



statutory 13

accounts

Haulotte 
GROUP
More than lifting

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

BALANCE SHEET - ASSETS

In thousands of euros	Note	Gross	Amort. Deprec.	31/12/2013	31/12/2012
INTANGIBLE ASSETS	4.1				
Software, patents		8 665	6 467	2 198	2 558
Goodwill		168		168	168
Other intangible assets		2 073		2 073	639
PROPERTY, PLANT AND EQUIPMENT	4.1				
Land		957		957	1 466
Buildings		14 890	8 310	6 580	7 860
Machinery and equipment		22 999	19 035	3 964	4 300
Other PPE		2 777	2 103	674	455
Fixed assets in progress		396		396	333
FINANCIAL ASSETS	4.2				
Long-term investments		21 791	8 275	13 516	12 928
Receivables from investments		148 377	54 323	94 055	137 056
Other investments	4.3	14 690		14 690	9 472
Other financial assets		1 550		1 550	1 513
NON-CURRENT ASSETS		239 334	98 513	140 821	178 748
INVENTORIES AND WORK IN PROGRESS	5				
Raw materials		12 106	534	11 572	14 150
Work in progress		1 934		1 934	2 921
Finished goods		23 934	1 161	22 773	26 044
Trade goods		5 772	1 298	4 474	4 048
Advances paid to suppliers		169		169	282
ACCOUNTS RECEIVABLE					
Accounts receivable	6	78 191	19 007	59 184	69 799
Other receivables	7	7 457	220	7 237	4 338
CASH AND CASH EQUIVALENT					
Marketable securities		10		10	10
Cash at hand		5 607		5 607	3 594
ACCRUALS					
Prepaid expenses	8	515		515	563
CURRENT ASSETS		135 695	22 221	113 475	125 749
Unrealised foreign exchange losses	8	3 575		3 575	1 124
TOTAL		378 605	120 734	257 871	305 621

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BALANCE SHEET - LIABILITIES AND EQUITY

In thousands of euros	Note	31/12/2013	31/12/2012
Share capital	10	4 058	4 058
Additional paid-in-capital		92 044	92 044
Legal reserves		448	448
Other reserves		1 274	1 274
Retained earnings		17 537	40 095
PROFIT (LOSS) FOR THE YEAR		2 041	(22 558)
Regulated reserves		2 362	3 395
SHAREHOLDERS' EQUITY	10	119 764	118 756
Provisions for contingencies		9 746	6 789
Provisions for charges		2 259	2 034
COMMITMENTS AND CONTENGENCIES	12	12 005	8 823
LONG-TERM DEBT			
Bank borrowings	13	43 145	89 409
Miscellaneous loans and borrowings	13	1 200	1 054
Down payments received	14	1 839	1 333
TRADE PAYABLES AND OTHER CURRENT LIABILITIES			
Trade payables			
Tax and employee-related liabilities		27 564	34 589
Fixed asset creditors		5 409	5 029
Other payables			
		44 256	41 376
ACCRUALS			
Deferred revenue			175
TOTAL LIABILITIES		123 413	172 965
Unrealised foreign exchange gains	8	2 689	5 078
TOTAL		257 871	305 621

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INCOME STATEMENT

In thousands of euros	Note	31/12/2013	31/12/2012
NET SALES	16	172 219	164 262
Change in inventories of finished goods and work in progress		(4 337)	(2 123)
Capitalised production		485	161
Operating grants		3	44
Reversal of depreciation and provisions, expenses reclassifications		7 049	5 916
Other income		5 976	27
OPERATING INCOME		181 395	168 287
Purchase of trade goods		19 101	18 490
Change in inventories (trade goods)		(138)	(88)
Purchase of raw materials and other supplies		88 722	86 296
Change in inventories (raw materials and other supplies)		2 463	(626)
Other purchases and external charges		35 340	32 732
Taxes other than on corporate income		2 681	2 437
Wages and salaries		21 212	22 341
Social charges		9 793	9 564
Depreciation and amortisation of fixed assets		3 104	2 688
Increase in provisions for current assets		9 610	3 804
Provisions for contingencies and commitments		4 088	6 070
Other expenses		561	15
OPERATING EXPENSES		196 538	183 724
OPERATING PROFIT (LOSS)		(15 143)	(15 435)
Dividends received from subsidiaries		0	0
Interest income		3 756	6 206
Reversals of provisions		52 248	15 656
Currency gains		6 579	6 481
Net proceeds from the disposal of marketable securities		1	2
FINANCIAL INCOME		62 584	28 345
Allowances for depreciation and reserves		18 669	20 000
Interest expenses		4 019	10 146
Currency losses		11 882	6 465
Net expenses from the disposal of marketable securities		14 192	
FINANCIAL EXPENSE		48 762	36 611
NET FINANCIAL PROFIT (LOSS)	18.1	13 823	(8 266)
PRE-TAX PROFIT BEFORE EXTRAORDINARY ITEMS		(1 320)	(23 702)
Extraordinary income sundry business operations		20	13
Extraordinary income on transactions		3 575	8
Reversal of provisions, expenses reclassifications		1 392	2 387
EXTRAORDINARY INCOME		4 987	2 408
Extraordinary expenses sundry business operations		189	1 639
Extraordinary expenses on transactions		1 505	95
Depreciation and provisions		968	392
EXTRAORDINARY EXPENSES		2 662	2 126
EXTRAORDINARY PROFIT (LOSS)	18.2	2 325	282
Corporate income tax	19	(1 036)	(862)
NET PROFIT (LOSS)		2 041	(22 558)

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Figures are expressed as thousands of euros.

NOTE 1 - SIGNIFICANT EVENTS

Renegotiation of the syndicated credit facility

In the first half of 2013, Haulotte Group received a formal agreement from the banks concerning the following points relating to its syndicated credit facility:

Lifting of the event of default status resulting from the breach of the ratio recognized at 31 December 2012.

