



**Haulotte**   
GROUP  
More than lifting

## MANAGEMENT REPORT 2012



# EXCERPT OF THE MANAGEMENT REPORT

presented to the annual ordinary and extraordinary general meeting of 28 May 2013

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business sectors –Product offering – Market

Haulotte Group is one of the three worldwide leaders in the market for self-propelled aerial work platforms both as a manufacturer of the main equipment categories (telescopic booms, articulating booms, scissor lifts, vertical masts) and as a global distributor. The Company's offering was completed in spring 2007 with the launch of the telehandler.

Based on available data for the industry, the Company's market share contracted marginally reflecting notably a strong rebound in regions where Haulotte Group's presence is less significant. The worldwide market for aerial work platforms grew 29% in value between 2011 and 2012. Haulotte Group achieved growth in all geographical regions, particularly in Latin America, North America and Asia-Pacific with total Group revenue in 2012 up 16%.

The Group focused its commercial efforts in growth regions while continuing to develop its services activities to achieve increased added value and customer satisfaction.

### Review of operations and results for the year under review

The fiscal year ended 31 December 2012 for which the accounts are submitted for approval to the ordinary general meeting is the company's twenty-eight year of operations since its creation.

In this period the company had sales of €164 million, and is up sharply compared to last year when it was €151 million, Export sales accounting for 78% of the total.

### Presentation of statutory accounts

Highlights of the statutory accounts of Haulotte Group SA for 2012 are presented below:

FINANCIAL HIGHLIGHTS	FISCAL 2012	FISCAL 2011
REVENUES	164 263	151 315
OPERATING PROFIT	(15 436)	(14 362)
NET FINANCIAL INCOME (EXPENSE)	(8 266)	(21 892)
EXTRAORDINARY PROFIT (LOSS)	282	3 593
NET PROFIT (LOSS)	(22 558)	(32 031)

### Analysis of statutory results

2012 revenue of Haulotte Group SA rose sharply compared to last year

Even though business volume has risen and margins improved, operating results continue to show a loss from an increase in fixed costs (notably fees) and the impairment charge for subsidiary trade receivable.

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Net financial expense has declined from the prior year to reach €8 million at the end of 2012. This amount reflects mainly provisions recognised for loans to subsidiaries.

In the period, Haulott Group has reorganised its manufacturing operations. This reorganisation had an impact on French sites with the adoption of a voluntary redundancy plan and the relocation of the manufacturing operations for telehandlers equipment. The total cost of this reorganisation amounted to €1.6 million in France.

The net loss for the period was €22.56 million.

## **Progress made or difficulties encountered**

Commercial momentum at the end of 2012 remained relatively sustained despite an uncertain macroeconomic environment. Over the full year, sales rose in all geographical regions, with the strongest gains in Latin America. The United States and the Asia-Pacific region maintained a steady pace of sustained growth while Europe continued to be impacted by the slowdown in momentum that began at the end of the year

On this basis, margins have gradually improved.

Manufacturing operations were reorganised. This included a transfer to one of the French plants of the activity of manufacturing lifting equipment in addition to aerial work platforms.

## **Foreseeable changes in the company's situation and outlook**

Despite European market conditions that remain difficult, needs for the renewal of equipment fleets in Europe and positive trends in emerging markets where we are present provide the basis for a positive commercial outlook for 2013 that should permit Haulotte Group to achieve another year of significant growth.

Margins are expected to improve on growth in volumes and a reduction in subnormal capacity usage.

Significant changes are not expected for component costs and committed fixed costs (overhead).

Efforts focusing on research and development will remain sustained.

## **Important post-closing events**

We indicate that no significant event that could have a significant impact on the assessment of the situation of the company have occurred or became known after the closing date of the exercise.

## **Comprehensive analysis of the Company's revenue, earnings and financial position, and notably debt with respect to the volume and complexity of business activity.**

Readers are invited to refer to the paragraphs "Business sectors – Product offering – Market" to "Progress made or difficulties encountered" and "The company's exposure to risks concerning price, credit, liquidity and capital resources" and "Use of financial instruments - Company financial risk management objectives and policy".



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## Key risks and uncertainties

Because the company outsources a significant share of its production, the sourcing capacities of its suppliers constitute a primary risk. To prevent risks of supply chain disruptions, the strategy of diversifying suppliers of key components must be pursued. Measures were implemented to monitor suppliers considered to represent a higher risk in order to secure the resumption of activity.

The Group's positions in Europe, North America and Asia allow it to produce its different product lines on the basis of costs in different currencies. This strengthens its competitiveness in relation to its two major competitors that are US companies.

The third significant risk is the sensitivity of our sales to credit restrictions by financing markets. The current economic crisis had an impact on 2012 as the previous year.. For strategic customers, Haulotte Group will provide financing for a portion of sales, while maintaining trade receivable risks at reasonable levels.

Finally, a risk specific to our business is the absence of long-term commitments by our customers. This risk was confirmed in 2012 by a backlog of orders representing only less than three months of activity. Visibility for 2013 is limited due to a global environment still uncertain.

## The company's exposure to risks concerning price, credit, liquidity and capital resources

The major share of the company's sales is generated through its distribution subsidiaries. Despite fierce competition, these subsidiaries have successfully maintained the level of sale prices for new products.

At 31 December 2012, the outstanding amount for syndicated credit lines totalled €88.3 million with a remaining balance for the drawdown of an additional €33.2 million. At year-end, the Group had cash and cash equivalents of €16.6 million. The amendment to this syndicated loan agreement executed in July 2012 provides for payment of an instalment by the Group in July 2013 of €24.5 million.

Based on the level of cash resources and credit lines open and available at 31 December 2012 in conjunction with cash forecasts for the first few months of 2013, there are no reasons that might call into question the Group's ability to meet its obligations with respect to the contractual instalment of July 2013 of the syndicated credit facility mentioned above.

## Use of financial instruments - Company financial risk management objectives and policy

The company has recourse to interest rate and currency derivatives such as interest rate swaps, collars, forward currency sales (mainly in USD).

The company does not systematically hedge interest rate and foreign exchange risk.

However, transactions are undertaken according to market opportunities. In such cases, they are destined to cover existing assets or liabilities rather than for speculative purposes.



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## Changes in the presentation of the annual accounts or methods of valuation applied in prior years

We inform you that the annual financial statements were prepared according to the same presentation and methods that were used in prior periods.

## Research and development

Based on continuing research and development efforts in 2012, new models are in the pipeline to be launched in 2013.

