



2014 ANNUAL REPORT



CLASQUIN

OVERSEAS FORWARDING & LOGISTICS EXPERTS

5 continents

20 countries

Over 50 offices



2014

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Air & sea freight forwarding and overseas logistics

As a specialist in international freight management and overseas logistics, CLASQUIN oversees and organises its clients' cargo flows mainly between Europe and the rest of the world and particularly to and from ASPAC (Asia-Pacific) and North America.

CLASQUIN offers high value-added services in the overall management of the supply chain, designs and coordinates bespoke transport solutions and 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 clients' goods. CLASQUIN thus acts as a freight forwarder and overseas logistics coordinator, as well as a customs broker.

With a presence on 5 continents, CLASQUIN had 670 employees at 31/12/2014, over half of whom work outside France via an international network of 50 offices organised around 28 subsidiaries in 20 countries.



Davendra in the CLASQUIN New Delhi offices

The only multinational SME* in its industry

(*Small or Medium-sized Enterprise)

As an overseas air and sea freight forwarding pure player and the only multinational SME in the industry, CLASQUIN has been a forerunner in Asia (first offices established in 1984) and is still the only French company of its size to have an integrated international network.

**670**

Employees as at
31/12/2014

171,300

Shipments in 2014

€211.5m

2014 sales

€50.4m

2014 gross profit

€4.3m

2014 EBIT

56 OFFICES***20 COUNTRIES****5 CONTINENTS**

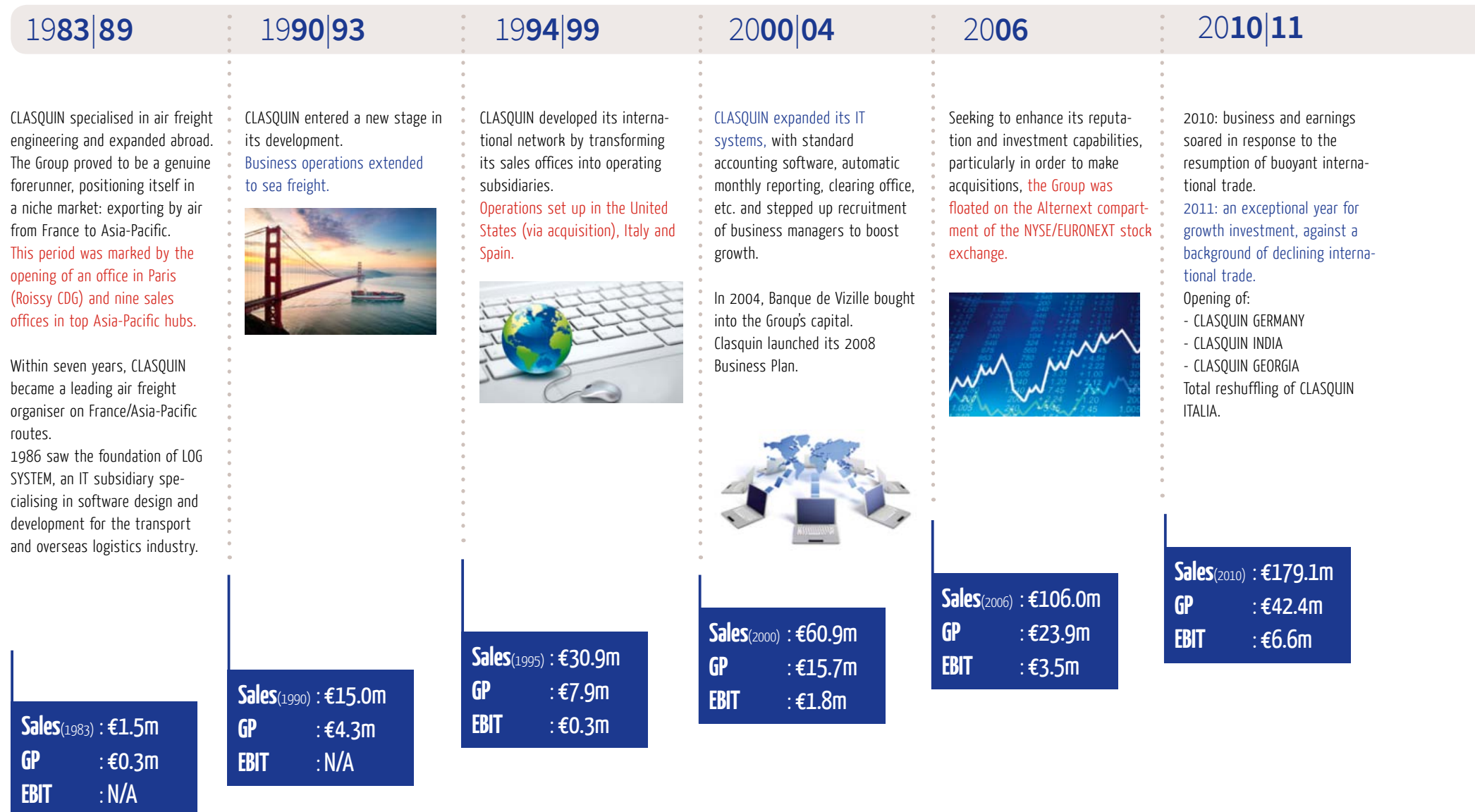
*As at 01/04/2015





History of double-digit growth

IN 1983, YVES REVOL, THEN CLASQUIN SALES DIRECTOR,
LED THE TAKEOVER OF THE COMPANY. CLASQUIN HAD ONLY ONE OFFICE IN LYON AT THE TIME.





2012

Despite a depressed environment, CLASQUIN registered slight growth in 2012 thanks to strong sales momentum and the September 2012 Intercargo acquisition.



Sales₍₂₀₁₂₎ : €184.6m
GP : €45.1m
EBIT : €4.3m

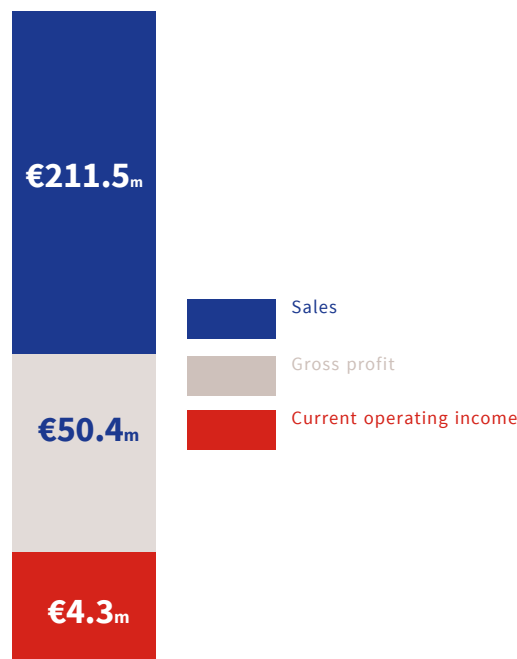
2013

CLASQUIN outperformed the market with 6.9% growth in number of shipments (156,375) over 2012, despite a very sluggish economy in the first half. CLASQUIN's full year results were boosted by the successful integration of Intercargo (Spain) late 2012 and an improvement in the general economy in second half 2013.

Sales₍₂₀₁₃₎ : €198.1m
GP : €47.4m
EBIT : €4.6m

2014

First half 2014 featured both sharp growth in business and increasing pressure on margins. In the second half, steps taken to shore up margins launched in spring 2014 gradually fed through to earnings. An exceptional fourth quarter included the September and October 2014 acquisitions of German-based GAF (2014 sales: €2m) and US-based ECS Garnett (2014 sales: \$30m).



NB: Sales is not a very appropriate indicator of business in our sector, as it is strongly impacted by changes in air and sea freight rates, fuel surcharges and exchange rates (particularly versus the dollar)



**MESSAGE FROM THE CHAIRMAN***Yves REVOL*

Strong sales growth in 2014, pressure on margins until Q3...

**FREIGHT FORWARDING & INTERNATIONAL LOGISTICS
(excluding GUEPPE-CLASQUIN)**

	FY 2014	FY 2013	
Total number of shipments	171,300	156,375	+9.5%
Sales (€m)	211.5	198.1	+6.7%
Gross profit (€m)	50.4	47.4	+6.3%
	FY 2014	FY 2013	
Sea freight (no. of shipments)	92,090	81,595	+12.9%
Sea freight (gross profit)	22.5	20.6	+9.3%
	FY 2014	FY 2013	
Air freight (no. of shipments)	65,274	61,275	+6.5%
Air freight (gross profit)	16.6	15.7	+5.9%
	FY 2014	FY 2013	
Other (no. of shipments)	13,936	13,505	+3.2%
Other (Gross profit)	3.4	3.3	+3.0%

**Global trade up just under 3% in volume**

Geographically, this growth is still rather disparate, with an increasing share for China and trade between Asian countries.

The European foreign trade situation has improved markedly and, according to initial estimates, 2014 should close with a massive trade surplus (€194.8bn) for the euro zone, an increase of 27% over 2013.

Sea freight rates have been highly volatile, while air freight rates have been fairly stable.

Sharp growth in volumes and number of shipments (up 9.5%), sales (up 6.7%) and gross profit (up 6.3%)

In line with previous years, we outperformed the market in 2014, once again confirming the quality of our solutions.

The sea freight business enjoyed truly astonishing growth (number of shipments up 12.9%) underpinned by a combination of market growth, new clients and Q4 acquisitions in the United States and Germany.

Albeit less strong, 6.5% growth in the air freight business also considerably outperformed the market for the same reasons.

LOG SYSTEM, our IT services subsidiary

2014 was a satisfactory year, in terms of both the freight forwarding and the medical business lines, with gross profit up 4.5% to €2.5m.

GUEPPE CLASQUIN, our road haulage and logistics subsidiary

2014 was a stable year with gross profit of €6.8m (down 0.1%) and continued excellent results.

Gross profit soared in Q4

Following three consecutive quarters of slow growth (2% for the 9 months ended 30 September 2014), gross profit soared 18.1% in Q4; this was due not only to the late September acquisitions but also to 8.6% like-for-like growth, a direct result of the margin growth strategy rolled out in spring 2014.

These improvements enabled the Group to post 2014 gross profit growth of 6.3%, a more than respectable figure.

Slight fall in annual earnings but marked improvement from H1 to H2. Cash flow up to €4.7m

The positive results generated in Q4 were not sufficient to offset the fall in earnings witnessed over the first three quarters.

That said, they allow us to approach 2015 with confidence, especially given that the work accomplished to improve the ratio of total staff costs to the gross profit margin will begin to feed through to the bottom line as from Q1 2015.

IS/IT Strategic Committee

At the beginning of 2014, we set up an IS/IT (Information System/Information Technology) Strategic Committee under my chairmanship and comprising all Group managers concerned by these issues.

We are assisted by two external consultants.

The task of this Committee is to drive all of the Group's IS/IT developments and lead CLASQUIN to the top level of the industry, in terms of internal productivity, relationships with our partners and clients (E-client solutions) and, in general, everything relating to digital developments.

Progress has been made on several fronts:

- Choice of a single operator (Verizon) to manage our worldwide network.
- Launch of the project relating to V2 of *Easylink*, our CRM system.
- Negotiation under way with some potential partners for our future operating system.

Two acquisitions to strengthen our worldwide network

Two acquisitions, made in late September, contributed to the Group's sharp growth in Q4 (number of shipments up 15.2%, gross profit up 18.1%):

- **ECS (GARNETT LOGISTICS GROUP)** in North America (New York, Miami, Houston, Montreal and Barbados)
2014 sales (12 months): > \$30m - 2014 GP: > \$3.6m
- **GAF (GÖRITZ AIRFREIGHT GmbH)** in Germany (Düsseldorf)
2014 sales (12 months): €2m - 2014 GP: €0.7m

Long term development strategy

- Unique market position: the only multinational SME (Small or Medium-sized Enterprise) in the overseas sector,
- Management stability, given that most directors hold Company shares,
- Exceptional staff of expert and committed teams,
- A diversified and prestigious client portfolio testifying to the quality of our solutions,
- An integrated network of offices across five continents with a solid foothold in Asia,
- A robust financial position,
- A proven business model,

are the fundamentals underpinning our development strategy focused on a two-fold objective: growth and profit.

At the geographical level, our strategy is founded on our three pillars: North America, Western Europe and Asia, without ruling out developments in attractive regions such as the Middle-East.

Lastly, we will continue to look into acquisition opportunities in Europe and North America.

Outlook for 2015

Given the brightening economic climate, we expect to achieve an excellent performance in 2015 with strong growth in sales and earnings, supported both by organic growth as well as our September 2014 (ECS and GAF) and March 2015 (LCI) acquisitions.

***I will sign off by thanking all our clients for their confidence and loyalty,
all our staff for their commitment and professionalism,
and finally all our shareholders for their active support for our development.***

Yves REVOL
Chairman & CEO





CLASQUIN, a unique model

OVERSEAS TRANSPORT AND LOGISTICS

- A. CLASQUIN, A MULTINATIONAL SME
- B. THE OVERSEAS MARKET
- C. ARCHITECT AND PROJECT MANAGER
- D. A PRESTIGIOUS CLIENT PORTFOLIO
- E. CLASQUIN GROUP STRATEGY
- F. HIGH VALUE-ADDED BUSINESS MODEL

Nancy
CLASQUIN Xiamen





A/ CLASQUIN, a multinational SME

A practically unique positioning in the overseas market

"Big enough to do the job, small enough to do it better". This sentence that concludes most CLASQUIN sales presentations reflects our original positioning.

Indeed, very early on the Group invested in setting up its own facilities in order to establish a real international network, whereas most SMEs in the industry merely developed a series of alliances with agents.

This was a key decision for the Company leading to the establishment of a global network tailored to the needs of its clients.

CLASQUIN nevertheless remains a human-sized company in which all staff know each other very well. In every location and office, they all share a keen service culture and strive to think up customised solutions to meet the needs of clients.



**Small and Medium-sized Enterprises*





B/ The overseas market

1. A market closely pegged to changes in global trade

The process of trade globalisation, which began in the middle of the 1990s, has sharply increased world trade volumes.

The boom in intercontinental exports was the main factor underpinning growth in world GDP over nearly two decades, with Asia as the core region.

As a result, up until the late 2008/2009 financial crisis the air and sea freight forwarding segment experienced spectacular growth on Asia-Europe and Asia-USA routes as well as within Asia.

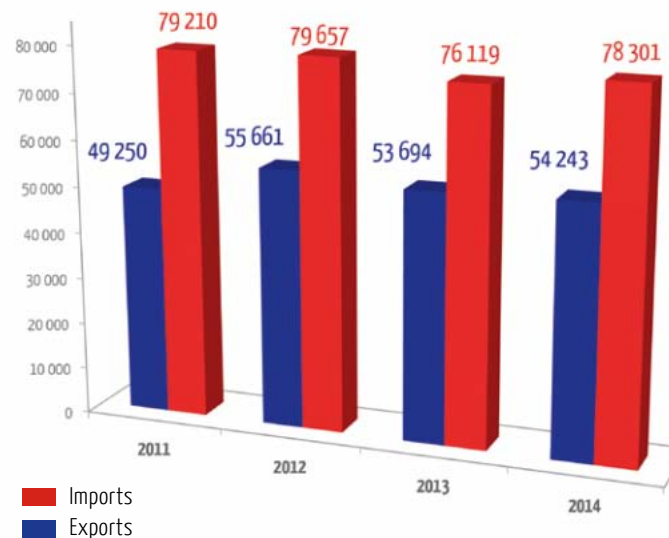
After the initial slump following the crisis and since 2010, logistics and international transport market players have had to cope with a low market growth environment, particularly in Europe. Accordingly, competition has further intensified among the companies operating in this sluggish market. In terms of value, the world freight forwarding market even declined¹ by 3.3% between 2012 and 2013.

The recovery in 2014 fell somewhat short of the strong turnaround predicted by most forecasting organisations, and forecasts have been revised downwards.

Lastly, economic conditions underlying the market (e.g. exchange rates, oil prices and freight prices) fluctuate with increasing volatility. This trend undoubtedly favours nimble and responsive businesses.



OVERVIEW OF FRENCH EXTERNAL TRADE WITH ASIA (€BN)



OUTLOOK FOR INTERNATIONAL TRADE IN 2015

"After disappointing developments in recent years, world trade volume growth will only edge up over the next two years from 2.8% in 2014 to 3.3% in 2015, and then to 4.0% in 2016, which is still lower than the 20-year 5.1% average from 1984 to 2014."

Source: World Trade Organisation

World sea trade expressed in TEUs^{*} grew 4%² in 2014 with a 7.6%² surge in European import volumes from Asia.

* Twenty-foot Equivalent Units

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

2014 FRANCE-ASIA TRADE

After imports slumped 4.4% and exports 3.5% in 2013, imports of Asian goods to France increased by 2.8% in 2014. In the other direction, exports only edged up 1%.

¹Source: Transport Intelligence 2013-2014

²Source: French Customs - all Asian countries combined excluding military equipment



2. Market players. Between concentration and specialisation. Between globalisation and regionalisation.

In all logistics chains, the flow of goods between manufacturer and consumer must be managed. A large number of logistics contractors are therefore going to be involved. Merrill Lynch classifies these different supply chain operators according to the extent to which they outsource or sub-contract logistics operations.

At the base of the pyramid (cf. opposite) are:

Operators: operators are those owning 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, Singapore Airlines, Korean Air; for sea transport: Maersk, MSC, CMA-CGM, NYK, Evergreen, UASC, China Shipping, K Line; and for rail: SNCF.

3PLs (Third Party Logistics Providers): these logistics operators add storage, packaging and order preparation operations to transport management on behalf of their clients.

In practice, the market giants are often both operators and 3PL. Furthermore, they are as active in international as national transport segments.

Lead Logistics Providers: the industry is headed by a new generation of companies sometimes known as "4PLs".

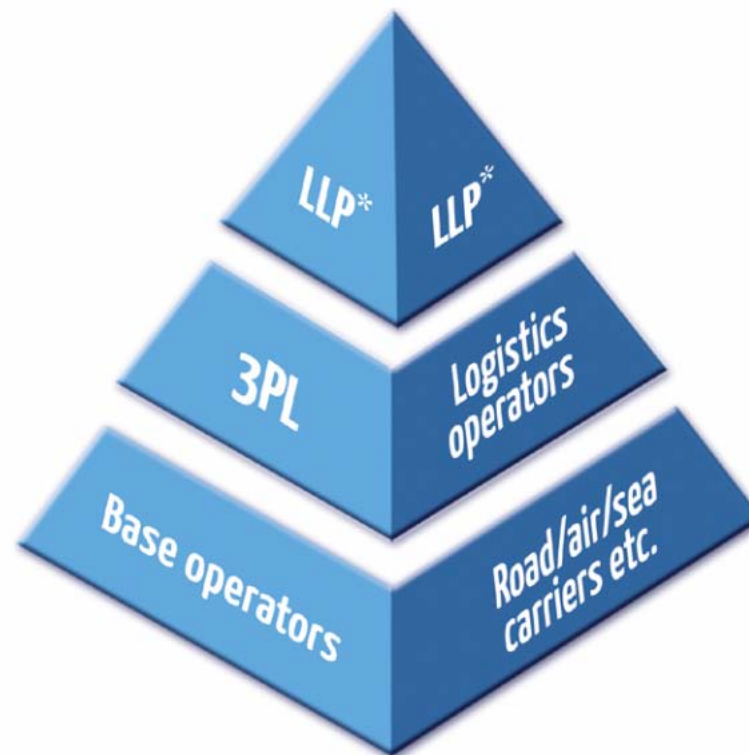
CLASQUIN belongs to an emerging type of market player who is free of the constraints of owning their own transportation or storage assets. They are free to organise, control and optimise the flow of goods and services before and after transportation. They aim to provide increasingly high value-added services.

According to the 2011 Global Freight Forwarding report published by Transport Intelligent, the top ten transport and logistics freight forwarding operators have captured a 44% share of the world market that

continued to increase (up 4 percentage points since 2006). However, this market consolidation appears to have levelled off over the last three years: in 2014, the top 20 companies in the industry saw their share of the air freight market edge down compared to other operators.

The growing complexity of customs procedures and compliance regulations and the now overriding need for powerful IT systems favours the trend towards market consolidation and threatens the viability of small businesses.

It is also worth noting that the Herfindahl-Hirschman Index, which measures market concentration on a scale of 1 to 10,000, hardly exceeds 250 for the freight forwarding market. This shows that the market is still highly fragmented, with considerable competition and businesses firmly anchored to specific local features.



**Lead Logistics Providers*





C/ Designing and supervising the entire overseas transport and logistics chain

1. From goods pick-up through to distribution: customised and personalised service



In addition to freight forwarding, CLASQUIN offers comprehensive customised logistics solutions, adapted to the specific needs and demands of each client, and to the various types of goods and regions involved.

These solutions guarantee an optimised process: a single point of contact for clients, solution design, end-to-end management of all overseas shipments, selection of the best sub-contractors, costs and transit times kept to a minimum, real-time traceability and interface with client IT systems.

CLASQUIN provides clients with a local, responsive and world class service throughout the supply chain. This gives them a competitive edge allowing them to focus on their core business.

2. At each step, solutions controlled by experts

2.1 SEA FREIGHT & AIR FREIGHT MANAGEMENT: OVERSEAS TRANSPORT UNDERPINNING OUR EXPERTISE

CLASQUIN operates from the main ports and airports across the world through its integrated and WFA (World Freight Alliance) networks enabling it to adapt its sea and air freight solutions to client needs:

- › Consolidation container and full container shipments,
- › Break bulk shipments for all goods that cannot be loaded into containers due to their technical characteristics or dimensions,
- › Shipments of vehicles on RO / RO (Roll On/Roll Off) ships,

- › Flexitank shipments for bulk liquids such as wine and non-dangerous chemicals,
- › Chartering complete vessels,
- › Consolidated air and air mail shipments,
- › Chartering complete aircraft,
- › International cold chain logistics for controlled temperature shipment of chilled and frozen goods,
- › Sea-Air shipments combining air and sea freight.

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

OVERSEAS AIR-SEA FREIGHT



*Example: Quality controls, assembly, etc.





2.2 CUSTOMS FORMALITIES: OUR STAFF FULLY CONVERSANT WITH THIS SENSITIVE AND CONSTANTLY CHANGING FIELD

Where international trade is concerned, customs is a sensitive issue and regulations are constantly changing. Poorly managed, it can generate delays, increase costs or even result in penalties being incurred.

CLASQUIN provides tailored support to clients for all service solutions related to dealing with customs.

Among these services, CLASQUIN has developed a specific service to help clients implement simplified customs clearance procedures (in-house and single clearance procedures).

These procedures, which are tailored for companies that regularly import or export goods, offer the following advantages:

- customs clearance is carried out in the warehouse without going to a customs office,
- The customs declarations may be launched in advance,
- a simplified declaration is sufficient for goods clearance.

In addition to streamlining shipments, these clearance procedures also enable clients to create a real trust-based relationship with the customs authorities.

In an effort to better serve clients and retain its lead in the field of customs, in 2010 CLASQUIN obtained full Authorised Economic Operator (AEO) status for safety, security and simplified customs procedures.

A hotline has been set up to answer any client queries relating to AEO status.

2.3 UPSTREAM AND DOWNSTREAM: CREATING AND COORDINATING INNOVATIVE LOGISTICS SOLUTIONS

CLASQUIN is able to offer many upstream/ downstream logistics solutions to optimise and streamline clients' supply chains, including end-to-end management of shipments, reduced transshipment of cargo and number of carriers, personalised service to meet client needs, etc.



CLASQUIN Shanghai quality
control tests

MULTI-SITE PICK-UP
SORTING AND ORDER PICKING
ORDER CONSOLIDATION/CONTAINERISATION
PACKAGING/LABELLING
PRE-SHIPMENT QUALITY CONTROL
STORAGE/STOCK MANAGEMENT
BREAK BULK
INTERBRANCH OR END CLIENT ETC. DISTRIBUTION

EXAMPLE: QUALITY CONTROL HUBS.

After opening its first quality centre at Shanghai in spring 2011, CLASQUIN has been expanding its services package since February 2012.

A modern 1,300 m² facility at Dhaka in Bangladesh offers clients a unique tool to organise and improve the quality inspection process for their finished products.

In this new organisational structure, packaging and quality inspections of products are no longer carried out in several factories but in a central, impartial inspection site.

We should note that, looking beyond issues that make up the control of product quality for European and American importers, whether for economic, commercial, safety, health, legal or environmental reasons, there are certain key advantages:

- accelerated inspection cycle,

- reduced inspection costs,
- levels of quality improved by suppliers,
- more reliable inspections and improved compliance on arrival,
- improved integrity of the supply chain,
- simplified workflows etc.

To guide and successfully complete such organisational projects, within short deadlines of 2 to 4 months and exactly meeting the specific needs of its clients, CLASQUIN relies on an efficient project management method as well as the unwavering commitment of its international experts. CLASQUIN supports clients expressing strong demand in Asia, regardless of the industry in which they operate, by rolling out these value-added services.





2.4 IT SYSTEMS: A FULLY CUSTOMISED OFFER FOR OUR CLIENTS

CLASQUIN IT teams respond to the specific needs of each client. Information management solutions and visibility tools offered have one true point in common: they are built using the AEOLUS central operations management system, implemented by CLASQUIN in each of its offices. For each client, CLASQUIN implements 'modules' based on the expression of requirements and tailors its solutions to the client's specific IT system architecture and bill of materials.

This approach clearly differentiates CLASQUIN from its competitors. In this way the Group can construct cutting-edge ad hoc solutions (Purchase Order Management, analytical cost calculations, EDI interfaces) while fully integrating them into its clients' ERP systems.

The whole team
CLASQUIN NANTES

2.5 AEOLUS 360, OUR BUSINESS APPLICATION WITH THE LOG SYSTEM SUBSIDIARY

LOG SYSTEM, founded in 1986, is the CLASQUIN GROUP's IT subsidiary specialising in software development. It operates in two separate areas of activity:

International transport and transit, with publication of the AEOLUS software application.

Designed for international forwarding agents and transit agents, the software is widely accessible to external users and the different players in the freight forwarding and logistics world. The software is multimodal, multilingual (including ideogrammatic languages) and multi-compatible and can be used on up to 500 workstations simultaneously. It is used in 25 countries on 150 sites across the world.

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

Created for managing Pathological Anatomy and Cytology, these software applications are designed for both public and private laboratories. Indeed, they are suitable for all organisations: private practices, hospital sites, cancer research centres, etc. While CYAN is more suitable for large facilities, CACP is geared towards organisations with under 30 workstations.

LOG SYSTEM currently has 28 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 client's field of business.





2.6 CLASQUIN STAFF STRIVING FOR CONTINUOUS IMPROVEMENT



Fabien, Severine and Jérémie - CLASQUIN OTO team

The CLASQUIN continuous improvement programme is jointly managed by a QSE Unit (Quality, Safety & Environment) and an OTO Unit (Operations, Training & Organisation), to implement specific and complementary actions.