Prepayment on 28 June 2013 of the instalment scheduled for July 2013 by the credit facility.

Review of the level of one of the ratios for the closing on 30 June 2013.

On 30 June 2013 and 31 December 2013 the ratios were respected. On that basis, all bank debt was reclassified according to the contractual maturity dates. Detailed disclosures on these items are provided in note 13.

Disposal of UK Platforms

In the period, Haulotte Group decided to divest its equipment leasing business in the UK, comprised of its sub-subsidiary UK Platforms, itself wholly owned by Haulotte UK.

This company was sold on 28 June 2013 to HSS Hire Services Group resulting in the following accounting and financial impacts for Haulotte Group SA:

- Subscription by Haulotte Group SA in the capital increase of UK Platforms by offsetting debt owed by the latter,
- Followed by the immediate disposal of securities took up to HSS Hire Services Group.

This transaction generated a capital loss from the disposal of €14 million that was recognized under net financial expense (see note 18.1).

Concurrently, Haulotte Group SA received repayment for the balance of amounts owed by UK Platforms and thereupon reversed the provision for impairment of these amounts due for €24 million (see note 4.2 and 18.1).

On that basis, the total impact on the income statement for the 2013 period was an income of €10 million classified as financial income.

In light of the simultaneous nature of the acquisition and disposal of securities, this transaction was accounted for as a disposal of marketable securities.

NOTE 2 - ACCOUNTING POLICIES

The company's annual financial statements have been prepared in accordance with the laws and regulations applicable in France.

The accounting principles applied include:

- the conservatism principle ;
- the going concern concept ;
- the time period concept ;
- the consistency principle.

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Fiscal year ended 31 December 2013

2.1 Intangible fixed assets

Intangible assets are recognised at their purchase price, excluding financial charges.

Software is depreciated on a straight-line basis over 3 to 7 years according to its useful life.

Models and designs are depreciated over 5 years.

Goodwill is not subject to depreciation. An impairment is recorded when its value in use is less than the amount initially recognised.

Research and development expenditure is expensed in the period incurred.

2.2 Property, plant and equipment

Property, plant and equipment are recognised in the balance sheet at purchase cost (less discounts and all costs necessary to bring the asset to working condition for its intended use) or production cost. Finance costs are not included in the cost of fixed assets.

Basis for depreciation of fixed assets is their gross value (cost less residual value). Depreciation starts from the date the asset is ready to be commissioned. Depreciation is recorded over the useful life that reflects the consumption of future economic benefits associated with the asset that will flow to Haulotte Group SA.

When the asset's carrying value is greater than its estimated recoverable amount, an impairment is recorded for the difference.

Subsequent costs are recognised as separate assets and subject to different depreciation rates if the related assets have different useful lives. The carrying amount of the renewed or replaced part is derecognised, the new costs incurred being separately capitalised.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method over their estimated useful lives as follows:

	Depreciation period
Plant buildings :	
- main component	40 years
- other components	10 to 30 years
Building fixtures and improvements	
- main component	10 to 40 years
- other components	5 to 20 years
Plant equipment	5 to 20 years
Other installations and equipment	3 to 20 years
Transportation equipment	5 years
Computer and office equipment	3 to 10 years
Office furniture	3 à 10 ans

The assets' residual value and useful lives are reviewed and adjusted, if appropriate, at each balance-sheet date.

The gains or losses on disposals of fixed assets are recognised within 'Extraordinary income/expenses on transactions'.

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

• *Regulated tax reserves*

Regulated reserves include in particular additional tax depreciation allowances calculated by utilising the most favourable tax option. This mainly concerns depreciation on residual values of equipment recorded as fixed assets.

2.3 Financial assets

• *Equity Investments*

Investments are recognised in the balance sheet at historical cost, including transaction costs such as transfer rights, commissions and fees directly attributable to the acquisition of the securities. These expenses are included in the cost of securities and are subject to special accelerated depreciation over five years.

At year-end their balance sheet value is compared with their going concern value, determined with reference to the share in net equity owned and the earnings prospects. When applicable, a provision for impairment is recorded. When necessary (notably for subsidiaries with negative net equity), additional provisions are recognised first against intra-group assets (receivables, current accounts) and further as a provision for charges if necessary.

• *Receivables from investments*

Receivables from investments relate to current account advances and loans granted to subsidiaries.

These items are recognised at face value. Current account balances in foreign currencies are translated into Euros at the year-end exchange rate. Gains arising on translation are recognised as 'unrealised foreign exchange gains' and recorded in the balance sheet. Losses arising on translation result in the recognition of a provision for foreign exchange losses and go therefore through the income statement.

Current accounts are subject to impairment in the cases described in the preceding paragraph. There is no translation adjustment recorded for the impaired portion of foreign currency current accounts.

• *Treasury shares*

Treasury shares acquired in connection with the Group's share buy-back program are recorded as financial assets. They are recognised at purchase price. At the end of the year, their carrying value is determined on the basis of the average quoted price of the shares for the last month of the year. If the carrying value is lower than the purchase price, an impairment loss is recorded for the difference.

2.4 Inventories and work in progress

Inventories are stated at the lower of cost or net realisable value:

- Materials and supplies cost is determined using the average cost method based on the weighted average cost per unit ;
- The cost of finished products and work in progress includes direct production costs and factory overhead (based on normal operating capacity) ;
- Traded goods inventories are recorded at purchase price (spare parts) or at their trade-in value (second-hand machines) ;
- The net realisable value is the estimated selling price in the ordinary course of business less applicable expenses to recondition or sell the goods.

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

Impairment is recognised when the net realisable value corresponding to the estimated selling price in the ordinary course of business less applicable expenses to recondition or sell the goods, is less than the carrying value of inventories defined above.

2.5 Receivables and payables

Receivables and payables are recognised at their face value.