The implementation of «new product development» processes has proven effective, contributing to improved efficiencies by development teams.

At the same time, our Innovation unit in close collaboration with our Marketing department is imagining the solutions of tomorrow that will strengthen the foundations for the Group's technological leadership.

## Disallowed deductions under 39-4 of the French general tax code concerning sumptuary and amortisation expenses:

In compliance with the provisions of article 223 quater of the French general tax code, accounts of the period ended include non-deductible expenses of €55 621 with a corresponding tax of €18 540.

## Breakdown of trade payables of the Company by maturity

In compliance with the provisions of articles L.441-6-1 subsection 1 and D.441-4 of the French Commercial Code, a table is provided below providing the breakdown of outstanding trade payables by maturity for the fiscal year ended 31 December 2011 and 2012.

Due dates in 2012	Trade payables balance 31/12/2012 (€ thousands)	Trade payables balance 31/12/2011 (€ thousands)
January	20 181	21 094
February	10 929	12 461
March	2 392	2 940
April	1 086	789
<b>Total</b>	<b>34 588</b>	<b>37 286</b>

## Five-year financial summary

In compliance with the provisions of article R.225-102 of the French Commercial Code, the five-year financial summary for the Company is presented in **Appendix 1** hereto.



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## PROPOSED APPROPRIATION OF INCOME FOR THE YEAR

We hereby submit for your approval the annual financial statements (balance sheet, income statement and notes) as presented showing a loss for the year of €(22 557 837,60).

We propose that you allocate the full amount of the loss for the year ended 31 December of €(22 557 837.60) to «Retained earnings» that would in consequence be reduced from €40 094 828.35 to €17 536 990,75.

## DIVIDENDS PAID FOR THE LAST THREE FISCAL YEARS

In accordance with article 243 bis of the French General Tax Code, information on dividends paid for the last three fiscal years is disclosed below:

Fiscal year	Gross income eligible for tax allowance		Income not eligible for tax allowances	Tax allowance rate
	Dividends per share	Other distributions		
2009	None	None	None	None
2010	None	None	None	None
2011	None	None	None	None

## SUBSIDIARIES AND ASSOCIATES

### Acquisitions of shareholdings or controlling interests:

We inform you that the Company acquired interests in two companies (creations held on a wholly-owned basis).

- Haulotte Chile
- Horizon Reach Chile

### Disposals of shareholdings related to adjustments of cross-shareholdings:

We inform you that the Company has not divested any shares for the purpose of eliminating cross-shareholdings prohibited by articles L.233-29 and L.233-30 and the French Commercial Code.

### Other disposals:

The Company has not sold any equity interests.

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## Activities of subsidiaries and controlled companies

At year-end, the company exercised controlling interests in 42 subsidiaries. The results of these subsidiaries are summarised below (thousands of euros):

Subsidiary	Ownership interest (%)	2012 sales Thousands of €	2011 sales Thousands of €	2012 Profit or Loss Thousands of €	2011 Profit or Loss Thousands of €
Haulotte France Sarl.	99,99%	53 121	59 585	1 462	483
Haulotte Services France Sarl	100% by Haulotte France sarl	-	-	-	-
Telescopelle SAS	100%	125	124	67	67
Access rentals (UK) Ltd.	100% by UK Platform Ltd	-	-	-	-
Haulotte Access Equipment Manufacturing (Changzhou) co. Ltd	100%	10 750	2 814	1 155	177
Haulotte Argentina SA	95%	7 492	4 858	277	491
Haulotte Arges SRL	100%	33 800	19 650	4 932	2 396
Haulotte Australia Pty Ltd	100%	24 806	20 271	(391)	(581)
Haulotte Cantabria SL	99,98% and 0,02% by Haulotte Iberica S.L	26 655	21 605	(7 687)	(1 377)
Haulotte Do Brazil Ltda	99,98%	26 333	10 931	(3 920)	(3 683)
Haulotte Hubarbeitsbuehnen GmbH	100%	29 132	27 765	618	321
Haulotte Iberica S.L	98,71%	8 589	15 334	(3 341)	(3 722)
Haulotte Italia S.R.L.	99,00%	8 393	13 519	657	314
Haulotte Mexico SA de CV <sup>(2)</sup>	99,99%	4 378	3 987	71	(264)
Haulotte Middle East Fze	100%	6 941	7 258	805	(361)
Haulotte Netherlands B.V	100%	4 888	4 939	(41)	(231)
Haulotte Polska Sp Zoo	100%	4 069	4 337	231	54
Haulotte Portugal Plataformas de Elevacao Uniperssoal Lda	100% by Haulotte Iberica S.L	-	-	-	-
Haulotte Scandinavia AB	100%	14 726	8 712	357	34
Haulotte Singapore Ltd	100%	14 554	10 148	608	(72)
Haulotte Trading (Shanghai) Co Ltd	100%	5 666	6 249	41	466
Haulotte UK Ltd	100%	12 091	9 128	(20)	(1 009)
Haulotte US Inc	100%	26 895	18 297	(324)	(3 673)
Haulotte Vostok OOO	100%	18 990	5 696	(395)	(690)



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Subsidiary	Ownership interest (%)	2012 sales Thousands of €	2011 sales Thousands of €	2012 Profit or Loss Thousands of €	2011 Profit or Loss Thousands of €
Horizon High Reach Limited	100%	7 193	5 615	935	1 018
Levanor Maquinaria de Elevacion SA	91%	1 253	2 611	(189)	(248)
Mundielevacao, Aluger e Transporte de Plataformas Lda	90% by Levanor	2 016	2 430	(1 443)	(779)
NO.VE. Srl	100%	7 103	9 433	(1 270)	(761)
N.D.U maquinaria y plataformas elevadoras, S.L	100% by Haulotte Iberica S.L	2 317	3 610	(1 931)	(2 042)
UK Platforms Ltd	100% by Haulotte UK	24 062	21 690	(1 110)	(2 792)
Equipro / Bil-Jax <sup>(1)</sup>	100% by Haulotte US Inc.	41 929	35 958	1 388	1 251
Haulotte Chile SPA	100 %	0	N/A	0	N/A
Horizon High Reach Chile SPA	100%	83	N/A	(216)	N/A

1) Including the following companies: Bil-Jax Inc, Bil Jax Planking Systems Inc, Bil-Jax Service Inc, Seaway Scaffold and Equipment Inc. The companies Construction and Scaffold Supply Inc, Scaffold Design and Erection Inc, CSI Construction Supply International Inc, USA ONE Inc has been dissolved on 31 12 2012.