In 2014, the OTO unit staff extended the programme to all Group overseas subsidiaries under the direction of a Group VP operations.

Responding as closely as possible to on-site staff needs is the best way to add value to the programme and boost its ambitious development plan. This pragmatic approach ensures a more appropriate response to individual client demands and ever more customised solutions.

Specifically, the CLASQUIN continuous improvement programme focuses on:

- ▶ Training employees and building their commitment based on monthly conference calls, business line committees and workshops,
- ▶ Gradual and collective formalisation and standardisation of the Group's operating procedures in the basic professional skills and in Aeolus,
- ▶ Reliable, proactive and seamless in-house and external reporting processes,
- ▶ User-friendly, relevant and readable documentation for optimum impact,
- ▶ Analytical measurement of performance at all levels leading to action plans,
- ▶ Mastery of all client processes, from order entry through IT system connections and setting up decision-making support tools to after-sales,

2.7 ROAD HAULAGE AND LOGISTICS EXPERTISE WITH GUEPPE CLASQUIN

GUEPPE CLASQUIN is a subsidiary specialising in road haulage and logistics.

The Company has its own fleet of vehicles ranging from straight trucks to semi-trailers. The fleet is regularly renewed in order to guarantee optimal service quality. The Company's in-house team of experienced drivers carry out deliveries along regular routes (Ile de France, Bourgogne - Franche-Comté, Rhône-Alpes, Provence-Alpes-Côte d'Azur (PACA), Languedoc-Roussillon), ensuring lead times from 24 to 48 hours (working days). GUEPPE CLASQUIN's efficiency across the entire transport chain has turned the Company into the benchmark for batch

haulage and the carriage of dangerous goods. In addition, the Company provides logistics services with 18 berths at its 5,000 m² Lyon centre for the purpose of transiting goods, providing temporary storage, order picking and carrying out simple logistics services. GUEPPE CLASQUIN also has a bonded warehouse.

Moreover, GUEPPE CLASQUIN has developed its chartering activity, which accounts for 50% of its global business, along direct routes outside its usual area of activity, by drawing on a pool of selected partners.





Alain and Hugues
CLASQUIN Head Office



D/ A portfolio of prestigious clients who can vouch for the quality of our offering

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

The portfolio is also diverse: the top 30 clients account for less than one quarter of gross profit and the no.1 key account represents around 5% of gross profit.

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

E/ CLASQUIN GROUP strategy

1. Maintain the focus of its long-standing business model

- › Supporting client growth,
- › Winning market share wherever it is present by recruiting the best talents into its sales forces,
- › Opening new subsidiaries where necessary to continue expanding the network,
- › Creating and distributing customised original solutions for certain business segments that express complex requirements (quality control and transport of clothing on hangers for the fashion industry, consolidating and preparing orders before overseas shipment for distribution networks, flexitank for transporting wines and spirits and chemical products etc),
- › Identifying and building links with partners operating in its core areas of business.

2. Finding new revenue streams to build on Group results

- › Step up growth via acquisition by focusing on our three core regions, North America, Western Europe and Asia, without ruling out developments in other attractive markets such as the Middle-East.



3. CLASQUIN's pillars of growth



F/ Foundations of a high value-added business model

The Group uses its varied expertise and know-how to implement efficient solutions that streamline and secure the flows of its clients, for whom global trade has become increasingly strategic and complex. CLASQUIN now manages import and export flows mainly between Europe and overseas markets, in particular Asia-Pacific and North America. As a forerunner for Europe-Asia trade, CLASQUIN's network of 21 offices ensures it has strong presence on the Asia-Pacific routes.

As an International Freight Management pure player, CLASQUIN is currently the only market operator capable of combining the range of services offered

by a multinational company with the advantages of an SME*, i.e. quick response times, local presence, dedicated client contacts and the ability to adapt and innovate.

This unique market position is based on three key success factors that are specific to CLASQUIN:

- » An exceptional workforce of expert and committed teams,
- » An integrated IT system dedicated to the Company's clients, fully interfaced with their own systems,
- » A controlled and particularly sound international network in Asia.

*Small or Medium-sized Enterprise

*Professionalism, enthusiasm
and integrity are values shared
by CLASQUIN employees.*





1. Our people: the Group's finest asset

Our employees are the primary building blocks of the Group's identity. CLASQUIN has adopted a Human Resources policy designed to stimulate professional fulfilment and encourage both individual and team performances consistent with its motto, "Clients, Profit & Fun". With this policy the Group seeks to attract and retain the most talented people to help drive its future growth. The Company's success in recent years is profoundly linked to its Human Resources policy, which is founded on four main principles:

1.1 RECRUITMENT: A SACRED ACT!

CLASQUIN is a highly selective recruiter that places demanding requirements on applicants' professional abilities and values. Destined to operate in a multicultural organisation, new hires express a strong motivation to develop their expertise in the industry in contact with colleagues of many different nationalities.

More than fifteen languages are currently spoken within the Group. Managers (excluding supervisors) make up about 30% of the teams. 40% of managers are women. This approach to recruiting is one of the key foundations of the Company's success. It also adds to the quality image conveyed by CLASQUIN.

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 accus-

tomed 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".

- Operational coordinators, who are experts in air and sea freight, storage, distribution and logistics. They are familiar with international trade procedures and specialise in overseas practices. They deal with clients and suppliers on a daily basis. Their expertise underlies the Company's performance.
- Regional Directors / Business Development Managers / Sales people, highly experienced professionals in international freight forwarding and logistics, specialists in the geographical areas and business sectors they develop.
- Specialists in the various back office functions (IT, accounting and finance, law and Human

Resources, etc.). As professionals in their respective areas of expertise, they support the front office and anticipate economic or functional changes while adapting to overseas constraints and regulatory developments.

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 stringent legislation. CLASQUIN customs agents intervene upstream as consultants, sometimes several months before importing goods for their clients in order to provide sourcing advice and help them optimise their procurement flows.

Susanna
CLQ Barcelona

Joseph
LOG SYSTEM

Mashahanah
CLQ Singapore

Corinne
CLQ Le Havre

Chantal
CLQ Head Office

Constant
CLQ Bobo-Dioulasso

Cécile
CLQ Paris CDG

Yu
CLQ Tokyo

Florence
CLQ Lille





1.2 TRAIN, ENHANCE EXPERIENCE AND ORGANISE IN-HOUSE PROMOTION

The high level of expertise of Group staff results from a wealth of experience gained by all employees that is shared within the Company. The prospect of a fulfilling career ensures greater staff retention, including in Asia.

In order to ensure a standard, identical service for all client orders, the Group has also set up an in-house training scheme comprising the following parts: training in business practices and in Group-developed software at its in-house training centre run by the OTO unit (Operations, Training & Organisation), training in sales techniques associated with

transportation and international logistics for sales people, training in communication and management skills.

Learning and strengthening skills internally, combined with opportunities for geographical mobility offered by the Group, opens the way for fulfilling professional careers. A few individual case studies will illustrate this point better than a set of impersonal statistics.

Here are two illustrations from 2014:

1.3 DEVELOPING AN ENTREPRENEURIAL CULTURE

CLASQUIN's capital has been controlled by Management since 1983. This longstanding specific feature has a bearing on the Company's management style, which is geared towards constantly striving to instil an entrepreneurial spirit amongst its employees and to seek performance collectively.

When the Company was floated on Alternext, 70% of employees living in France demonstrated their commitment to CLASQUIN by subscribing to the employee shareholding scheme. The Company is currently considering setting up a shareholding scheme for employees of the Group's foreign subsidiaries.

The purpose of CLASQUIN's variable remuneration policy is to get the very best out of all the employees and train them in the performance culture. An original system of variable remuneration linked to collective performance, CPS (Collective

Performance Salary), invites all employees to make a joint commitment to the operating performance of their Profit Centre.

The remuneration policy is therefore based on an overall scheme that ties employees closely to the performance of their Profit Centre and of the Company as a whole.

- ▶ Variable, so-called 'performance-based' salary (Collective Performance Salary) is calculated on the financial results of each Profit Centre and is added to the fixed salary in accordance with market practice,
- ▶ Individual variable pay,
- ▶ The company savings plan, topped up by a policy of employer's contributions (for companies under French law), increases employee investments in the CLASQUIN PERFORMANCES company investment fund.



> **Akihiko Sakuma**
Japan-Europe Development Manager

43 year-old Akihiko is Japanese. He speaks fluent English and Italian. After obtaining a business degree in California, Akihiko returned to Japan in 1994 to begin a career in logistics. In 2004, he moved to Italy to take up a post in a major logistics company based in Milan.

CLASQUIN recruited Akihiko in 2008 as sales assistant in Japan before appointing him sales manager in 2011.

A few years later, Akihiko expressed a desire to further his international experience and accordingly applied to CLASQUIN's employee international mobility programme.

In July 2014, he was promoted to Japan-Europe Development Manager with a remit covering CLASQUIN's existing and potential Japanese clients in Europe. He is now based in Frankfurt, where he has fitted in extremely well with the CLASQUIN GERMANY TEAM.



> **Céline Lechatreux**
Operations Agent Chicago

Born and raised in Normandy, 32-year-old Céline gradually took an interest in port operations while she was working on the Le Havre docks. She then decided to complete her education with a Bachelor's degree in international logistics planning which included a spell as an intern with ... CLASQUIN LE HAVRE! Her curiosity, enthusiasm and flair for foreign languages won over her managers. Her career in the Company has given her all the skills she needs to do her job, which covers both imports and exports, while supporting CLASQUIN clients end-to-end.

When the opportunity of a Chicago-based job was posted in the Company, she lost no time in applying for it and, since October 2014, she has formed a very efficient and dynamic two-person team with the local office manager.





2014 Summer Universities





1.4 MANAGING IN A FRIENDLY AND MODERN SPIRIT

A large part of the Group's success stems from the expertise and commitment of its teams, which are organised into autonomous Profit Centres. The very nature of CLASQUIN's business creates geographical distance between employees.

Despite this, CLASQUIN has been able to develop a strong corporate culture by reconciling the interests of the Company, employees and shareholders.

All Group employees are involved in a continuous improvement programme for which the clearly stated objective is operational excellence.

This programme is managed on a daily basis by the QSE (Quality, Safety & Environment) and OTO* (Operations Training & Organisation) units.

*See point 2.6

The aim of this Group-wide quality initiative is to rally teams around a coherent system tailored to the management of their operations and consistent with values regarding financial performance, pleasure at work and the daily pursuit of client satisfaction. Decisions are based on broad involvement of teams in the Company's developments and on the quest for consensus.

CLASQUIN also provides employees with numerous opportunities for meeting, discussion and sharing.

"Summer Universities" (SU)

Taking place approximately every two years, the Summer Universities event was last held in September 2014 and involved just under a third of Group employees. The purpose of the occasion is to bring together Group employees to discuss and share

information on the Company's main projects, as well as animating the performance and fun culture in a festive atmosphere.

See photos below and opposite.

World Management Committee Meeting (WMCM)

This annual event gathers together all Country Managers, Business Development Managers and sales people, support function managers and members of the Management Committee for several days in a relaxed environment, to approve the Company's main plans, discuss priorities and lay out action plans.

Fun at Work

In 2012 for the first time, the Group conducted an internal survey, the 'Funometer', aimed at gathering employees' opinions about 'Fun at Work'. This survey was designed with the employees. They took part

in a large number of workshops to define measurement metrics for 'fun' within the Group. In this way, six components were identified: General Atmosphere, My Job, Management and Leadership, Respect and Recognition, Communication, Training and Career Development.

In 2012 and 2013 'Fun' barometers were launched for France, Greater China, Spain, Germany and Italy. The survey was very successful and had a high response rate (89% in France and 93% in Greater China).

It is through these distinctive characteristics that CLASQUIN achieves a very nimble organisation capable of mobilising itself for its clients' projects under the motto: "Clients, Profit & Fun".





Development of an information system and a package of effective IT tools has always underpinned CLASQUIN's strategy. While ensuring a high level of performance and flexibility in a rapidly changing environment, this system adapts to the specific market features and legislation of the 20 countries where the Group operates. Seamless Group systems give users real-time access to data in a productive and interactive management system designed for use by CLASQUIN's clients and business partners.

2. A powerful IT system and tools

2.1 CURRENT INFORMATION SYSTEMS FROM A TO Z...

► **Aeolus** is CLASQUIN's ERP system. It is deployed at all subsidiaries to manage operations, monitor deadlines and communicate with all parties in the supply chain. It also provides real-time data on margins throughout the entire process.

► **Aeolus 360°** is a central server used to circulate all information about shipments regardless of where they are controlled, in real time and without human intervention. The server provides a collaborative integrated environment and includes a module that replicates shipments and transport stages, including invoices. Aeolus 360° represents a major source of productivity and user friendliness to optimise client supply chains.

► **Easylink** is the CRM system used by the sales force. It is designed to strengthen knowledge of the existing and potential client base and coordinate sales operations, while helping sales people better meet client demands. It also allows sales people to access and process information in real time, wherever they are, via connection to the international network

► **Exact** is the standard accounting software deployed throughout the Group. It provides for local, international and consolidated accounting management. It is paired with Global, a clearing office allowing for reconciliation of invoices and settlement of intercompany transactions.

► **NRG** is a monthly budget/financial reporting system. NRG is scalable and enables multiple analysis levels enhancing performance and reliability of data that underlie decision-making.

► **Statistics On Demand** is a powerful decision-making tool that gathers all Group data. It gives management visibility of the business in the form of weekly or monthly dashboards that may be generated at any time. The dashboards constitute a powerful management tool enabling users to analyse the business in detail on demand.

CLASQUIN strives above all to provide high value-added services to clients and the generic name for the systems providing visibility and sharing facilities is **E-Client Solutions**:

► **E-Tracing** can be used to trace shipments and obtain real-time data on their status.

► **E-Connect** is a real-time collaborative web portal which allows data to be exchanged and customised. It is adaptable to the industry and client information systems.

It allows users to monitor orders highlighting major deadlines, provides a web database comprising transportation documents, invoices, packing lists, sales invoices, quality certificates etc., and enables cost analyses for every shipment.

► **E-Report** measures the overall profitability of operations based on data input to the system while providing management indicators and changes over time. Various bespoke KPI reports or discrepancy reports highlight actual versus committed level of service.

► **E-Order** provides for detailed tracking per client reference via pre-input of past orders into a dedicated module. This application is seamlessly coupled to EDI interfaces and KPI enabling CLASQUIN to optimise high volume information flow and so facilitate clients' supply chains.

Marion, Fabrice, Julie,
Chrystel, Stéphane,
CLASQUIN Head Office





2.2 A STRATEGIC COMMITTEE TO CONTROL CLASQUIN'S IS/IT DEVELOPMENTS AND EXPENDITURE

Since the beginning of 2014, Yves Revol has set up and chaired an IS/IT Strategic Committee comprising all Group managers concerned by these issues. Two outside consultants from EXI2A have been brought in to provide guidance on this matter.

The Group is aware that its environment is constantly changing. Information systems lie at the heart of these changes and are an indispensable component of CLASQUIN's success in the market. Swift data exchange is frequently demanded by clients. These tools must offer possibilities of multiple interconnections and substantial productivity gains. The role of the IS/IT Strategic Committee is to prepare CLASQUIN to meet these challenges by improving its competitive edge and driving change in its IT tools in a harmonious and ongoing manner.

The objectives assigned to the committee are as follows:

- ▶ Attain the highest standards in the industry,
- ▶ Aim for excellence in productivity,
- ▶ Enhance IT systems for communicating with clients, suppliers and partners,
- ▶ Innovate in all areas that bring added value to clients and their staff.

The IS/IT Strategic Committee has launched the following projects:

▶ Reinforcing its network infrastructure

CLASQUIN exchanges an ever growing amount of data with its offices, clients and suppliers. The quantity of data stored and exchanged doubles every 15 months, but the need to access any information required from any location remains the same. This multiplication of data exchanges must be underpinned by a comprehensive, high performance, worldwide network. A tender conducted in

2014 was used to select a single operator to run, monitor and maintain the data network in working order through reliable, flexible and innovative service level commitments.

▶ Continuation of the CLASQUIN CRM project

CRM is an area in constant change. Easylink will be enhanced with new features linked to mobility. Easylink V2 will strengthen collaboration between sales teams by sharing even more information relating to key existing and potential clients. Management of sales activities will then be further improved.

▶ Strategic thinking on the succession to Aeolus

Aeolus was designed to respond rapidly to CLASQUIN's business demands. It is constantly evolving, taking on new enhancement features, adapting to regulatory constraints and integrating with other IT applications. Designing a new equivalent solution is an extremely important project for CLASQUIN. It requires sustainable technology choices and functional specifications tailored to the industry as it is today and as it will develop in the future. The project is monitored by the IS/IT Strategic Committee.

CLASQUIN is expanding its network and service offerings with a clear acceleration of IT projects whose main objectives are to:

- ▶ Achieve productivity gains and improve efficiency through ergonomics, automation and the sharing of a growing amount of information in real time,
- ▶ Activate all interfaces with the partner ecosystem, i.e. carriers, ports and airports, warehouses, customs authorities and transverse platforms, in all territories where CLASQUIN services its clients,

- ▶ Simplify implementation by capitalising on technical innovations in infrastructure, hosting and e-Learning.
- ▶ Accelerate innovation around e-Client solutions that enrich or support operational excellence for the Group's clients and offer them value-added services.



Jean-François and David
CLASQUIN Head Office





3. An integrated and controlled network of offices on 5 continents

A feature of the CLASQUIN GROUP is its Asian involvement, initiated over thirty years ago. CLASQUIN opened its very first offices in 1984 in Japan and Hong Kong. Throughout the Asia-Pacific region, the Company now has 21 offices, which enables it to be well rooted in the local economy of these countries with staff who fully understand local commercial practices, cultural habits and legislation.

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

Germany). In 2014, two acquisitions bolstered the Group's global presence, first in Germany, with a new office in Düsseldorf resulting from the acquisition of Göritz Air Freight, and then in North America with four additional locations in Miami, Houston, Barbados and Rutherford, arising from the ECS Garnett (Express Consolidation Service) takeover.

CLASQUIN first set foot in Africa in 2012 by setting up an office in Bobo-Dioulasso, Burkina Faso. This integrated network highlights the Group's local

presence to clients while also providing increased assurance for monitoring shipments. CLASQUIN is therefore able to manage the best-performing and most suitable sub-contractors for each shipment. To further enhance its coverage, CLASQUIN draws on a network of independent agents under the WFA (World Freight Alliance) which covers 130 countries. CLASQUIN is one of the 5 founding members of theWFA.

56 OFFICES*
20 COUNTRIES
5 CONTINENTS

27 offices in Europe and Africa

Annecy, Barcelona (2), Bobo-Dioulasso, Bordeaux, Bremen, Düsseldorf, Frankfurt, Grenoble, La Crèche, Le Havre, Lille, Lyon HQ, Lyon St Exupéry airport, Madrid, Marseilles, Milan, Mulhouse, Nantes, Paris, Saint Genis Laval, Toulouse, Tours, Tunis, Valence, Vitrolles, Villefranche-sur-Saône

21 offices in Asia-Pacific

Bangkok, Beijing, Chennai, Guangzhou, Hanoi, Ho Chi Minh, Hong Kong, Kuala Lumpur, Melbourne, Mumbai, New Delhi, Ningbo, Osaka, Qingdao, Seoul, Shanghai, Shenzhen, Singapore, Tokyo, Vientiane, Xiamen

8 offices in North America and the Caribbean

Bridgetown (Barbados), Chicago, Houston, Los Angeles, Miami, Montreal, New York, Rutherford



* 56 offices as at 1/4/15 following acquisition of LCI's offices in France and North Africa



Group Corporate Social Responsibility

PEOPLE, PLANET, PROFIT





1. People, Planet, Profit

In 2014, CLASQUIN decided to establish a structured, pragmatic and scalable Corporate Social Responsibility policy. So as to properly pursue this policy, Camille Salanson, CSR manager, is now supported by an outside consultant from Lyon-based firm Alteractive, a specialist CSR consultancy.

CLASQUIN believes CSR should always be a voluntary, proactive and participatory initiative primarily driven by charitable principles.

Camille, CSR manager and coordinator of the "Foot Of Africa" project.



CLASQUIN has a clear goal to set up CSR partnerships with clients and suppliers and to add value to the local community, environment, international charity and employees.

1.1 PUTTING GROUP PEOPLE AT THE HEART OF THE INITIATIVE

CLASQUIN considers its people are the Group's primary strength. A series of Group-wide actions are carried out with HR teams in favour of CLASQUIN employees:

- › Valuing staff talent and building skills,
- › Ensure and guarantee job well-being, security and sustainability,
- › Promote jobs for disabled people - close to 650 hours of work were outsourced to ESAT-affiliated and other businesses employing disabled people, and the Group hired its first full-time disabled employee.

1.2 MINIMISE THE GROUP'S IMPACT ON THE ENVIRONMENT

CLASQUIN's role as freight forwarder only gives it an indirect influence on the choice of transportation used and the related environmental impact. Nevertheless, our desire to "do our bit" prompts us to minimise our own environmental impact.

1.2.1 Openness, transparency and dialogue with third parties

- › Promote awareness in the industry by participating in the TLF Sustainable Development Commission (French Transport and Logistic Companies Association). This commission, which meets regularly, enables its members to anticipate regulatory changes, share experiences and promote the best initiatives.

- › Be able to calculate CO₂ emissions while keeping clients informed. To do this, CLASQUIN has decided to engage the firm CARBONE IMPACT in order to report CO₂ emissions from transportation used to clients. With this data all clients can compare emissions produced based on the means of transport they select. CLASQUIN strives to encourage them to favour low polluting transportation such as river/canal or rail transport.

1.2.2 Awareness, coaching and in-house commitment

- › Advocate and apply environmentally-friendly habits on a daily basis.
- › Sort and collect office waste (e.g. paper, plastic cups, toner cartridges, etc.). This year, our partnership with leading French waste recycling firm ELISE helped to preserve 40 trees, 70,000 litres of water and 11,550 kWh of power and eliminate over 1,000 kg of CO₂ emissions. The initiative is currently being rolled out in each of our twelve French branches. Eventually, the Group seeks to extend this initiative to its foreign branches.

1.3 FUNDING LOCAL COMMUNITIES

CLASQUIN encourages local cultural and community initiatives in various forms.

1.3.1 Financial and non-financial support

- › CLASQUIN has financially supported various local charities for several years.
- › Electrical and electronic equipment waste is sorted and recycled to be used again or, if still working, is donated free of charge to local organisations that need it (charities, schools, etc.).

- › Review the vehicle fleet to cut CO₂ emissions per km of its operating vehicles; CLASQUIN has decided that all new vehicles purchased will be the least polluting vehicles in their category. In a few years, this approach has reduced CO₂ emissions to 25 g per km travelled.
- › Promote conference calls and video conferences: in 2014, the number of physical "France monthly meetings" was halved and replaced by conference calls.

1.2.3 GUEPPE CLASQUIN

GUEPPE CLASQUIN is the only Group subsidiary that has its own vehicle fleet. Because managing environmental impact is a major challenge for its staff, it follows a mandatory policy to abide by the Ademe charter covering voluntary commitments to cut CO₂ emissions. The whole Euro standard fleet is equipped with Optifuel Infomax® developed by Renault Trucks in addition to the SCR (Selective Catalyst Reduction) system. Drivers are encouraged to monitor their own fuel consumption and reduce it by taking a course in eco-driving. Taken together these steps enable operations to measure all improvements made.

1.3.2 Skills sponsorship

CLASQUIN is one of the founding members of the Emergences Foundation, which aims to support projects to develop initiatives under the banner 'Living better together'. CLASQUIN and several of its employees provide their time, skills and experience to bring these projects to fruition.



1.4 INVESTING IN THE SOCIAL ECONOMY IN SUB-SAHARAN AFRICA

Burkina Faso, literally 'Land of upright people'.

Located in Western Africa, the former Upper Volta is a landlocked country with limited natural resources. Under the impulse of local inhabitants, since 2009 CLASQUIN has undertaken various projects in Bobo-Dioulasso, the country's second largest city. While advocating social inclusion via economic activities, the Group promotes collective and individual emancipation. Thus the added value derived from access to employment and the exploitation of local resources and know-how remains in the country and benefits only the local population.

1.4.1 CLASQUIN BOBO-DIOULASSO: The Group's very first branch in Africa

Its goal is to support small producers in the Hauts-Bassins region for their export business to other markets.

Since its establishment on 22 October 2012, CLASQUIN BOBO-DIOULASSO has provided them with privileged access to the rest of the world. The branch, managed by Constant Sawadogo, consists of two employees and receives support from CLASQUIN staff in Europe.

In 2014, the number of consolidated containers leaving or arriving at Bobo-Dioulasso doubled compared to 2013. Regular routes are now established with France, Germany and Spain.

1.4.2 Foot Of Africa: Manufacturing shoes in Burkina Faso for the European market

'Foot of Africa' is the name of a social entrepreneurial project initiated by Yves Revol, Group CEO, and supported by CLASQUIN. The challenge is ambitious:

industrial scale manufacturing of shoes 100% from Burkina Faso, initially aimed at the western market. Although far removed from the Company's traditional business, CLASQUIN's Board of Directors decided to support the project by approving a €150,000 equity investment.

The project aims high: eventually to create around fifty new jobs, capitalise local materials and conserve lost know-how. The whole project under the motto "People, Planet, Profit" is inspired by local features and challenges and is pursued in a socially and environmentally friendly manner.

The project has gradually taken shape, with a site being allocated late 2013 and incorporation of a company named FOOT OF AFRICA in Burkina Faso. But since inception, the pace of the project has been affected by local conditions and will be spaced out overtime.

Late October 2014, Burkina Faso underwent unprecedented popular uprisings, which in under 48 hours resulted in the overthrow of President Blaise Compaoré, who had been in power for 27 years. Shocked by these events, the "land of upright people" managed to show considerable restraint and in the following days a people's government was appointed comprising all the country's active forces. Since then, most state institutions have undergone major restructuring, which has led to the suspension of all outstanding projects, including Foot Of Africa.

Delayed by these events, construction work on the Bobo-Dioulasso factory is expected to begin during 2015 in conjunction with an overall investment of nearly €500,000.



Team responsible for the project:

- › **Yves REVOL**, CLASQUIN GROUP CEO, at the initiative of the Foot Of Africa project,
- › **James MULBACH**, formerly factory and production director (ASTER and LA FOURMI), consultant responsible for technical aspects (specifications for factory, machinery and training team requirements),
- › **Patrick de LALANDE** (ICI & PARTENAIRES, Ouagadougou) and **Michel REYNAUD** (ERMP consulting firm, Ouagadougou), project manager: exclusive on site representative in charge of supervising and checking work on the building intended to house the project and all related aspects (e.g. administrative formalities, etc.),
- › **Camille SALANSON**, Project Coordinator, intermediary between the different stakeholders, responsible for over-seeing implementation of the project.