A provision for impairment is recorded when their collection value, determined on a case-by-case basis, is estimated to be lower than the carrying value.

As soon as there are indications of a real and serious collection risk, a provision for impairment is recorded.

2.6 Translation of transactions in foreign currency

Transactions in foreign currencies are translated at the exchange rate on the transaction date. At the end of the period, receivables and payables balances that have not been hedged are translated at the closing rate. The resulting translation differences for payables and receivables in foreign currency at the end of the period are recognised in the balance sheet under the cumulative translation adjustment. For unrealised foreign exchange losses a provision for contingencies is recorded.

Hedged receivables are translated at the hedge rate.

For receivables for which impairment has been recorded, only the remaining balance is translated at the year-end exchange rate.

2.7 Marketable securities

Marketable securities are initially recognised at their purchase price excluding incidentals. Carrying value of the securities is measured based on quoted values at the closing date. An impairment is recorded when this quoted value is lower than purchase price.

2.8 Provisions

When a contingent liability is identified, for which no reliable estimation can be determined, there is no provision recognized. If applicable, a description of the identified risk is included in a dedicated paragraph within the notes relating to provisions for contingencies and charges (Note 12) or contingent liabilities (Note 23.3).

In general a provision is recorded when:

- the Group has a present legal or constructive obligation as a result of a past event ;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and ;
- the obligation has been reliably estimated.

• *Warranty provision*

Accordingly, Haulotte Group grants clients a manufacturer's warranty. The estimated cost of warranties on products already sold is covered by a provision statistically calculated on the basis of historical data. The warranty period is generally two years. When necessary, a provision is recognised on a case-by-case basis to cover specific warranty risks identified.

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

• *Litigations*

Other provisions are also recorded in accordance with the above principles to cover risks related to litigations, site closures (when applicable) or any other event meeting the definition of a liability. The amount recognised as a provision represents the best estimate of the expenditure required to settle the obligation.

All material lawsuits involving the company were reviewed at year-end, and based on the advice of legal counsel, the appropriate provisions were recorded, when necessary, to cover the estimated risks corresponding to a net out flow of resources.

• *Pension*

Haulotte Group SA records provisions for pensions indemnities and other post-employment obligations as well as long-service awards. Haulotte Group SA only had defined benefit plans. The corresponding obligation is measured using the projected unit credit method with end-of-career wages. The calculation of this obligation takes into account the provisions of the laws and collective bargaining agreements and actuarial assumptions concerning notably staff turnover, mortality tables, salary increases and inflation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the income statement in the period incurred.

2.9 Operating profit

• *Revenue recognition*

"Net sales" includes the goods and services sales comprising notably:

- Equipment sales to the distribution and renting subsidiaries of the group
- Direct sales to certain customers
- spare parts sales
- provision of services.

Sales of goods are recorded net of value added tax at the date of transfer of risks and benefits of ownership.

Revenues related to services are recognised over the period during which the services are rendered.

• *Operating expenses*

Operating expenses include notably material costs, production costs and overheads.

2.10 Financial income

Financial income consists primarily of changes in provisions on investments and on intercompany current accounts, exchange gains and losses, interest income and expenses on current accounts and financial costs associated with borrowing.

2.11 Extraordinary income

Items that are exceptional in nature or that do not occur in the normal course of business are recognised under extraordinary profit or loss. In accordance with the French National Accounting Code (Plan Comptable Général), extraordinary profit or loss also includes allowances and reversals of special tax depreciation provisions.

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

NOTE 3 - POST-CLOSING EVENTS

The 4th February 2014, Haulotte Group SA has signed a purchase agreement of 50 % of shares on the distribution activity of one of its Turkish customers.

NOTE 4 - FIXED ASSETS

4.1 Property, plant and equipment & intangible assets

Gross amounts

	31/12/2012	Increase	Decrease	31/12/2013
Intangible assets ⁽¹⁾	8 050	783	0	8 833
Intangible assets in progress ⁽²⁾	639	1915	481	2 073
Land	1 466		509	957
Building	4 566		1 718	2 848
General installations	11 761	423	142	12 042
Machinery and equipment	22 890	621	512	23 000
Other PPE	2 262	516	2	2 776
Fixed assets in progress	333	354	291	396
TOTAL	51 968	4 612	3 655	52 925

Accumulated depreciation and impairment

	31/12/2012	Increase	Decrease	31/12/2013
Intangible assets	5 325	1 142		6 467
Land				
Building	1 671	89	793	966
General installations	6 796	690	142	7 344
Machinery and equipment	18 589	887	442	19 035
Other PPE	1 808	296	1	2 103
TOTAL	34 189	3 104	1 378	35 915

⁽¹⁾ The intangible assets concerns primarily software. It also includes goodwill of €168 thousand. The goodwill originated from the creation of Haulotte S.A. in 1995. No depreciation or impairment has been recorded.

⁽²⁾ The significant increase in intangibles assets in progress is due to the development of a new ERP.

Research and development expenditure, recorded in operating expenses, totalled K€ 6 961 thousand for the fiscal year.

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Fiscal year ended 31 December 2013

4.2 Financial assets

Financial assets break down as follows on a cost basis:

	31/12/2012	Increase	Decrease	31/12/2013
Equity investments ⁽¹⁾	21 730	61	0	21 791
Current accounts & loans to subsidiaries ⁽²⁾	221 665	18 984	92 271	148 377
Treasury shares ⁽³⁾	14 690			14 690
Other financial assets	1 513	37	0	1 550
TOTAL GROSS VALUE	259 598	19 082	92 271	186 408

	31/12/2012	Allowances	Reversals	31/12/2013
Provisions on Equity investments ⁽⁴⁾	8 802	30	557	8 275
Provisions on Current accounts & loans ⁽⁵⁾	84 609	228	30 515	54 322
Provisions on Treasury shares	5 218	0	5 218	0
Provisions on other financial assets				
TOTAL PROVISIONS	98 629	258	36 290	62 597

TOTAL NET VALUE	160 969			123 811
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⁽¹⁾ Haulotte Group constituted a new subsidiary: Haulotte India

⁽²⁾ The significant decrease in loans to subsidiaries is explained by the flows on current accounts (48 M€) following the sale of rental activity in United Kingdom (See Note 1).

