2010
Annual report

OVERSEAS AIR AND SEA FREIGHT FORWARDING AND LOGISTICS

CLASQUIN

OVERSEAS FORWARDING AND LOGISTICS

2010

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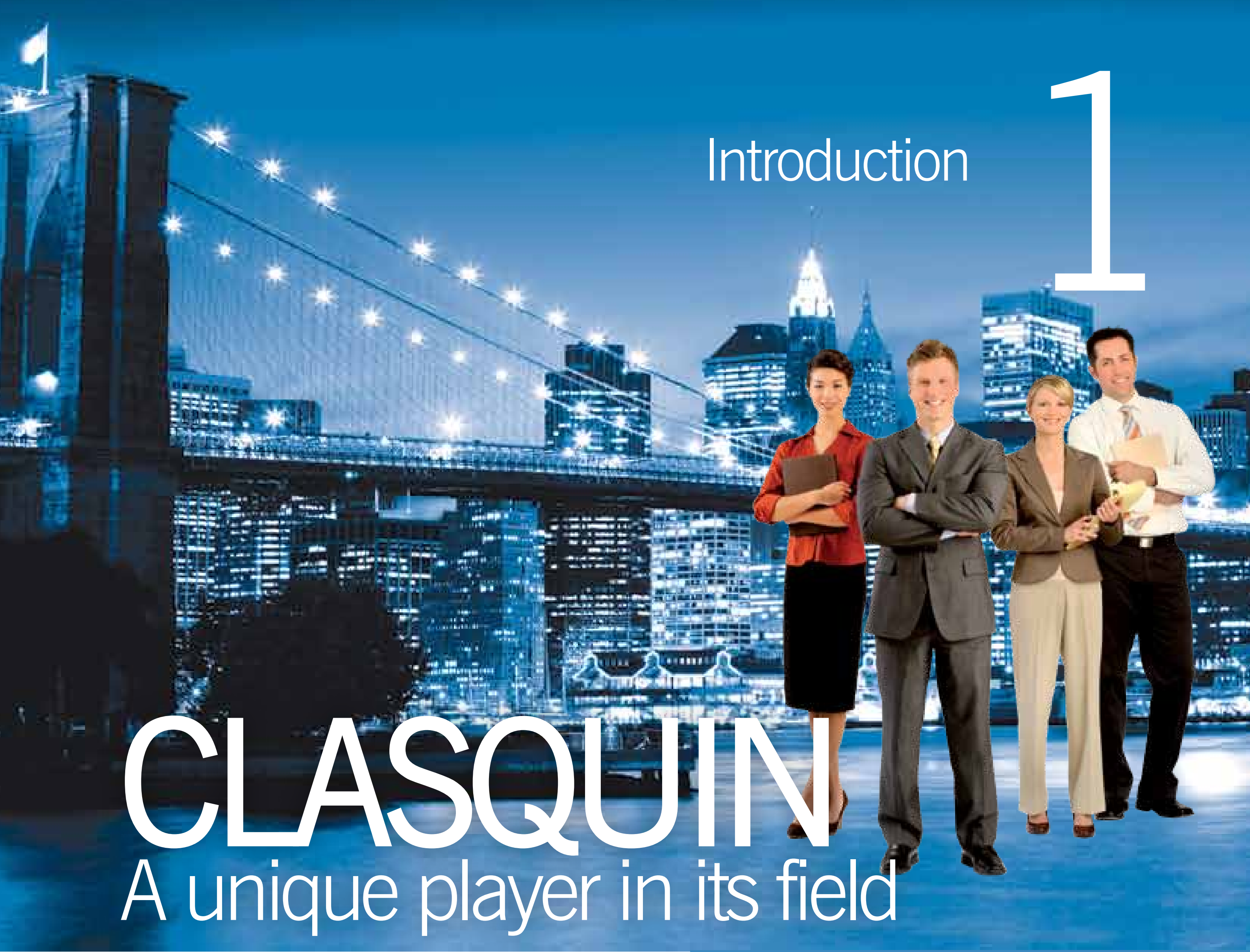


Introduction 1

CLASQUIN
A unique player in its field

Air and sea freight forwarding and overseas logistics

A specialist in International Freight Management and overseas logistics, CLASQUIN oversees and organises its customers' cargo flows mainly between France and the rest of the world and particularly to and from Asia-Pacific and the United States.

CLASQUIN offers high value-added services in the overall management of the supply chain, designs and manages transport solutions and custom made overseas logistics projects, selects and coordinates a network of the best performing sub-contractors and manages all of the documentary, regulatory, banking and customs aspects of its customers' merchandise. CLASQUIN thus acts as an international freight forwarder and customs broker.

With a presence on 4 continents, CLASQUIN employs 528 people (as at 31/12/2010) including 268 in France, and has an international network of 40 offices organised around 21 subsidiaries in 15 countries.

528	Employees
135 693	Shipments in 2010*
179,1 M€	2010 Sales
42,4 M€	2010 Gross Profit
6,6 M€	2010 Current Operating Income
4+15	Operating across 4 continents and in 15 countries
40	Offices

**Excluding GUEPPE CLASQUIN*

The only multinational intermediate-sized company

Purely dedicated to the air and sea freight forwarding business and the only multinational intermediate-sized company in the sector, CLASQUIN has been a forerunner in Asia (first offices established in 1983) and the only French company of its size to have an integrated international network.

Chairman's message

Strong international growth in 2010

After an unprecedented drop in global trade in 2009, 2010 confirmed the end of the recession that had begun to take hold in Q4 2009. Post-crisis growth tapered off in the later part of the year.

France's external trade grew by an estimated 13-14%; however, trade still has not yet regained 2008 levels.

Obviously, variation in external trade growth had a large impact on sea freight rates throughout the year:

- Sharp increase at the start of the year (the Asia-Europe TEU import rate was multiplied by 7.2 between March 2009 and March 2010).
- Steady rates in Q2 and Q3.
- Drop in Q4 (down 35% in December 2010 versus March 2010), heightened by the oversupply resulting from the introduction of new ships.

« Once again, CLASQUIN outperforms the market »

Yves Revol
Chairman and CEO

Chairman's message

Very sharp increase
in business and earnings
in a context of dynamic
resurgence
in international trade.

"Once again, CLASQUIN outperforms the market"

The strength of our fundamentals:

- Unique market position: the only SME company in the overseas sector
- Expertise and commitment of our operations and sales teams
- A powerful information system
- A diversified portfolio of loyal customers
- A strong presence in Asia

allows us to continue our pursuit of market share and win over yet more customers.

Strong growth in all our business lines

Air freight

The Group's air freight business grew both in terms of number of shipments (+12.7 %) and profit per shipment (+12.9 %), thanks to an increase in average tonnage per shipment, leading to a 27.2 % increase in gross profit.

Sea freight

In 2010, the Group's sea freight business posted very strong growth both in terms of number of shipments (+26.5 %) and gross profit (+26.6 %). Profit per shipment remained stable.

Most of the growth in these two business lines was achieved on the Asian routes.

Gueppe Clasquin

Our subsidiary GUEPPE CLASQUIN, which specialises in road haulage and logistics, had another excellent year, posting a 15.3% increase in sales largely due to the strengthening of its sales team.

Log System.

Our IT subsidiary LOG SYSTEM also performed well, increasing its gross profit by 19.2%. In July 2010, it carried out an external growth operation enabling it to double its business in the medical sector. Log System's main business activity is the development of freight forwarding software. Thanks to this business activity, Log System software is used at 120 sites in more than 20 countries and on 5 continents. …/…

CLASQUIN
Chairman's message*(cont...)*

Other key events

- Re-launching of all development projects:
  - Creation of CLASQUIN GERMANY GMBH at the end of 2010 with two offices, in Frankfurt and Bremen, opened in February 2011;
  - Creation of a subsidiary in India (opening scheduled for spring 2011);
  - Partnership negotiations with a view to establishing a foothold in Central Asia;
  - Offices opened: CLASQUIN MULHOUSE and CLASQUIN HANOI;
  - Status of Authorised Economic Operator (AEO) obtained in July 2010.
- Strengthening of operations and sales teams.
- Costly «clean-up» of the Italian subsidiary (net cost in 2010: €1.2 million).

Excellent economic results (marred by the losses incurred by the Italian subsidiary)

EBITDA rose very sharply in 2010, reaching a figure of €9.9m compared to €6.4m in 2009: + 54,4%.

Current operating income also showed very strong growth at €6.6 million (€8.3 million excluding the gross costs of the Italian subsidiary) versus €4.5 million in 2009: + 45,3%.

Lastly, net profit group share came to €3.4 million (€4.6 million excluding the net cost of the Italian subsidiary) versus €2.4 million in 2009, for an increase of 41.3 %.

The financial situation remains particularly strong, as illustrated in the table below:

	31/12/10	31/12/2009	Variation
Shareholders' equity	€21.9 m	€19.0 m	+ €2,9 m
Mid- and long-term financial debts	€3,3 m	€2,8 m	+ €0,5 m
Net cash position	€8.7 m	€8,4 m	+ €0,3 m

Head Office team in Lyon

Outlook for 2011

- Significant business growth (greater than the market average).
- Development projects:
  - Operational launch of CLASQUIN GERMANY in February 2011.
  - Opening of CLASQUIN INDIA in May/June 2011.
  - Opening of CLASQUIN GEORGIA in the second half of 2011.
- Human Resources:
  - Appointment of a Group General Secretary in charge of the all back office functions (Administration/Finance, Human Resources, Legal, IT and Central Services).
  - Hiring of several executives (Germany, India, France and USA).

I would like to end by thanking all of our customers for their loyalty and trust, our teams for their commitment and professionalism and our shareholders for their active support in our development.

Yves Revol
Chairman and CEO

CLASQUIN
Stages of development

In 1983, as part of an MBO*, Yves REVOL, then Sales Manager of CLASQUIN, bought the Company. CLASQUIN only had only one office in Lyon at the time.

** MBO (Management Buyout), the takeover of a company by its managers or employees*

1983 1990

CLASQUIN specialised in air freight engineering and expanded abroad.

The Group proved to be a genuine forerunner, positioning itself on a niche market: exporting by air from France to the Asia-Pacific zone. This period was marked by the opening of an office in Paris (Roissy CDG) and nine sales offices in the main hubs of the Asian-Pacific zone. Within seven years, CLASQUIN became one of the leaders in air freight on France/Asia-Pacific routes. In 1986 LOG SYSTEM was created, the IT subsidiary dedicated to designing and developing software for the transport and overseas logistics industry.

Sales: €1.5 m *

GP: €0.35 m

*1983

Sales: Sales
GP: Gross profit

1991 1993

CLASQUIN underwent a new stage in its development. Business operations expanded to sea freight.

Sales: €15 m *

GP: €4.3 m

*1990

1994 1999

CLASQUIN developed its international network by transforming its sales offices into operating subsidiaries.

Operations set up in the United States (through business acquisitions), in Italy and Spain.

Sales: €30.9 m *

GP: €7.95 m

*1995

2000 2003

CLASQUIN strengthened its information system and development platform.

Sales: €60.9 m *
GP: €15.7 m

*2000

A single accounting tool was rolled out for the entire network (automatic monthly reporting, clearing office, cash flows controlled at the Lyon head office).

2004

With the back office perfectly organised,

Sales: €70.9 m
GP: €15.7 m

the Group concentrated on the front office by recruiting account managers and sales representatives in order to accelerate growth.

CLASQUIN became a global player in Supply Chain Management in the overseas segment and in August 2004, the Banque de Vizille bought into the Group's capital.
In 2004, CLASQUIN launched its 2008 Business Plan. The company was of sufficient scale to generate strong ongoing growth and profitability.

2006

Sales: €106 m
GP: €23.9 m

Seeking to enhance its reputation and investment capabilities (particularly in order to carry out acquisitions) the Group was floated on the Alternext compartment of the NYSE/EURONEXT stock market.

2008

Sales: €150.9 m
GP: €37.2 m

CLASQUIN acquired a 70% stake in GUEPPE Development, which became Financière GUEPPE-CLASQUIN, the holding company of the operations firm GUEPPE-CLASQUIN.

This acquisition enabled the Group to enhance its offering and meet its customers' requirements in terms of transport and logistics upstream and downstream of inter-continental flows (temporary storage, order preparation and logistics services, etc.).

2010

Sales: €179.1m
GP: €42.4 m

Very sharp increase in business and earnings, in a context of dynamic resurgence in international trade

CLASQUIN
A unique player in its field

A. The overseas market:

1. A market strongly dependent on world growth

Over the last ten years, globalisation has made a significant contribution to the increase in world trade. There is a close correlation between Gross Domestic Product (GDP) and the international export of goods. Strong growth in global GDP goes hand in hand with even stronger growth on the global business market.

The largest growth in trade was seen in Asia. A phenomenon that benefits the air and sea freight forwarding industry which has recorded high growth rates throughout this period, notably on the Asia-Europe, Asia-USA and inter-Asia routes.

The 2008-2009 financial crisis however took a strong toll on world trade. Global trade fell by 12.2% in 2009.

2010 saw a major resurgence of international trade, with volumes increasing by 12% in sea freight and 20% in air freight.

On Asia-Europe routes, freight rates went through three discernible stages of evolution:

- a very sharp rise in Q1,
- levelling out in Q2 and Q3,
- a drop in Q4 which accelerated at the end of the year.

A unique player in its field

9

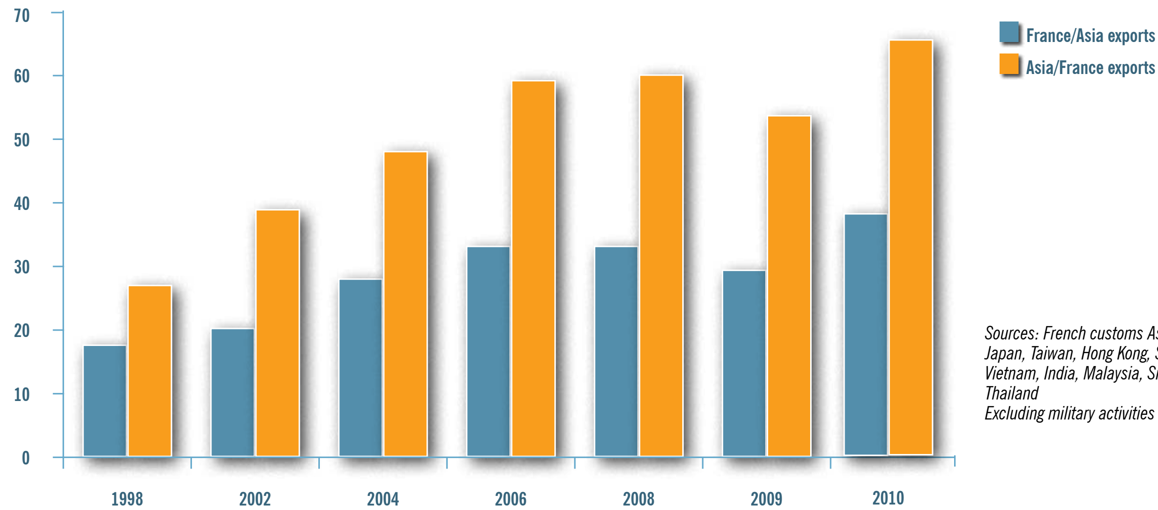
Outlook for world trade in 2011

The rapid growth of the post-crisis period has now been succeeded by a phase of steadier growth in international trade (5-6%), which should a priori lead to a fall in freight rates.

Given the current trends in international trade, particularly to and from Asia, the overseas market remains very much a long-term growth market.

The overseas market is still very much a long-term growth market.

Overview of global trade (€ billions)



Sources: French customs Asia: China, Japan, Taiwan, Hong Kong, South Korea, Vietnam, India, Malaysia, Singapore, Thailand
Excluding military activities

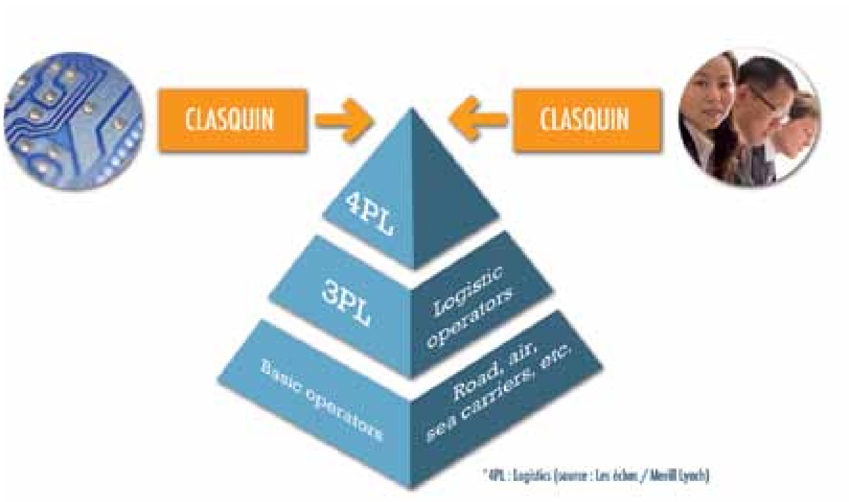
2. The market players

In the logistics chain, the flow of goods is controlled by the two main parties: firstly, the manufacturer - supplier, and secondly the customer. Amidst the transactions carried out between these parties, there is room for a whole host of operators to become involved, depending on the nature of the service. Logistics service providers are ranked according to the rate of outsourcing or the level at which the logistics services are performed by third parties.

The bottom segment of the pyramid below comprises operators in possession of the means of transport. For example, this category comprises the following: for road transport: Norbert Dentressangle and Geodis; for air cargo: Air France Cargo, Lufthansa, Cargolux and Korean Air; for shipping: Maersk, MSC, CMA CGM, NYK, Evergreen, Cosco and China Shipping; and for rail: the SNCF.

- 3PLs (Third Party Logistics Providers) are logistics operators who mainly manage the storage and order preparation operations for their customers. This category, for example, comprises Norbert Dentressangle and Geodis, among others.
- 4PL's (Fourth Party Logistics Providers) are companies free of the constraints linked to physical means of transport or storage. They organise, manage, control and optimise the flows of goods and the operators involved upstream and downstream of carriage and thus supply high value-added services.

CLASQUIN positions itself on the market as a 4PL free from the constraints of managing the means of transport (unlike the carriers). CLASQUIN selects and manages a network of subcontractors chosen among the best service providers available.



B. CLASQUIN, the only multinational intermediate-sized company in its sector

The transport and logistics market is both a fragmented and concentrated market dominated by large groups and global giants: DHL, DB Schenker Logistics , Kuehne & Nagel and TNT Express. It is also a complex market made up of very different players and lines of business. The logistics chain has as many specialists as there are means of transports, types of goods and deadline requirements.

A high value-added business model

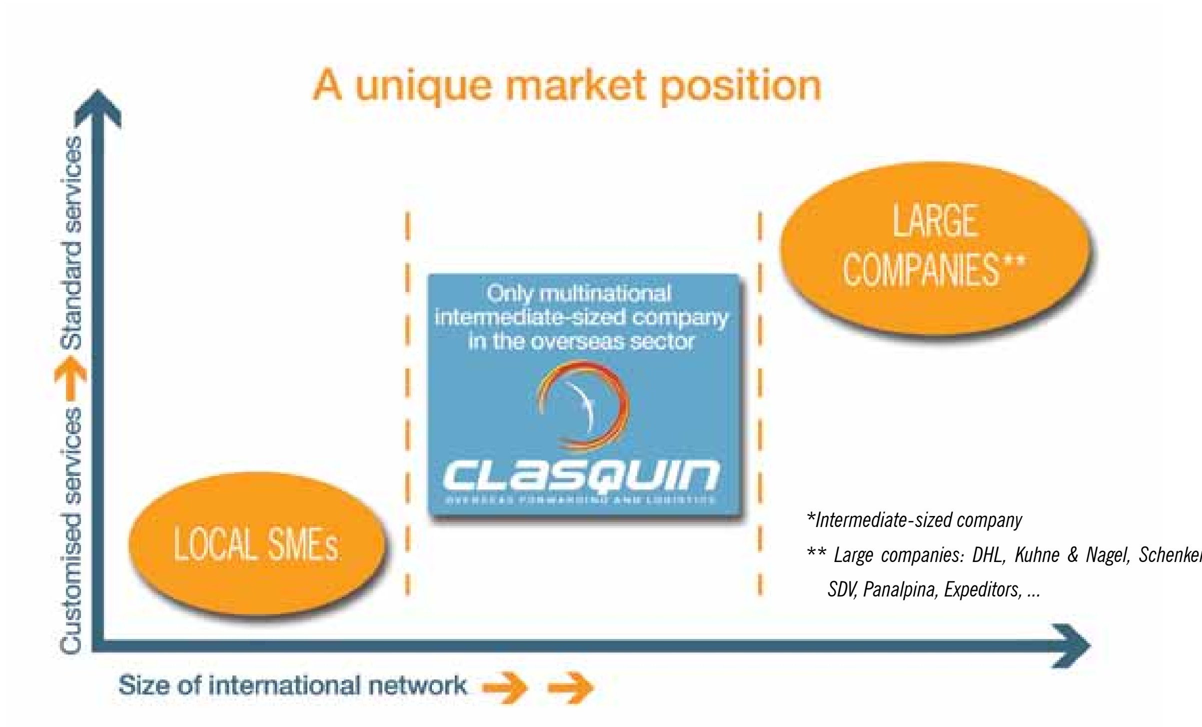
As a 4PL, CLASQUIN is free from the constraints of managing the means of transport and cultivates its added value through services and expertise.

The Group uses its varied expertise and know-how to implement efficient solutions that harmonise, streamline and secure the transactions of its customers, for whom global trade has become increasingly strategic and complex.

CLASQUIN now manages import and export flows mainly between France and overseas markets, in particular Asia-Pacific and North America. As a forerunner for France-Asia trade, CLASQUIN's network of 18 offices ensures it has strong presence on the Asia-Pacific routes.

As the only multinational intermediate-sized company purely dedicated to International Freight Management, CLASQUIN is now the only player on the market capable of providing the services of a multinational company and the advantages of an intermediate-sized company, i.e. quick response times, dedicated customer contacts and the ability to adapt and innovate, among others.

This unique market position is strengthened by four key success factors: the company's expert and dedicated teams, its international network, its strong footprint in Asia, and its integrated information systems, which are substantial barriers to entry for newcomers.



C. CLASQUIN's key success factors

1. Our staff, the group's finest asset

- CLASQUIN is very selective in recruiting, with a pronounced multi-cultural approach (90% of employees are bilingual and are graduates);
- CLASQUIN strives to reward each person's professional experience through a strong policy of internal promotion.
- The role of management is to support the HR policy and ensure its implementation at all levels.

The HR policy has been the cornerstone to CLASQUIN's success and resulted in highly expert and extremely dedicated, stable teams being created, which outperform the averages recorded for the sector. The rate of staff turnover is low across all the teams and management is particularly stable: 26% of executive members of staff have been with the company for more than 10 years and 6 of the 10 Management Committee members been with CLASQUIN for over 10 years.

Refer to the additional CLASQUIN HR information in section A of chapter Sustainable development.

2. An extensive integrated network forming an effective, operational footprint spanning 4 continents

The CLASQUIN's twenty-year presence in Asia is one its most distinguishing characteristics.

CLASQUIN opened its very first offices in 1984 in Japan and Hong Kong. Nowadays, with 18 offices spread throughout the Asia-Pacific zone, CLASQUIN is well integrated into the local economic systems of these countries with teams that fully understand the commercial practices, cultural habits and applicable local legislation.

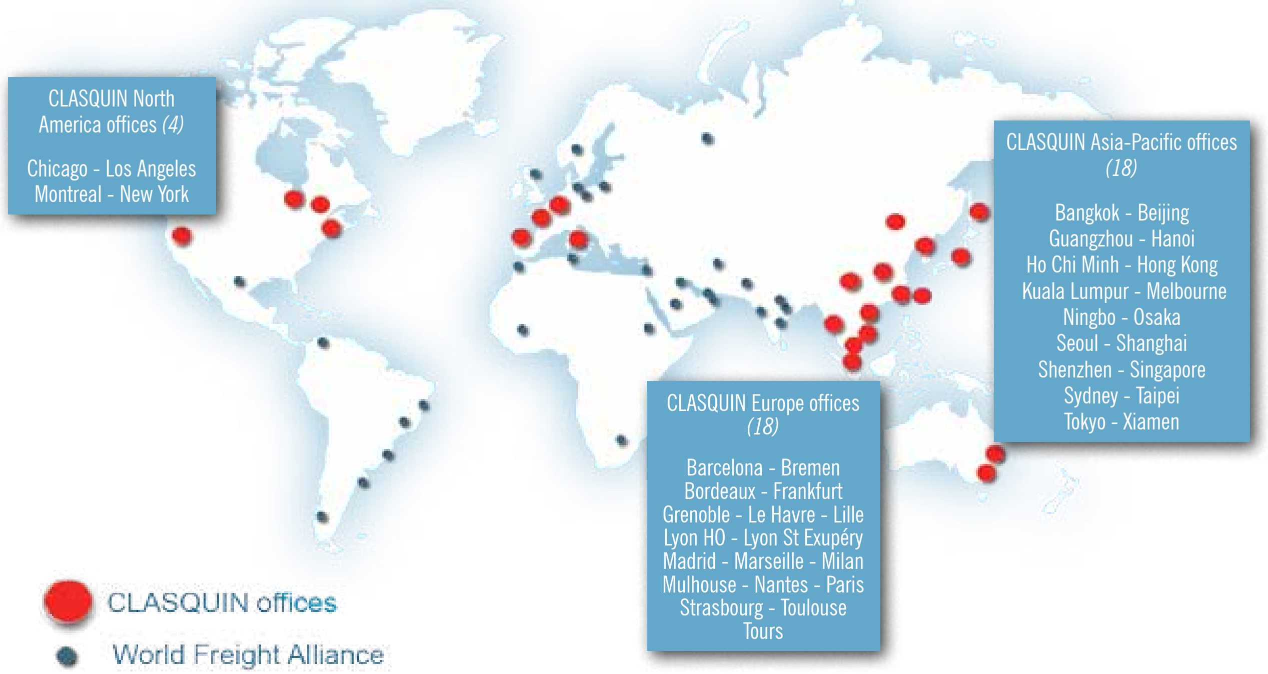
CLASQUIN is also present in North America (USA and Canada) and Europe (Italy, Spain and Germany).

CLASQUIN designs the best and most appropriate solutions and supervises the best-performing and most suitable sub-contractors for each operation.

The integrated network allows CLASQUIN to monitor the flows more effectively, and provide its customers with a more personalized service.

To further enhance its network, CLASQUIN draws on a network of independent agents, namely the World Freight Alliance, which covers 130 countries. CLASQUIN is one of the 5 founding members of this network.

21 subsidiaries, 40 offices over 4 continents



3. A powerful IT system and tools

CLASQUIN has continually invested in upgrading its IT system and tools. This strategic decision has enabled CLASQUIN to acquire equipment, achieve levels of performance with its technological resources and form expert teams which are without parallel on this segment.

The IT system and tools developed help to sustain a high level of performance in an environment that is constantly changing. They can be adapted to the legislation and marketplace of the 15 countries where CLASQUIN operates.

Currently, CLASQUIN'S IT system gives the company a decisive competitive edge and is seen by customers as giving it strong added value.

People, the network and IT tools: Three key success factors dedicated to client performance.

CLASQUIN BARCELONA

Tools dedicated to customer performance

TRACING - real-time data

This application can be used to trace deliveries and obtain real-time data on the location of goods and the progress of the shipment, as well as the name of the vessel and the airway bill number, etc.

CONNECT, shared information

CONNECT is an interactive and secure extranet portal between CLASQUIN and its customers, where information can be shared and discussed. The portal can be fully customised and adapted to the customer's organisation and IT system and provides access to their supply chain, ranging from managing freight to dealing with goods procurement. The customer area on the portal can be used to view on-line details about the orders placed as well as real-time goods tracing data:

- An eDocuments system which handles digital versions of the delivery, customs and invoice documents, etc., as well as documents relating to customers' suppliers and subsidiaries: packing lists, invoices, certificates of quality, etc...
- Detailed calculation of the costs for every completed or forthcoming shipment, in order to facilitate the overall management of costs in customers' ERP systems;
- An on-line invoicing system with the option to preview invoices in order to facilitate the approval stage;
- As well as the different performance indicators such as CO^2consumption and door-to-door transit time in working days, etc.;

Tools dedicated to our development

CLASQUIN AEOLUS

This software application, which has been rolled out across the majority of our subsidiaries, is CLASQUIN's operation management system. It optimises the performance, follow-up and operational efficiency measurements for the operations handled. It also provides real-time data on the gross profit of the relevant transactions throughout the entire process.

CLASQUIN STATISTICS ON DEMAND

The reporting system centralises the databases of all sites across the world. It also gives management round-the-clock visibility of all operations.

Managers receive information on indicators on a weekly and monthly basis. These indicators help with decision making and can be used in conjunction with on-demand analyses so that operations can be managed more shrewdly.

CLASQUIN FINANCE - interconnected management of financial data:

- A single accounting software application used across the entire Group (excluding GUEPPE CLASQUIN);
- Databases configured so that financial statements can be managed locally, internationally and jointly;
- Software for managing intercompany invoices and payments (clearing office);
- Consistent monthly reporting for each subsidiary and office: income statements (Rolling gor), customer account management and centralised auditing of available cash, etc. This reporting gives managers a clear and constant overview of the financial indicators.

LOG System,

LOG System was set-up in 1986 and is the IT subsidiary of the CLASQUIN Group. The company specialises in publishing software. It operates in two separate areas of activity:

International transport and transit, with the publication of the software application AOELUS

Designed for managing international forwarding agents and transit agents, the software is widely accessible to external users and the different players in the transit and logistics world. The software is multimodal, multilingual (including languages based on ideograms) and multi-compatible and can be used on up to 500 workstations simultaneously. The software is used in 20 countries across the world and on 129 sites.

Pathological anatomy and cytology (medical department), with the publication of the software application, cACP

Created for managing Pathological Anatomy and Cytology, this software application is designed for public and private laboratories. cACP performs extremely well and can be adapted to entities of all sizes: private clinics, hospitals and cancer research centres, among others……

In July 2010, LOG SYSTEM carried out an external growth operation enabling it to double its business in the medical sector. LOG System currently has eighteen employees, comprising mainly analyst programmers and engineers. Their versatility enables the company to be flexible and adapt itself to ongoing projects, irrespective of the customer's field of business.

D. Designing and supervising the entire overseas transport and logistics chain

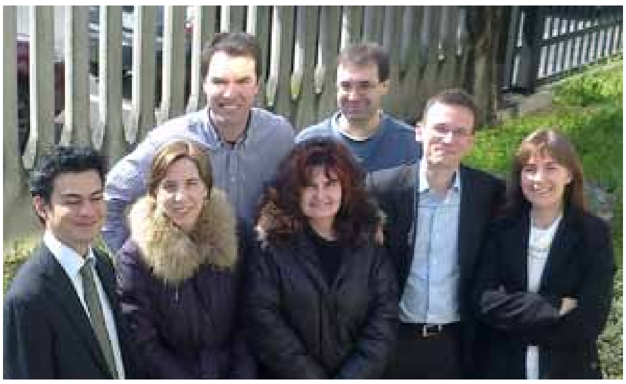
1. From the pick-up of goods right through to distribution: customised service solutions

In addition to freight processing, CLASQUIN offers customised comprehensive logistics solutions adapted to the specific needs and demands of every customer, and to the various types of goods and geographical areas concerned.

These solutions guarantee an optimised process:

- a single intermediary for customers;
- design and implementation of door-to-door international transportation flows;
- selection of the best sub-contractors;
- optimisation of costs and transit times;
- real-time traceability.

CLASQUIN offers its customers a local service, efficient and competitive, and provides them with quality throughout the logistics chain, enabling customers to gain competitive edge and focus on their core business.



