription rights, an operation on which you are called to vote.

On the basis of its report, your Board of Directors proposes that you delegate its authority, for a period of twenty-six months, to decide on one or more issuances of securities. Where applicable, it shall be responsible for determining the final conditions of this operation.

The first resolution provides for the issuance – on one or more occasions, while retaining preferential subscription rights – of securities giving access by any means, immediately or in the future, to ordinary shares of the company, where securities other than shares may also be denominated in foreign currencies or in any monetary unit established by reference to several currencies.

The total nominal amount of capital increases that may be realized immediately or in the future may not exceed 400,000,000 euros in par value. To those ceilings one is to add, if the case arises, the par value of the shares to be issued, if any, as a supplement in case of new financial operations, so as to preserve the rights of the holders of securities offering access to the capital. The total nominal amount of issues of debt securities giving access to equity may not exceed 600,000,000 euros or the equivalent on the date of issue of this amount in any other currency or any other monetary unit established by reference to several currencies.

The Board of Directors is responsible for preparing a report pursuant to articles R. 225-113 *et seq.* of the French company law (*Code de commerce*). It is our responsibility to give our opinion on the fairness of the figures taken from the accounts and on certain other information concerning the issuance of equity-linked securities provided in this report.

We have implemented the procedures deemed necessary according to the professional standards of the French National Institute of Auditors (*Compagnie nationale des commissaires aux comptes*) regarding our mission. These procedures consisted of verifying the content of the Board of Directors' report relating to this operation and the methods for determining the issue price of the equity-linked securities to be issued.

As this report does not specify the conditions for determining the issue price of the equity-linked securities to be issued, we cannot give our opinion on the choice of factors for calculating the issue price.

Furthermore, as the final conditions under which the issues will be carried out have not been set, we do not express an opinion on them.

In accordance with article R. 225-116 of the French company law (*Code de commerce*), we will prepare an additional report, if necessary, at the time of use of this delegation by your Board of Directors.

Neuilly-sur-Seine, on April 26, 2017

The Statutory Auditors
French original signed by

AEG Finances
Member of
Grant Thornton International
Jean-François Baloteaud

Constantin Associés
Member of
Deloitte Touche Tohmatsu Limited
Jean Paul Séguret

Statutory Auditors' report on the capital increase by issuance of new shares and, where applicable, the allocation of free shares or other securities giving access to equity reserved for members of a company savings plan

Extraordinary General Meeting of June 1, 2017 – 4th resolution

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

To the Shareholders,

In our capacity as statutory auditors of your company, and pursuant to the mission laid down by articles L. 225-135 *et seq.*, and L. 228-92 of the French company law (*Code de commerce*), we hereby report on the proposed delegation of authority to the Board of Directors to decide on a capital increase, with waiver of preferential subscription rights, by issuance of new shares, on one or more occasions, and, where applicable, the allocation of free shares or other securities giving access to equity reserved for members of the company's savings plan and/or companies or EIG in which it directly or indirectly holds more than 50% of the equity or voting rights, for a maximum amount representing 1% of the amount of the shares currently forming the share capital, an operation upon which you are called to vote.

This capital increase is submitted for your approval pursuant to the provisions of articles L. 225-129-6 of the French company law (*Code de commerce*) and L. 3332-18 *et seq.* of the French Labor Code.

On the basis of its report, your Board of Directors proposes that it be delegated the authority – with the power to sub-delegate said authority to the General Manager – for a period of twenty-six months, to decide on one or more issues of shares and to waive your preferential right to subscribe to ordinary shares and other securities giving access to equity to be issued.

Where applicable, he shall be responsible for determining the final conditions of this operation.

The Board of Directors is responsible for preparing a report pursuant to articles R. 225-113 and R. 225-114 of the French company law (*Code de commerce*). It is

our responsibility to give our opinion on the fairness of the figures taken from the accounts provided in this report, on the proposed cancellation of the preferential subscription right, and certain other information concerning the issue of shares.

We have implemented the procedures deemed necessary according to the professional standards of the French National Institute of Auditors (*Compagnie nationale des commissaires aux comptes*) regarding our mission. These procedures consisted of verifying the content of the Board of Directors' report relating to this operation and the methods for determining the issue price of the shares or other securities giving access to equity.

Subject to the subsequent review of the conditions of the proposed capital increase provided in the Board of Directors' report, we have no comment to make on the methods for determining the issue price of the ordinary shares or the other securities giving access to equity to be issued.

As the final conditions of the capital increase have not been set, we do not express an opinion on them and, consequently, nor do we express an opinion on the proposal made to you to cancel the preferential subscription rights.

In accordance with article R. 225-116 of the French company law (*Code de commerce*), we will prepare an additional report, if necessary, at the time of use of this delegation by your Board of Directors.

Neuilly-sur-Seine, on April 26, 2017

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French original signed by

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Statutory Auditors' report on the decrease in share capital

Extraordinary General Meeting of June 1, 2017 – 5th resolution

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

To the Shareholders,

In our capacity as Statutory Auditors of your company and in accordance with the procedures provided for in article L. 225-209 of the French company law (*Code de commerce*) on the decrease in share capital by the cancellation of shares purchased, we hereby report to you on our assessment of the reasons for and the terms and conditions of the proposed decrease in share capital.

Shareholders are requested to confer all necessary powers on the Board of Directors, during a period of eighteen months starting from the day of this meeting, to cancel, on one or several occasions, up to a maximum of 10% of its share capital, by twenty-four-month periods, the shares purchased by the company pursuant to the authorization to purchase its own shares in connection with the aforementioned article.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) applicable to this engagement. Our procedures consisted, in particular, in verifying the fairness of the reasons for and the terms and conditions of the proposed decrease in share capital, which does not interfere with the equal treatment of shareholders.

We have no comments on the reasons for and the terms and conditions of the proposed decrease in share capital.

Neuilly-sur-Seine, on April 26, 2017
The Statutory Auditors
French original signed by

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Statement of the person responsible for the annual financial report

I certify that, to the best of my knowledge, the financial statements were prepared in compliance with applicable accounting standards and are a true representation of the assets, financial situation and earnings of the company and all the consolidated companies, and that the management report appearing on page 5 accurately presents the changes in sales, earnings and financial situation of the company and of all consolidated companies and fairly portrays the chief risks and uncertainties these companies face.

April 28, 2017

Cédric de Baillencourt
Vice-Chairman and Chief Executive Officer

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