⁽³⁾ The number of treasury shares owned at the year end 2013 is 1 837 823.

⁽⁴⁾ Additional provisions have been recorded by Haulotte Group S.A. on the investments on the subsidiary Haulotte Shanghai and others have been reversed on the subsidiaries Haulotte France and Haulotte GmbH.

⁽⁵⁾ The decrease in subsidiaries current accounts provisions is mainly explained by the reversal recorded following the disposal of UK Platforms (see Note 1).

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4.3 Changes in treasury shares

The company did not repurchase any of its own shares in 2013.

Type		2013	2012
Liquidity agreement	Number of shares purchased		
	Purchase price of shares (€)		
	Average price per share (€)		
	Number of shares sold		
	Original value of shares sold (€)		
	Sale price of shares sold (€)		
	Net gain / (loss) (€)		
	Number of shares cancelled		
	Number of shares at December 31	139 418	139 418
	Original value of shares at December 31 (€)	1 506 773 €	1 506 773 €
Buyback authorisation	Number of shares purchased		
	Purchase price of shares (€)		
	Average price per share (€)		
	Number of shares sold		
	Number of shares cancelled	0	0
	Number of shares at December 31	1 698 405	1 698 405
Original value of shares at December 31(€)	13 183 551 €	13 183 551 €	
Global	Number of shares at December 31	1 837 823	1 837 823
	Initial value of shares at December 31(€)	14 690 324 €	14 690 324 €
	Provision for treasury shares at December 31*(€)	0	5 217 798
	Closing price of shares at December 31 (€)	10.85 €	5.45 €

* On the basis of the average price of shares for the last month.

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4.4 List of subsidiaries and affiliates

Company Registered office	Share capital Shareholders' equity ⁽¹⁾	Ownership interest	Reserves and retained earnings	Gross value Net value of shares	Advances	Dividends received	Revenue ⁽²⁾ Net income
Haulotte France Sarl 69 St-Priest - France	1 046 4 048	99,99%	2 168	3 804 3 804	(5 031)		46 547 834
Telescopelle SAS L'Horme - France	37 622	100,00%	510	37 37	(711)		136 75
Haulotte Access Equipment Manufacturing (Changzhou) Co., Ltd. China	2 158 3 267	100,00%	906	2 000 2 000	0		15 056 208
Haulotte Argentina SA Argentina	11 1 018	95,00%	682	293 293	721		9 704 403
Haulotte Arges SRL Romania	873 13 543	100,00%	7 649	1 100 1 100	16 704		50 792 5 079
Haulotte Australia Pty Ltd Australia	0 (4 886)	100,00%	(5 403)	0 0	12 906		16 787 579
Haulotte Cantabria SL Spain	11 740 (12 953)	99,99%	(24 479)	6 240 0	18 456		18 (214)
Haulotte Do Brazil Ltda Brazil	154 (14 277)	99,98%	(9 288)	201 0	1 977		31 273 (5 844)
Haulotte Hubarbeitsbuehnen GmbH Germany	26 13 253	100,00%	12 594	26 26	(11 735)		32 117 633
Haulotte Iberica SL Spain	310 651	98,71%	930	3 3	8 035		7 362 (589)
Haulotte Italia Srl Italia	100 10 073	99,00%	9 340	10 10	(4 021)		8 973 633
Haulotte Mexico SA de CV Mexico	1 042 9	99,99%	(1 325)	1 113 9	4 008		6 840 303
Haulotte Middle East FZE Dubai	198 4 562	100,00%	3 100	199 199	(461)		12 898 1 309
Haulotte Netherlands BV Netherlands	20 (1 986)	100,00%	(2 047)	20 0	2 453		4 140 42
Haulotte Polska SP Z.O.O. Poland	98 2 622	100,00%	2 224	105 105	(1 560)		5 411 299
Haulotte Scandinavia AB Sweden	11 16 635	100,00%	15 739	11 11	(13 578)		11 621 906
Haulotte Singapore Ltd. Singapore	0 484	100,00%	82	0 0	4 011		12 581 417
Haulotte Trading (Shanghai) co. Ltd. China	681 224	100,00%	(430)	550 224			6 014 (27)

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Haulotte UK Ltd England	1 (4 608)	100,00%	(4 572)	2 0	9 936	9 407 (38)
Haulotte US Inc United-Sates	2 (20 394)	100,00%	(21 455)	3 0	52 309	27 799 1 100
Haulotte Vostok Russia	63 (382)	100,00%	(1 755)	80 0		25 914 1 403
Horizon High Reach Limited Argentina	241 3 514	100,00%	2 699	5 065 5 065		7 718 710
Levanor Maquinaria de Elevacion S.A. Spain	100 635	91,00%	600	300 0	2 022	1 047 (65)
NO.VE. S.R.L. Italia	103 126	100,00%	1 068	564 564	13 938	7 343 (1 046)
Haulotte Chile Chile	0 0	100,00%	0	0		
Horizon Chile Chile	0 (687)	100,00%	(213)	5 5	841	1 562 (524)
Haulotte India India	58 62	100,00%	0	61 61	0 0	31 4

⁽¹⁾ Including Capital and Net income

⁽²⁾ The turnover shown for each subsidiary includes interest revenue on finance leases.

For foreign subsidiaries, figures presented are translated at the year-end closing exchange rate except for revenue and net income which are translated at the average exchange rate of the period.