CLASQUIN MILAN

2. Sea freight and air freight management: business lines run by experts

CLASQUIN operates from the main ports and airports across the world through its integrated and WFA networks, thus enabling to adapt its sea and air freight solutions to its customers' requirements:

- Container deliveries;
- Consolidation services when the goods being delivered are not sufficient in volume to fully fill a container;
- Break-bulk shipments when the goods, given their technical characteristics and dimensions, cannot be carried in any type of container;
- Ro-Ro (roll on-roll off) shipments for all types of vehicle;
- Flexitank shipments for bulk liquids (excluding dangerous substances), including in particular wine and safe chemical products;
- Chartering entire ships to deliver batches that are large both in size and quantity;
- Airfreight consolidated deliveries;
- Air express when the goods need to be sent to and directly held at the consignee's premises;
- Chartering entire planes when required given the volume of the goods being delivered;
- AOG (Aircraft On Ground): for the delivery of aircraft spare parts;
- Controlled temperature shipments for good requiring carriage at controlled temperatures (sub- or above-zero);
- Sea-air: this solution is recommended when the shipments are urgent, but where - for reasons relating to the cost of carriage - shipment by air is not possible. The first part of the shipment is carried out by sea freight and the second part sent via air freight. On this basis, the delivery date can be slightly brought forward and costs can be lowered (by 30-50%).

CLASQUIN is also IATA-certified and is an authorised multi-site agent.

3. Dedicated solutions

Whether it be sea or air freight, CLASQUIN has rolled out dedicated solutions for goods which require special handling:

- CLASQUIN Pharma Logistics : for pharmaceutical products and infectious and dangerous substances;
- CLASQUIN Fresh / Perishable : for goods that need to be transported and stored at controlled temperatures;
- CLASQUIN Luxury Goods : for works of art and high value goods;
- CLASQUIN Wine & Spirits : for wines and spirits.

4. Customs expertise

Where international trade is concerned, customs is a sensitive area and the regulations are constantly changing. When customs-related matters are managed poorly, this can cause delays, increase costs and even been seen in a bad light by Customs Authorities. CLASQUIN provides adequate support to customers for all service provisions related to dealing with Customs.

In an effort to better serve its customers and retain its lead in the field of customs, CLASQUIN decided to apply for AEO (Authorised Economic Operator) status which was obtained by the company in 2010.

This quality certification will enable CLASQUIN to obtain certain advantages in terms of customs inspections and the completion of ICS (Import Control System) and ECS (Export Control System) declarations and also benefit from simplified customs procedures. Consequently, CLASQUIN will be able to provide customers with a more wide-ranging customs service.

A hot line has been set up to take any customer queries relating to AEO status.

5. Road haulage and logistics expertise with GUEPPE CLASQUIN

GUEPPE CLASQUIN specialises in road haulage and logistics.

The company has its own fleet of vehicles: these range from straight trucks to semi-trailers The fleet is regularly renewed in order to guarantee optimal service quality.

Experienced drivers carry out the deliveries across regular routes (Ile de France, Bourgogne - Franche Comté, Rhône-Alpes, Provence-Alpes-Côte d'Azur (Paca), Languedoc Roussillon), ensuring the deliveries are made within 24 to 48 hours (working days).

GUEPPE CLASQUIN's is reknowned for its efficiency across the chain, especially regarding the carriage of dangerous substances.

In addition, the company provides transit logistics services with 18 berths at its Lyon centre, with access to a surface area of 1,500 m^2 for the purpose of transiting goods, providing temporary storage, preparing orders or carrying out simple logistics services. GUEPPE CLASQUIN also has an area under customs control.

Finally, GUEPPE CLASQUIN has also developed its chartering activity - representing 50% of its global business, across direct routes outside of its usual area of activity, by drawing on the services of a pool of selected partners.

E. A portfolio of prestigious customers: the guarantee of our quality

CLASQUIN, a true creator of value for the companies it works with, has progressively broadened its scope of intervention thanks to a personalised service which addresses both international SMEs and key accounts. CLASQUIN works in many sectors: consumer goods, fashion and luxury, industrial goods, pharmaceuticals and cosmetics, retailers, wines and spirits, etc. Our client base includes:

ABB, Chantelle, Danfoss, Gerflor, Hasbro, Haulotte, Lyon Public Hospitals, Hyundai Elevator, Julbo, Kenzo, King Jouets, La Redoute, Le Tanneur, Mango, Marie Brizard, Michelin, Mitsubishi, Novelys, Promod, Royal Canin, Salomon, Sisley and Samsung...

The portfolio is also diverse: the top 30 customers account for less than one quarter of Gross Profits and the no.1 key account represents less than 4% of Gross Profit.

CLASQUIN has earned the trust of prestigious customers who are major players in their line of business, thanks to the quality and the very high added-value of its offer.


F. A development strategy based on sound fundamentals.

Growth and profitability

CLASQUIN's strategy is focused on two priority areas:

Our long-standing business model:

- Fostering our customers' growth;
- Winning new market segments and strengthening our sales forces where we already have market presence;
- Continually extending our network;
- Enhancing our offering by taking on board new expertise:
  - Marketing: for high value-added business sectors: luxury-fashion, bio-pharma-health, wines and spirits and perishables, etc.
  - Technical expertise: international chartering, specialised logistics…

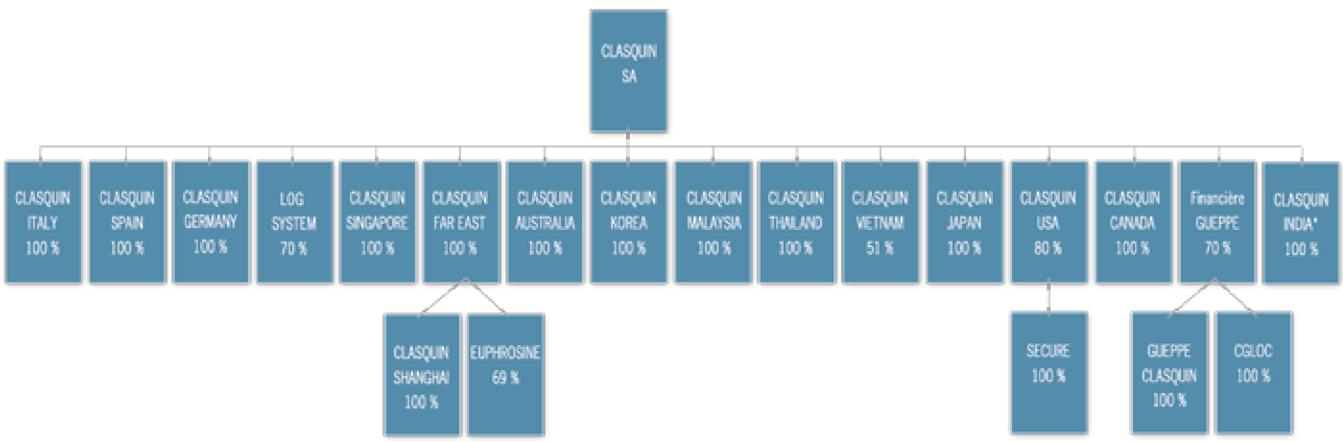
Stepping up the Group's rate of growth and improving Group performance through acquisitions:

- **Objective:** accelerate growth and generate economies of scale,
- **Target:** our core target as a priority,
- **Location:** France and neighbouring countries (Germany, Belgium and Switzerland, etc.)

CLASQUIN
Governance

A. Legal organisation

As at 31 December 2010, the parent company directly controls all of the following companies:



** Creation in progress

Governance focused on operational efficiency

21

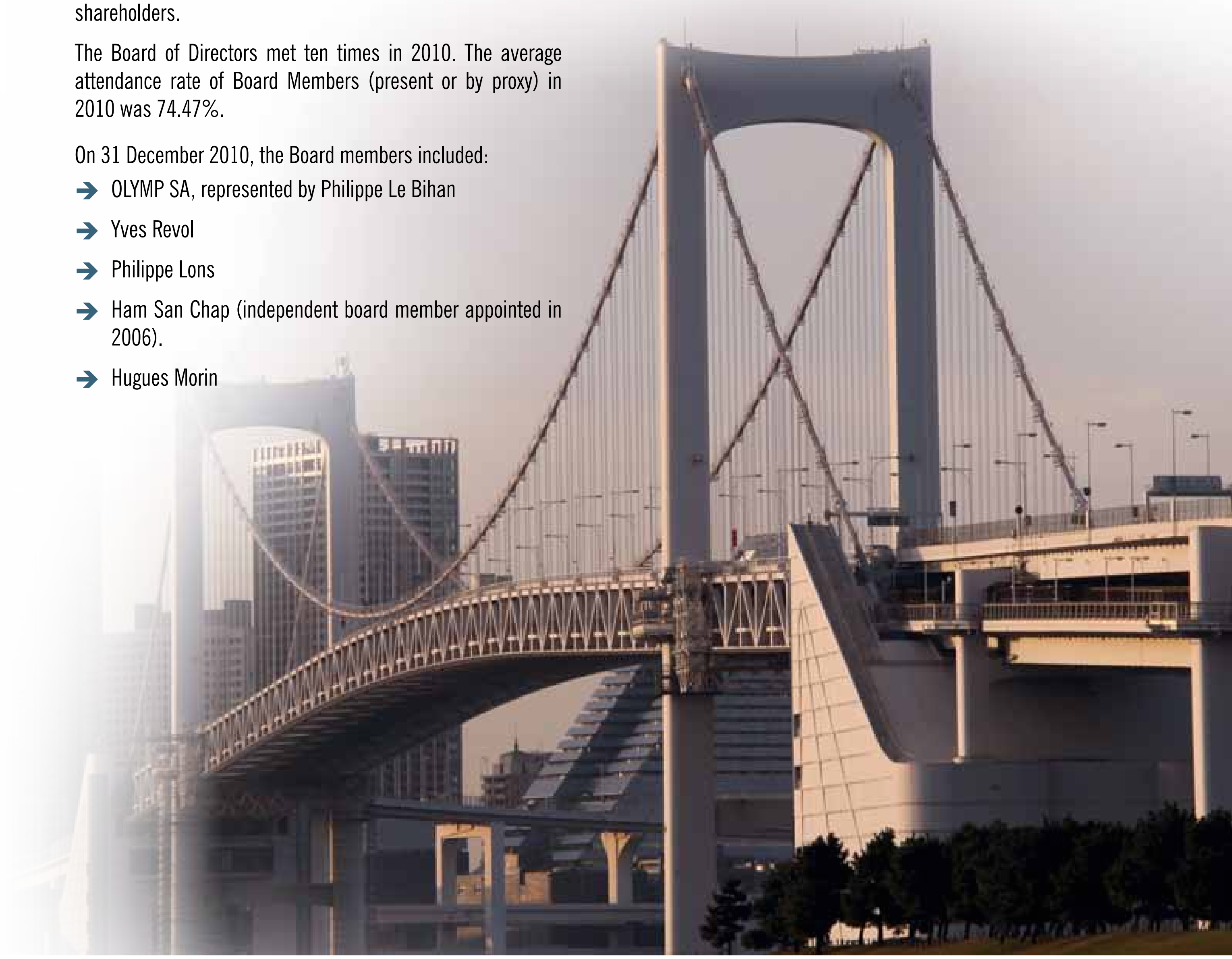
B. The Board of Directors

The Board of Directors defines company strategy, assesses projects, appoints corporate officers, oversees management and monitors the quality of the information provided to shareholders.

The Board of Directors met ten times in 2010. The average attendance rate of Board Members (present or by proxy) in 2010 was 74.47%.

On 31 December 2010, the Board members included:

- OLYMP SA, represented by Philippe Le Bihan
- Yves Revol
- Philippe Lons
- Ham San Chap (independent board member appointed in 2006).
- Hugues Morin



C. The Management Committee

The Management Committee is attended by the Group's different management departments and the managers for the different geographical regions.

It implements the strategy, manages projects and ensures that the Group's operations proceed as planned.

Yves REVOL - 63 (1)
Chairman of the Board of Directors & CEO

With an M.A. in economics and international experience at the CFAO, Yves Revol joined CLASQUIN in 1977, where he successively held positions as Sales Engineer, Sales Manager and Managing Director. In 1982, he bought CLASQUIN which was achieving sales of about €1.5 million at the time. He has been Group Chairman and CEO since 1 January 1983.

Alain DUMOULIN - 60 (2)
Group Chief Operating Officer

After starting out his career at UTA as Head of Sales and then Manager of North America cargo operations, he held a number of management positions with Air France Cargo, SDV and then Agility where he was appointed Managing Director France. He joined CLASQUIN at the start of 2009 as Group Chief Operating Officer (Advisor).

Yves BARNOUD, 48 (3)
Group General Secretary
A graduate from HEC, he began his career at the French embassy in Saudi Arabia, then held various management positions in a number of French groups and multinationals such as ELITE, ANGST & PFISTER and SKIS ROSSIGNOL. He joined CLASQUIN in January 2011 as Group General Secretary in charge of back office functions, including Finance, IT, Legal, Central Services and HR administration.

Philippe LONS - 47 (4)
Chief Financial Officer
A graduate from EM Lyon, he joined CLASQUIN in 1986 working at their Hong Kong office, where he successively held the positions of Sales Delegate, Head of the Subsidiary then Regional Manager. In 1991, Philippe LONS returned to France where he became CFO in 1995.

Hugues MORIN - 42 (5)
Managing Director - CLASQUIN FRANCE & CLASQUIN ITALIE
After studying at the European Business School, he joined CLASQUIN AUSTRALIA where he held the positions of Sales Delegate and Sales Manager. He then left Australia to move to Japan where he was appointed head of the profit centre in Osaka and then Managing Director of CLASQUIN JAPAN. After returning to France in 2002 he was Regional Director for the South of France and Italy, prior to being promoted to Managing Director France.

David CANARD-VOLLAND - 43 (6)
Group Manager IT & Process
With a MIAGE diploma, he is in charge of the CLASQUIN Group information system. He has 12 years of IT experience, of which 8 years in consulting/services, with positions ranging from Software Engineer to Project Manager, then Pre-Sales Consultant, before joining CLASQUIN in 1999.

Emmanuel THUAL - 40 (7)
Sales Director - CLASQUIN FRANCE
With a DUT diploma in "Logistics and Transport Management", he joined Clasquin France in 2000, holding the positions of Offices Director and Regional Director. He subsequently left France to help set up the new subsidiary in Canada, taking the post of Managing Director. He returned to France in 2009 to become the Sales Director for France.

Morgan KERNEVEZ - 40 (8)
Supply Chain Project Manager
A graduate from the "Ecole Supérieure en Logistique Industrielle", he started his career in the textile industry (Etam Group) before moving into the field of supply-chain consulting with GS1. He has now been working for 7 years in the world of transport and logistics and has held positions in Project Management, Quality and Design Solutions in two large multinationals, DHL and Agility. In March 2010 he joined Clasquin as Supply Chain Project Manager.

Not in the photograph:

Didier VANDERPERRE - 48
Chairman of CLASQUIN USA
A graduate from the "Ecole Supérieure de l'Administration du Commerce et de l'Industrie", Didier Vanderperre began his career in international transport as «Manager North America". He joined CLASQUIN in 1993.

Fabien GIORDANO - 40
Managing Director - North Asia
Having studied international trade, he completed his training on the Asian International Executive programme run by the INSEAD in Singapore. Fabien Giordano joined CLASQUIN as a Sales Delegate in Bordeaux before moving to Singapore. Resident in Asia since 2001, he became head of the profit centre in Osaka, then Director of the Northern and Central China zone in Shanghai, before moving to Tokyo as Director of the Greater China & Japan region.

Philippe JOUAN - 46
Managing Director - South East Asia & Australia
After studying at the «Ecole du Transport et de la Logistique de Monchy», Philippe Jouan held a number of management positions for large groups such as DHL, Danzas and ABX, across the world (including France, Canada, Hong Kong and Vietnam). He joined CLASQUIN at the end of 2007 as Managing Director for South-East Asia, India and Australia.

Also present in the photograph:

Barbara CROISILLE- 39 (9)
France HR Manager
Stéphanie CHALANDON - 35 (10)
Operations & Quality Project Manager
Anne-Cécile FUMEY - 36 (11)
International HR Manager
Anne ALBEROLA - 36 (12)
PA to Chairman

A. people, the Group's main asset

CLASQUIN has adopted a Human Resources policy designed to stimulate professional development and encourage both individual and team performances in accordance with its motto, "PROFIT & FUN". With this policy the Group seeks to attract and retain the most talented people to help drive its future growth.

A large part of the Group's success stems from the expertise and commitment of its teams who are organised into autonomous profit centres. The acquisition of new skills is encouraged and in-house promotions are preferred, thus there is a strong sense of belonging to the Group.

CLASQUIN also strives to reward each person's professional experience through a strong policy of internal promotion.

By combining the interests of the company, the employees and the shareholders, this policy has led to the development of a strong corporate culture. **Professionalism, enthusiasm and integrity are the values shared by CLASQUIN employees.**

Operating across 4 continents and in 15 countries, CLASQUIN is rich in cultural diversity from the men and women who make up the Group.

1. Highly skilled and strongly growing teams

CLASQUIN has managed to attract, motivate, and retain high-level staff that share and maintain the international culture developed by the Group (mobility, language skills and culturally mixed teams, etc.).

CLASQUIN has highly skilled employees with an average age of 35. More than 70% of employees are graduates and 90% are bilingual. Twelve languages are spoken fluently. Managers and first-line supervisors make up about 42% of the French teams and half of them are women.

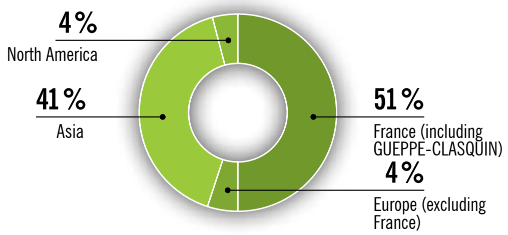
2010 was a particularly successful year in terms of organic growth, with 125 new people joining the Group.

The skills to be found at CLASQUIN are:

- ➔ **Managers or heads of profit centres** with recognised experience in air and sea freight forwarding as well as overseas logistics. They are accustomed to managing complex processes, analysing requirements, advising, anticipating, developing and steering original, efficient, fast and secure solutions, with the objective of offering the best service in terms of quality, cost and performance.
- ➔ **Business executives**, experts in air and sea freight forwarding as well as logistics, storage and distribution, at ease with international trade operating techniques and specialised in overseas practices. They deal with customers and suppliers on a daily basis. Their expertise is fundamental to the company performance.
- ➔ **Specialists in the different aspects of the back office** (IT, accounting and finance, law and human resources, etc.). Acting as support to the front office, professionals in their business, they anticipate economic or functional changes and adapt to international constraints (time zones, languages spoken, and foreign exchange issues) as well as regulatory changes.
- ➔ **Specific expertise: customs.** As a customs agent, CLASQUIN takes care of all customs administrative formalities concerning the import and export of goods. CLASQUIN SA is authorised to practice as a customs agent, in accordance with the stringent, applicable French legislation. More particularly, CLASQUIN customs teams intervene upstream as consultants, sometimes several months before importing goods for their customers in order to assist them in their choice of sources and indeed materials, and to help them optimise their procurement flows.

2. Expertise and know-how that stems from the diversity of cultures and backgrounds

Operating across 4 continents and in 15 countries, CLASQUIN is rich in cultural diversity from the men and women who make up the Group. Knowledge and good practice are shared on a daily basis within the Group. This diversity instantly creates an open-minded way of thinking which bonds the teams and thus naturally strengthens the level of cohesion. In addition, the Group encourages geographical mobility and has developed an in-house multicultural policy by taking time and effort to mix different nationalities and cultures within its offices and subsidiaries.



3. A remuneration policy pitched on financial performance and personal development

The objective of CLASQUIN's remuneration policy is to attract the most talented people, and to retain and develop them. Another aim is to get the very best out of all the employees and train them in **the culture of performance**.

The remuneration policy is based on a global system made up of 3 complementary systems:

- Fixed salary consistent with market practice;
- Variable "performance-based" salary, calculated on the financial results of each profit centre;
- Employee share ownership (for the employees of the companies incorporated in France).
  - A company savings scheme through which each employee can invest in various funds, including the Clasquin Performances mutual fund;
  - A company contribution amounting to 50% of the first €1,000 invested in Clasquin Performances and 30% of subsequent investments of the same sum.

Upon the Company's floating on Alternext, 70% of the employees residing in France showed their strong commitment to CLASQUIN by subscribing to the employee share ownership scheme.

The Company is currently considering setting up a share ownership scheme for the employees of the Group companies located abroad.

At the same time, personal development is encouraged through the high level of autonomy given to each profit centre. Heads of profit centres and their teams share a real sense of entrepreneurship, so much so that it increases awareness about personal responsibilities and helps staff derive greater pleasure from succeeding together.

This very decentralised organisation is promoted through the implementation of an auditing and reporting tool which makes it possible for all the performance indicators of each business unit to be monitored as closely as possible.

> *A culture of performance and personal development: "Profit and Fun»*

4. Training, the Group's ongoing incentive

70% of employees have spent between 2 and 5 years in higher education and speak at least 2 languages.

However, in order to ensure perfect cohesion of its teams, the Group has also set up an in-house training scheme composed of three parts:

- Training in business techniques;
- Training in IT tools developed by the Group, via its internal training centre, the Aeolus school;
- Training in communication and management.

This is supplemented by training sessions organised over 3 or 4 days at the Summer Universities. These meetings are an opportunity for exchange, get to know each other and learn about new cultures.

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5. Recruitment: a sacred act

For several years the priority at CLASQUIN has thus been to recruit high-level employees (graduate and multilingual personnel) who combine the different skills required to design, manage and control international logistics solutions.

This highly selective approach to recruiting is unusual, given the size of the Group, and is one of the fundamental keys to the company's success. It also adds to the image of quality that CLASQUIN portrays. In France and abroad, candidates are selected by both management and HR.

6. Non-stop in-house communications to foster team involvement

In addition to the legal employee representative bodies, CLASQUIN, which devotes special attention to in-house communications, has arranged regular meetings giving each person the opportunity to learn about Company news and the development of different projects, as well as the chance to voice an opinion on the running of their profit centre and/or CLASQUIN strategy.

This regular information is effective in motivating the teams and fostering their dedication.

In France, **monthly activity meetings (MAM)** take place in each profit centre in order to discuss the activity of the agency, its development and results, as well as all matters relating to the life of the company in general.

Monthly meetings in France (MMF) are attended by all the heads of profit centres and aim to ensure that commercial policy is coordinated effectively and to provide a forum for discussion on news linked to the financial activity, IT development, HR management and best practices.

The monthly Management Committee meetings (GMCM: General Management Committee Meeting), are attended by the Group's different management departments and the managers for the different geographical regions. GMCM give key people from every continent the opportunity to meet (in person or via telephone conference) and discuss Company policy and strategy concerning commercial development, human resources and IT, as well as the chance to learn about the results and keep up to speed with the follow-up of the main financial indicators.

«Summer Universities» (S.U.) take place every two years and gather all the Group's employees to discuss and share information on the main Company projects, as well bringing the culture of performance and enjoyment to life in a festive atmosphere.

The 2010 «Summer Universities».

B. Operational excellence and customer satisfaction

Our continuous improvement plan for business processes is now steered by a Methods and Quality Manager, who joined the Group in March 2010.

The aim of this quality plan at Group level is to rally our teams around a harmonised system that is adapted to our operations management and consistent with our values regarding financial performance, pleasure at work and the daily quest for customer satisfaction.

Tight collaboration with our teams in the field is the best way to ensure that quality brings added value to our company and contributes to the consolidation of our strong growth and to the success of our ambitious business development plan.

This pragmatic approach ensures to provide an even better response to the specific requirements of each customer, to personalise even further the services offered, to enhance customer loyalty and to win new markets with greater ease.

In concrete terms, the quality management plan serves as an incentive for all Group employees by fixing targets of professional excellence. The plan prioritises the following points:

- staff training;
- staff commitment achieved through monthly telephone conferences, job role committees and group workshops;
- skills enhancement by means of employee self-assessment programmes;
- user-friendly, readable, attractive documentation for optimal impact;
- analytical measurement of our performance at all levels in order to ensure maximum objectivity in our action plans;
- mastery of all customer processes, from order-taking through information system connections and the creation of decision-making support tools to after-sales;
- troubleshooting and problem-solving;
- risk prevention;
- partnership with suppliers.

Quality cannot be ordered on a plate: it must be an automatic reflex on the part of all employees at all company levels. This mindset constantly drives our quality process so as to be ready today to face the challenges of tomorrow.

C. Lasting partnership with suppliers

Now that it has acquired the status of Authorised Economic Operator (AEO), CLASQUIN is in the process of tightening up its supplier selection policy in response to stricter requirements in terms of safety and security.

Thus, for every request to open a new supplier account, the accounts department carries out a series of checks and requires new non AEO-certified suppliers to sign an AEO partnership charter.

In addition, quality control of the suppliers' services is carried out through an analysis of anomalies recorded by the operating file managers. This policy allows CLASQUIN to select only the best suppliers.

Furthermore, in order to maintain its independence, CLASQUIN has a diversified portfolio of suppliers so as to be able to offer customised solutions to all its customers.

This wide selection enables the Company to use sub-contractors with the most specialised skills and provide customers with a service precisely tailored to their needs whilst ensuring optimal value for money.

The Group thus has a wide range of know-how at its disposal to respond to the customers' requirements.

D. Eco-efficiency at the heart of CLASQUIN'S environmental policy

Given its position as a fourth-party logistics provider (4 PL) (a company with no physical assets, excluding the GUEPPE CLASQUIN fleet), the Company does not have to directly deal with environmental constraints. However, an internal policy is being implemented to adopt measures linked to the concept of eco-efficiency.

The Group is highly aware of environmental issues and tries to promote the least polluting means of transport.

1. Promotion of river and rail services

Firm action is led by the sales force among customers of the Group, both exporters and importers, to promote pre- and post-carriage by river or rail as a substitute for road transport.

Using a non-polluting means of transport is protecting the environment; this approach also offers a considerable economic advantage.

Due to its strategic position, the Lyon St Exupéry office is a pioneer in this field. Promotional work carried out among its customers is beginning to bear fruit. Today, out of all haulage organised by the office, 6% is carried out by rail and 6% by river. The positive response from customers leads us to believe that rail transport is likely to increase over the next few years.

As for the Strasbourg office, 50% of the haulage it arranges is carried out by barge and 28% by rail.

The Roissy-Charles de Gaulle and Bordeaux offices started to use river transport in 2006 and currently arrange for between 1 to 3% of haulage to be carried out by rail.

The increasing use of feeder services goes in line with fostering sustainable development; three out of the twelve CLASQUIN offices in France use this approach.

2. A role in establishing our customers' «carbon assessment»

As part of general efforts made to reduce greenhouse gases, a number of industry players carry out a «carbon assessment», which involves working out the level of greenhouse gas emissions arising from their activity and converting this into a «carbon assessment» in order to establish a carbon tax.

Aware of the importance of this measure, the CLASQUIN Group, at the request of its customers, helps carry out these calculations, specifically for transport. As such, CLASQUIN can work out the level of tax for the different forms of transport the customer uses and give the customer appropriate advice so that they can optimise the supply chain and reduce their CO^2emissions in the long term.

3. Selective waste sorting

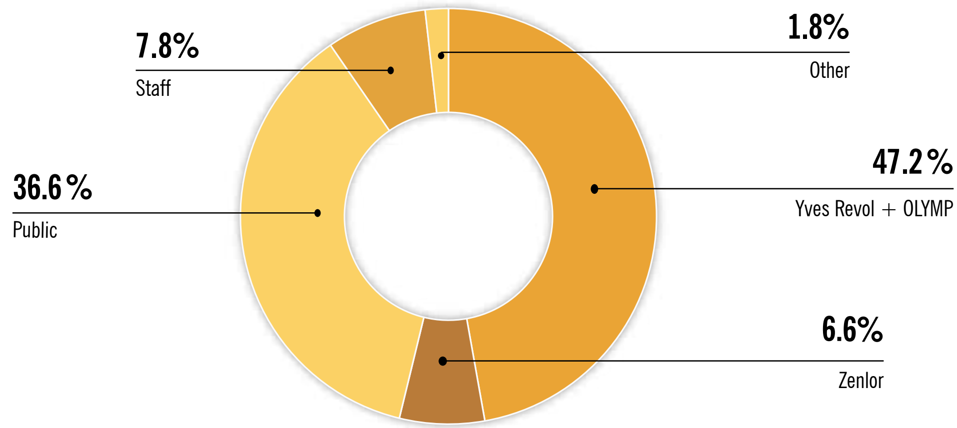
The Group has set up selective waste sorting practices among its sub-contractors. Thus, wooden pallets are sorted and separated from other waste (wrapping materials, boxes, etc.).

1. Stock market information

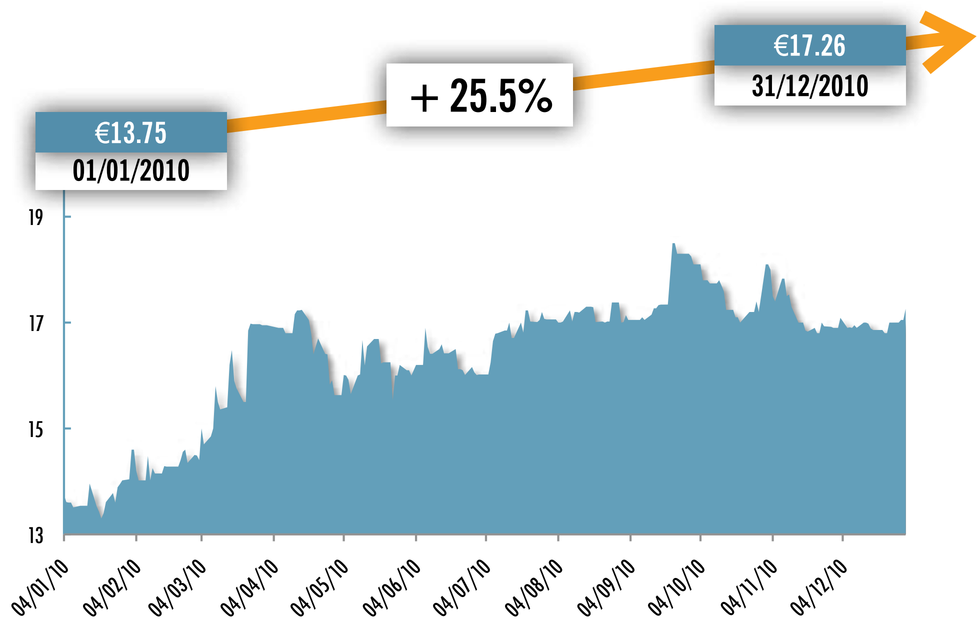
IPO date	31 January 2006
IPO price	€15.50
ISIN code	FR0004152882
Bloomberg code	ALCLA FP
Reuters code	ALCLA PA
ICB classification	2000 Industries 2770 Industrial transport
Market	Alternext
Quotation	Continuous
Capital on 31 December 2010	€4,612,802 divided into 2,306,401 shares with a nominal value of €2.00
(Closing) price on 31 December 2010	€17.26
Highest (closing) price in 2010	€18.50
Lowest price in 2010	€13.30
Average daily volume in 2010	1,779 shares traded
Market capitalisation on 31 December 2010	€39.8m
Floating on 31 December 2010	36.6%

Shareholder and investor information 31

2. Share ownership on 31 December 2010



3. Share price in 2010



4. Dividend policy

In the context of a good dividend policy, the distribution of dividends is naturally linked to the earnings level, the company's available funds and the return on its investments, as well as short- and medium-term financing requirements. Our dividend policy is situated within this constantly changing context – the Company aims to distribute a minimum of 20% of Group net income (except in exceptional circumstances), with no upper limit.

A dividend of €1.20 per share will be proposed - i.e. about 81.50% of 2010 income - at the Annual General Meeting on 07 June 2011.

5. Listing sponsor

Vizille Capital Finance acts as the Listing Sponsor for the CLASQUIN Group.

6. Liquidity contract

Following its listing on the Alternext Euronext market in Paris on 31 January 2006, and in order to ensure better liquidity of its stock market price and to regulate this, a liquidity contract was signed by OLYMP SAS and the broker Oddo Corporate Finance on 14 March 2006 expiring on 31 December 2006, the agreement being automatically renewed each year.

On 14 September 2009, CLASQUIN SA replaced OLYMP SAS as the signatory for this agreement.

The agreement complies with the code of ethics of the AFEI (French association of investment firms).

7. Financial analysis

Two financial analysts wrote about CLASQUIN stock during 2010. They were:

- ODDO MIDCAP – in charge of the study: Olivier BECKER
- FORTIS - in charge of the study: Claire DERAY

These assessments are available on the Company's website www.clasquinfinance.com, under the heading «Financial Information» then under the tab «Equity Researches».