Governance

1. BOARD OF DIRECTORS
2. EXECUTIVE COMMITTEE
3. MANAGEMENT COMMITTEE
4. ORGANISATIONAL CHART

Yves BARNOUD
General Secretary

Yves REVOL
Chairman & CEO

Alain DUMOULIN
Group Chief Operating Officer

Hugues MORIN
General Manager France, Italy & Germany





1. The Board of Directors

The Board of Directors approves the Company's strategy and overall policy, appoints corporate officers, oversees management and ensures the quality of information provided to shareholders. The Board of Directors met 4 times during financial year 2014. The average attendance rate of Board members (present or by proxy) during financial year 2014 was 100%.

At 31 December 2014, the Board members were:

- OLYMP SAS, represented by Philippe LE BIHAN
- Yves REVOL,
- Philippe LONS,
- Hugues MORIN,
- Yves BARNOUD,
- Claire MIALARET.

2. Executive Committee

The Executive Committee is the Group's steering body responsible for defining strategy and overall policy and approving capital expenditure.

At 31 December 2014, the Executive Committee comprised:

Yves REVOL, President,

Yves BARNOUD, Alain DUMOULIN, Hugues MORIN.

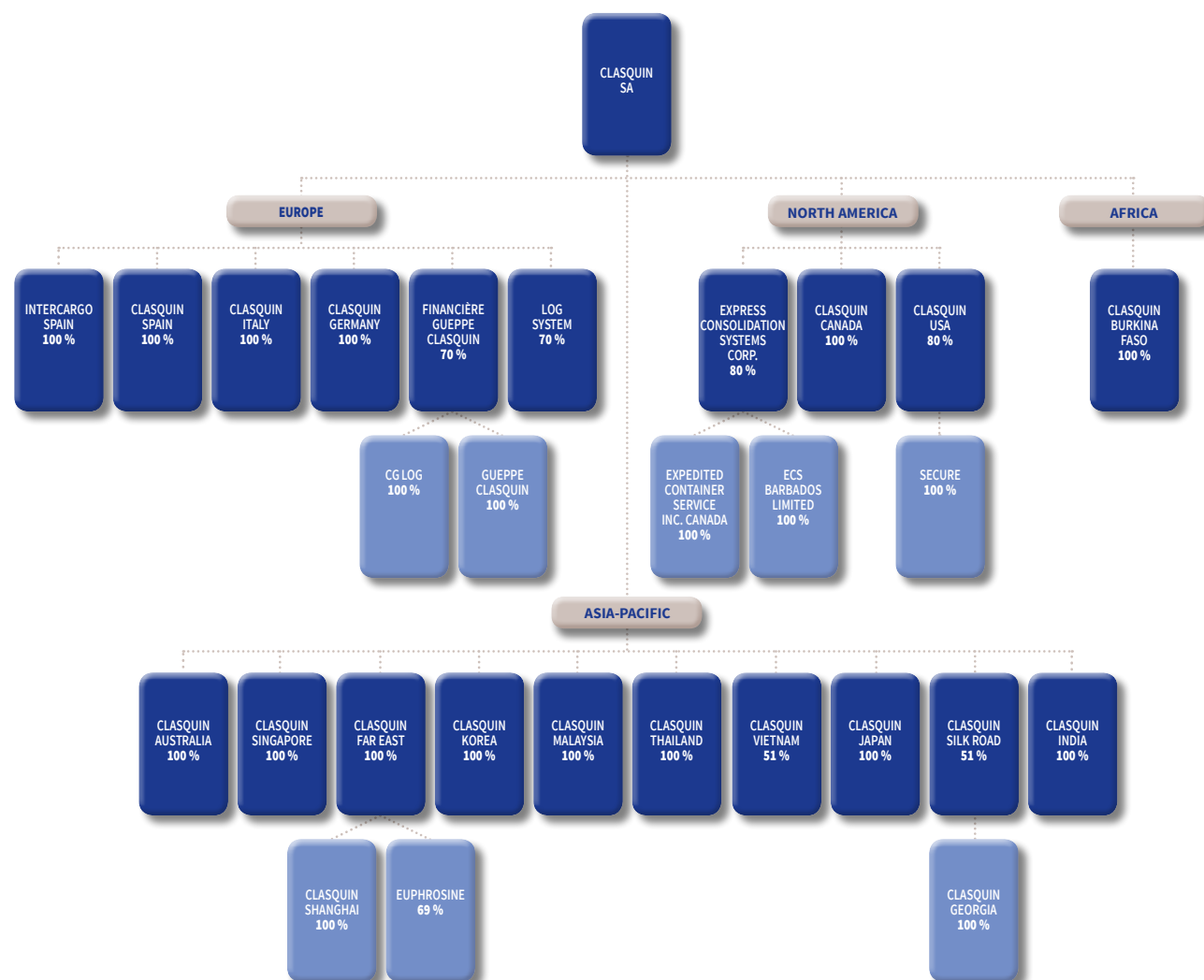
3. The Management Committee

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

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

4. Organisational chart

At 31 December 2014, the Group's parent company directly and indirectly controlled all the following companies:





Management Committee



Franck ACHOUCH
Managing Director Greater China

A Masters graduate in International Management, for over 20 years Franck Achouch held various commercial and managerial positions in CMA-CGM, then SAGA, Eagle Global Logistics and B&A. He joined Clasquin in 2010, as Managing Director Hong Kong & South China, and was promoted to Managing Director Greater China in July 2012.



Olivia BOYRON
Group VP Legal Affairs

Holding a one-year postgraduate diploma in Banking and Financial Law and an LLM in European Business Law, Olivia Boyron joined the bar at Lyon in 2001 and practised as a lawyer for 12 years, specialising in mergers and acquisitions, company law, stock market and venture capital law. She joined Clasquin in January 2014 as Group VP Legal Affairs.



Chairman of the Executive Committee

Yves REVOL
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 Director and Managing Director. In 1982 he bought CLASQUIN, which was achieving sales of around €1.5 million at the time. He has been Group Chairman and CEO since 1 January 1983.



Member of the Executive Committee

Hugues MORIN
General Manager France, Italy & Germany

After studying at the European Business School, Hugues Morin joined CLASQUIN AUSTRALIA where he was Sales Delegate and then Sales Director. He then moved to Japan, where he was successively Head of the Profit Centre in Osaka then Managing Director of CLASQUIN JAPAN. After returning to France in 2002, he was appointed Regional Director for the South of France and Italy, prior to being promoted to Managing Director France & Italy. He has also been responsible for Germany since the end of 2013.



Deben GHOSH
Director INDIA, MALAYSIA, SINGAPORE & VIETNAM

Graduating in Human Resources Management, Deben Ghosh began working in freight forwarding in 1994 for AFL in India (now Dachser India) then worked for Agility (India and UK) and FSL (UK and France). He joined CLASQUIN at the end of 2010 to create our Indian subsidiary. In 2014, he took on a regional director position covering India, Malaysia, Singapore and Vietnam.



Enrique FORCANO ROYO
Managing Director CLQ SPAIN & INTERCARGO

Long-haul captain trained at the Spanish Merchant Naval College, and then a graduate of Washington State University and ESADE in Barcelona, Enrique Forcano Royo spent 15 years in the merchant navy. In 1980, he joined the TI Intercargo group and became General Manager in 1999. He has managed CLASQUIN's business in Spain since the acquisition of INTERCARGO in 2012.



Rolf LEIMGRUBER
Group VP Operations

Graduate of the KV School of Business in Zurich, Rolf Leimgruber pursued a conventional career in freight forwarding in supervisory and then management positions, particularly with Panalpina and Danzas (DHL) in France, USA, UK and Switzerland. His career has given him complete understanding of the business (P&L, Logistics, Training, Quality & Audit).



Philippe LONS
Chief Financial Officer

A graduate from EM Lyon, Philippe Lons joined CLASQUIN in 1986 working at the Hong Kong office, where he successively held the positions of Sales Delegate, manager of the subsidiary then Regional Manager. In 1991, he returned to France where he became CFO in 1995.





Member of the Executive Committee

Alain DUMOULIN
Group Chief Operating Officer

Holder of a Master's degree in Economic Sciences, Alain Dumoulin started his career at UTA as Head of Sales and then served as Manager of North America Cargo Operations. He held a number of management positions with Air France cargo, SDV and then Agility, where he served as Managing Director for France. He joined CLASQUIN at the start of 2009 as Group Chief Operating Officer (Advisor).



Member of the Executive Committee

Yves BARNOUD
General Secretary

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

**David CANARD VOLLAND**
Chief Information Officer

With a MIAE diploma, David Canard Volland is responsible for the CLASQUIN GROUP IT system. He has 12 years of IT experience including 8 years in consulting/services, with positions ranging from Software Engineer to Project Manager, then Pre-Sales Consultant, before joining CLASQUIN in 1999.

**Michel FUCHS**
Head of Americas

Graduating from Rutgers University in "International Physical Distribution", Michel Fuchs started his career in 1969 in New York. He took a series of senior management positions in USA, the Caribbean and Europe. He managed the Tropical Shipping branches before being appointed Chairman of Calberson North America. In 1982 he founded ECS (Express Consolidation Systems), taken over by CLASQUIN in 2014.

**Emmanuel THUAL**
Deputy Managing Director France

With a DUT diploma in "Logistics and Transport Management", Emmanuel Thual joined CLASQUIN in 2000, holding the positions of Branch Offices Director and Regional Director. Then he moved to Canada to create the subsidiary there. Returning to France in 2009, in 2012 he was appointed Deputy MD of CLASQUIN FRANCE, responsible for the Mulhouse, Lille, Le Havre, Bordeaux, Toulouse and Marseilles branch offices.

**Didier VANDERPERRE**
President CLASQUIN USA

A graduate from the "Ecole Supérieure de l'Administration du Commerce et de l'Industrie", Didier Vanderperre began his career in an international transport company as Manager North America. He joined CLASQUIN in 1993.

**Jean-Marc WILLIATTE**
Group VP Marketing & Communications

Jean-Marc Williatte holds a Senior diploma in Communication from the CELSA communication and journalism school in Paris. After holding several management positions in printed media companies for the first part of his career, this polyglot was bitten by China and a desire for entrepreneurial adventure. An ardent fan of new technology, he joined CLASQUIN in January 2014 after spending several months as a consultant.





Shareholder and Investor Information

- 1. STOCK MARKET INFORMATION**
- 2. SHAREHOLDERS AS AT 31 DECEMBER 2014**
- 3. SHARE PRICE IN 2014**
- 4. DIVIDEND POLICY**
- 5. LISTING SPONSOR**
- 6. LIQUIDITY CONTRACT**
- 7. FINANCIAL ANALYSIS**
- 8. SOURCES OF INFORMATION AND DOCUMENTATION**
- 9. 2015 SHAREHOLDERS' AGENDA**
- 10. PERSONS RESPONSIBLE FOR THE INFORMATION**



Stéphanie and Philippe
CLASQUIN Head Office



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 Transportation

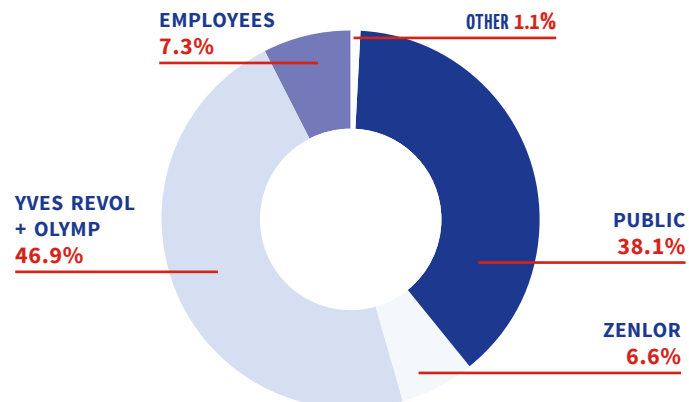
Market: Alternext

Listing: continuous

Share capital as at 31 December 2014:

€4,612,802 divided into 2,306,401 shares with a par value of €2.00 each

2. Shareholders as at 31 December 2014



3. Share price in 2014



Closing share price at 1 January 2014: €23.80

Closing share price at 31 December 2014: €21.00

Highest closing price in 2014: €28.90

Lowest price in 2014: €20.30

Average daily volume in 2014:

1,400 shares traded

Market capitalisation at 31 December 2014: €48.43 million

Public float at 31 December 2014: 38.1%





4. Dividend policy

Under a proper dividend policy, dividend payouts are naturally linked to earnings, 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 pay out at least 20% of net profit Group share (except in exceptional circumstances), with no upper limit. A dividend of €0.80 per share will be proposed - i.e. 86.7% of 2014 consolidated net profit Group share - at the 8 June 2015 Annual General Meeting.

5. Listing sponsor

CM-CIC Securities acts as the Listing Sponsor for the CLASQUIN GROUP.

6. Liquidity contract

In order to improve and regulate liquidity for its shares, a liquidity contract was signed between CLASQUIN SA and ODDO CORPORATE FINANCE brokerage firm on 14 September 2009, the agreement being tacitly renewed each year. On 13 October 2014 the agreement was amended to increase the value of funds paid into the liquidity contract.

This agreement complies with the AMAFI (French Association of Financial Markets) code of ethics.

7. Financial analysis

Two financial analysts wrote articles about CLASQUIN stock during 2014. They were:

ODDO MIDCAP - responsible for the research note: Harold DE DECKER and Raphael HOFFSTETTER

KEPLER - responsible for the research note: Baptiste DE LEUDEVILLE

These analyses are available on the Company's website www.clasquinfinance.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 following the end of the financial year. It is available on request from the Company's head office or can be downloaded from the Company's financial website (www.clasquinfinance.com) under the heading "Rapports financiers". An English translation is also posted on the English version of the website under "Financial Reports".

Legal documents - articles of association, minutes of general meetings and statutory auditors' reports - can be consulted at CLASQUIN's head office.

The corporate website, www.clasquin.com, contains the main information concerning organisational structure, operations, news, financial data and press releases. The website www.alternext.com provides financial and market information concerning the Company.

9. 2015 shareholders' agenda

- 08/06/2015: Combined Annual General Meeting
- 28/08/2015: First half 2015 sales
- 16/09/2015: First half 2015 results
- 29/10/2015: First 9 months 2015 sales

10. Persons responsible for the information

- Yves REVOL Chairman and CEO
- Philippe LONS Deputy Managing Director and Group CFO
- Stéphanie CHALANDON Logistics and Financial Reporting Manager
- Tel: +33 (0)4 72 83 17 00 - Email: finance@clasquin.com





2014 consolidated financial statements

- A. CONSOLIDATED INCOME STATEMENT AND COMPREHENSIVE INCOME STATEMENT**
- B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
- C. CONSOLIDATED CASH FLOW STATEMENT**
- D. CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY**
- E. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**



Agnès and David
CLASQUIN Head Office





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A/ Consolidated income statement and statement of comprehensive income

1. Consolidated income statement

INCOME STATEMENT (in €k)	Notes	2014	2013
SALES	E.IV.13.3	211,460	198,141
Cost of sales		(161,034)	(150,704)
GROSS PROFIT	E.IV.13.3	50,426	47,437
Other purchases and external charges		(11,781)	(11,032)
Taxes and duties		(688)	(688)
Staff expenses		(31,645)	(29,386)
Net depreciation and amortisation charges		(2,237)	(1,793)
Other current income		1,126	444
Other current expenses		(878)	(383)
CURRENT OPERATING INCOME		4,323	4,599
Other operating income	E.IV.14	286	211
Other operating expenses	E.IV.14	(367)	(289)
OPERATING INCOME		4,242	4,522
Cost of net debt	E.IV.15	(91)	(60)
Other financial income	E.IV.15	711	906
Other financial expenses	E.IV.15	(1,043)	(1,292)
PROFIT BEFORE TAX		3,819	4,076
Income tax	E.IV.16	(1,330)	(1,555)
GROUP CONSOLIDATED NET PROFIT		2,489	2,521
Minority interests		361	316
NET PROFIT GROUP SHARE	E.IV.13.1.3	2,128	2,206
BASIC EARNINGS PER SHARE (€)	E.IV.17	0.93	0.96
DILUTED EARNINGS PER SHARE (€)	E.IV.17	0.93	0.96

2. Consolidated comprehensive income statement

The amounts given are shown net of tax effect.

COMPREHENSIVE INCOME STATEMENT (in €k)	2014	2013
Consolidated net profit	2,489	2,521
Translation adjustments recognised in shareholders' equity	872	(572)
Sub-total: items that may be reclassified to income	872	(572)
Actuarial gains/losses on pension commitments	(41)	2
Sub-total: items that are not reclassified to income	(41)	2
NET INCOME AND GAINS AND LOSSES DIRECTLY RECOGNISED IN SHAREHOLDERS' EQUITY	3,320	1,951
GROUP SHARE	2,863	1,658
MINORITY INTERESTS	457	293

Lucia
CLASQUIN Shanghai

Wendy
CLASQUIN Ningbo





B/ Consolidated statement of financial position

1. Assets

ASSETS (in €k)	Notes	31/12/2014	31/12/2013
Goodwill	E.IV.1	8,330	5,588
Intangible assets	E.IV.2	3,102	2,820
Property, plant and equipment	E.IV.3	6,181	5,533
Non-consolidated equity affiliates	E.IV.4	1	1
Other financial assets	E.IV.4	913	831
Deferred tax	E.IV.9	898	609
TOTAL NON-CURRENT ASSETS		19,425	15,382
Trade and other receivables	E.IV.5 & 6	62,474	58,735
Other current assets	E.IV.5	1,637	2,026
Tax receivables	E.IV.5	970	228
Cash and cash equivalents	E.IV.7	13,168	12,446
TOTAL CURRENT ASSETS		78,249	73,435
TOTAL ASSETS	E.IV.13.1.1	97,674	88,817

2. Liabilities and shareholders' equity

LIABILITIES AND SHAREHOLDERS' EQUITY (in €k)	Notes	31/12/2014	31/12/2013
Share capital	E.IV.8.1	4,613	4,613
Additional paid-in capital	E.IV.8.1	4,245	4,245
Reserves		10,217	10,013
Net profit Group share		2,128	2,206
SHAREHOLDERS' EQUITY - GROUP SHARE	D.	21,203	21,077
SHAREHOLDERS' EQUITY - MINORITY INTERESTS	D.	2,074	1,153
TOTAL SHAREHOLDERS' EQUITY	D.	23,277	22,230
Deferred tax	E.IV.9	263	218
Non-current provisions	E.IV.10	1,104	742
Long-term financial liabilities	E.IV.11	9,138	2,433
TOTAL NON-CURRENT LIABILITIES		10,505	3,393
Current provisions	E.IV.10	257	279
Short-term financial liabilities	E.IV.11	4,759	9,910
Trade and other payables	E.IV.12	50,331	44,448
Tax and welfare liabilities	E.IV.12	6,489	6,328
Current tax payables	E.IV.12	504	332
Other current liabilities	E.IV.12	1,552	1,897
TOTAL CURRENT LIABILITIES		63,892	63,194
TOTAL LIABILITIES		74,397	66,587
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	E.IV.13.1.2	97,674	88,817

Louis
CLASQUIN Lyon LYS





C/ Consolidated cash flow statement

CASH FLOW STATEMENT (in €k)	Notes	2014	2013
CASH POSITION AT OPENING		3,868	3,901
OPERATING ACTIVITIES			
Consolidated net profit		2,489	2,521
Elimination of expenses and income not impacting cash flow or not linked to the activity			
Depreciation, amortisation and provisions		2,160	1,855
Unrealised gains/(losses) on changes in fair value		(3)	8
Capital gains/losses on disposals		51	56
Operating cash flow		4,697	4,440
Cost of net debt	E.IV.15	91	60
Tax expense (including deferred tax)		1,330	1,555
Tax paid on profits		(2,074)	(1,058)
Changes in working capital		2,505	74
- including changes in trade receivables and deferred income		782	(5,670)
- including changes in trade payables and deferred expenses		2,226	6,540
- including changes in other items		(503)	(796)
CASH FLOW FROM OPERATING ACTIVITIES		6,549	5,070
INVESTMENT ACTIVITIES			
Acquisitions of intangible assets		(1,097)	(1,361)
Acquisitions of property, plant and equipment		(1,777)	(1,390)
Disposals of intangible assets and PP&E		282	203
Acquisitions of financial assets		(80)	(186)
Disposals of financial assets		74	152
Net cash allocated to acquisitions and disposals of subsidiaries ⁽¹⁾		(2,040)	(155)
CASH FLOW FROM INVESTMENTS		(4,638)	(2,737)

(1) Breakdown of net cash from acquisitions and disposals of subsidiaries (see section on 2014 highlights):

- Impact of GÖRITZ AIRFREIGHT GmbH acquisition = -€528k
- Including acquisition cost: - €910k
- Including net cash acquired: + €382k

- Impact of GARNETT LOGISTICS GROUP INC. acquisition = - €1,512k
- Including acquisition cost: - €1,666k
- Including net cash acquired: + €154k

CASH FLOW STATEMENT (in €k)	Notes	2014	2013
FINANCING ACTIVITIES			
Capital increase			
Dividend payments to parent company shareholders	E.IV.8.2	(1,844)	(1,729)
Dividend payments to minority shareholders of consolidated companies		(332)	(283)
Inflows from new borrowings and other long-term financial liabilities		8,510	1,036
Repayments of borrowings and other long-term financial liabilities		(1,319)	(945)
Cost of net debt	E.IV.15	(91)	(60)
CASH FLOW FROM FINANCING ACTIVITIES		4,924	(1,981)
IMPACT OF EXCHANGE RATE FLUCTUATIONS		676	(386)
CHANGE IN CASH AND CASH EQUIVALENTS		7,511	(33)
CASH POSITION AT CLOSING		11,379	3,868

CHANGE IN CASH AND CASH EQUIVALENTS		2014	2013
Opening cash assets	E.IV.7	12,446	10,653
Closing cash assets	E.IV.7	13,168	12,446
CHANGE IN CASH ASSETS		722	1,793
Opening cash liabilities	E.IV.11.1	(8,578)	(6,752)
Closing cash liabilities	E.IV.11.1	(1,789)	(8,578)
CHANGE IN CASH LIABILITIES		6,789	(1,826)
NET CHANGE IN CASH AND CASH EQUIVALENTS		7,511	(33)



D/ Change in consolidated shareholders' equity

BREAKDOWN OF CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY (in €k)	Share capital	Additional paid-in capital	Reserves & consolidated net profit	Earnings recorded as shareholders' equity	Group share	Minority interests	Total shareholder's equity
SHAREHOLDERS' EQUITY AT 31/12/2012	4,613	4,245	12,221	52	21,131	1,142	22,273
Dividend distributed			(1,729)		(1,729)	(283)	(2,011)
2013 comprehensive income			2,206	(548)	1,658	293	1,951
Treasury shares			15		15		15
Sundry			1		1		1
SHAREHOLDERS' EQUITY AS AT 31/12/2013	4,613	4,245	12,715	(496)	21,077	1,153	22,230
Dividend distributed			(1,844)		(1,844)	(332)	(2,176)
2014 comprehensive income			2,128	735	2,863	457	3,320
Treasury shares			(97)		(97)		(97)
Sundry ⁽¹⁾			(796)		(796)	796	0
SHAREHOLDERS' EQUITY AT 31/12/2014	4,613	4,245	12,106	239	21,203	2,074	23,277

(1) Impact of the recognition of the put option over minority interests in relation to the GARNETT LOGISTICS GROUP INC. acquisition. See details in paragraph E.IV.1.

The main objective of the CLASQUIN GROUP in terms of managing its share capital is to ensure that it maintains a good credit risk rating and sound ratios in order to promote 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 remained unchanged compared to 2013.

CLASQUIN
Marseilles





E/ Notes to the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2014, as well as the related notes, were approved by the Board of Directors on 17 March 2015 and will be submitted to the shareholders' Annual General Meeting on 8 June 2015 for approval.

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

I. 2014 highlights

1. Acquisitions

GARNETT LOGISTICS GROUP INC.

On 24 September 2014, pursuant to the provisions of the agreement entered into on 28 August 2014, the Group finalised the acquisition of 80% of the equity of GARNETT LOGISTICS GROUP INC. and its subsidiaries, a company which specialises in freight forwarding (Sea & Air) with a strong presence in the field of industrial projects.

The Group is established in New York (New Jersey), Miami and Houston and has a subsidiary in Canada and in Barbados.

Following the valuation of identifiable assets, liabilities and contingent liabilities, this acquisition resulted in the recognition of full goodwill of \$2.6m and of a \$1m put option over minority interests. These items are detailed in the paragraph on goodwill in chapter "E.IV - Explanation of balance sheet and income statement items and changes thereto".

On 31 December 2014, GARNETT LOGISTICS GROUP INC. and two of its subsidiaries, EXPRESS CONSOLIDATION SYSTEMS CORP. (ECS US) and AMERICAN WORLD CARGO INC., merged without retroactive effect. This merger had no impact on the consolidated financial statements. Following this merger, the surviving companies are ECS US, ECS (BARBADOS) Limited and EXPEDITED CONTAINER SERVICE INC. CANADA (ECS CANADA).

GÖRITZ AIRFREIGHT GmbH

On 30 September 2014, CLASQUIN GERMANY acquired all the shares of GÖRITZ AIRFREIGHT GmbH (GAF). GAF is based in Düsseldorf. Its main business activity is air freight to and from the USA and Asia.

The acquisition resulted in the recognition of goodwill of €0.6m.

Via a notarial instrument dated 8 December 2014, the assets and liabilities of GAF were transferred to CLASQUIN GERMANY through a merger with retroactive effect as of 30 September 2014. This merger had no impact on the consolidated financial statements.

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

1. Financial reporting framework

1.1 STATEMENT OF COMPLIANCE

The CLASQUIN GROUP decided to apply IFRS for the first time in 2007.

Pursuant to European regulations nos.1606/2002 and 1725/2003, the Group consolidated financial statements were drawn up in compliance with the international accounting standards issued by the IASB (International Accounting Standards Board) and applicable in the European Union as at 31 December 2014. These rules may be consulted on the following website:

http://ec.europa.eu/finance/accounting/ias/index_en.htm.

The Group does not apply accounting principles contrary to IFRS requirements that have not yet been adopted by the European Union.

The accounting rules and valuation principles adopted for the preparation of the 2014 consolidated financial statements are those contained in the standards and interpretations published in the Official Journal of the European Union on 31 December 2014 and mandatory as of 1 January 2014.

They concern mainly:

- IFRS 10 "Consolidated Financial Statements",
- IFRS 11 "Joint Arrangements",
- IFRS 12 "Disclosure of Interests in Other Entities",
- Amendments to IFRS 10, 11 and 12 "Transition Guidance",
- IAS 28 amended "Investments in Associates and Joint Ventures",
- IAS 32 amended "Offsetting Financial Assets and Financial Liabilities",
- Amendments to IAS 36 "Recoverable Amount Disclosures for Non-Financial Assets".