NOTE 5 - INVENTORIES

	Inventories at 31/12/2013			Inventories at 31/12/2012		
	Gross	Provisions	Net	Gross	Provisions	Net
Raw materials	12 106	(534)	11 572	14 569	(418)	14 150
Work in progress	1 934		1 934	2 921		2 921
Finished goods	23 934	(1 161)	22 773	27 283	(1 240)	26 044
Trade goods	5 772	(1 298)	4 474	5 634	(1 586)	4 048
TOTAL	43 746	(2 993)	40 753	50 407	(3 244)	47 163

Inventory levels decrease significantly through better matching between production and sales level.

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NOTE 6 - TRADE RECEIVABLES

	31/12/2013	31/12/2012
Trade receivables	78 191	81 729
Provisions	(19 007)	(11 930)
NET TRADE RECEIVABLES	59 184	69 799

The increase in provisions is mainly due to the receivable versus our subsidiary Haulotte Brazil.

NOTE 7 - MATURITY OF RECEIVABLES AND PAYABLES

The receivables are as follows:

	Total	<1 year	> 1 à < 5 year	> 5 year
Current accounts & loans to subsidiaries	148 377	94 460		53 917
Trade receivables	78 191	72 273		5 918
Other receivables	7 457	4 536	2 921	

Other receivables mainly include corporate income tax and VAT.

NOTE 8 - ACCRUALS

	31/12/2013	31/12/2012
<u>Prepaid expenses</u>	515	563
Operating expenses :	515	563
Financial expenses :		
<u>Deferred revenue</u>	0	175
<u>Unrealised foreign exchange losses</u>	3 575	1 124
On receivables	3 573	1 102
On payables	2	22
<u>Unrealised foreign exchange gains</u>	2 689	5 078
On receivables	2 625	5 049
On payables	64	29

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

NOTE 9 - OTHER ACCRUED ASSETS AND LIABILITIES

9.1 Accrued liabilities

	31/12/2013	31/12/2012
Bank borrowings	26	166
Trade payables	11 180	10 610
Tax and employee-related payables	2 692	2 434
Other payables	11	590
TOTAL	13 909	13 800

9.2 Accrued assets

	31/12/2013	31/12/2012
Accounts receivable	1 112	1 721
Other receivables	1 184	1 701
Accrued interest	1	4
TOTAL	2 297	3 426

NOTE 10 - SHAREHOLDERS'S EQUITY

Detail of share capital

	31/12/2012	Increase	Decrease	31/12/2013
Number of shares	31 214 129			31 214 129
Nominal value in euros	0,13			0,13
Share capital in euros	4 057 837			4 057 837

Statement of changes in shareholders' equity (in thousands of euros)

Shareholders' equity at 31/12/2012	118 756
Capital increase	0
Cancellation of treasury shares	
Increase in additional paid-in capital	0
Decrease of reserves following the elimination of treasury shares	
Dividends distributed	
Change in regulated reserves	(1 034)
Profit/(loss) for the period	2 041
Shareholders' equity at 31/12/2013	119 764

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

NOTE 11 - IDENTITY OF THE PARENT COMPANY CONSOLIDATING THE FINANCIAL STATEMENTS

Company name – registered office	Legal form	Capital	Capital of Haulotte Group SA owned
SOLEM 93 Epinay sur Seine - France	S.A.S	477	54,67

NOTE 12 - COMMITMENTS AND CONTINGENCIES

	31/12/2012	Allowances	Provisions used in the period	Reversal of unused provisions	31/12/2013
Warranty provisions	5 078	3 834	3 707		5 205
Provisions for foreign exchange losses	1 124	3 575	1 124		3 575
Provision for pensions	2 035	254	29		2 260
Other contingencies and commitments	587	925	532	14	966
TOTAL	8 824	8 588	5 392	14	12 006
Recognised under operating profit		4 088	3 966		
Recognised under financial profit		3 575	1 124		
Recognised under extraordinary profit		925	316		
TOTAL		8 588	5 406		

Provisions for post-employment benefits

Retirement commitments are estimated according to the projected unit credit method using end-of-career wages according to the procedures described in paragraph 2.8, on the basis of the following assumptions:

- a mortality table INSEE 09-11 (In 2012 : INSEE 07-09) ;
- a staff turnover rate based on available Group historical data ;
- a salary increase rate based on the expected length of service, career development, the terms of collective bargaining agreements and the rate of long-term inflation representing a total rate of 2% ;
- a 3% discount rate (such 2012) ;
- a retirement age for employees born before 1 January 1950 of 62 for managers, 60 for clerical staff ;
- a retirement age for employees, born after 1 January 1950 of 65 for managers, 63 for clerical staff.

Concerning end-of-career severance benefits, the assumption retained is that of voluntary retirement that takes into account social security contributions (45 %). This method of calculation complies with the French Pension Reform Act of 21 August 2003 (Loi Fillon), amended by the law n°2010-1330 dated 9 November 2010 as published in the "Journal Officiel" dated 10 November 2010.

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

At 31 December 2013, the provision was split between:

- €2,060 thousand for pensions provisions
- €200 thousand for long-service award provisions.

NOTE 13 - BORROWINGS

Bank borrowings

In 2005 Haulotte Group secured a 7-year syndicated loan of €330 million. The loan was contracted at a variable rate of interest indexed on the Euribor 3 months.

- Successive amendments modified in 2006, 2009, 2010 and July 2012 the aggregate amount and breakdown of the different tranches of this credit facility. The maturity of the credit facility is in July 2015 with repayment schedule defined as follows (tranches A, B et C):
- 31 July 2013: €24,5 million
- 31 July 2014: €28 million

The working capital credit line for €69 million is non-redeemable until July 2015.

As described in note 1, pursuant to the most recent agreements concluded with the banking syndicate in June 2013, on 28 June 2013 Haulotte Group prepaid the instalment due in July 2013. On 31 December 2013, the bank ratios were respected.