2) Including Haulotte Service SA de CV

## INFORMATION ON COMMON STOCK

### Changes in share capital in fiscal 2012

On fiscal 2012 there is no change in share capital.

### Crossing of ownership thresholds and holdings of share capital of voting rights subject to disclosure requirements

In accordance with the provisions of article L. 233-13 of the French Commercial Code and based on the information and notifications received pursuant to articles L. 233-7 and L. 233-12 of the French Commercial Code, the identity of shareholders directly or indirectly owning over 5%, 10%, 15%, 20%, 25%, 33%, 50%, 66% or 95% of the share capital or voting rights is disclosed below:

- Solem SAS held more than one half of the share capital (54.67%) and more than two thirds of the voting rights (72.43%);
- Kempen Management held more than 5% of the share capital and more than 3% of the voting rights (notification of the crossing of the disclosure threshold of 27 October 2008).

The following companies reported having crossed the disclosure thresholds provided for under the Articles of Association of 1% of the share capital or voting rights in the Company or any other multiple thereof:



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- 14 April 2010: Tocqueville Finance (2.54% of the share capital);
- 18 November 2010: Norges Bank (2.01% of the share capital and voting rights).

## OWN SHARES PURCHASED AND/OR SOLD BY THE COMPANY

In accordance with article L.225-211 subsection 2 of the new French Commercial Code, we inform you that in the fiscal year ended 31 December 2010, information on trading by the Company in its shares is provided below:

Number of shares purchased in fiscal 2012	0
Average purchase price of own shares in fiscal 2012	N/A
Execution fees	N/A
Number of shares sold in fiscal 2012	0
Average sale price of own shares in fiscal 2012	N/A
Number of shares cancelled in fiscal 2012	0
Number of treasury shares recorded at 31 December 2012	1 837 823
Percentage of treasury shares held at 31 December 2012	5.89%
Net carrying value of treasury shares at 31 December 2012	9 472 527 €
Nominal value of treasury shares at 31 December 2012	238 916,99 €
Market value of treasury shares at 31 December 2010 (share price of € 5.45 at this date)	10 016 135 €

The breakdown by purpose for the use of own shares at 31 December 2012 was as follows:

Purposes of share buybacks	Number of shares
Maintaining an orderly market in the company's shares within the framework of a liquidity agreement based on the model contract drafted in accordance the French association of investment firms' (AFEI or Association Française des Entreprises d'Investissement) Code of Conduct of 8 March 2011 and approved by the AMF (Autorité des Marchés Financiers) on 21 March 2011;	139 418
Retaining such shares for subsequent use as a means of payment or exchange in connection with financial transactions or acquisitions, in compliance with applicable regulations;	1 629 558
Cancelling shares thus acquired, subject to adoption by the extraordinary shareholders' meeting of the resolution authorising the Board of Directors to reduce the share capital by cancellation of treasury shares held by the Company.	68 847
For employee stock option plans and other share grants in accordance with the provisions of article L.3332-1 et seq. et R.3332-4 of the French Labour Code or grants to employees and/or officers of the Company or companies covered by article L.225-197-2 of the French Commercial Code of shares of the Company or the grant of shares in connection with employee profit-sharing plans	0
<b>TOTAL</b>	<b>1 837 823</b>

No shares of the Company were reallocated for other purposes or objectives.



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## SHARE PRICE TRENDS AND TRADING ACTIVITY

At 31 December 2012, the Company's share capital was comprised of 31,214,129 shares.

The market capitalisation at 31 December 2012 was €170.117 million.

Information on share price trends and trading activity for the period is provided below:

Date	High (Price)	High (Date)	Low (Pric)	Low (Date)	Closing price	Average Price (opening)	Average Price (closing)	Trading volume	Capital (€m)	Number of trading sessions
jan. 2012	7.370	27 jan.	4.720	02 jan.	6.990	5.995	6.061	1 860 224	11.16	22
feb. 2012	8.000	03 feb.	6.810	14 feb.	7.240	7.428	7.389	1 509 403	11.25	21
march 2012	9.650	14 march	6.400	07 march	8.610	8.356	8.350	2 243 088	18.88	22
apr. 2012	9.090	03 apr.	7.250	11 apr.	8.050	8.033	8.014	1 039 744	8.36	19
may 2012	8.170	02 may	5.270	31 may	5.270	6.395	6.262	844 179	5.36	22
june 2012	6.200	11 june	4.910	04 june	5.400	5.512	5.454	852 228	4.70	21
july 2012	5.850	05 july	4.910	23 july	5.490	5.400	5.396	667 735	3.61	22
aug. 2012	6.580	23 aug.	5.100	02 aug.	6.030	5.717	5.780	1 116 989	6.53	23
sept. 2012	6.800	14 sept.	5.510	27 sept.	5.650	6.262	6.195	1 328 101	8.28	20
oct. 2012	6.130	04 oct.	4.620	26 oct.	4.760	5.414	5.366	1 395 205	7.46	23
nov. 2012	5.330	22 nov.	4.470	20 nov.	5.170	4.872	4.875	875 516	4.32	22
dec. 2012	5.550	27 dec.	4.910	10 dec.	5.450	5.138	5.171	762 109	3.96	19
<b>Highs, lows and averages for ther period</b>										
	9.650	14 march	4.470	20 nov.		6.194	6.177	1 207 877	7.82	
<b>Total</b>										
								14 494 521	93.86	256

In the period ended, the Haulotte Group share traded between a range of a high of €9.65 (March 14, 2012) and a low of €4.47 (November 20, 2012).

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## DIRECTORS AND OFFICERS

### Shareholdings of directors and officers:

At 31 December 2012, the shareholdings of corporate officers were as follows:

- Pierre SAUBOT, Chairman of the Board of Directors and Chief Executive Officer: 13,189 actions, or 0.042% of the capital,
- Alexandre SAUBOT, Director and Deputy Chief Executive Officer, 990 shares or 0.003% of the share capital.

