2011
Annual report

CLASQUIN
OVERSEAS FORWARDING AND LOGISTICS

OVERSEAS AIR AND SEA FREIGHT FORWARDING AND LOGISTICS

2011

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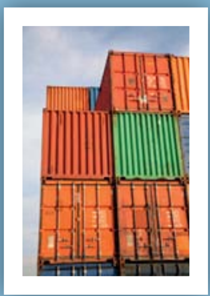


Introduction 1

CLASQUIN
Unique in its field

Air and sea freight forwarding and overseas logistics

As a specialist in International Freight Management and Overseas Logistics, CLASQUIN oversees and organises its customers' cargo flows mainly between Europe 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 freight forwarder and overseas logistics coordinator as well as a customs broker.
With a presence on 4 continents, CLASQUIN employs 562 people (as at 31/12/2011) including 266 in France, and has an international network of 44 offices organised around 24 subsidiaries in 17 countries.

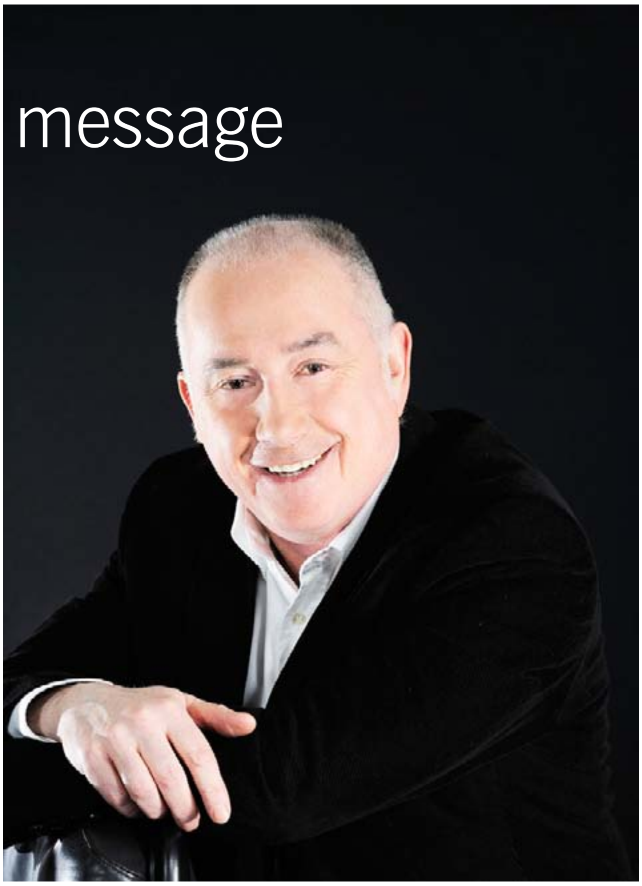
562	**Employees**
142,750	**Shipments in 2011***
€171.4m	**2011 Sales**
€45.1m	**2011 Gross Profit**
€5.8m	**2011 Current Operating Income**
4+17	**Operating across 4 continents and in 17 countries**
44	**Offices**

**Excluding GUEPPE CLASQUIN*

The only multinational intermediate-sized company in its sector

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 1984) and the only French company of its size to have an integrated international network.

2 Chairman's message



Exceptional year for growth investments, against a background of a slowdown in world trade.

Slowdown in the growth of world trade

- Growth in world trade during 2010 was about 12.5% with a strong adjustment following the crisis in 2009; it continued to slow during 2011 to reach an annual level of about 5%.
- Sea freight experienced volume growth also of about 5%, while air freight fell in volume by nearly 1%.
- Heavily affected by the arrival of significant transport capacity, sea freight rates have fallen by nearly 50% on Asia-Europe routes.
- Air freight rates on the same routes fell by nearly 20% over the second quarter after increasing over the 1st quarter.

Sound business

Reminder:
Sales is not the appropriate indicator of business growth in our sector, because it is very significantly impacted by changes in the rates for air and sea freight, fuel surcharges and exchange rates (particularly against the $), etc.

Relevant indicators are growth in the number of shipments, growth in volumes transported and, for a financial viewpoint, growth in gross profit.

The number of shipments made by the Group during 2011, excluding Gueppe Clasquin, increased by 5.1%.
The Group's gross profit grew by 6.3%.

Chairman's message

Sea freight

Sea freight business in 2011 grew both in terms of number of shipments (+4.7%) and number of TEU* (+14%). Gross profit grew by 8.4%.

*twenty-foot equivalent

Air freight

Air freight saw the number of shipments grow 5.7% and the tonnage transported 8.6%. Gross profit grew by 7.7%.

Log System

Log System, our software subsidiary closed a year of strong growth (gross profit rose by 29.7%), thanks to both business growth in the medical field (+31%), following the acquisition of MB Concept in July 2010, and winning new customers in the Freight Forwarding sector (+29%).

Gueppe Clasquin

Our subsidiary GUEPPE CLASQUIN, which specialises in road haulage and logistics, saw a slight fall in its business (sales: -1.8%, gross profit: -4.0%).

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

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

CLASQUIN
Chairman's message *(continued)*

An exceptional year for growth investments

Major structural investments for the Group's future

- recruiting Company Secretary Yves Barnoud, who now manages all the Group's Back Office functions, which form the essential foundation for future growth and the launch of our Business Plan 2016
- restructuring of IS/IT services
- implementing a team dedicated to operational excellence in the Group.

A totally exceptional year for growth investments

- opening CLASQUIN GERMANY, with an operational start up in February 2011
- opening of CLASQUIN INDIA in July 2011
- opening of CLASQUIN GEORGIA in December 2011. This was the first step of a development plan in all Central Asian countries
- total 'reshuffling' of CLASQUIN ITALY after the 'big clean up' in 2010
- opening a customs service at Narita airport
- creating a commercial hub at Laos to support our development in this region.

All the points mentioned above made 2011 a quite exceptional year.

Some of these investments have required several years' work and **are now going to support growth and future results.**

Sound economic results

All the investments represent an increase of €2.3m in the payroll (out of a total increase of €3.9m), which naturally affect our short-term earnings. These are therefore less than in 2010, when our earnings were excellent, but nonetheless they remain good given our current environment.

Current operating profit fell by 11.5% (tax corporate added value is now recorded as "income tax").
Finally, the net profit Group share was €3.1m (-9.3% compared to 2010).

The financial position remains particularly healthy.

	31/12/2011	31/12/2010	Change
Shareholders' equity	€22.3m	€21.9m	+ €0.4m
Mid- and long-term financial debts	€2.5m	€3.3m	- €0.8m
Net cash position	€8.3m	€8.7m	- €0.4m

Outlook for 2012

World trade is expected to grow about 3-4 % in 2012.

- ➔ continue sustained growth in western exports to Asia
- ➔ contraction in European imports coming from Asia
- ➔ significant growth of intra-Asian trade

are the main market trends we are expecting in 2012.

We are not planning new investments in 2012 (other than data processing developments) and we will begin to benefit (modestly) from the growth investments made in 2011 as well as stabilisation of our operating costs, which will be visible in the second half of the year.

Against this backdrop and given our proven ability to outperform the market, we should see 2012 earnings growing, particularly in the second half of the year.

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 had only one office in Lyon at the time.

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

*** Sales is not the appropriate indicator of business growth in our sector, because it is very significantly impacted by changes in the rates for air and sea freight, fuel surcharges and exchange rates (particularly against the $).*

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 trade delegations in the main hubs of Asia-Pacific.
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**	:	€1.5m
GP	:	€0.3m
EBIT	:	NC

*1983

GP: Gross profit
EBIT: Current operating income
NC : Not communicated

1991 1993

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

Sales**	:	€15.0m
GP	:	€4.3m
EBIT	:	NC

*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**	:	€30.9m
GP	:	€7.9m
EBIT	:	€0.3m

*1995

2000 2004

CLASQUIN
is strengthening its information system
(single accounting tool, automatic monthly reporting, clearing office, etc.)

Sales**: €60.9m *
GP : €15.7m
EBIT : €1.8m

*2000

and is stepping up recruitment of business managers to boost growth.
In 2004, the Banque de Vizille bought into the Group's capital.
Clasquin launched its 2008 Business Plan.

2006

Seeking to enhance its reputation and investment capabilities,

Sales**: €106.0m
GP : €23.9m
EBIT : €3.5m

(particularly in order to carry out acquisitions)
the Group was floated on the Alternext compartment of the NYSE/EURONEXT stock market.

2008

Sales**: €150.9m
GP : €37.2m
EBIT : €6.1m

CLASQUIN acquired a 70% stake in GUEPPE Développement, 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

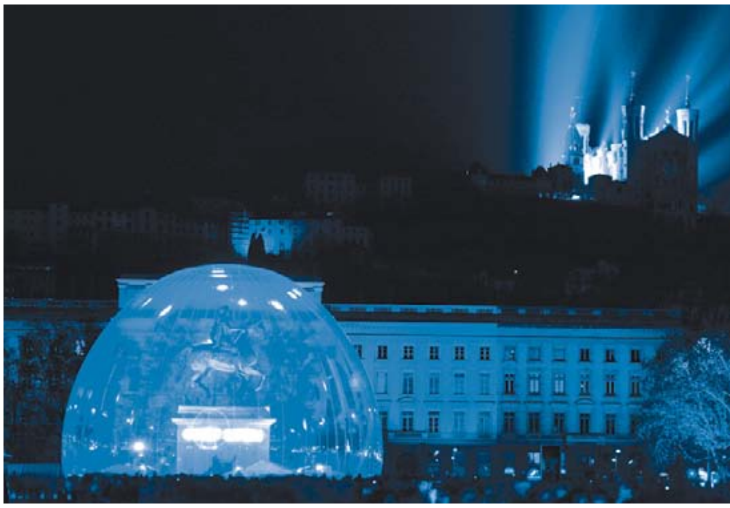
Sales**: €179.1m
GP : €42.4m
EBIT : €6.6m

Very sharp increase in business and earnings in an environment of renewed dynamism in international trade.

2011

Sales**: €171.4m
GP : €45.1m
EBIT : €5.8m

An exceptional year for growth investment, against a background of falling international trade.



A. The overseas market:

1. A market strongly linked to 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 trade. 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. This is 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.

2010 saw a major resurgence of international trade, with large volume increases following the fall of more than 12% in 2009 while 2011 saw a significant slowdown in world trade associated with weak demand in Europe and North America.

Against this background, the global increase in sea freight (TEU*) is estimated at +5% while air freight is -1%.

Sea freight import rates for China-Europe routes fell by 50%.

Unique in its field 9

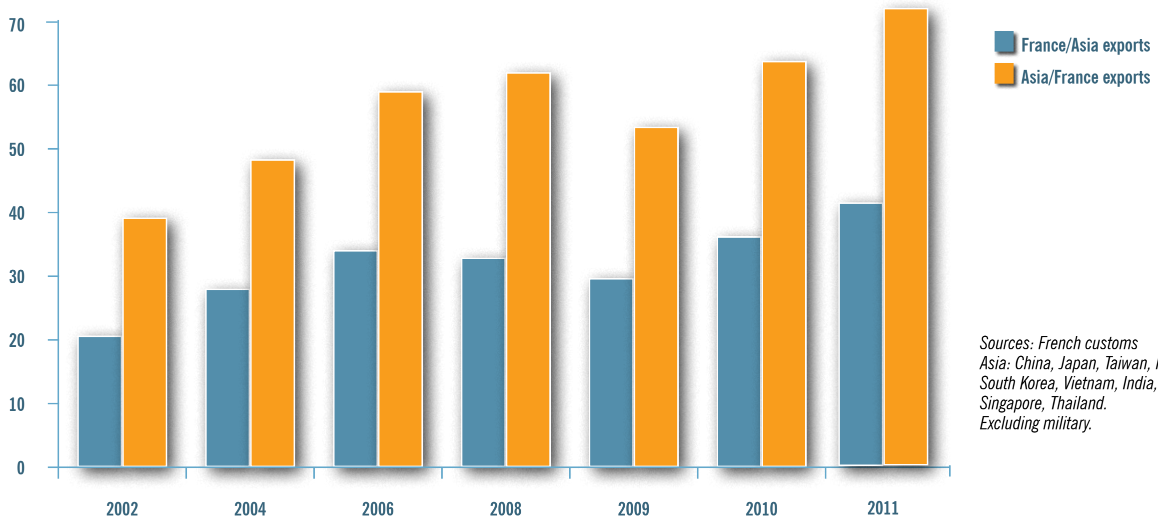
Outlook for world trade in 2012

World trade is expected to grow about 3-4% in 2012.

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

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.

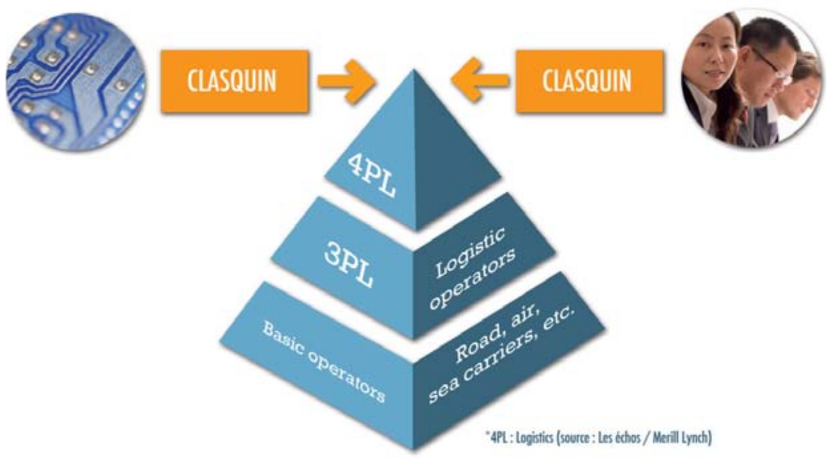
2. The market players

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 classed 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, the road transport sector in this category includes: Norbert Dentressangle and Geodis; for air transport: Air France Cargo, Lufthansa, Cargolux and Korean Air; for sea transport: Maersk, MSC, CMA CGM, NYK, Evergreen, Cosco and China Shipping; and for rail: the SNCF.

- 3PLs (Third Party Logistics Providers) are logistics operators who in the main 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). It selects and oversees 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

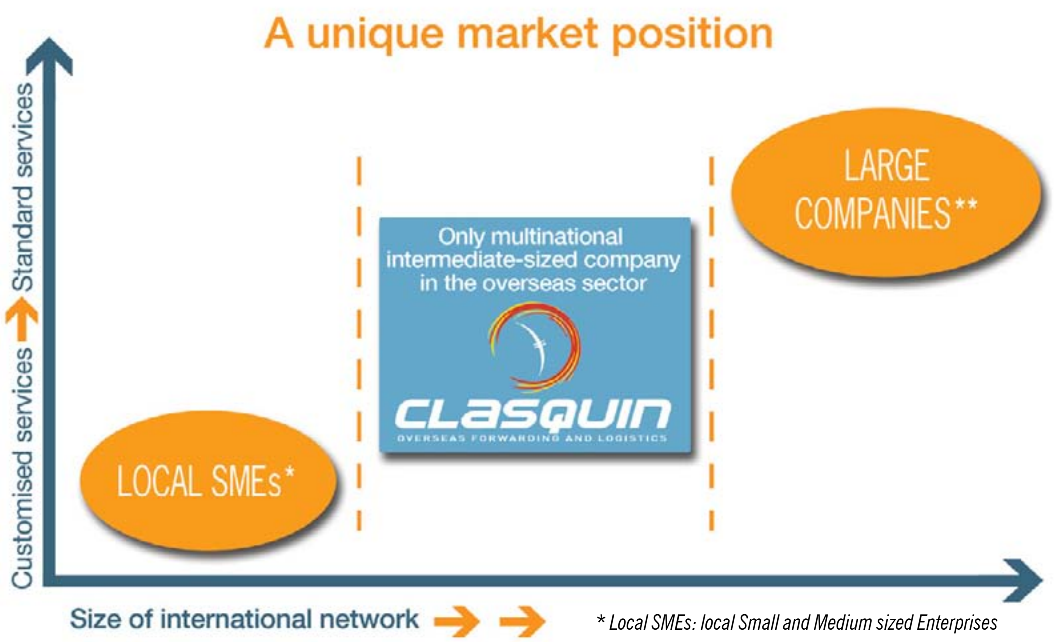
As a 4PL, CLASQUIN is free from the constraints of managing the means of transport and cultivates its added value through services and expertise.

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 22 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 a MSE, i.e. quick response times, dedicated customer contacts and the ability to adapt and innovate, among others.

This unique position is strengthened by its three key success factors: committed expert teams, particularly well-established international network in Asia and integrated IT tool, which create substantial barriers to entry for newcomers.

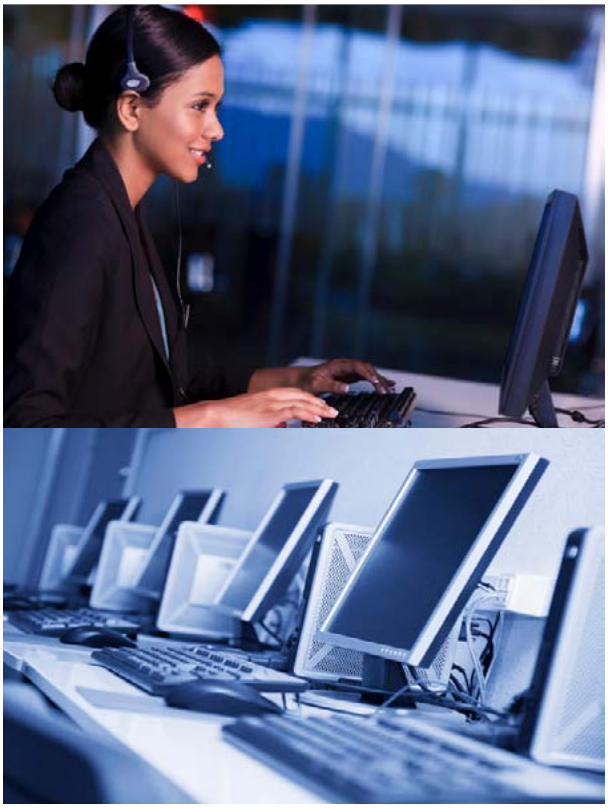


** Local SMEs: local Small and Medium sized Enterprises*

*** Large companies: DHL, Kuhne & Nagel, Schenker, SDV, Panalpina, Expeditors, etc.*

C. CLASQUIN's key success factors

1. Our staff, the group's finest asset



- CLASQUIN is very highly selective in recruiting, with a pronounced multi-cultural approach (more than 80% of employees are bilingual and are graduates).
- CLASQUIN strives to reward each person's professional experience by 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.

Refer to the additional CLASQUIN HR information in part A of the section on Sustainable Development.

2. 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, the World Freight Alliance, which covers 130 countries. CLASQUIN is one of the 5 founding members of this network.

24 subsidiaries, 44 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 17 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 keys to success dedicated to customer 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, commercial invoices and 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 CO2 consumption and door-to-door transit time in working days, etc.

Purchase Order Management, detailed follow up by customer item number

CLASQUIN optimises tracking of customers' goods by including their item numbers in its shipment management system from the outset. This solution is effortlessly coupled to data processing systems (EDI) and performance indicators (KPI), enabling CLASQUIN to optimise information flow and consequently the supply chain with its customers.

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 setup 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 25 countries across the world and on 138 sites.

Pathological anatomy and cytology (medical department), with the publication of the software applications CACP and CYAN

Created for managing Pathological Anatomy and Cytology, these software applications are designed for public and private laboratories. These software packages are suitable for all organisations, whatever their size: private practices, hospital sites, cancer research centres, etc. While CYAN is aimed more at large sites, CACP is more suited to organisations with fewer than 30 employees.

LOG SYSTEM currently has 25 employees, comprising mainly analyst programmers and engineers. Their versatility enables the Company to be flexible and adapt itself to on-going 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 provisions

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.