A swap agreement has been implemented to cover the risks of interest rate fluctuations (note 29).

The following information relating to the syndicated loan detail:

- the amount of each tranche by nature (a)
- the balance due by the Company at 31 December 2013 after drawings on the different credit lines (b)
- the balance available on each tranche for further drawing (c)

		Total loan (a)	(b)	(c)
Tranche A	Refinancing of existing debt	70 000		
Tranche B	Financing of capital expenditures	70 000	26 000	
Tranche C	Financing of acquisitions	31 000	1 997	
Tranche D	Financing of working capital requirements – Revolving ⁽¹⁾	67 500	15 000	41 500
	SUB-TOTAL		42 997	
Tranche D	Financing of working capital requirements – Bank Overdraft ⁽¹⁾	12 500		12 500
	TOTAL	251 000	42 997	54 000

⁽¹⁾ The financing of working capital credit line reduced from €80 000 thousand to €75 000 thousand in July 2010, to € 69 000 thousand in July 2011. It will remain stable until the maturity of the credit line the 31 July 2015.

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

The change in the different bank borrowings over the year 2013 can be summarized as follows:

	Loan balance at 31/12/2012	Net change of the revolving porting	Change	Contractual repayment in 06/2013	Loan balance at 31/12/2013
Tranche A					
Tranche B	42 000			(16 000)	26 000
Tranche C	10 497			(8 500)	1 997
Tranche D	34 500	(19 500)			15 000
SUB-TOTAL	86 997	(19 500)		(24 500)	42 997
Other ⁽¹⁾	2 411		(2 264)		147
TOTAL	89 409	(19 500)	(2 264)	(24 500)	43 145

⁽¹⁾ Including overdraft Tranche D, others credit bank accounts and interest payable.

The syndicated loan is secured by collateral, detailed in the note 23 "Off Balance Sheet commitments".

Other loans and borrowings

	31/12/2012	Increase	Decrease	31/12/2013
Other loans	900	300		1200
Deposits	154		154	0
TOTAL	1 054	300	154	1 200

Maturity of borrowings

The maturity of borrowings and other financial debts at 31 december 2013 is as follows:

	Total	<1 year	> 1 year < 5 year	> 5 year
Bank borrowings	43 145	28 145	15 000	
Other loans and borrowings	1 200	225	975	

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

NOTE 14 - MATURITY OF CREDITORS

The maturity of creditors at 31 December 2013 is as follows:

	Total	<1 year	> 1 year < 5 year	> 5 year
Trade payables	27 564	27 564		
Tax and employee related liabilities	5 409	5 409		
Payables to fixed assets suppliers	0		0	
Other liabilities	44 256			
<i>of which current accounts</i>		44 241		

Notes payables at 31 December 2013 totalled €2 693 thousand (31 December 2012 : €2 952 thousand).

NOTE 15 - RELATED PARTIES BALANCE SHEET TRANSACTIONS

Main balance sheet aggregates representing transactions with related parties are:

	31/12/2013	31/12/2012
Equity investments	21 791	21 730
Receivables from investments	148 377	221 665
Accounts receivable	62 255	66 611
Other receivables	2	200
Trade payables	(5 743)	(11 476)
Other payables	(44 432)	(41 359)
NET RECEIVABLES (PAYABLES)	182 250	257 371

According to Regulation No. 2010-02 issued by the ANC (French accounting standards authority) on 2 September 2010, we confirm the existence of significant transactions with related parties. However, these have been entered into on standard market conditions.

NOTE 16 - SALES

	France	Export	Total
Sales of equipment	29 857	133 097	162 954
Sales of services	1 197	8 067	9 264
TOTAL	31 054	141 164	172 218

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

NOTE 17 - RELATED PARTIES INCOME STATEMENT TRANSACTIONS

	31/12/2013	31/12/2012
Operating income	138 803	138 705
Operating expense	14 471	19 997
Financial income	3 735	6 181
Financial expense	1 203	2 640

NOTE 18 - FINANCIAL AND EXTRAORDINARY INCOME AND EXPENSE

18.1 Net financial expense

	Profit / (loss) 31/12/13	Profit / (loss) 31/12/12
Change in provisions for impairment of shares and advances to subsidiaries	30 813	(10 138)
Dividends received from subsidiaries		
Interest on bank overdrafts and current account loans	2 532	5 141
Interest on borrowings and bank fees	(2 805)	(5 855)
Foreign exchange: gains, losses, changes in provisions	(7 755)	5 944
Details by currency:		
<i>USD</i>	(2 831)	
<i>GBP</i>	(3 778)	
<i>AUD</i>	(1 156)	
<i>Others</i>	10	
	(7 755)	
Treasury shares	5 217	(134)
Loss on UK Platforms sale	(14 192)	
Income from marketable securities	1	2
Debt waivers		(1 600)
Late payment interest and discounts	11	(1 626)
TOTAL	13 823	(8 266)

18.2 Extraordinary profit (loss)

	Expense 31/12/13	Income 31/12/13	Expense 31/12/12	Income 31/12/12
Fines and penalties	78		55	
Provisions for lawsuit contingencies	925	316	292	1 718
Other extraordinary income (expense)	111	22	1 587	13
Proceeds from the disposal of PPE	1 505	3 573	93	8
Proceeds from the disposal of financial assets				
Exceptional depreciation expenses				82
Excess tax depreciation	43	1 077	100	244
Transfer of charges				343
TOTAL	2 662	4 987	2 126	2 408

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

NOTE 19 - BREAKDOWN OF TAX INCOME BETWEEN CURRENT INCOME AND EXTRAORDINARY PROFIT (LOSS)

	Pre-tax income	Corporate income tax	After tax income
Current income	(1 320)	1 036	(284)
Extraordinary profit (loss)	2 325		2 325
TOTAL	1 005	1 036	2 041

The breakdown of tax between current income and extraordinary income has been determined by applying the legal tax rate respectively to a current tax income and an extraordinary tax income.