None of these new standards and interpretations applied since 1 January 2014 have had any material impact on or are relevant to the Group.





Furthermore, the Group made no provision for standards, amendments or interpretations which were not mandatory as at 31 December 2014, 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:

REFERENCE TO STANDARDS, INTERPRETATIONS AND AMENDMENTS	Description	IASB publication date
IFRS for SMEs	Standards for SMEs	09/07/2009
Annual improvements	Annual improvements (2011-2013) to IFRS	12/12/2013
Annual improvements	Annual improvements (2010-2012) to IFRS	12/12/2013
IFRS 14	Regulatory Deferral Accounts	30/1/2014
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations	6/5/2014
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation	12/5/2014
IFRS 15	Revenue from Contracts with Clients	5/6/2014
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants	30/6/2014
IFRS 9	Financial Instruments	24/7/2014
Amendments to IAS 27	Equity Method in Separate Financial Statements	12/8/2014
Amendments to IAS 28 and IFRS 10	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	11/9/2014
Annual improvements	Annual improvements (2012-2014) to IFRS	25/9/2014
Amendments to IAS 1	Disclosure Initiative	18/12/2014
Amendments to IAS 28, IFRS 10 and IFRS 12	Investment Entities: Applying the Consolidation Exception	18/12/2014

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

CLASQUIN
Bordeaux



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 IFRS financial statements requires management to exercise its judgement in making estimates and assumptions which have an impact on the application of accounting methods and on the amounts of assets, liabilities, income and expenses. The actual values may be different from the estimated values.

The underlying estimates and assumptions are continually reviewed. The impact of changes in accounting estimates 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 which could entail 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 – Impairment of assets
- 3.11 – Provisions
- 3.12 – Pension commitments 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 or down to the nearest thousand euros.

2. Consolidation procedures

2.1 CONSOLIDATION METHODS

Since 1 January 2014, the Group has applied the new standards on consolidation scope, IFRS 10, 11, 12 and IAS 28 amended. IFRS 10 "Consolidated Financial Statements" supersedes IAS 27 as well as interpretation SIC 12 "Consolidation – Special Purpose Entities" for all aspects relating to control and consolidation procedures using the full consolidation method. It redefines the notion of control over an entity on the basis of three criteria:

- the investor has power over the investee, i.e. the ability to direct the activities of the investee that significantly affect the investee's returns,
- the investor is exposed, or has rights, to variable returns, which may be either positive, in the form of dividends or any other type of economic benefit, or negative, from its involvement with the investee,
- the link between this power and these returns, i.e. the ability to use its power over the investee to affect the amount of the investor's returns.

In practice, companies in which the Group directly or indirectly holds the majority of voting rights at the Annual General Meeting, or on the Board of Directors or equivalent management body, giving it the power to direct their operational or financial policies, are generally deemed to be controlled and consolidated using the full consolidation method.

To determine control, the Group carries out an in-depth analysis of the existing governance structure and an analysis of other shareholders' rights. Where necessary, an analysis is also carried out of instruments held by the Group or third parties (potential voting rights, dilutive instruments, convertible instruments, etc.) which, if exercised, could change the type of influence exercised by each party.

IFRS 11 "Joint Arrangements" supersedes IAS 31 for all aspects relating to the accounting of entities under joint control. IAS 28 amended defines the notion of significant influence and describes the equity method applicable to investments in associates and joint ventures within the meaning of IFRS 11.

Since all subsidiaries are entities controlled by the Group, the analysis and application of these standards have not changed the consolidation methods. All entities of the CLASQUIN GROUP are consolidated using the full consolidation method.

Full consolidation consists of:

- incorporating the items from the consolidated companies' accounts into the accounts of the consolidating company, after any restatements have been applied,
- 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 transactions between the fully consolidated company and the other consolidated companies.



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CLASQUIN Nantes



2.2 CONVERSION METHODS FOR FOREIGN COMPANY FINANCIAL STATEMENTS

Financial statements for entities whose 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,
- balance sheet items are converted using the closing rate except for share capital and reserves, which are maintained at historical cost,
- the resulting conversion differences are posted to reserves under shareholders' equity.

The conversion rates applied are as follows:

CURRENCY	Average rate 2014	Average rate 2013	Rate at 31/12/2014	Rate at 31/12/2013
AUD	1.47	1.37	1.48	1.54
BBD	2.50	N/A	2.43	N/A
CAD	1.47	1.37	1.41	1.47
CFA Franc	655.96	655.96	655.96	655.96
CNY	8.15	8.22	7.46	8.42
GEL	2.34	2.21	2.29	2.39
HKD	10.28	10.29	9.41	10.69
INR	80.79	77.18	76.84	84.96
JPY	140.30	129.42	145.19	144.80
KRW	1,393.71	1,446.95	1,324.63	1,453.87
MYR	4.34	4.16	4.24	4.53
SGD	1.68	1.66	1.60	1.74
THB	43.01	40.62	39.85	45.10
USD	1.33	1.33	1.21	1.38
VND	27,847.40	27,700.83	25,654.18	28,851.70

2.3 ELIMINATION OF INTRA-GROUP TRANSACTIONS

In accordance with regulations, transactions between consolidated companies and profits or losses generated internally between these companies have

been removed from the consolidated financial statements.

Kento
CLASQUIN Osaka

Juergen
CLASQUIN Paris CDG





3. Valuation methods and rules

The principles and methods applied by the CLASQUIN GROUP are as follows:

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 identifiable assets, liabilities and contingent liabilities are recorded as goodwill under balance sheet assets. If goodwill is negative, it is immediately recognised in the income statement.

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

- transaction costs are recorded immediately as operating expenses as they are incurred,
- for each business combination, the Group analyses the appropriateness of opting for "full" goodwill recognition, i.e. taking account of the proportion of goodwill attributable to non-controlling interests as at the acquisition date (measured at fair value), or for recognition of "partial" goodwill, which entails measuring the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets,

- 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 may subsequently only be adjusted against goodwill in light of new information on the 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 and 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, using the Discounted Cash Flows (DCF) method.

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

Considering the Group's organisational structure, the following three operating segments (Cash Generating Units or CGUs) were identified:

- the operating segment organising air and sea freight forwarding and related services (the Group's original business activity),
- the road haulage, chartering and logistics segment (the additional business activity arising from the acquisition of the GUEPPE CLASQUIN group),
- the IT service segment (LOG SYSTEM).

The impairment test methods for the CGUs are set out in paragraph 3.5 of this chapter.

Where goodwill has been assigned to a CGU or group of CGUs and part of the operations within that unit are sold, the goodwill associated with the sold operation is included in the book value 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 sold operation and the portion of the CGU retained. When subsidiaries are sold, the difference between the sale price and the net assets sold plus cumulative conversion differences and the net value of the goodwill is recognised in the income statement.





3.2 OTHER INTANGIBLE ASSETS

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

Intangible assets resulting from an acquisition are recognised separately from goodwill when they can

In-house research and development costs

Research costs are recognised as expenses as they are incurred. Development expenditure is recognised under intangible assets where it meets the criteria defined by IAS 38 and, in particular, if and only if it is possible to demonstrate:

- the technical feasibility required for completing 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 manner in which the software under development will generate probable future economic benefits; in particular, the existence of a market for the software under development must be demonstrated,

be identified, are controlled by the Company and are likely to generate future economic benefits.

- the availability of technical, financial and other resources appropriate for completing the development of and using or selling the software,
- the ability to reliably measure expenditure attributable to the software during development.

Compliance with these criteria is determined in respect of each individual product. Software development costs that cannot be capitalised are immediately recognised as expenses.

Amortisation is recorded for assets with a finite useful life. In the Group, useful life is generally as follows:

Type of asset	Useful life
Software developed in-house	4 to 8 years
Other software	1 to 6 years
Research & development costs	2 years

They are reviewed at each closure.

3.3 PROPERTY, PLANT AND EQUIPMENT

In compliance with IAS 16, property, plant and equipment is stated on the balance sheet at acquisition cost (purchase price and related expenses).

Property, plant and equipment is valued at its historical cost and is 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 and amortisation are calculated using the straight-line method over the useful life of assets, which are generally:

Type of asset	Useful life
Buildings	37 years maximum
Fixtures & fittings	10 years maximum
Transport equipments (including tractors, trucks)	4 to 7 years
Office and IT equipments	3 to 5 years

Useful life is reviewed at each closure.

3.4 FINANCE LEASES

In accordance with IAS 17 "Leases", fixed assets held under finance leases, for which the risks and benefits have been transferred to the lessee, are stated on the balance sheet at the discounted present value of the minimum lease payments or, if lower, at their market value. The corresponding liabilities are recorded as balance sheet liabilities under "Loans and borrowings."

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

Sale and leaseback transactions that generate proceeds require:

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





3.5 IMPAIRMENT OF ASSETS

3.5.1 Intangible assets with a finite useful life and property, plant and equipment

Assets subject to depreciation or amortisation undergo an impairment test when there is an indication of loss of value, where, due to special events or circumstances, it is uncertain 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.

Recorded impairment losses can be written back later if the recoverable value again becomes greater than the net book value, up to the limit of the initially recognised impairment charge less depreciation/amortisation that would have been recognised if no impairment loss had been recorded.

The recoverable value of an asset is the higher value out of the sale price of the asset net of disposal costs and its value in use, determined by estimating future cash flows generated by the asset.

3.5.2 Intangible assets with an indefinite useful life and goodwill

Assets with an indefinite useful life are not amortised but are subject to annual impairment testing at each closure and whenever there is any indication of impairment.

For this test, the fixed assets are grouped into a Cash Generating Unit (CGU) which is defined as a uniform group of assets generating distinct cash inflows from those of other asset groups.

The assets' value in use is defined using the Discounted Cash Flow (DCF) method. Determining the value in use 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 taken into account when determining the actual cash flows. Thus the standard defines the discount rate as a rate that reflects current market appraisals of the time value of money and the risks specific to the asset for which the cash flows have not been adjusted.

This is the rate of return on investment 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 from the asset in question. The rate is therefore in principle a market factor, not a factor specific to the Company or its ability to generate cash flows from using the tested asset.

The discount rate (WACC) may therefore be specific and incorporate risks specific to each CGU.

These impairment tests are also subject to sensitivity tests on the perpetuity growth rate and on WACC, to ensure that

modifying these assumptions does not alter the outcome of the impairment test.

Impairment losses are recognised under a specific income statement account when the net book value of an asset or its CGU is higher than its recoverable value determined as above. An impairment loss recognised in respect of a CGU is first allocated to reducing the book value of all goodwill allocated to the CGU, then to reducing the book value of other assets of the CGU (in proportion to the book value of each CGU asset).

Goodwill impairment is irreversible and cannot be written back even if the recoverable value of the goodwill is restored to a level higher than its book value. The book value of an asset plus the write-back of an impairment loss must not be higher than the book value that would have been measured, net of depreciation, if no impairment loss had been recognised.

Ashish
CLASQUIN New Delhi team

Violaine
CLASQUIN Hong Kong

Huston
CLASQUIN Hong Kong





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 resale in the short term),
- those held to maturity (securities with fixed or determinable payments and fixed maturities that the Group has the express 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 upon initial recognition.

Securities held for trading are measured at fair value, while 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 (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.

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 the end of the year. If the fair value cannot be reliably estimated, the investments continue to be stated 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 client's financial situation, late payments, credit rating from an independent agency and geographical location. Net gains and losses on loans and receivables consist of interest income and impairment losses.

3.7 TRADE RECEIVABLES AND PAYABLES

Receivables and debts are valued at their nominal value. The effect of discounting receivables and debts is negligible.

Full or partial nominal impairment provisions are recorded for doubtful debts if their recovery is uncertain and if their age is considerable.

3.8 FINANCIAL HEDGING INSTRUMENTS

The Group enters into contracts for forward currency purchases and sales in order to hedge its foreign

At year-end, the Group companies value their foreign currency debts and receivables on the basis of closing exchange rates.

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

currency positions. In general, forward contracts do not exceed 3 months.

3.9 CASH AND CASH EQUIVALENTS

Cash equivalents are initially measured at their purchase or subscription price, excluding related charges. They consist of euro money-market instruments.

Short-term investments are measured at fair value, while unrealised or realised gains or losses are recorded under financial income/expense. The fair

value is determined by referral to the market price at the end of the financial year.

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 profit or loss.

3.10 INCOME TAX

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

Deferred taxes are calculated according to the liability method, by applying the last tax rate in force for each company. Deferred tax is determined using the tax rate which has been enacted by the end of the reporting period and which is 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 that this is authorised by the local tax authorities.

Deferred tax assets are only considered insofar as it is likely that the Group will receive future taxable profits against which the corresponding time difference can be offset. Deferred tax assets are examined at the end of each financial year and are reduced pro rata where it is no longer likely that a sufficient taxable profit will be available.





3.11 PROVISIONS

In compliance with IAS 37 “Provisions, contingent liabilities and contingent assets”, provisions are set aside when a current legal or constructive obligation exists with a third party at the year-end 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 account includes commitments, resulting from trade disputes, labour disputes or other risks

whose maturity or amount is uncertain.

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 COMMITMENTS 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.

Noriko
CLASQUIN Tokyo



3.12.2 Defined benefit plans

According to IAS 19, 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 calculations are performed every year by a qualified actuary.

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 gains and losses are recognised under items of other comprehensive income (application of the new version of IAS 19).

3.13 FINANCIAL LIABILITIES

Financial liabilities correspond to the following items:

- either a contractual obligation to provide another company with cash or another financial asset,
- or a contract which will or might be settled using the company's treasury shares, in respect of the portion that does not correspond to the definition of the shareholders' equity component.

The Group recognises financial liabilities when contractually bound, i.e. on the date when it commits to such transactions.

Financial liabilities mainly consist of current and non-current loans and borrowings with credit institutions. These liabilities are initially recorded at fair value, including any directly related transaction costs. They are subsequently valued at amortised cost on the basis of their effective interest rate.

Put options granted to minority shareholders of the subsidiaries are recognised as financial liabilities at their discounted present value. In compliance with revised IFRS 3, changes in the options' exercise price are recognised in shareholders' equity.

3.14 CONVERSION METHOD FOR FOREIGN 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 recorded at that time and those generated on currency transactions are, where applicable, recorded under financial income/expense.

3.15 SALES RECOGNITION

3.15.1 Freight and logistics activity

Income is recorded in the income statement according to the percentage of completion of the given service at the end of the financial year, and valued on the basis of the work completed.

The Company's sales comprise:

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

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

Invoicing for customs liquidation (customs duties and VAT reinvoiced to clients) 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 and development services:**

- Services recognised in sales on a 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 fixed-price contract: These services are recognised using the percentage of completion method.

- **Sales of materials and licences:** Income generated from the sale of products is valued at the fair value of the consideration received or receivable, net of any returns and refunds, sales discounts and volume discounts.

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, when consideration is likely to be recovered, when the related costs incurred or to be incurred and the potential return of the goods can be reliably assessed, when the Group is no longer involved in managing the products and when the amount of income can be reliably measured.

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 commissions 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 above.

ordinary shares bought back or issued during the financial year.

To calculate diluted earnings per share, earnings per share is adjusted to take account of the effects of exercising dilutive instruments or converting them into shares.

3.17 CONSOLIDATED CASH FLOW STATEMENT

The cash flow statement is presented in compliance with IAS 1, incorporating in particular the following IAS 7 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, less the net cash available (or

increased by current cash liabilities) on the acquisition date, with similar logic to that applied to disposals,

- the opening and closing cash line items correspond to the cash assets (available cash or cash equivalents) from which are deducted the current cash liabilities (bank overdrafts). They do not include current accounts with non-consolidated companies.

Renaud
CLASQUIN Paris CDG

Barbara
CLASQUIN Head Office

Thijs
CLASQUIN Melbourne



3.16 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net income – Group share – for the financial year attributable to ordinary shares by the weighted average number of outstanding equity shares during the financial year. The average number of shares outstanding during the accounting period is the number of ordinary shares outstanding at the beginning of the financial year, adjusted for the number of





III. Operating segments and list of consolidated companies

1. Operating segments

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

An operating segment is a part of the entity:

- that undertakes activities likely to result in the entity receiving revenues and incurring expenses, including revenues and expenses associated with transactions with other parts of the same entity,
- for which operating 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 operating segments of the CLASQUIN GROUP relate to the following business activities:

- **Segment 1:** Air and sea freight forwarding and related services ("Overseas Freight"),
- **Segment 2:** Road haulage and logistics ("Road haulage"),
- **Segment 3:** IT service contractor ("IT services").

Operating segment 1 comprises 3 business lines:

- Air freight forwarding and related services,
- Sea freight forwarding and related services,
- Other services not included in air and sea freight (including related services) are grouped into the 'Others' business line.

These three lines of business are the subject of the secondary assessment of business segments in paragraph 13.2 - Assessment of gross profit in chapter "E. IV. Explanation of balance sheet and income statement items and changes thereto".





2. List of consolidated companies

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

Name of company	Registered Office Siren No.	% of control in 2014	% of interest 2014	% of control in 2013	% of interest 2013
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 ESPAÑA SL	Barcelona	100%	100%	100%	100%
TRANSITOS INTERNACIONALES INTERCARGO 1999 SA	Barcelona	100%	100%	100%	100%
CLASQUIN BURKINA FASO	Bobo-Dioulasso	100%	100%	100%	100%
CLASQUIN GERMANY GMBH	Frankfurt	100%	100%	100%	100%
FINANCIÈRE GUEPPE CLASQUIN SAS	Lyon - 477 738 058	100%	70%	100%	70%
LOG SYSTEM SARL	Lyon - 335 146 965	100%	70%	100%	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 SILK ROAD	Hong-Kong	100%	51%	100%	51%
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%	100%	100%
CLASQUIN THAILAND CO LTD	Bangkok	100%	49%	100%	49%
CLASQUIN USA INC.	New York	100%	80%	100%	80%
CLASQUIN VIETNAM LTD	Ho Chi Minh City	100%	51%	100%	51%
EXPRESS CONSOLIDATION SYSTEMS CORP.	Rutherford (New Jersey)	100%	80%	N/A	N/A

Name of company	Registered Office Siren No.	% of control in 2014	% of interest 2014	% of control in 2013	% of interest 2013
Subsidiaries					
COMPANY OWNED BY CLASQUIN SILK ROAD:					
CLASQUIN GEORGIA	Tbilisi	51%	51%	51%	51%
COMPANIES OWNED BY CLASQUIN FAR EAST LTD:					
CLASQUIN SHANGHAI LTD	Shanghai	100%	100%	100%	100%
EUPHROSINE LTD	Hong-Kong	69%	69%	69%	69%
COMPANY OWNED BY CLASQUIN USA INC.:					
SECURE CUSTOMS BROKERS INC.	New York	80%	80%	80%	80%
COMPANIES OWNED BY FINANCIÈRE 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%
COMPANIES OWNED BY EXPRESS CONSOLIDATION SYSTEMS CORP.:					
EXPEDITED CONTAINER SERVICE INC.	Montreal	80%	80%	N/A	N/A
ECS (BARBADOS) LTD	Saint Michael	80%	80%	N/A	N/A

All companies are consolidated on the basis of their financial statements for the year ended 31 December 2014, covering a period of 12 months, except for

companies acquired during the year, for which the period depends on their date of entry into the consolidation scope.





IV. Explanation of balance sheet and income statement items and changes thereto

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

1. Goodwill

The breakdown of goodwill is set out in the table below:

GOODWILL (in €k)	Value as at 01/01/2014	Acquisitions	Disposals	Foreign exchange difference	Value as at 31/12/2014
CGU 1 - OVERSEAS FREIGHT					
CLASQUIN ESPAÑA	1				1
CLASQUIN JAPAN	57				57
SECURE CUSTOMS BROKERS	3				3
CLASQUIN THAILAND	153				153
CLASQUIN CANADA	44				44
INTERCARGO	1,141				1,141
GÖRITZ AIRFREIGHT (GAF)		627			627
ECS US (GARNETT LOGISTICS GROUP INC.)		2,056		59	2,115
SUB-TOTAL	1,399	2,683		59	4,141
CGU 2 - ROAD HAULAGE					
GUEPPE CLASQUIN GROUP	4,081				4,081
CGU 3 - IT SERVICES					
LOG SYSTEM	108				108
TOTAL	5,588	2,683	0	59	8,330

Impairment test

As at 31 December 2014, the assumptions used to determine the discount rate for each CGU were as follows:

- a risk-free rate of 1.6425%, which is the 2014 monthly average of the rate of 10-Year Constant Maturity Treasuries,
- a market risk premium of 5% (retrospective application over 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 recurring business and the breakdown of clients in this portfolio, valued at 1.5% for CGU 1 and CGU 2 and 1.6% for CGU 3,

- a financial expense rate of 2.5%.

Resulting in a WACC of 8.9% for CGU 1, 9.1% for CGU 2 and 9.6% for CGU 3, and a perpetuity growth rate prudently defined at 2%.

The goodwill arising from the acquisition of GARNETT LOGISTICS GROUP INC. and its subsidiaries amounted to \$2.6m and was determined as follows:

GOODWILL ECS US (GARNETT) (in \$k)	Value at 30/09/2014
Assets (excluding deferred tax assets)	4,391
Liabilities (excluding deferred tax liabilities)	(3,928)
Deferred tax	99
Net assets of ECS US (GARNETT)	562
Share acquisition cost	2,118
Put option over minority interests	1,012
FULL GOODWILL (IN \$K)	2,568

It was allocated to CGU 1, "Overseas freight".

The put option over minority interests was calculated using 2016-2018 projections and has been discounted at the rate of 2%. There will be no settlement before 31 December 2018.

The acquisition of GAF has given rise to the recognition of goodwill of €0.6m, also allocated to CGU 1 and calculated as follows:

GAF GOODWILL (in €k)	Value at 30/09/2014
Assets (excluding deferred tax assets)	1,081
Liabilities (excluding deferred tax liabilities)	(798)
Deferred tax	
Net assets of GAF	283
Percentage acquired (100%)	283
Share acquisition cost	910
GOODWILL	627

Sensitivity tests

Based on a combined deviation of +/- 1% from the assumptions used for the calculations (discount rate and growth rate), there is no impairment to be

recorded. The growth rate after the reference period is 2%.





2. Intangible assets

Changes in intangible assets are presented in the following tables:

INTANGIBLE ASSETS (in €k)	01/01/2014	Change exchange scope	Increases	Reductions	Reclassification	Foreign exchange difference	31/12/2014
GROSS VALUE							
Software developed in-house	4,662		906				5,568
Other software	4,863	7	178			4	5,052
R&D costs and other assets	654	2	14	(34)		39	675
GROSS VALUE	10,179	9	1,098	(34)	0	43	11,295
AMORTISATION							
Software developed in-house	(2,669)		(525)				(3,194)
Other software	(4,198)		(274)			(4)	(4,476)
R&D costs and other assets	(492)		(46)	34		(19)	(523)
AMORTISATION	(7,359)	0	(845)	34	0	(23)	(8,193)
NET VALUE	2,820	9	253	0	0	20	3,102

Andre
CLASQUIN Beijing

Olivier
CLASQUIN Beijing

Fuquan
CLASQUIN Beijing



3. Property, plant and equipment

PROPERTY, PLANT AND EQUIPMENT (in €k)	01/01/2014	Change exchange scope	Increases	Reductions	Reclassification	Foreign exchange difference	31/12/2014
GROSS VALUE							
Buildings	1,281		423			212	1,916
Fixtures/fittings	2,770	17	208	(1)	(1)	66	3,059
Finance lease fixed assets	604		170	(148)			626
Other PP&E	5,064	96	427	(69)	(7)	149	5,660
Vehicles	3,283		718	(450)			3,551
GROSS VALUE	13,002	113	1,946	(668)	(8)	427	14,812
AMORTISATION							
Buildings	(129)		(44)			(21)	(194)
Fixtures/fittings	(1,657)		(298)	1	1	(54)	(2,007)
Fixed assets under finance lease	(107)		(85)	43			(149)
Other PP&E	(4,189)		(461)	54	7	(136)	(4,725)
Vehicles	(1,387)		(438)	269			(1,556)
DEPRECIATION	(7,469)	0	(1,326)	367	8	(211)	(8,631)
NET VALUE	5,533	113	620	(301)	0	216	6,181

The increase in 'Buildings' is due to the acquisition of additional premises in Hong-Kong.

Fixed assets under finance lease mainly consist of vehicles at GUEPPE CLASQUIN.





4. Securities and other financial assets

Eddy
CLASQUIN Hong Kong



SECURITIES AND OTHER FINANCIAL ASSETS (in €k)	01/01/2014	Change in consolidation scope	Increases	Reductions	Reclassification	Foreign exchange difference	31/12/2014
GROSS VALUE							
Shares in non-consolidated companies	33			(32)			1
Deposits and guarantees	749	32	75	(37)		47	866
Loans to non-consolidated companies							
Other financial assets	120	1	5	(38)		1	89
GROSS VALUE	902	33	80	(107)	0	48	956
IMPAIRMENT							
Shares in non-consolidated companies	(32)			32			
Deposits and guarantees	(38)					(4)	(42)
Loans to non-consolidated companies							
Other financial assets							
IMPAIRMENT	(70)	0	0	32	0	(4)	(42)
NET VALUE	832	33	80	(75)	0	44	914



5. Trade and other receivables

These are broken down as follows:

BREAKDOWN (in €k)	Gross value at 31/12/2014	Gross value at 31/12/2013
Trade receivables	63,283	59,511
Client invoices to be issued	765	674
Other receivables	1,637	2,026
Tax receivables	970	228
TOTAL	66,655	62,439

6. Impairment of current assets

IMPAIRMENT (in €k)	Value at 01/01/2014	Charges	Write-backs	Reclassification	Foreign exchange difference	Value at 31/12/2014
Trade receivables	(1,450)	(165)	103		(62)	(1,574)
TOTAL	(1,450)	(165)	103	0	(62)	(1,574)

7. Cash and cash equivalents

BREAKDOWN (in €k)	Gross value at 31/12/2014	Gross value at 31/12/2013
Cash equivalents	76	61
Bank accounts and cash	13,092	12,385
TOTAL	13,168	12,446

8. Shareholder's equity

8.1 BREAKDOWN OF SHARE CAPITAL

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

Additional paid-in capital amounts to €4,245k.

It should be noted that under a liquidity contract the CLASQUIN GROUP buys back its own shares on the stock market (5,929 shares held at 31 December 2014).

This liquidity contract was agreed on 15 September 2009 with the service provider ODDO & Co.

In this respect, in 2014 CLASQUIN SA purchased 24,795 shares with a total value of €615k at a weighted average price per share of €24.80. Over the

same period, CLASQUIN SA sold 20,637 shares with a total sales value of €519k, at a weighted average price per share of €25.15. Transactions carried out on treasury shares were eliminated from the consolidated financial statements.

8.2 DIVIDENDS

The dividends paid by CLASQUIN SA to its shareholders amounted to €1,730k in 2013 and €1,845k in 2014 (€0.80 per share); the sum of €1,000 was deducted from the latter amount to repay dividends on treasury shares held under the liquidity contract, leaving a net amount of €1,844k.