2. Sea 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 it to adapt its sea and air freight solutions to its customers' requirements:

- container deliveries
- combining deliveries to optimise shipments of small volume batches
- Break bulk shipments for goods that cannot be loaded into a container because of their technical characteristics and dimensions
- deliveries by ro-ro (roll on-roll off) ships for all types of vehicle
- deliveries using flexitanks 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
- combining deliveries for transport by air
- deliveries by air express for goods needing 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 temperatures shipment for good requiring carriage at controlled temperatures (sub- or above-zero)
- sea-air: to optimise costs by combining air freight with sea freight.

CLASQUIN is IATA-certified and a regulated air safety agent.

3. Dedicated solutions

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

- CLASQUIN Wine & Spirits: for wines and spirits
- CLASQUIN GOH (Garments on Hangers): for transporting ready-to-wear clothes on hangers
- CLASQUIN Luxury Goods: for works of art and high value goods
- CLASQUIN Pharma Logistics: for pharmaceutical products and infectious and dangerous substances
- CLASQUIN Fresh/Perishable: for perishable goods that need to be transported and stored at controlled temperatures
- CLASQUIN QC hub (in China and Bangladesh): quality control hub for goods.

4. Upstream and downstream logistics solutions

CLASQUIN is able to offer numerous upstream/downstream logistics solutions to optimise and streamline its customer's logistics chains (end-to-end management of shipments, reduced transhipment of cargo and number of carriers, personalised service to meet customers' needs, etc.):

- multi-site pick-up
- order preparation
- packaging/labelling
- order grouping/containerisation
- storage/stock management
- quality control before delivery (in China and Bangladesh) see § below
- break bulk
- sorting and order preparation
- distribution between stores or to end customers, etc.

5. Quality control hubs

Improving the quality of finished products and their packaging is a real issue for European and American importers, whether it is for economic, safety, health, legal or environmental reasons.

Since Spring 2011, CLASQUIN has offered its Asian customers an innovative and tailor-made service, whatever their business sector: organising inspections of products and their packaging within a logistics hub.

This new management model, in which inspections no longer take place in several factories but in a single, central inspection room, has a great many advantages for inspection and shipment processes:

- accelerated inspection cycle
- reduced inspection costs
- compliance with legal aspects
- levels of quality improved by suppliers
- simplified communication flows
- optimised container loading, etc.

To guide and successfully complete such organisational projects, within short deadlines of 2 to 4 months and exactly meeting the specific needs of our customers, CLASQUIN relies on an efficient and proven project management method as well as the unwavering commitment of its international experts.

6. 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 solutions related to dealing with customs.

Among these services, CLASQUIN has developed a specific service to help its customers implement simplified customs-clearance procedures (Clearance Procedure with Single Domicile, In-House Customs Clearance Procedure).

These procedures are specifically for companies that regularly import goods and offer the following advantages:

- customs clearance is done in the warehouse without going to a customs office
- customs declarations can be made in advance (before the goods actually arrive)
- a simplified declaration is enough to release goods.

In addition to streamlining its goods flows, these clearance procedures also enable its customers to create a real relationship built on trust with the customs authorities.

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

This quality status gives CLASQUIN numerous advantages in terms of customs, such as:

- personalised handling for inspections (lower inspection rate, priority treatment for inspections, etc.)
- easier to obtain simplified procedures such as Clearance Procedures with Single Domicile, In-House Customs Clearance Procedure
- an entry summary declaration (ICS) submitted on the basis of reduced information
- notification of a physical inspection by the customs service for safety/security reasons before the goods arrive.

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

7. 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.

Drivers and experienced employees 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 in 24 to 48 hours (working days).

GUEPPE CLASQUIN's efficiency across the entire transport chain has turned the company into the benchmark for batches and 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… Our client base includes:

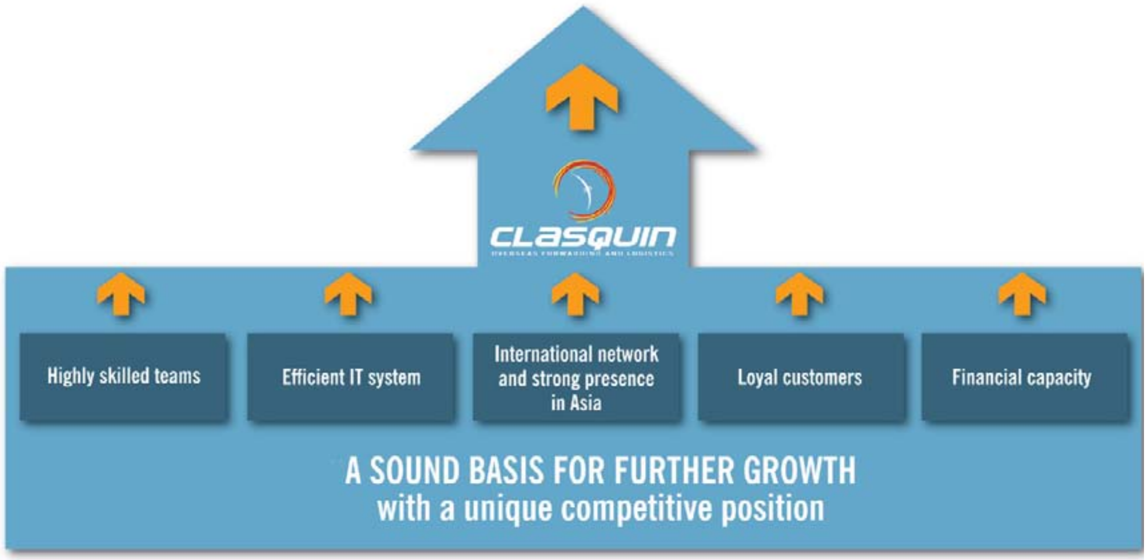
Andros, Armand Thierry, A Raymond, Arkema, Asahi, ASC Fine Wines, Askle Santé, Babolat, Bandai, B Braun Medical, Bic sport, Brice, Bricorama, Cache Cache, Camaieu, Cepheid, Coatex, Cycleurope, Danfoss, Dervaux, Diagnostica Stago, Fermob, Gamm Vert, Gauder, Guillemot, Haulotte, Interparfum, Jules, Kiabi, King Jouets, Laboratoire Gilbert, La Redoute, Maped, Materne, Michelin, New Man, Nishoku, Panerai, Parrot, Pernod Ricard, Pure Fishing, Salomon, Schneider, SEB, Serge Blanco, Simone Pérèle, Staubli, Takashimaya, Technip, Toray, Trigano, Zadig and Voltaire,etc.

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 5% of gross profits.

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
- Marketing: for high value-added business sectors: luxury-fashion, bio-pharma-health, wines and spirits and perishables, etc.
- Technical expertise: international chartering, specialised logistics ...

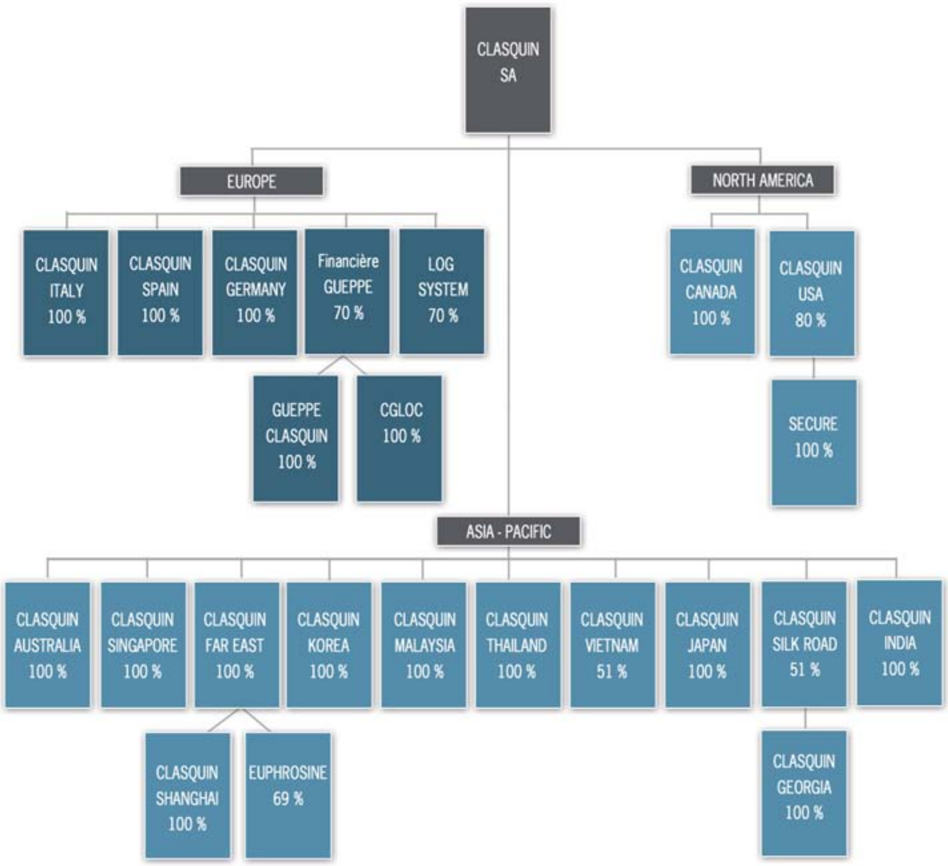
Stepping up the Group's rate of growth and improving Group performance through acquisitions

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

CLASQUIN
Governance

A. Legal organisation

As at 31 December 2011, the Parent Company directly controls all of the following companies:



23 Governance focused on operational efficiency

B. The Board of Directors

The Board of Directors approves the Company's strategy and general policy, appoints corporate officers, oversees management and ensures the quality of information provided to Shareholders.

The Board of Directors met 4 times during the financial year 2011. The average attendance rate of Board Members (present or by proxy) during 2011 was 80 %.

On 31 December 2011, 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. Executive Committee

The Executive Committee is the Group's steering body responsible for defining strategy and general policy, and for arbitrage of investments.

At 31 December 2011, the Executive Committee comprised:

- Yves REVOL
- Yves BARNOUD
- Alain DUMOULIN
- Hugues MORIN

D. The Management Committee

The Management Committee is composed of the different functional and operational divisions in the Group.

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

Yves REVOL - 64 ①
Chairman & 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 - 61 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, 49 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 - 48 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 - 43 ⑤
Managing Director - CLASQUIN FRANCE and CLASQUIN ITALIY

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 - 44 ⑥
Group Chief Information Officer

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 - 41 ⑦
Sales Director & Deputy Managing 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 as Sales Director France and since 1 January 2012 he has been appointed Deputy Managing Director responsible for branches at Mulhouse, Lille, Le Havre, Bordeaux, Toulouse and Marseille.

Didier VANDERPERRE - 49 ⑧
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.

Also present on the photo:

Anne ALBEROLA - 37 ⑨

PA to Chairman

CLASQUIN
Sustainable development

A. Human resources: our staff, the group's finest 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. There is a strong sense of belonging to the Group.

CLASQUIN strives to reward each person's professional experience by 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 values shared by CLASQUIN employees.

Operating across 4 continents and in 17 countries, CLASQUIN is rich in cultural diversity from the men and women who make up the Group.

Sustainable development 27

A culture of performance and personal development: “Profit and Fun“.

1. Highly skilled, rapidly 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 today has highly skilled employees with an average age of 36. More than 80 % of employees are graduates and are bilingual. Fifteen languages are spoken fluently. Managers (excluding equivalents) make up about 24% of the French teams, 37% of which are women.

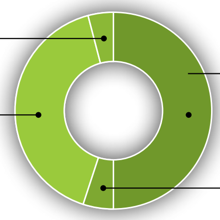
2011 was marked by the successful integration of 23 people into the Group's new subsidiaries.

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, foreign languages, 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 agents 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 17 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 towards financial performance and professional development

The objective of CLASQUIN's remuneration policy is to attract the most talented people, retain them and help them to grow. Another aim is to make the most of and give responsibility to all employees 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
- a company savings scheme topped up by an employer's contribution (for companies incorporated under French law), which increases the value of Employees' investments in 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, each person's personal development is encouraged through the high level of autonomy given to each profit centre. Profit Centre Heads and their teams share a real sense of entrepreneurship that increases awareness about personal responsibilities and the pleasure of joint success.

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.

4. Training, the Group's dynamic incentive

80% of employees have spent between 2 and 5 years in higher education.

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, at its internal training centre: the Aeolus school
- training in communication and management.

Sustainable development

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 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 (MM) are attended by all the heads of profit centres from a subsidiary or area and aim to ensure that commercial policy is coordinated effectively and to provide a forum for discussion on news linked to financial activity, IT development, human resources and best practices.

The monthly General 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. GMC 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" (SU), organised every 2 years, are a way of gathering all the Group's employees together with the aim of discussing and sharing information on the main Company projects, as well bringing the culture of performance and enjoyment to life in a festive atmosphere.

“Summer Universities” (SU)

B. Operational excellence and customer satisfaction

The CLASQUIN continuous improvement plan is currently guided and led in a cooperative and sharing spirit through a QSE Unit (Quality, Safety & Environment) and through an OTO Unit (Operations Training & Organisation), to implement both specific and complementary approaches, actions and follow up.

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

Listening to and responding to the needs of its customers and its teams on the ground enables CLASQUIN to bring added value to its organisation, contribute to the consolidation of its growth and support our business development plan.

This pragmatic shall also aim 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, this continuous improvement management plan serves as an incentive for all Group employees by fixing targets for professional excellence. The plan prioritises the following points:

- training men and women in the Group, whatever their roles, length of service, location and learning needs
- staff commitment achieved through monthly telephone conferences, job role committees and group workshops
- improving skills by means of employee self-assessment programmes
- gradual collective documentation and standardisation of operating procedures for both business units and operational systems
- user-friendly, relevant and readable documentation for optimum impact
- analytical measurement of performance at all levels in order to ensure maximum objectivity in our action plans
- mastery of all customer processes, from order-taking through IT system connections and the creation of decision-making support tools to after-sales
- troubleshooting and problem-solving
- risk prevention through a dedicated committee
- partnership with suppliers.

Quality is a state of mind and a reflex that drives employees at all Company levels, it is with this in mind that we are building our continuous improvement processes so as to be ready today to face the challenges of tomorrow.

Sustainable development

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 and implementing a number of checks in response to stricter requirements for safety and security:

➔ inputs: the accounting department monitors the reliability of information sent by the service provider and ensures signature of the AEO partnership charter. This charter commits the supplier to meet safety and security obligations required under the rules.

➔ outputs: the quality department carries out qualitative and quantitative analysis using a computer query that extracts incidents encountered throughout the year, by supplier.

We also conduct quality audits at certain suppliers directly involved in safety, such as airport warehouses that undertake security operations on our behalf for goods transported by air.
This policy allows CLASQUIN to select the best suppliers meeting the most stringent quality standards.

Finally, in order to maintain its independence, CLASQUIN has a diversified portfolio of suppliers.
This wide selection enables the Company to use suppliers with the most specialised skills and provide customers with a service precisely tailored to their needs whilst ensuring optimal value for money.

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 not just about 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.

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.

2. A role in establishing its customers' "carbon assessment"

In order to help its customers make the best measurements of carbon dioxide emissions associated with their international transport, the CLASQUIN Group has implemented specific tools. Its IT systems are capable of tracking every shipment and assigning each an emission ratio so as to include it in its operational statistics. In this way the CLASQUIN Group enables its customers to prepare for application of the Grenelle environmental agreement, which will provide the final consumer information about the carbon-equivalent content and other impacts attributable to the product/packaging combination throughout the life cycle of each consumer item, with effect from 2013.

CLASQUIN is directly involved with the French Transport and Logistics Federation (TLF), as part of the working group consulted by ADEME [*French Environment and Energy Management Agency*]. It is working with a few other carriers to optimise the calculation and application of carbon dioxide ratios per tonne of goods transported, according to the transport mode. This working group has already established the calculation method applied to international transport. It is therefore taking a role in drafting the executive decree to be published in 2012.

3. Car fleet policy

As part of the 'Taking account of the environment' approach, a specific study has been conducted on the vehicle fleet so as to reduce the CO_2/km emissions index.

This study will be repeated every year in order to improve the Group's carbon footprint continuously.

4. Selective waste sorting and recycling

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.).

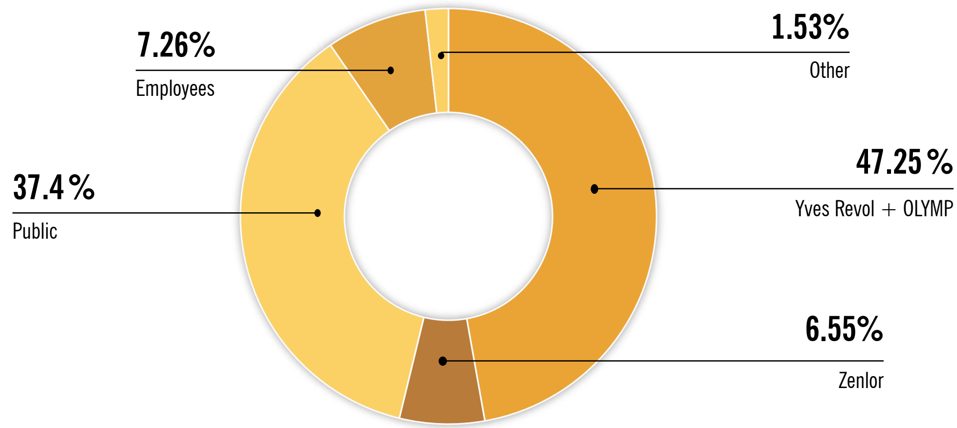
We are also implementing local initiatives, such as: stopping the use of plastic cups, recycling used toner cartridges, etc.

CLASQUIN
Shareholder and investor information

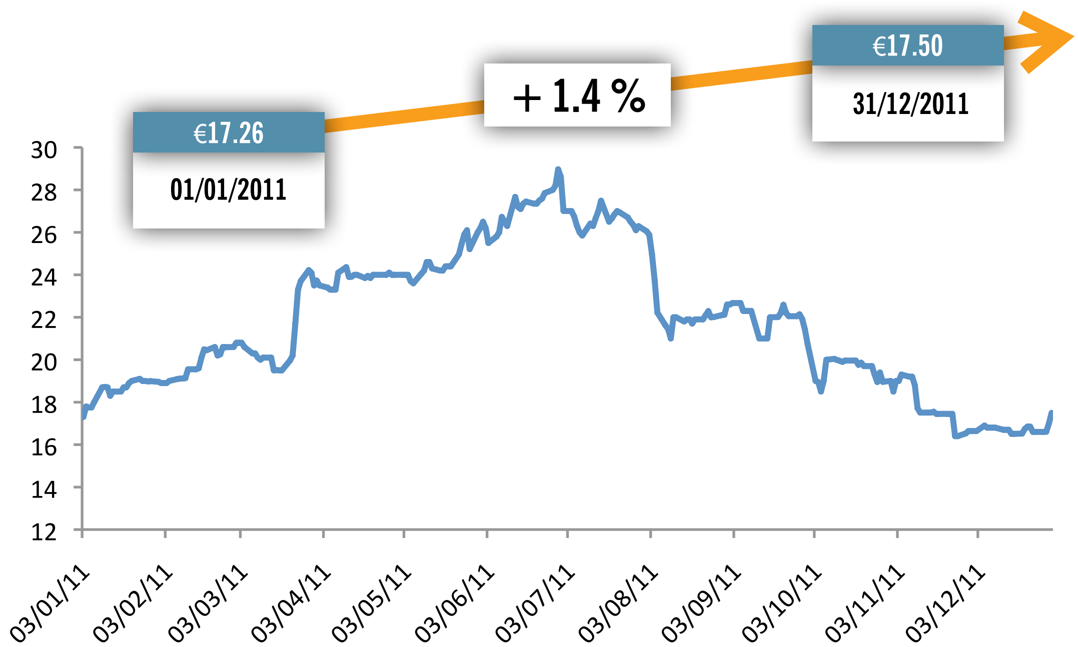
1. Stock market information

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 2011	€4,612,802 divided into 2,306,401 shares with a nominal value of € 2.00
Price on 31 December 2011 (at closure)	€17.50
Highest price in 2011 (at closure)	€28.97
Lowest price in 2011	€16.40
Average daily volume in 2011	863 shares traded
Market capitalisation on 31 December 2011	€40.4m
Floating on 31 December 2011	37.4 %

2. Share ownership on 31 December 2011



3. Share price in 2011



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 net profit Group share (except in exceptional circumstances), with no upper limit.