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8. Sources of information and documentation

- The annual report in French is published within four months of the end of the financial year. It is available on request from the Company's head office or can be downloaded at www.clasquinfinance.com under the heading «Financial Reports». An English translation is also put on line on CLASQUIN's website.
- Legal documents – articles of association, minutes of general meetings and statutory auditors' reports – can be consulted at CLASQUIN's head office.
- The website www.clasquin.com contains the main information concerning the structure, operations, news, financial data and press releases.
- The website www.alternext.com provides financial and market information concerning the Company.

9. 2011 shareholders' agenda

Date *(after close of trading)*	**Event**
Monday 09 May 2011	Business report at 31 March 2011
Tuesday 07 June 2011	Combined General Meeting
Wednesday 31 August 2011	Business report at 30 June 2011
Wednesday 21 September 2011	2011 Half-year results
Wednesday 09 November 2011	Business report at 30 September 2011

10. In charge of information

- Yves Revol, Chairman and CEO
- Philippe LONS, Deputy Managing Director and Group CFO
- Stéphanie CHALANDON, Financial Reporting and Logistics Manager
  - Tel: 04 72 83 17 00
  - Mail: finance@clasquin.com

Shareholder information

CLASQUIN
Consolidated financial statements

Contents

All of the amounts are expressed in thousands of euros

A. Consolidated balance sheet

1. Assets

ASSETS (in €000)	Notes	31/12/2010	31/12/2009
Goodwill	E.IV.1	4,447	4,358
Intangible fixed assets	E.IV.2	1,272	1,327
Tangible fixed assets	E.IV.3	5,298	3,480
Securities valued at their fair value	E.IV.4	8	11
Other financial assets	E.IV.4	711	556
Deferred tax	E.IV.10	438	400
TOTAL NON-CURRENT ASSETS		**12,174**	**10,132**
Trade receivables	E.IV.5 & 6	44,854	33,457
Other current assets	E.IV.5	2,199	757
Cash and cash equivalents	E.IV.7	9,449	9,280
Asset adjustment accounts	E.VI.13	548	488
TOTAL CURRENT ASSETS		**57,050**	**43,982**
TOTAL ASSETS	**E.IV.14.1.1**	**69,224**	**54,114**

2. Liabilities and shareholders' equity

LIABILITIES AND SHAREHOLDERS' EQUITY (in €000)	Notes	31/12/2010	31/12/2009
Capital	E.IV.8.1	4,613	4,613
Share premium	E.IV.8.1	4,245	4,245
Reserves		7,817	6,133
Profit/loss		3,395	2,403
SHAREHOLDERS' EQUITY - GROUP SHARE	**D.**	**20,070**	**17,394**
SHAREHOLDERS' EQUITY - MINORITY INTERESTS	**D.**	**1,845**	**1,563**
TOTAL SHAREHOLDERS' EQUITY	**D.**	**21,915**	**18,957**
Deferred taxes	E.IV.10	352	391
Non-current provisions	E.IV.11	339	330
Long-term financial debt	E.IV.12	1,966	1,371
TOTAL NON-CURRENT LIABILITIES		**2,657**	**2,092**
Current provisions	E.IV.11	297	1,394
Short-term financial debt	E.IV.12	2,094	2,291
Trade payables	E.IV.13	34,310	23,363
Tax and welfare liabilities	E.IV.13	5,610	4,914
Tax debt due	E.IV.13	606	236
Other current liabilities	E.IV.13	1,631	628
Liability adjustment accounts	E.IV.5	104	239
TOTAL CURRENT LIABILITIES		**44,652**	**33,065**
TOTAL LIABILITIES		**47,309**	**35,157**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**E.IV.14.1.2**	**69,224**	**54,114**

B. Consolidated income statement

INCOME STATEMENT (in €000)	Notes	31/12/2010	31/12/2009
SALES	**E.IV.14.2 & 3**	**179,082**	**114,741**
Cost of sales		136,639	80,466
GROSS PROFIT	**E.IV.14.2 & 3**	**42,443**	**34,275**
Other purchases and external charges		9,511	7,321
Taxes and duties		829	762
Staff charges		22,179	19,762
Depreciation		1,908	1,888
Allocation and reversal of current provisions		-193	240
Other current income and expenses	E.IV.15	1,650	-212
CURRENT OPERATING INCOME		**6,559**	**4,514**
Other operating income and expenses	E.IV.16	-107	-41
OPERATING INCOME		**6,452**	**4,473**
FINANCIAL RESULT: income (expenses)	E.IV.17	-666	-151
PRE-TAX EARNINGS		**5,786**	**4,322**
Income tax	E.IV.18	1,967	1,542
CONSOLIDATED NET PROFIT		**3,819**	**2,780**
Minority interests		424	377
NET PROFIT GROUP SHARE	**E.IV.14.1.3**	**3,395**	**2,403**

NET EARNINGS PER SHARE (in €)	**E.IV.19**	**1.47**	**1.06**
NET DILUTED EARNINGS PER SHARE (in €)	**E.IV.19**	**1.47**	**1.04**

COMPREHENSIVE INCOME STATEMENT (in €000)			
Net Profit group share		**3,395**	**2,403**
Translation adjustments within shareholders' equity	D.	772	-89
TOTAL INCOME AND EXPENDITURE RECORDED FOR THE FINANCIAL YEAR		**4,167**	**2,314**

C. Cash flow statement

1. Table

CASH FLOW STATEMENT (in €000)	Notes	31/12/2010 12 months	31/12/2009 12 months
CASH POSITION AT OPENING		**8,441**	**5,781**
OPERATING ACTIVITIES			
Net profit		**3,395**	**2,403**
Elimination of expenses and income not impacting cash flow or not linked to the activity			
Depreciation and provisions		787	1,816
Underlying gains (-) and losses (-) related to variations in fair value		100	74
Capital gains (-) or losses (+) on disposals		157	8
Minority share in the profit/loss of consolidated companies		424	377
OPERATIONAL CASH FLOW	**C.2**	**4,863**	**4,678**
Cost of net debt	E.IV.17	171	224
Tax expenses (including deferred taxes)		1,967	1,542
Cash flow from operating activities before cost of net debt and tax expenses		**7,001**	**6,444**
Taxes paid		**-1,662**	**-1,613**
Change in inventories		0	0
Changes in trade receivables, deferred income		-11,532	1,125
Changes in trade payables, deferred expenses		10,887	518
Changes in other assets and liabilities		245	684
Foreign exchange differences on WCR		150	-115
VARIATIONS IN WORKING CAPITAL REQUIREMENT	**C.2**	**-250**	**2,212**
CASH FLOW FROM OPERATING ACTIVITIES (A)		**5,089**	**7,043**
INVESTMENT ACTIVITIES			
Acquisitions of fixed tangible assets		-3,785	-347
Acquisitions of fixed intangible assets		-742	-619
Disposals of fixed tangible and intangible assets		654	81
Acquisitions of financial assets		-362	-77
Disposals of financial assets		284	58
Net cash allocated to acquisitions and disposals of subsidiaries	C.3	172	34
CASH FLOW FROM INVESTMENT ACTIVITIES (B)		**-3,779**	**-870**

CASH FLOW STATEMENT (in €000)		Notes	31/12/2010 12 months	31/12/2009 12 months
FINANCING ACTIVITIES				
Capital increase			0	153
Increase in the share premium			0	317
Dividend payments to shareholders of the parent company		E.IV.8.2	-1,451	-992
Dividend payments to minority shareholders of consolidated companies		E.IV.8.2	-341	-501
Inflows from new loans			2,275	31
Outflows for loan repayments			-1,809	-2,244
Contributions from associate current accounts			0	0
Repayments of associate current accounts			0	0
Cost of net debt		E.IV.17	-171	-224
CASH FLOW FROM FINANCING ACTIVITIE	**(C)**		**-1,497**	**-3,460**
IMPACT OF EXCHANGE RATE FLUCTUATIONS	**(D)**		**420**	**-53**
VARIATION IN CASH	**(A+B+C+D)**		**233**	**2,660**
CASH POSITION AT CLOSING			**8,674**	**8,441**

Cash assets (at opening)	E.IV.7	9,280
Cash assets (at closing)	E.IV.7	9,449
VARIATION IN CASH ASSETS		**169**

Cash liabilities (at opening)	E.IV.12.1	-839
Cash liabilities (at closing)	E.IV.12.1	-775
VARIATION IN CASH LIABILITIES		**64**
VARIATION IN THE NET CASH POSITION		**233**

2. Detailed notes on the calculation of cash flow and WCR

BREAKDOWN OF OPERATIONAL CASH FLOW CALCULATION AT 31/12/2010 (in €000)	Notes	+	-
Net profit (Group share)		**3,395**	
Goodwill impairment			
Allocation (+) and reversal (-) of depreciation of intangible and tangible fixed assets	E.IV.2 & 3	1,908	
Allocation (+) and reversal (-) of depreciation of financial assets	E.IV.17	5	26
Allocation (+) and reversal (-) of current provisions	E.IV.11	304	913
Allocation (+) and reversal (-) of non-current provisions	E.IV.16	13	530
Allocation (+) and reversal (-) of provisions for financial provisions	E.IV.17	26	0
		2,256	**1,469**
Depreciation and provisions *(1)*		**787**	
Income on disposals of fixed assets		**157**	
Minority share of net profit		**424**	
Other non-cash income and expenses (unrealised foreign exchange gains/losses)		**100**	
Operational cash flow		**4,863**	

(1) There may be differences between the depreciation and provisions included in the operational cash flow versus the variations in balance sheet items that are referred to in the "Notes" column. This is because the income statement items are presented at average exchange rates while the balance sheet items are presented at the closing rate.

BREAKDOWN OF THE VARIATION IN WCR (in €000)	Notes	31/12/2010	31/12/2009	Change
Trade receivables (net)	**E.IV.5 & 6**	**44,854**	**33,457**	**-11,397**
Other current assets (excluding tax receivables paid in advance)	E.IV.5	2,054	600	-1,454
Asset adjustment accounts	E.IV.13	548	488	-60
Total "Other assets"		**2,602**	**1,088**	**-1,514**
Trade payables	**E.IV.13**	**-34,310**	**-23,363**	**10,947**
Tax and welfare liabilities	E.IV.13	-5,610	-4,914	696
Other current liabilities	E.IV.13	-1,631	-628	1,003
Liability adjustment accounts	E.IV.5	-104	-239	-135
Total "Other liabilities"		**-7,345**	**-5,781**	**1,564**
Foreign exchange differences on WCR *(2)*				**150**
WORKING CAPITAL REQUIREMENT		**5,801**	**5,401**	**-250**

(2) The differences for the various items in each cash flow statement cycle are determined at average exchange rates, except for items relating to the WCR, which are calculated at year-end rates (to be in line with consolidated balance sheet items); the difference is allocated to the whole cycle.

Consolidated financial statements

3. Net cash allocated to the acquisition and disposal of subsidiaries

During 2010, CLASQUIN FAR EAST LTD, a wholly owned subsidiary of CLASQUIN SA, paid its 69.06% stake in the share capital (HKD 100,000) and share premium (HKD 5,668,600) of EUPHROSINE LTD.

The net cash flow allocated to this acquisition can be analysed as follows:

Cash flow of EUPHROSINE LTD when set up, corresponding to the payment of its capital valued at an average exchange rate	€555 K
Reduced by the amount paid by the Group for the acquisition of 69.06% of shares	-€383 K
IMPACT OF THE ACQUISITION OF EUPHROSINE LTD ON THE GROUP CASH FLOW	**€172 K**

D. Statement showing the variation in shareholders' equity

BREAKDOWN OF THE VARIATION IN CONSOLIDATED SHAREHOLDER'S EQUITY (in €000)	Capital	Share premium	Reserves & Consolidated net earnings	Earnings recorded as shareholders' equity	Group share	Minority interests	Total shareholders' equity
SHAREHOLDER'S EQUITY AT at 31/12/2008	**4,460**	**3,898**	**8,151**	**-580**	**15,929**	**1,309**	**17,238**
Conversion of 200,000 bonds into 76,470 shares	153	317			470		470
Shareholders' equity component of the convertible bond loan wrongly allocated to consolidated reserves when first recorded.		30	-30		0		0
Dividends distributed/2009 financial year			-1,470		-1,470		-1,470
2009 net profit			2,403		2,403	377	2,780
Change in scope of consolidation					0	27	27
Foreign exchange difference for FY 2009			151	-89	62	-150	-88
SHAREHOLDER'S EQUITY AT 31/12/2009	**4,613**	**4,245**	**9,205**	**-669**	**17,394**	**1,563**	**18,957**
Dividends distributed/2010 financial year			-1,451		-1,451	-337	-1,788
2010 net profit			3,395		3,395	424	3,819
Transactions in Treasury shares			-40		-40		-40
Change in scope of consolidation					0	172	172
Foreign exchange difference for FY 2010				772	772	23	795
SHAREHOLDER'S EQUITY AT 31/12/2010	**4,613**	**4,245**	**11,109**	**103**	**20,070**	**1,845**	**21,915**

E. Notes

The consolidated financial statements at 31 December 2010 were approved by the Board of Directors on 17 March 2011 and shall be submitted to the Shareholders' General Meeting of 07 June 2011 for approval.

CLASQUIN SA is a company incorporated under French law and was established in 1959. The registered office is located at 235, cours Lafayette in Lyon.

I. FY 2010 highlights

1. Business combinations

In July 2010, LOG SYSTEM SARL, a 70% owned subsidiary of CLASQUIN SA, acquired all the shares of MB CONCEPT SARL (see Chapter E.III "Operations and list of consolidated companies", paragraph 3.4 "Determining the goodwill recorded for the business combinations that took place during the financial year").

2. Creation and closure of subsidiaries abroad

- In May 2010, the subsidiary EUPHROSINE LTD was founded, a subsidiary 69.06% owned by CLASQUIN FAR EAST LTD, which is a wholly owned subsidiary of CLASQUIN SA.

  This Company owns offices in Hong Kong which it leases to CLASQUIN FAR EAST LTD.
- In November 2010, the subsidiary CLASQUIN GERMANY GMBH was founded, a wholly owned subsidiary of CLASQUIN SA. As the share capital of this subsidiary was paid during the year, it was therefore consolidated in the 2010 annual financial statements. However, the subsidiary only commenced trading in February 2011.
- No subsidiaries were closed abroad during the 2010 financial year.

3. Opening and closing of offices abroad and in France

- In May 2010, a new office was opened in Mulhouse, bringing the number of CLASQUIN SA's offices in France to 12.
- In November 2010, a new office was opened in Hanoi, bringing the number of CLASQUIN VIETNAM LTD offices to 2.
- At the time when CLASQUIN GERMANY GMBH was established, two offices were opened, in Frankfurt and Bremen.
- No offices were closed abroad or in France during the 2010 financial year.

4. Other key events

- The audit and modernisation of the Italian subsidiary of CLASQUIN SA led to net non-recurring costs of €1.2m in 2010, comprising €1.8m allocated to "Other current expenses" (see Chapter E.IV Explanation of the balance sheet and income statement and their variations", paragraph 15) and €-0.6m recorded as a reversal of the provision for contingencies and charges made at the end of 2009 (see Chapter E.IV "Explanation of the balance sheet and income statement and their variations", paragraph 11).

II. Financial reporting framework, consolidation procedure, valuation methods and rules

1. Financial reporting framework

1.1. Statement of compliance

The CLASQUIN Group decided to adopt IFRSs for the first time in 2007.

In application of European regulation no.1606/2002 and 1725/2003, the consolidated financial statements were drawn up in compliance with the IFRS rules adopted in the European Union as at 31 December 2010. These rules are available on the following website:

http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm.

The international accounting standards comprise the International Financial Reporting Standards (IFRS), the International Accounting Standards (IAS), along with their Standard Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) interpretations.

The accounting rules and valuation principles adopted for the preparation of the financial statements as at 31 December 2010 are those contained in the standards and interpretations of the IFRS/IFRIC framework published in the Official Journal of the European Union on 31 December 2010, the application of which became mandatory on 1 January 2010. The Group is not affected by the standards, amendments and interpretations applicable according to the IASB but not yet adopted by the European Union.

With exception of the points set out below, the consolidation rules and methods and the accounting principles adopted are identical to those applied to prepare the consolidated financial statements as at 31 December 2009.

During the year, the CLASQUIN Group adopted the standards, amendments and interpretations which were mandatory for the period, therefore:

- Revised IAS 27 - Consolidated and Separate Financial Statements, amended in light of the "Business Combinations Phase II" project,
- IAS 39 amendment concerning Eligible Hedged Items,
- IFRS 2 amended concerning group cash-settled payment transactions,
- IFRS 3 – Business Combinations, revised in light of the "Business Combinations Phase II" project,
- nnual Improvements (published by the IASB in May 2008 and April 2009): annual improvements to various standards,
- IFRIC 12: service Concession Arrangements,
- IFRIC 15: agreements for the Construction of Real Estate,
- IFRIC 16: hedges of a Net Investment in an Foreign Operation,
- IFRIC 17: distributions of Non-cash Assets to Owners,
- IFRIC 18: transfers of Assets from Customers.

None of these standards affected the Group's net earnings or financial position - nor did they affect the preparation of the financial statements or the financial reporting. The content and/or impacts of these standards were not relevant to the CLASQUIN Group as at 31 December 2010.

Furthermore, the Group did not make provision for IFRIC standards, amendments or interpretations which were not mandatory as at December 31, 2010, either because these standards had not yet been adopted in Europe, or because the Group had decided not to apply them in advance. This applies to the following standards:

- Revised IAS 24: related Party Disclosures,
- IAS 32: amendment concerning the Classification of Rights Issues,
- IFRS 7: information to be disclosed in the case of Transfers of Financial Assets,
- IFRS 9: a standard concerning Financial Instruments due to replace progressively the provisions of IAS 39.

- Annual Improvements (published by the IASB in May 2010): annual improvements to various standards,
- IFRIC 14: amendments concerning Prepayments of a Minimum Funding Requirement,
- IFRIC 19: Extinguishing Financial Debts with Equity Instruments.

The Group is currently in the process of determining the potential impact of these standards on its consolidated financial statements.

1.2. Bases of valuation

The financial statements are drawn up according to the historical cost and amortised cost method, with the exception of certain financial assets and liabilities measured according to fair value (refer to paragraph 3.20 – "Determining Fair Value" in this Chapter).

1.3. Use of estimates

The preparation of financial statements in compliance with IFRS requires the use of judgement by the management to make estimations and form assumptions which have an impact on the application of accounting methods and on the amounts of assets and liabilities, and of income and expenses. The actual values may be different from the estimated values.

The underlying estimations and assumptions are continually reviewed. The impact of changes in accounting estimations is recognised during the period of change and during all subsequent periods affected.

The main assumptions concerning future events, as well as other sources of uncertainty related to the use of estimates at the closing date, changes to which could give rise to a significant risk of material adjustments to the net book values of assets and liabilities during the following financial year, are explained in the following paragraphs of this chapter:

- 3.1 – Goodwill
- 3.5 – Assets impairment
- 3.12 – Provisions
- 3.13 – Pension liabilities and similar benefits

1.4. Reporting and operational currency

The consolidated financial statements are presented in euros, which is the company's operational currency. All financial data presented in euros is rounded up to the nearest thousand euros.

2. Consolidation method

2.1. Consolidation methods

Consolidation is based on the financial statements for the year ended 31 December 2010. All the subsidiaries in which the Group has exclusive control, directly or indirectly, are consolidated using the full consolidation method.

The subsidiaries are the companies that are controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of the company so as to obtain benefits from its activities.

Subsidiaries are consolidated as of the date on which the Group takes control of them until the date on which control is transferred outside the Group. When control of a subsidiary is lost, the consolidated financial statements of the financial year include the results for the period during which the Group had control of that subsidiary.

Therefore no company is consolidated according to the proportional consolidation or equity method.

Full consolidation consists of:

- incorporating the items from the consolidated companies' accounts into the accounts of the consolidating company, after any readjustments;
- distributing shareholders' equity and the profit between the consolidating company's interests and the interests of other shareholders or associates referred to as «minority interests»;
- eliminating the transactions between the fully consolidated company and the other consolidated companies.

2.2. Conversion methods for foreign company financial statements

The currency used for preparing the consolidated financial statements is the euro. The foreign company items denominated in foreign currencies are converted as follows:

- the income statement is converted using the average exchange rate for the year;
- the balance sheet statements are converted using the closing exchange rate with the exception of capital and reserves which are maintained at the historic cost;
- the resulting conversion differences are recorded as a separate component of shareholders' equity, under "Earnings recorded as shareholders' equity".

The conversion rates used are as follows:

CURRENCY	2010 average rate	2009 average rate	Rate at 31/12/2010	Rate at 31/12/2009
JPY	116.62	130.31	108.53	132.98
SGD	1.80	2.02	1.71	2.01
HKD	10.30	10.92	10.38	11.14
CNY	8.97	9.51	8.79	9.80
AUD	1.44	1.77	1.30	1.60
VND	25,112.66	24,413.58	25,860.50	26,302.80
KRW	1,528.65	1,767.09	1,479.68	1,655.43
THB	41.83	47.46	39.93	47.67
MYR	4.26	4.89	4.05	4.86
CAD	1.36	1.58	1.33	1.50
USD	1.32	1.39	1.33	1.43

2.3. Closing date for consolidated companies

The companies are consolidated on the basis of their annual financial statements closed on 31 December 2010.

2.4. Elimination of intra-group transactions

In accordance with regulations, transactions between the consolidated companies as well as profits/losses these companies generated internally were removed from the consolidated financial statements.

3. Valuation methods and rules

The principles and methods implemented by CLASQUIN Group are the following:

3.1. Goodwill

The assets, liabilities and contingent liabilities of the acquired entity are recorded at their fair value at the end of a valuation period of up to 12 months following the acquisition date.

The positive differences between the acquisition cost and the purchasing company's share in the fair share of the assets, liabilities and identifiable contingent liabilities are recorded as goodwill in the balance sheet assets.

They are not amortised, but are tested for impairment at the end of each financial year.

Positive goodwill is recorded under intangible fixed assets.

In application of IAS 36, goodwill is subject to impairment tests, as soon as there is any indication of impairment, and at least once a year, according to the Discounted Cash Flows (DCF) method.

For the purposes of these tests, assets are grouped according to the smallest group of assets to generate cash inflow from continued operations, which is completely separate from the cash inflows generated from other assets or groups of assets.

Given the organisation in place in the group, 3 Cash Generating Units were identified as follows:

- air and sea freight forwarding and related services (the Group's long-standing activity);
- road haulage, chartering and logistics (the complementary business activity added after the acquisition of GUEPPE CLASQUIN);
- IT service activity (LOG SYSTEM).

The impairment test methods for Cash Generating Units are set out in paragraph 3.5 of this chapter.

Where goodwill forms part of a Cash Generating Unit or group of CGUs and where part of the operations within that unit is disposed of, the goodwill associated to the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of Cash Generating Unit retained. When subsidiaries are disposed of, the difference between the disposal price and the net assets disposed of, increased by cumulative conversion differences and the net value of the goodwill, is recognised in the income statement.

In the event of impairment of the useful value, depreciation is recognised in the consolidated income statement under the heading "Variation in goodwill».

Depreciation recognised is irreversible and cannot be written back if the goodwill useful value becomes higher than its book value again.

The negative differences between the acquisition cost and the purchasing company's share in the fair share of the assets, liabilities and identifiable contingent liabilities (negative goodwill) are recorded directly as income for the year.

3.2. Other intangible fixed assets

Other intangible fixed assets are valued at their acquisition or production value.

Intangible fixed assets resulting from an acquisition are recognised separately from goodwill when they can be identified, are controlled by the company and when they are likely to generate future economic benefits.

Development costs for software to be used in-house, for the relative share of internal and external costs contributing directly to the creation or improvement of performance, are recorded as assets in that they generate future economic benefits and that they are clearly identifiable.

Amortisation period for intangible fixed assets

The methods and amortisation periods are as follows:

- software developed in-house is subject to straight-line amortisation of between 4 and 8 years;
- other software is amortised for 1-6 years according to the planned period of use;
- research and development costs are amortised over 2 years.

Amortised intangible assets are subject to an impairment test when, due to special events or circumstances, there is doubt as to whether their book value can be recovered.

3.3. Tangible fixed assets

In compliance with IAS 16, tangible fixed assets appear on the balance sheet at their acquisition cost (purchase price and related expenses).

Tangible fixed assets are valued for their historical costs and are not subject to revaluation.

Maintenance and repair costs are directly recorded as expenses for the financial year, with the exception of those leading to improved performance of the asset in question or to an extension of its useful life.

Depreciation is calculated according to the straight-line method based on the planned period of use.

Amortisation period for tangible fixed assets

The main amortisation periods are as follows:

- buildings (offices): 37 years maximum
- fixtures and fittings: 10 years maximum
- traction units: 7 years
- lorries and trailers: 5 years
- transport equipment: 4 years maximum
- office and IT equipment: between 3 and 5 years maximum

Tangible fixed assets are subject to an impairment test when, due to special events or circumstances, there is doubt as to whether their book value can be recovered.

3.4. Lease financing agreements

In accordance with standard IAS 17 «Leases», fixed assets funded by lease financing agreements are included with the assets for the present value of the minimum lease payments. The related debt is recorded as balance sheet liabilities under "Loans and financial debts".

Amortisation is in accordance with the aforementioned methods and rates, and the tax impact of this adjustment is taken into account.

As concerns leaseback operations where profits are generated, they require:

- recognition of the sale profits on the income statement;
- recognition of a lease financing agreement;
- amortisation of the profits over the lease period, with this amortisation recorded in liabilities (under deferred income).

3.5. Assets impairment

3.5.1. Intangible fixed assets with a definite useful life and tangible fixed assets.

Amortised assets are subject to an impairment test when, due to special events or circumstances, there is doubt as to whether their book value can be recovered. The recoverable value of fixed assets is then estimated and impairment is recognised when the book value of an asset is higher than its recoverable value.

The recoverable value of an asset is the highest value out of the net sales price of the asset and its useful value, determined by estimating future cash flows generated by the asset.

3.5.2. Intangible fixed assets with an indefinite useful life and goodwill.

Assets with an indefinite useful life are not amortised and are subject to an annual impairment test.

For this test, the fixed assets are grouped into a Cash Generating Unit (CGU) which is defined as a uniform group of assets generating cash inflows different from those of other asset groups (refer to paragraph 3.1 - «Goodwill» in this chapter).

The useful value of assets is defined using the Discounted Cash Flow (DCF) method. Determining the useful value therefore requires, on the one hand, determination of cash flows arising from the continued use of the asset or from its withdrawal, and on the other hand, application of the relevant discount rate to these flows.

The methods used to determine the discount rate must ensure consistency with the nature of the risks involved when determining the cash flows themselves. Thus the standard defines the discount rate as a rate reflective of current market appraisals of the time value of money and the risks specific to the asset, and for which the cash flows have not been adjusted.

It is the return on investment rate required by investors if they were to choose an investment generating cash flows with an amount, maturity and risk profile equivalent to those that the company would hope to obtain for the asset itself. The rate is therefore in principle a market factor and not a factor specific to the company or its ability to generate cash flows when using the tested asset.

The discount rate may therefore be specific and incorporate specific risks for each Cash Generating Unit.

At 31 December 2010, the assumptions used to determine the discount rate for each CGU are as follows:

- a risk-free rate of 3.33% corresponding to the average of the French 10-year treasury bond (OAT) monthly rates of 2010 (with reference to the French state's borrowing rates);

- a market risk premium of 5% (retrospective application on the long-term), defined by referring to the risk premium required by investors on the small and mid-cap market;
- a specific risk rate which takes into account the activity of each subsidiary, its maturity, the existence (or not) of a portfolio of recurrent business and the distribution of customers in this portfolio, valued at 1.5% for CGU 1 and CGU 2 and at 1.6% for CGU 3;
- an interest rate of 5%, corresponding to the long-term average EURIBOR 3-month rate of 3% plus a spread of 2 basis points.

Resulting in a WACC of 9.50% for UGT 2, 10.40% for UGT 1 and 11.30% for UGT 3,

- an indefinite growth rate cautiously set at 2%.

These impairment tests are also subject to sensitivity tests on the indefinite growth rate and on WACC, to make sure that the modification of these assumptions does not alter the outcome of the impairment test.

This impairment is recorded when the net book value of the intangible fixed assets and goodwill is higher than their defined recoverable value.

Depreciation corresponding to goodwill is irreversible and cannot be written back even if the goodwill recoverable value is restored to a level higher than its book value.

3.6. Other financial assets

Other financial assets are analysed and assigned to one of the following four categories:

- those held for trading (securities purchased and held mainly for short-term resale);
- those held to maturity (non-derivatives with fixed or determinable payments and fixed maturities that the Group has a positive intention and ability to hold to maturity);
- loans and receivables;
- those available for sale (all financial assets that are not assigned to one of the above categories).

Financial assets are assigned according to the reasons for their acquisition. The category is determined when the assets are first recorded.

Securities held for trading are measured at fair value and unrealised gains and losses are recognised in the income statement.

Financial assets designated as held to maturity are measured at amortised cost using the effective interest rate method.

Loans and receivables are measured at amortised cost using the effective interest rate method. An impairment provision may be recognised if there is objective evidence of loss of value.

Securities available for sale are recorded at their fair value, which is determined by the market price (if available). Unrealised gains and losses corresponding to temporary changes in the fair value of these assets are recognised in shareholders' equity. When securities are disposed of or impaired, the cumulative unrealised gains and losses previously recognised in shareholders' equity are transferred to the income statement.

Equity investments in non-consolidated companies are classified as securities available for sale. When they correspond to unconsolidated minority interests in listed companies (securities available for sale), these securities are valued at their listed market price at year-end. If the fair value cannot be reliably estimated, the equity investments are held at historic cost.

The deposits and guarantees that comprise most of this item are treated as loans and receivables. These assets are impaired when their net book value is higher than their recoverable value as estimated on the basis of the impairment tests, if there is evidence of loss of value. The loss of value is recognised in the income statement.

Trade receivables are written down on a specific basis taking account of various criteria as follows: the customer's financial situation, late payments, credit rating from an independent agency and geographical location. Net gains and losses on loans and other receivables consist of interest income and loss of value.

3.7. Customer receivables and trade creditors

Receivables and debts are valued at their nominal value. The discount effect on the customer receivables is negligible.

A provision for depreciation is established when objective indicators show that one or more events may affect future estimated cash flows for the asset.

Full or partial depreciation provisions are set aside for doubtful debts if their recovery is uncertain and there is a historical precedence.

At year-end, the Group companies value their debts and receivables in currencies on the basis of the exchange rate at the time of closure.

Debts and receivables hedged against foreign exchange rate fluctuations are valued according to the rate in the hedge contract.

3.8. Financial hedging instruments

The Group enters into contracts for forward currency purchases and sales in order to hedge its positions in foreign currencies. In general, forward contracts do not exceed 3 months.

Financial derivative instruments are measured at their fair value in the balance sheet. With the exception of the circumstances described below, change in the fair value of derivatives is reported in the income statement. The fair values of derivatives are estimated on the basis of valuation models in common use, taking account of data issued by the active markets.

Derivatives may be designated as hedging instruments, depending on the cash flow hedging relationship. Cash flow hedging is hedging against exposure to variations in cash flow attributable to a particular risk associated with a recognised asset or liability or a planned transaction (for example an expected sale or purchase) which would impact reported net income.

Cash flow hedge accounting is applicable if:

- the hedging relationship is clearly defined and recorded on the date of its establishment;
- the effectiveness of the hedging relationship is demonstrated from the outset, and subsequently by periodic verification of the correlation between the market value of the hedging instrument and that of the hedged item.

The ineffective portion of the hedge is systematically recognised in the income statement.

The application of hedge accounting has the following consequences for cash flow hedges:

- the effective portion of the change in fair value of the hedging instrument is recognised directly in shareholders' equity as the change in fair value of the underlying item is not recorded on the balance sheet;
- the change in value of the ineffective portion is recorded in financial income and expenses ("Other financial income and expenses").

The amounts recognised in shareholders' equity are reclassified to profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss.