Tommy
CLASQUIN Hong Kong





9. Deferred tax

The recognition of deferred tax in the 2014 consolidated financial statements had the following impact, item by item:

DEFERRED TAX ASSETS (in €k)	Amount as at 01/01/2014	Change in consolidation scope	Impact on profit	Impact on reserves	Foreign exchange difference	Amount at 31/12/2014
Finance lease						
Intangible assets	19		(2)			17
Employee incentive scheme and profit-sharing	0					
Organic	16		(3)			13
Provision for pension payments	167		23	20		210
Other temporary differences	214	92	40		22	368
Tax losses carried forward	339		107		20	466
DTA/DTL offset	(146)		(30)			(176)
TOTAL	609	92	135	20	42	898

DEFERRED TAX LIABILITIES (in €k)	Amount as at 01/01/2014	Change in consolidation scope	Impact on profit	Impact on reserves	Foreign in consolidation difference	Amount at 31/12/2014
Finance lease	(14)		(6)			(20)
Accelerated depreciation	(269)		(4)			(273)
Intangible assets	(8)		(1)			(9)
Other temporary differences	(72)	(13)	(50)	2	(3)	(136)
DTA/DTL offset	146		30			176
TOTAL	(218)	(13)	(31)	2	(3)	(263)

NET	392	79	104	22	39	636
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Unused tax losses carried forward as at 31/12/2014 amounted to €3.1m on the basis of assessment; they represent about €955k of future tax savings.

Phan Chi
CLASQUIN Ho Chi Minh
and Andreas
CLASQUIN Seoul





10. Provisions

10.1 FIGURES

Changes in provisions can be broken down as follows:

PROVISIONS (in €k)	Amounts at 01/01/2014	Change in actuarial gains/ losses	Change in consolidation scope	Charges	Reversals Used	Reversals Unused	Foreign exchange difference	Reclassification	Amounts at 31/12/2014
Provision for retirement benefits	680	62	31	100	(9)	(8)	6	3	865
Commercial disputes			207				10		217
Other provisions	62				(39)	(1)			22
TOTAL NON-CURRENT PROVISIONS	742	62	238	100	(48)	(9)	16	3	1,104
Commercial disputes	182			197	(99)	(70)			210
Company risks	70				(40)	(15)		(7)	8
Other provisions	27			13	(6)	(2)		7	39
TOTAL CURRENT PROVISIONS	279	0	0	210	(145)	(87)	0	0	257

The non-current provision for commercial disputes was recognised during the determination of the fair value of the identifiable assets, liabilities and contingent liabilities of ECS US.

Current provisions for commercial disputes relate principally to disputes in France.

10.2 RETIREMENT BENEFITS

10.2.1 Figures at the end of 2014

These are summarised in the following tables:

PROVISION BY SUBSIDIARY	At 31/12/2014	At 31/12/2013	CHANGE IN THE PROVISION FOR PENSION PAYMENTS (France)	Present value of the unfunded liability	Actuarial gain/loss not recognised	Net balance sheet commitment	Recognition in the income statement	Recognition under items of other comprehensive income
CLASQUIN SA	372	285	AT 01/01/2014	500		500		
GUEPPE CLASQUIN	48	37	Change in consolidation scope					
LOG SYSTEM	210	178	Cost of services rendered	51		51	51	
TOTAL FRANCE	630	500	Interest expenses	17		17	17	
CLASQUIN JAPAN	67	56	Services provided to employees					
CLASQUIN ITALIA	81	73	Unrecognised actuarial gains/losses					
CLASQUIN THAILAND	33	23	Net change in actuarial gains/losses	62		62		62
CLASQUIN VIETNAM	26	28	AT 31/12/2014	630	0	630	68	62
ECS CANADA	28							
TOTAL	865	680						





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

PRINCIPAL ASSUMPTIONS	31/12/2014	2013
Discount rate for retirement benefits	1.49%	3.17%
Inflation rate	2.00%	2.00%
Salary increase rate		
Employees and workers	2.00%	3.00%
Supervisory staff	2.50%	3.50%
Executives	3.00%	4.00%
Social security 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 category:

SPC	Age
Executives	64
Non-executives	
Born before 01/01/1951	60
Born after 01/01/1951	62 years maximum

10.2.2 Sensitivity tests

Sensitivity tests were performed on our main assumptions, specifically the discount rate and staff turnover.

A deviation of plus or minus 0.5% in the discount rate would result in a deviation of around $\pm 7\%$ in the provision as at 31/12/2014.

In addition, a sensitivity test was performed using the new staff turnover rates below:

STAFF TURNOVER - SENSITIVITY TESTS	
Under-30 age group	15.00%
30 to 39 age group	5.00%
40 to 49 age group	5.00%
50 to 55 age group	1.00%
Over-55 age group	0.00%

Using these new rates would have an impact of about €150k on the amount of the commitment.

10.2.3 Others

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

SUBSIDIARIES CONTRIBUTING TO A MANAGEMENT FUND	2014 expense (in €k)
CLASQUIN AUSTRALIA (Superannuation)	40
CLASQUIN FAR EAST (MPF Contribution)	49
CLASQUIN KOREA (Retirement Allowance)	28

SUBSIDIARIES WITH NO COMMITMENT IN RESPECT OF RETIREMENT BENEFITS, PURSUANT TO THE LAWS OF THEIR COUNTRY	Headcount of the subsidiary at 31/12/2014
CLASQUIN CANADA	4
CLASQUIN ESPAÑA	11
CLASQUIN GERMANY	17
CLASQUIN INDIA	15
CLASQUIN MALAYSIA	8
CLASQUIN SHANGHAI	83
CLASQUIN SINGAPORE	13
CLASQUIN USA	14
SECURE CUSTOMS BROKERS	4
INTERCARGO	25
ECS US	31



11. Loans and borrowings

11.1 BREAKDOWN BY TYPE AND MATURITY, CHANGES IN LOANS AND BORROWINGS

TYPE (amounts in €k)	Amounts at 01/01/2014	Change in consolidation scope	New loans	Foreign exchange difference	Loan repayments	Amounts at 31/12/2014	Less than 1 year	1-5 years	More than 5 years
Bank borrowings	3,195	61	8,525	76	(1,089)	10,768	2,772	7,996	
Finance leases	454		170		(207)	417	125	292	
Bank overdrafts	8,578		1,789		(8,578)	1,789	1,789		
Other financial liabilities	116		810	25	(28)	923	73	850	
TOTAL LOANS AND BORROWINGS	12,343	61	11,294	101	(9,902)	13,897	4,759	9,138	0
TOTAL LONG-TERM FINANCIAL LIABILITIES								9,138	
TOTAL SHORT-TERM FINANCIAL LIABILITIES							4,759		

New borrowings were mainly taken out in France and primarily by CLASQUIN SA.



CLASQUIN
Bangkok





11.2 TYPE OF LOAN RATES, BREAKDOWN PER CURRENCY

Some bank borrowings have a variable interest rate but can be hedged.

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

Foreign currency loans and borrowings are shown below for the main currencies:

BREAKDOWN OF LOANS & BORROWINGS BY CURRENCY (in €k)					
	Currencies	Rate type	Covenants	2014	2013
Bank borrowings	EUR	Fixed	no	9,513	2,333
Bank borrowings	HKD	Variable	no	785	586
Bank borrowings	JPY	Fixed	no	413	276
Bank borrowings	USD	Fixed	no	57	
SUB-TOTAL OF MISCELLANEOUS BANK BORROWINGS				10,768	3,195
Finance leases	EUR			417	454
SUB-TOTAL OF MISCELLANEOUS FINANCE LEASES				417	454
Bank overdrafts	EUR			1,753	8,543
Bank overdrafts	SGD			36	
Bank overdrafts	THB				35
SUB-TOTAL OF MISCELLANEOUS BANK OVERDRAFTS				1,789	8,578
Other financial liabilities	EUR			73	101
Other financial liabilities	USD			834	
Other financial liabilities	HKD			16	15
SUB-TOTAL OF OTHER MISCELLANEOUS FINANCIAL LIABILITIES				923	116
TOTAL				13,897	12,343

12. Trade and other payables

These are broken down as follows:

BREAKDOWN (in €k)	Value at 31/12/2014	Value at 31/12/2013
Trade payables	40,196	33,893
Invoices to be received	10,135	10,555
Tax and welfare liabilities	6,489	6,328
Current tax payables	504	332
Other payables	1,552	1,897
TOTAL	58,876	53,005





13. Information on operating segments

As previously defined, the operating segments relate to:

- overseas freight (air, sea and other),
- road haulage (GUEPPE CLASQUIN),
- IT services (LOG SYSTEM).

13.1 BALANCE SHEET AND INCOME STATEMENT BY OPERATING SEGMENT

13.1.1 Balance sheet assets

SEGMENT ASSETS (in €k)	Overseas Freight	Road Haulage GUEPPE CLASQUIN	IT Services LOG SYSTEM	Inter-segment eliminations	CLASQUIN GROUP
Goodwill	4,142	4,080	108		8,330
Intangible assets	3,090	4	29	(21)	3,102
Property, plant and equipment	3,596	2,520	86	(21)	6,181
Equity investments	5,772	1		(5,772)	1
Other financial assets	1,033	68	4	(192)	913
Deferred tax	853		65	(20)	898
TOTAL NON-CURRENT ASSETS	18,486	6,673	292	(6,026)	19,425
Trade and other receivables	60,821	1,400	834	(581)	62,474
Other current assets	1,396	161	87	(7)	1,637
Tax receivables	762	190	18		970
Cash and cash equivalents	10,696	2,241	231		13,168
TOTAL CURRENT ASSETS	73,675	3,992	1,170	(588)	78,249
TOTAL SEGMENT ASSETS	92,161	10,665	1,462	(6,614)	97,674

13.1.2 Balance sheet liabilities

SEGMENT LIABILITIES AND SHAREHOLDERS' EQUITY (in €k)	Overseas Freight	Road Haulage GUEPPE CLASQUIN	IT Services LOG SYSTEM	Inter-segment eliminations	CLASQUIN GROUP
Share capital					4,613
Additional paid-in capital					4,245
Reserves					10,217
Profit/loss					2,128
SHAREHOLDER'S EQUITY - GROUP SHARE					21,203
SHAREHOLDERS' EQUITY - MINORITY INTERESTS					2,074
TOTAL SHAREHOLDERS' EQUITY					23,277
Deferred tax	10	253			263
Non-current provisions	824	70	210		1,104
Long-term financial liabilities	7,962	1,394		(218)	9,138
TOTAL NON-CURRENT LIABILITIES	8,796	1,717	210	(218)	10,505
Current provisions	257				257
Short-term financial liabilities	4,047	712			4,759
Trade and other payables	49,572	1,206	112	(559)	50,331
Tax and welfare liabilities	5,073	880	536		6,489
Current tax payables	494	10			504
Other current liabilities	1,344	70	138		1,552
TOTAL CURRENT LIABILITIES	60,787	2,878	786	(559)	63,892
TOTAL SEGMENT LIABILITIES	69,583	4,595	996	(777)	74,397
TOTAL SEGMENT LIABILITIES AND SHAREHOLDERS' EQUITY	69,583	4,595	996	(777)	97,674



**13.1.3 Income statement**

SEGMENT INCOME STATEMENT (in €k)	Overseas Freight	Road Haulage GUEPPE CLASQUIN	IT Services LOG SYSTEM	Inter-segment eliminations	CLASQUIN GROUP
SALES	200,444	9,737	3,068	(1,789)	211,460
Cost of sales	(157,939)	(2,935)	(541)	381	(161,034)
GROSS PROFIT	42,505	6,802	2,527	(1,408)	50,426
Other purchases and external charges	(9,979)	(1,974)	(410)	582	(11,781)
Taxes and duties	(602)	(47)	(39)		(688)
Staff expenses	(27,623)	(3,044)	(1,784)	806	(31,645)
Net depreciation and amortisation charges	(1,592)	(580)	(92)	27	(2,237)
Other current income	1,092	27	7		1,126
Other current expenses	(869)		(9)		(878)
CURRENT OPERATING INCOME	2,932	1,184	200	7	4,323
Other operating income	26	260			286
Other operating expenses	(68)	(299)			(367)
OPERATING INCOME	2,890	1,145	200	7	4,242
Cost of net debt	(57)	(34)			(91)
Other financial income	1,363			(652)	711
Other financial expenses	(1,051)	(1)	(6)	15	(1,043)
PROFIT BEFORE TAX	3,145	1,110	194	(630)	3,819
Income tax	(850)	(412)	(61)	(7)	(1,330)
GROUP CONSOLIDATED NET PROFIT	2,295	698	133	(637)	2,489
Minority interests					361
NET PROFIT GROUP SHARE	2,295	698	133	(637)	2,128

**13.2 “OVERSEAS FREIGHT” OPERATING SEGMENT:
GROSS PROFIT ASSESSMENT****13.2.1 Breakdown of Overseas freight segment gross profit
by geographical area**

GROSS PROFIT BY GEOGRAPHICAL AREA (in €k)	2014		2013		2014 / 2013 Change ⁽¹⁾	
	in €k	in %	in €k	in %	in €k	in %
France	22,425	50.4%	21,040	50.8%	1,385	6.6%
EMEA (excluding France)	5,047	11.4%	4,531	10.9%	516	11.4%
Asia-Pacific	13,527	30.4%	13,569	32.7%	(42)	-0.3%
North America	3,466	7.8%	2,309	5.6%	1,157	50.1%
- Including ECS (Garnett)	1,026				1,026	
TOTAL FOR ALL COMPANIES BEFORE CONSOLIDATION ENTRIES	44,465	100.0%	41,449	100.0%	3,016	7.3%
Consolidation entries	(1,960)		(1,886)		(74)	3.9%
TOTAL OVERSEAS FREIGHT	42,505		39,563		2,942	7.4 %

(1) At current exchange rate

13.2.2 Breakdown of Overseas freight segment gross profit by business line

GROSS PROFIT BY BUSINESS LINE (in €k)	2014		2013		2014 / 2013 Change ⁽¹⁾	
	in €k	in %	in €k	in %	in €k	in %
Air freight	16,569	39.0%	15,647	39.5%	922	5.9%
Sea freight	22,529	53.0%	20,609	52.1%	1,920	9.3%
Other	3,407	8.0%	3,307	8.4%	100	3.0%
TOTAL OVERSEAS FREIGHT	42,505	100.0%	39,563	100.0%	2,942	7.4%

(1) At current exchange rate



13.3 GROUP SALES AND GROSS PROFIT BY CURRENCY, WITH FOREIGN CURRENCY IMPACT

13.3.1 Group sales breakdown by currency

SALES BY CURRENCY (in €k)	2014		2013	
	in €k	in %	in €k	in %
Euro	163,118	62.9%	153,541	63.2%
USD / HKD	36,892	14.2%	29,064	12.0%
CNY	27,319	10.5%	25,510	10.5%
JPY	12,555	4.8%	15,545	6.4%
Other	19,538	7.5%	19,403	8.0%
TOTAL BEFORE CONSOLIDATION ENTRIES	259,422	100.0%	243,063	100.0%
Consolidation entries	(47,962)		(44,922)	
TOTAL AFTER CONSOLIDATION ENTRIES	211,460		198,141	

13.3.2 Impact of foreign exchange rates on Group sales

IMPACT OF EXCHANGE RATES ON SALES (in €k)	2014	2013	Change	%
At current exchange rates	211,460	198,141	13,319	6.7%
At constant exchange rates	212,774	198,141	14,633	7.4%
DIFFERENCE			1,314	0.7%

13.3.3 Breakdown of Group gross profit by currency

GROSS PROFIT BY CURRENCY (in €k)	2014		2013	
	in €k	in %	in €k	in %
Euro	36,913	68.4%	34,892	68.7%
USD / HKD	7,174	13.3%	5,832	11.5%
CNY	4,208	7.8%	4,011	7.9%
JPY	1,931	3.6%	2,122	4.2%
Other	3,711	6.9%	3,925	7.7%
TOTAL BEFORE CONSOLIDATION ENTRIES	53,937	100.0%	50,782	100.0%
Consolidation entries	(3,511)		(3,345)	
TOTAL AFTER CONSOLIDATION ENTRIES	50,426		47,437	

13.3.4 Impact of foreign exchange rates on Group gross profit

IMPACT OF EXCHANGE RATES ON GROSS PROFIT (in €k)	2014	2013	Change	%
At current exchange rates	50,426	47,437	2,989	6.3%
At constant exchange rates	50,648	47,437	3,211	6.8%
DIFFERENCE			222	0.5%





14. Breakdown of other operating income and expenses

Income tax may be broken down as follows:

BREAKDOWN OF OTHER OPERATING INCOME AND EXPENSES (in €k)	2014	2013
Income from asset disposals	281	203
Other non-recurring income	5	8
OTHER OPERATING INCOME	286	211
Net values of assets disposed of or retired	(333)	(259)
Other non-recurring expenses	(34)	(30)
OTHER OPERATING EXPENSES	(367)	(289)

15. Net financial income/expense

Net financial income/expense can be broken down as follows:

BREAKDOWN OF NET FINANCIAL INCOME/EXPENSE (in €k)	2014	2013
Gross cost of financial debt	(160)	(113)
Income from cash and cash equivalents	69	53
NET COST OF DEBT	(91)	(60)
Foreign exchange gains	679	906
Write-back of impairment of financial assets	32	
OTHER FINANCIAL INCOME	711	906
Provision for impairment of financial assets		(3)
Provisions for financial risk	(17)	(13)
Foreign exchange losses	(1,026)	(1,276)
Other financial expenses		
OTHER FINANCIAL EXPENSES	(1,043)	(1,292)
NET FINANCIAL INCOME/EXPENSE	(423)	(446)

16. Income tax

16.1 INCOME TAX BREAKDOWN

Income tax for the year ended 31 December 2014 is broken down as follows:

- €1,435k current tax payables, compared to €1,640k in 2013,
- €105k deferred tax income from tax loss carry-forwards and deferred depreciation, or relating to temporary differences, for both French and foreign companies. The amount recognised at 31 December 2013 was €85k.

Some of the CLASQUIN
CDG team



**16.2 TAX RECONCILIATION**

TAX ANALYSIS	2014	2013
Consolidated net profit	2,489	2,521
Income tax	(1,330)	(1,555)
Profit before tax	3,819	4,076
THEORETICAL TAX EXPENSE (AT 33.33%)	(1,273)	(1,359)
TAX EXPENSE RECOGNISED	(1,330)	(1,555)
TAX DIFFERENCE TO ANALYSE ⁽¹⁾	57	196

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

ANALYSIS OF THE TAX DIFFERENCE	2014	2013
Difference in rate for foreign companies	(41)	(42)
Unused tax losses for the year	187	35
Use of past unused tax losses	(23)	
Items taxed at different rates, tax credits & other items	(59)	(7)
Differences related to French business value added tax (CVAE)	221	230
Permanent differences	(228)	(20)
TOTAL	57	196

In accordance with treatment permitted by the National Accounting Committee, since 2011 the CLASQUIN GROUP has classified French business value added tax (CVAE) on the tax line of the income statement. This sum amounts to €330k (€330k at 31 December 2013). On the other hand, deferred tax liabilities have been recognised, amounting to €48k at 31 December 2014 (including a €2k change over the accounting period). The impact is found in the 'Taxes due on permanent differences' section of the tax analysis.

Michel, Didier, Leila and Vincent
CLASQUIN USA





17. Earnings per share

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

Earnings per share do not take into account potential shares. It is calculated on the basis of the weighted average number of shares outstanding over the financial year.

Diluted earnings per share takes into account dilutive instruments outstanding at the end of the financial year.

EARNINGS PER SHARE	2014	2013
NET PROFIT (IN €K)	2,128	2,206
Number of weighted ordinary shares at the start of the year	2,306,401	2,306,401
Treasury shares held at year-end	(5,929)	(1,771)
Number of weighted ordinary shares in circulation	2,300,472	2,304,630
NET EARNINGS PER SHARE (IN €) ⁽¹⁾	0.93	0.96
Dilutive instruments (convertible shares)		
Number of weighted ordinary shares in circulation after inclusion of potential dilutive instruments	2,300,472	2,304,630
NET DILUTED EARNINGS PER SHARE (IN €) ⁽¹⁾	0.93	0.96

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

Some of the INTERCARGO team



18. Commitments and guarantees

18.1 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 €k)	2014	2013
... given by CLASQUIN SA on behalf of its SUBSIDIARIES:		
CLASQUIN AUSTRALIA	148	143
CLASQUIN FAR EAST	874	770
CLASQUIN GERMANY	355	355
CLASQUIN ITALIA	100	100
CLASQUIN JAPAN	344	207
CLASQUIN MALAYSIA	71	66
CLASQUIN SHANGHAI	1,156	1,400
CLASQUIN SINGAPORE	146	135
CLASQUIN THAILAND	85	85
CLASQUIN VIETNAM	91	80
ECS US	412	
... given by CLASQUIN SA on behalf of CLASQUIN PERFORMANCES EMPLOYEE INVESTMENT FUND:	600	550
... given by CLASQUIN FAR EAST on behalf of CHINA CONSTRUCTION BANK:	749	749
TOTAL	5,131	4,640

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



18.2 OPERATING LEASE COMMITMENTS

These are set out in the table below:

CONTRACTUAL OBLIGATIONS (in €k)	Total 31/12/2014	1 year	Over 1 year	31/12/2013
Operating leases	2,055	1,263	792	1,846
TOTAL	2,055	1,263	792	1,846

18.3 ASSET/LIABILITY GUARANTEES

Asset-liability guarantees applicable as at 31 December 2014 are set out below:

DESCRIPTION	Received/given	Purpose	Start date	End date	Beneficiary	Limit amount
Acquisition of INTERCARGO shares	Received	Normal statutory, financial, tax and operating guarantees	04/09/2012	03/03/2017	CLASQUIN SA & INTERCARGO	€1,775k
Acquisition of shares of GARNETT LOGISTICS GROUP INC. (ECS US)	Received	Normal statutory, financial, tax and operating guarantees	24/09/2014	31/12/2017	CLASQUIN SA in its own name and in that of the Group companies, including the ECS US GROUP companies	\$840k
Acquisition of shares of GÖRITZ AIRFREIGHT GmbH	Received	Normal statutory, financial, tax and operating guarantees	30/09/2014	31/12/2018	CLASQUIN GERMANY in its own name and in that of the Group companies	No ceiling

19. Other Information

19.1 HEADCOUNT BREAKDOWN, EMPLOYEE INCENTIVE SCHEME AND PROFIT-SHARING

The number of employees in fully consolidated companies as at 31 December 2014 is shown in detail in the following table (including corporate officers):

19.1.1 Headcount: breakdown by geographical area

HEADCOUNT BY GEOGRAPHICAL AREA	2014			2013			2014/2013 change	
	Number	%	% total	Number	%	% total	Number	%
France (excluding GUEPPE CLASQUIN & LOG SYSTEM)	221	38.0%	33.0%	202	36.8%	31.9%	19	9.4%
EMEA (excluding France)	64	11.0%	9.6%	68	12.4%	10.7%	(4)	-5.9%
Asia-Pacific	244	41.9%	36.4%	258	47.0%	40.8%	(14)	-5.4%
North America ⁽¹⁾	53	9.1%	7.9%	21	3.8%	3.3%	32	152.4%
TOTAL EXCLUDING GUEPPE CLASQUIN & LOG SYSTEM	582	100.0%	86.9%	549	100.0%	86.7%	33	6.0%
GUEPPE CLASQUIN	59		8.8%	55		8.7%	4	7.3%
LOG SYSTEM	29		4.3%	29		4.6%	0	0.0%
TOTAL	670		100.0%	633		100.0%	37	5.8%

(1) Of which ECS US (GARNETT) 31 persons.



**19.1.2 Headcount: breakdown by function**

HEADCOUNT BY FUNCTION	2014			2013			2014/2013 change	
	Number	%	% total	Number	%	% total	Number	%
Operations	357	61.3%	53.3%	331	60.3%	52.3%	26	7.9%
Sales staff	89	15.3%	13.3%	93	16.9%	14.7%	(4)	-4.3%
Back office	89	15.3%	13.3%	82	14.9%	13.0%	7	8.5%
Country & Profit Centre Managers	47	8.1%	7.0%	43	7.8%	6.8%	4	9.3%
TOTAL EXCLUDING GUEPPE CLASQUIN & LOG SYSTEM	582	100.0%	86.9%	549	100.0%	86.7%	33	6.0%
GUEPPE CLASQUIN	59		8.8%	55		8.7%	4	7.3%
LOG SYSTEM	29		4.3%	29		4.6%	0	0.0%
TOTAL	670		100.0%	633		100.0%	37	5.8%

19.1.3 Employee incentive scheme and profit-sharing

The cost of the incentive scheme applicable at CLASQUIN SA was €873k for 2014 versus €980k for the previous year.

The cost of the incentive scheme applicable at LOG SYSTEM SARL was €14k for 2014 versus €7k for 2013.

At 31 December 2014, as at 31 December 2013, CLASQUIN SA did not carry out a mandatory profit-sharing distribution.

19.2 DIRECTORS

Directors include those persons having authority and responsibility for planning, managing and controlling the activities of the entity, directly or indirectly, including both executive and non-executive Board members of this entity.

19.2.1 Remuneration paid to members of administrative and management bodies

The remuneration paid to members of administrative and management bodies amounted to €795k for 2014, including €24k of benefits in kind. This comprised remuneration for employment contracts and corporate offices.

Within the CLASQUIN GROUP, no deferred benefits such as share-based payments or 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

Besides the statutory retirement benefits, no other long-term post-employment benefits such as employment contract termination benefits or an additional retirement plan are granted.