A dividend of €0.75 per share is proposed - i.e. about 56.44% of 2011 income - at the Annual General Meeting to be held on 07 June 2012.

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 2011. They were:

- ODDO MIDCAP - in charge of the study: Harold DE DECKER
- KEPLER - in charge of the study: Claire DERAY

These analyses are available on the Company's website www.clasquin.com, under the heading "Financial Information" then under the tab "Equity Researches".

8. Sources of information and documentation

- The annual report is published in French 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.clasquin.com under the heading "Financial Information". 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. 2012 shareholders' agenda

Date *(after close of trading)*	**Event**
Wednesday 09 May 2012	Business operations at 31 March 2012
Thursday 07 June 2012	Combined General Meeting
Thursday 30 August 2012	Business operations at 30 June 2012
Thursday 20 September 2012	2012 Half-year results
Tuesday 06 November 2012	Business operations at 30 September 2012

10. In charge of information

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

Shareholder information

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All of the amounts are expressed in thousands of euros

A. Consolidated statement of the financial position

1. Assets

ASSETS (in €000)	Notes	31/12/2011	31/12/2010
Goodwill	E.IV.1	4,447	4,447
Intangible fixed assets	E.IV.2	1,604	1,272
Tangible assets	E.IV.3	5,467	5,298
Non-consolidated equity affiliates	E.IV.4	6	8
Other financial assets	E.IV.4	848	711
Deferred tax	E.IV.9	492	438
TOTAL NON-CURRENT ASSETS		**12,864**	**12,174**
Trade receivables	E.IV.5 & 6	45,765	44,854
Other current assets	E.IV.5	1,775	2,199
Tax liabilities	E.IV.5	81	
Cash and cash equivalents	E.IV.7	9,141	9,449
Asset adjustment accounts	E.VI.12	457	548
TOTAL CURRENT ASSETS		**57,219**	**57,050**
TOTAL ASSETS	**E.IV.13.1.1**	**70,083**	**69,224**

2. Liabilities and shareholders' equity

LIABILITIES AND SHAREHOLDERS' EQUITY (in €000)	Notes	31/12/2011	31/12/2010
Capital	E.IV.8.1	4,613	4,613
Share premium	E.IV.8.1	4,245	4,245
Reserves		9,084	7,817
Net profit Group share		3,065	3,395
SHAREHOLDERS' EQUITY - GROUP SHARE	**D.**	**21,007**	**20,070**
SHAREHOLDERS' EQUITY - MINORITY INTERESTS	**D.**	**1,300**	**1,845**
TOTAL SHAREHOLDERS' EQUITY	**D.**	**22,307**	**21,915**
Deferred tax	E.IV.9	306	352
Non-current provisions	E.IV.10	424	339
Long-term financial debt	E.IV.11	1,670	1,966
TOTAL NON-CURRENT LIABILITIES		**2,400**	**2,657**
Current provisions	E.IV.10	407	297
Short-term financial debt	E.IV.11	1,649	2,094
Trade payables	E.IV.12	35,117	34,310
Tax and welfare liabilities	E.IV.12	6,164	5,610
Tax debt due	E.IV.12	473	606
Other current liabilities	E.IV.12	1,448	1,631
Asset adjustment accounts	E.IV.5	118	104
OTHER CURRENT LIABILITIES		**45,376**	**44,652**
TOTAL LIABILITIES		**47,776**	**47,309**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**E.IV.13.1.2**	**70,083**	**69,224**

B. Consolidated income statement and earnings statement

1. Consolidated income statement

INCOME STATEMENT (in €000)	Notes	31/12/2011	31/12/2010
SALES	**E.IV.13.2 & 3**	**171,398**	**179,082**
Cost of sales		126,265	136,639
GROSS PROFIT	**E.IV.13.2 & 3**	**45,133**	**42,443**
Other purchases and external charges		10,574	9,511
Taxes and duties		626	829
Staff charges		26,033	22,179
Depreciation		2,001	1,908
Allocation and reversal of provisions		-9	-193
Other current income and expenses	E.IV.14.1.3	104	1,650
CURRENT OPERATING INCOME		**5,803**	**6,559**
Other operating income and expenses	E.IV.15	-79	-107
OPERATING INCOME		**5,724**	**6,452**
Financial result: income (expenses)	E.IV.16	-542	-666
PRE-TAX EARNINGS		**5,182**	**5,786**
Income tax	E.IV.17	1,924	1,967
CONSOLIDATED NET PROFIT		**3,258**	**3,819**
Minority interests		193	424
NET PROFIT GROUP SHARE	**E.IV.13.1.3**	**3,065**	**3,395**

NET EARNINGS PER SHARE (in €)	**E.IV.18**	**1.33**	**1.47**
NET DILUTED EARNINGS PER SHARE (in €)	**E.IV.18**	**1.33**	**1.47**

2. Consolidated comprehensive income statement

The sums given are shown net of the effects of tax.

COMPREHENSIVE INCOME STATEMENT (in €000)		31/12/2011	31/12/2010
Consolidated net profit		**3,258**	**3,819**
Translation adjustments within shareholders' equity	D.	208	795
NET INCOME AND GAINS AND LOSSES DIRECTLY RECOGNISED IN SHAREHOLDERS' EQUITY		**3,466**	**4,614**
OF WHICH ATTRIBUTABLE TO GROUP SHARE		**3,271**	**4,167**
OF WHICH ATTRIBUTABLE TO MINORITY SHAREHOLDERS		**195**	**447**

C. Consolidated cash flow statements

1. Table

CASH FLOW STATEMENT (in €000)	Notes	31/12/2011	31/12/2010
CASH POSITION AT START OF YEAR		**8,674**	**8,441**
OPERATING ACTIVITIES			
Consolidated net profit		**3,258**	**3,819**
Elimination of expenses and income not impacting cash flow or not linked to the activity			
Amortization and provisions		2,229	787
Underlying gains (-) and losses (-) related to variations in fair value		160	100
Capital gains (-) or losses (+) on disposals		78	157
OPERATIONAL CASH FLOW	**C.2**	**5,725**	**4,863**
Cost of net debt	E.IV.16	78	148
Tax expenses (including deferred taxes)		1,924	1,967
Cash flow from operating activities before cost of net debt and tax expenses		**7,727**	**6,978**
Taxes paid		**-2,093**	**-1,662**
Changes in trade receivables, deferred income		-896	-11,532
Changes in trade payables, deferred expenses		897	10,887
Changes in other assets and liabilities		650	245
Foreign exchange differences on WCR		-431	150
VARIATIONS IN WORKING CAPITAL REQUIREMENT	**C.2**	**220**	**-250**
CASH FLOW FROM OPERATING ACTIVITIES (A)		**5,854**	**5,066**
INVESTMENT ACTIVITIES			
Acquisitions of fixed tangible assets		-1,636	-3,785
Acquisitions of fixed intangible assets		-1,096	-742
Disposals of fixed tangible and intangible assets		217	654
Acquisitions of financial assets		-236	-362
Disposals of financial assets		107	284
Net cash allocated to acquisitions and disposals of subsidiaries			172
CASH FLOW FROM INVESTMENT ACTIVITIES (B)		**-2,644**	**-3,779**
FINANCING ACTIVITIES			

Consolidated financial statements

CASH FLOW STATEMENT (in €000)		Notes	31/12/2011	31/12/2010
Capital increase				
Dividend payments to shareholders of the parent company		E.IV.8.2	-2,765	-1,451
Dividend payments to minority shareholders of consolidated companies			-140	-341
Inflows from new loans			634	2,275
Outflows for loan repayments			-1,447	-1,809
Cost of net debt		E.IV.16	-78	-148
CASH FLOW FROM FINANCING ACTIVITIES	**(C)**		**-3,796**	**-1,474**
IMPACT OF EXCHANGE RATE FLUCTUATIONS	**(D)**		**228**	**420**
VARIATION IN CASH	**(A+B+C+D)**		**-358**	**233**
CASH POSITION AT CLOSING			**8,316**	**8,674**

VARIATION IN CASH		31/12/2011	31/12/2010
Cash assets (at opening)	E.IV.7	9,449	9,280
Cash assets (at closing)	E.IV.7	9,141	9,449
VARIATION IN CASH ASSETS		**-308**	**169**
Cash liabilities (at opening)	E.IV.11.1	-775	-839
Cash liabilities (at closing)	E.IV.11.1	-825	-775
VARIATION IN CASH LIABILITIES		**-50**	**64**
VARIATION IN THE NET CASH POSITION		**-358**	**233**

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

BREAKDOWN OF OPERATIONAL CASH FLOW CALCULATION AT 31/12/2011 (IN €000)	Notes	+	-
Net profit (Group share)		**3,065**	
Allocation (+) and reversal (-) of depreciation of intangible and tangible fixed assets	E.IV.2 & 3	2,001	
Allocation (+) and reversal (-) of depreciation of financial assets	E.IV.16	41	
Allocation (+) and reversal (-) of operating provisions	E.IV.10	461	287
Allocation (+) and reversal (-) of non-current provisions	E.IV.15		
Allocation (+) and reversal (-) of provisions for financial provisions	E.IV.16	13	
		2,516	**287**
Depreciation and provisions *(1)*		**2,229**	
Income on disposals of fixed assets		**78**	
Minority share of net profit		**193**	
Other non-cash income and expenses (unrealised foreign exchange gains/losses)		**160**	
OPERATIONAL CASH FLOW		**5,725**	

(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	31/12/2011	31/12/2010	Change
Trade receivables (net)	**E.IV.5 & 6**	**45,765**	**44,854**	**-911**
Other current assets (excluding tax receivables paid in advance)	E.IV.5	1,775	2,054	279
Asset adjustment accounts	E.IV.12	457	548	91
Total "Other assets"		**2,232**	**2,602**	**370**
Trade payables	**E.IV.12**	**-35,117**	**-34,310**	**807**
Tax and welfare liabilities	E.IV.12	-6,163	-5,610	553
Other current liabilities	E.IV.12	-1,448	-1,631	-183
Liability adjustment accounts	E.IV.5	-118	-104	14
Total "Other liabilities"		**-7,729**	**-7,345**	**384**
Foreign exchange differences on WCR *(2)*				**-431**
WORKING CAPITAL REQUIREMENT		**5,151**	**5,801**	**219**

(2) The differences for the various items in each cash flow statement 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.

D. Variation in consolidated equity capital

BREAKDOWN OF THE VARIATION IN TOTAL SHAREHOLDERS' EQUITY (in €000)	Capital	Share premium	Reserves & Consolidated net earnings	Earnings recorded as shareholders' equity	Group share	Minority interests	Total shareholders' equity
SHAREHOLDERS' EQUITY AT 31/12/2009	**4,613**	**4,245**	**9,205**	**-669**	**17,394**	**1,563**	**18,957**
Dividend distributed			-1,451		-1,451	-337	-1,788
2010 total net profit			3,395	772	4,167	447	4,614
Treasury shares			-40		-40		-40
Change in consolidation scope						172	172
SHAREHOLDERS' EQUITY AT 31/12/2010	**4,613**	**4,245**	**11,109**	**103**	**20,070**	**1,845**	**21,915**
Dividend distributed			-2,765		-2,765	-299	-3,063
2011 total net profit			3,065	206	3,271	195	3,466
Treasury shares			-11		-11		-11
Sundry			441		441	-441	
SHAREHOLDERS' EQUITY AT 31/12/2011	**4,613**	**4,245**	**11,840**	**309**	**21,007**	**1,300**	**22,307**

The €441,000 entered in the miscellaneous item relates to reclassification between group reserves and minority interest reserves.

The main objective of the CLASQUIN group in terms of managing its share capital is to ensure it maintains a good credit risk rating and healthy ratios, so as to facilitate its business activities and maximise shareholder value.

The Group manages the structure of its share capital and makes adjustments based on changes in economic conditions. To maintain or adjust share capital structure, the Group can adjust the payment of shareholder dividends, repay part of the capital or issue new shares. Policy objectives and management procedures remain unchanged compared to financial year 2010.

E. Notes to the consolidated financial statements

The consolidated financial statements at 31 December 2011, as well as the related notes, were approved by the Board of Directors on 20 March 2012 and shall be submitted to the Shareholders' General Meeting of 07 June 2012 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. 2011 highlights

1. Creation of subsidiaries

- CLASQUIN INDIA PVT LTD was founded on 26 May 2011 as a wholly-owned subsidiary of CLASQUIN SA, with a first office in Delhi. The operational launch of this subsidiary was in July 2011. This company entered the consolidation scope during the first half of 2011.
- The subsidiary CLASQUIN GEORGIA and its holding company CLASQUIN SILK ROAD were founded during financial year 2011. CLASQUIN SILK ROAD was founded on 03 June 2011 and is 51% owned by CLASQUIN SA. CLASQUIN GEORGIA, founded on 21 October 2011, is a wholly-owned subsidiary of CLASQUIN SILK ROAD. This company became operational in December 2011. Because of their insignificant character in 2011, these two companies were not consolidated. They will enter the consolidation scope in 2012.

2. Office openings and closures

- A sales office was opened at Vientiane, in Laos, during financial year 2011.
- CLASQUIN JAPAN enlarged its office by creating a Customs division at Narita, in 2011.
- The Strasbourg office was closed during financial year 2011 and its business transferred to the Mulhouse office.

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 Group consolidated financial statements were drawn up in compliance international accounting standards issued by the IASB (International Accounting Standards Board) and applicable in the European Union as at 31 December 2011. These rules are available on the following website:

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

These 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 2011 are those contained in the standards and interpretations published in the Official Journal of the European Union on 31 December 2011, the application of which became mandatory on 1 January 2011.

With exception of the points set out below, the rules and methods and the accounting principles adopted are identical to those applied to prepare the consolidated financial statements as at 31 December 2010.

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

- amendment to IAS 32 entitled 'Financial Instruments: Presentation', published on 8 October 2009 by IASB that details recognition of certain subscription rights issued in foreign currencies.
- on 4 November 2009 the IASB published a revised version of the IAS 24 standard 'Related Party Disclosures', adopted by the European Union on 19 July 2010.
- amendment to IFRS 1 entitled 'Limited Exemption from Comparative IFRS 7 Disclosures for First-time adopters'. This amendment was published on 28 January 2010 by IASB and adopted by the European Union on 30 June 2010.
- IASB published amendments to IFRIC 14 entitled 'Prepayments of a Minimum Funding Requirement', which were adopted at European level on 19 July 2010.
- interpretation IFRIC 19 'Extinguishing Financial Liabilities with Equity Instruments' was published on 26 November 2009 by IASB and on 23 July 2010 by the European Union.
- on 6 May 2010 the IASB published the final version of the annual IAS / IFRS improvements (2008-2010 cycle). These improvements relate to six standards and one interpretation: IFRS 1 'First-time Adoption of IFRS', IFRS 3 'Business Combinations', IFRS 7 'Financial Instruments: Disclosures', IAS 1 'Presentation of Financial Statements', IAS 27 'Consolidated and Separate Financial Statements, IAS 34 'Interim Financial Reporting' and IFRIC 13 'Customer Loyalty Programmes'. These improvements were adopted across Europe on 18 February 2011.
- amendments to IFRS 7, entitled 'Disclosures - Transfers of Financial Assets' were published by the IASB on 7 October 2010 and adopted by the European Union on 22 November 2011.

Applying these standards and interpretations has no significant influence on the financial information presented.

Furthermore, the Group did not make provision for standards, amendments or interpretations which were not mandatory as at 31 December 2011, 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:

- on 09 July 2009 the IASB published its framework for SMEs in the form of an international financial reporting standard. This framework is intended to be used by small and medium-sized entities (SME).
- on 12 November 2009 the IASB published the IFRS 9 - Phase 1 standard, 'Financial Instruments', which amends the classification and measurement of financial assets defined by IAS 39. In this context the IASB also published additions to IFRS 9 on 28 October 2010. These additions relate to the classification and measurement of financial liabilities. Finally, on 16 December 2011, the IASB decided to postpone the date that IFRS 9 'Financial Instruments' takes effect, from 1 January 2013 to 1 January 2015.
- on 16 June 2011 the IASB published amendments relating to the presentation of 'other items of comprehensive income' (OCI).

- on 20 December 2010 the IASB published amendments to IAS 12 'Income Taxes', entitled 'Deferred Tax: Recovery of Underlying Assets'.
- on 16 June 2011 the IASB published amendments relating to the recognition of defined benefits schemes developed in IAS19 'Employee Benefits' that has consequently been issued in a new version.
- on 12 May 2011 the IASB published a revised version of IAS 27 that is now entitled 'Separate Financial Statements'. This new version of IAS 27 is now limited to recognising investments in subsidiaries, jointly controlled entities and associated entities in separate financial statements.
- concomitantly with publication of the revised IAS 27 standard, the IASB also published a revised version of IAS 28, now entitled 'Investments in Associates and Joint Ventures'.
- on 16 December 2011 the IASB published amendments to IAS 32 'Offsetting financial assets and financial liabilities'.
- two amendments to IFRS 1 'First-time Adoption of IFRS' were published on 20 December 2010. They are entitled 'Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters'.
- IASB published additional provisions to be met regarding disclosures in IFRS 7 'Financial Instruments: Disclosures'. They relate to offsetting financial assets and financial liabilities.
- on 12 May 2011 the IASB published IFRS 10 'Consolidated Financial Statements'. IFRS 10 amends IAS 27 'Consolidated and Separate Financial Statements' that, with effect from this date, has been modified and is entitled 'Separate Financial Statements' (IAS 27 version 2011). Interpretation SIC-12 'Consolidation - Special Purpose Entities' is also withdrawn; the provisions of this interpretation are included in IFRS 10.
- standard IFRS 11 'Joint Arrangements' was published by the IASB on 12 May 2011. This standard cancels and replaces IAS 31 'Interests in Joint Ventures' and SIC 13 'Jointly Controlled Entities - Non-Monetary Contributions by Venturers'.
- on 12 May 2011 the IASB published IFRS 12 'Disclosure of Interests in Other Entities'. IFRS 12 includes, in one standard, disclosures relating to interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities.

- on 12 May 2011 the IASB and the FASB published standard IFRS 13, comprising guidance on fair value measurement including disclosures in the notes on financial statements. The purpose of this guide is to provide, in one document, rules applicable to all fair value measurements required by IAS/IFRS. It does not extend the possibilities of using fair value in financial reporting.
- on 19 October 2011 the IASB published the Interpretation IFRS 20, which clarifies requirements relating to stripping costs incurred during the production phase of a surface mine.

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 using the historical cost and amortised cost method.

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
- 3.11. Provision
- 3.12. 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 methods

2.1. Consolidation methods

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.

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 account transactions between the fully consolidated company and the other consolidated companies.

2.2. Conversion methods for foreign company financial statements

Financial statements for entities where the operating currency is other than the Euro are converted using the following procedures:

- the income statement is converted using the average exchange rate for the year
- the balance sheet statements are converted used 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 reserves in shareholders' equity.

The conversion rates used are as follows:

CURRENCY	Average rate 2011	Average rate 2010	Rate at 31/12/2011	Rate at 31/12/2010
AUD	1.35	1.44	1.27	1.30
CAD	1.38	1.36	1.32	1.33
CNY	8.99	8.97	8.20	8.79
HKD	10.83	10.30	10.05	10.38
INR	65.17	N/A	69.71	N/A
JPY	111.02	116.62	99.63	108.53
KRW	1,537.95	1,528.65	1,502.24	1,479.68
MYR	4.25	4.26	4.11	4.05
SGD	1.75	1.80	1.68	1.71
THB	42.17	41.83	40.15	39.93
USD	1.39	1.32	1.30	1.33
VND	28,491.06	25,112.66	27,088.80	25,860.50

2.3. 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. If goodwill is negative, it is immediately recognised in the income statement.