Out of all the instruments used by the Group, no contract is considered as speculative under the terms of standard IAS 39. Analysis of the financial instruments used by the Group reveals:

- that the financial instruments are designed to hedge future cash flows and fall within the framework of "micro hedges";
- the highly effective nature of hedging set up to compensate for variations in cash flows.

3.9. Compound financial instruments

The composite financial instruments issued by the Group comprised convertible bonds providing the bearer with a conversion option and a defined number of shares.

The "liability" component of the compound financial instrument was initially recorded at the fair value of an equivalent non-convertible liability. The «shareholders' equity» component initially recognised was determined by the difference between the fair value of the compound financial instrument as a whole and the fair value of the "liability" component.

After initial recording, the "liability" component of the compound financial instrument was valued on an amortised cost basis using the effective interest rate method. The «shareholders' equity» component of the compound financial instrument was not revalued after initial recording.

For information, the convertible bonds were exercised on 15 June 2009.

3.10. Cash and cash equivalents

Cash equivalents are initially valued at their purchase or subscription price, excluding related charges. The values are in euros.

The short-term investments are valued at their fair value, and underlying or realised gains or losses are recorded in the financial profit/loss. The fair value is determined by referral to the market price at the time of closure.

Treasury shares are recognised as a reduction in shareholders' equity. Gains and losses on disposal of treasury shares and the associated dividends are directly recorded in shareholders' equity and do not affect the profit or loss.

3.11. Income tax

In compliance with IAS 12, the Group records deferred taxes as soon as a temporary difference occurs between the book value and the tax value of the assets and liabilities, and on unused tax losses.

Deferred taxes are calculated according to the liability method, by applying the last tax rate in force for each company. Deferred taxes are determined using the tax rate that has been enacted or substantively enacted by the end of the reporting period, and expected to apply to the period when the deferred tax asset is realised or the deferred tax loss settled.

Tax assets and liabilities are offset when taxes are due to the same tax authority provided it is authorised by local tax authorities.

Deferred tax assets are only taken into consideration if:

- recovery does not depend on future results;
- or recovery is likely due to taxable profits expected in the near future.

3.12. Provisions

In compliance with IAS 37 "Provisions, contingent liabilities and contingent assets", provisions are set aside when a commitment has been made with a third party at the year-end closing date and cash outflow is certain or probable at the account cut-off date with no equivalent cross-entry and future cash outflows can be reliably estimated.

This section includes the commitments whose maturity or amount is uncertain, resulting from trade disputes, labour disputes or other risks.

Generally speaking, the various disputes in which the company is involved were subject to a management review at the time of closure and, after taking external advice where relevant, the provisions considered necessary were set aside to cover the estimated risks.

3.13. Pension liabilities and similar benefits

3.13.1. Defined contribution plans

Contributions paid into defined contribution plans are accounted for as expenses related to staff benefits when they are due.

3.13.2. Defined benefit plans

According to IAS 19, the pension commitments arising from defined benefit plans are determined on the basis of the rights acquired by employees in order to calculate retirement benefits, in accordance with their seniority and respective collective bargaining agreements ("Road Haulage and Ancillary Services" for CLASQUIN SA and GUEPPE CLASQUIN/SYNTEC for LOG SYSTEM) and taking into account the likelihood that they will still be working for the company when they reach retirement age.

The commitments are measured using the probable current value of the entitlement acquired, according to actuarial assumptions, and in particular considering salary increases, staff turnover and mortality tables.

Actuarial differences are recognised as income or expenses for the financial year.

At 31 December 2010, the costs of these benefits for French companies are estimated according to the following assumptions:

- inflation rate: 2%

- career advancement rate, including the inflation rate defined above:
    - 3% per year for employees and manual workers
    - 3.50% per year for supervisory staff
    - 4% per year for executives.
- annual yield: IBOXX € Corporate AA 10+ year annual yield, i.e. 4.68% as at 31 December 2010
- social contribution rate: 45%
- mortality tables: INSEE Men/Women 2002
- Turnover:
    - 20% for the under-30 age group
    - 8% for the 30-39 age group
    - 7% for the 40-49 age group
    - 2% for the 50-55 age group
    - 0.50% for the over-55 age group
- retirement age (French "loi FILLON" law of November 2010):
    - 64 for all employees with executive status
    - 60 for non-executive employees born before 1 January 1951. This minimum retirement age is increased by 4 months for each of the following two six-month periods, whereafter it is increased by 4 months per year for the following 4 years until reaching a limit of 62 years of age.
- voluntary retirement.

At 31 December 2009, the costs of these benefits for French companies were estimated according to the following assumptions:

- retrospective projected credit unit method (PBO-IAS19/FAS87)
- actuarial assumptions used:
    - discount rate: 6.24%
    - inflation rate: 1%
    - Yield: 5%
- social contribution rate: 40%
- retirement age: 65 years
- turnover: low
- mortality table: TV 88/90
- collective bargaining agreement: agreement specific to each French company or legal compensation if more favourable.

3.14. Financial debts

The financial debts correspond to the following items:

- either a contractual obligation to provide another company with cash or another financial asset
- or a contract which will or which might be settled using the company's shareholders' equity, for the share which does not correspond to the definition of the shareholders' equity component (refer to paragraph 3.9. - Compound financial instruments, in this chapter).

The Group recognises financial debts when it signs a contract, i.e. on the date that it commits to such transactions.

Financial debts are mainly comprised of loans and short-term and long-term debt with credit institutions. These liabilities are initially accounted for at their fair value, which takes into account, where appropriate, the directly-related transaction costs. They are then valued at their amortised costs, on the basis of their effective interest rate.

3.15. Conversion method for currency transactions

Any transactions expressed in foreign currencies are converted at the exchange rate in force at the time of the transaction.

On account cut-off, balances in currencies are converted at the closing rate or the hedge rate for the hedged part. Any foreign exchange differences at that time and those generated on currency transactions are, where applicable, recorded in the financial results.

3.16. Sales recognition

3.16.1. Freight and logistics activity

Income is recorded in the income statement according to the progress of the given provision at year-end closing, and valued on the basis of the work completed.

The Company's sales comprise:

- services for air and sea freight forwarding, customs, insurance, etc.
- road haulage services
- storage, warehousing and handling services, etc.

Sales appearing in the income statement only include income reported once the service has been provided and only for the items set forth in the above 3 points.

Invoicing for customs liquidation (customs duties reinvoiced to customers) is directly recorded in the balance sheet.

3.16.2. IT service activity

LOG SYSTEM is an IT service provider, offering the following services and applying the following accounting methods:

- **Technical assistance, consulting, training, development services:**

  - Services recognised in sales on time-spent basis:

    These services are recognised in sales, at the end of the month, or according to the contract terms and based on the services provided.

  - Services covered by a contract:

    These services are recognised using the percentage of completion method. Income earned on these contracts is recorded on the basis of an estimate of the contract's progress. The progress of the contract refers to the time actually spent expressed as a percentage of the total time planned for the contract. Sales for the contract are thus accounted for by applying the percentage of completion to the amount of sales for the contract.

- **Sales of materials and licences:**

Income arising from the sale of products is valued at the fair value of the consideration received or to be received, net of any returns and refunds, sales discounts and discounts on volume.

Income is recorded in the income statement when non-negligible liabilities and benefits inherent to the ownership of goods have been transferred to the buyer, consideration is likely to be recovered, the related costs incurred or to be incurred and the potential return of the goods can be reliably assessed, the group is no longer involved in managing the products and the amount of income can be reliably valued.

The transfer of liabilities and benefits is assessed based on the terms and conditions of the sales agreement.

For the sale of IT equipment and licences, the transfer occurs upon delivery.

Sales of equipment and licences are recognised in sales at the time of delivery.

Any payback on licences or commission for business facilitators generate a credit note, issued by the Company at the time of invoicing. These credit notes are entered under purchases.

- **Contracts featuring different items:**

The different items are accounted for according to their nature and the principles described herein above.

3.17. Earnings per share

Net earnings per share corresponds to the consolidated net profit – Group share – divided by the average weighted number of shares of the parent company in circulation during the financial year (excluding own shares deducted from shareholders' equity).

Diluted earnings per share correspond to consolidated net income – Group share – divided by the average weighted number of shares adjusted by the maximum impact of converting dilutive instruments into ordinary shares.

3.18. Consolidated cash flow statement

The cash flow statement is presented in compliance with standard IAS 1, incorporating in particular the following rules:

- The gains and losses on disposals are given for the amount net of tax,
- Impairment of current assets is given in the cash inflows/outflows related to current assets,
- The net cash item assigned to acquisitions and disposals of subsidiaries corresponds to the acquisition price, from which is deducted the part of the price not yet paid, and less the net cash available (or increased by current cash liabilities) on the acquisition date, with similar logic to that applied to disposals,
- the cash lines at the start of the year and cash at year-end correspond to the cash assets (available cash or cash equivalents) from which are deducted the current cash liabilities (bank overdraft). They do not incorporate current accounts with non-consolidated companies.

3.19. Determining fair value

A certain number of accounting methods/information require determination of the fair value of financial and non-financial assets and liabilities.

The fair values are determined for valuation or information requirements according to the following methods:

- **Derivatives**

The fair value of forward currency contracts is based on their market-listed price.

- **Compound financial instruments**

The "liability" component of the compound financial instrument is initially recorded at the fair value of an equivalent non-convertible liability.

- **Share-based payment**

The fair value of the offer made to the staff to subscribe to a fraction of the company's capital at a preferential rate, within the framework of the company saving plan, is valued according to the listed price of the share at the time of stock market flotation, taking into account the impact of the non-transferable nature of the options. It is considered that, as the shares were assigned at the time of stock market flotation, the usual fair value valuation methods were not usable. No market condition was attached to the transactions.

III. Business activity and list of consolidated companies

1. Business

The Group's activity can be divided into 3 operational segments:

- Segment 1: air and sea freight forwarding and related services,
- Segment 2: road haulage and logistics,
- Segment 3: IT service activity.

Operational segment 1 comprises 2 main business lines:

- air freight forwarding and related services,
- sea freight forwarding and related services,

Other services outside these areas (including related services) are fairly limited and are grouped into the «Other» business line.

These 3 lines of business are the subject of the secondary assessment of activity segments in paragraph 14.2 Assessment of sales and gross profit in chapter «E. IV. Explanation of the balance sheet and income statements and their variations».

2. List of consolidated companies

The companies included within the scope of consolidation are listed below:

Name of company	Head office - Siren no.	Business	Number of months included in the consolidated financial statements	% of control in 2010	% of interest in 2010	% of interest in 2009	Consolidation method
PARENT COMPANY							
CLASQUIN SA	Lyon - 959 503 087	Holding company, transport, consolidation, chartering and freight forwarding	12	-	-	-	-
DIRECTLY-OWNED COMPANIES							
CLASQUIN ITALIA SRL	Milan	Transport, consolidation, chartering and freight forwarding	12	100%	100%	100%	FC
CLASQUIN ESPANA SL	Barcelona	Transport, consolidation, chartering and freight forwarding	12	100%	100%	100%	FC
FINANCIERE GUEPPE CLASQUIN SAS	Lyon - 477 738 058	Holding company	12	70%	70%	70%	FC
LOG SYSTEM SARL	Lyon - 335 146 965	Design, conception, development and sale of software packages, software applications and IT hardware and supplies	12	70%	70%	70%	FC
CLASQUIN JAPAN KK LTD	Tokyo	Transport, consolidation, chartering and freight forwarding	12	100%	100%	100%	FC
CLASQUIN SINGAPORE PTE LTD	Singapore	Transport, consolidation, chartering and freight forwarding	12	100%	100%	100%	FC
CLASQUIN FAR EAST LTD	Hong-Kong	Transport, consolidation, chartering and freight forwarding	12	100%	100%	100%	FC
CLASQUIN AUSTRALIA PTY LTD	Melbourne	Transport, consolidation, chartering and freight forwarding	12	100%	100%	100%	FC
CLASQUIN KOREA LTD	Seoul	Transport, consolidation, chartering and freight forwarding	12	100%	100%	100%	FC
CLASQUIN MALAYSIA LTD	Kuala Lumpur	Transport, consolidation, chartering and freight forwarding	12	100%	100%	100%	FC
CLASQUIN THAILAND CO LTD	Bangkok	Transport, consolidation, chartering and freight forwarding	12	100%	49%	49%	FC
CLASQUIN CANADA INC.	Montréal	Transport, consolidation, chartering and freight forwarding	12	100%	100%	100%	FC
CLASQUIN USA INC.	New York	Transport, consolidation, chartering and freight forwarding	12	80%	80%	80%	FC
CLASQUIN VIETNAM LTD	Ho Chi Minh City	Transport, consolidation, chartering and freight forwarding	12	51%	51%	51%	FC
CLASQUIN GERMANY GMBH	Frankfurt	Transport, consolidation, chartering and freight forwarding	1	100%	100%	-	FC
SUBSIDIARIES							
COMPANY OWNED BY CLASQUIN FAR EAST LTD:							
CLASQUIN SHANGHAI LTD	Shanghai	Transport, consolidation, chartering and freight forwarding	12	100%	100%	100%	FC
EUPHROSINE LTD	Hong-Kong	Office rental	7	69.06%	69.06%	-	FC
COMPANY OWNED BY CLASQUIN USA INC.:							
SECURE CUSTOMS BROKERS INC.	New York	Customs clearance for sea and air freight	12	80%	80%	80%	FC
COMPANIES OWNED BY FINANCIERE GUEPPE CLASQUIN SAS:							
GUEPPE CLASQUIN SAS	Lyon - 316 418 276	Road haulage and freight forwarding	12	70%	70%	70%	FC
CG LOC SAS	Lyon - 384 666 780	Road haulage, freight forwarding, industrial vehicle rental and sales of new and second-hand vehicles and industrial vehicles	12	70%	70%	70%	FC

3. Changes in the scope of consolidation

3.1. Entries/exits

The following companies were consolidated for the first time:

- EUPHROSINE LTD, founded in May 2010, a Company owned 69.06% by CLASQUIN FAR EAST LTD (a wholly owned subsidiary of CLASQUIN SA), 14.99% by OLYMP SAS and 15.95% by private individuals.

  This Company has purchased offices at Metroloft, Kwai Chung, Hong Kong, which it leases to CLASQUIN FAR EAST LTD.

- CLASQUIN GERMANY GMBH, founded in November 2010, a Company wholly owned by CLASQUIN SA with share capital of €200,000.

3.2. Internal restructuring

No internal restructuring took place during 2010.

3.3. Changes in consolidation methods

No change in consolidation methods was observed in 2010.

3.4. Determining the goodwill recorded for the business combinations that took place during the financial year

The goodwill recorded in 2010 arises from the acquisition of MB CONCEPT SARL by LOG SYSTEM SARL on 7 July 2010 for €130,000.

On 13 September 2010, MB CONCEPT SARL merged with LOG SYSTEM SARL, with retroactive effect as of 1 July 2010.

The goodwill was calculated as at the acquisition date using the method described in chapter E.II E.II “Financial reporting framework, consolidation procedure, valuation methods and rules”, paragraph 3.1 “Goodwill”.

The acquisition cost was allocated as indicated below in the financial statements closed on 31 December 2010:

GOODWILL (in €000)	LOG SYSTEM
Acquisition price	130
Current value of the price additions	0
Acquisition cost	**130**
Net assets acquired	-41
Goodwill	**89**

Bien que le contrat de vente prévoie un complément de prix assis sur 10 % du résultat de l’activité Anapath pour les exercices 2010 à 2013, l’écart d’acquisition ci-dessus n’incorpore aucun complément de prix, étant donné la faible probabilité de son versement et la fiabilité relative de son évaluation. Au titre de l’exercice 2010, aucun complément de prix ne sera versé.

4. Acquisitions or disposals of equity investments after year-end

Between the year-end closing date and account cut-off date, no acquisitions or disposals of equity investments were made.

IV. Explanation of the balance sheet and income statements and their variations

The tables below are an integral part of the consolidated financial statements.

1. Goodwill

Goodwill relates to the CGU's listed in the table below:

GOODWILL FOR EACH SUBSIDIARY (in €000)	Value at 01/01/2010	Reversal of goodwill by shareholders' equity	Record of goodwill		Value at 31/12/2010
			Changes in the consolidation scope	Changes in the % of control	
UGT 1					
CLASQUIN ESPANA	1				1
CLASQUIN JAPAN	57				57
SECURE CUSTOMS BROKERS	3				3
CLASQUIN THAILAND	153				153
CLASQUIN CANADA	44				44
SUBTOTAL	**258**	**0**	**0**	**0**	**258**
UGT 2					
GROUPE GUEPPE CLASQUIN	**4,081**	**0**	**0**	**0**	**4,081**
UGT 3					
LOG SYSTEM	**19**	**0**	**89**	**0**	**108**
TOTAL	**4,358**	**0**	**89**	**0**	**4,447**

For valuations and impairment tests, the discount rate is determined based on the risk profile of the operations of each CGU.

Based on a combined variation of +/- 1% of the assumptions used for the calculations (discount rate and rate of growth), there is no depreciation to be recorded. The rate of growth after this reference period is 2%.

Refer to paragraph 3.5.2 in the chapter «E.II. "Financial reporting framework, consolidation procedure, valuation methods and rules" for a detailed description of the impairment tests on goodwill.

2. Other intangible fixed assets

In order to optimise Group efficiency, an integrated IT management system has been developed in house (AEOLUS, LILAUS, EXACT, FOCUS, FINANCE).

This system is used in all the subsidiaries. AEOLUS operations software however has not been rolled out across all the subsidiaries.

The latter application has been implemented across 97% of the Group (excluding GUEPPE CLASQUIN). AEOLUS software has not yet been rolled out in Korea and Beijing.

Variations in other intangible fixed assets for the 2009 and 2010 financial years are presented in the statements below:

2.1. Gross value

INTANGIBLE FIXED ASSETS (in €000)	Gross value at 01/01/2009	Change in consolidation scope	Acquisitions	Disposals	Foreign exchange difference	Gross value at 31/12/2009
Start-up costs	46					46
Software developed in-house	1,565		330			1,895
Other software	2,165		117		6	2,288
Leased software *(1)*	1,552					1,552
Research & Development Costs	101		171	35		237
Other intangible fixed assets	26		1		-1	26
Total 2009	**5,455**	**0**	**619**	**35**	**5**	**6,044**

INTANGIBLE FIXED ASSETS (in €000)	Gross value at 01/01/2010	Change in consolidation scope	Acquisitions	Disposals	Foreign exchange difference	Gross value at 31/12/2010
Start-up costs	46				4	50
Software developed in-house	1,895		375			2,270
Other software	2,288		93		7	2,388
Leased software *(1)*	1,552					1,552
Research & Development Costs	237		177	32		382
Other intangible fixed assets	26		8		3	37
Total 2010	**6,044**	**0**	**653**	**32**	**14**	**6,679**

(1) from 1 July 2006, CLASQUIN SA stopped financing its IT investments (in-house and external) through leasing.

2.2. Depreciation

INTANGIBLE FIXED ASSETS (in €000)	Amortistns at 01/01/2009	Change in scope of consolidation	Allocations	Reversals	Foreign exchange difference	Amortistns at 31/12/2009
Start-up costs	45		1			46
Software developed in-house	975		259			1,234
Other software	1,588		228		3	1,819
Leased software	1,347		175			1,522
Research & Development Costs	67		49	35		81
Other intangible fixed assets	6		8		1	15
Total 2009	**4,028**	**0**	**720**	**35**	**4**	**4,717**

INTANGIBLE FIXED ASSETS (in €000)	Amortistns at 01/01/2010	Change in consolidation scope	Allocations	Reversals	Foreign exchange difference	Amortistns at 31/12/2010
Start-up costs	46				4	50
Software developed in-house	1,234		312			1,546
Other software	1,819		228		5	2,052
Leased software	1,522		30			1,552
Research & Development Costs	81		139	32		188
Other intangible fixed assets	15		3	1	2	19
Total 2010	**4,717**	**0**	**712**	**33**	**11**	**5,407**

3. Tangible fixed assets

3.1. Gross value

TANGIBLE FIXED ASSETS (in €000)	Gross value at 01/01/2009	Change in consolidation scope	Acquisitions	Disposals	Foreign exchange difference	Gross value at 31/12/2009
Buildings	4					4
Fixtures/fittings	1,350		97	4	9	1,452
Leased equipment *(1)*	591					591
Other property, plant & equipment	2,395		247	19	7	2,630
Leased GUEPPE CLQ vehicles	378			56		322
GUEPPE CLASQUIN vehicles	3,272		1	91		3,182
Total 2009	**7,990**	**0**	**345**	**170**	**16**	**8,181**

TANGIBLE FIXED ASSETS (in €000)	Gross value at 01/01/2010	Reclassifications	Acquisitions	Disposals	Foreign exchange difference	Gross value at 31/12/2010
Buildings	4		1,314			1,318
Fixtures/fittings	1,452		304	100	58	1,714
Leased equipment *(1)*	591	35				626
Other property, plant & equipment	2,630	11	763	156	135	3,383
Leased GUEPPE CLQ vehicles	322	-143		179		0
GUEPPE CLASQUIN vehicles	3,182	97	1,404	1,464		3,219
Total 2010	**8,181**	**0**	**3,785**	**1,899**	**193**	**10,260**

(1) from July 1st 2006, CLASQUIN SA stopped financing its IT investments through leasing.

3.2. Depreciation

TANGIBLE FIXED ASSETS (in €000)	Amortistns at 01/01/2009	Reclassifications	Allocations	Reversals	Foreign exchange difference	Amortistns at 31/12/2009
Buildings	2					2
Fixtures/fittings	674		164	3	5	840
Leased equipment	579		12			591
Other property, plant & equipment	1,540	-378	796	17	5	1,946
Leased GUEPPE CLQ vehicles	194		80	37		237
GUEPPE CLASQUIN vehicles	614	378	116	23		1,085
Total 2009	**3,603**	**0**	**1,168**	**80**	**10**	**4,701**

TANGIBLE FIXED ASSETS (in €000)	Amortistns at 01/01/2010	Reclassifications	Allocations	Reversals	Foreign exchange difference	Amortistns at 31/12/2010
Buildings	2		23			25
Fixtures/fittings	840		186	83	38	981
Leased equipment	591	32				623
Other property, plant & equipment	1,946	11	449	137	109	2,378
Leased GUEPPE CLQ vehicles	237	-130	37	144		0
GUEPPE CLASQUIN vehicles	1,085	87	507	724		955
Total 2010	**4,701**	**0**	**1,202**	**1,088**	**147**	**4,962**

4. Securities valued at their fair value and other financial assets

4.1. Gross value

SECURITIES VALUED AT THEIR FAIR VALUE AND OTHER FINANCIAL ASSETS (in €000)	Gross value at 01/01/2009	Change in consolidation scope	Increases	Reductions	Foreign exchange difference	Gross value at 31/12/2009
Shares in non-consolidated companies	51					51
Deposits and guarantees	538		52	59	2	533
Loans to non-consolidated companies	0		22			22
Other financial assets	2		3			5
Total 2009	**591**	**0**	**77**	**59**	**2**	**611**

SECURITIES VALUED AT THEIR FAIR VALUE AND OTHER FINANCIAL ASSETS (in €000)	Gross value at 01/01/2010	Change in consolidation scope	Increases	Reductions	Foreign exchange difference	Gross value at 31/12/2010
Shares in non-consolidated companies	51			18		33
Deposits and guarantees	533		347	266	54	668
Loans to non-consolidated companies	22					22
Other financial assets	5		15		1	21
Total 2010	**611**	**0**	**362**	**284**	**55**	**744**

4.2. Depreciation

SECURITIES VALUED AT THEIR FAIR VALUE AND OTHER FINANCIAL ASSETS (in €000)	Depreciation at 01/01/2009	Change in scope of consolidation	Allocations	Reversals	Foreign exchange difference	Depreciation at 31/12/2009
Shares in non-consolidated companies	38		2			40
Deposits and guarantees	2		2			4
Loans to non-consolidated companies	0					0
Other financial assets	0					0
Total 2009	**40**	**0**	**4**	**0**	**0**	**44**

SECURITIES VALUED AT THEIR FAIR VALUE AND OTHER FINANCIAL ASSETS (in €000)	Depreciation at 01/01/2010	Change in scope of consolidation	Allocations	Reversals	Foreign exchange difference	Depreciation at 31/12/2010
Shares in non-consolidated companies	40		3	18		25
Deposits and guarantees	4			5	1	0
Loans to non-consolidated companies	0					0
Other financial assets	0		3	3		0
Total 2010	**44**	**0**	**6**	**26**	**1**	**25**

5. Customer receivables and other accounts receivable

Accounts receivable can be broken down as follows:

NATURE (in €000)	Gross value at 31/12/2010	Gross value at 31/12/2009
Trade receivables	45,222	34,179
Customer invoices to be issued	1,104	271
Other receivables	2,199	757
Asset adjustment accounts *(1)*	-104	-239
TOTAL	**48,421**	**34,968**

(1) Asset adjustment accounts mainly include sales invoiced to customers for business executed post closing.

6. Depreciation of current assets

DEPRECIATION (in €000)	Value at 01/01/2009	Reclassification	Allocation	Reversal	Foreign exchange difference	Value at 31/12/2009
Trade receivables	745	4	478	231	-3	993
Total 2009	**745**	**4**	**478**	**231**	**-3**	**993**

DEPRECIATION (in €000)	Value at 01/01/2010	Change in scope of consolidation	Allocation	Reversal	Foreign exchange difference	Value at 31/12/2010
Trade receivables	993		671	254	62	1472
Total 2010	**993**	**0**	**671**	**254**	**62**	**1,472**

7. Cash and cash equivalents

NATURE (in €000)	Gross value at 31/12/2010	Gross value at 31/12/2009
Cash equivalents	57	103
Bank accounts and cash	9,392	9,177
TOTAL	**9,449**	**9,280**

8. Shareholders' equity

8.1. Composition of share capital

CLASQUIN SA's share capital amounts to K€4,613 consisting of 2,306,401 shares with a par value of €2 each.

The share premium amounts to €4,245.

You attention is drawn to the fact that pursuant to a liquidity contract, the CLASQUIN Group buys back its own shares on the Stock Market (as at 31 December 2010, the Group held 3,152 treasury shares).

Please refer to the Board of Directors Management Report, paragraph XV - Report on the transactions carried out by the Company on its own shares during the financial year.

Transactions carried out with treasury shares were eliminated from shareholders' equity.

Please refer to chapter D - Statement showing the variation in shareholders' equity, herein.

8.2. Dividend

The dividends paid by CLASQUIN SA to its shareholders amounted to K€992 in 2009 (for the year 2008) and K€1,453 in 2010 (for 2009). K€2 were deducted from the latter amount for repayments of dividends on treasury shares held under the liquidity contract, leaving a net amount of K€1,451.

The dividend paid by LOG SYSTEM SARL to its minority shareholders was K€12 in 2009, and K€15 in 2010.

The dividend paid by GUEPPE CLASQUIN to its minority shareholders was K€450 in 2009, and K€300 in 2010.

Finally, CLASQUIN USA Inc. paid to its minority shareholders dividends of K$25 (K€17) in 2009 and of K$30 (K€22) in 2010, plus K€4 corresponding to changes in the euro/dollar exchange rate.

9. Share-based payment

In 2006, the company set up a company savings scheme enabling its employees to subscribe to CLASQUIN SA shares at the time of the IPO.

Staff concerned/Date of allocation	Number of shares subscribed	Terms of acquisition	Duration of options
Actions subscribed by employees via the "CLASQUIN PERFORMANCES" investment fund on 31 January 2006.	31,931 shares	Price set at €12.40 (after 20% allowance) for salaries with 3 months seniority or more.	Immediate but shares inaccessible for 5 years

The difference between the fair value of the shares (the share price having been set at €15.50 at the time of stock market flotation) and the price paid by the employees resulted in recognition of a staff expense of €99,000 in the financial statements for 2006.

10. Deferred tax

Deferred tax accounted for in the consolidated financial statements at 31/12/2009 and 2010 had the following impact, item by item:

DEFERRED TAX ASSETS (in €000)	Amount at 01/01/2009	Impact on profit	Foreign exchange difference	DTL to DTA conversion	Amount at 31/12/2009
Holding Company & LOG SYSTEM lease financing	12	-4			8
Intangible fixed assets:					
- in-house software	34	-9			25
- customer portfolio repurchase		3	-1		2
Lease financing (amortisation of the margin)	5	-4			1
Employee profit-sharing plan	31	8			39
Provision for paid holidays	17	0			17
Organic	14	0			14
Provision for pension payments	53	16			69
Other temporary differences	16	72	-2	8	94
Tax losses to be carried forward	130	1			131
TOTAL EXPENSE (-)/INCOME (+)	**312**	**83**	**-3**	**8**	**400**

DEFERRED TAX LIABILITIES (in €000)	Amount at 01/01/2009	Impact on profit	Foreign exchange difference	DTL to DTA conversion	Amount at 31/12/2009
GUEPPE CLASQUIN lease financing	22	-6			16
GUEPPE CLASQUIN fiscal amortisation	168	129			297
Fiscal amortisation of FINANCIERE GUEPPE CLASQUIN securities	5	5			10
Intangible fixed assets:					
- ANAPATH development projects	11	41			52
- customer portfolio repurchase	0				0
Other temporary differences	18	-10	0	8	16
TOTAL EXPENSE (+)/INCOME (-)	**224**	**159**	**0**	**8**	**391**
NET 2009	**88**	**-76**	**-3**	**0**	**9**

DEFERRED TAX ASSETS (in €000)	Amount at 01/01/2010	Impact on profit	Foreign exchange difference	DTL to DTA conversion	Amount at 31/12/2010
Holding Company & LOG SYSTEM lease financing	8	-5			3
Intangible fixed assets:					
- in-house software	25	-8			17
- customer portfolio repurchase	2	0	0		2
Lease financing (amortisation of the margin)	1	-1			0
Employee profit-sharing plan	39	-5			34
Provision for paid holidays	17	-5			12
Organic	14	3			17
Provision for pension payments	69	12			81
Other temporary differences	94	55	15		164
Tax losses to be carried forward	131	-23			108
TOTAL EXPENSE (-)/INCOME (+)	**400**	**23**	**15**	**0**	**438**

DEFERRED TAX LIABILITIES (in €000)	Amount at 01/01/2010	Impact on profit	Foreign exchange difference	DTL to DTA conversion	Amount at 31/12/2010
Holding Company lease financing	3				3
GUEPPE CLASQUIN lease financing	16	-15			1
GUEPPE CLASQUIN fiscal amortisation	297	-64			233
Fiscal amortisation of FINANCIERE GUEPPE CLASQUIN securities	10	5			15
Intangible fixed assets:					
- ANAPATH & Editeur development projects	52	13			65
Other temporary differences	13	21	1		35
TOTAL EXPENSE (+)/INCOME (-)	**391**	**-40**	**1**	**0**	**352**
NET 2010	**9**	**63**	**14**	**0**	**86**

It should be pointed out that, in application of the prudence concept, the tax losses of the Italian subsidiary were not recognised as deferred tax assets at the end of 2010.