**19.3 STATUTORY AUDITORS' FEES**

The fees paid by the CLASQUIN GROUP to the statutory auditors and members of their networks for the 2014 financial year are set out in the following table:

FEES OF STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORKS (in €k)	SEGECO AUDIT RHÔNE-ALPES		MAZARS		PAN-CHINA (HK) CPA LTD	
	2014	2013	2014	2013	2014	2013
AUDIT						
Statutory audit						
Parent company:	34	33	34	33		
Fully consolidated subsidiaries:	36	22	76	77	10	10
Other audits						
Parent company:						
Fully consolidated subsidiaries:						
SUB-TOTAL:	70	55	110	110	10	10
OTHER SERVICES						
Legal, tax, employment:						
Other:						
SUB-TOTAL:	0	0	0	0	0	0
TOTAL	70	55	110	110	10	10

19.4 KEY FINANCIAL INDICATORS

KEY FINANCIAL INDICATORS (in €k)	2014	%	2013	%	Change (%)
SALES	211,460		198,141		6.7%
SUB-CONTRACTING	(161,034)		(150,704)		6.9%
GROSS PROFIT	50,426	100.0%	47,437	100.0%	6.3%
Premises and related expenses	(3,640)	(7.2%)	(3,567)	(7.5%)	2.0%
Communication expenses	(1,341)	(2.7%)	(1,305)	(2.8%)	2.8%
Marketing	(869)	(1.7%)	(914)	(1.9%)	(4.9%)
Travel expenses	(3,450)	(6.8%)	(2,997)	(6.3%)	15.1%
Fees	(1,130)	(2.2%)	(1,092)	(2.3%)	3.5%
Insurance	(965)	(1.9%)	(898)	(1.9%)	7.5%
Sundry	(664)	(1.3%)	(533)	(1.1%)	24.5%
TOTAL EXTERNAL EXPENSES	(12,059)	(23.9%)	(11,306)	(23.8%)	6.7%
ADDED VALUE	38,367	76.1%	36,131	76.2%	6.2%
Salaries and costs	(32,056)	(63.6%)	(29,800)	(62.8%)	7.6%
EBITDA	6,311	12.5%	6,331	13.3%	(0.3%)
Net depreciation and amortisation charges	(2,237)	(4.4%)	(1,793)	(3.8%)	24.7%
Other current income	1,126	2.2%	444	0.9%	153.5%
Other current expenses	(878)	(1.7%)	(383)	(0.8%)	129.2%
CURRENT OPERATING INCOME	4,323	8.6%	4,599	9.7%	(6.0%)
Other operating income	286	0.6%	211	0.4%	35.3%
Other operating expenses	(367)	(0.7%)	(289)	(0.6%)	27.0%
NET TOTAL	(81)	(0.2%)	(78)	(0.2%)	4.4%
OPERATING INCOME	4,242	8.4%	4,522	9.5%	(6.2%)
Financial income	780	1.5%	959	2.0%	(18.7%)
Financial expenses	(1,203)	(2.4%)	(1,405)	(3.0%)	(14.4%)
NET FINANCIAL INCOME/EXPENSE	(423)	(0.8%)	(446)	(0.9%)	(5.1%)
PROFIT BEFORE TAX	3,819	7.6%	4,076	8.6%	(6.3%)
Income tax	(1,330)	(2.6%)	(1,555)	(3.3%)	(14.4%)
Goodwill impairment	0	0.0%	0	0.0%	0.0%
GROUP CONSOLIDATED NET PROFIT	2,489	4.9%	2,521	5.3%	(1.3%)
Minority interests	361	0.7%	316	0.7%	14.3%
NET PROFIT GROUP SHARE	2,128	4.2%	2,206	4.6%	(3.5%)
OPERATIONAL CASH FLOW	4,697	9.3%	4,440	9.4%	5.8%





19.5 POST BALANCE SHEET EVENTS

A memorandum of understanding has been signed in view of the acquisition of L.C.I. INTERNATIONAL (Lafont-Chavent International).

LCI specialises in freight forwarding between France, North Africa and Turkey. It has three establishments in France as well as three subsidiaries and various investments in Tunisia.

This acquisition should offer the CLASQUIN GROUP new business opportunities in North Africa as well as developing synergies with the Group.

19.6 RELATED PARTIES

Transactions with non-consolidated related parties are summarised in the table below:

RELATED PARTY TRANSACTIONS (in €k)	TOTAL		SARL TIM LANEA		SARL GUEPPE FINANCE ET GESTION		SCI CHALAROGUE		SCI HERA		SCI DE LA LOUVE		OLYMP SAS		SCI CALLIOPE		SCI MAIALYS	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
TRADE RECEIVABLES	21								1		5		1		5		9	
TRADE PAYABLES	359	493	7		326	454						2	26	36		1		
Charges for management fees	992	890			860	770							132	120				
Other external expenses	906	880					239	207	58	57	196	196			163	165	250	255
TOTAL OPERATING EXPENSES	1,904	1,770	6		860	770	239	207	58	57	196	196	132	120	163	165	250	255
OPERATING INCOME	36	13							1		4		20	13	4		7	



Some of the
CLASQUIN New Delhi team



V. Financial risk management

The Group is exposed to the following risks:

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

Sophie & Laurence
CLASQUIN Nantes

1. Credit risk

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

CLASQUIN has a diversified client portfolio where no single client accounts for more than 5% of the Group's consolidated gross profit for the 2014 financial year. The CLASQUIN offer targets all business sectors and in particular SMEs developing international business and large groups looking for customised services. The loss of a client is not likely to have a material impact on CLASQUIN's sales, given the diversity of the portfolio and the respective contribution of each client to the Group's sales.

Each logistics operation is subject to a transport contract. In general, there are few formalised annual commitments, although some key accounts use calls for tenders.

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

In general, each client is covered by credit guarantee insurance issued by COFACE or SFAC. This requirement means that financially sound clients can be selected, which helps to reduce the risk of default. However the Group cannot exclude the possibility of working with a company which, despite approval by 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 in accordance with the portion stipulated in the contract. In certain cases, the Group may work with clients "not covered" by the credit guarantee insurance companies mentioned above. However, these cases are subject to prior authorisation by the management on the basis of additional 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 €k)	Book value													
	2014							2013						
	TOTAL	EURO	USD/HKD	JPY	CNY	USD	Other	TOTAL	EURO	USD/HKD	JPY	CNY	USD	Other
Loans, deposits, guarantees and trade receivables	63,387	47,985	3,229	1,068	3,550	4,012	3,543	59,566	48,865	2,898	1,404	2,542	1,155	2,702
Cash equivalents (including current accounts)														
Forward currency contracts used for hedging	3,049		1,000	549	1,500			2,900		1,000	800	1,100		
TOTAL	66,436	47,985	4,229	1,617	5,050	4,012	3,543	62,466	48,865	3,898	2,204	3,642	1,155	2,702

1.2 IMPAIRMENT

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

IMPAIRMENT (in €k)	Book value	
	2014	2013
Risk-free client receivables	61,666	58,022
Doubtful client receivables (gross)	1,617	1,489
Provision for doubtful debts	(1,574)	(1,450)
NET TRADE RECEIVABLES	61,709	58,061



Kendy, Adrien and Virgil
CLASQUIN Paris CDG



2. Liquidity risk

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

Investments are financed through medium- and long-term loans or shareholders' equity.

Working capital is financed by the CLASQUIN GROUP's cash flow and occasionally by bank overdrafts.

Working capital 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.), an organisation that groups together airline companies in order to simplify the billing and settling of accounts between airlines and freight forwarders.

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

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

REMAINING MATURITY FOR FINANCIAL LIABILITIES (in €k)	Book value at 31/12/2014	Contractual cash flow	1 year	1 to 2 years	2 to 5 years	Over 5 years
NON-DERIVATIVE FINANCIAL LIABILITIES						
Bank loans	10,768	10,768	2,771	2,272	5,725	
Convertible bonds						
Finance lease liabilities	417	417	125	125	167	
Other non-current liabilities	833				833	
Banking facilities						
Trade payables and other current liabilities	51,050	51,050	51,050			
Bank overdrafts	1,789	1,789	1,789			
DERIVATIVE FINANCIAL LIABILITIES						
Interest rate swaps used as hedging instruments: Liabilities						

3. Market risk

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

3.1 INTEREST RATE RISK

The loans taken out by the CLASQUIN GROUP can be arranged at a fixed or variable rate of interest (see table in paragraph 11.2 of chapter "E.IV - Explanation of balance sheet and income statement items and changes thereto").

Depending on trends in market rates, the Group can set up hedging mechanisms at any moment on its own initiative.

3.2 CURRENCY RISKS

The euro is the currency used by CLASQUIN for preparing its financial statements and for all invoicing between subsidiaries. The currency risk is thus essentially borne by the subsidiaries based outside the euro zone. The Group also develops a policy of monthly exchange rate hedging on subsidiaries which generate considerable exchange flows.

The Group has also set up a "Clearing Office" which centralises all settlements between the various entities. In this way, a given entity's exposure to currency risk can be essentially summed up as the risk applicable to an offset balance of receivables and payables with all of the other Group entities. The currency risk is thus easier to measure.

Given that the CLASQUIN GROUP engages in an international business activity, exchange rate fluctuations could have an adverse 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 position and profits of the CLASQUIN GROUP.

For information on the main exchange rates applied during the financial year, see the table in paragraph 2.2 of Chapter "E.II. - Financial reporting framework, consolidation procedure, valuation methods and rules".

3.3 EQUITY RISK

Neither CLASQUIN nor the Group companies hold third-party share portfolios or units in equity mutual funds, 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 2014

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 2014, on:

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

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

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 for the financial year provide a true and fair view of the assets, liabilities, financial position and earnings of all companies and entities included in the consolidation.

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 every balance sheet date, the Company always carries out impairment tests for goodwill and assets with an indefinite useful life, pursuant to the procedures set forth in note "E.II.3.5.2 Assets with an indefinite useful life and goodwill" in the notes to the consolidated financial statements. As part of our assessments, we examined the merits of the approach used, the manner in which the impairment tests were carried out and the consistency between all the assumptions used and the resulting valuations.

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 as expressed in the first part of this report.

Specific testing

In accordance with professional standards applicable in France, we also carried out the specific testing, 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 presented in the consolidated financial statements.

Executed in Lyon and Villeurbanne on 22 April 2015

The Statutory Auditors

MAZARS	SEGECO AUDIT RHÔNE-ALPES
Christine Dubus	Alain Descoins



Management report & Text of resolutions

I. BOARD OF DIRECTORS MANAGEMENT REPORT

II. TEXT OF RESOLUTIONS

Benoit
CLASQUIN Lyon LYS

Alain
CLASQUIN Grenoble

Guillaume
CLASQUIN Head Office





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I. Board of Directors' Management Report

on the financial statements for the year ended 31 December 2014

Dear Shareholders,

We have called you to this Annual General Meeting, pursuant to the Company's articles of association and the law governing commercial companies, to:

- report on the operations of our Company, its subsidiaries and the CLASQUIN GROUP for the financial year ending 31 December 2014, as well as the results of these operations and the outlook for the future,
- submit for your approval the balance sheet, the company and consolidated financial statements of said financial year and the recommended appropriation of earnings.
- recommend that you reappoint the directors whose terms of office are due to expire,
- recommend that you appoint a new Board member to work alongside those currently holding office,
- recommend that you reappoint the Statutory Auditors whose term of office is due to expire,
- recommend that you approve the allocation of Directors' fees,
- recommend that you authorise the Board of Directors to buy back the Company's shares and reduce the share capital by cancelling shares held by the Company,
- recommend that you authorise the Company to increase the share capital by issuing any type of security, with or without preferential subscription rights, as applicable, with delegation to the Board in order to decide on issues,
- recommend that you authorise the Company to increase its share capital with cancellation of preferential subscription rights through private placement pursuant to the provisions of Article L. 225-136 of the French Commercial Code, with delegation to the Board for the purpose of deciding said programmes,
- recommend that you authorise the Board of Directors to increase the number of securities to be issued as part of a capital increase if a surplus of subscription requests is received, pursuant to the provisions of Article L.225-135-1 of the French Commercial Code,
- recommend that you take a decision pursuant to the law concerning savings plans under the conditions provided for by Article L.3332-18 of the French Labour Code,
- recommend that you update Article 23 of the Company's Articles relating to the share registration deadline for admission to Shareholders' Meetings,
- recommend that you amend Article 25 of the Company's Article in order to remove the limitation on voting rights.

A. Business overview of the CLASQUIN GROUP, CLASQUIN S.A. and its subsidiaries

1. CLASQUIN GROUP

Global trade up nearly 3% in volume

Geographically, this growth is still rather disparate, with an increasing share for China and trade between Asian countries.

The European foreign trade situation has improved markedly and, according to initial estimates, 2014 should close with a massive trade surplus (€194.8bn) for the Euro zone, representing an increase of 27% over 2013.

Sea freight rates have been highly volatile, while air freight rates have been fairly stable.

A sharp increase in our business and in the number of shipments (9.5%), sales (6.7%) and gross profit (6.3%)

In line with the previous years, we outperformed the market in 2014, once again confirming the quality of our solutions.

The sea freight business enjoyed truly astonishing growth (number of shipments up 12.9%) underpinned by a combination of market growth, new clients and Q4 acquisitions in the United States and Germany.

Albeit less strong, growth in the air freight business (6.5%) also far exceeded market growth for the same reasons.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS	2014	% GP	2013	% GP	2014/2013 change
Number of shipments*	171,300		156,375		+9.5%
Sales (€m)**	211.5		198.1		+6.7%
Gross profit (€m)	50.4	100.0%	47.4	100.0%	+6.3%
Current Operating income (€m)	4.3	8.6%	4.6	9.7%	-6.0%
Consolidated net profit (€m)	2.5	4.9%	2.5	5.3%	-1.3%
Net profit group share (€m)	2.1	4.2%	2.2	4.7%	-3.5%
Free cash flow	4.7	9.3%	4.4	9.4%	+5.8%

*Excluding the subsidiary GUEPPE-CLASQUIN (held 70%) specialising in road haulage, chartering and logistics.

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

Relevant indicators are changes in the number of shipments, changes in volumes transported and, in financial terms, changes in gross profit.



**LOG SYSTEM, our IT services subsidiary**

2014 was a satisfactory year, in terms of both the freight forwarding and the medical business lines, with gross profit up 4.5% to €2.5m.

GUEPPE CLASQUIN, our road haulage and logistics subsidiary

2014 was a stable year with gross profit of €6.8m (down 0.1%) and continued excellent results.

Gross profit soared in Q4

Following three consecutive quarters of slow growth (+2% for the 9 months ended 30 September 2014), gross profit soared 18.1% in Q4; this was due not only to the late September acquisitions but also to 8.6% like-for-like growth, a direct result of the margin growth strategy rolled out in spring 2014.

These improvements enabled the Group to post full-year gross profit growth of 6.3%, a more than respectable figure.

Slight fall in annual earnings but marked improvement from H1 to H2. Cash flow up to €4.7m

The positive results generated in Q4 were not sufficient to offset the fall in earnings witnessed over the last three quarters. However, these results justify a more optimistic outlook for 2015, particularly since the steps taken to improve the payroll-to-gross-profit ratio will start to take effect from Q1 2015.

IS/IT Strategic Committee

At the beginning of 2014, we set up an IS/IT (Information System/Information Technology) Strategic Committee under the chairmanship of the Chief Executive Officer and comprising all Group managers concerned by these issues. We are assisted by two external consultants.

The task of this Committee is to drive all of the Group's IS/IT developments and raise CLASQUIN to the highest standards in the industry in terms of internal productivity, relationships with partners and clients (E-client solutions) and, in general, everything relating to digital developments.

Progress has been made on several fronts:

- Choice of a single operator (Verizon) to manage our worldwide network.
- Launch of the project relating to V2 of Easylink, our CRM system.
- Negotiation under way with potential partners for our future operating system.

Two acquisitions to strengthen our worldwide network

Two acquisitions, made in late September, contributed to the Group's sharp growth in Q4 (number of shipments up 15.2%, gross profit up 18.1%):

- ECS (GARNETT LOGISTICS GROUP) in North America (New York, Miami, Houston, Montreal and Barbados)
2014 sales (12 months): > \$30m - 2014 GP: > \$3.6m
- GAF (GÖRITZ AIRFREIGHT GmbH) in Germany (Düsseldorf)
2014 sales (12 months): €2m - 2014 GP: €0.7m

Long term development strategy

- Unique market position: the only multinational SME (Small or Medium-sized Enterprise) in the overseas sector,
- Management stability, given that most directors hold Company shares,
- An exceptional workforce of expert and committed teams,
- A diversified and prestigious client portfolio testifying to the quality of our solutions,
- An integrated network of offices across five continents with a solid foothold in Asia,
- An extremely healthy financial position,
- A proven business model,

are the fundamentals underpinning our development strategy focused on a two-fold objective: growth and profit.

At the geographical level, our strategy is founded on our three pillars, North America, Western Europe and Asia, without ruling out developments in other attractive regions such as the Middle East.

Lastly, we will continue to look into acquisition opportunities in Europe and North America.

**Financial position**

	31/12/2014	31/12/2013	Change
Shareholders' equity	€23.3m	€22.2m	+€1.1m
Mid- and long-term financial debts	€12.1m	€3.8m	+€8.3m
Net cash position	€11.4m	€3.9m	+€7.5m

2. CLASQUIN SA AND ITS SUBSIDIARIES

Sales for CLASQUIN SA, the Group's parent company and also the Company combining all the operations in France, increased by 10.6% to €124.1m vs €112.3m for the previous financial year.

IN €K	Sales 2014	2014 gross profit	2014/2013 Growth in gross profit	2014 current operating income	2013 current operating income
CLASQUIN ITALIA	3,669	709	+13%	102	20
CLASQUIN ESPAÑA	4,727	851	+22%	29	5
LOG SYSTEM	3,068	2,527	+4%	209	105
CLASQUIN JAPAN	12,555	1,931	-9%	146	289
CLASQUIN KOREA	4,259	826	+14%	29	46
CLASQUIN FAR EAST	22,183	4,038	+5%	458	614
CLASQUIN SINGAPORE	2,038	435	-33%	65	38
CLASQUIN THAILAND	3,549	512	+0%	48	99
CLASQUIN MALAYSIA	1,588	253	+1%	1	16
CLASQUIN AUSTRALIA	2,786	639	-23%	(34)	32
CLASQUIN USA	7,541	1,677	+10%	286	207
CLASQUIN CANADA	1,126	302	-10%	(4)	14
FINANCIÈRE GUEPPE CLASQUIN	28	28	+0%	0	21
CLASQUIN VIETNAM	2,020	328	-3%	70	11
CLASQUIN GERMANY	3,725	713	+55%	47	5
CLASQUIN INDIA	1,861	356	+44%	(86)	(227)
INTERCARGO	13,954	2,744	+1%	631	844
CLASQUIN SILK ROAD	0	0	N/A	(2)	(3)
CLASQUIN BURKINA FASO	117	30	N/A	(22)	3
ECS US*	6,218	958	N/A	283	N/A

* 3 months trading.

B. Economic and financial results for the CLASQUIN GROUP, CLASQUIN S.A. and its subsidiaries**1. PRESENTATION OF THE COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS**

The annual and consolidated financial statements for the year ended 31 December 2014 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 the 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 Companies consolidated

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:

- EXPRESS CONSOLIDATION SYSTEMS, Corp,
- EXPEDITED CONTAINER SERVICE Inc,
- ECS (Barbados) Limited.

No companies ceased to be consolidated.

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

1.1.2 Consolidated results for the year ended 31 December 2014

IN €K	IFRS accounting standards 2014	2013	Change
Net sales	211,460,356	198,141,087	+6.7%
Cost of sales	161,034,565	150,704,543	+6.8%
Gross profit	50,425,791	47,436,544	+6.3%
Current operating income	4,323,085	4,599,386	-6.0%
Income before tax	3,819,318	4,076,047	-6.3%
GROUP CONSOLIDATED NET PROFIT	2,488,846	2,521,497	-1.3%
NET PROFIT GROUP SHARE	2,128,011	2,205,674	-3.5%





Consolidated results for the year included net profit Group share of €2,128,011 compared to net profit Group share of €2,205,674 for the previous financial year, an increase of 3.5%. As at 31 December 2014 after net profit for the year, shareholders' equity Group share amounted to €21,203,219, minority interests €2,073,694 and share capital €4,612,802.

2014 net sales came to €211,460,356 compared to €198,141,087 for the previous year, up 6.7% compared to a 7.3% increase in the previous year.

2014 gross profit amounted to €50,425,791 compared to €47,436,544 for the previous year, up 6.3% compared with growth of 5.1% in the previous year.

Current operating income came in at €4,323,085 compared to €4,599,386 for the previous year, down 6%. Non-recurring items account for losses of €80,682 compared to losses of €77,694 for the previous year.

Group consolidated net profit showed profits of €2,488,846; the Group share amounting to €2,128,011.

1.2 Company financial statements

The Company financial statements for CLASQUIN SA for the year ended 31 December 2014 showed a profit of €2,358,938, the main components of which are as follows:

€	2014	2013	Change
Net sales	124,148,098	112,281,553	10.6%
Operating income	125,292,568	112,914,364	11.0%
Operating expenses	124,320,136	111,593,615	11.4%
EBIT	972,432	1,320,749	-26.4%
Financial income	2,843,951	2,304,255	+23.5%
Financial expenses	438,893	604,829	-27.5%
Net financial income/expense	2,405,058	1,699,426	+41.6%
Pre-tax operating earnings	3,377,490	3,020,175	+11.8%
Non-recurring income	16,375	8,182	+100.2%
Non-recurring expenses	68,993	20,633	+234.4%
Net non-recurring expense	(52,618)	(12,451)	-322.6%
Employee incentive and profit-sharing scheme	872,900	962,744	-9.4%
Income tax	93,033	172,878	-46.2%
NET PROFIT	2,358,938	1,872,100	+26.0%

2014 net sales amounted to €124,148,098 vs €112,281,553 for the previous year.

Total operating income came to €125,292,568 and total operating expenses came to €124,320,136, resulting in EBIT of €972,432 compared to EBIT of €1,320,749 for the previous year.

Total financial income amounted to €2,843,951 and total financial expenses came to €438,893, resulting in net financial income of €2,405,058 compared to €1,699,426 for the previous year.

Pre-tax operating earnings thus came to €3,377,490 compared to €3,020,175 for the previous year.

Total non-recurring income amounted to €16,375 and total non-recurring expenses came to €68,993, resulting in net non-recurring expenses of €52,618 compared to €12,451 for the previous year.

The Company financial statements for the year ended showed a net profit of €2,358,938 compared to €1,872,100 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 IFRS

Please refer to section E of the consolidated financial statements "Financial reporting framework, consolidation procedure, valuation methods and rules", paragraph 1. "Financial reporting framework", sub-paragraph 1.1 "Statement of compliance".



2. FINANCIAL ANALYSIS OF RISKS

2.1 Financial risk management

2.1.1 Liquidity risk management

CLASQUIN GROUP investments are primarily in transport equipment (GUEPPE CLASQUIN), IT equipment (hardware and software) and fixtures and fittings. In 2014, the CLASQUIN GROUP acquired:

- The entire share capital of GÖRITZ AIR FREIGHT, which was merged into CLASQUIN GERMANY at the end of 2014,
- An 80% equity interest in GARNETT LOGISTICS GROUP, which was merged into its subsidiary, EXPRESS CONSOLIDATION SYSTEMS CORP at the end of 2014.

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

Working capital is financed by the CLASQUIN GROUP's cash flow and occasionally by bank overdrafts.

Working capital is subject to significant changes throughout the year due to monthly payments of customs duties and VAT to the Customs Authorities and due to the Cargo Accounting Settlement System (C.A.S.S.), an organisation that groups together airline companies in order to simplify billing and payments 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 CLASQUIN GROUP loans are subject to bank covenants.

2.1.2 Interest rate risk

Loans taken out by CLASQUIN GROUP can be arranged at a fixed or variable rate of interest (see table in paragraph 11.2, chapter "E.IV - Explanation of the balance sheet and income statements and changes thereto" of the consolidated financial statements).

Depending on changes in market rates, the CLASQUIN GROUP can implement rate hedging at any time and on its own initiative.

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 take effect.

2.1.4 Currency impact on performance indicators

CLASQUIN GROUP is an international company currently comprising 28 companies and 50 branches located in Europe, North America, Asia, the Pacific region and Africa. The strategy relies upon continuous development of its activities in the international segment.

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 Currency risk

The euro is the currency used by CLASQUIN for preparing its financial statements and for all invoicing between subsidiaries. The currency risk is thus essentially borne by the subsidiaries based outside the euro zone. The Group also develops a policy of monthly exchange rate hedging on subsidiaries which generate considerable exchange flows.

CLASQUIN GROUP has also set up a "Clearing Office" which centralises all intercompany payments. In this way, a given entity's exposure to currency risk can be essentially summed up as the risk applicable to an offset balance of receivables and payables with all of the other Group entities. The currency 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 CLASQUIN GROUP's financial position and earnings.

2.2 Risks arising from variations in the share price

In order to improve and regulate liquidity for its shares, a liquidity contract was signed between CLASQUIN SA and ODDO CORPORATE FINANCE brokerage firm on 14 September 2009, the agreement being tacitly renewed each year. On 13 October 2014 the agreement was amended to increase the value of funds paid into the liquidity contract.

This agreement complies with the AMAFI code of ethics (French Association of Financial Markets).





C. CLASQUIN SA client and supplier payment terms

Breakdown of euro-denominated trade payables and receivables by due date as at 31 December 2014 and 2013.

Trade receivables as at 31/12/2014 by due date

€	0-30 days	31-60 days	61-90 days	after 90 days	Total amount due
Balance due as at 31/12/2014	33,065,377.	9,234,293.	(82,139)	2,947,128	45,164,659

Trade receivables as at 31/12/2013 by due date

€	0-30 days	31-60 days	61-90 days	after 90 days	Total amount due
Balance due as at 31/12/2013	29,587,573	9,311,962	(69,205)	4,542,885	43,373,214

Trade payables as at 31/12/2014 by due date

€	0-30 days	31-60 days	61-90 days	after 90 days	Total amount due
Balance due as at 31/12/2014	30,650,192	1,613,970	73,191	508,814	31,828,539

Trade payables as at 31/12/2013 by due date

€	0-30 days	31-60 days	61-90 days	after 90 days	Total amount due
Balance due as at 31/12/2013	24,505,482	1,598,299	(1,439,602)	1,052,523	25,716,702

D. Research and development

CLASQUIN GROUP invested €927k on R&D in 2014, 3.9% of CLASQUIN SA 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, with the exception of EXPRESS CONSOLIDATION SYSTEMS CORP., a 2014 acquisition, where the system has not yet been introduced.

E. Material post balance sheet events

CLASQUIN SA holds an 80% equity stake in FINANCIÈRE LCI, which on 31 March 2015 purchased the entire share capital of LCI INTERNATIONAL (Lafont-Chavent International), following completion of the transaction provided for in the share purchase agreement dated 10 March 2015.

LCI INTERNATIONAL is specialised in freight forwarding between France, North Africa, Turkey and Bulgaria. LCI INTERNATIONAL has 3 locations in France (Villefranche sur Saone (département 69), La Crèche (département 79) and Vitrolles (département 13) and three subsidiaries and holdings in Tunisia.

The company posted sales of €18.1m and gross profit of €6.8m for the 12 months ended 30 September 2014.

LCI INTERNATIONAL is also very profitable and reported current operating income above €2.5m.

This transaction will increase earnings per share and profits as from the first year.

F. Foreseeable changes in the position of the group of consolidated companies and future outlook

Given the brightening economic climate, we expect to achieve an excellent performance in 2015 with strong growth in sales and profits, supported by our internal growth as well as our recent acquisitions in September 2014 (ECS and GAF) and March 2015 (LCI).



G. Earnings appropriation

Note that, in the prospectus drawn up for the Company's floatation on Alternext, and subject to funding to be received for capital expenditure in respect of CLASQUIN GROUP's development and insofar as the results allow, the Company has announced its intention to proceed with an annual dividend payout of at least 20% of consolidated net profit Group share.