Since the revised IFRS 3 standard came into force on 1 January 2010, the Group has applied the following principles:

- transaction costs are recorded immediately as operating expenses when they are incurred.
- for each combination, the Group analyses the opportunity to opt for so-called 'full' goodwill recognition, i.e. taking account of the proportion of goodwill amounting to interest attributable to investments not giving control at the date of acquisition (measured at fair value), or for recognition of so-called 'partial' goodwill, which amounts to measuring the interest attributable to investments not giving control in proportion to the fair value of the acquired identifiable new asset.
- any potential price adjustment is measured at its fair value on the acquisition date (even if it is not probable or reliably measurable) and this initial measurement can only be adjusted afterwards per contra goodwill in the light of new information associated with the facts and circumstances existing at the acquisition date and insofar as this measurement takes place during the roll-forward period (12 months). Any adjustment made to the financial debt recognised as a price addition after the roll-forward period, not meeting these criteria, is recognised per contra the Group's comprehensive income.

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 from other assets or groups of assets.

Given the organisation in place in the group, 3 operating segments (CGU) were identified as follows:

- the operating segment organising air and sea freight forwarding and related services (the Group's long-standing activity)
- the Road Haulage, Chartering and Logistics segment (the complementary business activity added after acquisition of the GUEPPE CLASQUIN group)
- IT service segment (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 part of the operations within that unit are disposed of, the goodwill associated with 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.

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.

Internally-generated research and development costs

Research costs are recognised as expenses when they are incurred. Development expenditure is recognised in intangible assets, when they meet the criteria defined by the IAS 38 standard and particularly if and only if it is possible to demonstrate:

- the necessary technical feasibility to complete the software for the purpose of using or selling it
- the intent to complete the software and to use or sell it
- the ability to use or sell the software
- the way in which the software, during development, will generate probable future economic benefits; in particular, the existence of a market for the software under development must be demonstrated
- the availability of technical, financial and other resources appropriate to complete development and to use or sell the software
- the ability to reliably measure expenditure attributable to the software during development.

Compliance with these criteria is determined on a product by product basis. Software development costs that cannot be capitalised are immediately recognised in expenses.

Depreciation is reported for assets with a defined useful life. In the Group, useful life is generally as follows:

internally developed software	4 to 8 years
other software	1 to 6 years
research & development costs	2 years

They are reviewed at each closure.

3.3. Tangible 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 at their historical cost 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 using the linear method over the useful life of assets, which are generally:

- construction 37 years maximum
- fixtures & fittings 10 years maximum
- transport equipment (including tractors, trucks) 4 to 7 years
- office & computer equipment 3 to 5 years

Useful life is reviewed at each closure.

3.4. Lease financing agreements

In accordance with standard IAS 17 'Leases', fixed assets funded by lease financing agreements, for which the risks and benefits have been transferred to the lessee, are included with the assets for the present value of the minimum lease payments or the market value if it is less. 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 sale and leaseback operations where proceeds are generated, they require:

- recognition of the sale proceeds on the income statement
- recognition of a lease financing agreement
- amortisation of the proceeds 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 defined useful life and tangible fixed assets

Amortised assets undergo a depreciation test where there is an impairment index 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 sales price of the asset net of disposal costs and its useful value, determined by estimating future cash flows generated by the asset.

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

Assets with an undefined useful life are not amortised but undergo an annual depreciation test at each closure, and each time there is any kind of impairment index.

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 not 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 (WACC) may therefore be specific and incorporate specific risks for each Cash Generating Unit.

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. Assumptions are detailed in paragraph 1 - Goodwill in chapter "E.IV. Explanation of the balance sheet and income statements and their variations".

This impairment is recorded when the net book value of an asset or its CGU is higher than its defined recoverable value, in a specific entry of the income statement.

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 effect of discounting receivables and debts is negligible.

A provision for depreciation is recognised when the inventory value (value of estimated future flows) is below the book value.

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.

3.9. 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.

3.10. Corporate 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 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 authorized 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.

3.11. Provision

In compliance with IAS 37 "Provisions, contingent liabilities and contingent assets", provisions are set aside when a current legal or implicit obligation exists 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.

3.12. Pension liabilities and similar benefits

3.12.1. Defined contribution plans

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

3.12.2. 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.

The principal assumptions made for measuring employee benefit schemes are as follows:

Principle assumptions	31/12/2011	31/12/2010
Discount rate for Retirement gratuities	4.60%	4.68%
Inflation rate	2.00%	2.00%
Salary increase rate		
Employees and workers	3.00%	3.00%
Supervisory staff	3.50%	3.50%
Executives	4.00%	4.00%
Social contribution rate	45.00%	45.00%
Mortality table	INSEE Men/Women 2002	INSEE Men/Women 2002
Staff turnover		
Under 30 age group	20.00%	20.00%
30 to 39 age group	8.00%	8.00%
40 to 49 age group	7.00%	7.00%
50 to 55 age group	2.00%	2.00%
Over 55 age group	0.50%	0.50%

Retirement age depends on the year employees were born and their Socio-Professional Group:

SPG	Age
Executives	64 years
Non-executives	
Born before 01/01/1951	60 years
Born after 01/01/1951	62 years max.

3.13. Financial liabilities

The financial liabilities correspond to the following items:

- either a contractual obligation to provide another company with cash or another financial asset
- or a contact 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.

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

Financial liabilities 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.

3.14. 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.

3.15. Sales recognition

3.15.1. Freight and logistics activity

Income from service provisions 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 and 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.

3.15.2. 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 in relation to 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 faire 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.

3.16. Earnings per share

Base 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.

3.17. Consolidated cash flow statements

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

➔ 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 lending). They do not incorporate current accounts with non-consolidated companies.

III. Business activity and list of consolidated companies

1. Business

In accordance with IFRS 8, the Group presents segment information, based on internal reporting, such as regularly reviewed by the Group's senior management, to assess the performance of each segment and allocate resources.

An operational segment is a part of the entity:

- that undertakes activities likely to result in it receiving revenues and incurring expenses, including revenues and expenses associated with transactions with other parts of the same entity
- for which operational income is regularly reviewed by the entity's main operational decision-maker in order to take decisions about the resources to be allocated to a segment and to assess its performance
- for which distinct financial information is available.

Given this definition, the operational segments of the CLASQUIN GROUP relate to the following business activities:

- Segment 1: Air and sea freight forwarding and related services
- Segment 2: Road haulage and logistics
- Segment 3: IT services.

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 13.2 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	Registered Office	% of control in 2011	% of interest in 2011	% of control in 2010	% of interest in 2010
PARENT COMPANY					
CLASQUIN SA	Lyon - 959 503 087	Holding company	Holding company	Holding company	Holding company
DIRECTLY-OWNED COMPANIES					
CLASQUIN ITALIA SRL	Milan	100%	100%	100%	100%
CLASQUIN ESPANA SL	Barcelona	100%	100%	100%	100%
CLASQUIN GERMANY GMBH	Frankfurt	100%	100%	100%	100%
FINANCIERE GUEPPE CLASQUIN SAS	Lyon - 477 738 058	70%	70%	70%	70%
LOG SYSTEM SARL	Lyon - 335 146 965	70%	70%	70%	70%
CLASQUIN JAPAN KK LTD	Tokyo	100%	100%	100%	100%
CLASQUIN SINGAPORE PTE LTD	Singapore	100%	100%	100%	100%
CLASQUIN FAR EAST LTD	Hong-Kong	100%	100%	100%	100%
CLASQUIN AUSTRALIA PTY LTD	Melbourne	100%	100%	100%	100%
CLASQUIN KOREA LTD	Seoul	100%	100%	100%	100%
CLASQUIN MALAYSIA LTD	Kuala Lumpur	100%	100%	100%	100%
CLASQUIN CANADA INC.	Montreal	100%	100%	100%	100%
CLASQUIN INDIA PVT LTD	Delhi	100%	100%	-	-
CLASQUIN THAILAND CO LTD	Bangkok	100%	49%	100%	49%
CLASQUIN USA INC.	New York	80%	80%	80%	80%
CLASQUIN VIETNAM LTD	Ho Chi Minh City	51%	51%	51%	51%
INDIRECTLY-OWNED COMPANIES					
COMPANY OWNED BY CLASQUIN FAR EAST LTD					
CLASQUIN SHANGHAI LTD	Shanghai	100%	100%	100%	100%
EUPHROSINE LTD	Hong-Kong	69.06%	69.06%	69.06%	69.06%
COMPANY OWNED BY CLASQUIN USA INC.					
SECURE CUSTOMS BROKERS INC.	New York	80%	80%	80%	80%
COMPANIES OWNED BY FINANCIERE GUEPPE CLASQUIN SAS					
GUEPPE CLASQUIN SAS	Lyon - 316 418 276	70%	70%	70%	70%
CG LOC SAS	Lyon - 384 666 780	70%	70%	70%	70%

All companies are consolidated on the basis of their accounts closed as at 31 December 2011, for an accounting period of 12 months with the exception of CLASQUIN INDIA, consolidated with effect from 26 May 2011.

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 (in €000)	Value at 01/01/2011	Acquisitions	Disposals	Other	Value at 31/12/2011
CGU 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**
CGU 2					
GROUPE GUEPPE CLASQUIN	**4,081**	**0**	**0**	**0**	**4,081**
CGU 3					
LOG SYSTEM	**108**	**0**	**0**	**0**	**108**
TOTAL	**4,447**	**0**	**0**	**0**	**4,447**

As at 31 December 2011, the assumptions used to determine the discount rate for each CGU are as follows:

- a risk-free rate of 3.16%, the French 10 year CMT rate at the end of 2011
- 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
- a financial cost rate of 5%.

Resulting in a WACC of 10.3% for CGU 1, 9.5% for CGU 2 and 11.3% for CGU 3, a perpetuity growth rate prudently defined at 2%.

Sensitivity tests

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.

2. Intangible fixed assets

Variations in intangible fixed assets for the 2010 and 2011 financial years are presented in the statements below:

INTANGIBLE FIXED ASSETS (in €000)	01/01/2010	Change in consolidation scope	Increases	Reductions	Reclassification	Foreign exchange difference	31/12/2010
GROSS VALUE							
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
R & D costs and other assets	263		185	-32		3	419
Gross values 2010	**6,044**	**0**	**653**	**-32**		**14**	**6,679**
Depreciation							
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
R & D costs and other assets	96		142	-33		2	207
Depreciation 2010	**4,717**	**0**	**712**	**-33**	**0**	**11**	**5,407**
Net values 2010	**1,327**	**0**	**-59**	**1**	**0**	**3**	**1,272**

INTANGIBLE FIXED ASSETS (in €000)	01/01/2011	Change in consolidation scope	Increases	Reductions	Reclassification	Foreign exchange difference	31/12/2011
GROSS VALUE							
Start-up costs	50			-8		1	43
Software developed in-house	2,270		750				3,020
Other software	2,388		180	-1	1,552	1	4,120
Leased software *(1)*	1,552				-1,552		0
R & D costs and other assets	419		171	-34		1	557
Gross values 2011	**6,679**		**1,101**	**-43**		**3**	**7,740**
Depreciation							
Start-up costs	50			-8		1	43
Software developed in-house	1,546		325				1,871
Other software	2,052		260	-1	1,552	1	3,864
Leased software	1,552				-1,552		0
R & D costs and other assets	207		185	-34			358
Depreciation 2011	**5,407**	**0**	**770**	**-43**	**0**	**2**	**6,136**
Net values 2011	**1,272**	**0**	**331**	**0**	**0**	**1**	**1,604**

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

3. Tangible assets

TANGIBLE FIXED ASSETS (in €000)	01/01/2010	Change in consolidation scope	Increases	Reductions	Reclassifications	Foreign exchange difference	31/12/2010
GROSS VALUE							
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		763	-156	11	135	3,383
Leased vehicles	322			-179	-143		
Vehicles	3,182		1,404	-1,464	97		3,219
Gross values 2010	**8,181**	**0**	**3,785**	**-1,899**	**0**	**193**	**10,260**
DEPRECIATION							
Buildings	2		23				25
Fixtures/fittings	840		186	-83		38	981
Leased equipment	591				32		623
Other property, plant & equipment	1,946		449	-137	11	109	2,378
Leased vehicles	237		37	-144	-130		
Vehicles	1,085		507	-724	87		955
Depreciation 2010	**4,701**	**0**	**1,202**	**-1,088**	**0**	**147**	**4,962**
Net values 2010	**3,480**	**0**	**2,583**	**-811**	**0**	**46**	**5,298**

Increases in constructions in 2010 related to acquisition of offices in Hong-Kong.

TANGIBLE FIXED ASSETS (in €000)	01/01/2011	Change in consolidation scope	Increases	Reductions	Reclassifications	Foreign exchange difference	31/12/2011
GROSS VALUE							
Buildings	1,318					44	1,362
Fixtures/fittings	1,714		515	-20		17	2,226
Leased equipment *(1)*	626				-591		35
Other property, plant & equipment	3,383		529	-103	545	39	4,393
Vehicles	3,219		607	-519	46		3,353
Gross values 2011	**10,260**	**0**	**1,651**	**-642**	**0**	**100**	**11,369**
DEPRECIATION							
Buildings	25		37			1	63
Fixtures/fittings	981		239	-20		6	1,206
Leased equipment	623		3		-591		35
Other property, plant & equipment	2,378		502	-94	548	27	3,361
Vehicles	955		472	-233	43		1,237
Depreciation 2011	**4,962**	**0**	**1,253**	**-347**	**0**	**34**	**5,902**
Net values 2011	**5,298**	**0**	**398**	**-295**	**0**	**66**	**5,467**

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

4. Equity and other financial assets

EQUITY AND OTHER FINANCIAL ASSETS (in €000)	01/01/2010	Change in consolidation scope	Increases	Reductions	Reclassifications	Foreign exchange difference	31/12/2010
GROSS VALUE							
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
Gross values 2010	**611**	**0**	**362**	**-284**	**0**	**55**	**744**
DEPRECIATION							
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
Depreciation 2010	**44**	**0**	**6**	**-26**	**0**	**1**	**25**
Net values 2010	**567**	**0**	**356**	**-258**	**0**	**54**	**719**

EQUITY AND OTHER FINANCIAL ASSETS (in €000)	01/01/2011	Change in consolidation scope	Increases	Reductions	Reclassifications	Foreign exchange difference	31/12/2011
GROSS VALUE							
Shares in non-consolidated companies	33						33
Deposits and guarantees	668		191	-101	43	19	820
Loans to non-consolidated companies	22		3				25
Other financial assets	21		32	-10			43
Gross values 2011	**744**	**0**	**226**	**-111**	**43**	**19**	**921**
DEPRECIATION							
Shares in non-consolidated companies	25		2				27
Deposits and guarantees	0		40				40
Loans to non-consolidated companies	0						0
Other financial assets	0						0
Depreciation 2011	**25**	**0**	**42**	**0**	**0**	**0**	**67**
Net values 2011	**719**	**0**	**184**	**-111**	**43**	**19**	**854**

5. Customer receivables and other accounts receivable

Accounts receivable can be broken down as follows:

DETAIL (in €000)	Gross value at 31/12/2011	Gross value at 31/12/2010
Trade receivables	46,716	45,222
Customer invoices awaiting issue	351	1,104
Other receivables	1,775	2,199
Tax liabilities	81	
Asset adjustment accounts *(1)*	-118	-104
TOTAL	**48,805**	**48,421**

(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 01/01/2011	Change in consolidation scope	Provisions	Reversal	Foreign exchange difference	Value at 31/12/2011
Trade receivables	1,472		108	-292	14	1,302
TOTAL 2011	**1,472**	**0**	**108**	**-292**	**14**	**1,302**

7. Cash and cash equivalents

DETAIL (in €000)	Gross value at 31/12/2011	Gross value at 31/12/2010
Cash equivalents	36	57
Bank accounts and cash	9,105	9,392
TOTAL	**9,141**	**9,449**

8. Shareholder's equity

8.1. Composition of issued capital

CLASQUIN SA's share capital amounts to €4,613,000 consisting of 2,306,401 share with a par value of €2 each.

The share premium amounts to €4,245,000.

It should be noted that pursuant to a liquidity contract, the CLASQUIN Group buys back its own shares on the Stock Market (3,090 shares held at 31 December 2011).

Transactions carried out with treasury shares were eliminated from the consolidated accounts.

8.2. Dividend

The dividends paid by CLASQUIN SA to its shareholders amounted to €1,453,000 in 2010 and €2,768,000 in 2011 (€1.20 per share). €3,000 were deducted from the latter amount for repayments of dividends on treasury shares held under the liquidity contract, leaving a net amount of €2,765,000.

9. Deferred tax

Taking account of deferred tax in the consolidated financial statement at 31 December 2011 had the following impact, item by item:

DEFERRED TAX ASSET (in €000)	Amount at 01/01/2011	Impact on profit	Impact on reserves	Foreign exchange difference	Amount at 31/12/2011
Lease financing	3	2	-4		1
Intangible fixed assets:					
- in-house software	17	3			20
- customer portfolio repurchase	2				2
Employee profit-sharing plan	34	18			52
Provision for paid holidays	12	-12			0
Organic	17				17
Provision for pension payments	81	11			92
Other temporary differences	164	75		14	254
Tax losses to be carried forward	108	-9		-3	96
DTA/DTL offset		-42			-42
TOTAL EXPENSE (-)/INCOME (+)	**438**	**47**	**-4**	**11**	**492**

DEFERRED TAX LIABILITY (in €000)	Amount at 01/01/2011	Impact on profit	Impact on reserves	Foreign exchange difference	Amount at 31/12/2011
Lease financing	4		-4		0
Fiscal amortization	248	49			297
Intangible fixed assets:					0
- Anapath & Editeur development projects	65	-42			23
Other temporary differences	35	-4	-2	-1	28
DTA/DTL offset		-42			-42
TOTAL EXPENSE (+)/INCOME (-)	**352**	**-39**	**-6**	**-1**	**306**

NET 2011	**86**	**86**	**2**	**13**	**186**

10. Provisions

10.1. Figures

Variations in provisions for financial year 2011 can be broken down as follows:

PROVISIONS (in €000)	Amount at 01/01/2011	Reclassification	Allocations	Foreign exchange difference	Reversals		Amount at 31/12/2011
					used	not used	
Pension payments:							
- staff charges	313		92	7	-12	-15	385
- financial charges	26		13				39
2011 TOTAL NON-CURRENT PROVISIONS	**339**	**0**	**105**	**7**	**-12**	**-15**	**424**
Suppliers and customers	162		83		-86	-78	81
Social risk	125		263		-61	-26	301
Adjustment for customs accounts prev. year	10		25		-2	-8	25
2011 TOTAL CURRENT PROVISIONS	**297**	**0**	**371**	**0**	**-149**	**-112**	**407**

Provisions for company risk relate principally to legal action in France and Italy.