11. Provisions

11.1. Figures

Variations in provisions for the 2009 and 2010 financial years can be broken down as follows:

PROVISIONS (in €000)	Companies	Amount at 01/01/2009	Change in consolidation scope	Allocations	Foreign exchange difference	Reversals		Amount at 31/12/2009
						used	not used	
Non conversion premium on bond loan	Holding Company	88		9			-97	0
Pension payments	Holding Company & subsidiaries	252		87	-2	-7		330
2009 TOTAL NON-CURRENT PROVISIONS		**340**	**0**	**96**	**-2**	**-7**	**-97**	**330**
Trade creditors and customers	Holding Company & subsidiaries	810		97		-372	-397	138
Risk on potential expenses *(1)*	Italian subsidiary			600				600
CLASQUIN NETHERLANDS guarantees *(2)*	Holding Company	499		19				518
Social risk	Holding Company	62		39		-38	-5	58
Adjustment for customs accounts prev. year	Holding Company	91		36			-47	80
2009 TOTAL CURRENT PROVISIONS		**1,462**	**0**	**791**	**0**	**-410**	**-449**	**1,394**

PROVISIONS (in €000)	Companies	Amount at 01/01/2010	Change in consolidation scope	Allocations	Foreign exchange difference	Reversals		Amount at 31/12/2010
						used	not used	
Pension payments:	Holding company & subsidiaries							
- staff charges		330		71	12	-62	-38	313
- financial charges				26				26
2010 TOTAL NON-CURRENT PROVISIONS		**330**	**0**	**97**	**12**	**-62**	**-38**	**339**
Trade creditors and customers	Holding company & subsidiaries	138		137	1	-57	-57	162
Risk on potential expenses *(1)*	Italian subsidiary	600				-600		0
CLASQUIN NETHERLANDS guarantees *(2)*	Holding Company	518		12		-427	-103	0
Social risk	Holding Company	58		90		-23		125
Adjustment for customs accounts prev. year	Holding Company	80		7		-75	-2	10
2010 TOTAL CURRENT PROVISIONS		**1,394**	**0**	**246**	**1**	**-1,182**	**-162**	**297**

(1) This is a provision established as at 31/12/2009 for unrecorded expenses and expenses recorded incorrectly in this subsidiary's financial statements

(2) Guarantees granted by CLASQUIN SA for the subsidiary CLASQUIN NETHERLANDS (closed in 2000) come to €544,000. A decision by the court of first instance in Utrecht (Netherlands) was handed down in August 2007, condemning CLASQUIN SA for the sum of €650,000. (capital + interest + legal fees). While it contested this decision, CLASQUIN SA settled a fixed sum of €200,000 on October 23 2007 and decided to launch an appeal. The court of appeal delivered its verdict in 2010, condemning the Company to pay the guarantor institutions the sums of €152,000€. (Nationale Borg) and €275,000 (ING Commercial Finance), for a total amount of €427,000, recorded in extraordinary expenses. As provisions recorded at this date (capital + The provisioned + discounted interest and legal fees) amount to €530,000. (€730,000 - €200,000 already paid), the provision was fully reversed (of which €103,000 was unused).

11.2. Pension payments

These are summarised in the following tables:

PROVISIONS FOR PENSION PAYMENTS	At 31/12/2010 (in €000)	At 31/12/2009 (in €000)
CLASQUIN SA	127	156
GUEPPE CLASQUIN	18	25
LOG SYSTEM	98	25
TOTAL FRANCE	**243**	**206**
CLASQUIN JAPAN	64	53
CLASQUIN ITALIA	32	71
TOTAL	**339**	**330**

TABLE OF CHANGES IN THE PROVISION FOR PENSION PAYMENTS (France)	Discounted value of the non-funded obligation	Unrecognised actuarial differences	Net balance sheet commitments	Recognition in income statement
AT 01/01/2010	**206**		206	
Change in consolidation scope	-		-	
Cost of services rendered	11		11	11
Interest expenses	20		20	20
Services provided to employees	-		-	
Actuarial differences unrecognised as at 01/01/2010	-		-	
Net change in actuarial differences	6		6	6
AT 31/12/2010	**243**	**-**	243	37

SUBSIDIARIES MAKING PENSION CONTRIBUTIONS TO A FUND MANAGEMENT	2010 expense (in €000)
CLASQUIN KOREA (retirement allowance)	10
CLASQUIN AUSTRALIA (Superannuation)	43
CLASQUIN FAR EAST (MPF Contribution)	28

SUBSIDIARIES WITH NO PENSION LIABILITY, IN ACCORDANCE WITH COUNTRY LEGISLATION IN FORCE	Subsidiary headcount at 31/12/2010
CLASQUIN ESPANA	12
CLASQUIN GERMANY	3
CLASQUIN USA	14
SECURE CUSTOMS BROKERS	3
CLASQUIN CANADA	5
CLASQUIN SHANGHAI	62
CLASQUIN SINGAPORE	18
CLASQUIN THAILAND	23
CLASQUIN MALAYSIA	7
CLASQUIN VIETNAM	20

12. Loans and financial debts

12.1. Nature, variation and maturity of loans and financial debts

NATURE (in €000)	Companies	Amount at 01/01/2010	New loans 2010	Foreign exchange difference	Loan repayments	Amount at 31/12/2010	Year 2011	2012 to 2015	After 2015
Bank loans	Holding Company	946			534	412	412		0
	GUEPPE CLASQUIN GROUP	1,776	1,499		1,160	2,115	850	1,265	0
	CLASQUIN CANADA	9		1	4	6	4	2	0
	EUPHROSINE (Hong-Kong)		770		27	743	47	193	503
Subtotal		**2,731**	**2,269**	**1**	**1,725**	**3,276**	**1,313**	**1,460**	**503**
Lease loans	Holding Company	47			47	0			0
	GUEPPE CLASQUIN GROUP	37			28	9	6	3	0
	CLASQUIN AUSTRALIA	8		2	10	0			0
Subtotal		**92**	**0**	**2**	**85**	**9**	**6**	**3**	**0**
Bank overdrafts	Holding Company & subsidiaries	**839**	**775**		**839**	**775**	**775**		
TOTAL LOANS AND FINANCIAL DEBTS		**3,662**	**3,044**	**3**	**2,649**	**4,060**	**2,094**	**1,463**	**503**
TOTAL LONG-TERM FINANCIAL DEBT								**1,966**	
TOTAL SHORT-TERM FINANCIAL DEBT							**2,094**		

12.2. Type of loan rates and breakdown per currency of the financial debts

Bank loans have a variable interest rate but can be hedged.

No hedges were in place at either 31 December 2009 or 31 December 2010.

Moreover, the book value of financial debts is equal to their nominal value, since the contractual interest rates for variable-rate loans were those practised by the money market.

The loans and financial debts, detailed in their original currencies, are set out in the table below:

BREAKDOWN OF LOANS & FINANCIAL DEBTS BY COMPANY (in €000)	Currencies	Rate type	Covenants	Maturity	At 31/12/2010		At 31/12/2009	
					Nominal value	Book value	Nominal value	Book value
MISCELLANEOUS BANK LOANS:								
Holding Company loan €600,000 in Dec. 2006	EUR	Variable	no	Dec. 2010	0	0	150	150
Holding Company loan €1.5m in Dec. 2007	EUR	Fixed	no	Dec. 2011	401	401	784	784
€5.7m credit line in Jan. 2008 (annual repayment €1.14m)	EUR	Variable	yes	Jan. 2013	not used at 31/12/2010		not used at 31/12/2009	
11 GUEPPE CLASQUIN loans in 2006 (total €773,000)	EUR	Fixed	no	2010 - 2013	97	97	230	230
7 GUEPPE CLASQUIN loans in 2007 (total €641,000€)	EUR	Fixed	no	2011	9	9	251	251
€31,000 GUEPPE CLASQUIN loan in Nov. 2007	EUR	Fixed	yes	Oct. 2011	0	0	15	15
€152,000 GUEPPE CLASQUIN loan in Jan. 2008	EUR	Fixed	yes	Dec. 2011	0	0	79	79
22 GUEPPE CLASQUIN loans in 2008 (total €1,301,000)	EUR	Fixed	no	2011 & 2012	552	552	902	902
2 GUEPPE CLASQUIN loans in 2009 (total €31,000)	EUR	Fixed	no	2013	17	17	25	25
30 GUEPPE CLASQUIN loans in 2010 (total €1,479,000)	EUR	Fixed	no	2013 & 2014	1,338	1,338		
2 CGLOC loans in 2007 (tot. €435,000)	EUR	Fixed	no	2011	82	82	205	205
€121,000 CGLOC loan in Feb. 2008	EUR	Fixed	no	Jan. 2012	0	0	65	65
CGLOC loan €20,000 in May 2010	EUR	Fixed	no	Apr. 2014	17	17		
CLASQUIN CANADA loan CAD 27,000 in April 2007	CAD	Fixed	no	Apr. 2012	6	6	9	9
EUPHROSINE loan HKD 8,000,000 in May 2010	HKD	Variable	no	May 2025	743	743		
Accrued interest outstanding	EUR				14	14	16	16
MISCELLANEOUS LEASE LOANS:								
Holding Company	EUR			2009 - 2010	0	0	47	47
GUEPPE CLASQUIN	EUR			2009 - 2012	9	9	29	29
CG LOC	EUR			Sep. 2010	0	0	8	8
CLQ AUSTRALIA	AUD			Jan. and Feb. 2010	0	0	8	8
BANK OVERDRAFTS								
	EUR				481	481	503	503
	JPY				184	184	225	225
	THB				39	39	30	30
	MYR				61	61	47	47
	SGD				10	10	34	34
TOTAL					**4,060**	**4,060**	**3,662**	**3,662**

12.3. Debts secured by collateral

The amount of debts secured by collateral given by subsidiaries is detailed in the following table:

TYPE OF DEBT (in €000)	Pledge value	
	At 31/12/2010	At 31/12/2009
Pledge of CLASQUIN SINGAPORE business intangibles	10	34
Total loans and financial debts	**10**	**34**

12.4. Guarantees

Commitments made by CLASQUIN SA in the form of guarantees to financial organisations in return for cash advances, or as a guarantee to third parties, are summarised in the table below:

GUARANTEES (in €000)	At 31/12/2010	At 31/12/2009
. from **CLASQUIN SA for its SUBSIDIARIES**:		
CLASQUIN FAR EAST	717	1,205
CLASQUIN SHANGHAI	480	0
CLASQUIN VIETNAM	60	0
CLASQUIN JAPAN	461	150
CLASQUIN AUSTRALIA	168	137
CLASQUIN SINGAPORE	644	562
CLASQUIN MALAYSIA	163	134
CLASQUIN ITALIA	720	622
CLASQUIN NETHERLANDS	0	544
CLASQUIN THAILAND	85	49
CLASQUIN GERMANY	5	0
. from CLASQUIN SA for an agent in Vietnam:	0	35
. from CLASQUIN SA for CLASQUIN PERFORMANCES EMPLOYEE INVESTMENT FUND:	305	250
. From CLASQUIN FAR EAST for CHINA CONSTRUCTION BANK :	770	0
TOTAL	**4,578**	**3,688**

Note: variations between 2010 and 2009 can be explained by exchange rate variations for guarantees in foreign currencies.

12.5. Rental lease commitments

They are summarised below:

COMMITMENTS MADE (in €000)	At 31/12/2010	1 year	Over 1 year
CLASQUIN SHANGHAI	95	95	
CLASQUIN JAPAN	38	38	
CLASQUIN KOREA	13	13	
CLASQUIN AUSTRALIA	53	53	
CLASQUIN SINGAPORE	8	8	
CLASQUIN MALAYSIA	2	2	
CLASQUIN THAILAND	4	4	
CLASQUIN VIETNAM	15	15	
CLASQUIN USA & SECURE	328	92	236
CLASQUIN CANADA	16	16	
CLASQUIN SA	137	137	
CLASQUIN ITALIA	12	12	
CLASQUIN ESPANA	17	17	
CLASQUIN GERMANY	165	55	110
GUEPPE CLASQUIN	67	67	
LOG SYSTEM	12	12	
TOTAL	**982**	**636**	**346**

13. Trade creditors and other accounts payable

Accounts receivable can be broken down as follows:

NATURE (in €000)	Gross value at 31/12/2010	Gross value at 31/12/2009
Trade creditors	27,039	19,677
Invoices to be received	7,271	3,686
Tax and welfare liabilities	5,610	4,914
Tax debt due	606	236
Other creditors	1,631	628
Asset adjustment accounts	-548	-488
TOTAL	**41,609**	**28,653**

14. Information on the operating segments

As defined in paragraph 3.1. of chapter «E.II "Financial reporting framework, consolidation procedure, valuation methods and rules" for a detailed description of the impairment tests on goodwill and in paragraph 1 of chapter «E.III. Operations and list of consolidated companies», the operating segments are as follows:

- overseas freight (air, sea and other), presented in CGU 1;
- road haulage (GUEPPE CLASQUIN), presented in CGU 2;
- IT services (LOG SYSTEM), presented in CGU 3.

14.1. Balance sheet and income statement for each CGU

14.1.1. Balance sheet assets for each CGU

ASSETS at 31/12/2010 (in €000)	CGU 1: overseas freight	CGU 2: GUEPPE CLASQUIN road haulage	CGU 3: LOG SYSTEM IT services	Elimin. between the 3 CGUs	CLASQUIN consolidation
Goodwill	259	4,080	108		4,447
Intangible fixed assets	1,101	4	205	-38	1,272
Tangible fixed assets	2,503	2,691	117	-13	5,298
Securities valued at their fair value	5,839	1		-5,832	8
Other financial assets	632	67	12		711
Deferred tax	376	11	34	17	438
TOTAL NON-CURRENT ASSETS	**10,710**	**6,854**	**476**	**-5,866**	**12,174**
Trade receivables	42,463	1,661	517	213	44,854
Other current assets	1,892	156	7		2,055
Tax receivables paid in advance	120		24		144
Cash and cash equivalents	6,364	3,057	28		9,449
Asset adjustment accounts	480	13	55		548
TOTAL CURRENT ASSETS	**51,319**	**4,887**	**631**	**213**	**57,050**
TOTAL ASSETS	**62,029**	**11,741**	**1,107**	**-5,653**	**69,224**

14.1.2. Liabilities for each CGU

LIABILITIES AND SHAREHOLDERS' EQUITY at 31/12/2010 (in €000)	CGU 1: overseas freight	CGU 2: GUEPPE CLASQUIN road haulage	CGU 3: LOG SYSTEM IT services	Elimin. between the 3 CGUs	CLASQUIN consolidation
Capital	4,613	41	8	-49	4,613
Share premium	4,245	4,194		-4,194	4,245
Reserves	8,300	1,610	257	-2,350	7,817
Profit/loss	3,438	1,074	15	-1,132	3,395
SHAREHOLDERS' EQUITY - GROUP SHARE	**20,596**	**6,919**	**280**	**-7,725**	**20,070**
SHAREHOLDERS' EQUITY - MINORITY INTERESTS				**1,845**	**1,845**
TOTAL SHAREHOLDERS' EQUITY	**20,596**	**6,919**	**280**	**-5,880**	**21,915**
Deferred tax	37	235	65	15	352
Non-current provisions	223	18	98		339
Long-term financial debt	698	1,268			1,966
TOTAL NON-CURRENT LIABILITIES	**958**	**1,521**	**163**	**15**	**2,657**
Current provisions	290	7			297
Short-term financial debt	1,238	856			2,094
Trade payables	32,641	1,256	201	212	34,310
Tax and welfare liabilities	4,354	920	336		5,610
Tax debt due	353	253			606
Other current liabilities	1,593	9	29		1,631
Asset adjustment accounts	6		98		104
TOTAL CURRENT LIABILITIES	**40,475**	**3,301**	**664**	**212**	**44,652**
TOTAL LIABILITIES	**41,433**	**4,822**	**827**	**227**	**47,309**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**62,029**	**11,741**	**1,107**	**-5,653**	**69,224**

14.1.3. Income statement for each CGU

INCOME STATEMENT at 31/12/2010 (in €000)	CGU 1: overseas freight	CGU 2: GUEPPE CLASQUIN road haulage	CGU 3: LOG SYSTEM IT services	Elimin. between the 3 CGUs	CLASQUIN consolidation
SALES	**167,480**	**10,986**	**2,123**	**-1,507**	**179,082**
Cost of sales	133,115	3,828	325	-629	136,639
GROSS PROFIT	**34,365**	**7,158**	**1,798**	**-878**	**42,443**
Other purchases and external charges	7,827	1,974	287	-577	9,511
Taxes and duties	636	163	30		829
Staff charges	18,651	2,605	1,204	-281	22,179
Depreciation	1,093	675	185	-45	1,908
Allocation and reversal of current provisions	-229	-14	50		-193
Other current income and expenses	1,722	-67	-5		1,650
OPERATING INCOME	**4,665**	**1,822**	**47**	**25**	**6,559**
Other operating income and expenses	19	-126	0		-107
CURRENT OPERATING INCOME	**4,684**	**1,696**	**47**	**25**	**6,452**
FINANCIAL RESULT: income (expenses)	139	-62	-23	-720	-666
PRE-TAX EARNINGS	**4,823**	**1,634**	**24**	**-695**	**5,786**
Income tax	1,385	560	9	13	1,967
CONSOLIDATED NET PROFIT	**3,438**	**1,074**	**15**	**-708**	**3,819**
Minority interests				424	424
NET PROFIT GROUP SHARE	**3,438**	**1,074**	**15**	**-1,132**	**3,395**

14.2. CGU 1: assessment of sales and gross profit

14.2.1. CGU 1 sales breakdown by geographical area

SALES BY GEOGRAPHICAL AREA	At 31/12/2010		At 31/12/2009		2010/2009 Change *(1)*	
	In €000	In %	In €000	in %	In €000	In %
France	106,856	50.9%	62,588	49.0%	44,268	70.7%
Other European countries	14,508	6.9%	8,091	6.3%	6,417	79.3%
Asia-Pacific	79,173	37.8%	50,216	39.3%	28,957	57.7%
North America	9,199	4.4%	6,924	5.4%	2,275	32.9%
Total for CLASQUIN Companies before consolidation entries	**209,736**	**100.0%**	**127,819**	**100.0%**	**81,917**	**64.1%**
Consolidation elimination and adjustment entries	-42,256		-22,974		-19,282	83.9%
CGU 1 TOTAL (CLASQUIN network)	**167,480**		**104,845**		**62,635**	**59.7%**

(1) at current exchange rate

14.2.2. CGU 1 sales breakdown by line of business

SALES BY BUSINESS LINE	At 31/12/2010		At 31/12/2009		2010/2009 Change *(1)*	
	In €000	In %	In €000	In %	In €000	In %
Air freight	68,474	40.9%	45,175	43.1%	23,299	51.6%
Sea freight	91,708	54.7%	53,440	51.0%	38,268	71.6%
Other	7,298	4.4%	6,230	5.9%	1,068	17.1%
CGU 1 TOTAL (CLASQUIN network)	**167,480**	**100.0%**	**104,845**	**100.0%**	**62,635**	**59.7%**

(1) at current exchange rate

14.2.3. CGU 1 gross profit breakdown by geographical area

GROSS PROFIT BY GEOGRAPHICAL AREA	At 31/12/2010		At 31/12/2009		2010/2009 Change *(1)*	
	In €000	in %	In €000	In%	In €000	In %
France	19,486	53.0%	15,654	54.4%	3,832	24.5%
Other European countries	2,450	6.7%	2,127	7.4%	323	15.2%
Asia-Pacific	12,717	34.6%	9,137	31.8%	3,580	39.2%
North America	2,088	5.7%	1,835	6.4%	253	13.8%
Total for CLASQUIN Companies before consolidation entries	**36,741**	**100.0%**	**28,753**	**100.0%**	**7,988**	**27.8%**
Consolidation elimination and adjustment entries	-2,376		-1,533		-843	55.0%
CGU 1 TOTAL (CLASQUIN network)	**34,365**		**27,220**		**7,145**	**26.2%**

(1) at current exchange rate

14.2.4. CGU 1 gross profit breakdown by line of business

GROSS PROFIT BY BUSINESS LINE	At 31/12/2010		At 31/12/2009		2010/2009 Change *(1)*	
	In €000	In %	In €000	In %	In €000	In %
Air freight	16,099	46.8%	12,659	46.5%	3,440	27.2%
Sea freight	16,175	47.1%	12,773	46.9%	3,402	26.6%
Other	2,091	6.1%	1,788	6.6%	303	16.9%
CGU 1 TOTAL (CLASQUIN network)	**34,365**	**100.0%**	**27,220**	**100.0%**	**7,145**	**26.2%**

(1) at current exchange rate

14.3. Group sales and gross sales profit by currency, and foreign exchange impact

14.3.1. Group sales breakdown by currency

SALES BY CURRENCY	At 31/12/2010		At 31/12/2009	
	In €000	In %	In €000	In %
Euro	134,896	60.4%	82,238	59.0%
USD / HKD	34,559	15.5%	24,789	17.8%
Yen	11,104	5.0%	9,107	6.5%
Other	42,710	19.1%	23,244	16.7%
Total before consolidation entries	**223,269**	**100.0%**	**139,378**	**100.0%**
Consolidation elimination and adjustment entries	-44,187		-24,637	
TOTAL AFTER CONSOLIDATION ENTRIES	**179,082**		**114,741**	

14.3.2. Impact of foreign exchange rates on Group sales

IIMPACT OF FOREIGN EXCHANGE RATE ON SALES (in €000)	At 31/12/2010	At 31/12/2009	Variation	%
At variable exchange rate	179,082	114,741	64,341	56.1%
At constant exchange rate	172,251	114,741	57,510	50.1%
Difference			**-6,831**	**-6.0%**

14.3.3. Group gross profit breakdown by currency

GROSS PROFIT BY CURRENCY	At 31/12/2010		At 31/12/2009	
	In €000	In %	In €000	In %
Euro	31,148	67.8%	25,856	70.2%
USD / HKD	5,710	12.4%	4,719	12.8%
Yen	1,853	4.0%	1,568	4.3%
Other	7,242	15.8%	4,685	12.7%
Total before consolidation entries	**45,953**	**100.0%**	**36,828**	**100.0%**
Consolidation elimination and adjustment entries	-3,510		-2,553	
TOTAL AFTER CONSOLIDATION ENTRIES	**42,443**		**34,275**	

14.3.4. Impact of foreign exchange rates on Group gross profit

IMPACT OF FOREIGN EXCHANGE RATES ON GROSS PROFIT (in €000)	At 31/12/2010	At 31/12/2009	Variation	%
At variable exchange rate	42,443	34,275	8,168	23.8%
At constant exchange rate	41,224	34,275	6,949	20.3%
Difference			**-1,219**	**-3.6%**

15. Breakdown of other current income and expenses

This can be broken down as follows:

GROSS VALUE OF OTHER CURRENT INCOME AND EXPENSE (in €000)	Other expenses	Other income	Profit/loss
Customer adjustments	246	230	-16
Supplier adjustments	36	84	48
Third-party account adjustments	94	75	-19
Cost of modernisation of CLASQUIN ITALIA	1,792	16	-1,776
Miscellaneous	28	141	113
TOTAL	**2,196**	**546**	**-1,650**

16. Breakdown of other operating income and expenses

This can be broken down as follows:

GROSS VALUE OF OTHER OPERATING INCOME AND EXPENSE (in €000)	Other expenses	Other income	Profit/loss
Withdrawal of fixed assets	811	654	-157
Claim CLASQUIN NETHERLANDS, of which:	467	530	63
- lawyer fees	*27*		
- provision for late interest on guarantees	*13*		
- compensation payment/provision reversal	*427*	*530*	
Miscellaneous	13		-13
TOTAL	**1,291**	**1,184**	**-107**

17. Financial result

The financial profit/loss can be broken down as follows:

BREAKDOWN OF FINANCIAL PROFIT/LOSS (in €000)	At 31/12/2010	At 31/12/2009
Interest and related expenses	171	224
Cost of net debt	**171**	**224**
Financial income from investment securities	-23	-65
Loss on equity investments in unconsolidated companies	18	0
Provision reversal for depreciation of financial assets	-26	0
Allocation of provisions for depreciation of financial assets	6	5
Reversal of provision for financial risk	0	-97
Allocation of provisions for financial risk	26	9
Foreign exchange difference	494	75
Other financial income (-) and expenses (+)	**495**	**-73**
FINANCIAL PROFIT/LOSS	**666**	**151**

18. Income tax

18.1. Analysis of income tax

Income tax from tax losses that can be carried over, and from deferred depreciation, or which relate to temporary differences, has been restated for French companies and foreign companies.

In 2010, this generated an expense of €63,000 (refer to paragraph 10 «Deferred Taxes» in this chapter).

18.2. Tax proof

TAX PROOF (in €000)	At 31/12/2010	At 31/12/2009
Consolidated net Profit	3,819	2,780
Income tax	1,967	1,542
Net profit before tax	5,786	4,322
Theoretical tax expense (at 33.33%)	**1,928**	**1,440**
Tax expense recorded	**1,967**	**1,542**
TAX DIFFERENCE TO ANALYSE *(1)*	**-39**	**-102**

(1) The difference between the income tax in the income statement and the theoretical tax which would be incurred on the basis of the rate in force in France can be analysed as follows:

ANALYSIS OF THE TAX DIFFERENCE (in €000)	Expenses	Income
Difference in rate for foreign companies		150
Unused tax losses for the year	95	
Losses to be carried forward and deferred depreciation used		
Items taxed at a lower rate and tax credits		
Permanent differences	94	
Change in rate on deferred tax		
Total	**189**	**150**
NET TAX EXPENSE	**39**	

19. Earnings per share

The company calculates basic earnings per share and fully diluted earnings per share.

Basic earnings per shared do not take into account potential shares. They are established on the basis of the weighted average number of shares in circulation over the financial year.

Fully diluted earnings per share are established by taking into account the dilutive shares issued for the bond loan.

For information, the convertible bonds were exercised on 15 June 2009.

EARNINGS PER SHARE	At 31/12/2010	At 31/12/2009	At 31/12/2008
NET PROFIT (in €000)	**3,395**	**2,403**	**3,865**
Number of weighted ordinary shares at the start of the year	2,306,401 shares	2,229,931 shares	2,229,931 shares
Shares issues excluding options			
Exercise of options: convertible bonds *(1)*		76,470 shares	
Treasury shares held at year end	-3,152 shares	-2,028 shares	-
Number of weighted ordinary shares outstanding	2,303,249 shares	2,304,373 shares	2,229,931 shares
NET EARNINGS PER SHARE (in €) *(2)*	**1.47**	**1.06**	**1.73**
Dilutive instruments (convertible shares)	-	-	76,470 shares
Number of weighted ordinary shares outstanding after integration of the potential dilutive instruments	2,303,249 shares	2,304,373 shares	2,306,401 shares
NET DILUTED EARNINGS PER SHARE (in €) *(2)*	**1.47**	**1.04**	**1.67**

(1) the convertible bonds were exercised in total on 15 June 2009.
(2) calculated based on the number of shares outstanding minus the number of treasury shares.

20. Other information

20.1. Detailed information on headcount/incentive programme/employee profit-sharing plan

The number of employees in fully consolidated companies on 31 December 2010 is shown in detail in the following table (including company representatives):

20.1.1. Headcount: breakdown by geographical area

HEADCOUNT BY GEOGRAPHICAL AREA	At 31/12/2010			At 31/12/2009			2010/2009 change	
	Number	%	% total	Number	%	% total	Number	%
France (excl. GUEPPE CLASQUIN)	187	41.8%	35.4%	165	41.8%	35.3%	22	13.3%
Other European countries	21	4.7%	4.0%	20	5.1%	4.3%	1	5.0%
Asia-Pacific	217	48.6%	41.1%	190	48.1%	40.7%	27	14.2%
North America	22	4.9%	4.2%	20	5.0%	4.3%	2	10.0%
TOTAL excluding GUEPPE CLASQUIN & LOG SYSTEM	**447**	**100.0%**	**84.7%**	**395**	**100.0%**	**84.6%**	**52**	**13.2%**
GUEPPE CLASQUIN	56		10.6%	54		11.6%	2	3.7%
LOG SYSTEM	25		4.7%	18		3.8%	7	38.9%
TOTAL	**528**		**100.0%**	**467**		**100.0%**	**61**	**13.1%**

20.1.2. Headcount: breakdown by function

HEADCOUNT BY FUNCTION	At 31/12/2010			At 31/12/2009			2010/2009 change	
	Number	%	% total	Number	%	% total	Number	%
Operations	265	59.3%	50.2%	233	59.0%	49.9%	32	13.7%
Sales staff	77	17.2%	14.6%	63	16.0%	13.5%	14	22.2%
Back-office	71	15.9%	13.5%	68	17.2%	14.6%	3	4.4%
Country & Profit Center managers	34	7.6%	6.4%	31	7.8%	6.6%	3	9.7%
TOTAL excluding GUEPPE CLASQUIN & LOG SYSTEM	**447**	**100.0%**	**84.7%**	**395**	**100.0%**	**84.6%**	**52**	**13.2%**
GUEPPE CLASQUIN	56		10.6%	54		11.6%	2	3.7%
LOG SYSTEM	25		4.7%	18		3.8%	7	38.9%
TOTAL	**528**		**100.0%**	**467**		**100.0%**	**61**	**13.1%**

20.1.3. Headcount: breakdown executives/non-executives

EXECUTIVES/NON-EXECUTIVES	At 31/12/2010		At 31/12/2009		Change 2010 / 2009
	Number	%	Number	%	
Non-executives	377	71.4%	359	76.9%	5.0%
Executives	151	28.6%	108	23.1%	39.8%
TOTAL	**528**	**100.0%**	**467**	**100.0%**	**13.1%**

20.1.4. Incentive programme

The cost of the incentive programme applicable at CLASQUIN SA was K€735 for 2010 versus K€672 for the previous year.

The cost of the incentive programme applicable at LOG SYSTEM SARL, was K€4 for 2010 versus K€47 for the previous year.

20.1.5. Employee profit-sharing plan

Employee profit-sharing plan for 2010 was measured at K€103 compared to K€117 for the previous year.

20.2. Managers

The managers referred to include those persons having authority and responsibility for planning, managing and controlling the activities of the entity, directly or indirectly, including the Directors (irrespective of whether they are managers) of this entity.

20.2.1. Remuneration granted to members of administrative and management bodies

Remuneration of members of administrative and management bodies amounted to K€576 for 2010, which included K€20 for benefits in kind. This comprised remuneration for employment contracts and corporate officers.

Within the CLASQUIN Group, no deferred benefits such as share-based payments, non-competition indemnities or directors' fees are granted to current or former members of the administrative and management bodies.

20.2.2. Commitments for pension and similar benefits

No long-term, post-employment benefits such as employment contract termination benefits or an additional retirement plan are granted further to the statutory retirement benefits.

20.3. Statutory Auditors' fees

The fees of the statutory auditors and members of their networks, paid by the CLASQUIN Group for the 2010 financial year, are set forth in the following table:

FEES OF THE STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORKS (in €000)	PIN Associés		MAZARS		Pan-China (HK) CPA Ltd		Dacco / Agogliati / Siddi	
	2010	2009	2010	2009	2010	2009	2010	2009
Audit								
Statutory audits								
Issuer	32	27	32	27	0	0	0	0
Fully consolidated subsidiaries	29	25	63	41	9	8	16	0
Other audits								
Issuer	0	0	0	0	0	0	0	0
Fully consolidated subsidiaries	16	0	6	0	0	0	0	0
Subtotal:	**77**	**52**	**101**	**68**	**9**	**8**	**16**	**0**
Other services								
Legal, tax, employment	0	0	0	0	0	0	0	0
Other	9	0	0	0	0	0	0	0
Subtotal:	**9**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
TOTAL	**86**	**52**	**101**	**68**	**9**	**8**	**16**	**0**

20.4. Interim management statements

INCOME STATEMENT BALANCE (€000)	At 31/12/2010	%	At 31/12/2009	%	Change in %
SALES	**179,082**		**114,741**		**56.1%**
COST OF SALES	**136,639**		**80,466**		**69.8%**
GROSS PROFIT	**42,443**	**100%**	**34,275**	**100%**	**23.8%**
Premises and related expenses	2,742	6.4%	2,351	6.8%	16.6%
Communication expenses	1,044	2.5%	921	2.7%	13.4%
Marketing	943	2.2%	647	1.9%	45.7%
Travel expenses	2,618	6.2%	1,889	5.5%	38.6%
Fees	1,013	2.4%	642	1.9%	57.8%
Insurance	838	2.0%	639	1.9%	31.1%
Miscellaneous	788	1.8%	685	2.0%	15.0%
TOTAL EXTERNAL EXPENSES	**9,986**	**23.5%**	**7,774**	**22.7%**	**28.5%**
ADDED VALUE	**32,457**	**76.5%**	**26,501**	**77.3%**	**22.5%**
Salaries and costs	22,533	53.1%	20,071	58.5%	12.3%
EBITDA	**9,924**	**23.4%**	**6,430**	**18.8%**	**54.3%**
Amortisation, depreciation and provisions net of reversals	1,715	4.0%	2,128	6.2%	-19.4%
Other current income	546	1.3%	1,124	3.3%	-51.4%
Other current expenses	2,196	5.2%	912	2.7%	140.8%
CURRENT OPERATING INCOME	**6,559**	**15.5%**	**4,514**	**13.2%**	**45.3%**
Other current income	1,184	2.8%	82	0.2%	1,343.9%
Other current expenses	1,291	3.0%	123	0.3%	949.6%
NET TOTAL	**-107**	**-0.3%**	**-41**	**-0.1%**	**-161.0%**
CURRENT OPERATING INCOME	**6,452**	**15.2%**	**4,473**	**13.1%**	**44.2%**
Financial income	1,044	2.4%	986	2.8%	5.9%
Financial charges	1,710	4.0%	1,137	3.3%	50.4%
FINANCIAL INCOME/LOSS	**-666**	**-1.6%**	**-151**	**-0.5%**	**341.1%**
PRE-TAX EARNINGS	**5,786**	**13.6%**	**4,322**	**12.6%**	**33.9%**
Corporate tax	1,967	4.6%	1,542	4.5%	27.6%
Goodwill impairment	0	0.0%	0	0.0%	N.A
CONSOLIDATED NET PROFIT	**3,819**	**9.0%**	**2,780**	**8.1%**	**37.4%**
Minority interests	424	1.0%	377	1.1%	12.5%
NET PROFIT GROUP SHARE	**3,395**	**8.0%**	**2,403**	**7.0%**	**41.3%**

CASH FLOW (in €000)	**4,863**	**11.5%**	**4,678**	**13.6%**	**4.0%**

20.5. Post balance sheet events

No significant events have taken place since the closing of the financial statements on 31 December 2010.