We would like to propose total dividends for the year ended 31 December 2014 amounting to approximately 86.70% of consolidated net profit Group share, which amounted to €2,128,011.

We therefore recommend that you appropriate CLASQUIN SA's net profit for the year amounting to €2,358,938.37 as follows:

- Dividend distribution of: €1,845,120.80
- Remaining balance: €513,817.57

Transferred to "Other reserves"

The earnings appropriation covers existing shares. Should the Company hold any treasury shares, when the dividend is paid, that do not give entitlement to a dividend, the earnings corresponding to the unpaid dividends for these shares will be transferred to 'Other reserves'.

Each shareholder will thus receive a dividend of €0.80 per share.

This dividend will be paid on 15 June 2015.

We note that, in principle (except notably dividends relating to securities held in a share savings plan), dividends are subject to income tax according to a progressive scale, where applicable after applying the 40% allowance specified by Article 158, 3.2 of the French General Tax Code. We also note that Article 9 of the French 2013 Finance Act removed the flat-rate withholding tax and, for dividends and similar distributions paid from 1 January 2013, created a mandatory non-flat-rate tax of 21% of the gross dividend sum.

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 YEAR	Dividend distribution per share
2013	€0.80
2012	€0.75
2011	€0.75

H. Non tax deductible expenditure

In accordance with the provisions of Article 223 quater and quinquies of the French General Tax Code, we hereby inform you that the 2014 financial statements include €101,855 in respect of non tax deductible expenses, and that corporate tax paid on this amount came to €33,948.

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 2014, the Company neither acquired new equity investments nor increased its equity interest and voting rights in companies having their head office in France.

During 2014:

- CLASQUIN SA acquired an 80% equity interest in GARNETT LOGISTICS GROUP, which was merged into its subsidiary, EXPRESS CONSOLIDATION SYSTEMS CORP at the end of 2014.
- CLASQUIN GERMANY acquired the entire share capital of GÖRITZ AIR FREIGHT, which was merged into CLASQUIN GERMANY at the end of 2014.





J. Controlled companies

As at 31 December 2014, the Company controlled the following companies directly or indirectly:

Directly:

COMPANY	% control	% equity interest
LOG SYSTEM	100%	70%
CLASQUIN ITALIA	100%	100%
CLASQUIN ESPAÑA	100%	100%
CLASQUIN USA	100%	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	100%	51%
CLASQUIN GERMANY	100%	100%
CLASQUIN INDIA	100%	100%
CLASQUIN SILK ROAD	100%	51%
FINANCIÈRE GUEPPE CLASQUIN	100%	70%
CLASQUIN BURKINA FASO	100%	100%
INTERCARGO	100%	100%
EXPRESS CONSOLIDATION SYSTEMS Corp.	100%	80%

Indirectly:

COMPANY	% control	% equity interest
SECURE CUSTOMS BROKERS (CLASQUIN USA SUBSIDIARY)	80%	80%
CLASQUIN SHANGHAI (CLASQUIN FAR EAST SUBSIDIARY)	100%	100%
GUEPPE CLASQUIN (FINANCIÈRE GUEPPE CLASQUIN SUBSIDIARY)	70%	70%
CG LOC (FINANCIERE GUEPPE CLASQUIN SUBSIDIARY)	70%	70%
EUPHROSINE (CLASQUIN FAR EAST SUBSIDIARY)	69%	69%
CLASQUIN GEORGIA (CLASQUIN SILK ROAD SUBSIDIARY)	51%	51%
EXPEDITED CONTAINER SERVICE INC. (EXPRESS CONSOLIDATION SYSTEMS CORP. SUBSIDIARY)	80%	80%
ECS (Barbados) Limited (EXPRESS CONSOLIDATION SYSTEMS CORP. SUBSIDIARY)	80%	80%

K. Agreements specified under Articles L.225-38 et seq. of the French Commercial Code

The Statutory Auditors will read their report, which refers to agreements duly authorised by the Board of Directors in 2014 and agreements signed in previous years that continued during the year ended 31 December 2014.

Note that following the French order dated 31 July 2014, the procedure for the authorisation of regulated agreements no longer applies to agreements between two companies, where one company directly or indirectly holds the entire share capital of the other. Only agreements subject to the regulated agreements procedure are mentioned in the special report of the statutory auditors.



L. Reappointment of directors whose term of office is due to expire and recommended appointment of a new director in addition to those currently serving

Given that the terms of office as director of Mr Yves REVOL and Mr Philippe LONS expire following this general meeting, we recommend that you reappoint them for a further six-year term until the general meeting called to approve the financial statements for the year ending 31 December 2020.

We recommend that you appoint a new director in addition to the directors currently in office:

- Mr. Christian AHRENS, residing at 12, chemin Pont Prouiller, 38700 La Tronche,

for a six-year term expiring following the general meeting called to approve the financial statements for the year ending 31 December 2020.

M. Reappointment of the statutory auditors

We hereby inform you that the term of office of MAZARS as primary statutory auditor and of Mr. Frederic MAUREL as deputy statutory auditor expire following the general meeting called to approve the financial statements for the year ended 31 December 2014.

We therefore recommend that you reappoint the following for a further six financial year term until general meeting called in 2021 to approve the financial statements for the year ending 31 December 2020:

- as primary statutory auditor, the firm MAZARS, whose offices are located at 131 Boulevard Stalingrad, Villeurbanne (69100),

- as deputy statutory auditor, Mr. Frederic MAUREL, whose offices are located at 131 Boulevard Stalingrad, Villeurbanne (69100).

N. Recommended allocation of directors' fees

We recommend allocating the Board of Directors total directors' fees of €23,000 for 2015.

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

1. AUTHORISATION GRANTED TO THE COMPANY TO BUY BACK ITS SHARES ON THE MARKET

We recommend that you authorise the Company to trade on the stock market in its own shares, pursuant to the provisions of Article L. 225-209 of the French Commercial Code, and provided that the applicable statutory and regulatory provisions are satisfied when this authorisation is exercised, for the following exclusive purposes, in order of priority:

- transactions carried out by an investment service provider as part of a liquidity contract drawn up pursuant to the AMAFI (French Financial Markets Association) ethical code,
- coverage of stock option or bonus share allocation schemes,
- coverage of other forms of share allocation to Group employees and/or directors under conditions and according to procedures specified by the law, particularly with regard to Company profit sharing as part of a company savings scheme,
- to keep and later transfer or use as payment or in exchange as part of transactions such as acquisitions, mergers, demergers or contributions,
- coverage of debt securities convertible to shares,
- cancelling purchased shares.

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

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

An information document will be circulated in accordance with current regulations,

The maximum number of shares to be acquired will represent a maximum of 10% of the Company's 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 as payment or in exchange as part of a merger, demerger or contribution.

The maximum purchase price per share, subject to adjustments linked to transactions relating to the Company's capital, is set at €40 (excluding transaction fees).

The maximum theoretical amount for carrying out this scheme is €9,225,604 (maximum theoretical amount excluding treasury shares), financed either from equity or via short- to mid-term external financing.





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

The authorisation will be valid with effect from the date on which the Annual General Meeting approves the 2014 financial statements and until the date of the next Annual General Meeting called to approve the financial statements, within the statutory limit of eighteen (18) 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 eighteen (18) months, on one or more occasions and at its sole discretion, to cancel, subject to a cap of 10% of the share capital calculated as at the date 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 under the buyback programme and to reduce the Company share capital by the same amount pursuant to current statutory and regulatory provisions. The Board of Directors would therefore have the necessary powers to do what is required in such matters.

2. AUTHORISATION TO INCREASE SHARE CAPITAL BY ISSUING ANY TYPE OF EQUITY SECURITY, WITH OR WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, AS APPLICABLE, WITH DELEGATION TO THE BOARD IN ORDER TO DECIDE ON ISSUES

We recommend that you decide on the principle of capital increases, granting authority to the Board of Directors, to enable the Company, where applicable, to raise funds on the financial markets with a view to seizing any opportunities for growth.

2.1 Accordingly, in accordance with Articles L. 225-129 et seq., and in particular Articles L. 225-129-2 and L. 228-91 et seq., of the French Commercial Code, we recommend that you grant the Board of Directors powers, for a twenty-six (26) month term, to increase the share capital by issuing ordinary shares or any securities giving access to share capital, with preferential subscription rights maintained.

2.1.1. As such, the Board of Directors, with authority to delegate to the Chief Executive Officer, would be entitled to decide on one or more capital increases, in France or abroad, by issuing in euros for consideration or free of charge, Company ordinary shares or any other securities granting access by any means, immediately and/or in the future, to existing or future ordinary shares in the Company or in a company which directly or indirectly owns more than half of the Company's share capital or in which the Company directly or indirectly owns more than half of the share capital; subscription for said issue may be made either in cash or by offset; said shares or securities may also be denominated in foreign currencies or in a monetary unit made up of a basket of currencies.

- 2.1.2. a.** The total par value of capital increases executed immediately and/or in the future may not exceed three million euros (€3,000,000), to which will be added the par value of any future additional shares issued to safeguard the rights of holders of securities giving access to share capital, in accordance with the law.
- b.** The total par value of issues of debt-based securities, relating in particular to bonds, may not exceed forty million euros (€40,000,000), which shall be independent from the cap specified under paragraph 2.1.2.a above.

2.1.3. In proportion to the value of their shares, shareholders shall have a preferential subscription right in respect of issued ordinary shares and securities.

If statutory subscriptions and any additional subscriptions do not account for an entire issue of shares or securities as defined above, the Board may offer any or all unsubscribed securities to the public.

2.1.4. The Board of Directors would also be granted the power, with authority to delegate to the Chief Executive Officer, to decide on one or more capital increases by capitalisation of additional paid-in capital, reserves, retained earnings or other accounts, for which such capitalisation is permitted in law and under the articles of association, by allocating bonus shares or by raising the par value of existing shares.

The total par value of capital increases completed under this authorisation, plus the amount required to safeguard the rights of holders of securities giving access to share capital in accordance with the law and independently of the cap set under section 2.1.2.a., may not exceed the value of reserves, additional paid-in capital or retained earnings referred to above as at the capital increase date and will not be deducted from the overall cap specified under section 2.1.2.a.

Should the Board of Directors implement this authorisation and in accordance with the provisions of Article L. 225-130 of the French Commercial Code, we recommend that fractional shares shall be neither negotiable nor transferable and that they will be sold, proceeds therefrom being allocated to holders of such fractional shares within the period specified under applicable regulations.

We hereby state that the Board of Directors may deduct any issue expenses arising from the issues concerned from additional paid-in capital.

We recommend that you grant full powers to the Board of Directors to exercise the authorisations referred to above, including to determine the terms and conditions of the securities issued, and, generally, to take all measures and perform all required formalities so as to properly complete each capital increase, to formally note the completion thereof and to amend the articles of association accordingly.



2.2 We also recommend that you grant the Board of Directors, for the same twenty-six (26) month term, power to increase the share capital by issuing ordinary shares or any securities giving access to share capital, with no preferential subscription right.

2.2.1. The Board of Directors, with authority to delegate to the Chief Executive Officer, would be entitled to decide on one or more capital increases, in France or abroad, by issuing in euros Company ordinary shares or any other securities granting access by any means, immediately and/or in the future, to existing or future ordinary shares in the Company or in a company which directly or indirectly owns more than half of the Company's share capital or in which the Company directly or indirectly owns more than half of the share capital; subscription for said issue may be made either in cash or by offset; said shares or securities may also be denominated in foreign currencies or in a monetary unit made up of a basket of currencies.

2.2.2 a. The total par value of capital increases to be carried out immediately and/or in the future may not exceed three million euros (€3,000,000), this amount being deducted from the cap specified under 2.1.2 .a.

b. The total par value of issues of debt-based securities, relating in particular to bonds, may not exceed forty million euros (€40,000,000), this amount being deducted from the cap specified under section 2.1.2.b but from not the cap specified under section 2.2.2.a.

2.2.3. The preferential subscription right of shareholders to said securities issued in accordance with legislation shall not apply.

2.2.4. Amounts payable or subsequently refundable to the Company for all shares issued or to be issued through the exercise of rights attached to securities shall be determined in accordance with normal market practices, for example based on the average market closing price calculated over a reasonable period.

We hereby state that the Board of Directors may deduct any issue expenses arising from the issues concerned from additional paid-in capital.

We recommend that you grant full powers to the Board of Directors to exercise the authorisations referred to above, including to determine the terms and conditions of the securities issued, and, generally, to take all measures and perform all required formalities so as to properly complete each capital increase, to formally note the completion thereof and to amend the articles of association accordingly.

We recommend that you take formal note that these authorisations shall be without prejudice to the powers granted to the Board of Directors in accordance with the last paragraph of Articles L. 228-92, L. 228-93 and

L. 228-94, as amended by the French ordinance dated 31 July 2014 relating to issues of securities governed by Article L. 228-91, i.e. debt securities giving rights to other debt securities or to existing shares.

We specify that this authorisation will render void any previous authorisation for the same purpose.

Joseph
CLASQUIN Shanghai

Lamine
CLASQUIN Marseilles

Delphine
CLASQUIN Barcelona





3. AUTHORISATION TO INCREASE SHARE CAPITAL WITH NO PREFERENTIAL SUBSCRIPTION RIGHT BY PRIVATE PLACEMENT

We recommend, in accordance with the provisions of Articles L. 225-129-2, L. 225-135, L. 225-136, L. 228-92 and L. 228-93 of the French Commercial Code and Article L. 411-2 II of the French Monetary and Financial Code, that you:

- Grant the Board of Directors, with authority to delegate to the Chief Executive Officer, the power to decide on one or more capital increases, in France or abroad, by issuing in euros Company ordinary shares or any other securities granting access by any means, immediately and/or in the future, to existing or future ordinary shares in the Company or in a company which directly or indirectly owns more than half of the Company's share capital or in which the Company directly or indirectly owns more than half of the share capital, by a share offer specified under Article L. 411-2 (II) of the French Monetary and Financial Code, without shareholder preferential subscription rights, for which subscription may be made either in cash or by offset; said shares or securities may also be denominated in foreign currencies or in a monetary unit made up of a basket of currencies.

The authorisation which would be thus granted to the Board of Directors will be valid for up to twenty-six (26) months from the date of this general meeting.

- Resolve that the total par value of capital increases to be carried out immediately and/or in the future may not exceed three million euros (€3,000,000) and, with regard to a share offer specified under Article L. 411-2 (II) of the French Monetary and Financial Code, may not exceed, under any circumstances, 20% of the Company's share capital per year, it being specified that this amount shall be deducted from the cap set under section 2.1.2.a.,
- Resolve to waive the preferential subscription right of shareholders to securities which will be issued under an offer specified under Article L. 411-2 (II) of the French Monetary and Financial Code,
- Resolve that, in accordance with Article L. 225-136 (2) of the French Commercial Code, the share issue price shall be determined in accordance with normal market practices, for example based on an average of closing share prices calculated over a reasonable period,
- Resolve that the Board of Directors may deduct any issue expenses arising from the issues concerned from additional paid-in capital.

We recommend that you grant full powers to the Board of Directors to exercise the authorisation referred to above, including to determine the terms and conditions of the securities issued, and, generally, to take all measures and perform all required formalities so as to properly complete each capital increase, to formally note the completion thereof and to amend the articles of association accordingly.

4. AUTHORISATION FOR THE BOARD TO INCREASE THE AMOUNT OF ISSUES UNDER A CAPITAL INCREASE WITH OR WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, IN THE EVENT OF OVER-SUBSCRIPTION

We recommend that you grant the Board of Directors, for a twenty-six (26) month term, in the event of over-subscription, the power to increase the number of shares to be issued under issues pursuant to the authorisations referred to above and subject to the specified caps for those authorisations, in accordance with the terms and conditions stated under Articles L. 225-135-1 and R. 225-118 of the French Commercial Code.

We recommend that you grant full powers to the Board of Directors to exercise the authorisation referred to above, including to determine the terms and conditions of the securities issued, and, generally, to take all measures and perform all required formalities so as to properly complete each capital increase, to formally note the completion thereof and to amend the articles of association accordingly.



5. DECISION TO BE TAKEN PURSUANT TO THE LAW ON EMPLOYEE SAVINGS SCHEMES

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

- upon each decision to increase the share capital via cash contributions, save any statutory exceptions,
- during the third calendar year following the previous Annual General Meeting having taken a decision concerning a plan to increase the capital reserved for employees when employee profit-sharing is less than 3%.

This increase in capital will satisfy the specific terms and conditions set forth in Articles L.225-138-1 of the French Commercial Code and Articles L.3332-18 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 par value of three hundred thousand euros (€300,000).

The beneficiaries of this increase in capital would be all employees of the Company and other companies of the Group, as defined in Article L.225-180 of the French Commercial Code, through an employee investment fund under a Company Savings Plan.

The shareholders must waive their preferential subscription right in favour of those persons belonging to a company savings plan through an employee investment fund (or any other plan through which, under Articles L.3332-18 et seq. of the French Labour Code, a capital increase may be reserved for employees under equivalent conditions) of the Company or companies belonging to its 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 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 lock-in 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 to be made to company savings 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 locked in for five (5) years effective from the final capital increase date, except in those cases listed exhaustively by 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 authorisation of powers will render void any previous authorisation of powers for the same purpose.

P. Changes to the articles of association

1. UPDATE TO ARTICLE 23 OF THE COMPANY'S ARTICLES OF ASSOCIATION

We recommend that you update paragraph 3 "Admission to general meetings - Powers" of Article 23 "Rules applicable to general meetings" of the articles of association following the 8 December 2014 decree amending the date ("record date") and procedures for registering shareholders for participation in general meetings of listed companies, as stated below. We hereby specify that the provisions of the decree came into force on 1 January 2015.

The rest of Article 23 remains unchanged.

"ARTICLE 23 - RULES APPLICABLE TO GENERAL MEETINGS

... / ...

3) Admission to general meetings - Powers

On proof of identity, all shareholders are entitled to participate in general meetings by personally attending the meeting, returning a postal voting form or by nominating a proxy, regardless of the number of shares they own, subject to:

- For registered shareholders, pursuant to Article L. 228-1 (7) of the French Commercial Code, the shareholder or his/her intermediary being entered in the share register held by the Company,
- For bearer shareholders, pursuant to Article L. 228-1 (7) of the French Commercial Code, the shareholder or his/her intermediary being entered in the investment account held by the authorised intermediary,

as at the second business day preceding the general meeting at zero hour, Paris time."





2. AMENDMENT OF ARTICLE 25 OF THE COMPANY'S ARTICLES OF ASSOCIATION

We recommend that you amend the last paragraph of Article 25 "Extraordinary General Meetings" of the articles of association in order to delete the mandatory limit on shareholders' voting rights whereby it is provided that, in the case of approving an in-kind transfer of assets or granting a specific benefit, in addition to the statutory cancellation of the transferor's and the transferee's voting rights, the voting rights of all other shareholders shall equal the number of shares they own, subject to this number not exceeding ten, where proxies shall hold voting rights of the shareholders they represent under the same conditions and limits.

After this amendment, the last paragraph of Article 25 of the articles of association would read as follows, while all other provisions of Article 25 would remain unchanged:

"ARTICLE 25 - EXTRAORDINARY GENERAL MEETINGS

... / ...

In addition, in Extraordinary General Meetings called to approve an in-kind asset transfer or grant a specific benefit, the transferor or transferee, whose shares have no voting rights, is not entitled to vote either on his/her behalf or as a proxy."

Q. Stock options – Bonus share issues

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

We hereby notify you that the Company has not implemented a stock option programme and has not issued any bonus shares.

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

In application of the provisions of Article L.225-211 (2) of the French Commercial Code and pursuant to the authorisation granted by the Combined Annual General Meeting of 5 June 2014, we hereby inform you that the Company carried out the following transactions during the financial year ended 31 December 2014:

– number of shares purchased during the financial year:	24,795
– number of shares sold during the financial year:	20,637
– average purchase price:	€24.7998
– average sale price:	€25.1550
– transaction costs:	Nil
– number of shares registered in the Company's name as at 31 December 2014:	5,929
– estimated purchase cost of shares:	€131,850.52
– share par value:	€2
– proportion of share capital they represent:	0.26%

Information on the execution of share purchase transactions per objective set in the share buyback programme decided by the Combined Annual General Meeting of 5 June 2014:

OBJECTIVES	Number of shares acquired	Average purchase price (€)	Share volume sold	Potential reallocations
Liquidity contract	24,795	€24.7998	20,637	N/A

For information, at 2 January 2014 CLASQUIN shares traded at €23.8 and at 31 December 2014 traded at €21.0.



S. Information relating to 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:

- **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 held 42.31% of share capital and 53.10% of voting rights,
 - Mr Yves REVOL held 4.64% of share capital and 5.83% of voting rights,
 - ZENLOR held 6.55% of share capital and 8.23% of voting rights,
- **Breakdown of share capital and voting rights, in view of threshold crossing disclosures made to the Company between the dates of the previous report and the current report.**
 - INVESTMENTAKTIENGESELLSCHAFT FÜR LANGFRISTIGE INVESTOREN TGV has fallen below the thresholds of 10%, 7.5%, 5% and 2.5% of the share capital and 5% and 2.5% of the voting rights (letters from the company dated 22 January 2015 and 17, 20 and 23 February 2015).
 - HIGHCLERE fell below the threshold of 2.5% of the voting rights (letter from the company dated 18 September 2014).
 - The AMUNDI Group asset management firms, namely Amundi, Société Générale Gestion, Etoile Gestion, CPR Asset Management and BFT Gestion, have joined together for voting purposes and now jointly submit disclosures of crossing statutory shareholding thresholds; as such they informed the Company by letter dated 27 October 2014 that their UCITS fell below the threshold of 5% of share capital.

T. Share transactions carried out by directors or closely related persons

Pursuant to statutory and regulatory provisions, below you will find a summary statement of the transactions performed on Company shares during 2014 by directors and persons closely related to them. This statement has been produced from the information we have received:

- Number of shares sold:	20,378
- Number of shares purchased:	18,710
- Number of shares subscribed:	0
- Number of shares exchanged:	0

U. 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 the employee share ownership scheme at year end and the proportion of share capital represented, as at 31 December 2014, by the shares held by Company employees and by employees of affiliated companies, as defined in Article L.225-180 of the French Commercial Code, within the framework of a company savings scheme and an employee investment fund.

As at 31 December 2014, the CLASQUIN PERFORMANCES investment fund held 2.70% of the Company's share capital.





V. Information concerning directors

1. LIST OF MANDATES PERFORMED AND OFFICES HELD

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 director. This list has been drawn up based on information provided by each party concerned.

Positions held by Mr Yves Revol, Board member and Chief Executive Officer

Chairman of OLYMP
Chairman of the FINANCIÈRE
GUEPPE CLASQUIN Supervisory Board
Chairman of CLASQUIN FAR EAST
Board member 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
Chairman of CLASQUIN KOREA
Managing director of CLASQUIN ESPAÑA
Board member of EUPHROSINE
Chairman of CLASQUIN SILK ROAD
Board member of CLASQUIN INDIA
Board member of INTERCARGO
Chairman of EXPRESS CONSOLIDATION SYSTEMS Corp.
Chairman of LYMAGE
Managing director of SCI DE LA LOUVE
Managing director of SCI APHRODITE
Managing director of SCI HERA
Managing director of SCI MAIALYS
Managing director of SCI CALLIOPE

Positions held by Mr Yves Barnoud, Board member and Deputy Managing Director (resigned 01/02/15)

Board member of CLASQUIN AUSTRALIA
Board Member of CLASQUIN KOREA
Board member of CLASQUIN JAPAN
Board member of CLASQUIN MALAYSIA
Board member of CLASQUIN INDIA
Board member of CLASQUIN SINGAPORE
Board member of INTERCARGO
Representative of CLASQUIN,
Member of the FINANCIÈRE
GUEPPE CLASQUIN Supervisory Board
Chairman of YB Développement SAS

Positions held by Mr Philippe Lons, Board member and Deputy Managing Director

Board member of CLASQUIN JAPAN
Board member of CLASQUIN ITALIA
Representative of CLASQUIN, Board member of
CLASQUIN FAR EAST
Board member of CLASQUIN SINGAPORE
Board Member of CLASQUIN KOREA
Board member of CLASQUIN MALAYSIA
Board member of CLASQUIN AUSTRALIA
Board Member of CLASQUIN THAILAND
Board Member of CLASQUIN CANADA
Board member of CLASQUIN USA
Board member of SECURE CUSTOMS BROKERS
Board member of CLASQUIN SHANGHAI
Board member of CLASQUIN SILK ROAD
Board member of CLASQUIN INDIA

Positions held by OLYMP, Board member, represented by Mr Philippe Le Bihan

Nil

Positions held by Mr Philippe Le Bihan, Permanent Representative of OLYMP

Managing director of LOG SYSTEM

Positions held by Mr Hugues Morin, Board member and Deputy Managing Director

Chairman of CLASQUIN ITALIA

Positions held by Ms Claire Mialaret, Board member since 5 June 2014

Nil





2. INFORMATION ABOUT BOARD MEMBERS' MANDATES

Mr Yves Revol was reappointed as Board member by the Annual General Meeting on 16 June 2009 and as Chief Executive Officer by the Board of Directors on 23 December 2010. These mandates expire at the end of this general meeting.

Mr Philippe Lons was reappointed as Board member by the Annual General Meeting on 16 June 2009 and as Deputy Managing Director by the Board of Directors on 23 December 2010. His Board member's mandate will expire at the end of this General Meeting and his term of office as Deputy Managing Director is the same as the remaining term of office of the Chief Executive Officer.

OLYMP was reappointed as Board member by the General Meeting on 22 June 2010; its mandate will expire at the end of the Annual General Meeting called to approve the financial statements for the year ending 31 December 2015.

Mr Hugues Morin was appointed as Board member by the General Meeting on 22 June 2010 and as Deputy Managing Director by the Board on 23 December 2010. His Board member's mandate will expire at the end of the Annual General Meeting called to approve the financial statements for the year ending 31 December 2015 and the duration of his mandate as Deputy Managing Director is the same as the remaining duration of the Chief Executive Officer's mandate.

Ms Claire Mialaret was appointed as Board member by the Annual General Meeting on 5 June 2014; her mandate will expire at the end of the Annual General Meeting called to approve the financial statements for the year ending 31 December 2019.

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:

- Currently valid authority granted by the Annual General Meeting to the Board of Directors for capital increases,
- Exercise of the aforementioned authorisation 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 financial statements,
- The consolidated financial statements,
- Agreements specified under Articles L.225-38 et seq. of the French Commercial Code,
- Cancellation of shares purchased by the Company under its share buyback programme,
- Powers granted to the Board of Directors to issue any securities with or without preferential subscription rights,
- Powers granted to the Board of Directors to carry out one or more capital increases, with no preferential subscription right, by an offer specified under Article L. 411-2 (II) of the French Monetary and Financial Code,
- Waiving shareholder preferential subscription rights in favour of employees of the Company and its Group as defined by Article L.225-180 of the French Commercial Code.