10.2. Retirement gratuities

These are summarised in the following tables:

PROVISION BY SUBSIDIARY	As at 31/12/2011	As at 31/12/2010
CLASQUIN SA	159	127
GUEPPE CLASQUIN	21	18
LOG SYSTEM	97	98
TOTAL FRANCE	**277**	**243**
CLASQUIN JAPAN	81	64
CLASQUIN ITALIA	40	32
CLASQUIN THAILAND	26	
TOTAL	**424**	**339**

TABLE OF CHANGES IN THE PROVISION FOR RETIREMENT GRATUITIES (France)	Discounted value of the non-funded obligation	Unrecognised actuarial differences	Net balance sheet commitments	Recognition in income statement
AS AT 01/01/2011	**243**		**243**	
Change in consolidation scope				
Cost of services rendered	26		26	26
Interest expenses	13		13	13
Services provided to employees				
Actuarial differences unrecognised as at 01/01/2011				
Net change in actuarial differences	-5		-5	-5
AS AT 31/12/2011	**277**	**0**	**277**	**34**

Certain subsidiaries have a defined contribution scheme and pay a sum to an outside management fund. These subsidiaries are:

SUBSIDIARIES CONTRIBUTING TO A MANAGEMENT FUND	2011 expense (in €000)
CLASQUIN AUSTRALIA (Superannuation)	65
CLASQUIN FAR EAST (MPF Contribution)	32
CLASQUIN KOREA (retirement allowance)	13

SUBSIDIARIES WITH NO LIABILITY FOR RETIREMENT GRATUITIES, IN ACCORDANCE WITH COUNTRY LEGISLATION	Subsidiary headcount at 31/12/2011
CLASQUIN CANADA	4
CLASQUIN ESPANA	10
CLASQUIN GERMANY	9
CLASQUIN INDIA	9
CLASQUIN MALAYSIA	9
CLASQUIN SHANGHAI	75
CLASQUIN SINGAPORE	17
CLASQUIN USA	13
CLASQUIN VIETNAM	17
SECURE CUSTOMS BROKERS	4

11. Loans and financial debts

11.1. Nature, variation and maturity of loans and financial liabilities

NATURE (in €000)	Companies	Amount at 01/01/2011	New loans 2011	Foreign exchange difference	Loan repayments	Amount at 31/12/2011	Year 2012	2013 to 2016	After 2016
Bank loans	Holding company	412			-412	0			
	GUEPPE CLASQUIN	2,115	634		-980	1,769	770	999	
	EUPHROSINE (Hong-Kong)	743		26	-48	721	50	203	468
Subtotal		**3,270**	**634**	**26**	**-1,440**	**2,490**	**820**	**1,202**	**468**
Lease loans	GUEPPE CLASQUIN	9			-6	3	3		
	CLASQUIN CANADA	6			-5	1	1		
Subtotal		**15**			**-11**	**4**	**4**		
Bank overdrafts	Holding company & subsidiaries	**775**	**825**		**-775**	**825**	**825**		
TOTAL LOANS AND FINANCIAL DEBTS		**4,060**	**1,459**	**26**	**-2,226**	**3,319**	**1,649**	**1,202**	**468**
TOTAL LONG-TERM FINANCIAL DEBT									**1,670**
TOTAL SHORT-TERM FINANCIAL DEBT							**1,649**		

11.2. Type of loan rates and breakdown per currency of the financial liabilities

Bank loans have a variable interest rate but can be hedged. At December 31st 2011, no hedges were in place.

Moreover, the book value of financial liabilities 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:

DETAIL OF LOANS AND FINANCIAL DEBTS BY COMPANY (in €000)	Currencies	Rate type	Covenants	Maturity	As at 31/12/2011	As at 31/12/2010
MISCELLANEOUS BANK LOANS:						
Holding company loan €1.5m in Dec. 2007	EUR	fixed	no	Dec. 2011	0	401
11 GUEPPE CLASQUIN loans in 2006 (total €773,000)	EUR	fixed	no	2010 - 2013	33	97
7 GUEPPE CLASQUIN loans in 2007 (total €641,000)	EUR	fixed	no	2011	0	9
22 GUEPPE CLASQUIN loans in 2008 (total €1,301,000)	EUR	fixed	no	2011 & 2012	200	552
2 GUEPPE CLASQUIN loans in 2009 (total €31,000)	EUR	fixed	no	2013	9	17
30 GUEPPE CLASQUIN loans in 2010 (total €1,479,000)	EUR	fixed	no	2013 & 2014	976	1,338
7 GUEPPE CLASQUIN loans in 2011 (total €634,000)	EUR	fixed	no	2015	537	
2 CGLOC loans in 2007 (tot. €435,000)	EUR	fixed	no	2011	0	82
CGLOC loan €20,000 in May 2010	EUR	fixed	no	Apr. 2014	12	17
EUPHROSINE loan HKD8,000,000 in May 2010	HKD	variable	no	May 2025	721	743
Accrued interest outstanding	EUR				2	14
MISCELLANEOUS LEASE LOANS:						
GUEPPE CLASQUIN	EUR			2009 - 2012	3	9
CLASQUIN CANADA CAD27,000 in April 2007	CAD			Apr. 2012	1	6
BANK OVERDRAFTS						
	EUR				41	481
	AUD				48	
	CAD				2	
	JPY				703	184
	THB				29	39
	MYR				0	61
	USD				2	
	SGD				0	10
TOTAL					**3,319**	**4,060**

11.3. 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	
	As at 31/12/2011	As at 31/12/2010
Pledge of CLASQUIN SINGAPORE business intangibles	0	10
TOTAL LOANS AND DEBTS	**0**	**10**

11.4. 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)	As at 31/12/2011	As at 31/12/2010
. From **CLASQUIN SA** for its **SUBSIDIARIES**:		
CLASQUIN AUSTRALIA	173	168
CLASQUIN FAR EAST	769	717
CLASQUIN GERMANY	355	5
CLASQUIN ITALIA	218	720
CLASQUIN JAPAN	1,497	461
CLASQUIN MALAYSIA	73	163
CLASQUIN SHANGHAI	1,400	480
CLASQUIN SINGAPORE	140	644
CLASQUIN THAILAND	85	85
CLASQUIN VIETNAM	85	60
. From CLASQUIN SA for CLASQUIN PERFORMANCES EMPLOYEE INVESTMENT FUND:	450	305
. From CLASQUIN FAR EAST for CHINA CONSTRUCTION BANK :	796	770
TOTAL	**6,041**	**4,578**

Certain changes can particularly be explained by exchange rate variations for guarantees in foreign currencies.

11.5. Rental lease commitments

They are summarised below:

COMMITMENTS MADE (in €000)	As at 31/12/2011	1 year	Over 1 year
CLASQUIN SHANGHAI	15	12	3
CLASQUIN JAPAN	75	75	
CLASQUIN KOREA	13	13	
CLASQUIN AUSTRALIA	56	56	
CLASQUIN SINGAPORE	8	8	
CLASQUIN MALAYSIA	1	1	
CLASQUIN THAILAND	4	4	
CLASQUIN VIETNAM	15	15	
CLASQUIN INDIA	18	18	
CLASQUIN USA & SECURE	253	99	154
CLASQUIN CANADA	11	11	
CLASQUIN SA	549	295	254
CLASQUIN ITALIA	13	13	
CLASQUIN ESPANA	24	24	
CLASQUIN GERMANY	110	55	55
GUEPPE CLASQUIN	751	202	549
LOG SYSTEM	40	24	16
TOTAL	**1,956**	**925**	**1,031**

12. Trade creditors and other accounts payable

Accounts payable can be broken down as follows:

DETAIL (in €000)	Gross value at 31/12/2011	Gross value at 31/12/2010
Supplier debts	29,176	27,039
Invoices to be received	5,941	7,271
Tax and welfare liabilities	6,164	5,610
Tax debt due	473	606
Other creditors	1,448	1,631
Asset adjustment accounts	-457	-548
TOTAL	**42,745**	**41,609**

13. Information on the operating segments

And as previously defined, business sectors relate to:

- 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.

13.1. Balance sheet and income statement for each CGU

13.1.1. Balance sheet assets for each CGU

ASSETS at 31/12/2011	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	1,568	5	81	-50	1,604
Tangible assets	2,867	2,460	151	-11	5,467
Investment securities	5,822	1		-5,817	6
Other financial assets	776	68	4		848
Deferred tax	462		10	20	492
TOTAL NON-CURRENT ASSETS	**11,754**	**6,614**	**354**	**-5,858**	**12,864**
Trade receivables	43,808	1,600	671	-314	45,765
Other current assets	1,381	393	1		1,775
Tax receivables paid in advance	53	28			81
Cash and cash equivalents	6,690	2,370	81		9,141
Asset adjustment accounts	412	6	39		457
TOTAL CURRENT ASSETS	**52,344**	**4,397**	**792**	**-314**	**57,219**
TOTAL ASSETS	**64,098**	**11,011**	**1,146**	**-6,172**	**70,083**

13.1.2. Liabilities for each CGU

LIABILITIES AND SHAREHOLDERS' EQUITY at 31/12/2011	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	9,149	1,784	252	-2,101	9,084
Profit/loss	3,115	763	21	-834	3,065
SHAREHOLDER'S EQUITY - GROUP SHARE	**21,122**	**6,782**	**281**	**-7,178**	**21,007**
SHAREHOLDERS' EQUITY - MINORITY INTERESTS				**1,300**	**1,300**
TOTAL SHAREHOLDERS' EQUITY	**21,122**	**6,782**	**281**	**-5,878**	**22,307**
Deferred tax	11	275	0	20	306
Non-current provisions	305	22	97		424
Long-term financial debt	671	999			1,670
TOTAL NON-CURRENT LIABILITIES	**987**	**1,296**	**97**	**20**	**2,400**
Current provisions	228	179			407
Short-term financial debt	876	773			1,649
Trade payables	34,122	1,149	160	-314	35,117
Tax and welfare liabilities	4,904	806	454		6,164
Tax debt due	432	11	30		473
Other current liabilities	1,427	15	6		1,448
Asset adjustment accounts			118		118
TOTAL CURRENT LIABILITIES	**41,989**	**2,933**	**768**	**-314**	**45,376**
TOTAL LIABILITIES	**42,976**	**4,229**	**865**	**-294**	**47,776**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**64,098**	**11,011**	**1,146**	**-6,172**	**70,083**

13.1.3. Income statement for each CGU

INCOME STATEMENT at 31/12/2011	CGU 1: overseas freight	CGU 2: road transport	CGU 3: IT services	Elimin. between the 3 CGUs	CLASQUIN consolidation
SALES	**159,660**	**10,789**	**2,964**	**-2,015**	**171,398**
Cost of sales	122,436	3,914	633	-718	126,265
GROSS PROFIT	**37,224**	**6,875**	**2,331**	**-1,297**	**45,133**
Other purchases and external charges	8,879	1,979	367	-651	10,574
Taxes and duties	488	105	33		626
Staff charges	22,334	2,618	1,668	-587	26,033
Depreciation	1,217	613	220	-49	2,001
Allocation and reversal of current provisions	-181	178	-6		-9
Other current income and expenses	105	-1	-1	1	104
CURRENT OPERATING INCOME	**4,382**	**1,383**	**50**	**-12**	**5,803**
Other operating income and expenses		-80		1	-79
OPERATING INCOME	**4,382**	**1,303**	**50**	**-11**	**5,724**
FINANCIAL RESULT: income (expenses)	132	-40	-5	-629	-542
GROSS PRE-TAX EARNINGS	**4,514**	**1,263**	**45**	**-640**	**5,182**
Income tax	1,399	500	24	1	1,924
CONSOLIDATED NET PROFIT	**3,115**	**763**	**21**	**-641**	**3,258**
Minority interests				193	193
NET PROFIT GROUP SHARE	**3,115**	**763**	**21**	**-834**	**3,065**

13.2. CGU 1: assessment of sales and gross profit

13.2.1. CGU 1 sales breakdown by geographical area

SALES BY GEOGRAPHICAL AREA	As at 31/12/2011		As at 31/12/2010		2011/2010 Change *(1)*	
	in €000	in %	in €000	in %	in €000	in %
France	106,191	52.7%	106,856	50.9%	-665	-0.6%
Other European countries	8,703	4.3%	14,508	6.9%	-5,805	-40.0%
Asia-Pacific	76,943	38.2%	79,173	37.7%	-2,230	-2.8%
North America	9,551	4.7%	9,199	4.4%	352	3.8%
TOTAL FOR CLASQUIN COMPANIES BEFORE CONSOLIDATION ENTRIES	**201,388**	**100.0%**	**209,736**	**100.0%**	**-8,348**	**-4.0%**
Consolidation entries	-41,728		-42,256		528	-1.2%
CGU 1 TOTAL (CLASQUIN network)	**159,660**		**167,480**		**-7,820**	**-4.7%**

(1) at current exchange rate

13.2.2. CGU 1 sales breakdown by business line

SALES BY BUSINESS LINE	As at 31/12/2011		As at 31/12/2010		2011/2010 Change *(1)*	
	in €000	in %	in €000	in %	in €000	in %
Air freight	68,466	42.9%	68,474	40.9%	-8	0.0%
Sea freight	83,154	52.1%	91,708	54.8%	-8,554	-9.3%
Other	8,040	5.0%	7,298	4.4%	742	10.2%
CGU 1 TOTAL (CLASQUIN network)	**159,660**	**100.0%**	**167,480**	**100.0%**	**-7,820**	**0.8%**

(1) at current exchange rate

13.2.3. CGU 1 breakdown of gross profit by geographical area

GROSS PROFIT BY GEOGRAPHICAL AREA	As at 31/12/2011		As at 31/12/2010		2011/2010 Change *(1)*	
	in €000	in %	in €000	in %	in €000	in %
France	21,858	55.3%	19,486	53.0%	2,372	12.2%
Other European countries	1,680	4.3%	2,450	6.7%	-770	-31.4%
Asia-Pacific	13,724	34.8%	12,717	34.6%	1,007	7.9%
North America	2,230	5.6%	2,088	5.7%	142	6.8%
TOTAL FOR CLASQUIN COMPANIES BEFORE CONSOLIDATION ENTRIES	**39,492**	**100.0%**	**36,741**	**100.0%**	**2,751**	**7.5%**
Consolidation entries	-2,268		-2,376		108	-4.5%
CGU 1 TOTAL (CLASQUIN network)	**37,224**		**34,365**		**2,859**	**8.3%**

(1) at current exchange rate

13.2.4. CGU 1 breakdown of gross sales profit by business line

GROSS PROFIT BY BUSINESS LINE	As at 31/12/2011		As at 31/12/2010		2011/2010 Change *(1)*	
	in €000	in %	in €000	in %	in €000	in %
Air freight	17,344	46.6%	16,099	46.8%	1,245	7.7%
Sea freight	17,537	47.1%	16,175	47.1%	1,362	8.4%
Other	2,343	6.3%	2,091	6.1%	252	12.1%
CGU 1 TOTAL (CLASQUIN network)	**37,224**	**100.0%**	**34,365**	**100.0%**	**2,859**	**28.2%**

(1) at current exchange rate

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

13.3.1. Group sales breakdown by currency

SALES BY CURRENCY	As at 31/12/2011		As at 31/12/2010	
	in €000	in %	in €000	in %
EURO	128,822	59.8%	134,896	60.4%
USD / HKD	30,460	14.1%	34,559	15.5%
YEN	13,183	6.1%	11,104	5.0%
Other	42,850	19.9%	42,710	19.1%
TOTAL BEFORE CONSOLIDATION ENTRIES	**215,315**	**100.0%**	**223,269**	**100.0%**
Consolidation entries	-43,917		-44,187	
TOTAL AFTER CONSOLIDATION ENTRIES	**171,398**		**179,082**	

13.3.2. Impact of foreign exchange rates on Group sales

IMPACT OF FOREIGN EXCHANGE RATE ON SALES	As at 31/12/2011	As at 31/12/2010	Change	%
At current exchange rate	171,398	179,082	-7,684	-4.3%
At constant exchange rate	172,134	179,082	-6,948	-3.9%
DIFFERENCE			**736**	**0.4%**

13.3.3. Breakdown of Group gross profit by currency

GROSS PROFIT BY CURRENCY	As at 31/12/2011		As at 31/12/2010	
	in €000	in %	in €000	in %
EURO	32,838	67.3%	31,148	67.8%
USD / HKD	5,611	11.5%	5,710	12.4%
YEN	2,316	4.7%	1,853	4.0%
Other	8,028	16.5%	7,242	15.8%
TOTAL BEFORE CONSOLIDATION ENTRIES	**48,793**	**100.0%**	**45,953**	**100.0%**
Consolidation entries	-3,660		-3,510	
TOTAL AFTER CONSOLIDATION ENTRIES	**45,133**		**42,443**	

13.3.4. Impact of foreign exchange rates on Group gross profit

IMPACT OF FOREIGN EXCHANGE RATES ON GROSS PROFIT	As at 31/12/2011	As at 31/12/2010	Change	%
At current exchange rate	45,133	42,443	2,690	6.3%
At constant exchange rate	45,232	42,443	2,789	6.6%
DIFFERENCE			**99**	**0.2%**

14. Breakdown of other current income and expenses

This can be broken down as follows:

DETAIL OF CURRENT OPERATING EARNINGS	Other expenses	Other income	Profit/loss
Customer adjustments	290	122	-168
Supplier adjustments	15	57	42
Third-party account adjustments	126	47	-79
Sundry	126	227	101
TOTAL	**557**	**453**	**-104**

15. Breakdown of other operating income and expenses

This can be broken down as follows:

DETAIL OF OTHER OPERATING EARNINGS	Other expenses	Other income	Profit/loss
Withdrawal of fixed assets	294	217	-77
Sundry	7	5	-2
TOTAL	**301**	**222**	**-79**

16. Financial result

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

BREAKDOWN OF FINANCIAL RESULT	As at 31/12/2011	As at 31/12/2010
Cost of gross financial debt	126	171
Income from cash and cash equivalents	-48	-23
COST OF NET DEBT	**78**	**148**
Other financial income	-1	
Loss on equity investments in unconsolidated companies		18
Provision reversal for depreciation of financial assets		-26
Appropriation to provisions for depreciation of financial assets	41	6
Reversal of provision for financial risk		0
Allocation to provisions for financial risk	13	26
Foreign exchange difference	411	494
OTHER FINANCIAL INCOME (-) AND EXPENSES (+)	**464**	**518**
FINANCIAL RESULT	**542**	**666**

17. Income tax

17.1. Analysis of income tax

Tax on profits at 31 December 2011 is broken down as follows:

- -€2,010,000 current due taxes
- +€86,000 deferred income taxes from tax losses that can be carried over and deferred depreciation, or which relate to temporary differences, for French companies and for foreign companies.

17.2. Tax analysis

TAX ANALYSIS	As at 31/12/2011	As at 31/12/2010
Consolidated net profit	3,258	3,819
Corporate tax	1,924	1,967
Net profit before tax	5,182	5,786
THEORETICAL TAX EXPENSE (AT 33.33%)	**1,727**	**1,928**
TAX EXPENSE RECORDED	**1,924**	**1,967**
TAX DIFFERENCE TO BE ANALYSED	**-197**	**-39**

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 TAX DIFFERENCE	Expenses	Income
Difference in rate for foreign companies		161
Unused tax losses for the year	140	
Losses to be carried forward and deferred depreciation used		
Items taxed at a lower rate and tax credits	21	
Differences associated with the corporate tax assessment	226	
Permanent differences		29
TOTAL	**387**	**190**
NET TAX EXPENSE	**197**	

In accordance with treatment permitted by the National Accounting Committee, the CLASQUIN Group classified the corporate tax assessment on the taxes line of the 2011 income statement. This sum amounts to €317,000. Per contra, deferred tax liabilities have been recognised for a total sum of €15,000. The impact is found in the 'taxes due on permanent differences' section of the tax analysis.

For comparison, if the corporate tax assessment had been reclassified from 2010, the effect on operating profit 2010 would have been €281,000, and a deferred tax liability of about €15,000 would have been recognised.

18. 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.

Diluted income per share takes account of diluted instruments in circulation at closure of the accounting period.

EARNINGS PER SHARE	As at 31/12/2011	As at 31/12/2010
NET EARNINGS (in €000)	**3,065**	**3,395**
Number of weighted ordinary shares at the start of the year	2,306,401	2,306,401
Treasury shares held at year end	-3,090	-3,152
Number of weighted ordinary shares outstanding	2,303,311	2,303,249
NET EARNINGS PER SHARE (in €) *(1)*	**1.33**	**1.47**
Dilutive instruments (convertible shares)	-	-
Number of weighted ordinary shares outstanding after integration of the potential dilutive instruments	2,303,311	2,303,249
DILUTED NET EARNINGS PER SHARE (in €) *(1)*	**1.33**	**1.47**

(1) calculated based on the number of shares outstanding minus the number of treasury shares.