20.6. Affiliated parties

The transactions carried out with non-consolidated affiliated parties are detailed in the table below:

TRANSACTIONS CARRIED OUT BETWEEN AFFILIATED PARTIES (in €000)	TOTAL		SARL GUEPPE FINANCE ET GESTION		SCI CHALAROGUE		SCI HERA		SCI DE LA LOUVE		OLYMP SAS		EVERRICH CONSULTING PARTNERS	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Trade receivables	**10**	**17**					**0**	**14**	**4**	**3**	**0**		**6**	
Trade payables	**282**	**35**	**239**	**0**	**0**	**35**	**0**	**0**	**0**	**0**	**43**	**0**	**0**	**0**
Management fees	656	500	530	410							126	90		
Other external expenses	427	414			184	182	51	54	188	169			4	9
Total operating expenses	**1,083**	**914**	**530**	**410**	**184**	**182**	**51**	**54**	**188**	**169**	**126**	**90**	**4**	**9**
Operating income	**26**	**5**					**0**	**1**	**4**	**4**	**22**			

V. Financial risk management

The Group is exposed to the risks set out here below, related to the use of financial instruments:

- Credit risk,
- Liquidity risk,
- Market risk.

1. Credit risk

Credit risk refers to the risk that a customer or a counterparty to a financial instrument will default on its contractual obligations resulting in financial loss for the Group. This risk mainly concerns trade receivables.

CLASQUIN has a diversified customer portfolio where no single customer represents more than 4% of the Group's consolidated sales on December 31 2010. The CLASQUIN offer targets all sectors of activity and in particular SMEs developing international business and large groups looking for personalised services. The loss of a customer is not likely to have significant impact on CLASQUIN's sales, given the diversity of the portfolio and the respective contribution of each customer to the Group's sales.

Each logistics operation is subject to a transport contract. In general, there are few formalised annual commitments but certain big customers do use calls for tenders.

Moreover, due to its activity as a freight forwarder, in France CLASQUIN has right of lien on the goods that it handles. This right serves to reduce the risks of non-payment of bad debts.

In general, each customer shall be covered by credit guarantee insurance from COFACE and SFAC. This requirement means financially-sound customers can be selected, which helps to reduce the risk of non-payment. However the Group cannot exclude the possibility of working with a company which, despite approval from COFACE or SFAC, finds itself, at any given time, faced with serious cash flow problems, causing it to cease trading. In this case, COFACE or SFAC will pay compensation to CLASQUIN for the share stipulated in the contract. In certain cases, the Group may work with customers «not covered» by the credit guarantee insurance mentioned above. However, these cases are subject to prior authorisation by the management on the basis of a further financial analysis.

1.1. Exposure to credit risk

The book value of the financial assets represents the maximum exposure to credit risk. It is set out in the table below:

EXPOSURE TO CREDIT RISK (in €000)	Book value									
	At 31/12/2010					At 31/12/2009				
	TOTAL	Euro	USD / HKD	Yens	Other	TOTAL	Euro	USD / HKD	Yens	Other
Loans, deposits & guarantees and trade receivables	44,441	28,657	6,393	1,325	8,066	33,719	21,333	5,740	869	5,777
Cash equivalents (including current accounts)	0					0				
Interest rate swaps used for hedging: Assets	0					0				
Forward currency contracts used for hedging	1,828		1,200	278	350	2,755		2,680		75
TOTAL	**46,269**	**28,657**	**7,593**	**1,603**	**8,416**	**36,474**	**21,333**	**8,420**	**869**	**5,852**

Consolidated financial statements

1.2. Impairment

The table below shows details on doubtful debts and risk-free receivables is as follows:

IMPAIRMENT (in €000)	Book value	
	At 31/12/2010	At 31/12/2009
Risk-free customer receivables	43,733	33,165
Doubtful customer receivables (gross)	1,489	1,014
Provision for doubtful debts	-1,471	-993
Customer item	**43,751**	**33,186**

2. Liquidity risk

CLASQUIN GROUP investments are primarily in transport equipment (GUEPPE CLASQUIN), IT equipment (hardware and software) and on fixtures and fittings. In 2010, the Group also invested in its own offices in Hong-Kong.

These investments are financed through leasing contracts, mid- and long-term loans or shareholders' equity.

The working capital requirements are financed by the CLASQUIN GROUP'S cash flow and occasionally by bank overdrafts.

Working capital requirement is subject to significant changes throughout the year due to the monthly settlements paid to the customs authorities (customs duties and VAT) and to the Cargo Accounting Settlement System (i.e. combination of airlines). At the time of these operations and depending on the settlement dates, the working capital requirement registers significant variations.

A number of contracts managing the CLASQUIN GROUP's loans comprise bank «covenants», which are summarised in the table below:

COVENANTS GOVERNING THE FINANCING AGREEMENTS	Capital owed at 31/12/2010	Covenants	
		Applicable ratios	Application on 31/12/2010
CLASQUIN SA: NATIXIS financing of €5,700,000 granted in January 2008 for external acquisition *(1)*	0	Rn1 (Leverage): net consolidated financial liabilities/consolidated EBITDA ≤ 3	-5,388,461 / 9,924,131 = -0.54
		R2 (Gearing): net consolidated financial liabilities/consolidated shareholders' equity ≤ 1	-5,388,461 / 21,914,969 = -0.25

(1) unused credit line at 2010 year end. This financing was granted for a 5-year term on the basis of 5 annual repayments of €1,140,000. *If this line of credit is not used, annual commission of 0.25% shall be taken on the amount thereof not used.*

The remaining contractual maturity for financial liabilities is detailed in the table below:

OUTSTANDING REPAYMENTS FOR FINANCIAL LIABILITIES (in €000)	Book value at 31/12/2010	Contractual cash flow	1 year	1 to 2 years	2 to 5 years	Over 5 years
Non-derivative financial liabilities						
Bank loans	3,276	3,276	1,313	697	763	503
Convertible bonds	0	0				
Liabilities related to lease financing agreements	9	9	6	3		
Banking facilities	0	0				
Trade creditors and other accounts payable	34,886	34,886	34,886			
Bank overdrafts	775	775	775			
Derivative financial liabilities						
Interest rate swaps used for hedging: Liabilities	0	0				

3. Market risk

The market risk refers to the risk that the variations in market prices, such as exchange rates and interest rates, affect the Group's results to a noticeable degree.

3.1. Rate risks

The loans taken out by the CLASQUIN Group can be arranged at a fixed or variable rate of interest (refer to the table in paragraph 12.2 of chapter «E.IV - Explanation of the balance sheet and income statements and their variations»).

The Group did not wish to set up a rate hedging operation. However, according to the evolution of market rates, the Group can, at any moment and on its own initiative, put such an operation in place.

3.2. Foreign exchange risks

The euro is the currency used by CLASQUIN to establish its accounts, and invoicing between subsidiaries is established in euros. The foreign exchange risk is thus essentially borne by the subsidiaries based outside the Euro zone. The Group also develops a policy of monthly exchange hedging on subsidiaries which generate heavy exchange flows.

The Group has also set up a "Clearing Office" which centralises all the settlements between the different entities. In this way the exposure in terms of foreign exchange risks for any one of the entities can be essentially summed up to a risk on a balance of debts and claims offset with all of the other Group entities. The foreign exchange risk is thus easier to measure.

CLASQUIN JAPAN chiefly handles import flows coming from Europe. It is therefore exposed to rises in the euro against the yen. The subsidiary therefore carries out a regular hedging operation by means of a monthly euro exchange hedging policy.

CLASQUIN FAR EAST chiefly handles export flows towards Europe. It is therefore exposed to falls in the euro against the Hong Kong dollar. The subsidiary therefore carries out a regularly hedging operation by means of a euro forward sales hedging policy.

CLASQUIN SHANGHAI is exposed to the same risk as CLASQUIN Far East, given that its trade is largely focused on export operations. The subsidiary therefore carries out a hedging operation by means of a non-delivery forward contract.

Finally, CLASQUIN AUSTRALIA is exposed to the same risk as CLASQUIN JAPAN, given that its trade is largely focused on import operations. This subsidiary therefore also carries out a hedging operation by means of a euro exchange hedging policy.

The company's exposure to exchange rate risk is therefore limited to the variation in rates between the issue date of invoices and the date of hedging.

To find out the main exchange rates applied during the financial year, refer to the table in paragraph 2.2 of Chapter «E.II. Financial reporting framework, consolidation procedure, valuation methods and rules".

Statutory Auditors’ report on the consolidated financial statements for the financial year ended 31 December 2010

To the shareholders,

In accordance with the mission entrusted to us at your Annual General Meeting, we hereby present our report for the financial year ended 31 December 2010, on:

- the audit of the annual financial statements of CLASQUIN S.A., as presented with this report;
- the justification of our assessments;
- the specific testing required by law.

The consolidated financial statements were approved by the Board of Directors. It is our duty to express an opinion on these statements, on the basis of our audit.

1. Opinion on the consolidated financial statements

We carried out our audit according to the professional standards applicable in France; these standards require that we perform the audit so as to obtain reasonable assurance that the annual financial statements are free of any material misstatements. An audit involves the review, by way of sample tests or other means, of the documents underlying the information set forth in the consolidated financial statements. It also includes an assessment of the accounting policies applied and any material estimates made in drawing up the financial statements, as well as an assessment of the presentation thereof as a whole. We believe that the evidence we have received provides a reasonable basis for our opinion.

We certify that, in accordance with the IFRS framework as adopted in the European Union, the consolidated financial statements provide a true and fair view of the assets, the financial position as well as the overall results of all companies and entities included in the consolidation.

Without casting doubt on the option set forth above, we wish to draw your attention to note E.II.1.1, «Statement of compliance» in the notes to the financial statements, detailing the new standards and interpretations applied by CLASQUIN SA as of 1 January 2010.

2. Justification of assessments

Pursuant to the provisions of Article L. 823-9 of the French Commercial Code relating to the justification of our assessments, we wish to bring the following to your attention:

At year-end closing, the company always carries out depreciation tests for goodwill and assets with an indefinite useful life, pursuant to the procedures set forth in note E.II.3.5.2 in the notes to the consolidated financial statements. As part of our assessments, we examined the merits of the approach used and the manner in which the depreciation tests were carried out and the consistency of all the assumptions used and the valuations arising therefrom.

The assessments carried out as a consequence are within the framework of our audit of the consolidated financial statements, taken as a whole, and therefore contributed to forming our opinion expressed in the first part of this report.

3. Specific verification

In accordance with professional standards applicable in France, we also carried out the specific verification required by law of the information contained in the Group management report.

We have no comments to make regarding its accuracy and whether it concurs with the information in the consolidated financial statements.

Executed in Lyon and in Villeurbanne on 29 April 2011

The Statutory Auditors

MAZARS
Christine DUBUS

PIN ASSOCIES
Jean-François PIN

CLASQUIN
Management report

Board of Directors management report on the financial statements for the financial year ended 31 December 2010

Ladies and Gentlemen:

We have convened this Combined General Meeting pursuant to the Articles of Association and Articles L210-1 et seq. of the French Commercial Code, in order to:

- Report our Company's, subsidiaries' and the CLASQUIN GROUP'S activity for the financial year ended 31 December 2010, as well as the results of this activity and future prospects;
- Request your approval of the balance sheet and company and consolidated financial statements for the said year;
- Recommend the allocation of directors' fees;
- Recommend that you renew the authorisation granted to the Board of Directors to arrange for the Company to buy back its own shares;
- Recommend that you authorise the Company to increase its share capital by issuing any securities, with or without pre-emptive subscription rights, depending on the case in hand, with authority granted to the Board of Directors for the purpose of taking decisions concerning the aforementioned issues;
- Recommend that you authorise the Board of Directors to increase the number of securities to be issued as part of a capital increase if a surplus of subscription requests is received, pursuant to the provisions of Article L. 225-135-1 of the French Commercial Code;
- Recommend that you authorise the company to increase its share capital (and at the same time withdraw the pre-emptive subscription right) by means of a private placement pursuant to the provisions of Order no.2009-80 of 22 January 2009 with authority granted to the Board of Directors for the purpose of taking decisions concerning the aforementioned issues;
- Recommend that you take a decision pursuant to the law on save-as-you-earn schemes requiring that a proposal be made at the Annual General Meeting to increase the capital reserved for employees under the conditions set forth in Articles L.3332-18 et seq. of the French Labour Code;
- Recommend that you delete paragraph 4 of Article 10 of the Company's Articles of Association, relating to the standing market offer.

A. Situation of the CLASQUIN GROUP, the Company and its subsidiaries

1. CLASQUIN GROUP

Strong international growth in 2010

After an unprecedented drop in global trade in 2009, 2010 confirmed the end of the recession that had begun to take hold in Q4 2009. Post-crisis growth tapered off in the later part of the year. France's external trade grew by an estimated 13-14%; however, trade still has not yet regained 2008 levels. Obviously, variation in external trade growth had a large impact on sea freight rates throughout the year:

- Sharp increase at the start of the year (the Asia-Europe TEU import rate was multiplied by 7.2 between March 2009 and March 2010)
- Steady rates in Q2 and Q3
- Drop in Q4 (down 35% in December 2010 versus March 2010), heightened by the oversupply resulting from the introduction of new ships.

Key figures

Consolidated	2010	% of GP	2009	% of GP	Change
Number of shipments (excluding GUEPPE CLASQUIN)	135,693		112,766		*+ 20.3%*
Sales (in €m)	179.1		114.7		*+ 56.1%*
Gross profit (in €m)	**42.4**	**100%**	**34.3**	**100%**	***+ 23.8%***
Current Operating income (in €m)	6.6	15.5%	4.5	13.2%	*+ 45.3%*
Consolidated net earnings (in €m)	**3.8**	**9.0%**	**2.8**	**8.1%**	***+ 37.4%***
Net Profit Group Share (in €m)	3.4	8.0%	2.4	7.0%	*+ 41.3%*

"Once again, CLASQUIN outperforms the market"

The strength of our fundamentals:

- Unique market position: the only intermediate-sized company in the overseas sector
- Expertise and commitment of our operations and sales teams
- A powerful information system
- A diversified portfolio of loyal customers
- A strong presence in Asia

has allowed us to continue to win new market share and attract new customers.

Sharp increase in activity in all of our business lines

At current exchange rate	NUMBER OF SHIPMENTS				GROSS PROFIT (in €m)			
	2010	2009	*Chg. 2010/2009*	*Chg. 2010/2008*	2010	2009	*Chg. 2010/2009*	*Chg. 2010/2008*
Sea freight	66,435	52,523	*+ 26.5%*	*+ 28.9%*	16.2	12.8	*+ 26.6%*	*+ 19.7%*
Air Freight	57,629	51,137	*+ 12.7%*	*- 5.2%*	16.1	12.7	*+ 27.2%*	*+ 7.8%*
Other	11,629	9,106	*+ 27.7%*	*+ 55.9%*	2.1	1.8	*+ 16.9%*	*+ 37.1%*
TOTAL 1	**135,693**	**112,766**	***+ 20.3%***	***+ 13.3%***	**34.4**	**27.3**	***+ 26.2%***	***+ 14.8%***
LOG SYSTEM					1.8	1.5	*+ 19.2%*	*+ 30.0%*
GUEPPE CLASQUIN					7.2	6.3	*+ 13.5%*	*+ 8.8%*
Consolidation entries					-1.0	-0.8	*NA*	*NA*
CONSOLIDATED TOTAL					**42.4**	**34.3**	***+ 23.8%***	***+ 14.0%***

- Air freight: The Group's air freight business grew in number of shipments (12.7%) and profit per shipment (12.9%), thanks to an increase in average tonnage per shipment, leading to a 27.2 % increase in gross profit.
- Sea freight: In 2010, the Group's sea freight business posted very strong growth both in terms of number of shipments (26.5 %) and gross profit (26.6%). Profit per shipment remained stable.
- Most of the growth in these two business lines was achieved on the Asian routes.
- Our subsidiary GUEPPE CLASQUIN, which specialises in road haulage and logistics, had another excellent year, posting a 15.3% increase in sales largely due to the strengthening of its sales team.
- Our IT subsidiary LOG SYSTEM also performed well, increasing its gross profit by 19.2% and in July 2010, it carried out an external growth operation enabling it to double its business in the medical sector. Log System's main business activity is the development of freight forwarding software. Thanks to this business activity, Log System software is used at 120 sites in more than 20 countries and on 5 continents.

Excellent economic results (marred by the losses incurred by the Italian subsidiary)

- EBITDA rose very sharply in 2010, reaching a figure of €9.9m compared to €6.4m in 2009: + 54.4%.
- Current operating income also showed very strong growth at €6.6 million (€8.3m excluding the gross costs of the Italian subsidiary) versus €4.5 million in 2009: + 45.3%.
- Lastly, net profit Group share came to €3.4m (€4.6m excluding the net cost of the Italian subsidiary) versus €2.4m in 2009, for an increase of 41.3%.

Financial position

The CLASQUIN GROUP is in good financial shape:

- Shareholders' equity increased 15.6% (+ €2.9m) to reach €21.9m as at 31 December 2010 compared to €19.0m as at 31 December 2009,
- Mid- and long-term financial debts were stable, increasing from €2.8m in December 2009 to €3.3m as at 31 December 2010 (including €1.3m maturing after more than one year),
- The net cash position increased €0.3m from €8.4m as at 31 December 2009 to €8.7m as at 31 December 2010,
- In total , the net debt position, which was already negative as at 31 December 2009, standing at -€5.6m (cash position greater in value than long- and mid-term debts) closed at -€5.4m as at 31 December 2010,
- Gearing:
  - 31 December 2009: - 29.63%
  - 31 December 2010: - 24.59%
- These results arise from:
  - Strong operational cash flow arising at €4.9m and 11.5% of gross profits,
  - Control of the Working Capital Requirement which remained stable in absolute value (2010: €5.8m vs 2009: €5.4m) but fell in relative value (2010: 5.6 billing days vs 2009: 7.9 billing days (including custom duties and VAT)).

Other key events in 2010

- Re-launching of all development projects:
  - Creation of CLASQUIN GERMANY GMBH at the end of 2010 with two offices, in Frankfurt and Bremen, opened in February 2011;
  - Creation of a subsidiary in India (start-up scheduled for spring 2011);
  - Partnership negotiations with a view to establishing a foothold in Central Asia;
  - Offices opened: CLASQUIN MULHOUSE and CLASQUIN HANOI;
- Status of AEO (Authorised Economic Operator): obtained in July 2010,
- Strengthening of operations and sales teams,
- Costly «clean-up» of the Italian subsidiary (net cost in 2010: €1.2m).

Management report

2. CLASQUIN SA and its subsidiaries

Sales for CLASQUIN SA, the parent company of the Group and the Company combining all the operations in France, increased by 71.6% to €107.5m vs €62.6m for the previous year.

Information on the company's results is contained in paragraph B.

In €000	2010 Sales	2010 Gross Profit	Gross profit Progression 2010/2009*	EBIT 2010	EBIT 2009
CLASQUIN ITALIA	2,937	569	- 38.1%	- 265	- 489
CLASQUIN ESPANA	11,571	1,881	+ 55.8%	688	267
LOG SYSTEM	2,123	1,797	+ 19.2%	57	126
CLASQUIN JAPAN	11,104	1,853	+ 18.2%	3	8
CLASQUIN KOREA	3,387	581	+ 25.8%	114	3
CLASQUIN FAR EAST	26,720	3,875	+ 20.5%	618	434
CLASQUIN SINGAPORE	2,728	802	+ 34.5%	49	62
CLASQUIN THAILAND	3,811	592	+ 49.8%	96	63
CLASQUIN MALAYSIA	1,787	443	+ 20.5%	17	9
CLASQUIN AUSTRALIA	5,952	1,291	+ 21.1%	82	76
CLASQUIN USA	7,183	1,368	+ 10.7%	190	110
CLASQUIN CANADA	1,408	300	- 9.0%	- 47	1
FINANCIERE GUEPPE CLASQUIN	28	28	NA	22	17
CLASQUIN VIETNAM	3,360	438	+ 660.1%	72	- 12
CLASQUIN GERMANY	0	0	NA	- 66	NA

B. Company economic and financial results

1. Presentation of the company and consolidated financial statements

The company and consolidated financial statements as at 31 December 2010 that we are submitting to you for approval were prepared in compliance with the rules of presentation and valuation methods set forth in the regulations in force.

Please refer to Chapter E, section II of consolidated financial statements «Financial Reporting Framework, Consolidation Procedure, Valuation Methods and Rules», paragraph 1 «Financial Reporting Framework», sub-paragraph 1.1 «Statement of compliance».

1.1. Consolidated financial statements

The consolidation methods are described in the notes to the consolidated financial statements.

1.1.1. Scope of consolidation

Consolidated companies included in the CLASQUIN GROUP are listed in the notes to the consolidated financial statements. The following companies were consolidated for the first time:

- CLASQUIN GERMANY GMBH
- EUPHROSINE LTD

No companies ceased to be consolidated.

Pursuant to the consolidation rules, the other holdings were not consolidated.

1.1.2. Consolidated results for the financial year ended 31 December 2010

In €	IFRS accounting standards		
	31/12/2010	31/12/2009	Change
Net sales	179,081,957	114,741,295	56.1%
Cost of Sales	136,639,383	80,466,402	69.8%
Gross profit	42,442,575	34,274,893	23.8%
Current operating income	6,558,536	4,514,738	45.3%
Profit before tax	5,785,615	4,322,362	33.9%
Group consolidated net profit	**3,818,925**	**2,780,541**	**37.4%**
Net Profit Group share	**3,394,778**	**2,403,314**	**41.3%**

The consolidated results for the year showed net earnings for the CLASQUIN GROUP of €3,394,778 compared to Group net earnings of €2,403,314 for the previous year, therefore an increase of 41.3%. Taking this result into consideration, within shareholders' equity, the Group share is €20,070,335 and the minority shares represent €1,844,634 for a share capital of €4,612,802 on 31 December 2010.

Net sales for the year came to €179,081,957 compared to €114,741,295 for the previous year, therefore representing an increase of 56.1% compared to a decrease of 24.0% for the previous year.

A 45.3% increase in Current Operating Income which came to €6,558,536 compared to €4,514,738 for the previous year. Non-recurrent items account for losses of €106.940 compared to losses of €41.108 for the previous year.

Group consolidated net Profit showed profits of €3,818,925, with the CLASQUIN GROUP share coming to €3,394,778.

1.2. Company financial statements

CLASQUIN SA financial statements for the year ended 31 December 2010 show a net profit of €2,454,798, of which the main components are as follows:

In €	31/12/2010	31/12/2009	Change
Net sales	107,455,201	62,615,660	+ 71.6%
Operating income	108,121,819	64,491,582	+ 67.7%
Operating charges	105,455,454	61,596,721	+ 71.2%
EBIT	2,666,365	2,894,861	- 7.9%
Financial income	2,144,409	2,906,561	- 26.2%
Financial charges	924,788	939,700	- 1.6%
Financial result	1,219,621	1,966,861	- 38.0%
Pre-tax Operating Profit	3,885,986	4,861,721	- 20.1%
Extraordinary income	544,196	252	+ 2.158,5%
Extraordinary expenses	494,209	47,929	+ 931.1%
Extraordinary result	49,987	- 47,677	+ 204.8%
Employee profit-sharing	822,766	787,420	+ 4.5%
Income tax	658,408	672,446	- 2.1%
Net profit	**2,454,798**	**3,354,178**	**- 26.8%**

Net sales amounted to €107,455,201 for the year vs €62,615,660 for the previous year.

Total operating income came to €108,121,819 and total operating charges came to €105,455,454 , thus leaving EBIT at €2,666,365, compared to €2,894,860 for the previous year.

Total financial income amounted to €2,144,409 and total financial charges came to €924,788, resulting in a financial result showing a profit of €1,219,621.

Pre-tax Operating Profit therefore came to €3.885.986 compared to €4,861,721 for the previous year.

Total extraordinary income amounted to €544,196 and total extraordinary expenses came to €494,209, resulting in an extraordinary result of €49,987.

Company financial statements for the year showed a net profit of €2,454,798 compared to a net profit of €3,354,178 for the previous year.

The table of results, provided for in article R.225-102 of the French Commercial Code, is adjoined hereto in a note.

1.3. Application of International Financial Reporting Standards (IFRS)

Please refer to section E of consolidated financial statements «Financial Reporting Framework, consolidation procedure, valuation methods and rules”, paragraph 1 «Financial Reporting Framework», sub-paragraph 1.1 «Statement of compliance».

2. Financial analysis of risks

2.1. Management of financial risk

2.1.1. Management of liquidity risk

CLASQUIN GROUP investments are primarily in transport equipment (GUEPPE CLASQUIN), IT equipment (hardware and software) and on fixtures and fittings. In 2010, the Group also invested in its own offices in Hong-Kong.

These investments are financed through leasing contracts, mid- and long-term loans or shareholders' equity.

The working capital requirements are financed by the CLASQUIN GROUP'S cash flow and occasionally by bank overdrafts.

Working capital requirement is subject to significant changes throughout the year due to the monthly settlements paid to the customs authorities (customs duties and VAT) and to the Cargo Accounting Settlement System (C.A.S.S.), organisation, combining airlines, designed to simplify the billing and settling of accounts between airlines and freight forwarders. At the time of these operations and depending on the settlement dates, the working capital requirement registers significant variations.

Some contracts governing the CLASQUIN GROUP's loans comprise bank «covenants».

2.1.2. Rate risks

The loans taken out by the CLASQUIN GROUP can be arranged at a fixed or variable rate of interest (refer to consolidated financial statements in the table, paragraph 2.2 of chapter «E.IV - Explanation of the balance sheet and income statements and their variations»).

The CLASQUIN GROUP did not wish to set up a rate hedging operation. However, according to the evolution of market rates, the Group can, at any moment and on its own initiative, put such an operation in place.

2.1.3. Inflation risk

The Company considers that it runs no inflationary risk, inasmuch as the increase in freight rates, due to inflation, is passed on to the sales prices.

This impact is not effective immediately due to the time required for it to indeed take effect.

2.1.4. Impact of conversion on the performance indicators

The CLASQUIN GROUP is an international company currently consisting of 21 companies and 40 offices located in Europe, North America, Asia and the Pacific region. The strategy relies upon continuous development of its activities internationally.

As the CLASQUIN GROUP presents its consolidated financial statements in euros, foreign exchange fluctuations can have a positive or negative impact on CLASQUIN's level of operations and performance indicators.

2.1.5. Foreign exchange risks

The euro is the currency used by CLASQUIN to establish its accounts, and invoicing between subsidiaries is established in euros. The foreign exchange risk is thus essentially borne by the subsidiaries based outside the Euro zone. The Group also develops a policy of monthly exchange hedging on subsidiaries which generate heavy exchange flows.

The CLASQUIN GROUP has also set up a "Clearing Office" which centralises all the payments between the different entities. In this way the exposure in terms of foreign exchange risks for any one of the entities can be essentially summed up to a risk on a balance of debts and claims offset with all of the other Group entities. The foreign exchange risk is thus easier to measure.

With the CLASQUIN GROUP having an international activity, the foreign exchange fluctuations could have a negative impact on the result of its subsidiaries situated outside the euro zone which are insufficiently hedged or not hedged at all considering their import and/or export flows, and thus on the financial situation and the results of the CLASQUIN GROUP.

2.2. Risks arising from variations in the share price

Following its listing on the Alternext Euronext market in Paris on 31 January 2006, and in order to ensure better liquidity of its stock market price and to regulate this, a liquidity contract was signed by OLYMP SAS and the broker ODDO Corporate Finance on 14 March 2006 expiring on 31 December 2006, the agreement being automatically renewed each year.

On 14 September 2009, CLASQUIN SA replaced OLYMP SAS as the signatory for this agreement.

The agreement complies with the code of ethics of the AFEI (French association of investment firms).

C. Information on the payment deadlines for CLASQUIN SA suppliers

Breakdown by due date, at the close of FY 2010 and 2009, of the balance of payables denominated in euros owed to suppliers.

Trade payables as at 31/12/2010 by due date

	0-30 days	31-60 days	61-90 days	after 90 days	Total amount due
Balance due as at 31/12/2010 – in €	21,928,817	1,585,826	3,744	106,398	23,624,785

Trade payables as at 31/12/2009 by due date

	0-30 days	31-60 days	61-90 days	after 90 days	Total amount due
Balance due as at 31/12/2009 – in €	17,025,438	1,201,680	46,677	170,930	18,444,725

D. Research and development

This activity represented €542,000 for the CLASQUIN GROUP in 2010, i.e. 1.3% of our gross profit.

In order to optimise the CLASQUIN GROUP'S efficiency, an integrated IT management system was developed in-house.

This system is used in all the subsidiaries. Aeolus operations software however has not been rolled out across all the subsidiaries.

The latter application has been implemented across 97% of the Group (excluding GUEPPE CLASQUIN).

It is yet to be rolled out in Korea and Beijing.

E. Important events that have taken place since year end

No important events have taken place since the end of the financial year.

F. Outlook for 2011

- Environment: slower market growth than in 2010 (estimated growth = 5-6%),
- Clasquin: significant business growth (greater than the market average),
- Development projects:
  - Operational launch of CLASQUIN GERMANY in February 2011,
  - Opening of CLASQUIN INDIA in May/June 2011,
  - Opening of CLASQUIN GEORGIA in the second half of 2011,
- Human Resources:
  - Appointment of a Group General Secretary in charge of the all back office functions (Administration/Finance, Human Resources, Legal, IT and Central Services),
  - Hiring of several executives (Germany, India and France).

G. Allocation of income

We would like to remind you that, in the prospectus drawn up for our floatation on Alternext, and subject to the financing of investments arising from the CLASQUIN GROUP's development and insofar as the results allow, the Company has announced its intention to proceed with an annual distribution of at least 20% of its consolidated net earnings (CLASQUIN GROUP share).

We would like to propose that the distribution, for the year ending 31 December 2010, represent approximately 81.5% of the consolidated Net Profit Group share which is €3,394,778.

We therefore recommend that profits for the year, amounting to €2,454,798.11, increased by the retained earnings credit balance of €2,403.45, representing distributable profits of €2,457,201.56, be allocated as follows:

- Distribution of profit increased by the retained earnings credit balance: €2,457,201.56
- Distribution of an amount of €310,479.64, deducted from «Other reserves»,

i.e. a total distributed amount of €2,767,681.20

Pursuant to Article L.225-210 (section 4) of the French Commercial Code, this allocation is based on the outstanding shares. Should the company hold a number of treasury shares when the dividend payment is made, the value of the dividends not paid in view of these shares shall be allocated to the «Other reserves» item.

Each shareholder will thus receive a dividend of €1.20 per share.

This dividend will be released on 14 June 2011.

Pursuant to the provisions of Article 158 3.2 of the French General Tax Code, private individuals having their tax domicile in France and benefiting from a 40% tax rebate shall be entitled to this dividend distribution, it being specified that if a single shareholder opts for the flat-rate withholding tax stipulated in Article 117 quater of the French General Tax Code, the aforementioned rebate shall not apply to said individual.