### List of corporate appointments:

OFFICERS	APPOINTMENTS HELD IN THE COMPANY	APPOINTMENTS HELD IN OTHER COMPANIES
Pierre SAUBOT	Chairman of the Board of Directors  Chief Executive Officer	<ul style="list-style-type: none"><li>• General Manager of SOLEM SAS</li><li>• Representative of HAULOTTE GROUP, Chairman of TELESCOPELLE SAS,</li><li>• Co-Manager of SCI LA COQUILLE,</li><li>• Manager of Société Commerciale du Cinquau,</li><li>• Co-Manager of SCI LANCELOT,</li><li>• Director of société Valeur du Sud,</li><li>• Treasurer of « Confédération nationale des vignerons indépendants de France ».</li></ul>
Alexandre SAUBOT	Chief Operating Officer Director	<ul style="list-style-type: none"><li>• Chairman of the Board of SOLEM SAS,</li><li>• Representative of HAULOTTE GROUP, Chairman of TELESCOPELLE SAS,</li><li>• Manager of HAULOTTE FRANCE SARL,</li><li>• Manager HAULOTTE SERVICES FRANCE SARL,</li><li>• Co-Manager of SCI LANCELOT,</li><li>• Director of Haulotte Netherlands BV,</li><li>• Director of Haulotte Iberica,</li><li>• Director of Haulotte Portugal,</li><li>• Director of Haulotte Scandinavia,</li><li>• Director of Haulotte Italia,</li><li>• Manager of Haulotte GmbH,</li><li>• Director of Haulotte Polska,</li><li>• Manager of Haulotte UK,</li><li>• Manager of UK Platforms,</li></ul>



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Alexandre SAUBOT	Chief Operating Officer Director	<ul style="list-style-type: none"> <li>• Manager of UK Training,</li> <li>• Manager of Haulotte Australia,</li> <li>• Chairman of Haulotte US,</li> <li>• Manager of Haulotte Singapour,</li> <li>• Representative of HAULOTTE GROUP, Sole director of Haulotte Cantabria,</li> <li>• Director of Haulotte Arges,</li> <li>• Chairman of Haulotte Trading (Shangai) co. Ltd,</li> <li>• Director of Haulotte Mexico,</li> <li>• Chairman of Locav Srl, Nove Srl,</li> <li>• Manager of Haulotte Middle East, Sole director of HHR.</li> </ul>
Elisa SAUBOT	Director	• NONE
Hadrien SAUBOT	Director	• General Manager of SOLEM SAS,
José MONFRONT	Director	• Director of société Haulotte Trading Shanghai co.Ltd.
Michel BOUTON	Director	<ul style="list-style-type: none"> <li>• Chairman of PVI,</li> <li>• Chairman of PVI HOLDING SA,</li> <li>• Chairman of ESCAL (subsidiary of PVI),</li> <li>• Chairman of SOVIBUS</li> </ul>
Bertrand BADRE	Director	<ul style="list-style-type: none"> <li>• Chief financial officer of Société générale,</li> <li>• Member of the General Management Committee Société générale,</li> <li>• Director of SOFIOUEST SA,</li> <li>• Director of SIPA,</li> <li>• Member of Supervisory Board of Eurazeo.</li> </ul>

## Compensation of corporate officers

Compensation and benefits of any nature granted in fiscal 2011 to each corporate officer by the Company, companies over which it exercises control and the controlling company as understood under article L.233-16 of the French Commercial Code breaks down as follows:

Corporate officers	Fixed compensation (*) in euros		Variable compensation (*) in euros		Benefits in-kind
	2012	2011	2012	2011	
Pierre SAUBOT	97 500 €	142 653.86 €	15 000 €	-	-
Alexandre SAUBOT	312 000 €	266 500 €	40 000€	-	-

(\*) Compensation paid by Solem, the controlling company, to officers in this.

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No compensation has been paid by the company for serving as corporate officers. Only travel expenses for attending Board meetings are reimbursed on the basis of vouchers.

Corporate officers do not benefit from a special pension scheme.

No stock options or stock purchase options have been granted to officers nor have any bonus shares been granted to them.

The company has made no commitment of any nature in favour of corporate officers constituting components of compensation, indemnities or other benefits payable or that could be payable in connection with the assumption, termination or change of these appointments or subsequent thereof.

## **Transactions involving shares of the company by officers or related parties in accordance with article L.621-18-2 of the French Financial and Monetary Code**

Executives of the Company have not informed the Company of any transactions in shares they hold in the Company, either directly or through persons with whom they have close personal relations in the fiscal period ended 31 December 2012.

## **Transactions involving shares of the company by members of the Executive Committee «considered as officers» in accordance with article L.621-18-2 b) of the French Financial and Monetary Code**

Members of the Executive Committee «considered as officers» in have not informed the Company of any transactions in the shares they hold in the Company in the fiscal year ended 31 December 2012.

## **Transactions involving shares of the company by persons having close personal ties within the meaning of Article L.621-18-2 c) of the French Financial and Monetary Code with persons mentioned under items 8.4 and 8.5**

Solem transferred 392,184 shares of the Company at a price of €5.63 per share in connection with a capital reduction by Solem, whereby its share capital was reduced through the cancellation of shares and the attribution of corporate assets to certain partners (a portion of the shares held by Solem in the Company's capital).

## **EMPLOYEE STOCK OWNERSHIP**

In compliance with article L. 225-102 of the French Commercial Code, we inform you that on the last day of the fiscal year ended 31 December 2011 the shareholding of employees was less than 3%.

### **Bonus shares granted to company employees**

In fiscal 2012 no bonus shares were granted to employees of the company.

### **Stock options or stock purchase options destined for salaried employees of the Company:**

We inform you that no stock options or stock purchase options were granted to employees of the Company in the fiscal year ended 31 December 2012.





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## INFORMATION HAVING A POTENTIAL IMPACT IN THE EVENT OF TAKEOVER BIDS (ARTICLE L.225-100-3 OF THE FRENCH COMMERCIAL CODE)

Items that could have a potential impact in the event of takeover bids are as follows:

### Capital structure of the company

SOLEM, the majority shareholder of the company, is itself held by the Saubot family

At 2012 year-end, the capital structure of the company was as follows:

- Solem: 54.67% of the share capital (and 72.43% of the voting rights);
- Holders of bearer shares: 36.85% of the share capital (and 24.41% of the voting rights);
- Holders of registered shares: 3.03% of the share capital (and 3.15% of the voting rights);
- Treasury shares: 5.44% of the share capital.

### Restrictions under the Articles of Association on the exercise of voting rights and the transfer of shares or the provisions of agreements reported to the company in compliance with article L. 233-11 of the French Commercial Code

Under Article 9 (Transfer and Transmission of Shares) of the Articles of Association, legal entities or natural persons that acquire or cease to hold a fraction equal to 1% of the share capital or the voting rights or any multiple thereof, must notify the company within fifteen days of crossing such thresholds.