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

The Board of Directors





Philippe, CLASQUIN Tokyo
Tina, CLASQUIN Seoul
Adrien, CLASQUIN Paris





Note 1

Statement of financial results for the last five years

(in €k)	2010	2011	2012	2013	2014
CAPITAL AT YEAR-END					
Share capital	4,612,802	4,612,802	4,612,802	4,612,802	4,612,802
Number of ordinary shares	2,306,401	2,306,401	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)	107,455,200.88	105,199,745.59	111,005,525.03	112,281,553.27	124,148,098.01
Profit before tax, profit sharing, amortisation, depreciation and provisions	4,467,769.91	6,838,381.17	5,125,025.95	4,252,783.17	4,451,469.15
Income tax	658,408.00	781,706.00	197,182.00	172,878.00	93,033.33
Employee incentive and profit-sharing scheme	822,766.39	1,126,557.17	921,079.95	962,744.00	872,900.00
Profit after tax, profit sharing, amortisation, depreciation and provisions	2,454,798.11	4,244,989.06	2,919,311.62	1,872,099.69	2,358,838.37
Earnings distributed	2,767,681.00	1,729,800.00	1,729,800.00	1,843,414.00	
EARNINGS PER SHARE					
Profit after tax and profit sharing, before amortisation, depreciation and provisions	1.29	2.14	1.74	1.84	
Profit after tax, profit sharing, amortisation, depreciation and provisions	1.06	1.84	1.27	0.81	
Allocated dividend	1.20	0.75	0.75	0.80	
STAFF					
Average number of employees	188	190	197	206	216
Wages	6,284,404.00	7,443,704.95	7,891,105.63	8,177,112.70	9,361,221.46
Employee welfare expenses (social security, charities)	2,850,291.44	3,477,405.22	3,709,735.00	3,596,723.00	4,068,117.82





CLASQUIN Paris CDG





Note 2

Subsidiaries and holdings

SUBSIDIARIES AND HOLDINGS (over 50% equity interest) (€)	Share capital (excl. share premium)	Shareholders' equity as at 31/12/2014	Equity interest (%)	Book value of investment		Loans and advances granted by the Company	Guarantees and securities granted by the Company as at 31/12/2014	Sales excl. VAT for the last year	2014 profit/loss	Dividends received by the Company during the year
				(gross)	(net)					
CLASQUIN FAR EAST	96,272	3,218,950	100%	128,893	128,893		¹ 2,029,767	22,183,077	555,880	944,029
CLASQUIN AUSTRALIA	477,281	343,716	100%	365,428	343,716		148,358	2,786,003	(30,831)	
CLASQUIN JAPAN	92,140	576,978	100%	196,746	196,746		344,281	12,555,086	70,606	
CLASQUIN KOREA	202,746	502,408	100%	214,493	214,493			4,258,729	37,331	86,410
CLASQUIN SINGAPORE	233,468	463,638	100%	232,047	232,047		146,345	2,037,724	52,515	
CLASQUIN THAILAND ⁽²⁾	162,757	167,265	49%	139,406	139,406	190,139	85,000	3,548,823	32,554	
CLASQUIN MALAYSIA	229,021	226,224	100%	225,417	225,417		70,633	1,588,289	(932)	
CLASQUIN ESPAÑA	286,951	685,741	100%	453,356	453,356			4,726,572	22,423	
CLASQUIN ITALIA	100,000	298,816	100%	945,655	298,816		100,000	3,668,771	92,290	
CLASQUIN USA	14,994	576,736	80%	99,148	99,148			7,540,938	159,107	205,670
CLASQUIN CANADA	195,298	59,677	100%	179,990	59,677			1,126,103	(10,290)	
LOG SYSTEM	7,622	577,875	70%	88,039	88,039			3,068,482	149,404	21,000
FINANCIÈRE GUEPPE CLASQUIN	41,360	4,933,378	70%	5,788,093	5,683,768	191,472		28,000	850,479	630,604
CLASQUIN VIETNAM	68,840	79,486	51%	38,636	38,636	135,000	90,602	2,019,846	47,628	
CLASQUIN GERMANY	700,000	727,845	100%	200,000	200,000	419,838	355,000	3,724,849	22,862	
CLASQUIN INDIA	882,323	304,293	100%	929,293	304,293			1,861,273	(81,795)	
CLASQUIN SILK ROAD	62,184	(24,465)	51%	31,685		16,101			(76,910)	
CLASQUIN BURKINA FASO	15,245	(22,520)	100%	15,245		36,980		117,387	(26,939)	
INTERCARGO	90,165	1,626,794	100%	2,422,019	2,422,019			13,954,039	449,670	400,000
ECS US ⁽³⁾	78,666	728,332	80%	1,666,097	1,666,097		411,828	6,218,817	194,571	

(1) Of which guarantee for CLASQUIN SHANGHAI of €1,155,816.

(2) CLASQUIN THAILAND is 49% directly held and 100% controlled.

(3) 3 months trading.





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:

- Currently valid powers granted by the General Meeting to the Board of Directors for capital increases:

The 6 June 2013 Combined General Meeting:

- authorised the Company to increase its share capital by a maximum par value of €3,000,000 (and €40,000,000 in respect of debt-based securities, relating in particular to bonds) by issuing any securities, with preferential subscription rights, as appropriate, with authority granted to the Board of Directors to decide on said capital increases during a twenty-six (26) month term,
- authorised the Company to increase its share capital by a maximum par value of €3,000,000 (and €40,000,000 in respect of debt-based securities, relating in particular to bonds) by issuing any securities, without preferential subscription rights, as appropriate, with authority granted to the Board of Directors to decide on said capital increases during a twenty-six (26) month term,
- authorised the Board of Directors, for a twenty-six (26) month term, 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 share capital by a maximum par value of €3,000,000 by issuing any ordinary shares or securities, as part of an offer specified under Article L.411-2 (II) of the French Monetary and Financial Code, as amended by French order no. 2009-80 of 22 January 2009, without preferential subscription rights, with authority granted to the Board of Directors for a twenty-six (26) month term to carry out said capital increases,
- authorised the Board of Directors, for a twenty-six (26) month term, to carry out share capital increases at its sole discretion, subject to a maximum par value increase of €300,000, without preferential subscription right in favour of persons belonging to a company savings plan through an employee investment fund (or any other plan through which, under Article L.3332-18 of the French Labour Code, a capital increase may be reserved for employees under equivalent conditions) of the Company or companies belonging to its Group, as defined in Article L. 225-180 of the French Commercial Code.

- Exercise of aforementioned authorisations during the year.

Nil.

The 5 June 2014 Combined General Meeting:

- authorised the Board of Directors, for a twenty-six (26) month term, on one or more occasions and at its sole discretion, to make bonus allocations of its choice, either of existing shares in the Company originating from previous purchases or new shares issued via a capital increase, to any or all members of staff employed by foreign companies that are associated with the Company pursuant to the conditions set forth in part 1 of Article L.225-197-2 I of the French Commercial Code, where the total number of shares resulting from this authorisation to allocate bonus shares, whether existing or to be issued, may not exceed one per cent (1%) of the total shares making up the Company's share capital on the allocation date,
- authorised the Board of Directors, for a twenty-six (26) month term, to carry out share capital increases at its sole discretion, subject to a maximum par value increase of €300,000, without preferential subscription right in favour of persons belonging to a company savings plan through an employee investment fund (or any other plan through which, under Article L.3332-18 of the French Labour Code, a capital increase may be reserved for employees under equivalent conditions) of the Company or companies belonging to its Group, as defined in Article L. 225-180 of the French Commercial Code.



II. Text of resolutions

Resolutions proposed at the Combined Annual General Meeting of 8 June 2015

A. ORDINARY RESOLUTIONS

First resolution

(Approval of 2014 Company financial statements)

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 2014, 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 total amount for expenses and charges not deductible from profits and subject to income tax amounting to €419,444, as well as the tax borne under the aforementioned expenses and charges amounting to €139,801.

Second resolution *(Final discharge of Board members)*

The Annual General Meeting discharges the Board members from their responsibilities for the financial year ended 31 December 2014.

Third resolution *(2014 earnings appropriation)*

Further to the proposal by the Board of Directors, the Annual General Meeting resolves to allocate the net profit for the year amounting to €2,358,938.37 as follows:

- Dividend distribution of: €1,845,120.80
- Remaining balance: €513,817.57 transferred to "Other reserves"

Each shareholder will thus receive a dividend of €0.80 per share.

This dividend will be paid on 15 June 2015.

The allocation proposal relates to existing shares. Should the Company hold any treasury shares, when the dividend is paid, that do not give entitlement to a dividend, the earnings corresponding to the unpaid dividends for these shares will be transferred to 'Other reserves'.

We note that, in principle (except notably dividends relating to securities held in a share savings plan), dividends are subject to income tax according to a progressive scale, where applicable after applying the 40% allowance specified by Article 158, 3.2 of the French General Tax Code. We also note that Article 9 of the French 2013 Finance Act removed the flat-rate withholding tax and, for dividends and similar distributions paid from 1 January 2013, created a mandatory non-flat-rate tax of 21% of the gross dividend sum.

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

FINANCIAL YEAR	Distributed dividend per share
2013	€0.80
2012	€0.75
2011	€0.75

Fourth resolution *(Approval of the 2014 consolidated financial statements)*

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 2014, 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 *(Approval of the agreements specified under Articles L. 225-38 et seq. of the French Commercial Code)*

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 made during the financial year ended 31 December 2014 and acknowledges continuing agreements made in previous financial years.

Sixth resolution *(Reappointment of a Board member)*

The Annual General Meeting, noting that the term of office of Mr Yves Revol as Board member expires today, resolves, on the recommendation of the Board of Directors, to reappoint Mr Yves Revol for a further six-year term until the end of the Annual General Meeting called to approve the financial statements for the year ending 31 December 2020.

Seventh resolution *(Reappointment of a Board member)*

The Annual General Meeting, noting that the term of office of Mr Philippe Lons as Board member expires today, resolves, on the recommendation of the Board of Directors, to reappoint Mr Philippe Lons for a further six-year term until the end of the Annual General Meeting called to approve the financial statements for the year ending 31 December 2020.



**Eighth resolution** *(Appointment of a new Board member)*

Further to the proposal by the Board, the Annual General Meeting resolves to appoint Mr Christian Ahrens, residing at 12, chemin Pont Prouiller, 38700 La Tronche (France), as a new Board member in addition to the directors in office, for a six-year term until the end of the Annual General Meeting called to approve the financial statements for the year ending 31 December 2020.

Ninth resolution *(Reappointment of the primary statutory auditors)*

The Annual General Meeting, noting that the term of office of the primary statutory auditors, MAZARS, expires today, resolves to reappoint MAZARS, whose offices are located at 131 Boulevard Stalingrad, Villeurbanne (69100), as primary statutory auditors for a further six financial year term until the Annual General Meeting called to approve the financial statements for the year ending 31 December 2020.

Tenth resolution *(Reappointment of the deputy statutory auditor)*

The Annual General Meeting, noting that the term of office of the deputy statutory auditor, Mr Frédéric Maurel, expires today, resolves to reappoint Mr Frédéric Maurel, whose offices are located at 131 Boulevard Stalingrad, Villeurbanne (69100), as deputy statutory auditor for a further six financial year term until the Annual General Meeting called to approve the financial statements for the year ending 31 December 2020.

Eleventh resolution *(Directors' fees)*

The Annual General Meeting sets the amount of directors' fees to be distributed among the directors for the year ending 31 December 2015 at €23,000.

Twelfth resolution *(Renewal of the authorisation to the Board of Directors for the Company to purchase its own shares)*

Further to the proposal by the Board of Directors, in compliance with the provisions of Article L.225-209 of the French Commercial Code, and subject to compliance with the statutory and regulatory provisions applicable at the time, the Annual General Meeting resolves to authorise the Company to buy its own shares on the market and to retain them, subject to a cap equivalent to 10% of the Company's share capital, for the exclusive purposes, in order of priority:

- Transactions carried out by an investment service provider as part of a liquidity contract drawn up pursuant to the AMAFI (French Financial Markets Association) ethical code,
- coverage of stock option or bonus share allocation schemes,
- coverage of other forms of share allocation to Group employees and/or directors under conditions and according to procedures specified by the law, particularly with regard to Company profit sharing as part of a company savings scheme,
- to keep and later transfer or use as payment or in exchange as part of transactions such as acquisitions, mergers, demergers or contributions,
- coverage of debt securities convertible to shares,
- cancelling purchased shares.

The transactions performed as part of a buyback 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 purchase price per share shall not exceed €40 (excluding transaction fees) per share having a par value of €2.

The maximum theoretical amount for carrying out this scheme is €9,225,604 (maximum theoretical amount excluding treasury shares), financed either from equity or via short- to mid-term external financing.

Shares may be repurchased by any procedure, including acquisition of share blocks in one or more transactions, including during a public tender period within limits that may be permitted by stock market regulations.

In case of capital transactions and in particular the capitalisation of reserves, allocation of bonus shares, stock splits or reverse stock splits, the aforementioned prices will be adjusted accordingly.

To this effect, all necessary powers are granted to the Board of Directors, with the option to delegate such powers to the Chief Executive Officer, to place Stock Exchange orders and conclude any agreements, particularly with regard to maintaining registers of share purchases and sales, make any declarations to the AMF (French Financial Markets Authority) and any other bodies, complete any other formalities and generally do everything necessary.

This authorisation shall be valid until the next Annual General Meeting called to approve the financial statements, and shall not exceed the statutory period of eighteen months as of today.

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

**B. EXTRAORDINARY RESOLUTIONS****Thirteenth resolution** *(Renewal of authorisation granted to the Board of Directors to reduce share capital by cancelling treasury shares)*

The Annual General Meeting, having considered the Board of Directors report and after reading the statutory auditors' special report, authorises the Board of Directors to:

- cancel treasury shares held by the Company or acquired by it as part of the share buyback programme, up to a limit of 10% of the Company's share capital in any period of twenty-four months,
- reduce share capital by the value of the cancelled shares,
- amend the articles of association accordingly and generally do all that is necessary.

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

Fourteenth resolution *(Powers granted to the Board of Directors to issue any shares and securities giving access to equity securities with preferential subscription right)*

The Annual General Meeting, having noted the report of the Board of Directors and the statutory auditors' special report and in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code, notably Article L. 225-129-2, and the provisions of Articles L. 228-91 et seq. of said Code:

1. Grants the Board of Directors, with authority to delegate to the Chief Executive Officer, power to decide on one or more capital increases, in France or abroad, by issuing in euros for consideration or free of charge, Company ordinary shares or any securities granting access by any means, immediately and/or in the future, to existing or future ordinary shares in the Company or in a company which directly or indirectly owns more than half of the Company's share capital or in which the Company directly or indirectly owns more than half of the share capital; subscription for said issue may be made either in cash or by offset; said shares or securities may also be denominated in foreign currencies or in a monetary unit made up of a basket of currencies.

The authorisation thus granted to the Board of Directors is valid for twenty-six (26) months from the date of this Annual General Meeting,

2. a) Resolves that the total par value of capital increases executed immediately and/or in the future may not exceed three million euros (€3,000,000), to which will be added the par value of any future additional shares issued to safeguard the rights of holders of securities giving access to share capital, in accordance with the law;
- b) Resolves that the total par value of issues of debt-based securities, relating in particular to bonds, may not exceed forty million euros (€40,000,000), which shall be independent from the cap specified under paragraph 2 a) above.

3. Resolves that:

In proportion to the value of their shares, the shareholders have a preferential right to subscribe to ordinary shares and to the securities issued by virtue of this resolution;

If statutory subscriptions and any additional subscriptions do not account for an entire issue of shares or securities as defined above, the Board may offer any or all unsubscribed securities to the public.

4. Authorises the Board of Directors, with entitlement to delegate to the Chief Executive Officer, during the same twenty-six (26) month term, the power to decide on one or more capital increases by capitalisation of additional paid-in capital, reserves, retained earnings or other accounts, for which capitalisation is permitted under law and the articles of association by means of issuing bonus shares and/or raising the par value of existing shares.

Should the Board of Directors implement this authorisation and in accordance with the provisions of Article L. 225-130 of the French Commercial Code, resolves that fractional shares shall be neither negotiable nor transferable and that they will be sold, proceeds therefrom being allocated to holders of such fractional shares within the period specified under applicable regulations.

Resolves that the total par value of the capital increases carried out hereunder, to which will be added the par value of any additional shares issued in the future to safeguard the rights of holders of securities giving access to share capital in accordance with the law, may not exceed the value of the reserve accounts, additional paid-in capital or retained earnings referred to above as at the capital increase date and shall not be deducted from the overall cap specified under 2 (a) above.

5. Resolves that the Board of Directors may deduct any expenses arising from the issues concerned from additional paid-in capital.
6. Resolves that the Board of Directors shall be fully entitled to implement the authorisations referred to above, including to determine the terms and conditions of the securities issued, and, generally, to take all measures and perform all required formalities so as to properly complete each capital increase, to formally note completion thereof and to amend the articles of association accordingly.
7. Takes note that this authorisation shall be without prejudice to the powers granted to the Board of Directors in accordance with the last paragraph of Articles L. 228-92, L. 228-93 and L. 228-94, as amended by French order dated 31 July 2014 relating to issues of securities governed by Article L. 228-91 of said Code, i.e. debt securities giving rights to other debt securities or to existing shares.
8. Takes note that the aforementioned powers render null and void any previous powers granted for the same purpose.

Fifteenth resolution *(Powers granted to the Board of Directors to issue any shares and securities giving access to equity securities without preferential subscription right)*

The Annual General Meeting, having taken note of the Board of Directors report and the statutory auditors' special report and in accordance with the provisions of Articles L. 225-129-2, L. 225-135, L. 225-136, L. 228-92 and L. 228-93 of the French Commercial Code:





1. Grants the Board of Directors, with authority to delegate to the Chief Executive Officer, power to decide on one or more capital increases, in France or abroad, by issuing in euros Company ordinary shares or any securities granting access by any means, immediately and/or in the future, to existing or future ordinary shares in the Company or in a company which directly or indirectly owns more than half of the Company's share capital or in which the Company directly or indirectly owns more than half of the share capital; subscription for said issue may be made either in cash or by offset; said shares or securities may also be denominated in foreign currencies or in a monetary unit made up of a basket of currencies.

The authorisation thus granted to the Board of Directors is valid for a maximum twenty-six (26) month term from the date of this Annual General Meeting.

2. a) Resolves that the total par value of capital increases to be carried out immediately and/or in the future may not exceed three million euros (€3,000,000), this amount being deducted from the cap specified under 2.a) of the fourteenth resolution.
- b) Resolves that the total par value of issues of debt-based securities, relating in particular to bonds, may not exceed forty million euros (€40,000,000), this amount being deducted from the cap specified under paragraph 2. b) of the fourteenth resolution but not from the cap specified under paragraph 2. a) of this resolution.
3. Resolves to waive shareholders' preferential subscription right to securities which will be issued under this resolution.
4. Resolves that, in accordance with Article L. 225-136 (2) of the French Commercial Code, the share issue price shall be determined in accordance with normal market practices, for example based on the average market closing price calculated over a reasonable period.
5. Resolves that the Board of Directors may deduct any expenses arising from the issues concerned from additional paid-in capital.
6. Resolves that the Board of Directors shall be fully entitled to implement this authorisation, including to determine the terms and conditions of the securities

issued, and, generally, to take all measures and perform all required formalities so as to properly complete each capital increase, to formally note the completion thereof and to amend the articles of association accordingly.

7. Takes note that this authorisation shall be without prejudice to the powers granted to the Board of Directors in accordance with the last paragraph of Articles L. 228-92, L. 228-93 and L. 228-94, as amended by French order dated 31 July 2014 relating to issues of securities governed by Article L. 228-91 of said Code, i.e. debt securities giving rights to other debt securities or to existing shares.
8. Takes note that the aforementioned powers render null and void any previous powers granted for the same purpose.

Sixteenth resolution (Power granted to the Board of Directors to issue shares and securities giving access to the Company's share capital by offers to persons specified under Article L. 411-2 (II) of the French Monetary and Financial Code, without preferential subscription right)

The Annual General Meeting, having taken note of the Board of Directors report and the statutory auditors' special report and in accordance with the provisions of Articles L. 225-129-2, L. 225-135, L. 225-136, L. 228-92 and L. 228-93 of the French Commercial Code and Article L. 411-2 (II) of the French Monetary and Financial Code:

1. Grants the Board of Directors, with authority to delegate to the Chief Executive Officer, the power to decide on one or more capital increases, in France or abroad, by issuing in euros Company ordinary shares or any other securities granting access by any means, immediately and/or in the future, to existing or future ordinary shares in the Company or in a company which directly or indirectly owns more than half of the Company's share capital or in which the Company directly or indirectly owns more than half of the share capital, by a share offer specified under Article L. 411-2 (II) of the French Monetary and Financial Code, without shareholder preferential subscription rights, for which subscription may be made either in cash or by offset; said shares or securities may also be denominated in foreign currencies or

in a monetary unit made up of a basket of currencies.

The authorisation thus granted to the Board of Directors is valid for a maximum twenty-six (26) month term from the date of this Annual General Meeting.

2. Resolves that the total par value of capital increases to be carried out immediately and/or in the future may not exceed three million euros (€3,000,000) and, with regard to a share offer specified under Article L. 411-2 (II) of the French Monetary and Financial Code, may not exceed, under any circumstances, 20% of the Company's share capital per year, it being specified that this amount shall be deducted from the cap set under 2. a) of the fourteenth resolution.
3. Resolves to waive the shareholders' preferential subscription right to securities which will be issued under an offer specified under Article L. 411-2 (II) of the French Monetary and Financial Code and pursuant to this resolution.
4. Resolves that, in accordance with Article L. 225-136 (2) of the French Commercial Code, the share issue price shall be determined in accordance with normal market practices, for example based on the average market closing price calculated over a reasonable period.
5. Resolves that the Board of Directors may deduct any expenses arising from the issues concerned from additional paid-in capital.
6. Resolves that the Board of Directors shall be fully entitled to implement this authorisation, including to determine the terms and conditions of the securities issued, and, generally, to take all measures and perform all required formalities so as to properly complete each capital increase, to formally note the completion thereof and to amend the articles of association accordingly.
7. Takes note that this authorisation shall be without prejudice to the powers granted to the Board of Directors in accordance with the last paragraph of Articles L. 228-92, L. 228-93 and L. 228-94, as amended by French order dated 31 July 2014 relating to issues of securities governed by Article L. 228-91 of said Code, i.e. debt securities giving rights to other debt securities or to existing shares.





8. Takes note that the aforementioned powers render null and void any previous powers granted for the same purpose.

Seventeenth resolution *(Authorisation for the Board of Directors to increase the number of shares to be issued in the event of over-subscription)*

Subject to the adoption of the fourteenth, fifteenth and sixteenth resolutions, the Annual General Meeting, having noted the Board of Directors report and the statutory auditors' special report, for each of the issues resolved upon in accordance with these resolutions, authorises the Board of Directors, with entitlement to delegate to the Chief Executive Officer, to increase the number of shares to be issued in accordance with Articles L. 225-135-1 and R. 225-118 of the French Commercial Code, and within the planned overall cap of said resolutions, should the Board of Directors encounter excess subscriptions.

The authorisation thus granted to the Board of Directors is valid for twenty-six (26) months from the date of this Annual General Meeting,

Eighteenth resolution *(Authorisation for the Board of Directors to decide on a capital increase reserved for members of savings plans with waiver of the preferential subscription right in favour of such persons)*

The Annual General Meeting, after having read 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 Chief Executive Officer, to carry out, at its sole discretion, one or more capital increases pursuant to the conditions set forth in Articles L.3332-18 et seq. of the French Labour Code, at such times as it shall decide, for a maximum total par value of three hundred thousand euros (€300,000), reserved for members of a company savings plan in the form of an employee investment fund (or any other plan through which, under Articles L.3332-18 et seq. of the French Labour Code, a capital increase may be reserved for employees under equivalent condi-

tions) of the Company and companies belonging to its 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 lock-in 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 members of a company savings scheme 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 decide on any capital increases in accordance with the aforementioned conditions, to approve the terms and conditions applicable to such capital increases, 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 to 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.

Nineteenth resolution *(Waiver of preferential subscription rights in favour of employee members of company savings schemes)*

The Annual General Meeting, after having read the Board of Directors report and the statutory auditors' special report, resolves to cancel the shareholders' preferential subscription right to ordinary shares to be issued subject to the authorisation pursuant to the eighteenth resolution above, in favour of those persons belonging to a company savings scheme through an employee investment fund (or any other plan through which, under Articles L.3332-18 et seq. of the French Labour

Code, a capital increase may be reserved for employees under equivalent conditions) of the Company or companies belonging to its Group, as defined in Article L.225-180 of the French Commercial Code.

Twentieth resolution *(Update to Article 23 of the Company's articles of association)*

The Annual General Meeting, having taken note of the Board of Directors report, and pursuant to the 8 December 2014 decree, effective from 1 January 2015, which amended the date ("record date") and procedures for registering shareholders for participation in general meetings of listed companies, resolves to update paragraph 3 "Admission to general meetings - Powers" of Article 23 "Rules applicable to general meetings" of the articles of association, which will now be worded as follows:

"ARTICLE 23 - RULES APPLICABLE TO GENERAL MEETINGS

... / ...

3) Admission to general meetings - Powers

On proof of identity, all shareholders are entitled to participate in general meetings by personally attending the meeting, returning a postal voting form or by nominating a proxy, regardless of the number of shares they own, subject to:

- For registered shareholders, pursuant to Article L. 228-1 (7) of the French Commercial Code, the shareholder or his/her intermediary being entered in the share register held by the Company,
- For bearer shareholders, pursuant to Article L. 228-1 (7) of the French Commercial Code, the shareholder or his/her intermediary being entered in the investment account held by the authorised intermediary,

as at the second business day preceding the general meeting at zero hour, Paris time."

The rest of Article 23 remains unchanged.



**Twenty-first resolution** *(Amendment to Article 25 of the articles of association)*

The Annual General Meeting, having taken note of the Board of Directors report, resolves to amend the last paragraph of Article 25 "Extraordinary General Meetings" of the articles of association in order to remove the limitation on shareholder voting rights, which will be now be worded as follows:

"ARTICLE 25 - EXTRAORDINARY GENERAL MEETINGS

... / ...

In addition, in extraordinary general meetings called to approve an in-kind asset transfer or grant a specific benefit, the transferor or transferee, whose shares have no voting rights, is not entitled to vote either on his/her behalf or as a proxy. "

The rest of Article 25 remains unchanged.

Twenty-second resolution *(Powers for formalities)*

The Annual General Meeting grants full powers to the bearer of originals, copies or extracts of these minutes, for the purpose of completing all the required formalities for filing these minutes, in addition to any other formalities incumbent upon the bearer.

Chrystal and some of her team mates
CLASQUIN Guangzhou



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