19. Other information

19.1. Headcount breakdown / Incentive plan and employee profit-sharing scheme

The number of employees in fully consolidated companies on 31 December 2011 is shown in detail in the following table (including company representatives):

19.1.1. Headcount: breakdown by geographical area

HEADCOUNT BY GEOGRAPHICAL AREA	As at 31/12/2011			As at 31/12/2010			2011/2010 change	
	Number	%	% total	Number	%	% total	Number	%
France (excl. GUEPPE CLASQUIN)	187	38.7%	33.3%	187	41.8%	35.4%	0	0.0%
Other European countries	30	6.2%	5.3%	21	4.7%	4.0%	9	42.9%
Asia-Pacific	245	50.7%	43.6%	217	48.5%	41.1%	28	12.9%
North America	21	4.3%	3.7%	22	4.9%	4.2%	-1	-4.5%
TOTAL EXCLUDING GUEPPE CLASQUIN & LOG SYSTEM	**483**	**100.0%**	**85.9%**	**447**	**100.0%**	**84.7%**	**36**	**8.1%**
GUEPPE CLASQUIN	53		9.4%	56		10.6%	-3	-5.4%
LOG SYSTEM	26		4.6%	25		4.7%	1	4.0%
TOTAL	**562**		**100.0%**	**528**		**100.0%**	**34**	**6.4%**

19.1.2. Headcount: breakdown by function

HEADCOUNT BY FUNCTION	As at 31/12/2011			As at 31/12/2010			2011/2010 change	
	Number	%	% total	Number	%	% total	Number	%
Operations	296	61.3%	52.7%	265	59.3%	50.2%	31	11.7%
Sales staff	74	15.3%	13.2%	77	17.2%	14.6%	-3	-3.9%
Back-office	79	16.4%	14.1%	71	15.9%	13.4%	8	11.3%
Country & Profit Center Managers	34	7.0%	6.0%	34	7.6%	6.4%	0	0.0%
TOTAL EXCLUDING GUEPPE CLASQUIN & LOG SYSTEM	**483**	**100.0%**	**85.9%**	**447**	**100.0%**	**84.7%**	**36**	**8.1%**
GUEPPE CLASQUIN	53		9.4%	56		10.6%	-3	-5.4%
LOG SYSTEM	26		4.6%	25		4.7%	1	4.0%
TOTAL	**562**		**100.0%**	**528**		**100.0%**	**34**	**6.4%**

19.1.3. Headcount: breakdown executives/non-executives

EXECUTIVES/NON-EXECUTIVES	As at 31/12/2011		As at 31/12/2010		Change 2010 / 2009
	Number	%	Number	%	
Non-executives	417	74.2%	377	71.4%	10.6%
Executives	145	25.8%	151	28.6%	-4.0%
TOTAL	**562**	**100.0%**	**528**	**100.0%**	**6.4%**

19.1.4. Profit-sharing and Share ownership

The cost of the incentive programme applicable at CLASQUIN SA was €980,000 for 2011 versus €735,000 for the previous year.

The cost of the incentive programme applicable at LOG SYSTEM SARL, is €64,000 for 2011 versus €4,000 for the previous year.

Employee profit-sharing plan for 2011 was measured at €156,000 compared to €103,000 for the previous year.

19.2. Directors

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

19.2.1. Remuneration granted to members of administrative and management bodies

Remuneration of members of administrative and management bodies amounted to €770,000 for 2011, which included €25,000 for benefits in kind. This comprised remuneration for employment contracts and the offices of company representatives.

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

19.2.2. Commitments for pensions 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.

19.3. Statutory Auditors' fees

The fees of the statutory auditors and members of their networks, paid by the CLASQUIN Group for the 2011 financial year, are set forth in the following table:

FEES OF THE STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORKS	PIN ASSOCIÉS / SEGECO		MAZARS		PAN-CHINA (HK) CPA LTD		DACCO / AGOGLIATI / SIDDI	
	2011	2010	2011	2010	2011	2010	2011	2010
Audit								
Statutory Auditors								
Parent company:	32	32	32	32				
Fully consolidated subsidiaries:	28	29	79	63	10	9	7	16
Other audits								
Parent company:								
Fully consolidated subsidiaries:		16	15	6		0	0	0
Subtotal:	**60**	**77**	**126**	**101**	**10**	**9**	**7**	**16**
Other services								
Legal, tax, employment:								
Other:								
Subtotal:	**0**	**9**	**0**	**0**	**0**	**0**	**0**	**0**
TOTAL	**60**	**86**	**126**	**101**	**10**	**9**	**7**	**16**

19.4. Income statement balance

INCOME STATEMENT BALANCE	As at 31/12/2011	%	As at 31/12/2010	%	Change in %
SALES	**171,398**		**179,082**		**-4.3%**
COST OF SALES	**126,265**		**136,639**		**-7.6%**
GROSS PROFIT	**45,133**	**100.0%**	**42,443**	**100.0%**	**6.3%**
Premises and related expenses	3,299	7.3%	2,742	6.5%	20.3%
Communication expenses	1,170	2.6%	1044	2.5%	12.1%
Marketing	939	2.1%	943	2.2%	-0.4%
Travel expenses	2,714	6.0%	2,618	6.2%	3.7%
Fees	1,127	2.5%	1013	2.4%	11.3%
Insurance	1,037	2.3%	838	2.0%	23.7%
Sundry	524	1.2%	788	1.9%	-33.5%
TOTAL EXTERNAL EXPENSES	**10,810**	**24.0%**	**9,986**	**23.5%**	**8.3%**
ADDED VALUE	**34,323**	**76.0%**	**32,457**	**76.5%**	**5.7%**
Salaries and costs	26,424	58.5%	22,533	53.1%	17.3%
EBITDA	**7,899**	**17.5%**	**9,924**	**23.4%**	**-20.4%**
Amortisation, depreciation and provisions net of reversals	1,992	4.4%	1,715	4.0%	16.2%
Other current income	453	1.0%	546	1.3%	-17.0%
Other current expenses	557	1.2%	2196	5.2%	-74.6%
CURRENT OPERATING INCOME	**5,803**	**12.9%**	**6,559**	**15.5%**	**-11.5%**
Other operating income	222	0.5%	1184	2.8%	-81.3%
Other operating expenses	301	0.7%	1291	3.0%	-76.7%
NET TOTAL	**-79**	**-0.2%**	**-107**	**-0.3%**	**-26.2%**
OPERATING INCOME	**5,724**	**12.7%**	**6,452**	**15.2%**	**-11.3%**
Financial income	1,205	2.7%	1044	2.5%	15.4%
Financial expenses	1,747	3.9%	1,710	4.0%	2.2%
FINANCIAL INCOME/LOSS	**-542**	**-1.2%**	**-666**	**-1.6%**	**-18.6%**
PRE-TAX EARNINGS	**5,182**	**11.5%**	**5,786**	**13.6%**	**-10.4%**
Corporate tax	1,924	4.3%	1,967	4.6%	-2.2%
Goodwill impairment	0	0.0%	0	0.0%	0.0%
CONSOLIDATED NET PROFIT	**3,258**	**7.2%**	**3,819**	**9.0%**	**-14.7%**
Minority interests	193	0.4%	424	1.0%	-54.5%
NET PROFIT GROUP SHARE	**3,065**	**6.8%**	**3,395**	**8.0%**	**-9.7%**

OPERATIONAL CASH FLOW (in €000)	**5,725**	**12.69%**	**4,863**	**11.46%**	**17.73%**

19.5. Post balance sheet events

No significant events have taken place since the closing of the financial statements on 31 December 2011.

19.6. Affiliated parties

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

TRANSACTIONS CARRIED OUT BETWEEN ASSOCIATES	TOTAL		SARL GUEPPE FINANCE ET GESTION		SCI CHALAROGUE		SCI HERA		SCI DE LA LOUVE		OLYMP SAS		EVERRICH CONSULTING PARTNERS	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Trade receivables	**68**	**10**							**48**	**4**	**20**			**6**
Trade payables	302	282	240	239					53	0	9	43		0
Management fees	700	656	610	530							90	126		
Other external expenses	**451**	**427**			**184**	**184**	**52**	**51**	**209**	**188**			**6**	**4**
Total operating expenses	**1,151**	**1,083**	**610**	**530**	**184**	**184**	**52**	**51**	**209**	**188**	**90**	**126**	**6**	**4**
Operating income	**17**	**26**							**4**	**4**	**13**	**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 customer receivables.

CLASQUIN has a diversified customer portfolio where no single customer represents more than 5% of the Group's consolidated sales on December 31 2011. 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 large 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 service provisions.

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 31/12/2011					At 31/12/2010				
	TOTAL	EURO	USD / HKD	YENS	Other	TOTAL	EURO	USD / HKD	YENS	Other
Loans, deposits & guarantees and trade receivables	46,218	31,565	3,188	2,374	9,091	44,441	28,657	6,393	1,325	8,066
Cash equivalents (including current accounts)										
Forward currency contracts used as hedging	4,427		2,000	317	2,110	1,828		1,200	278	350
TOTAL	**50,645**	**31,565**	**5,188**	**2,691**	**11,201**	**46,269**	**28,657**	**7,593**	**1603**	**8,416**

1.2. Impairment

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

IMPAIRMENT LOSS	Book value	
	At 31/12/2011	At 31/12/2010
Risk-free customer receivables	45,391	43,733
Doubtful customer receivables (gross)	1,324	1,489
Provision for doubtful debts	-1,302	-1471
CUSTOMER ITEM	**45,413**	**43,751**

2. Liquidity risk

CLASQUIN GROUP investments are primarily in transport equipment (GUEPPE CLASQUIN), IT equipment (hardware and software) and on fixtures and fittings.

Investments are financed through medium- 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.

No contracts governing the CLASQUIN Group's loans include bank 'covenants'.

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

RESIDUAL PAYMENTS FOR FINANCIAL LIABILITIES	Book value at 31/12/2011	Contractual cash flow	1 year	1 to 2 years	2 to 5 years	Over 5 years
Non-derivative financial liabilities						
Bank loans	2,490	2,490	820	594	608	468
Convertible bonds						
Liabilities related to lease financing agreements	4	4	4			
Banking facilities						
Trade creditors and other accounts payable	36,565	36,565	36,565			
Bank overdrafts	825	825	825			
Derivative financial liabilities						
Interest rate swaps used for hedging: Liabilities						

3. Market risk

The market risk refers to the risk of 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 11.2 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.

With the CLASQUIN GROUP conducting an international business, foreign exchange fluctuations could have a negative impact on the profits of its subsidiaries situated outside the Euro zone, which are insufficiently or not hedged, considering their import and/or export flows, and thus on the financial situation and profits of the CLASQUIN Group.

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".

3.3. Risk on shares

Neither CLASQUIN SA nor companies in the Group hold third party share portfolios or mutual fund shares, the available cash investments essentially being made in monetary unit trusts or interest-bearing accounts.

Variations in the CLASQUIN share price have no effect on the Group's net earnings, treasury shares being offset by shareholders' equity.

Statutory Auditors' report on the consolidated financial statements for the financial year ended 31 December 2011

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 2011, on:

- the audit of the consolidated accounts 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.

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 the notes E.11.3.5.2 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 and information

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 24 April 2012

The Statutory Auditors

MAZARS
Christine Dubus

SEGECO AUDIT - RHONE ALPES
Alain Descoins

Board of Directors management report on the financial statements for the financial year ended 31 December 2011

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 2011, as well as the results of this activity and future prospects
- submit for your approval the balance sheet, company accounts and consolidated accounts of the said financial year and recommend allocation of the profit
- recommend the allocation of directors' fees
- recommend that you do not renew the terms office of the Directors, which have expired
- recommend the appointment of two new Directors in addition to the Directors currently in office
- recommend renewal of the mandate, now expiring, of the Statutory Auditor and to appoint a new Deputy Statutory Auditor
- recommend authorising the Board of Directors for the Company to repurchase its own shares and reduce the share capital by cancelling shares held by the company
- recommend authorising the Board of Directors to make free share allocations to employees in the Group's foreign subsidiary companies
- suggest that you take a decision in pursuance of the law concerning save-as-you-earn plans imposing the proposal at the AGM of an increase in capital reserved to employees under the conditions provided for by article L.3332-18 of the Labour Code.

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

1. CLASQUIN GROUP

Slowdown in the growth of world trade over the second half of 2011.

Growth in world trade during 2010 was about 12.5% with a strong adjustment following the crisis in 2009. Growth continued to slow during 2011 to reach an annual level of about 5%.

Sea freight experienced volume growth of about 5%, while air freight fell in volume by nearly 1%.

Heavily affected by the arrival of significant transport capacity, sea freight rates have fallen by nearly 50% on Asia-Europe routes. As an example, the freight rate for a 20' container had reached USD 1700 in August 2010 on the Hong Kong - Mediterranean route, to fall below USD 500 in December 2011.

Air freight rates on the same routes fell by nearly 20% over the second half after increasing over the 1st half year.

Key figures

Consolidated	2011	% of GP	2010	% of GP	*Change*
Number of shipments (excluding GUEPPE CLASQUIN)	142,570		135,693		*+5.1%*
Sales (in €m)	171.4		179.1		*-4.3%*
Gross profit (in €m)	**45.1**	**100.0%**	**42.4**	**100.0%**	*+6.3%*
Current Operating income (in €m)	5.8	12.9%	6.6	15.5%	*-11.5%*
Consolidated net profit (in €m)	**3.3**	**7.2%**	**3.8**	**9.0%**	*-14.7%*
Net Profit Group Share (in €m)	3.1	6.8%	3.4	8.0%	*-9.7%*

Sound business

Reminder: Sales is not the appropriate indicator of business growth in our sector, because it is very significantly impacted by changes in the rates for air and sea freight, fuel surcharges and exchange rates (particularly against the $), etc.

Relevant indicators are growth in the number of shipments, growth in volumes transported and, for a financial viewpoint, growth in gross profit.

	NUMBER OF SHIPMENTS			VOLUMES			GROSS PROFIT (in €m)		
At current exchange rate	**2011**	**2010**	***Chg. 2011/2010***	**2011**	**2010**	***Chg. 2011/2010***	**2011**	**2010**	***Chg. 2011/2010***
Sea freight	69,537	66,435	*+ 4.7%*	90,198 TEU	79,094 TEU	*+ 14.0%*	17.5	16.2	*+ 8.4%*
Air freight	60,899	57,629	*+ 5.7%*	41,139 T	37,879 T	*+ 8.6%*	17.3	16.1	*+ 7.7%*
Other	12,134	11,629	*+4.3%*				2.3	2.1	*+ 12.1%*
TOTAL 1	**142,570**	**135,693**	***+5.1%***				**37.2**	**34.4**	***+8.3%***
LOG SYSTEM							2.3	1.8	*+ 29.7%*
GUEPPE CLASQUIN							6.9	7.2	*- 4.0%*
Consolidation entries							-1.3	-1.0	
CONSOLIDATED TOTAL							**45.1**	**42.4**	***+ 6.3%***

The number of shipments made by the Group during 2011, excluding Gueppe Clasquin, increased by 5.1%.

The Group's gross profit grew by 6.3%.

- Sea freight: Sea freight business in 2011 grew both in terms of number of shipments (+4.7%) and number of TEU* (+14%). Gross profit grew by 8.4%.
- Air freight: Air freight saw the number of shipments grow 5.7% and the tonnage transported 8.6%. Gross profit grew by 7.7 %.
- Log System, our software subsidiary closed a year of strong growth (gross profit rose by 29.7%), thanks to both business growth in the medical field (+31%), following the acquisition of MB Concept in July 2010, and winning new customers in the Freight Forwarding sector (+29%).
- Our subsidiary Gueppe Clasquin, which specialises in road haulage and logistics, saw a slight fall in its business (sales: -1.8%, gross profit: -4.0%).

**Twenty-foot Equivalent Unit*

An exceptional year for growth investments

Major structural investments for the Group's future

- recruiting Company Secretary Yves Barnoud, who now manages all the Group's Back Office functions, which form the essential foundation for future growth and the launch of our Business Plan 2016
- restructuring of IS/IT services
- implementing a team dedicated to operational excellence in the Group.

A totally exceptional year for growth investments

- opening CLASQUIN GERMANY, with an operational start up in February 2011
- opening of CLASQUIN INDIA, achieved in July 2011
- opening of CLASQUIN GEORGIA in December 2011. This was the first step of a development plan in all Central Asian countries
- total 'reshuffling' of CLASQUIN ITALIA after the 'big clean up' in 2010
- opening a customs service at Narita airport
- creating a commercial hub at Laos.

Sound economic results

All these investments represent an increase of €2.3m in the payroll (out of a total increase of €3.9m), which naturally affects our short-term earnings. These are therefore less than in 2010, when our earnings were excellent, but nonetheless they remain good given our current environment.

Current operating profit fell by 11.5% (corporate tax assessment is now recognised in the 'taxes on profits' line).

The consolidated net profit was €3.3m (-14.3% compared to 2010).

Finally, the attributable net profit was €3.1m (-9.3% compared to 2010).

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

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

Financial position

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

	31/12/2011	31/12/2010	Change
Shareholders' equity	€22.3m	€21.9m	+ €0.4m
Mid- and long-term financial debts	€2.5m	€3.3m	- €0.8m
Net cash position	€8.3m	€8.7m	- €0.4m

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, fell by 2.1% to €105.2 million compared to €107.5 million for the previous year.

In €000	2011 Sales	2011 Gross Profit	Progression gross profit 2011/2010	Current operating income 2011	Current operating income 2010
CLASQUIN ITALIA	1,782	397	- 30.3%	231	- 265
CLASQUIN ESPAÑA	5,112	938	- 50.2%	25	688
LOG SYSTEM	2,964	2,331	+ 29.7%	159	57
CLASQUIN JAPAN	13,107	2,316	+ 25.0%	77	3
CLASQUIN KOREA	3,261	600	+ 3.3%	60	114
CLASQUIN FAR EAST	21,328	3,637	- 6.1%	628	618
CLASQUIN SINGAPORE	2,989	822	2.4%	11	49
CLASQUIN THAILAND	3,959	668	+ 12.9%	- 37	96
CLASQUIN MALAYSIA	1,192	322	- 27.3%	8	17
CLASQUIN AUSTRALIA	5,631	1,372	+ 6.2%	86	82
CLASQUIN USA	7,561	1,481	+ 8.3%	162	190
CLASQUIN CANADA	1,370	344	+ 14.4%	38	- 47
FINANCIERE GUEPPE CLASQUIN	28	28	*NS*	22	22
CLASQUIN VIETNAM	2,270	293	- 33.2%	- 27	72
CLASQUIN GERMANY	1,636	345	N/A	63	-66
CLASQUIN INDIA	370	80	*N/A*	- 144	*N/A*

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 2011 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 INDIA PVT LTD
- the company CLASQUIN GEORGIA and its subsidiary CLASQUIN SILK ROAD were founded during financial year 2011. Because of their insignificant character in 2011, these 2 companies were not consolidated.

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 2011

In €	IFRS accounting standards		
	31/12/2011	31/12/2010	*Change*
Sales	171,398,116	179,081,957	*- 4.3%*
Cost of Sales	126,265,376	136,639,383	*- 7.6%*
Gross profit	45,132,743	42,442,575	*+ 6.3%*
Current operating income	5,803,391	6,558,536	*- 11.5%*
Pre-tax earnings	5,181,986	5,785,615	*- 10.4%*
Consolidated net profit	**3,257,929**	**3,818,925**	*- 14.7%*
Net Profit Group share	**3,064,961**	**3,394,778**	*- 9.7%*

Consolidated earnings for the financial year show an attributable net profit to CLASQUIN Group of €3,064,961 compared to an attributable net profit to the Group of €3,394,778 for the previous financial year, a fall of -9.7%. Taking this result into consideration, within shareholders' equity, the Group share is €21,007,152 and the minority shares represent €1,300,174 for a share capital of €4,612,802 on 31 December 2011.

Net sales achieved during the past financial year amount to €171,398,116 compared to €179,081,957 during the previous financial year, a fall of 4.3% compared to growth of 56.1% during the previous financial year.

Gross margin achieved during the past financial year amounts to €45,132,743 compared to €42,442,575 during the previous financial year, growth of 6.3% compared to growth of 23.8% during the previous financial year.

Current operating income amounts to €5,803,391 compared to €6,558,536 for the previous financial year, a fall of 11.5%. Non-recurrent items account for losses of €79.457 compared to losses of €106.940 for the previous year.