Under the Articles of Association, if the company has not been so notified, shares that exceed the fraction to be reported under this disclosure requirement shall be deprived of voting rights at the request of one or more shareholders holding 5% of the share capital (with such request recorded in the minutes of the General Meeting).

### Holders of shares conferring special control rights and a description thereof

All shares of the company confer upon shareholders a right to participate in meetings under the conditions and subject to the provision provided for by law and regulations.

Shares shall confer a right to a percentage of the company's assets, the distribution of earnings and proceeds after liquidation equal to the proportion of the share capital they represent.

In accordance with article 16 of the Articles of Association, a double voting right is granted to all fully paid-up shares in proportion to the capital they represent subject to proof that they have been registered for at least four (4) years in the name of the same shareholder.

This right is also granted pursuant to the capitalisation of reserves, earnings or additional paid-in capital to free registered shares granted on the basis of existing shares entitled to the same right.

### Rules concerning the appointment and replacement of directors

The Articles of Association provide that the company is governed by a Board of Directors whose composition complies with applicable legal provisions.

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## Appointment of directors:

Every director must be a shareholder of the company and hold at least one qualifying share (article 12 of the Articles of Association).

By law a director may be a natural person or legal entity.

Each director must possess legal capacity or be an emancipated minor and shall not be subject to incompatibilities or restrictions provided for under law.

The director may be a salaried employee of the company if his or her employment contract predates the appointment to the board and corresponds to an actual employment.

The number of directors bound by employment contracts with the company may not exceed one third the total members on the board.

In the absence of an age limits set by the Articles of Association for directors, not more than one third of the board members may exceed seventy years of age.

Appointments of directors during the life of the company fall under the authority of the ordinary general meeting and shall be recorded in the agenda of the meeting except for cases of appointments following revocation

Directors are appointed for a maximum term of six years (article 12 of the Articles of Association).

The Board of Directors selects from among its members a natural person as Chairman that must be less than seventy years of age. The Chairman is appointed for a term which may not exceed his or her term as director and may be reappointed (article 12 of the Articles of Association).

Directors may be reappointed and no provisions of the Articles of Association provide for the contrary.

The Articles of Association shall not set a minimum number of directors that exceeds the legal minimum.

## Replacement of directors:

When during his or her term the Chairman of the Board of Directors reaches seventy, he or she shall be considered to have automatically resigned and will proceed with the appointment of a new chairman in accordance with the provisions of the Articles of Association (article 12 of the Articles of Association).

In the event of vacancies of board directorships pursuant to death or resignation, Board members may appoint themselves, on an interim basis by cooptation, a new director whose appointment must be approved by the next shareholders' meeting.

Cooptation is not possible when the number of directors is less than the legal minimum of three. In the latter case the ordinary general meeting must be immediately called to complete the number of board members.

In compliance with the provisions of the law, terms of directors expire pursuant rules governing age limits, the occurrence of events preventing the director from exercising his or her functions (death, illness, etc.), the winding up or transformation of the company, adoption of a new system of corporate governance (dual system with a executive board and supervisory board) and finally by revocation or resignation.



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## **Rules governing the modification of the company's Articles of Association**

Amendments to the Articles of Association of the company in accordance with legal provisions are subject to the exclusive authority of the extraordinary general meeting.

As an exception to this rule, the Board of Directors may modify the Articles of Association in respect to amounts of share capital and the number of shares comprising the capital, after recording, in its first meeting following the end of the fiscal year, the number and amount of shares issued pursuant to the exercise of stock options.

In this context, the Board of Directors may also delegate authority to its Chairman to amend the Articles of Association and comply with legal formalities if it decides that it is preferable to not wait for the end of the fiscal year to proceed with these modifications.

## **Powers of the Board of Directors concerning notably issuing or repurchasing shares**

The powers of the Board of Directors concerning share buyback programs are authorised and delegated by ordinary and extraordinary general meetings.

The ordinary general meeting authorises the Board of Directors, with the possibility to delegate said authority to its chairman to purchase shares of the company on or off market by any means representing not more than 10% of the company's capital stock (and subject to a maximum of 5% of the share capital for the purpose of acquiring shares for subsequent use as a means of payment or exchange in connection with mergers, demergers or contributions). This authorisation is granted for a maximum of eighteen (18) months and may also be used during takeover bids or tender offers.

The ordinary general meeting confers full powers to the Board of Directors with the possibility to further delegate this authority to the Chairman, to place all stock market orders, use any derivative instruments in compliance with applicable securities market regulations, conclude all agreements for the purpose of completing formalities, procedures and filings, and in general take all measures considered necessary.

The extraordinary general meeting authorises the Board of Directors to cancel on one or more occasions all or part of the company shares that may be held under this share buyback program not to exceed 10% of the share capital of the company per 24 month period.

In this context, it authorises the Board of Directors to allocate the difference between the purchase price of the cancelled shares and their nominal value to share premium accounts or revenue reserves and vests the Board with all powers to define the conditions and procedures of such cancellations and amend, as applicable the company's Articles of Association.

In the case of share issues the powers that may be granted to the Board of Directors shall be authorised by the general shareholders' meeting.

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## **AGREEMENTS SUBJECT TO ARTICLES L.225-38 ET SEQ. OF THE FRENCH COMMERCIAL CODE**

The auditors' special report provides information on regulated agreements with related parties subject to the provisions of article L.225-38 of the French Commercial Code concluded in prior periods that remained in force in the last fiscal year.

In compliance with the provisions of article L. 225-40 of the French Commercial Code, we request that you approve this report.

## **MODIFICATION OF ARTICLE 12 OF THE ARTICLES OF ASSOCIATION WITH RESPECT TO THE MAXIMUM AGE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS**

We propose that Article 12 of the Articles of Association on the age limit applicable to the Chairman of the Board of Directors be amended by increasing this age from 70 to 80.

## **REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH ARTICLE L.225-37 OF THE FRENCH COMMERCIAL CODE**

In accordance with the provisions of article L.225-37 of the French Commercial Code, the Chairman's report on the preparation and organisation of the Board's work and on the procedures of internal control implemented by the Company approved by the Board of Directors on 6 March 2013 is enclosed in Appendix 2 of this report.