In accordance with the provisions of Article 243 bis of the French General Tax Code, we would like to remind you that the amounts distributed as dividends, for the previous 3 years, were as follows:

Financial years	Dividend distribution per share
31/12/2009	€0.63
31/12/2008	€0.43
31/12/2007	€0.30

H. Non tax deductible expenditure

In accordance with the provisions of Article 223 quater and 223 quinquiès of the French General Tax Code, we inform you that the financial statements for the previous financial year include an amount of €33,502, corresponding to expenses that are not tax deductible, and that corporate tax paid on this amount came to €11,166.

I. Subsidiaries and holdings

We have presented the activity of the subsidiaries by reporting the Company's activity.
The table of subsidiaries and holdings is included in this report.

During the financial year, our Company did not acquire any stake holdings in or increase its shareholding and voting rights in Companies having their head office in France.

J. Controlled companies

On 31 December 2010, the Company controlled, directly or indirectly, the following companies:

Directly:

Companies	% of controlling interest	% of interest
LOG SYSTEM	70%	70%
CLASQUIN ITALIA	100%	100%
CLASQUIN ESPANA	100%	100%
CLASQUIN USA	80%	80%
CLASQUIN JAPAN	100%	100%
CLASQUIN SINGAPORE	100%	100%
CLASQUIN FAR EAST	100%	100%
CLASQUIN AUSTRALIA	100%	100%
CLASQUIN KOREA	100%	100%
CLASQUIN MALAYSIA	100%	100%
CLASQUIN THAILAND	100%	49%
CLASQUIN CANADA	100%	100%
CLASQUIN VIETNAM	51%	51%
CLASQUIN GERMANY	100%	100%
FINANCIERE GUEPPE CLASQUIN	70%	70%

Indirectly:

Companies	% of control	% of interest
CLASQUIN SECURE (a CLASQUIN USA subsidiary)	80%	80%
CLASQUIN SHANGHAI	100%	100%
GUEPPE CLASQUIN	70%	70%
CG LOC	70%	70%
EUPHROSINE	69%	69%

Management report

K. The agreements referred to in Articles L.225-38 et seq. of the French Commercial Code - The agreements referred to in Article L.225-39 of the French Commercial Code

Your Statutory Auditors will provide their report for reading, in which are mentioned the agreements duly authorised by the Board of Directors for this year and the previous years, and which were further implemented during the financial year ended 31 December 2010.

The list of agreements entered into in the ordinary course of business at arm's length, the purpose and financial impact of which are significant for the parties, has been made available to you within the legal time limit and forwarded to your Statutory Auditors.

L. Authorisation granted to the Board of Directors by the General Meeting of Shareholders

1. Renewal of the authorisation granted to the Company to buy back its listed shares

We recommend that you renew the authorisation for the Company to trade in its own shares, pursuant to the provisions of Article L.225-209-1 of the French Commercial Code and the provisions of European Regulation no. 2273/2003 of 22 December 2003, and provided that the applicable statutory and regulatory provisions are satisfied when this authorisation is exercised, for the purposes of encouraging the liquidity of the Company's securities.

The transactions performed as part of a buy back scheme shall be carried out pursuant to applicable regulations.

Implementation of the buy back scheme authorised by the Annual General Meeting shall give rise to publications, pursuant to applicable regulations.

- Maximum number of shares to acquire: maximum of 10% of the share capital (number of shares purchased, minus the number of shares resold during the authorised term),
- Maximum unit price for purchases, subject to adjustments linked to transactions relating to the Company's capital, is set at €40 (excluding acquisition fees).

The maximum theoretical amount for the performance of this scheme is €9,225,604, financed either by the Group's own resources or short- to mid-term financing from an external source.

Purchases of shares may be carried out using all available means, including by acquiring blocks of securities, on one or more occasions, pursuant to any thresholds permitted by stock market regulations.

Authorisation term: up to the next Annual General Meeting to ratify the financial statements, and within the statutory limit of eighteen *(18)* months from the Annual General Meeting to ratify the financial statements for the year ended 31 December 2010.

If you ratify this resolution, the Board of Directors is required to report to you each year on when this authorisation has been used.

2. Authorisation to increase the share capital by the issuance of securities, with or without pre-emptive subscription rights, according to the case, with delegation of authority to the Board of Directors to decide on the issues

We recommend that you decide in favour of the principle of an increase in capital with authority granted to the Board of Directors in order to allow the company, if needs be, to be floated on the financial market at a later date and therefore pursue any development opportunity.

2.1. Consequently, we recommend, in accordance with the provisions of Articles L. 225-129-2, L.228-92 and L.228-93 of the French Commercial Code, that you grant the Board of Directors authority, for a term of twenty-six (26) months, to increase the capital, by issuing either ordinary shares or any securities giving entitlement to capital, while maintaining the pre-emptive subscription rights.

2.1.1. The Board of Directors will thus be granted authority, with the option to delegate this authority to the Chairman and Chief Executive Officer, to carry out one or more capital increases by issuing, in France or abroad, in euros, ordinary shares in the Company or any other securities, issued for consideration or without consideration, giving access by any means, immediately and/or in the future, to ordinary shares, existing or to be issued, in the Company or in a company which directly or indirectly owns more than half its capital or in which the Company directly or indirectly owns more than half the capital, the subscription of which could realized either in cash, or through netting of receivables. These shares or securities may also be issued in foreign currency or any monetary unit index-linked to several currencies.

2.1.2. a- The total amount of share capital increases likely to be carried out in this manner, immediately and/or in the future, may not exceed three million (3,000,000) euros (nominal value), an amount to which will be added, if necessary, the nominal value of additional shares to be issued in order to preserve, in compliance with the law, the rights of those holding securities giving entitlement to the capital.

b - The total value of the issues of securities, where the primary security is a debt security, in particular a bond,shall not exceed forty million euros (€40,000,000) (nominal value) and shall not be offset against the ceiling set forth in paragraph 2.1.2.a.

2.1.3. The shareholders will have, proportionally to the value of their shares, preferential subscription rights to ordinary shares and securities issued. If the number of irrevocable subscriptions, including, where applicable, subscriptions for excess shares, fall short of the number of shares or securities (as defined above) issued, the Board may offer all or part of the unsubscribed securities to the public.

2.1.4. The Board of Directors shall also be granted authority, with the option of delegating this authority to the Chairman and Chief Executive Officer, to carry out one or more capital increases by capitalising premiums, reserves, profits or other items, the capitalisation of which is granted pursuant to the law and the articles of association and by allocating bonus shares or increasing the nominal value of existing shares.

The total nominal amount of the capital increases likely to be carried out in this manner, increased by the amount necessary to preserve, in accordance with the law, the rights of holders of securities giving entitlement to the capital and independently of the ceiling defined in 2.1.2.a, cannot be more than the amount of the reserve accounts, bonuses or profits described above which exist at the time of the capital increase and cannot be set off against the general ceiling defined in paragraph 2.1.2.b above.

We propose that, should the Board of Directors decide to exercise this authority, and in accordance with the provisions of Article L. 225-130 of the French Commercial Code, the fractional rights be neither negotiable nor transferable and that the corresponding securities be sold; the funds resulting from the sale shall be allocated to the holders of rights within the period provided for by the regulations in force.

We would like to specify that the Board of Directors may, if necessary, offset against share premiums any costs incurred by undertaking the issue.

We recommend that you grant the Board of Directors full authority to implement the aforementioned delegations of authority, and in particular to determine the characteristics of securities issued, and more generally, to take any measures and complete any formalities required to ensure that all capital increases are successfully completed, that due record is taken thereof and that the articles of association are updated accordingly.

2.2. We also propose that the Board of Directors be granted authority, for the same twenty-six (26) month term, to increase the capital by issuing ordinary shares or any securities giving entitlement to the capital, without a pre-emptive right of subscription.

2.2.1. Grants the Board of Directors the authority, with the option of delegating this authority to the Chairman and Chief Executive Officer, to carry out one or more capital increases by issuing, in France or abroad, in euros, ordinary Company shares or any securities, giving entitlement by any means, immediately and/or in the future, to existing ordinary Company shares or to shares to be issued by the Company or by a company that owns directly or indirectly more than half its capital or by a company for which the Company owns directly or indirectly more than half the capital; subscription of these shares can be realized either in cash or by netting of claims, and these shares may also be issued in foreign currency or in any monetary unit index-linked to several currencies.

2.2.2. a- The total amount of the share capital increases likely to be carried out immediately and/or in the future may not exceed three million euros (€3,000,000) (nominal value), and this amount will be offset against the ceiling defined in paragraph 2.1.2.a.

b- The total value of the issues of securities, where the primary security is a debt security, in particular a bond, shall not exceed forty million euros (€40,000,000) (nominal value), and this amount will be offset against the ceiling defined in paragraph 2.1.2.b, and not the ceiling stipulated in paragraph 2.2.2.a.

2.2.3. The shareholders' pre-emptive subscription right to these securities to be issued according to the legislation will be withdrawn.

2.2.4. The amount the Company receives, or could subsequently receive, for each share issued or to be issued through the exercise of rights to purchase securities will be set according to normal market practices, such as, within the framework of a global investment, using the price established by an analysis of supply and demand by the so-called book building technique, as developed by professional market practice.

We would like to specify that the Board of Directors may, if necessary, offset against share premiums any costs incurred by undertaking the issue.

We recommend that you grant the Board of Directors full authority to implement the aforementioned delegations of authority, and in particular to determine the characteristics of securities issued, and more generally, to take any measures and complete any formalities required to ensure that all capital increases are successfully completed, that due record is taken thereof and that the articles of association are updated accordingly.

We wish to inform you that the aforementioned powers render null and void any previous powers granted for the same purpose.

3. Authority to be granted to the Board of Directors for the purpose of increasing the number of issues as part of a capital increase with or without pre-emptive subscription rights, in the event of excess requests

We recommend that you authorise the Board of Directors, for the same twenty-six *(26)* month term, should there be an excess demand for subscriptions, to increase the number of shares to be issued as part of the issues decided by exercise of the aforementioned powers and within the limit of the ceilings provided for said powers, pursuant to the terms and conditions set forth in Articles L.225-135-1 and R.225-118 of the French Commercial Code.

We recommend that you grant the Board of Directors full powers in order to implement the aforementioned delegations of authority, and in particular determine the characteristics of securities issued, and more generally to take any measures and complete any formalities required to ensure that all capital increases are successfully completed, that due record is taken thereof and that the articles of association are updated accordingly.

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4. Authorisation to increase the share capital (and at the same time withdraw the pre-emptive subscription right) by means of a private placement

We hereby inform you that pursuant to the provisions of Order no. 2009-80 of 22 January 2009, effective as of 1 April 2009 and which reforms public issues, a listed company can now increase its share capital (and at the same time withdraw the pre-emptive subscription right) by means of a private placement, therefore by issuing securities to qualified, as well as a limited number of investors.

On this basis, pursuant to the provisions of Articles L.225-129-2, L.225-135, L.225-136, L.228-92 and L.228-93 of the French Commercial Code and Order n°2009-80 of 22 January 2009, effective as of 1 April 2009, we recommend that you:

4.1. Grant the Board of Directors the authority, with the option of delegating this authority to the Chairman and Chief Executive Officer, to carry out one or more capital increases by issuing, in France or abroad, in euros, ordinary Company shares or any securities giving entitlement by any means, immediately and/or in the future, to existing ordinary Company shares or to shares to be issued by the Company or by a company that owns directly or indirectly more than half its capital or by a company for which the Company owns directly or indirectly more than half the capital, by means of an offering referred to in section II of Article 411-2 of the French Monetary and Financial Code, as amended by Order no. 2009-80 of 22 January 2009, with the withdrawal of the shareholders' pre-emptive subscription right; subscription of these shares can be realised either in cash or by netting of claims, and these shares may also be issued in foreign currency or in any monetary unit index-linked to several currencies.

This authorisation granted to the Board of Directors shall be valid for a maximum period of twenty-six (26) months as of this Meeting.

4.2. Resolve that the total amount of the capital increases likely to be carried out immediately and/or in the future, cannot exceed three million euros (€3,000,000) in nominal value, and may not under any circumstances exceed, in the event of an offer referred to in section II of Article L.411-2 of the French Monetary and Financial Code as amended by Order no. 2009-80 of 22 January 2009, 20% of the Company share capital each year, it being specified that this amount will be included in the limit fixed in paragraph 2.1.2.a.

4.3. Resolve to withdraw the Shareholders' pre-emptive subscription right for securities issued as part of the offer referred to in section II of Article L.411-2 of the French Monetary and Financial Code, as amended by Order no. 2009-80 of 22 January 2009.

4.4. Resolve that, pursuant to Article L.225-136, 2° of the French Commercial Code, the share issue price will be set according to normal market practices, for example, within the framework of a global or private investment, using the price established by an analysis of supply and demand using the so-called book building technique, as developed by professional market practice or based on the average stock market closing prices for a sufficiently long period of time.

4.5. Decide that the Board of Directors may, if necessary, offset against share premiums any costs incurred by undertaking the issue.

5. Decision to take regarding the application of the law concerning save-as-you-earn schemes

We wish to inform you that, in accordance with the provisions of Article L.225-129-6 of the French Commercial Code, the Annual General Meeting must give its opinion on a draft resolution for the purpose of carrying out a capital increase pursuant to the terms and conditions set forth in Articles L.3332-18 et seq. of the French Labour Code:

- ➔ Upon each decision to increase capital by increasing the number of shares, save any legal exceptions;
- ➔ During the third civil year following the previous General Meeting having taken a decision concerning a plan to increase capital reserved for employees when the employee profit-sharing is less than 3%.

This increase in capital will meet the specific characteristics set forth in Articles L.225-138-1 of the French Commercial Code and Articles L.3332 et seq. of the French Labour Code.

Consequently, we would request that you grant the Board of Directors the authority, with the option of delegating this authority to the Chief Executive Officer, to take independent decisions concerning this increase in capital, respecting the maximum aggregate nominal value of three hundred thousand euros (€300,000).

We wish to point out that the nominal amount of these capital increases carried out by virtue of this authority will be offset against the overall limit fixed for the aforementioned powers in point 2.1.2.a

The beneficiaries of this increase in capital would be all the employees of the Company and the companies within the Group, as defined in Article L.233-180 of the French Commercial Code, through an employee investment fund within the framework of the Company Savings Plan.

The shareholders must release their pre-emptive subscription right to those persons belonging to a company savings plan through an employee investment fund (or any other plan through which Articles L.3332-18 et seq. of the French Employment Code entitle employees to reserve an increase in capital under equivalent conditions) of the Company or companies belonging to the Group, as defined in Article L.225-180 of the French Commercial Code.
The price shall be determined according to the law and in particular with the objective practices used for valuing shares. The subscription price may not be higher than the subscription price thus determined or more than 20% lower than this price (30% when the immobilisation period set out in the plan in accordance with Articles L. 3332-25 and L.3332-26 of the French Labour Code is 10 years or more); however, the Board of Directors may reduce this discount at its own discretion, in particular should an offer be made to company saving plan members of securities on the international market and/or abroad in order to meet the requirements of local applicable laws.

The definitive amount of the increase in capital, within the price limits set out above, shall be fixed no higher than the number of shares effectively subscribed by the employees at the subscription closing date agreed by the Board of Directors.

The shares must be fully paid up on the day of subscription and will be immobilised for five (5) years as of the definitive realisation of the increase in capital, except in the cases stipulated in the non-exhaustive list under law.

The authorisation granted to the Board of Directors to decide on a capital increase reserved to employees within the framework of the provisions of the aforementioned Articles L.3332-18 et seq. of the French Labour Code shall remain valid for a twenty-six (26) month term as of this General Meeting.

M. Recommendation to delete paragraph 4 of Article 10 of the Company's Articles of Association relating to the standing market offer

We recommend that you update our Articles of Association in accordance with the new French "Banking and Financial Regulation Law" of 22 October 2010 in that this law abolishes the procedure for standing market offers on regulated and organised markets.

Thus we recommend that you delete Article 10 paragraph 4 from our Company's Articles of Association.
We would like to point out that this law has also extended to Alternext the procedures for mandatory public offers (with a 50% triggering threshold), buy-out offers and mandatory squeeze-outs.

N. Stock options – Bonus share allocations

Pursuant to the provisions of Articles L.225-184 and L.225-197-4 of the French Code of Commerce, the Annual General Meeting must be kept informed of stock options and bonus share allocations.

We wish to inform you that the Company has no scheme to allocate stock options and has not allocated any bonus shares.

O. Report on the transactions carried out by the Company on its own shares during the financial year

In application of the provisions of Article L.225-211 paragraph 2 of the French Commercial Code and pursuant to the authorisation granted by the Combined General Meeting of 22 June 2010, we hereby inform you that the Company carried out the following transactions during the year ended 31 December 2010:

- Number of shares purchased during the year: 21,800
- Number of shares sold during the year: 20,676
- Average purchase price: €16.3150
- Average sale price: €16.5169
- Amount for trading costs: Nil
- Number of shares registered in the company's name as at 31 December 2010: 3,152
- Estimated value of the shares at purchase price: €54,403.52
- Share nominal value: €2.00
- Faction of the share capital they represent: 0.136%

For information, at year opening on 1 January 2010 the CLASQUIN share traded at €13.75, and at year closing on 31 December 2010 it traded at €17.26.

P. Information relating to the share capital and voting rights

In accordance with the provisions of Article L.233-13 of the French Commercial Code and in view of information and notices received pursuant to Articles L.233-7 and L.233-12 of said Code, we inform you of the following:

➔ the identity of shareholders holding, at year end, more than 5%, 10%, 15%, 20%, 25%, 33.33%, 50%, 66.66%, 90% and 95% of the share capital or voting rights:

- OLYMP holds 41.50% of the share capital and 55.63% of the voting rights;
- Mr Yves Revol holds 5.73% of the share capital and 7.67% of the voting rights;
- ZENLOR holds 6.55% of the share capital and 4.39% of the voting rights;
- HIGHCLERE holds more than 5% of the share capital;
- RENTROP (TGV) holds more than 12.5% of the share capital;

➔ Breakdown of share capital and voting rights, in view of notices concerning thresholds being exceeded sent by the Company, since the previous report was drawn up and this report was produced:

- BANQUE DE VIZILLE notified the Company that it had fallen below the following thresholds:
    - the threshold of 12.5% of voting rights in the Company prescribed by the Articles of Association, by post dated 29 September 2010;
    - the threshold of 10% of the share capital and voting rights prescribed by law and the Articles of Association, by post dated 29 October 2010;
    - the threshold of 7.5% of the share capital and voting rights prescribed by the Articles of Association, by post dated 8 November 2010;
- RENTROP (TGV) notified the Company that it had exceeded the following thresholds:
    - The threshold of 2.5% of the Company's share capital prescribed by the Articles of Association, by post dated 26 October 2010;

    - The threshold of 5 % of the share capital prescribed by law and the Articles of Association and the threshold of 2.5 % of voting rights prescribed by the Articles of Association, by post dated 29 October 2010;
    - The threshold of 10% of the share capital prescribed by law and the Articles of Association and the threshold of 7.5% of voting rights prescribed by the Articles of Association, by post dated 08 November 2010;
    - The threshold of 12.5% of the share capital prescribed by the Articles of Association, by post dated 28 December 2010;
- HIGHCLERE notified the Company that it held 5.92% of the share capital, by post dated 7 February 2011;

For information, the Company's staff and that of its affiliated companies directly hold 7.83% of the Company's share capital, and this includes the 2.33% held by CLASQUIN PERFORMANCES employee investment fund.

Q. Transactions carried out by the managers, or persons closely linked to them, in relation to the shares held by said managers

Pursuant to legal and statutory provisions, below you will find a summary statement of the transactions performed on the company's shares during the 2010 financial year by the managers and persons closely linked to them. This statement has been produced from the information we have received:

- Number of shares disposed: Nil
- Number of shares acquired: Nil
- Number of shares subscribed: Nil
- Number of shares traded: Nil

R. Company employee share ownership

In accordance with the provisions of Article L.225-102 of the French Commercial Code, we hereby provide information on the situation concerning employee profit-sharing in the share capital at year end, the share of the capital this represents, on 31 December 2010, the shares held by Company employees and by employees of affiliated companies, as described in Article L.225-180 of the French Commercial Code, within the framework of a company savings scheme and an employee investment fund.

On 31 December 2010, the CLASQUIN PERFORMANCES investment fund held 2.33% of the company share capital.

We would like to remind you that the CLASQUIN PERFORMANCES employee investment fund, approved by the French Financial Markets Authority (Autorité des Marchés Financiers) on 17 January 2006, subscribed to the increase in capital for €63,862, representing 1.43% of the capital on 27 February 2006, the date when the capital increase took place.

S. Information concerning directors

In accordance with Article L.225-102-1 of the French Commercial Code, we hereby list below all the mandates performed and offices held during the year in all relevant companies by each assigned party. This list has been drawn up using the information provided by each interested party.

Mandates of Mr Yves Revol, Chairman and Chief Executive Officer:

- Manager of SCI DE LA LOUVE
- Manager of SCI APHRODITE
- Manager of SCI HERA
- Chairman of OLYMP
- Chairman of the FINANCIERE GUEPPE CLASQUIN Supervisory Committee
- Chairman of CLASQUIN FAR EAST
- Chairman of CLASQUIN JAPAN
- Chairman of CLASQUIN SINGAPORE
- Chairman of CLASQUIN MALAYSIA
- Chairman of CLASQUIN AUSTRALIA
- Chairman of CLASQUIN CANADA
- Chairman of CLASQUIN USA
- Chairman of CLASQUIN SECURE CUSTOMS BROKERS
- Chairman of CLASQUIN THAILAND
- Chairman of CLASQUIN VIETNAM
- Chairman of CLASQUIN SHANGHAI
- Co-Director of CLASQUIN KOREA
- Director of CLASQUIN ITALIA
- Manager of CLASQUIN ESPAÑA
- Director of EUPROSINE

Mandates of Mr Philippe LONS, Director and Deputy Deputy Managing Director:

- Member of the FINANCIERE GUEPPE CLASQUIN Supervisory Committee
- Director of CLASQUIN JAPAN
- Director of CLASQUIN ITALIA
- Director of CLASQUIN FAR EAST
- Director of CLASQUIN SINGAPORE
- Director of CLASQUIN KOREA
- Director of CLASQUIN MALAYSIA
- Director of CLASQUIN AUSTRALIA
- Director of CLASQUIN THAILAND
- Director of CLASQUIN CANADA
- Director of CLASQUIN USA
- Director of SECURE CUSTOMS BROKERS
- Director of CLASQUIN SHANGHAI

Mandates of OLYMP, Director, represented by Mr Philippe Le Bihan: Nil

Mandates performed by Mr Philippe Le Bihan, Permanent Representative of OLYMP:

- Manager of LOG SYSTEM

Mandates of Mr Hamsan Chap, Director:

- Chairman of BEIJING EVERRICH Limited

Mandates of Mr Hugues Morin, Deputy General Manager:

- Chairman of CLASQUIN ITALIA

Management report

T. Recommendation of allocation of directors' fees

We recommend to allocate the Board of Directors a global amount of €10,000 as directors' fees for financial year 2011.

U. Board of Directors report on authorisations for capital increases

In accordance with the provisions of Article L.225-100 of the French Commercial Code, information relating to the following can be found attached hereto:

- Authority and power, currently valid, granted by the Annual General Meeting to the Board of Directors for capital increases;
- The use made during the year of the aforementioned delegations.

V. Audit by the Statutory Auditors

We are going to provide you with the reports from the Statutory Auditors concerning:

- The Company's financial statements;
- The consolidated financial statements;
- The agreements referred to in Articles L.225-38 et seq. of the French Commercial Code;
- The powers granted to the Board to proceed with the issue of securities with or without the pre-emptive right of subscription;
- The powers granted to the Board of Directors to carry out one or more capital increases (and at the same time withdraw the pre-emptive subscription right) by means of an offer referred to in section II of Article L.411-2 of the French Monetary and Financial Code, as amended by the Order of 22 January 2009;
- The withdrawal of the shareholders' pre-emptive subscription right in favour of the employees of the Company and companies within the same Group, according to Article L.225-180 of the French Commercial Code;

We hope that all of the resolutions presented to you will meet with your approval.

The Board of Directors

Note 1

Statement of financial results for the last five years

	31/12/2006	31/12/2007	31/12/2008	31/12/2009	31/12/2010
Capital at year end					
Share capital	4,459,862.00	4,459,862.00	4,459,862.00	4,612,802.00	4,612,802.00
Number of ordinary shares	2,229,931	2,229,931	2,229,931	2,306,401	2,306,401
Number of priority dividend shares					
Maximum number of shares to be created:					
- By converting bonds					
- Through subscription rights					
Operations and results					
Sales (excl. VAT)	61,933,728.92	77,034,454.04	90,017,835.16	62,615,659.61	107,455,200.88
Earnings before tax, profit sharing, amortisation, depreciation and provisions	2,944,067.09	2,661,606.43	4,408,484.06	5,262,778.09	4,467,769.91
Income tax	572,520.56	431,169.00	546,159.00	672,446.00	658,408.00
Employee profit-sharing	827,813.00	961,430.00	695,135.00	787,420.00	822,766.39
Earnings after tax, profit sharing, amortisation, depreciation and provisions	1,100,226.93	844,183.24	1,332,819.81	3,354,177.78	2,454,798.11
Earnings distributed	624,381.00	668,979.00	991,752.00	1,450,629.00	
Earnings per share					
Earnings after tax, profit sharing, before amortisation, depreciation and provisions	0.76	0.57	1.42	1.65	1.29
Earnings after tax, profit sharing, amortisation, depreciation and provisions	0.49	0.38	0.60	1.45	1.06
Allocated dividend	0,28 *(1)*	0.30	0.43	0.63	
Staff					
Average number of employees	159	159	167	160	188
Wages	4,379,811.82	5,205,694.43	6,006,677.35	5,983,908.88	6,284,404.00
Amount paid for employee benefits (Social Security, organisations)	2,078,833.00	2,316,834.00	2,744,285.00	2,649,124.00	2,850,291.44

(1) €0.23 per share based on 2,229,931 shares, following floating on the Alternext market at the end of January 2006.

Note 2

Table showing the subsidiaries and holdings

SUBSIDIARIES AND HOLDINGS (more than 50% of capital held) (in €)	Capital (excluding share premium)	Shareholders' equity on 31/12/2010	Share of capital held (%)	Book value of shares held	
				(gross)	(net)
CLASQUIN FAR EAST	96,272	4,802,509	100%	128,893	128,893
CLASQUIN AUSTRALIA	477,281	377,550	100%	365,428	365,428
CLASQUIN JAPAN	92,140	504,399	100%	196,746	196,746
CLASQUIN KOREA	202,747	637,764	100%	214,493	214,493
CLASQUIN SINGAPORE	233,468	345,302	100%	232,047	232,047
CLASQUIN THAILAND	162,757	170,700	49%*	139,406	139,406
CLASQUIN MALAYSIA	229,021	237,404	100%	225,417	225,417
CLASQUIN ESPANA	286,951	1,376,443	100%	453,356	453,356
CLASQUIN ITALIA	100,000	- 46,589	100%	945,655	0
CLASQUIN USA	14,994	695,646	80%	99,148	99,148
CLASQUIN CANADA	195,298	38,729	100%	179,990	38,729
LOG SYSTEM	7,622	196,711	70%	88,039	88,039
FINANCIERE GUEPPE CLASQUIN	41,360	5,303,997	70%	5,788,093	5,743,382
CLASQUIN VIETNAM	68,838	131,318	51%	38,636	38,636
CLASQUIN GERMANY	200,000	134,259	100%	200,000	134,259

*CLASQUIN THAILAND is directly owned at 49% and 100% controlled.

SUBSIDIARIES AND HOLDINGS (more than 50% of capital held) (in €)	Advances and loans granted by the company	Amounts of guarantees and securities given by the company on 31/12/2010	Net sales (excl. VAT) for the financial year	2010 net profit	Dividends received by the Company during the year
CLASQUIN FAR EAST	-	717,474	26,720,499	292,209	430,376
CLASQUIN AUSTRALIA	10,000	167,479	5,952,267	59,063	-
CLASQUIN JAPAN	-	460,193	11,104,278	22,812	-
CLASQUIN KOREA	-	0	3,387,227	86,897	-
CLASQUIN SINGAPORE	-	643,884	2,728,666	5,093	-
CLASQUIN THAILAND	16,667	85,000	3,810,931	42,535	-
CLASQUIN MALAYSIA	-	161,172	1,786,606	-5,772	-
CLASQUIN ESPANA	-	-	11,571,014	496,437	300,000
CLASQUIN ITALIA	-	720,000	2,937,171	- 345 845	-
CLASQUIN USA	-	-	7,183,067	114,495	96,774
CLASQUIN CANADA	108,262	-	1,408,480	-755	-
LOG SYSTEM	-	-	2,122,672	37,571	35,000
FINANCIERE GUEPPE CLASQUIN	-	-	28,000	695,869	700,190
CLASQUIN VIETNAM	50,000	59,871	3,359,611	81,470	-
CLASQUIN GERMANY	-	5,000	N/A	-65,741	-

Note 3

Board of Directors report on authorisations for capital increases

In order to comply with the provisions of article L.225-100 of the French Commercial Code, we hereby report information to you regarding the following:

➔ **authority and power, currently valid, granted by the Annual General Meeting to the Board of Directors for capital increases;**

The Combined Annual General Meeting of 16 June 2009:

- Authorised the company to increase its share capital, up to the nominal value of €2.000.000, by issuing any securities, while maintaining the pre-emptive subscription right, depending on the case in question, with authority granted to the Board of Directors for a term of twenty-six (26) months for the purposes of carrying out said capital increases;
- Authorised the company to increase its share capital, up to the nominal value of €1.500.000, by issuing any securities, with withdrawal of the pre-emptive subscription right, depending on the case in question, with authority granted to the Board of Directors for a term of twenty-six (26) months for the purposes of carrying out said capital increases;
- Authorised the Board of Directors, for a term of twenty-six (26) months, to increase the number of securities to be issued as part of a capital increase, as stipulated above, if a surplus of subscription requests is received, pursuant to the provisions of Article L.225-135-1 of the French Commercial Code;
- Authorised the Board of Directors, for a term of twenty-six (26) months, to carry out capital increases at its sole discretion, up to the nominal value of €200.000, with removal of the pre-emptive subscription right in favour of those persons belonging to a company savings plan through an employee investment fund (or any other plan through which Article L.3332-18 of the French Labour Code entitles employees to reserve an increase in capital under equivalent conditions) of the Company or companies belonging to the Group, as defined in Article L.233-16 of the French Commercial Code;

The Combined Annual General Meeting of 22 June 2010:

- Authorised the company to increase its share capital, up to the nominal value of €2.000.000, by issuing any ordinary shares or securities, as part of an offer referred to in section II of Article L.411-2 of the French Monetary and Financial Code, as amended by Order no. 2009-80 of 22 January 2009, with removal of the pre-emptive subscription right, with authority granted to the Board of Directors for a term of fourteen (14) months for the purposes of carrying out said capital increases;
- Authorised the Board of Directors, for a term of twenty-six (26) months, to carry out capital increases at its sole discretion, up to the nominal value of €200.000, with removal of the pre-emptive subscription right in favour of those persons belonging to a company savings plan through an employee investment fund (or any other plan through which Article L.3332-18 of the French Labour Code entitles employees to reserve an increase in capital under equivalent conditions) of the Company or companies belonging to the Group, as defined in Article L.233-16 of the French Commercial Code.

➔ **Exercise of the aforementioned powers during the year.**

Nil.

Resolutions proposed at the Combined General Meeting of 07 June 2011

A. Ordinary resolutions

First resolution

Following the presentation of the Board of Directors' Report and the reading of the Statutory Auditors' General Report on the company financial statements for the year ended 31 December 2010, the Annual General Meeting approves the company financial statements as presented as well as the transactions reported in these statements or summarised in the reports.

The Annual General Meeting also approves the amount of €33,502 as the total for expenses and charges non-deductible from profits and subject to income tax as well as the tax borne under the aforementioned expenses and charges amounting to €11,166.

The Directors are therefore granted discharge from their responsibilities for the aforementioned financial year.

Second resolution

Further to the proposal by the Board of Directors, the Annual General Meeting resolves to allocate the profits from the year amounting to €2,454,798.11, increased by the retained earnings credit balance of €2,403.45, representing distributable profits of €2,457,201.56, and an amount of €310,479,64 deducted from "Other reserves", i.e.:

➔ Distribution of profits from the year increased by retained earnings credit balance	€2,457,201.56
➔ Distribution deducted from "Other reserves"	€310,479.64
➔ i.e. a total distributed amount of	€2,767,681.20

Each shareholder will thus receive a dividend of €1.20 per share.