Group consolidated net profit showed profits of €3,257,929, with the CLASQUIN GROUP share coming to €3,064,961.

1.2. Company financial statements

CLASQUIN SA financial statements for the year ending December 31st 2011 show a profit of €4,244,989, of which the main components are as follows:

In €	31/12/2011	31/12/2010	Change
Sales	105,199,746	107455 201	- 2.1%
Operating income	105,827,833	108,121,819	- 2.1%
Operating charges	102,691,398	105,455,454	- 2.6%
EBIT	3,136,435	2,666,365	+17.6%
Financial income	3,478,403	2,144,409	+62.2%
Financial charges	445,756	924,788	- 51.8%
Financial result	3,032,647	1,219,621	+148.7%
Pre-tax operating earnings	6,169,082	3,885,986	+ 58.8%
Extraordinary income	13,058	544,196	- 97.6%
Extraordinary expenses	28,888	494,209	- 95.2%
Extraordinary result	- 15,830	49,987	-131.7%
Employee incentive and profit-sharing scheme	1,126,557	822,766	+36.9%
Income tax	781,706	658,408	+18.7%
Net profit	**4,244,989**	**2,454,798**	**+ 72.9%**

Net sales amounted to €105,199,746 for the year vs €107,455,201 for the previous year.

Total operating income came to €105,827,833 and total operating charges came to €102,691,398, thus leaving EBIT at €3,136,435, compared to €2,666,365 for the previous year.

Total financial income amounted to €3,478,403 and total financial charges came to €445,756, resulting in a financial result showing a profit of €3,032,647.

Pre-tax Operating Profit therefore came to €6.169.082 compared to €3,885,986 for the previous year.

Total extraordinary income amounted to €13,058 and total extraordinary financial costs came to €28,888, resulting in an extraordinary loss of €15,830.

Company financial statements for the year showed a net profit of €4,244,989 compared to a net profit of €2,454,798 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 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 CLASQUIN 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.

No contracts governing the CLASQUIN Group's loans include 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 11.2 of chapter "E.IV - Explanation of the balance sheet and income statements and their variations").

The CLASQUIN GROUP did 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 24 companies and 44 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 2011 and 2010, of the balance of payables denominated in euros owed to suppliers.

Trade payables as at 31/12/2011 by due date

	0-30 days	31-60 days	61-90 days	after 90 days	Total amount due
Balance due as at 31/12/2011 – in €	23,325,668	2,695,050	52,152	151,644	26,224,514

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

D. Research and development

This activity represented €957,000 for the CLASQUIN GROUP in 2011, i.e. 4.9% 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 deployed in all subsidiaries.

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 2012

Market

World trade is expected to grow about 3-4% in 2012.

- ➔ continue sustained growth in western exports to Asia
- ➔ stagnation of European imports coming from Asia
- ➔ significant growth of intra-Asian trade

are the main market trends we are expecting in 2012.

Clasquin

- ➔ growth in activity
- ➔ no new investments in 2012 (excluding data processing developments)
- ➔ we should begin to benefit (modestly) from the growth investments made in 2011 as well as stabilisation of our operating costs, which will be visible in the second half of the year.

Against this backdrop we anticipate 2012 earnings growing, particularly in the second half of the year.

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 2011, represent approximately 56.44% of the consolidated Net Profit Group share which is €3,064,961.

We suggest allocation of the year's profit, amounting to €244,989.06, in the following manner:

- ➔ dividend distribution of: €1,729,800.75
- ➔ balance, equivalent to €2,515,188.31 allocated to the "Other reserves" item.

The allocation proposal relates to existing shares. In the event that the Company held a proportion of its own shares when the dividend was paid and which do not give entitlement to a dividend, the profit corresponding to the unpaid dividends for these shares will be allocated to the 'Other Reserves' account.

Each shareholder will thus receive a dividend of €0.75 per share.

This dividend will be released on 14 June 2012.

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
31/12/2010	€1.20
31/12/2009	€0.63
31/12/2008	€0.43

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 €53,724, corresponding to expenses that are not tax deductible, and that corporate tax paid on this amount came to €17,906.

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 2011, 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 ESPAÑA	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%
CLASQUIN INDIA	100%	100%
CLASQUIN SILK ROAD	51%	51%
FINANCIÈRE GUEPPE CLASQUIN	70%	70%

Indirectly:

Companies	% of controlling interest	% 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%
CLASQUIN GEORGIA	51%	51%

K. The agreements referred to in Articles L.225-38 et seq. 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 2011.

L. Non-renewal of a Director's term of office

The Director's term of office of Mr Hamsan Chap expires at the end of the next Annual General Meeting and we are proposing not to renew his appointment as a Director and not to appoint a replacement.

M. Appointment of two new Directors in addition to the Directors currently in office

We propose to appoint two new Directors in addition to the Directors currently in office:

- Mme Claude Revel, living at 97 Boulevard Haussmann, 75008 Paris
- Mr Yves Barnoud, living at 220 Chemin du Trincon, 38430 Saint Jean de Moirans

for a period of six years, until the end of the Annual General Meeting called to approve the accounts for the financial year ending 31 December 2017.

N. Statutory Auditors' terms of Office

We propose to record that following the partial contribution of assets from Cabinet PIN & Associés, currently the Company's Statutory Auditors, to the Cabinet SEGECO Audit Rhône-Alpes, the appointment of Cabinet PIN & Associés as the Company's Statutory Auditors is taken up by Cabinet SEGECO Audit Rhône-Alpes.

We inform you that the terms of office of the appointed Statutory Auditor Cabinet SEGECO Audit Rhône-Alpes and the Deputy Statutory Auditor Mr Thibault Chalvin expire at the end of the Annual General Meeting to approve the accounts for the financial year ending 31 December 2011.

We note that pursuant to the provisions of article L.822-14 of the Commercial Code, as the appointed Statutory Auditor for the companies is making a public subscription offer it cannot, in principle, certify the accounts for more than six consecutive accounting periods, unless the signatory to the reports changes.

It is therefore proposed at the Annual General Meeting and for a period of six financial years, until the end of the Annual General Meeting called to approve the accounts for the financial year ending 31 December 2017 to:

- reinstate Cabinet SEGECO Audit Rhône-Alpes for a new period of six financial years, until the end of the Annual General Meeting called to approve the accounts for the financial year ending 31 December 2017, it being possible to renew the appointment of Statutory Audit companies on condition that the signatory of reports is changed
- to appoint Mr Jean-Loup Rogé, resident at 170 Boulevard Stalingrad, 69006 Lyon, as Deputy Statutory Auditor for a period of six financial years, until the end of the Annual General Meeting called to approve the accounts for the financial year ending 31 December 2017, replacing Mr Thibault Chalvin.

Management report

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

1. Authorisation granted to the Company to buy back its listed shares

We propose to authorise the Company to deal on the Stock Market in its own shares, pursuant to the provisions of article L.225-209 of the Commercial Code (as amended by article 15 of law 2012-387 dated 22 March 2012) now applicable to companies whose shares are quoted on Alternext and in accordance with the provisions of European Regulation 2273/2003 dated 22 December 2003, and subject to compliance with the legal and regulatory provisions applicable at the time, exclusively for purposes in the following order of priority:

- transactions carried out by an investment provider as part of a liquidity contract drawn up pursuant to the AMAFI *[French Financial Markets Association]* ethical code
- hedging for share purchase option or free share allocation schemes
- hedging for other forms of share allocation to employees and/or managing agents of the Group under conditions and according to procedures specified by the law, particularly in regard to sharing in profits of the company, as part of a company savings scheme
- to keep and later transfer or use as payment as part of transactions such as acquisition, merger, demerger or investment
- debt hedging instruments convertible to shares
- cancelling purchased shares.

Other uses of this share repurchase programme are not being considered.

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

An information document will be distributed in accordance with current regulations following the decision, if appropriate, by the Board of Directors to effectively begin the repurchase programme authorised by the Annual General Meeting.

- maximum number of shares to be acquired: maximum of 10% of the company share capital (including shares already held), including 5% of the company share capital if they are shares acquired by the Company to keep and later transfer or use as payment as part of transactions such as acquisition, merger, demerger or investment
- 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 €9,225,600, financed either by the Group’s own resources or short- to mid-term financing from an external source.

Shares may be repurchased by any procedure, including acquisition of share blocks in one or more transactions, including during a public offer period.

Validity of authorisation: with effect from the date the Annual General Meeting approves the accounts as at 31 December 2011 and until the date of the next Annual General Meeting to approve the accounts, within the legal limit of eighteen months.

The Board of Directors shall, if you adopt this resolution, issue a report every year on the use of this authorisation.

We are also asking you to authorise the Board of Directors, for a period of 18 months, on one or more occasions and at its sole discretion, to cancel up to 10% of the share capital calculated on the day of the decision to cancel, having deducted any shares cancelled during the previous 24 months, shares that the company holds or may hold following repurchases made as part of the repurchase programme and to reduce the company share capital by the same amount pursuant to current legal and regulatory provisions. The Board of Directors would therefore have the necessary powers to do what is required in such matters.

2. Authorisation given to the Board of Directors to make free share allocations to employees in the Group's foreign subsidiary companies

We are considering setting up a shareholding scheme enabling employees in the Group's foreign subsidiaries to subscribe to shares in the Company, by means of free share allocations.

We therefore propose, in accordance with article L.225-197 et sequor of the Commercial Code:

- to authorise the Board of Directors, for a period of 26 months with effect from this Annual General Meeting, on one or more occasions and at its sole discretion, at its choice, either in free existing shares in the Company originating from purchases it had made or shares to be issued through a capital increase, to the benefit of all or some members of staff employed by foreign companies that are associated to the Company pursuant to the conditions cited in part 1 of article L.225-197-2 I of the Commercial Code
- to resolve that the cumulative total number of shares resulting from free allocation of shares as a result of this authorisation, whether they are existing shares or shares to be issued, shall not exceed a total number equal to one per cent (1 %) of the total number of shares making up the company's share capital at the allocation date
- to resolve that the share allocation will only be vested by their beneficiaries after a period to be determined by the Board of Directors, but which shall under no circumstances be less than two (2) years
- to resolve that the vesting period shall end prematurely if the beneficiary becomes disabled to an extent corresponding to classification in the second or third of the categories specified in article L.341-4 of the Social Security Code
- to resolve that in the event of the beneficiary's death, shares shall be vested pursuant to the provisions of article L.225-197-3 of the Commercial Code
- to resolve that at the end of the aforementioned vesting period, the beneficiaries, having become permanent owners of the free shares allocated to them by the Board of Directors, shall only transfer the said shares at the end of a holding period, the duration of which shall be determined by the Board of Directors, but which shall under no circumstances be less than two (2) years
- to resolve that for beneficiaries not tax-resident in France, the Board of Directors shall waive the aforementioned holding period on condition that the vesting period should be at least four years
- to resolve that shares acquired pursuant to this authorisation shall be granted to a named individual
- to note that, for shares to be issued, this authorisation will involve, at the end of the vesting period, increasing the share capital by incorporating reserves, profits or bonuses due to the beneficiaries of the said shares and to note that this resolution would result in automatic waiver of the shareholders, in favour of the beneficiaries of the free shares to be issued, to the part of reserves, profits or bonuses that would thus be incorporated in the share capital as well as their rights issue
- to delegate all necessary powers to the Board of Directors to implement this authorisation, and more generally to do what is necessary for the purposes of implementing this authorisation and its consequences.

The Annual General Meeting, for a period of 26 months, would delegate to the Board of Directors all necessary powers to act under the aforementioned conditions to set, for new share allocations to be issued, the amount of reserves, profits or bonuses to be incorporated in the share capital, to record the consequent capital increase(s) carried out, as a result to modify the articles of association, and more generally to do what is necessary for the purposes of implementing this authorisation and its consequences.

3. Decision to be taken by application of the law on savings

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).

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.

We specify that this delegation of powers will render void any previous delegation of powers for the same purpose.

P. Share subscription or purchase options - Free 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 are notifying you that the Company has not implemented a share subscription or purchase option allocation programme and has not allocated any free shares.

Q. 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 07 June 2011, we hereby inform you that the Company carried out the following transactions during the year ended 31 December 2011:

- number of shares purchased during the year: 24,454 shares
- number of shares sold during the year: 24,516 shares
- average purchase price: €22.5961
- average sale price: €22.0205
- amount for trading costs: Nil
- number of shares registered in the company's name as at 31 December 2011: 3,090 shares
- estimated value of the shares at purchase price: €54,075
- share nominal value: €2
- faction of the share capital they represent: 0.133%

For information, at year opening on 1 January 2010 the CLASQUIN share traded at €17.30, and at year closing on 31 December 2011 it traded at €17.50.

Management report

R. 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, at the end of the financial year, directly or indirectly holding more than 5%, 10%, 15%, 20%, 25%, 33.33%, 50%, 66.66%, 90% and 95% of the company share capital or voting rights:
  - OLYMP holds 42.60% of the share capital and 52.94% of the voting rights;
  - Mr Yves Revol holds 4.64% of the share capital and 5.87% of the voting rights
  - ZENLOR holds 6.55% of the share capital and 7.96% of the voting rights
  - INVESTMENTAKTIENGESELLSCHAFT FÜR LANGFRISTIGE INVESTOREN TGV holds more than 12.50% 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:
  - INVESTMENTAKTIENGESELLSCHAFT FÜR LANGFRISTIGE INVESTOREN TGV notified the Company that it had exceeded the following thresholds:
- the threshold of 12.5% of the Company's share capital prescribed by the Articles of Association, by post dated 07 June 2011.

For your information, employees in the Company and companies associated with it, directly hold 5.01% of the Company's share capital and 2.25% through the employee investment fund, CLASQUIN PERFORMANCES.

S. 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 2011 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: 7,076 shares
- number of shares acquired: 25,360 shares
- number of shares subscribed: Nil
- number of shares traded: Nil

T. 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 2011, 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 2011, the CLASQUIN PERFORMANCES investment fund held 2.25% of the company share capital.

U. 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.

Positions held by Mr Yves Revol, Director and Chief Executive Officer:

- Manager of SCI DE LA LOUVE
- Manager of SCI APHRODITE
- Manager of SCI HERA
- Manager of SCI MAIALYS
- 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
- Manager of CLASQUIN ESPAÑA
- Director of EUPROSINE
- Chairman of CLASQUIN SILK ROAD
- Director of CLASQUIN INDIA

Mandates of Mr Hamsan Chap, Director:

- Chairman of BEIJING EVERRICH Limited

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
- Director of CLASQUIN SILK ROAD
- Director of CLASQUIN INDIA

Position of the company OLYMP, Director, represented by Mr Philippe Le Bihan: Nil

Position held by Mr Philippe Le Bihan, Permanent Representative of OLYMP:

- Manager of LOG SYSTEM

Position held by Mr Hugues Morin, Director and Acting Managing Director:

- Chairman of CLASQUIN ITALIA

Positions held by Mr Yves Barnoud, Acting Managing Director:

- Director of CLASQUIN AUSTRALIA
- Director of CLASQUIN KOREA
- Chairman of YB Développement SAS

V. Recommendation of allocation of Directors' fees

We recommend to allocate the Board of Directors a global amount of €15,000 as directors' fees for financial year 2012.

W. 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
- exercise of the aforementioned powers during the year.

X. 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
- on cancellation of shares acquired by the Company as part of the programme to purchase its own shares
- on allocation of free shares to employees in foreign subsidiary companies
- removal of the pre-emptive subscription right of Shareholders in favour of employees of the Company and the Group's companies in the meaning of article L.225-180 of the 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

	31/12/2007	31/12/2008	31/12/2009	31/12/2010	31/12/2011
CAPITAL AT YEAR END	-	-	-	-	-
Share capital	4,459,862	4,459,862	4,612,802	4,612,802	4,612,802
Number of ordinary shares	2,229,931	2,229,931	2,306,401	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)	77,034,454.04	90,017,835.16	62,615,659.61	107,455,200.88	105,199,745.59
Profit before taxes, investment, allowances for amortisation, depreciation and provisions	2,661,606.43	4,408,484.06	5,262,778.09	4,467,769.91	6,838,381.17
Corporate tax	431,169.00	546,159.00	672,446.00	658,408.00	781,706.00
Employee profit-sharing	961,430.00	695,135.00	787,420.00	822,766.39	1,126,557.17
Profit after taxes, investment, allowances for amortisation, depreciation and provisions	844,183.24	1,332,819.81	3,354,177.78	2,454,798.11	4,244,989.06
Earnings distributed	668,979.00	991,752.00	1,450,629.00	2,767,681.00	
EARNINGS PER SHARE	-	-	-	-	-
Profit after taxes and investment, before allowances for amortisation, depreciation and provisions	0.57	1.42	1.65	1.29	2.14
Profit after taxes, investment, allowances for amortisation, depreciation and provisions	0.38	0.60	1.45	1.06	1.84
Allocated dividend	0.30	0.43	0.63	1.20	
STAFF	-	-	-	-	-
Average number of employees	159	167	160	188	190
Wages	5,205,694.43	6,006,677.35	5,983,908.88	6,284,404.00	7,443,704.95
Amount of sums paid in company benefits (social security, charities)	2,316,834.00	2,744,285.00	2,649,124.00	2,850,291.44	3,477,405.22

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 31/12/2011	Share of capital held (%)	Book value of shares held	
				(gross)	(net)
CLASQUIN FAR EAST	96,272	4,179,090	100%	128,893	128,893
CLASQUIN AUSTRALIA	477,281	392,498	100%	365,428	365,428
CLASQUIN JAPAN	92,140	602,497	100%	196,746	196,746
CLASQUIN KOREA	202,747	584,662	100%	214,493	214,493
CLASQUIN SINGAPORE	233,468	369,324	100%	232,047	232,047
CLASQUIN THAILAND	162,757	112,859	49%*	139,406	112,859
CLASQUIN MALAYSIA	229,021	235,209	100%	225,417	225,417
CLASQUIN ESPAÑA	286,951	805,695	100%	453,356	453,356
CLASQUIN ITALIA	100,000	164,478	100%	945,655	164,478
CLASQUIN USA	14,994	714,723	80%	99,148	99,148
CLASQUIN CANADA	195,298	54,900	100%	179,990	54,900
LOG SYSTEM	7,622	280,694	70%	88,039	88,039
FINANCIÈRE GUEPPE CLASQUIN	41,360	5,606,030	70%	5,788,093	5,728,479
CLASQUIN VIETNAM	68,838	77,097	51%	38,636	38,636
CLASQUIN GERMANY	200,000	172,651	100%	200,000	172,651
CLASQUIN INDIA	266,830	106115	100%	266,830	106,115
CLASQUIN SILK ROAD	485	NS	51%	485	485

**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 31/12/2011	Net sales (excl. VAT) for the financial year	2011 net profit	Dividends received by the Company during the year
CLASQUIN FAR EAST		2,169,078	21,327,770	798,074	1,472,882
CLASQUIN AUSTRALIA		172,915	5,630,980	2,496	
CLASQUIN JAPAN		1,497,006	13,107,123	47,603	
CLASQUIN KOREA		0	3,260,748	58,175	100,000
CLASQUIN SINGAPORE		139,723	2,989,643	16,338	
CLASQUIN THAILAND	91,667	85,000	3,959,279	- 54,203	
CLASQUIN MALAYSIA		73,073	1,192,377	767	
CLASQUIN ESPAÑA			5,111,571	29,252	600,000
CLASQUIN ITALIA		218,000	1,782,344	211,067	
CLASQUIN USA			7,560,461	106,376	83,916
CLASQUIN CANADA	25,001		1,370,207	15,322	
LOG SYSTEM			2,964,498	103,983	14,000
FINANCIÈRE GUEPPE CLASQUIN			28,000	1,202,131	630,242
CLASQUIN VIETNAM	50,000	85,014	2,269,736	-45,891	
CLASQUIN GERMANY		355,000	1,635,801	38,392	
CLASQUIN INDIA			370,050	- 143,513	
CLASQUIN SILK ROAD	24,556		0	NS	

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 07 June 2012:

- authorised the Company to increase, up to a nominal limit of €3,000,000 (and €40,000,000 for issues where the first security is a debt instrument, particularly mandatory), its company share capital by issuing any transferable securities, without removing the pre-emptive subscription right, as appropriate, delegating to the Board of Directors for a period of twenty-six (26) months, for the purpose of deciding on the said capital increases
- authorised the Company to increase, up to a nominal limit of €3,000,000 (and €40,000,000 for issues where the first security is a debt instrument, particularly mandatory), its company share capital by issuing any transferable securities, with removal of the pre-emptive subscription right, as appropriate, delegating to the Board of Directors for a period of twenty-six (26) months, for the purpose of deciding on the 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 company to increase its share capital, up to the nominal value of €3.000.000, 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 (26) months for the purposes of carrying out said capital increases
- authorised the Board of Directors, for a term of twenty-six months, to carry out capital increases at its sole discretion, up to the nominal value of €300,000, 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 2012

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 2011, 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 €53,724 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 €17,906.
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 €4,244,989.06 as follows:

- dividend distribution of: €1,729,800.75
- balance, equivalent to allocated to the "Other reserves" item €2,515,188.31

Each shareholder will thus receive a dividend of €0.75 per share.