## **TABLE PRESENTED IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE L.225-100 SUBSECTION 4 OF THE FRENCH COMMERCIAL CODE**

In accordance with the provisions of article L.225-100 subsection 4 of the French Commercial Code we inform you that the table listing delegations of authority or powers remaining in force and granted by the General Meeting to the Board of Directors in respect to capital increases, in compliance with articles L.225-129-1 and L.225-129-2

## **PROPOSAL TO AUTHORISE THE BOARD OF DIRECTORS TO PURCHASE AND SELL SHARES OF THE COMPANY**

We propose that you grant a new authorisation to the Board of Directors that may in turn delegate said authority, as permitted by law, to purchase and sell shares of the company in compliance with the provisions of article L.225-209 of the French Commercial Code and articles 241-1 et seq. of the General Regulation of the AMF (Autorité des Marchés Financiers) the French financial market authority.



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Acquisitions shall be made for the purpose to:

- Maintain an orderly market in the company's shares within the framework of a liquidity agreement based in compliance with the AMAFI on 8 March 2011 and concluded with an investment service provider acting in an independent manner;
- Retain such shares for subsequent use as a means of payment or exchange in connection with financial transactions or acquisitions, in compliance with applicable regulations;
- Cancelling shares thus acquired, subject to adoption of the resolution authorising the Board of Directors to reduce the share capital by cancellation of treasury shares held by the Company;
- For employee stock option plans and other share grants in accordance with the provisions of article L.3332-1 et seq. and R.3332-4 of the French Labour Code or grants to employees and/or officers of the Company or companies covered by article L.225-197-2 of the French Commercial Code of shares of the Company or the grant of shares in connection with employee profit-sharing plans.

This authorisation would be granted under the following conditions:

- The total number of shares purchased by the Company under this authorisation may not exceed 10% of the share capital, as adjusted to take into account equity transactions that may affect this amount after the decision of the general meeting and excluding treasury shares. However, when shares are repurchased to promote the liquidity of the share in accordance with the conditions defined by the AMF General Regulation, the number of shares that may be taken into account to calculate this 10% limit shall correspond to the number of shares purchased minus shares sold during the period this authorisation is valid. Furthermore, the number of shares acquired by the company for subsequent use for payment or exchange in connection with a merger, demerger or contribution, may not exceed 5% of the share capital on the basis of the amount that may be adjusted to take into account subsequent equity transactions undertaken after the decision of the general meeting;
- The Company may only purchase its own shares for a price of not more than €20;
- The Company may sell, assign or transfer all or part of these shares thus acquired by any means.

The purchase of the shares, as well as their sale, assignment or transfer, maybe carried out on one or several occasions, at any time, including when public offerings are in progress, and by any means, notably on or off market, including through block trades, though excluding the use of derivatives. The maximum portion of the buyback program able to be executed through the purchase or sale of blocks of shares may cover the full amount of the authorisation.

The maximum amount of funds that may be authorised for this share buyback program shall be set at €62,428,258.

This authorisation shall be granted for eighteen months and would replace and supersede the prior authorisation granted by the combined shareholders' meeting of 24 May 2012.

We inform you that all information required by applicable laws and regulations as well as articles 241-1 of the AMF General Regulation will be contained in the description of the share buyback program that shall



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be drawn up and published prior to the implementation of this new program in accordance with article L.241-2 of the AMF General Regulation.

If you accept this proposal, we request that you grant full powers to the Board of Directors with the possibility to further delegate this authority as permitted by law, to place all stock market orders, conclude all agreements, procedures, filings and make all representations, and in general take all measures considered necessary.

## **AUTHORISATION AND POWERS GRANTED TO THE BOARD OF DIRECTORS TO REDUCE THE SHARE CAPITAL BY CANCELLATION OF TREASURY SHARES**

We propose that you authorise the Board of Directors to reduce the share capital by cancelling, on one or more occasions, all or part of the treasury shares that the Company may hold that were acquired through the share buyback program mentioned above subject to a limit of 10% of the share capital of the company for periods of 24 months.

In addition, we propose that you delegate to the Board of Directors all powers to proceed with this transaction in accordance with the provisions of article L.225-209, paragraph 7 of the French Commercial Code and allocate the difference between purchase price of the shares cancelled and their nominal value to premium accounts or revenue reserves.

This authorisation is granted for eighteen months and replaces and supersedes the prior authorisation granted by the extraordinary shareholders' meeting of 24 May 2012.

## **GROUP MANAGEMENT REPORT**

### **Situation of the group of companies included in the consolidation**

Companies included in the scope of consolidation are listed in the section «Activities of subsidiaries and controlled companies» of this report.

The situation of these companies is presented in the table contained in the section «Activities of subsidiaries and controlled companies» of this report.

### **Changes in the presentation of the consolidated financial statements accounts or methods of valuation applied in prior years**

- The Group adopted in advance on 31 December 2012 the Revised IAS 19 – Post-employment benefits. The consequences of this early adoption are presented in notes 4.9 and 25 of the consolidated financial statements and for the Group are mainly as follows:
- With respect to defined contribution post-employee benefits (mainly retirement severance benefits paid in France for Haulotte Group), the immediate recognition of actuarial gains and losses previously recognised in profit or loss, under other comprehensive income along with additional information to be provided in the notes;



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- With respect to short-term benefits, a new definition for benefits to be fully settled within 12 months of the closing date of the fiscal year in which they were provided (and no longer under «current payables») with no impact for the Group

## Review of consolidated operations

The Group's financial statements have been prepared in accordance with IFRS as adopted by the European Union on 31 December 2011.

In fiscal 2012 the Group had revenue of €355.7 million, up from €306.9 million in 2011, an increase of 16% between the two years.

Annual sales grew in all geographic areas, but especially in Latin America (+ 77%). The United States (+27 %) and Asia Pacific (+21 %) maintain steady growth while Europe (+5 %) is marked by a decline in the second half.

Rental activities and services continue their growth, with sales +8% from rental and +5% for services at the end of 2012.

Current operating income rose sharply, as it stood at €0.8 million, against (€ 4.6 million) in 2011. This improvement is due to:

- the positive impact of additional volume on gross margin,
- a reduction in the impact of low industrial activity,
- continuing favourable evolution of sales prices,
- a better margin on rental activities and service.

Fixed costs, excluding impairment of trade receivables, increased by 4%, mainly reflecting commercial investments in areas with high potential development.

The cost of reorganisation of manufacturing operations, presented in non-current operating income, amounted to € 4.7 million on a consolidated basis for the year.

At 31 December 2012, the consolidated net loss for the period was € 7.5 million, down from €9.0 million in 2011.