NOTE 20 - DEFERRED TAXES

	Basis	Deferred tax
Expenses recorded not deductible for tax purposes		
Employee profit-sharing		
"Organic" tax	279	93
Provision for inventory losses	2 125	708
Provision for trade receivable losses	2 861	954
Provision for pensions	2 060	686
Taxable income not recorded in the accounting income	2 689	896
NET DEFERRED TAXES	10 014	3 337

The company has losses carry forward reportable :

- €28 851 thousand for the overall result 2011
- €24 548 thousand for the overall result 2012
- €24 481 thousand for the overall result 2013

NOTE 21 - TAX CONSOLIDATION

Haulotte Group SA is the head of a French tax consolidation that included on 31 December 2013 the entities Haulotte France, Télescopelle and Haulotte Services.

Under this tax sharing agreement, the income tax of entities is incurred by subsidiaries as if they are not included in a tax group.

NOTE 22 - FEES ALLOCATED TO DIRECTORS AND OFFICERS

Amount allocated to Board members expensed by the Company totalled €608 thousand in 2013 versus €644 thousand in 2012.

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

This amount originates from funds invoiced by Solem S.A.S. for the services rendered on behalf of the Group by two executives. It includes expenses incurred by those executives on behalf of the Group.

In compliance with the agreement to provide general administrative and commercial assistance signed by Solem S.A.S. the cost of the services is subject to a 10% mark-up.

No loans or advances have been granted to directors and officers. There are no other pension obligations or related commitments in favour of former executives.

NOTE 23 - OFF-BALANCE SHEET COMMITMENTS

23.1 Finance lease commitments

Lease payments paid and received

	Paid		Received	
	Fiscal year	Accumulated	Fiscal year	Accumulated
Equipment held by Haulotte Group SA			0	40 897
TOTAL	-	-	0	40 897

Lease payments to be received

	Total	Less than 1 year	1 - 5 years	More than 5 years	Residual value at end of the lease	Total commitment
Equipment held by Haulotte Group SA	0	0	0		0	0
<i>of which financial expense</i>	0					0
TOTAL	0	0	0		0	0
					Net commitment :	0

23.2 Other commitments given

Commitments to continue lease payments

These represent commitments by the Company to financial institutions guaranteeing lease payments in the event of customer default.

	31/12/2013	31/12/2012
< 1 year	1 030	1 805
1 - 5 years	2 425	2 772
> 5 years		
TOTAL	3 455	4 577

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

Risk pool

Risk pool commitments relate to the sale of aerial work platforms to financial institutions who lease Haulotte Group SA lifts to their end customers and for which Haulotte Group SA has given a guarantee limited to a certain percentage of the sales volume generated by such institutions. The amounts as off-balance sheet commitments include the share of lease payments outstanding by end customers for which Haulotte Group SA has stood guarantee:

of which €56 thousand given to Haulotte Iberica

of which €723 thousand given to Haulotte UK

	31/12/2013	31/12/2012
< 1 year	264	370
1 - 5 years	515	384
> 5 years		
TOTAL	779	754

Repurchase commitments given to institutions providing financing to customers

This concerns commitments given by the company to financial institutions to substitute for customers who do not exercise their purchase option:

of which €361 thousand given to Haulotte France

of which €2 412 thousand given to Haulotte Iberica

	31/12/2013	31/12/2012
< 1 year	2 526	3 153
1 - 5 years	247	380
> 5 years	0	7
TOTAL	2 773	3 540

Other commitments

This concerns commitments given by the company to suppliers:

of which €10 thousand given to Total

	31/12/2013
< 1 year	10
1 - 5 years	
> 5 years	
TOTAL	10

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

Commitments granted to the banking syndicate as collateral to the syndicated loan

In exchange for the syndicated loan, the following commitments were granted to the banking syndicate:

- Pledge of Haulotte Group S.A. goodwill
- Pledge of Haulotte UK shares
- Pledge of Equipro Inc. shares
- Pledge of current account between Haulotte Group S.A. and Haulotte US for USD30,000 thousand

The bank borrowings amount to €42 997 thousand at 31/12/2013 (€86 997 thousand at 31/12/2012).

23.3 Contingent liabilities

A suit was filed against our company and its subsidiary Haulotte France for patent infringement.

Haulotte Group contested the arguments raised by the opposing party. In its ruling of November 2013, the Paris Regional Court (Tribunal de Grande Instance) dismissed the claims of the plaintiff for literal reproduction infringement though recognized the existence of infringement by equivalence with respect to specific models of machines which are no longer currently manufactured. The ruling did not issue a decision for any final amount.

In January 2014, Haulotte Group appealed this decision and considers it has reasonable chances for its reversal based on items in its possession.

Analysis of these facts, which we believe confirms the merits of our position, must however be balanced by the assessment of a risk for unforeseen outcomes resulting from the existence of a degree of uncertainty associated with all legal proceedings.

Under these conditions, because the obligation of Haulotte Group SA was neither certain nor probable at the end of the reporting period, it can only record a contingent liability.

We furthermore consider that the disclosure of information relating to requests that are unfounded or disproportionate by the opposing party could result in a serious and unjustified harm to Haulotte's image.

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

NOTE 24 - COMMITMENTS RECEIVED

	31/12/2013	31/12/2012
Commitment received from Télescopelle as a beneficiary of a debt waiver with a repayment clause	1 450	1 450
Commitment received by UK Platforms as a beneficiary of a debt waiver with a repayment clause for £4,085,000 or € 5,911,000		5 911
Commitment received by UK Platforms as a beneficiary of a debt waiver with a repayment clause for £3,900,000 or €4,330,000.		4 330
Commitment received by Nove as a beneficiary of a debt waiver with a repayment clause for €400,000.	400	400
Commitment received by Nove as a beneficiary of a debt waiver with a repayment clause for €1,500,000.	1 500	1 500
Commitment received by Nove as a beneficiary of a debt waiver with a repayment clause for €1,600,000.	1 600	1 600

* The commitment received from UK Platforms lapsed due to the sale of this company.