This dividend is payable on 14 June 2011.

Pursuant to Article L. 225-210 (section 4) of the French Commercial Code, this allocation is based on the outstanding shares. Should the company hold a number of treasury shares when the dividend payment is made, the value of the dividends not paid in view of these shares shall be allocated to the «Other reserves» item.

Pursuant to the provisions of Article 158 3.2. of the French General Tax Code, private individuals having their tax domicile in France and benefiting from a 40% tax rebate shall be entitled to the proposed dividend distribution, it being specified that if a single shareholder or an affiliated party opts for the flat-rate withholding tax stipulated in Article 117 quater of the French General Tax Code, the aforementioned rebate shall not apply to said individual or affiliated party.

The Annual General Meeting formally notes that the following amounts were distributed as dividends over the past three financial years:

YEAR ENDED	Dividend distribution per share
31/12/2009	€0.63
31/12/2008	€0.43
31/12/2007	€0.30

Third resolution

After hearing the Statutory Auditors' special report on the agreements governed by Articles L. 225-38 et seq. of the French Commercial Code, the Annual General Meeting approves the agreements stipulated therein.

Fourth resolution

After the presentation of the Board of Directors' report including the Group's management report and the reading of the Statutory Auditors' general report on the consolidated financial statements for the year ended 31 December 2010 the Annual General Meeting approves the consolidated financial statements as presented, as well as the transactions recorded in these statements and summarised in the reports.

Fifth resolution

The Annual General Meeting sets the amount of directors' fees to be distributed among the Directors for the year ending 31 December 2011 at €10,000.

Sixth resolution

The Annual General Meeting, upon the recommendation of the Board of Directors, resolves to authorise the company, pursuant to the provisions of Article L. 225-209-1 of the French Commercial Code and the provisions of European Regulation no. 2273/2003 of 22 December 2003, and provided that the applicable statutory and regulatory provisions are satisfied when this authorisation is exercised, to buy back and hold its own shares, within the limits of 10% of the share capital, for the purposes of encouraging the liquidity of the Company's securities, through the intervention of an investment services provider pursuant to a liquidity contract drawn up in accordance with the AMAFI's (French Financial Markets Association) code of ethics.

The transactions performed as part of a buy back scheme shall be carried out pursuant to applicable regulations.

Purchases of shares made pursuant to this authorizations shall not exceed the following price and are subject to adjustments linked to any transaction relating to the company's capital: the maximum unit price for purchases shall not exceed €40 (excluding acquisitions costs) per share having a nominal value of €2.

The maximum theoretical amount for the performance of this scheme is €9,225,604, financed either by the Group's own resources or short- to mid-term financing from an external source.

Purchases of shares may be carried out using all available means, including by acquiring blocks of securities, on one or more occasions, pursuant to any thresholds permitted by stock market regulations.

For capital transactions and in particular the capitalisation of reserves, the allocation of bonus shares and the splitting and reverse splitting of securities, the aforementioned prices will be adjusted as a consequence thereof.

To this effect, the Board of Directors shall be granted full powers with the option to delegate authority to the Chief Executive Officer or, in agreement with the latter party, to one or more Deputy General Managers, the powers required to perform the transactions stipulated in this resolution and generally perform all the necessary actions.

This authorisation shall be valid until the next Annual General Meeting to approve the financial statements, and shall not exceed the statutory limit of eighteen (18) months as from today.

The Board of Directors shall inform the Annual General Meeting of the transactions performed pursuant to this authorisation.

B. Extraordinary resolutions

Seventh resolution

After reading the Board of Directors' report and the Statutory Auditors' Special Report, and according to the provisions of Articles L.225-129-2, L.228-92 and L.228-93 of the French Commercial Code:

1. Grants the Board of Directors, the authority, with the option of delegating this authority to the Chairman and Chief Executive Officer, to carry out one or more capital increases by issuing, in France or abroad, in euros, ordinary Company shares or any securities, issued for consideration or without consideration, giving entitlement by any means, immediately and/or in the future, to existing ordinary Company shares or to shares to be issued by the Company or by a company that owns directly or indirectly more than half its capital or by a company for which the Company owns directly or indirectly more than half the capital; subscription of these shares can be realized either in cash or by netting of claims, and these shares may also be issued in foreign currency or in any monetary unit index-linked to several currencies.

This authorisation granted to the Board of Directors is valid for a period of twenty-six (26) months as of this Meeting.

2. a) Resolves that the total amount of share capital increases likely to be carried out immediately and/or in the future, may not exceed three million (3,000,000) euros (nominal value), an amount to which will be added, if necessary, the nominal value of additional shares to be issued, to preserve, in compliance with the law, the rights of those holding securities entitling them to the capital;

   b) Resolves that the total value of the issues of securities, where the primary security is a debt security, notable for the mandatory nature thereof, shall not exceed forty million (40,000,000) euros (nominal value) and shall have no bearing on the ceiling set forth in paragraph 2. a) above.

3. Resolves that:
   The Shareholders have, proportionally to the total value of their shares, preferential subscription rights to ordinary shares and to securities issued according to this resolution;

   If the number of irrevocable subscriptions, including, where applicable, subscriptions for excess shares, fall short of the number of shares or securities (as defined above) issued, the Board may offer all or part of the unsubscribed securities to the public.

4. Grants the Board of Directors, for the same twenty-six month (26) term, the authority, with the option of delegating this authority to the Chairman and Chief Executive Officer, to carry out one or more capital increases by capitalising premiums, reserves, profits or other items, the capitalisation of which is granted under law, and by allocating bonus shares and/or increasing the nominal value of existing shares.

   Resolves that, should the Board of Directors decide to exercise this authority, in accordance with the provisions of Article L.225-130 of the French Commercial Code, the fractional rights shall be neither negotiable nor transferable, and that the corresponding equity securities shall be sold; the funds from the sale shall be allocated to the holders of rights within the period provided for by the regulations in force.

   Decides that the total nominal value of the capital increase that may be carried out in this way, plus the nominal total of any further shares issued to preserve, according to the law, the rights of those holding securities entitling them access to capital, may not exceed the balance of the reserve, premiums and profit accounts specified above, which exist at the time of the capital increase and shall not be included in the overall limit specified in section 2 a) above.

5.Resolves that the Board of Directors may, if necessary, offset against share premiums any costs incurred by carrying out the relevant share issues.

6. Resolves that the Board of Directors shall have full powers in order to implement the aforementioned delegations of authority, and in particular determine the characteristics of securities issued, and more generally to take any measures and complete any formalities required to ensure that all capital increases are successfully completed, that due record is taken thereof and that the articles of association are updated accordingly.

7. Formally notes that the aforementioned powers render null and void any previous powers granted for the same purpose.

Eighth resolution

The Annual General Meeting, having taken cognizance of the Board of Directors' Report and the Statutory Auditors' Special Report, and according to the provisions of Articles L.225-129-2, L.225-135, L. 225-136, L. 228-92 and L. 228-93 of the French Commercial Code:

1. Grants the Board of Directors the authority, with the option of delegating this authority to the Chairman and Chief Executive Officer, to carry out one or more capital increases by issuing, in France or abroad, in euros, ordinary Company shares or any securities, giving entitlement by any means, immediately and/or in the future, to existing ordinary Company shares or to shares to be issued by the Company or by a company that owns directly or indirectly more than half its capital or by a company for which the Company owns directly or indirectly more than half the capital; subscription of these shares can be realized either in cash or by netting of claims, and these shares may also be issued in foreign currency or in any monetary unit index-linked to several currencies.

   This authorisation granted to the Board of Directors is valid for a maximum period of twenty-six months (26) as of this Meeting.

2. a) Resolves that the total amount of the capital increases likely to be carried out immediately and/or in the future, cannot exceed three million (3,000,000) euros (nominal value), and this amount shall have a bearing on the ceiling fixed in the seventh resolution.

   b) Resolves that the total value of the combined issues of securities, where the primary security is a debt security, notable for the mandatory nature thereof, shall not exceed forty million (40,000,000) euros (nominal value), and this amount shall have a bearing on the ceiling fixed in paragraph 2. b) of the seventh resolution, and not the ceiling stipulated in paragraph 2. a) of this resolution.

3. Resolves to abolish the preferential subscription right of Shareholders to securities which are issued in accordance with this resolution.

4. Resolves that, in accordance with Article L.225-136 2. of the French Commercial Code, the share issue price will be set according to normal market practices, for example, within the framework of a global investment, using the price established by an analysis of supply and demand using the so-called book building technique, as developed by professional market practice

5. Resolves that the Board of Directors may, if necessary, offset against share premiums any costs incurred by carrying out the relevant share issues.

6. Resolves that the Board of Directors shall have full powers in order to implement this capital increase, and in particular determine the characteristics of securities issued, and more generally to take any measures and complete any formalities required to ensure that all capital increases are successfully completed, that due record is taken thereof and that the articles of association are updated accordingly.

7. Formally notes that the aforementioned powers render null and void any previous powers granted for the same purpose.

Ninth resolution

Subject to the condition precedent that the seventh and eighth resolutions are adopted, the Annual General Meeting, after reading of the Board of Directors' Report and the Statutory Auditors' Special Report, for each new issue undertaken in application of the aforementioned resolutions, authorises the Board of Directors, with the option to delegate to the Chairman and CEO, to increase the number of shares to be issued pursuant to the provisions of Articles L.225-135-1 and R.225-118 of the French Commercial Code, and within the limit of the overall total set forth in said resolutions, should the Board of Directors note an excessive demand for subscriptions.

This authorisation granted to the Board of Directors is valid for a period of twenty-six months (26) as of this Meeting.

Tenth resolution

The Annual General Meeting, having taken cognizance of the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L.225-129-2, L.225-135, L.225-136, L.228-92 and L. 228-93 of the French Commercial Code and Order no. 2009 -80 of 22 January 2009:

1. Grants the Board of Directors the authority, with the option of delegating this authority to the Chairman and Chief Executive Officer, to carry out one or more capital increases by issuing, in France or abroad, in euros, ordinary Company shares or any securities giving entitlement by any means, immediately and/or in the future, to existing ordinary Company shares or to shares to be issued by the Company or by a company that owns directly or indirectly more than half its capital or by a company for which the Company owns directly or indirectly more than half the capital, by means of an offering referred to in section II of Article 411-2 of the French Monetary and Financial Code, as amended by Order 2009-80 of 22 January 2009, with the withdrawal of the shareholders' pre-emptive subscription right; subscription of these shares can be realised either in cash or by netting of claims, and these shares may also be issued in foreign currency or in any monetary unit index-linked to several currencies.

   This authorisation granted to the Board of Directors is valid for a maximum period of twenty-six months (26) as of this Meeting.

2. Resolves that the total amount of the capital increases likely to be carried out immediately and/or in the future, cannot exceed three million (3,000,000) euros in nominal value, and may not under any circumstances exceed, in the event of an offer referred to in section II of Article L.411-2 of the French Monetary and Financial Code as amended by Order 2009-80 of 22 January 2009, 20% of the Company share capital each year, it being specified that this amount will be included in the limit fixed in paragraph 2. a) of the seventh resolution.

3. Resolves to withdraw the Shareholders' pre-emptive subscription right for securities issued as part of the offer referred to in section II of Article L.411-2 of the French Monetary and Financial Code, as amended by Order no. 2009-80 of 22 January 2009 and pursuant to this resolution.

4. Resolves that, pursuant to Article L.225-136 2. of the French Commercial Code, the share issue price will be set according to normal market practices, for example, within the framework of a global or private investment, using the price established by an analysis of supply and demand using the so-called book building technique, as developed by professional market practice or based on the average stock market closing prices for a sufficiently long period of time.

5. Resolves that the Board of Directors may, if necessary, offset against share premiums any costs incurred by carrying out the relevant share issues.

6. Resolves that the Board of Directors shall have full powers in order to implement this capital increase, and in particular determine the characteristics of securities issued, and more generally to take any measures and complete any formalities required to ensure that all capital increases are successfully completed, that due record is taken thereof and that the articles of association are updated accordingly.

Eleventh resolution

The Annual General Meeting, having heard the Board of Directors' Report and the Statutory Auditors' Special Report, and applying the provisions of Article L.225-129-6 of the French Commercial Code, grants the Board of Directors, from this day onwards, for a period of twenty-six (26) months, all powers required, with the option of delegating these powers to the Chairman and Chief Executive Officer, to carry out, at its sole discretion, one or more increases in company capital pursuant to the conditions set forth in Articles L.3332-18 et seq. of the French Labour Code, at times that it shall dictate, for a maximum total nominal amount of three hundred thousand (300,000) euros, reserved for members of a company savings plan in the form of an employee investment fund (or any other plan through which Articles L.3332-18 et seq. of the French Labour Code entitle employees to reserve an increase in capital under equivalent conditions) of the Company and companies belonging to the same Group, as defined in Article L.225-180 of the French Commercial Code.

The total nominal amount of any capital increases carried out pursuant to this resolution shall have a bearing on the overall limit set forth in the seventh resolution.

The price shall be determined in accordance with the law and in particular with the objective methods established for valuing shares. The subscription price may not be higher than the subscription price thus determined or more than 20% lower than this price (30% when the immobilisation period set out in the plan in accordance with Articles L. 3332-25 and L.3332-26 of the French Labour Code is 10 years or more); however, the Board of Directors may reduce this discount at its own discretion, in particular should an offer be made to company saving plan members of securities on the international market and/or abroad in order to meet the requirements of local applicable laws.

The Annual General Meeting grants the Board of Directors full powers to implement this authority, and in particular to carry out any capital increases in accordance with the above mentioned conditions, to decide upon the means by which and the conditions under which any such increases take place, and in particular to set the issue price of the shares according to statutory limits and those set out by this Annual General Meeting, to decide upon the opening and closing dates for subscriptions, and generally to ensure the success of any transactions which are part of the capital increases and amend the articles of association accordingly.

The Annual General Meeting formally notes that the aforementioned powers render null and void any previous powers granted for the same purpose.

Twelfth resolution

The Annual General Meeting, having heard the Board of Directors' Report and the Statutory Auditor's Special Report, resolves to withdraw the preferential subscription rights of holders of ordinary shares or of securities giving entitlement to ordinary shares issued within the context of the delegation of authority stipulated above in the eleventh resolution, in favour of members of a company savings plan in the form of an employee investment fund (or any other plan through which Articles L.3332-18 et seq. of the French Labour Code entitle employees to reserve an increase in capital under equivalent conditions) of the Company or companies belonging to the same Group, as defined in Article L.225-180 of the French Commercial Code.

Thirteenth resolution

Further to the proposal by the Board of Directors, the Annual General Meeting resolves to delete paragraph 4 of Article 10 in the company's articles of association in accordance with the new French "Banking and Financial Regulation Law" of 22 October 2010 providing for the abrogation of the procedure for standing market offers on regulated and organised markets.

Fourteenth resolution

The Annual General Meeting grants full powers to the bearer of originals, copies or extracts of this document, for this purpose of completing all the formalities for filing this document, in addition to any other formalities incumbent upon the bearer.

Statutory Auditors' special report on the regulated agreements

Annual General Meeting to ratify the financial statements for the year ended 31 December 2010

To the shareholders,

In our capacity as your Company's Statutory Auditors, we hereby submit our report on the regulated agreements.

It is our duty to inform you, on the basis of the information we have been given, of the main characteristics and conditions of the agreements we were informed about and we have identified within the framework of our mission, without giving our opinion on their usefulness or validity. It is not our duty to look for the possible existence of other agreements. In accordance with the provisions of Article R.225-31 of the French Commercial Code, you are responsible for assessing the grounds for and benefits of entering into any such agreements with a view to approving same.

It is also our duty, where appropriate, to provide you with the information pursuant to Article R.225-31 of the French Commercial Code relating to the performance, during the past year, of the agreements already approved by the Annual General Meeting.

We have conducted procedures which we judged necessary in the light of the professional opinion of the Compagnie Nationale des Commissaires aux Comptes (National Institute of Statutory Auditors) relative to this engagement. These procedures consisted in verifying the consistency of the information with which we were furnished with the underlying documents from which they were derived.

AGREEMENTS SUBMITTED FOR APPROVAL

Agreements authorised during the financial year:

In accordance with Article L. 225-40 of the French Commercial Code, we have been informed of the agreements that required prior approval from your Board of Directors.

COMPANY	PURPOSE
All subsidiaries	Renewal of authorization to grant guarantees and other securities for one year for the benefit of subsidiaries limited to: • €3,688,000 for renewals • €1,500,000 for new guarantees Board of Directors meeting of 7 May 2010
LOG SYSTEM	Sublease agreement for 268.98 sqm of office space and six simple car parks, effective as of 1 October 2010. This sublease is granted free of rent for the period from 1 October to 31 December 2010. Board of Directors meeting of 21 September 2010
OLYMP	Increase in the annual fee invoiced by OLYMP from €90,000 (excl. VAT) to €126,000 (excl. VAT) as of 01/01/10. Board of Directors meeting of 23 December 2010
SCI DE LA LOUVE	Signing of a commercial lease for the premises located at Moirans. CLASQUIN recorded rental expenses of €5,526 for the year 2010. Board of Directors meeting of 19 July 2010
CLASQUIN ITALIA	Debt waiver as a good will gesture Expense recorded by CLASQUIN SA: €739,380 Board of Directors meeting of 29 June 2010 Debt waiver as a good will gesture Expense recorded by CLASQUIN SA: €950,000 Board of Directors meeting of 15 December 2010 Cancellation of management fees and IT fees invoiced to CLASQUIN ITALIA, as a good will gesture Cancelled Management fees and IT fees: €78,234 Board of Directors meeting of 15 December 2010
CLASQUIN CANADA	Debt waiver as a good will gesture Expense recorded by CLASQUIN SA: €50,000 Board of Directors meeting of 23 December 2010 Cancellation of management fees and IT fees invoiced to CLASQUIN CANADA, as a good will gesture Cancelled Management fees and IT fees: €40,880 Board of Directors meeting of 23 December 2010

Agreements authorized since the closing of the financial year

We were informed that the following agreements have been authorized since 31 December 2010 with prior approval from your Board of Directors:

COMPANY	PURPOSE
OLYMP	Annual fee invoiced by OLYMP set at €90,000 (excl. VAT) as of 01/01/2011. Board of Directors meeting of 22 February 2011
All subsidiaries	Renewal of authorization to grant guarantees and other securities for one year for the benefit of subsidiaries limited to: • €6,500,000 • And without limit, in respect of tax and customs authorities, to the amount of guarantees and other securities granted Board of Directors meeting of 22 February 2011

AGREEMENTS ALREADY APPROVED DURING PREVIOUS FINANCIAL YEARS

Agreements approved during previous financial years which remained in force during the financial year:

Pursuant to Article R.225-30 of the French Commercial Code, we were informed that the following agreements, already approved during previous financial years, remained in force during the past financial year.

- Table I shows individual agreements applicable to each relevant company;
- Table II shows agreements applicable to all the relevant companies;
- Table III shows the guarantees and other securities.

The people involved in these agreements (Board Member, Chief Executive, permanent representative of a legal entity administrator, shareholder holding more than 5% of the share capital) are shown in table IV of this report.

Table I – AGREEMENTS RELEVANT TO EACH COMPANY:

COMPANY	PURPOSE
CLASQUIN ITALIA CLASQUIN ESPANA CLASQUIN FAR EAST CLASQUIN JAPAN CLASQUIN KOREA CLASQUIN SINGAPORE CLASQUIN MALAYSIA CLASQUIN THAILAND CLASQUIN AUSTRALIA CLASQUIN USA	Treasury agreement with the subsidiaries.
SCI DE LA LOUVE	Rental from SCI DE LA LOUVE of 537 sqm of office space located at Le Rhône-Alpes – 235 cours Lafayette in Lyon, and 14 parking spaces for the annual sum of €222.33 /sqm and €1,525.00 (excl. VAT) per parking space revised annually. Expenses for the year: €141,006 (excl. VAT)
LOG SYSTEM	Centralised cash management agreement with BNP Paribas bank.

Table II – AGREEMENTS RELATING TO ALL THE SUBSIDIARIES

TYPE	PURPOSE – Agreement Terms and Conditions
Payment for guarantees	Payment of 1.75% for guarantees granted to the subsidiaries. Income for year: €59,264
Renewal of authorisation to grant guarantees	Renewal of authorization to grant guarantees and other securities for one year for the benefit of subsidiaries limited to: • €3,688,000 for renewals • €1,500,000 for new guarantees Until 07 May 2011

Table III - GUARANTEES AND OTHER SECURITIES

COMPANY	FINANCIAL INSTITUTIONS	AMOUNTS
CLASQUIN SINGAPORE	NATEXIS SINGAPORE NATEXIS SINGAPORE	SGD 932,000 €100,000
CLASQUIN FAR EAST	BRA LYON CORPORATION LTD BANQUE POPULAIRE LYON	€125,000 HKD 4,855,000 €125,000
CLASQUIN VIETNAM	HSBC	USD 80,000
CLASQUIN JAPAN	SUMITOMO MITSUI BANKING CORPORATION	JPY 50,000,000
CLASQUIN AUSTRALIA	HSBC AUSTRALIA	AUD 220,000
CLASQUIN ITALIA	BP DI MILANO BP DI MILANO UNICREDIT BANCA D'IMPRESA BP DI MILANO IATA	€300,000 €72,000 €250,000 €98,000
CLASQUIN SHANGHAI	HSBC SHANGHAI	€480,000
CLASQUIN MALAYSIA	NATEXIS LYON HSBC MALAYSIA	360,000 ringgits 300,000 ringgits
CLASQUIN GERMANY	UNION TANK	€5,000
CLASQUIN THAILAND	NATEXIS LYON	€85,000

Table IV – PERSONS CONCERNED BY THESE AGREEMENTS

	Yves REVOL	Philippe LONS	Philippe LE BIHAN	Hugues MORIN	Hamsam CHAP
CLASQUIN SA	Chairman + CEO	Board Member + DMD	Representative of OLYMP Board Member	DMD Board Member	Board Member
CLASQUIN ESPANA	Manager				
CLASQUIN FAR EAST	Chairman	Board Member			
CLASQUIN SINGAPORE	Chairman	Board Member			
CLASQUIN JAPAN	Chairman	Board Member			
CLASQUIN AUSTRALIA	Chairman	Board Member			
CLASQUIN ITALIA	Chairman	Board Member			
CLASQUIN MALAYSIA	Chairman	Board Member			
LOG SYSTEM			Manager		
CLASQUIN USA	Chairman	Board Member			
CLASQUIN KOREA	Board Member	Board Member			
CLASQUIN SECURE CUSTOMS BROKERS	Chairman	Board Member			
CLASQUIN THAILAND	Chairman	Board Member			
CLASQUIN CANADA	Chairman	Board Member			
SCI DE LA LOUVE	Manager	Partner	Partner	Partner	
OLYMP	Chairman				
SCI APHRODITE	Manager				
BEIJING EVERRICH LIMITED					Chairman
SCI HERA	Manager	Partner		Partner	
FINANCIERE GUEPPE CLASQUIN	Chairman of the Supervisory Committee	Member of the Supervisory Committee			
CLASQUIN VIETNAM	Chairman				
CLASQUIN SHANGHAI	Chairman	Board Member			
EUPHROSINE LTD	Board Member				

Executed in Lyon and in Villeurbanne on 29 April 2011

The Statutory Auditors

MAZARS
Christine DUBUS

PIN ASSOCIES
Jean-François PIN

The Statutory Auditors special report on the issue of shares and different securities with or without removal of the pre-emptive subscription right

Combined General Meeting held on 7 June 2011 - (7th and 8th resolutions)

To the shareholders,

In our capacity as your Company's Statutory Auditors and in execution of the assignment set forth under Articles L.225-135, L.225-136, L.228-92 and L.228-93 of the French Commercial Code, we hereby submit to you our report on the recommendations to award powers to the Board of Directors, with the option to delegate authority to the Chief Executive Officer, to carry out different ordinary share and security issues, with respect to which you are required to vote.

Your Board of Directors, based on its reports, recommends that you grant it powers, including the powers to delegate to the Chief Executive Officer, for a 26-month term, to resolve the aforementioned transactions and set the final terms for these issues, recommending, where applicable, that your pre-emptive subscription right be withdrawn:

- issuing ordinary Company shares or any securities, issued for consideration or without consideration, giving entitlement by any means, immediately and/or in the future, to existing ordinary Company shares or to shares to be issued by the Company or by a company that owns directly or indirectly more than half its capital or by a company for which the Company owns directly or indirectly more than half the capital, while maintaining the pre-emptive subscription right (7th resolution),
- issuing ordinary Company shares or any securities, giving entitlement by any means, immediately and/or in the future, to existing ordinary Company shares or to shares to be issued by the Company or by a company that owns directly or indirectly more than half its capital or by a company for which the Company owns directly or indirectly more than half the capital, with removal of the pre-emptive subscription right (8th resolution),

The nominal amount of the capital increases likely to be carried out immediately and/or in the future pursuant to the 7th and 8th resolutions is capped at 3 million euros. Your attention is brought to the fact that this amount shall be included in the limit fixed in paragraph 2 a) of the 7th resolution of this Annual General Meeting.

The maximum nominal amount of securities representing debt which the Board of Directors may resolve to issue according to each of the 7th and 8th resolutions:

- may not exceed the ceiling of 40 million euros fixed in paragraph 2 b) of the 7th resolution of this Annual General Meeting and,
- may not be included in the limit fixed in paragraph 2 a) of the 7th resolution of this Annual General Meeting.

Your Board of Directors shall be responsible for drawing up a report pursuant to Articles R.225-113, R.225-114 and R-225-117 of the French Commercial Code. Our duty shall be to express an opinion on the accuracy of the figures in the financial statements, the recommendation to remove the pre-emptive subscription right and on other items of information regarding the transactions which are set forth in this report.

We carried out the audits we judged necessary in the light of the professional opinion of the Compagnie Nationale des Commissaires aux Comptes (National Institute of Statutory Auditors) relative to this assignment. These audits involved checking the content of the Board of Directors report relating to the transactions in question and the methods used to determine the issue price of the equity securities to be issued.

Subject to a later check of the issue terms resolved, we have no comments to make as regards the methods used to determine the issue price of the equity securities to be issued, which are set forth in the Board of Directors report pursuant to the 7th and 8th resolutions.

As the methods used to determine the issue price of the equity securities to be issued according to the 7th resolution have not yet been resolved, we have no comments to make as regards the methods used to determine the issue price.
As the amount of the issue price of the equity securities to be issued has not been resolved, we have not expressed an opinion on the final terms on which the transaction shall be performed according to the 7th and 8th resolutions and consequently on the proposal of the withdrawal of the pre-emptive subscription right made in the 8th resolution.

Pursuant to Article R.225-116 of the French Commercial Code, we shall draw up an additional report, if necessary, when your Board of Directors makes uses of these authorisations to issue ordinary shares with or without removal of the pre-emptive subscription right or securities giving entitlement to the share capital of the Company.

Executed in Lyon and in Villeurbanne on 29 April 2011

The Statutory Auditors

MAZARS
Christine DUBUS

PIN ASSOCIES
Jean-François PIN

The Statutory Auditors special report on the issue of shares and different securities and the removal of the pre-emptive subscription right

Combined General Meeting held on 7 June 2011 - (10th resolution)

To the shareholders,

In our capacity as your Company's Statutory Auditors and in execution of the assignment set forth under Articles L.225-135, L.225-136, L.228-92 and L.228-93 of the French Commercial Code, we hereby submit to you our report on the recommendations to award powers to the Board of Directors, with the option to delegate authority to the Chief Executive Officer, to carry out different share and security issues, with respect to which you are required to vote.

Your Board of Directors, based on its reports, recommends that you grant it powers, including the powers to delegate to the Chief Executive Officer CEO, for a 26-month term, to resolve the aforementioned transactions and set the final terms for these issues, recommending, where applicable, that your pre-emptive subscription right be withdrawn:

The issue of ordinary shares or any securities giving entitlement by any means, immediately and/or in the future, to existing Company shares or to shares to be issued by the Company or by a company that owns directly or indirectly more than half of its share capital or by a company for which the Company owns directly or indirectly half the capital, by means of an offer referred to in section II of Article L. 411-2 of the French Monetary and Financial Code, with removal of the pre-emptive subscription right.

The nominal amount of the capital increases likely to be carried out immediately and/or in the future pursuant to the 10th resolution is capped at 3 million euros, and 20% of the share capital each year. Your attention is brought to the fact that this amount shall be included in the limit fixed in paragraph 2 a) of the 7th resolution of this Annual General Meeting.

Your Board of Directors shall be responsible for drawing up a report pursuant to Articles R. 225-113, R.225-114 and R-225-117 of the French Commercial Code. Our duty shall be to express an opinion on the accuracy of the figures in the financial statements, the recommendation to remove the pre-emptive subscription right and on other items of information regarding the share and securities issue which are set forth in this report.

We carried out the audits we judged necessary in the light of the professional opinion of the Compagnie Nationale des Commissaires aux Comptes (National Institute of Statutory Auditors) relative to this assignment. These audits involved checking the content of the Board of Directors report relating to the transaction in question and the methods used to determine the issue price of the equity securities to be issued.

Subject to a later check of the issue terms resolved, we have no comments to make as regards the methods used to determine the issue price of the equity securities to be issued, which are set forth in the Board of Directors report.

As the amount of the issue price of the equity securities to be issued has not been resolved, we have not expressed an opinion on the final terms on which the transaction shall be performed and consequently on the withdrawal of your pre-emptive subscription right.

Pursuant to Article R. 225-116 of the French Commercial Code, we shall draw up an additional report, if necessary, when your Board of Directors makes use of these authorisations.

Executed in Lyon and in Villeurbanne on 29 April 2011

The Statutory Auditors

MAZARS
Christine DUBUS

PIN ASSOCIES
Jean-François PIN

Statutory Auditors' report on the capital increase with removal of the pre-emptive subscription right reserved for employees

Combined General Meeting held on 7 June 2011 - (11th resolution)

To the shareholders,

In our capacity as your company's Statutory Auditors and in execution of the assignment set forth in Articles L.225-135 et seq. of the French Commercial Code, we hereby submit to you our report on the recommendation to award powers to the Board of Directors, including the powers to delegate to the Chairman and CEO, to resolve a capital increase by issuing equity securities without pre-emptive subscription rights, reserved for employee members of a company savings plan, with respect to which you are required to vote, within the maximum aggregate nominal value of €300,000, which shall be included in the overall cap of €3,000,000 provided for the delegation of powers referred to in the paragraph 2 a) of the 7th resolution of this Annual General Meeting

This capital increase is subject to your approval pursuant to the provisions of Articles L.225-129-6 of the French Commercial Code and L.3332-18 to L.3332-24 of the French Labour Code.

Your Board of Directors, based on its report, recommends that you grant it capacity for a 26-month term to determine the terms of this transaction and also recommends that you withdraw your pre-emptive subscription right to the equity securities to be issued.

Your Board of Directors shall be responsible for drawing up a report pursuant to Articles R. 225-113 and R.225-114 of the French Commercial Code. Our duty shall be to express an opinion on the accuracy of the figures in the financial statements, the recommendation to remove the pre-emptive subscription right and on other items of information regarding the share and securities issue which are set forth in this report.

We carried out the audits we judged necessary in the light of the professional opinion of the Compagnie Nationale des Commissaires aux Comptes (National Institute of Statutory Auditors) relative to this assignment. These audits involved checking the content of the Board of Directors report relating to the transaction in question and the methods used to determine the issue price of the equity securities to be issued.
Subject to a later check of the terms for the resolved capital increase, we have no comments to make as regards the methods used to determine the issue price of the equity securities to be issued, which are set forth in the Board of Directors report.

As the amount of the issue price of the equity securities to be issued has not been resolved, we have not expressed an opinion on the final terms on which the capital increase shall be performed and consequently on the withdrawal of your pre-emptive subscription right.

Pursuant to Article R.225-116 of the French Commercial Code, we shall draw up an additional report when your Board of Directors carries out a capital increase.

Executed in Lyon and in Villeurbanne on 29 April 2011

The Statutory Auditors

MAZARS	PIN ASSOCIES
Christine DUBUS	Jean-François PIN

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CLASQUIN
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