## Foreseeable changes in the Group's situation and outlook

Despite the European economic environment remaining difficult, the positive orientation of the emerging markets and the need for fleet renewal in Europe should allow Haulotte Group to show growth of around 10% of sales in 2013 and continue to improve its operating margin.

Priorities for 2013 will include increasing market share in selected regions, consolidating our margins, launching new models in Anglo-Saxon markets and maintaining tight control over working capital requirements.

## Progress made or difficulties encountered

Refer to the section "Progress made or difficulties encountered" of this report.

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## **Significant events between the closing date and the date of publication of the consolidated financial statements**

Refer to the section “Important post-closing events” of this report.

## **Comprehensive analysis of revenue, earnings and financial position of consolidated operations, and notably debt with respect to the volume and complexity of their business activity**

Please refer to paragraph “Comprehensive analysis of the Company’s revenue, earnings and financial position, and notably debt with respect to the volume and complexity of business activity” of this report.

## **Description of the main risks and uncertainties for the company’s subsidiaries**

Refer to the section “Key risks and uncertainties” of this report.

## **The exposure of subsidiaries to risk concerning price, credit, liquidity and capital resources**

Please refer to paragraph “The company’s exposure to risks concerning price, credit, liquidity and capital resources” of this report.

## **Information on the use of financial instruments by consolidated companies - Objectives and policy of the company concerning the management of financial risks**

Please refer to paragraph “Use of financial instruments - Company financial risk management objectives and policy” of this report.

## **Research and development**

Please refer to paragraph “Research and development” of this report.

\* \* \*

**The Board of Directors**



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## APPENDIX 1: FIVE-YEAR FINANCIAL SUMMARY

Closing date Duration of fiscal year (months)	31/12/2012 12	31/12/2011 12	31/12/2010 12	31/12/2009 12	31/12/2008 12
<b>SHARE CAPITAL AT YEAR-END</b>					
Common stock	4 057 837	4 057 837	4 057 837	4 054 917	4 236 851
Number of outstanding shares					
- ordinary shares	31 214 129	31 214 129	31 214 129	31 191 669	32 591 164
- treasury shares	1 837 823	1 837 823	1 837 823	1 837 823	3 239 418
- dividend-right shares	29 376 306	29 376 306	29 376 306	29 353 846	29 351 746
Maximum number of future shares to be created					
- from conversion of bonds					
- from subscription rights					
<b>OPERATIONS AND RESULTS</b>					
Sales excluding taxes	164 262 857	151 314 901	98 346 721	98 339 134	358 964 658
Earnings before taxes, employee profit	(13 818 444)	(7 928 263)	(16 752 897)	(20 963 067)	49 819 851
Earnings before taxes, employee profit	(861 848)	(629 610)	(12 355 039)	(14 229 161)	(8 257 022)
Corporate income tax					
Employee profit-sharing	9 601 242	24 732 911	22 347 831	20 306 515	37 372 487
Depreciation and provisions					
Net Result	(22 557 838)	(32 031 564)	(26 745 690)	(27 040 421)	20 704 385
Distributed earnings					6 457 384
<b>EARNINGS PER SHARE</b>					
Earnings after taxes, employee profit - Earnings after taxes, employee profit	(0.42)	(0.23)	(0.14)	(0.22)	1.78
Earnings after tax, employee profit-sharing - Depreciation and provisions	(0.72)	(1.03)	(0.86)	(0.87)	0.64
Distributed dividends					0.22
<b>EMPLOYEES</b>					
Average number of employees for the fiscal year	586	614	637	682	701
Total payroll	22 340 779	19 959 309	16 209 296	16 868 511	23 424 040
Total benefits paid (social security, welfare benefits, etc.)	9 564 167	9 022 863	7 217 931	7 169 440	9 629 150

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## APPENDIX 2:

### TABLE PRESENTED IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE L.225-100 SUBSECTION 4 OF THE FRENCH COMMERCIAL CODE

DATE OF THE GENERAL MEETING HAVING GRANTED THE AUTHORITY	TERMS OF THE AUTHORITY GRANTED	USE OF THE AUTHORITY IN THE PERIOD ENDED
24/05/2012 (resolution eight)	<p><b>Grant of authority to the Board of Directors to increase the share capital by means of issuing all securities giving present or future rights to the capital, maintaining the preferential subscription rights of shareholders:</b></p> <ul style="list-style-type: none"><li>- Term: twenty-six months from 24 May 2012 until 23 July 2014.</li><li>- Maximum authorised amounts:</li><li>- €405,783 for the issue of securities to be subscribed for in cash;</li><li>- €405,783 for the issue of securities and capital increases through the capitalisation of reserves, earnings and additional paid-in capital</li><li>- €405,783 for the issue of debt securities giving rights to the share capital</li><li>- grant of authority to the Board of Directors, which it may further delegate as provided for by law, for the purpose of implementing the authority and notably to:</li></ul> <p>• set the issue date and procedures as well as the form and characteristics of the securities to be created, the issue price and conditions, the amounts to be issued, the record date, even retroactively, for the securities to be issued, decide that the fractional rights in the case of issues of shares through the capitalisation of reserves, earnings or additional paid in capital shall not be negotiable and the corresponding shares will be accordingly sold on the market, determine the procedures for payment of the shares issued, and provide for, as applicable, the terms for their repurchase on the market and the possibility for the suspension of the exercise of allotment rights for shares attached to securities to be issued for a period that may not exceed three months as well as setting the procedures for preserving the rights of holders of securities giving future access to the share capital, in compliance with applicable laws and regulations;</p>	NONE