NOTE 25 - INFORMATION ON EMPLOYEE STOCK OPTION PLANS

At year-end, there is no stock option plan in progress.

NOTE 26 - AVERAGE HEADCOUNTS

	31/12/2013	31/12/2012
Managers	194	189
Office employees, technicians	130	134
Workers	233	263
TOTAL	557	586

NOTE 27 - INDIVIDUAL TRAINING BENEFITS

At 31 December 2013 rights vested but not exercised by Haulotte Group SA in connection with the French individual training entitlement benefit (DIF) represented €809 thousand for a total of 53 063 hours.

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

NOTE 28 - FOREIGN EXCHANGE RISKS EXPOSURE

The Company is mainly exposed to foreign exchange risks with receivables in US dollars, Australian dollars and pound sterling. A portion of this exposure is hedged by forward purchases of the relevant currencies and by a specific hedging instrument in US dollars.

Significant receivables (net of provisions), payables and commitments in foreign currency not hedged

Foreign exchange exposure	Currencies				
	AUD	SEK	GBP	USD	PLN
BALANCE SHEET					
Receivables ⁽¹⁾	9 695	1	9 913	78 105	317
of which Group receivables	9 692		7 087	70 354	
of which non-Group receivables	3	1	2 826	7 751	317
Payables ⁽²⁾	47	451		2 788	1 564
of which Group payables	47			2 244	1 560
of which non-Group payables		451		544	4
OFF-BALANCE SHEET COMMITMENTS ⁽³⁾					
Non-group commitments given					
Group commitments given			914		

⁽¹⁾ Financial receivables, trade receivables

⁽²⁾ Borrowings, trade payables, others

⁽³⁾ This concerns commitments to cover lease payments and risk pools mentioned in section 23.2

Significant receivables, payables and commitments in foreign currency that are hedged

Foreign exchange exposure	Currencies				
	AUD	AED	GBP	USD	DZD
BALANCE SHEET					
Receivables ⁽¹⁾				7 860	
of which Group receivables				7 860	
of which non-Group receivables					

⁽¹⁾ Financial receivables, trade receivables

Receivables in US dollars are hedged at an exchange rate of 1,145 €.

NOTE 29 - INTEREST-RATE RISKS

The company has purchased interest rate swaps with maturities of 1 to 5 five years. The market valuation of these financial instruments represented a favorable net position of €7 thousand.

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

NOTE 30 - CASH FLOW STATEMENT

	2013	2012
Net income	2 042	(22 559)
Depreciation and change in provisions	(30 779)	7 326
Gains and losses from disposal of fixed assets	(2 070)	87
Gross cash flow from operations	(30 807)	(15 146)
Change in operating working capital	1 595	30 859
Net cash flow from operating activities	(29 212)	15 713
Purchases of fixed assets	73 768	28 968
Proceeds from the sales of fixed assets, net of tax	3 575	8
Changes in payables on fixed assets		
Net cash flow from investing activities	77 343	28 976
Loan issues	300	900
Repayment of borrowings	(44 154)	(44 620)
Cash capital increases	0	0
Dividends paid to shareholders		
Net cash flows from financing activities	(43 854)	(43 720)
Net change in cash and cash equivalents	4 277	969
Opening cash and cash equivalents	1 192	584
Other changes		361
Closing cash and cash equivalents	5 469	1 192

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

Aux actionnaires
Haulotte Group SA
L'Homme

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. 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 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 General Meeting, we hereby report to you, for the year ended 31 December 2013, on:

- the audit of the accompanying financial statements of Haulotte Group SA;
- 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 statutory accounts 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 statutory accounts. 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 statutory accounts. 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 annual financial statements give a true and fair view of the financial position and the assets and liabilities of the company as at 31 December 2013 and the results of its operations for the year ended in accordance with French accounting standards

STATUTORY ACCOUNTS

Fiscal year ended 31 December 2013

II. JUSTIFICATION OF OUR ASSESSMENT

The accounting estimates used in the preparation of financial statements to 31 December 2013 were conducted in an uncertain context that makes it difficult to assess business prospects .

It is in this context that, in accordance with Article L. 823-9 of the French commercial code relating to the justification of our assessments, we bring to your attention the following matters:

- Equity securities, receivables from investments, treasury shares and receivables are measured according to the methods described in notes 2.3 and 2.5 to the consolidated financial statements . Our procedures consisted in reviewing the approach adopted by the Company and assess the reasonableness of the resulting estimates.

The assessments were made in the context of our audit of the financial statements taken as a whole process, and therefore contributed to the formation of our opinion expressed in the first part of this report.

III. SPECIFIC VERIFICATIONS AND INFORMATION

We have also verified in accordance with professional standards applicable in France, the specific verifications required by law.

We have no matters to report regarding the fair presentation and consistency with the financial statements of the information given in the management report of the Board of Directors and in the documents addressed to the shareholders on the financial position and the financial statements.

Regarding the information provided pursuant to Article L.225 -102-1 of the Commercial Code on remuneration and benefits paid to directors and any other commitments made in their favor, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements and, where appropriate, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we have the following observation to make regarding to the accuracy and fair presentation of this information: the company has not disclosed the information required for non -executive corporate officers.

Under the law, we have verified that the information concerning the identity of holders of capital or voting rights has been properly disclosed in the management report.

Lyon and Paris, 25 April 2014
The Statutory Auditors

PricewaterhouseCoopers Audit



Elisabeth L'hermite

Hoche Audit



Dominique Jutier