This dividend is payable on 14 June 2012.

This allocation is based on the outstanding shares. In the event that the Company held a proportion of its own shares when the dividend was paid and which do not give entitlement to a dividend, the profit corresponding to the unpaid dividends for these shares will be allocated to the 'Other Reserves' account.

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
31/12/2010	€1.20
31/12/2009	€0.63
31/12/2008	€0.43

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 2011 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 2012 at €15,000.

Sixth resolution

The Annual General Meeting, noting that the Director's term of office of Mr Hamsan Chap expires today and further to the proposal by the Board of Directors, resolves not to renew his appointment as a Director and not to appoint a replacement.

Seventh resolution

Further to the proposal by the Board of Directors, the Annual General Meeting resolves to appoint Mme Claude Revel, living at 97 Boulevard Haussmann, 75008 Paris, as a new Director in addition to the Directors in office, for a period of six years until the end of the Annual General Meeting called to approve the accounts for the financial year ending 31 December 2017.

Eighth resolution

Further to the proposal by the Board of Directors, the Annual General Meeting resolves to appoint Mr Yves Barnoud, living at 220 Chemin du Trincon, 38430 Saint Jean de Moirans, as a new Director in addition to the Directors in office, for a period of six years until the end of the Annual General Meeting called to approve the accounts for the financial year ending 31 December 2017.

Ninth resolution

The Annual General Meeting notes that following the partial contribution of assets from Cabinet PIN & Associés, currently the Company's Statutory Auditors, to the Cabinet SEGECO Audit Rhône-Alpes, the appointment of Cabinet PIN & Associés as the Company's Statutory Auditors is taken up by Cabinet SEGECO Audit Rhône-Alpes.

Tenth resolution

Further to the proposal by the Board of Directors and noting that the mandate of Cabinet SEGECO Audit Rhône-Alpes as Statutory Auditors expires today, the Annual General Meeting resolves to renew the mandate of Cabinet SEGECO Audit Rhône-Alpes for a new period of six financial years, until the end of the Annual General Meeting called to approve the accounts for the financial year ending 31 December 2017, it being possible to renew the appointment of Statutory Audit companies on condition that the signatory of reports is changed.

Eleventh resolution

Further to the proposal by the Board of Directors and noting that the mandate of Mr Thibault Chalvin as Deputy Statutory Auditor expires today, the Annual General Meeting resolves to appoint Mr Jean-Loup Rogé, resident at 170 boulevard Stalingrad, 69006 Lyon, as Deputy Statutory Auditor for a period of six financial years, until the end of the Annual General Meeting called to approve the accounts for the financial year ending 31 December 2017, replacing Mr Thibault Chalvin.

Twelfth resolution

Further to the proposal by the Board of Directors, in compliance with the provisions of article L.225-209 of the Commercial Code and pursuant to the provisions of European Regulation 2273/2003 dated 22 December 2003, and subject to compliance with the legal and regulatory provisions applicable at the time, the Annual General Meeting resolves to authorise the company to buy and hold its own shares in the Stock Market, limited to a number equivalent to a maximum of 10% of the company's share capital, exclusively for purposes in the following order of priority:

- transactions carried out by an investment provider as part of a liquidity contract drawn up pursuant to the AMAFI [*French Financial Markets Association*] ethical code
- hedging for share purchase option or free share allocation schemes
- hedging for other forms of share allocation to employees and/or managing agents of the Group under conditions and according to procedures specified by the law, particularly in regard to sharing in profits of the company, as part of a company savings scheme
- to keep and later transfer or use as payment as part of transactions such as acquisition, merger, demerger or investment
- debt hedging instruments convertible to shares
- cancelling purchased shares.

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 authorisation 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 €9,225,600, financed either by the Group's own resources or short- to mid-term financing from an external source.

Shares may be repurchased by any procedure, including acquisition of share blocks in one or more transactions, including during a public offer period within limits that may be 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, all necessary powers are granted to the Board of Directors, with the option to sub-delegate such powers to the Chief Executive Officer, to place Stock Exchange orders and conclude any agreements, particularly in regard to maintaining registers of share purchases and sales, make any declarations to the AMF [*French Financial Markets Authority*] and any other bodies, fulfil any other formalities and generally do everything necessary.

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 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

Thirteenth resolution

The Annual General Meeting, having considered the Board of Directors' report and the special report by the Statutory Auditor, authorises the Board of Directors to:

- cancel shares held by the company or acquired by it as part of the share repurchase programme, up to a limit of 10% of the company's share capital in any period of twenty four months
- correspondingly reduce share capital by the value of the cancelled shares
- modify the articles of association accordingly and generally do everything necessary.

This authorisation is granted for a period of eighteen months with effect from this Meeting.

Fourteenth resolution

The Annual General Meeting, subject to the condition precedent of adopting the fifteenth resolution and after considering the Board of Directors' report and the special report by the Statutory Auditor pursuant to the provisions of articles L.225-197-1 et sequor of the Commercial Code:

- authorises the Board of Directors, for a period of 26 months with effect from this Annual General Meeting, on one or more occasions and at its sole discretion, to make allocations of its choice, either in free existing shares in the Company originating from purchases it had made or free shares to be issued through a capital increase, to the benefit of all or some members of staff employed by foreign companies that are associated to the Company pursuant to the conditions cited in part 1 of article L.225-197-2 I of the Commercial Code
- resolves that the cumulative total number of shares resulting from free allocation of shares, whether they are existing shares or shares to be issued, resulting from this authorisation shall not exceed a total number equal to one per cent (1%) of the total number of shares making up the company's share capital at the allocation date
- resolves that the share allocation will only be vested by their beneficiaries after a period to be determined by the Board of Directors, but which shall under no circumstances be less than two (2) years
- resolves that the vesting period shall end prematurely if the beneficiary becomes disabled to an extent corresponding to classification in the second or third of the categories specified in article L.341-4 of the Social Security Code
- resolves that in the event of the beneficiary's death, shares shall be vested pursuant to the provisions of article L.225-197-3 of the Commercial Code
- resolves that at the end of the aforementioned vesting period, the beneficiaries, having become permanent owners of the free shares allocated to them by the Board of Directors, shall only transfer the said shares at the end of a holding period, the duration of which shall be determined by the Board of Directors, but which shall under no circumstances be less than two (2) years
- resolves that for beneficiaries not tax-resident in France, the Board of Directors shall waive the aforementioned holding period on condition that the vesting period should be at least four (4) years
- resolves that shares acquired pursuant to this authorisation shall be granted to a named individual

- notes that, for shares to be issued, this authorisation will involve, at the end of the vesting period, increasing the share capital by incorporating reserves, profits or bonuses due to the beneficiaries of the said shares and notes that this resolution results in automatic waiver of the shareholders, in favour of the beneficiaries of the free shares, to the part of reserves, profits or bonuses that would thus be incorporated in the share capital as well as their rights issue
- delegates all necessary powers to the Board of Directors to implement this authorisation at its sole discretion, and particularly:
  - to set the conditions and criteria for allocating shares
  - to decide the number of free shares to be allocated
  - to determine the identity of beneficiaries within the above limits, the number of free shares allocated to each and the share allocation procedures
  - for shares to be issued, to set the amount and nature of reserves, profits and bonuses to be incorporated in the share capital
  - to record the capital increase or increases made pursuant to this authorisation, and as a result to modify the articles of association
  - and more generally to do what is necessary for the purposes of implementing this authorisation and its consequences.

Fifteenth resolution

The Annual General Meeting, subject to the condition precedent of adopting the fourteenth resolution, having heard the Board of Directors' report and by applying the provisions of article 225-129-2 of the Commercial Code, with effect from today and for a period of 26 months delegates the Board of Directors all necessary powers to set, for new share allocations to be issued pursuant to the 14th resolution, the amount of reserves, profits or bonuses to be incorporated in the share capital, to record the consequent capital increase(s) carried out within the legal time limit, as a result to modify the articles of association, and more generally to do what is necessary for the purposes of implementing this authorisation and its consequences.

Sixteenth 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 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.

Seventeenth resolution

The Annual General Meeting, having heard the Board of Directors' Report and the Statutory Auditors' Special Report, resolves to remove the pre-emptive subscription right for Shareholders of ordinary shares to be issued subject to the delegation pursuant to the 16th resolution above, 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 et sequor of the 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.225-180 of the Commercial Code.

Eighteenth 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' report on the reduction of share capital

Extraordinary General Meeting, 7 June 2012

13th Resolution

To the shareholders,

As Statutory Auditors of your company and pursuant to the mission specified under article L.225-209 of the Commercial Code in the event of a reduction in capital by cancelling purchased shares, we have drawn up this report intended to inform you of our assessment regarding the causes and conditions of the planned reduction in share capital.

Your Board of Directors is asking you to grant it all necessary powers to cancel shares purchased through implementation of a purchasing authorisation by your company of its own shares pursuant to the provisions of the aforementioned article, for a period of 18 months from the date of this meeting and up to a limit of 10% of its share capital.

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 led us to consider if the causes and conditions of the planned capital reduction, which is not of a type to harm the equality of shareholders, are legitimate.

We have no comments to make regarding the causes and conditions of the planned capital reduction.

Executed in Lyon and in Villeurbanne on 24 April 2012

The Statutory Auditors

MAZARS
Christine Dubus

SEGECO AUDIT - RHONE ALPES
Alain Descoins

Statutory Auditors’ report on the authorisation to allocate free shares, whether existing or to be issued

Extraordinary General Meeting, 7 June 2012

14th Resolution

To the shareholders,

As Statutory Auditors of your Company and pursuant to the mission specified under article L.225-197-1 of the Commercial Code, we are presenting our report on the draft authorisation to allocate free existing shares or shares to be issued to the benefit of all or some members of staff employed by foreign companies that are associated to CLASQUIN SA pursuant to the conditions cited in part 1 of article L.225-197-2 I of the Commercial Code, an operation on which you are asked to give your opinion.

The cumulative total number of existing shares or shares to be issued that will be allocated by virtue of this authorisation shall not exceed 1% of the total number of shares making up the company's share capital at the allocation date.

Based on its report and for a period of 26 months with effect from the date of this meeting, your Board of Directors is asking you to authorise it to allocate free existing shares or shares to be issued.

It is the Board of Directors' responsibility to prepare a report on this operation that it wishes to undertake. It is our responsibility to inform you, if necessary, of our observations regarding the information that you are therefore given about the planned operation.

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 consisted particularly of confirming that the planned procedures given in the Board of Directors' report meet the procedures specified by the law.

We have no comments to make regarding the information given in the Board of Directors' report relating to the planned operation to allocate free existing shares or shared to be issued.

Executed in Lyon and in Villeurbanne on 24 April 2012

The Statutory Auditors

MAZARS
Christine Dubus

SEGECO AUDIT - RHONE ALPES
Alain Descoins

Statutory Auditors' report on the capital increase with cancellation of the rights issue reserved for members of a company savings scheme

Extraordinary General Meeting, 7 June 2012

16th and 17th Resolutions

To the shareholders,

As Statutory Auditors of your Company and pursuant to the mission specified under article L.225-135 *et sequor* of the Commercial Code, we are presenting our report regarding the planned capital increase by issuing ordinary shares 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 *et sequor* of the 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.225-180 of the Commercial Code, for a maximum sum of €300,000, an operation on which you are asked to give your opinion.

This capital increase is subject to your approval pursuant to the application of the provisions of articles L.225-129-6 of the Commercial Code and L.3332-18 et sequor of the Labour Code.

Based on its report and for a period of 26 months with effect from the date of this meeting, your Board of Directors is asking you to grant it, with the option to sub-delegate such powers to the Chief Executive Officer, the power to set the procedures for this operation and to cancel your rights issue in ordinary shares to be issued.

The 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 consisted of verifying the contents of the Board of Directors' report relating to this operation and the procedures for setting the issue prices for these shares.

Subject to a later check of the terms for the proposed 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 final conditions for this capital increase have not been set, we are not expressing an opinion on them and, consequently, on the proposal to cancel the rights issue made to you.

In accordance with article R.225-116 of the Commercial Code, we will prepare a further report at the time this delegated power is used by your Board of Directors.

Executed in Lyon and in Villeurbanne on 24 April 2012

The Statutory Auditors

MAZARS	SEGECO AUDIT - RHONE ALPES
Christine Dubus	Alain Descoins

Statutory Auditors' special reports on the regulated agreements

Annual General Meeting to ratify the financial statements for the year ended 31 December 2011

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 the authorisation to grant deposits, cautions and guarantees until 31.12.2012 for the benefit of subsidiaries up to a limit of: • €6,500,000 • And without limit, in respect of tax and customs authorities, to the amount of guarantees and other securities granted These deposits, cautions and guarantees are repaid at the rate of 1.75%. Board of Directors meeting of 22 December 2011
LOG SYSTEM (70%-owned subsidiary of CLASQUIN SA)	Resale of royalties on licences to operate, market and use the Aeolus software as well as for distribution to end customers Earnings reported for the financial year: €176,373.40 ex VAT Board of Directors meeting of 22 December 2011 Invoicing contract for publisher developments made on Aeolus version 1 Expense reported for the financial year: €187,000 ex VAT Board of Directors meeting of 22 December 2011
CLASQUIN ITALIA (wholly-owned subsidiary of CLASQUIN SA)	Debt waiver as a good will gesture Expense recorded by CLASQUIN SA: €820,000 Board of Directors meeting of 22 December 2011
CLASQUIN CANADA (wholly-owned subsidiary of CLASQUIN SA)	Debt waiver as a good will gesture Expense recorded by CLASQUIN SA: €50,000 Board of Directors meeting of 22 December 2011 As a good will gesture, cancellation of management fees and IT fees invoiced to CLASQUIN CANADA for 2011 Cancelled Management Fees and IT fees: €47,000 Board of Directors meeting of 22 December 2011
CLASQUIN GERMANY (wholly-owned subsidiary of CLASQUIN SA)	Debt waiver as a good will gesture Expense recorded by CLASQUIN SA: €575,000 Board of Directors meeting of 22 December 2011
CLASQUIN MALAYSIA (wholly-owned subsidiary of CLASQUIN SA)	As a good will gesture, cancellation of management fees and IT fees invoiced to CLASQUIN MALAYSIA for 2011 Cancelled Management Fees and IT fees: €42,000 Board of Directors meeting of 22 December 2011
CLASQUIN AUSTRALIA (wholly-owned subsidiary of CLASQUIN SA)	As a good will gesture, cancellation of management fees and IT fees invoiced to CLASQUIN AUSTRALIA for 2011 Cancelled Management Fees and IT fees: €154,000 Board of Directors meeting of 22 December 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 10 % of the share capital) are shown in table IV of this report.

Tableau I – AGREEMENTS RELEVANT TO EACH COMPANY

COMPANY	PURPOSE
CLASQUIN ITALIA CLASQUIN ESPAÑA 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. Expense reported over the financial year: €143,394 ex VAT Commercial lease for premises located at Moirans. Expense reported over the financial year: €11,148 ex VAT
LOG SYSTEM	Centralised cash management agreement with BNP Paribas bank. Sublease agreement for 268.98 sqm of office space and six simple car parks, effective as of 1 October 2010. Earnings reported for the financial year: €55,671.50 ex VAT and excluding expenses
OLYMP (42.60% shareholder in CLASQUIN SA)	Reduction in annual fee invoiced by OLYMP from €126,000 ex VAT to €90,000 ex VAT, with effect from 1 January 2011 Board of Directors meeting of 22 February 2011

Table II – AGREEMENTS RELATING TO ALL THE SUBSIDIARIES

TYPE	PURPOSE – Agreement Terms and Conditions
Renewal of authorisation to grant guarantees	Renewal of the authorisation to grant deposits, cautions and guarantees until 31.12.2011 for the benefit of subsidiaries up to a limit of: • €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
Payment for guarantees	Payment of 1.75% for guarantees granted to the subsidiaries. Earnings reported over the financial year: €88,894

Table III - GUARANTEES AND OTHER SECURITIES

COMPANY	FINANCIAL INSTITUTIONS	AMOUNTS
CLASQUIN SINGAPORE	HSBC	SGD235,000
CLASQUIN FAR EAST	CORPORATION LTD	HKD7,730,000
CLASQUIN VIETNAM	HSBC HSBC	USD80,000 USD30,000
CLASQUIN JAPAN	SUMITOMO MITSUI BANKING CORPORATION	JPY150,000,000
CLASQUIN AUSTRALIA	HSBC AUSTRALIA	AUD220,000
CLASQUIN ITALIA	BP DI MILANO BP DI MILANO IATA	€120,000 €98,000
CLASQUIN SHANGHAI	HSBC SHANGHAI	€1,400,000
CLASQUIN MALAYSIA	HSBC MALAYSIA	Ringgits 300,000
CLASQUIN GERMANY	UNION TANK HSBC	€5,000 €350,000
CLASQUIN THAILAND	HSBC THAILAND	€85,000

Table IV – PERSONS CONCERNED BY THESE AGREEMENTS

	Yves REVOL	Yves BARNOUD	Philippe LONS	Philippe LE BIHAN	Hugues Morin	Hamsam Chap
CLASQUIN SA	Chairman + CEO	DMD	Director + DMD	Representative of OLYMP Director	DMD Director	Director
CLASQUIN ESPAÑA	Manager					
CLASQUIN FAR EAST	Chairman		Director			
CLASQUIN SINGAPORE	Chairman		Director			
CLASQUIN JAPAN	Chairman		Director			
CLASQUIN AUSTRALIA	Chairman	Director	Director			
CLASQUIN ITALIA	Chairman		Director			
CLASQUIN MALAYSIA	Chairman		Director			
LOG SYSTEM				Manager		
CLASQUIN USA	Chairman		Director			
CLASQUIN KOREA		Director	Director			
CLASQUIN SECURE CUSTOMS BROKERS	Chairman		Director			
CLASQUIN THAILAND	Chairman		Director			
CLASQUIN CANADA	Chairman		Director			
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		Director			
EUPHROSINE LTD	Director					

Executed in Lyon and in Villeurbanne on 24 April 2012

The Statutory Auditors

MAZARS
Christine DUBUS

SEGECO AUDIT - RHONE ALPES
Alain DESCOINS

CLASQUIN WORLWIDE OFFICES

EUROPE OFFICES

Barcelona
Bordeaux
Bremen
Frankfurt
Grenoble
Le Havre
Lille
Lyon HO
Lyon St Exupéry
Madrid
Marseille
Milan
Mulhouse
Nantes
Paris
Saint Genis Laval
Toulouse
Tours

OVERSEAS OFFICES

Bangkok
Beijing
Chennai
Chicago
Guangzhou
Hanoi
Ho Chi Minh
Hong Kong
Kuala Lumpur
Los Angeles
Melbourne
Montreal
Narita
New Delhi
New York
Ningbo
Osaka
Seoul
Shanghai
Shenzhen
Singapore
Sydney
Tbilisi
Tokyo
Ventiane
Xiamen

CLASQUIN
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