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	<ul style="list-style-type: none"> <li>• proceed with all charges to share premium and notably, formally recognise completion of the capital increase(s) and amend the Articles of Association in consequence;</li> <li>• In the case of the issue of debt securities, decide whether they are subordinated or not, set their interest rate, term, the fixed or variable redemption price, with or without premium, the redemption procedures according to market conditions and the conditions under which the securities will give rights to the Company's shares.</li> </ul>	
24/05/2012 (resolution nine)	<p><b>Grant of authority to the Board of Directors to increase the share capital through a public offer by issuing all securities giving present or future rights to the capital, without preferential subscription rights for existing shareholders:</b></p> <ul style="list-style-type: none"> <li>- Term: twenty-six months from 24 May 2012 until 23 July 2014.</li> <li>- Maximum authorised amounts:</li> <li>- €405,783 for the issue of securities to be subscribed for in cash for the capital increase(s) through a public share offer;</li> <li>- €405,783 for the issue of securities giving access to the share capital;</li> <li>- grant of authority to the Board of Directors, which it may further delegate as provided for by law, for the purpose of implementing the authority and notably to:</li> </ul> <ul style="list-style-type: none"> <li>• set the issue date and procedures as well as the form and characteristics of the securities to be created, the issue price and conditions, the amounts to be issued, the record date, even retroactively, for the securities to be issued, determine the procedures for payment of the shares issued, and provide for, as applicable, the terms for their repurchase on the market and the possibility for the suspension of the exercise of allotment rights for shares attached to securities to be issued for a period that may not exceed three months as well as setting the procedures for preserving the rights of holders of securities giving future access to the share capital, in compliance with applicable laws and regulations;</li> <li>• proceed with all charges to share premium and notably, formally recognise the capital increase(s) and amend the Articles of Association in consequence;</li> <li>• In the case of the issue of debt securities, decide whether they are subordinated or not, set their interest rate, term, the fixed or variable redemption price, with or without premium, the redemption procedures according to market conditions and the conditions under which the securities will give rights to the Company's shares.</li> </ul>	NONE

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<p>24/05/2012 (resolution ten)</p>	<p><b>Grant of authority to the Board of Directors to increase the share capital through a private placement by issuing all securities giving present or future rights to the capital, without preferential subscription rights for existing shareholders:</b></p> <ul style="list-style-type: none"><li>- Term: twenty-six months from 24 May 2012 until 23 July 2014.</li><li>- Maximum authorised amounts:<ul style="list-style-type: none"><li>- €405,783 for the issue of securities to be subscribed for in cash for the capital increase(s) through a private placement with qualified investors in accordance with the provisions of Article 'L.225-136 3° of the French commercial code within the limit of 20% of the share capital per year;</li><li>- €405,783 for the issue of debt securities giving access to the share capital;</li></ul></li><li>- issue price: this amount shall equal the weighted average price of the last three trading sessions preceding the fixing, that may be subject to a discount not to exceed 5%.</li><li>- grant of authority to the Board of Directors, which it may further delegate as provided for by law, for the purpose of implementing the authority and notably to:<ul style="list-style-type: none"><li>• set the issue date and procedures as well as the form and characteristics of the securities to be created, the issue price and conditions, the amounts to be issued, the record date, even retroactively, for the securities to be issued, determine the procedures for payment of the shares issued, and provide for, as applicable, the terms for their repurchase on the market and the possibility for the suspension of the exercise of allotment rights for shares attached to securities to be issued for a period that may not exceed three months as well as setting the procedures for preserving the rights of holders of securities giving future access to the share capital, in compliance with applicable laws and regulations;</li><li>• proceed with all charges to share premium and notably, formally recognise the capital increase(s) and amend the Articles of Association in consequence;</li><li>• In the case of the issue of debt securities, decide whether they are subordinated or not, set their interest rate, term, the fixed or variable redemption price, with or without premium, the redemption procedures according to market conditions and the conditions under which the securities will give rights to the Company's shares.</li></ul></li></ul>	<p>NONE</p>
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	<ul style="list-style-type: none"> <li>- The Board of Directors is authorised to set the issue price of securities issued within a limit of 10% of the share capital per year, and adjusted for the the potential impact of subsequent corporate actions, at a price that may not be less than the amount decided by the Board of Directors, or:</li> <li>- the volume-weighted average price of the share for the trading session preceding the fixing of the issue price,</li> <li>- the volume-weighted average price of the share for the 20 trading sessions preceding the fixing of the issue price,</li> <li>- subject in both cases to a maximum possible discount of 5% and within the limit of their nominal value.</li> </ul>	
24/05/2012 (resolution thirteen)	<p><b>Authority granted to the Board of Directors to increase the share capital as consideration for equity securities or other securities giving access to the share capital and tendered as contributions in kind to the Company in connection with public exchange offers:</b></p> <ul style="list-style-type: none"> <li>- Term: 26 months from 24 May 2012 until 23 July 2014.</li> <li>- maximum amount: the unused portion of amounts provided for under the above grants of authority</li> <li>- purpose: in consideration for:               <ol style="list-style-type: none"> <li>1) contributions in kind of equity securities or other securities giving access to the capital granted to the Company, within the limit of 10% of the share capital (adjusted where applicable)</li> <li>2) contributions of securities tendered to the Company within the framework of a public exchange offer initiated in France or another country by the Company for the securities of a company whose shares are admitted for trading on a regulated market</li> </ol> </li> <li>- grant of authority to the Board of Directors, which it may further delegate as provided for by law, for the purpose of implementing the authority and notably to:               <ul style="list-style-type: none"> <li>• set the issue date and procedures for issues, the form and characteristics of the securities to be created, the issue price and conditions, and notably the share exchange ratio, and when applicable, the balance to be paid in cash, the amounts to be issued, the record date, even retroactively, for the securities to be issued, determine the conditions for their repurchase on the market and suspend the exercise of allotment rights for shares attached to securities to be issued for a period that may not exceed three months, as well as set the procedures for preserving the rights of holders of securities giving access to the share capital, in compliance with applicable laws and regulations.</li> <li>• proceed with all charges to share premium and notably, formally recognise the capital increase(s) and amend the Articles of Association in consequence;</li> </ul> </li> </ul>	NONE

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24/05/2012 (resolution fourteen)	<p><b>Grant of authority to the Board of Directors to proceed with a capital increase through the issuance of shares reserved for employees participating in a company savings plan and canceling the preferential subscription rights of shareholders in favor of employees:</b></p> <ul style="list-style-type: none"><li>- Term: 26 months from 24 May 2012 until 23 July 2014.</li><li>- maximum amount: €125,500.18</li><li>- maximum amount: 965.386 ordinary shares with a par value of €0.13 per share</li><li>- grant of authority to the Board of Directors, which it may further delegate as provided for by law, for the purpose of implementing the authority and notably to:</li></ul> <p>establish the list of beneficiaries and the number of shares to be granted to each; determine the date and procedures for issues that may be carried out under this authorisation in compliance with the provisions of the law and the Articles of Association and, notably set the subscription price in compliance with the rules defined above, the opening and closing date of these subscription period, and the delay for the payment of shares; record the completion of the capital increases according to amounts actually subscribed; perform, directly or through an agent, all transactions and formalities; make the corresponding amendments to the Articles of Association with respect to increases in the share capital; and in general, undertake all necessary actions for the finalisation of the capital increase or successive capital increases of the share capital.</p>	NONE
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